

Central Maine Review and Forecast Outlook

MEREDA's Annual Forecast Conference

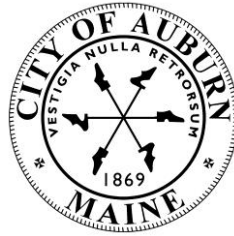
Frank Carr

Associate Broker at Maine Realty Advisors

Thursday January 21, 2021



Central Maine: 2020 Summary



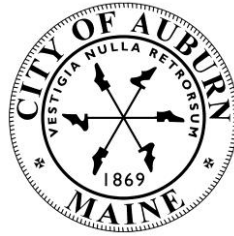
- Low Leased Vacancy, Yet Low Workforce Occupancy
 - Mill #3 Baxter Bldng TD Bank & ME Com Health Options Sent Workers Home
 - Augusta State of Maine Tenants
 - Waterville Colby Properties
- Smaller Users Emerging and Driving Sales and Leases
 - 3,500 SF and Below
- Residential Benefitting from
 - “Flight to Isolation” from Denser Population areas NY, MA, & CT
 - “Flight to Quality/Commute”



Lewiston/Auburn



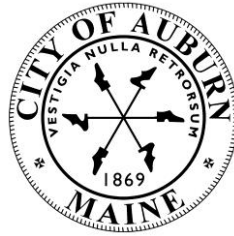
Lewiston/Auburn: 2020 Summary



- Office Relatively flat for Growth with COVID Freeze
 - USM Lewiston/Auburn Campus Delayed Search for Downtown Space
- Industrial Benefitting from Cannabis Market Growth
- Residential Experiencing Planned Unit Growth & Quality Product
 - Continental Mill – Chinberg Properties
 - Pineland Lumber – Saxon Partners
 - Dominican Block – Fathom Companies
 - 188 Lincoln – Kara Wilbur
 - Lisbon St - Jules Patry and other “In-Fill” Projects



Lewiston/Auburn: 2020 Data & Forecast



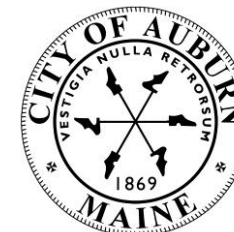
Type	Average Sold \$/SF	Average Leased \$/SF NNN
Office	\$64 - \$90	\$9.00 - \$13.00
Retail	\$51 - \$133	\$10.50 - \$15.30
Industrial	\$38 - \$59	\$5.00 - \$8.00
Multi-Family	<u>\$/Unit</u> \$56,000	<u>\$/Month</u> 2BR \$1,200 - \$1,400 Note: 2BR \$1,600-\$1,800 Various

Lewiston/Auburn Forecast:

Office Movement When USM Resumes Search
Residential Absorption, Flat Rent Increases,
Differentiated Quality Product Commanding Margin



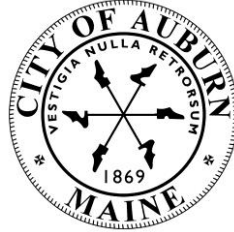
Lewiston/Auburn: 2020 Sales



Building	Date	SF	Price	Buyer & Agents
Dominican Block Lincoln St Lewiston	12/15/2020	26,000	Undisclosed	Fathom Companies Res Investment Private Sale
Professional Building Lisbon St Lewiston	12/11/2020	20,000	\$565,000	JL Dale Historic Office Investment Frank Carr MRA / Josh Soley MRA
34 Center St Auburn	10/23/2020	7,392	\$710,000	Office Investor Jessica Estes Boulos/Andrew Ingalls Malone
16 Bridge Street Lewiston	7/13/2020	37,000	\$1,192,000	Highbrow Industries (Cannabis) Frank Carr MRA / Tim Millett Porta
75 Westminster Street Lewiston	11/5/2020	94,952	\$3,250,000	Industrial Investment Craig S Young Boulos



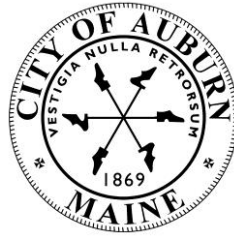
Lewiston/Auburn: 2020 Leases



Building	Date	SF	Price	Type/Agents
100 Lisbon St Lewiston	1/16/2020	8,000	\$6.00 NNN	Office Kevin Fletcher KW Commercial
600 Turner Street Auburn	3/27/2020	2,700	\$17.00 NNN	Retail Tim Millett Porta
34 Center St Auburn	10/23/2020	3,750	\$16.00 NNN	Retail Dustin Boutin Magnusson Balfour
1125 Center St Auburn	2/29/2020	5,000	\$10.50 NNN	Light Industrial Dennis Wheelock Magnusson Balfour/Chris Craig Dunham
Professional Building Lisbon St Lewiston	08/15/2020	220-350	\$18-\$25 NNN	Small Offices Frank Carr MRA / Josh Soley MRA



Lewiston/Auburn: 2021 Opportunities

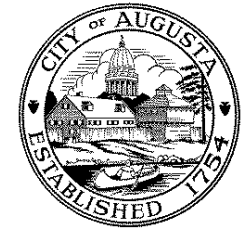


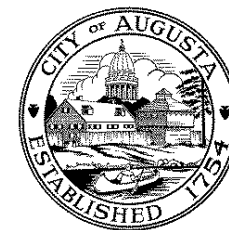
Development

- **Auburn** [\$250K Dev Incentives]
 - New: 186 Main St 35K SF Gross
 - Auburn Economic Development, Eric Cousens
 - New: Anniversary Park 40K SF in OZ
 - Auburn Economic Development, Eric Cousens
- **Lewiston** [Quick Planning Board and TIFs Avail]
 - New: 434 Lisbon St Floorplate 26K SF
 - Jessica Estes Boulos
 - Rehab: 136-140 Lisbon St 35K SF Gross
 - Chad Sylvester Androvise
 - Rehab: 3 Middle St 97K SF Gross
 - Frank Carr MRA



Augusta

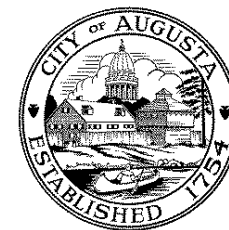




Augusta: 2020 Summary

- Office Relatively flat for Growth with COVID Freeze
 - Small 1,000 – 3,000 SF Tenants still Occupying
 - ME State Government Slow to Decide on New Space
- Industrial Benefitting from Cannabis and Low Inventory
 - Almost no 2020 Datapoints
- Residential Experiencing Planned Unit Growth & Quality Product
 - 395 Civic Center Drive – 250 Unit Medical Workforce – Saxon Partners
 - Water Street Adaptive Reuses
 - North End Rehabs





Augusta: 2020 Data & Forecast

Type	Average Sold \$/SF	Average Leased \$/SF NNN
Office	\$81 - \$127	\$8.61 - \$13.14
Retail	\$93 - \$121	\$14.96 - \$19.91
Industrial	\$65 (1 Property)	\$6.50 (1 Property)
Multi-Family	<u>\$/Unit</u> \$55,000	<u>\$/Month</u> 2BR \$900 - \$1,100 Note: 2BR \$1,300-\$1,500 Various

Augusta Forecast:

Slow Office Absorption, Flat Rent Increases.

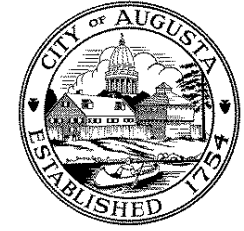
Better Industrial Absorption with Pent Up Demand

Residential Water Street & North End Differentiated Quality Product

Commanding Margin

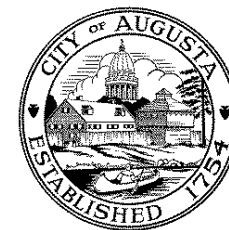


Augusta: 2020 Sales



Building	Date	SF	Price	Buyer & Agents
ME DHHS and ME PERS [Office]	08/17/2020	130,000	\$39,134,102	FD Stonewater to Winthrop Advisors Boston Private Equity Sale
442 Civic Center Dr [Suburban Office]	03/09/2020	57,383	\$8,700,000	442, LLC Chris Paszyc Boulos
33 Stone St [Multi-Family]	06/18/2020	29 Units	\$1,625,000	North Country Investments Spencer Ouellette Bean Group/Nick Lucas Boulos
292 State Street [Retail]	12/23/2020	4,238	\$345,000	Highbrow Industries (Cannabis) Frank Carr MRA / Brian Rizzo Caldwell Banker

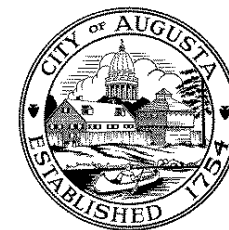




Augusta: 2020 Leases

Building	Date	SF	Price	Type/Agents
219 Capitol Street	07/07/2020	3,800	\$14.00 NNN	Office Brian Rizzo Coldwell Banker
1 Weston St	10/30/2020	1,600	\$11.00 NNN	Office Mark Malone Malone Commercial
341 Water St	11/20/2020	1,573	\$18.07 NNN	Retail Matt Pouliot Pouliot Real Estate
60 Darin Dr	12/02/2019	20,115	\$6.50 NNN	Light Industrial Tom Dunham Dunham Group





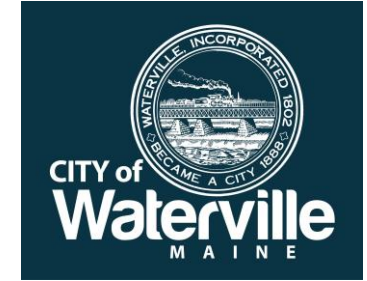
Augusta: 2021 Opportunities

Development

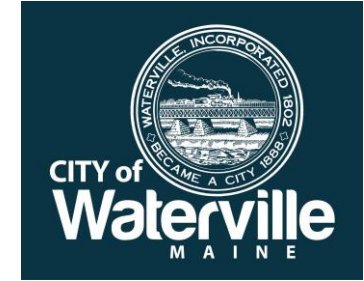
- Rehab: 353 Water St 50K SF Former DHHS
 - Qualifies Tipping Pt Incentives
 - Nick Lucas Boulos
- Rehab: 211 Water St 10K SF
 - Qualifies Tipping Pt Incentives & Historic Tax Credits
 - Mandy Reynolds KW Commercial
- Leasing: 295 Water St
 - Keith Luke, Economic Development Augusta
- Land Development: 5K-25K Industrial
 - w/Docks & Floor Drains
- Rehab: North End Multi-Families
 - Frank Carr MRA



Waterville



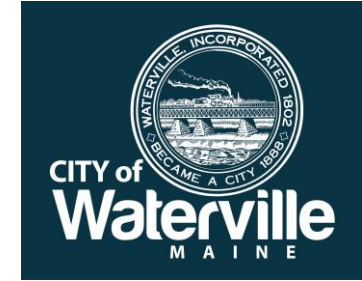
Waterville: 2020 Summary



- Office Relatively flat for Growth with COVID Freeze
 - Colby Working Through COVID Reopening Process
- Industrial Benefitting from Cannabis Market Growth
- Residential Experiencing “Flight to Isolation”
 - Multi-Family Sold Dataset Includes 70 “Sold” Transactions



Waterville: 2020 Data & Forecast



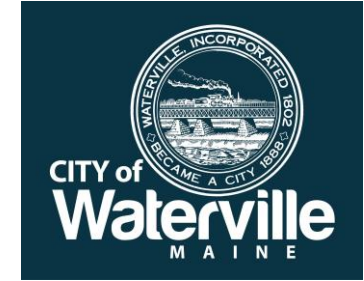
Type	Average Sold \$/SF	Average Leased \$/SF NNN
Office	\$57 - \$63	\$10.69 - \$17.81
Retail	\$72-\$195	\$44 <small>(1 Property)</small>
Industrial	\$42 <small>(1 Property)</small>	None
Multi-Family	<u>\$/Unit</u> \$42,999	<u>\$/Month</u> 2BR \$850 - \$1,000

Waterville Forecast:

Residential Rent Increases, as Inventory is Reduced
Once online, Differentiated Quality Product Commands Margin



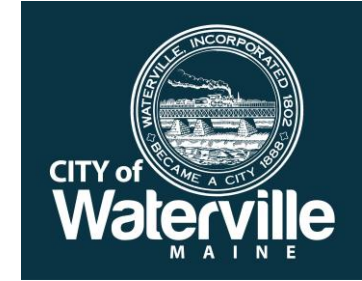
Waterville: 2020 Sales



Building	Date	SF	Price	Buyer & Agents
36-44 Main Street	12/01/2020	9,642	\$575,000	Retail Investment Don Plourde Coldwell Banker
174-192 College Avenue	10/19/2020	43,689	\$350,000	Retail Investment Don Plourde Coldwell Banker
210 College Ave	10/19/2020	8,800	\$535,000	Office Investment Kevin Fletcher KW Commercial
30 Industrial St	09/08/2020	16,298	\$685,565	Industrial Investor Greg Hastings Dunham/Don Plourde Coldwell Banker



Waterville: 2021 Opportunities



Development

- The Seton Project
 - Adaptive Reuse: 68 Resi Units 35K SF Commercial
 - Fed & ME Historic Tax Credits in Place
 - TIF from the City of Waterville
 - Dan Greenstein & Chris Paszyc Boulos



- Industrial Land Dev: 14 Lots Remaining
- 3-Phase Power / Fiber Optic Data / Natural Gas
- Foreign Trade Zone & Adjacent to I-95
 - James Dinkle Kennebec Regional Development Authority



Follow the L A W



- L – Lewiston/Auburn

Forecast:

Office Movement When USM Resumes Search
Residential Absorption, Flat Rent Increases,
Differentiated Quality Product Commanding Margin

- A – Augusta

Forecast:

Slow Office Absorption, Flat Rent Increases.
Better Industrial Absorption with Pent Up Demand
Residential Water Street & North End Differentiated Quality Product
Commanding Margin

- W - Waterville

Forecast:

Residential Rent Increases, as Inventory is Reduced
Once online, Differentiated Quality Product Commands Margin

