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2024 Year in Review: Michele Fitzpatrick, Northern Bank

December 27, 2024 - Spotlights



Michele Fitzpatrick
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What noteworthy transactions or deals from this year best exemplified key market trends or shifts?

Northern 1031 Exchange recently demonstrated our commitment to comprehensive financial planning by facilitating a nuanced real estate transaction that addressed the unique needs of a multi-generational family. Recognizing the balance between retirement security and long-term wealth preservation, we worked closely with the family and their commercial real estate broker to develop a tailored solution.

This carefully structured exchange transformed \$15 million of non-income-generating land in Missouri into a diversified portfolio of triple-net (NNN) lease properties. This approach deferred capital gains tax and established a predictable, passive income stream that supports the family's immediate needs and future financial stability.

What emerging trends will drive investment and development in 2025?

In today's challenging real estate market, land assets are becoming strategic investments for 1031 Exchange. The residential housing shortage has created unprecedented opportunities, with landowners experiencing valuation premiums driven by constrained supply and robust market demand.

Our market analysis reveals a notable increase in land exchange transactions this year, reflecting this shift. Developers and investors are strategically positioning themselves to navigate the complex real estate landscape, capitalizing on market dynamics and portfolio diversification.

Looking ahead, limited residential inventory coupled with strategic investments are expected to drive transaction volumes and land valuations, presenting unique opportunities for forward-thinking real estate professionals.

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