



MEREDA's 2008 Forecast Conference Greater Portland Office Market

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CBRE / The Boulos Company



Maine Real Estate &
Development Association

Supporting Responsible Development

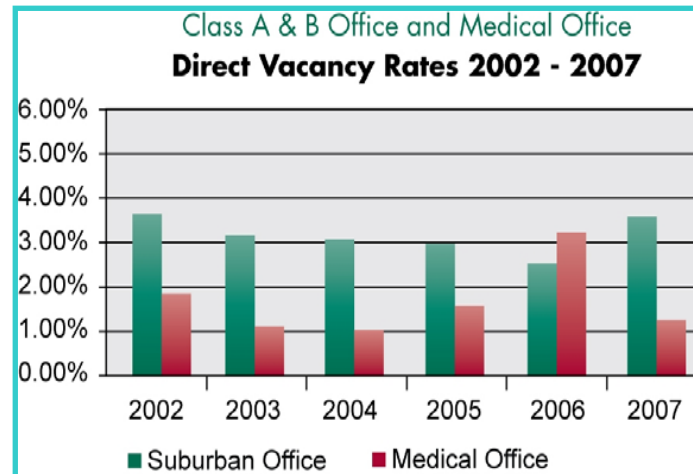
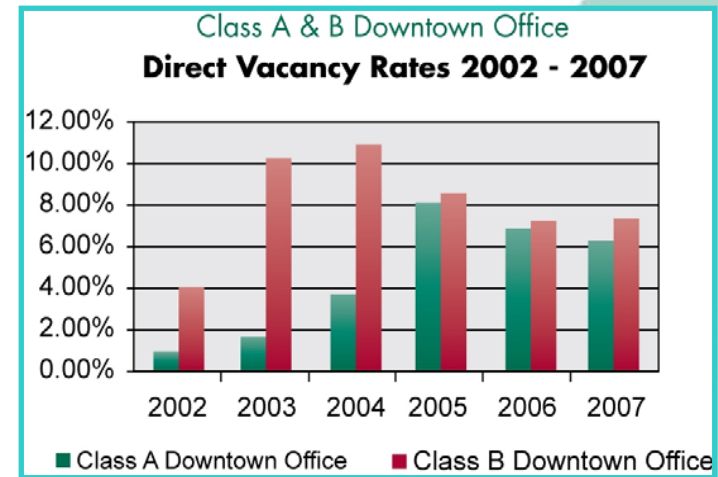
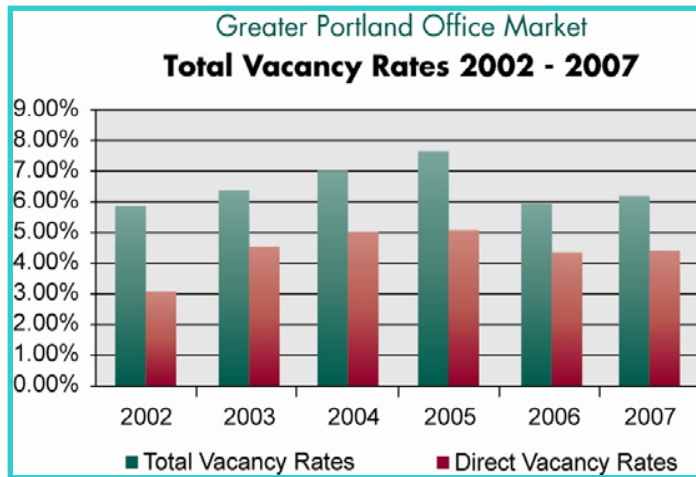
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Greater Portland Office Market Summary

Total Market Size:	10,879,453 _± sf
Direct Vacancy:	486,629 _± sf (4.47%)
Sublease Availability:	195,070 _± sf (1.74%)
Total Available Space:*	676,099 _± sf (6.21%)

**Estimated totals as of December 1, 2007 per CBRE/The Boulos Company's Office Market Survey*

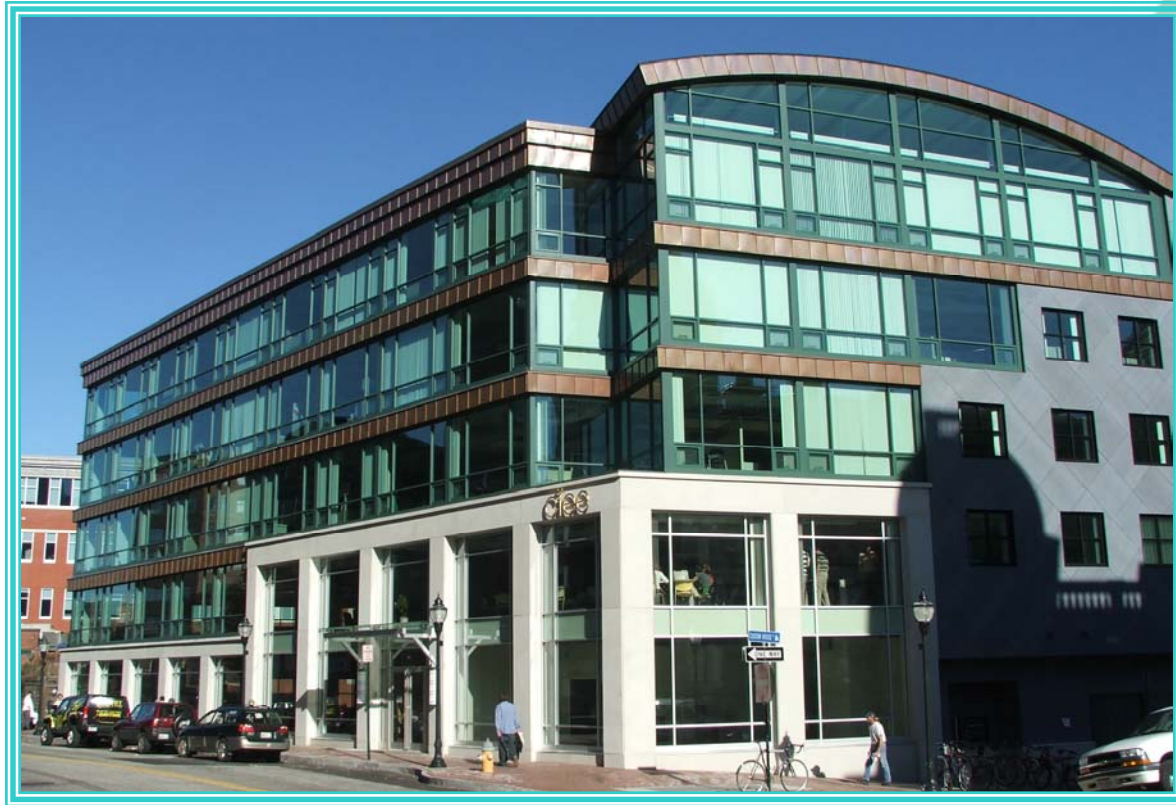
Market Snapshot: A Historical Perspective



Supply and Demand in the Office Market

- Office Market increased by 240,000± sf in past year.
- Approximately 200,000± sf of additional space was occupied in 2007.
- A significant portion of this increase is attributed to the following projects:

300 Fore Street, Portland
CIEE Headquarters
61,129± SF



41 Hutchins Drive, Portland
Woodard & Curran
24,000± SF Addition



63 Marginal Way, Portland
Gorham Savings Bank
34,000± SF



Significant Lease Transactions in 2007

Intermed	84 Marginal Way	69,708 sf
Reliance Standard Life	600 Sable Oaks	34,681 sf
Drummond Woodsum	84 Marginal Way	30,926 sf
Pierce Promotions	1 Monument Sq	29,540 sf
Aetna	175 Running Hill Rd	27,000 sf
IDEXX	One Riverfront Plaza	23,770 sf
Andover College	265 Western Ave	20,000 sf
Kemp Goldberg	2 Canal Plaza	17,710 sf
Maine Medical Center	One Harnois Ave	17,000 sf
Maine Medical Center	1575 Congress St	15,000 sf

Significant Sale Transactions 2007

- 600 Sable Oaks, South Portland
\$16,800,000
99,442± sf Class A office
- 477 Congress St, Portland
\$13,000,000
149,590± sf with parking garage
- 110 Free St, Portland
\$8,000,000
85,450± sf with parking garage
- Custom House Square, Portland
\$11,270,000
50,883± sf Class A office condo
- 778 Main St, South Portland
\$4,600,000
23,375± sf Class A office



New Projects Under Construction

- 84 Marginal Way, Portland 90,000 sf
- Fore River Parkway, Portland 80,000 sf
- 265 Western Ave, So Portland 20,000 sf
- 1575 Congress St, Portland 15,000 sf
- 12 Northbrook Dr, Falmouth 12,000 sf

Significant Vacancies

- 300 Southborough Dr, Portland
116,000 sf
- 110 Free St, Portland
85,000 sf
- 2 Portland Square, Portland
37,000 sf
- 1339 Washington Ave, Portland
32,000 sf



Predictions for 2008

- Large tenants in the market
- Demand on the Peninsula
- Absorption of existing product
- Further development in Bayside and Eastern Waterfront
- Limited ground-up construction; renovation projects more cost effective
- Stabilized rental rates
- Higher CAP rates – investment sales