

# 2009 - 2010

2010 Real Estate Forecast  
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## SOUTHERN MAINE INDUSTRIAL MARKET REVIEW AND FORECAST

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## 2010 SIGNIFICANT AVAILABLE INDUSTRIAL PROPERTIES

<b>SOLD</b>	<b>362-382 Riverside Street, Portland</b>	80,000± SF	80,000± SF available
	<b>1754 Main Street, Sanford</b>	215,000± SF	
	<b>235-293 Presumpscot Street, Portland</b>	45,458± SF	34,000± SF available
<b>SOLD</b>	<b>193 Presumpscot Street, Portland</b>	66,140± SF	30,000± SF available
	<b>71 U.S. Route One, Scarborough</b>	5,700± SF	43,000± SF available
	<b>56 Milliken Street, Portland</b>	106,000± SF	
	<b>228 Northeast Road, Standish</b>	124,000± SF	
	<b>15 Saunders Way, Westbrook</b>	75,753± SF	48,000± SF available
	<b>90 Spencer Drive, Wells</b>	400,000± SF	
	<b>5 Drapeau Street, Biddeford</b>	98,000± SF	
	<b>167 Rumery Road, South Portland</b>	181,720± SF	141,000± SF available
	<b>18 Morin Street, Biddeford</b>	62,000± SF	

# 2010 CURRENT SALE AND LEASE PRICES

Greater Portland	SALE	LEASE (NNN)
• <5,000 SF	\$75.00 - \$90.00/SF	\$4.50 - \$6.50/SF
• 5,000-10,000 SF	\$50.00 - \$75.00/SF	\$4.00 - \$5.50/SF
• 10,000-20,000 SF	\$45.00 - \$60.00/SF	\$4.00 - \$5.25/SF
• 20,000-30,000 SF	\$40.00 - \$50.00/SF	\$3.50 - \$4.00/SF
• 30,000-50,000 SF	\$35.00 - \$45.00/SF	\$3.25 - \$4.00/SF
• 50,000-75,000 SF	\$30.00 - \$45.00/SF	\$3.25 - \$4.00/SF
• 75,000-200,000 SF	\$15.00 - \$35.00/SF	\$2.75 - \$3.75/SF

# 2009 LAND PRICES

- **Greater Portland** \$75,000 - \$125,000/acre
- **Biddeford/Saco** \$40,000 - \$60,000/acre
- **Sanford** \$25,000 - \$45,000/acre
- **Lewiston/Auburn** \$50,000 - \$75,000/acre

**Note: No Demand = No Sales**

# NOTABLE PLANT CLOSINGS

<b>Cooper Wiring Devices, Brunswick</b>	190,000± SF
<b>Oxford Homes, Oxford</b>	60,000± SF
<b>GE Healthcare / Whatman Nuclepore, Sanford</b>	84,000± SF
<b>Spencer Press / R R Donnelly, Wells</b>	400,000± SF
<b>B &amp; G Foods, Biddeford</b>	160,000± SF

## 2009 SIGNIFICANT TRANSACTIONS

- Kellogg Sales Company leased 60,000± SF of build-to-suit warehouse space at 115 Logistics Drive in Auburn.
- Pratt & Whitney renewed its lease on 972,625± SF at 113 Wells Street in North Berwick.
- Casco Bay Steel leased 65,000± SF at One Wallace Avenue in South Portland.
- A Hausmann Associates, Inc. purchased the 80,000± SF former USPS property at 382 Riverside Street in Portland.
- Howe & Howe leased a 50,000± SF manufacturing building in Waterboro.
- NEPW Logistics leased 140,000± SF of warehouse space at 16 Parkway Drive in Scarborough.

# KEY POINTS FOR 2010

- Deal Making Slowed
  - Unusual number of deals crashed at the 11<sup>th</sup> hour
- Inflation
  - Fixed rents vs. CPI adjustments
- Leasing Space
  - Tenant's market with falling prices
  - Rent concessions heating up – Free rent (1-6 months), discounted lease prices, tenant improvement contributions, full brokerage fees to procuring brokers
- Developing/Building Space
  - New construction is non-existent
  - Build-to-suit vs. redeveloping existing space
- Selling Property
  - Cap rates are rising
  - Sale prices are more stable than lease prices because of less supply
- Financing
  - Banks much more disciplined and conservative





**THANK YOU VERY MUCH!**

Tom Dunham, SIOR and Greg Hastings, SIOR

Members of NAI The Dunham Group Industrial Team

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