

The Top Real Estate Words and Phrases of 2022

CoStar Picks Real Estate's Best Phrases

By Paul Norman

Real estate is never slow to dream up a new phrase or word to describe the changing issues facing the industry and this year has been a richly inventive one.

In the wider world, Collins English Dictionary has already chosen "permacrisis" as its word of 2022, a word that brilliantly captures the extended period of instability and insecurity as the globe rocks from one unexpected difficulty to another.

But here are the real estate industry's key words and phrases of 2022, following a quick poll of CoStar's News and Analytics teams.

Stranded assets From nowhere "stranded assets" has become a much-used and much-debated term in real estate. It has, in fact, moved across from the world of insurance to describe the impact of climate change on property and the assets left behind because they cannot be upgraded to meet new environmental targets.

In 2017 Lloyd's of London described "stranded assets" as those which "have suffered from unanticipated or premature write-downs, devaluation or conversion to liabilities. In recent years, the issue of stranded assets caused by environmental factors, such as climate change and society's attitudes towards it, has become increasingly high profile."

By 2022 many experienced developers and investors see a huge opportunity, as well as an obligation, to help owners of property that cannot afford to or do not know how to make assets fit for purpose environmentally.

Flight to quality Related to "stranded assets", this phrase has been around for a long time in property, denoting a move by occupiers and investors to best in class. But it has really come into its own in 2022, as the need for green buildings with a focus on wellbeing has accelerated the trend.

Bleisure This has really taken off in 2022 as a term describing travel that combines both business and leisure, with no overall commitment to one or the other.

Mullet travel Cousin to "bleisure", and in particular, people who bolt some holiday on the end of a meeting, mullet travel means "business at the front and party at the back".

End-of-trip facilities Wellbeing and "amenity" – a catch-all word for a host of things - have moved right to the front of the real estate agenda in 2022. Occupiers increasingly expect "amenity-rich" buildings with "end-of-trip facilities" a vital piece in the jigsaw. They are designed to support people who cycle, jog or walk to work and those who like to exercise before or after work, or during their lunch break.

Greenwashing As real estate grapples with making the built environment more sustainable and meeting increasingly stringent net zero regulations, it has also begun to consider whether "greenwashing" is taking place. The phrase describes an unsubstantiated claim that makes a company look environmentally friendly. Real estate is still working on the benchmarks and accreditations that would remove the need for this word.

Price discovery A buoyant beginning to the year meant "finding out what properties will sell for after a big shock" was never heard. The Russian invasion of Ukraine and then Liz Truss's mini Budget have seen it return with a vengeance.

Sticky capital Related to price discovery is "price stickiness" or the increasingly popular "sticky capital". Some prices and some capital simply refuses to budge in relation to what is going on elsewhere in the economy.

Recalibrating, retrofitting and repurposing The big three Rs of 2022 have come to symbolise how real estate is responding to change, whether through using the existing fabric of buildings to develop in a more sustainable way, or turning struggling real estate formats like department stores around by redeveloping as something else.

Waiting on the sidelines That "wall of capital" we have been hearing about for several years has been doing too much of this in 2022.

Spare a thought for:

Bifurcation The clunky word is being replaced speedily by a mix of polarisation and flight to quality.

And the shortest-lived phrase of perhaps any era: **Trussonomics**