

Economic Indicators 2016

Published in the [Keegan & Coppin: Industry Insider](#) January 6, 2016

The financial indicators for the nine Bay Area County Economies will continue their buoyant stride.

We all know that nothing lasts forever, but we are fortunate enough to be experiencing the effects of both local and global economic forces propelling our continuing expansion.

We have a confluence of economic drivers that are creating and continuing a sort of “perfect storm” financial environment. Just starting with the platform created by the success of a few of the Silicon Valley heavy hitters; Apple, Facebook, Google, and Twitter alone create a phenomenal foundation. Such an environment is and has become a magnet for international wealth, international talent and creating thousands of robust jobs and new tiers for business innovation.

In addition, we have a relatively new phenomenon in the explosion of the craft beer industry, and that is adding momentum to the already established Bay Area wine and food culture that continues its worldwide popularity. Tourism is at an all time high, and understandable considering the Bay Area’s location to the wine country, spectacular coast and intrinsic beauty.

As the Bay Area’s economy responds to these energetic market forces, you are witnessing the entire nine county expansion as it responds to these beneficial influences.

Both Sonoma & Marin County are seeing unprecedented appreciation in rents in both the commercial and residential sectors. Contra Costa County and Solano County are expanding their already vibrant transportation corridors and distribution hubs and pushing development to the east as far

as Livermore. The BART expansion service to Antioch is opening in 2017.

The pressure for new housing in all counties continues and as such is creating multi-level job expansion on many fronts to accommodate that growth and demand.

Watch for the wine and beer industries to benefit from the Smart Train track system for transporting goods to Bay Area ports for international distribution.

Expect interest rates to stay low with some market up-tick because an election year status quo will want the appearance of a stable economic environment. The Federal Reserve will go to great lengths to avoid waves that could impact the current smooth sailing of today's economic climate.

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