

MIXED USE

# OUTLOOK 2020

New dimensions  
of mixed use



# INTRO

## The future of mixed use has arrived.

Mixed use is as much a philosophy as it is a type of development. Such projects turn from inner focus to external orientation and become an important element connecting people and city fabric. The new generation of real estate schemes will not just be mixed use developments, but multifunctional spaces. Moving from a combination of real estate components to creating a place, increasing flexibility and providing diversified experiences. Mixed use developments are now intended to provide maximum connectivity instead of trying to differentiate components and maximize a split in people flows.

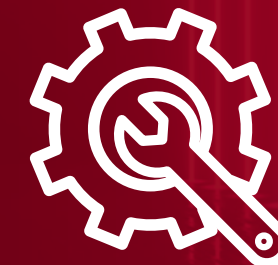
The future of mixed use development is a unified flexible space which creates a place where people want to be. To achieve this, schemes should be able to transform throughout the day to offer different uses and experiences.

To create a successful development, time is as much a consideration as the traditional dimensions of space and function. The pressure to maximize returns drives the innovative ways to ensure 24/7 utilisation of spaces.

We have identified three key trends that play a significant role in how mixed use projects will look in the future and contribute to make these assets as effective as possible.



**EFFECTIVE  
AND EXCITING  
UTILISATION OF  
SPACE AND OTHER  
RESOURCES**



**INCREASING  
CUSTOMIZATION**



**IDENTIFIABLE  
AND USABLE  
PUBLIC SPACES**



# EFFECTIVE AND EXCITING UTILISATION OF SPACE AND OTHER RESOURCES

The trends to recycle everything possible and minimise the underutilisation of assets can be progressively found in all sectors of the economy.

Lack of resources and space has led to a growing need to maximise the utilisation of assets. Mixed use projects provide a great opportunity to achieve this efficient and exciting utilisation in the real estate sector. There are greater expectations of a more urban lifestyle without boundaries between work, shopping, leisure and home. People expect a more exciting environment. The synergies between various uses and innovative solutions which include spaces changing throughout the year, day of week or even time of day, are increasingly allowing landlords and occupiers to enhance utilisation of their real estate 24 hours a day, and 365 days a year. Technology is here to allow smart design and engineering (removable walls, flexible furniture) as well as enabling the creation of numerous PropTech tools which optimise space utilisation.

This not only drives the asset performance and returns, but also satisfies environmental aspects that are increasingly important for communities and investors.

Several examples can be found today to highlight the opportunity on offer: various online platforms similar to Airbnb for residences or hotels that can easily turn to offices or meeting venues; High street retail units by day, night clubs by night; or university campuses transformed to coworking space during the summer break. In addition, we are likely to see buildings that operate as vertical cities, accommodating lifestyle expectations.



The PopUp Hotel is a revolutionary new type of hospitality experience. Outdated Class B office spaces are transformed into a new concept of urban resort hospitality experience centred on a monthly repertoire of live events, concerts, lectures, and conferences.



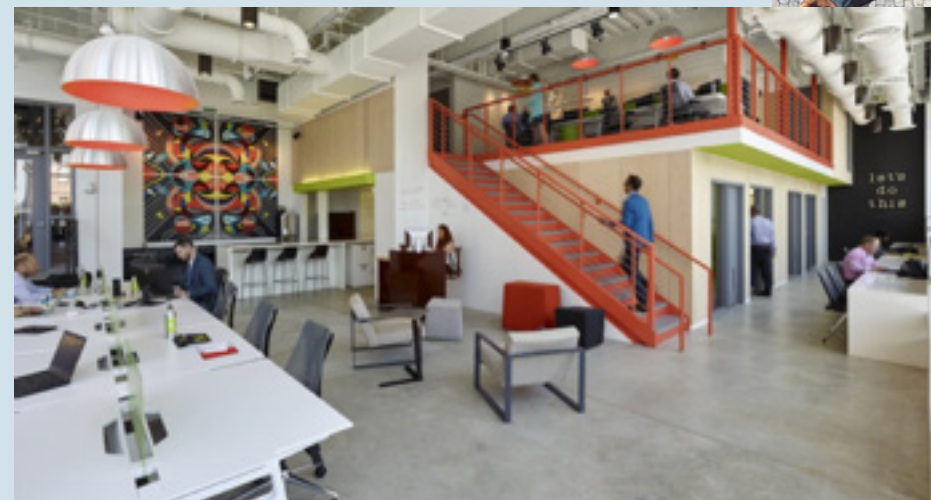


# INCREASING CUSTOMISATION

We see a clear trend to customise buildings for a certain demographic or interest groups. People are increasingly demanding customised services and goods. This will gradually apply to all forms of real estate, driven by an escalating fight for clients that will follow only those who understand them and provide exactly what they seek. A product for everyone is product for no-one and this will gradually apply also for real estate.

Mixed use projects provide a great opportunity, by combining a variety of use and functions that will speak to its target group and create a sustainable competitive advantage. These made-to-measure complexes are being enabled by new technologies, providing developers with the wealth of data required to build the space according to the need of the target group. Existing technology, such as smart furniture or sensors, will allow even further real time personalisation and interaction between the properties and their users.

Increasing mobility means that people are no longer staying in one place for their whole life. They move according to the stage of their life and as their preferences and needs evolve. Therefore, mixed use projects do not have to serve all the groups in a certain place but can be made to measure for specific groups whether these are families, students, seniors or employees.



**Beyond the campus:**  
universities invest in facilities, amenities with an eye toward the community.





# PLACE-MAKING

Placemaking brings additional value to the property for developers, tenants and visitors. Creation of public realm adding attraction points and creating the right atmosphere is not optional anymore, it is an essential component in creating a mixed use development.

This is not new for many countries, but it is now more important due to the changing retail landscape, urbanisation and the battle for talent. People expect more in a wealthy society. Experience-oriented people visit the place not only to use the main functions of the complex, they are attracted to the environment that brings them to live and work here, spend more time and to visit again.

## HAFENCITY: QUARTIER BAAKENHAFEN IN HAMBURG



HafenCity: Quartier Baakenhafen in Hamburg, a project combining not only multiple uses (retail, office, residential, etc) but also different social groups by including diverse types of residential offer (social, commercial – both rent and sale) and targeting several social and age groups.

Sustainability is one of the basic characteristics for all products aiming to be successful in the future.

Efficient use of space and energy, flexibility of space and development for the long term are all important considerations when discussing sustainability. Mixed use developments are well-known for revitalising single-use areas, for example, business areas which tend to be deserted during nighttime.

But now it goes further and creates diversified communities within one project which helps the city to avoid distressed areas and to provide a vibrant environment attracting people.

Heart of the City in Sheffield (UK) is a good example of a mixed use development with a focus on placemaking. It is a regeneration project in Sheffield city centre with integration of existing architecture. The quarter will include offices (both traditional and flexible), accommodation, retail, and hotels. A wide range of cafes and restaurants, a food hall, leisure offers together with new squares, event spaces, courtyards and pedestrian areas will make the city centre an exciting and interesting place to live, work and spend time.

<https://www.heartofcity2.com/>





# OUTLOOK 2020 WHAT YOU NEED TO KNOW

Whilst mixed use is undeniably complex it is also by far the most rewarding. Mixed use schemes are the formats of the future.

**To repeat our earlier statement ‘the future of mixed use has already arrived:**

**1** To be effective in 2020, time must be viewed as a key consideration. There has to be a detailed view of how buildings / complexes operate throughout each day part. Is there an opportunity to expand the hours of use by opening up public spaces or elements of leisure during previously unused times of day?

**2** As society evolves, so must space. In certain situations flexibility is not the issue. It's more about being relevant. Build to suit environments such as e-fulfillment, data centres and indeed many hotels and stores are exactly tailored to their needs. Where we see opportunities is in how the different buildings work together. There is no reason why hotels, offices, restaurants, retail and residential can't be part of one entity.

**3** Social space and public realm will become integral to mixed use developments. There has to be a strong relationship between city and developer. The space around the buildings is the context within which it has to be relevant and appealing to people.

**4** Put people at the heart of your development. There is still a lack of discussion around people and what they expect. 2020 will see the growing importance of understanding human behaviour and the influence this has on real estate. It is no longer enough to only look at the traditional core metrics of real estate.







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