

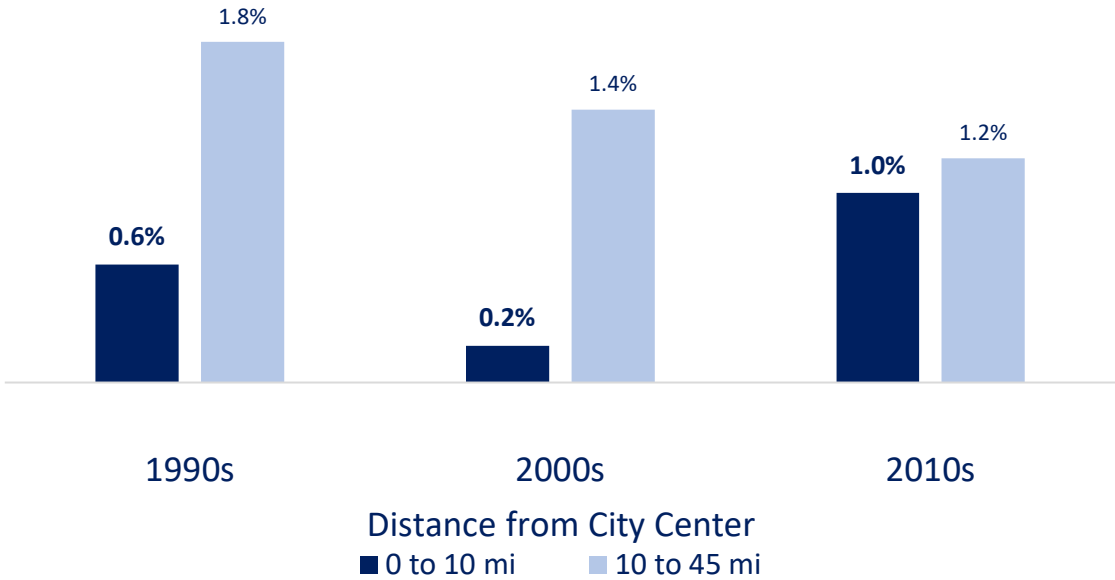
Urbanization Accelerates

Growth in the urban cores has accelerated, upping the density of young aspirational and older high-income households in the U.S.’s top cities.

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Reflecting both greater economic opportunity and lifestyle choices of the “demographic barbell” of Baby Boomers and Millennials, population gains, especially among young, college-educated workers¹, accelerated in the hubs of U.S. cities over the past decade. These locations are already dense², and this population growth has further amplified the local demand for housing and commercial real estate, leading to inflation in both land costs and rent. For existing landlords, this has been a boon.

Average Annual Population Growth



Source: Joint Center for Housing Studies of Harvard University

GID expects the hubs and first ring suburbs of major U.S. cities to continue to enjoy strong population gains due to a positive feedback loop between employers and employees. Indeed, the scarcity of skilled labor in the U.S. has driven employers into areas with deep pools of educated workers, which has made these hubs more attractive to job seekers, pulling in more talent, and in turn more employers. GID expects this virtuous cycle to continue as long as employers place a premium on skilled/knowledge workers.

Please contact research@gid.com for additional information.

¹ Between 2011-15, 56% of 25-34-year-olds living within 3 miles of a city center held a bachelor’s degree, compared to 30% in 1990.
² The average population density within 10 miles of a city center is 11x the density in the next 35 miles. Joint center for housing studies of Harvard University