The shift to hybrid work—a model where employees split their time between working remotely and in the office—is transforming various sectors, including real estate. Residential real estate, in particular, has seen major impacts as hybrid workers seek homes that fit a new lifestyle. Hybrid work has allowed individuals to reconsider where they live, with factors like home office spaces, quality of life, and affordability playing a more significant role than commuting distance. A report by Checkr, "America's Most Desirable Cities for Hybrid Workers," identifies cities that meet the needs of remote and hybrid workers, offering valuable insights into how preferences are shifting in this evolving landscape.

Hybrid Work and Shifts in Residential Location Preferences



With fewer employees needing to commute daily, residential real estate has experienced a migration away from high-density urban centers toward suburban and even rural areas.

Many workers now prioritize living in locations that offer a better quality of life, lower cost of living, and access to natural spaces. According to Checkr's report, cities like Denver, Austin, and Raleigh have become attractive to hybrid workers due to their affordability and desirable lifestyles. These cities provide strong infrastructure for remote work and access to green spaces and cultural amenities, aligning well with hybrid workers' priorities.

Checkr's findings illustrate that hybrid workers now view affordability and lifestyle factors as essential to choosing a location. As a result, these less traditional urban centers are seeing a surge in housing demand, contributing to property value increases and shifting real estate investments toward developing communities in these areas.

Home Design and Space Priorities for Hybrid Workers

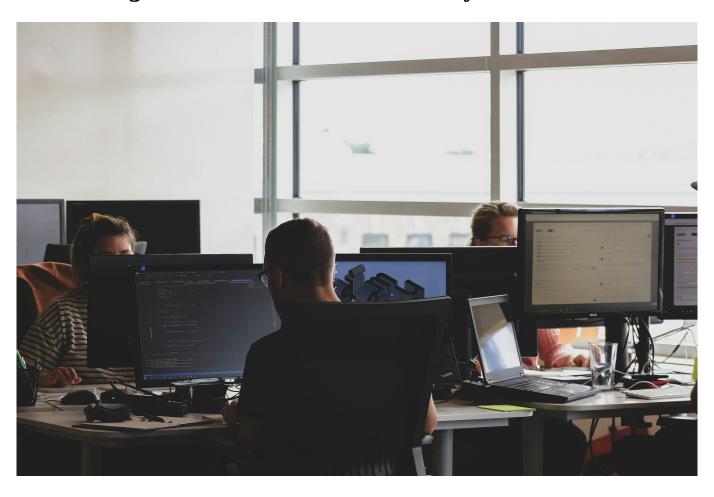


The hybrid model has reshaped what people want in their homes. Homes with dedicated

<u>office spaces</u>, larger floor plans, and access to outdoor areas have become essential for hybrid workers seeking a balanced work-life experience. Houses in suburban and rural areas, which tend to be larger and more affordable, are in higher demand as people seek properties that accommodate both personal and professional needs.

Real estate developers and agents are responding by promoting homes with flexible spaces that can double as offices, gyms, or classrooms. This shift in demand has led to an increase in home prices in suburban neighborhoods that meet these criteria, as hybrid workers prioritize comfortable and adaptable living spaces over proximity to office hubs.

Technological Infrastructure as a Key Factor

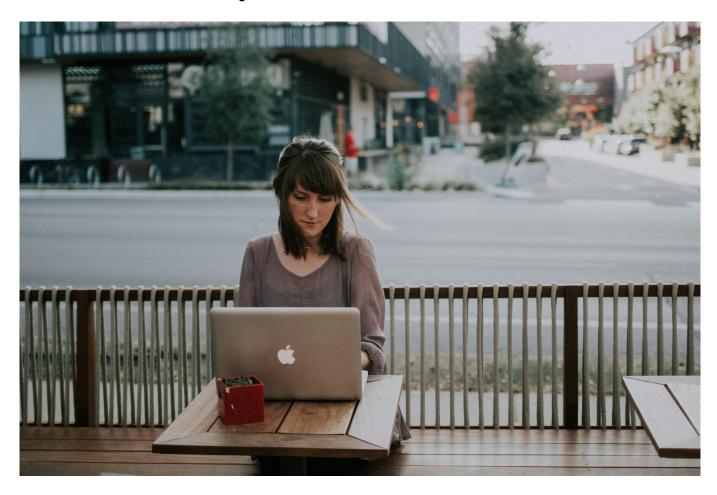


For hybrid workers, robust internet connectivity and digital infrastructure are critical considerations. This has made cities with strong technological infrastructure more attractive. As Checkr's report highlights, cities like Salt Lake City and Raleigh are particularly desirable for hybrid workers, thanks to their reliable internet access and

supportive work-from-home environments. These cities not only provide high-speed internet but also boast co-working spaces and community resources, fostering a supportive environment for hybrid work.

Real estate developers are increasingly aware of this trend and have started integrating advanced technology solutions into new housing projects. Fiber-optic internet, soundproof home offices, and smart home features are becoming popular additions, making properties more appealing to remote and hybrid workers.

Demand for Lifestyle-Oriented Locations



Hybrid workers are placing more importance on quality-of-life factors, including outdoor recreational opportunities, dining options, and cultural activities. Cities that offer a blend of urban convenience and access to nature—such as Denver and Austin, as mentioned in Checkr's report—are attracting hybrid workers who want an active lifestyle. The focus on lifestyle and <u>amenities</u> has prompted real estate investors and developers to consider

nearby attractions and recreational facilities when building or renovating properties.

This demand for lifestyle-oriented locations is expanding the residential market into regions that once had slower real estate growth, like mid-sized cities and suburban areas. By catering to these preferences, real estate developers can appeal to hybrid workers looking for a blend of professional and personal fulfillment.

Conclusion: A New Era in Residential Real Estate

The hybrid work model is reshaping the residential real estate landscape, influencing where people live and the features they seek in a home. From suburban migration to the rise of cities that offer technological and lifestyle advantages, the hybrid work trend is transforming what people prioritize in their residential choices. Cities highlighted by Checkr as ideal for hybrid workers, such as Austin and Raleigh, provide valuable case studies in meeting the demands of this new workforce.

As more companies adopt flexible work policies, the residential real estate market will continue to adapt, with developers and investors increasingly focusing on properties that support hybrid work lifestyles. By anticipating these changes, the industry can better meet the evolving demands of hybrid workers, creating housing options that balance work, lifestyle, and community. This shift underscores a broader trend in which work-life integration is shaping not just careers but also where and how people choose to live.