



Vision 2021

Real Estate Outlook

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JLL Research

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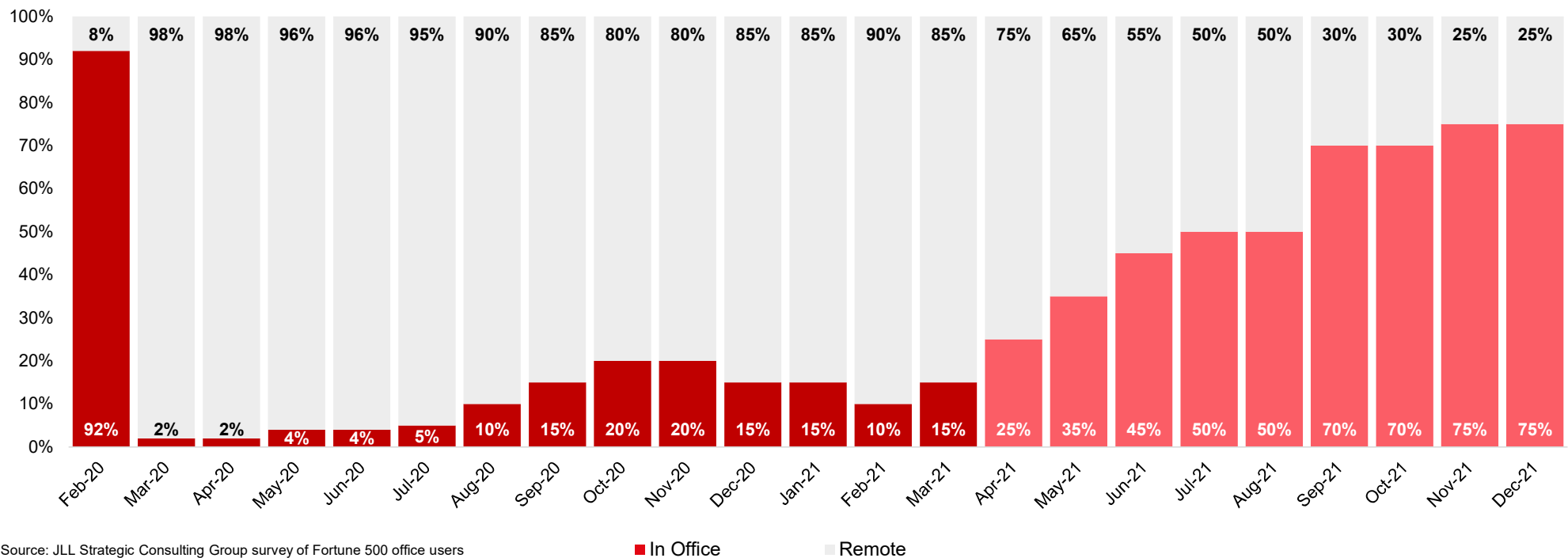
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Office re-entry in the U.S. has been slow, with local restrictions limiting physical occupancy rates

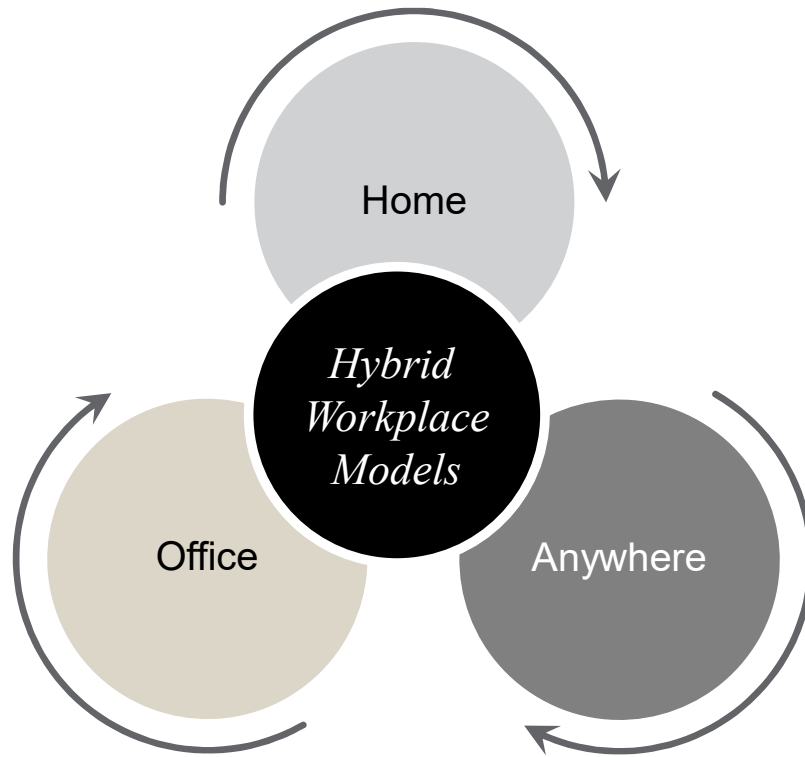


Observed and projected U.S. office physical occupancy level (%)



The U.S. is lagging China and several other countries in re-entry, where some cities are back > 80% occupancy

Future of work – the evolving “hybrid” workplace



Workplace Challenges

- Business Disruption
- Change Acceleration
- Cognitive Fatigue
- Employee Fear
- Establishing Trust
- Human Health/Safety
- Increased Complexity
- Risk Management
- Talent Anywhere
- Uncertainty

Workplace Objectives

- Corporate Culture
- Elasticity and Agility
- Employee Choice
- Financial Performance
- Flexibility/Liquidity
- Health & Well-being
- Human Experience / Human Performance
- Resiliency
- Sustainability

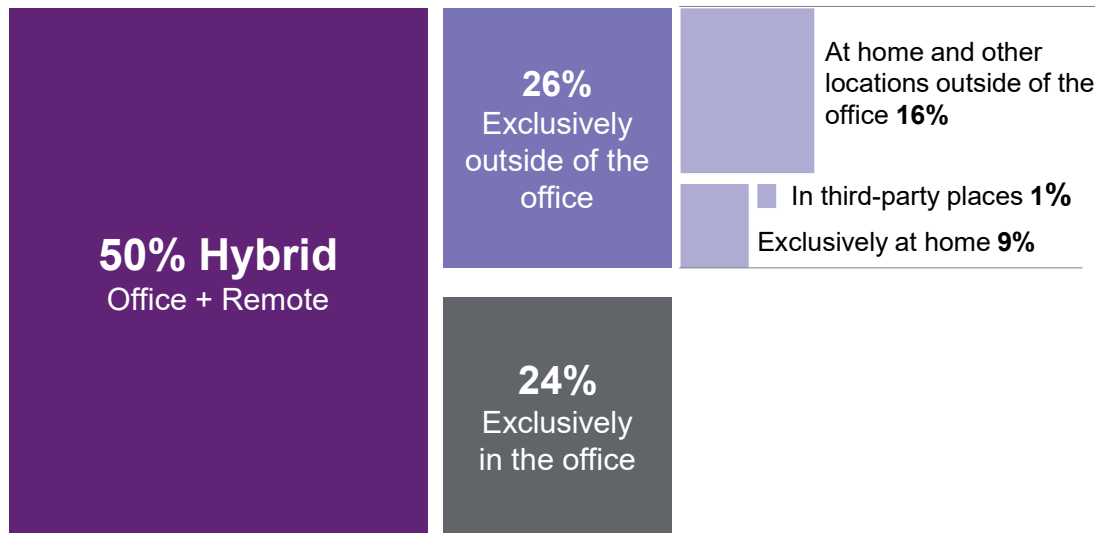
A hybrid future – 74% of employees want the office option

Remote work is here to stay. The question is how it's integrated and optimised



Employee perspective: Remote work frequency after Covid-19*

2.4 days on average



**How many days a week would you like to work remotely from home after Covid-19?*

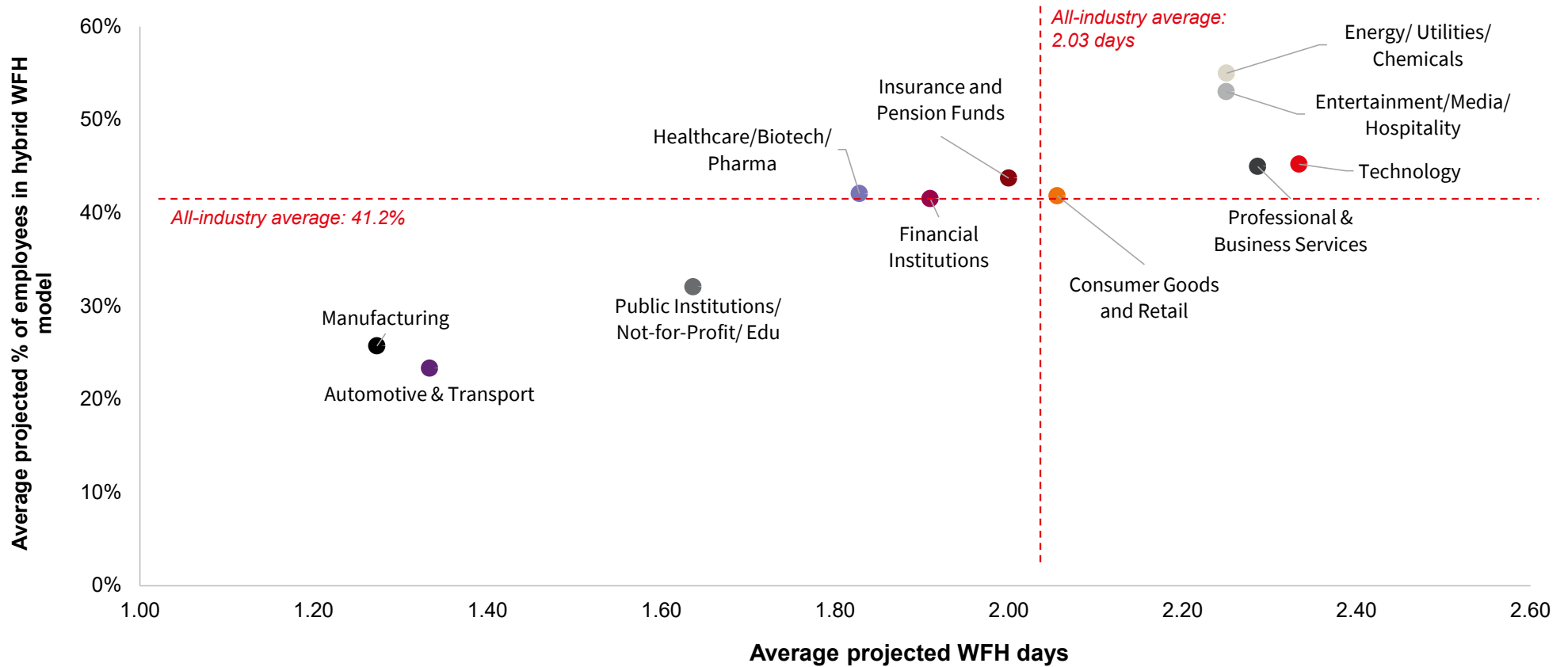
“Hybrid” workplace ecosystems



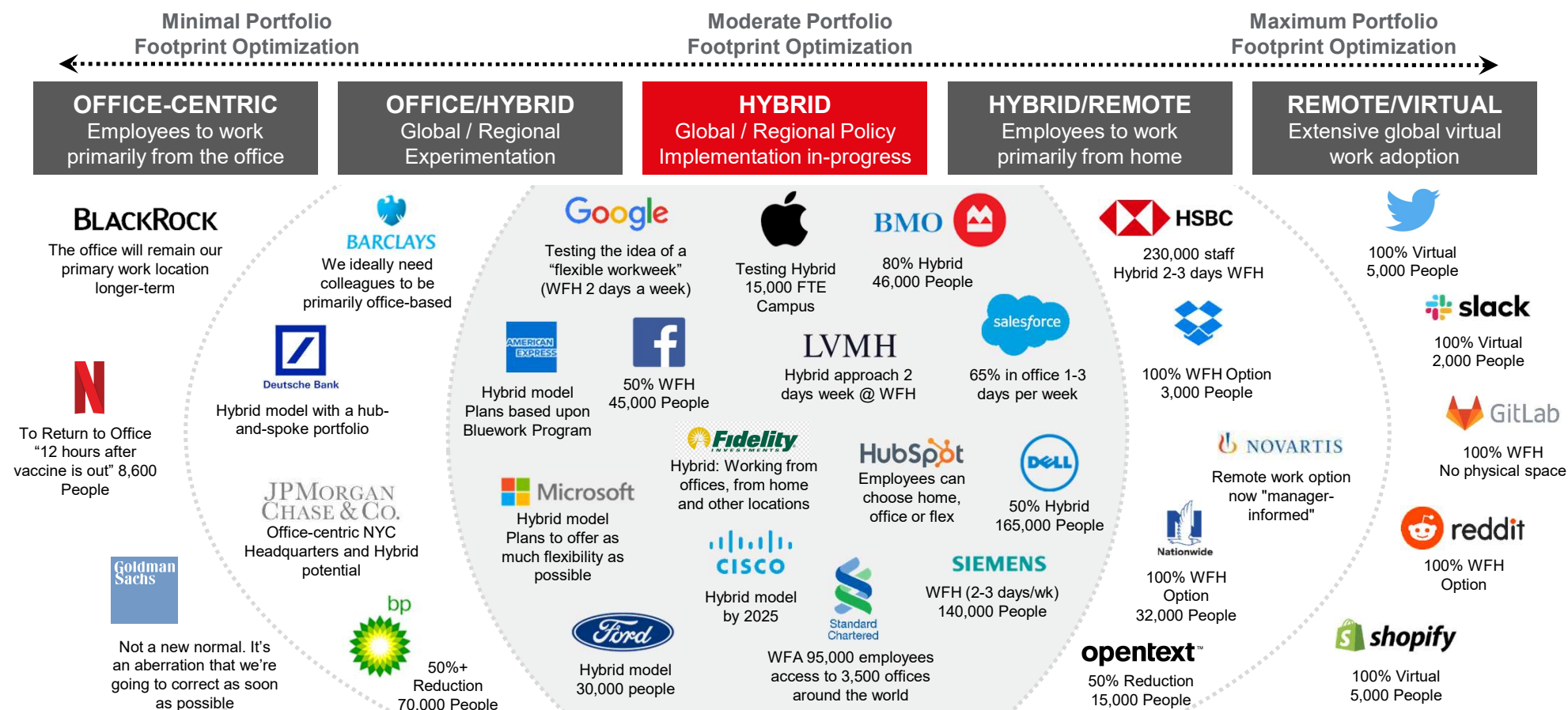
Source: JLL Human Experience 2020 survey. Survey size = 2033.

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Average projected WFH days vary by industry



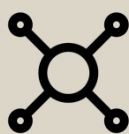
Corporate Workplace Strategies are Shifting



Changing role of the office – the “4 C’s”



Collaboration



Creation

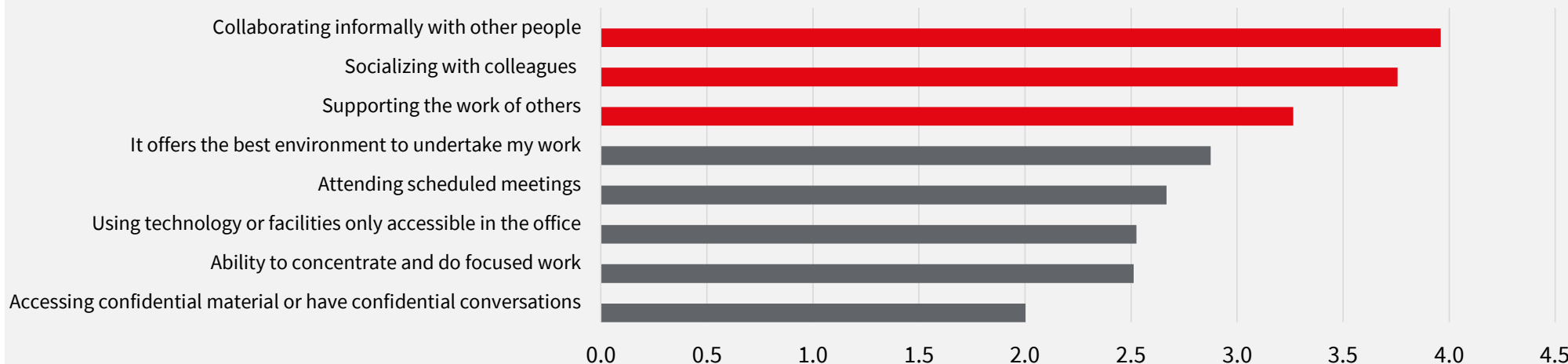


Career



Culture

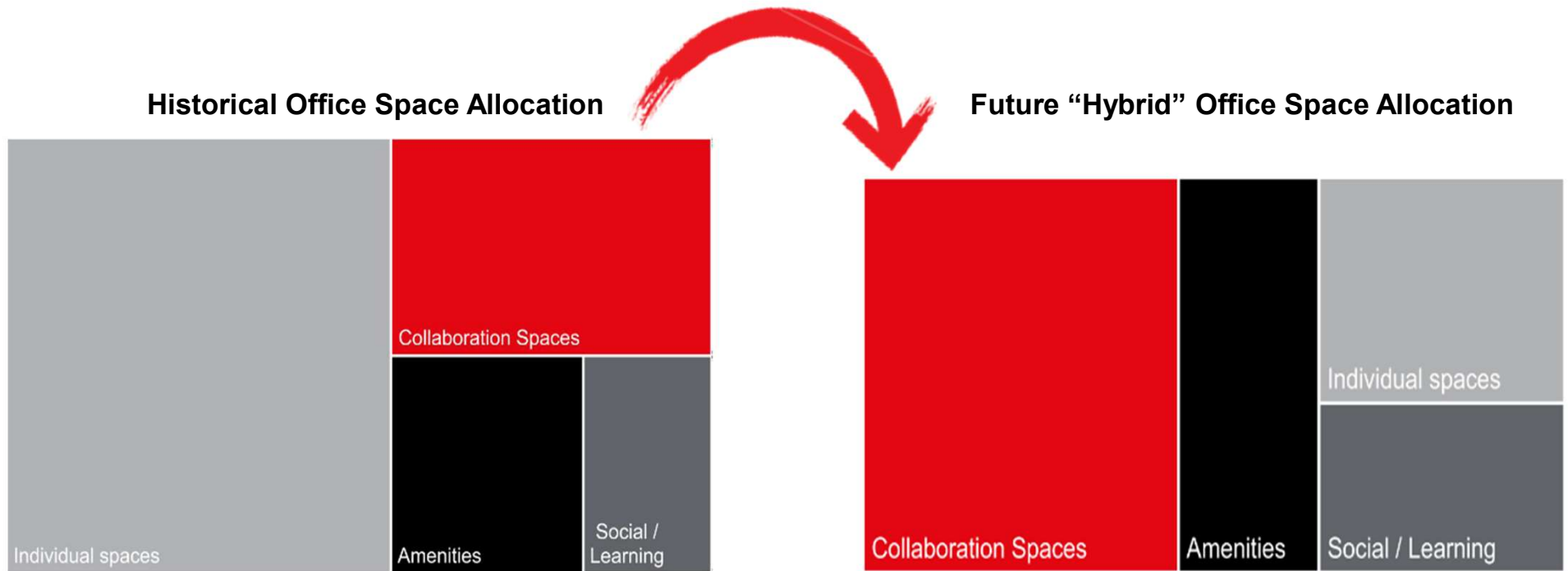
What do you miss most about coming into the office?



If the office purpose is changing, the space should change too



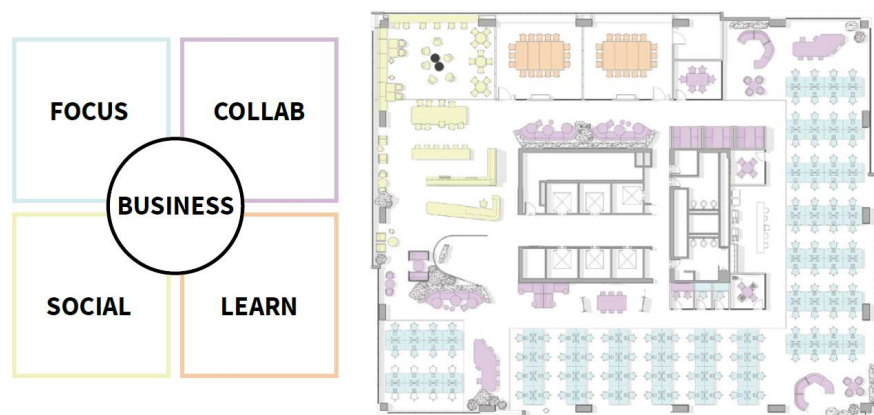
The “Hybrid” Workplace of the future may allocate less space to individuals and re-allocate space to enable culture, innovation, collaboration, learning, and socialization



Companies are starting to plan for new workplace designs

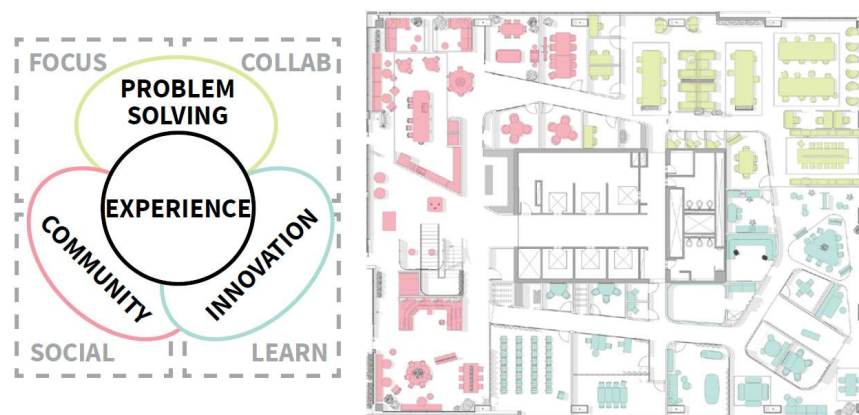


BEFORE = TRADITIONAL OFFICE DESIGN



The traditional office was designed around the **individual work point**.
(1 person / 1 seat assigned seating)

AFTER = BORDERLESS OFFICE DESIGN



The new borderless office is designed around **collaboration and community spaces**.
(100% hybrid / no traditional assigned seating)

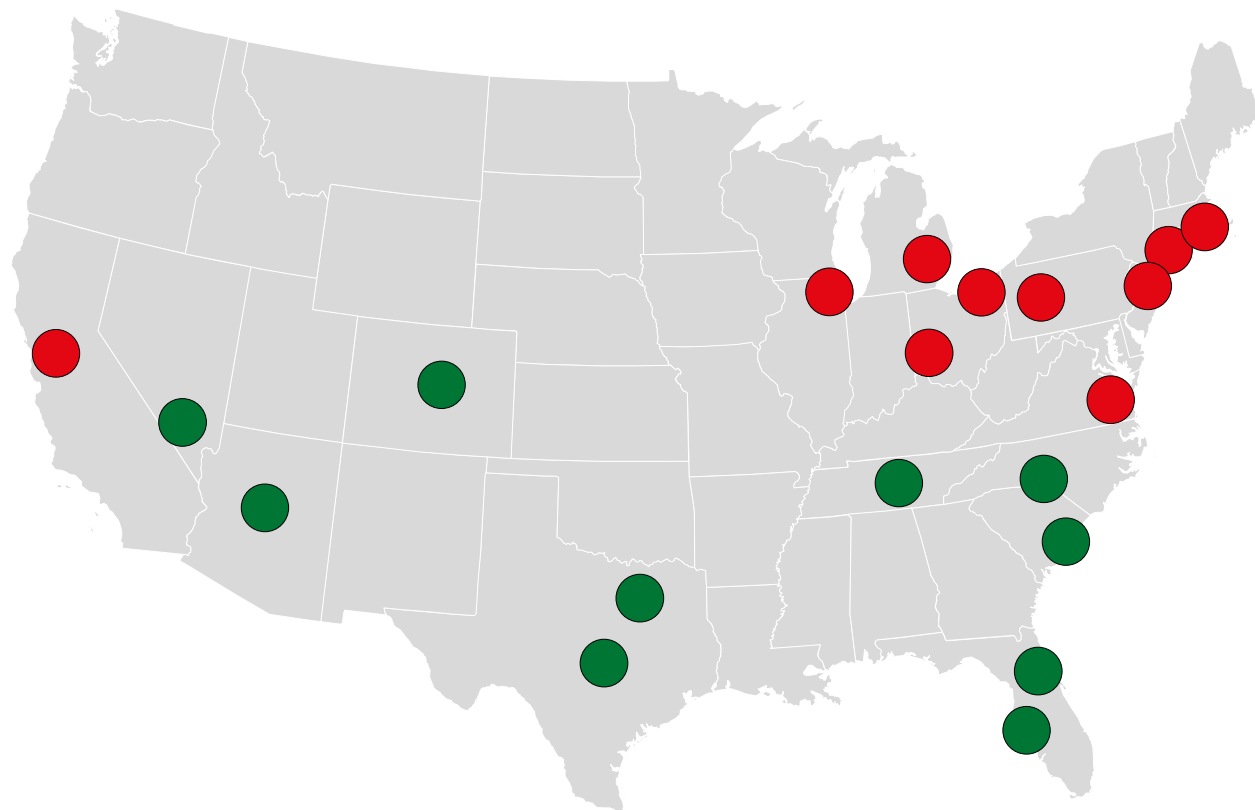
Office geographic patterns may shift as well



Net inflows

(Number of people moving in for every person moving out)

1. Austin, TX (1.53)
2. Phoenix, AZ (1.48)
3. Nashville, TN (1.47)
4. Tampa, FL (1.47)
5. Jacksonville, FL (1.46)
6. Charlotte, NC (1.45)
7. Dallas, TX (1.35)
8. Denver, CO (1.34)
9. Las Vegas, NV (1.32)
10. Charleston, SC (1.31)



Net outflows

1. New York City, NY
2. San Francisco, CA
3. Chicago, IL
4. Cleveland, OH
5. Hartford, CT
6. Norfolk, VA
7. Boston, MA
8. Detroit, MI
9. Cincinnati, OH
10. Pittsburgh, PA

- New York, San Francisco and Chicago have suffered the most acute outflows since the onset of the pandemic
- The most popular migration routes have been San Francisco to Austin (16.7 per 10,000), New York to Austin (11.6), San Francisco to Seattle (10.9), New York to Denver (9.1), Chicago to Nashville (8.7) and New York to Miami (8.7)

Number in parenthesis reflects number of people moving in for every person moving out according to changes of zip code in LinkedIn profiles

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Reimagination beyond real estate

Real estate transformation will require partnership at all levels of the organization



The Adaptive / Resilient / Sustainable / Responsible Enterprise



Business Strategy

Business Continuity	Business Model
Business Process	Business Purpose



People Strategy

Talent Strategy	Health & Wellbeing
Workforce Preference	Human Experience



Workplace Strategy

Workplace Technology	Sustainability & Responsible RE
Workplace Reactivation	Work-from-Home / Anywhere



CRE Strategies

CRE Vision & Guiding Principles	CRE Portfolio Optimization
CRE Transformation	CRE Cost Optimization

CRE: Corporate Real Estate

None of the groups above can enact significant change without the others and all will require digital transformation and technology enablement