

The Weekly Take

SEASON 5 EP07

Spencer Levy

Real estate and climate – they may strike you as entirely separate subjects, but we're about to meet a journalist who's found a unique lane covering both of these seemingly disparate aspects of the business beat. On this episode, a conversation with a veteran reporter about the big stories in real estate today, and a beat that has evolved and expanded since she started covering it during the mortgage crisis nearly 20 years ago.

Diana Olick

People aren't losing their homes. You don't have families out on the street. During the great financial crisis, it was scary. People were losing everything, and the stories that we were telling were just awful.

Spencer Levy

That's Diana Olick, CNBC's Senior Climate and Real Estate Correspondent based in the network's Washington, D.C. bureau. A former general assignment reporter who's been posted around the world, her Emmy Award-winning work includes coverage of the real estate beat for the past two decades – commercial real estate, residential, the mortgage market, and more – as well as the climate story, which she formally added to her portfolio two years ago. Coming up: breaking news with CNBC's Diana Olick. I'm Spencer Levy, and that's right now on The Weekly Take.

Spencer Levy

Welcome to The Weekly Take, and I am delighted this week to be with my old friend Diana Olick, Senior Real Estate and Climate Correspondent for CNBC, interviewing live from Washington, D.C. Diana, thanks for coming out today.

Diana Olick

Thanks for having me.

Spencer Levy

So before we get into the various real estate and asset types, you have such a great job. Tell us how you got into the business of being a broadcasting journalist in real estate.

Diana Olick

Well, it wasn't first in real estate. I actually started long before CNBC. I started, oh god, 30 plus years ago. I was a local news reporter for a little less than three years. I started in Bangor, Maine, WABI channel five. I then went to Grand Rapids, Michigan, then Seattle, and from Seattle I went to the CBS Evening News, and I was at CBS for seven years. Mostly I was based in New York, Dallas, and then D.C. I covered, you know, your tornadoes, your hurricanes, your disasters of every kind. Not a ton of real estate, to be honest. Wasn't really that interested in it. And, then I got to D.C., covered a little bit of the Supreme Court, Hillary Clinton campaign for Senate, that's how old it was. And then I came to CNBC and I was at CNBC as a general kind of reporter, because I was not a

business type, as I'm saying. And I said to them in the job interview, I've done some business stories, but I don't know a lot about business. And, at the time it was a little bit more of a lifestyle change. I had just had twins. They were premature. I couldn't travel as much. I was looking for a more 9 to 5, Monday through Friday job, which doesn't exist in TV news, but at the time it did exist at CNBC. So I thought, I'll try this for a little bit and I'll just maybe be here a year or two until I get back on my feet. And that was 21 plus years ago, so things went well.

Spencer Levy

So how'd you get into the real estate beat?

Diana Olick

I was general assignment. I had to cover the Senate Finance Committee for a little bit, which I liken to sticking pins in my eyes. I was miserable the first year or so until I just, was just ready to go, and my husband said, is there anything you've done that you liked? And I said, well, we did this million dollar home series where we compared what you get for \$1 million in different cities across the country. And it's so much fun, just kind of walking through houses of different levels and doing all that. And I said, I love that. My mom was a real estate tax attorney in New York City. So I did have a little background in that. And I just love houses. I love walking through open houses even when I'm not house hunting. I, of course, was a House Hunters junkie, watching that on TV. So he said, well, do they have a real estate beat? I said, no, actually CNBC does not. He said, why don't you pitch it? So we worked together on it. He was in brand consulting at the time, which was perfect. He kind of branded me with the real estate idea and I was rejected. They said, no, we don't think there's enough in real estate for a full beat. And they cover it under consumer news. The consumer reporter covers mortgages and housing. This is 2004. And you know what's happening in 2004. People are starting to flip houses. Home prices are going crazy. Cab drivers are becoming real estate investors. It was nuts. And I went back to them a couple months later. I said, look, this is crazy. And real estate is X amount of GDP. And I wasn't focusing on the commercial side of the time. It was really just the house flippers and the mortgages, and something weird was going on with mortgages. Like anybody could get one. And there were these no cost, no down payment mortgages, you may remember. And so at the time it was a new managing editor and he said, yeah, you know, I think there's something to this. Why don't you start pitching some stories? And then you know what happened. I mean, the market just, subprime mortgage crisis, Great Recession, completely robo signing. It just blew up into the biggest story of that decade, and it was really thrown into the fire. I had to learn about mortgage backed securities. I had to learn about subprime. And I really drew on the people I was interviewing to explain it all to me, because I was no means an expert and I'm supposed to report it. And so while I was learning it, I was then able to explain it on that level on TV, which helped a lot. And so that's how it all started. And then I just kept going. It's the gift that keeps on giving.

Spencer Levy

Before we get into the exact asset types, again, you live through the fire of the GFC. How would you just generally compare this time period to that in terms of what you're seeing in the market?

Diana Olick

Well, it's a lot less stressful because I have a lot more sources and a lot more expertise, so I don't have to be... what, again, is a mortgage backed bond and what are tranches and what is all that. So I don't have to learn it now. I get it. So for me as a reporter, it's easier. It's also a lot less, I don't want to say less dire, but it is less dire. People aren't losing their

homes. You don't have families out in the street. During the Great Financial Crisis, it was scary. People were losing everything. And the stories that we were telling were just awful. They were personal. You know, the foreclosure crisis. I went out with a door kicker. I didn't know what a door kicker was, but I went to a foreclosure auction. That's probably around, I don't know, 2010 or 11, maybe 2011. And it was in Atlanta. It was subzero temperatures, this crazy freeze in January, and we went to a foreclosure auction, and the guy I was interviewing said, well, I've got to get going because I got to meet my door kicker. I was like, what's a door kicker? He said, well, these are the guys we hire when we buy the house that's in foreclosure to basically break into it because we don't have the keys and we don't know if somebody is living there. We don't know if somebody is squatting there, we don't know if they're animals in there. And I said, well, do you have any tomorrow? Do you think we could go with you to see what this is like? And he said, I couldn't believe he said yes, but he did. So we went live, like with a live truck. I mean, back when we had trucks and satellite trucks we set up and we did it on our morning show. This is before you could walk in without all the cables and everything. So our poor camera man is like hauling cable out to this. We get to this house. It doesn't look like there's anybody living there, but it's all locked up and he's going to break in and we're going to do it live on TV. And we explained first that we are legally breaking into this home. He owns it now. He has the papers, and he's armed. And I was like, why do you have a gun? And he goes, because I don't know who's in there. And I'm like, I hope my mom's not watching us. But, we went around back and we broke into this, or he broke into the house, and immediately got swarmed by bats, which was the first time I almost screamed a curse word on live TV, but I didn't, so I feel very good about that. But it was fascinating. And usually we get, I don't know, two minutes on a live shot or something and the producer's like keep going, keep going, no, go upstairs, see what's up there. It was crazy. But anyway, it's not like that anymore. It's not crazy stories. It's not scary. I mean, it's scary, maybe for some commercial real estate investors. It's scary maybe for some banks that you know, SVB is not a great moment for a lot of companies. But it's not that. It is an economic story and I don't see it as much... people still have tons of home equity. Foreclosure rates are incredibly low, near record lows still. So if housing is expensive and it's a question of, oh, I'd like to buy, but I can't, I have to rent and my rent is expensive. You know, there are stories of lack of affordability, people paying more than 50% of their income. That's hard. But it just isn't what that was back then when just millions of people were losing their homes.

Spencer Levy

Now it's interesting, Diana, that you cover both single family and commercial and we try to make the distinction clear between the two. But you've merged the two. Is that something that you think is a natural merger? I mean they're both real estate, but how do you handle the balance of the two sides of the house?

Diana Olick

I mean, it's a lot. It's a lot. But we have shows that we'll have guests on that will cover certain parts, and the shows tend to like to have CEOs of large commercial real estate companies or REITs, stuff like that. So they'll have people on as guests on the show to cover certain aspects of things. So I would say I'm more, I'm going to go 65% residential housing. I do a lot of the mortgage market. Commercial, I definitely cover the REITs, I cover the REIT stocks. And as I always remind everyone, apartments, residential are considered commercial. So we do a lot of apartment rents. I don't cover hotels. That's somebody else. So we have a hospitality person who focuses on that. And retail, our retail correspondent who covers the big retail store names, she tends to also dip into the retail REITs, so I get a little help in that sector, but it all kind of flows together, so.

Spencer Levy

It's a big portfolio and clear differences because the single family is owner occupied. Commercial, generally speaking, is...

Diana Olick

Not all owner occupied. The single family REIT business, the rental REITs. That was a big story that I saw coming and I love that story.

Spencer Levy

We had an episode on that. And as a rental housing, rental single family housing, is one of the largest growing areas of institutional. And now institutional ownership is still relatively small as a percentage of the overall stock. But I think....

Diana Olick

Nobody believes me when I say that. They're all like, oh, Blackstone owns everything. No they don't.

Spencer Levy

But the controversial part about it is that when I speak to political types, they're like, oh, Blackstone owns everything. I don't want them owning these things. I was like, well, who would you rather have as your landlord? Blackstone or the person down the street that owns four units and is renting to you? Because these are the kind of day to day decisions that renters have to make. And so I think, well, I'm not going to sit here and say, oh, everybody is great in the institutional investing world. But I think that sometimes they get a bad shake because of the fact that they're so big, faceless, nameless in the industry.

Diana Olick

But they do have a wider management system. They have apps that it's like being in a rental building where you can call the maintenance person and they have services. Whereas sometimes if you have just a mom and pop landlord, there's a lot of great ones out there, but there are some that you call the one guy who owns the home you're renting and the pipe is burst and he's not around, you're in trouble. Whereas if you're renting from a large organization that has a company managing a large swath of these rental homes, which they do, and you can go on the app and say, I've got this and whatever, you will immediately get serviced. Now, I know there are lots of complaints out there, any homebuilder, any large multifamily apartment building, and there's always going to be complaints. There's always going to be that toilet that didn't get fixed or the house that didn't get painted, or this company owns this amount of houses and X amount are in disrepair. It tends to be the smaller ones. The big institutional ones that I see, like American Homes 4 Rent, Invitation Homes, which came out of Blackstone. You don't see quite as many complaints about them. And I do a lot of stories, actually, with American Homes 4 Rent, which is building their own rental communities now. The amenities are really quite something, and I've talked to renters in those communities who can't afford to buy, who choose not to, and they love it. And I'm not saying they're all fantastic, but I would point out that it was the investors during the great financial crisis who came in and put a floor under home prices, and I'm not going to say saved the market. But what else was going to happen to all of these foreclosed homes? A lot of the big guys came in, but they were coming in, buying thousands of homes, rehabbing them and making them rentals. Now, if they had not done that, what would have happened to those homes? If nobody was buying them and nobody could get a mortgage to do it and people had lost everything and they were in foreclosure to the banks, how much worse would it have been

if those homes didn't get bought up? Now everyone said they're going to buy them. They're going to hold them for 3 to 5 years, and then they're going to dump them out in the market. I did not believe that. I said, no, this is a new asset class. There's always been rentals. There have always been lots of mom and pop landlords. But the institutional investor, the REIT's that came out of this, that is going to stay because it is incredibly lucrative. And, you know, what are we now 15 years, 20 years later? They're still there. They build now, which is great because we need more housing stock. And I don't think there's anything wrong with building single family rental communities. We build multifamily apartment buildings. What's wrong with that? It adds to the housing stock. It provides housing for people who want single family homes. And because they're in these communities, the way they're managed, the way they're actually built, they actually build the homes closer together. They build them with finishings inside that are more durable. They may not be of the beautiful grand or whatever, but they're rentals, but they make them more durable. They make the floors more durable because they know that there are going to be renters coming in and out. And so I think, I actually think it's a good thing.

Spencer Levy

I'm completely with you. And I would go one step further. If you go outside of just about any urban area into suburban areas, it is so difficult to go vertical, so difficult to get a permit to do multis. Much easier to get permits to do single family homes, whether they be for sale or rental. So it is a significant solution to the housing crisis, which, as we both know, is pretty dire. And I guess the only other criticism you hear from time to time is that it will raise the price of a single family home in a community. And that's some of the pushback I get from some folks.

Diana Olick

Yeah. And I see that in certain communities that investors have focused on buying homes in just one area, and then they price people out. And that's one of the downsides, definitely. That's a negative, and you see a lot of, you know, there are local, I guess, politicians are looking to pass laws that would keep investors from buying up too many homes, because then it does, as you say, inflate the home values. And it's just the competition that somebody wants to buy one of those homes that exists already, not the new build. Can't get in because the investor's all cash and they can outbid them.

Spencer Levy

So when we talk about the elephant in the corner of room, which is the return to office, the value of office, I think it merges perfectly with what we just talked about, which is homes. Because if you've got a big, spacious home, you're less likely to go into the office than if you have a tiny little apartment. The argument we're always hearing is that people in Asia and in Europe go back to the office more, in part because they have smaller dwelling units. Do you see the two issues as related?

Diana Olick

I mean, I don't know if it's about where you live and how you live. There's just, I see so much pushback of return to office, and I'm a bad person to talk to about this because I want to be in the office. I don't like working at home, and I guess I'm strange like that. Look, we were all at home during the pandemic, and I have a studio in my basement. I can go live, and it's definitely helpful when I have those 5 a.m. live shots, and I don't have to get downtown at 4:00 in the morning. That's great, but I want to go to the office. I want to see people. I want to bounce ideas off people. Not on a zoom, not on a Teams meeting, not on the phone or whatever. I like being there. Now, we are not required. NBC is still on a kind of three day back. You don't have to come in Monday or Friday. I come in Monday. I

need to start my week in the office. I just need to feel like I've gotten fully dressed. I've put shoes on. I'm not just dressed from the waist up. And I want to be in the studio. I want to be on the set. I want to be ready to go to start my week. I feel like if I'm not, then I'm somehow not starting the week. I don't get as much done. I will say right here, when I am working from home, I am not as productive. Now a lot of people argue, oh, I'm so much more productive because I'm not gossiping with my friends in the office or chatting or wasting time on the metro or whatever, but, so I know that just kind of diverged from your question, but I do think that there is a certain segment of the population that will never have to go back. Things have fundamentally changed, and that is a huge change for the office market. And I think there was an article I just saw this morning about this massive number of office conversions to apartments. But then you have to question, well, is there still going to be demand for apartments in a downtown if there are no offices that those people actually have to live downtown to go to, you know what I'm saying? So, or do you just want to live out in the burbs now? I'm a city girl. I like living in the city. Even if I didn't work in the city, I'd still want to live in a city. But a lot of people don't. I mean, I grew up in New York City, so that's just who I am. But a lot of people want to live out in Colorado. I mean, we saw where everybody moved to during the pandemic. It was beautiful areas. It was nature. It was Vermont. It was Maine. You know, get out of the city and enjoy the space and the air and the comfort and whatever. So I'm not sure that the whole office conversion to apartment really does the math right, because why would there still be so much city demand if people don't have to be in a city. Maybe that's a question for you, the expert.

Spencer Levy

Well, I would like to say I'm the expert, but we've had several experts on the show, and I will channel them for this answer here. The death of the city has been written a thousand times, and the best answer to that on this show was by the late, great Sam Zell. And when Sam was on the show, he said that I've been around this business for a long time, he said. And the death of New York has been written multiple times. Didn't happen then, didn't happen today. So...

Diana Olick

Yeah, and I was in the '70s. I was growing up in the city, so I remember.

Spencer Levy

I remember the city in the '70s. I mean there were some areas that were...

Diana Olick

Disaster.

Spencer Levy

...sketchy to say the least. Times square, probably chief among them. And they cleaned it up and recently, well I guess in the last 20 years, major office projects have been put in there.

Diana Olick

But I would say like New York has always been its own... You know, we've talked about the death of New York, the rise of New York 100 times. It's had its ups and downs. But when you talk about cities as a whole nationally and the move away from cities and the end of office in cities, I just, I wonder what cities are going to look like because of all the support that goes around the office. You know, I'm not going to lie, I can't get a good salad around my office anymore. All the best places are gone, and they're just empty storefronts.

And the Starbucks is gone by our office and they're just like, where's the support? I don't see the support coming back. I see it in certain pockets, like we're in D.C. right now in what I would refer to as, I know I'm a New Yorker, so I would say like Midtown, but I'm on Capitol Hill. That's where our offices are. And on Capitol Hill, even, around it, it just hasn't come back. Union Station retail hasn't really come back.

Spencer Levy

Well, I think you mentioned your mom was a tax attorney, a real estate tax attorney. Well, my dad was a real estate lawyer in New York City. And I had an unusual childhood in a lot of ways. But one of them...

Diana Olick

I wonder if they knew each other.

Spencer Levy

I would not be surprised

Diana Olick

That would be funny.

Spencer Levy

My dad was at Robinson Silverman. What firm was your mom at?

Diana Olick

She was with the city of New York.

Spencer Levy

Oh, the city of New York? Okay, so in any event, the way my dad did business back then was, and this is in the late 70s, he took me with him at eight years old. I was going to Sparks Steakhouse and Bruno's Pen and Pencil and Joe and Rose and I can name all these restaurants because I would go there with my dad. Anyway, they were three hour long lunches. And then he started this restaurant called Ben Benson's, which was on 52nd between sixth and seventh. And eventually it closed down. Why? They lost the lunch crowd. And this was before Covid, by the way, because I think it's, Covid was probably the final nail in the lunch coffin. And now I'd like to take that nail out and bring it back, because there's something to be said for lunch as being a significant part of the business environment. I travel....

Diana Olick

Yeah, you're talking to a reporter. We don't get lunch.

Spencer Levy

Is that right?

Diana Olick

In 30 years, I don't think I've ever been out to lunch. You get your lunch, you bring it back to your desk, you keep going.

Spencer Levy

Well, next time, next time. But I think that there's something to be said for the vibrancy of lunch, not only for the business environment, but for the local businesses. As a matter of fact, there are many people who have built buildings recently where they have not put in massive cafeterias because they specifically want their employees to interact with a community, because it's good for the community. Because a lot of communities will suggest that, well, you built this big building, but I'm not seeing the foot traffic.

Diana Olick

But see, I've seen a lot of these new builds and I've been out to Amazon HQ. I thought all the new buildings were into putting all these amenities in the building for all their workers. It's all the Gen Zers who have to have the pool tables and the ping pong tables and the latte bar and the cereal bar because all the offices were catering to the employees who didn't want to leave the building.

Spencer Levy

Well, I'll tell you what. I still think the most important piece of infrastructure are your own two feet. Now, I recognize you're from New York. I'm from New York, as well. And taking the subway is second nature. And taking the subway is fantastic. The subway system here in D.C. is quite good, too. But walking, I think, is something that is increasingly important because some of the pushback that people give to return to office is the commute time.

Diana Olick

Right. I mean, it is a waste. I'll give it that. It's 45 minutes each way for me that is, I guess, wasted. But to me it's not. I need that time to decompress after work and to get my head straight when I'm walking to work, walking to Metro and standing on Metro and just kind of... my favorite thing about the commute, this is going to sound crazy, is that because of high tech now and your phone and your laptop and anybody being able to reach you at any time of the day, any day of the week, means that your boss basically considers you on duty all the time except when you're in the metro, because the cell service doesn't work very well. So I couldn't get to you. I couldn't answer you. I didn't get the text. I didn't get the email. I was in the metro. It's the one time off.

Spencer Levy

So let's talk about climate for just a moment. And, you picked up the climate beat two years ago. And there's no segment of the real estate business, and I say real estate, I mean both single family and commercial, that has undergone a greater transformation probably in the last 20 years, than the importance of climate, how you measure climate and the different ways that climate impacts your business that they're seeing or I'm seeing. How do you see it, big picture?

Diana Olick

Well, I mean, with real estate, actually, I started officially being the climate correspondent two years ago, but that grew out of something I pitched five years ago, which was a series called Rising Risks, and it was originally called The Rising Risk to Real Estate from Climate Change. And we focused entirely on every aspect of climate that would hit real estate. And our first story was actually in Boston, where we looked at the Seaport District, which was just booming, and there was construction going up everywhere, towers going up all around the seaport, and the seaport was flooding. And everyone was warning that sea level rise, nuisance flooding, all these areas were going to be underwater. And Boston had already done its massive Big Dig development, whatever, that all of this was at risk. And it was just a fascinating look at that whole thing. And then we moved on and looked at

smaller side, we did something on Ellicott City, which is in Maryland here, that had this just devastating flash flooding.

Spencer Levy

Twice.

Diana Olick

Twice. That was due to not just heavier rainfall, but hard scaping. The development of the suburban area around this historic city had made it so that there was nowhere for the water to go, and it was creating these just massive flash floods that were incredibly dangerous. And we did everything from ski resorts, which are real estate, you know, it's development there, just everything. And we continue to do the series. But it was just such an integral part of every aspect. And what really happened then was they sent me to Glasgow for Cop26 two years ago, and I started to see that the governments were there, the big businesses were there, but it was really businesses and venture capital money going into climate startups there that were fascinating. I was talking to a VC guy in Glasgow two years ago and he said, governments will spend billions, the private sector will spend trillions. He said, this is the biggest story, business story, of our time. And I came back and I was just so filled with all of the possibilities of coverage for this. I said, we should launch a series where we follow the funding into climate startups, and a lot of these are real estate. A lot of them are construction based: concrete, huge in that sector. You know, hydrogen, the heating and cooling, the HVAC systems of buildings. So we started that, and actually today, well, I can't say today because this won't air today, but on CNBC, we've covered 50 companies. So we just hit 50. And we're going to be, as a little special, we're going to be talking to the head of a VC firm that focuses entirely on climate, on what it's like to raise capital, how much capital is going into this, etc. But we have done 50 companies that are all climate related, and I would say half, if not more, had some component of real estate in them, whether it was construction, whether it was water systems in buildings, as I said, heating and cooling, steel, clean steel that they're somehow creating.

Spencer Levy

They call it green steel.

Diana Olick

Green steel.

Spencer Levy

It sounds like a superhero, doesn't it?

Diana Olick

Yeah. But just so many aspects of climate are related to real estate, so you really can't do one without the other.

Spencer Levy

And speaking of that, putting together those two elements: the funding, you said VC funding and funding these companies, it's the same point of view from a landlord, because if you were a landlord of the building we're sitting in today, you have to make choices. And the choices you have to make include, am I going to put in the greener, new HVAC system?

Diana Olick

Will I get the green certification? I think I did with you one of the first stories on greens, what was the green building certified thing. I didn't know what that was, and I feel like we went somewhere in Bethesda, to some building out in the exerbs, or whatever.

Spencer Levy

We did.

Diana Olick

And I was like, well, what makes a green building? I don't get it. You know, is it just that, okay, you know, you have lower emission HVAC or something. And I thought it was kind of crap at the time, but you were like, no, no, no, you're pointing out all the things that made the building green. And now, as you would say, and you've told me before is, the tenants are demanding it. So it's not as the landlord saying, should I, should I put this in or whatever. I have to put this in because A, I need the certification, I need to be a green building because then my tenants are going to pay more for this. And the people who want to work in this building are demanding it.

Spencer Levy

What's interesting is, I completely agree with what you're saying. Tenant demand is what's driving most of it. But when we did that piece, which was probably 5 or 6 years ago, I.

Diana Olick

No I think it was ten years ago.

Spencer Levy

It might have been ten years ago at this point. Ten years ago, and it was all about WELL certification or Energy Star or Fitwel. But the world has changed and their rating certifications have changed. It used to be a point in time system where you got the rating when you moved in and that was it. But now it's very different, what people are requiring. They're looking at things such as the Paris Climate Accords and measuring your usage over time.

Diana Olick

And your carbon emissions.

Spencer Levy

Carbon emissions.

Diana Olick

Which is a much bigger thing now. And measuring those carbon emissions is very controversial and then the carpet credit markets. I mean we could do a whole nother podcast on that. They're not streamlined. They're not where they need to be. And so it's like, oh, did I plant a thousand trees so that I could burn this or, you know, it just, I feel like that is an area that needs a lot of work. And measuring actual carbon emissions from a building needs a lot of work.

Spencer Levy

How do you get your ideas? How do you do your research to even begin the process of thinking about what stories you might want to put forward?

Diana Olick

It's one word. It's data. It is all data driven, and you know that because you provide me with a lot of that data. And at this point, it's data sources, whether it's CBRE, whether some of your, you know, JLL's or the other competitors out there, but the CoreLogic's, the Realtor.com's. Everybody has data now. And this was not the case when I first started with this. But now, you know, because a company that, whether it's a Redfin or whether it's a Coldwell Banker or whatever, they can get their name out there if they have a data team, and they have all this data because they track everything that goes on in the market. I get probably two to three hundred emails a day. A lot of them are junk, but a lot of them are data reports. And I'll see something every day that tweaks my interest that says whether, you know, it's this amount of home equity, what happened in November or December or whatever. We get the monthly reports. We get the government reports. We get the National Association of Realtors, National Association of Homebuilders, Mortgage Bankers Association, all put out weekly, monthly reports. And then they put out other things that will go anywhere from here's how many, you know, LGBTQ people are living in a certain city. This is the best city for that or this is the best city if you're retiring and your cost versus rent, rent versus own, whatever. It all starts with the data. So you take those data reports, and then you find people who are affected by the data, who are doing something because of the data, who are investing because of the data. And then there's always the stock stories, the company stories, the earnings releases. CNBC cover earnings, so it's all the company stuff. But I will just say we just follow a ton of data. And that's where the vast majority of my stories start. Because as a business correspondent, it has to be that way. If I were covering general assignment, the stories could be broader, they could be more people focused. And I love general interest stories, I really do. That's where I came from, but I work for a business channel, so it's all the data.

Spencer Levy

One of the challenges we have just from real estate generally, I say this matter of fact, there's A, too much data and I'm sure you're 300 emails a day...

Diana Olick

So too much.

Spencer Levy

Too much data, and then some of it's just not good enough.

Diana Olick

Right.

Spencer Levy

And I'll give you one example of that. Maybe, I'd love your point of view on this. I think that the data for single family is much better than the data for commercial. And the reason why is because single family is much more of a commodity. It's not a commodity, but it's much more commoditized. That is an office building. That is industrial. We can have two identical buildings across the street from one another, and you can have data that says you have the same tenants, they're worth the same. They're not worth the same.

Diana Olick

But you can say the same about a house. I mean, you could have a crappy house across the street from a new build that was infill that's a brand new McMansion, whatever. You could have a house across the street from another house that are completely different. And I would say that the data, you have to be so careful, because I get so many reports

from so many websites, organizations, whatever that are just, some of them I can just say are total crap. And there are times when I will call the PR person and say, this cannot be possible, and the PR person on the end of the call has no idea what any of this means. And that's when I just, I hit delete a lot.

Spencer Levy

Well, knowing which data is good, interpreting the data, takes time. And you might start with, just for the purposes of this discussion, 10,000 pieces of data. And you need to boil it all down into a 3 to 4 minute segment, eventually. That's a lot of work.

Diana Olick

It is. And it's not 3 to 4 minutes. It's generally 90 seconds.

Spencer Levy

Wow. Wow. So what do you see over the next year just in terms of you're covering the commercial markets today. The story right now is liquidity, getting deals done, mortgages. Is mortgages the big big story out there?

Diana Olick

Well mortgage rates. I mean certainly any time I say the word mortgage rate, I get on TV. Any producer will say, you got something on mortgage rates? You know, boom, you're on TV in three seconds. I think it's going to be all about where are rates going this year now that we've come off those recent highs. And this is for residential, of course. So it's going to be a lot of mortgage. A lot of folks are saying, oh it's going to go below 6%. I don't know about that because rates have started to creep up again. And there's been all this more positive economic data, which makes folks think, well, maybe the Fed's not going to do as many cuts as we think. And I don't think anyone can look into a crystal ball and say, this is going to happen, because every one of those forecasts that I always get, 600 forecasts in December from folks like you, into the inbox saying this is what's going to happen. I don't do any of them. I delete them all, no offense, because nobody really can say exactly where rates are going to be, what's going to happen. I can say what the big stories will be. We'll be following those rates. It's going to be continuing to follow office, because we are very, I mean, the news cycle right now is very kind of obsessed with this new reality of work from home, what that means, what it means for offices, what it means for cities. So that's going to be our big story this year. Something interesting is, I used to call industrial, and we've talked about industrial, which I think data centers fall into industrial. But I used to call it the least sexy sector of the real estate market, but it was really hot because of online retailing. And moving all these Amazon warehouses closer to cities and industrial is starting to crack. I'm hearing that it might be overvalued. So there's a story we might be looking into this year of what's going on with industrial, because I'm starting to get those reports and, you know I'm going to be calling and saying, what does CBRE have on this? And where's the data, Spencer? And you will send it. So yeah, I just think it's going to be, does the housing market rebound with slightly lower rates? I mean, I don't know that there's that much of a difference between a 7% 30 year fixed and a 6.5% 30 year fixed. Is that going to make a slew of people come back to the market? Is it going to make sellers say, okay, I'm willing to trade my 3% mortgage for a 6% mortgage, even though I wouldn't for a 7% mortgage? I don't know, because I'm one of those people. I probably would have moved by now, but I got 2.75. So, you know, I'm not moving.

Spencer Levy

I'm not going to be boastful, but I got a little bit inside that, so. Anyway...

Diana Olick

Okay, fine. Well, you're in the business. So that's where I say this year takes me. And I continue to push climate. Climate's a tough story to report. It's a tough story to sell. It's a tough story because there is a lot of business focus on it, but it's never really breaking news. I mean, there are storms that are breaking news. Disaster is breaking news. And we can tie that. But climate itself doesn't always, I mean, there are climate stocks, there are clean energy stocks that we cover. But I'm going to keep pounding that pavement because I continue to think it is the biggest business story of our time.

Spencer Levy

On behalf of The Weekly Take, what a pleasure seeing Diana Olick, Senior Real Estate and Climate Correspondent, CNBC. Diana, great job. Thank you.

Diana Olick

Thanks so much for having me.

Spencer Levy

For more, please check out our website, [CBRE.com/TheWeeklyTake](https://www.cbre.com/TheWeeklyTake). Let us know what you thought of today's program and what else you'd like us to talk about down the road. And as always, we hope you'll share the show as well as subscribe, rate, and review us wherever you listen. If you'd like deeper reporting on the topics we just discussed, look for Diana Olick's coverage on CNBC and other NBC news shows. And of course, there's always a lot more to come right here on our air. Coming soon: We'll examine healthcare and medical office real estate. We'll crack the books on higher education. And we'll feature an array of industry thought leaders to deepen your perspective on the business. Stay tuned for all of that and more. Thanks for joining us. I'm Spencer Levy. Be smart. Be safe. Be well.