


**Global Demographics: Shaping Real Estate's Future**

**Wednesday, October 29**

**2:30 p.m. – 4:00 p.m.**

**GLOBAL DEMOGRAPHICS 2008: SHAPING REAL ESTATE'S FUTURE**

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October 29, 2008

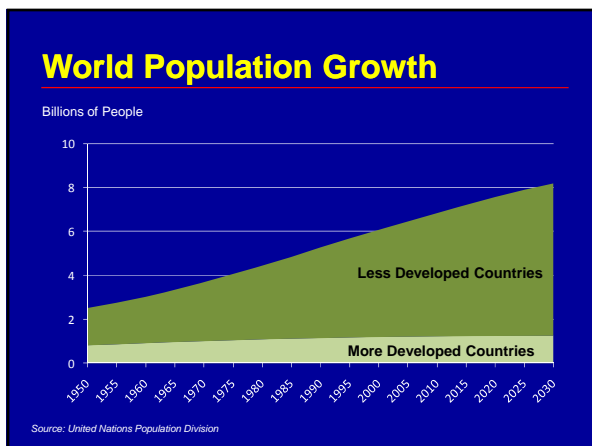


**Overwhelming Real Estate Demand**

- In economically-booming emerging markets
- In Anglo-American countries that encourage immigration
- In urbanizing poor countries

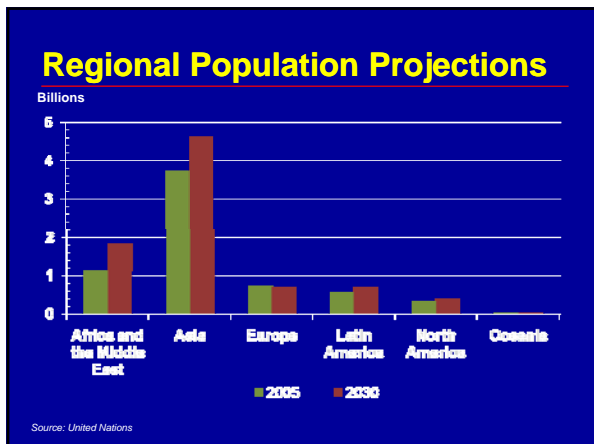
**Global Takeaways**

- Relentless aging
- Rise of the middle-class
- Inexorable urbanization
- More migrant workers remitting money home
- Tourism gains – within and among emerging markets
- Steady, on-going North American growth



**Think about emerging markets:**

- Mexico
- India
- China
- Turkey
- Brazil
- South Africa
- Etcetera

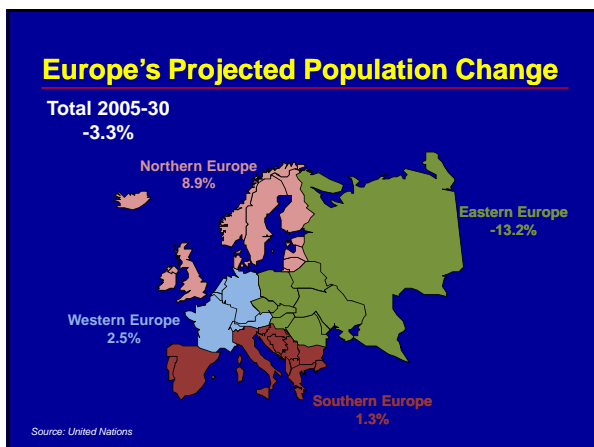


### World's Largest Countries

Country	2007 Population	Rank	Country	2030 Population
China	1,329M	1	India	1,506M
India	1,169	2	China	1,458
USA	306	3	USA	366
Indonesia	232	4	Indonesia	280
Brazil	192	5	Pakistan	240
Pakistan	164	6	Brazil	236
Bangladesh	159	7	Nigeria	227
Nigeria	148	8	Bangladesh	218
Russia	142	9	Ethiopia	137
Japan	128	10	Russia	124

Source: UN Population Division

Legend: ■ Replaced by 2030 ■ Added by 2030



### World's Lowest Fertility Rates\*

Bosnia	Hungary	Slovakia
Bulgaria	Lithuania	Slovenia
Czech Republic	<b>Macao</b>	<b>S. Korea</b>
Germany	Moldova	Spain
<b>Hong Kong</b>	Poland	Ukraine

\*1.3 or below  
Non-European countries

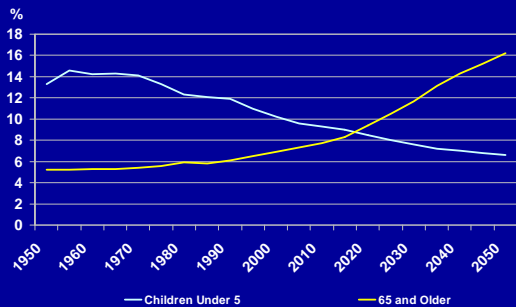
- ### European Real Estate Demand
- E. European development binge
  - Replacement demand in W. Europe
    - Offices and warehouses for sophisticated equipment
    - Auto-oriented retail centers
    - Workforce housing
  - Limited-service hotels
  - Assisted living facilities
  - Nursing homes

### Where are the Oldest Old?

Country	80+ Population
China	16,215,200
United States	11,031,700
India	9,147,400
Japan	6,897,600
Germany	3,934,700
Russia	3,551,300
Italy	3,243,900
France	3,060,700
United Kingdom	2,726,100
Brazil	2,455,300

Source: UN, World Population Ageing 2007

### Young Children & Older Population as a % of Population



Source: United Nations

### African/Middle Eastern Region

- 2005: 1.1 billion residents
- 2030: 1.8 billion residents
- Gain of 700 million people

### African/Middle Eastern Growth

	Population Change 2005-30
Sub-Saharan Africa	70.1%
MENA Total	42.9%
Northern Africa	37.5%
Western Asia	46.9%
<b>Total</b>	<b>61.3%</b>

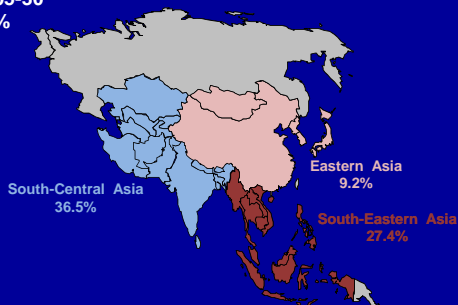
Source: United Nations

### World's 12 Youngest Nations

- |               |                        |
|---------------|------------------------|
| Uganda        | Congo                  |
| Niger         | Dem. Rep. of the Congo |
| Mali          | Liberia                |
| Burkina Faso  | Malawi                 |
| Guinea-Bissau | Yemen                  |
| Chad          | Angola                 |

### Asia's Projected Population Change

Total 2005-30  
24.0%



Source: United Nations

Every week, the number of people living in Asian and African cities grows by one million.

## Oceania's Subregions

	2005 Population (thousands)	2005-30 Growth	Percent Urbanized
Australia/N. Zealand	24,407	23.7%	87.9%
Melanesia	7,820	47.5%	19.6%
Micronesia	538	33.3%	67.7%
Polynesia	645	24.2%	42.1%
<b>Total</b>	<b>33,410</b>	<b>29.4%</b>	<b>70.8%</b>

Source: United Nations

## The Americas' Population Growth

Total 2005-30  
25.6%



Source: United Nations

## Numeric Population Change, 2005-30 (millions)

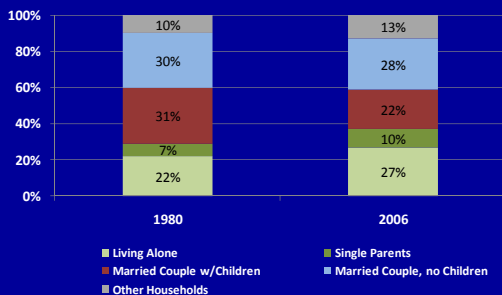
	2005	2030	Change
Northern America	332.2	405.4	73.2
Central America	143.8	187.2	43.4
Caribbean	40.5	48.4	7.8
South America	373.7	477.3	103.7
<b>Total</b>	<b>890.2</b>	<b>1,118.3</b>	<b>228.1</b>

Source: United Nations

## Characteristics of the Americas

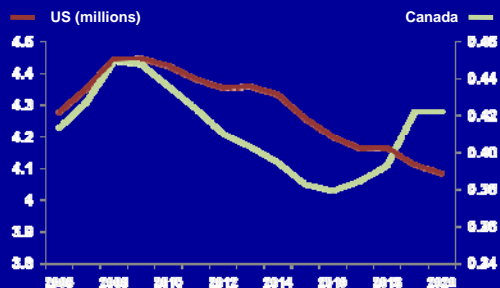
- Steadily growing population
- Highly urbanized
- Literate
- Declining % of children & working-age adults
- Rapid growth of seniors
- Smaller households
- Increasing residential and retail demand
- Rising per capita incomes

## Changing U.S. Household Profile



Source: U.S. Census Bureau

## Population Turning 18



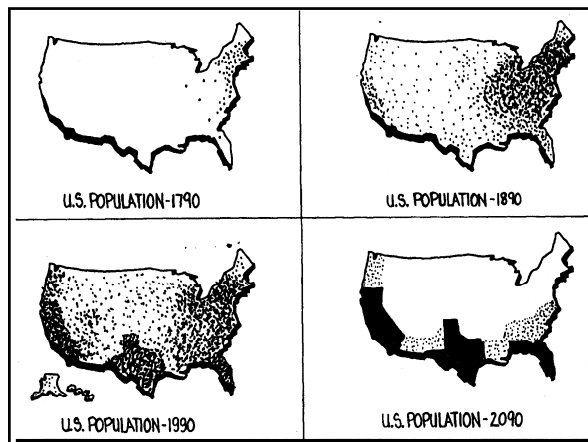
Source: U.S. Census Bureau, Statistics Canada

### Population Growth: 20 Largest U.S. Metro Areas, 2000-06

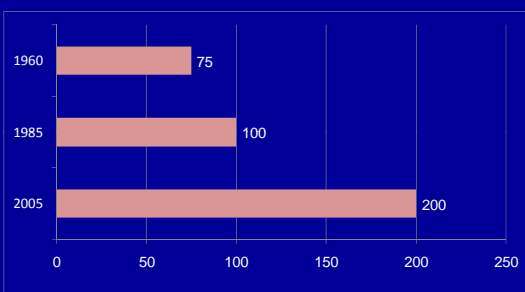
Population > 5 Million		Population 2.5-5 Million	
Atlanta	21.0%	Phoenix	24.2%
Houston	17.5%	Riverside-San Bernardino	23.7%
Dallas-Ft. Worth	16.3%	Tampa-St. Petersburg	12.6%
Washington, DC	10.3%	Seattle-Tacoma	7.2%
Miami-Ft. Lauderdale	9.1%	Minneapolis-St. Paul	6.9%
Los Angeles-Long Beach-Santa Ana	4.7%	San Diego	4.5%
Chicago	4.5%	Baltimore	4.1%
New York-New Jersey	2.7%	St. Louis	3.6%
Philadelphia	2.5%	Boston	1.4%
		San Francisco-Oakland	1.4%
		Detroit	0.4%

Growth >1%/year

Source: U.S. Census Bureau

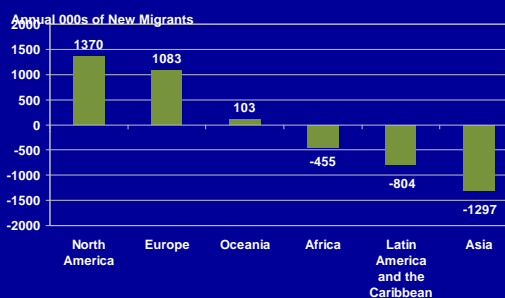


### People Living Outside Their Native Countries (millions)



Source: United Nations - Habitat

### International Migration Flows, 2000-2005

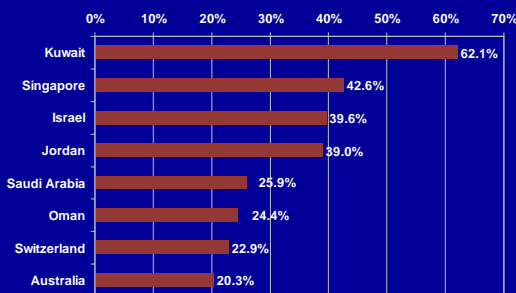


Source: United Nations, International Migration, 2006

### Change in Immigration Patterns

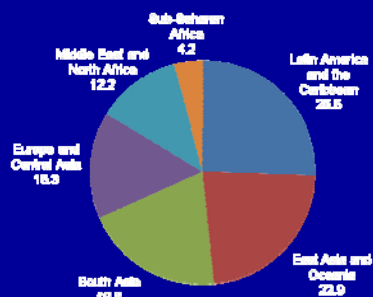
- No longer simply south to north
- As many women as men
- Most go directly to big cities

### Countries with >20% Migrant Stock, 2005



Source: United Nations, International Migration, 2006

## Regional Remittances to Developing Countries - 2006 (percent)



Source: World Bank estimates

## Real Estate Implications of Global Migration

- Expatriate professionals demand international quality real estate
- All migrants generate housing and retail demand
- Immigrants perform construction labor
- Foreign nationals provide project management
- Remittances support purchases back home

## Global Takeaways

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