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New England Real Estate Journal held the Multi-Family & Property Management Summit on January 31

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Shown (from left) are the members of the first panel: P.T. Vineburgh of Charlesgate Realty William Lovett of Toll Brothers; and Dennis Kelleher of Horvath & Tremblay; Patricia Flowers of Investment Property Exchange Services; and Brent Trethewey of Licata Risk Management Consultant.

Shown (from left) are the members of the second panel: Nancy Reno of Housing Management Resources Inc.;

Peter Lewis of The Schochet Cos.; Lauren Paton of Brookfield Properties
Frank Flynn of Flynn Law Group; and David Barrett of RCM Services.

Newton, MA The New England Real Estate Journal (NEREJ) held the Multi-Family & Property Management Summit on January 31st at the Boston Marriott Newton at 2345 Commonwealth Ave.

From 8:45 – 9 a.m. David Barrett of RCM Services and past president of IREM, was inducted into the NEREJ Blue Jacket Club. Barrett said, “Our industry today requires the diversity of the older to mentor, the younger for vigor and ideas and the multicultural to broaden our prospective and wisdom. This is the recipe for the future success in our industry.”

The first panel – Changing View of Living Space, Investing in Multi-Family Need for More Affordable Multi-Family Units – was held from 9 – 10 a.m. and was moderated by Brent Trethewey of Licata Risk Management Consultants. Topics included: Investor outlooks, design trends, affordable units, 1031 Exchanges and technology.

Shown (from left) are Rick Kaplan NEREJ and
Barry Crimmins of Law Offices of Barry R. Crimmins, P.C.

Shown (from left) are: Rick Kaplan of NEREJ;

and David Barrett in his NEREJ Blue Jacket.

Other speakers included: Patricia Flowers of Investment Property Exchange Services; Dennis Kelleher of Horvath & Tremblay; William Lovett of Toll Brothers; and P.T. Vineburgh of Charlesgate Realty.

In regards to the Boston market, the panel agreed that the outlook is strong, and has improved over the past year. Flowers mentioned how it is great to be a seller and tougher to be a buyer right now. She said, "We are predicting a great 2019, but steady as opposed to over the top."

Lovett said, "Equity is strong and exceptionally competitive right now, but lending we are seeing tightening up a bit on the construction side."

Answering questions on the Boston market outlook, Kelleher said, "The underlying fundamentals in Boston are strong. We had our highest year in 2018 for buildings with 4 units and above that sold. Sold about 1,400 in Massachusetts, and that's the highest that we've seen since 2002, but it's far below what the national average is on an annual basis."

Vineburgh went into depth regarding amenities in buildings. He said, "I think people are willing to live in smaller spaces, for really good transit-oriented development or a highly amenitized product, and if you can bring amenities into these developments that justify in someone's mind living in a smaller space, it works."

The second panel – Updated Marijuana Laws, Updated Airbnb Laws, Amenities, Changes in Employee Benefits – was held from 10 – 11 a.m. and was moderated by Lauren Paton of Brookfield Properties.

Other speakers included: Barrett of RCM Services; Nancy Reno of Housing Management Resources Inc.; Peter Lewis of The Schochet Cos.; and Frank Flynn of Flynn Law Group.

Barrett went into depth regarding the new employee laws and benefits including the paid family medical leave act. He said, “The paid family medical leave act is a very positive thing, but there might be challenges for employers, due to them allowing for one cause or event up to 12 weeks, but people can have more than one event a year, and I think they are tapping it at 26 weeks. So, you can imagine if someone decides to abuse that process, it is very difficult to run a company with people being out for 26 weeks at a time or in a year.”

In regards to amenities at developments, Reno said, “We are going to see an escalation in rents

continuing in the market, so that developers and owners can continue to afford to manage those amenities. The cost around those pools or sky lounges can be pretty expensive, so I think we are going to see that reflected in the rental rates.”

The next topic was on Airbnb’s and how it is affecting property management. There has been trouble for property managers because tenants are renting out their units for Airbnb. You need to constantly monitor your properties and check the Airbnb listings to see if your property is mentioned.

There was much discussion on the updated marijuana laws in Massachusetts and how that is affecting properties and tenants. Since being legalized, there have been problems with tenants thinking they can smoke marijuana in their units.

Flynn said, “In your rental properties, it is very important that you keep control of it. So we suggest, that at every rental property should have a marijuana policy, and it should restrict what they can do with marijuana, including a non-smoking policy. Leases should have clauses and condominiums should have bylaws and amendments.”

NEREJ would like to thank the sponsors for this event including: Corporate sponsors, Flynn Law Group and RCM Services; Vendor sponsors, U.S. Pavement Services, Inc. and IPX1031; and Congratulations sponsor, IREM Boston.

Join NEREJ at its next summit – Cannabis in CRE 2019 – on March 7th at the Sheraton Needham, 100 Cabot St. in Needham, Mass.

For more information or speaking/sponsor opportunities, please contact Rick Kaplan at rkaplan@nerej.com or call 781-878-4540.

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