

The Age of **RESPONSIVE REAL ESTATE**

Presented by Econometric Advisors

**2020
SPRING
CLIENT FORUM**

CBRE

REAL ESTATE 2030

NEW JOBS FOR OLD

THE LABOR MARKET'S IMPACT ON CRE



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2020
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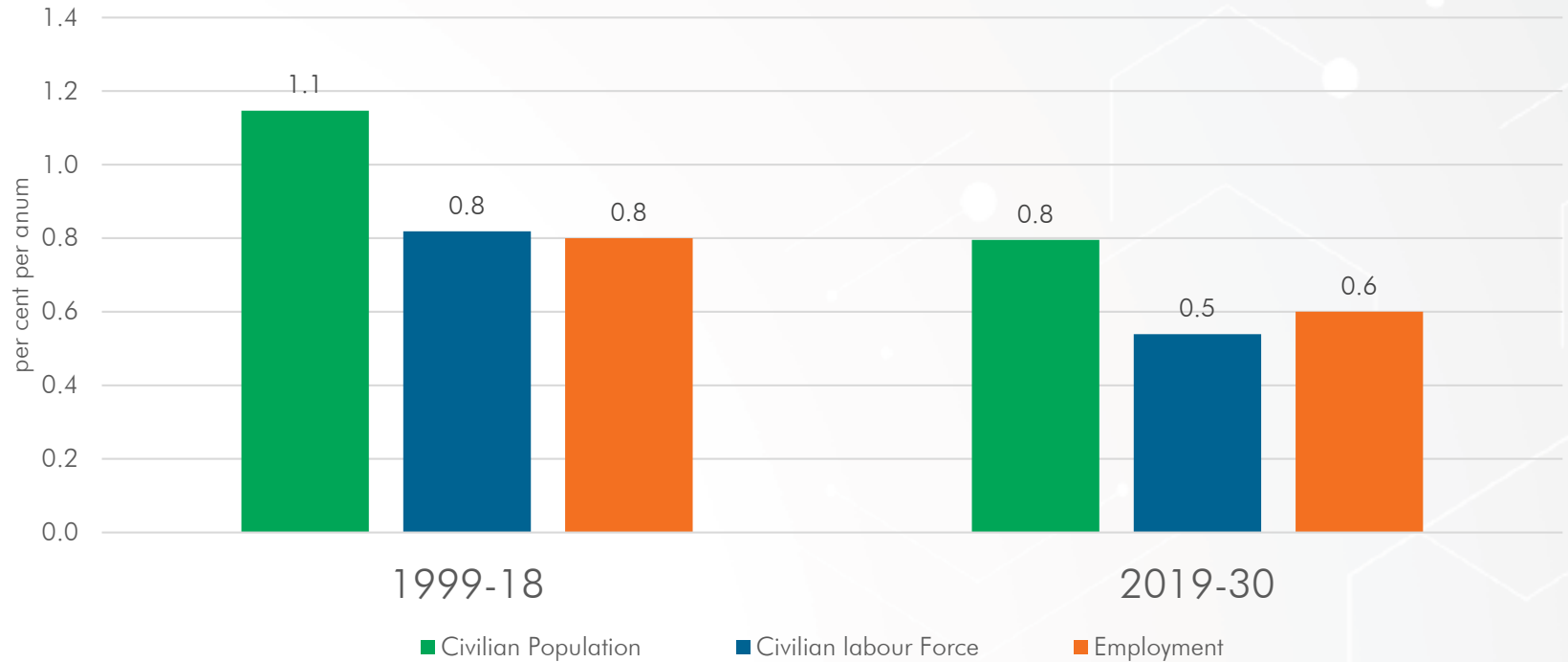
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LABOR MARKET IMPACTS

- How many jobs?
- What industries will people work in?
- What jobs will they do?
- The property and business implications (panel)



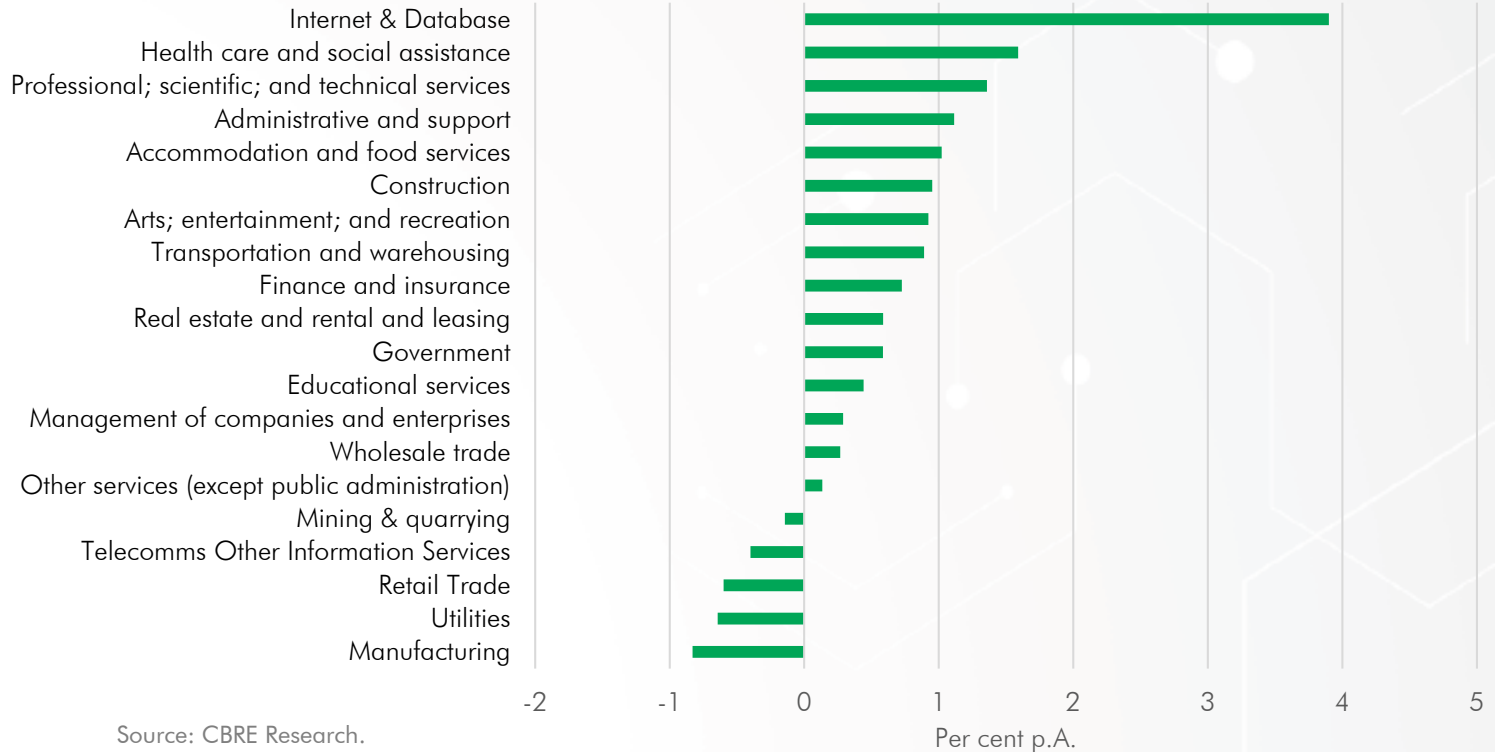
USA: DEMOGRAPHICS AND EMPLOYMENT GROWTH



Source: Calculations based on BLS data; CBRE house view (employment).

WHAT INDUSTRIES WILL WE WORK IN?

U.S. employment growth by industry 2019-30



Source: CBRE Research.

WHAT JOBS WILL WE DO?

U.S. Employment growth by occupation 2019-30

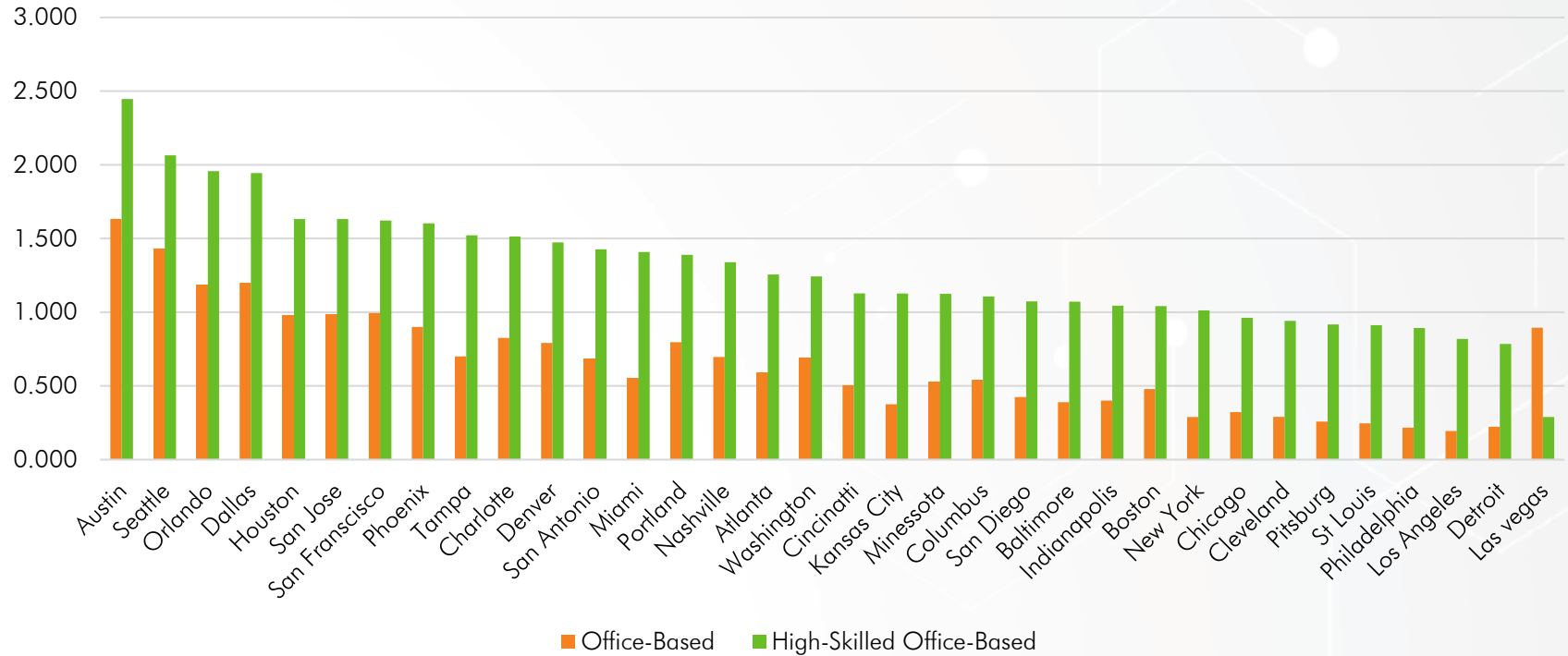


CHANGE

- Technological and demographic change will continue to drive a hollowing out of the United States occupational distribution.
- “Caring” occupations will dominate the growth end of the spectrum with only tech jobs being up with “caring” jobs in the fastest growing group.
- At the other end of the spectrum, a combination of automation and off-shoring will drive an absolute decline in administration roles and jobs in manufacturing.

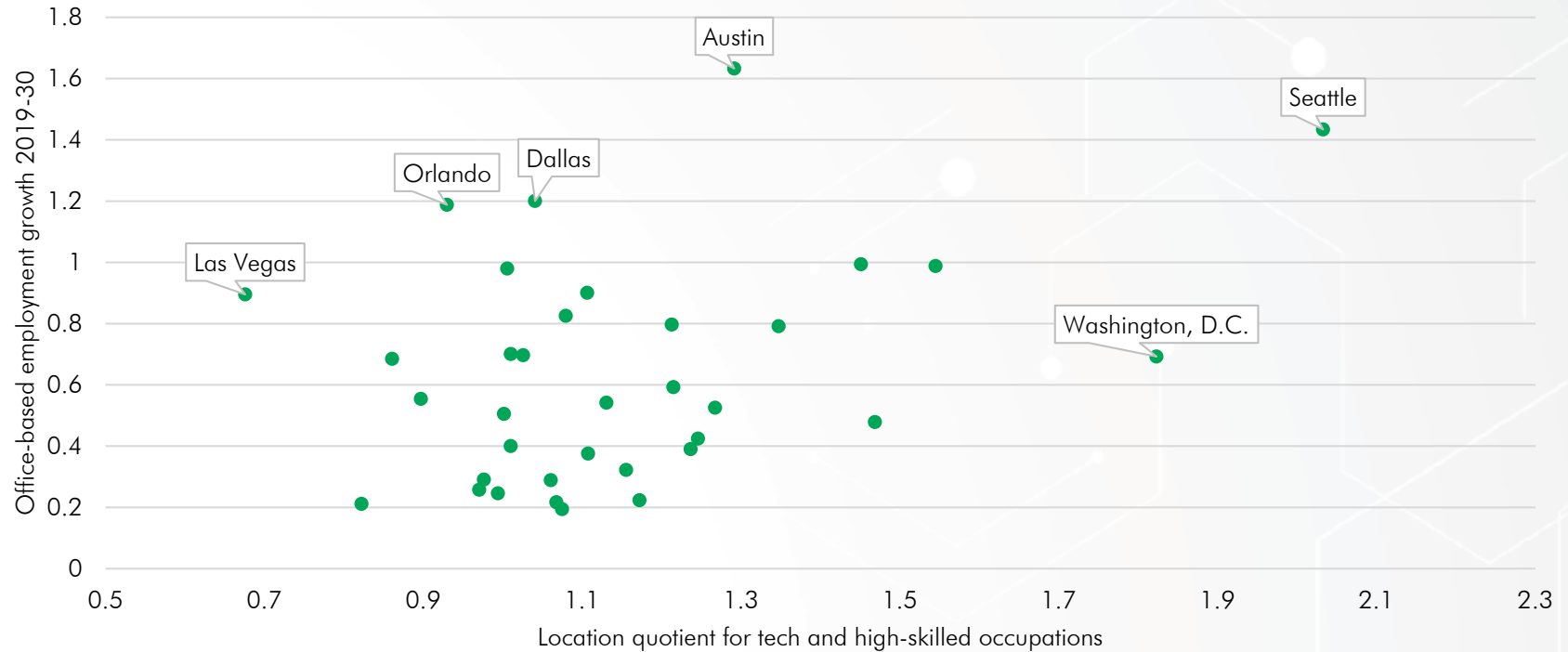
WHERE WILL WE WORK?

Office-based employment growth by metro, 2019-30



WHERE WILL WE WORK?

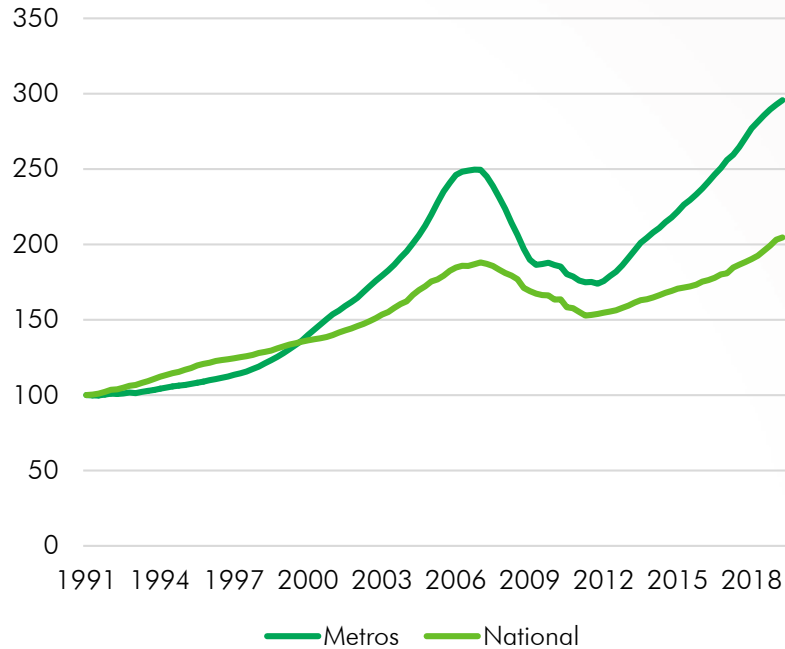
Employment growth and concentration of high-skilled jobs



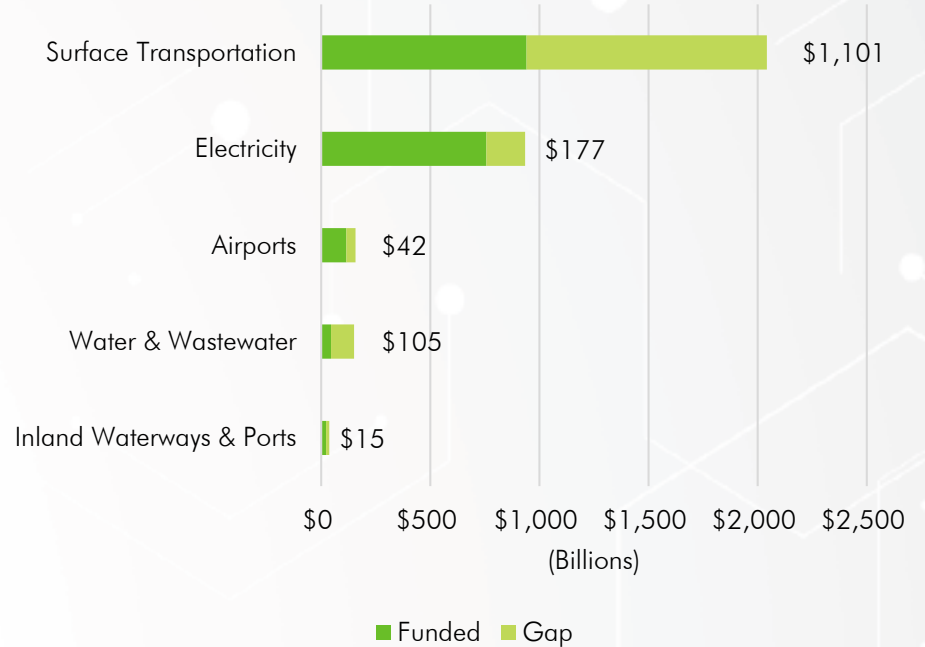
WHERE WILL WE WORK?

Limits to growth

US House Prices (index 1991 = 100)



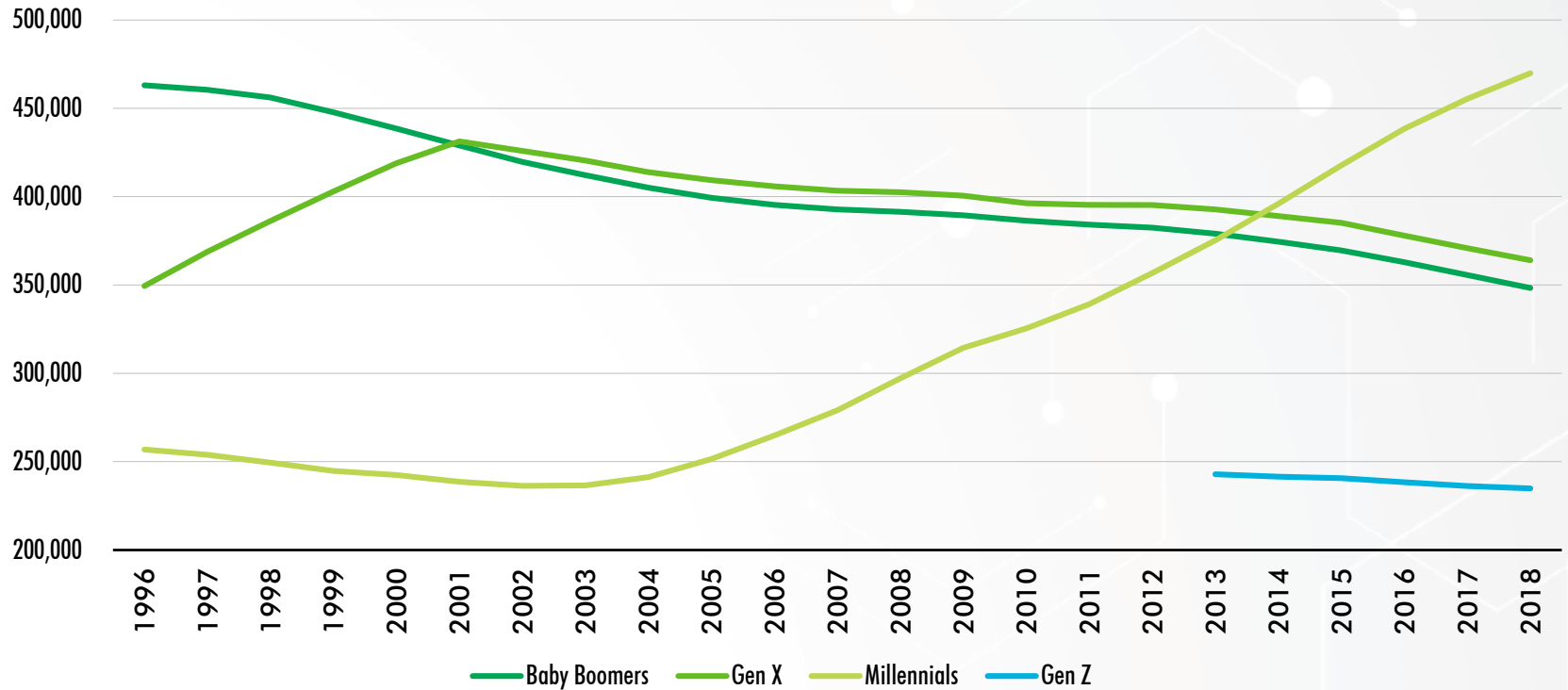
Projected Infrastructure Shortfalls by 2025



CLOSING

- Concentration of the fastest growing occupations will be a major - but not the only - determinant of relative city performance.
- Cities cannot grow endlessly without continuous investment in housing and infrastructure.
- Workers need somewhere to live, within their price range, and they need to be able to get to work.
- Social cohesion and good governance are also important. Without these factors in place, workers will be attracted to competing cities or to out of the big city environment altogether.

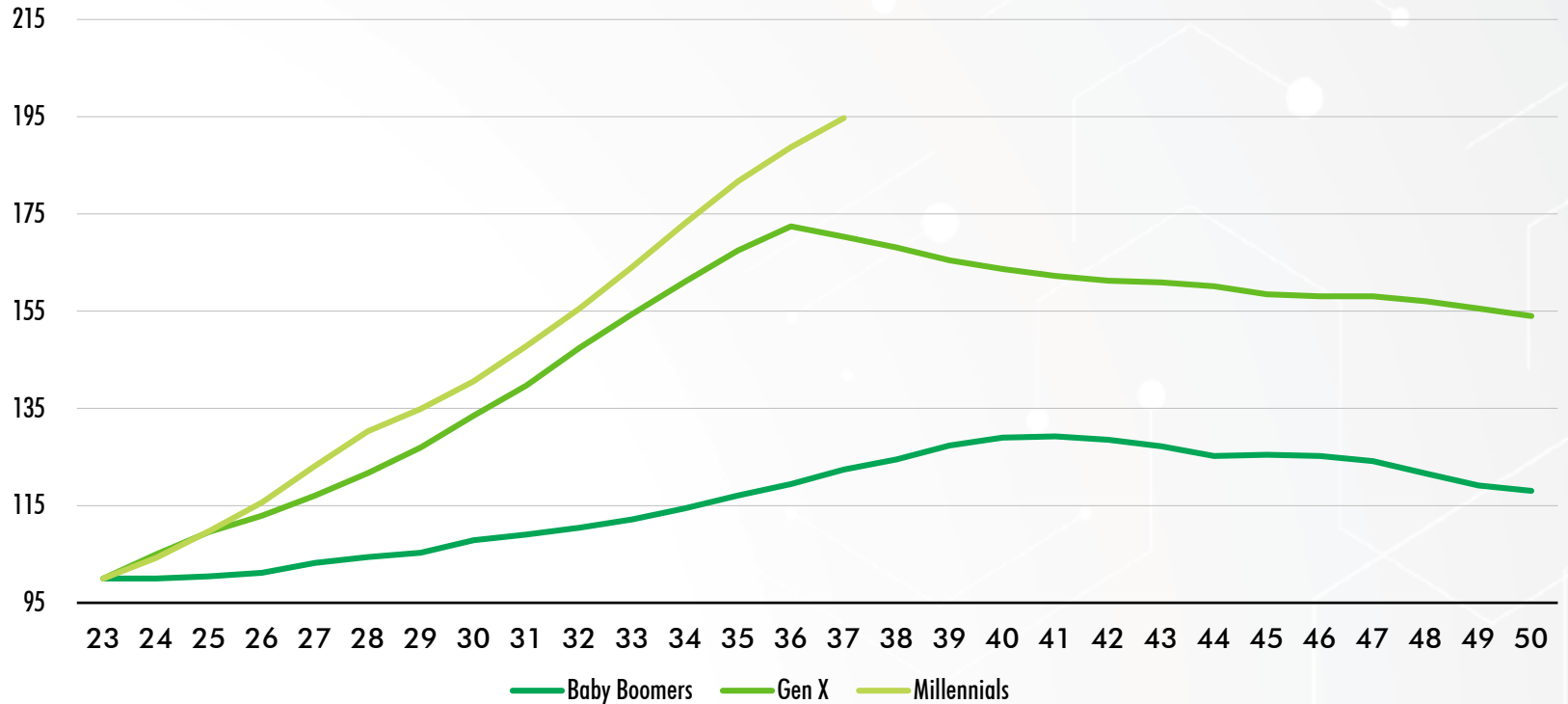
SAN FRANCISCO POPULATION BY GENERATION



Source: CBRE Research, National Cancer Institute SEER Program

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SAN FRANCISCO POPULATION BY GENERATION AT THE SAME AGE (INDEX)



Source: CBRE Research, National Cancer Institute SEER Program

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