



MEREDA 2023

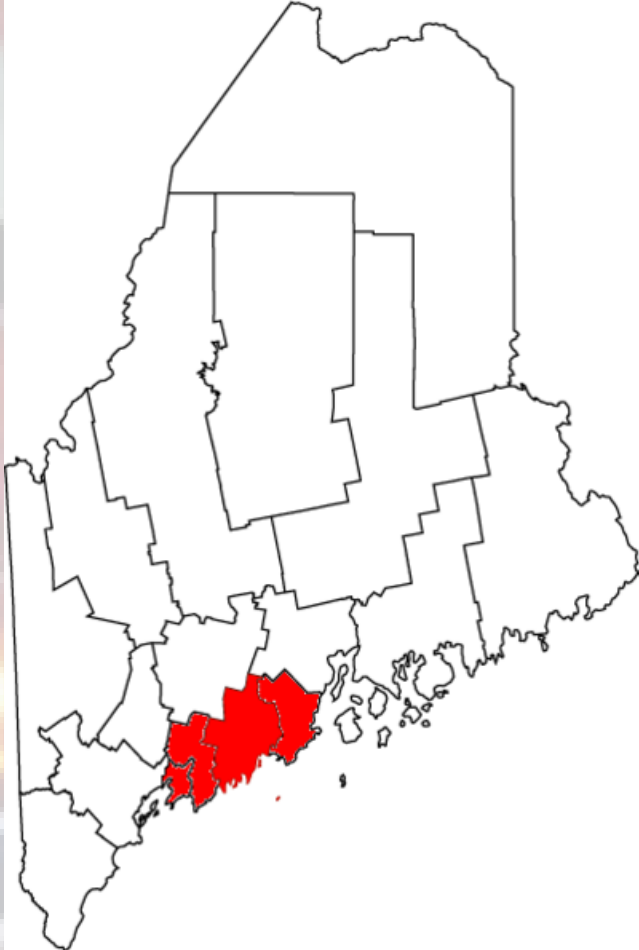
Real Estate Forecast Conference
Midcoast Market Assessment
Focus on Bath, Brunswick, Topsham

Dave Holman, MBA
Holman Group at RE/MAX Riverside

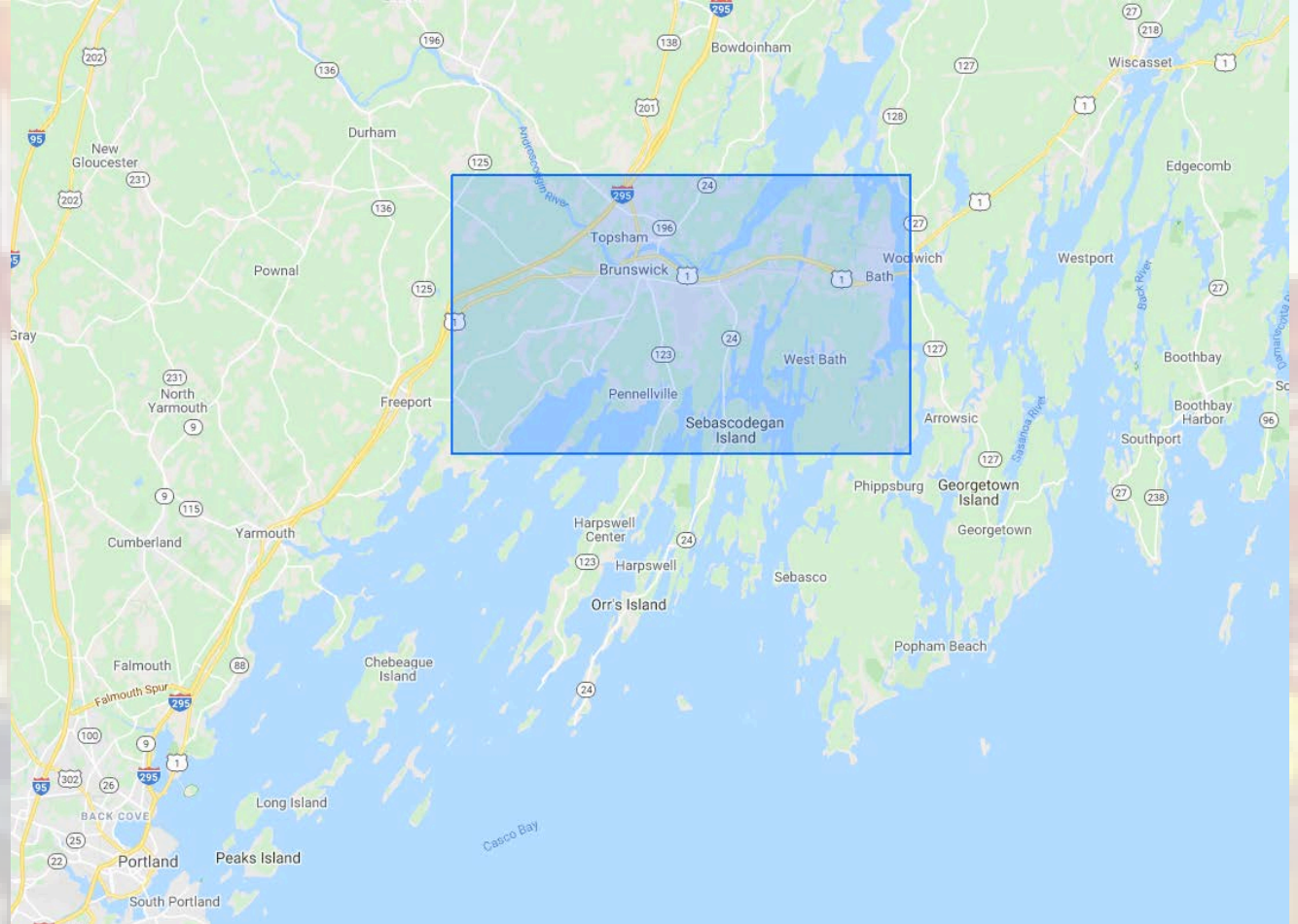


Midcoast Geography

41 Towns in 5
counties...



Today we zoom in on Bath,
Brunswick, & Topsham



Demographics

2022 Population Growth Rate (%)



Market Trends and Data

Residential

Year	Sales	Average Price	Growth Rate	DOM	List-to-Sale	Commission	\$/SQF	Growth Rate
2022	577	\$ 415,607	14%	20	1.05	2.52	\$ 253	16%
2021	592	\$ 365,304	15%	24	1.05	2.59	\$ 219	21%
2020	597	\$ 316,330	11%	49	1.01	2.61	\$ 181	8%
2019	606	\$ 286,083	8%	50	0.985	2.71	\$ 167	6%
2018	619	\$ 264,637	2%	53	0.989	2.74	\$ 157	5%
2017	578	\$ 259,805	-27%	60	0.979	2.76	\$ 150	12%
2016	639	\$ 354,533		74	0.973	2.82	\$ 134	2%

Market Trends and Data

Commercial/Industrial – (MLS only)

Year	Sales	Average Price	Growth Rate	DOM	List-to-Sale	\$/SQF	Growth Rate
2022	17	\$ 494,937	8%	81	0.92	\$ 151	-13%
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	

Market Trends and Data

Multifamily

Year	Sales	Closed Price	Growth Rate	DOM	List-to-Sale	\$/SQF	Growth Rate	\$/Unit	Growth Rate
2022	50	\$ 516,547	27%	21	102.5	\$ 169	15%	\$ 168,627	12%
2021	50	\$ 406,306	29%	30.5	103.196	\$ 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	32%	\$ 84,190	32%
2016	43	\$ 149,360		125	0.9	\$ 60		\$ 63,779	

Rent Growth

2018 - 1 Bedroom Average: \$838

2022 - 1 Bedroom Average: \$1574

88% Rent growth in 5 years - 17% per year

Notable Sales - Bath



- **Mae's Cafe**
- Brokers: Don Spann, Theresa Fasciana RE/MAX Riverside
- Space: Mixed use with restaurant on first floor and apartment above.
- Sale Price: \$1,075,000 (\$189/SF)
- Close Date: 1/21/22

Notable Sales - Bath



- **29 Centre St**
- Brokers: Mandy Reynolds, Magnusson-Balfour & Mike Anderson, Malone
- Space: 3,770 SF Bakery
- Sale Price: \$683,800 (\$181/SF)
- Close Date: 10/18/22

Notable Sales - Brunswick



- **Yankee Lanes**
- Brokers: Dustin Slocum – William Raveis
- Space: 27,030 SF
- Sale Price: \$2,000,000 (\$74/SF)
- Close Date: 3/30/22

Notable Sales - Brunswick



- **Seacoast (business & building)**
- Brokers: Don Spann, Theresa Fasciana, RE/MAX Riverside
- Space: 7,500 SF
- Sale Price: undisclosed
- Close Date: 12/12/22

Notable Sales - Brunswick



- **Brunswick Station Portfolio**
- Brokers: Drew Sigfridson, Boulos
- Space: 71,583 SF Mixed Use
- Sale Price: \$18,000,000 (\$251/SF)
- Close Date: 12/5/22

Notable Sales - Topsham



- **21 Summer St**
- Brokers: Robert Whisenant & Dave Holman (RE/MAX Riverside)
- Space: 6 units (4,392 SF)
- Sale Price: \$921,270 (\$210/SF, \$153K/unit)
- Close Date: 8/24/22

2022 - Brunswick Housing Boom & Bust



Projected new development units at beginning of 2022: 1,500+

Projected new development units at end of 2022: 207



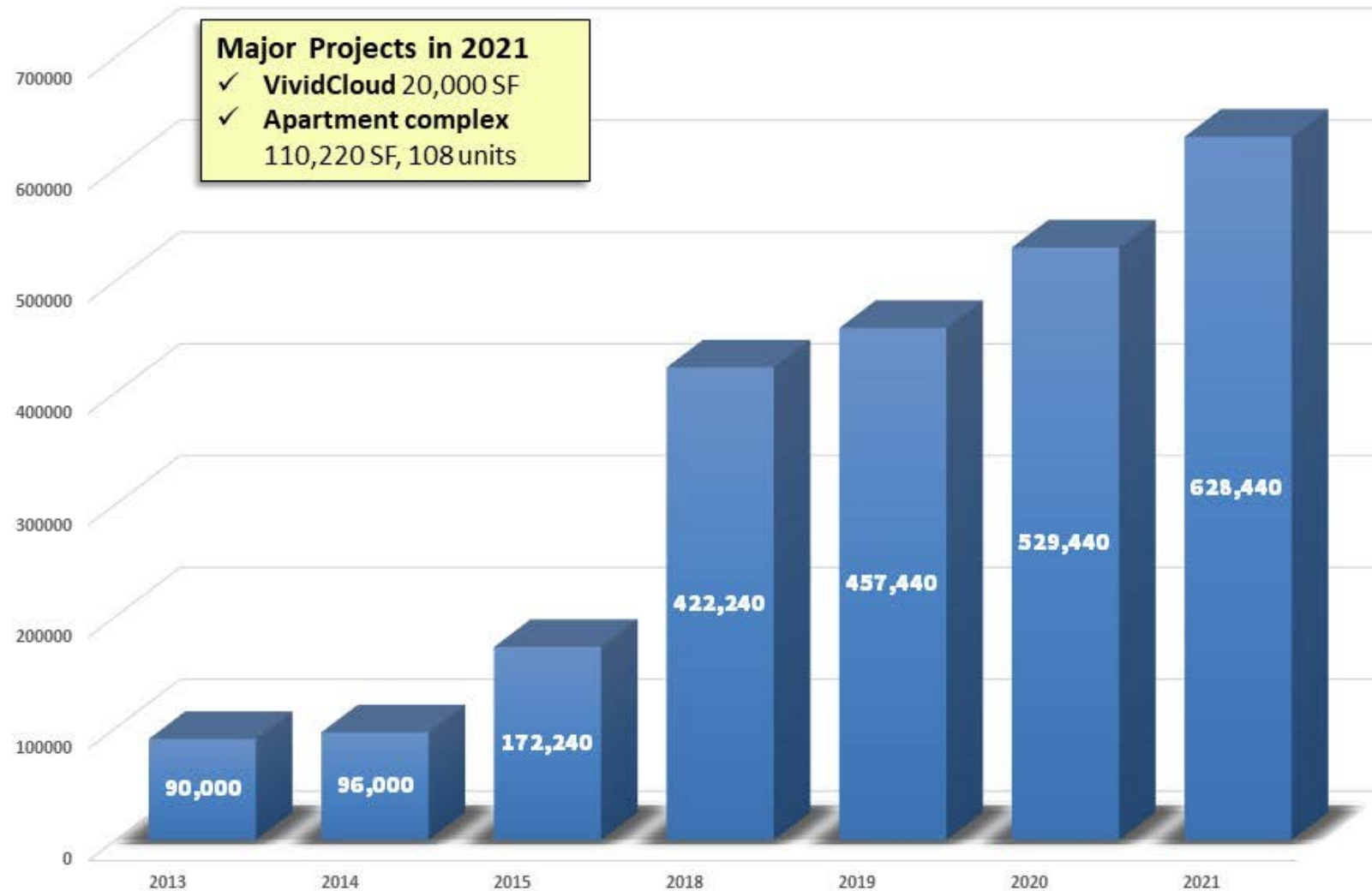
Cancelled: Major development of raw land encountered neighbors' opposition. One developer fled inclusive zoning, another encountered environmental costs, another on pause as rates climbed.

Brunswick Landing

- Navy Base closed over 12 years ago and now...
- Close to 1 Billion in private investment
- 39 early stage tech companies
- 2500+ jobs
- \$252M in new taxable property.
- 120 National Guard and 124 Marine Corps reservists stationed
- Brunswick Executive Airport (BXM) has 26,500 Flights in 2022



New construction at Brunswick Landing cumulative



Future Projects

- Market Basket coming to Topsham Fair Mall
 - Brunswick Maine St Streetscape Project
 - 60 Units of Asylum Seeker Housing
 - Brunswick's MARC Community Recreation & Gym facility
 - Allagash bike/ped trail connection
-



MidCoast Athletic & Recreation Complex (MARC)

Phase 1 Plan

Reviewing Dave's 2022 Predictions

- Residential and Multifamily will cool down from RED HOT to very warm as rates rise and recession fears increase post-midterms. **Nailed it.**
- 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. **Nailed it.**
- Midcoast price growth will drop from record highs to the 8-12% range. **Directionally correct but growth was still hot in the 14%+ 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. **Fed raised more than I thought but real rates were still negative.**
- CPI Inflation will decline to the 3-5% range as globalization, technology combine with economic slowdown off the post-covid bounce. **Directionally correct. Might have been correct if the war in Ukraine hadn't happened. CPI now 6.5% and falling fast.**
- Supply chain snarls will continue to make labor and materials prices and delivery times fluctuate. **Yes.**
- Urban exodus to Maine will continue along with rural Mainers moving to coasts. **Nailed it.**
- New COVID strains emerge but new drugs, treatments, vaccines, and herd immunity will reduce COVID impacts to flu-like levels. **Yes but never imagined China would go from 0 COVID to uncontrolled COVID. The impacts are yet to be determined.**

Dave's 2023 Predictions

- Residential and Multifamily will cool down from hot to lukewarm. Low supply prevents major price falls.
- Easy One: federal political instability, debt ceiling issues, present challenges to markets.
- IRA accelerates electrification demand as heat pumps outpace oil and gas
- Midcoast price growth will drop from record highs to the 8-12% range.
- The Fed will slow rate increases, then stop them, then begin rate drops as the economy weakens
- CPI Inflation will decline to the 3-5% range as regional-globalization, technology combine with economic slowdown off the post-covid bounce
- Portland Rent Controls result in low market rate construction- fueling sprawl to suburbs. Inclusive zoning limits growth.



MEREDA 2022

THANK YOU!

Special Thanks to:

Ben Averill – City of Bath

Kristine Logan - MRRA

Britt Vitalius

Don Spann/Theresa Fasciana

Jim/Parker Howard

Jean Burr – Holman Homes Finance Director

Rod Melanson – Town of Topsham

Sally Costello – Town of Brunswick

Dave Holman, MBA

Holman Group at RE/MAX Riverside

dave@holmanhomes.com

207-517-5700

