SUMMARY AND EDITORIAL

The decline in the U.S. economy is already well know. Problems beginning in real estate markets have filtered their way through the U.S. and the rest of the world to generate recession that has reached most of the world. At one time, Oregon seem to be somewhat insulated from the worldwide recession. Only now, it is becoming clear that Oregon may experience some of the worst impacts. In the wake of the Measure 66 and Measure 67 tax increases, some blame Oregon's business environment for the state's sustained decline.

Randy Miller, however, finds that the grass is not greener elsewhere in the western U.S. Instead, he argues that Oregon has a tax environment and educational system that is as good, if not superior, other states. At the same time, **Bruce Cain** is concerned that politicians and interest groups will look toward a real estate transaction tax as a source for funding for continuing or expanded government services.

Our **office market analysis** finds conflicting data, with some reports showing stable vacancy rates and other reports showing slightly improving vacancies. In **retail markets** declining vacancies, but some substantial increases construction. **Industrial market analysis** experienced a slight vacancy rate increase and positive net absorption during the third quarter of 2010.

In **multifamily markets**, many submarkets are seeing some concessions to encourage new move ins. At the same time, rents seem to be holding steady or increasing slightly. Apartments appear to be gaining a stronger share of the housing market with many apartment complexes with occupancy above 95 percent or better in many cases..

Residential real estate prices show some upticks, fueled in part by the homebuyer tax credits. With the peak buying season over, however, a record number of foreclosures and jobs concerns, many cities are concerned about the potential of declined prices in the year ahead.

Eric Fruits, Ph.D.
Editor, *Center for Real Estate Quarterly Journal*
fruits@pdx.edu
Tel: 503-928-6635