

BANGOR AREA MARKET OVERVIEW

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Epstein Commercial Real Estate

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WHAT DO THE FOLLOWING HAVE IN COMMON?



Brad Paisley



Cirque de Soleil*

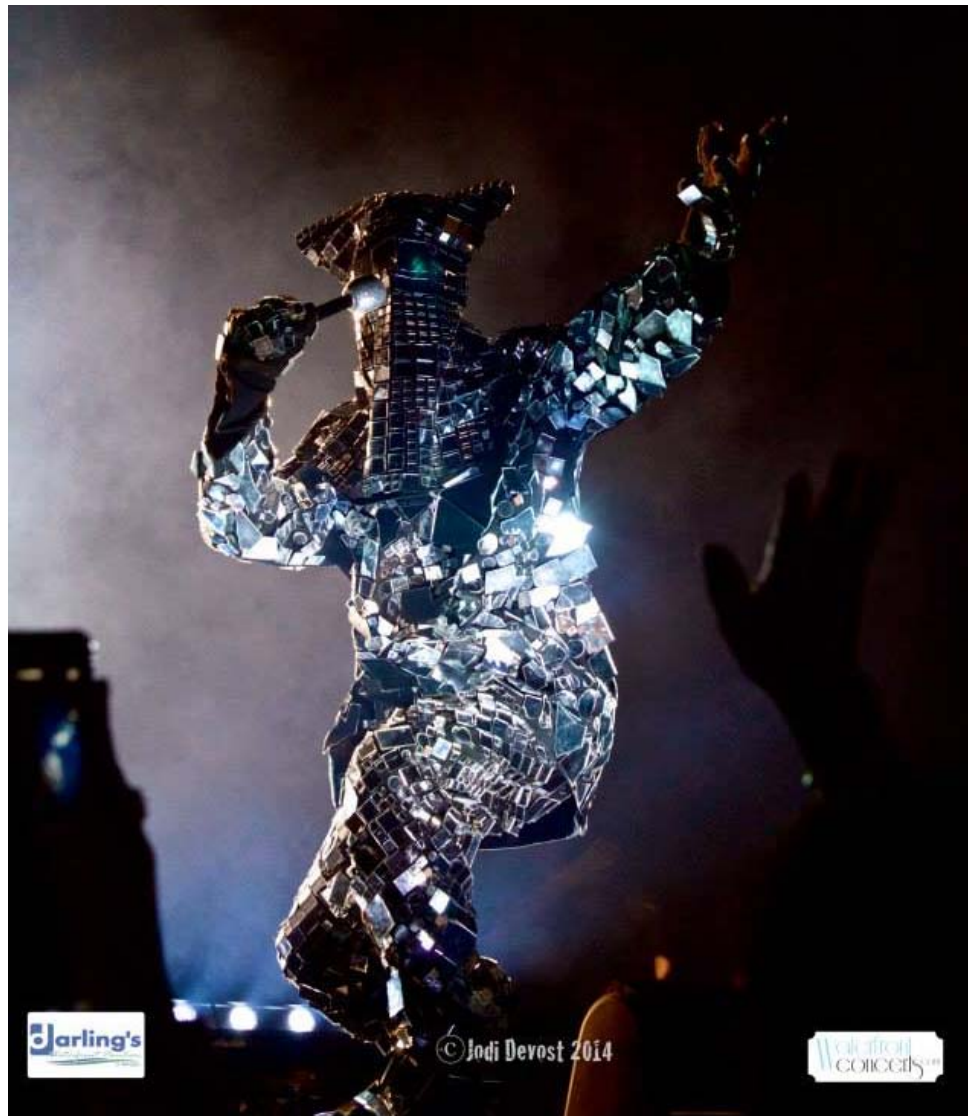


*twice.

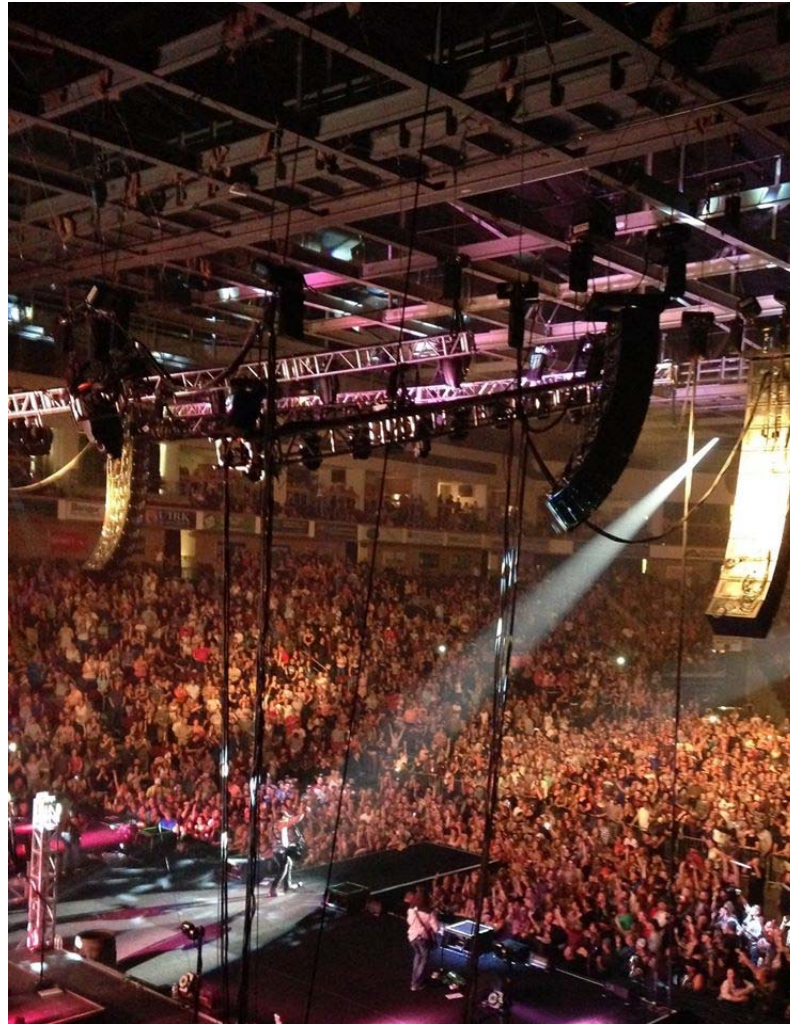
16 performing groups,
100,000 people, and \$15M in 3 days
(aka The American Folk Festival)



Arcade Fire



Brantley Gilbert



A giant beach ball, covered in lights, surrounded by 5,000 people

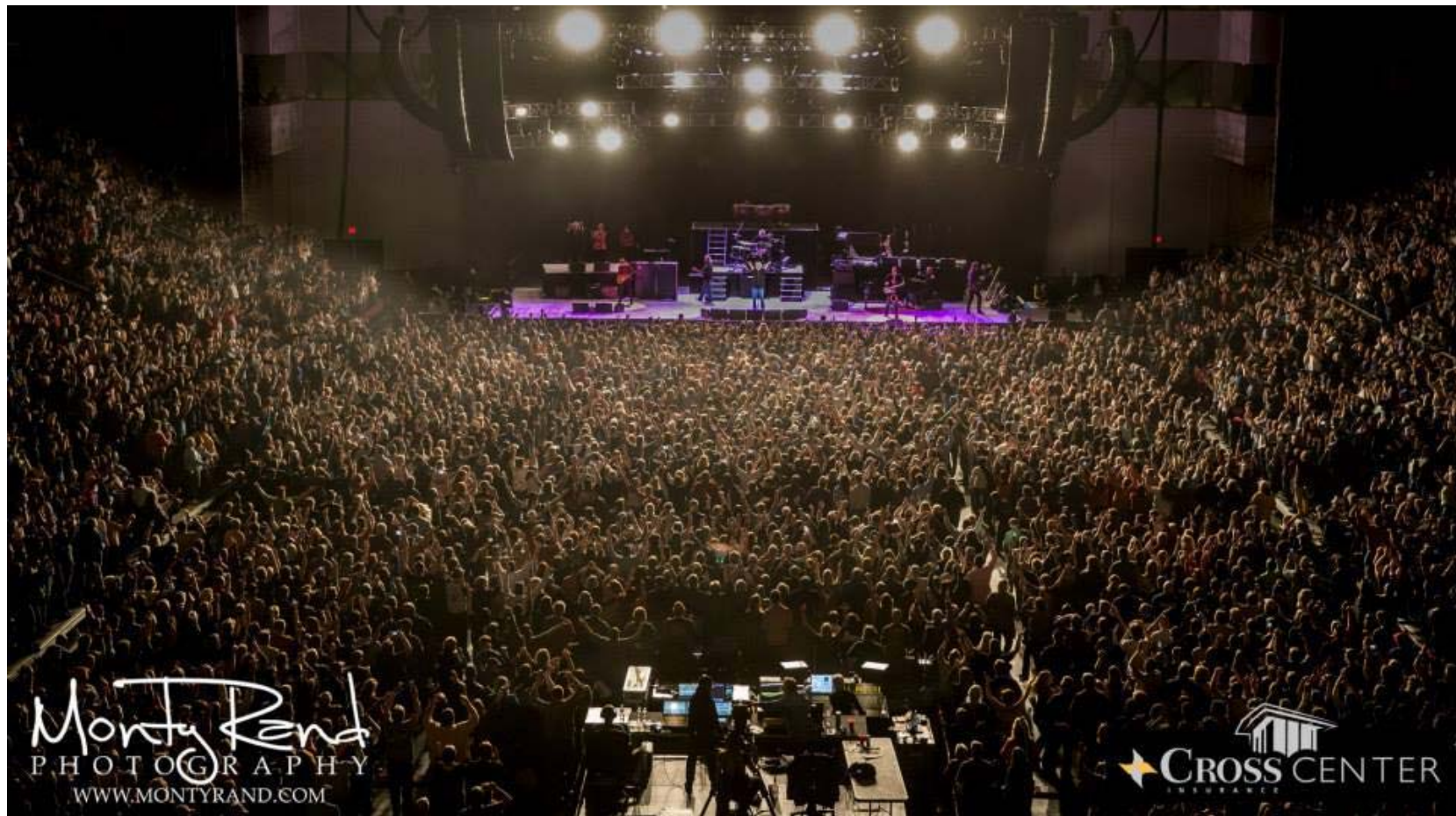


JEFF KIRLIN
THE KING OF THE MOMENT

DOWNTOWN
COUNTDOWN

EPSTEIN
COMMERCIAL
REAL ESTATE

Bob Seger



James Taylor



Tim McGraw



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Nationally-televised UFC Fight Night



Lady Antebellum



Jason Aldean



Dave Matthews Band



Country Music Awards Nomination

Category: Event Venue - Large



#BANGORMOJO

*hat tip to Alex Gray, Waterfront Concerts



Bangor Area Market Overview

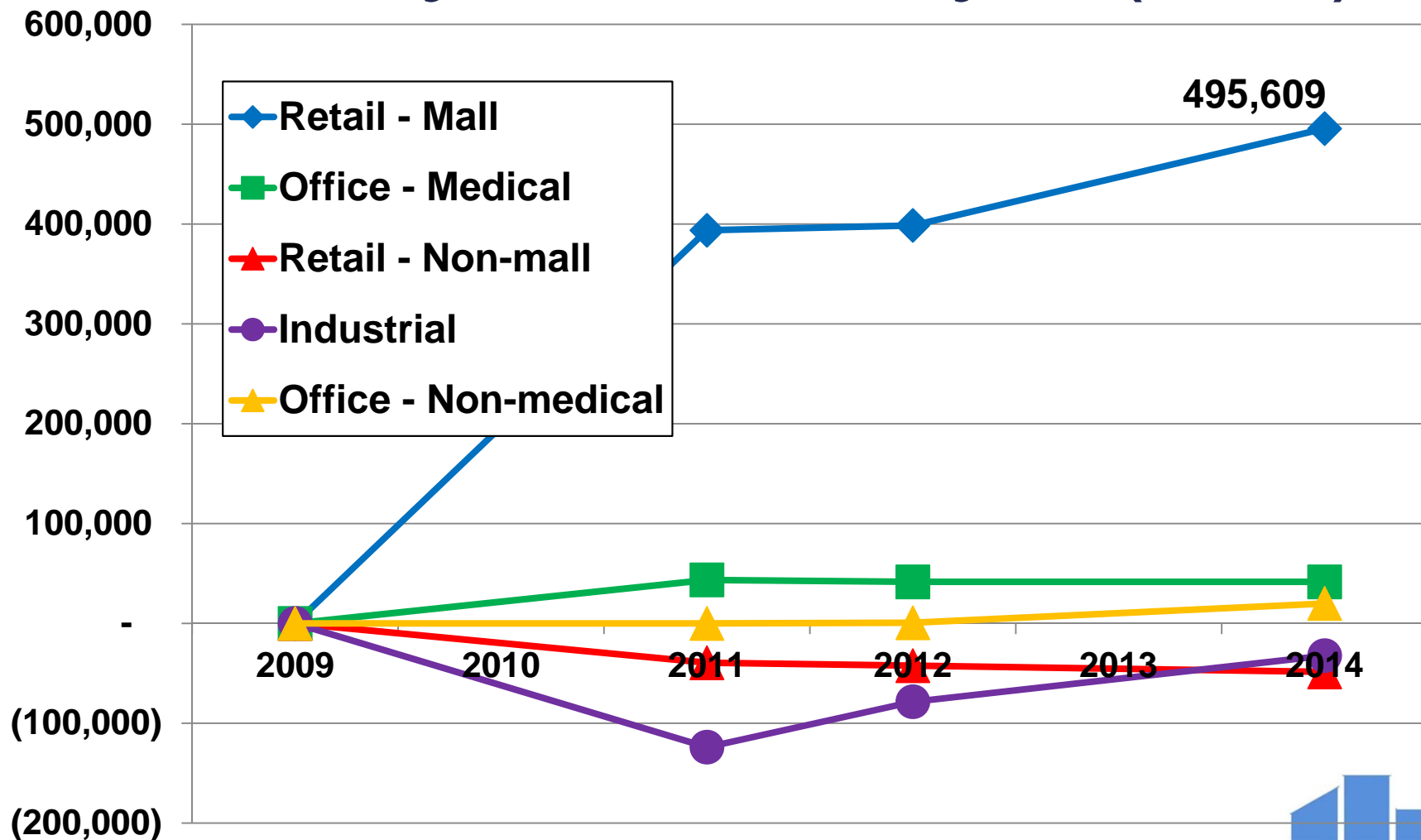
- Market Data
 - Industrial
 - Office
 - Retail
- Trends & Forecasting

THE NUMBERS

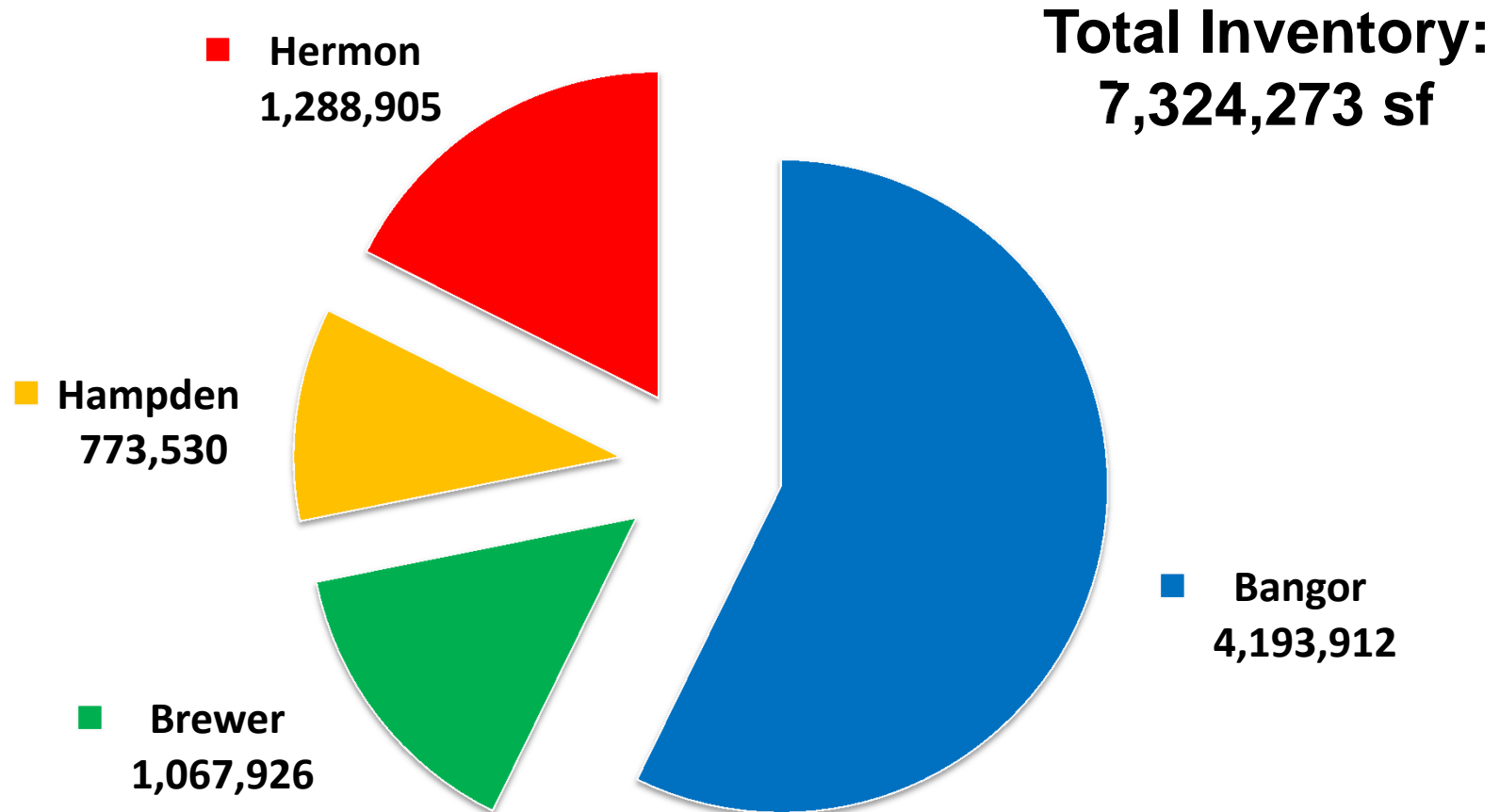
Market Data



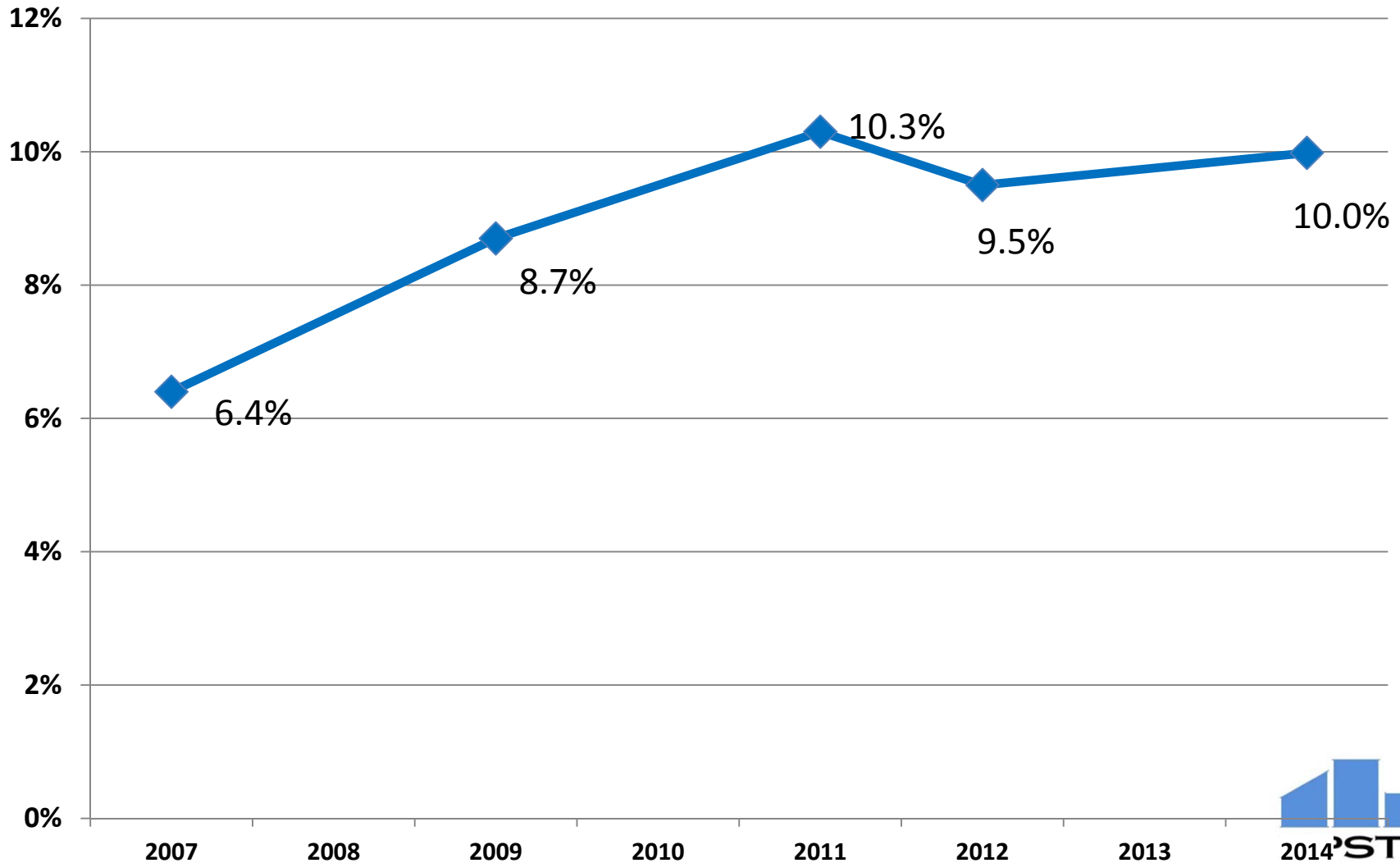
Inventory Δ last five yrs (in sf)



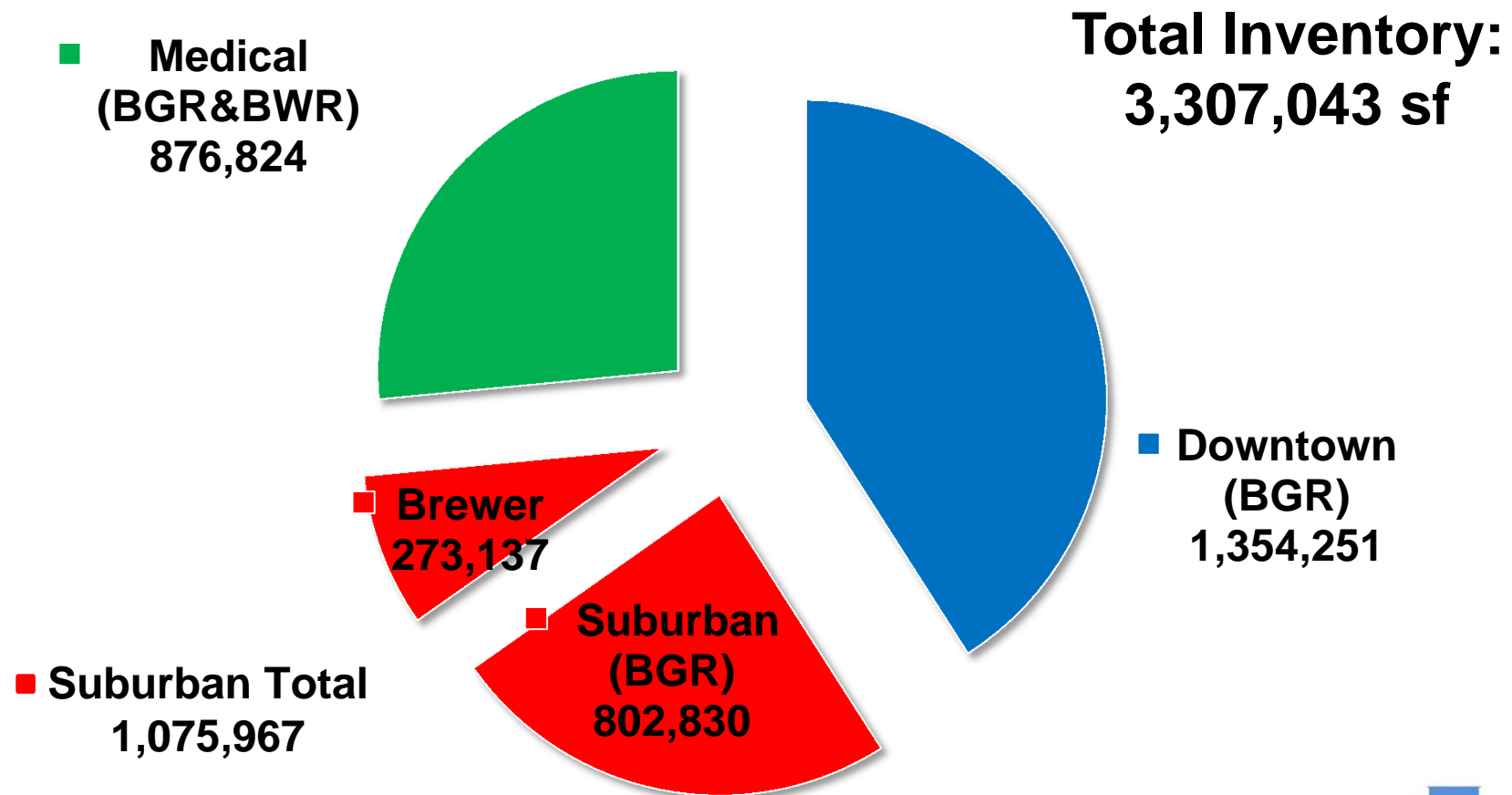
Industrial Inventory



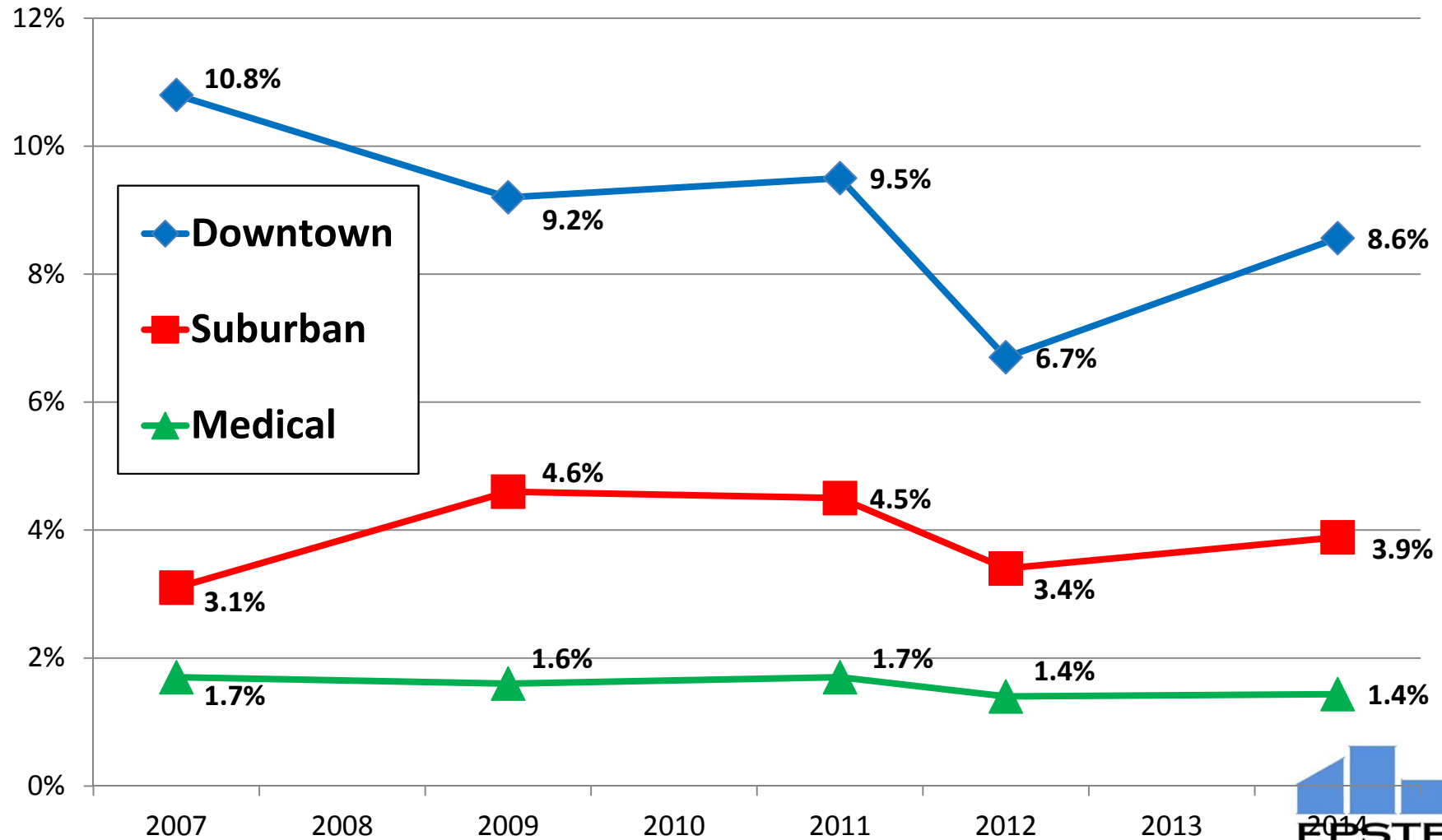
Industrial Vacancy – Total Market



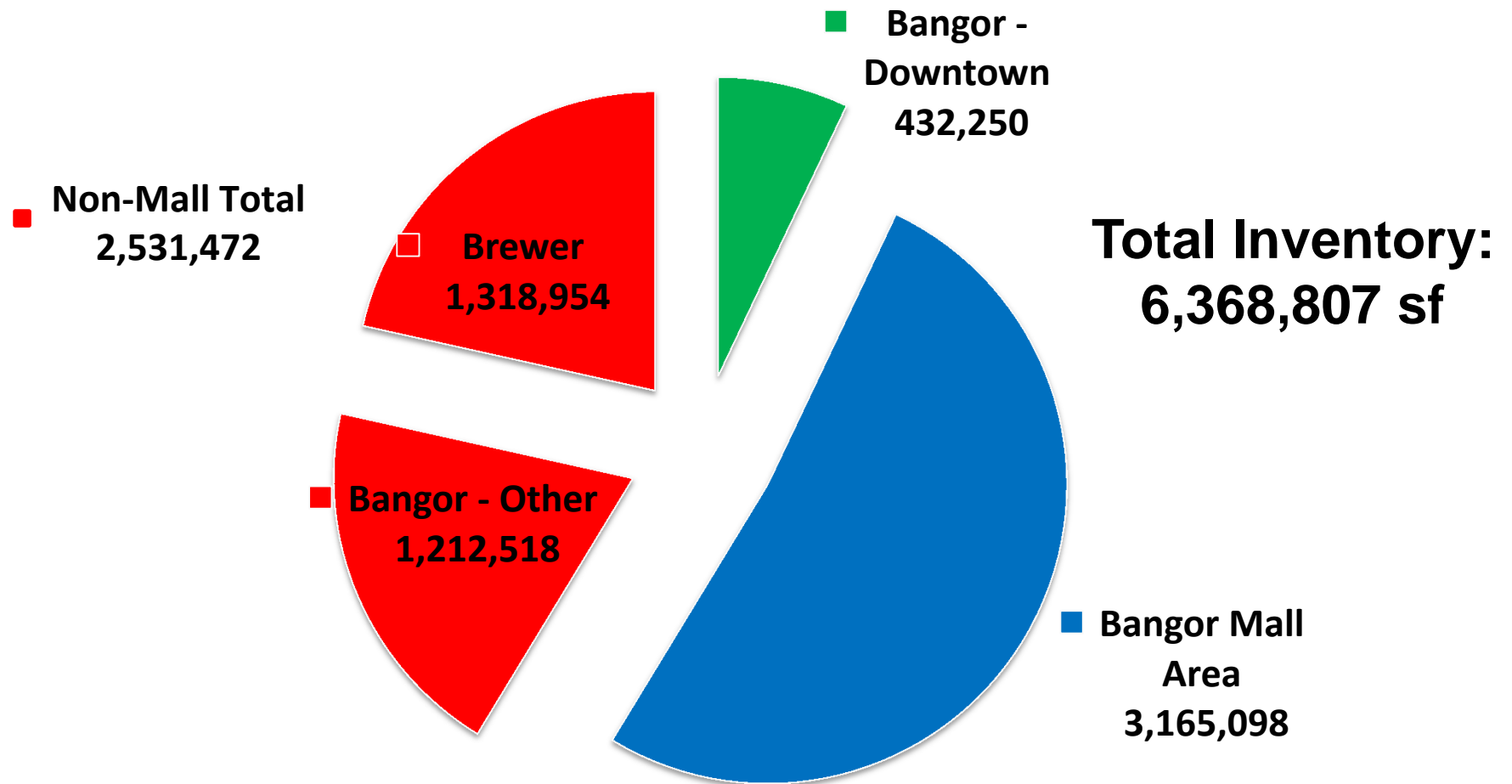
Total Office Inventory (Class A to C)



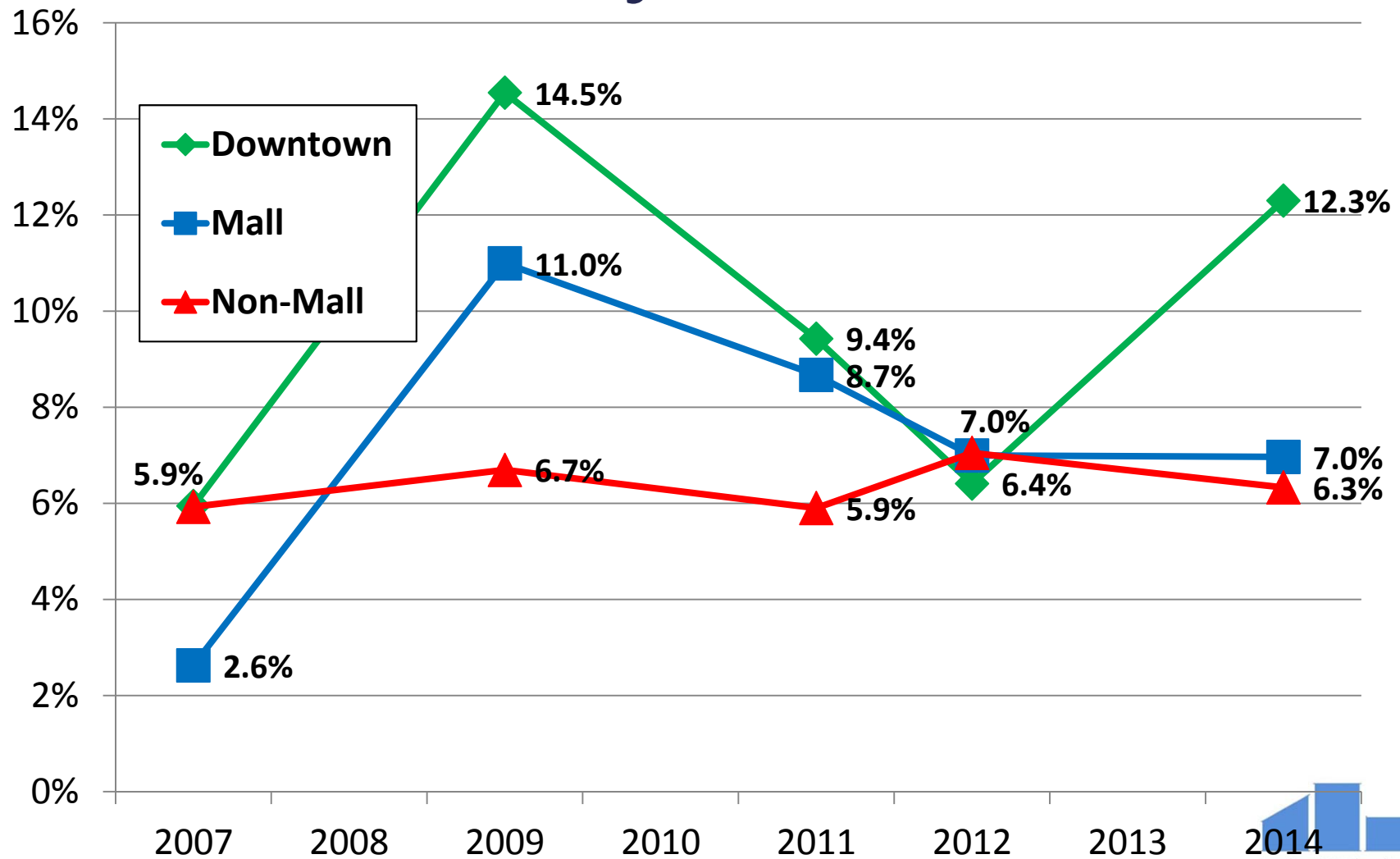
Office Vacancy (Class A to B+)



Retail Inventory



Retail Vacancy



THE TRENDS



Mill Job Losses

Dec '13	Lincoln Paper & Tissue	200
Feb '14	Great Northern Paper, E. Mill.	212
May '14	UTC Fire & Security, Pittsfield	300
Aug '14	Great Northern Paper, E. Mill.	55
Aug '14	Old Town Fuel and Fiber	180
Sept '14	Great Northern Paper, Mill. - Chapt. 7	
Oct '14	Verso Paper, Bucksport	570
Dec '14	Old Town F&F purchased	+180
	Total Jobs Lost:	1,337



Mill Workers

- Total workers: 1,517 (180 rehired)
 - 75% Male
 - 63% Over 50 years old
 - 67% High school diploma only
- Average \$80,000/yr annual income package per employee
- 136 communities affected

Bangor: An Entertainment Destination



2002: National Folk Festival comes to Bangor
(100,000 people = \$15M annual economic impact ²⁰¹¹)

Bangor: An Entertainment Destination



2005: Hollywood Racino opens

Bangor: An Entertainment Destination



2008: Hollywood Casino and Raceway
\$132M complex; \$55.4M revenue in 2014



Bangor: An Entertainment Destination



2010: Waterfront Concerts begin
100,000 average annual attendance

Bangor: An Entertainment Destination



2013: \$68.7M Cross Insurance Center opens

Bangor: An Entertainment Destination



Since 2006: 700+ hotel rooms



Downtown

- Apartments: Up to 50 market-rate or better coming to downtown
- Structural Improvements
- Cosmetic Improvements
- Bangor Daily moves downtown 1Q15

THE FORECASTING



Known



Eastern Maine Medical Center:
361,000 sf tower for \$294,000,000

Known



BDN: 13,000+ sf office into downtown



Known



BJ's Wholesale Club: 94,000 sf

Bangor: 2015 & 2016

- Mill closures fallout:
 - To be determined...
- Retail:
 - Mall area dominance
- Office and industrial sectors:
 - Slow and steady
- Downtown
 - Continue stabilization
 - Increased quality of tenants
 - Steady, upgraded level of interest
- Arts & Entertainment:
 - Critical mass grows
 - Stable and increasing impact

On Our Radars – next 10 yrs

- Entertainment
- Healthcare
- National park development
- Waterfront development on both sides of the river
- Housing
- Pipelines and the costs of energy

Special thanks to:

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