



Join the Association of Fundraising Professionals San Diego Chapter for informative luncheon programs:

Friday, December 5

#### **Volunteer Leadership & Succession Planning**

by Toni Woodward Nickell

Recipient of the National Philanthropy Day 2008 *Spirit of Philanthropy Award* for Outstanding Organizational Volunteer

Friday, January 9

#### **Trends In Philanthropy:**

##### **Sharing Results of the San Diego Study**

A study conducted by San Diego Grantmakers and University of San Diego Caster Family Center for Nonprofit Research

Friday, February 6\*

#### **Diversity**

Led by Bernardo M. Ferdman, PhD Professor at the Marshall Goldsmith School of Management, Alliant International University

Friday, March 6

#### **Michael O'Leary Ethics Presentation**

By Alfred (Chip) Brown, MBA Principal, Laudick/Brown & Associates

\*February luncheon will be held at the Sheraton Mission Valley.

Luncheon programs take place at the Handlery Hotel, 950 Hotel Circle North in San Diego\* at 12:00 pm. AFP Members pay just \$40; Non-Members just \$55



## **Gary London** >>REAL ESTATE

# Good News for '09: Real Estate Still in Limited Supply



It must be providential that the holiday blockbuster of this year's entertainment season is a movie called "Twilight," suggesting that a hundred zillion

people, mostly teenagers holding our future in their hands, are visiting the fantasy of the supernatural as the sun sets.

As we approach the end of the year, it does indeed feel more like twilight. But I have a hopeful sense that come later in January it will feel more like "sunrise."

Here's why: The economic crisis is real, but it is fed by a global lack of confidence.

This includes an absence of confidence in our institutions, our leaders, and our ability to work out of immensely completed and large issues.

It is a plethora of issues, ranging from the economic to the political, to wars and terror — even the earth's very climate as we know it.

Yet, to most of us it is about our comfort level.

The greatest source of our comfort is the home we live in. It is where all that matters takes place. It's where we love, and nurture, and grow and prosper. It is also the lone asset that, for most of us, gives us the greatest sense of our wealth.

#### **Foreclosure Factor**

Three years ago, when the housing market reached its peak, most regular people felt secure, even prosperous. Some who had speculated on other homes or condos felt rich.

Fast forward those three years and while most of those same people are still holding those assets — unless they now number the nearly 8 percent that have actually foreclosed — they certainly do not feel as secure.

It is not as though, for most, much has actually changed. The foreclosure rate, while historically high, hasn't impacted most of us. It is also still rooted in certain unfortunate neighborhoods and ZIP codes. While expanding, it is not yet a contagion.

It's just that we don't feel so good in December 2008. Part of it is that we read

the news about home values dipping. And while most of the media, frankly, has not acted particularly responsibly in their reportorial conduct — the numbers are averages, the numbers only report actual sales, and most actual sales are distressed, and those distresses bring the values down — it is true that the lending environment is frozen in place. There are fewer buyers out there that can qualify for a loan.

And real estate that is by its nature not a particularly liquid asset — you just can't sell it as easily as a stock, even at a discount — it is even less liquid today.

#### **Few Changes**

But in reality nothing much has changed, at least with respect to coastal California real estate. It is still in limited supply, nothing is being built, and apartment and rental vacancies in the region are hovering at 2 percent.

So, property is rented, it is flowing cash. Property taxes have mostly been argued down to reflect those average valuation declines.

It's just that we feel poorer. This is the crisis of confidence that President-elect Barack Obama's chief economic adviser, Paul Volker (former Fed chief), is talking about.

The combination of our stock and real estate hits are shaking up our confidence. And the lack of fungibility in the very home that we live in is stirring our sense of discomfort.

In the next two columns I will write about the coming year, covering the breadth of real estate: our homes, our investments, our commercial markets, and our regional and national economy.

But make no mistake about it: These will not be discourses on "twilight."

Because while the Jan. 20 inaugural of our new president is still a month and a half away, I believe President Obama will be talking about engaging our society in rebuilding a foundation of hope.

He will be talking about the sunrise, not the twilight.

*Gary H. London is president of The London Group Realty Advisors, which provides real estate consulting and economic analysis. Check him out on the Web at [londongroup.com](http://londongroup.com).*

## Private Sector on Line 1: County Assessor to Resign

County Assessor-Recorder Gregory Smith is retiring after 25 years to take a "once in a lifetime" job in the private sector.

His last day will be Dec. 31, he said.

"I've thought about this awhile, but it only came together recently, over Thanksgiving. The term was going to end anyway in two years, so that's why I decided to go ahead."

Smith declined to give specifics about his new job.

By law, Assistant Assessor David Butler assumes the duties of assessor until the county Board of Supervisors fills the vacancy. Smith recommended that Butler be appointed to complete his term through 2010.

"I will be leaving the office in great shape and in extremely capable hands with my assistant David Butler, who has been with the county's assessor's office for 32 years and knows every aspect of that

operation as well as recorder/clerk functions," he said.

Smith was appointed assessor in 1983 to complete the unfinished term of his predecessor. He was elected assessor in 1984. He is the longest-serving assessor in county history.

In his resignation letter, Smith said he would be supporting Jeffrey Olson, the office's division chief in charge of assessment services, in the 2010 election for the job.

Butler plans to make Olson his assistant to learn the assessor's operations, Smith said.

"Jeffrey is a dynamic individual who has the passion and desire to run for this office and will make an outstanding candidate and future assessor," Smith wrote.

The assessor makes more than \$167,000 annually and has a staff of 466.

— Ned Randolph

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