Household Creation Drives Infrastructure

REAL ESTATE TRENDS 2016-2026

The Urban Land Institute released a study, *Demographic Strategies for Real Estate*, that defines generations by behavior.

The generational behavior connection is designed to show how generations will form households and where people will live in the future.

The study asserts that a new urbanism vitality in the suburbs will draw future populations as more people seek a mixed-use experience in a lower cost real estate location.

As millennials form households, during the next decade 79 percent of household growth will occur in the suburbs.

NPA believes this trend will continue to fuel infrastructure demand for parking as a growing overall population commutes to work in an urban environment.

Office demand for shared workspace and fewer square feet per employee will continue as the workplace moves more to a hotel-like space.

The result for parking could be more people parking, due to densification of office space. ∎

> *"The ULI study shows how generations will form households and where people will live in the future."*

42% of All Households Go South

Sunbelt set to see 62% growth in households from Florida, Texas, the Southeast and Southwest.

86% Increase in Household Formation

Over the next 10 years, new household formation will rise as millennials have children and seek out top suburban school districts.

12-13 Million Immigrants

Through 2026, an increase in immigrants will fuel household growth and consumption of real estate.

6% Mortgage Interest in 2026

ULI forecasts low mortgage interest rates slowly trending higher over a decade, but still at historic lows to fuel real estate demand.

2% U.S. GDP Projection

10 years conservative 2% GDP growth with 1% employment growth due to near full employment.

DEMOGRAPHIC STRATEGIES FOR REAL ESTATE

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