

Real Estate BIXNOW: Houston

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BRINGING IT TO THE CENTER



We found this wise trio at **Central Houston**'s 27th annual meeting at the Hilton Americas: keynoter **Chris Leinberger** (author of *The Option of Urbanism*), Wulfe & Co.'s **Ed Wulfe**, and Central Houston prez **Bob Eury**. According to Chris, you can be proud of real estate's impact on the US: **35%** of the country's wealth (the largest asset class) is in **real estate and infrastructure**, and **two of the last three** recessions were caused by real estate (bittersweet, perhaps). But there's a **structural shift** underway in building the built environment. Two theories of development: **drivable suburban** and **walkable urban**. Since about the end of WWII, cities were built around a suburban mindset. The pendulum's been moving toward urban design since the **late 90's**. (Chris blames "the damn kids.") And the recent **mortgage meltdown** is only increasing this movement—fringe suburban towns have seen the **most foreclosures**.



Don't believe Chris? Turn on your **TV**. In a 1957 *I Love Lucy* episode, Lucy wants to leave Manhattan and move to Connecticut. She says it'll be **great for the kids**, she can get back in touch with nature, and they need the fresh air. Today, shows like *Seinfeld*, *Friends*, and *Sex and the City* show **mature single friends** enjoying the benefits of living in an urban core. (Don't ask us how to interpret *Lost in Space*.) We should emphasize **single**—today only **33%** of Americans households have **children**, and Chris says we can expect that to drop to **14%** in the next 20 years. Research shows that **one-third** of Americans want to live in urban areas, but there are few opportunities, creating **pent-up demand**. Chris has an eight-point **Do List** for Houston. Some top points: **rail transit** is essential; Houston should have at least **24** regionally significant walkable areas—there are now less than five, with 12 emerging; and we need to **evolve away** from the tunnel and skybridge system and bring activity **to the streets**.