



CRE MONTHLY BRIEF May 2023

HIGHLIGHT+

World Real Estate Forum

Global Leaders. Global Network. Global Intelligence.™

REGISTER TODAY – MIT World Real Estate Forum will be held on campus JUNE 15 + 16, 2023. We've announced our [Tech Showcase](#) exhibitors who will present their projects on RE Tech, RE Investing, sustainable building and more!

[Learn More and Register](#)

*Partners and current students are eligible for complimentary tickets. MSRED alumni/ae receive discounted tickets at 80% off regular admission. MIT Alumni attend for 35% off regular admission.

WORKING PAPER SERIES+

01 How Can Governments Adapt to Meet Affordable Housing Needs After Disasters?

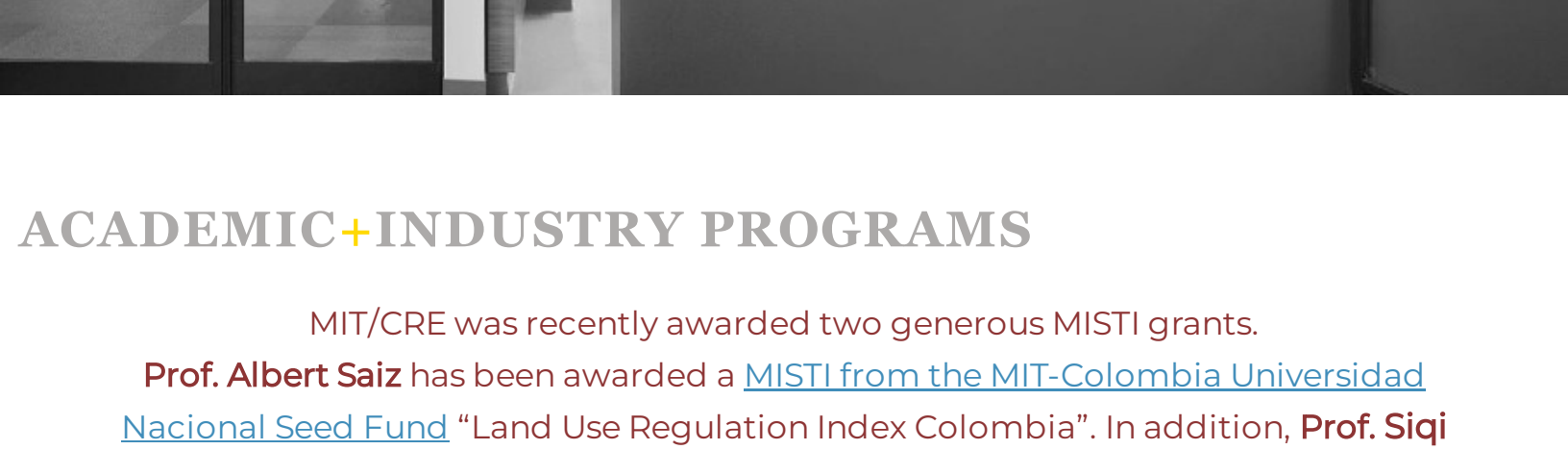
A new working paper explores the challenges faced by governments seeking to provide affordable housing after disasters and proposes strategies to overcome these challenges. In their paper, "[How Can Governments Adapt to Meet Affordable Housing Needs After Disasters?](#)" **Justin Steil** and his co-authors demonstrate how state governments can adjust their Low-Income Housing Tax Credit (LIHTC) programs and other sources of federal assistance to renters so that additional resources are available after disasters. The authors suggest encouraging states to include disaster mitigation and recovery provisions in their LIHTC allocation plans in order to spur affordable housing designs capable of better mitigating and responding to increasing local hazards. Co-authors: **Anna Schuessler, Mark Brennan, Aditi Mehta**

02 New Models for Predicting Asset Values

In the recent working paper, "[Combining Algorithmic and Stochastic Data Models,](#)" authors use machine learning algorithms to predict commercial real estate asset values. Their proposed framework outperforms traditional statistical models in predicting asset pricing. The study also highlights the importance of further testing and research in improving the accuracy and efficiency of machine learning models for real estate pricing. Co-authors: **Marc Francke and Alex van de Minne**

03 Quantifying Climate Shocks

Hurricanes and wildfires leave a visible wake of human, property, and environmental damage which is often central to quantifying the economic toll of these events. How do commercial real estate investors respond to these disasters? What might those trends suggest for developing climate resilience and more sustainable real estate practices? In the MIT/CRE working paper, "[Quantifying the Impacts of Climate Shocks in Commercial Real Estate Market](#)" published on SSRN, researchers analyze the effects of climate-related events on the commercial real estate market in the U.S. The study suggests that climate shocks such as hurricanes and floods, have a significant negative effect on commercial real estate prices. Co-authors: **Rogier Holtermans, Dongxiao Niu, and Siqi Zheng.** [Read the research summary](#) →



ACADEMIC+INDUSTRY PROGRAMS

MIT/CRE was recently awarded two generous MISTI grants.

Prof. Albert Saiz has been awarded a [MISTI from the MIT-Colombia Universidad Nacional Seed Fund](#) "Land Use Regulation Index Colombia". In addition, **Prof. Siqi Zheng** was awarded a [MISTI from the Imperial College London seed fund](#) "Global Tracker of Climate Change and Mental Health: Building Robust Indicators and Pathways from Interdisciplinary Knowledge". Congratulations!

→ Industry Chair of the Real Estate Transformation Lab, **Steve Weikal**, recently presented at the [CoreNet Southern California Education Summit](#) about mega-trends impacting how and where we work, and the ways that real estate is transforming to meet the challenge.

→ ULI Australia invited CRE Lecturer, **Jacques Gordon**, to give a keynote talk at their Sydney Summit in early May. His presentation focused on the many different ways that climate change is affecting real estate markets—through rising insurance premiums, assessments and forecasts of climate risk, and ultimately through portfolio construction and asset hardening strategies. He used the metaphor of a "bento box" to describe the broad array of responses available to asset owners. [View the "bento box" of climate risks](#) →

→ The Spring 2023 [CRE Research Seminar Series](#) concluded on May 16 with **Dr. Nico Pestel**, Associate Professor, Research Centre for Education and the Labour Market (ROA), School of Business and Economics, Maastricht University. He presented "[Air Pollution and the Housing Market: Evidence from Germany's Low Emission Zones](#)".

Thank you to all the incredible presenters from the Spring series! See you next year.

For event reminders, subscribe to the CRE Research Seminar mailing list, [here](#).

→ The Thought Leader Lecture Series, thanks our final speaker of the academic year, **Fred Cooper** of [Toll Brothers](#), and all the [Thought Leaders](#) who came from far and wide to inspire our students and community this year! We'll be back with another great line-up next Fall.

→ Coming up June 14, the Center's **Steve Weikal** welcomes participants in the BlueScopeX *Buildings of the Future \$100K Prize*. This exciting demo day showcases nine innovative companies from the most recent BlueScope accelerator that are transforming the building industry, and is presented in collaboration with the MIT Start-up Exchange (STEX). The event takes place Wed, Jun 14, 2023 from 4:00-7:00 PM EDT. [Learn more and register](#) →

→ Focused on real estate development, investing, and technology – Online Short Courses from MIT in collaboration with 2U, provide a flexible learning option:

Upcoming classes:

- July 5: [Data Science and Real Estate](#)
- July 26: [Commercial Real Estate Analysis + Investment](#)

[SEE ALL ONLINE COURSE OFFERINGS](#) →

MSRED+ALUMNI UPDATES

End of the Year Highlights



> Thesis Defense: MSRED/MCP Dual Degree students **Alberto Cuéllar Ceron** and **Akrisht Pandey** defended their theses in May. Alberto's thesis is entitled, "Entrepreneurship as a Catalyst of Housing Quality in Colombia: Tervi" (Supervised by **Prof. Albert Saiz, Justin Steil**). Akrisht's is entitled "Decarbonizing Metropolises: Analyzing New York's LL97 and Boston's BERDO Net Zero Policies" (Supervised by **Prof. Juan Palacios, Prof. Siqi Zheng**).

> To close the semester, **Lecturer Zhengzhen Tan** and **Prof. Siqi Zheng's** Sustainable Real Estate course joined with **Jacques Gordon's** portfolio management course to hear from a panel of all-stars: **Matt Ellis** (Measurabl), **David DeVos** (La Salle Investment Management), **Lori Mabardi** (Barings). The panel discussed the past, present, and future of ESG investment in real estate.

> The MSRED Commencement Celebration in Eastman Court May 31 celebrated the class years '22 and '23 ahead of SA+P and MIT Commencement. We congratulate graduates walking this year (in no particular order): **Daryl Burton, Alberto Cuellar, Will Gietema, Akrisht Pandey, Ben Perryman, Shaolan Wang, Ryan Wu, Ashley Katz, Mihir Menda, Katherine Salvatori, Mingyao Li, Rebecca Glasgow, Carson Land, Zachary Vaughn, Elaheh Demirchelle, Raquel Ganitsky, Corazon Wamakima, Ravisara Lertpunyaroj, Rahul Raipelly, Aileen (Qiaojun) Lai, Shermika Roberts, Steven La, Christopher Carr, Francis Weiss, Zehao You, Sherina Zhang, Zhiyuan (Shawn) Hu, Taeyong Kim, Reilly Nuckel**

Alumnae/i News

- Congratulations to young alumni **'Kayode Agbalajobi** (MSRED '20) for his promotion to Director of Asset Management at Carr Properties. In 2020, he interned at Carr, leading to a full-time role as a Senior Associate on the asset management and sustainability teams. Despite a challenging commercial office environment, 'Kayode's efforts and contributions at Carr have led him here! We look forward to seeing him thrive in his new role. [Read more](#) →
- Alumni, **Qian Wang's** (SMArchS, '95/MSRED, '03) recent startup, [collab](#), demonstrates how innovation can re-shape traditional systems. "The greatest gift I have been given from MIT is an enduring drive to learn and grow. Learning and innovating is at the core of what it is to be a part of the MIT community," [Read more about his vision](#) →
- In a recent CNBC segment, **Peter Merrigan** (MSRED '93) founder and CEO of Taurus Investment Holdings, LLC, discusses the demand for office leases, the impact of remote work, and the outlook for commercial real estate. [WATCH the segment](#) →

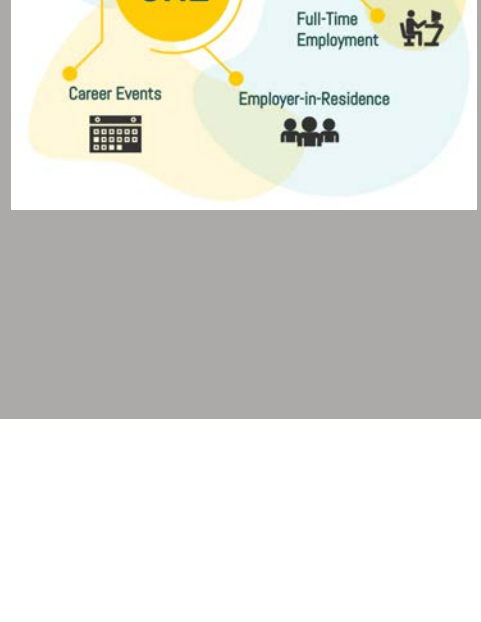


Engagement Opportunities

Do you have a job opportunity for MSRED students or alumni? The MIT/CRE has several helpful recruitment tools:

- A free job board for employers to post positions;
- Current class Resume Book ready to share with prospective employers;
- Open to opportunities for students to participate in IAP winter internships (6-week) or summer internships (12-weeks)

If you're interested in these or other engagement opportunities, please email: rkc@mit.edu



LAB+PI UPDATES

[Urban Economics Lab](#) (UEL) is pleased to announce that researcher, **Arianna Salazar Miranda**, has successfully defended her Ph.D. She will join the School of the Environment at Yale University in 2024. Before that, she will be a postdoctoral fellow at the MIT Senseable City Lab and the University of Chicago. *Congratulations Arianna!*

→ *Congratulations to Yang Peng*, research fellow in the Sustainable Urbanization Lab (SUL). Yang received a job offer as a Senior Data Science Analyst at Discover (Chicago). She also received an offer from University of Pennsylvania's Computer Science master's program. Yang worked diligently with the lab cohort while also serving as teaching assistant for **Prof. Siqi Zheng's** two classes: China's growth and SUL Research Seminar.

→ **Fabio Duarte**, Principle Research Scientist (SUL) was awarded a travel grant on studies around mobility and real estate by the [Marion and Jasper Whiting Foundation](#). The grant will allow fieldwork for the project, "The costs and benefits of circularity in building construction."

→ UEL Director, **Prof. Albert Saiz** delivered a keynote talk at the [6th Mid-Atlantic Trade Workshop](#) at the University of Richmond. He presented his research on "Local Cultural Roots, Immigrant Settlement, and Economic Outcomes: Evidence from Spanish Toponymy in the US."

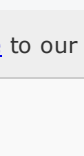
→ Executive Director of MIT/CRE Real Estate Transformation Lab, **James Scott**, and **Menno Lammers** share an inspirational and insightful conversation about the definition of technology, hybrid working, digital twin, and the metaverse. [Listen to the podcast](#) →

[MIT/CRE NEWS](#)

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GIVING



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