

MEREDA FORECAST CONFERENCE

January 28, 2010



Presented by: Drew Sigfridson, SIOR

CBRE | The Boulos Company
CB RICHARD ELLIS

Greater Portland Office Market Summary

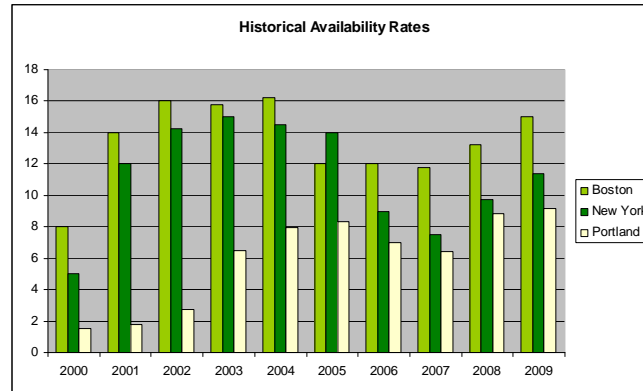
Total Market Size:	11,343,906 ± sf
Direct Vacancy:	929,984 ± sf (8.20%)
Sublease Availability:	107,698 ± sf (0.95%)
Total Available Space:*	1,037,682 ± sf (9.15%)

* Estimated totals as of December 1, 2009 per CBRE / The Boulos Company's Office Market Survey

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Market Comparison



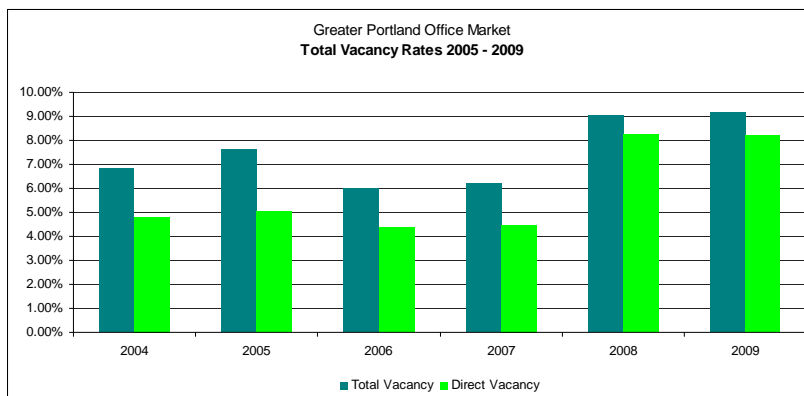
	Average	Hi / Lo Spread
New York	11.24%	10.00%
Boston	13.40%	8.25%
Portland	6.02%	7.36%

- Our overall vacancy rates are low historically and our swings are restrained.
- A very stable market from an investor perspective.

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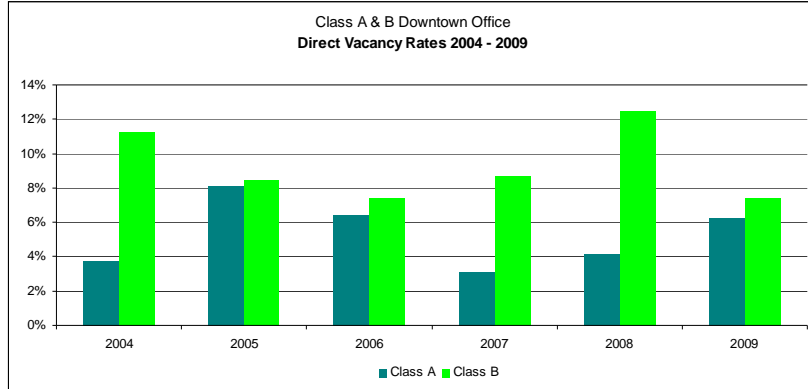
Market Snapshot: A Historical Perspective



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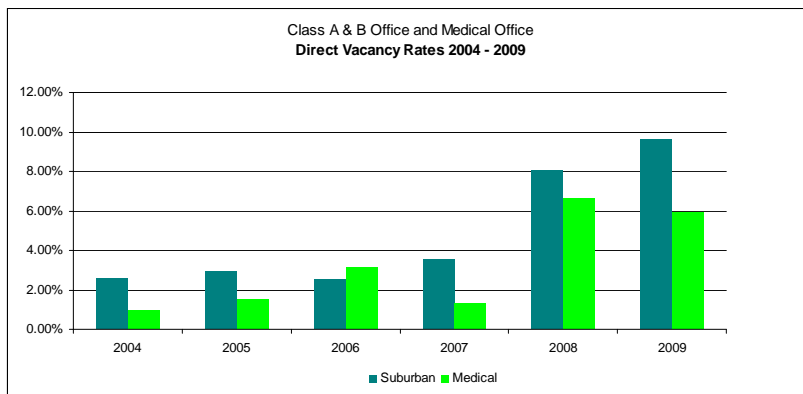
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Market Snapshot: A Historical Perspective



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Recent Trend In Rental Rates

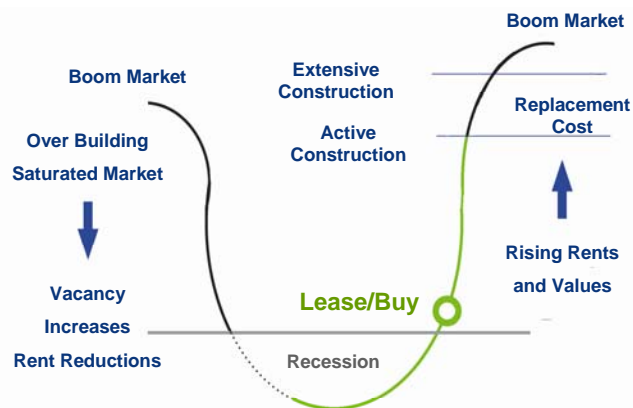
Property Type	Blended Average Asking Rates*		% Change
	2008	2009	
Downtown Class A	\$19.80/sf	\$19.80/sf	0%
Downtown Class B	\$16.22/sf	\$14.50/sf	-10.60%
Suburban Class A	\$20.81/sf	\$18.68/sf	-10.20%
Suburban Class B	\$16.62/sf	\$16.31/sf	-1.80%
Medical Class A	\$23.48/sf	\$22.51/sf	-4.10%
Medical Class B	\$18.75/sf	\$19.19/sf	2.30%

* All rates reflect a Modified Gross rental rate.

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Real Estate Cycle



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Significant Lease Transactions in 2009

▪ TD Bank	41 Donald B Dean & 75 John Roberts	36,700± sf
▪ Multiple Tenants	245 Commercial Street	30,000± sf
▪ Kepware	400 Congress Street	19,794± sf
▪ Cash Star and First Wind	131 Middle Street	14,000± sf
▪ Chest Medicine Assoc.	100 Foden Road	13,000± sf
▪ J. Hewitt & Associates	9 Donald B Dean	10,000± sf
▪ MEDCO	500 Southborough Drive	10,000± sf
▪ Maine Eye Center	1685 Congress Street	10,000± sf

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Significant Sale Transactions and Developments in 2009

- 110 Free Street, Portland
 85,000± sf
 Maine Health
 \$3,500,000
- 300 Southborough Drive, So. Portland
 117,000± sf
 300 Metro, LLC
 \$9,600,000
- 1, 2 & 3 Canal Plaza, Portland
 240,000± sf
 Cow Plaza, LLC
 \$30,000,000+



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Significant Sale Transactions and Developments in 2009 (cont.)

- 465 Congress Street, Portland
Public Market Parking Garage
67,600± SF
L.E. Springer, Inc.
\$12,000,000
- 385-390 Congress Street, Portland
61,460± SF
Metro Media Properties, LLC
\$6,300,000
- 71 US Route One, Scarborough
65,000± SF
Foundation Center, LLC
\$1,800,000
- Martin's Point Health Campus, Portland
43,000± sf w/ 218 parking spaces
under development



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Significant Vacancies

- 300 Southborough Drive
South Portland
116,000± sf
- 27 Northport Drive
Portland
32,000± sf
- 6 Ashley Drive
Scarborough
56,000± sf
- 82 Running Hill Road
South Portland
26,000± sf



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Significant Vacancies (cont.)

- 600 Sable Oaks
South Portland
34,000± sf



- 477 Congress Street
Portland
31,000± sf

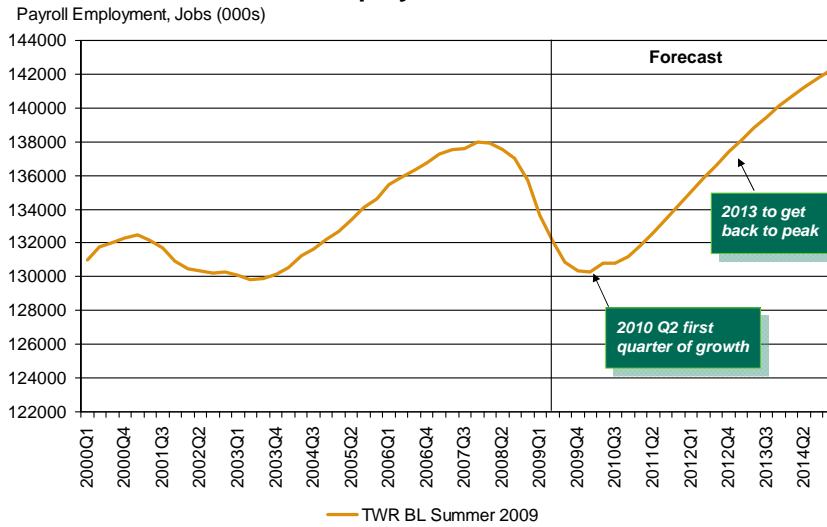


- 100 Waterman Drive
South Portland
32,000± sf



LOOKING FORWARD: WHAT WILL 2010 BRING?

The Employment Outlook

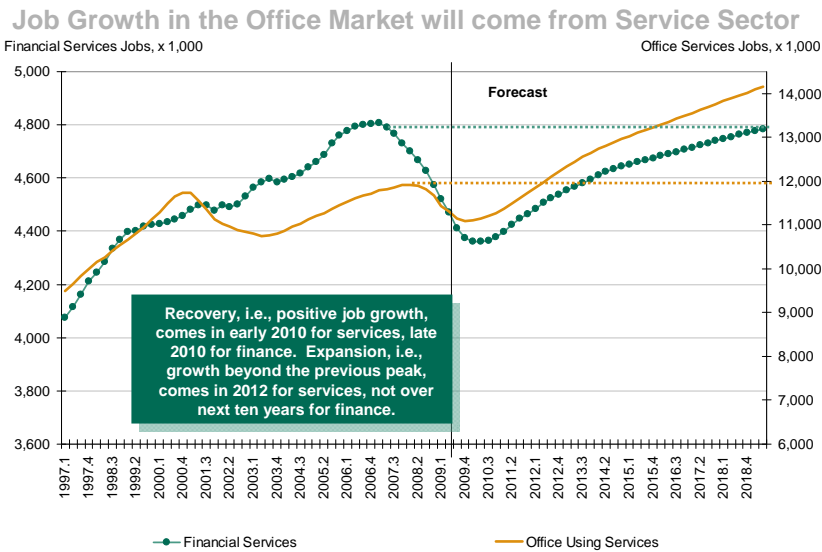


Sources: CBRE-EA, Economy.com

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Office Property Market Drivers

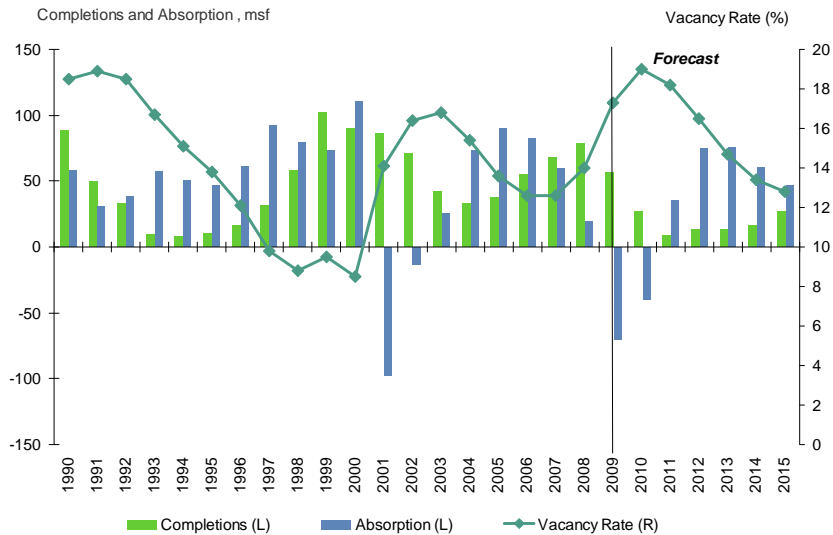


Sources: Office Outlook XL, Fall 2009, CBRE-EA, Economy.com

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Another Challenging Year



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Predictions For 2010

- The worst is over
- Renewals and blend-and-extend deals
- Limited new development and new construction
- Increased pressure on landlords to give incentives
- Vacancies will start to fill slowly – organic growth
- Rental rates will stabilize as we rise off the bottom
- Over-leveraged properties will result in opportunities for savvy investors

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