

THE REAL DEAL

Real Estate Pros Predict Strong 2011 for REITS

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"We think 2011 will be another pretty good year" for real estate investment trusts, Paul Puryear, director of real estate research at Rayond James, told CNBC in the video above. "The sector is very cyclical... We're looking for 10 to 15 percent [in returns] this year." However, attorney **Adam Leitman Bailey** noted that although REITs can do very well, "overall, the market is trashed," he added. "This could be the greatest buying in history of commercial real estate... if you have cash. There are a lot of deals to be scooped up, just noone can afford them." According to Puryear, the mortgage market is starting to reconcile itself and cap rates are going down. He also predicted that 2011 would be a better year than 2010, "but not great," in terms of REITs making investments.