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2024 Year in Review: Thomas Shihadeh, Marcus & Millichap

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Thomas Shihadeh
Vice President/Regional Manager
Marcus & Millichap

What noteworthy transactions or deals from this year best exemplified key market trends or shifts? We've noticed that pricing for multi-tenant retail and multifamily has remained strong despite a stringent lending environment and higher mortgage rates. Multi-tenant retail in New England is benefiting from an extremely low vacancy rate and demographic shifts to the suburbs, while the widening rent-versus-buy gap in Boston has elevated investor demand for multifamily. In reviewing more than 80 retail and multifamily transactions we've closed or are scheduled to close in 2024, cap rates have not shifted much since the extreme highs of 2021 and 2022, which I find remarkable.

What was your greatest professional accomplishment or most notable project, deal, or transaction in 2024?

Our volume has been our greatest accomplishment in 2024. As a team, we will finish the year with close to 100 closings, nearly half of them taking place in the fourth quarter. Many of these sales have been exhaustive processes with hurdles to overcome at every stage, from initial marketing through escrow. It's been a challenging brokerage environment that has required tremendous persistence, diligence, and care with each transaction.

What emerging trends will drive investment and development in 2025?

The local administration taking steps to streamline development with more as-of-right zoning and increased density allowances should incentivize developers as the certainty of permits and timelines for approvals becomes clearer. Boston has fared better than others with downtown office occupancy rates, and more companies are calling employees back, aiding both office and retail occupancy. I don't expect the long-anticipated rate relief to occur, with what many deem to be a pro-business administration moving into the White House. I expect deal activity to pick up due to a stronger economy, an easier lending environment, and pent-up demand from investors looking to deploy capital.

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