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LIVE WORK PLAY:
BRINGING BIG DATA TO CRE

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OCTOBER 25, 2017

BY 2020, **MORE DATA** IN A SINGLE DAY THAN IN **ALL** OF 2010.
IF IT CAN BE **DIGITIZED**, IT CAN BE **ANALYZED**.

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IN CRE, BIG DATA IS WIDE

EXAMPLE: GRANULAR AND ALGORITHMIC SITE SELECTION

- **Submarket** and **CBD** are key CRE concepts.
- Site **selection** aided by drivers such as density.
- Governed by prior **performance**, such as **rent** or **vacancy**.
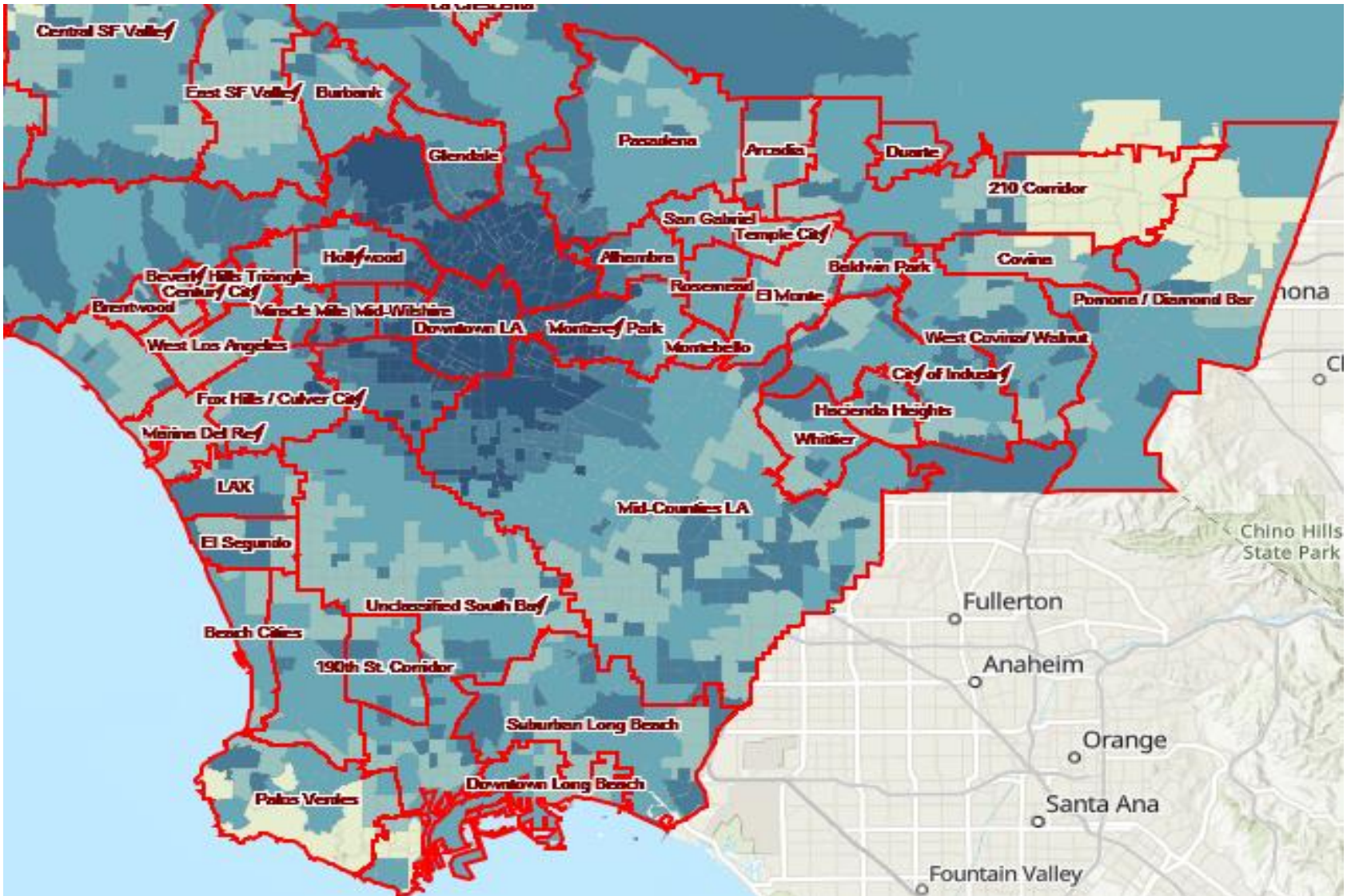

Everything is a Recommendation

Ranking

Rows

Over 75% of what people watch comes from our recommendations
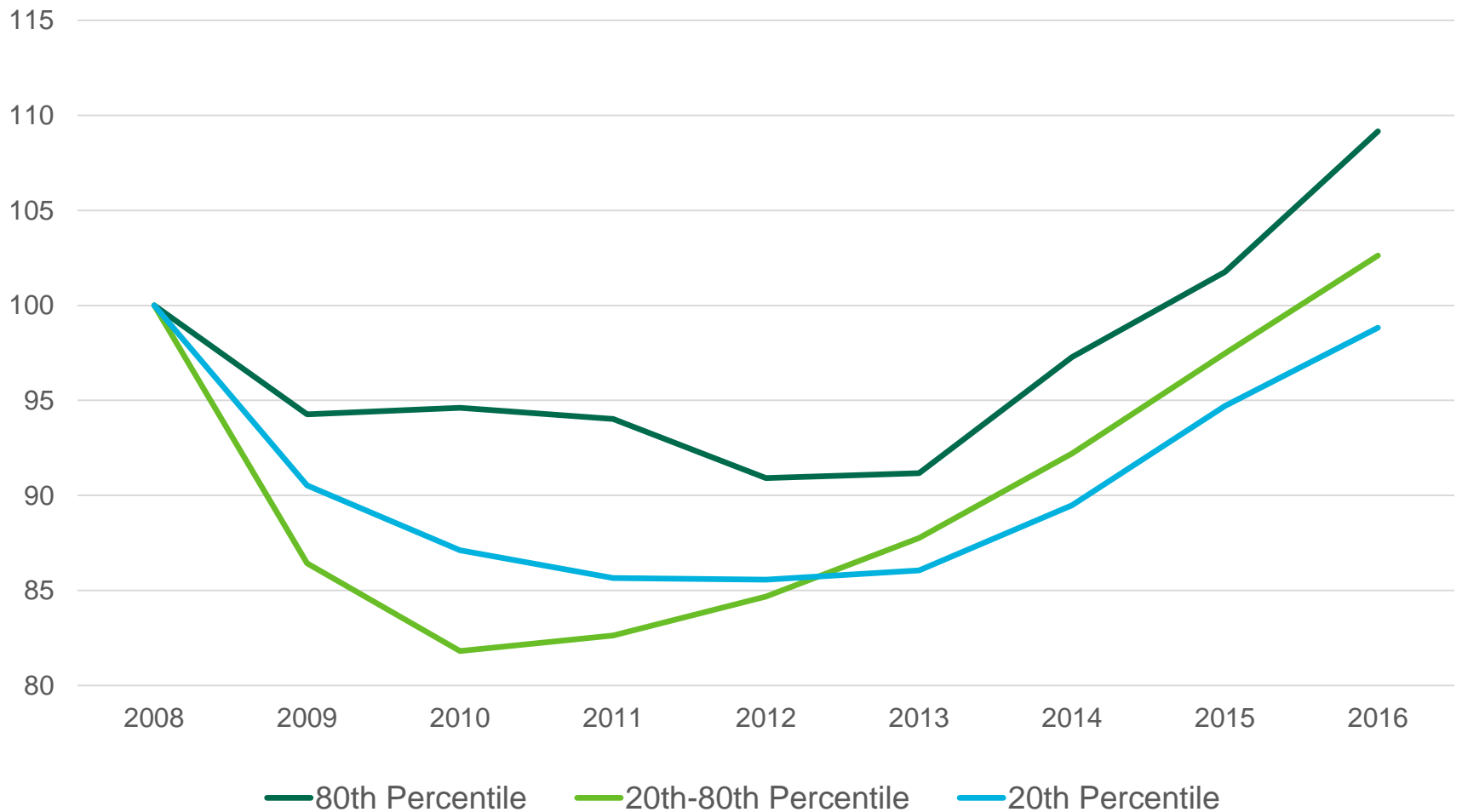
NETFLIX

EXAMPLE: GRANULAR AND ALGORITHMIC SITE SELECTION

Source: CBRE Econometric Advisors, Q3 2017

HIGHER LWP SCORES CORRELATE WITH OFFICE RENT GROWTH
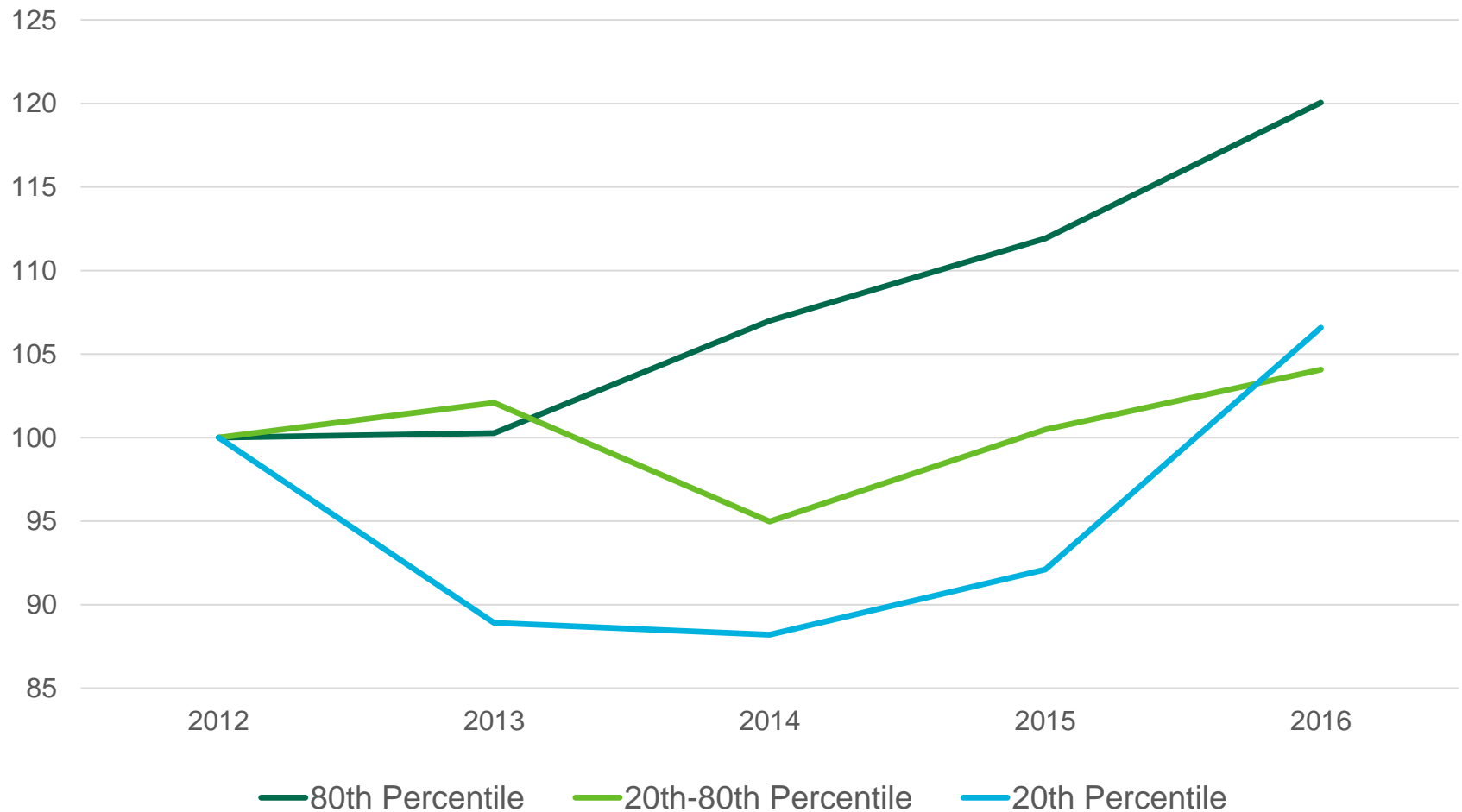## GROSS OFFICE ASKING RENT GROWTH. INDEX, 2008 = 100

Legend: ——80th Percentile ——20th-80th Percentile ——20th Percentile

Source: CBRE Econometric Advisors, Q3 2017

RETAIL RENTS CORRELATE WELL IN EXPANSIONS
NET RETAIL ASKING RENT GROWTH. INDEX, 2012 = 100

Legend: 80th Percentile — 20th-80th Percentile — 20th Percentile

Source: CBRE Econometric Advisors, Q3 2017

WHAT LWP "LIKES" TODAY IS SIMILAR TO 2008
SELECT SUBMARKETS RANKED BY 2016 LWP SCORE

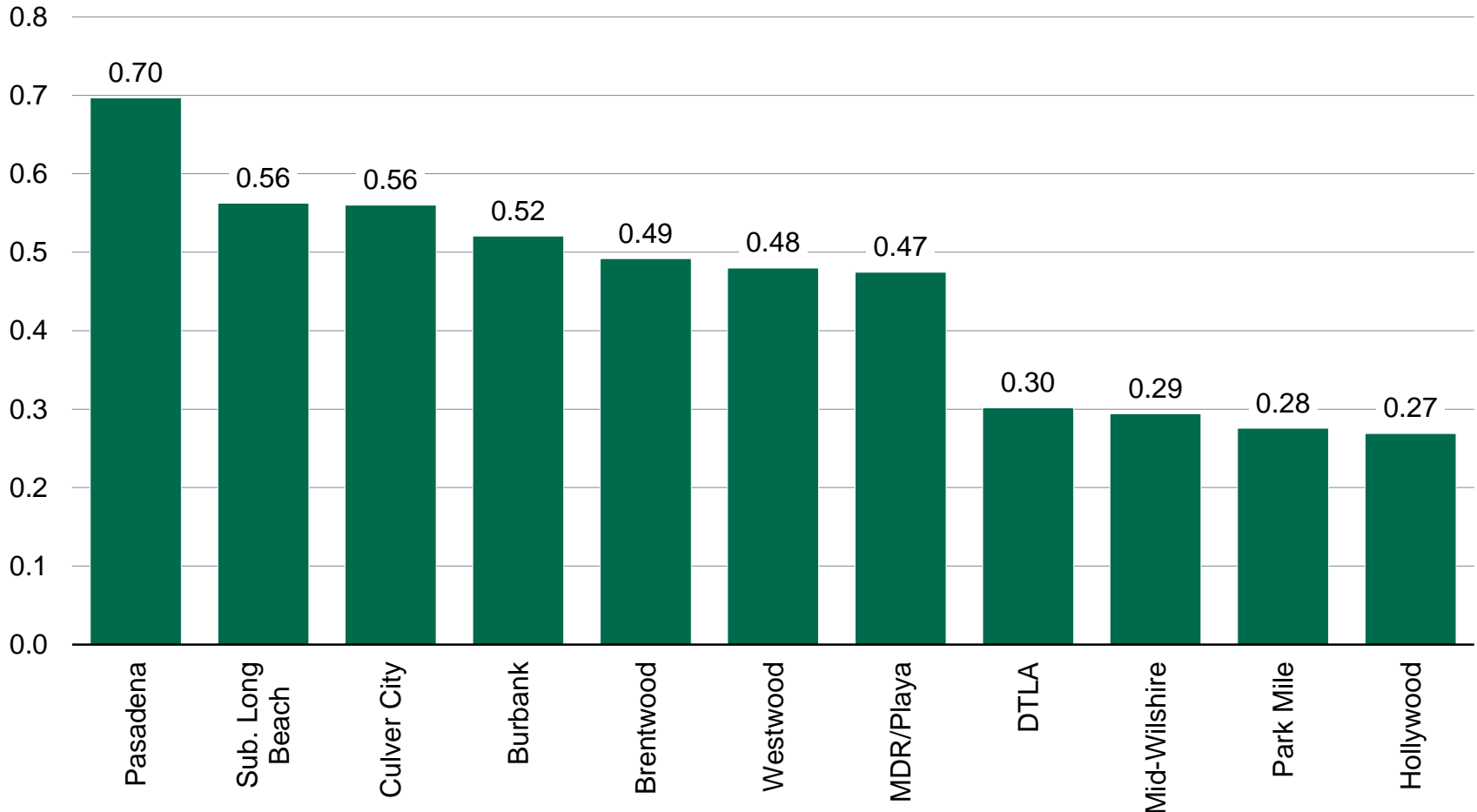| SUBMARKET	LWP SCORE	2008 RANK	2016 RANK
Downtown LA	0.89	1	1
Mid-Wilshire	0.77	2	2
Park Mile	0.73	3	3
Hollywood	0.70	4	4
Glendale	**0.61**	**7**	**5**
Alhambra	0.61	5	6
Miracle Mile	0.61	6	7
West Hollywood	0.58	8	8
Beverly Hills	0.55	9	9
Pasadena	0.54	10	10
Fox Hills/Culver City	0.53	11	11
Century City	0.52	12	12

Source: CBRE Econometric Advisors, Q3 2017

MORE PRECISE (BETTER) THAN SUBMARKETS
# A SUBMARKET CAN CONTAIN VERY DIFFERENT LWP SCORES

Difference - Top Score and Low Score

Submarket	Difference
Pasadena	0.70
Sub. Long Beach	0.56
Culver City	0.56
Burbank	0.52
Brentwood	0.49
Westwood	0.48
MDR/Playa	0.47
DTLA	0.30
Mid-Wilshire	0.29
Park Mile	0.28
Hollywood	0.27

Source: CBRE Econometric Advisors, Q3 2017
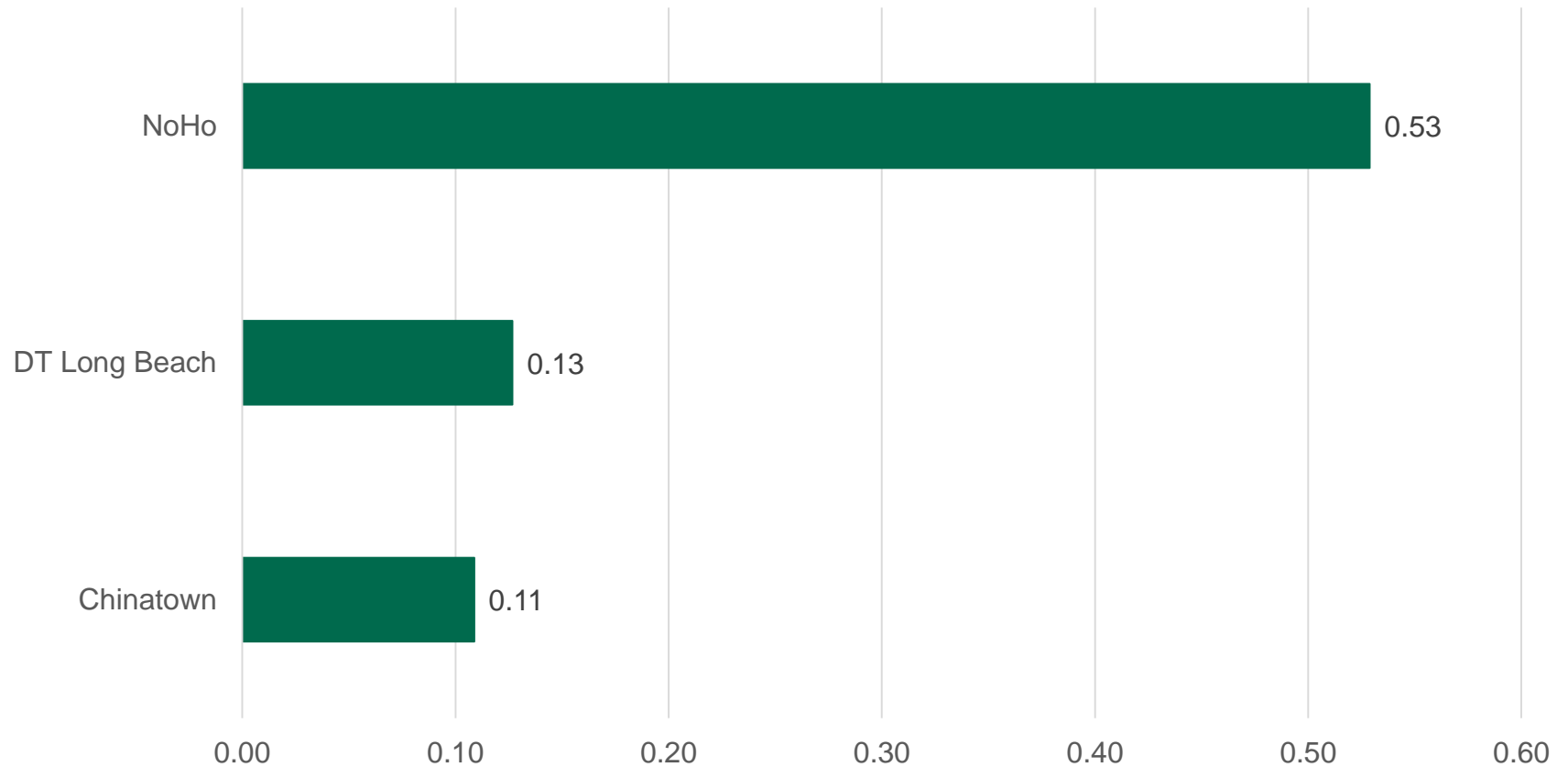
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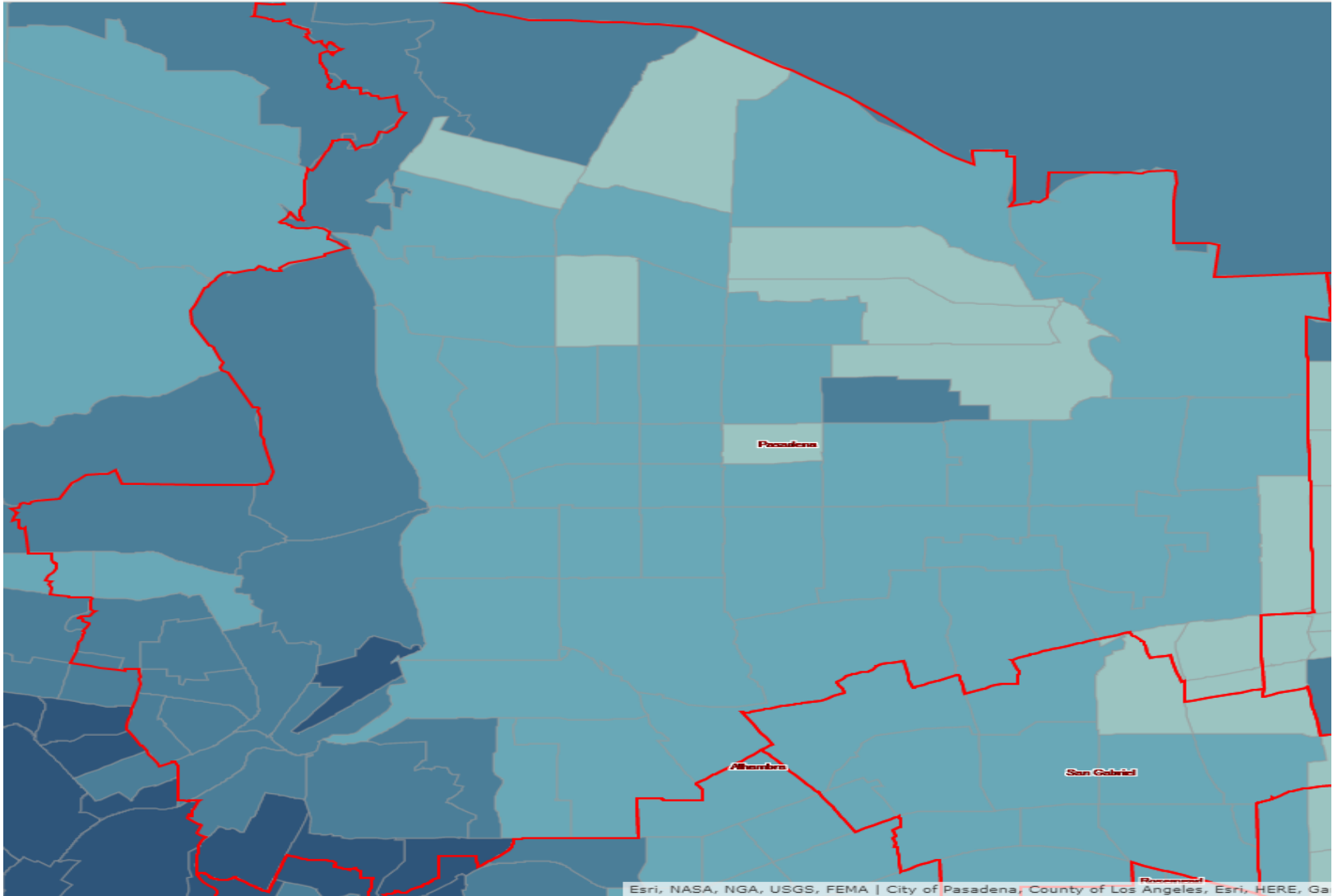
WHAT'S NEXT?
A LOOK AT SOME UP AND COMERS

Tracts with Large LWP Increases from 2008 - 2016

Source: CBRE Econometric Advisors, Q3 2017

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THANK YOU

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