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***It's official! Offices are here to stay, and Sandton Central's offices are leading the way***

Is the rise in work-from-home the death of the office as we know it? "Absolutely not," says Barry van Wyk, seasoned commercial property specialist and Sandton Central Management District (SCMD) Marketing Committee Chairperson.

"Humans are social creatures who become more creative when they are together. Over time, companies may downscale their office footprints somewhat, but they will most certainly retain their office as a meeting point where staff, suppliers and customers may congregate to create, motivate and influence one another," explains van Wyk.

Ridwaan Loonat, Property Analyst at Nedbank CIB, which has its head office in Sandton Central, concurs."Office space is here to stay in our opinion as it preserves company culture, helps to attract talent, supports mentorship and encourages collaboration.”

Loonat notes the office segment was the property sector facing the most pressure coming into COVID-19 but, in terms of rental collections during the lockdown and the months following, the sector has proven surprisingly defensive.

Some things will change, however. "In a post-COVID-19 world, we expect to see organisations adopting a hybrid model, combining working from home with local and head offices. They will re-look office designs, ensuring physical distancing, and improving bathrooms, air conditioning and high-traffic touchpoints," Loonat points out.

Change is nothing new for offices. They have adapted throughout history, starting with their origins in ancient Rome. For centuries people have been waking up and commuting to work or retreating to quite workrooms. Offices have been used by governments, trading companies and religious orders. It was not unusual for Medieval monks, for example, to work in quiet spaces with workstation comprising a desk, chair and storage shelves.

The first building developed entirely for offices was built some 300 years ago in the 1720s in London. The office concept rapidly swept around the world. Over the centuries their densities and the privacy they have afforded has altered in line with trends and tasks. They have shifted from dense rows of desks to open-plan spaces and from cubicle farms to today's more modern agile and activity-based working designs.

"While already emerging as a trend before lockdown, tailoring space to its use is going to be a big part of the office of the future. There will be spaces to meet and collaborate, to do admin tasks or to concentrate, rather than a staff member having one dedicated desk to do everything," notes Paul Kollenberg, Growthpoint Properties Head of Asset Management: Office. Growthpoint is the largest JSE-listed real estate investment trust (REIT) and has its headquarters in Sandton Central, where it also owns a significant portfolio of offices.

"We believe that offices are going to be a place to plug in - where people can plug into a team and corporate culture, where teams plug into creative thinking and problem solving, where business can plug into innovation, and where a remote working network can plug into their company server and resources. Offices are going to become the centre-point for organisations, around which regional and remote working can revolve," says Kollenberg. "While offices will change and be reconfigured, their role as business spaces will remain as relevant as ever. Culture, collaboration and communication are enabled by offices, so are the cues of leadership – the office has become inseparable from work."

Office aren’t only defined by actual buildings and inner workspaces but also their locations and surrounds.

A preference for offices in amenity-rich environments was evident before the COVID-19 pandemic but has now been amplified. And, nowhere is more amenity-rich than Sandton Central, South Africa's financial capital.

"Sandton Central benefits from compelling and well-managed public spaces, important infrastructure such as world-class public transport, and valuable amenities, including retail, hotels, restaurants, conferencing, leisure, entertainment, lifestyle and much more. It provides an exceptional experience for employees, clients and all business stakeholders. With all this, it is unsurprising that Sandton Central has more offices than anywhere else in the country, many of them truly magnificent, modern and environmentally innovative," says Elaine Jack, City Improvement District Manager of SCMD.

Investec's headquarters on the prominent corner of Grayston Drive and Rivonia Round are a Sandton Central landmark and Darryl Mayers, Joint CEO of Investec Property Fund, emphasises that quality office properties are best positioned to stand up to change. "Good office assets offer more flexibility and thus, sustainability. They enable defensive strategies," highlights Mayers.

The quality of a property isn't the only critical factor; the quality of the property owner is equally vital. "Now, more than ever the underlying hands-on property skills and intuition of property owners will come into play," says Mayers. He points out that owners need to work with tenants while having the flexibility to adjust spaces for relevance, with an offering underpinned by on-demand services.

The biggest challenge for the office sector in South Africa, however, is a weak economy, which means fewer business opportunities, fewer jobs and lower demand for office space, for now at least. The impacts of the work work-from-home trend are insignificant on the sector, in comparison. But they cannot be discounted entirely.

For several years now, technology has enabled many employees to effectively and efficiently work from home. Before the pandemic, 15% of American office workers were already working from home and commuting to their offices intermittently. With the pandemic, the shift from office to home has accelerated exponentially. Office use currently remains atypical, with social distancing and limited numbers of people allowed at any given time and, consequently, more work-from-home is expected to persist. Even though remote working will become somewhat more commonplace in future, with many people working from home one or two days a week, it is only one of a flexible mix of ways of working that employees want and leading companies offer.

In short, it's not an either-or scenario, rather the best of both worlds – working from the office and home.

Amelia Beattie, Chief Executive of Liberty Two Degrees, believes that remote working brings new opportunities for innovation and doing things differently. Liberty Two Degrees counts the iconic Sandton City shopping centre as the jewel in the crown of its property portfolio, which is retail-focused but includes select office properties in key business nodes. Sandton City incorporates the offices of Atrium on 5th and the Sandton City Office Tower, which was the first high-rise tower building in Sandton Central.

"New formats and ways of working more efficiently will be top of mind for the leadership of businesses. As the world settles into different perspectives, so will the new demand and supply cycle emerge," Beattie says. So, Liberty Two Degrees is exploring innovative solutions and new uses for space.

There is an interesting and exciting time ahead for offices, especially those in Sandton Central.

Released on behalf of

Sandton Central Management District (SCMD)

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