



# OUR VISION YOUR FUTURE

Boston Commercial Real Estate Report



**THE FUTURE** is dim for anyone who does not exceed the expectations of their customers and clients.

John Maxwell

## PREDICTIONS

David Skinner, Advisor

We could talk about the economy, we could talk about being 10 years into an expansion and how nobody sees anything that really tells us otherwise. But everybody has been saying it for years. So instead, let's talk about the 3 trends in industrial real estate to watch out for in 2020. There are many more factors driving the industrial sector than the boom and bust cycles.

**Trend 1:** Baby-Boomer retirement sales are happening at a higher frequency. There is a general lack of availability with industrial product available for sale, but we have seen many Boomers who are looking to retire and cash out on the equity of their highly-appreciated real estate. Sites that have been held in families for over thirty years are now being offered for sale or sold on an off-market basis. This will continue for the next few years and will likely happen quickly.

**Trend 2:** Industrial manufacturing is moving away from New England. The dearth of employees available for manufacturing labor is causing once-thriving businesses to shrink because they do not have the manpower to fulfill orders that are still coming in. The general cost of living in Northeast is becoming prohibitive for employees in manufacturing to earn a livable wage. If employers raised wages to a competitive level, it would price their products out of the market. For this reason, many formerly successful manufacturers are either moving out of state or closing up shop.

**Trend 3:** Private equity fund managers are justifying all-time low cap rates on institutional-grade, vacant industrial buildings in order to deploy capital. Due to the lack of inventory and the aforementioned number of tenants available in the market, many of these fund managers are taking the risk that the tenants will come if the building built well enough. Capital is still freely flowing and industrial is still the unsung hero of the real estate investment community.

## DID YOU KNOW? BE AUTHENTIC:

Across the commercial real estate industry, swaths of firms and industry players have jumped onto the social media bandwagon to not only grow their online presence but win new business. With all the buzz coming from different directions, grabbing the attention of audiences has become a rat race, leaving many asking, "how do you stand out in the noisy world of media?" Audiences want to connect with authentic people who can take them behind the scenes into what it is that they do, and as social media becomes more prevalent, it has and will replace door knocking and cold calling in securing new business. Establishing an online presence is no breeze, admittedly. What Kyle Inerra, a restaurant growth and real estate advisor has found successful in his brand-building efforts to connect with audiences and attract clients, is carving out time in his schedule to post-produce content and to publish online, remaining consistent, and not waiting to get started. "Don't overthink, just get in there and start swimming," he said.

Source: Globe St.com

## THE STUBBLEBINE COMPANY 4TH QUARTER TRANSACTIONS

135 Intervale Road, Fitchburg  
350,000 s.f. | Sold for \$5.6M



Seller: Simonds Saw, LLC  
Buyer: 135 Intervale LLC

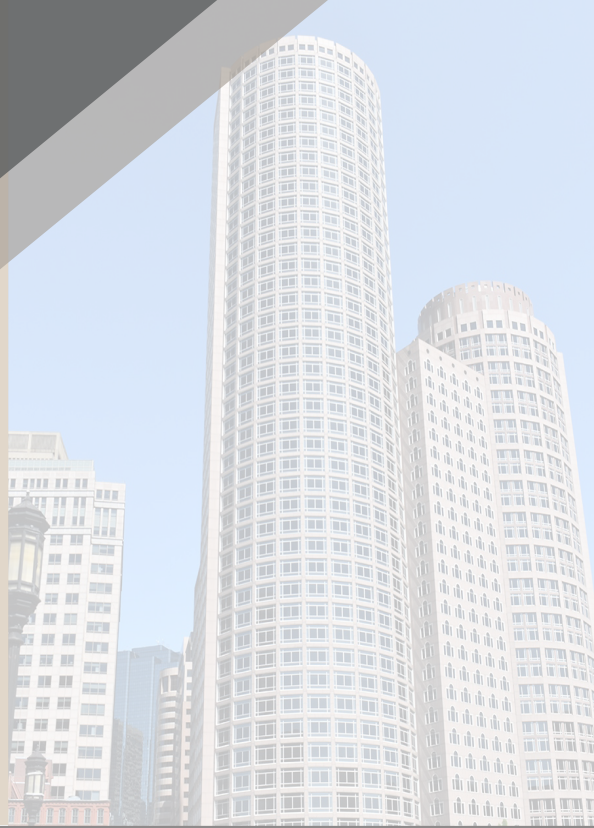
9-11 Mear Rd., Holbrook, MA  
98,250 s.f. | Leased



Landlord: Holbrook Property Owners, LLC  
Tenant: Northern Container Corporation



“  
Being good in  
business is the  
most fascinating  
kind of art.  
Andy Warhol  
”



CONTINUED: TSC 4TH QUARTER TRANSACTIONS

50 Fuller Ave, Attleboro, MA  
41,792 s.f. | Sold for \$2.175M



Seller: Robert N. Karpp Company  
Buyer: 50 Fuller, LLC

100 Shepard St., Lawrence, MA  
105,790 s.f. | Sold for \$5.1M



Seller: Sekisui Voltek, LLC  
Buyer: Packaging Partners, LLC

## INDUSTRY NEWS

The Boston Planning and Development Agency in 2019 approved 10.2 million square feet of new commercial, residential and mixed-use development worth a combined \$5.6 billion, the agency said. The 10.2 million square feet includes 4,974 residential units, of which 1,216, or around 24 percent, will be restricted by income levels. The combined development will create 8,462 construction jobs, according to the BPDA. Those projects will allow for \$2 million in payments to the city's inclusionary development program, which funds affordable housing throughout Boston.

For a complimentary market analysis of your property or to discuss your company's real estate requirements, please contact one of our real estate consultants:

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## FEATURED LISTINGS

### FOR LEASE



180 New Boston Street, Woburn  
Total Size: 66,219 s.f.  
Available Space: 66,219 s.f.  
Land: 3.69 acres  
Building Type: Industrial  
Clear Height: 20'  
Status: For Lease

### FOR LEASE



12 Industrial Rd., Sterling  
Total Size: 45,000 s.f.  
Available space: 45,000 s.f.  
Land: 4.41 acres  
Building type: Industrial  
Clear Height: 22'  
Status: For Lease

"A cheerful heart is good medicine, but a crushed spirit dries up the bones." Proverbs 17:22 (NIV)