

OUTSITE

THE ULTIMATE GUIDE TO COLIVING



INTRODUCTION

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What makes Outsite an authority on coliving? Home sharing is nothing new and we've all shared living spaces at college, in hostels or Airbnb's when traveling. At Outsite we have decided to enhance that shared living experience and adapt it to professionals. Exceptional properties, comfortable accommodations and like-minded people are just some of the things that make Outsite unique.

It's the age of disruption. Every major industry is either in the process of disruption, or people are talking about how it will be The Next Big Thing to happen. From shared cars to filling extra space in your suitcase transporting items for others; the world has begun to take advantage of surplus space through the rise of the sharing economy. The housing industry is no exception.

The rise of coworking is a natural predecessor for widespread coliving: the concept that people can live in a shared space without recreating the feeling of living in a college dorm. Taking advantage of large houses and lonely millennials, coliving has become the newest disruption of surplus space. While there are certainly bumps on the road ahead of the new coliving industry players - legislation, supply and demand, and the standard stresses of shared accommodation -, the future looks too bright.

Coliving, at its core, is a diverse concept that is difficult to accurately describe in its many forms. That said, there are some commonalities in the coliving experience: shared kitchens and living spaces, shared amenities, more residents than an average housing situation, and the presence of a coworking space. Additionally, Co-living spaces offer multiple lease options. Typically they are long let situations, but some, like Outside, also offer short term options: nightly, weekly, and monthly residents all reside together.

We decided to take a deep look at coliving: the past, present, and future of this industry we are proud to be a part of. As the founder of Outside, I have a special interest in helping educate others about coliving, and this piece is a means to do that. Whether you've considered living in a coliving space or have never heard the term before, this guide will give you the information you need to understand this movement - not trend - in the housing industry.

Between two very divergent places on the spectrum of hospitality experiences - a night in a massive, multi-story downtown hotel and crashing in a spare bedroom on Airbnb - lies a huge middle ground where many believe the future of the industry lies. The room-sharing startup popularized the idea that any space could, at least temporarily, be a guest room. So why not remove the uncertainty around the guest experience in these spaces and professionalize the entire stay?

A BRIEF HISTORY OF COLIVING

While many believe that ‘coliving’ is a recent development due to the newness of the term, the idea of shared living and work spaces has been around for centuries. As early as the 19th century, homes were organized for women in New York to provide social support, safe accommodation, and employment opportunities. Though often utilized primarily by immigrants – later coliving opportunities were available for both men and women separately, whereas co-ed housing is a relatively recent development –, coliving has often been a good solution for travelers and other people looking for both housing and work opportunities in different locations from their homes, including displaced workers during the World Wars.

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Another good example of coliving throughout history has been that of boarding houses. These accommodations were used by similar populations – immigrants, travelers, and so on – but often created their own self-sufficient cultures: a blend of the cultures of each inhabitant and social norms that developed through the close interaction and quarters kept by those living in the house. Modern coliving spaces are not so different, with each reflecting a blend of the culture of the location, as well as the cultural nuances the remote workers, freelancers, and digital nomads bring when they arrive.



WHO DOES COLIVING SUIT BEST?

Coliving spaces cater to the upwardly mobile, single young professionals seeking maximum convenience and flexibility in their living situations. From their pre-furnished apartments to the stocked kitchen and shampoo dispensers, coliving spaces are designed to liberate tenants from every day concerns that might otherwise tie them down to one location.

Adam Neumann, of the co-founder and CEO of WeWork, which owns WeLive, told the New Yorker that his years living on a kibbutz as a teenager in Israel had convinced him that people are meant to live in groups. “The fulfillment I felt being part of a community was so real, gave me so much strength to deal with my own personal challenges, that it’s always been ingrained in me that being together is better than being alone,” he said. He added that WeLive aims to provide residents with the option of privacy—“but if they don’t want to, they will never be alone in their life!”.

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Common founder Brad Hargreaves doesn’t focus on about personal happiness or tight-knit community. Instead, he focuses on the practical attempt to address New York City’s housing crunch. “I think it’s fundamentally about solving a housing problem and specifically a really underserved segment of the housing market, which are people who live with roommates,” he said.

Given how intimidating and stressful the process of finding an apartment in a new city can be, it is clear why coliving spaces have so much appeal to millennials.

“I think it’s fundamentally about solving a housing problem,” says Brad Hargreaves, founder of Common.

DATA & TRENDS: THE RISE OF MODERN COLIVING SPACES

The rise of coliving spaces – a progeny of the coworking movement – comes from many of the same trends including the real estate industry, monumental shifts in the job market, and demographic variables for the millennial generation. The coliving model has developed and gained popularity in the space where these factors have all come together at the same time, so it helps to detail exactly how each has played a role.

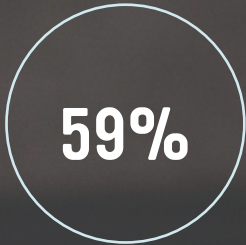
- 6 Part of the reason that coliving is possible comes from the fact that – at this point – the millennial/ Gen Y generation looks completely different than preceding ones.

First, millennials are consistently staying single longer than previous generations have. Data from a 2014 Gallup poll found as many as 64% of millennials reported having no major relationship in their lives at the time surveyed. Unsurprisingly, this trend is the same for marriage rates: marriage rates declined as much as 10 percentage points over the past decade. On the whole, millennials are later to the game of having a serious, long-term relationship, with a much longer window of singledom and an independent lifestyle.

That isn't to say that millennials are all living alone. Single (unmarried) millennials saw a 39% increase in the rate of living with roommates or housemates between 2005 and 2015, from 5.7% to 7.4%. These numbers might seem small in the total population, but they represent an overall trend that among those millennials who are single, an increasing number are willing to live with others. In fact, many of these “housemates” are their parents!

Key Trends in Coliving

GENERATIONAL TRENDS



of millenials are single and have never been married



of millenials do not have any children under 18 in their household

ECONOMIC TRENDS

More 25-to-34-year-olds live with roommates than have in previous generations, partly because rental prices have climbed while wages have remained stagnant.

SOURCE: FORBES

| Metro Area | Share of adults doubled up households, 2000 | Share of adults doubled up households, 2000 | Median individual income of employed adults living in a doubled up household, 2000 | Median individual income of employed adults living in a doubled up household, 2012 | Number of households gained if average number of adults per household returned to 2000 levels |
|-----------------------|---|---|--|--|---|
| United states | 25.4\$ | 32.0% | \$24,000 | \$29,000 | 5,404,509 |
| New York | 37.3% | 42.4% | \$28,070 | #35,000 | 300,666 |
| Los Angeles | 41.2% | 47.9% | \$22,000 | \$27,000 | 315,473 |
| Chicago | 30.9% | 35.5% | \$26,300 | \$30,000 | 138,728 |
| Dalls-Fort Worth | 25.2% | 30.7% | \$22,800 | \$28,000 | 131,555 |
| Philadelphia | 27.9% | 35.2% | \$28,000 | \$34,000 | 114,931 |
| Washington | 30.0% | 36.6% | \$30,000 | \$37,000 | 144,116 |
| Miami-Fort lauderdale | 34.7% | 44.5% | \$22,000 | \$25,000 | 232,895 |
| Atlanta | 28.4% | 33.3% | \$25,000 | \$27,000 | 93,690 |
| Boston | 29.0% | 33.4% | \$30,000 | \$37,000 | 56,699 |
| San Francisco | 35.9% | 39.2% | \$30,000 | \$35,000 | 84,759 |

SOURCE: BUSINESS INSIDER

COTRAVEL

According to the World Tourism Organization, the global youth travel segment accounts for 23 percent of all international arrivals each year — more than 284 million travelers in 2016. It is no wonder that established travel companies as well as startups are targeting this demographic.

Some additional facts about younger travelers:

70%

More than 70% of millennials took at least one leisure trip in 2013

4-5

Many take four or five trips a year

66%

66% of millennials think travel is an incredibly important part of their lives

71%

71% of millennials took short jaunts of three nights or less

2X

Millennials are twice as likely as older travelers to take trips of 14 or more days

However, with varying work schedules and budgets, it's difficult to get a group of friends to coordinate so they can travel together. But many young people want company on the road. "Traveling with people around your own age enhances the overall travel experience in many ways," says Casper Urhammer, global CEO of Contiki Travel (contiki.com).

Companies such as Remote Year and Outsite allow you to travel with likeminded individuals. If you want to take an entire year off and constantly be traveling, then Remote Year is a great option. Outsite is better for travelers who prefer some flexibility and autonomy in their travels.

JOBS & THE FREELANCE ECONOMY

Simultaneous with these demographic shifts, the future of work has changed. The statistics cited about how the workforce is changing are mentioned so frequently, they almost sound cliché by this point. The data doesn't lie: there is a major shift happening in where, when, and how we work – and who we work for. This is obvious, given the fact that 90% of millennial employees want more flexibility in when and where they work.

Predictions made as early as 2010 that over 40% of the workforce would be working in a freelance, remote, or “gig”/project-based capacity by 2020 are manifesting exactly as expected.

Additionally, the amount of time millennials spend at each job has consistently fallen. Data from the Bureau of Labor Statistics demonstrates this: 2015 data showed that for jobs taken by 18- to 24-year olds (young millennials), the individual was no longer at that role 69% of the time within one year, and 93% of the time within five years. This was significantly higher turnover than for 40- to 48-year olds (Generation X) respondents.

What does this actually look like? Many of us who previously enjoyed full-time roles in offices, with full benefits and coworkers to hang out with on lunch breaks are now working for ourselves, and/or changing roles frequently. Maybe we're managing multiple clients on various projects, running our own businesses, or have transitioned to remote roles taking advantage of constantly evolving technologies like Slack and global wifi to work from anywhere. This is part of what has contributed to the rise of digital nomadism – the concept of professionals working from foreign locations and moving frequently as costs and opportunities present themselves.

Simultaneously, location independence fueled by technology has enabled this kind of job flexibility. In many cities.

REAL ESTATE

Finally, both coworking and coliving would not have been possible without a receptive real estate market. With the rise of Airbnb as one disruption to accommodations, and the recovery of the global economy after the 2008 housing market crash in the U.S. (and its wider implications), real estate development and investment has picked up momentum. WeWork has raised \$760 million in a new Series G funding round, which according to sources close to the deal, puts the coworking company's valuation at \$20 billion.

Real estate investors have also supported the trend toward coworking and coliving spaces too, by taking advantage of the greater yields on coworking spaces than fixed investments. This has helped coworking spaces show rapid profit trends, often becoming profitable in as little as two years.

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One final pressure from the real estate sector that has contributed to the establishment and success of the coliving model is that unstable and rising property prices have often resulted in young home-buyers being unable to purchase a home as earlier as previous generations. These millennials have been forced to find creative, medium-term temporary solutions to housing, and coliving has been one of the appealing options.

The cost of living has become prohibitive for those not currently employed in a traditional full-time role, and many millennials have opened their minds to the possibility of taking advantage of geo-arbitrage opportunities and work from smaller cities or remote locations as a way to get the best of both worlds: enjoying beautiful surroundings while simultaneously achieving professional success.

Together, these three factors – changing demographics and lifestyle factors, an evolving definition of work, and a receptive real estate market backed by investors who are capitalizing on reduced risk and quick profits – have made coworking and coliving spaces possible. The confluence gave birth to physical locations where (primarily) millennial single workers could connect with others, accomplish their professional goals, and be happier too. There’s a lot of talk about “trends” when discussing coworking and coliving, but it’s obvious that these variables have created an environment where these business models have long-term viability.

In fact, there’s a great summary of the future of digital nomadism by Pieter Levels, the founder of Nomad List. In it, he lays out the case – based on these trends – for having over 1 billion digital nomads in the world by 2035. This massive market of digital nomads will need accommodation wherever they are in the world, and the models which will meet those needs are beginning to develop now. We call them coliving spaces.



MODELS OF COLIVING

Though the coliving model is relatively young compared to similar concepts like co-working, there are some great resources and directories available to help you find the right coliving space for your work and lifestyle needs.

In general, coliving spaces can be sorted based on several different factors: location, pricing model, size, and common resident. Often times, these factors overlap. Bigger coworking spaces are typically located in cities, offer weekly and monthly pricing options, and attract cosmopolitan remote workers or long-term business travelers; smaller coworking spaces tend to be in smaller cities or rural settings, have more flexible pricing options (usually nightly, with weekly or monthly discounts), and residents are often digital nomads, freelance workers, or long-term backpack travelers.

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Each coliving space is unique, and has its own appeal and community. Our directory provides a comprehensive list of properties, so you can find the perfect one(s) for you.

COMPARING TYPES OF COLIVING SPACE

Short term camps such as DNX Camp offer short-term opportunities to co-live in cool destinations. In addition to those listed above, there are a variety of other coliving models that are available. These are typically one-off opportunities, though many are gaining popularity



1

Retreats such as Hackers Paradise start at one week in length but can stretch as long as you want to stay.



2

Coboat takes the coliving model and ships it out to sea – literally. You'll spend your time coliving on a catamaran sailing around the world.



3

Itinerant coliving opportunities such as Remote Year offer the opportunity to cowork, co-live, and travel as a group, for up to 12 months. Read a comparison of these kinds of programs.

DIRECTORY OF LOCATIONS

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| <p>20Mission</p> <p>20Mission offers coliving for art and technology creators in both San Francisco or Medellin coliving spaces, both geared towards art and technology creators. You're likely to rub elbows with super creatives working alongside head-down developers in their accommodations.</p> <p>Cost: Inquire for pricing and availability.</p> | <p>Coconat</p> <p>Coconat is located just outside of Berlin, in a cozy spot of German forest that will make you feel like you're back at summer camp year-round. Fellow residents will include entrepreneurs and outdoorsy types looking to escape the big city to be productive.</p> <p>Cost: Starting at €180 / week.</p> |
| <p>Base</p> <p>Located in Melbourne, Base is the first big player for coliving in Australia. They offer both short- and long-term options for guests, who can be anyone from creative artists to entrepreneurs.</p> <p>Cost: Starting at \$250 / week.</p> | <p>Coliving Club</p> <p>Coliving Club has two locations in San Francisco, and helps reduce the pain of trying to afford accommodation in the area. They proudly boast a "Silicon Valley" show feel, so expect to work alongside devoted startup founders and developers.</p> <p>Cost: Starting at \$998/month.</p> |
| <p>Bedndesk</p> <p>Bedndesk is located in sunny, beautiful Mallorca, and offer both coliving and co-working space. Fellow guests include everyone from financially savvy entrepreneurs taking advantage of Spain's great cost of living to digital nomad backpackers working their way across Europe to freelance and contract folks catching a few rays or waves at the beach.</p> <p>Cost: Starting at €35 / day.</p> | <p>Common</p> <p>Common's members can live in any of their three NYC coliving locations, creating instant community at a reasonable rent. Less focused on the tech/startup scene, residents are often creative young professionals from a variety of industries.</p> <p>Cost: Starting at \$1,500 / month.</p> |

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| <p>Commonspace</p> <p>Commonspace is located in Syracuse, New York, an unlikely setting for an innovative coliving community. Their 21-unit property provides a variety of different private rooms, shared common space, and is filled with residents from every industry from tech to art.</p> <p>Cost: Starting at \$800 / month for a year lease.</p> | <p>Hus 24</p> <p>Hus 24 is Stockholm's first coliving option, target at entrepreneurs, designers, and developers. You'll be right in the heart of one of the great European capitals, but have an oasis of productivity for work and living.</p> <p>Cost: Inquire for pricing and availability.</p> |
| <p>Coworking in the Sun</p> <p>Tenerife, Spain draws visitors from around the world, and Coworking in the Sun helps make the blissful life an everyday reality through their coliving accommodation. Everyone from entrepreneurs to contract or remote employees can be found enjoying their prime destination and amenities.</p> <p>Cost: €122 / week.</p> | <p>Nomad Pad</p> <p>Nomad Pad focuses on medium-term accommodation, primarily for a month or longer. This draws a steady stream of location-independent entrepreneurs and remote workers to come enjoy Austin's funky scene with like-minded folks.</p> <p>Cost: Inquire for pricing and availability.</p> |
| <p>Hub Fuerteventura</p> <p>Hub Fuerteventura is located on the beautiful Canary Islands location, a perfect sea and sun getaway spot. In addition to loving surfing, residents come from a variety of industries and roles, and the cost is reasonable enough to draw a steady stream of free spirits.</p> <p>Cost: Starting at €28 / night.</p> | <p>Outsite</p> <p>Outsite's blends the best of both city and destination coliving with locations in Santa Cruz and San Diego. In between surf sessions, you'll co-work with remote employees from tech companies, creative types, and the Outsite team themselves.</p> <p>Cost: Starting at \$60 / day.</p> |

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| <p>Playworking</p> <p>Most people can't find Montenegro on a map, but for those in the know, coliving spot Playworking is a great hidden gem. Residents mix work with play in the stunning natural surroundings.</p> <p>Cost: Starting at €300 / week.</p> | <p>Startup Basecamp</p> <p>Startup Basecamp has locations in a variety of cities around the world: San Francisco, Montreal, and Brussels are currently open, with several other locations in the pipeline. As the name suggests, they attract startup folks from every department: developers, founders, marketers, and creatives.</p> <p>Cost: Starting from \$64 / night.</p> |
| <p>Roam</p> <p>Their current three locations in Miami, Madrid, and Bali find that nice blend between city and destination coliving, similar to Outsite. One notable factor is that residents pay a subscription cost and can move freely between locations, based on availability. Roam's high price point often makes this option unavailable to traveling millennials.</p> <p>Cost: from \$2000/\$4000+ per month depending on location.</p> | <p>Stash</p> <p>In the heart of Phuket, Stash is a haven for digital nomads looking to get work done while still enjoying the community and location. You'll find everyone from backpackers to full-on remote/contract nomads.</p> <p>Cost: starting at \$249 per day.</p> |
| <p>Sende</p> <p>Located in the northern part of Spain near Sende, the coliving space of the same name not only focuses on getting personal work done, but in giving back through philanthropic events. Socially minded entrepreneurs have flocked to the remote spot to focus, create, and innovate.</p> <p>Cost: Inquire for pricing and availability.</p> | <p>Sun and Co</p> <p>Jávea isn't a typical tourist spot, which is part of the draw for coliving at Sun and Co. As implied, you'll enjoy great weather, a quiet life, and have plenty of time for productivity and creativity in a community of like-minded residents.</p> <p>Cost: Starting at €22 / night.</p> |

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| <p>Serendipia Nest</p> <p>A place to tackle the Global Sustainable Goals created by the United Nations. Travelers and risktakers join this community in order to create a place for limitless serendipity to solve humanity's 21st Century Grand Challenges.</p> | <p>WeLive</p> <p>WeLive is WeWork's venture into the coliving space. Starting with locations in NYC and Washington, DC, expect WeLive to mirror WeWork's popularity and diverse appeal.</p> <p>Cost: Starting at \$875 for DC and \$1,375 for NYC.</p> |
| <p>The Collective</p> <p>Unsurprisingly, London's biggest coliving option, The Collective, is also the world's largest. Helping bring down the outrageous cost of living in the city, the mix of residents you'll find in this massive accommodation is a cross-section of all Londoners themselves.</p> <p>Cost: £250 / week.</p> | <p>Coliving.com</p> <p>Coliving is a marketplace to find shared houses and coliving-communities anywhere in the world. Coliving is for people who want a home environment that actively supports them in living with purpose and intention.</p> |
| <p>The Student Hotel</p> <p>With locations across the Netherlands, Paris, and Barcelona, The Student Hotel has a unique blend of many different types of guests. As the name suggests, students often stay, as do regular hotel guests; you'll also find longer-term guests and companies set up for retreats.</p> <p>Cost: Starting at €70 / night.</p> | |

A DAY IN THE LIFE OF A COLIVING RESIDENT

The appeal of coliving comes from the fact that it fits so well with many different lifestyles. For example, some of our past guests have included Leo Widrich, co-founder at Buffer; Conni Biesalski, digital nomad and blogger at PlanetBackpack.de; Paul Ryan, digital marketer at MarketSlide; and Chelsea Rustrum, author, speaker and consultant. Their varied backgrounds and professional endeavors give a peek into the widespread appeal of coliving.

Typically, a day at a coliving space involves morning work sessions, meetings, lunch on your own, afternoon work sessions, breaks, and dinner or evening activities as a group. Here's an example of a typical day we've seen residents at Outsite enjoy



8:00 am – Wake up, head to the kitchen for coffee (or make coffee for the house) and breakfast



3:00 pm – Take a surf break. Head to the beach for a few hours of surfing with a fellow house resident.



9:00 am – Start work, spend a few hours on important tasks, calls, and discussing ideas with teammates online or fellow coliving residents.



5:00 pm – Work for a few more hours, finalize any tasks that have come in over the course of the day.



12:00 pm – Break for lunch. Enjoy a homemade meal, made by one of your fellow residents.



7:30 pm – Head to dinner at a local restaurant with a couple fellow residents, or enjoy trivia night at the local bar.



10:30pm – Time for bed. Wake up the next day rested and ready to do it all again!

TIPS, TRICKS, & ETIQUETTE

If you're still on board with the coliving idea (we are too!), there's one last thing to consider before taking the leap: how to make a successful transition from your current life/work model to coliving. Here are some tips, tricks, and etiquette to help you understand what you need to do – and avoid – as part of a coliving community.

DO'S...

Be an active member of the community. Join events, meet your roommates (if sharing accommodation) and fellow residents, and take an active role in connecting with those you're living with.

Respect house rules about guests, noise, and privacy.

Respect the kitchen and dining spaces as sacred. Everyone has to use them, so tidying up after yourself will keep you in everyone's good books.

Be considerate of your fellow residents. If keeping your space tidy is tough, opt for a single room and confine your mess to your personal surroundings.

Help yourself. Even more than co-working, you need to be a self-sufficient, productive member of the space.

...AND DON'TS

Be a wallflower. You don't have to be social all the time, but it's impossible to avoid everyone if you're living in a coliving space.

Be the resident everyone has a bone to pick with – do your part, and carry your weight in keeping the coliving space neat, tidy, and nice to live in.

Annoy anyone with headphones on. Headphones mean someone is working or on a call, or they just don't want to talk.

Break the rules you agree to upon move-in. This isn't your home – it's everyone's, and you have to respect that.

Disrespect others space, time, or privacy. Enough said.

THE FUTURE OF COLIVING

The foundation is laid for coliving: this type of accommodation is not a trend or fad that is going to disappear in a few years. Between the plethora of providers currently offering coliving spaces in every corner of the globe, and the massive interest that residents from all professional backgrounds and lifestyles show, coliving has appeal and support that will help establish it as a unique but valuable form of accommodation. Residents may stay anywhere from a few days to a few months, but the concept of coliving has a permanence that will last for years to come.

How the experts see it:

According to Stonly Baptiste, an investor with a New York-based seed-stage venture firm Urban Us focused on addressing climate change through smarter cities: Co-living spaces will appeal to elderly Americans, who may be “looking to share the burden of aging together.”

According to Brad Hargreaves, founder at Common: “We found a group of property owners and investors who are interested in owning real estate but don’t want to deal with the management and think that this model of co-living is in huge demand.”

According to Andrew Till, a vice president of Simon Baron Development: “There is a very real shift occurring, and I think it has to do with different expectations for privacy and for sharing.”

According to Matt Mazzeo, a partner at venture firm Lowercase Capital and an investor in Common: “Home ownership as a life goal has dramatically shifted, and it’s not limited to millennials. I think it’s across society. If anything, the housing crisis sort of disavowed the fantasy that home ownership meant security...People just care about belonging.”

A group of four people are seated around a table in a restaurant. The background features a light-colored brick wall and a dark-framed mirror. The lighting is warm and ambient. The text 'OUTSITE' is overlaid in the center of the image.

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