

Multi-generational living trends: What property owners should know

Multi-generational households – defined as two or more adult generations living under one roof – are on the rise in South Africa, ushering in a new era for the property industry.



Source: [Pexels](#)

The culmination of high interest rates, unemployment and rising costs has given rise to multi-generational living as many families work together to save on costs.

“While not a new concept, thanks to the country’s diverse mix of cultural traditions, it’s becoming increasingly commonplace in recent times,” comments Grant Smee, managing director of Only Realty Property Group.

Statistics SA estimated in 2022 that 32% of South African households were multi-generational, a percentage that Smee expects has only grown during the extended interest-rate hiking cycle.

“ooba Home Loans data shows that the average age of a first-time homebuyer is 35 - an age where many people are well into their careers and have started families of their own, but are still struggling to get their foot on the property ladder.”

Looking to global trends, Smee notes that multi-generational living is not unique to South Africa. “In the US, the Pew Research Centre reported that a quarter of all American adults aged 25 to 35 reside in a multi-generational home, with

many never having left their family home after turning 18.”

Not always linked to affordability, Smee notes that generational living is also linked to convenience factors. “There’s also a strong case to be made for young families with small children, close-knit families and families looking after elderly family members seeking solace in the form of multi-generational living.”

A growing trend in homeownership

For some homeowners, having additional family members move in is seen as an unwelcome imposition but others are embracing multi-generational living wholeheartedly, building additional dwellings on their property or converting unused space to granny flats.

“In 2020, the City of Cape Town went so far as to amend a municipal bylaw to give homeowners the automatic right to build up to three dwellings on their land on all properties in the city zoned as SR1,” adds Smee.

He shares that the rise of multi-generational living is more evident in freestanding homes than in sectional-title schemes (complexes), where there are restrictions around the changes and additions an owner can make to an existing unit.



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11 Apr 2024



“However, we’re seeing an increasing trend of residential estates marketing themselves as the ideal site for multi-generational living, offering close proximity to family members who can offer support with child and elderly-care needs while still maintaining independence through separate, self-contained homes.

Estates like Steyn City and Val de Vie have carved out a unique niche by catering specifically to the different generations: retirement units for grandparents, large freestanding homes for parents and luxury apartments for young adults, all in one secure gated community.”

Benefits of family co-habitation

While the rise of multi-generational living is the result of challenging economic pressures, Smee is careful to stress that there are many financial and lifestyle benefits to this kind of living arrangement.

This is particularly true in high-demand areas like the Western Cape, where the average rental is around R10,118 per month according to the latest PayProp Rental Index.

“This figure is slightly less than the monthly instalment on a R1m home loan at the current interest rate. Allowing your adult children to live with you for an extended period enables them to put money aside to fund their own property purchase, money that would otherwise be spent on rent with no asset to show for it at the end of the lease.”

Other benefits of multi-generational living include shared responsibility for household expenses, increased security and assistance with child and elderly care.

“South Africa is a very family-orientated country, and multi-generational living can go a long way in strengthening family ties, if approached correctly,” says Smee.

He shares the following three golden rules for ensuring a healthy multi-generational living dynamic:

- Establish clear boundaries and expectations for all parties. Determine how financial contributions will work, shared responsibility for household chores and expectations for visitors and noise levels upfront.
- Designate personal space. Ensure that every family member or generation has their own private area within the home, whether it's a separate bedroom or living area, as well as expectations around privacy and personal belongings.
- Communication and compromise are key. "Be willing to compromise and adapt to each other's needs and preferences. You can foster an environment where everyone feels valued and heard by holding regular family meetings to address concerns, resolve conflicts and make collective decisions," Smee concludes.

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