

Space: the Not-So-New Amenity Everyone Wants



Commercial real estate trends are always changing. The best-selling features of today aren't always the same ones we'll see tomorrow. In this business, keeping up with the latest requires due diligence into the market's hottest items. The ebbs and flows of tenant demands make it imperative for CRE pros to stay abreast of what's selling and what's not.

Right now, a new trend is emerging on the radar of real estate development. No, it's not a new technology or lifestyle toy - it's space. Space has always been a popular amenity for real estate at large, but this comeback is putting a contemporary spin on the trend. Today's resurgence of space-loving shoppers deserves a second glance.

Let's dive into the market's preferential treatment towards spacious properties:

Space Considerations in the Time of COVID

2020 has caused many people to reconsider their previously solidified perspective on lifestyle choices. In the past, urban living was at the forefront of most people's home-hunting lists. People wanted to live in a place with great amenities, connection to the local scene and strong networks for work and play.

However, the pandemic spurred a revolutionary shift in living conditions - and it was worse in metros. With New York City, one of the most popular urban hubs in the country, being the first of many densely populated regions to be devastated by the coronavirus, cities became less and less appealing in mainstream view.

With businesses closed and no place to go, the space constraints of city living began pressing on many - ultimately altering the location sentiments and upsizing the space demands of residents.

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Shaking Up Multifamily

Real estate is quick to respond to the latest adjustments in consumer preferences.

Multifamily has already begun to pivot, emphasizing space as the newest selling feature. Now, it's not accessibility that's top of mind for multifamily. The attention has reverted back to planning new projects with a focus on space. Developers and investors are leveraging their square footage capacities to best competitors in the post-pandemic world.

Will Space be the Next 'It' Item?

As the demand for space increases within the residential living space, CRE is wondering if this listing feature will take hold within the commercial industry, too.

There's already been some discussion on the web regarding increased square footage being a COVID combating feature for the office space - adding immense value to spacious assets. Greater spaces between team members will reduce the stresses on social distancing protocols as it's easier to maintain the recommended 6-foot space between building occupants.

Retail and the restaurant sectors also have similar concerns that can be cured by shopping for bigger assets to house a business. Hospitality may also be in a similar boat, as expanded common areas such as lobbies and lounges would aid in designing socially-distant spaces for guests.

Whether it's welcoming the entire team back into the office or helping consumers feel safe when re-entering your commercial property, space is making headway as a trending amenity. As it turns out, space may be the next must-have feature to rock commercial real estate's post-COVID era.

