

2019 Real Estate Trends

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Climate change could have an economic impact twice as large as that of the Great Recession, according to the US government's Fourth National Climate Assessment Report. Real estate investors in 2019 will increasingly integrate ESG risks into their portfolio decisions.

Meanwhile, 2018 was a year with political insolvency in both developed and emerging markets. Continued instability, combined with the increasingly international nature of real estate capital markets, has ensured that geopolitical risk will be difficult for real estate investors to avoid in the coming year. Technology continues to transform the real estate industry, and with it the role real estate plays within tenants' business models, from offices, shops, and factories as an essential part of production to more flexible models of retail and working environments.

The growth in passive equity investing has been driven by increased market transparency and analytics. As a result, capital has gradually shifted to private asset classes, where investors feel market inefficiencies still exist. Markets have been growing for 10 years.

Some believe this growth is unsustainable and are hedging against a downturn. Others are searching for different sources of growth. Digging deeper into the data may help investors in 2019 better understand how to position their portfolios for this stage in the cycle.

For more information, [click here](#).

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