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President's message: The first half of 2015 is now behind us

July 09, 2015 - Appraisal & Consulting

The first half of 2015 is now behind us. Looking back at the seemingly never-ending stream of snowfall, with a delayed start to spring, warm weather, sunshine and summer is now upon us.

The real estate markets have reacted to positive economic news on the national, regional and local level, creating a robust marketplace requiring the services of valuation professionals.

The following is a general re-cap of often followed metrics, as of mid-year.

Nationally, unemployment is at its lowest level in 7 years, with hiring trends remaining robust.

Consumer spending and personal income growth remains positive

Existing Homes Sales have increased with the National Association of Realtors reporting 8.5% growth YOY in the Northeast. Median pricing has increased 4.2%. Inventories continue to be at low levels.

Commercial markets remain stable, with positive signs. General consensus shows stable office conditions, with absorption keeping pace with new deliveries, stable to increasing rent levels, with many markets showing a trend of flight to quality, creating challenges in the suburban class B & C products. Industrial markets remain stable with positive outlooks in the warehousing sector, particularly along the I-95 corridor in the eastern U.S. where the expansion of the Panama Canal is anticipated to boost demand. The retail markets continue to be supply constrained, with this ever-changing property class adjusting to consumer and retailer demands. Hotel markets continue to show improvement, a positive sign as this sector is often viewed as an economic barometer. The residential apartment markets on a national scale remain robust, with construction activity at levels not seen in more than a decade.

Ever-changing global and national conditions, both political and economic, offer a tempered response to general outlook, however, as the Fed notes after their recent meeting, "The Committee (FOMC) continues to see the risks to the outlook for economic activity and the labor market as nearly balanced."

Locally, the Massachusetts and Rhode Island chapter of the Appraisal Institute remains engaged in delivering high quality relevant educational offerings, for both qualifying and continuing education offerings for appraisers involved in valuation services for both the commercial and residential sectors of our local economies.

A reminder to all members, candidates and associates that the current newsletter can be found on the chapter website under Chapter News. The newsletter provides our membership with information relative to AI Chapter and National news. A very special thank you to Lianne Andreucci, Lisa-Marlin Winter and Abby Petty for development of the recent newsletter.

Our wishes for you are for a safe, healthy and happy July !

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