

Covid-19 drives new trends in local property market

By [Marcél du Toit](#)

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The Covid-19 pandemic has had a 'significant and lasting impact' on the South African residential property market and is shaping many of the emerging trends we're seeing in the market right now.



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Heading the list of trends for 2021 is a growing exodus away from urban metros as working from home becomes a permanent fixture – with fibre internet being at the top of their shopping list in consumers' new homes to allow them to stay connected.

Now that we know we can work from anywhere with a reliable internet connection, why do you need to be in a city centre? There's far less focus on being as close as possible to the business hubs, like Sandton, Rosebank and Bank City, with a growing interest in properties outside of urban metros which are not only much cheaper, but offer far more space.

That said, there's still a huge demand for areas which offer a good quality of life, like The Parks in Johannesburg, where families can take a break during their workday by quickly going to the spruit or the various parks for a walk with the dog and kids.

Other Covid-driven trends include:

Studies are in vogue. Working from your home means you want a space that you can show off when you're on Teams or Zoom calls. For couples that are both working, that may even mean two studies.

More space and rooms. With parents increasingly working from home, and kids spending more time at home, a larger garden or a playroom means parents can get some privacy. This is driving demand for larger homes with three or more bedrooms, as opposed to the previously sought-after two-bedroom sectional title units.

Fibre internet. This is undoubtedly one of the most important features buyers are asking for, as a quick internet connection allows you to work from home seamlessly.

Safety is an even bigger focus. With entire families being home during the day, safety is a bigger priority than ever. More buyers are putting alarms, boomed suburbs, and CCTV at the top of their priorities.

More hands on deck. Staff accommodation and houses with granny flats are major selling points, especially for families with young children who have to stay at home, as this allows a grandparent or a carer to live on the premises.

More immigration. There will definitely be a lot more immigration on the cards for 2021, which could potentially create an over-supply of housing stock in certain sectors. At the same time, there are going to be far more distressed sellers entering the market as relief measures wind down.

Interest rates driving big bonds. There's a clear trend from buyers to try and get the highest bond amount possible from the banks while the interest rates are at this historic low, as opposed to investing lots of cash into the property.

Pegging interest rates. Growing numbers of homeowners are taking advantage of the record-low interest rate to fix their rates, as opposed to having them float against prime. We expect this trend to accelerate in 2021.

ABOUT THE AUTHOR

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