



Matthew Cardente, designated broker/owner, Cardente Real Estate

## MAINE

It is a known fact that the golden rule of real estate is location, location, location, and no other sector follows this rule more closely than retail. Retail development in any market is dependent on direct access from major roadways and the ability to provide consumers with easy access and convenience. The retail market in Maine is no exception. Due to its location along key turnpikes and highway exits, the majority of Maine's retail development is occurring in the southern and central parts of the state. Two municipalities in southern Maine, Falmouth and South Portland, are experiencing significant development because they offer direct access to Interstate 295 and the state's turnpike. Although Maine tends to be the last state in northern New England to get the latest national retailers, the retail market has remained strong with new development opportunities ranging from big-box regional shopping centers to multi-tenanted retail buildings that target smaller retailers between 1,000 to 3,000 square feet.

There are several projects throughout Maine that have had a significant impact on the retail market. S.R. Weiner's

Marketplace at Augusta, the largest open-air retail center in Maine, recently underwent an expansion to accommodate more retailers. The 1.3 million-square-foot shopping center, located on Civic Center Drive off of Interstate 95 in Augusta, contains major tenants such as Sam's Club, Wal-Mart, Kohl's and The Home Depot. The surrounding area has experienced major growth in more than just the retail market because of this development.

Completion of The Shops at Biddeford in fall 2006 brought major retail growth to the Biddeford area. Developed by Packard Development, a Newton, Massachusetts-based developer, the \$50 million project contains 500,000 square feet of shops and restaurants and is anchored by Lowe's and Target. The shopping center is located directly off Route 111 and is in close proximity to Interstate 95, which attracts a number of retailers and consumers.

The Scarborough Economic Development Corporation is currently developing Gateway at Scarborough, a 396,000-square-foot mixed-use development situated on 70 acres in Scarborough. The development, located at Payne Road off Exit 42, will contain three 6,000-square-foot restaurant sites and a 4,000-square-foot banking facility. In addition, Cabela's, an outdoor

outfitter, will open a 125,000-square-foot facility within the site. In doing so, this will increase competition with L.L. Bean, a similar outfitter based out of Freeport.

Other developments include the construction of a 45,350-square-foot Whole Foods facility on Somerset Street in Portland and the redevelopment of Class A and Class B retail buildings on Western Avenue in South Portland. Whole Foods will also be competing with a similar retailer, Wild Oats, currently located on Marginal Way in Portland.

In the future, Maine is set to experience potential upside in future development along Western Avenue of South Portland, the Route 1 Corridor of Saco, the Haigis Parkway of Scarborough, Old Orchard Beach, Topsham Fair Mall area of Topsham and various locations throughout Falmouth. Due to continued development, the retail market in Maine is quite strong. Currently, Class A rental rates for southern Maine range from \$15 to \$30 per square foot, depending upon the location. York County, Cumberland County and Androscoggin County have the highest average lease rates in Maine.

*- Matthew Cardente is the designated broker/owner of Cardente Real Estate in Portland, Maine.*