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*The big rethink*

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*Branded residences*

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*Technological advances*



# Global Development Report 2020

knightfrank.com/research

How Covid-19 is accelerating design trends and impacting housing delivery



# THE INITIAL IMPACT OF THE PANDEMIC ON GLOBAL RESIDENTIAL DEVELOPMENT

*Responses from 160 global developers reveal the pandemic's impact on near-term housing supply and long-term design trends.*



Flora Harley, Associate in Global Residential Research at Knight Frank, explores the findings from our survey and interviews an array of experts throughout this report

**Almost six in ten global developers have delayed projects** in response to the spread of Covid-19, as the virus wreaked havoc on supply chains and prompted a wholesale rethink of how and where people want to live.

That's one of the findings of our survey of 160 developers across 22 locations – the first of its kind since the World Health Organization declared the outbreak a pandemic. While it is **still too early to confirm the lasting impact** of the pandemic on the development landscape, it is clear that it has **accelerated pre-existing trends and prompted new ideas** for current and future developments.

The overwhelming majority of respondents to our survey are active in global gateway cities, many of which already faced supply constraints and stretched affordability that could be compounded by a near-term drop in delivery.

A pause for reflection amid a crisis is to be expected, but the scale of the current hiatus is surprising and could prompt policymakers to consider incentives to spur development. **Of those with delayed projects, more than four in ten are now making changes to designs that were once considered complete.**

Yet what cuts through in both the survey and the interviews is the importance of not overreacting to the immediate fallout from the crisis. There is little guidance or evidence pointing to the need to design for future lockdowns or a specified meterage for social distancing.

More critically, the level of market activity seen globally through the crisis demonstrates the resilience of demand for housing designed and built prior to the pandemic. For example, according to Knight Frank data, the number of offers accepted across the UK capital in August was the highest ever monthly total on record.

While developers will likely temper their urge to radically reshape development designs initially, our survey confirms a desire to consider potential Covid-19 inspired changes. For example, many are considering including more advanced telecommunications and storage facilities for bicycles to accommodate a change in lifestyle, we explore these more on page 4.

We also look at what technology may look like in future developments on page 12, Smart Fibre Infrastructure and facial recognition to air cleaning systems and robotics.

For the future two messages are clear. Covid-19 has **accelerated trends** already underway in development and ultimately confirmed that **flexibility is key**. We need truly versatile space that supports agile working, whilst allowing for a separation of home life to promote health and wellbeing, all of which have been brought into sharp focus by the events of the past eight months.





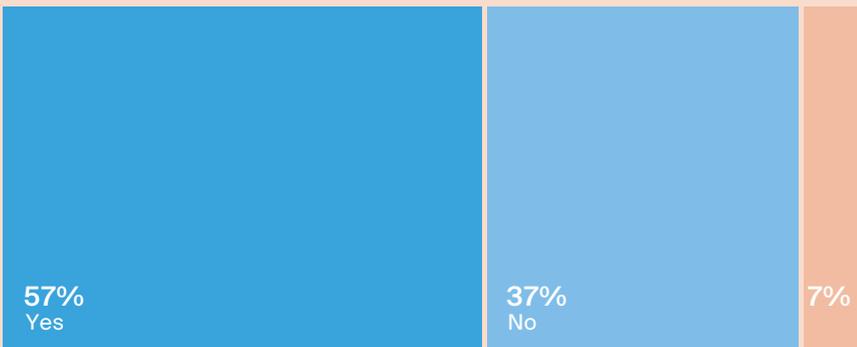
**About the survey**

The Knight Frank Global Developer Survey was undertaken between 22 June and 7 August 2020 with the aim of understanding what impact the Covid-19 pandemic was having on developers and what they are considering for future developments.

The findings represent the views of 160 Knight Frank clients across 22 locations.

**FIG 1. PRESS PAUSE**

Q. As a result of Covid-19 have you delayed any developments?



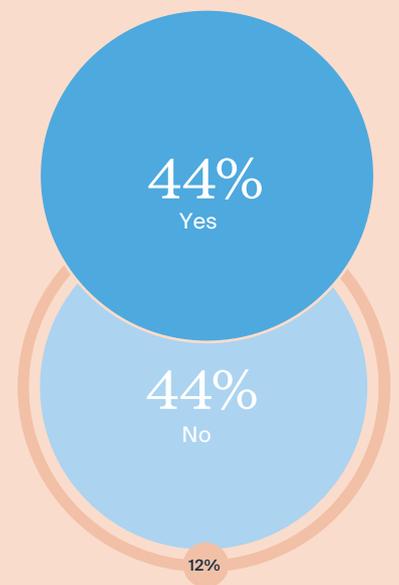
Figures may not add up to 100% due to rounding

Prefer not to say

**FIG 2. A RE-THINK**

Q. Will you be making any changes to the design of your developments?

Percentage of respondents who have delayed projects



Prefer not to say

# WHAT ARE DEVELOPERS THINKING ABOUT?

*Constraints to delivery, more focus on technology, domestic demand and cities. These are some of the key takeaways from our global survey of 160 global developers.*

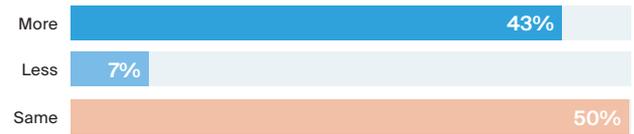
FIG 3. NEW SALES PROCESS

Q. Will your sales be more or less geared towards virtual offerings, such as 3D images, virtual viewings and walkthroughs?



FIG 4. DOMESTIC FOCUS

Q. Will your developments be more or less sensitive to the requirements of domestic buyers?



## KEY TAKEAWAYS



### PRESS PAUSE

Almost **six in ten respondents have delayed projects** and almost half of these are making modifications. With supply constrained in many key markets (see page 6), the implications of a hiatus are significant.



### FAST-FORWARD ON HOMEWORKING

In just a few months, homeworking has been embraced with a totality that was expected to take years. Our survey reveals developers' plans to give more consideration to **connectivity and usable workspace** – be it within the home, with three-quarters more likely to consider advanced technology and space for offices either within the home, or within the wider development.



### THE EVOLUTION OF MIXED-USE

A third of global developers are considering adjusting the mix of residential and commercial elements in schemes. But what will this look like in practice? From rentable desk space and individual pods to business suites, our experts and interviewees offer more insight on pages 6 and 14.



### URBAN APPEAL

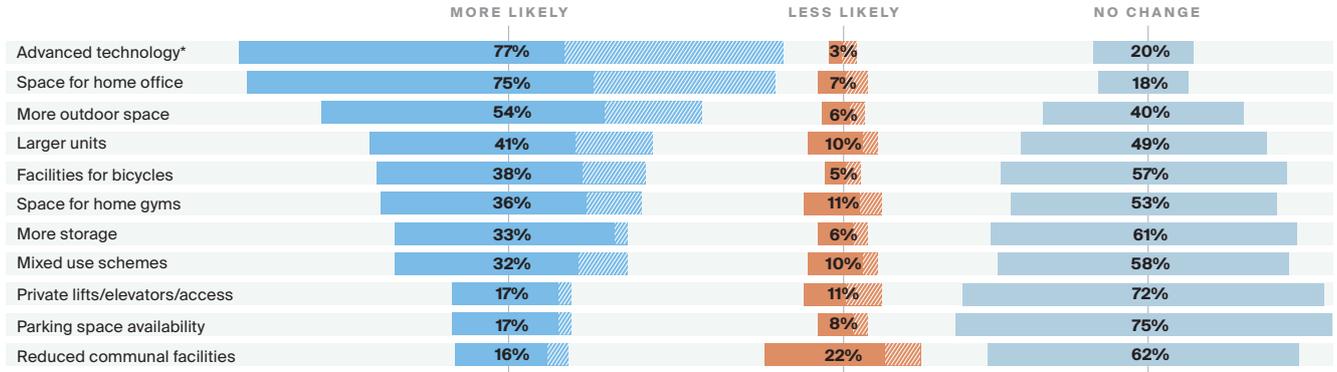
Whilst 41% said they would be looking to develop across cities, second home and rural locations, **45% said they were more likely to focus on cities**. John Mulryan of Ballymore gives his view of urbanisation on page 8.

FIG 5. TECHNOLOGY AT THE FOREFRONT

Q. Please indicate whether you are more or less likely to consider the following aspects in future developments

% of respondents who said they were:

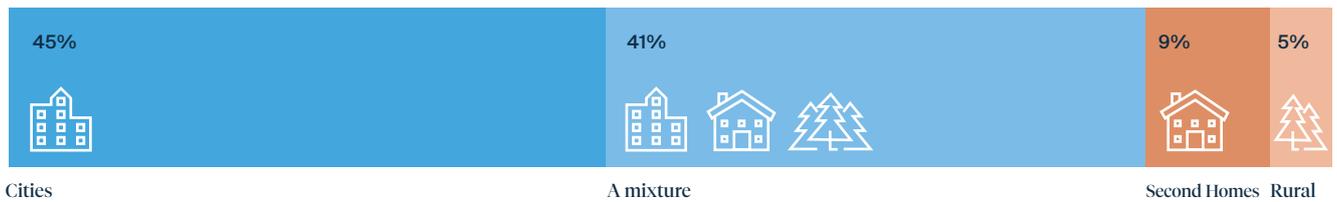
More likely Considerably more likely Less likely Considerably less likely



\*Telecommunications, internet connectivity and touch-free

FIG 6. CITIES STILL IN FAVOUR

Q. Will you be looking to develop more in cities, second home or rural locations?



WELLBEING AT THE FORE

Healthier and greener living is now a top priority, and developers are seeking to support more active lifestyles. **Some 38% are more likely to consider facilities for bicycles**, compared to only 17% that are more likely to consider parking space availability. This comes as the pandemic has led to an increased adoption of bicycles, a trend we explore more on page 13.



CLOSER TO HOME

Following a period of unprecedented restrictions on movement, **two in five developers said they would be more likely to be sensitive to the requirements of the domestic market.**



GOING VIRTUAL

**Almost two-thirds of respondents believe the sales process will be geared more towards virtual offerings**, which have risen in popularity during unprecedented restrictions on movement.

This also enables a more inclusive sales process with buyers able to have architects or designers speak directly to them via webinars, for example.

# MARKET DYNAMICS

*Supply constraints faced in many key markets are likely to be exacerbated by the pandemic*

**C**ovid-19 has affected prime property prices to varying extents, depending on the prevailing dynamics in each city. Our Prime Global Cities Index, which tracks prices in 45 cities, climbed 0.9% during the year to Q2 2020, the lowest rate of growth since 2009. Prices declined 2%, on average, across the seven key markets we display here.

Some of these markets had already experienced significant corrections over the past five years. Dubai and prime central London are the most notable with declines of 25% and 17% respectively. While London's market has seen a raft of changes to taxation since 2014 and a vote to leave the European Union, Dubai has experienced historic oversupply, see figure 8.

Supply of new homes is constrained in many of our key markets, which will underpin pricing. Across the seven markets shown, on average, new homes delivery, or new listings, is forecast to grow by just 1% in 2020, though this is largely driven by Hong Kong and Dubai, where the forecast increase in new homes being delivered is 53% and 40% respectively.

However, considering 57% of our respondents have delayed projects, we could see fewer units than forecast completed. That would result in an overall drop, as we've seen in cities including Sydney, Singapore and London.

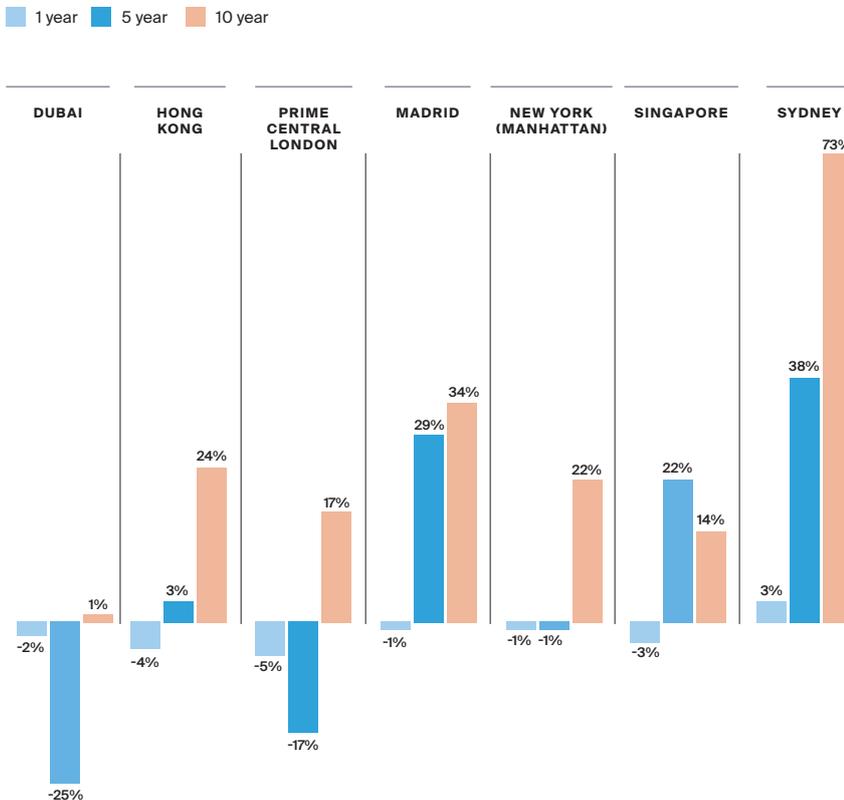
In Sydney, completion of high-density schemes this year (those with four floors or more) is forecast to be almost 60% lower than delivery in 2019, which itself was 6% below the 2018 level. Singapore has seen declining output of new homes completed since 2016. This year, delivery is forecast to be 85% below the 2016 high point.

London's delivery of high-density schemes (those with 20 units or more), peaked in 2016 and despite a slight rise in 2018 has tailed off since. Developers are likely to build 19% fewer units this year compared to 2019.

New York saw new listings peak in 2015. We expect the number of new listings in 2020, some of which may be delayed until 2021, to be more than a fifth below their peak.

**FIG 7. PRICING MATTERS**

The change in prime residential prices across seven cities, to Q2 2020



Source: Knight Frank Research, StreetEasy, REIDIN

FIG 8. CONSTRUCTION OF NEW HOMES

The number, or forecast number, of completions in each city, 2015 to 2020

This chart should not be used as a comparison, see notes for different methodologies used

	DUBAI	HONG KONG	LONDON <i>20 units+ schemes</i>	MADRID	NEW YORK <i>New listings</i>	SINGAPORE	SYDNEY <i>4+ floor schemes</i>
2015	12.9K	11.3K	17.9K	6.2K	5.4K	18.6K	16.6K
2016	18.1K	14.6K	24.5K	6.8K	3.4K	20.6K	16.2K
2017	27.7K	17.8K	22.5K	9.7K	3.2K	16.2K	26.5K
2018	28.5K	21.0K	23.6K	11.0K	4.7K	5.7K	31.1K
2019	36.3K	13.6K	22.2K	18.2K	4.1K	3.6K	29.3K
2020*	50.7K	20.9K	17.9K	19.0K	4.3K	3.1K	12.1K

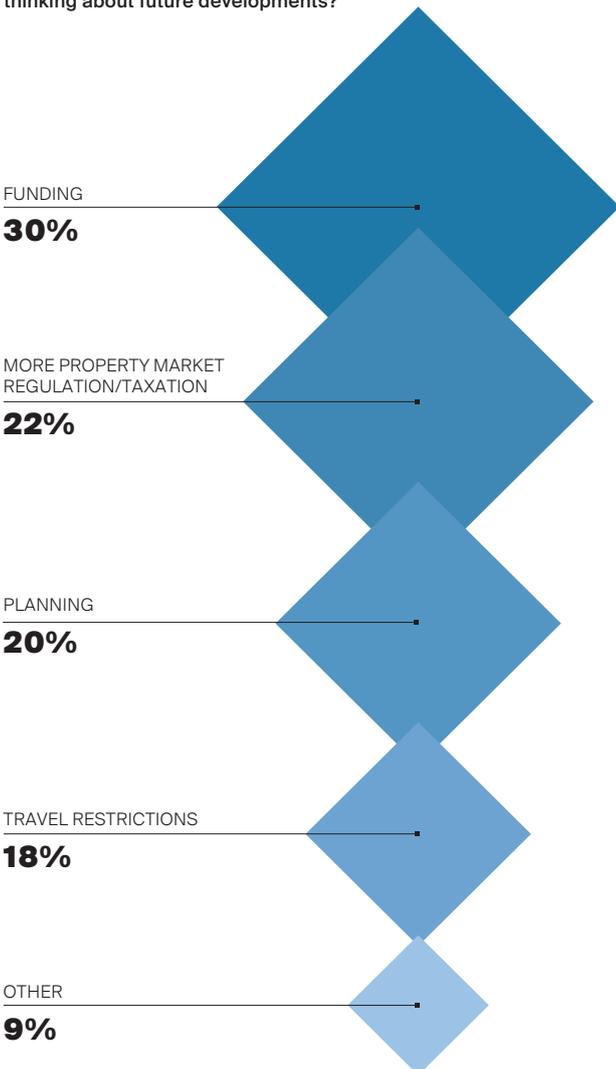
\*Forecast/annualised

Source: Knight Frank Research, Douglas Elliman, Molior, Ministerio de Fomento, Hong Kong Rating and Valuation Department, Singapore Urban Redevelopment Agency, REIDIN

Note: For London this excludes schemes of fewer than 20 units and is therefore noticeably lower than official Net Additions data. For 2020, H1 data has been annualised; In Sydney this relates to high-density schemes, those of 4+ storeys; For New York this is the number of new listings in Manhattan and Prime Brooklyn

FIG 9. FUNDING IS THE BIGGEST HURDLE

Q. What are your biggest concerns when thinking about future developments?



### THE BIGGEST BARRIERS

With housing delivery a high priority in many markets, we wanted to understand some of the biggest constraints facing developers.

Our survey respondents told us that funding is the biggest barrier, with just under a third citing it as their biggest concern. Some markets have seen a reduced number of lending facilities offered to developers. There is comparatively limited appetite among banks for development lending and in some markets pre-sales requirements make it hard to begin construction. One way for governments to encourage construction would be to facilitate lending, perhaps through a combination of guarantees or loans. This would crucially remove one of the biggest hurdles in development and enable ground to be broken.

Second to funding was the threat of further property market taxation and regulation.

Authorities have increasingly viewed property as ripe for higher taxation. Recent changes have included 20% overseas buyer surcharges in Vancouver and Singapore. Higher levels of taxation can dampen demand and disincentivise development as a result. Even uncertainty around future policy may be enough to reduce willingness to develop if changes have been indicated.

Conversely, when we see reductions in taxation activity tends to climb, as we've seen in the UK following the recent introduction of a stamp duty holiday.

# POSITIVE EXPERIENCES TO TAKEAWAY

*European developer Ballymore has been a trailblazer when it comes to thinking about optimisation of living space. We spoke to Managing Director John Mulryan about some of their current and future schemes.*



## **Prior to Covid-19 what were some of the biggest considerations when designing your projects? Would you have changed anything in hindsight?**

Throughout the pandemic there has been a lot of talk about design changes. However, the truth of it is that people are now thinking more about the basics and simply want good quality homes and design.

One thing which has been key in our Wardian development, as is particularly

vital in high-density areas, has been **genuinely usable outside space**. Anyone without access to outside private space during the pandemic has struggled. Wardian's wrap-around balcony has meant that the area is twice as wide as other projects. This attention to detail is something that people will remember.

Developments are constantly changing due to the latest trends, but we **will remember the experience of lockdown for some time to come**. Flexibility in the future will be fundamental and we all need to be careful not to overreact to current circumstances.

Some of our projects already had work spaces that individuals could rent. We have now added this feature to more of our projects. This is a growing trend that has been accelerated by Covid-19.

## **Looking to the future, are there any particular design elements that may change or be higher up the agenda? What about commercial elements?**

Social distancing is unlikely to be a thing forever – the world won't function indefinitely along these lines. We are

looking at touchless technology in terms of lifts but I think that this may be 'of the moment' and not a long-term trend. What will remain is the need for excellent management and maintenance to ensure the building is being cleaned properly.

With the flexible working and working from home trend accelerating there is a need to integrate amenities, not only by integrating private office space but by providing, amongst other things, access to conference and printing facilities.

Prior to the pandemic we were already seeing buyers prioritise broadband and technology. Now, however, there is huge **renewed focus on connectivity credentials**. For example, WireScore are being used to gain accreditation on residential buildings to ensure that we are putting in the right connectivity, enabling residents to be confident that this will be top tier.

In regard to other technologies within the home, for example entertainment systems, whatever you put in is out of date when a project is finished as it moves so fast. With the greater connectivity you can enable better technology.

One thing I am taking away from the pandemic is that **local retail is emerging**

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There is huge renewed focus on connectivity credentials

“

It is important not to overreact too much to the ‘now’ – don’t plan for more lockdowns and a socially distant future

**as a hero.** For example, the queue around big retailers and DIY stores was not appealing, but local hardware shops offer a personalised service without the wait.

### What are the biggest things you are taking away from the pandemic?

It is important not to overreact too much to the ‘now’ – don’t plan for more lockdowns and a socially distant future.

Looking at the genuine long-term trends that lockdown has shone a light on is vital.

Let’s look at some of the **positive experiences people will take away.** Some may have an improved balance in their lives from not having to commute every day. This means companies trying to attract talent will have to be more flexible – people will still go to the office but flexibility will be key.

People will look back fondly on local retailers, being close to green space and public parks – being able to spend more time closer to home and with their family and friends.

Over the last 20-30 years we have seen a great amount of urbanisation. It will be interesting to see whether that trend reverses. The reasons for living in a city, being closer to work, cultural and nightlife activities etc. have not all been relevant during the pandemic. All of the reasons for living in rural locations, more space and closer to nature, have all been especially poignant. However, as cities reopen, and people remind themselves of why they live in cities, then I think we won’t see the reversal of the trend.

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As cities reopen, and people remind themselves of why they live in cities then I think we won’t see the reversal of the urbanisation trend



# IT'S ALL IN THE NAME

*Branded residences have seen a surge in popularity over the past 20 years and are now found in more than 60 countries globally. Todd Nisbet, Executive Vice President Strategy & Development at Crown Resorts, who are developing One Barangaroo in Sydney, gives his thoughts on the relevance of branded residences during the pandemic and how they may change.*



## What makes a branded residence stand out?

Crown Resorts is primarily a tourism and hospitality provider with residential being a recent addition to our core business. Covid-19 has highlighted some of the benefits of a branded residence. You have a hospitality operator who is looking through a different lens and ensuring that the entire property is cleaned and taken care of with rigorous policies and procedures. We have a duty of care to not only owners but to our guests also, so issues are managed in a proactive way. Our residential owners have mentioned that they are comforted by the way Crown takes care of its properties and that their interests are aligned, and they don't have to only rely on a corporate body.

Another element is that with many owners being global citizens, these residences already ensure you can service and support that proposition. With staff and hotel amenities on hand 24 hours a day you can get documents printed, get help with IT issues or use a meeting or conference room at any hour to suit any time zone of working.

## In light of the pandemic what changes are you thinking about for future developments?

We are absolutely considering the **implementation of more touchless technology**. There were already some early adopters but what has shifted is the mentality of the users. The technology for this has been available yet not widely adopted by the customer. The adoption of wireless technology, videoconferencing apps and contactless

ordering and check-in have all been accelerated and deployed around 3-5 years earlier than may have been the case without the pandemic.

**Flexibility in residential design will be key**, to make sure it works for those still finding the right work-life balance. The experience of Covid-19 has highlighted that individuals no longer need to spend all week behind a desk to fulfil their work commitments. An important element of this new way of working is the merging of work and personal life and the ability

## RESILIENCE AND FORETHOUGHT

*Andrew Miller, CEO of Dajia US, owner and developer of Waldorf Astoria New York gives his take on design elements which stand out and how being in a global city offers opportunity.*

"The redevelopment and restoration of Waldorf Astoria New York was designed prior to the pandemic. Yet with a design that prioritised wellbeing for residents and guests alike, features that were desirable before are even more so now.

For example, each resident can maintain their desired level of privacy with their own Concierge Closet – an integrated vestibule accessible from the inside of the residence and the corridor which allows for contactless delivery be it for room service, dry-cleaning, or packages.

We also have the Empire Club, a private business suite just for residents with multiple private offices, a coworking suite, and boardroom for flexible working. In addition, each resident benefits from access to full hotel services and over 50,000 sq ft of private amenities to maintain a healthy and balanced lifestyle.

In times of uncertainty, we gravitate towards the security of brands and locations we know, many of which have weathered all kinds of crises. The Waldorf Astoria itself began construction in 1929 in the middle of the Great Depression. So the Waldorf Astoria has always been a bold, confident wager on the resiliency, vitality, and promise of New York, which remains a global capital in which every setback has been met by creativity and dynamism. Trying times give rise to the next cycle of innovation and transformation."

to interact and conduct business is more blended – the boundaries between the two are beginning to cross.

This will be incorporated into residential design more. What the pandemic has taught us is that there is more consideration for acoustics and privacy requirements for videoconferencing. Open plan living in most modern homes

created some challenges for this new way of working. Work areas don't always need to be in their own separate room or require an abundance of space, however they need to be well proportioned with acoustic consideration. Fortunately for our project the residences were designed with enough scale and planning flexibility that we have not had to make any changes.

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Possibly the biggest opportunity for branded residences will be the potential outperformance of rural and coastal locations



**Alexander Lewis**

Partner, Global Development Consultancy

**THE INSIDE VIEW**

*Knight Frank's Alexander Lewis has worked in the super-prime sector for 15 years on London's best branded developments. With an increasing focus on global branded residences, he highlights some of the key questions that may be pondered by the sector at a time of great uncertainty.*

Pre-Covid, the global branded residence sector was expanding rapidly as both developers and hotels aimed to capitalise on the systemic growth of global wealth. The biggest question therefore will be **what impact Covid will have on this growth? Will discretionary spending contract as global wealth is potentially checked?**

Furthermore, in a potentially recessionary environment, **will we see greater focus on running costs? Will higher service charges put schemes at a disadvantage in certain locations especially where units are used only on an occasional basis?**

What we are likely to see, as a continuing trend, is **purchaser sensitivity to unit prices**, especially when comparing relative value across schemes and locations. Too often €/\$/£psf is referenced when discussing pricing. Value needs to be considered on relative capital terms, based on utility as well investment potential. In this respect, guaranteed yields via investment pools could prove important for occasional users.

As in the pure residential market, we do expect to see many proposed schemes re-assessed for viability. Branded residence demand is very dependent on location and the value drivers vary hugely. **Fundamental to understanding the viability of a branded scheme will be a forensic examination of existing stock, principal wealth flows and the appeal** of the branded concept in any specific market.

The other central challenge faced by the sector is the impact of Covid-19 on hotel businesses. **Could this undermine the branded concept? Conversely, could branded units increase in proportion to hotel rooms to bolster the hotel industry? In addition, will the best brands be even more valuable as a guarantee of delivery and service? Will we see a flight to quality, especially in less established markets?**

Critical to the viability of any scheme will be the relative safe haven status of a

scheme's location compared to where the principal demand is coming from. Where there is an adverse relationship, viability will be challenged.

Possibly the biggest opportunity for branded residences presented by the pandemic will be the **potential outperformance of rural and coastal locations**. The experience of lockdown has placed a greater emphasis on wellbeing and expedited the trend of flexible working. The tradition of moving the family to the favoured holiday destination for the summer could be extended across the year as high-net-worth individuals have discovered that they really can work remotely. The daily commute could well become the weekly commute with some basing their families in traditional holiday locations and commuting in a more mindful way. A more wholesome rural or coastal existence may be embraced by many, naturally benefitting branded resorts.

Since their inception in the roaring 20's, branded residences have always flourished in boom periods. In this respect, it is hard to ignore the financial damage that the pandemic has wrought and its potential impact on any discretionary spending, both in the branded and unbranded sectors. At the same time, the "lifestyle revolution" that is occurring will bring with it opportunity, especially where relative value, best in class product or safe haven status can be demonstrated.

# SMART LIVING

*Advanced telecommunications was named the most likely addition to future developments by our survey respondents. To better understand the possibilities, we spoke to Tim Huxtable, a development and tech specialist.*



## 01.

### SMART BUILDINGS ARE GETTING SMARTER AND BETTER CONNECTED

There is an even greater need for connectivity, and this is one way in which developments can differentiate themselves. More are moving to Smart Fibre Infrastructure which can deliver efficiency and flexibility. These essential fixed line Gigabit technologies are complimented by the mobile operators providing 4G and the future 5G provisions.

There is demand for pervasive WiFi broadband within the entire building. This is driven in the home for a need to have connections in all rooms to enable flexible working. In addition, with electric car charging and software upgrades for vehicles in basements, connectivity is now needed there, and in the future for recycling and waste disposal areas.

This flexibility will allow for retrofitting Internet of Things (IoT) devices which can tell, for example, if a window is left open. This is useful for owners and managers. For example, if windows are open and the heating on this would be costly. With IoT devices alerting

the occupant or asset manager to this, and allowing them to rectify it from anywhere, there will be cost savings.

With the renewed focus on personal wellbeing, many developers are looking to more air cleaning systems as well as devices such as a home doctor which can conduct basic health checks. This kind of technology can monitor elderly occupants, and alert the relevant people if they have a fall.

## 02.

### LIMITING TOUCHPOINTS

The pandemic will drive automation, facial recognition and the use of antibacterial materials for construction in many areas. This could be by having automatic doors and voice recognition or wave-sensor activation in communal areas such as lifts – meaning you could see a system where you hover over the floor you want without touching the button or with voice control.

In the home these technologies could be used for lights or for video facilities which will enable smarter and more efficient working within different areas. Anti-bacterial materials will reduce the risk of transmitting viruses on handles and other touch areas.

Robotics may help to further limit contact and reduce costs. This could be via a concierge service which some hotel operators have trialled, or cleaning



### TAKEAWAY

Robotics may help to further limit contact and reduce costs

and disinfecting, and even some of the basic building maintenance.

## 03.

### MANAGEMENT, COMMUNICATIONS AND STANDARDS

Having smart building management, such as leak detection systems, would limit the amount of site visits and reduce overall cost for owners and occupiers.

New legislation could start altering the design. For example, could we see new health and safety legislation introduced that influences design in the same way fire standards have?

There are also new ways of managing the flow of people, in office, retail and leisure buildings, through spatial monitoring devices. These can measure footfall within certain areas of the building and can trigger warnings of a crowd to reduce numbers.

# LIFE IN THE GREEN LANE

*Pedro Vicente, board member of Habitat Invest in Portugal says it's too early to talk about big changes, but like many of our survey respondents, is considering a multitude of factors for future developments, including more room for bikes.*

It's clear the pandemic has accelerated what was already a growing desire for green transport facilities.

"Lisbon's City Hall has long been encouraging the take up of bikes to remove traffic congestion from the city centre," says Mr Vicente. "Now they are taking advantage of the pandemic and look to cover the city with an additional 150km of cycle ways, some of which are already in progress."

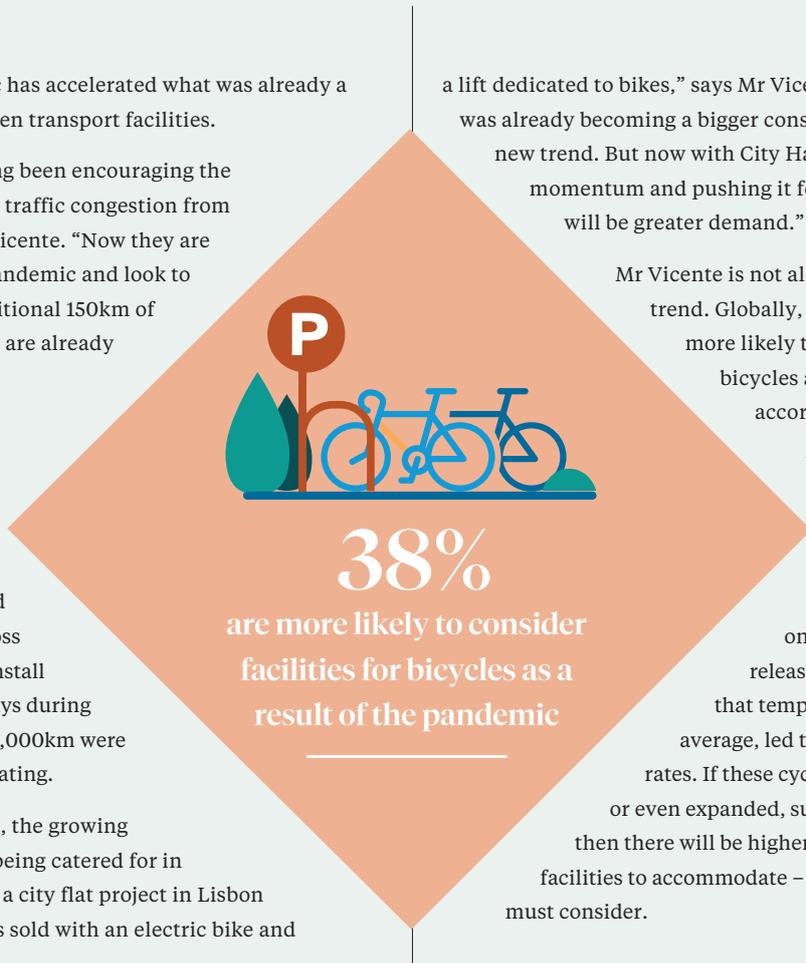
This is happening across Europe. According to monitoring by the Brussel-based European Cyclists' Federation (ECF), local and national governments across the continent pledged to install 2,315km of pop-up cycleways during the pandemic. More than 1,000km were installed and are now operating.

Even before the pandemic, the growing use of cycles was already being catered for in developments. "There was a city flat project in Lisbon where each apartment was sold with an electric bike and

a lift dedicated to bikes," says Mr Vicente. "Cycle storage was already becoming a bigger consideration, this is not a new trend. But now with City Hall capitalising on the momentum and pushing it forward more quickly there will be greater demand."

Mr Vicente is not alone in thinking about this trend. Globally, 38% of developers are more likely to consider facilities for bicycles as a result of the pandemic, according to our survey.

With a greater emphasis on physical health and greener transportation, the adoption of cycling is only likely to grow. A study released in August estimated that temporary cycleways have, on average, led to a 7% uptick in cycling rates. If these cycle paths are kept in place or even expanded, such is the case with Lisbon, then there will be higher demand for storage facilities to accommodate – something developers must consider.



# WHAT DOES THE FUTURE PRIME RESIDENCE LOOK LIKE?

*We talk to some of Knight Frank's global network to get their views and ideas for how developments may change.*



## More thoughtful design

**Erin van Tuil**

*Partner, One Barangaroo, Australia*

The overarching theme that is going to be taken forward is more thoughtful design. It is doubtful developments will be designed specifically to be Covid-19 proof, as this may well be a rare occurrence and could end up pigeonholing developments.

There will need to be a more mindful approach to the use of space to make life at home better, certainly as more people are likely to be spending greater time at home. In some developments we previously saw a one or two bedroom apartment with a 'half room' which could be another bedroom or a study or a dining room, having flexibility and the option for change of use will be in demand. We may also see a desire for spaces that are able to be closed off as opposed to fully open-plan living, allowing for greater privacy.

Touchless technology may also be more prominent. There are a lot of options out there such as coffee machines in which

you scan a QR code and the buttons come up on your phone. This could be applied to lifts and other elements within developments.

The demand for outdoor space will depend on the market place dynamics. In Australia this has always been a key requirement and developments without proper outdoor space for each apartment may find this problematic when selling.



## The future is faster than you think

**Maria Morris**

*Head of Residential, Middle East*

We had already witnessed a number of new trends coming to the forefront that have since been accelerated due to the pandemic. The focus on wellbeing and amenities are now increasingly at the top of our buyers list of considerations, and as such the level of adoption from developers that previously would have taken years has happened in a few months.

Wellbeing is now very much at the top of the agenda, and not just gyms and yoga – this is something we found before the pandemic in our Wealth Report

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There will need to be a more mindful approach to the use of space to make life at home better

and also in our Global Buyer Survey. Developments are moving towards that sense of community and how they can improve the whole living experience with a focus on amenities, general wellbeing and lifestyle.

Clearly the importance of access to outside space has played a crucial role in peoples' decision making since the start of the pandemic. Whilst it has always been a significant consideration for people buying properties in Dubai, given our year round sunshine; we are now advising our developers across the city to rethink the ratio placed on the value between internal versus external space. For example, the majority of apartment buildings in Dubai all have balconies, but the question is how truly operational are they? I think we will now see a shift to more flexible, well-designed terrace and balcony space going forward – the value



of having usable outside space will most certainly be boosted.

Another important consideration will be the convenience of how we live. Particularly in prime developments and branded residences, services and amenities may change. Contactless entry, integrated storage style lockers for deliveries, room service and groceries etc are the type of design features that will become more prominent in future developments as people start placing more focus on how they want to live post the pandemic.

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This will mark an evolution of mixed use developments



## Switch off from work at home

**Victoria Garrett**

*Head of Residential, Asia Pacific*

As the home has doubled up as the place of work over the past few months, some may have struggled to maintain that healthy work-life balance. There needs to be consideration in design as to how you separate the two, to allow for residents to switch off from work.

Business facilities and amenities within developments can play into separation if they have great flexibility. For example, having big communal board rooms but also individual business pods with video facilities so you can easily work or be on a videoconference with privacy and not have the children or dog interrupt. I think this will mark an evolution of mixed use developments – having more offices and workspaces within residential developments and maybe rentable desk space.

## IN SHORT...

The report demonstrates that residential developments will become more flexible and accommodating to changing lifestyles. That means more multi-locational working – both in terms of in the home and the office, but also geographical as some may seek to make secondary homes more permanent.

Homes will not be built to survive further lockdowns but be adaptable to changes in circumstance. Connectivity and advanced technologies will become a key aspect of any development and be the means by which many will differentiate themselves.

Fundamentally it is all about not overreacting to current circumstances. Taking a look at those trends which were already emerging and are here to stay versus those which may be of the moment only. Above all, quality of product and versatility will drive design.

**We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.**

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