



News

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Labor shortage, Complex Location Decisions, Carbon Footprint New Reality for Corporate Real Estate Executives

CoreNet Global releases 2008 State of the Industry report; follow on to '2010' Study

ATLANTA – 5 May 2008 – Competition for a reduced labor pool, worker-centric location decisions and the sustainability wave. Stir those ingredients together and that's the future of Corporate Real Estate (CRE), according to The 2008 State of the Industry report, CoreNet Global's new snapshot of how industry professionals are driving, and are being driven by, rapid changes in business and the workplace.

The report, a compilation of the views of industry leaders and research findings from over the past year, and then compared to 2004's CoRE 2010 study, CoreNet Global concludes that companies are increasingly using CRE as a resource for the entire company and that the days of the corporate real estate order-taker are largely over.

The 2008 State of the Industry report concludes that the following global business forces have catapulted corporate real estate executives from tacticians to **increased importance to the** corporate C-suite:

- The global war for talent as the baby boomers entire retirement
- The mix of multiple generations in the workplace
- The ongoing expansion and integration of the global economy, including M&A to enter emerging markets
- The monetization of real estate assets and the globalization of real estate investment funds, equities and trusts
- The persistent advance of technology
- The velocity, impact, awareness associated with energy costs and carbon reduction, as well as the brand stigma for wasting energy resources

"The new *State of the Industry* report paints a picture of an industry that has undergone a stunning transformation. The real work of corporate real estate professionals today, and in the future, is locating offices and factories near qualified workers and lowering their companies' carbon footprints," said CoreNet Global

CEO Prentice Knight. “Corporate real estate executives today wear many hats, are no longer order takers, but are corporate decision makers influencing how business is done in companies the world over,” Knight added.

Moreover, the report describes an increasingly complex role for corporate real estate executives. The report concludes that CREs:

- Have a ‘balcony view’ of the enterprise
- Are providers and integrators supporting the C-Suite, business units, other internal shared functions like HR and IT
- Support the business, not real estate
- Increasingly come from other parts of the corporation

Methodology

The key findings of the report are drawn from multiple sources, starting with the views, opinions and expectations of more than 60 senior CRE leaders from around the world who took part in the first annual CoreNet Global Industry Leaders Roundtable in January 2008.

CoreNet Global Applied Research Center findings from 2007 were also used to update the CoRE 2010 benchmarking done in 2004, as were results from the CoreNet Global Discovery Forum series conducted in 2007 with industry executives in 20 cities around the world.

Information contained in the report is also culled from:

- *LEADER* Magazine case studies and articles
- CoreNet Global Summit case presentations
- Global Innovator’s Award and other award cases
- Contributions by members and the CRE industry

CoreNet Global members manage US \$1.2 trillion in worldwide corporate assets consisting of owned and leased office, industrial and other space. With 7000 members representing large corporations around the world, CoreNet Global (www.corenetglobal.org <<http://www.corenetglobal.org>>) operates in five global regions: Asia, Australia, Europe, Latin America and North America, including Canada.

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