



## July 2019

We hope that you find our monthly newsletter beneficial and relevant. We send this newsletter to our clients and others that are commercial real estate owners or work in the commercial real estate industry.

In this month's newsletter, we look at **How Coworking Is Affecting Commercial Real Estate**. We also preview **New Healthcare Developments Impacting MOB Real Estate**.

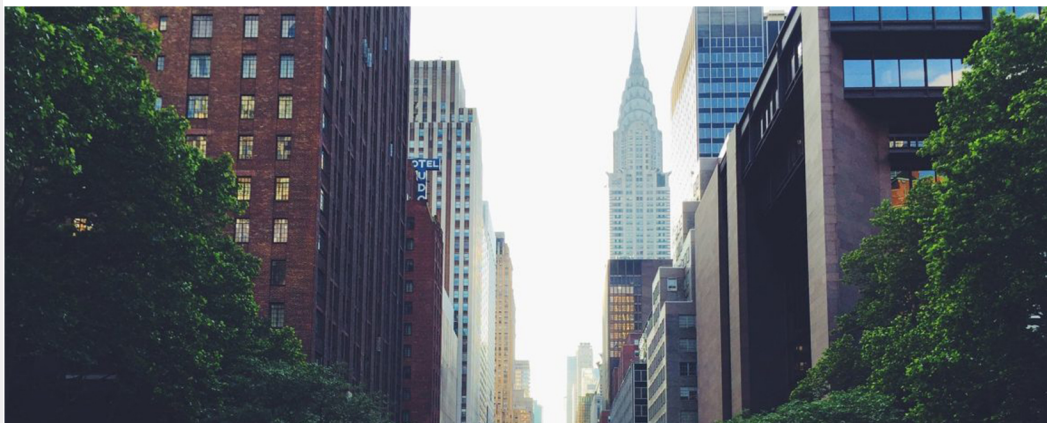
Through our many services we provide, our team shares relevant market information with our clients all over the country to help them maximize the value of their commercial properties with each phase of ownership. If you are looking to purchase, sell or lease commercial real estate, and would like to speak to a commercial real estate advisor about these or other needs you may have, feel free to reach out to us at [hbre.us](http://hbre.us).

## How Coworking Is Affecting Commercial Real Estate

“Coworking” seems to be the latest trend in the business world, but it may not be a trend after all. With the world focusing on innovation, it might be an office model that is here to stay. And it may be impacting commercial real estate owners in more ways than one.

With over 341 locations across 65 cities, WeWork has grown to become one of the largest coworking companies. In fact, several companies are quickly expanding across the country and around the world. However, the percentage of traditional commercial real estate space is still vastly larger than that of coworking space. For example, an article posted in 2018 explained that coworking space in Manhattan represented just under 1.75% of the 450 million square feet of office space. So while it's making an impact on the purchase of real estate, it is still only a small piece of the puzzle.

Commercial real estate as we know it won't be making large adjustments any time soon. Big cities are still consistently experiencing commercial growth and local, small towns are still building dental and chiropractic offices. For now, coworking and commercial spaces will co-exist.

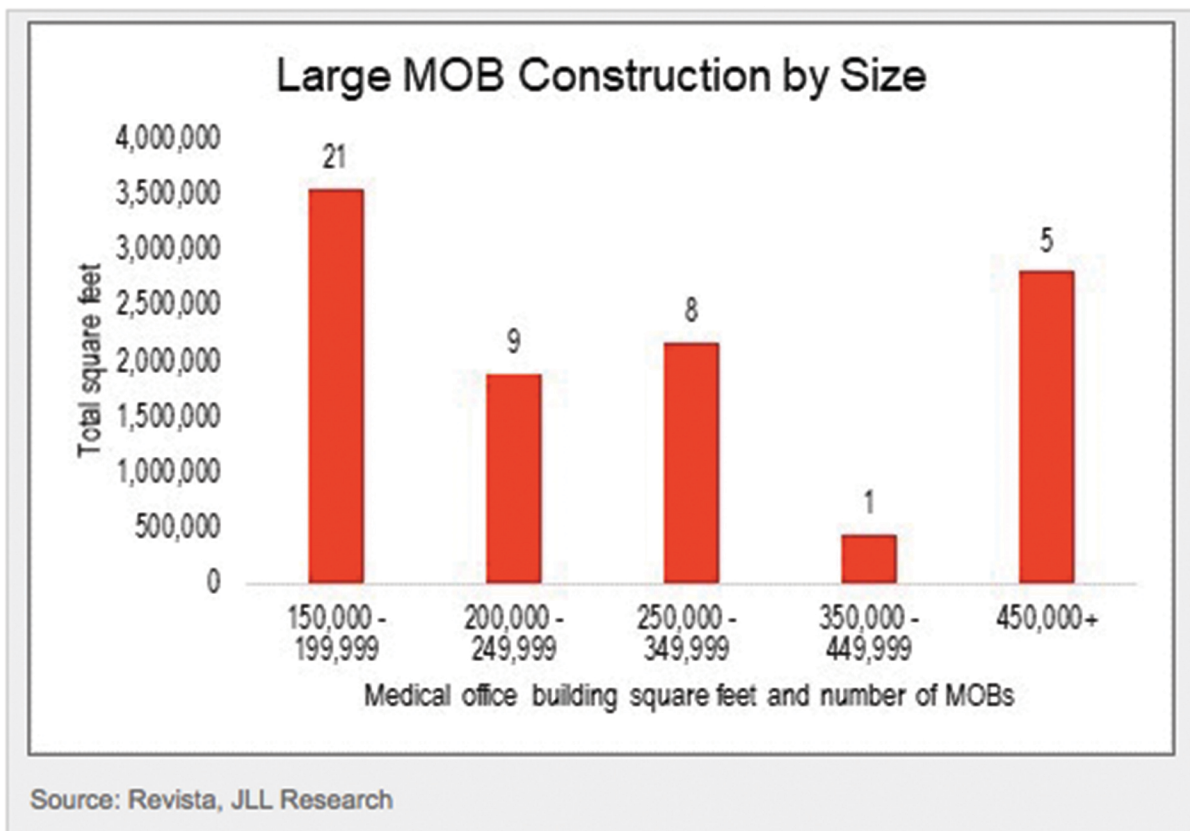




## New Healthcare Developments Impacting MOB Real Estate

In 2018, medical office buildings (MOBs) were responsible for roughly 22 million square feet of newly constructed commercial real estate (CRE) space in the U.S. That's a significant number, indicative of the sizeable role that the medical field is playing in the CRE industry. The impact is not just in the number of buildings, but in their size as well. In fact, 44 of the medical developments that are currently being constructed (representing 22% of total, current MOB projects) are over 150,000 square feet. Furthermore, the six largest of those developments are over a substantial 400,000 square feet.

The growth of MOB real estate is big news for investors. And, the expansion of healthcare space is expected to continue to grow over the next several years. So, what significant factor is the driving force behind the development of these healthcare facilities? Visit our blog to learn more: [hbre.us/blog](http://hbre.us/blog).



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