

**GENESIS<sup>®</sup>**

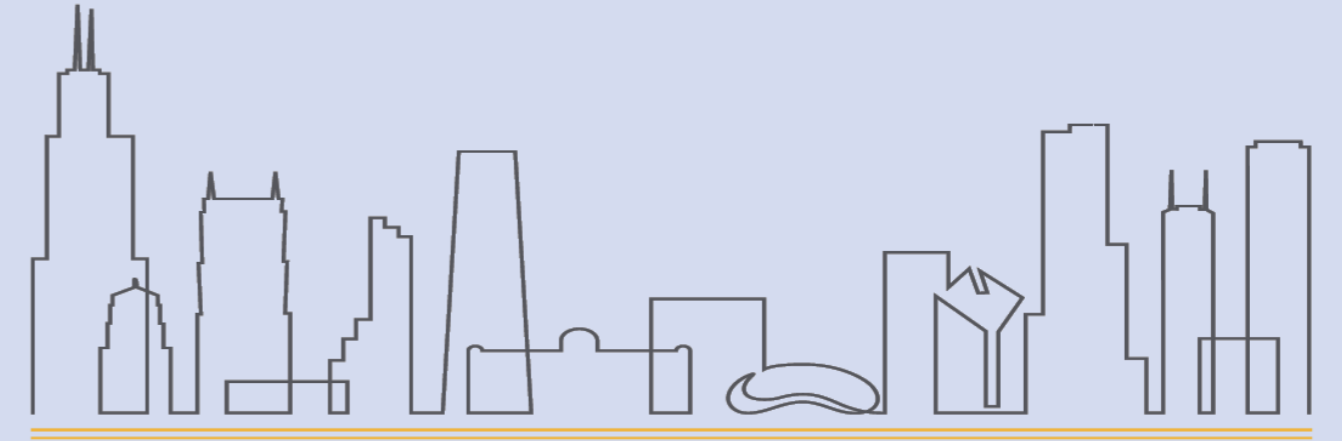
# **GENESIS<sup>®</sup> 2024 CLIENT FORUM**

**BUILDING CONNECTIONS**



*A Member of the Berkshire Hathaway Family of Companies*

## BUILDING CONNECTIONS



Greg Lindsay; Urbanist, Futurist and Speaker

“The Way We’ll Live Next”



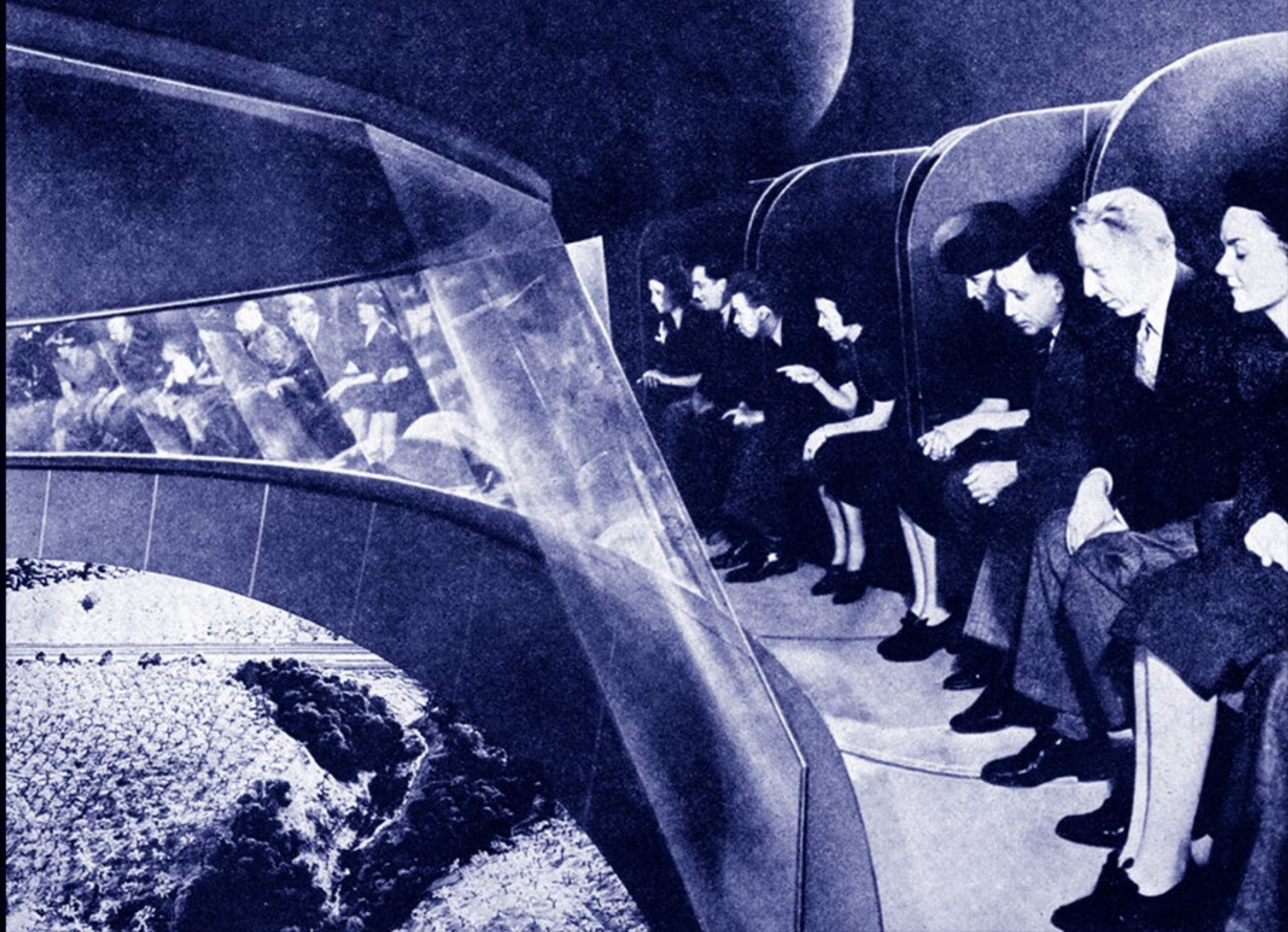


# *The Way We'll Live Next*

*Greg Lindsay • Genesis • April 10, 2024*



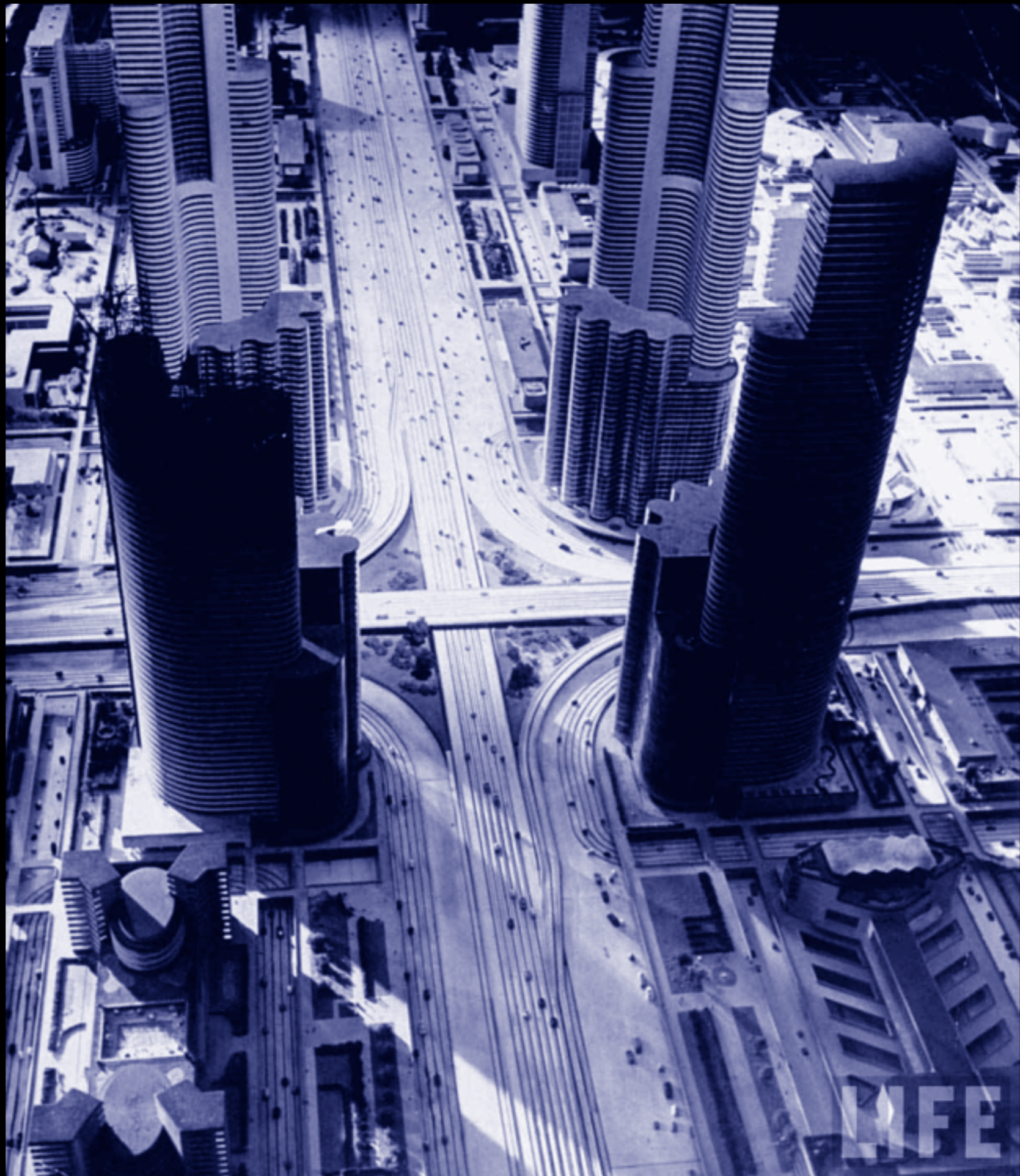
# *Futurama (1939-1940)*











LIFE





*Levittown (1947)*



# Levittown OFFERS

5 different exteriors, all authentic Cape Cod architecture



*The "Lookout"*



*The "Mariner"*



*The "Snug Harbor"*

(The "Point Pleasant" not illustrated)

every modern city convenience *plus* country comfort \$ **8,490**  
at down-to-earth cost

## compare

the structural and accessory features of these remarkable homes, built by Levitt & Sons!



- Spacious lots, minimum 6,000 square feet; mature shrubs, lawns and trees.

- Modern kitchen, with exhaust fan, G-E range and refrigerator, Bendix washer, Tracy stainless steel sink and steel cabinets.



- 2 comfortable, beautiful bedrooms, with choice of color schemes.

- Colored steel tile bathroom, with built-in tub and shower.



- Large expansion attic, with ample room for 2 more bedrooms and second bath.

- York-Shipley Oil Burner, Radiant Heat, Automatic Hot Water.



- Copper piping throughout, Rockwool insulation and fire-resistant Johns-Manville insulating shingles.

- Built-in bookcases, venetian blinds and many other extras, such as ventilated closets.

## compare

the community advantages only Levittown offers, at **NO EXTRA COST!**



- 8 fine, modern schools within walking distance.



- 6 complete shopping centers within minutes of your home.



- Fast, frequent transportation — 138 trains daily from Warrington and Hicksville stations.



- 8 supervised championship swimming pools, exclusively for residents.

- Adult education courses.

- Nursery school.

- Softball league.

- Many fully-equipped playgrounds, greens, parks.

- 26 churches and synagogues of every faith.

- Active community center, including theatre group.

- Youth center and organized activities.

- Community library, including mobile van.

- Movie theatres and bowling alleys.

- No through traffic streets, safe for children.

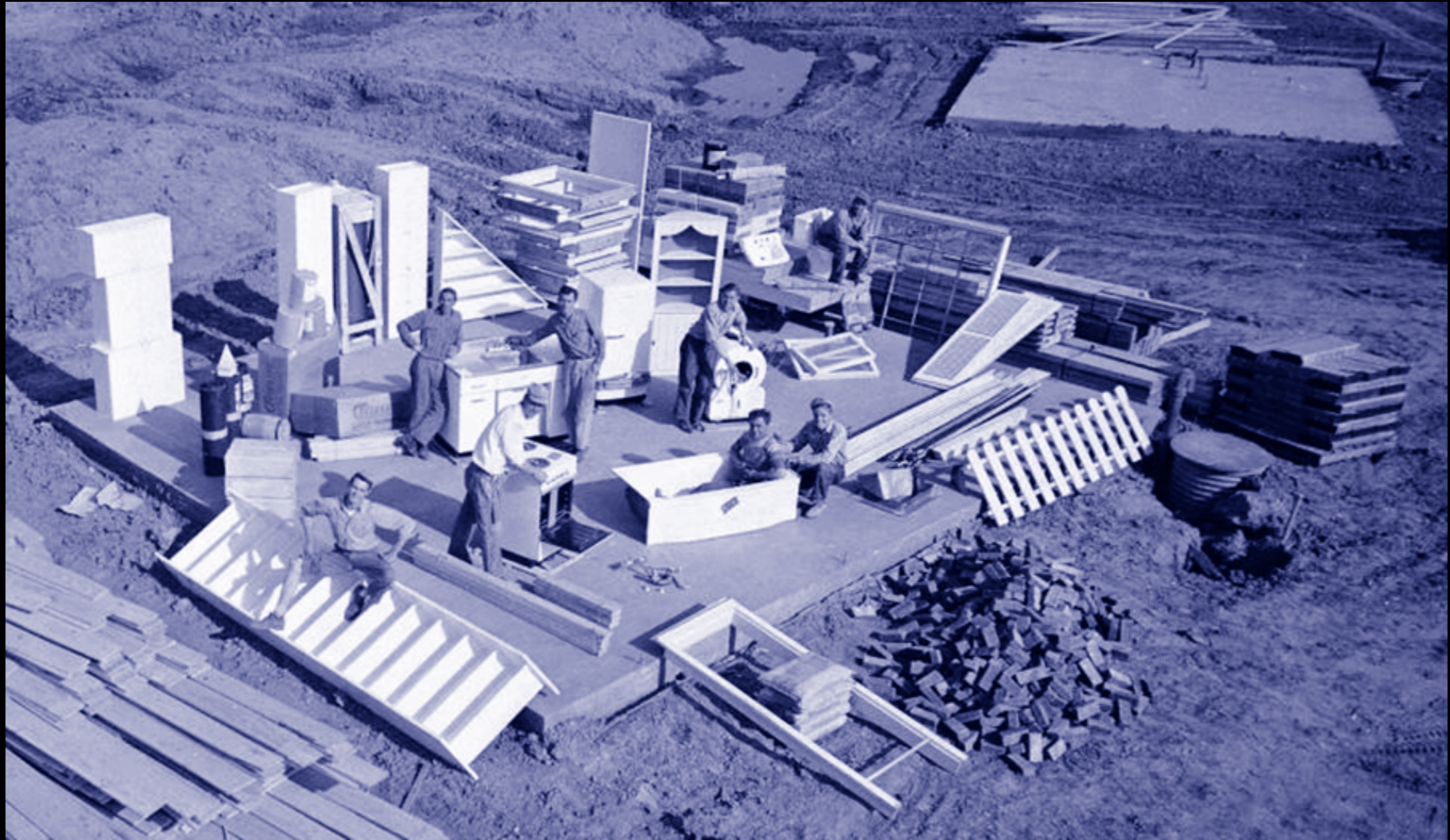
- U. S. Post Office.

Reprinted Courtesy  
of

JOHN W.  
**Pergola**

Insurance — Real Estate  
3475 Hempstead Tpk.  
Levittown, N.Y. 11756  
PE-5-4636









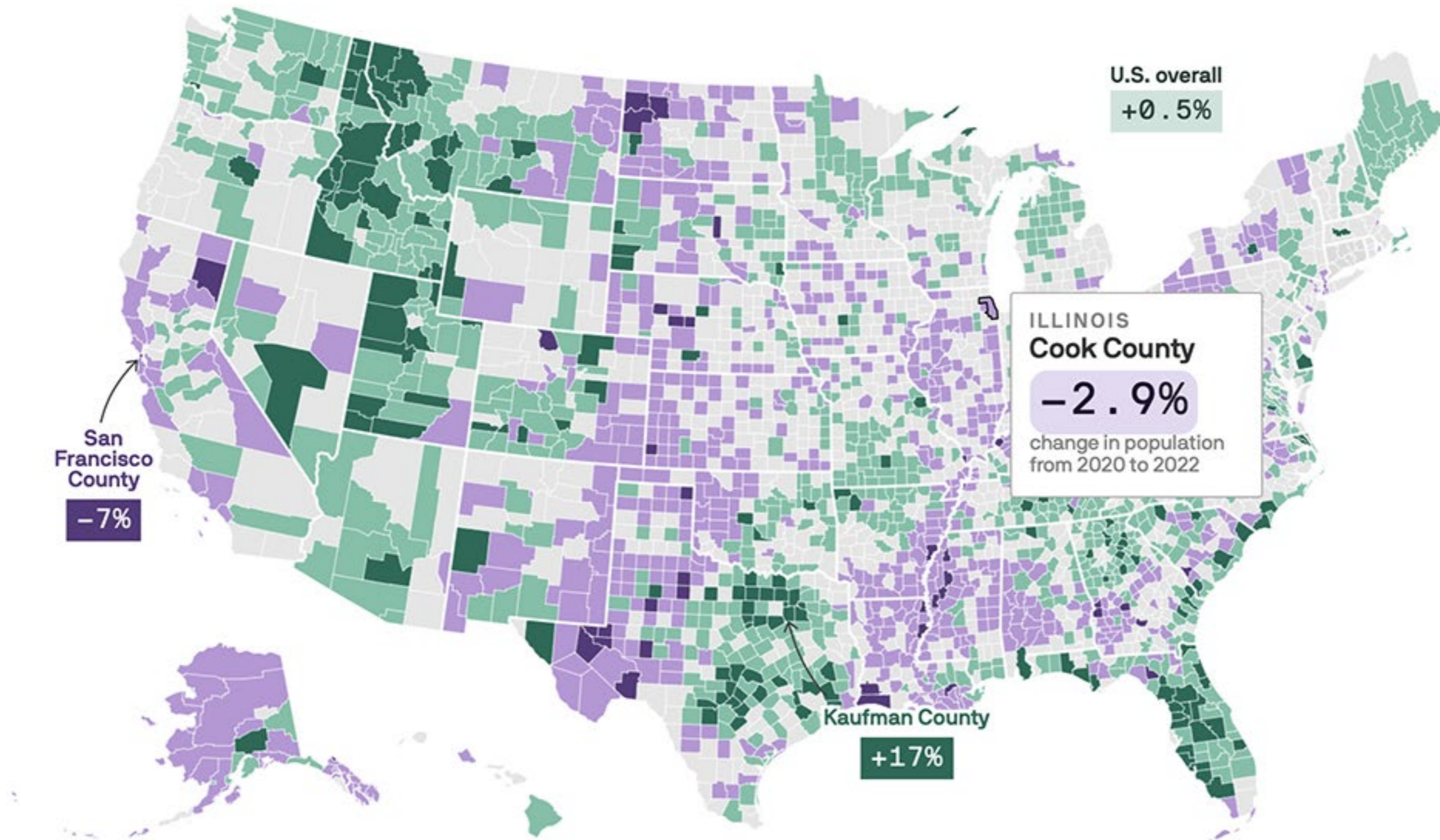
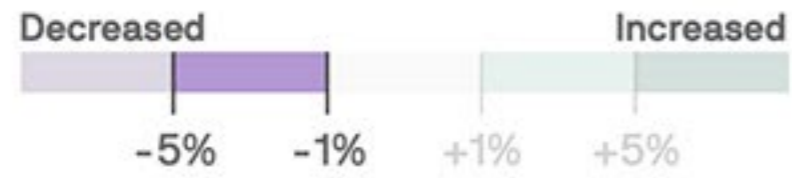
***“The future  
is already here;  
it’s just not evenly  
distributed.”***

*- William Gibson*



# Change in population, 2020 to 2022

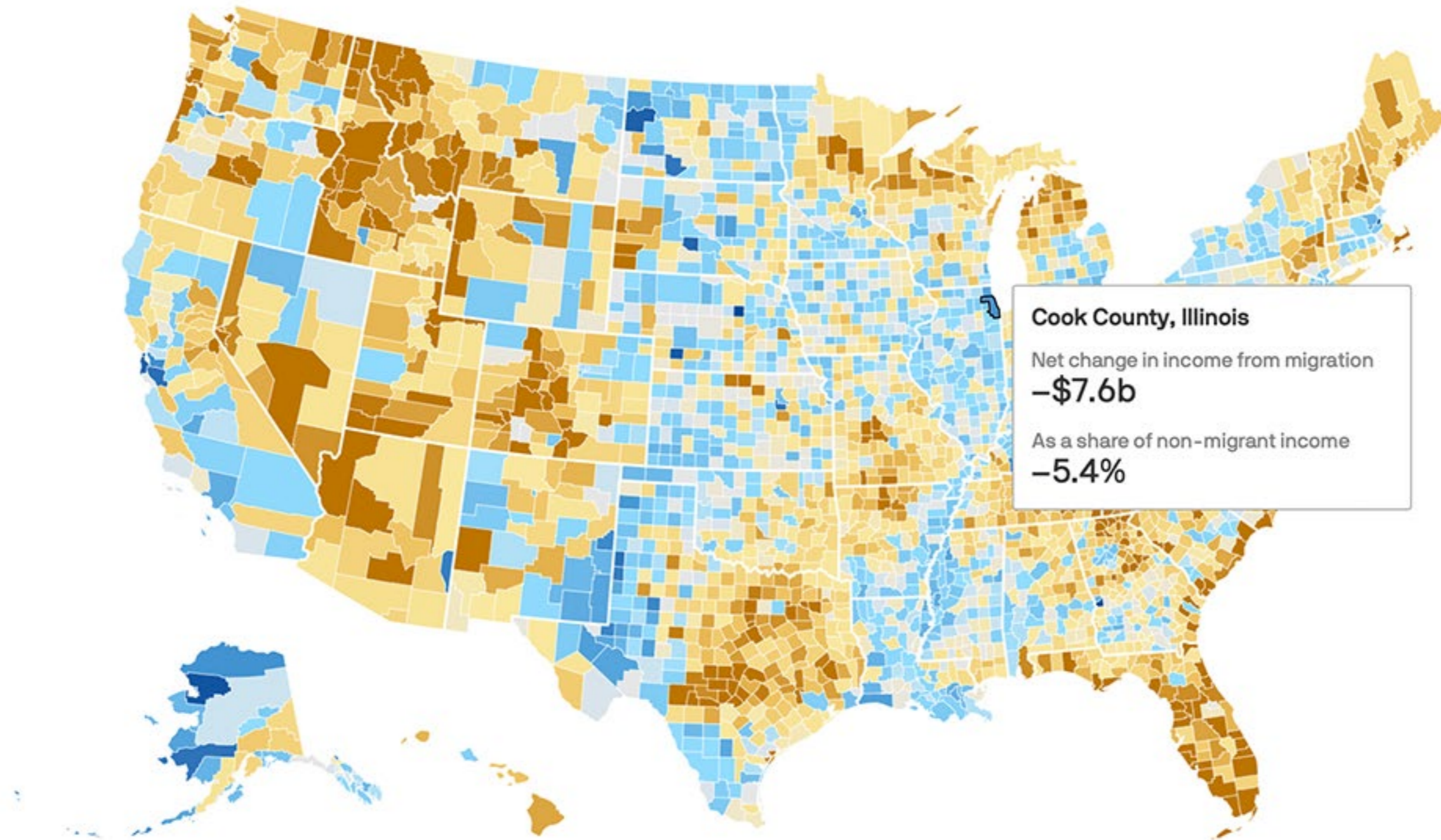
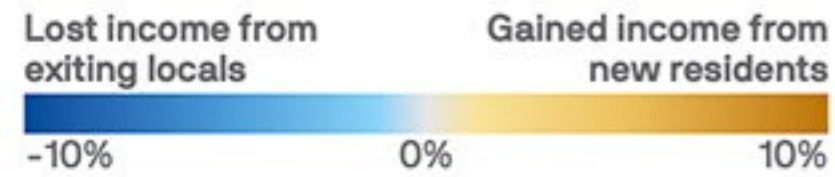
By county; Estimate as of July of each year





# Net change in income from migration, 2020 to 2021

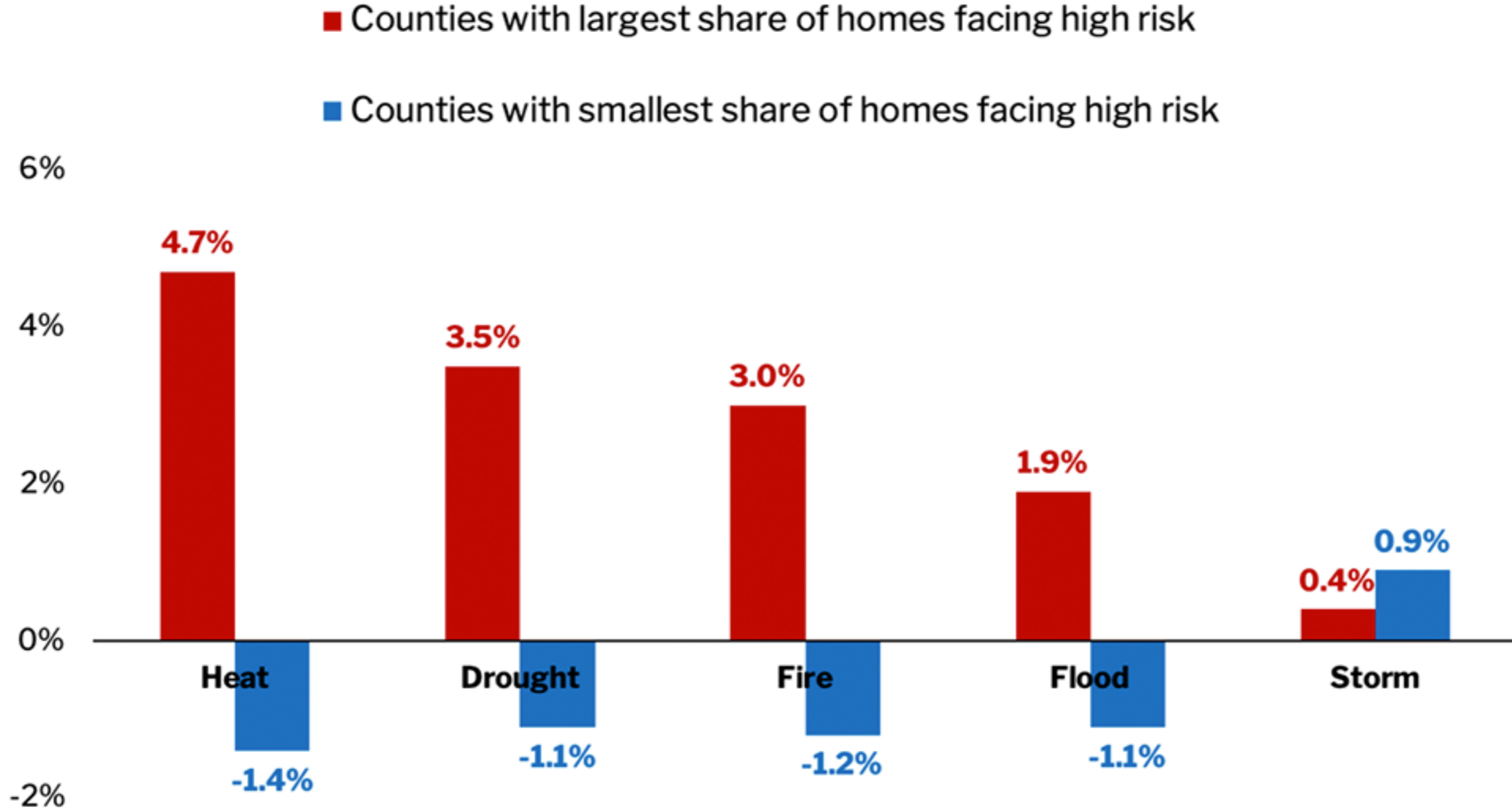
As a share of adjusted gross income from residents who did not migrate





# America's Climate-Endangered Areas Are Becoming More Populous

Population change due to net migration in counties with certain climate risks, 2016-2020



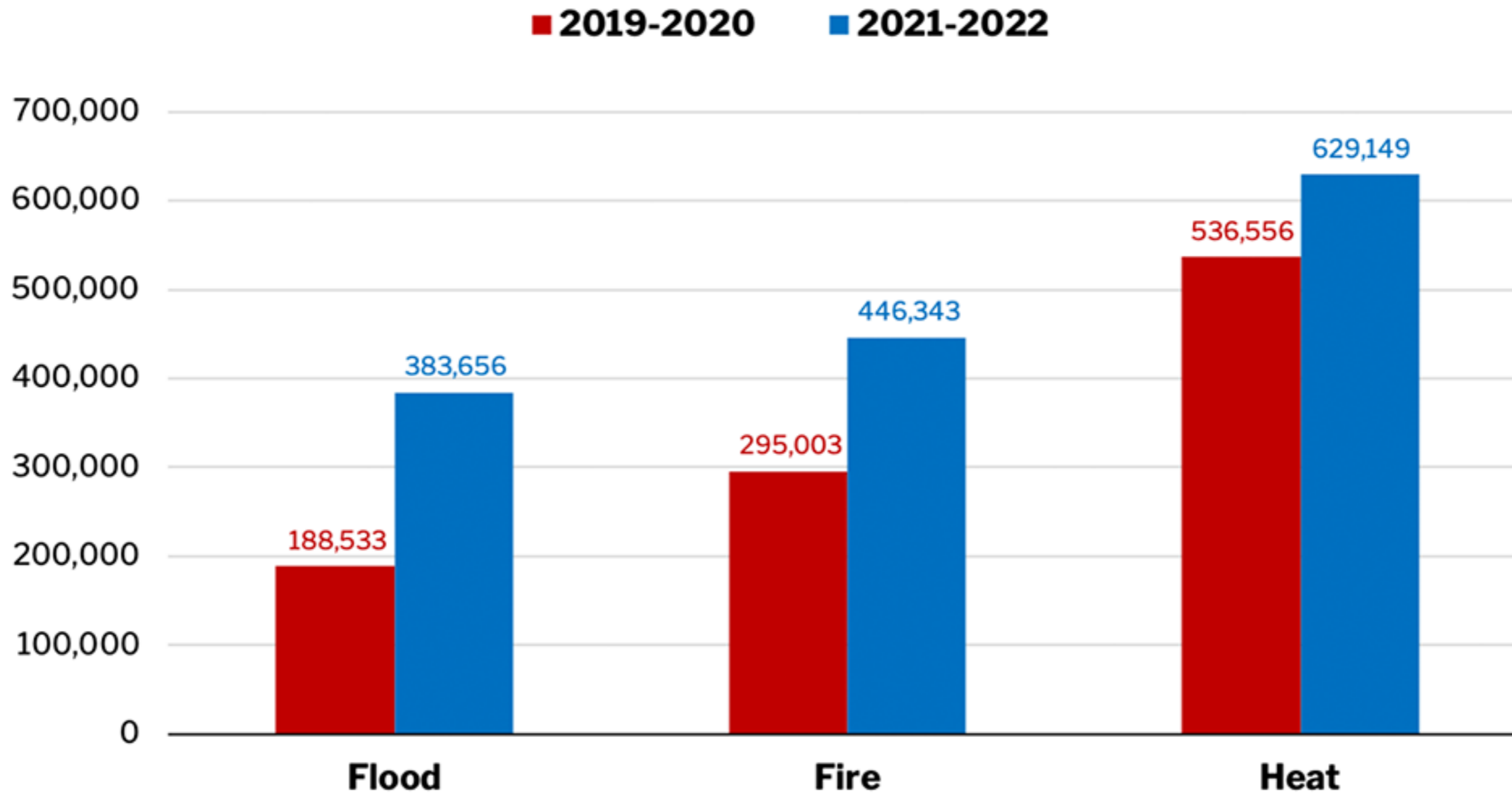
Source: Redfin analysis of data from ClimateCheck, county records, U.S. Census Bureau

**REDFIN**



# More People Are Moving Into Than Out of Disaster-Prone Places

Net inflow to U.S. counties with largest share of homes facing high fire, flood and heat risk



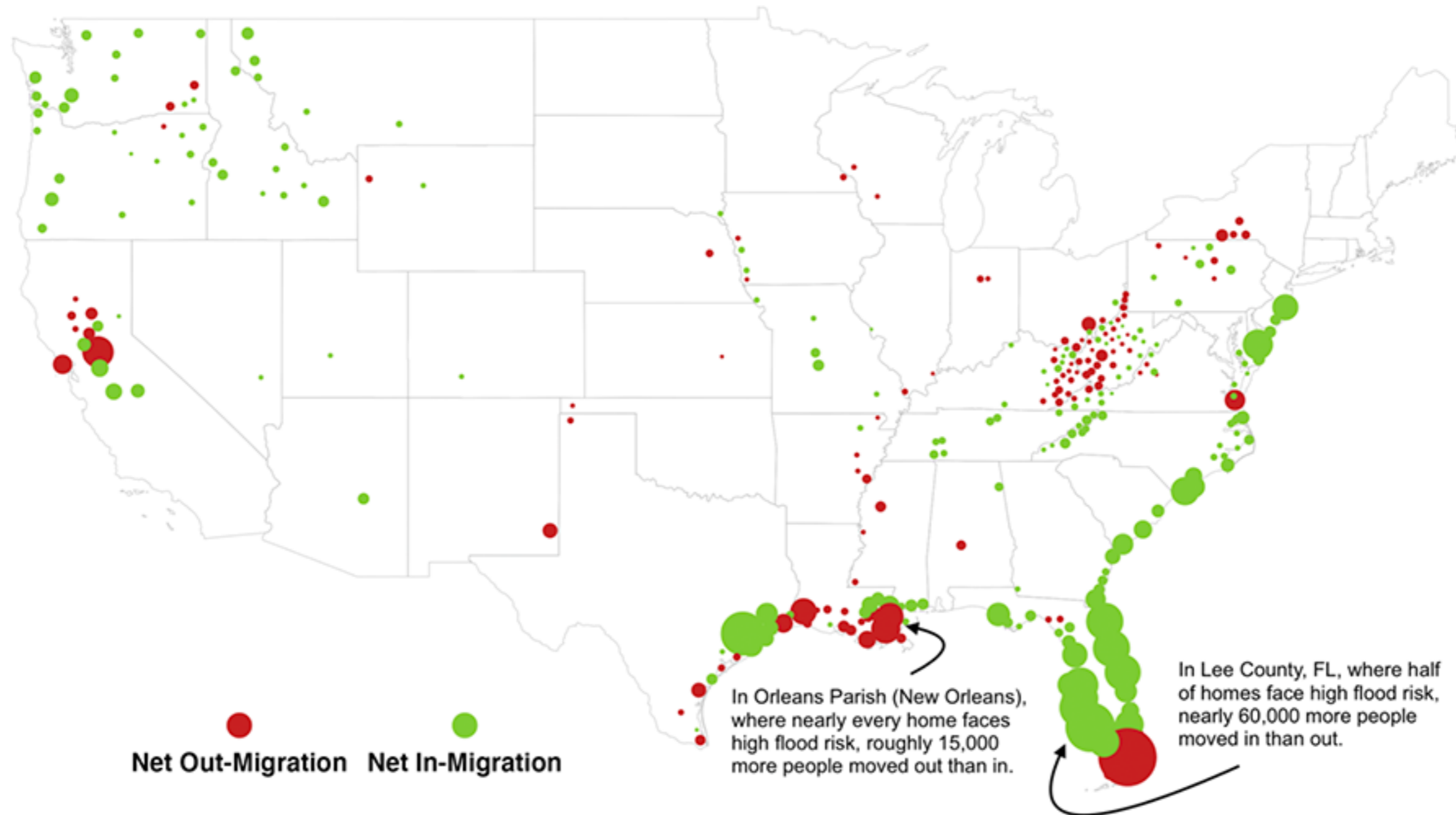
Source: U.S. Census Bureau, First Street Foundation

**REDFIN**



## Flood Risk: Migration Into and Out of High-Risk Counties

Size of circle corresponds with net inflow or net outflow



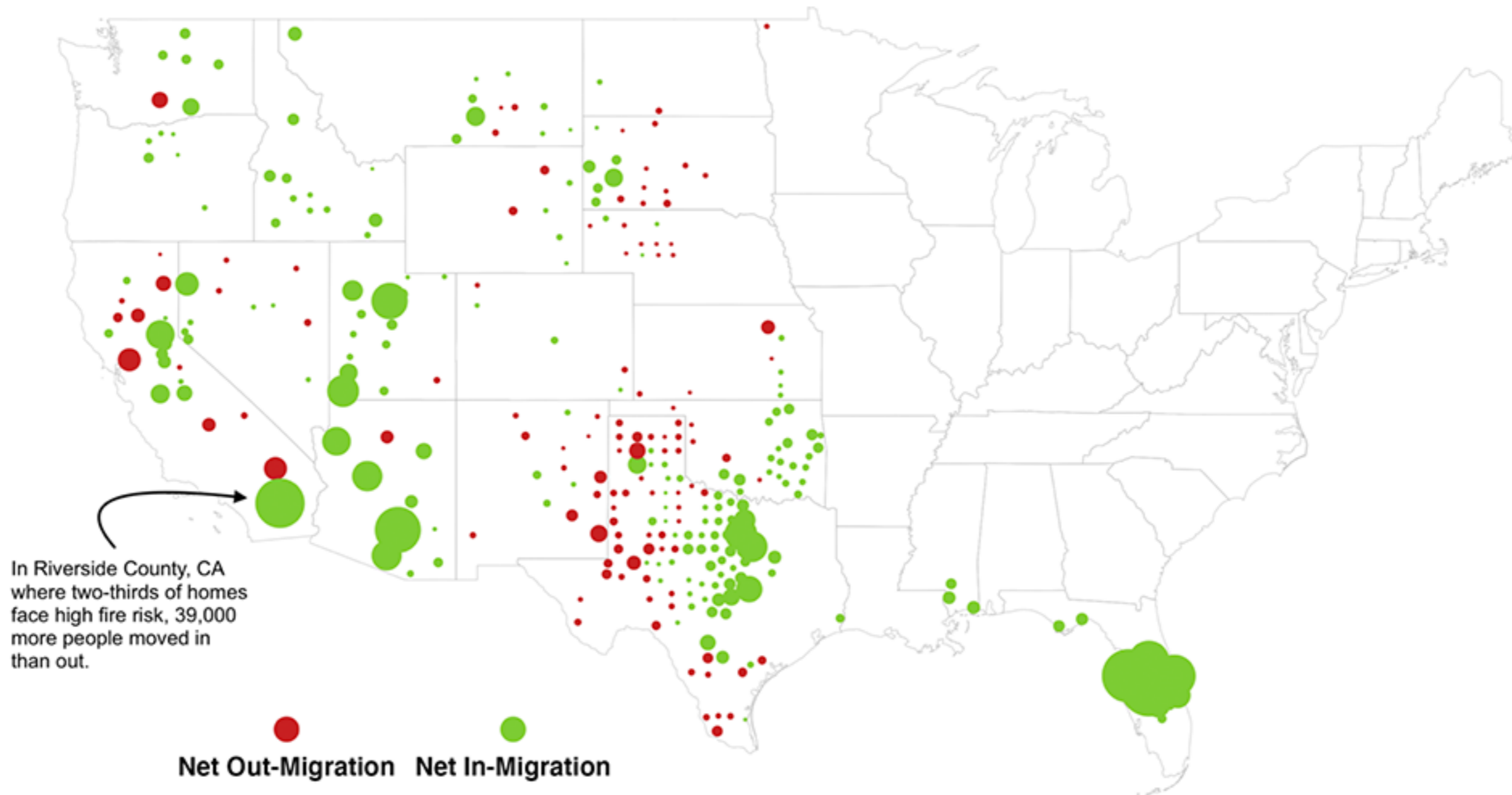
Sources: Redfin Analysis of US Census Bureau 2021-22 Migration Data; First Street Foundation Climate Risk Data  
Note: Includes counties that rank in top 10% for flood risk, as measured by the share of residential properties at high risk

**REDFIN**



## Fire Risk: Migration Into and Out of High-Risk Counties

Size of circle corresponds with net inflow or net outflow



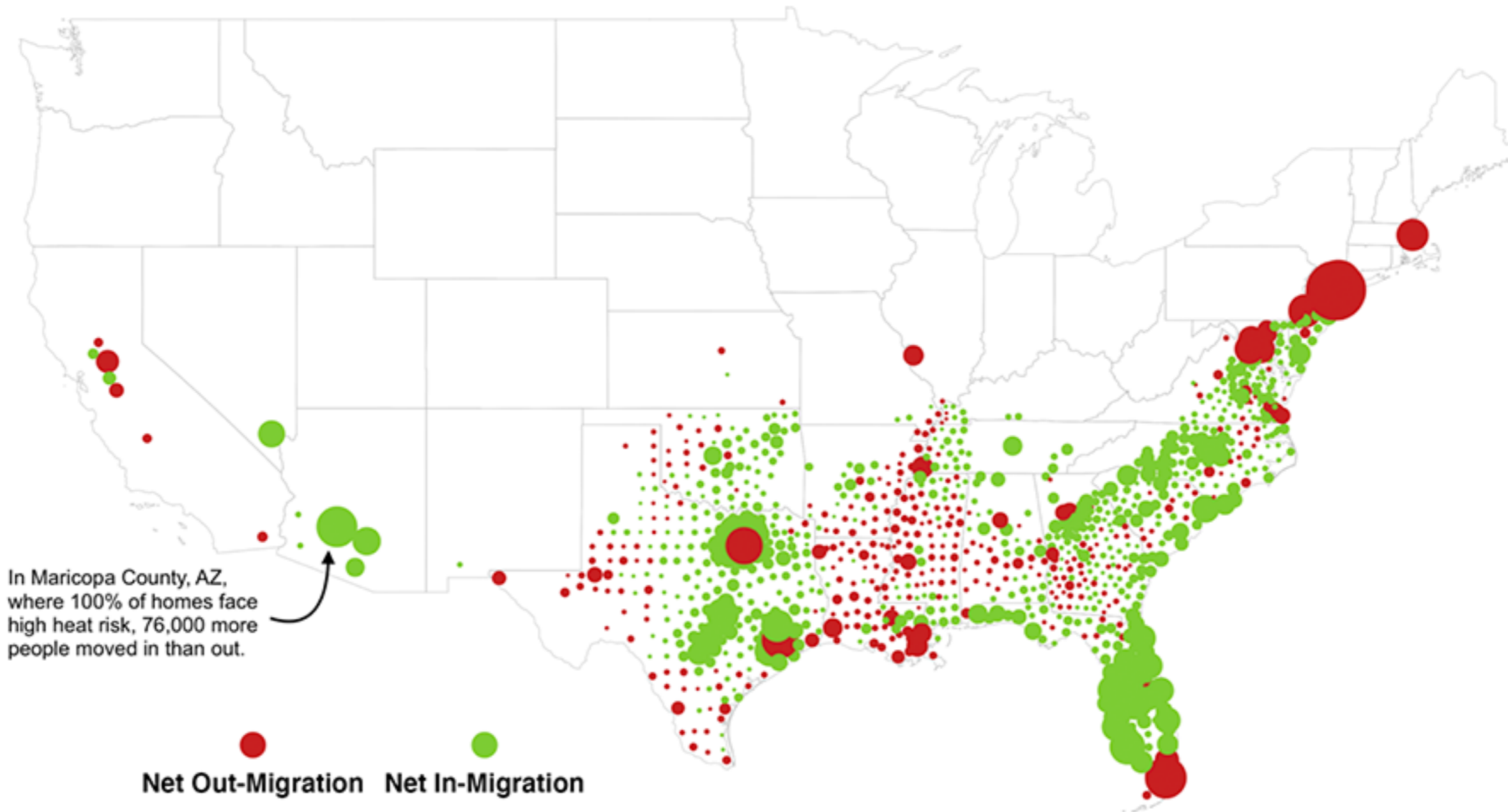
Sources: Redfin Analysis of US Census Bureau 2021-22 Migration Data; First Street Foundation Climate Risk Data  
Note: Includes counties that rank in top 10% for fire risk, as measured by the share of residential properties at high risk

**REDFIN**



## Heat Risk: Migration Into and Out of High-Risk Counties

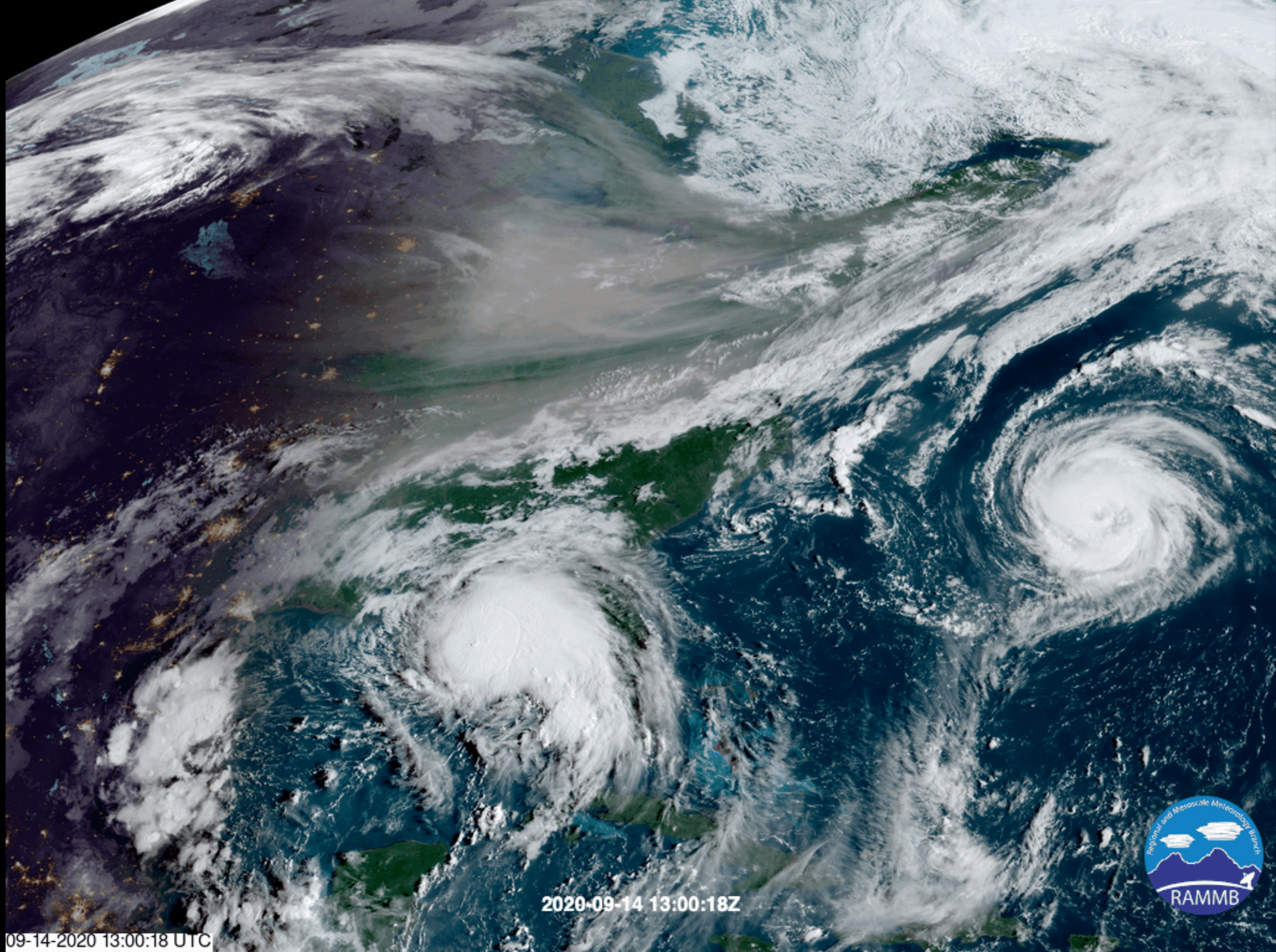
Size of circle corresponds with net inflow or net outflow



Sources: Redfin Analysis of US Census Bureau 2021-22 Migration Data; First Street Foundation Climate Risk Data  
Note: Includes counties that rank in top 33% for heat risk, as measured by the share of residential properties at high risk

**REDFIN**





2020-09-14 13:00:18Z

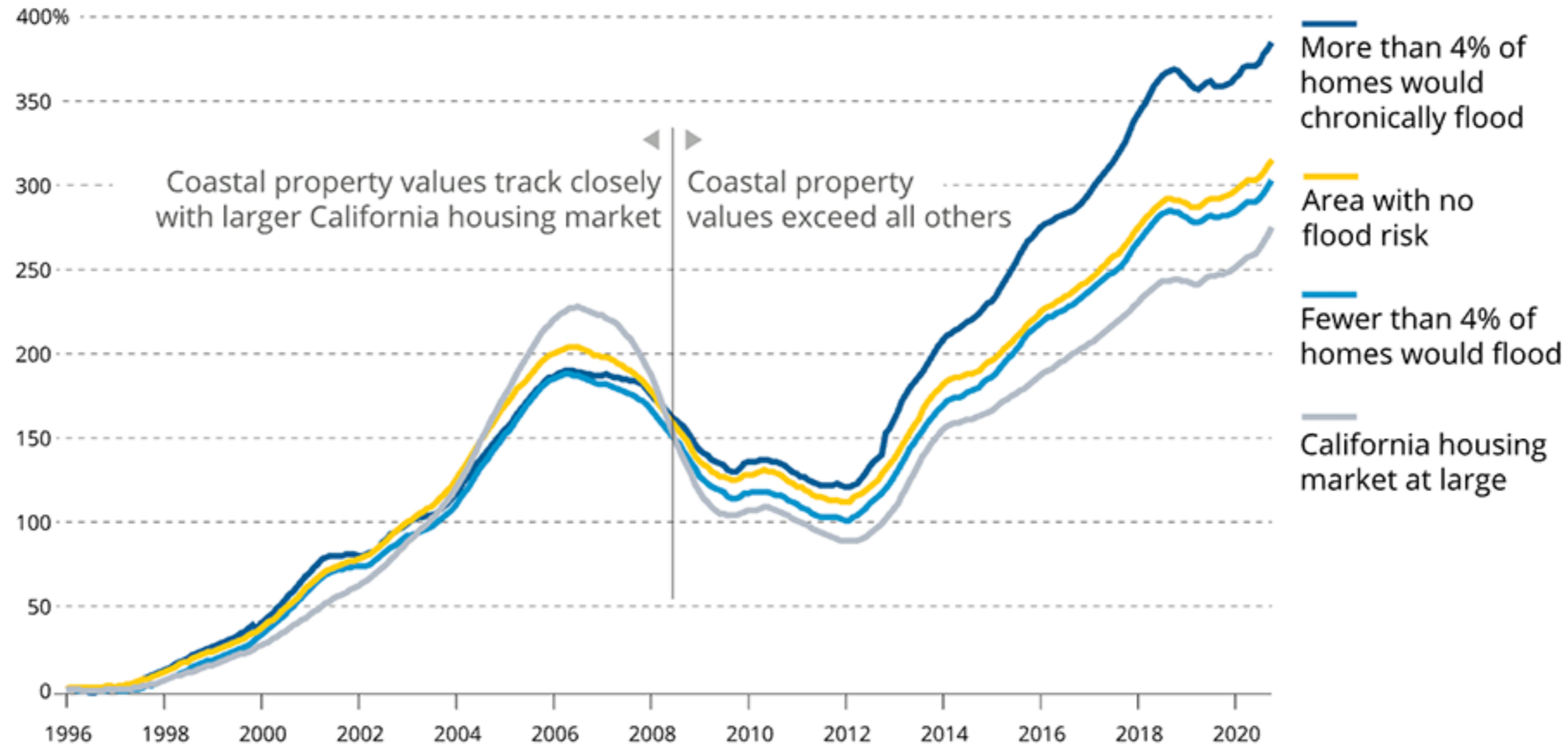
09-14-2020 13:00:18 UTC





# Where Coastal Flooding Most Threatens in California, Home Prices Rise Fastest

Percentage change of median home values in coastal California ZIP codes compared with all of California



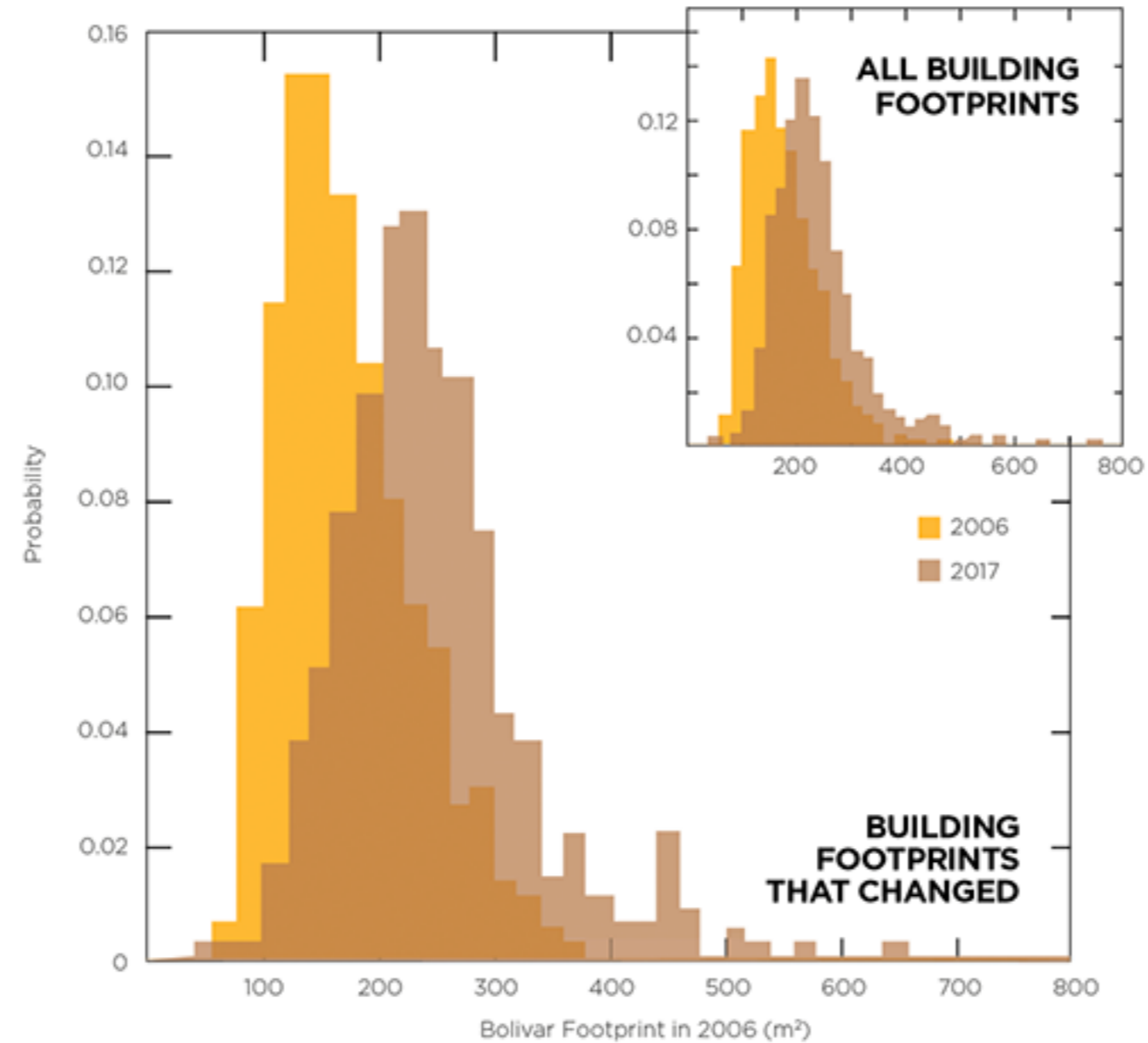
Forecasts predict a 4-foot sea level rise that would chronically flood more than 4% of homes in most vulnerable ZIP codes (darker blue) and up to 4% of units in less vulnerable ZIP codes (lighter blue). Under NOAA forecasts, a 4-foot rise is an intermediate scenario, likely by year 2100.



## Building back bigger in hurricane strike zones

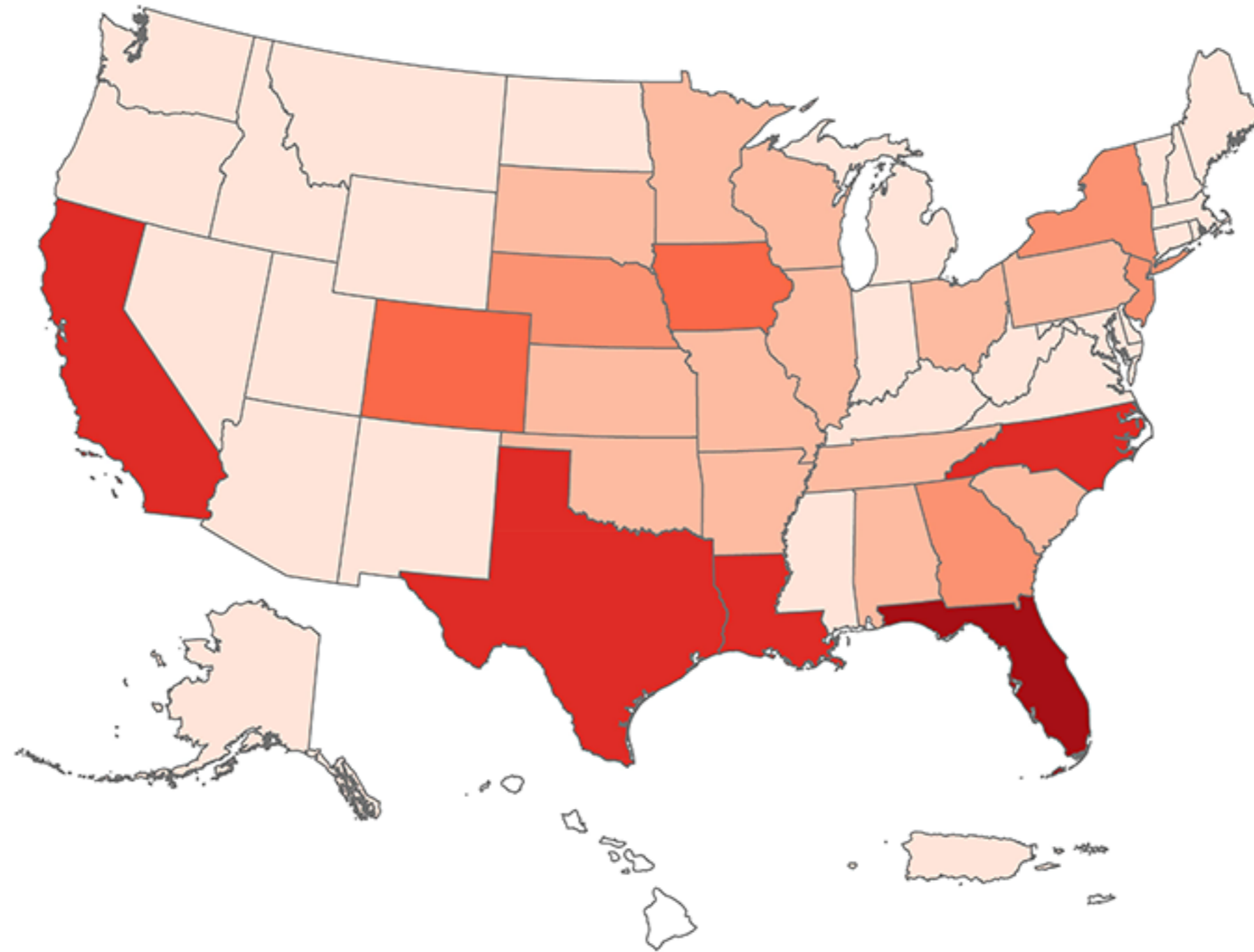
Comparisons of building footprint size in pre-storm versus 2017 — the images show that categorical changes in residential development occurred. Pre-storm and 2017 imagery for the Bolivar Peninsula was obtained from Google Earth. Building footprints were digitized manually and their areas were calculated using GIS software.

SOURCE: BUILDING BACK BIGGER IN HURRICANE STRIKE ZONES: LAZARUS ET AL. NATURE SUSTAINABILITY VOL. 1 DECEMBER 2018: 759-762





# Damages by State from Billion-Dollar Disasters (2018–2022)



Billions of US dollars





***Wildfires Hasten Another Climate Crisis:  
Homeowners Who Can't Get Insurance***

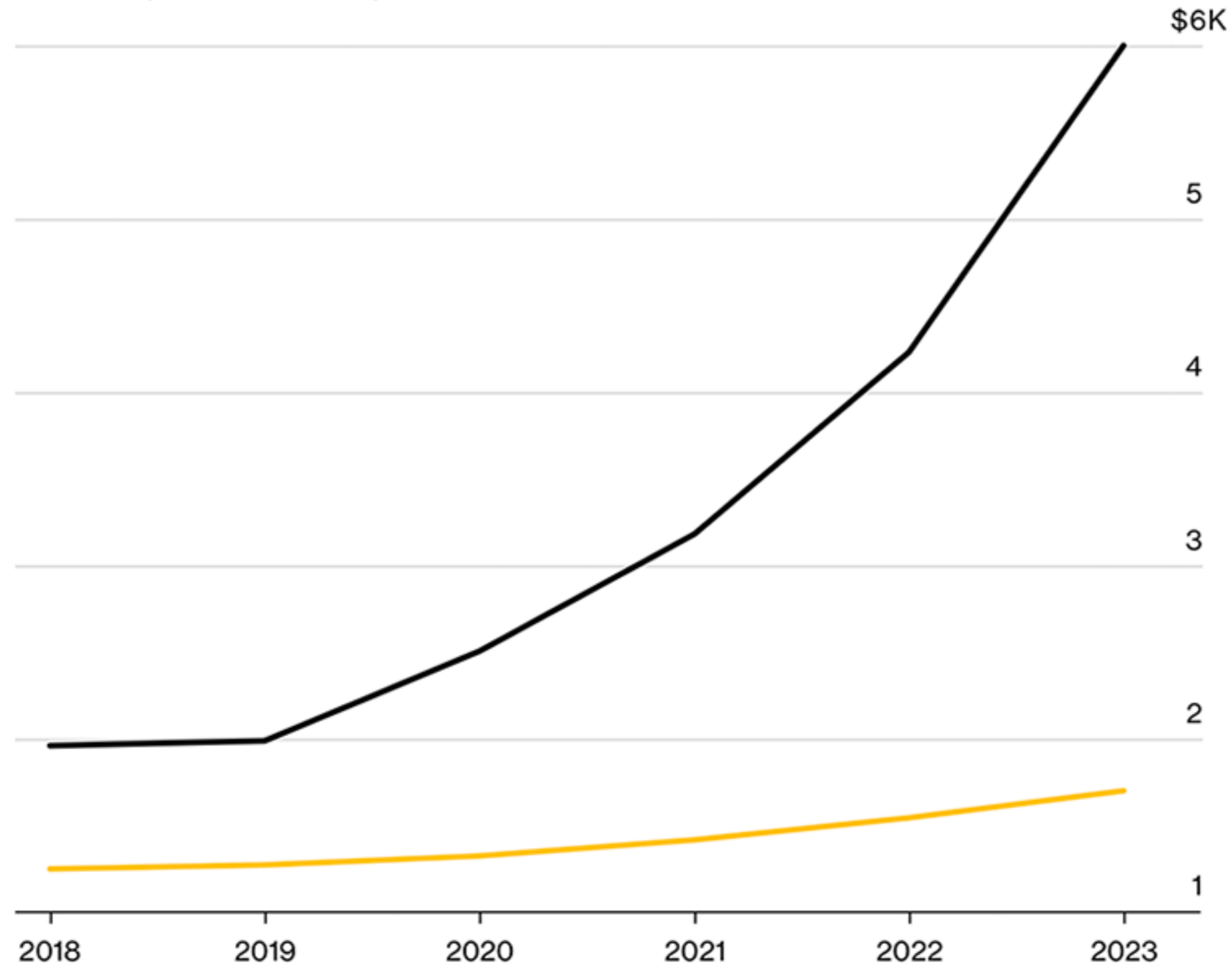




## Homeowners Policies Surging in Florida

Average homeowners insurance rates in Florida have tripled this decade

Florida premiums US premiums



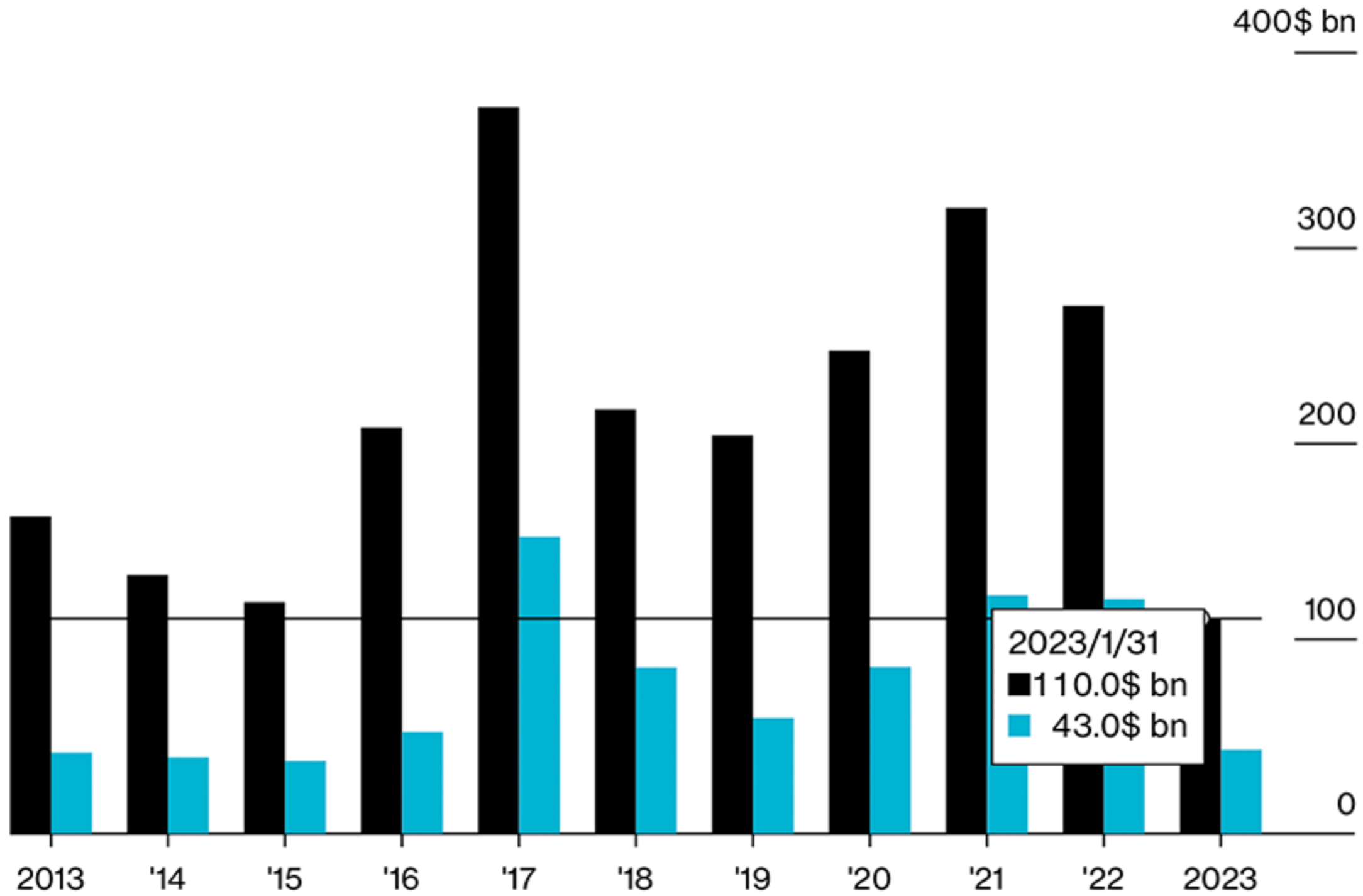
Source: Insurance Information Institute



## Global Insurance Protection Gap for Natural Disasters

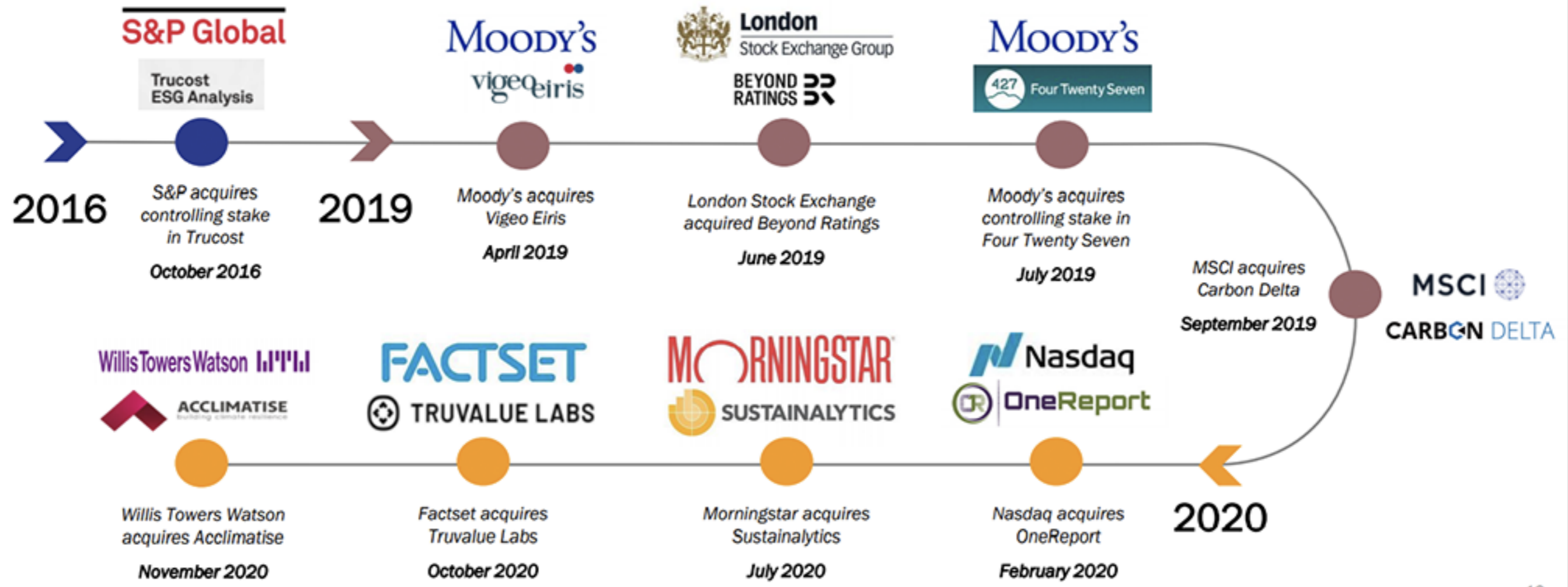
The difference between total economic losses and insured losses from earthquakes and extreme weather events is large.

■ Economic losses    ■ Insured losses



Source: Munich Re NatCatService  
Losses in US dollars have been adjusted for inflation.







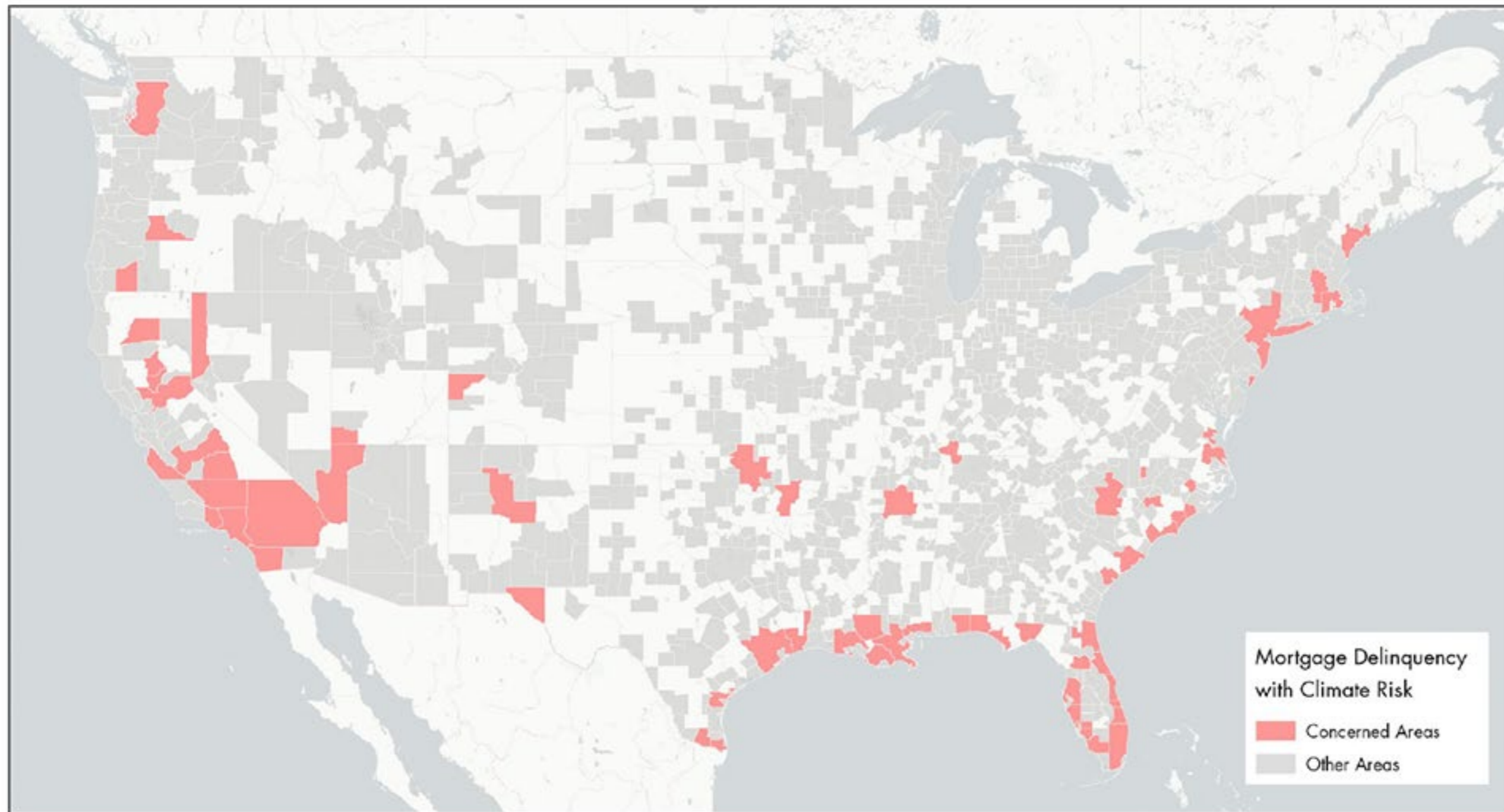
But again, when the Fed's going to wimp out, I think that real estate is going to outperform equities because of the nature of being a fixed supply kind of asset that, that is in the short run. The only caveat is that a lot of real estate is going to be stranded because of global climate change. Literally there are maps that show that half of the US in the next 20 years are going to be either underwater on the coastlines or too hot or droughts or wildfires, to be living in it.

And people have stupidly moved from New York to Miami and from San Francisco to Austin. But Florida's going to be flooded and Texas is going to be too hot to survive there. So there'll have to be a massive migration from south and the coastline towards the only part of the US that is going to survive climate change. It's the Midwest into essentially Canada. So there'll be trillions of dollars of real estate assets that are going to be damaged by essentially global climate change. So if you have to worry about that, you have to find the types of investment in the right parts of the United States. So I





**Map: Concerned CBSAs with High Mortgage Delinquency and High Climate Risks<sup>3</sup>**





# A Climate “Minsky moment” is approaching

Yet markets continue to misprice risk *and* opportunity

- **Financial losses are obvious, and mounting:** \$120B in natural disaster damage in 2021 from wildfires, deep freezes, and storms
- **With evidence of climate impact on price trajectory:** between 2012-2020, median sales price for homes with low risk of wildfires increased 101 percent compared to 88% in high-risk areas in California, Oregon, and Washington (Redfin)
- **Yet markets continue to misprice climate change:** houses in US flood zones are still overvalued by >\$40B

**Climate change will have winners.  
Be one of them.**

Where should you sell today to **avoid the hazards** of tomorrow?

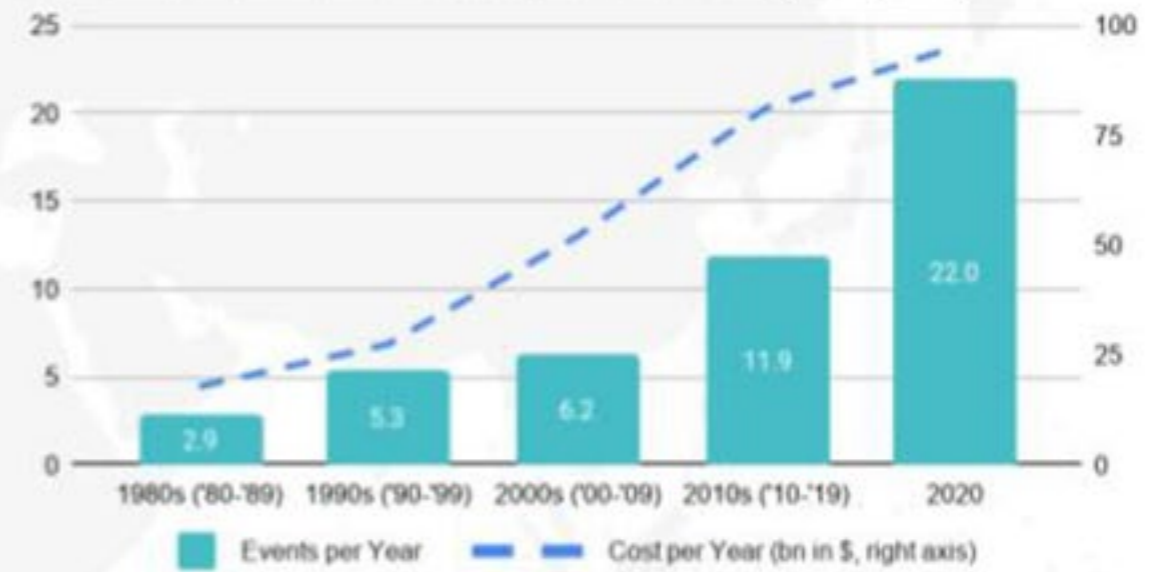
Where should you invest today to **own tomorrow's most resilient** real estate?



# Markets are underpricing climate risk – but not for long



Billion-Dollar Weather and Climate Disasters in the U.S. (CPI-adjusted)



Over the last four decades, **the number of billion-dollar weather and climate disasters** in the U.S. **increased by eight-fold** from 2.9 events per year in the 1980s to 22 in 2020.

The cost of such events **has quintupled from \$18 bn in the 80s to \$95 bn in 2020.**



# Investors recognise climate change as the most pertinent and material non-financial risk in real estate portfolios

Real estate investors are **increasingly demanding ways to measure climate risk**

The New York Times

SQUARE FEET

## *Climate-Change Risks Get the Attention of Real Estate Investors*

Awareness of climate-related risk among investment groups is new, said Laura Craft, the head of global environmental, social and governance strategy at Heitman, a real estate investment management firm that teamed up with the Urban Land Institute to write a [series of reports](#) on real estate investment and climate risk.

“In 2019, we surveyed investment managers about where they were; most hadn’t mapped their portfolio to risk,” she said. That strategy changed a year later. “They’d gone on to think not just about property-level risk but also market-level risk.”

*“While Nuveen’s sustainability strategy encompasses a broad range of ESG issues, we believe the physical effects of climate change and the transition to the low carbon economy will have the **most significant influence on real estate asset values**”*

– Nuveen Real Estate



## Climate Alpha will do good *and* do well

### DO GOOD

- Pinpoint adaptation needs for communities worldwide based on forward-looking risk models
- Orchestrate public-private partnerships to drive investment into food, water and energy production, promoting greater local self-sufficiency and systemic resilience
- Help future-proof local, provincial and national governments with adaptation strategies
- Structure "resilience bonds" to finance critical infrastructure in locations that can absorb climate-related relocation and migration



### DO WELL

- Steer investors in the world's largest economic sector of land and real estate towards low-risk/high-resilience geographies
- Help lenders and underwriters calibrate rates and premiums according to client investments in adaptation measures to incentive resilience policies
- Guide asset managers in allocating capital towards climate-proof companies in public and private markets to strengthen the performance of invested savings
- Build large funds of climate-resilient assets that reward long-duration commitment to sustainable impact investing





# The People Have a Right to Climate Data

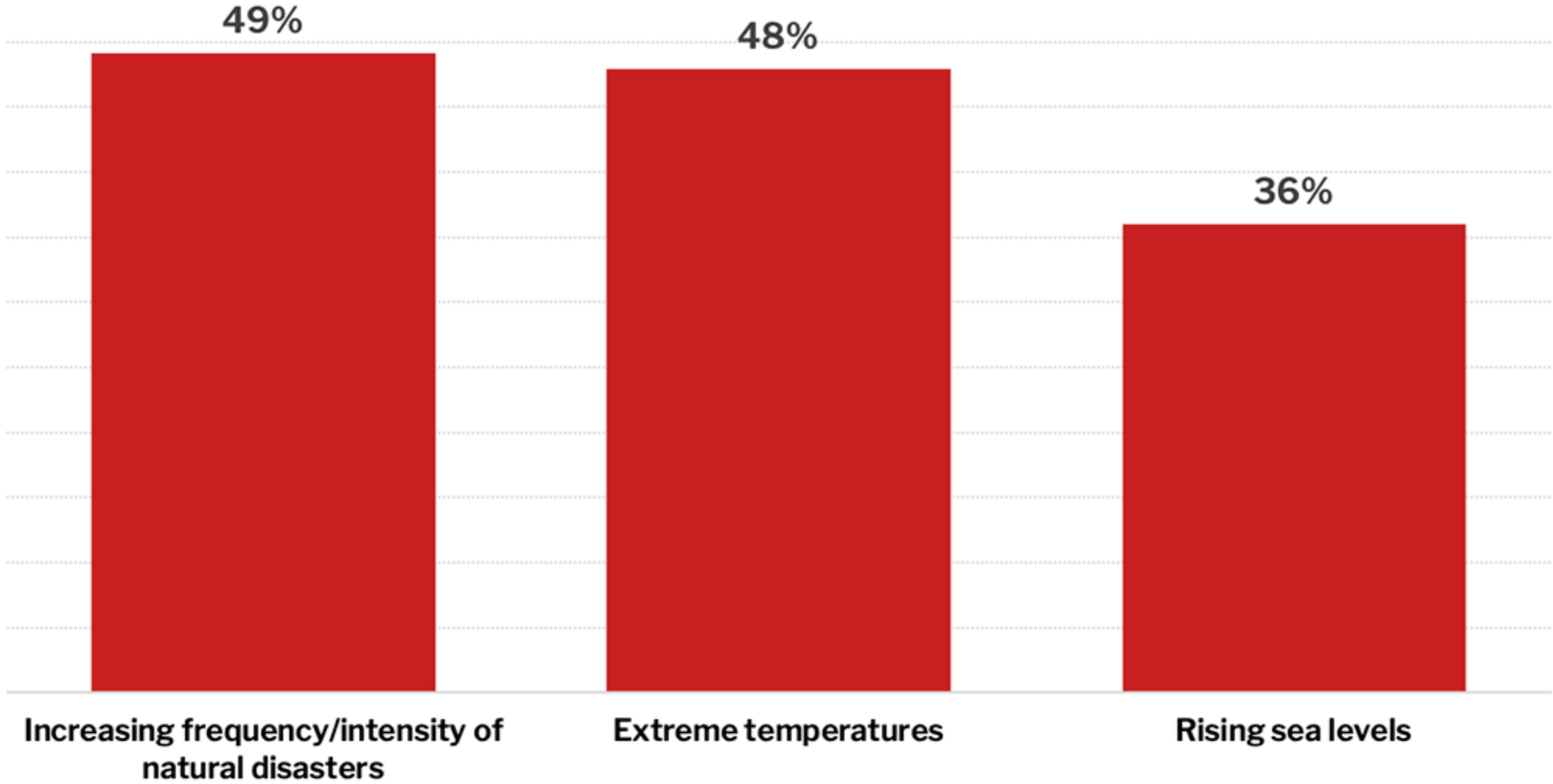
Jan. 20, 2024





# 49% of Americans Who Plan to Move In the Next Year Say Natural Disasters Were a Factor

Share of respondents who answered yes to "Have any of these risks played a role in your decision to move in the next year?"



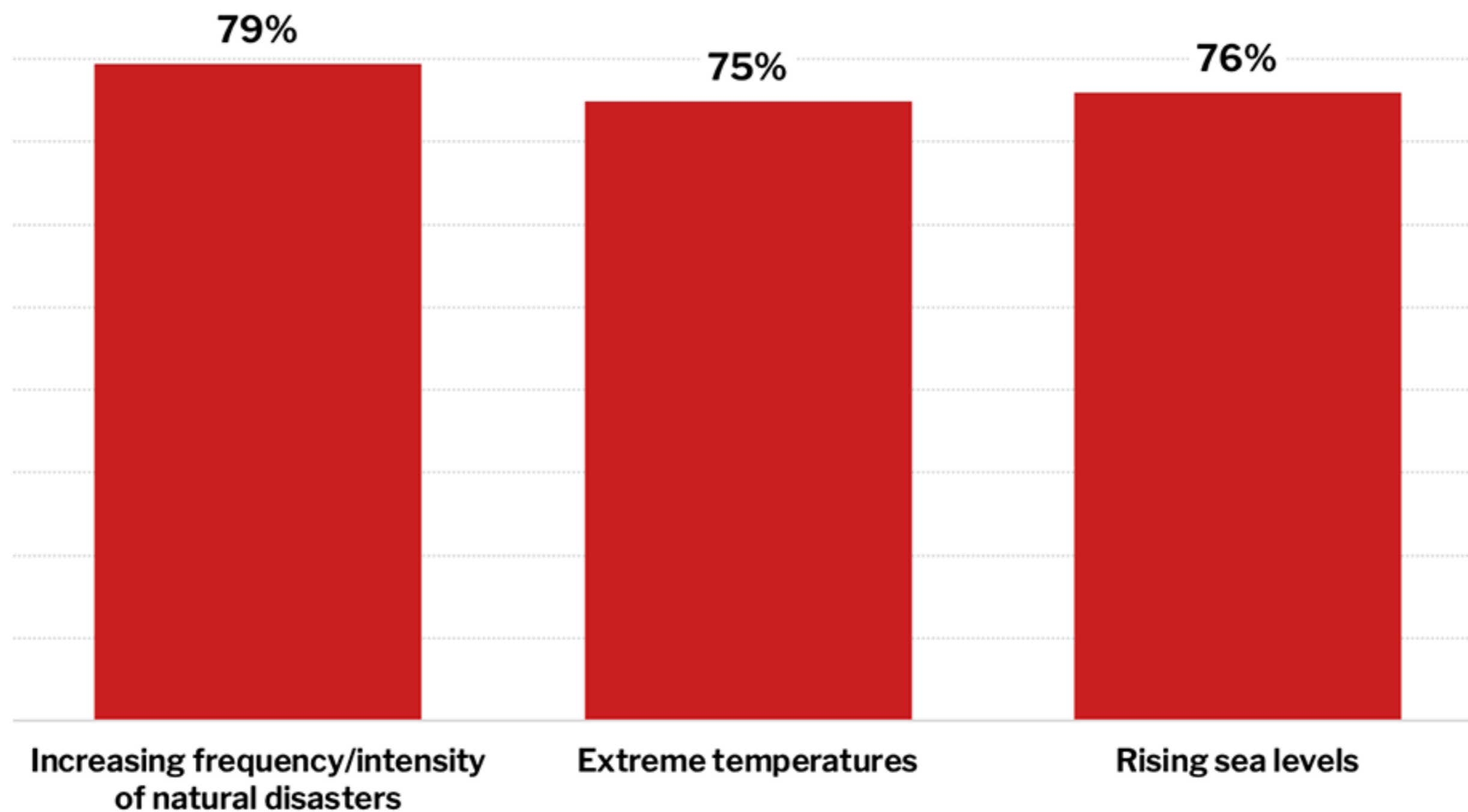
Source: Redfin survey





## Three-Quarters of Americans Are Hesitant to Buy Homes In Areas With Climate Risk

Share of respondents who indicated they would be hesitant when asked how the presence of the following risks in an area would affect their decision to buy a home there



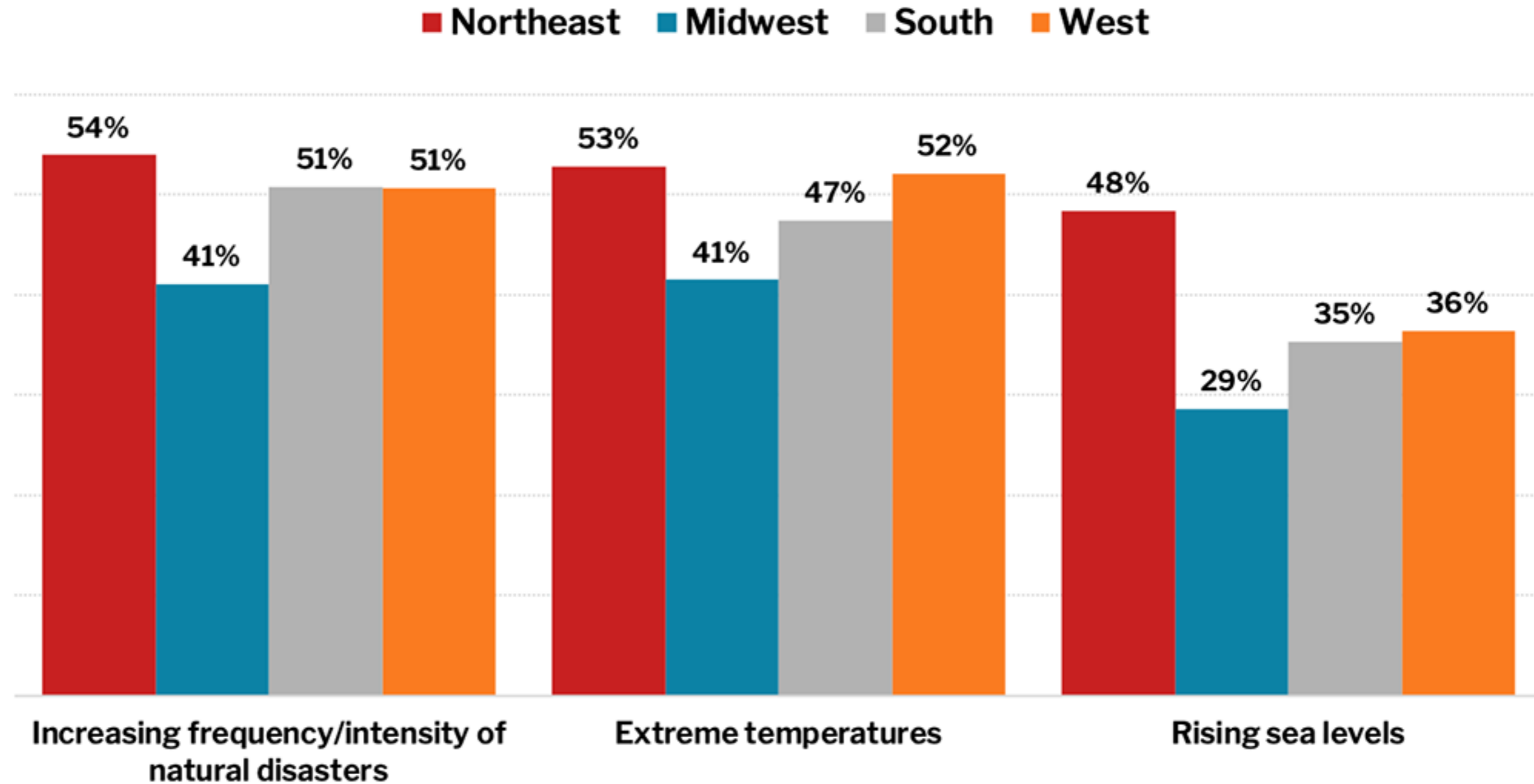
Source: Redfin survey

**REDFIN**



## Midwesterners Least Likely to Cite Climate Change as a Relocation Factor

Share of respondents, by region, who answered yes to "Have any of these risks played a role in your decision to move in the next year?"

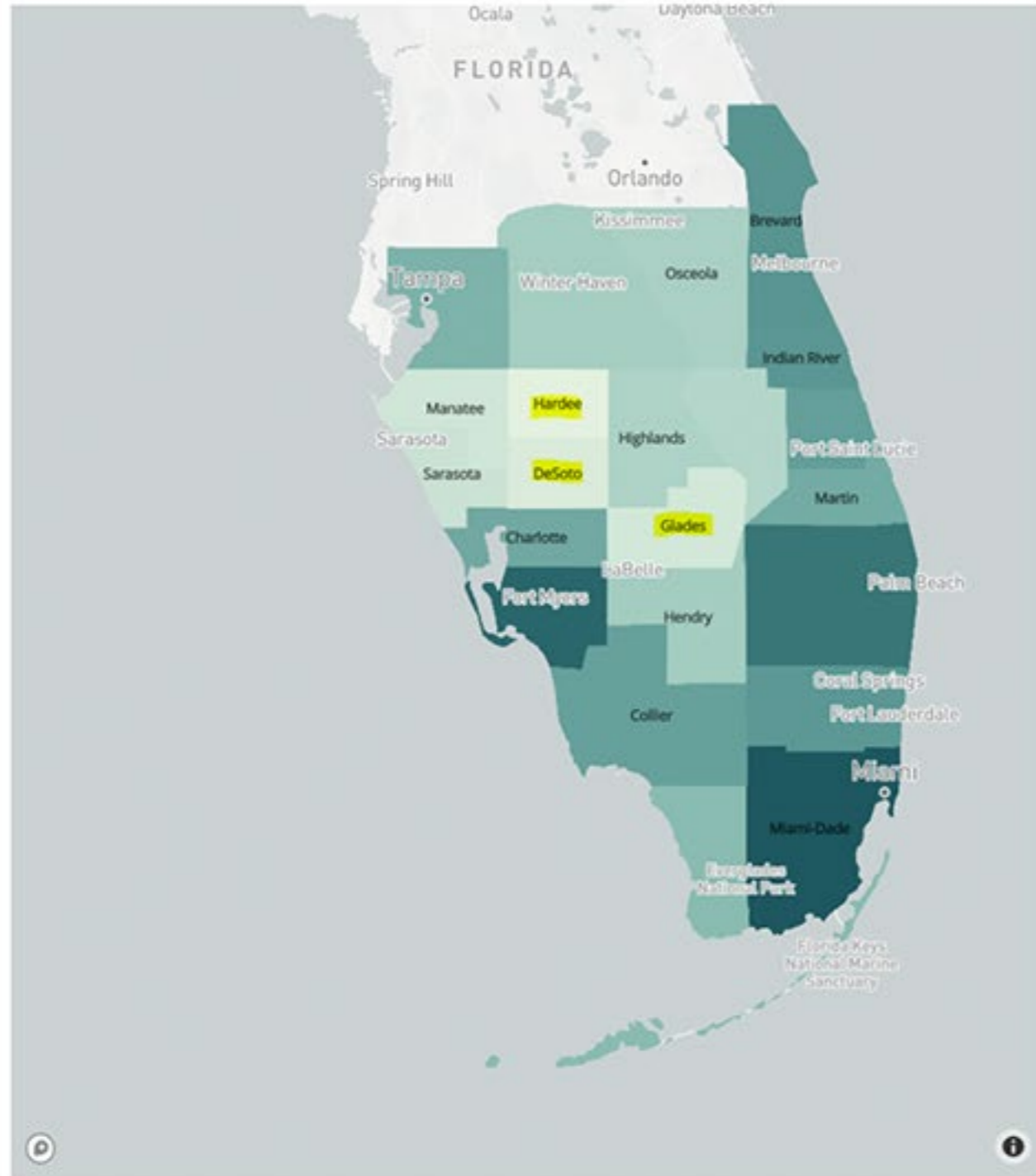


Source: Redfin survey

**REDFIN**



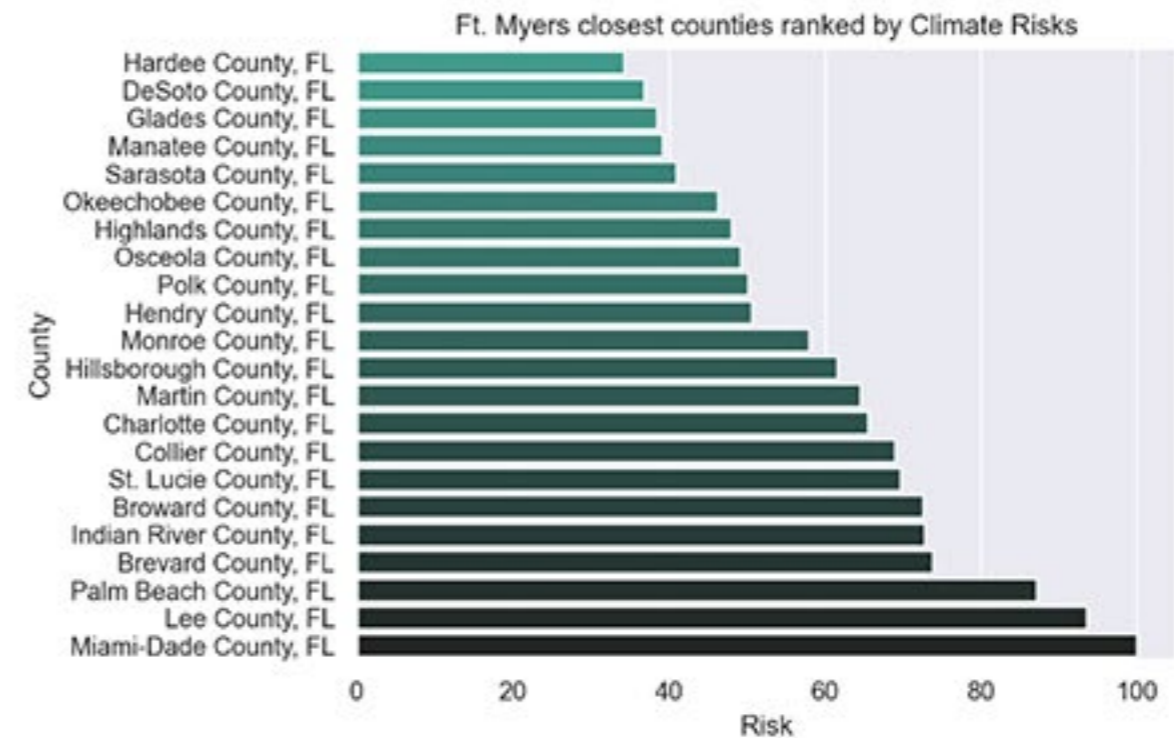
## Climate Risks Map for counties around Ft. Myers, FL



## RI - Risks

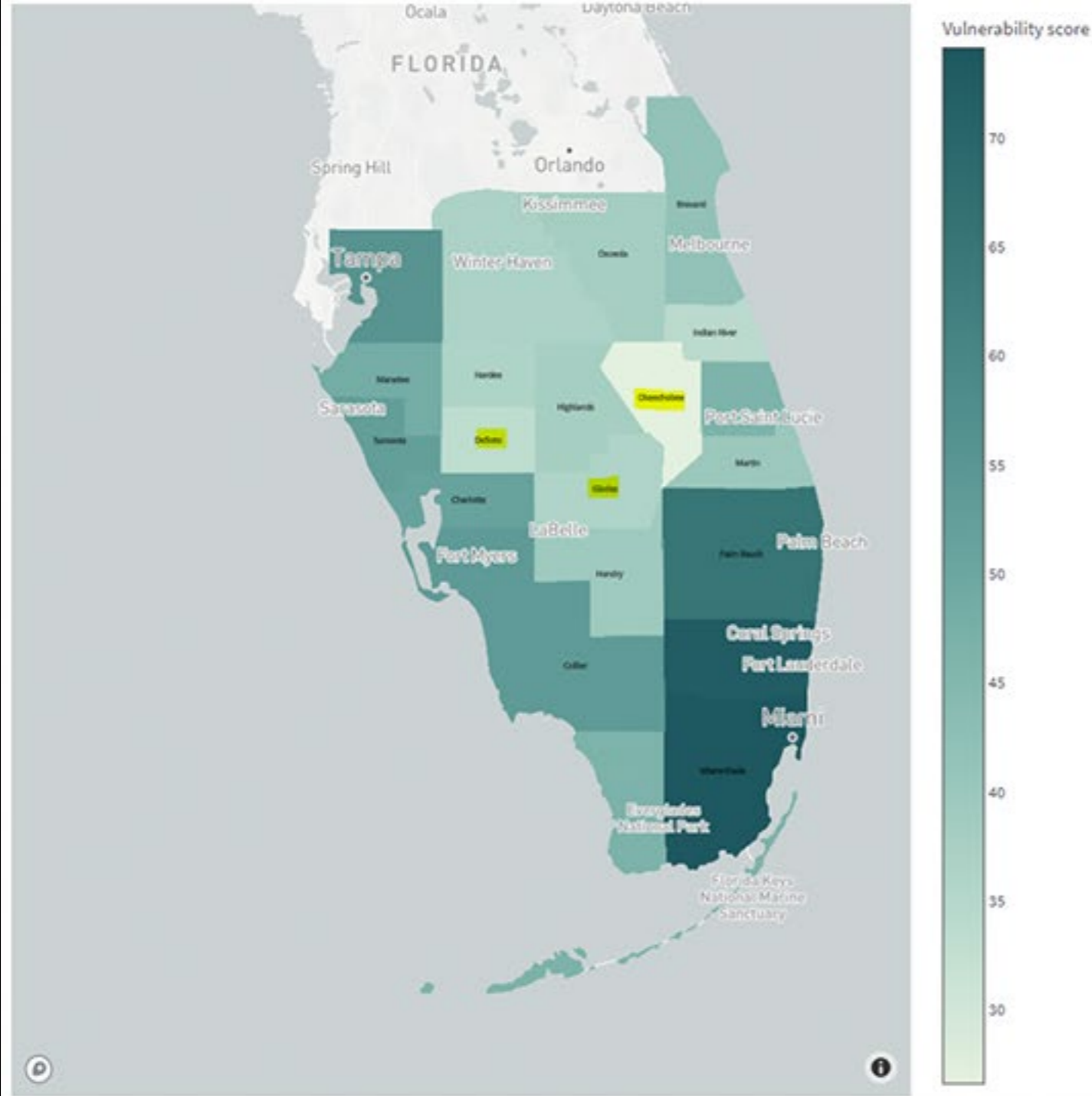
### Counties with lowest climate Risk

County	Score
1. Hardee County, FL	34.2 (Low)
2. DeSoto County, FL	36.8 (Low)
3. Glades County, FL	38.5 (Low)





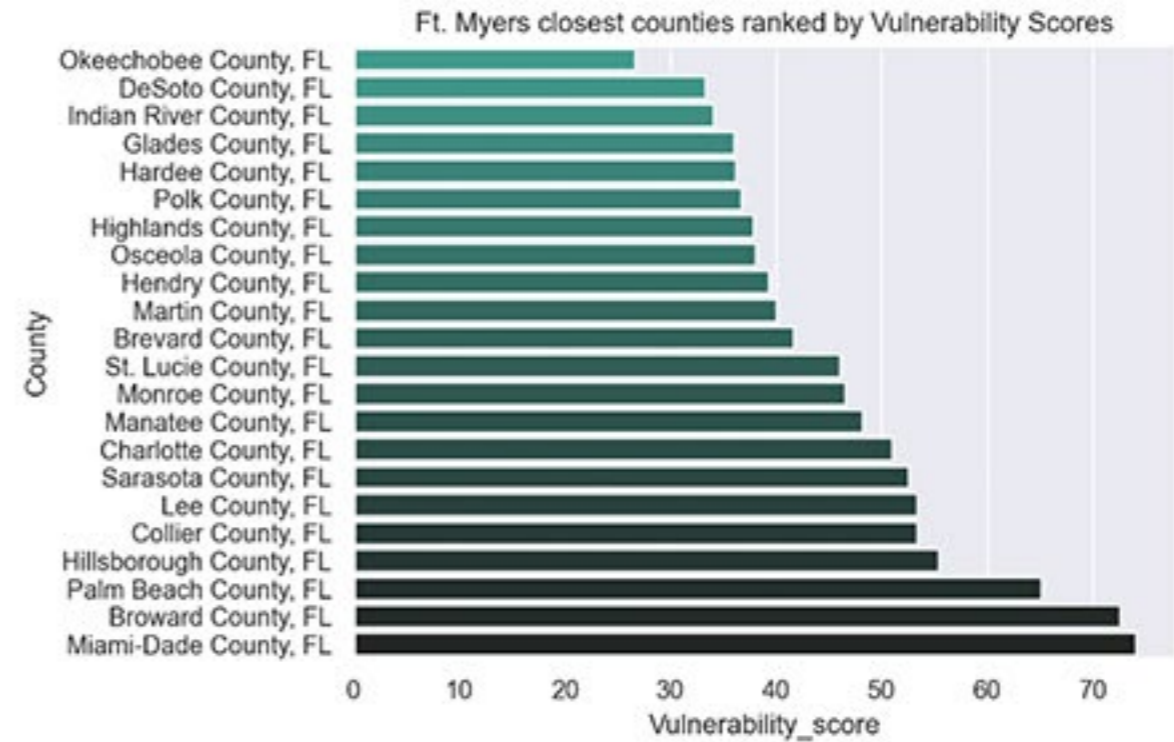
## Vulnerability Score Map for counties around Ft. Myers, FL



## RI - Vulnerability

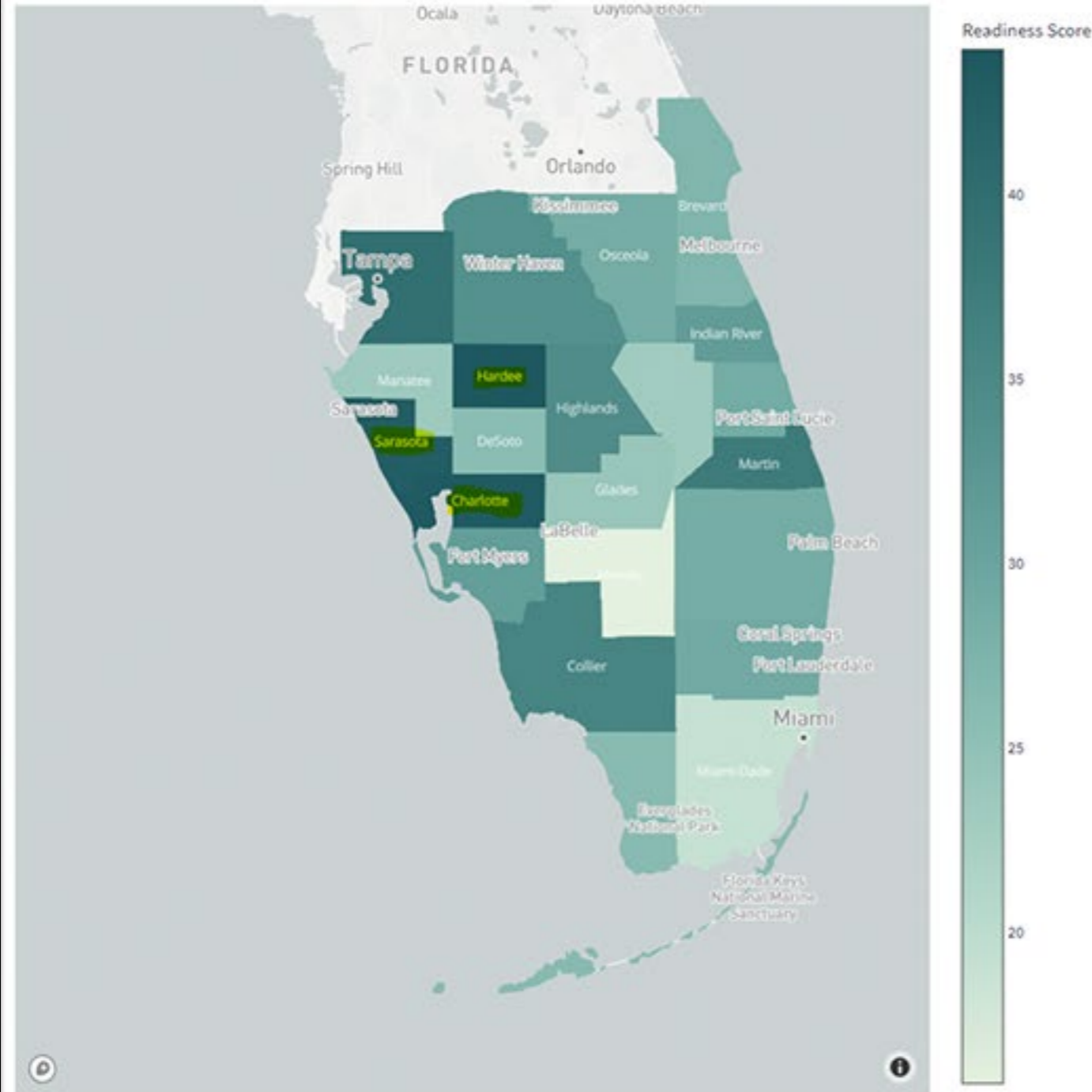
### Counties with lowest Vulnerability Score

County	Score
1. Okeechobee County, FL	26.6 (Low)
2. DeSoto County, FL	33.3 (Low)
3. Glades County, FL	36 (Low)





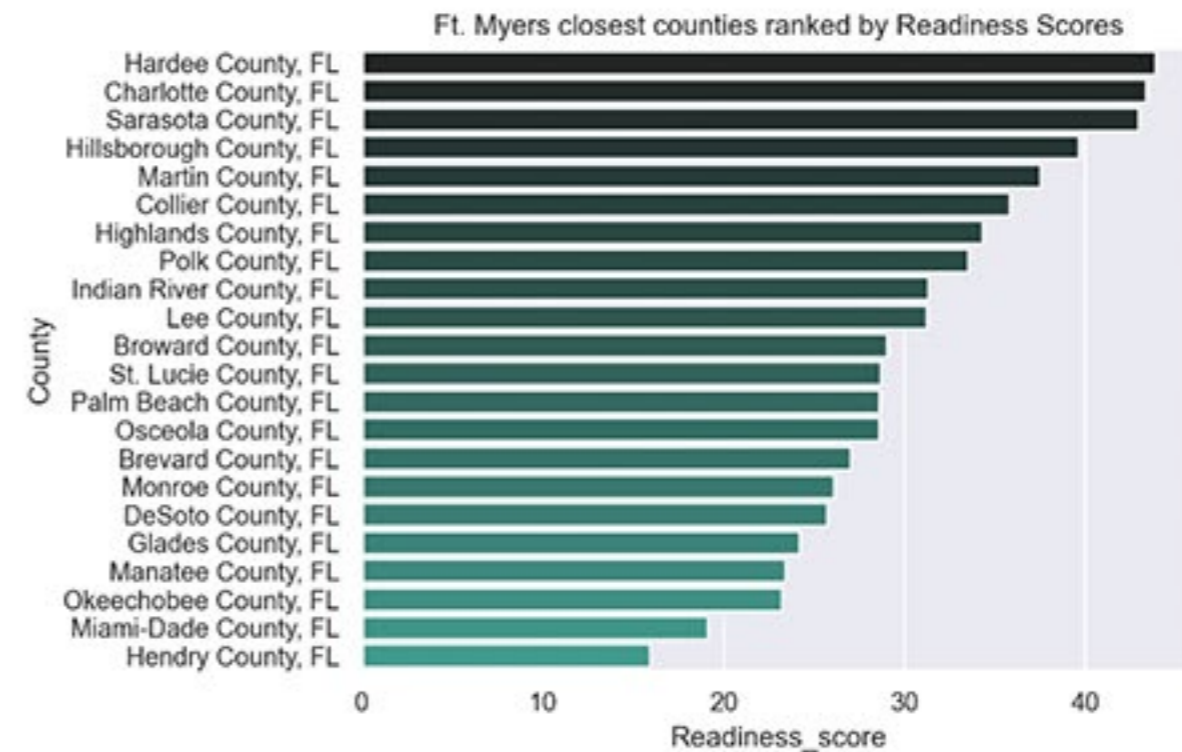
Readiness Score Map for counties around Ft. Myers, FL



## RI - Readiness

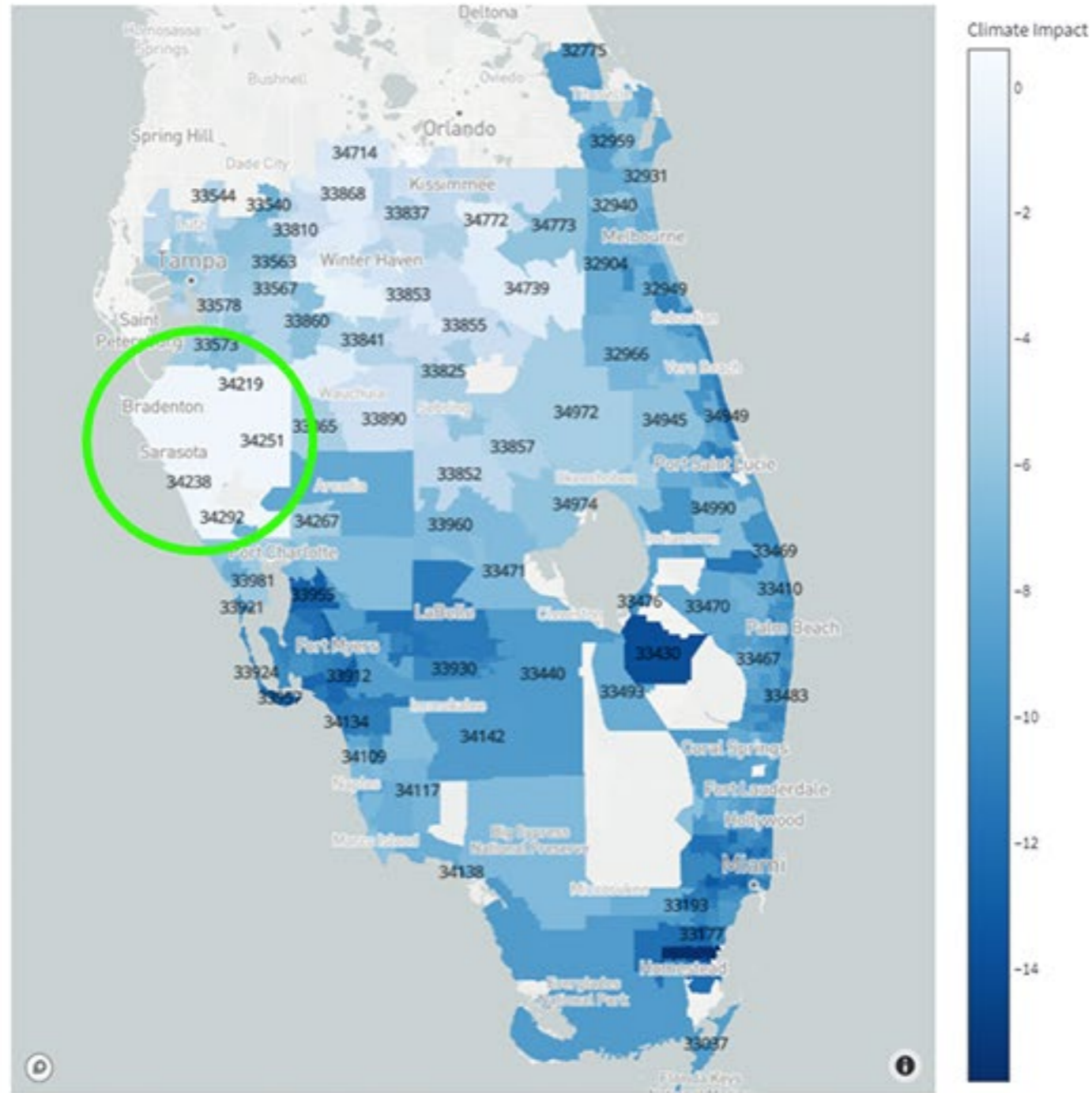
### Counties with highest Readiness Score

County	Score
1. Hardee County, FL	43.9 (Medium)
2. Charlotte County, FL	43.3 (Medium)
3. Sarasota County, FL	42.9 (Medium)





## Climate Price Impact



## Climate Price Impact (%)

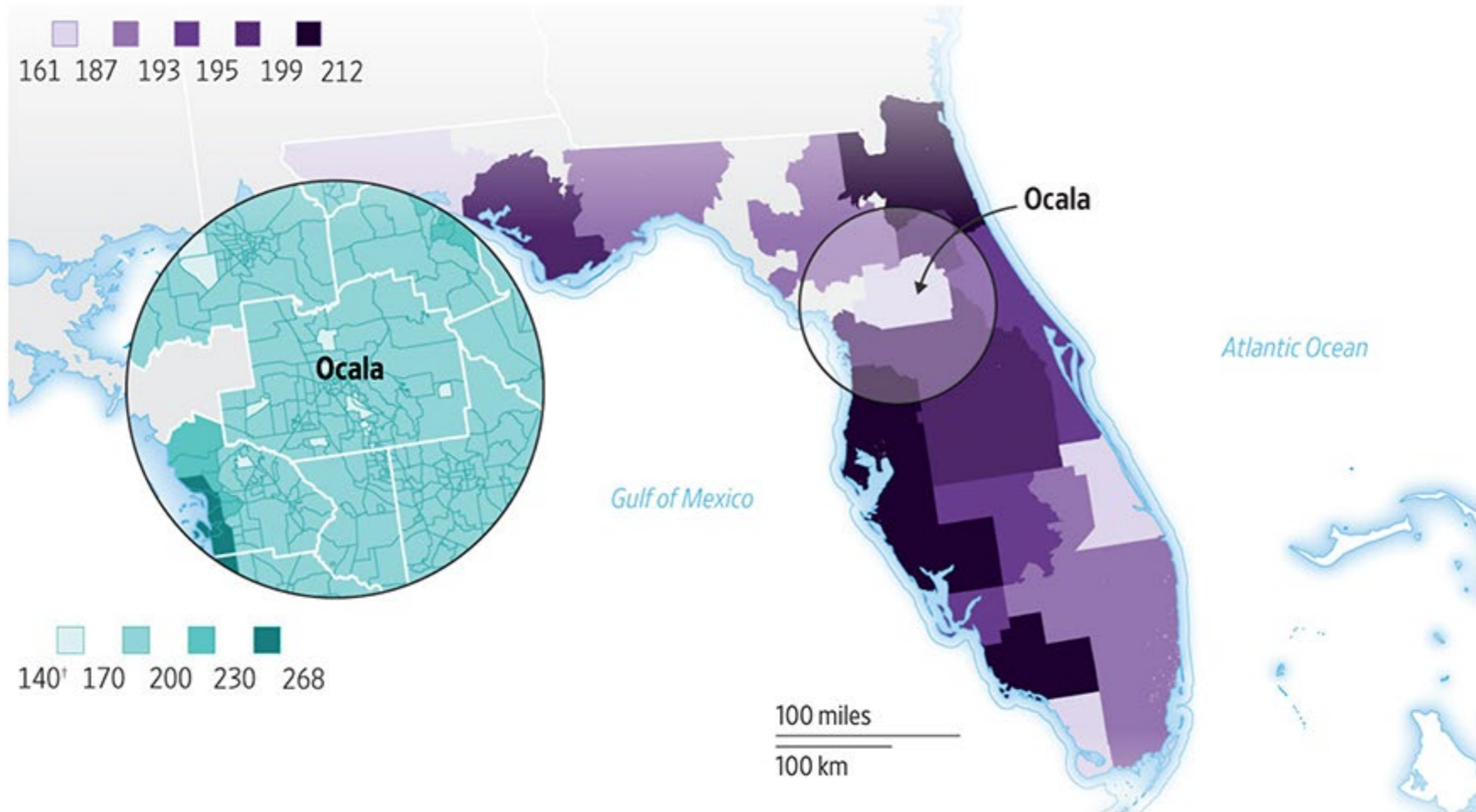
- The map shows predicted impact of the climate scenario on the baseline forecast in the year 2030.
- A negative price impact value would indicate depreciation of the baseline forecast over the next ten years, whereas a positive value would indicate appreciation in the baseline forecast.

*NB: Referring to this map; zip codes with darker (more negative) blue shades are projected to depreciate more in the next ten years under the BAU scenario than zip codes with lighter (less negative) shades.*



## Ocala's Risk for Hurricane Winds and Flooding

### Climate risk score\*



\*The climate score averages the risk of hurricane winds, and inland and coastal flooding.

It is calculated using Core-Based Statistical Area, defined as containing an urban area with a nucleus population. The lower the score, the less the risk.

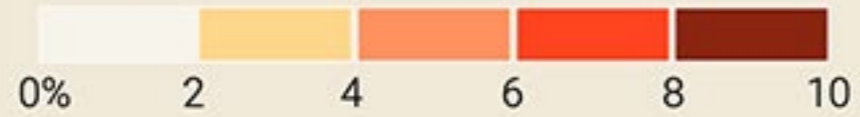
†Information at the CBSA level is an average of the Census Tract level, so statistical range varies

Source: Climate Alpha

Camille Bressange/THE WALL STREET JOURNAL



Population increase of incoming migrants,  
due to sea level rise, by 2100



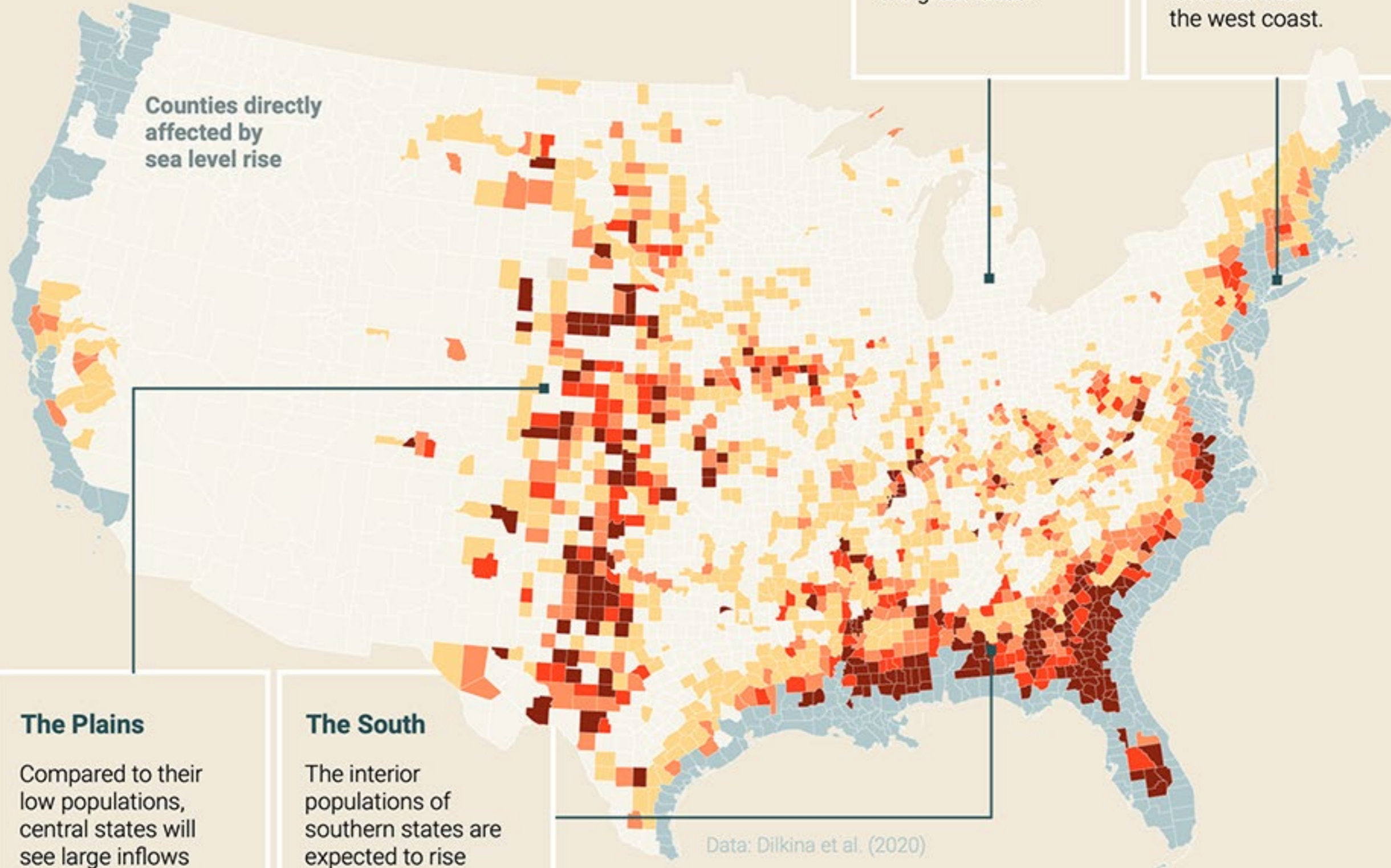
### The Midwest

Few people are expected to migrate to the areas around the great lakes.

### East coast

Its topography makes it more susceptible to the harms of sea level rise than the west coast.

Counties directly affected by sea level rise



### The Plains

Compared to their low populations, central states will see large inflows of people.

### The South

The interior populations of southern states are expected to rise dramatically.

Data: Dilkina et al. (2020)





**Promotional postcard, 2026** Leeside sent digital postcards to residents of US cities predicted to be significantly affected by climate change, like New York, New York; Miami, Florida; and New Orleans, Louisiana.



# Out-of-Towners Head to 'Climate-Proof Duluth'

The former industrial town in Minnesota is coming to terms with its status as a refuge for people moving from across the country because of climate change.

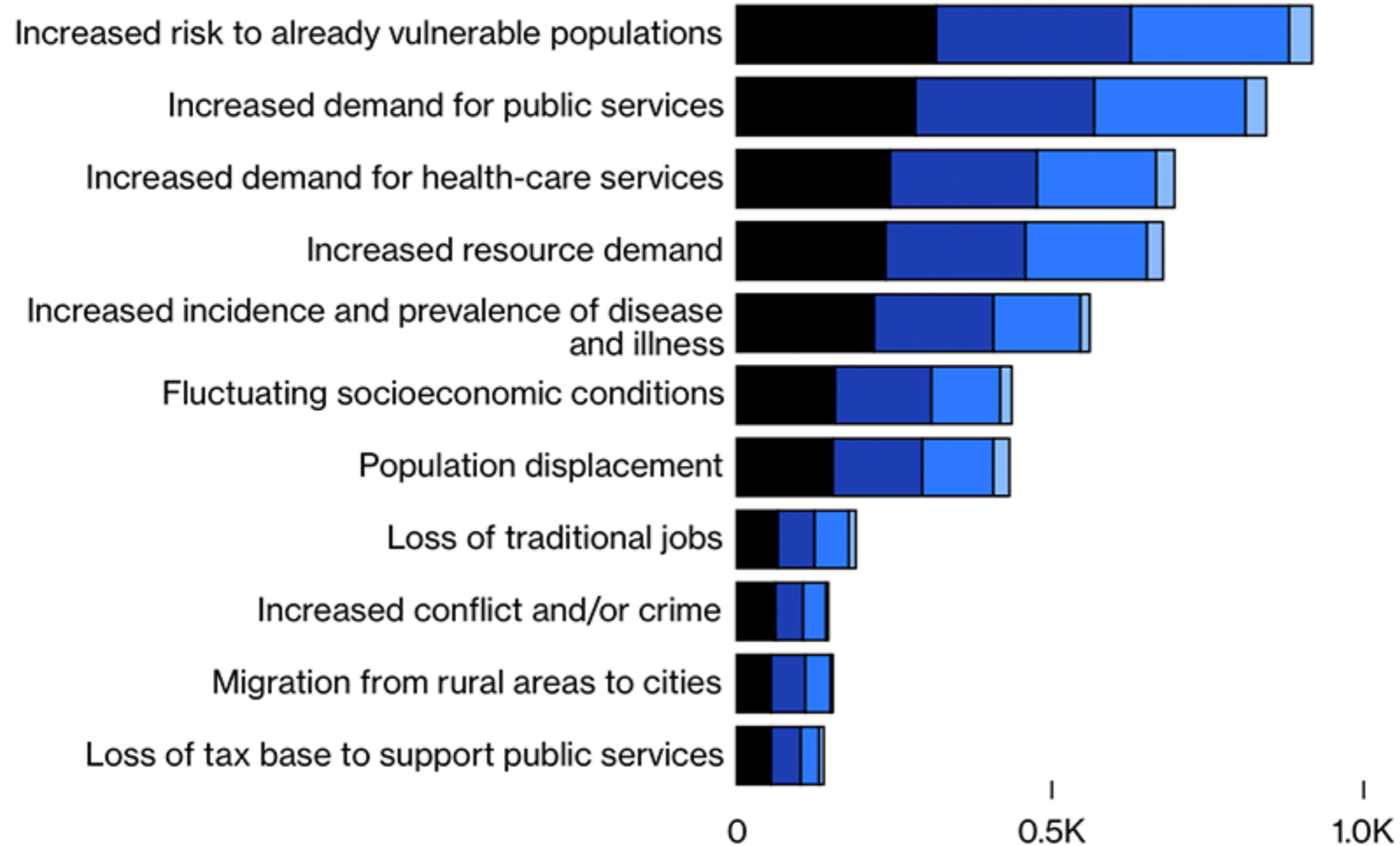




# Social Impacts

Cities experiencing or expecting to experience social problems because of climate hazards, of all 812 that reported to CDP in 2020\*

■ Immediate impact ■ Impact expected 2022-25 ■ Impact expected 2026-50 ■ Impact expected after 2050

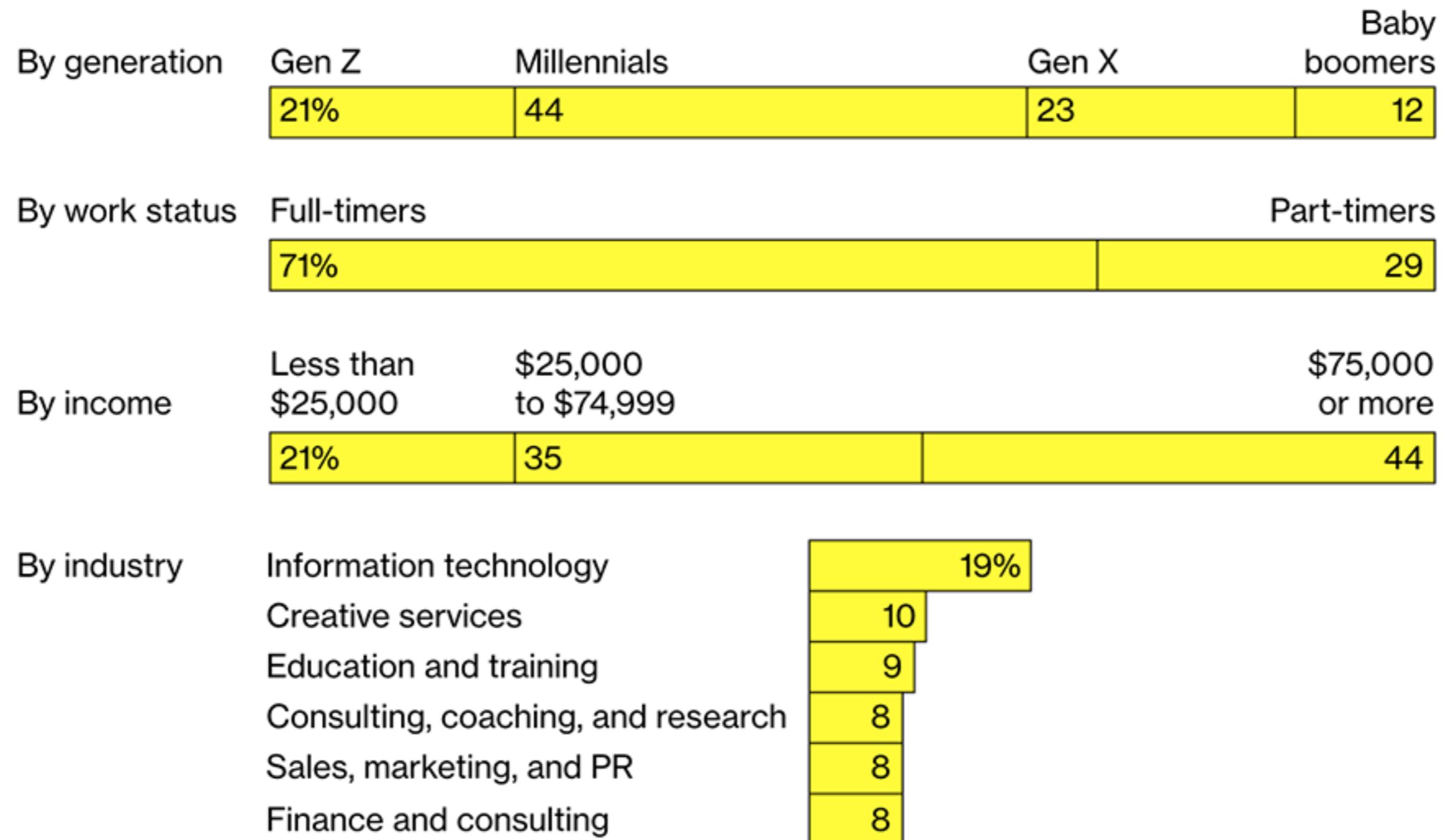


Data: CDP "Cities on the Route Towards 2030" report

\*Cities may be counted multiple times based on time scale of climate hazard.



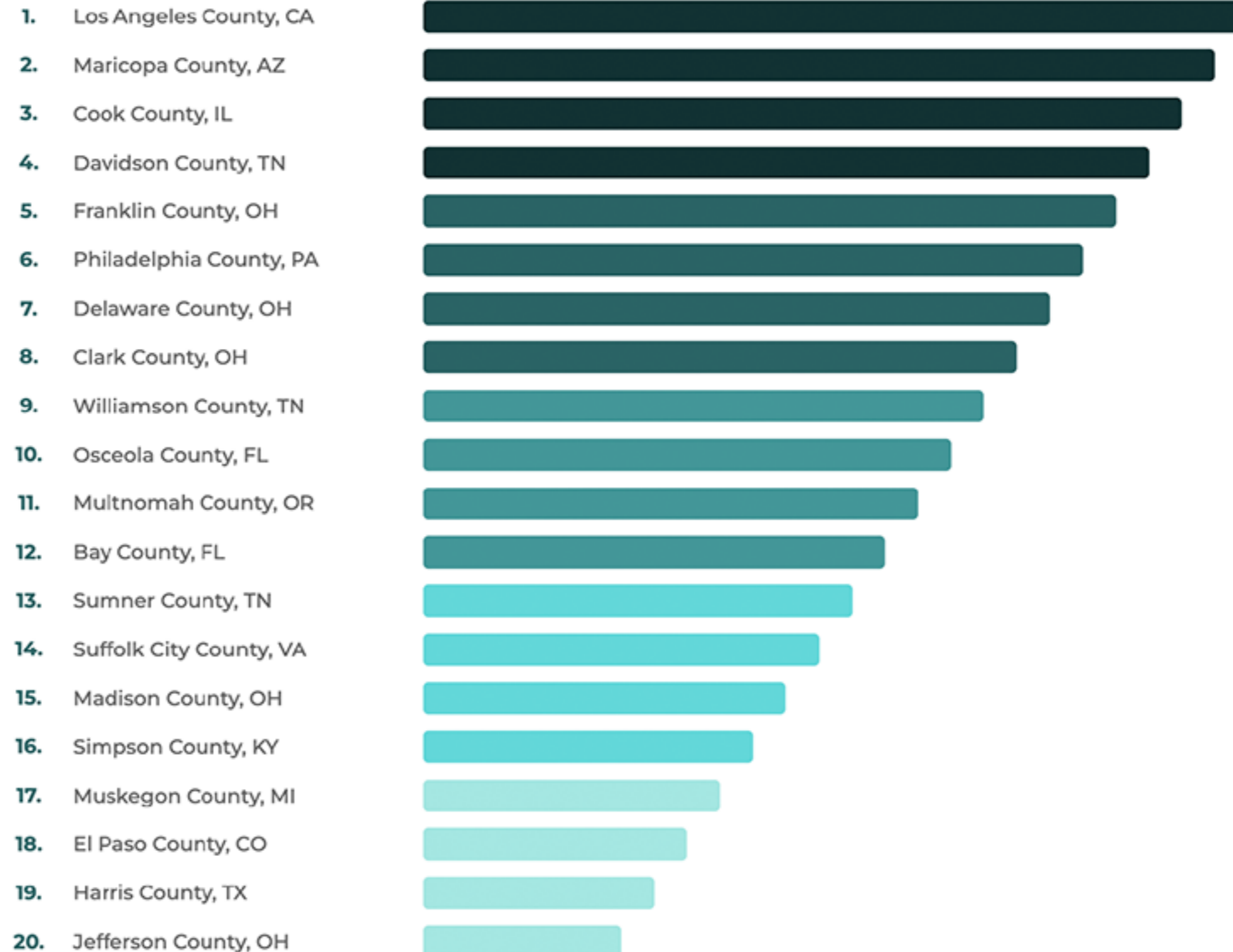
## Who Calls Themselves “Digital Nomads”?



Source: MBO Partners survey of 6,240 Americans conducted in July 2021



# Which “Zoomtowns” Are Tomorrow’s Boomtowns?





# No Water, No Workers, No Chips

TSMC and other tech giants need to take climate into account or risk seeing their investments go up in smoke.





## Economic resilience: We identify the most sustainable locations and sectors amidst America's industrial renaissance

**Climate Alpha's Industrial Renaissance Tracker (IRT)** is a comprehensive and frequently updated dataset of greenfield corporate investment that correlates sectors, companies and capital commitments to each location's climate risk and resilience profiles to determine which investments are most likely to deliver sustainable returns.

We apply the findings of the IRT to map which geographic regions will achieve the most sustainable multiplier effects from the Inflation Reduction Act (IRA), CHIPS Act, Infrastructure Bill and other funding earmarked to stimulate the economy. This sample map illustrates key US locations that have received the largest allocations of capital investment by sector in 2022-23.





# UPSTREAM ILLINOIS

Strategies to  
Boost Illinois'  
Blue Economy



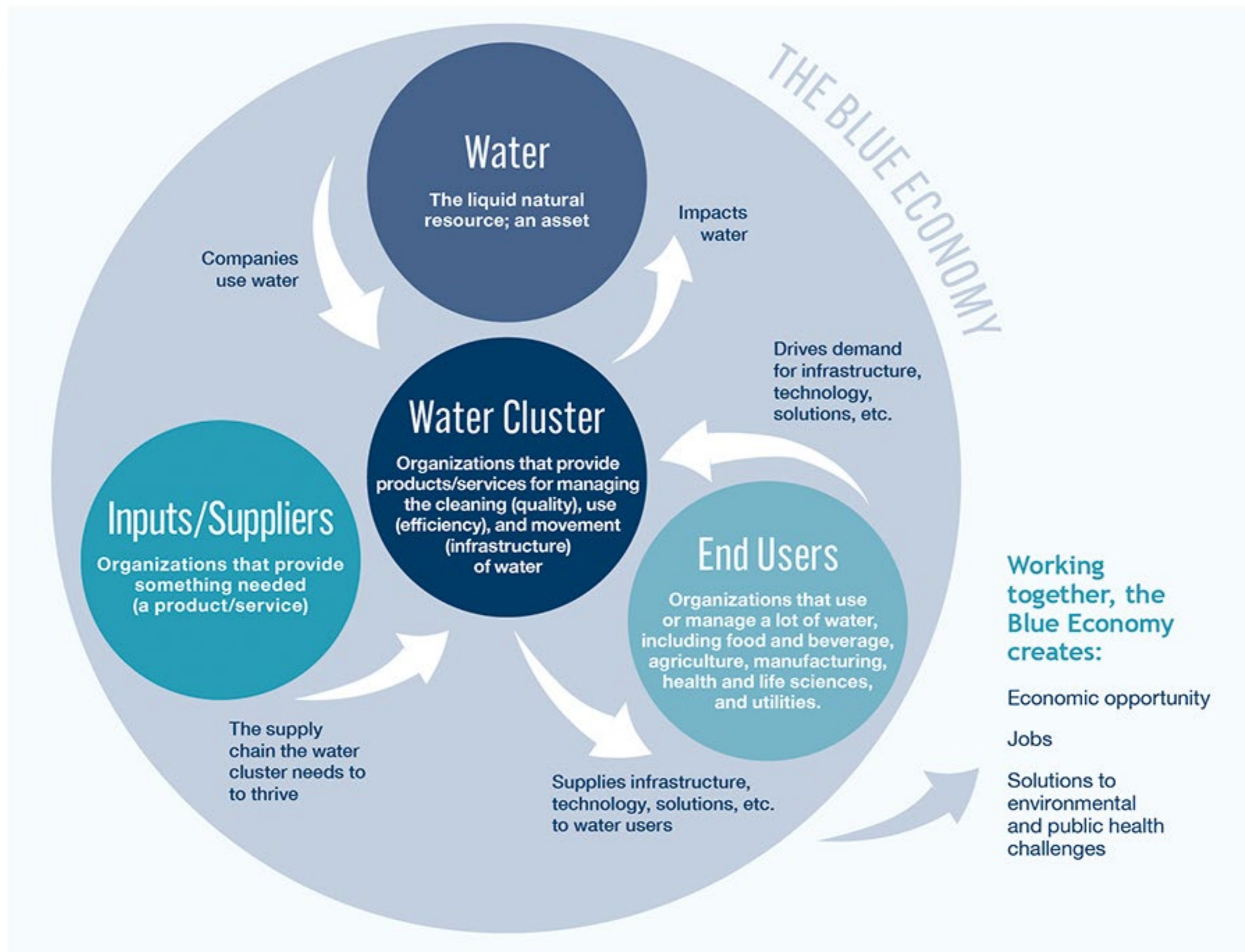
Anchored by *Current*

Prepared by RW Ventures, LLC; In partnership with Elevate, Mass Economics, and MKM Consultants



FIGURE 1

## What is the Blue Economy and the Water Cluster?









*Chicagwa*

[The Water](#)

[The Cans](#)

[What It Means To Us](#)

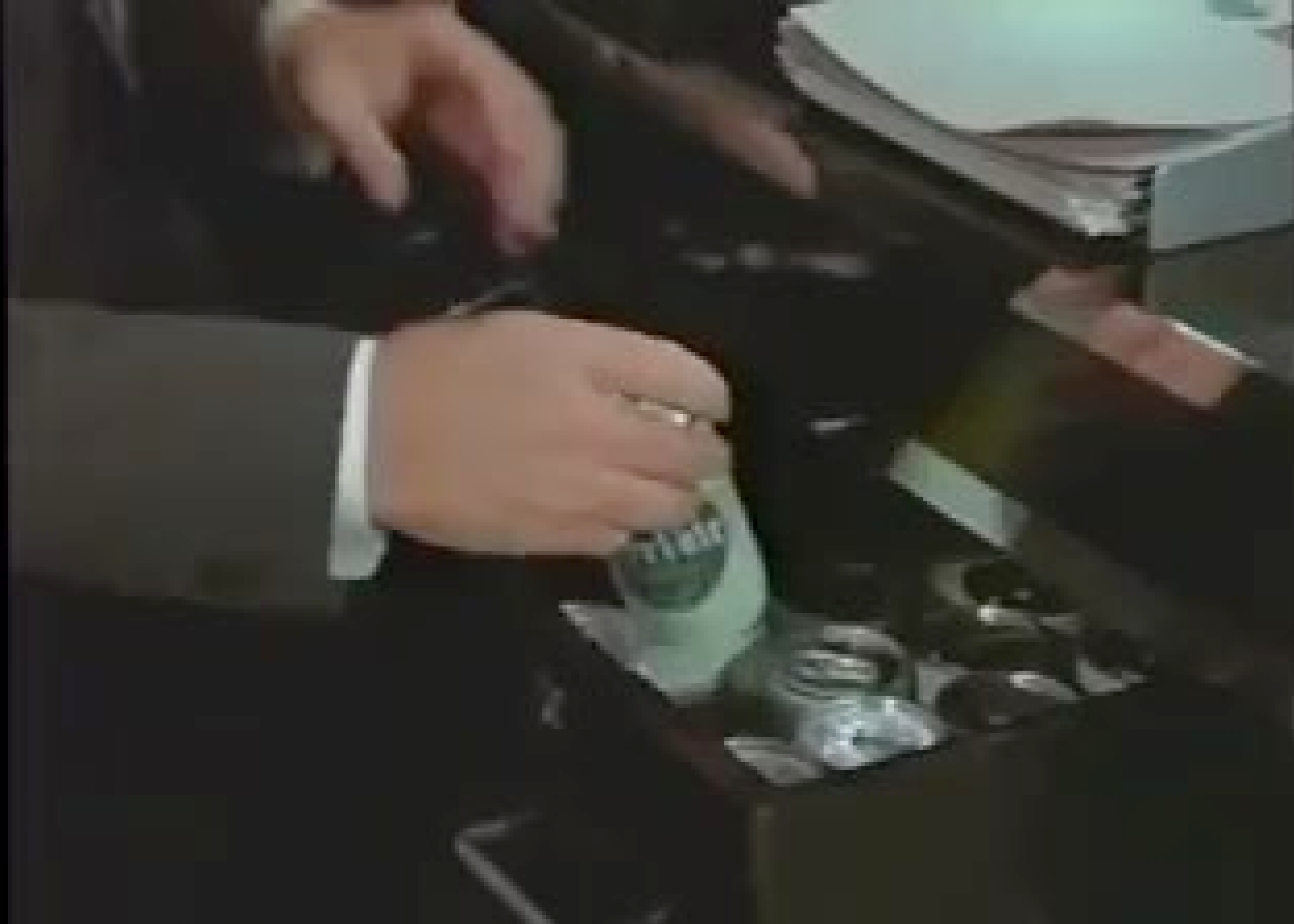
[Where To Find It](#)

[Drink It Proud](#)

The Water



















**the shocks factor**

@shocks



Kinda weird that we're all gonna experience climate change as a series of short, apocalyptic videos until eventually it's your phone that's recording

11:50 AM · Aug 7, 2021 · Twitter for iPhone

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**32.7K** Retweets   **1,017** Quote Tweets   **194.9K** Likes





0:00 / 0:31

144

1,559

2,227

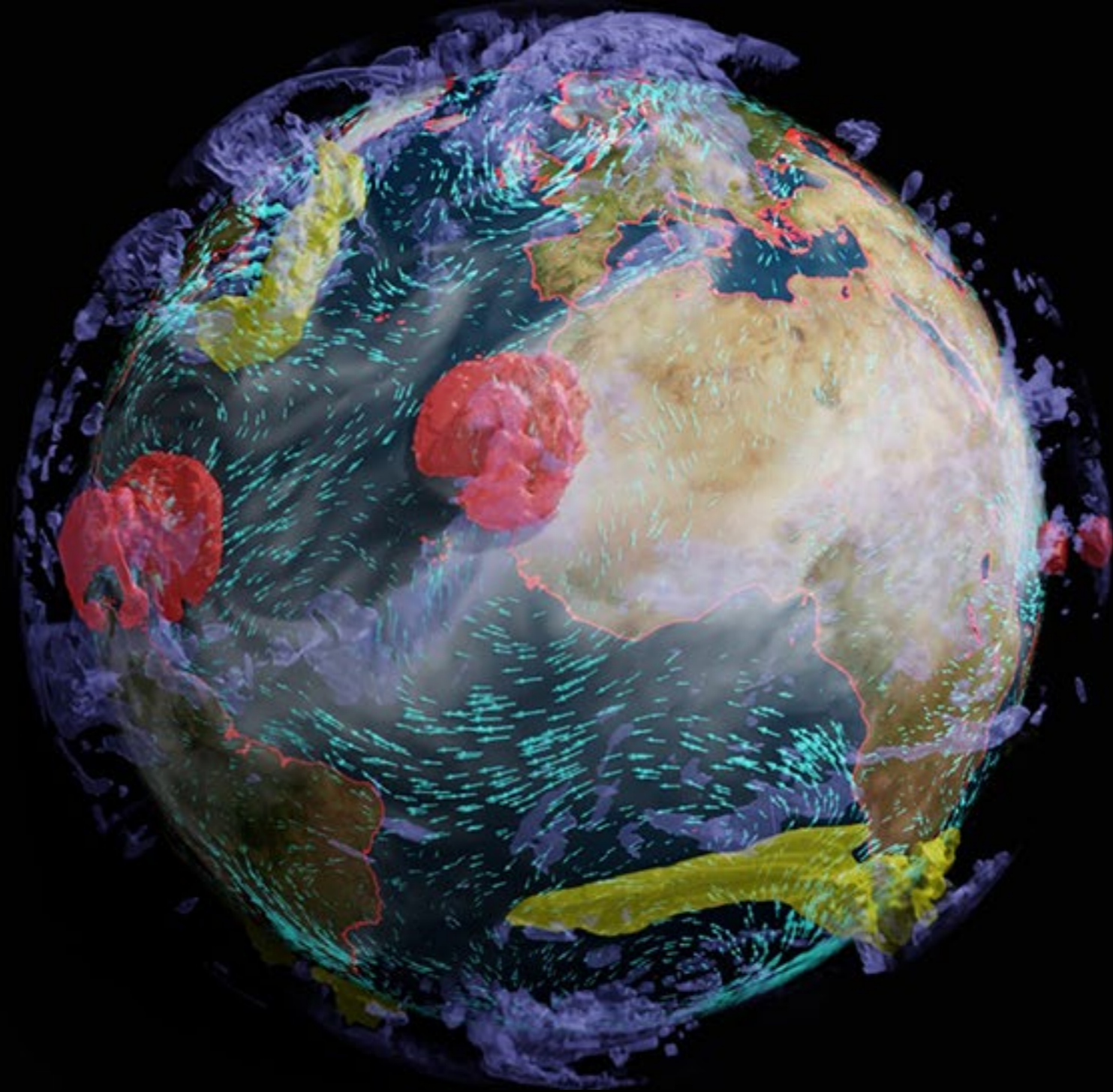


Tweet your reply























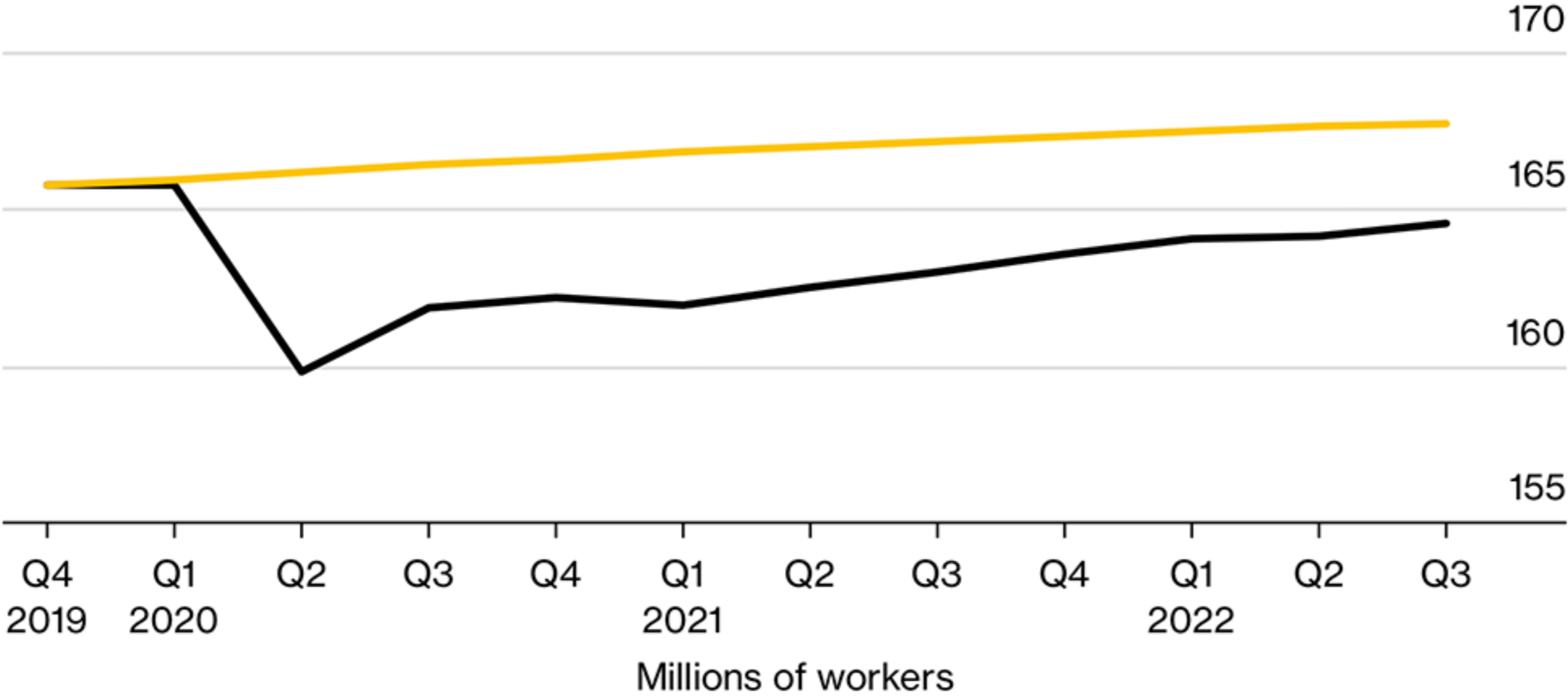




# Missing Workers

The labor force is 3 million shy of projections, according to one estimate

Observed labor force    Expected labor force

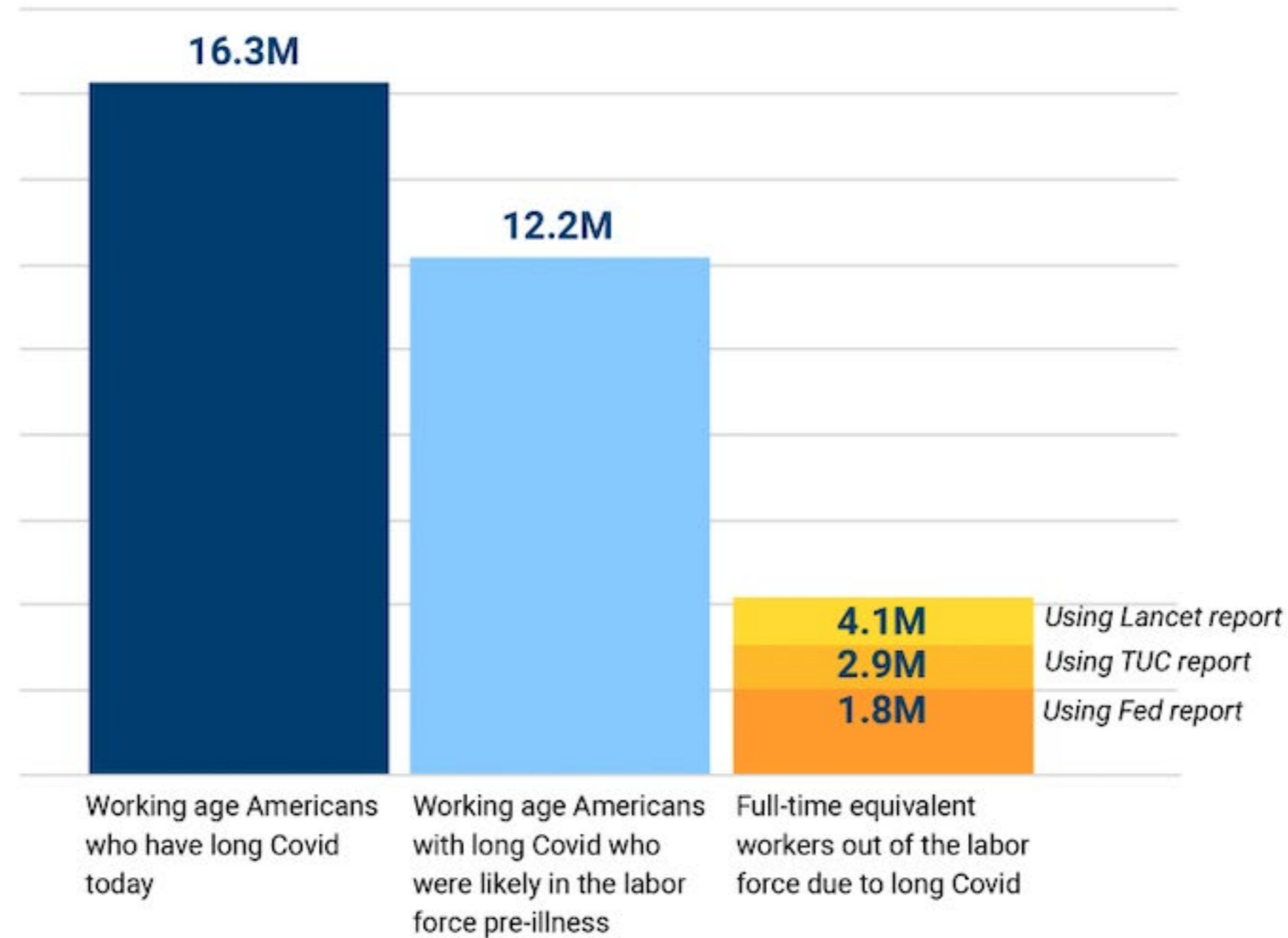


Source: Federal Reserve adjustments to CBO data, Bureau of Labor Statistics



FIGURE 1

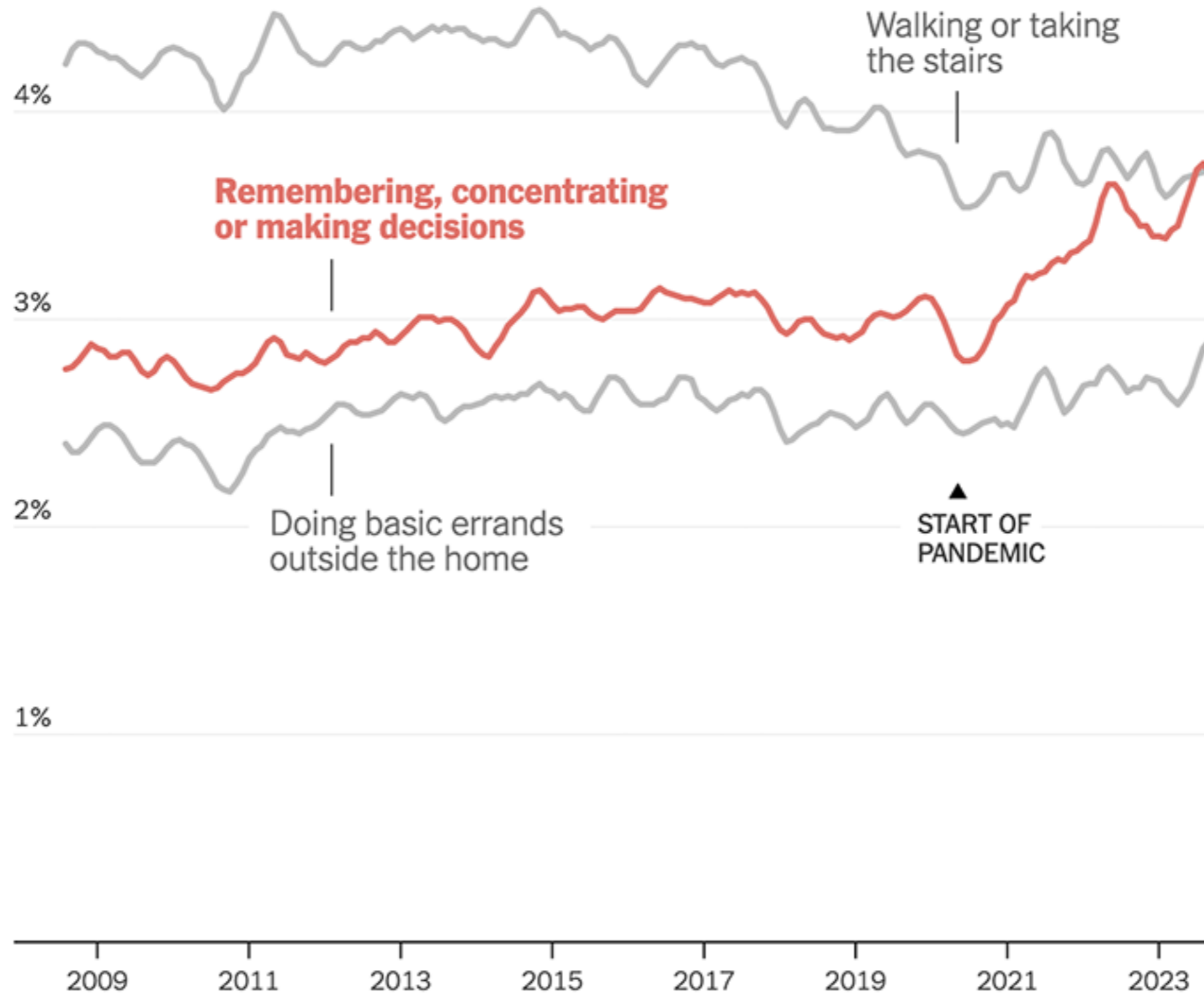
## Number of Americans out of the labor force due to long Covid



**Source:** Author's calculation based on demographic data from US census, long Covid prevalence data from the Household Pulse Survey, labor force participation data from BLS, and the three studies cited above about labor force participation among people with long Covid (Fed, TUC, Lancet).



## Percent of working-age people who said they had “serious difficulty” with ...



Three-month rolling average. Includes people ages 18 to 64. Source: Current Population Survey via [IPUMS](#)





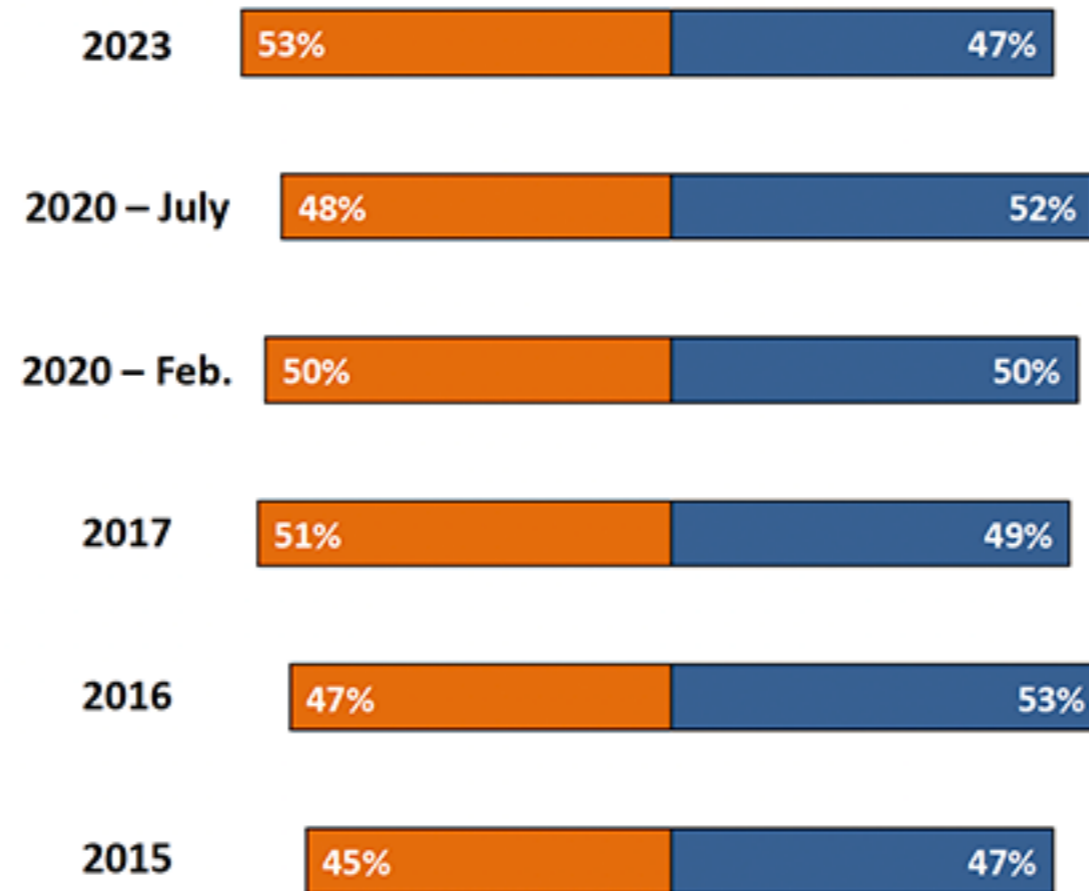






## Compared to Previous Years, 2023 Shows Biggest Advantage for Denser More Walkable Communities

### Preferred Community:



Own or rent an apartment or townhouse and you have an easy walk to shops and restaurants and have a shorter commute to work.

Own or rent a detached, single-family house and you have to drive to shops and restaurants and have a longer commute to work.

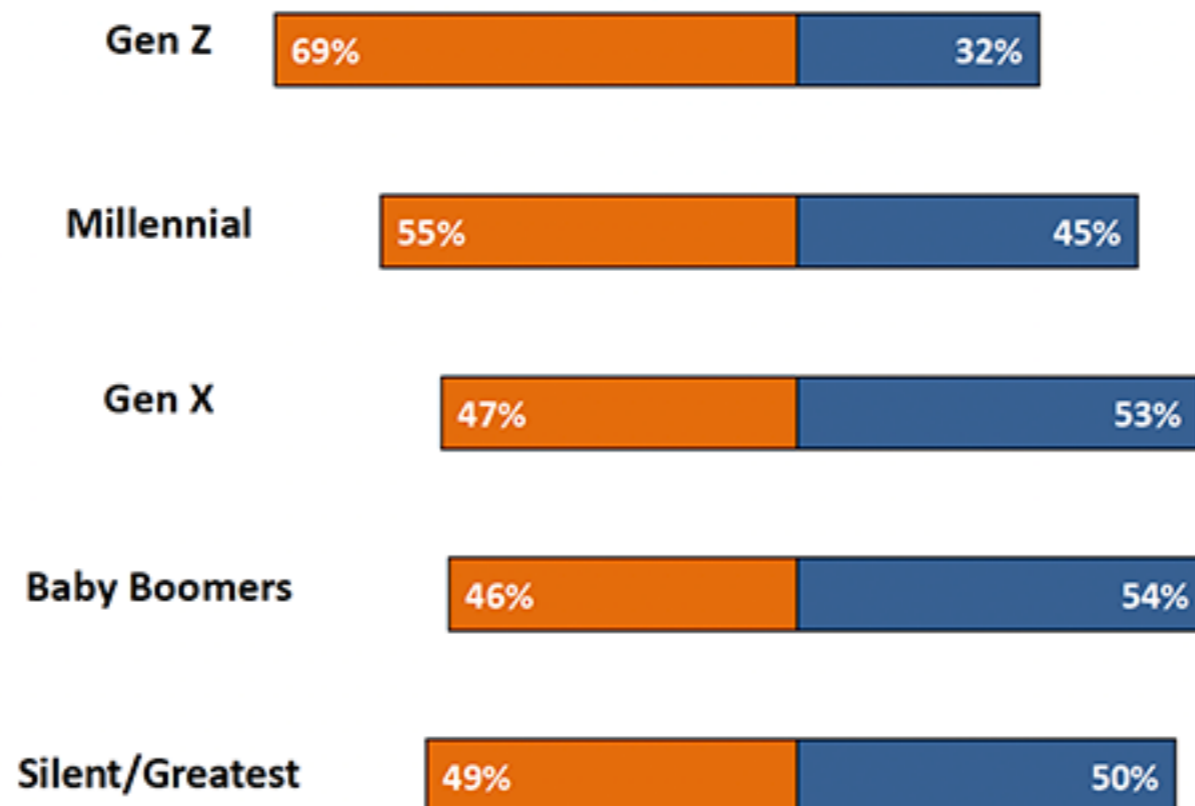


## Gen Z Overwhelmingly Prefers Walkable Community and Short Commute

*Other generations show more balanced split*

Preferred Community by Generation

*Own or rent an apartment or townhouse and you have an easy walk to shops and restaurants and have a shorter commute to work.*

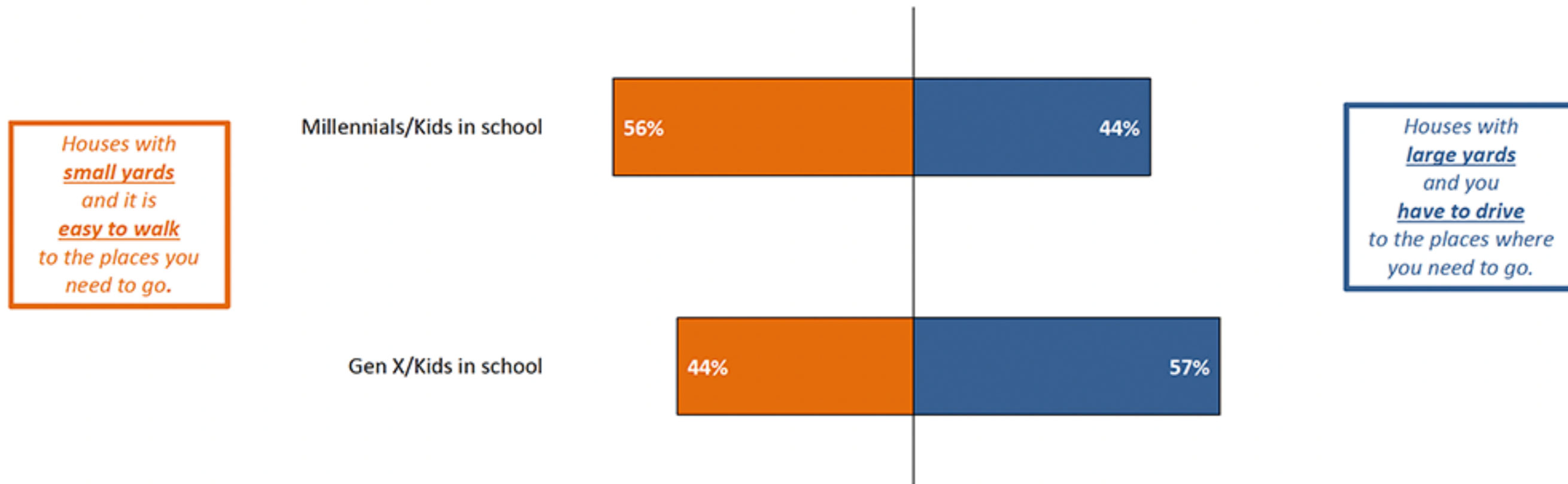


*Own or rent a detached, single-family house and you have to drive to shops and restaurants and have a longer commute to work.*



## Millennials with Kids at Home Lean Towards a Walkable Community, While Gen Xers Prefer the Conventional Suburbs

Preferred Community by Kid Status/Generation



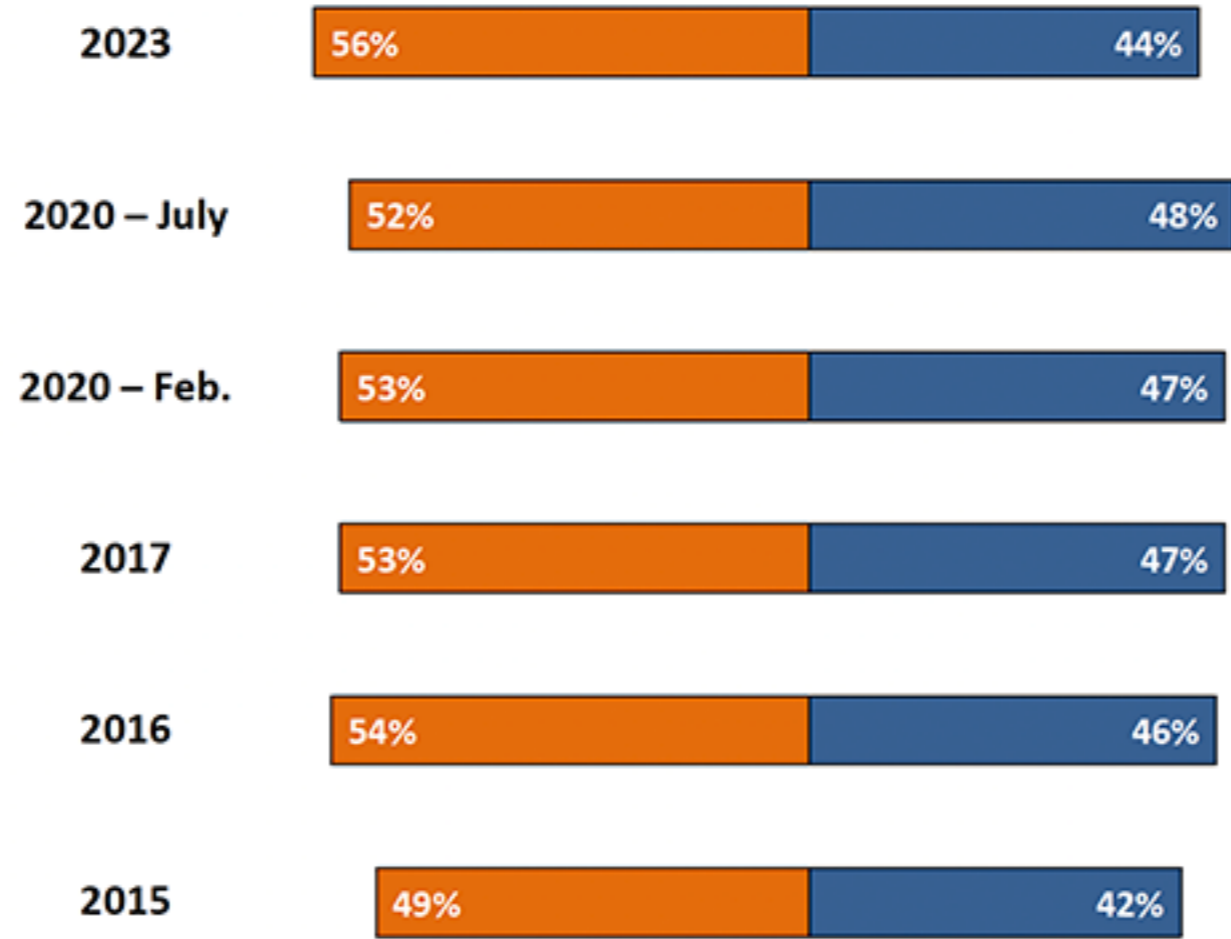


## Majority Prefer Houses With Small Yards and More Walkability Over Homes With Large Yards and More Driving

Preferred Community:

*Houses with small yards and it is easy to walk to the places you need to go.*

*Houses with large yards and you have to drive to the places where you need to go.*





## Ideology, Urbanicity, and Homeownership Status Drive Preference for Walkable Community

**Community B (Small yard, Walk to places):**  
*Houses with small yards and it is easy to walk  
to the places you need to go.*

**Total Prefer: 56%**

Liberal (67%)  
City - Downtown (64%)  
City – Residential area (64%)  
Renters (64%)  
Women 50+ (62%)  
Single (61%)  
New York City (61%)

**Community A (Large yard, Drive to places):**  
*Houses with large yards and you have to drive  
to get to the places you need to go.*

**Total Prefer: 44%**

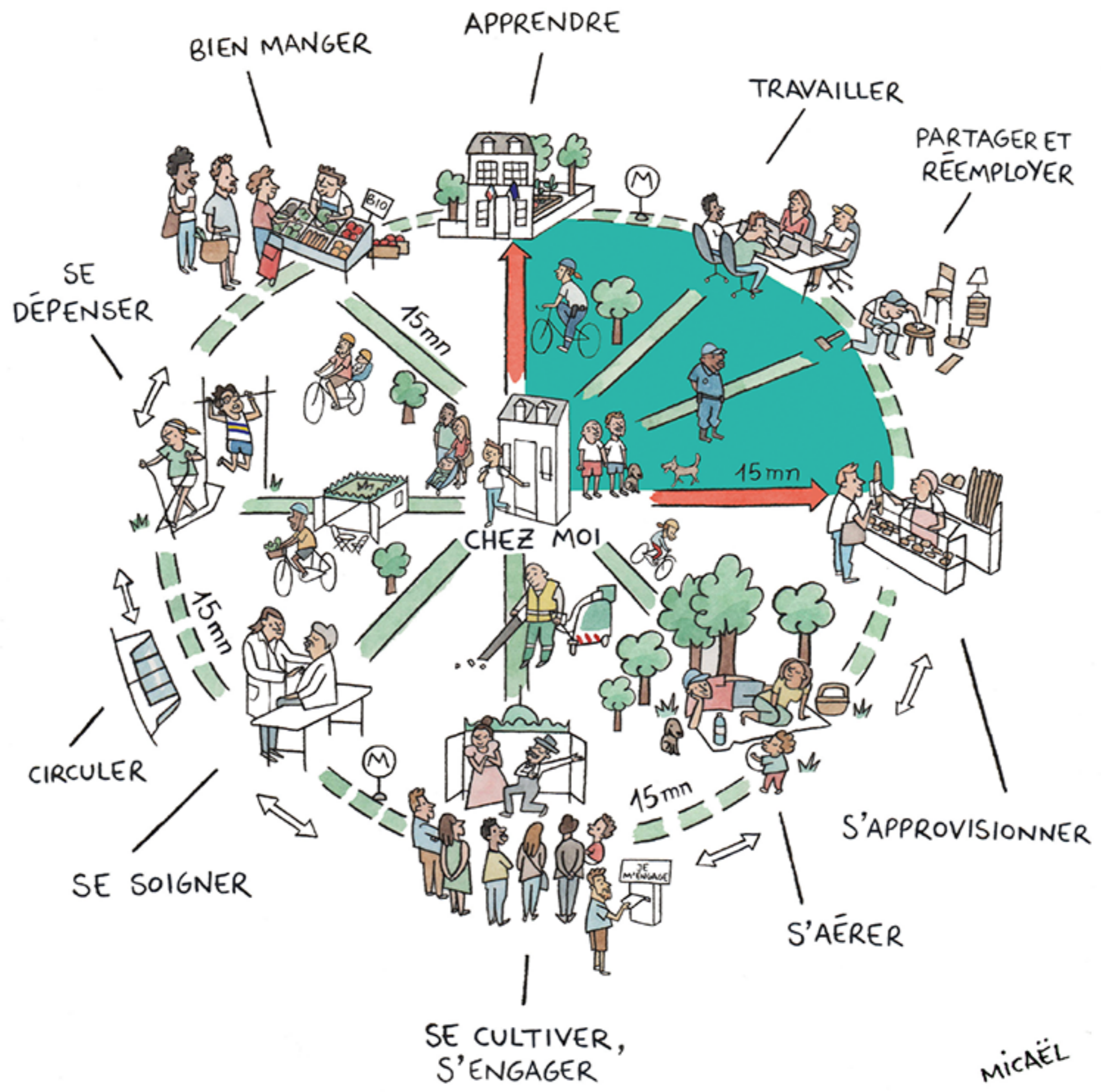
Very conservative (62%)  
Small town/Rural area (55%)  
Gen X, kids in school (57%)  
Suburban, residential (50%)  
Homeowners (50%)  
South (49%)  
Age 35-49 (49%)  
Southwest (48%)





# *15-Minute Cities*

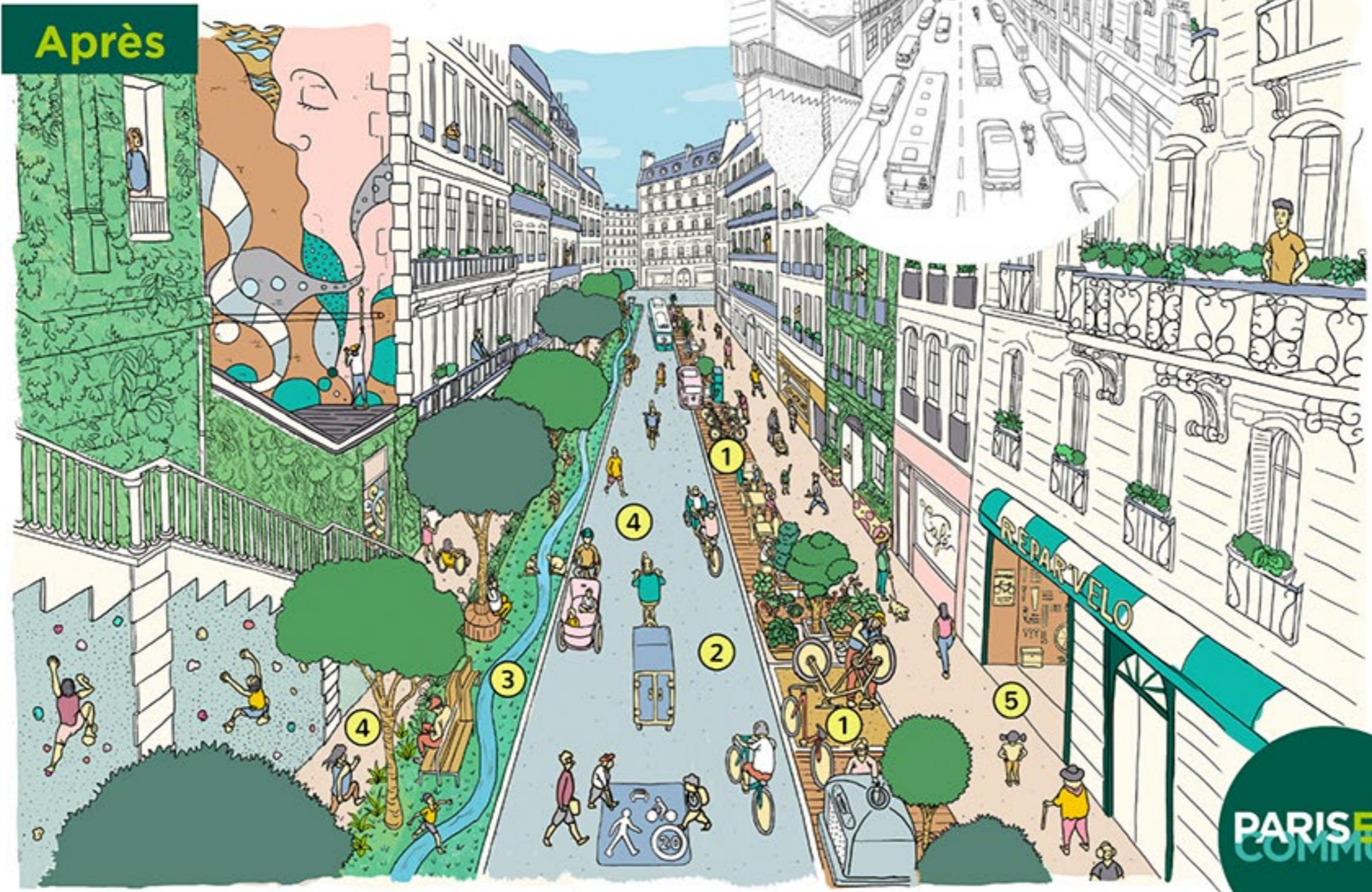






Avant

Après



















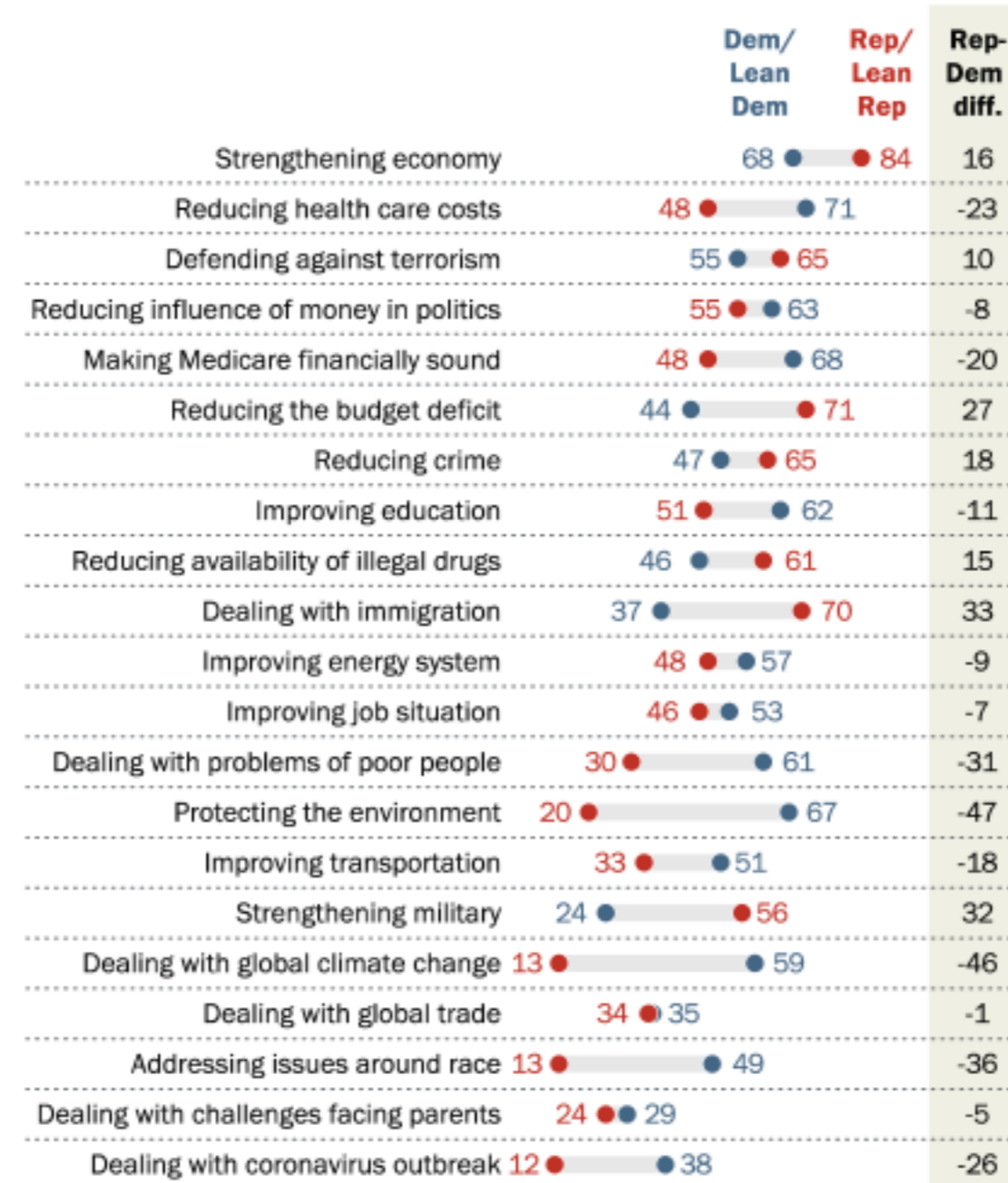
" 15 MIN CITY "  
IS A  
DYSTOPIAN  
HELL





## Widest partisan gaps are on whether the environment and climate change should be top policy priorities

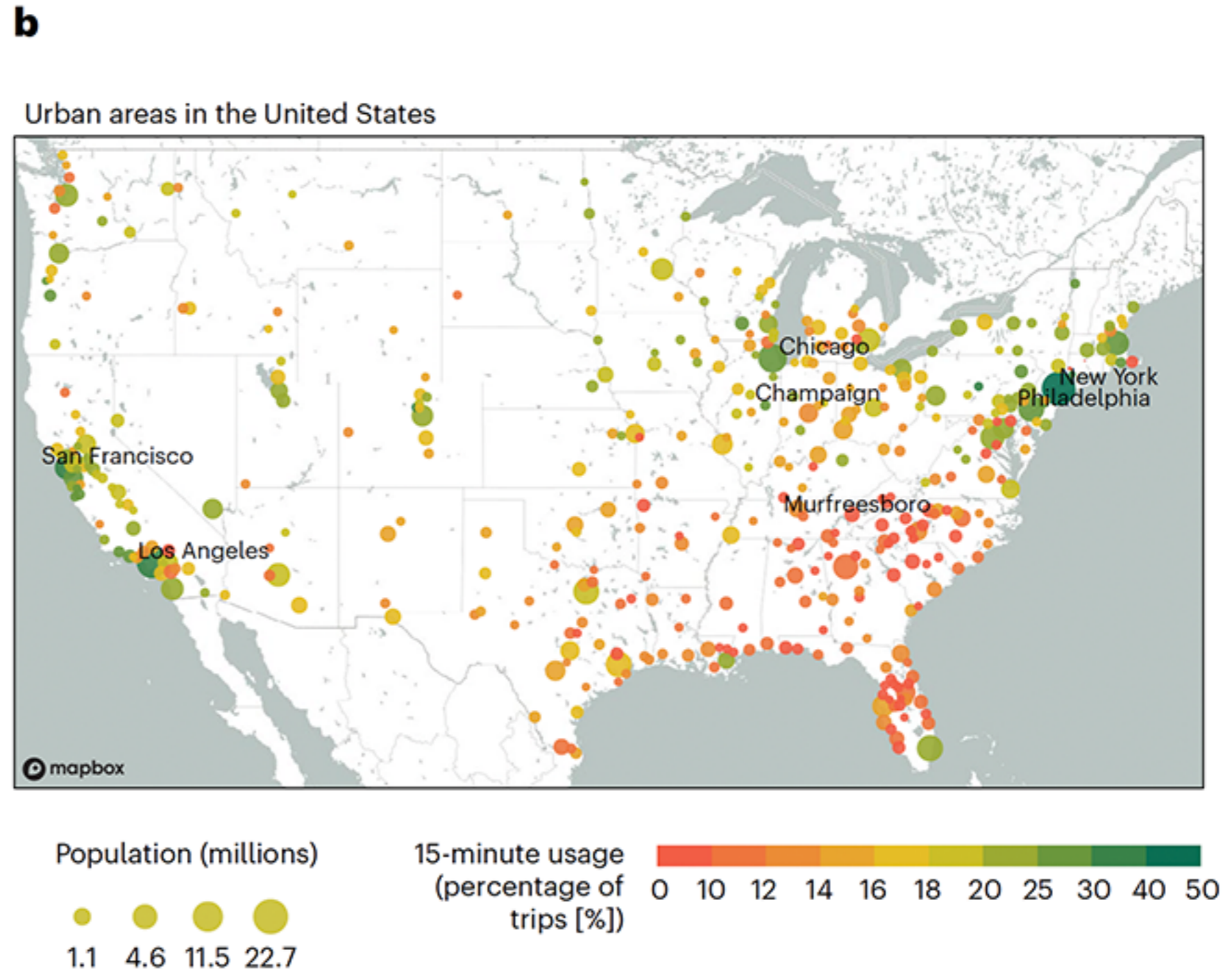
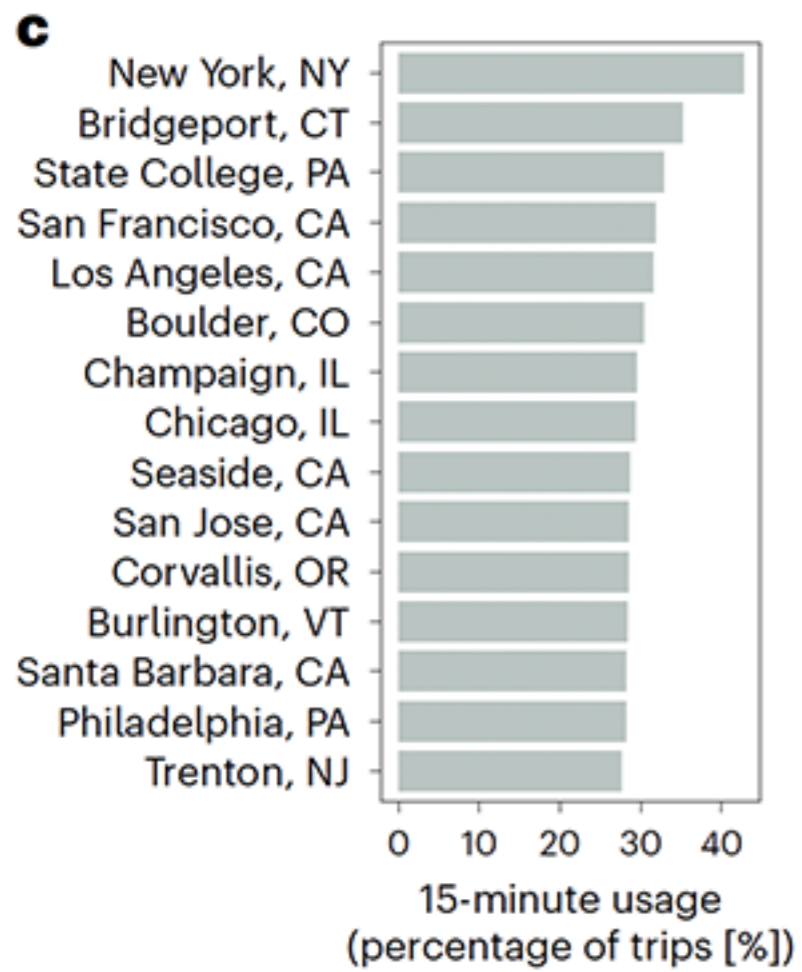
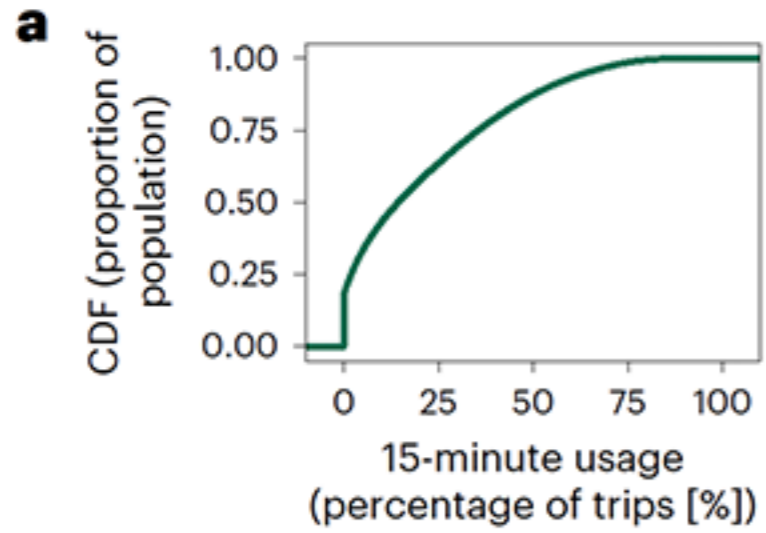
% who say \_\_\_\_ should be a top priority for the president and Congress to address this year



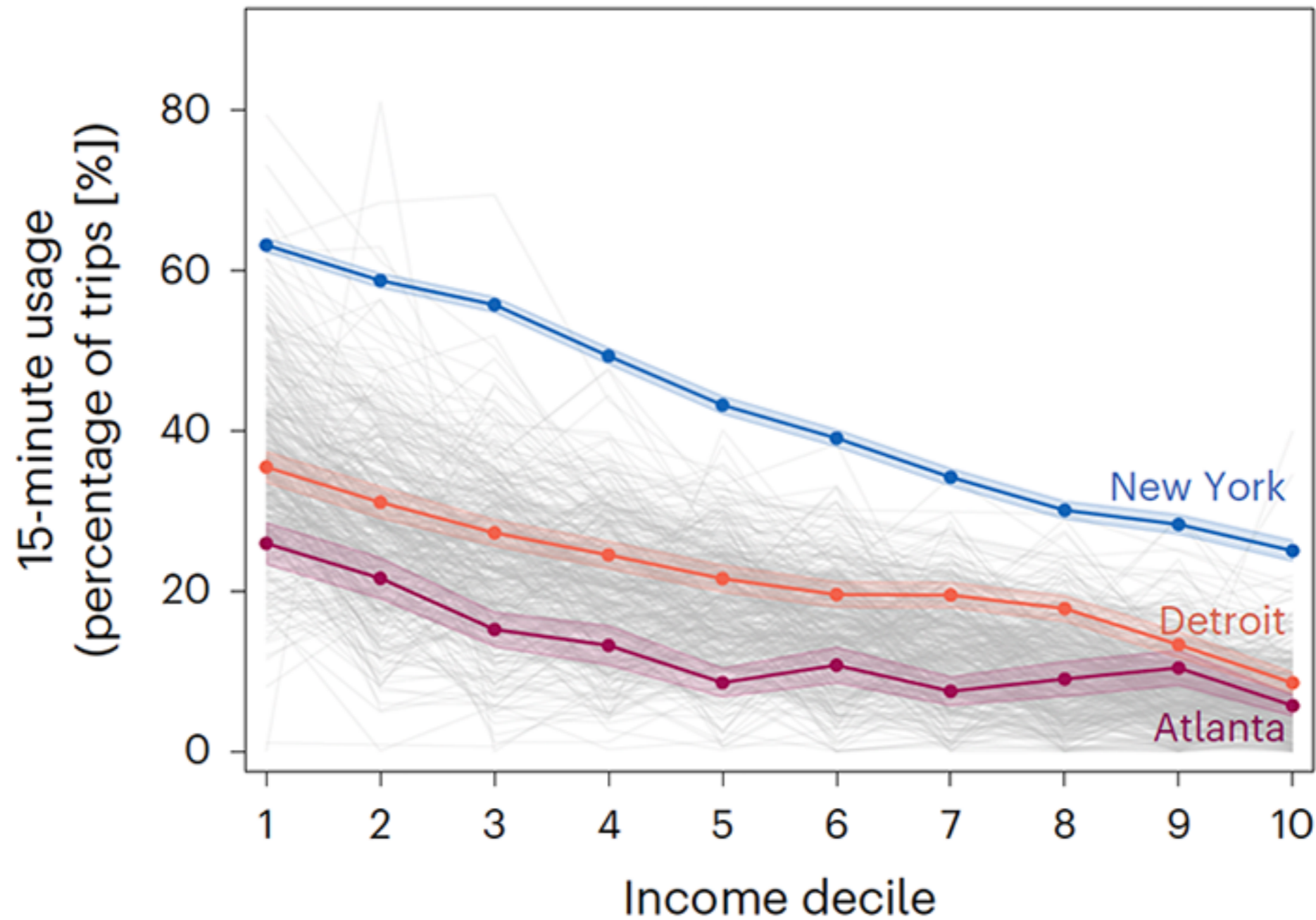
Source: Survey of U.S. adults conducted Jan. 18-24, 2023.

PEW RESEARCH CENTER



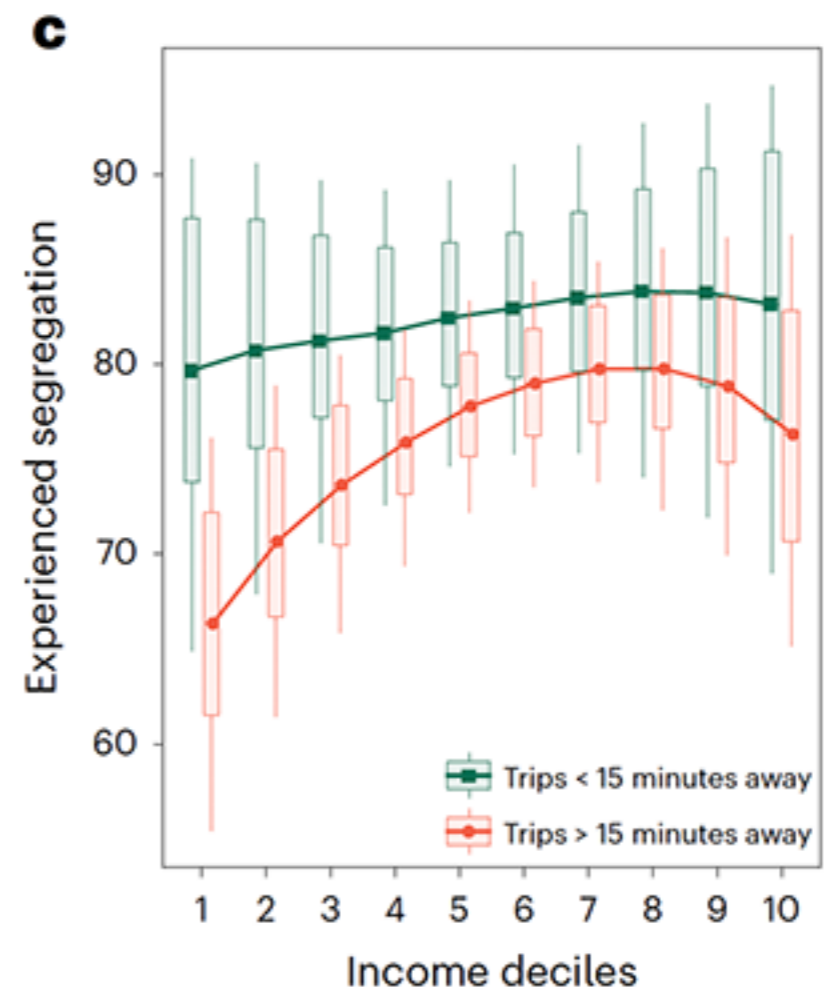
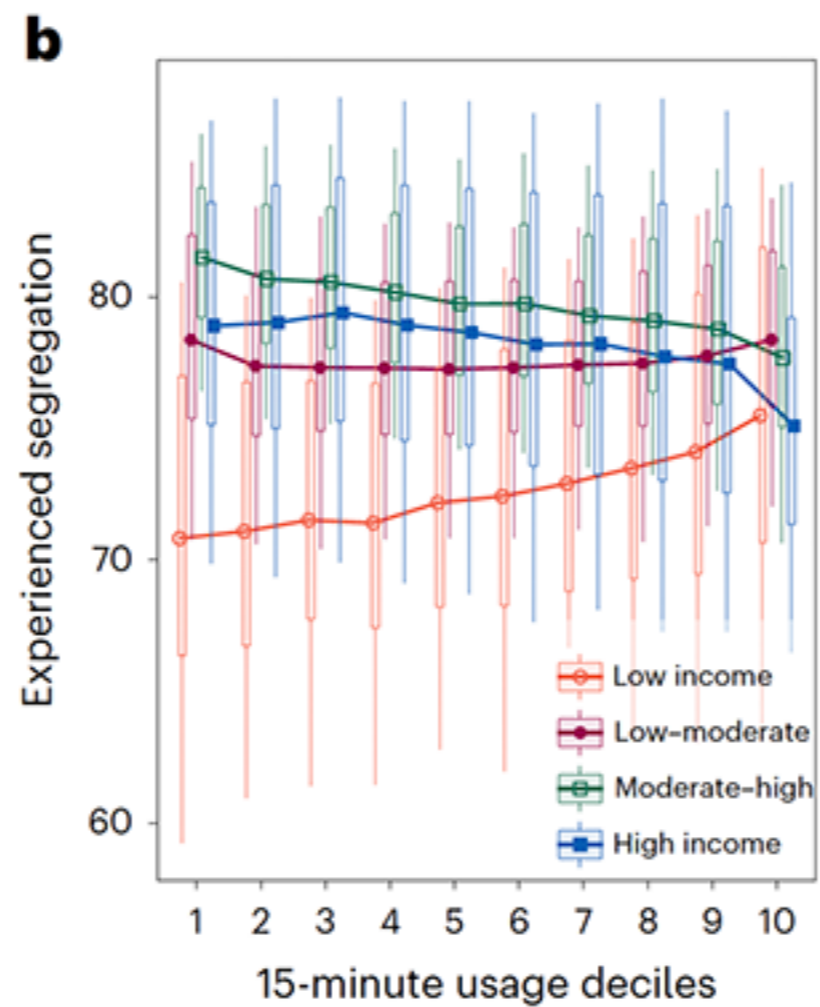
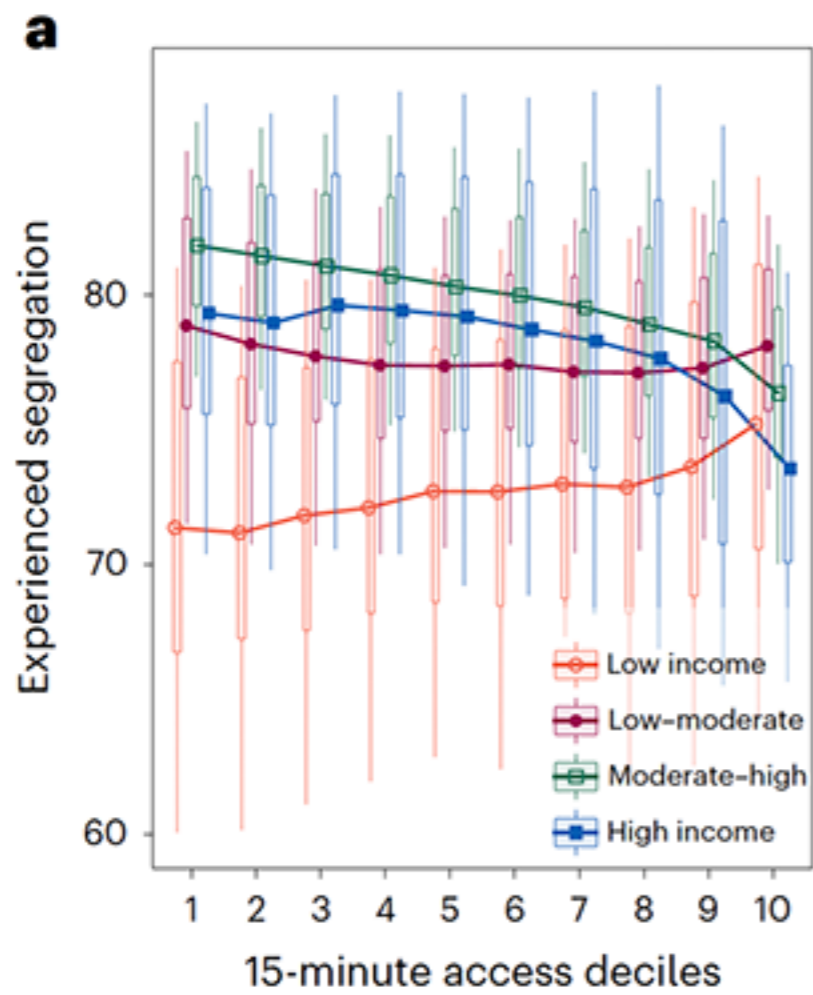






**Fig. 3 | Local trips by income levels.** 15-minute usage by neighbourhood income deciles for all urban areas, including New York ( $n = 13,908$  block groups), Detroit ( $n = 3,359$  block groups) and Atlanta ( $n = 2,338$  block groups). The error bands represent 95% confidence intervals.





























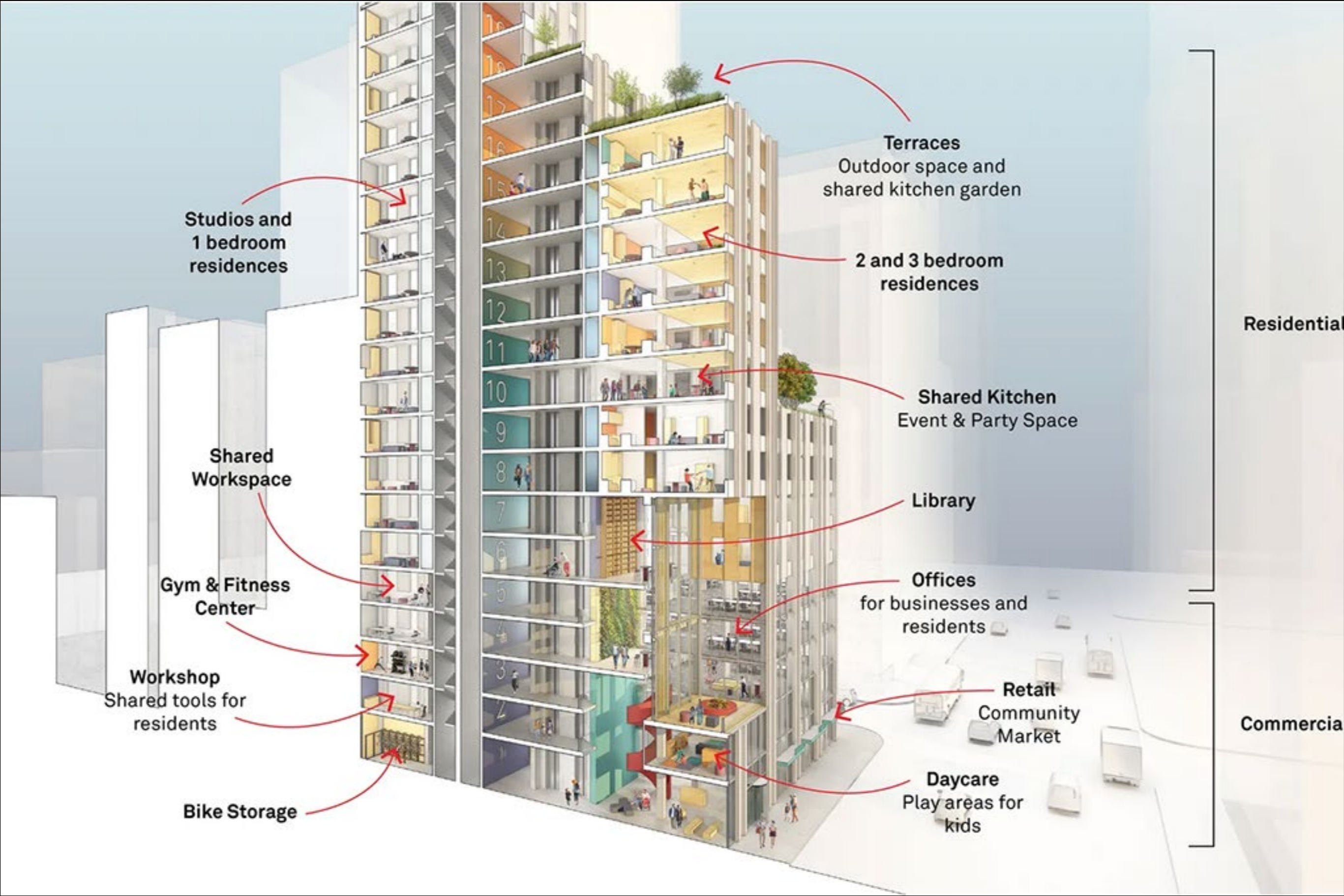












Studios and  
1 bedroom  
residences

Shared  
Workspace

Gym & Fitness  
Center

Workshop  
Shared tools for  
residents

Bike Storage

Terraces  
Outdoor space and  
shared kitchen garden

2 and 3 bedroom  
residences

Shared Kitchen  
Event & Party Space

Library

Offices  
for businesses and  
residents

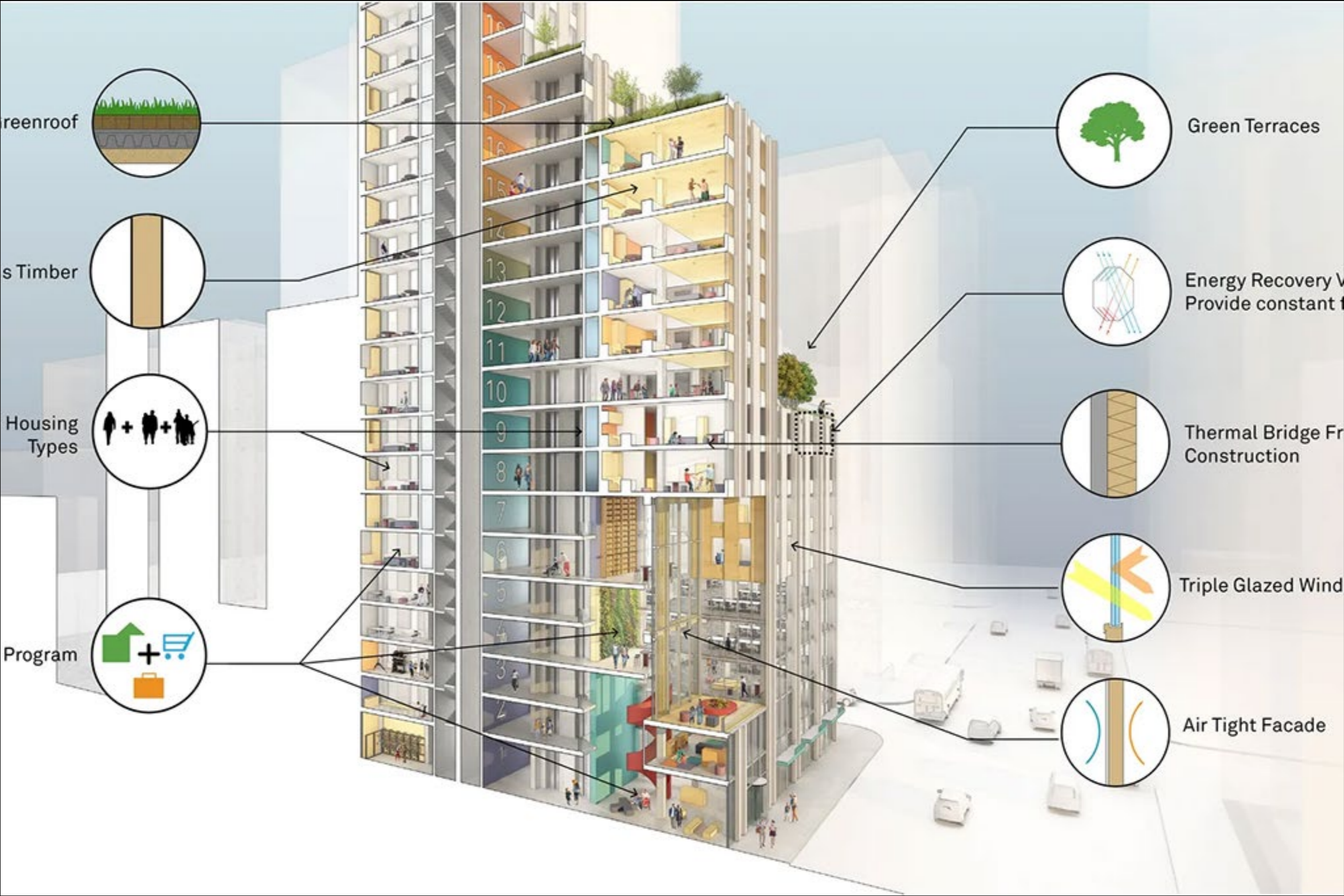
Retail  
Community  
Market

Daycare  
Play areas for  
kids

Residential

Commercial





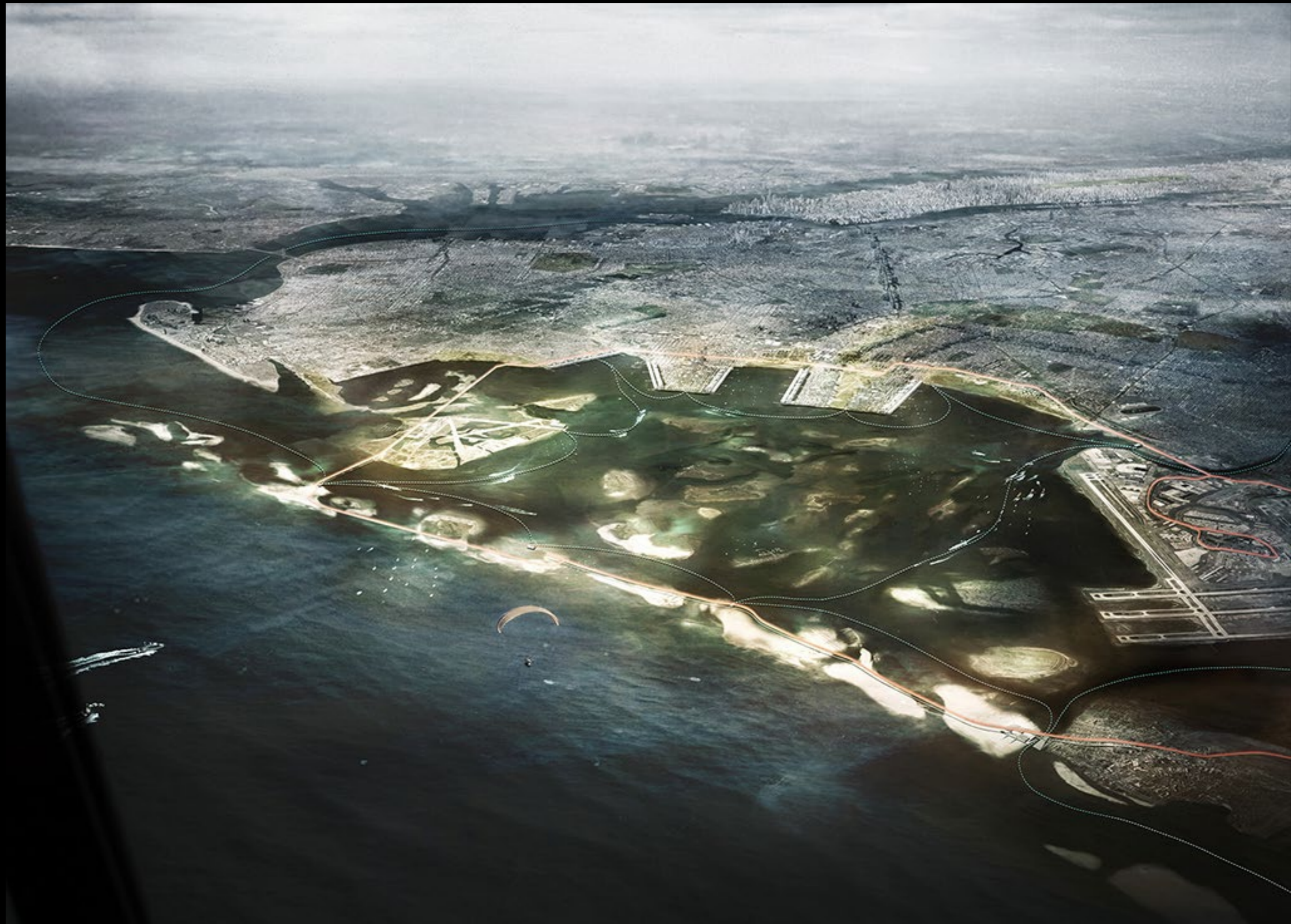




















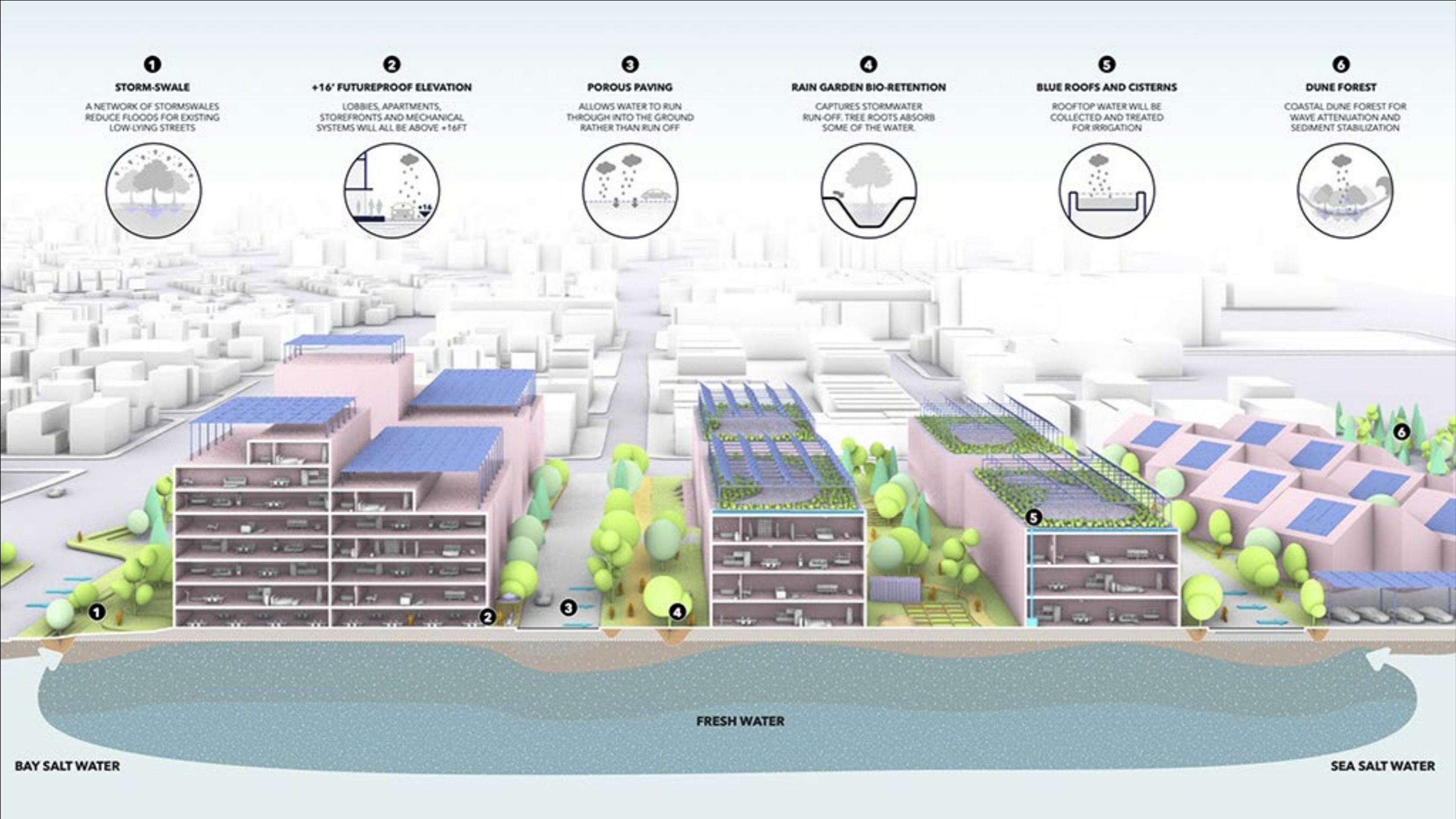






















A black and white photograph of a group of people, including men and women, standing in a line and looking at a large, curved display case. The display case contains a historical scene, possibly a battle or a significant event. The people are dressed in formal attire, suggesting a formal or educational setting. The text "Thank You!" is overlaid in a large, bold, yellow font across the center of the image.

*Thank You!*



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