

How the under-35s are reclaiming South Africa's inner cities

When the Covid-19 pandemic first hit in 2020, the Central Business District (CBD) of the country's major metropolitan areas of Durban, Johannesburg and Cape Town became ghost towns as office workers were forced to work from home.

Two years later, some working professionals have chosen to take advantage of flexible work-from-home policies and flee the city for smaller towns, often in search of a more relaxed lifestyle for their families. However, an unusual demographic has moved in to take their place and revitalise the CBD: younger Millennials and Gen Zs aged between 20 and 35.

Recently, we have seen renewed interest in the country's major CBDs from a younger demographic which will have a positive knock-on effect on the economy and property market at large.



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More local businesses such as clothing boutiques, homeware stores, artisanal retailers, upmarket bars and restaurants are now opening to cater to these residents and office tenants. Renewed investment and activity have also motivated city officials to ramp up crime prevention to revitalise key CBDs – such as the launch of Operation Buya Mthetho which has deployed 1,800 JMPD officers to help fight crime in the Johannesburg CBD.

What's trending in Cape Town?

Two decades of dedicated improvements have paid off as the valuation of property in the CBD now stands at more than R44 billion – up from just R6 billion in 2000.

New developments such as The Rubik by Abland Property Developers and refurbishments such as One Thibault, East City, Neighbourgood's all-inclusive living and coworking buildings, and The Barracks are specifically designed to appeal to Millennials and Gen Zs. These are set to see increased demand as semigration continues to gain traction.

What's trending in Jozi?

The country's largest city has struggled to reclaim its former glory in recent years as the pandemic and exodus of offices only exacerbated pre-existing issues of high crime rates, poor service delivery and dilapidated buildings. However, we are cautiously optimistic about the potential for Millennials to revitalise the area.

The Johannesburg CBD neighbourhoods of Maboneng and Braamfontein have established themselves as a haven for creatives and movers-and-shakers, with popular food and craft markets and art galleries. The success of apartment buildings in these areas such as Sontonga Lofts and Jewel City indicates that there

are still opportunities for investors to lure young South Africans back to the inner city.

Johannesburg CBD recently received a cash injection from eight of the country's biggest private investors, including Absa, Standard Bank, FNB, Atterbury, and Olitzki Property Holdings. These business giants are upgrading retail inner-city districts by paying for security, cleaning and maintenance in the area.

Factors influencing the Millennial move to the inner-city

- Proximity to offices: The easing threat of Covid-19 has many offices reopening and young employees are looking to be close to work and avoid the long commute.
- Public transport: With parking at a premium in the city and the petrol price increase, many are choosing to ditch their cars and take advantage of bus routes and trains to get around.
- Trendy restaurants and bars: Young people are looking to be close to the action of the city and to patronise popular restaurants and coffee shops.
- On-site lifestyle amenities: Millennials and Gen Zs prioritise convenience and lifestyle in their living space, and developments with gyms, coworking facilities, and even retail stores on-site are in high demand.
- Modern design: Fast Wi-Fi, city views, 'Smart' TVs and sleek finishes in apartments have proven to be popular with this age group.
- Noise prevention and safety: An inevitable feature of inner-city living is street noise, so developers are encouraged to implement noise-blocking features such as double-glazed windows in their units. Another huge consideration in these areas is safety and a 24-hour security guard, biometric access, and CCTV cameras. 