

Urbanization is a driving force within society. It affects where we live, work, shop, and even where we choose to spend time on the weekends. Not only is this observed in the U.S., it also extends worldwide. A report by the United Nations shows that 54% of the world's population now resides in urban areas, compared to 30% in 1950. This figure is expected to reach 66% globally by 2050.

Today, you don't have to live in a 24-hour city to enjoy urban living. Enter, mixed-use. Mixed-use developments combine retail, residential, office, hotel and/or recreation creating an inclusive destination to live, work and play. Eighteen-hour cities are now hotbeds for mixed-use projects. Cities such as Austin, Seattle, Atlanta and Denver are a top priority among investors as core markets become more expensive. With lower costs of living and doing business, they are attracting people of all ages looking for well-paid jobs and affordable housing as well as employers looking for quality workers. Mixed-use is thriving in these markets because it promotes the urban lifestyle that today's population is looking for.

The growth of mixed-use has also begun reshaping the suburbs. According to a 2015 survey by Urban Land Institute, 37% of millennials said they want to live in a city while 29% want to live in the suburbs. However, the research also noted that millennials are not looking to move to the suburbs of generations past. Attractive suburbs offer suburban and urban benefits including mixed-use and transit-oriented options.

Of all the advantages that mixed-use offers, transportation is at the forefront. Amid increasing energy prices, congestion and environmental concerns, transit-oriented developments (TODs) have seen a surge within the mixed-use sector. TODs are defined by close proximity to public transit, walkability for pedestrians and the incorporation of live-work-play features. In addition to market demand, TODs are being encouraged by municipalities that benefit from an increase in public transit use and a reduction of cars on the roads. As a result, air quality improves, road costs decrease and city services are consolidated.

To no surprise, millennials are not the only generation realizing the advantages of the urban experience. Retirees and empty-nesters are now downsizing at a rapid rate as they look for more walkable, amenity-rich living. In fact, a Harvard University Joint Center for Housing Studies report found that retiring baby boomers are downsizing at such a high frequency that they're seizing up the available housing in many areas and pricing millennials out of some markets altogether.

As mixed-use continues to infiltrate cities and suburbs, developers are looking to capitalize on the trend. McShane Construction Company offers the expertise to produce greater returns throughout the construction process. Contact us to experience the difference.

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