

Debunking the Millennial MYTH

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Meyers Research



OUTLINE

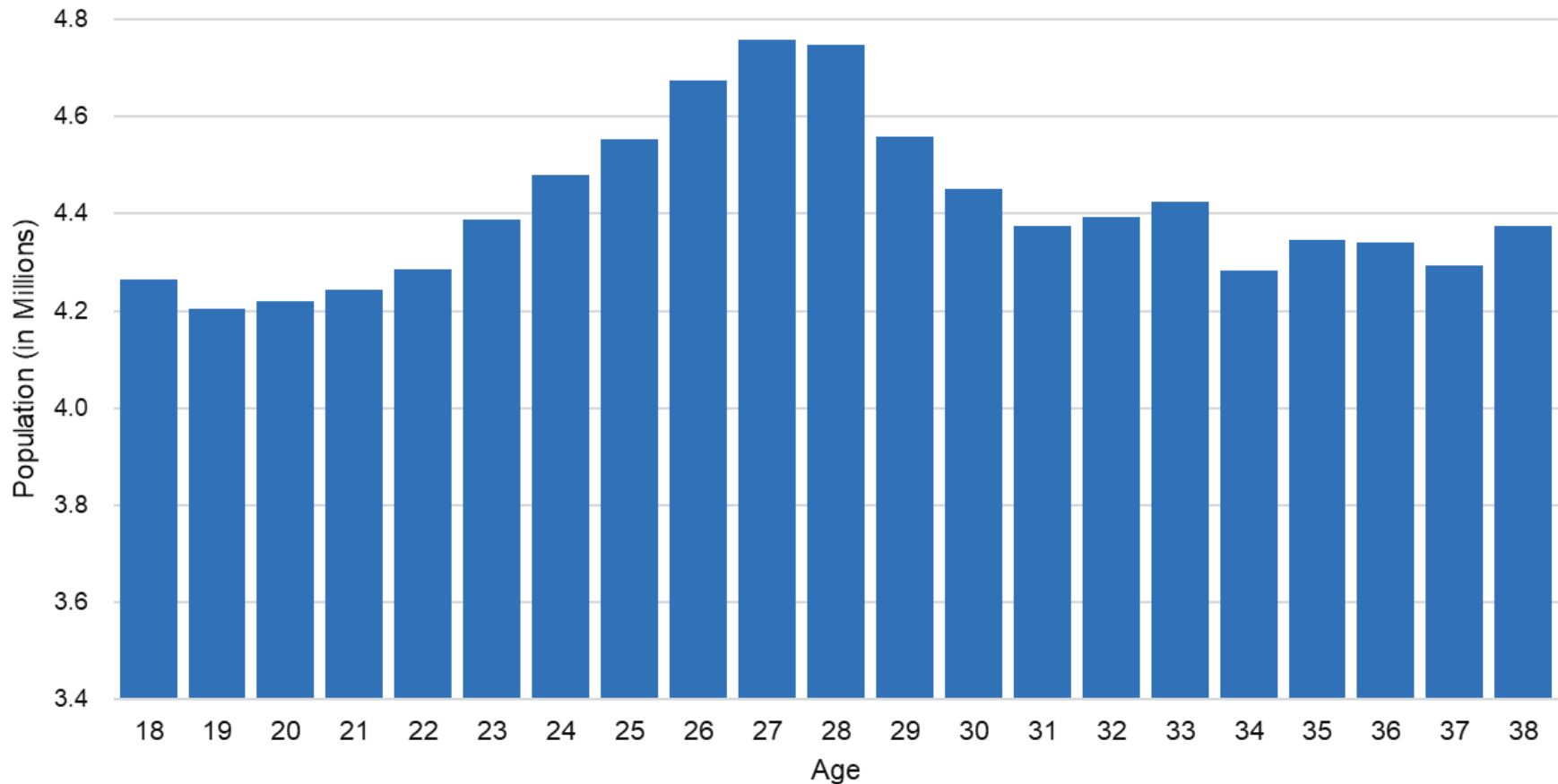
1. Millennial Basics
2. Housing
3. Office
4. Retail
5. Hospitality
6. Closings

MILLENNIAL BASICS

- Born between 1980 and 2000
- 83 million
- The most educated generation
- Diverse
- ~75% of workforce by 2025
- Embracing homeownership

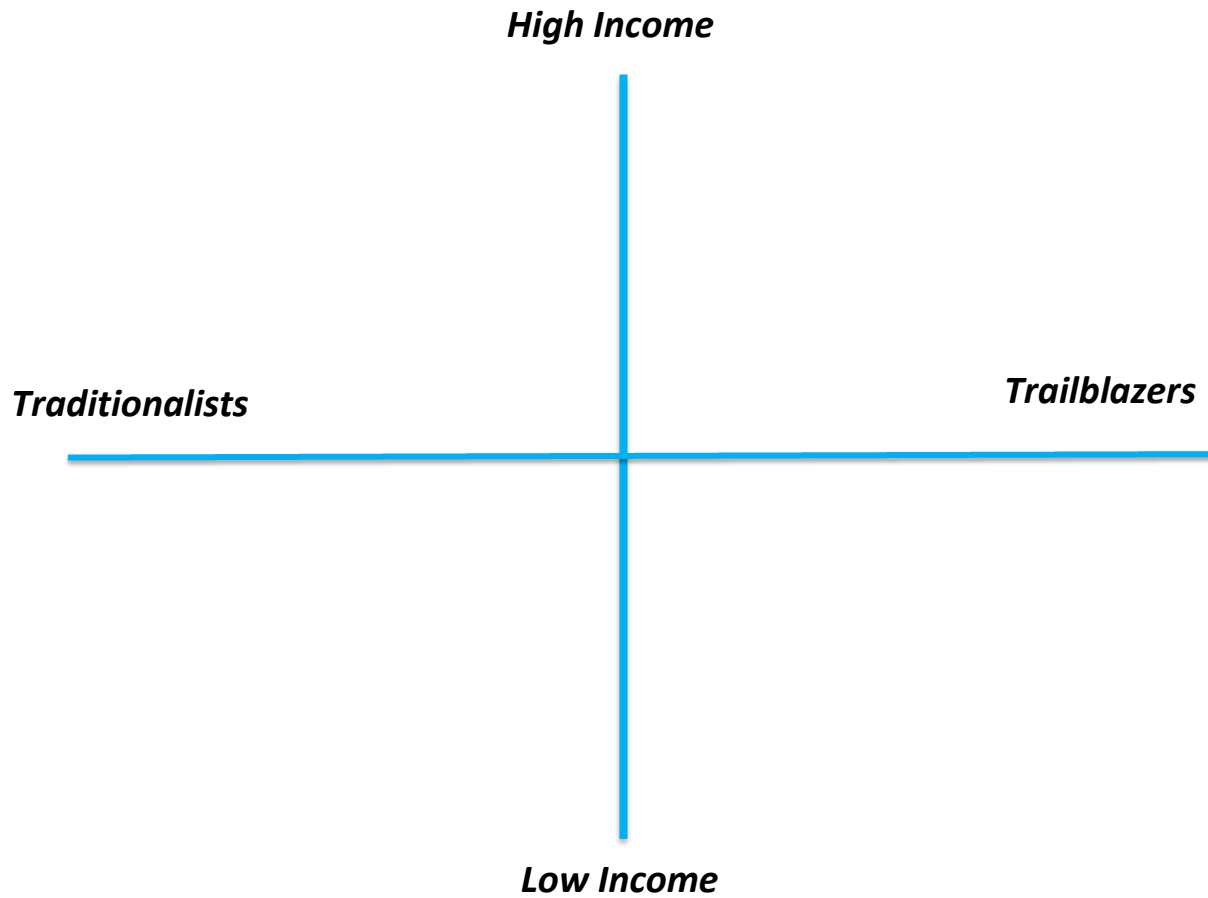
PEAK AGE RIGHT AROUND LIFESTAGE CATALYSTS

Millennials Population By Age



Source: U.S. Census Bureau; Meyers Research

SPECTRUM OF MILLENNIALS



TRADITIONALISTS



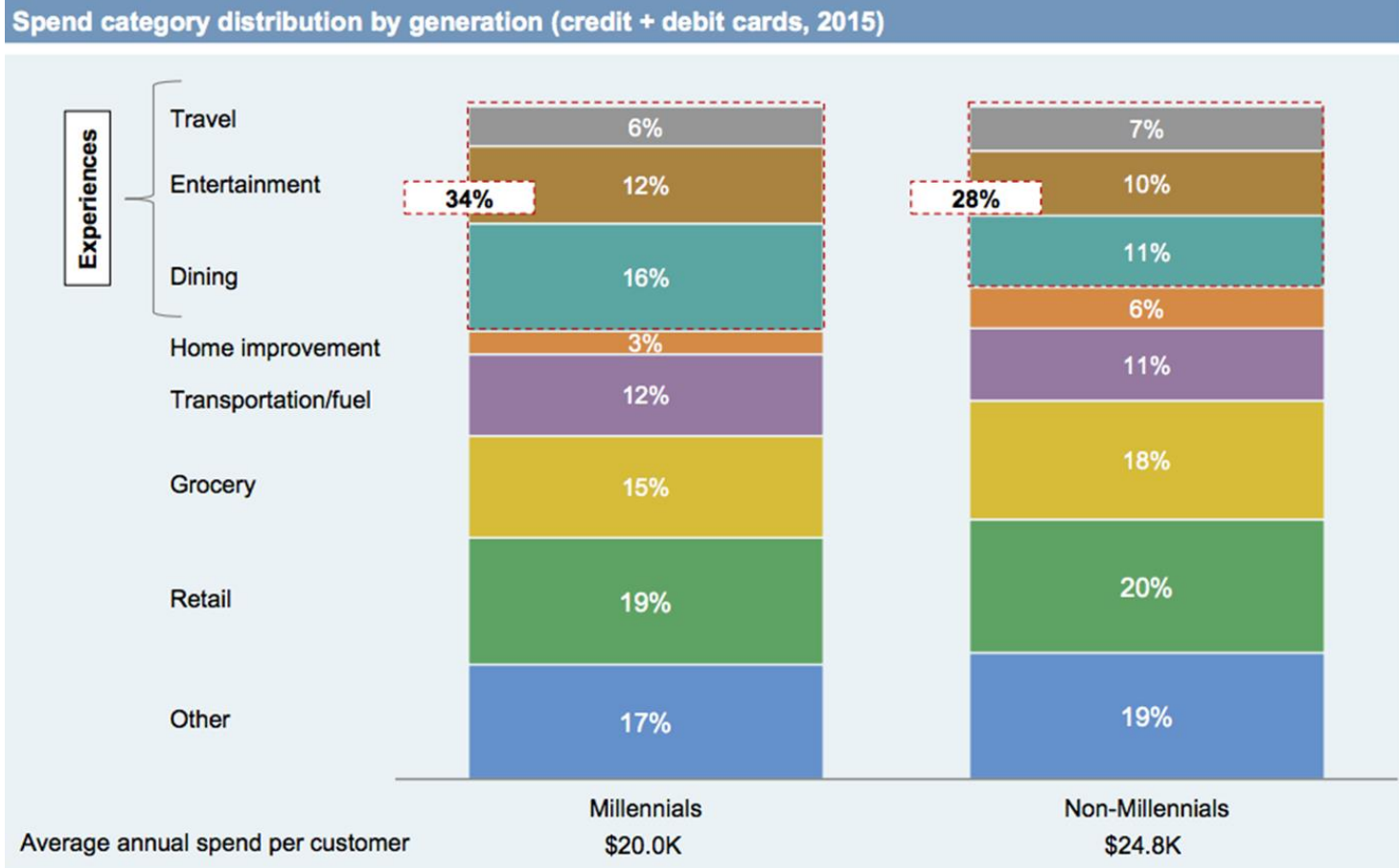
The
**Cheesecake
Factory.**

P.F. CHANG'S

TRAILBLAZERS



SPENDING HABITS

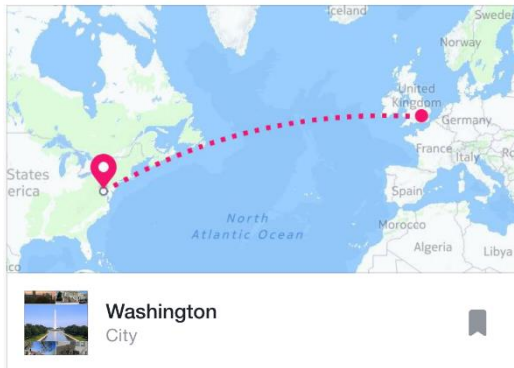


Source: JPMorgan

EXPERIENCES OVER THINGS... FOR SOME

5 hrs · London, United Kingdom · 👤

Excited about the food itinerary for this weekend - see you soon, Clayton!



A great way to wake up!



13 mins · Los Angeles · 👤

It begins

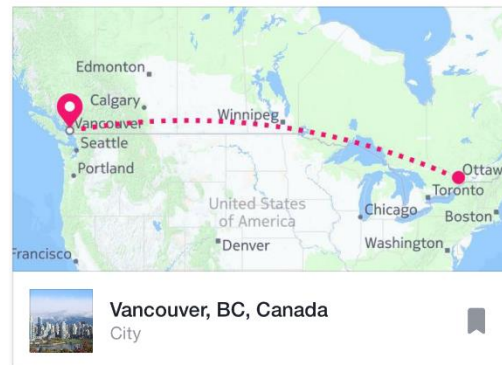


26.2 miles from Marathon to Athens :)



3 hrs · Ottawa, ON, Canada · 👤

Off to Japan (via Vancouver)!



Paris #latergram



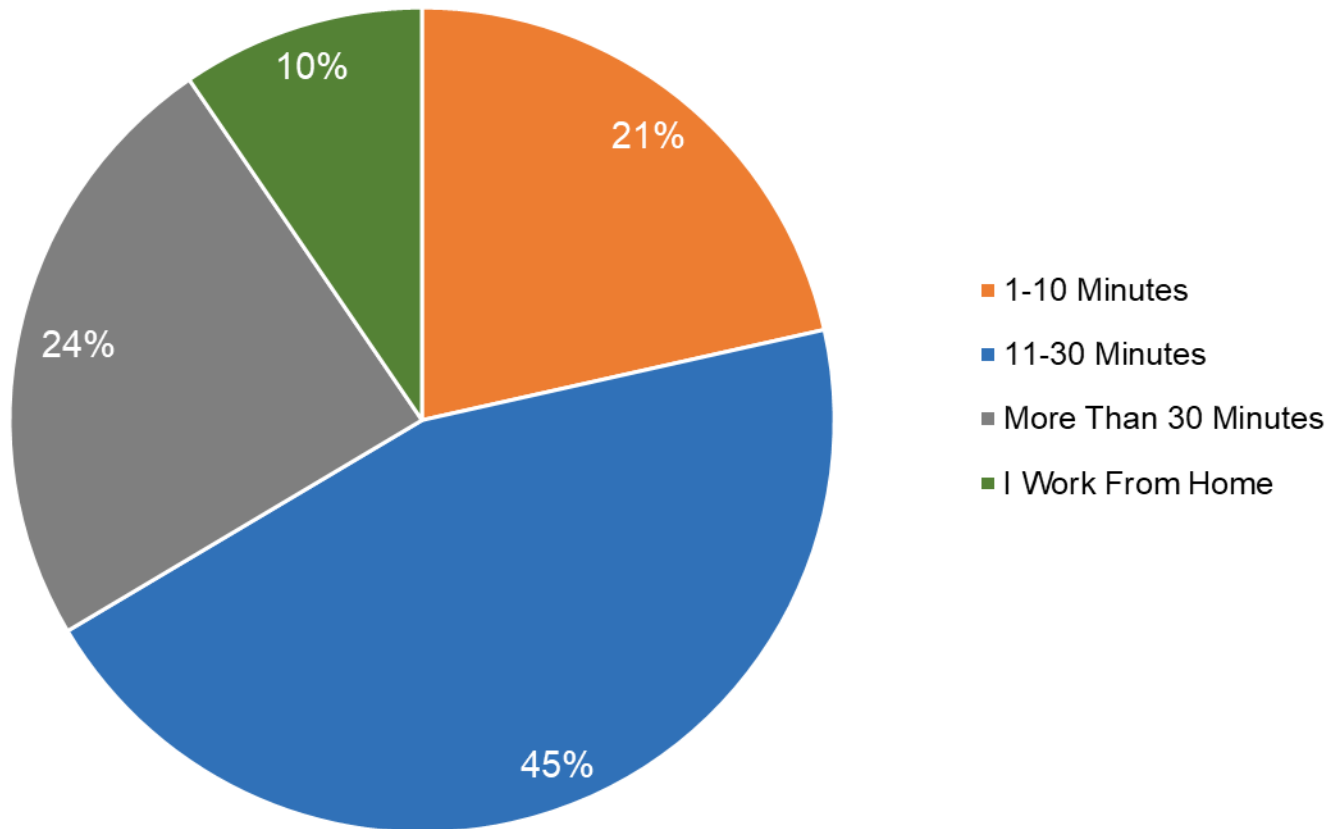
CUSTOMIZING IS STANDARD

Chipotle®



MILLENNIALS ARE NOT AS URBAN AS YOU'D THINK

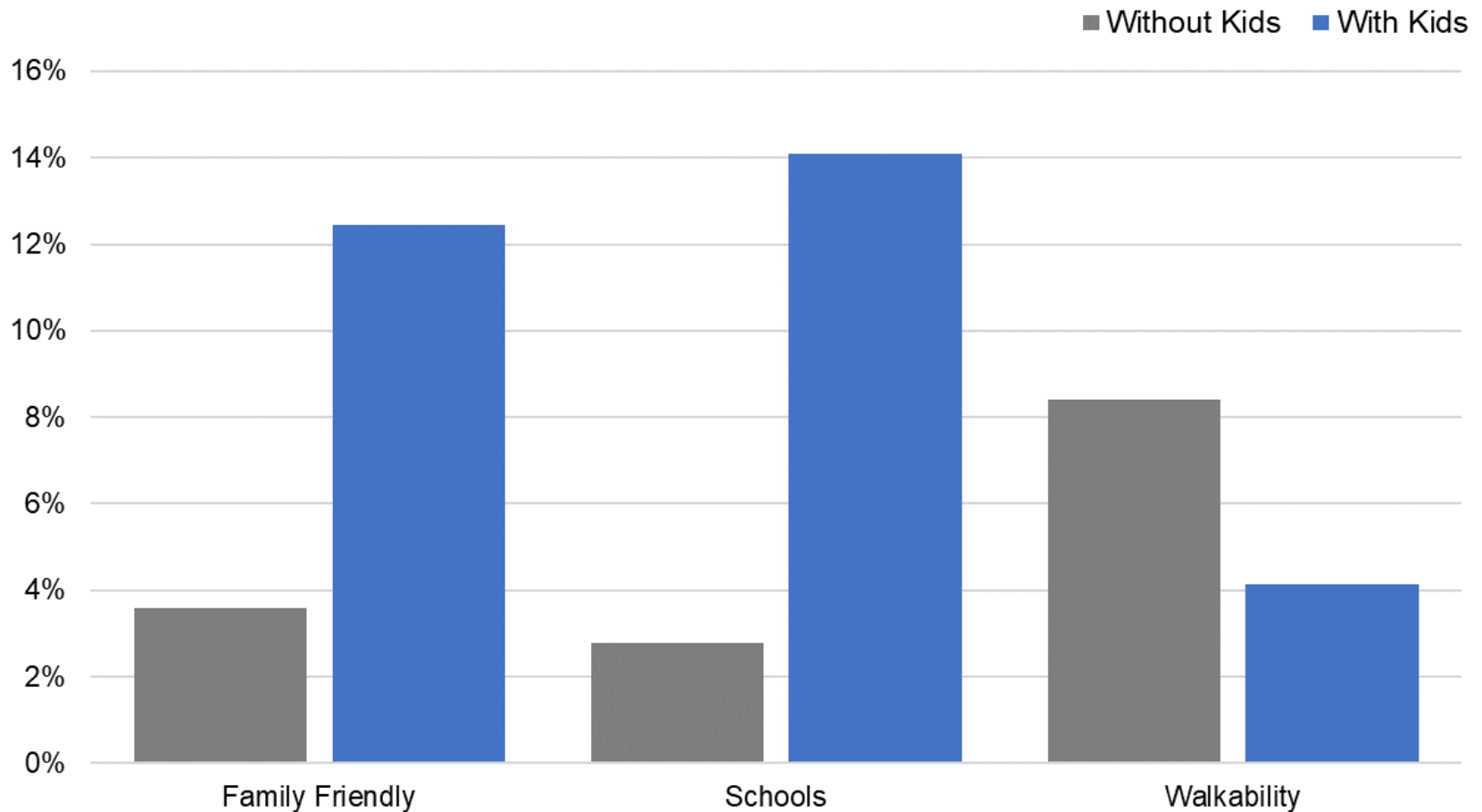
How Long Is Your Commute Time?



Source: Meyers Research

WALKABILITY BECOMES A LOWER PRIORITY WITH KIDS

Differences By Lifestage



Source: Meyers Research

CASE IN POINT



Kenneth

20 hrs · 

Thinking about selling my house and moving to the burbs... Anyone else made this transition and can share your experience? I've been a city kid since I was born and never imagined myself in the burbs but with young kids starting school soon, it's been getting serious consideration.

HOUSING

COUNTIES IN ORLANDO #1 AND #5, TAMPA #11

Population Increase 2010-2016

25-44 Years Old

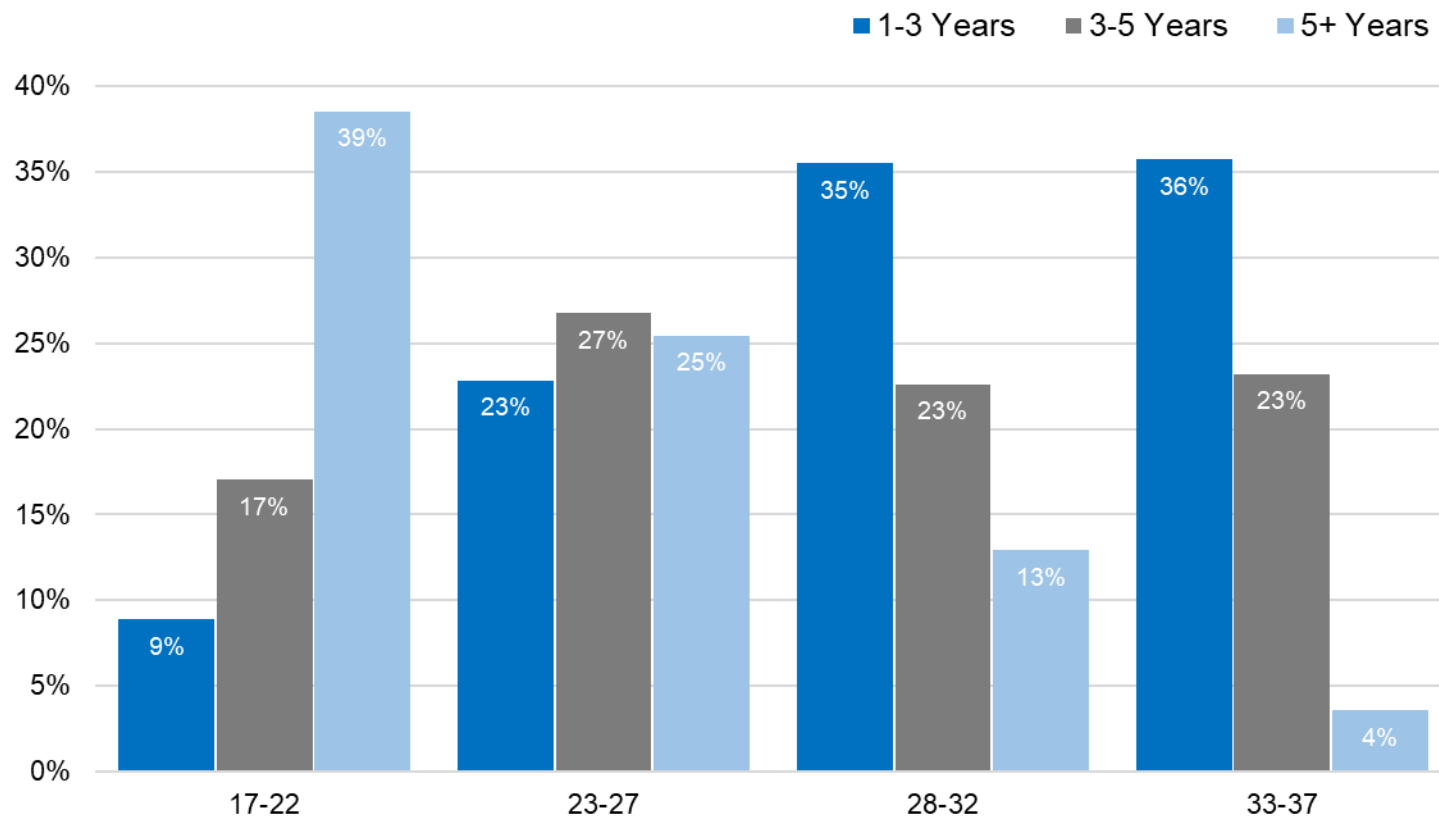
MSA	County	% Increase
Orlando	Osceola County, FL	28%
Denver	Denver County, CA	24%
Austin	Travis County, TX	23%
Washington, DC	District of Columbia, DC	22%
Orlando	Orange County, FL	18%
Austin	Williamson County, TX	18%
Houston	Montgomery County, TX	16%
Seattle	King County, WA	14%
San Francisco	Alameda County, CA	13%
North Part/Sarasota	Manatee County, FL	13%
Tampa	Hillsborough County, FL	13%
San Francisco	San Francisco County, CA	13%
Houston	Harris County, TX	11%
Charlotte	Mecklenburg County, NC	11%
Salt Lake City	Salt Lake County, UT	11%
New York	Kings County, NY	10%
Tampa	Pasco County, FL	6%
North Part/Sarasota	Sarasota County, FL	1%

Is it financially more favorable to
rent or own in Tampa?

Own

35% OF OLD MILLENNIALS PLAN TO BUY IN 1-3 YEARS

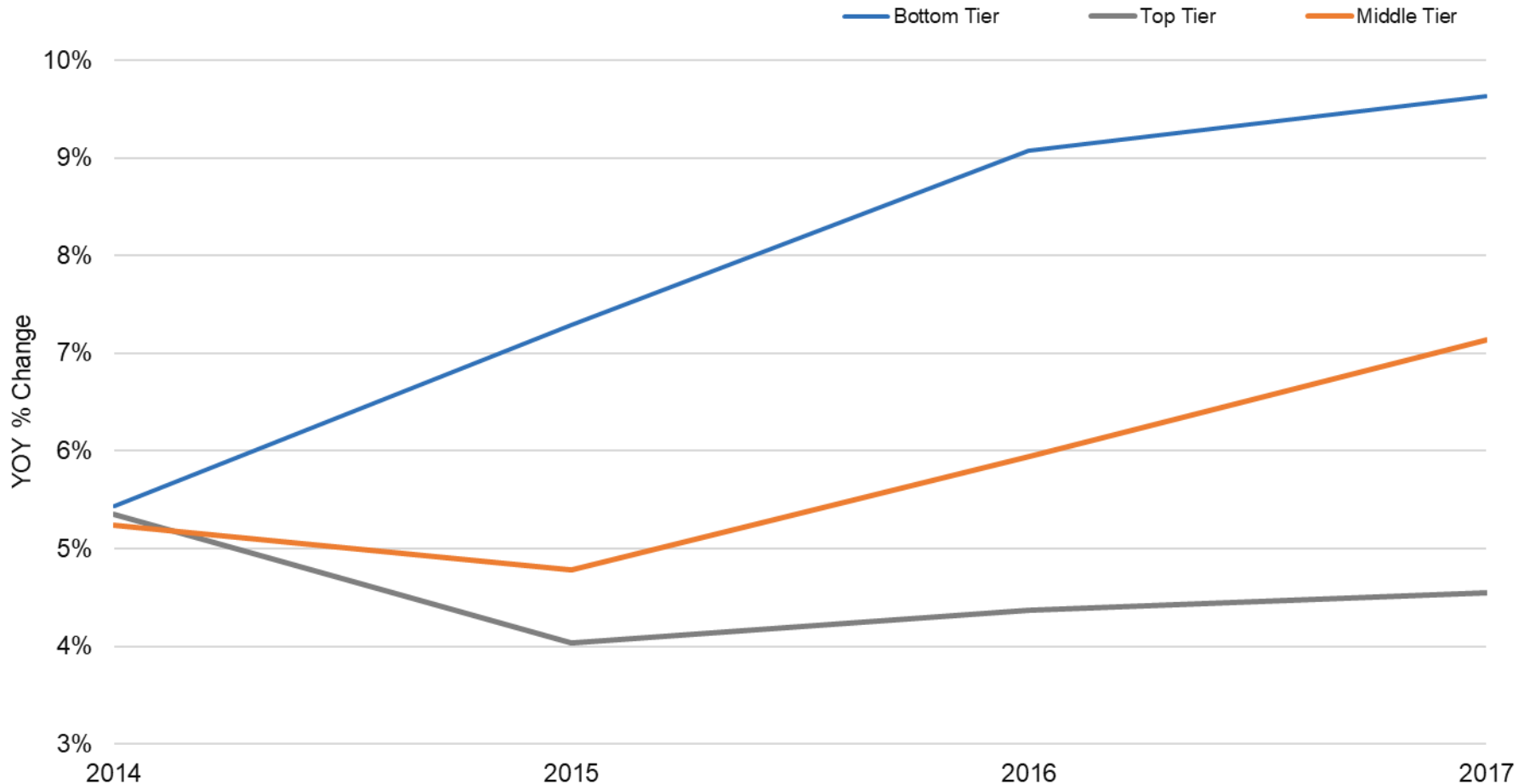
Expected Time Until Home Purchase By Age



Source: Meyers Research

YTD, BOTTOM PRICES UP 10% VS. 5% FOR TOP TIER

Change in US Home Values



TAMPA WAGES GREW 5% OVER THE PAST 2 YEARS

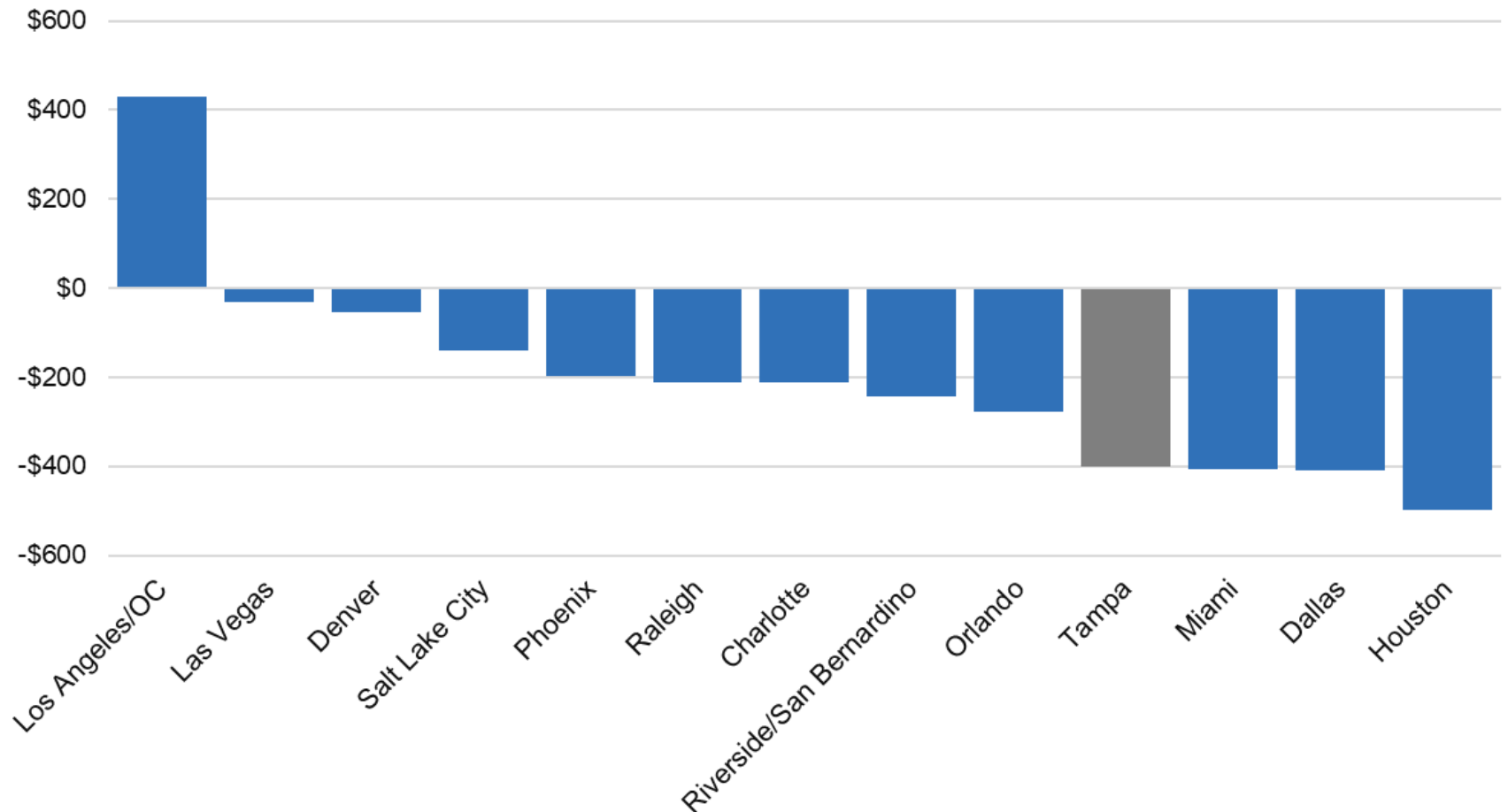
Wage, Home Price, and Rent Increase from 2014-2016

Area	Wage	Median SF Existing Home Price	Rent
United States	5%	13%	9%
Orlando	7%	18%	12%
Tampa	5%	23%	12%

Source: BLS; Public Record Data, MPF, Meyers Research

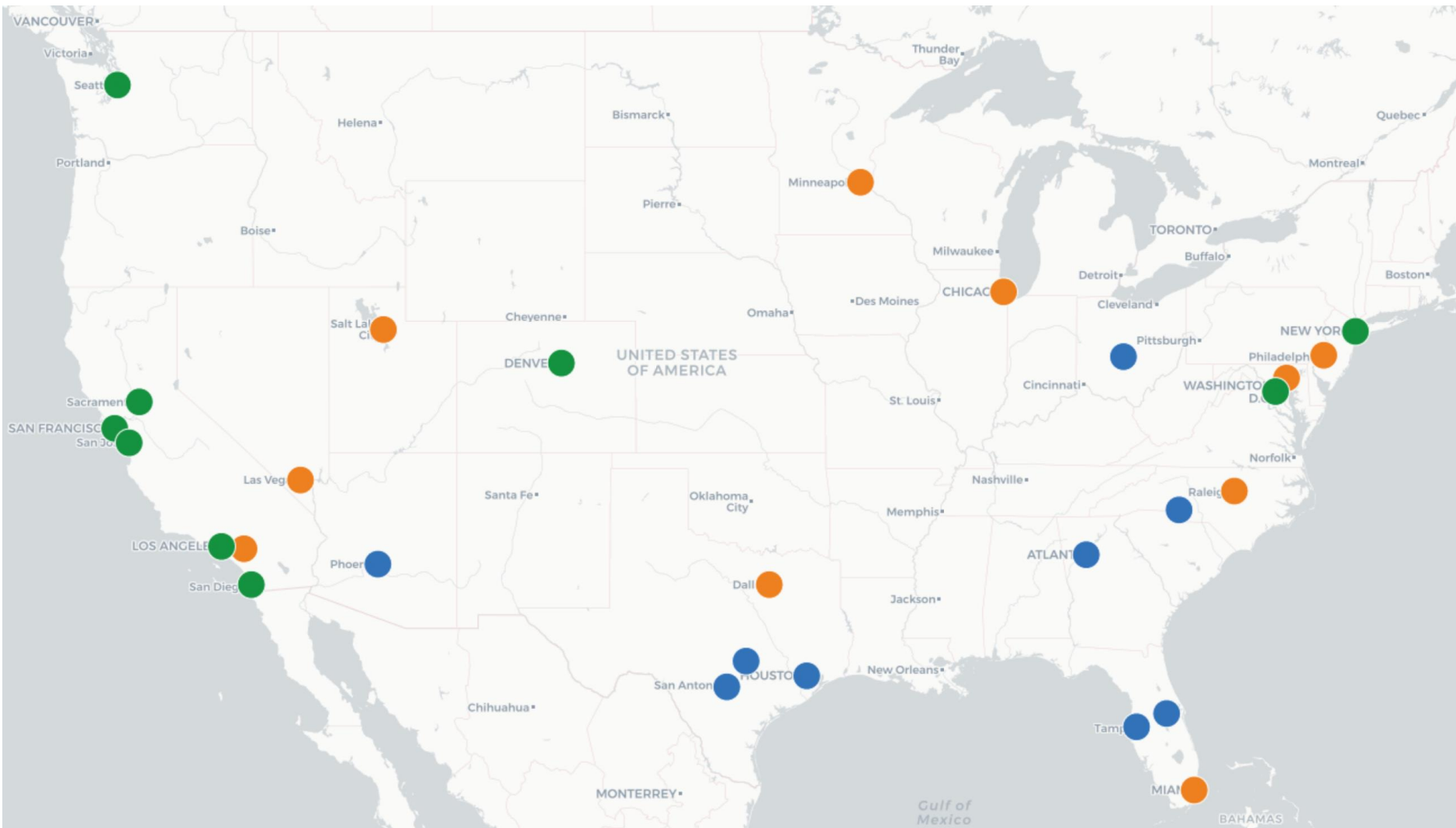
MATH IS ON HOUSING'S SIDE COMPARED TO RENTING

Difference Between Monthly Mortgage and Rent*



Source: Zillow; Public Record Data; Meyers Research *Monthly mortgage is calculated from median SFD new home price

SACTO, DENVER, DALLAS, & RALEIGH ARE THE OUTLIERS



ROOMMATES IN A FOR-SALE COMMUNITY?

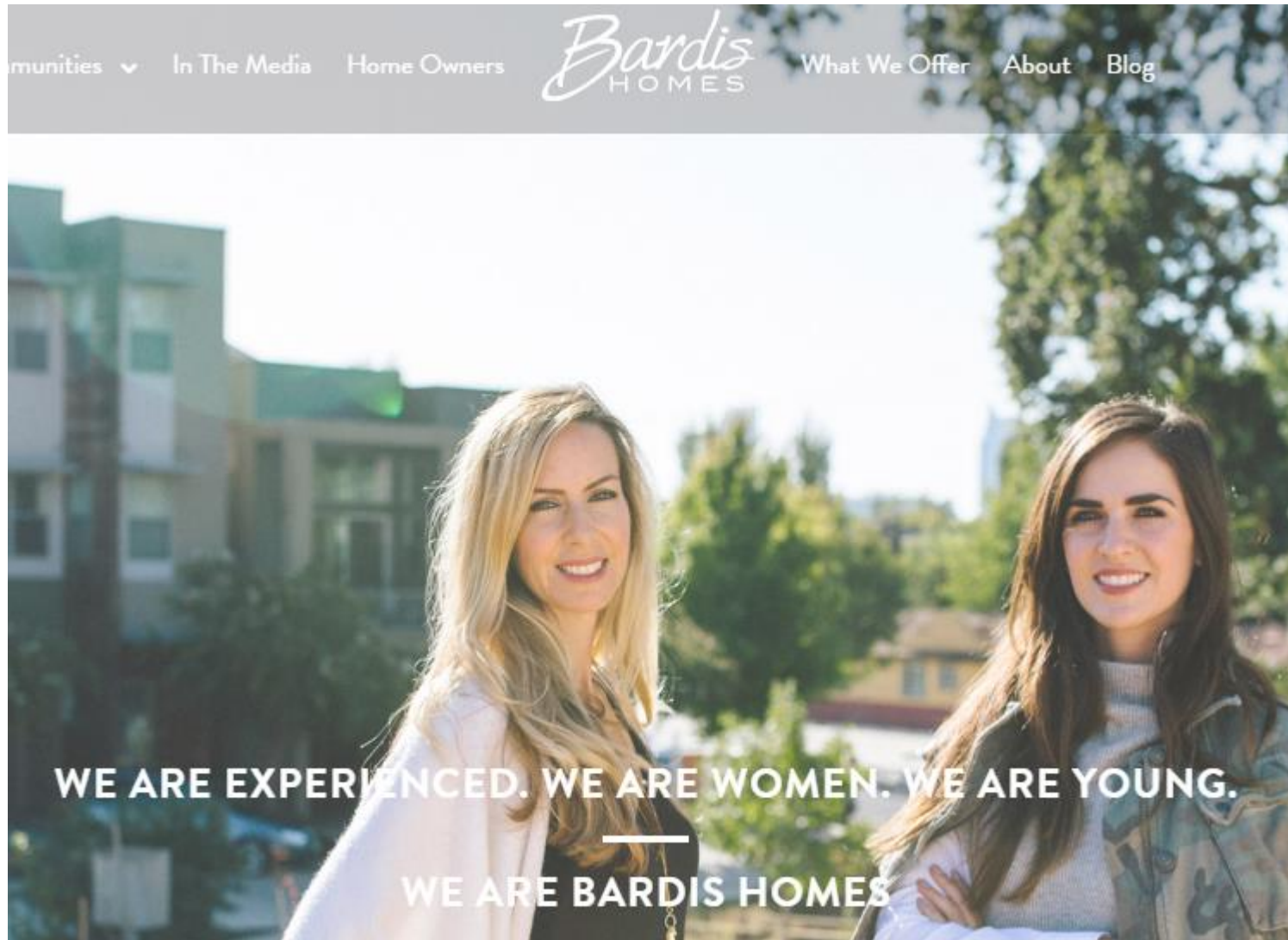


Bardis Homes

THE MILL AT BROADWAY

We anticipated that some Mill at Broadway homeowners and households may include **sharing the home** with other adult family members, friends, or roommates. Many of the homes have been designed with this option in mind, creating **dual-master bedroom** homes which can comfortably accommodate private bedrooms and bathrooms for separate housemates.

FEMALE & MILLENNIAL-LED COMPANY



LOCALLY INFLUENCED BY A MILLENNIAL



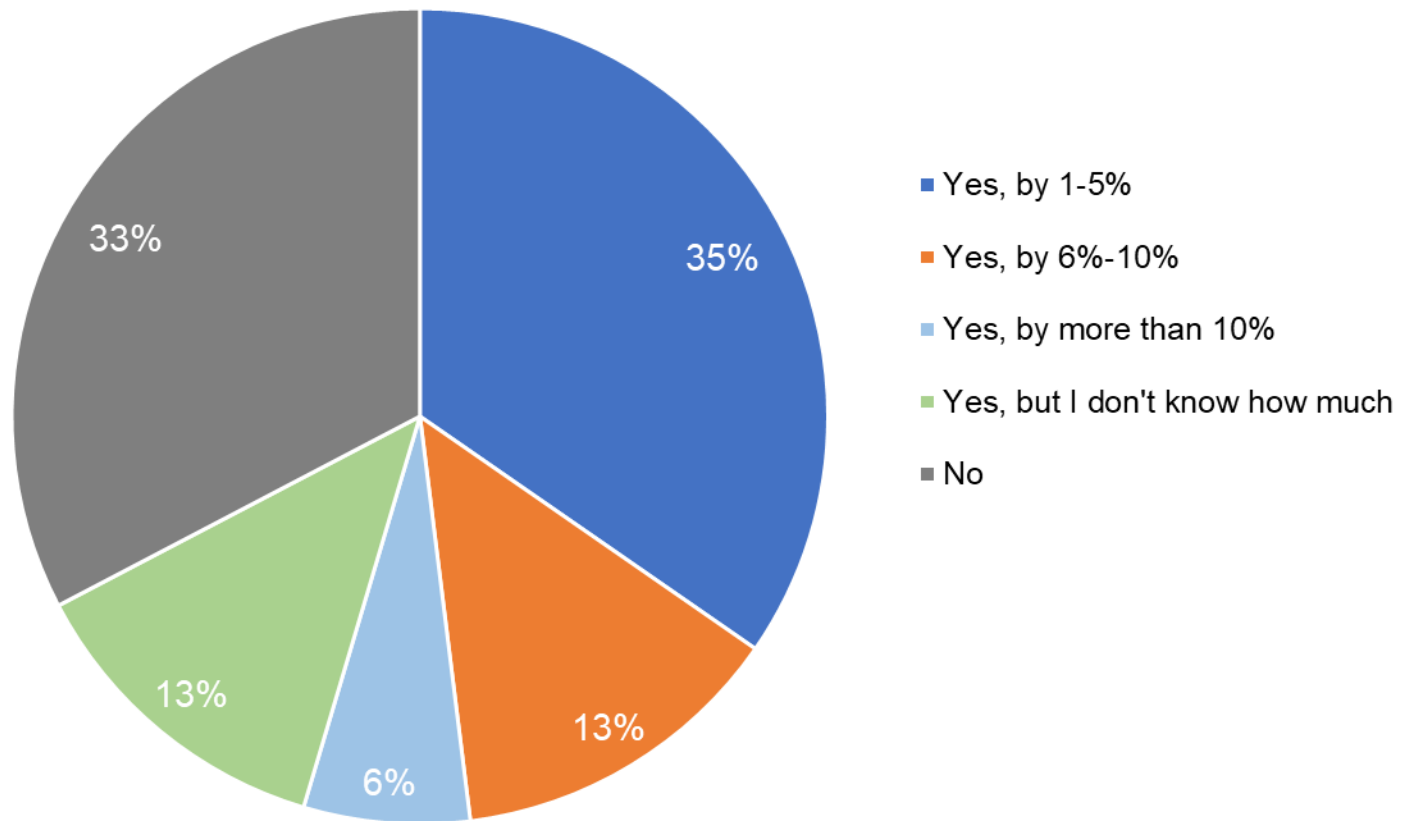
Tampa's rent grew more than 4% last year

True or False?

False

70% OF MILLENNIALS SAW THEIR RENT RISE

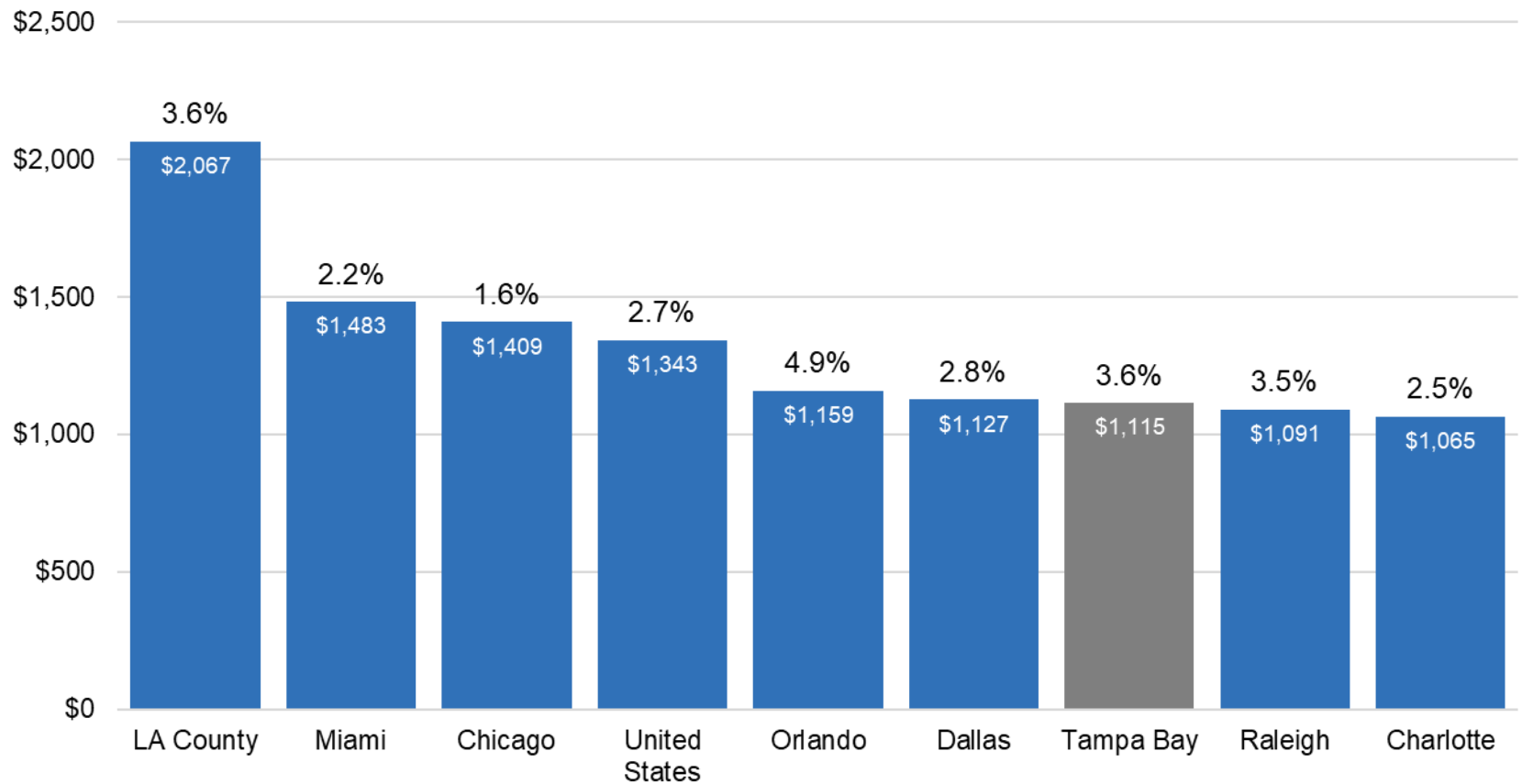
Did Your Rent Increase In The Past Year?



Source: Meyers Research

RENT IN TAMPA ON-PAR WITH SIMILAR CITIES

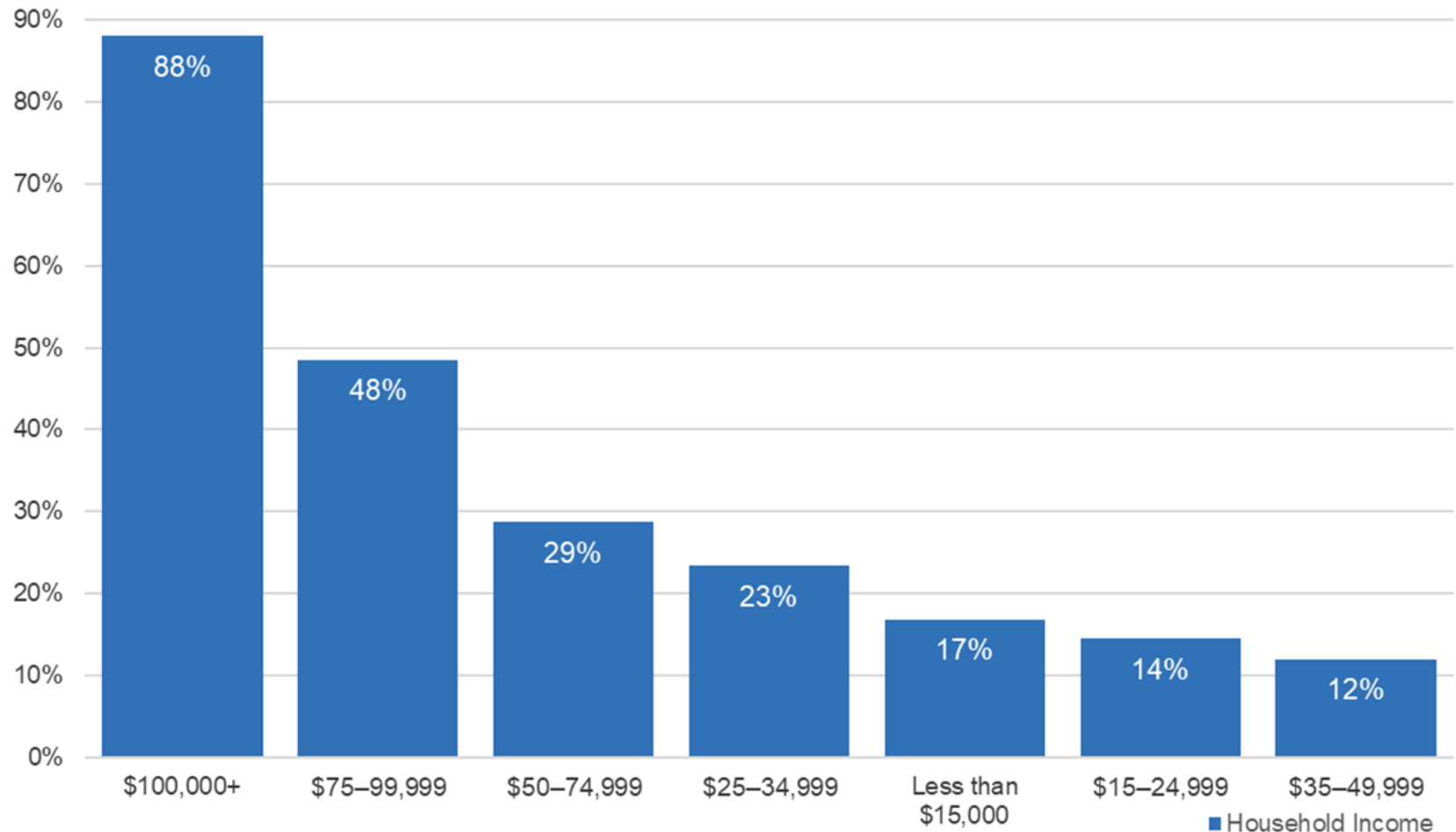
Monthly Rent



Source: MPF; Meyers Research

MILLENNIALS & BOOMERS OFTEN RENTING BY CHOICE

Change Of Rental Households By Income From 2006-2016



Source: Harvard's American Rental Housing Report; Meyers Research

OFFICE

What percent of co-working space users are under 30?

- a) 5%
- b) 22%
- c) 45%
- d) 65%

b) 22%

LARGEST GROWTH MARKET: COLLABORATIVE SPACE



COLLABORATE SPACE BY THE NUMBERS

39 is the median age with
22% of users under 30

30-40% of users are from
Fortune 500 Companies
(Deloitte, Chipotle...)

51% of users are employees
at companies, with 32% freelancers
and 12% entrepreneurs

CREATIVE LOFTS IN MIXED-USE ENVIRONMENT

Amenities include:

- Outdoor moving screen
- Dog park
- Rock climbing wall
- Roof top gathering space
- Food truck park



THE MET: CATER TO NEW DECISION MAKERS

Handle Biz AT THE MET

State-of-the-art conference center, training facility and huddle areas with convenient access to outdoor workspace available for exclusive tenant reservation or impromptu meetings.



CONFERENCE TRAINING ROOMS 3
Two (2) state of the art conference rooms for meetings or training events accomodating between 35-70 people.



CONFERENCE PAVILION 1

OUTDOOR WORKSPACE 2

ONSITE BUSINESS SERVICES

OUTDOOR WORKSPACE

CAMPUS WIFI

A NOTE OF CAUTION ON OPEN FLOORPLANS



SHOULD OFFICES HEAD TO THE SUBURBS OR CITIES?



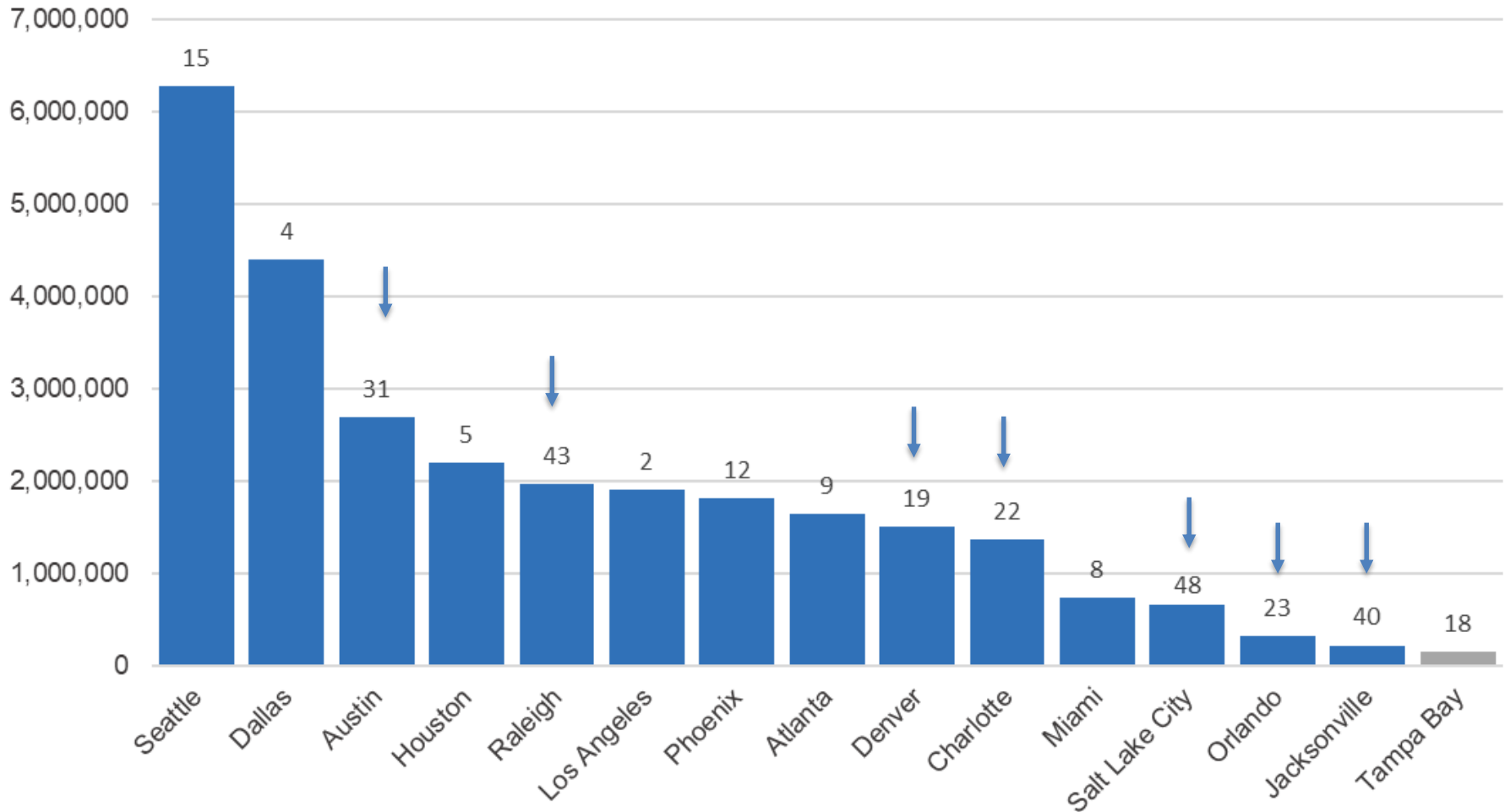
ORIGIN
INVESTMENTS



MOTOROLA

TAMPA HAS ROOM FOR GROWTH

Office Space Under Construction/Renovation (s.f.)- 4Q17*



Source: CBRE; Meyers Research *Number above bar indicates population rank

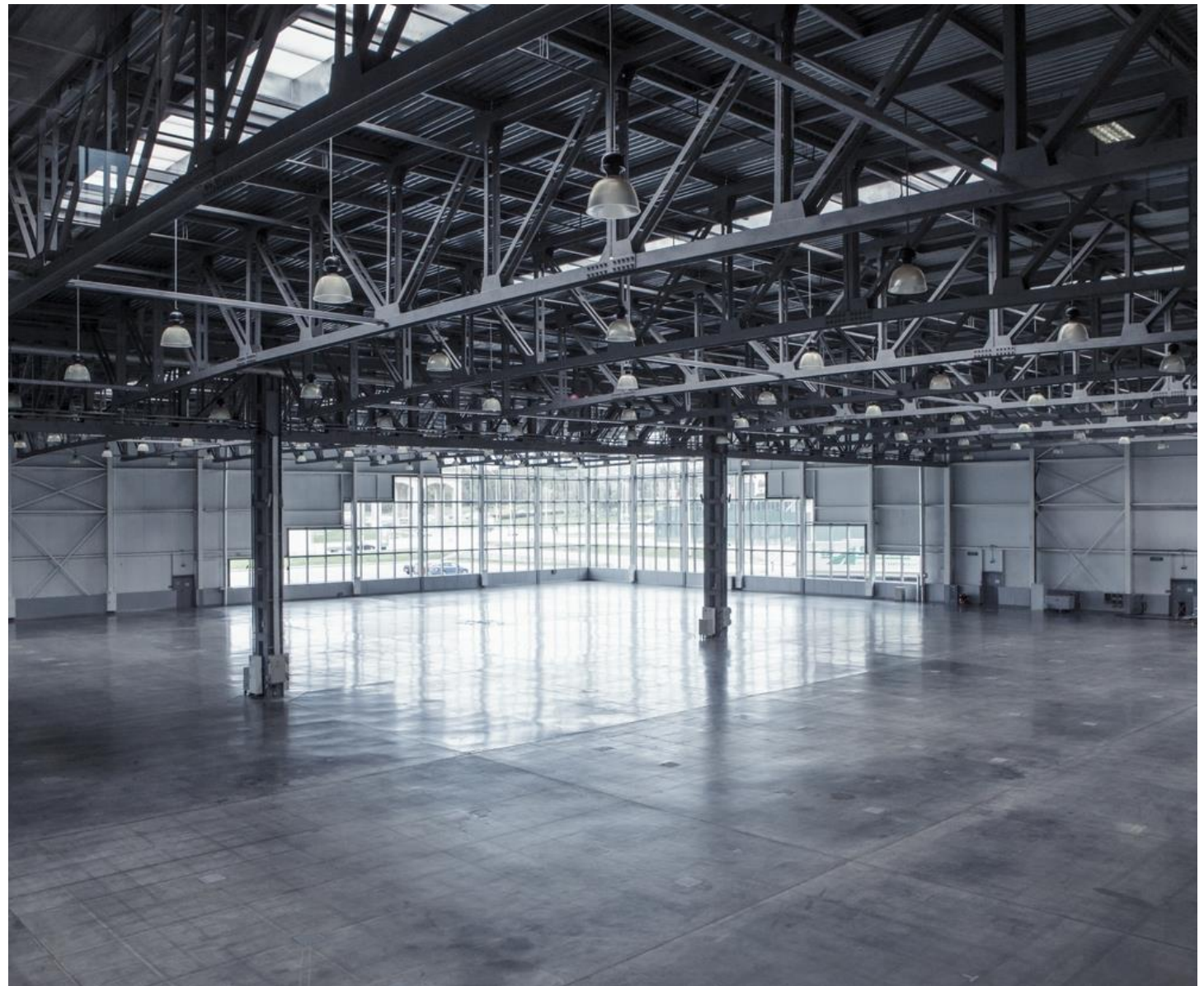
RETAIL

Shopping _____ comprises 10%
of overall sales activity

- a) In store
- b) Online
- c) With Amazon
- d) In catalogues

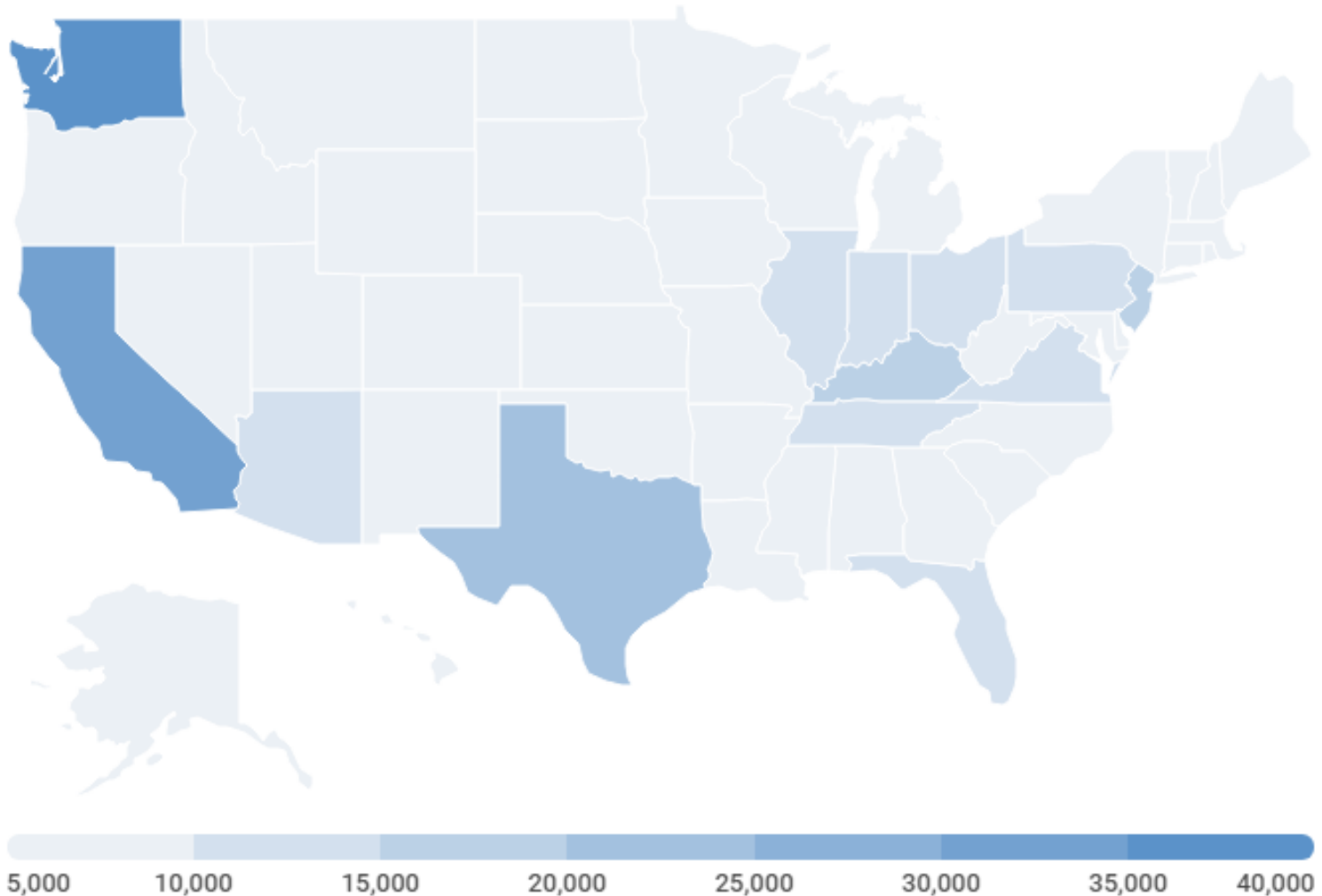
b) Online

DOUBLE-DIGIT YOY GROWTH IN INDUSTRIAL LAND PRICES DUE TO E-COMMERCE



NOT EVERY STATE IS AMAZON HEAVY

Number of Amazon Employees



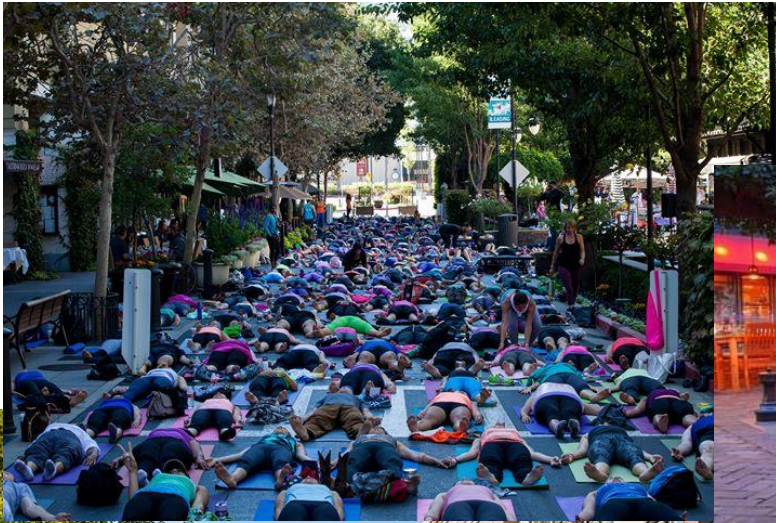
Source: GeekWire; Indeed; Meyers Research

DID TAMPA MISS OUT?

'Not welcome here': Amazon faces growing resistance to its second home

***E-Commerce Isn't The Real
Enemy Of Brick And Mortar
Retail, Boredom Is***

TRANSFORMATION: CREATE EXPERIENCES



HOSPITALITY

What percent of Marriott's new construction in 2017 was built using modular construction (pre-fab)?

- a) 0%
- b) 13%
- c) 20%
- d) 32%

b) 13%

COST INCREASED ACROSS THE BOARD

Commodity	% From Previous Peak	YOY Change
Ready Mix Concrete*	20%	4%
Gypsum	15%	7%
Plywood and Engineered Wood	9%	10%
Framing Lumber	8%	29%

Source: NAHB; BLS; Meyers Research *Previous peak was in 2009

PREFAB WITH MARRIOTT: 50 PROJECTS

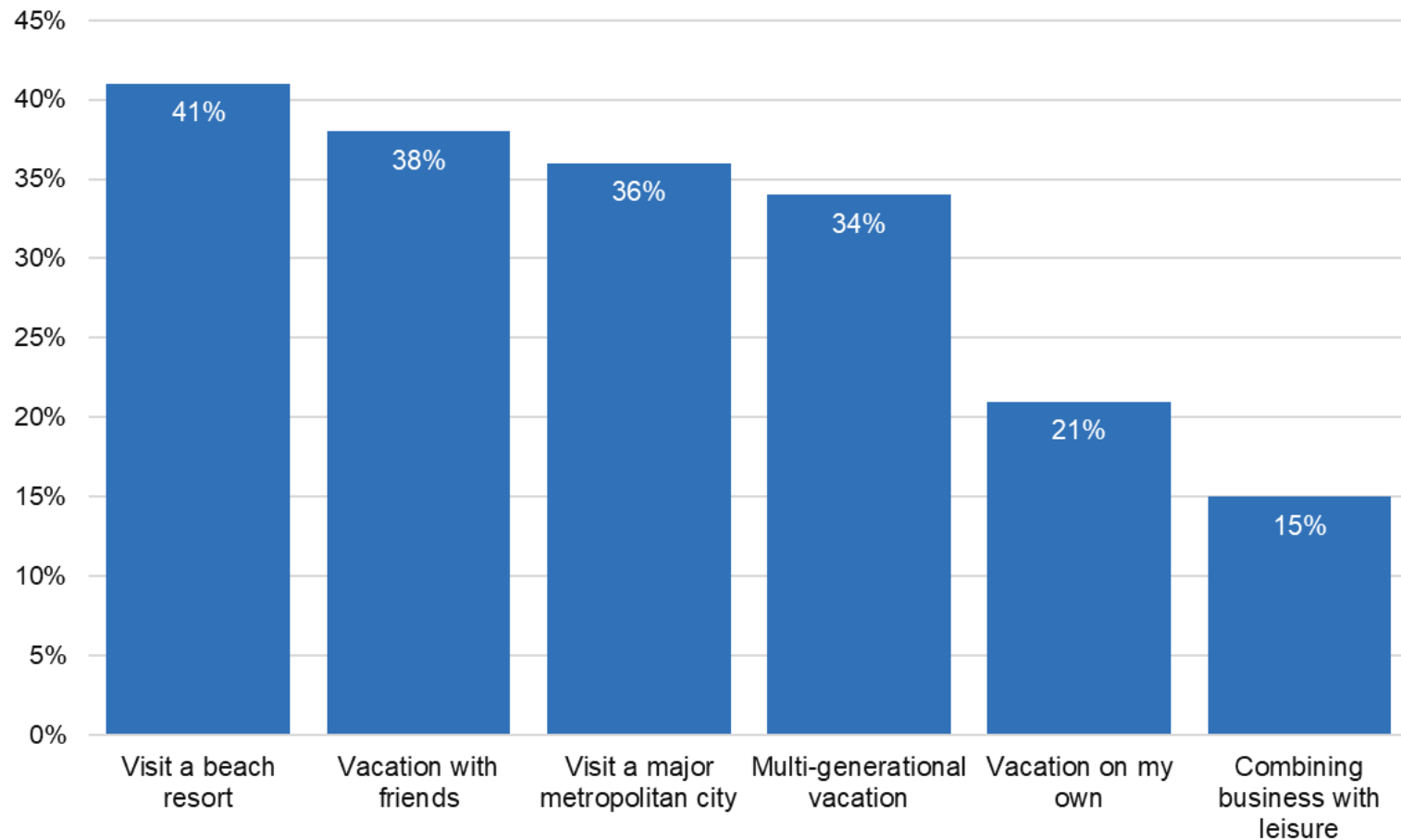


INTRODUCING YOUR FUTURE GUESTS

- 10% of Millennials want to travel more in the future
- Almost 50% of Millennials have kids
- Peak earnings: 40 for women, 49 for men

BEACH RESORTS SCORE HIGH

Types of Future Vacations For Millennials With Kids

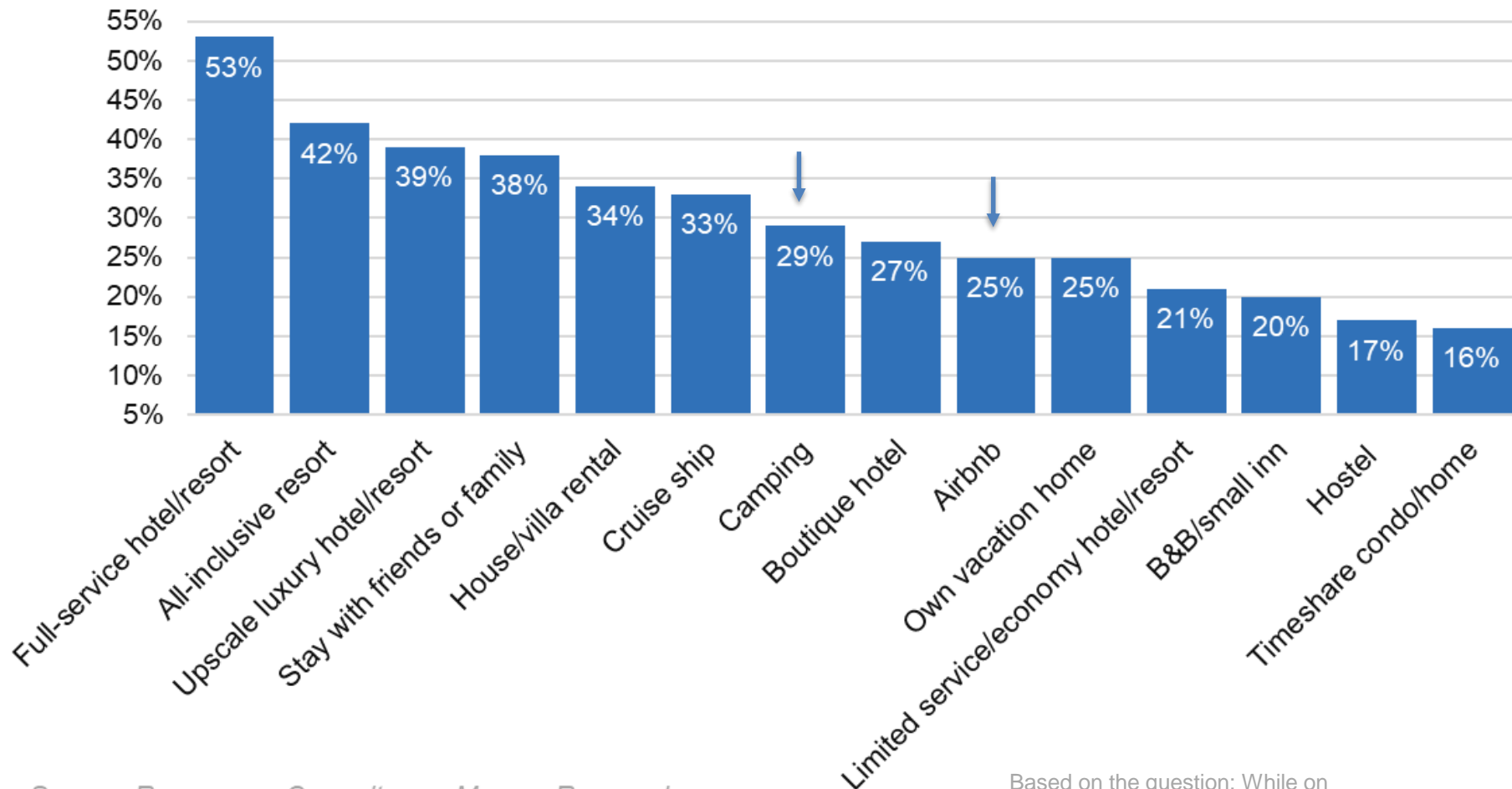


Source: Resonance Consultancy; Meyers Research

IS PRICE THE DRIVING FACTOR?

Accommodation Preferences For Millennials

Income \$100K+



Source: Resonance Consultancy; Meyers Research

Based on the question: While on vacation, what kind of accommodation do you prefer?

“HISTORIC” ACE HOTEL, DOWNTOWN LA



SUITE 3.5X MORE EXPENSIVE



SMALL	\$299	🚫
MEDIUM	\$309	🚫
MEDIUM WITH TERRACE	\$349	🚫
LARGE	\$349	🚫
LARGE DOUBLE QUEEN	\$359	🚫
LOFT	\$459	🚫
ACE SUITE	\$1099	🚫
PAY NOW AND SAVE ▼		

TAMPA TICKS THE BOXES FOR YOUNG PEOPLE

- Water
- Low crime
- Relative affordability
- Manageable traffic
- Bars
- Nightlife
- Warm weather
- Culture/soul
- Well-connected community of entrepreneurs and startups

WATER STREET TAMPA: THE GAME CHANGER?



CONCLUSIONS

- **Tampa** is well positioned for future growth
- **Demographics** are in your favor
- Catering to the **wrong Millennial** can have long-lasting impacts
- **Price-value** equation is heightened for Millennials
- **Experiences** are the new *things*
- **Every industry is changing so innovation** is the key to future success

Questions?

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