

Expect more property developments in 2019

 By [Richard Gray](#)

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During 2018 the South African property market was under immense pressure. We saw many agents having to reinvent their strategies in an attempt to grow their businesses. Some were also forced to evolve as the man on the street consumes information differently. However, there were certain areas that performed well, developments being one.



Across the major metros developments took centre stage as a lot of investment and high demand seemed to defy the downward trend of the property landscape. And without a doubt, this will continue throughout 2019.

The large scale investment injections into city living is certainly very exciting and much needed. We've seen how incredible the major commercial and residential property developments in places like the inner city of Cape Town and Johannesburg are transforming the CBDs. There is a real effort to make properties available and an effort to revitalise certain areas, as well as boost already booming regions.

Meeting housing demands

On the other side of the spectrum we are seeing well sought-after communities growing even more. According to reports, property developers' goals are to meet the demand for housing in areas like Sandton and surrounds. Many of these properties appeal to first-time buyers, business executives working in the greater Sandton area, as well as investors seeking an asset that will show positive appreciation and rental returns.

We expect the push to develop certain areas to continue. Especially due to the appeal of these properties. Many people view them as safer because of stringent security strategies. Also, there is often a community aspect to lifestyle estates and developments - children playing in the park and getting to know your neighbours. We've seen how the inclusion of a management body and property guidelines assist properties to have a long-term investment life.

The often overlooked aspect that certain developments bring to a community is the increased economic activity. In areas like Somerset West in Cape Town, there are developments almost the size of suburbs. This attracts commercial interest to the region, increasing employment and business growth opportunities and ensuring the local economy has a chance to grow.

ABOUT RICHARD GRAY

Richard Gray is CEO of Harcourts Real Estate South Africa. He joined the group in September 2010. Gray brings extensive experience in IT, project management, corporate operations and financial services provision, having been CEO of mortgage originator Bond Choice, to the table. He believes that the key to the group's prospects are the strong brand, industry-leading value proposition, talented people, and the benefits of being part of a powerful international real estate group.

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