



## **2022 Year in Review: Thomas Donovan, B6 Real Estate Advisors**

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Thomas Donovan  
Partner, Vice Chairman

What person, project, transaction or market trend had the greatest impact on your industry this year?

The rising interest rate environment had the greatest impact on the commercial real estate market in 2022. The Federal Reserve raised interest rates six times this year as a means to curb inflation. This had multiple effects on the sales market; not only the significantly higher cost of borrowing money but causing a slowdown in velocity and pause in both buyer & seller confidence.

What emerging trends will drive investment and development in 2023?

I believe a trend in 2023 will be that sales will be driven by the debt resets of 2016-2018 loans coming due. Properties that were financed prior to the 2019 rent laws have lost considerable equity since the upside was eliminated, and higher interest rates will force many property owners to sell rather than add equity to their buildings to refinance at a lower amount.

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