

Bangor Area Market Forecast

Tanya Emery, City of Bangor
January 21, 2016



Presentation Overview

2015 Review

- Significant deals and developments
- Trends in supply and demand

2016 Forecast

- Trends in development
- 2016 opportunities

25 Year Predictions



2015 Review

- Bangor region's economy growing modestly
- Higher employment levels despite some large regional job losses in manufacturing and forest products
- 4.0% unemployment in November 2015, lowest rate for the region since March 2002
- Housing prices showing stabilization and slight uptick
- Lease rates for commercial still low enough that new construction is fairly rare



Downtown Development

Rehab of Downtown core continues –

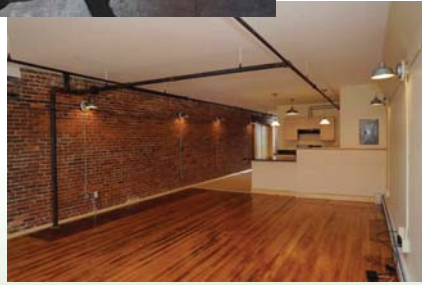
- 26 State Street
- Charles Inn
- Former Bangor Y

Continued growth of restaurant and retail

Completion of 25-27 Broad and 28 Broad renovations



28 Broad Street



City of
Bangor
Maine

25 – 27 Broad Street - Before



City of
Bangor
Maine

25 – 27 Broad Street – Evenrood’s and Designs by Aaron



City of
Bangor
Maine

25 – 27 Broad Street - Residential



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Main St. – Entertainment Corridor

Waterfront
concerts.com

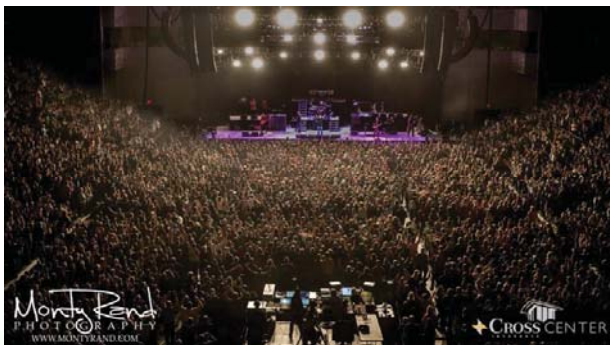
Darling's
Waterfront Pavilion
in Bangor



City of
Bangor
Maine

Main St. – Entertainment Corridor

In 2015 the CIC hosted 283 events and welcomed 190,890 attendees.



 **SPECTRA**
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Main St. – Entertainment Corridor



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Retail

New in 2015 – BJ's, Chipotle, Vitamin Shoppe,
Sport Clips

Underway – Elevation Burger, Bangor Federal
Credit Union

Bangor Mall continues to perform well



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Office

Eastern Maine Community College – renovation of former Maine Jump to house their criminal justice, fire science, and emergency medicine programs
LL Bean call center facility - 30,000 square feet



Medical

EMMC finishing first phase of construction on \$287 million new tower project – 7 stories, 360,000 sf
Many other smaller medical office projects in the region
Healthcare investment and employment continue to grow



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Regional Projects of Note

- Bangor Daily News printing facility in Hampden sold to Good Shepard Food Bank
- Several microbreweries popped up, including Geaghan Brothers Brewing and Orono Brewing Company
- Tiller and Rye, local natural and organic grocery store

City of Bangor Maine

*Images courtesy of Geaghan Brothers Brewing Company
geaghans.com*

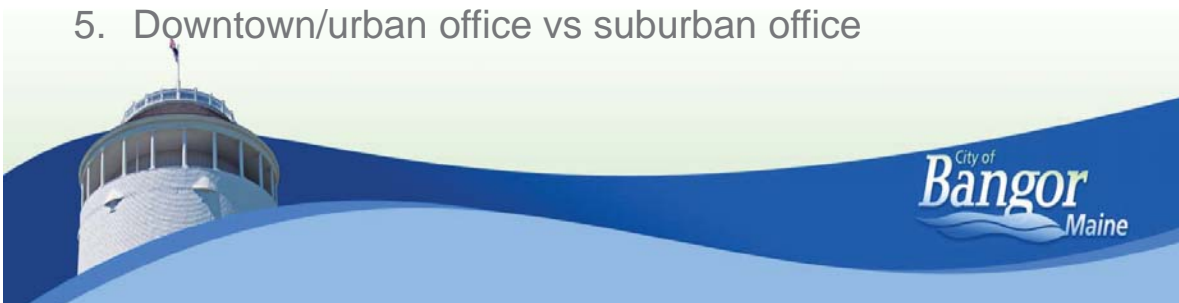
Trends in 2015

1. Large vacant industrial spaces vs. demand for small flex spaces
2. Medical continues to be a mainstay for growth in the region
3. Downtown rehabs fueled by hot downtown residential market
4. New residential construction started up again – several subdivision phases that were delayed are on again



Important Trends for 2016

1. Urban mixed-use and medical office are smart bets
2. Infill development and in-town housing also growing after years of suburban push
3. Inventory mismatch between large, vacant industrial and warehouse spaces and the need for smaller flex spaces
4. Rural job losses put more pressure on service centers to produce new job opportunities
5. Downtown/urban office vs suburban office



2016 Opportunities

Downtown/Waterfront

- 73 Central Street
- 45 State/187-209 Exchange
- 16 Central, Unit 2



2016 Opportunities

Industrial -

Garelick Farms facility, Outer Hammond St

Old Town Canoe, Outer Hammond St

Galt Block Warehouse Complex – 117k sf, 12.85 acres

Main Street –

Emera, former warehouse, office, and fleet maintenance facility, 5 acres.



25 Year Predictions

1. Entertainment options continue to expand with small/medium performance venues
2. Growth in medical office continues
3. Maine Business Enterprise Park at full capacity
4. Additional hotel development on Main Street/Downtown and mall area
5. Conversion of large industrial spaces for smaller specialty manufacturers



Questions?

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