Southern Maine’s commercial real estate market continues to show signs of improvement in the 3rd Quarter of 2012. One key indicator is the amount and recent activity from developers in Portland.

In June, the city of Portland’s Planning Board gave final approval for the redevelopment of Thompson Point. Located off I-195, Thompson Point has been a run down industrial site for many years and has been viewed as an “eye sore” by many. The $105 million project will include an events center for the Maine Red Claws, a hotel, a parking garage, and up to 300,000 s/f of office, medical office, and restaurant space. Last month, the U.S. Commerce Department through the Obama Administration, granted the Thompson Point project $1.5 million towards its redevelopment. Construction is planned to commence upon securing leases for approximately 80,000 s/f of the commercial space. This project is estimated to create 455 jobs in Portland.

In September, East Brown Cow submitted a proposal to the City of Portland to build a $13 million seven-story hotel that would include 124 rooms and be built on the corner of Union and Fore St. in the Old Port. East Brown Cow is one of the most active developers in Portland acquiring Preservation rallies and other mass protests have long sought to save the historic Thompson Point buildings. As a three-phase development, the Thompson Point project aims to change the skyline of Portland from both sides of the city.

And then there is the proposed $38 million Bayside development. Located off of Marginal Way and Somerset St. in Portland, the 3.5 acre site was purchased by The Federated Cos. in 2011. The two phase development proposes parking garages with 700 spaces, 40,000 s/f of retail, and up to 176 apartments. The first phase of this project could be completed within the next three years and would literally change gateway to downtown Portland.

There is no doubt that times are changing in Portland and the magnitude of these proposals indicates that the commercial market is rebounding. Assuming that these major projects come to fruition, the majority of Portland’s highly visible and under utilized industrial sites will be transformed into new age mixed used buildings. It will also change the skyline of Portland from both sides of I-295 and areas of the Old Port area.

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