

Real Estate Journal

THE LARGEST WEEKLY COMMERCIAL/INVESTMENT NEWSPAPER COVERING THE STATE

Summers' time

GVA Williams' recent Life Science Market Review notes that "Coming off the heels of the Senate approval of Gov. Patrick's One Billion Dollar Life Science Act, the Greater Boston market continues to be resilient despite increases in vacancy and decreases in rent. It has been fueled by a combination of events in the midst of what is arguably an economic recession. GlaxoSmithKline bought Sitris Pharmaceuticals that brought optimism in many other start-up companies and venture capital firms; Alexandria Equities is getting close to permitting a 1.5m s/f redevelopment; and Biomed Realty is building on East Kendall, all in Cambridge. Industry veterans are bullish on growth of Life Science firms in the Commonwealth."

Paul Donohue of CB Richard Ellis noted earlier this year that "The Greater Boston multifamily market has seen a marked improvement in fundamentals. Waning construction starts, strengthening occupancy and stronger rents in most submarkets have produced an excellent fall rent-up season. The market has seen effective rent growth between 2.5% and 3% (last year). Boston, Cambridge and part of Rte. 128 have seen bold improvements with material rent growth. The reversal of the employment decline has increased demand for apartments while the decline in tenants vacating apartments has improved occupancies. The declining opportunities to use Chapter 40B in order to gain building permits may be the most important issue over the next few years."

Marcus & Millichap in June said, "A decrease in domestic leisure travel could be most pronounced in many of the eastern U.S. major drive-in markets including Boston as well as in smaller vacation destinations in New England. Occupancy in the region is expected to drop 150 basis points to 61.8% in 2008. Construction projects consisting of nearly 40,000 rooms have scheduled delivery dates (in eastern U.S.). Transaction velocity fell by 8% (from July 2007 to June 2008) compared with a 16% drop in the entire country."

Did you know that aging causes elderly people to say just what they mean? As we age, the frontal cortex, the part of the brain that censors thoughts, begins to shrink. But the decline is not inevitable. Aerobic exercise enhances functioning among older adults. William von Hippel, PhD, professor, School of Psychology, University of Queensland, Australia, author of a study published in Current Directions in Psychological Science.



Ben Summers