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FEBRUARY 2021



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Zooming into semigration

*'Zoom Boom' sparks mass migration
from urban cities to smaller towns*

Sidima Mfeku

Investors moving their wealth around the world in search for greener pastures, greater returns and more security is not a new concept. Now influenced by the 'zoom boom', major cities are experiencing a mass exodus as property buyers invest in smaller, mostly coastal towns which offer a higher quality of life for a fraction of the cost.

Zoom towns' are smaller communities which have started to gain traction as a result of the pandemic and subsequent remote working boom.

Due to COVID-19 rules and regulations, companies have had to reassess their workspaces - which includes majority of their staff working remotely or moving

their central hubs out of large cities.

"The workplace is going through transformation, which is characterised by decentralisation, as workplaces move from the large global cities to 'outer-city' locations: smaller cities, towns and suburban locations," says Alan Van der Westhuizen, Head of Partnership Growth for IWG plc SA.

"People are saying if they must stay home and work from home, they might as well do it in better surroundings."

Before the pandemic, employees opted to live in urban centers within commuting distance to their offices and thought of smaller coastal towns as holiday destinations or retirement options only. Ofcourse, living in these urban centers often means high-rent, high-rise apartments with limited space. With the closing of many nightlife and cultural institutions during Lockdown, city dwellers weren't able to take advantage of perks that intially drew them into their once-vibrant communities.

Remote workers are craving more space, privacy and tranquility as well as convenient opportunities to spend time outdoors and get closer to nature. Chariman of the Seeff Group, Samuel Seeff says: "People are saying if they must stay home and work from home, they might as well do it in better surroundings."

He says the impact of this has already been felt across many areas of the Cape and KwaZulu-Natal (KZN) in particular. "Langebaan has become sought after for its close proximity to Cape Town (less

than a two-hour drive). It offers stunning upmarket properties, a golf estate, the Mykonos development, a Curro private school and easy access to the commercial centres of Vredenburg and Saldanha."

Seeff says Hermanus is also increasingly being favoured by Capetonians as a work-from-home base or weekend getaway. Plettenberg Bay has experienced a similar uptick in interest, with people looking to relocate from more crowded Cape Town.

According to the chief executive of the Pam Golding Property Group, Dr Andrew Golding, semigration is not a brand-new trend that arose solely as a result of the pandemic Covid-19. He says semigration has taken place over the past two to five years and it was primarily to coastal living and in estates. Now the latest new normal is more of a decentralisation of urban living from the greater metropolises to urban areas in smaller towns and villages.

"Back then, people were essentially looking for a lifestyle supported by a local airport for travel, because most of the semigration took place from Gauteng to the coast. Many of the executives or entrepreneurs travelled between work and home for a few days of the week. The next tick that was needed was hospital care and schooling," He says.

Dr Golding adds that among the list of prerequisites people required prior to moving, were connectivity and schooling for their children. However, in today's semigration, "schooling is no longer a pre-requisite as the children, for safety purposes, can home school," He says.



Investing in Zoom Towns

For residential purposes, those moving to zoom towns are seeking convenience and are looking opportunities to cut costs. This means there are many considerations and list of requirements that possible investors and developers should make before investing in these towns.

“There is the potential for ‘Green Living’ to become increasingly important, as well as self-support on food supply.”

“To benefit from an influx of semigrants, an investor would need to offer (in addition to more affordable homes, greater security and a better quality of life) good telecommunications and connectivity, easy proximity to and from malls and entertainment, good educational institutions and decent medical facilities,” Dr Golding says.

Golding believes that the development of good retail outlets in many towns, previously considered to be holiday or retirement destinations, has made a growing number of towns and villages appealing to potential semigrants.

Semigration also appeals to eco-warriors who value more sustainable and green living. “There is the potential for ‘Green Living’ to become increasingly important, as well as self-support on food supply. So, a bigger piece of ground where homeowners can grow their own vegetables and become self-sufficient is very crucial for this type of an investment,” He adds.

Many developers foresaw sustainability and community centered trends, but none as much as Dr Chris Mulder. The award-winning, internationally renowned landscape architect and the mastermind behind uber-successful Thesen Islands in Knysna has created a vision as solid as the mountains circling his new development.

As South Africa’s first contemporary new rural town, Crossways Farm Village offers an opportunity to get back to the good life. Back to being neighbourly, to safety and security, to a lifestyle long lost in the city.

“I made a few sums upon researching about what is happening around the country. I found that 44% of the people in South Africa lived in rural areas. I looked at how humankind settled around the world and I identified a rural settlement in the Eastern Cape where I could change the lives of the people,” says Dr Mulder.

“Back to being neighbourly, to safety and security, to a lifestyle long lost in the city.”

As a visionary of self-sustainable developments, which uplift the surrounding communities, Dr Mulder has ensured the longevity of Crossways, as it is immune to external political and economic factors. Dr Mulder says: “We are our own municipality here. The regional municipality said they can’t give us services and we took it upon ourselves to provide services to the people of Knysna. We have our own water, own sewage, own electricity, and our own roads.”

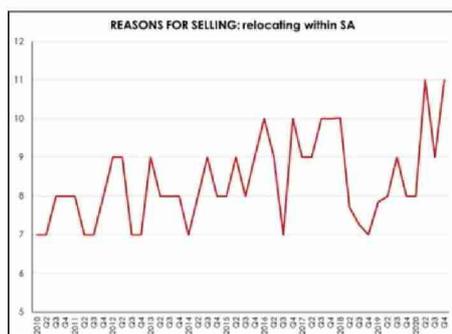


You can invest in the Crossways Farm Village lifestyle from as little as R275 000.

Click here to find out more.

Living in Zoom Towns

According to the latest FNB Estate Agent Survey (Q4,20), 11% of all sales in the final quarter of 2020 were due to the relocation of the homeowner to another part of SA. The percentage was also 11% in Q2 and is the highest percentage since Q1 2008, when 13% of all sales were due to relocation within SA. So, while relocation fell in popularity during 2018 and 2019, the impact of the pandemic and associated lockdown is clearly evident in 2020.



Relocating to these zoom towns is more about the needs of the buyers and not necessarily dependant on what sellers offer. If you are eager to move out of the bustling and overpriced metropolises to smaller, more secure communities you might want to consider these areas popular with fellow semigrants.

In the Western Cape various villages such as Rooi Els, Pringle Bay, Bettys Bay, Kleinmond, Malmesbury, Hermanus, Onrus and Gansbaai, which offer easy access to Cape Town, are attracting home buyers not only from the Mother City and

Western Cape, but also from Gauteng and KwaZulu-Natal.

“Many of our buyers have always wanted to live here, but were only able to consider it as a retirement dream - so they made do with weekends and holidays. Now, however, they see these towns as permanent residential locations as they are able to work remotely, with Cape Town International between 75km and 90km via the spectacularly-scenic, world-renowned, R44 Whale Coast route - Clarence Drive,” says Nicola Lloyd, Pam Golding area manager for Rooi Els, Pringle Bay, Bettys Bay and Kleinmond.

According to Lloyd, there are now more younger buyers and families that are starting to flock these towns. She further says that the major demand is for homes priced between R2 million and R3 million.

In almost every aspect of life, the early bird catches the first worm. And in property, the early adopter enjoys the returns longer than the late one. Right now, people are moving to more relaxed and scenic areas, to put their minds and finances at ease. This, to a point where some zoom towns will inevitably feel the strain of their increased populations and may soon become just as overburdened and unaffordable as the cities the semigrants originally flocked. If you want to live or invest in a zoom town, there's no better time than now.

SOURCES Pam Golding, Seeff Properties, Crossways Farm Village, FNB, Lightstone, Slangit