



MALONE
COMMERCIAL BROKERS
CONNECTED, LOCAL, SAVVY.

Greater Portland

RETAIL

Presented by Peter Harrington
Malone Commercial Brokers

A Leader in Maine's Commercial Real Estate Market



VACANCY Rates

by town



Town	Total Area (SF)	Vacancy (SF)	Vacancy Rate %
Portland	1,326,110	82,757	6.2%
South Portland	2,872,007	104,642	3.6%
Scarborough	1,391,266	48,280	3.5%
Falmouth	544,682	7,636	1.4%
Westbrook	430,906	21,200	4.9%
Cape Elizabeth	34,735	1,952	5.6%
TOTAL ALL CITIES	6,599,706	266,467	4.04%

Vacancy up slightly from last year's 3.19%

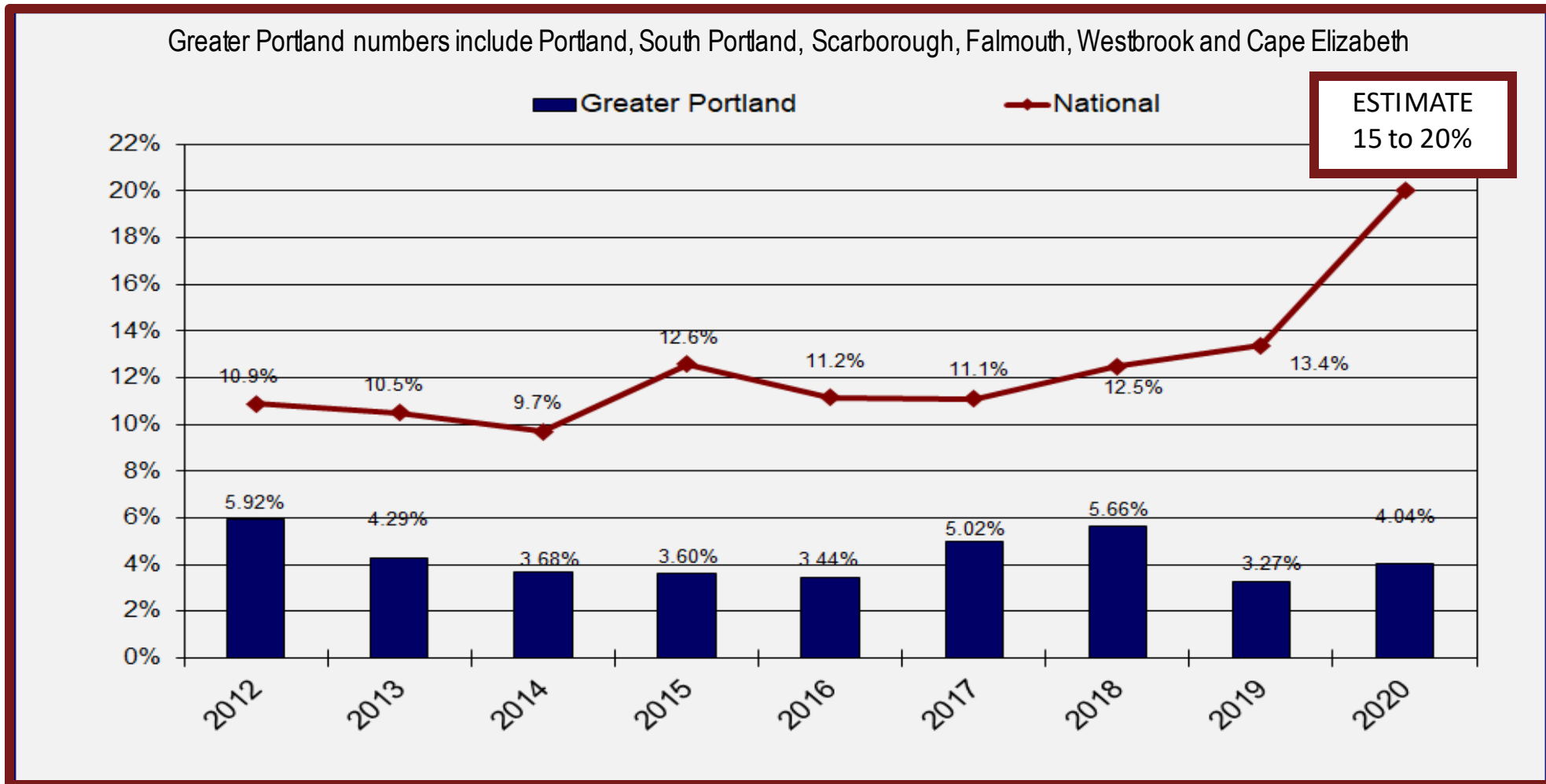
LARGE Vacancies

2020 vs 2019

	2020	2019
Foden Plaza	29,017 SF	18,517 SF
Pine Tree Shopping Center	21,698 SF	32,678 SF
Maine Crossing (Burlington relocating here)	20,000 SF	20,000 SF
Mallside Plaza	14,952 SF	0
Walgreens/Rite-aid (Allen, Brighton & Forest Avenues, Portland)	38,056 SF	23,960
TOTALS	123,723 SF	95,155 SF

VACANCY Rate

local vs national



LEASE Rates

2020 vs 2019



	2020 RANGE	2020	2019
Prime Market	\$12.50 - \$26.50 NNN	\$19.22	\$17.38
Secondary Market	\$8.00 - \$28.00 NNN	\$17.65	\$16.63
Overall Averages	\$8.00 - \$28.00 NNN	\$18.22	\$17.00

SIGNIFICANT**Sales**

PROPERTY	TYPE	BROKERS	PRICE
416 Fore Street, Portland (Historic Wharf Steet retailers)	Retail/ Residential	Steve Baumann Compass Commercial Brokers	\$4.095M
140 Maine Mall Road, South Portland Free standing Maine Mall area	Retail	Craig Young The Boulos Company	\$1.800M
594 Congress Street, Portland The Hay Building	Retail/Office	Cheri Bonawitz, CCIM, Karen Rich and Mark Malone, CCIM Malone Commercial Brokers	\$1.750M
246 US Route One, Scarborough Former Fire/Police Departments	Retail/Office Redevelopment	Roxane Cole Roxane Cole Commercial R.E. Peter Harrington Malone Commercial Brokers	\$1.525M
899 Brighton Avenue, Portland Community strip center	Retail/Office	Peter Harrington Malone Commercial Brokers Craig Church Magnusson Balfour	\$1.450M
50 Exchange Street, Portland Historic Old Port	Retail/Office	Cheri Bonawitz, CCIM, Karen Rich Malone Commercial Brokers	\$1.375M

SIGNIFICANT**Leases**

PROPERTY	SF / TYPE	BROKERS	LEASE RATE
Mallside Plaza South Portland	27,671 / Retail Gym Planet Fitness	Mark Malone, CCIM Malone Commercial Brokers Jessica Estes The Boulos Company	\$10.55 NNN
283 Marginal Way Portland	7,500 / Retail/Flex Portland Mattress Makers	Chris Craig NAI/The Dunham Group	\$13.60 NNN
418 Payne Road Scarborough, Suites 1 & 2	6,420/6,764 / Retail/Whse School Department	Katherine Allen and Tom Moulton NAI/The Dunham Group	\$12.86 NNN
75 Market Street Portland	5,474 / Old Port Retail WKNDR & The Manor	Peter Harrington Malone Commercial Brokers	\$27.50 MG
280 St. John Street Portland	4,044 Retail Plaza	John Gendron Gendron Commercial Brokers	\$12.50 NNN
517 Ocean House Road Cape Elizabeth	3,916 / Restaurant Tacos Y Tequila	Chris Craig NAI/The Dunham Group	\$18.00 NNN
100 Commercial Street Portland	3,759 / Old Port Retail Chilton Furniture	Peter Harrington, Mark Malone, CCIM Malone Commercial Brokers	\$37.50 MG

SIGNIFICANT

Downtown Portland

PROPERTY	TENANT MOVES	SF	BROKERS
75 Market Street	WKNDR & The Manor former Ramblers Way	5,474	Peter Harrington Malone Commercial Brokers
21 Exchange Street	Uncommon Paws former Paper Patch	1,700	Peter Harrington, Karen Rich, Cheri Bonawitz, CCIM Malone Commercial Brokers
19 Exchange Street	Marijuana Retailer former Uncommon Paws	1,800	Peter Harrington Malone Commercial Brokers
22 Milk Street	Bobbles & Lace former Ariana Interior Design	1,624	Peter Harrington Malone Commercial Brokers Katherine Allen and Tom Moulton NAI/The Dunham Group
123 Commercial Street	Sea Bags former Company C	2,587	Peter Harrington Malone Commercial Brokers
217 Commercial Street	Kate Nelligan/Local Color former Motifs	1500	Peter Harrington Malone Commercial Brokers
100 Commercial Street	Chilton Furniture former K Colette	3,759	Peter Harrington, Mark Malone, CCIM Malone Commercial Brokers

BELIEVE IT or not

These Restaurants are Opening



PROPERTY	RESTAURANT	STATUS	BROKERS
545 Congress Street Portland	Broken Arrow	Opened	Peter Harrington, Cheri Bonawitz, CCIM and Karen Rich Malone Commercial Brokers
Scarborough Gallery	Clean EatZ	Signed	Peter Gwilym Porta & Co Sam Marinko The Boulos Company
517 Ocean Avenue Cape Elizabeth	Tacos Y Tequila (80 seats, former Bird Dog)	Leased	Chris Craig The Dunham Group
171 Ocean Street South Portland	SoPo Seafood (Betsy Gibson's high-end diner)	Opened	Chris Craig and Sam LeGeyt The Dunham Group
173 Ocean Street South Portland (formerly on Exchange Street)	Cafe Louis (breakfast, lunch, cocktails)	Opened	Chris Craig The Dunham Group

TRENDING

Driver



- Residential Maine home sales
- Residential activity January thru November was 7.9% ahead of the comparable time period for 2019 - Maine's. Best. Year. Ever.
- 1/3 of November sales were to out-of-state buyers compared to 1/4 in 2019
- The real estate industry accounted for \$12.2 B dollars, or 18% of the Gross Domestic Product (GDP) in 2019, but thru November 2020, the real estate GDP was **\$1.2B higher in sales**
- Add to this, everyone was sitting at home during the lockdowns in their existing homes, deciding they needed to improve their home/backyard in some shape or form. This was a MAJOR driver of the retailers who were successful in 2020. It cannot be underestimated the tremendous impact this has had on the Maine economy and on retail sales during the past year.
- Not only was this a boom for retailers, it was a boom for homeowners whose increased wealth effect of 22% increased their confidence in the economy.
- The Housing Boom also had a huge positive impact on contractors and their subcontractors. Good luck finding an electrician or plumber!

TRENDING

Mall Area Update



THE MAINE MALL

- The Maine Mall has been stung by a large number of retail bankruptcies.
- Several food tenants left, the lack of seating in their food court has been devastating.

CLOSED

Sears	103,000 SF
On the Border	5,000 SF
Hometown Buffet	9,770 SF
Yogibo	1,750 SF
Dough Life	840 SF
The Walking Co	1,725 SF
Q'doba	2,675 SF
Arby's	700 SF
Villa Pizza	750 SF
Williams Sonoma	4,300 SF
Aldo	1,675 SF
Gamestop	1,600 SF

50/50 MARGIN ON STAYING

OPEN THRU 2021

The Paper Store	5,100 SF
J Crew	5,200 SF
Lolli & Pops	2,570 SF
Loft	5,500 SF
Francesca's	1,000 SF
Garage	3,750 SF
Olympia Sports	6,375 SF
JCPenney	86,000 SF
GNC	1,600 SF

NEW OPENINGS

Jordan's Furniture	120,000 SF
Lululemon Pop-up	3,450 SF
The Copper Closet	1,300 SF

PERMANENT OCCUPANCY

(Owned Stores)
About 10% vacant

2021 OPPORTUNITIES

Redevelopment of Sears parcel
Re-tenant the former Forever 21 Space (40,000 SF)

Source: Craig Gorris, General Manager, The Maine Mall

THE MAINE MALL AREA

- Burlington Coat Factory is moving from the Jetport Plaza to 303 Maine Mall Road.
- 140 Maine Mall Road sold for \$1.8M.

Pandemic Era

TRENDING

Struggling Retailers

Bars

Sit-down Restaurants

Gyms

Small Retailers

Boutique Stores

Wedding Businesses

Hotels

Most Tourism Related Businesses



TRENDING

Successful Retailers



Grocery Stores

Small Markets - i.e. Rosemont, Bow Street Market

Liquor Stores - R.S.V.P., Bootleggers

Take Out Food Outlets - Pizza, Veranda Noodle, delivery companies

Athleisure Wear - Athleta (on Middle Street) did extremely well, LuluLemon

Home Goods Stores - Lowe's, The Home Depot, local hardware stores

Furniture Retailers - Chilton Furniture opened on Commercial Street, Jordan's Furniture opened a 120,000 SF retail store, it takes months to get a couch delivered

Sporting Goods and Fitness Retailers

Drug Stores

Outdoor Recreation Retailers - Bikes, boats, RVs, ATVs, skis, etc

Bank Branches

The BIG Online Retailers - Amazon, Walmart, Target, etc (Target leased the former Kmart in Auburn)

2021

TRENDING

Looking Ahead



Bank Branches - Skowhegan will open in Bayside. Chase Bank plans to open four branches in the Portland area.

Retail Marijuana - Portland alone approved 32 retail licenses, not all will open, but many will.

Restaurants - As the country reopens and vaccinations expand, restaurants will rebound. Restaurants are a big and integral part of the Portland area and Maine's economy. This will bring much needed relief to restaurant owners and employees.

ROCK ROW - Music venue and retail center, in Westbrook.

Brick & Mortar Retail - It should rebound in 2021, as vaccinations increase. Businesses spent more in 2020 on everything other than physical space. This should change, but how much remains to be seen.

Online Shopping - Tries to mimic reality but lacks the experience of in person shopping. We haven't evolved to be people who sit at home in isolation. We need the physical connection to each other and many of the products we use! To what extent brick & mortar retail recovers will depend on COVID-19 and the economy.

Flexibility - Tenants and Landlords will need to be flexible. Not many retailers are signing long-term leases with the inherent risk in them. There will likely be a common risk approach, i.e. break point leases: if a tenant does well, they pay more. This is becoming more popular nationally and moving forward that trend will be seen more in Maine.

LEASE RATES - Future rates, looking ahead, will begin to moderate.

I have to admit, I will miss seeing all of you in person during breaks at the Holiday Inn this year. Heck, I will even miss sharing a box lunch with you!! And of course, the cocktail hour.



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RETAIL

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Opening the door to the right location for our retail clients

