



NEWS RELEASE

# Tightening Supply for Highly Skilled Labor Means Rising Costs in 50 Tech Talent Markets Across the U.S. and Canada, Reports CBRE

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San Francisco Bay Area and Seattle remain the highest quality despite cost escalations, with the best value markets led by four Canadian cities

LOS ANGELES--(BUSINESS WIRE)--Jul. 26, 2018-- Companies in pursuit of highly skilled tech talent – spanning every industry today – face combined talent and occupancy costs that are as much as 12.5 percent higher than last year as competition for tech talent has heated up, according to **CBRE's** sixth annual **Scoring Tech Talent report**.

Taking both talent and real estate costs into consideration, the “typical” 500-person tech company needing 75,000 sq. ft. of office space can expect a total annual cost to range from \$27 million in Montreal, the least expensive market, to \$59 million in the San Francisco Bay Area, the most expensive market. Just a year ago, the total costs ranged from \$24 million in Vancouver to \$57 million in the San Francisco Bay Area.

Canadian markets were among the best-value markets, due in part to the strong U.S. dollar, with Toronto, Vancouver, Montreal and Ottawa offering high-quality talent at relatively low cost. In the U.S., Indianapolis, Pittsburgh and Detroit were strong value markets.

CBRE's interactive **Tech Talent Analyzer** found the San Francisco Bay Area, Austin and Seattle to be the most competitive markets to hire tech talent based on labor market supply/demand, wage costs and talent quality.

## Tech Talent Scorecard

The top five markets for tech talent in 2018 were the San Francisco Bay Area, Seattle, Washington, D.C., Toronto (the first time a Canadian market made the top five) and New York.



The Tech Talent Scorecard is determined based on 13 unique metrics, including tech talent supply, growth, concentration, cost, completed tech degrees, industry outlook for job growth, and market outlook for both office and apartment rent cost growth. The top 10 cities on the Tech Talent Scorecard were all large markets, each with a tech labor pool of more than 50,000.

“Tech employment growth has a multiplier effect that positively impacts economic growth, which in turn can have an immense impact on commercial real estate,” said **Colin Yasukochi**, director of research and analysis for CBRE in the San Francisco Bay Area.

#### About CBRE Group, Inc.

CBRE Group, Inc. (NYSE:CBRE), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world’s largest commercial real estate services and investment firm (based on 2017 revenue). The company has more than 80,000 employees (excluding affiliates), and serves real estate investors and occupiers through approximately 450 offices (excluding affiliates) worldwide. CBRE offers a broad range of integrated services, including facilities, transaction and project management; property management; investment management; appraisal and valuation; property leasing; strategic consulting; property sales; mortgage services and development services. Please visit our website at **[www.cbre.com](http://www.cbre.com)**.

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