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Transmogrification - Moving forward - by David Kirk

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Transforming in a surprising or magical manner does offer some direction if not specificity. The FED recently released the Beige Book, the monthly FOMC statement and the FED forecast all of which provide fiscal stability for the foreseeable future (for as much as two years). The pandemic has prevailed long enough to have established a new economy with new demography and technology – patterns of change, post pandemic. Behaviors are still in formative stages. In many respects, the new norms are evolving, yet COVID19 uncertainty about duration, shape and impact still prevails with daily impacts. Behaviors will accordingly morph to match pandemic. Jeff Bezos CEO of Amazon shared one of his personal inspirational messages in Congressional testimony recently, Every Day is DAY ONE. So be it. According to Amazon and Bezos.

FED released the statement of the Federal Open Markets Committee on September 16, 2020 following the September monthly deliberations. The committee decided to keep the target range for federal funds at the current range of 0 to ¼ percent and to maintain an accommodative stance until employment has reached maximum employment, as determined by Fed, and inflation averages 2 per cent which might include inflation rising above 2 per cent. These are the goals and guidance for the longer run. To foster accommodative financial conditions of smooth market functioning and support to credit flow to households and businesses, the Fed will continue to increase investments at or above the current purchase rate. The Fed also acknowledged that the economy will depend significantly on the virus, and the public health will determine short term and medium-term economic conditions. The last update of the Beige Book was September 2, 2020, and the anecdotal regional federal district reports were based on information collected on or before August 24, 2020. Although economic activity increased among most districts, uncertainty and volatility prevailed nationwide. The Fed also released the FOMC four-year plus forecast on September 16, 2020. The Fed's flurry of financial information provides rhetoric and context for the current, medium- and longer-term outlook.

Behavior is random and predictable all at once and unfolds with and without the traditional economic determinants. Behavioral economics just happens to be a desperate combination of the rigor of the math and the enigmatic human patterns that defy the box. The stickiness, habits and sedentary

character of residents and business particularly when lifestyle, schools and services are still good, will be powerful and forceful impacts on behavior and behavioral economics. And demand and location are still measurable. Transmogrification can still occur. With the constantly changing pandemic and direct personal and economic impacts, predictability and stability are at a premium. A deliberate and transparent and predictable Fed is a good team player. Leaders and stewards in the built environment are good listeners and interdisciplinary team players – ready to set and revise the plan and protocols and shifts again for DAY ONE! And be smooth and predictable.

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