

## 2008 Greater Portland Office Market Survey



Presented by James D. Harnden, President

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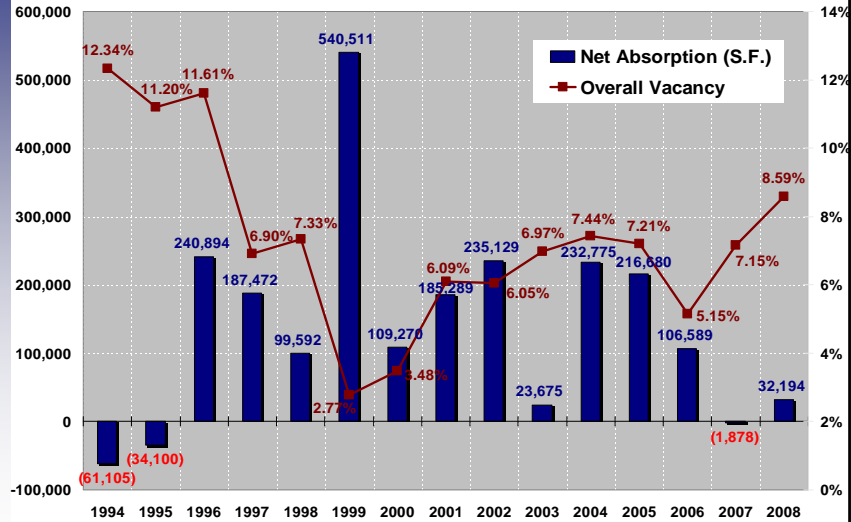
Greater Portland Office Market Survey

## 2008 Office Market Highlights

- ◆ Stable year vs. nation/region
- ◆ Soft year vs. local historic average
- ◆ Overall vacancy up 2<sup>nd</sup> year in a row to 8.59%
- ◆ Positive absorption
- ◆ Asking rental rates up 2.9% overall
- ◆ Greater Portland office market grew 2%, or 190,000 s.f., to 9.65 million rentable square feet

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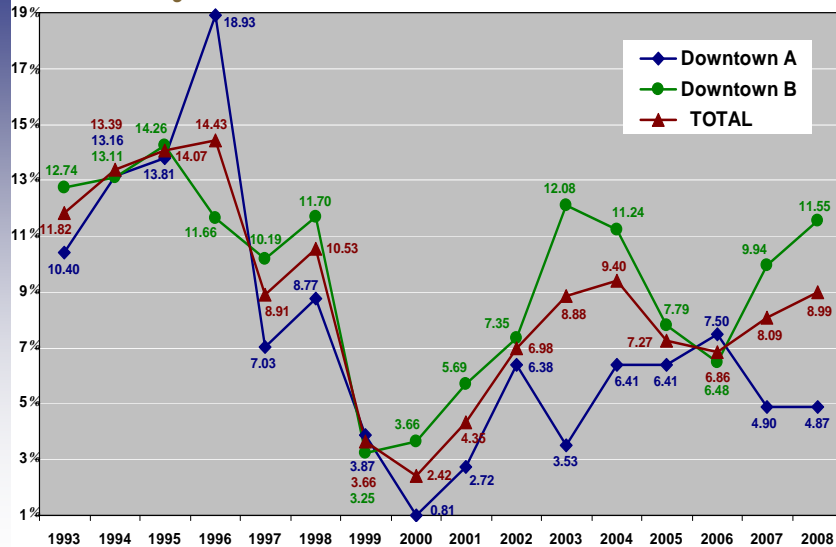
### Historic Overall Vacancy/Net Absorption



Does not include information regarding Greater Portland's medical space

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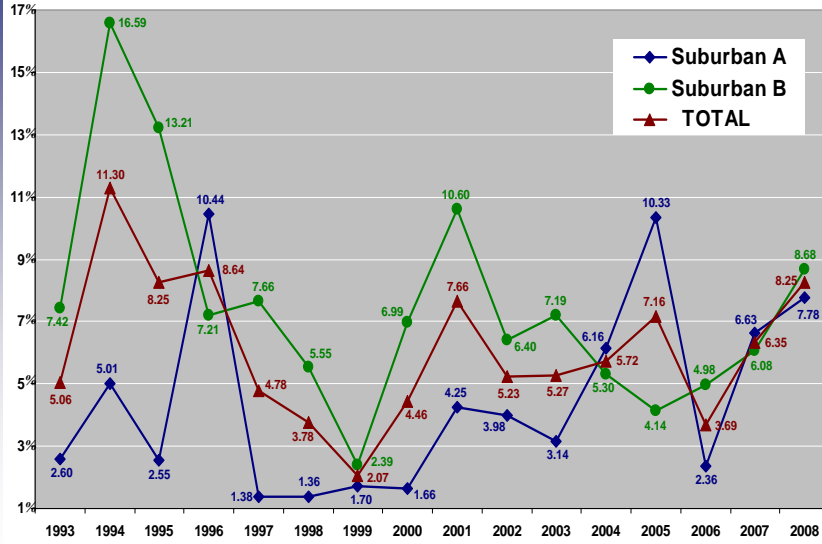
### Vacancy Rate Overall - Downtown



Does not include information regarding Greater Portland's medical space

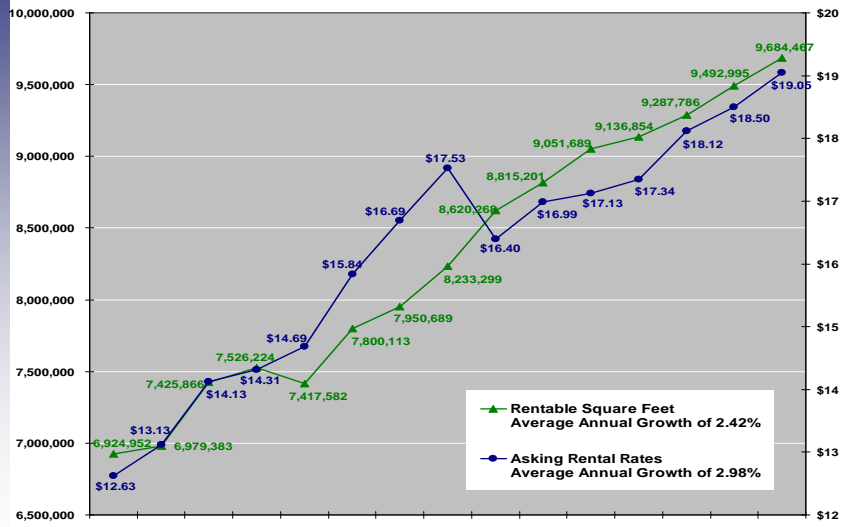
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### Vacancy Rate Overall - Suburban



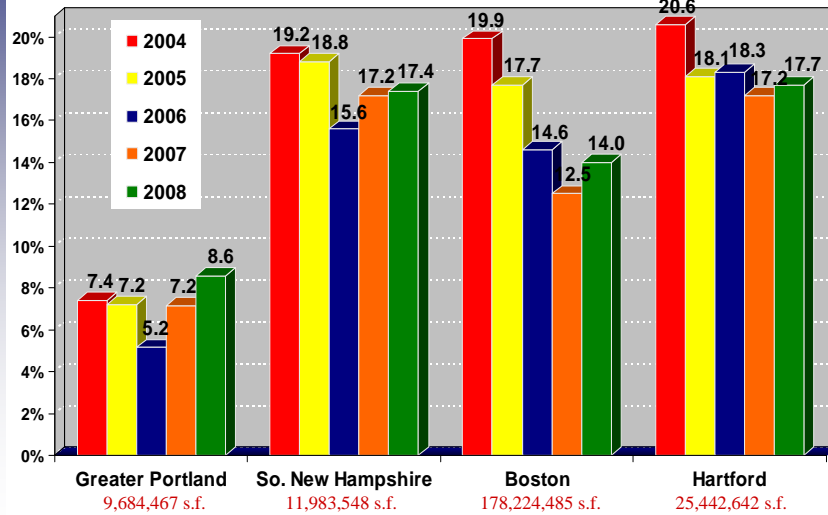
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### Growth Trends: Rentable SF/Asking Rent



Does not include information regarding Greater Portland's medical space  
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## Regional Office Market Overall Vacancy Comparison



SOURCE: Cushman & Wakefield regional information  
Ram Harnden Portland information

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## Notable 2008 Sales

- ◆ **245 Commercial Street, Portland**  
~ 41,124 s.f. Class B office building  
~ \$4,300,000 sale to MEMIC in February
- ◆ **25 Preble Street, Portland**  
~ 32,440 s.f. former Portland Public Market  
~ \$1,900,000 sale to Atlantic National Holdings in June  
~ \$2,000,000 sale to Stephen Goodrich in October
- ◆ **222 St. John Street, Portland**  
~ 105,000 s.f. former Maine Central Railroad building  
~ \$6,933,000 sale to East Brown Cow in October
- ◆ **One Cole Haan Drive, Yarmouth**  
~ 92,142 s.f. Class A office building  
~ \$12,700,000 sale to Tyler Technologies in July
- ◆ **295 – 301 US Route One, Scarborough**  
~ 92,000 s.f. on 16 acres former Orion Center  
~ Approved for 123,420 s.f. retail  
~ \$9,500,000 sale to Hannaford Bros. in February  
~ \$7,385,000 sale to Maine Health in November



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**Where are we now?****..... Looking ahead toward 2009****◆ Market Perspectives****◆ Future Projects**

- ~ Maine Health – Orion Center
- ~ Maine Health – Bayside
- ~ Maine State Pier
- ~ Fairchild Semiconductor

**◆ 2009 Predictions**

- ~ Market Growth Below Historic Average
- ~ Vacancy Increases
- ~ Absorption Decreases
- ~ Capitalization Rates Increase