



MEREDA 2022

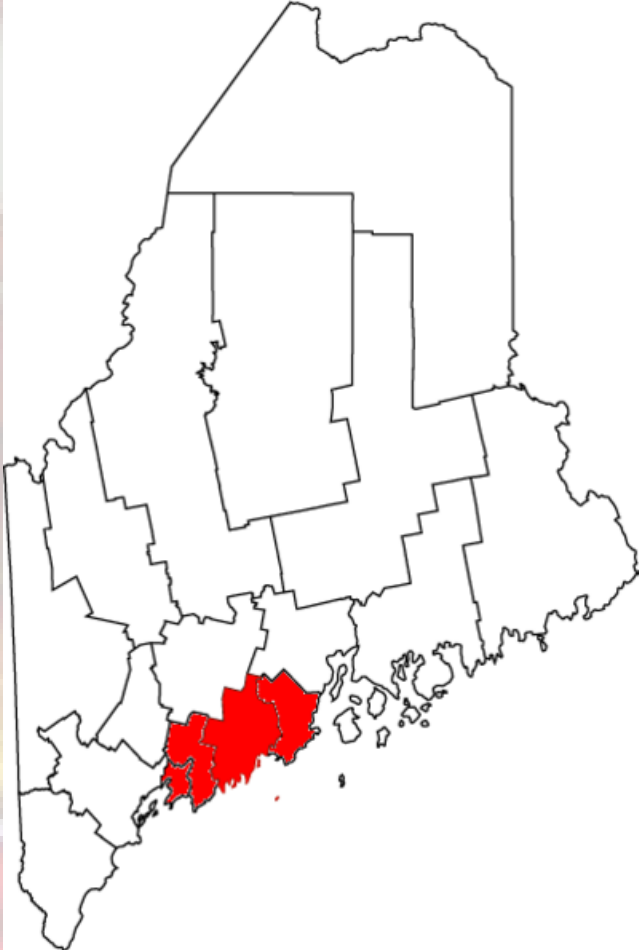
Real Estate Forecast Conference
Midcoast Market Assessment
Focus on Bath, Brunswick, Topsham

Dave Holman, MBA

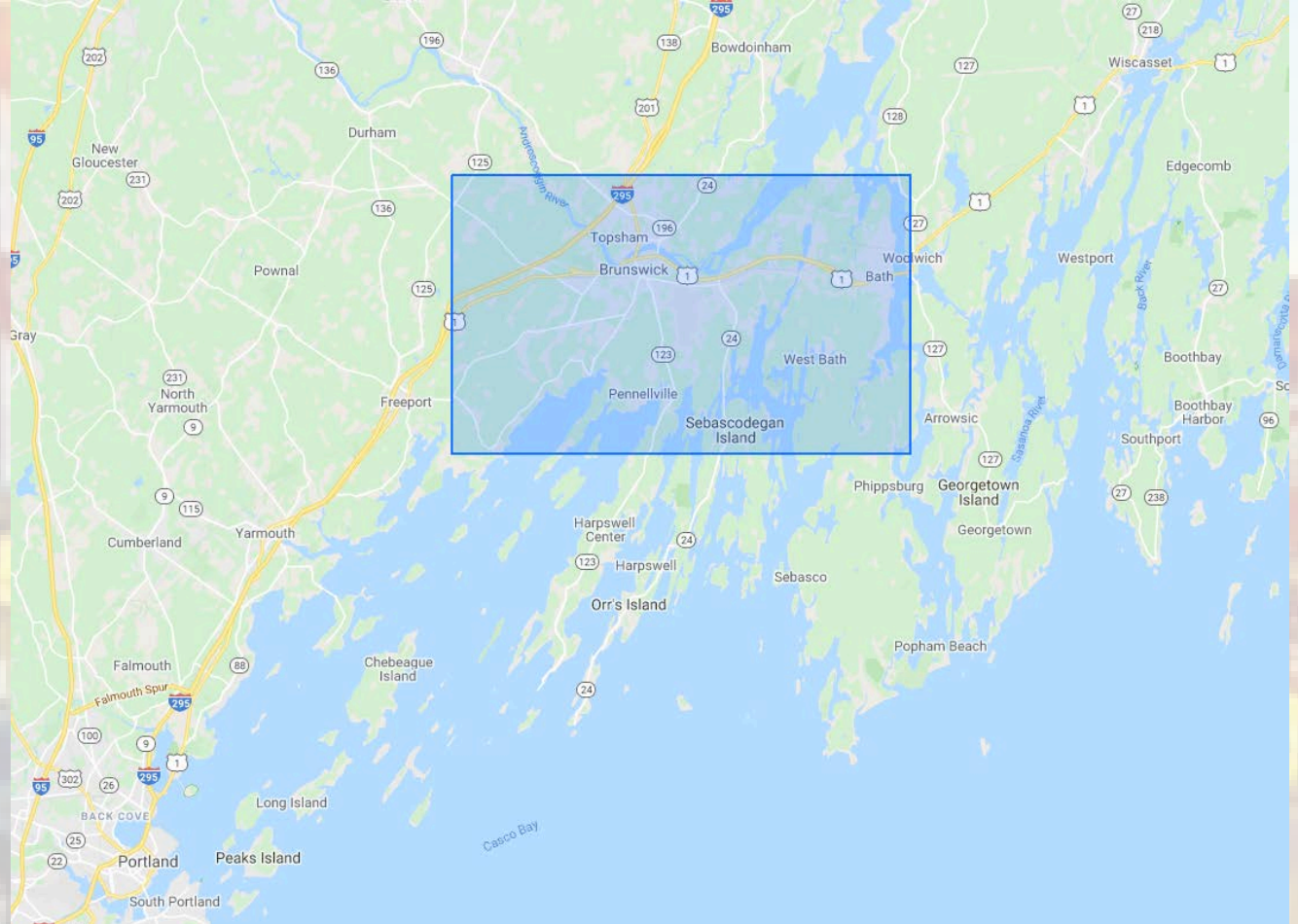


Midcoast Geography

41 Towns in 5
counties...



Today we zoom in on Bath,
Brunswick, & Topsham



Demographics

Diversification

Brunswick 2013: 7% Non-White
Brunswick 2018: 13% Non-White

National 1 year Growth: .1%

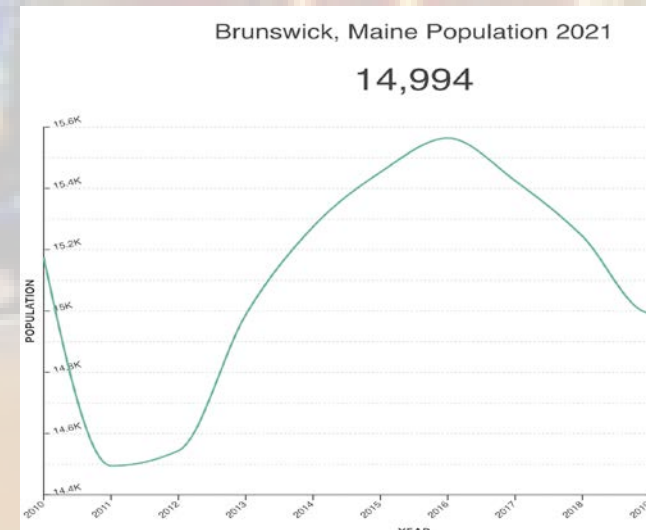
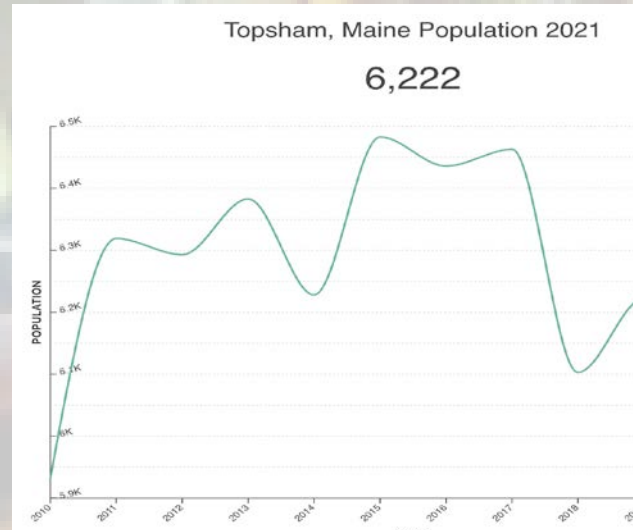
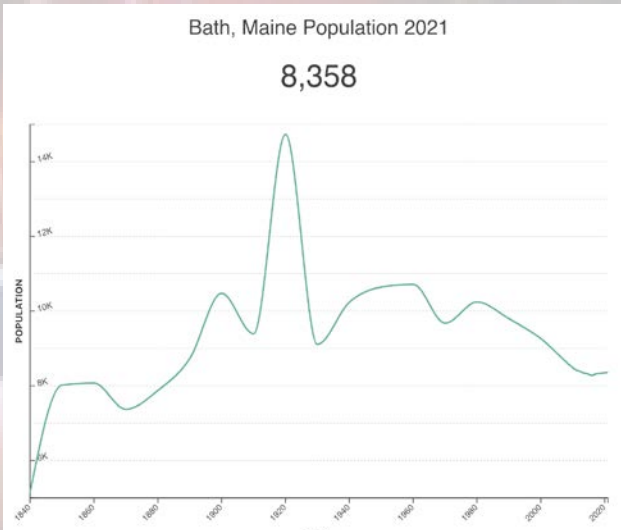
Maine 1 year Growth .7%

MA 1 year Growth -.5%

NY 1 year Growth -1.6%

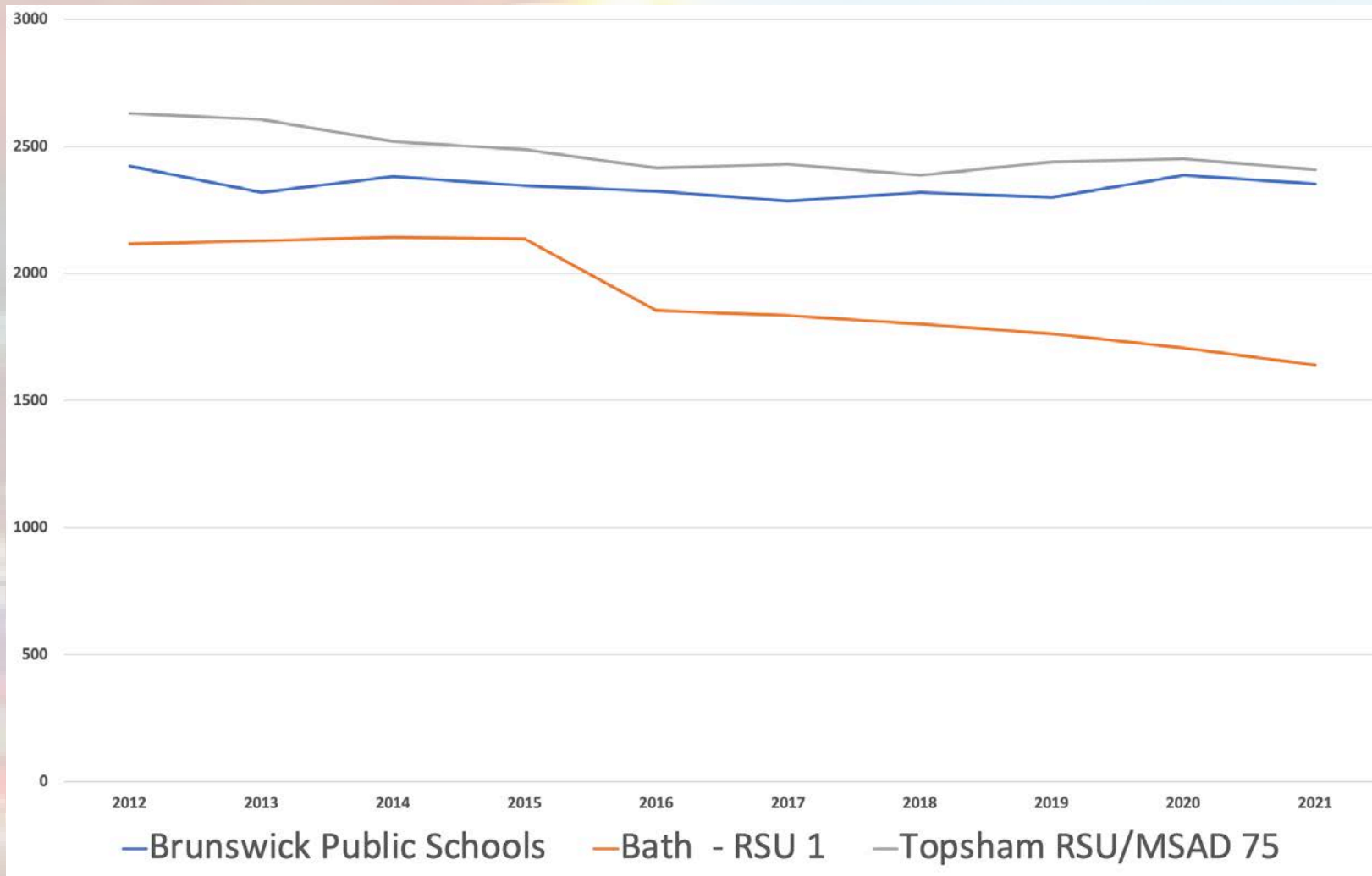
BUSINESS > Posted Yesterday at 5:26 PM | Updated at 12:12 AM

Maine population grows from in-migration during pandemic



Demographics

School Enrollment: We're old and getting older!



Market Trends and Data

Residential

Year	Sales	Closed Price	Growth Rate	DOM	List-to-Sale	\$/SQF	Growth Rate
2021	592	\$ 365,304	15%	24	1.05	\$ 219	21%
2020	597	\$ 310,514	11%	44	1.01	\$ 181	10%
2019	606	\$ 280,734	7%	49	0.99	\$ 164	5%
2018	619	\$ 261,909	2%	53	0.99	\$ 156	5%
2017	578	\$ 257,916	18%	60	0.98	\$ 149	16%
2016	639	\$ 218,871		70	0.97	\$ 129	

Average

11%

11%

Market Trends and Data

Commercial/Industrial – (MLS only)

Year	Sales	Closed Price	Growth Rate	DOM	List-to-Sale	\$/SQF	Growth Rate
2021	17	\$ 460,376	-7%	212	0.94	\$ 174	64%
2020	15	\$ 492,800	31%	243	0.93	\$ 106	15%
2019	15	\$ 375,500	-38%	409	0.81	\$ 92	-19%
2018	12	\$ 605,208	-48%	206	0.87	\$ 113	-10%
2017	14	\$ 1,166,096	229%	199	0.92	\$ 125	49%
2016	15	\$ 354,533		377	0.87	\$ 84	

Average

20%

Market Trends and Data

Multifamily

Year	Sales	Closed Price	Growth Rate	DOM	List-to-Sale	\$/SQF	Growth Rate	\$/Unit	Growth Rate
2021	50	\$ 406,306	29%	30.5	1.03	146	39%	\$ 150,254	48%
2020	40	\$ 315,304	10%	41	0.98	\$ 105	17%	\$ 101,757	9%
2019	43	\$ 285,393	4%	46	0.96	\$ 90	-9%	\$ 92,987	12%
2018	43	\$ 274,599	27%	51	0.94	\$ 99	25%	\$ 83,058	-1%
2017	38	\$ 216,471	45%	72	0.98	\$ 79	31%	\$ 84,190	32%
2016	43	\$ 149,360		125	0.9	\$ 60		\$ 63,779	
Average			23%				21%		20%

Rent Growth

2018 1 Bedroom average: \$838

2021 Nov/Dec 1 Bedroom Average: \$1348

62% Rent growth in 60 Months, about 1% per month...

Can't keep up with the data!

Notable Sales - Topsham



- **Patriot Common**
- Brokers: Joe Malone
- Space: 73 residential units on 14.29 acres
- Sale Price: \$7,685,696 (\$105K/unit)
- Close Date: 4/16/21

Notable Sales - Topsham



- **9 Bowdoin Island Mill**
- Brokers: Parker Howard (RE/MAX Riverside)
- Space: 4,128 SF office
- Sale Price: \$735,000 (\$178/SF)
- Close Date: 3/12/21

Notable Sales - Topsham



- **30 Park Drive**
- Brokers: Don Spann/Theresa Fasciana & Dave Holman (RE/MAX Riverside)
- Space: 7,504 SF office
- Sale Price: \$1,200,000 (\$160/SF)
- Close Date: 4/22/21

Notable Sales - Brunswick



- **15 Cushing St**
- Brokers: Sylas Hatch (Dunham) & Parker Howard (RE/MAX Riverside)
- Space: Otto Pizza (2,072 SF)
- Sale Price: \$390,000 (\$188/SF)
- Close Date: 4/11/21

Notable Sales - Brunswick



- **117 Maine St**
- Brokers: Don Spann/Theresa Fasciana & Dave Holman (RE/MAX Riverside)
- Space: 4 residential, 2 commercial (9,964 SF)
- Sale Price: \$1,450,000 (\$145/SF)
- Close Date: 11/9/21

Notable Sales - Brunswick



- **87 Maine St “Tondreau Block”**
- Brokers: John Graham Real Estate
- Space: 16 residential, 4 commercial (16,510 SF)
- Sale Price: \$3,500,000 (\$212/SF)
- Close Date: 9/2/21

Notable Sales - Bath



- **97-99 Commercial St**
- Brokers: Don Spann/Theresa Fasciana & Dave Holman (RE/MAX Riverside)
- Space: 7 Residential Units & 10 Commercial Units (17,253 SF)
- Sale Price: \$1,401,600 (\$81/SF)
- Close Date: 4/16/21

Notable Sales - Bath



- **Bluff and Central**
- Brokers: Brandon Mitchell, Malone.
- Space: 24 Residential Units
20,664 SF)
- Sale Price: \$2,200,000
(\$106/SF)
- Close Date: 1/28/21

Notable Sales - Bath



- **149 Front St**
- Brokers: Don Spann/Theresa Fasciana (RE/MAX Riverside) & Syllas Hatch (Dunham)
- Space: Commercial Office (16,144 SF)
- Sale Price: \$1,295,000 (\$80/SF)
- Close Date: 07/26/2021

Brunswick Landing

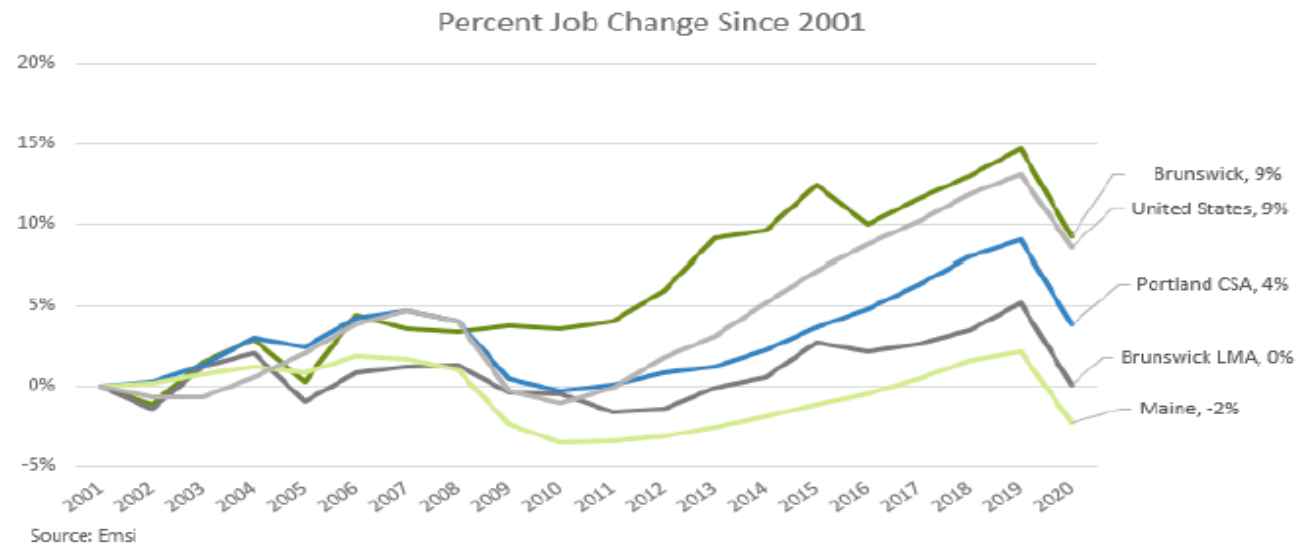
Navy Base closed over 10 years ago and now...

- Close to 1 Billion in private investment
- 150 Businesses
- 2500+ jobs
- Housing is full
- 2,000,000 SF on 2300 acres
- Mission Control for Maine Spaceport

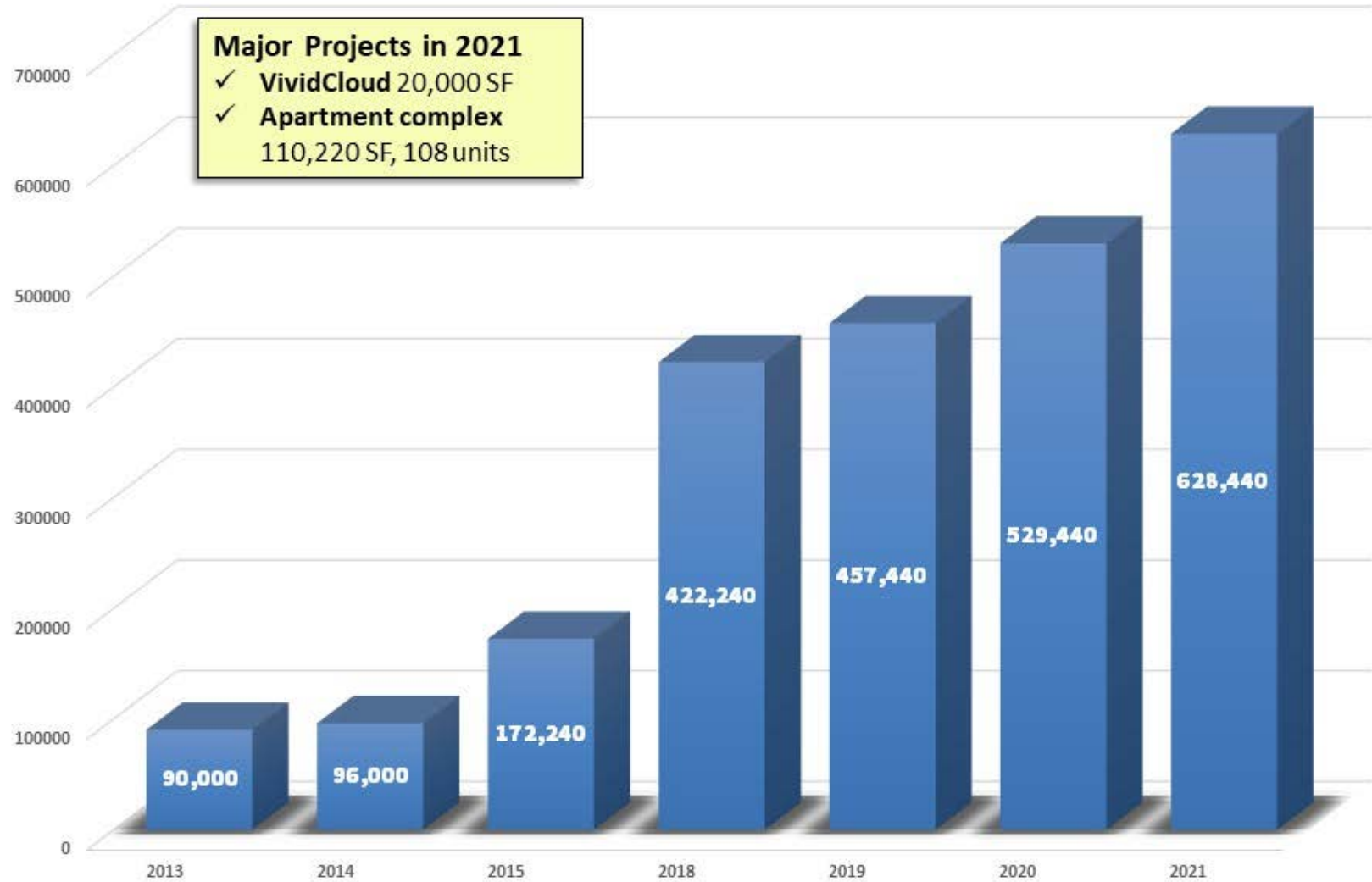


Jobs coming to Brunswick

- 1400 net jobs added 2001-2020
- Job growth is double Portland, over 5X Maine rate



New construction at Brunswick Landing cumulative





New Arrivals

Martin's Point
56,000 SF Medical facility
160 Jobs



Brunswick Landing Future Projects

- 57 Unit Multi-family with roof deck and underground parking.
- 20,000 SF Office Building for VividCloud
- bluShift Aerospace leased 5,000 SF, new rocket test site

Still Future Projects



Lemont Block Renovation



Tontine Mall
Development



New Brunswick-Topsham Bridge



Future Projects

- Market Basket coming to Topsham Fair Mall
- New Tractor Supply Store on Route 196 in Topsham
- 3 Topsham solar farms totalling 70 acres
- Midcoast Hockey – New Topsham Rink
- 200 multifamily units near Mid Coast-Parkview Hospital.
- Bath Riverwalk Extension



Future Projects



- Bowdoin Builds first commercial mass-timber (CLT) buildings in Maine; Barry Mills Hall & Arctic Center.
- 75% reduction in carbon footprint
- 46,000 SF



Reviewing Dave's 2021 Prediction

- Residential and Multifamily will remain HOT. **Nailed it.**
- Commercial will be strong with the possible exceptions of COVID-impacted areas like: restaurant, large office, and certain retail. **I'd say so.**
- Price growth for Midcoast will average 9% **I got the direction right but was way too conservative on magnitude.**
- Interest rates will decline by at least 25 basis points as Fed eases. **Not really- Fed continued quantitative easing policy, buying mortgage bonds etc but no rate cuts and rates stayed pretty flat, rising about 10 basis points over 2021.**
- Inflation will emerge by Q4 as economy (velocity of money) recovers. **Nailed it. For once my crystal ball was clear!**
- New Construction costs (materials and labor) will increase. **Nailed it.**
- Continued population growth. **Yes.**

2022 Prediction

- Residential and Multifamily will cool down from RED HOT to very warm as rates rise and recession fears increase post-midterms.
- One party will control congress while the other controls Executive branch- this means gridlock & no major fiscal stimulus for at least 2 years. Chances of a recession become high in this polarized environment.
- Midcoast price growth will drop from record highs to the 8-12% range
- Interest rates will increase by about 50 basis points but the Fed will not allow rates to increase by more than 1% to avoid major recession. Real rates will remain negative.
- CPI Inflation will decline to the 3-5% range as globalization, technology combine with economic slowdown off the post-covid bounce.
- Supply chain snarls will continue to make labor and materials prices and delivery times fluctuate.
- Urban exodus to Maine will continue along with rural Mainers moving to coasts.
- New COVID strains emerge but new drugs, treatments, vaccines, and herd immunity will reduce COVID impacts to flu-like levels.



MEREDA 2022

THANK YOU!

Special Thanks to:

Ben Averill – City of Bath

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Britt Vitalius

Don Spann/Theresa Fasciana

Jim/Parker Howard

Rod Melanson – Town of Topsham

Sally Costello – Town of Brunswick

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