

Q4



**THE
STUBBLEBINE
COMPANY**

CORFAC INTERNATIONAL

2017 REAL ESTATE REPORT

The Stubblebine Company Fourth Quarter Transactions

“It doesn’t matter how many times you fail because you only have to be right one time.”

-Mark Cuban

... “Take a snap photo of exactly where you will be in your future... Your ideal future... visualize it.”

-Sara Blakely

“I do not think there is any other quality so essential to success of any kind as the quality of perseverance. It overcomes almost everything, even nature!”

-John D. Rockefeller Sr

Behold, I am the Lord, the God of all flesh. Is there anything too hard for me?”

-Jeremiah 32:27

Did You Know?

Analysis of the Trump Tax Plan

According to an analysis produced by The Beacon Hill Institute in November, the Trump-Ryan tax plan will create gains for taxpayers in all income brackets, despite claims that tax cuts contained in the bill will only benefit the highest income earners, by an estimated \$2,004 per household. BHI also estimates that the tax plan will effect real GDP in a positive way, increasing to 2.3% by 2027. Furthermore by 2027, the plan will increase personal income by 2.5% and investment income by 5.7%.

(Source: The Beacon Hill Institute, The Economic Effects of the Tax Cuts and Jobs Act)

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The Stubblebine Company is a Commercial Real Estate Firm seeking win/win real estate brokerage opportunities in the New England region.

**100 Simplex Drive Westminster, MA
203,865 s.f. Leased**



**Landlord: NIP
Tenant: GN Dunnage**

**16 & 29 Esquire Rd Billerica, MA
22,363 s.f. Leased**



**Landlord: Wakefield Investments
Tenant: 24M Tech Inc & HDM**

**355 Main St Whitinsville, MA
78,400 s.f. Leased**



**Landlord: Arcade Realty Trust
Tenant: Core-Mark International**

**159 Rangeway Rd Billerica, MA
56,000 s.f.**



**Landlord: Lynnway Rangeway, LLC
Tenant: Compass Packaging**

The Stubblebine Company Adds a New Broker

Mr. David Skinner has recently joined The Stubblebine Company’s Suburban Boston industrial brokerage team.

David Skinner, a highly experienced salesperson, adds an energetic and aggressive element to the sales team.

After graduating from Bethlehem College in Minneapolis, MN, David launched a successful start in packaging sales then moved to Boston to pursue a career in real estate.

David has a rare work ethic and commitment to succeeding. He is a true part of the team and will without question be a top performer.



Quarterly Economic Analysis

2017 ended with an unemployment rate of 4.1%. The short-term unemployment rate has fallen to its lowest in 65 years. It is predicted that by the end of 2018, this rate will drop to 3.8% as it becomes increasingly difficult for employers to find suitable candidates.

Kiplinger predicts that the economy will add an average of 160,000 jobs per month in 2018, down from 171,000 in 2017 as the workforce pool has seen a steady drop since 2014 due to flat population growth.

Crude oil is predicted to inch up from \$50 to \$55/bbl in February of 2018. Auto sales will see a dip in 2018 to 16.8 million as compared to 17.2 million in 2017.

(Source: Bureau of Labor Statistics; Kiplinger Report)

Optimism Abounds for 2018 Industrial Market by Micah Stubblebine

The industrial market finished 2017 on a remarkably high note. The vacancy rate sat at a miniscule 5%, while rental rates continued their steady climb, with the average quoted rental rate for available space up to \$7.36/s.f. at year's end. The overall industrial market experienced significant positive absorption all four quarters of the year.

Tenants found finding space in 2017 was no small challenge. High bay industrial warehouse with good proximity to highways has become increasingly difficult to locate. As a result, buildings with lower clear height and less attractive locations are breathing new life, as tenants are increasingly looking further afield for options. While speculative development of industrial space has experienced a modest uptick (1.2 million s.f. of deliveries in the fourth quarter alone), the new construction is not at levels needed to meet the current demand. There are a number of factors driving this phenomenal demand for space, including the expansion of e-commerce, the strong housing market as well as the overall strength of the economy.

A major trend both nationally and locally is the rising star of industrial investment sale transactions. Where previous years saw the investment community flock to apartment sales, 2017 saw investors become increasingly enamored with the relative stability of industrial investments versus other product types. Institutional capital and foreign investment have flowed into this asset class at an impressive clip, and by year's end the Boston market experienced closed to \$1 billion in industrial investment sales.



Stubblebine Team

www.stubblebinecompany.com

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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Information contained herein was obtained from third parties, and it has not been independently verified by The Stubblebine Company. Buyer/tenants should have their choice to inspect the property and verify all information. Real estate brokers are not qualified to act as or select experts with respect to legal, tax, environment, building construction, soil-drainage or other such matters.

The Stubblebine Company currently has over 65 Exclusive listings for sale or lease. 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.

FOR LEASE: 31 Wells Street Worcester, MA

Total Size: 117,500 s.f.
Available Space: Two free standing buildings:
94,250 SF and 25,000 SF
Land: 9 acres
Building Type: Warehouse/Distribution
Ceiling Height: 14'-35' clear; 24' clear



FOR LEASE: 84 Teed Drive Randolph, MA

Total Size: 86,800 s.f.
Available space: 86,800 s.f.
Land: 5.91 acres
Building type: Industrial Warehouse
Ceiling Height: 23'6" clear height

