



nerej

Bob Anderson - NAR's 2011 first quarter reporting highlights

May 05, 2011 - Northern New England

This month - NECPE continues to show growth in Commercial Property sales volume for 2011 at almost \$47 million over the same period in 2010 of \$25 million. Discussion of the introduction by NAR Realtor Party Political Survival Initiative.

The commercial property sales market continues to show promising numbers for 2011. In talking to my counterparts around the State there is optimism and statements noting a change in the "market feel". However, there is an unwillingness to predict the remainder of the year based on this current strength. "The market is just too volatile at this point" states one broker. Government programs, product availability, and financing terms continue to be the primary stated concerns. I do note there are smiles on the faces this year.

Leasing activity is flat for the same time period. Not a bad statistic considering the uptick in the sales numbers.

NAR's 2011 first quarter reporting highlights included:

- * From the first quarter of this year to the first quarter of 2012, NAR expects vacancy rates to decline 0.5 percentage point in the office sector, 1.3 points in industrial real estate, 0.1 point in the retail sector and 0.9 percentage point in the multifamily rental market.
- * Average apartment rent is projected to grow 3.4% this year and another 4.2% in 2012.
- * The Society of Industrial and Office Realtors, in its SIOR Commercial Real Estate Index, shows a notable improvement in market fundamentals.
- * Based on the Bureau of Economic Analysis's second estimate, gross domestic product (GDP) rose 2.8% in the fourth quarter 2010.

By now everyone has heard from NAR about the Realtor Party Political Survival Initiative (RPPSI). In traveling around the State it seems that the discussions are focused on the \$40 per year increase in NAR dues or that NAR will increase its Political spending to 52% of its budget. While I understand these concerns, I am more apprehensive of the effects of Supreme Court's 2010 decision in Citizens United v. the Federal Election Commission that created this scenario.

We have entered an era where unlimited Soft Money Dollars can be spent by corporations on political advertising to influence the public to follow their will. I wonder if NAR would have had the ability to withstand, and win, an 8 year battle with the banking industry to keep them out of real estate under these new conditions? Of course this is a heated discussion and while no one I talk to thinks an exponential increase in money in politics is a good thing, here we are.

A national vote to approve a \$40 increase or shift \$35 from the Public Awareness Campaign to fund the Initiative will be held during the May NAR Legislative Meetings in Washington, DC. We in NH have 4 votes and they are cast by Tom Riley, Monika McGillicuddy, John Rice, and Angie Kopka . Your voice/email is needed to help these individuals understand your position. It should be noted that the May vote is not an up or down vote.

Changes to funding may be introduced at the session. There have been a number of interesting options discussed in the Blogs.

Your NH CIBOR Board has drafted a position to support the maintenance of the fees at the current \$80 per Member per year and that the RPPSI monies be realized by shifting \$35 per Member from the Public Awareness Campaign special assessment to dues.

Bob Anderson is the 2011 president of the NH CIBOR chapter and is with Prudential Verani Realty, Portsmouth.

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