



## UPCOMING EVENTS:

### MEETINGS & EVENTS:

*March 1, 2017*  
Chapter Meeting  
New Haven Lawn Club  
New Haven, CT

*March 22, 2017*  
Educational Tech Seminar  
Quinnipiac Club  
New Haven, CT

### CONFERENCES:

*April 26 - 29, 2017*  
2017 Spring World Conference  
Sheraton New Orleans Hotel  
New Orleans, LA

## Connecticut Chapter of SIOR PRESS RELEASE

**From:** Art Ross, Director of Communications  
**Date:** February 10, 2017

### Connecticut/Western Massachusetts 2016 Year-End SIOR Market Survey

The Connecticut/ Western Massachusetts Chapter of SIOR announced the results of its semi-annual membership survey of commercial real estate market conditions. The survey is based on market activity for the period July through December 2016 within the region.

SIOR survey results point to a continuation of the positive trend established earlier in 2016. Responses have trended away from negative to either stable or improvement. In general, it indicates a market that continues to improve although the pace of improvement in the office sector is lagging behind the industrial sector. Members noting improving market conditions were in the majority (59%) although this is a slight decrease from the prior survey. Members experiencing a stable market increased to 37% and those experiencing a decline decreased to 4%. Predictions for 2017 are more positive with 63% expecting improvement, 33% anticipating no change and the remainder expecting a decline (4%).

Predictions regarding lease rates for 2017 are positive for industrial but less so for office. No decline is projected for industrial lease rates and members are evenly split between no change (50%) or an increase (50%). Office lease rates are largely expected to remain unchanged (52%) and the remainder is evenly divided between an increase (24%) and a further decline (24%). Expectations regarding the direction of market vacancy rates for the first half of 2016 differ by market sector. The industrial sector has the more positive outlook as vacancy rates are expected to decrease (82%) or remain unchanged (14%) with only 4% expecting an increase in vacancy rates. Predictions for office vacancy rates remain stable but negative with 48% expecting an increase in vacancy rates or rates to remain unchanged (28%) and the remainder anticipates a decrease (24%).

Predictions for sales prices for 2017 differ by sector. Survey responses for industrial properties predict upward pressure on pricing (54%) with a group anticipating stable pricing (41%) and 4% expecting a decline. Survey responses for office are less positive as (50%) indicate prices have stabilized and a smaller component anticipate further price declines (32%) and a small group anticipate a price increase (18%). Results for investment cap rates presumably reflect potential interest rate hikes with a majority anticipating no changes (48%) or expect cap rates to increase (38%) which results in declining values for investment properties and the remainder anticipating a decrease in cap rates (14%).

Although the majority of members do not anticipate new development (63%) in 2017, a number of members expect an increase (30%) in development and a minority (7%) expect a decline. Expectations regarding growth by users indicate no change (48%) and the remainder divided between expansion (41%) and contraction (11%). Comments by members reflect positive sentiment about the market and the national economy ahead but note challenges specific to the region's economy and business climate. A separate set of challenges will be finding product for users/investors at pricing they can accept/afford in the face of declining inventory and an extended period of non-development.

## The SIOR Connecticut/Western Massachusetts Chapter Awards University Of Connecticut Scholarships

**Storrs, CT:** The Connecticut/Western Massachusetts Chapter of the Society of Industrial and Office Realtors (SIOR) is pleased to announce recent University of Connecticut Scholarship recipients for the 2016/2017 academic year.

A total of \$10,200 was awarded to six deserving students from UCONN's School of Business, all majoring in Real Estate and Urban Economics. The scholarships are funded from the Chapter sponsored Samuel F. Pierson and Carl F. Traub scholarships, with matching dollars provided by The SIOR Foundation.

The Connecticut/Western Massachusetts SIOR Chapter is delighted to acknowledge its latest scholarship recipients: Brad Canova, Kyle Ernest, Katherine Lynch, Katy Lepeturin, Nelson Jayakar, and Zitao Zhang. All the recipients are Deans List students.



*Scholarship Recipients (L to R): Brad Canova, Kyle Ernest, Katherine Lynch, Katy Lepeturin, Nelson Jayakar and Zitao Zhang.*

The Connecticut/Western Massachusetts Chapter is one of forty-eight chapters of the prestigious international organization, the Society of Industrial and Office Realtors. Commercial real estate professionals must meet rigorous requirements to earn the SIOR designation. SIOR, based in Washington, DC and founded in 1941, has more than 3,100 members in 680 markets located in 36 countries. SIORs are top producers who are required to complete an educational recertification program every three years. This assures those who need the services of a commercial real estate agent that the SIOR has achieved continued excellence.

Please visit the Chapter's website [www.siorct.com](http://www.siorct.com) to find additional information on the Connecticut/Western Massachusetts Chapter, Chapter members, and upcoming events. Should you have questions or interest in the requirements and benefits of becoming an SIOR and joining the Connecticut/Western Massachusetts Chapter, please contact Stephen Press, SIOR at 203.288.1900 or John Reed, SIOR at 860.987.4788.