

Upping our game in the commercial property sector

 By [Scott Field](#)

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The commercial property industry saw peaks and troughs in the past year and what I am happy to have observed is landlords finding new, creative ways to source new tenants and retain existing tenants, so I am cautiously optimistic about the year ahead and proud to be part of an increasingly resilient industry.



Image source: www.pexels.com

Parking allocation

As we move into 2018, I foresee several challenges and many opportunities. A common painstaking topic for property developers, managers and landlords is parking allocation. With the standard parking allocation of most buildings sitting at four bays per 100m², and the real requirement sitting at about six bays per 100m², parking in many commercial properties is exceedingly tight. Many property developers grapple to fit sufficient parking into their plans, especially in highly populated areas where space is at a premium.

My perspective on this is that it's a short term problem and it's going to get worse until it gets miraculously better within the next 20 years. With technology blasting ahead at its current pace, in the near future, the majority of professionals and business owners will not own a car. Judging by the rate that Uber has been embraced globally as well as the technological advancements of driverless cars, I am confident that wise building developers today are future-proofing their properties and making provision for a time in the near future where they will be able to repurpose a large portion of their parking space for other uses.

Serviced office suites

Another trend that has emerged and made a huge splash in the industry is serviced office suites. Having popped up all around Joburg, this type of office space is catering for entrepreneurs, startups and small businesses, a wide segment of our population. We've been watching this trend for a while now and have seen various adaptations of this offering from the large international service providers to the very small, niche landlords who have converted houses into office space. This market is very competitive and I think that in the year ahead there will be a gravitation towards the landlords who can be most flexible and agile with their offering and those who are able to cater for the tenants' unique requirements, as the tenants gain more choice of landlord, and landlords have to improve their service in order to avoid holding empty spaces.

Growth opportunity in SME market

In terms of growth, the small-medium enterprise (SME) sector is where we will see the most headway in the next few years. There's not a huge amount of growth possible for large business, and I see plenty of growth opportunity for the SME market. I think it's important for landlords to consider ways to support their tenants' growth in order to partner with them and retain their business. For example, to my previous point about serviced office suites, landlords need to think about ways that they can support their tenants in finding new premises once they grow too large for their current space.

Tenants in turn should be looking for landlords who will provide them with services such as ICT that can be retained even when that business moves into larger premises. This kind of seamless process is a perfect example of the world class service that landlords need to be offering tenants in this competitive industry.

There's plenty to get excited about in the year ahead and I'm eager to get started on 2018 and see what new trends arise.

ABOUT SCOTT FIELD

Scott Field is the CEO of Fieldspace Property Group, a group based in Johannesburg which owns and manages a property portfolio with R2.5bn in assets.

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