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## **New England CRE chapter teams up with Boston RICS chapter**

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The New England/Upstate NY CRE Chapter held its first joint program with the Royal Institute of Chartered Surveyors Boston Chapter (RICS) on March 31st at the Federal Reserve Bank Boston. The lunch time event has been in the development phase since December when the RICS chapter president, Stephen Bullock contacted the CRE chapter about the possibility. Jill Hatton, CRE who serves on the chapter board, was able to secure Joshua Scoville, CFA and director of Strategic Research for Property and Portfolio Research, as a speaker. Approximately 25 Boston area CREs and RICS designees attended this event.

Scoville provided a unique overview of the firm's US economic and real estate outlook. He was accompanied by his colleague responsible for the greater Boston area, Jim Mealay, who offered additional detail and insight into the New England/Boston region. The CRE chapter recently held in early February, a Market Overview with Ray Torto, CRE, global chief economist of CBRE. Scoville's presentation was an excellent supplement to Torto's presentation as Scoville targeted the New England and Boston real estate commercial market.

PPR provides premier expertise and objective thinking in analyzing and forecasting commercial real estate markets globally and is well known for its proprietary research platform and unique views on the overall real estate industry, including detailed regional and property type forecasts. The firm is headquartered in Boston and joined the Costar Platform in mid-2009.

Scoville is a frequent speaker at industry gatherings, including NAREIM, Risk Management Association, Institute for Fiduciary Education and others. He often speaks at client-sponsored events for clients' investors and customers and has written on a variety of topics for real estate journals and has been quoted in the Wall Street Journal, National Real Estate Investor, Commercial Property News, etc.

Scoville reviewed a wide array of economic and real estate insights which included information that the New England region is faring better than many other areas in the US although there is still a long recovery expected. He noted that, in his opinion, the Boston area is higher priced fundamentally but not currently overpriced relative to other U.S. markets. Scoville noted that he believes the future opportunities in the Boston area are in the next tier of assets down from the "trophy" class, a strategy he sees as available in several other markets as well. Interestingly, Scoville's beliefs meshed with Torto in his presentation on February 3rd. Both Torto and Scoville felt that the premier properties have been acquired and thus investors were forced to drop to the next lower tier. By doing so, investors were accepting more risk.

He noted that while the secondary market segment appeared attractive in Boston at the current time, pricing is already improving which implies the opportunities will be diminishing in the near future. He noted that he feels Manhattan and Washington DC have already experienced this surge

in secondary market pricing, which would suggest that Boston will join that segment in the near future. Scoville concluded his presentation on upbeat about the future but stressed that recovery would be patient and could take a couple of more years. However, the investors were liquid and had an appetite for real estate.

The chapter would like to thank Jill Hatton, CRE for organizing this event and her efforts to run the event smoothly.

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