

# Q2

## 2018 REAL ESTATE REPORT

“Don’t be afraid to take a big step if one is indicated. You can’t cross a chasm in two small steps.”

-David Lloyd George

“Out on the edge you see all kinds of things you can’t see from the center. Big, undreamed-of things—the people on the edge see them first.”

-Kurt Vonnegut

“Generally mankind is seduced to the comfort zone. The victories are rarely found in the comfort zone. Most achievers in any field are found in the pain arena. Beware of the camouflage of mediocrity which knows the edge of success but never ventures past the still waters of safety and comfort... The possibility of success in any field presupposes that conflict, opposition, competition and difficulties will always arise.”

-Peter Daniels

“Correction is grievous unto him that forsaketh the way: and he that hateth reproof shall die.”

-Proverbs 15:10

### Did You Know?

Prologis is the largest owner of industrial real estate in the world. The company is publically traded on the New York Stock Exchange, and is a member of the S&P 500.

- Prologis provides real estate solutions in 19 countries.
- The value of goods flowing through Prologis buildings annually is equivalent to 1.7 % of global GDP, at \$1.3 trillion.
- Prologis has \$79B in assets under management.
- With 800,000 jobs, Prologis employs more people than Bank of America, Boeing, General Electric, General Motors and Verizon combined.
- Prologis provided 84 months of rent-free space to 19 non-profits in 2017, and donated \$2M to local charities.

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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.

## The Stubblebine Company Second Quarter Transactions

**100 Simplex Dr. Westminster, MA**  
692,305 s.f. Sold for \$13M



**Seller: NIP LLC**  
**Buyer: 100 Simplex Drive LLC**

**150 Blackstone Worcester, MA**  
67,000 s.f. Leased



**Landlord: 150 Blackstone LLC**  
**Tenant: Kim International**

**16 Chocksett Road Sterling, MA**  
78,757 s.f. Sold for \$5.1M



**Seller: 2003 Realty Trust**  
**Buyer: Biomedical Polymers**

**20 Authority Drive Fitchburg, MA**  
Sold for \$3.2M



**Seller: Geosearch, Inc**  
**Buyer: NS AJO Holdings**

### The Stubblebine Company Adds Another New Broker

The Stubblebine Company’s Suburban Boston industrial brokerage team is pleased to welcome Mr. Aaron Racette.

As a highly motivated and focused individual, Aaron Racette brings great enthusiasm to the Stubblebine team. Coming from 5 years in the rapidly growing Lab Construction Industry, Aaron has a great feel for seeing projects through and maintaining a big picture perspective. He is a team player who exudes leadership as a habit formed from many years as a captain and leader in athletics. We are excited to have Aaron with us and we expect him to build an illustrious career with The Stubblebine Company.



### Quarterly Economic Snapshot

The unemployment rate saw a slight decrease to 3.9% in July and is expected to continue in that direction.

There was a surge in prices in July of 2.4% not including food and energy. The Federal Reserve is on track to raise interest rates this September.

Kiplinger predicts GDP should increase 2.9% for the year, after 2017’s 2.2% pace. Growth in the second half of 2018 will likely be at roughly a 3% pace. Tax cuts are boosting GDP through rising consumer spending and stronger business investment.

(Source: Bureau of Labor Statistics; Kiplinger Report)



The Boston Industrial Market finished the second quarter of 2018 with a vacancy rate of 5.4%, a slight increase over the previous quarter. While the market experienced net negative absorption, average rental rates continued to climb to \$7.66 for the quarter.

Despite a slight increase in the vacancy rate, resulting from net negative absorption in the flex sub-market, all signs point towards continued positive momentum in the overall industrial market. High quality warehouse space remains in high demand throughout the region, especially with close proximity to population centers, driven by a robust E-Commerce industry, a booming economy and the absence of new supply coming to market.

At the end of the second quarter 2,400,001 square feet of new Industrial space was under construction. The largest projects currently under construction include a 333,000 square foot building at 333 Coney St. Walpole, MA which is 100% pre-leased and a 300,000 square foot building at 351 Maple St. Bellingham, MA that is 0% pre-leased. These projects continue the trend seen throughout 2018 at other noteworthy new deliveries, including 785,000 square feet at 10 Webb Drive and 240,000 square feet at 12 Innovation Way, both currently 100% occupied.

With many existing vacant industrial properties reaching functional obsolescence and much of the new construction currently in the pipeline being delivered fully leased, demand is expected to outpace supply for the foreseeable future.



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## Stubblebine Team

[www.stubblebinecompany.com](http://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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## Featured Listings for Sale / Lease

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 SALE/LEASE: 45 Bartlett St. Marlboro, MA**

Total Size: 41,374 s.f.  
Available Space: 41,374 s.f.  
Land: 5.92 acres  
Building Type: Industrial  
Ceiling Height: 12'-22' clear  
Other: Tenant income in 18,000 s.f.  
Status: For Sale



### **FOR SALE: 100 Shepherd St. Lawrence, MA**

Total Size: 123,211 s.f.  
Available space: 123,211 s.f.  
Land: 5.51 acres  
Building type: Manufacturing / Office  
Ceiling Height: 18' in original warehouse, 22'-28' in first expansion, 10'-14' in second expansion  
Other: Ensconded in established Industrial Park with proximity to I-93  
Status: For Sale



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.