



SPRING/ SUMMER 2014

LOCAL TOUR COMPANIES ARE GEARING UP FOR THE 2014 season which is expected to host nearly one million visitors here in Juneau. However, because sales tax revenues have fallen behind last years' projections, we expect that the season will bring sales levels pretty much in line with 2013. There are continuing adjustments in the jewelry store lineup in the core markets of Ketchikan, Juneau, and Skagway. Retailers say that visitors continue to spend moderately..

SALES AND NEW LISTINGS OF MULTI FAMILY PROPERTIES CONTINUE STRONG, as a result of several factors. First, most of the product coming on line are older properties which have been held for decades by the original owners. This reflects a shift in equity to newer properties and investment in other markets. Additionally, there is a generational shift in ownership to younger investors. Properties that are being purchased are at price levels that reflect the condition of these units. Favorable interest rates are good for both buyers and sellers. In the last sixty days areawide, we have sold 70 units and listed another 65 for sale.

THE NEW SOBOLEFF CENTER DOWNTOWN IS BRINGING OVER 5,000 SQUARE FEET OF CLASS "A" SPACE TO DOWNTOWN JUNEAU. This new offering is big news to Juneau's office market, because, older buildings have not been able to lay claim to "A" ratings both as a result of age, and overall condition. There will be two floors of the building that will appeal to companies wishing to upgrade their locations and the amenities that their employees will enjoy. While rates will be on the top end of the current market, we plan to have this space entirely leased up when the building opens in spring of 2015. Call us for details.

NEW CONDOMINIUM PROJECT BEING PERMITTED FOR AUKE BAY LOCATION.

While the announcement has not yet been made publicly, initial permitting is underway for a new condominium project overlooking Auke Bay. Presently the project calls for 15 units that will have water views and elevator access from the harbor location. We believe that this development signals at least a three year period of substantial new construction of all types of housing in Juneau. This will help address the current pent up demand which has created imbalance in the market with less than 3% vacancy in most sectors.

THE WHALE SCULPTURE IS NEARING COMPLETION, BUT ITS ULTIMATE LOCATION REMAINS UNCERTAIN with the recent announcement by a private investment group that seeks to locate the sculpture on CBJ land near the subport. With the argument that the proposed location will actually attract a substantially larger number of seasonal visitors to local businesses downtown, the previously nominated location on CBJ land near the bridge will see more scrutiny as a result. It is expected that the new proposed location will include a mixed use commercial development adjacent to it, which could have potential for new property and sales tax revenue for the CBJ. The new location will be vetted in the next six months by the Assembly

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