



nerej

A review of the year in the real estate markets

December 13, 2007 - Financial Digest

This year almost done, thankfully, has seen some very fundamental changes in real estate markets. And it isn't just housing markets that have been stirred up.

Here are some not entirely random "snippets" from a variety of sources. By drawing from a number of sources, this method seems to tell the story of 2007 far better than I could. The sources for these items include The Warren Group/Banker and Tradesman, Fantini and Gorga, NAR, Boston.com, Boston Globe, Wall Street Journal, www.govtrack.us

Foreclosure deeds in Mass. down from month before in Sept. but record number of petitions in August signal more trouble ahead:

Petitions to foreclose in Mass. hit a record high in August, the last month of data available from the state Land Court, where the petitions are filed. Foreclosure deeds fell in September, and auction announcements stayed steady, but the sharp rise in petitions - the first step in the foreclosure process - indicate the state's problems with rising foreclosures are not finished . . . (<http://www.thewarrengroup.com/>)

Massachusetts Home Sales Fall Dramatically For Second Month in a Row; Prices Continue Steady Decline:

Single-family home sales in October dropped by a double-digit percentage for the second month in a row, after a couple months of nearly flat sales. The median home price also continued to fall, when compared to the same time period in 2006 . . . Single-family home sales dropped 17.1 percent from 4,399 in October 2006 to 3,646 in October of this year. That followed an 18.7 percent decline in September. But in July and August, sales stayed steady with an increase of 1.5 percent and a decrease of 1.5 percent, respectively. (<http://www.thewarrengroup.com/>)

H.R. 3915: Mortgage Reform and Anti-Predatory Lending Act of 2007:

"To amend the Truth in Lending Act to reform consumer mortgage practices and provide accountability for such practices, to establish licensing and registration requirements for residential mortgage originators, to provide certain minimum standards for consumer mortgage loans, and for other purposes. The bill was introduced October 22, 2007 and passed the House November 15, 2007." (www.govtrack.us)

Commercial Real Estate Sectors Remain on Sound Course:

Commercial real estate sectors continue to perform well with sound market fundamentals, according to a commercial market update and forecast presented at a forum on commercial business trends at the 2007 REALTORS® Conference & Expo here.

Job-growth study: Mass. next to last:

Massachusetts' job growth has lagged all but one state's in recent years, according to a new study, raising the possibility that the state won't regain the jobs lost in the last recession before the next one begins. The study, released by MassINC, finds Mass. is still far from recovering the jobs lost in

the recession that began in 2001. Six years later, the state still has 100,000 jobs to go.

REIT Executives Upbeat on Property Values:

Some of the largest U.S. shopping center owners and operators remain largely unconcerned that the ongoing credit crisis and consumer-spending slowdown will lead to plummeting occupancy rates and slumping values for their properties.

Accuse me of being selective: I was just trying to be balanced. This is not truly a year in review but it seems to me a useful way to sum up this strange, tumultuous year. I'm curious about 2008, really curious. You should be too. It seems as if we are at a economic crossing point and it's not just all about real estate.

William Pastuszek, Jr., MAI, SRA, heads Shepherd Associates, Newton, Mass.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540