

Real Estate Market Analysis

TOWN OF YARMOUTH

AUGUST 2023

PREPARED FOR:

Town of Yarmouth
North Star Planning
49 Pineland Dr.
Suite 102
New Gloucester, ME 04260

PREPARED BY:



This page is intentionally blank.

CONTENTS

1. Executive Summary.....	1
2. Demographic and Socioeconomic Profile	5
3. Industry and Occupation Profile.....	12
4. Real Estate Overview	23
4.1 Residential Market Analysis	25
4.2 Retail Market Analysis	44
4.3 Industrial/Flex Market Analysis.....	58
4.4 Office Market Analysis.....	67
Attachment A: Data Sources.....	78
Attachment B: Tapestry Segments	79

1. EXECUTIVE SUMMARY

This Real Estate Market Analysis is intended to inform the Town of Yarmouth’s Comprehensive Plan. This analysis provides insight into the Town’s ongoing economic development efforts and provides a robust understanding of the types of market-supported development that could occur in the Town of Yarmouth.

The Town of Yarmouth is a coastal town approximately 12 miles north of Portland, Maine. Boasting coastal access to the ocean and outdoor recreation, along with its close proximity to Maine’s largest city (Portland), Yarmouth is considered a highly desirable community to live in, as evidenced by high home prices. With comparatively large shares of household incomes making over \$100,000, the town drives popularity amongst families due to the high quality of life, safety, and strong school district. The Town of Yarmouth has a walkable downtown with local service amenities and restaurants. Yarmouth has direct access to I-295 and Route 1, creating access to the skilled workforce living throughout Southern Maine. In addition, direct highway access leads to short commutes to job centers in both Portland and Brunswick.

While the Town of Yarmouth is highly competitive within the region due to its strengths, there are constraints that restrict development opportunities. Yarmouth has limited availability of large developable sites for commercial and industrial use. Even fewer developable sites exist with direct access to I-295, a requirement for many commercial and industrial users. Furthermore, larger-scale retail centers in Freeport to the north and Falmouth to the south limit potential for more regional-serving retail developments. Housing costs that are among the highest in the state significantly limit the diversity people who can afford to live in town and restricts the potential workforce population for many local businesses, including retail, restaurants, services, etc.

Key findings to Yarmouth’s demographic and socioeconomic profile and four use types examined in the study (residential, retail, industrial, and office) are presented as follows.

Yarmouth Net Supportable Demand for Real Estate Through 2027

Net Supportable Demand	
Residential - Rental	Up to 32 Units
Residential - For-Sale	122-248 Units
Retail	33,000 SF
Industrial/Flex	Up to 10,000 SF
General Office	Minimal Demand
Medical Office	4,300 SF

Source: Camoin Associates

Note: Reflects additional supportable demand for space beyond what is currently vacant or in the Town's development pipeline

DEMOGRAPHIC & SOCIOECONOMIC

Population Growth | Yarmouth’s population is growing at a faster pace than the surrounding county, region, and state, though its growth rate is projected to slow in the next five years assuming status quo development trends.

Population Characteristics | Yarmouth has a significantly older population than the surrounding geographies, with a median age of 49.4. It has a comparatively high share of the population aged 50+, and lower shares of young children and early-career aged individuals. The median household income in Yarmouth is higher than the surrounding region, with almost a quarter of its population living in households with income of \$200,000 or more.

Commuter Characteristics | 85% of Yarmouth residents commute outside of Yarmouth for work, and Yarmouth imports about 85% of its

workforce from outside communities. According to the most recent available data available (sampled between 2017-2021), 14.9% of employed Yarmouth residents worked from home, though the current share of those working from home is likely considerably higher.

RESIDENTIAL

Historically, the Greater Portland Market has not been known to have a significant multifamily market, with single-family homeownership dominating. However, the rental market has strengthened in recent years, with minimal vacancies and strong rent growth prompting developers to respond to the improved market demand.

Approximately 75% of Yarmouth’s occupied housing units are owner-occupied. This is lower than the percentage of owner-occupied units in the surrounding towns, but similar to the Portland Metro Area and the State. New residential development in the town is focused on multifamily and mixed-use units, with approximately 100 units under development.

Projecting forward past trends in household growth, over the next five years (2022-2027) the number of households in Yarmouth is projected to increase by 17. Age cohorts driving growth will be those aged 65+ and 25–34-year-olds. Growth will be concentrated in higher-income households. Households with incomes greater than \$100,000 will increase most, while households with incomes of \$100,000 or less will decrease.

Projected Demand for Housing Units in Yarmouth

	Renter		For-Sale	
	Baseline	High Growth	Baseline	High Growth
Net 5-year Supportable Demand	0	32	122	248
Net Annual Supportable Demand	0	6	24	50

Source: Camoin Associates

Given the robustness of the Yarmouth housing market and high desirability of the community as a place to live, future growth in

housing units is most constrained by the availability of adequately zoned buildable sites, rather than market demand for new units.

Considering market potential alone, it is estimated that over the next five years up to 32 new rental housing units could be absorbed from demand within Yarmouth and the surrounding market. This is equal to up to about 6 units per year for the next five years, beyond units that are already in the pipeline.

It is also projected that over the next five years between 122-248 newly constructed for-sale housing units could be supported from demand within Yarmouth and the surrounding market, beyond what is already in the pipeline. This is equal to about 24-50 units per year for the next five years.

RETAIL & RESTAURANT

Within the Portland market retail vacancy rates (except for malls and other retail) are trending downward. While the overall outlook is positive, challenges such as inflation, online retail, and labor shortages will continue to put a strain on the market.

The pipeline of new retail space in the market is limited, with most new retail space being constructed in Portland and Topsham. Yarmouth has a modest retail market that draws customers from a smaller geographic area compared to larger neighboring retail centers in Freeport, Topsham, Brunswick, Falmouth, and Portland.

Based on the data that is available for current retail demand, retail industries with the largest gap (demand exceeds sales) represent retail categories for which residents leave the trade area to meet a portion of their needs. Most retail categories exhibit some level of spending leakage (meaning that local resident spending is greater than sales at local businesses, or that residents leave the local area to meet their demand), which is expected given the relatively small-scale retail offerings within Yarmouth and the high spending power of its residents.

Up to about 32,700 SF of net new retail space could be supported as a result of leakage recapture of local trade area residents and household growth. Local small-scale food stores, restaurants and cafes, and boutique clothing and household goods stores are examples of retail categories that could be an appropriate fit for Yarmouth.

Local Trade Area Supportable Demand for New Retail Space

Demand From	SF
Demand from Existing Residents	32,262
Demand from New Residents	1,766
Total Supportable Demand	34,029
Currently Vacant	1,300
Net Supportable Demand	32,729

Source: CoStar, Camoin Associates

INDUSTRIAL

The Portland industrial market has approximately 33.2 million SF of space, over half of which is categorized as logistics space, with the rest being split between specialized industrial and flex space.

In general, the Portland industrial market is somewhat tight, with low vacancy. Recent demographic trends in and around the Portland market have made it an increasingly attractive location for final-mile distribution centers and warehouse space. The Portland market could serve as a key location in helping to address national supply chain and bottleneck issues due to an overall lack of supply of industrial space to warehouse products and distribute to consumers.

In the NE Cumberland County submarket, the overwhelming majority of stock is occupied, with vacancy of 1.1%. Currently, no industrial construction is underway.

Yarmouth Net Supportable Industrial Demand

	Baseline	High Growth
Supportable SF	16,542	33,084
Current Vacant SF	23,000	
Net Supportable Industrial Demand	-6,458	10,084

Source: CoStar, Camoin Associates

The submarket has remained active for industrial transactions in the past few years, but momentum has more recently slowed. Vacancy is expected to remain low due to the prolonged period of minimal development.

Regional demand could support approximately 262,000 SF of new industrial space, of which Yarmouth could capture up to 33,000 SF by prioritizing attraction of industrial businesses. After accounting for 23,000 SF that is currently vacant in Yarmouth, about 10,100 SF of new industrial space could be supported in Yarmouth.

OFFICE

With the shift to remote and hybrid working in an already sluggish office market, commercial office space has been one of the hardest hit markets of the pandemic. With many employers offering opportunities to continue working from home fully or partially, it is anticipated that overall office demand will not return to pre-pandemic levels. The most competitive office space will be high-quality space in amenity-rich environments that give workers a reason to go into the office.

Portland is a midsize secondary market with roughly 26 million SF of office space. Relatively little supply has kept vacancies low in the market. Vacancy rates in both downtown and suburban areas are expected to tick up slightly and plateau in mid-2023.

In the NE Cumberland County submarket, no new construction of office buildings is currently underway, although inventory has expanded by 1.2% over the last three years.

Supportable Demand for New General Office Space, 5-Year

Demand From	Low Office Intensity	Medium Office Intensity	High Office Intensity
Demand (SF)			
Yarmouth	600	900	1,200
Portland-South Portland MSA	224,100	336,150	448,200
Net Demand (Minus Current Vacancy)			
Yarmouth	-13,403	-13,103	-12,803
Portland-South Portland MSA	-897,662	-785,612	-673,562

Source: Camoin Associates

In both Yarmouth and the MSA, net demand for new General Office space is minimal. However, locally the net demand for Medical Office space could support over 4,000 SF of new space over the next 5 years. Within the MSA, it is estimated that an additional nearly 150,000 SF could be supported.

Supportable Demand for New Medical Office Space, 5-Year Estimates (SF)

Demand From	Yarmouth	Portland-South Portland MSA
New Demand (SF)	4,260	227,657
Currently Vacant (SF)	0	78161
Net New Demand (SF)	4,260	149,496

Source: CoStar, Camoin Associates

Note: Vacancy for YTD 2023

Major office users in Yarmouth include Tyler Technologies and Garmin. Garmin is currently anticipating expansion that could support up to 300 employees at their Yarmouth site in the long-term.

DEVELOPMENT OPPORTUNITIES

This market analysis should be used to inform Town decision-making around encouraging or discouraging certain types of development in

light of market trends and pressures. Overall, the analysis points to several findings:

- Strong residential demand for both rental and owner-occupied housing units provides opportunities for development. Growth is projected in higher-income and older households. Given escalating home prices and construction costs, it will be a challenge for the Town to diversify the housing stock and attract younger professionals that are looking for starter homes and affordable housing options.
- Opportunity exists for additional small-scale retail space in town that recaptures resident spending and/or attracts visitors. The unique mixed-use and walkable environment in Yarmouth’s downtown area has the potential for more destination specialty shops that draw people from beyond the local trade area.
- Beyond the planned Garmin expansion, there is minimal need for office development of any sizable scale. Yarmouth’s greatest opportunity in this area is expanded small-scale workspace for town residents who work from home at least some of the time and want options to work in a different environment. Locations with walkable access to dining, shopping, entertainment, and recreation amenities are best positioned to capture this demand.
- Demand for both distribution and other specialized industrial space is strong regionally, though the lack of large shovel-ready sites with direct highway access in Yarmouth is a significant barrier for attracting such uses.
- The Wyman Energy Center site on Cousins Island is a 100-acre site that offers unique potential development opportunities. Due to the distance from the highway, any industrial reuse of the site will most likely be by a user that would take advantage of its direct water access.

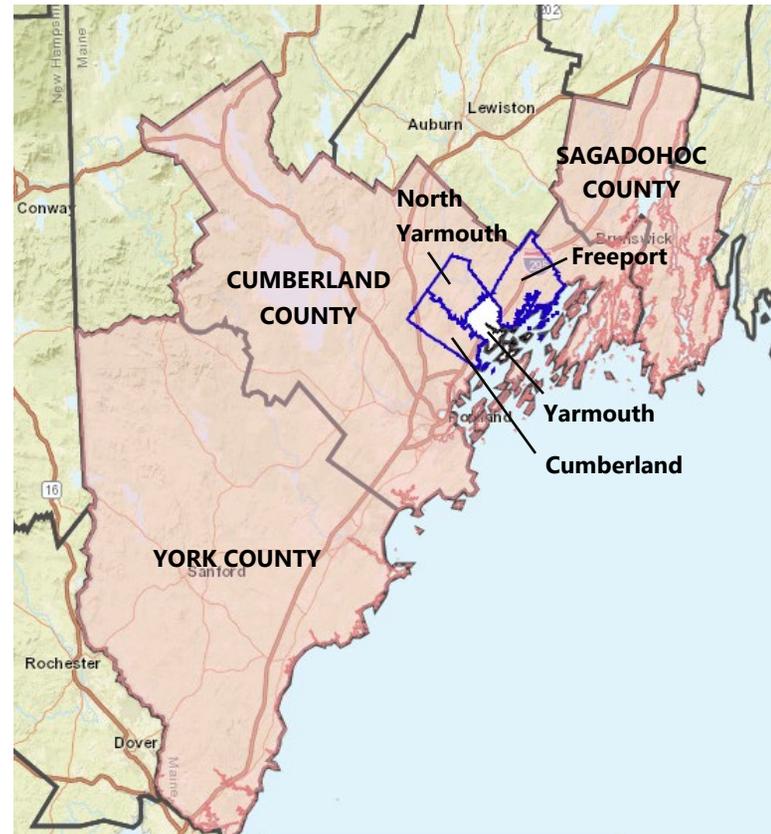
2. DEMOGRAPHIC AND SOCIOECONOMIC PROFILE

AREAS OF STUDY

The following analyses were conducted to identify demographic, socioeconomic, business, and industry trends in Yarmouth. In addition to data specific to Yarmouth,¹ data was also collected and analyzed for Cumberland County, the Portland-South Portland Metropolitan Statistical Area, Maine, and the United States. Where appropriate, Yarmouth is compared to the surrounding towns of Cumberland, North Yarmouth, and Freeport.

PORTLAND-SOUTH PORTLAND METROPOLITAN AREA

The Portland-South Portland MSA consists of Cumberland, York, and Sagadahoc counties, highlighted in red below. The surrounding towns of Cumberland, North Yarmouth, and Freeport are indicated by blue boundaries in the map below.



¹ Industry data from Lightcast is available at the ZIP code level. Therefore, “Yarmouth” refers to ZIP code 04096 where Lightcast data is used.

DEMOGRAPHIC & SOCIOECONOMIC PROFILE: KEY FINDINGS

POPULATION GROWTH

- ◆ Yarmouth's population is growing at a faster pace than the surrounding county, region, and state, but its growth rate is projected to slow in the next five years.

POPULATION CHARACTERISTICS

- ◆ Yarmouth has a significantly older population than the surrounding geographies, with a median age of 49.4. It has a comparatively high share of population aged 50+, and lower shares of young children and early-career aged individuals.
- ◆ Median household income in Yarmouth is higher than the surrounding region, with almost a quarter of its population living in households with income of \$200,000 or more.

COMMUTER CHARACTERISTICS

- ◆ 85% of Yarmouth residents commuted outside of Yarmouth for work, and Yarmouth also imported about 85% of its workforce from outside communities.

POPULATION

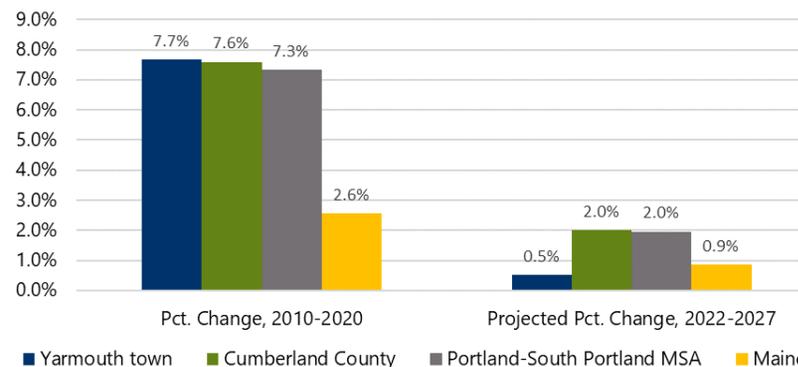
- ◆ Yarmouth’s population grew by 7.7% or approximately 641 people from 2010 to 2020, which is higher than the rate of population growth in the surrounding county, region, and state.
- ◆ From 2022-2027, Yarmouth’s population is projected to grow by 0.5%, or by about 50 people. This growth rate is slower than the surrounding county, region, and state.
- ◆ Yarmouth’s population makes up a small portion of the surrounding area, at 3.0% of Cumberland County’s population and 1.6% of the MSA’s population.

Total Population

Site	Yarmouth town	Cumberland County	Portland-South Portland MSA	Maine
2010 Total Population	8,349	281,674	514,098	1,328,361
2020 Total Population	8,990	303,069	551,740	1,362,359
2022 Total Population	9,141	308,181	560,412	1,370,382
2027 Total Population	9,189	314,350	571,420	1,382,353
Compound Annual Growth Rate 2010-2020	0.7%	0.7%	0.7%	0.3%
Compound Annual Growth Rate, 2020-2022	0.8%	0.8%	0.8%	0.3%
Projected CAGR, 2022-2027	0.1%	0.4%	0.4%	0.2%

Source: Esri

Population Change, Historical and Projected



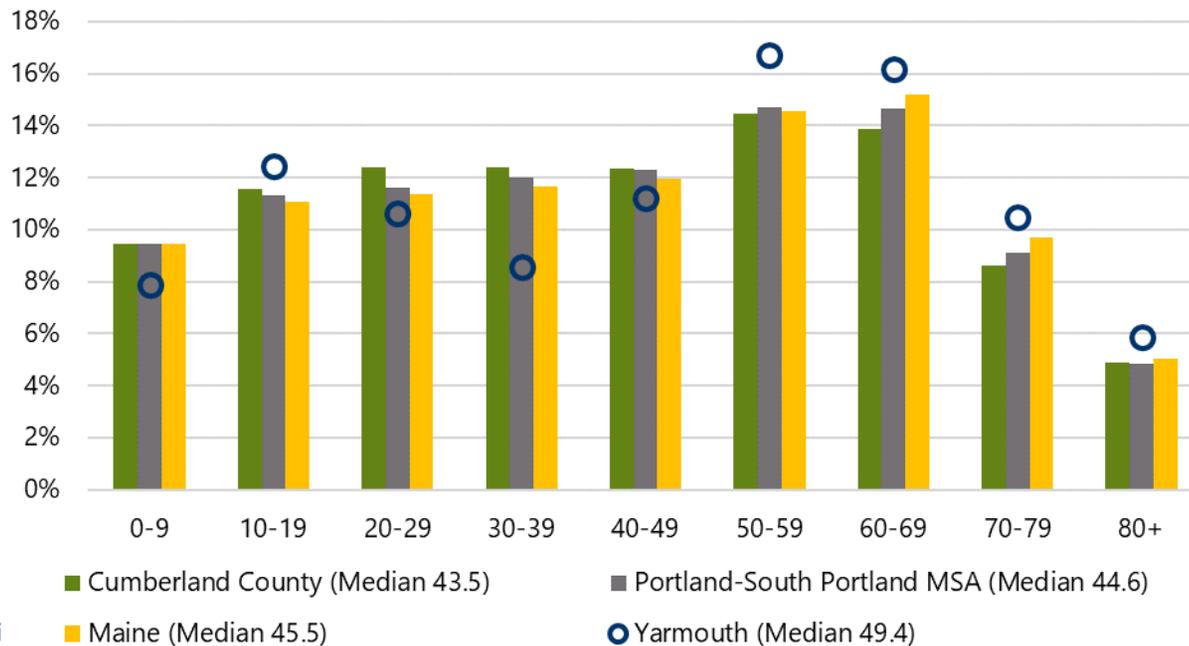
Source: Esri

POPULATION CHARACTERISTICS (AGE DISTRIBUTION): REGIONAL COMPARISON

The following graph outlines age distribution ranges of the 2022 population in the Town of Yarmouth, Cumberland County, and larger regions.

- ◆ Yarmouth is significantly older than the surrounding geographies, with a higher median age (49.4) and a smaller proportion of children and adults under age 40. Yarmouth has a higher portion of adults 50 or older compared to the other geographies.

Population Age Distribution (2022)



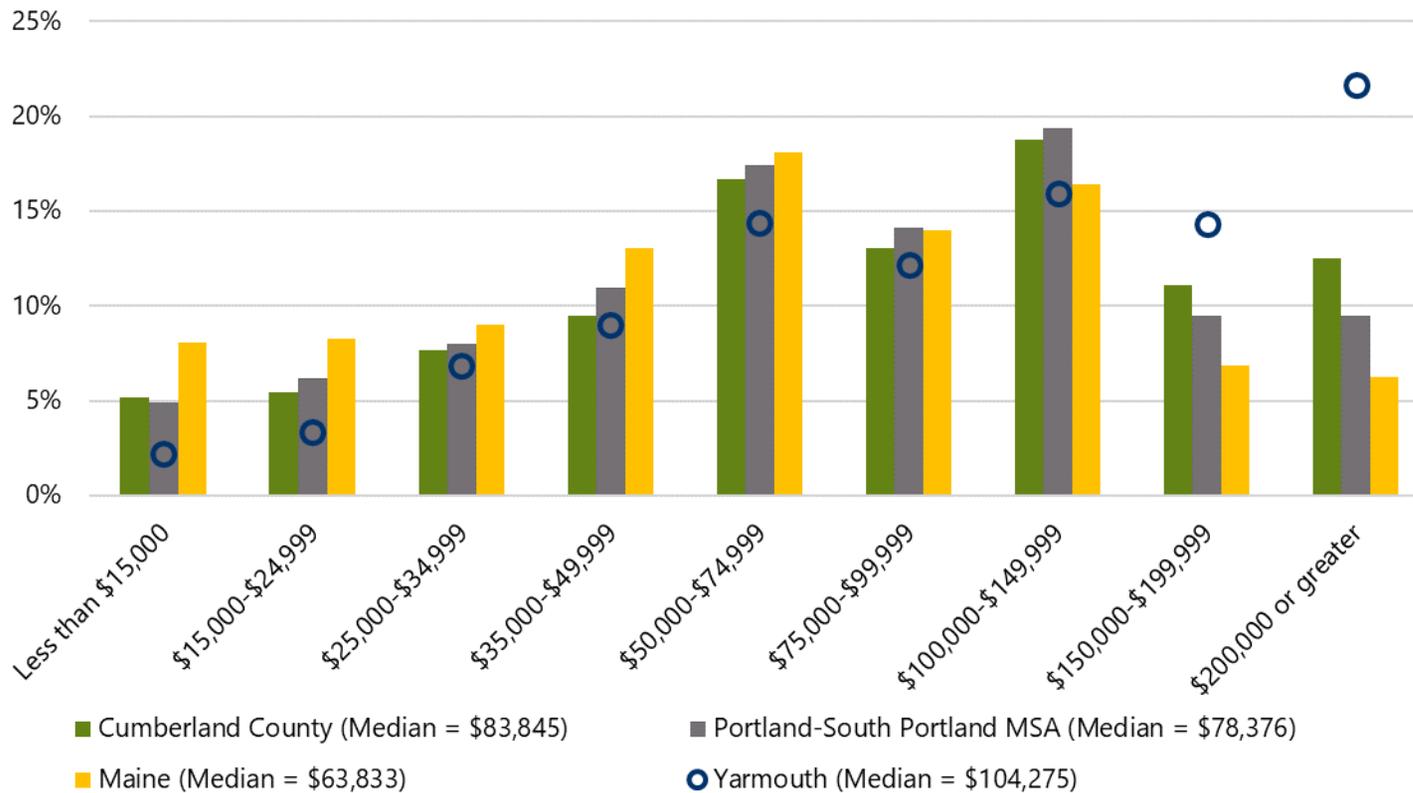
Source: Esri

POPULATION CHARACTERISTICS (INCOME DISTRIBUTION): REGIONAL COMPARISON

The following figure outlines the 2022 household income distribution.

- ◆ Median household income in Yarmouth is significantly higher than the comparison geographies, at \$104,275. The largest share of households falls into the \$200,000 or greater category, at 22% compared to only 13% in Cumberland County, 9% in the greater region, and 6% in the state.

Household Income Distribution, 2022



Source: Esri

COMMUTER TRENDS: TOWN OF YARMOUTH

- ◆ Almost 85% of Yarmouth’s resident workers commuted outside of Yarmouth as of 2019.
- ◆ Yarmouth also imports about 85% of its workforce from outside communities.
- ◆ Other than Yarmouth, Portland is the top place where Yarmouth workers live and where Yarmouth residents are employed. 28% of Yarmouth residents work in Portland, by far the largest share of any neighboring community.
- ◆ South Portland and Freeport are also popular towns where Yarmouth residents commute to.
- ◆ Many Yarmouth residents work from home. While the commuting data displayed does include remote workers in employment numbers, it may not reflect their work-from-home status. Additionally, it reflects data from 2019, before the COVID-19 catalyst for working from home.
- ◆ According to American Community Survey data collected from 2017-2021, 14.9% of employed Yarmouth residents worked from home, representing about 677 workers. This compares to 14.0% of workers in Cumberland County overall. 1-year estimates for Cumberland County show that the share of workers who worked from home in 2021 jumped to 26.3%, a significant increase. While 1-year estimates are not available for Yarmouth, it is likely that the number of workers who worked from home increased in step with the County.

Town of Yarmouth Commuter Flows, 2019

	Count	Share
Workers		
Employed in Yarmouth, living out of town	3,577	85%
Employed and Living in Yarmouth	610	15%
Total Workers	4,187	100%
Residents		
Living in Yarmouth, working out of town	3,313	85%
Living and working in Yarmouth	610	16%
Total Residents	3,923	100%

Source: US Census OnTheMap

Top Home and Employment Destinations (2019)

Where Yarmouth Workers Live		Where Yarmouth Residents are Employed	
County Subdivision	Percent (%)	County Subdivision	Percent (%)
Yarmouth town (Cumberland, ME)	15%	Portland city (Cumberland, ME)	28%
Portland city (Cumberland, ME)	10%	Yarmouth town (Cumberland, ME)	16%
South Portland city (Cumberland, ME)	4%	South Portland city (Cumberland, ME)	7%
Cumberland town (Cumberland, ME)	4%	Freeport town (Cumberland, ME)	5%
Brunswick town (Cumberland, ME)	4%	Westbrook city (Cumberland, ME)	4%
Freeport town (Cumberland, ME)	4%	Brunswick town (Cumberland, ME)	4%
North Yarmouth town (Cumberland, ME)	4%	Falmouth town (Cumberland, ME)	4%
Windham town (Cumberland, ME)	3%	Scarborough town (Cumberland, ME)	3%
Westbrook city (Cumberland, ME)	3%	Lewiston city (Androscoggin, ME)	3%
Gray town (Cumberland, ME)	3%	Auburn city (Androscoggin, ME)	2%
All Other Locations	48%	All Other Locations	24%

Source: US Census OnTheMap

3. INDUSTRY AND OCCUPATION PROFILE

INDUSTRY ANALYSIS: KEY FINDINGS

EXISTING JOB TRENDS

- ◆ In 2022 there were approximately 6,191 jobs in Yarmouth, representing 3% jobs in Cumberland County. Between 2017 and 2022 Yarmouth's job growth was flat. Professional, Scientific, and Technical Services (+212 jobs); Agriculture, Forestry, Fishing, and Hunting (+58); and Construction (+27) added the most over this time period.
- ◆ Historically, Yarmouth's rate of job growth has outperformed the county, MSA, and state.
- ◆ Almost half of Yarmouth's total jobs are made up of Government (18%), Professional, Scientific, and Technical Services (18%), and Health Care and Social Assistance (14%). All three sectors are more concentrated in Yarmouth compared to the nation, with Professional, Scientific, and Technical Services being the most concentrated sector in the town (LQ of 2.5*).
- ◆ Average earnings per job across all sectors is \$74,867, similar to the average in Cumberland County but higher than the MSA and state.
- ◆ Yarmouth is expected to continue to see modest growth of 1% in the next five years, as projected gains in Professional, Scientific, and Technical Services, Agriculture, and others are partially outweighed by projected losses in sectors like Retail Trade and Government.

***Location quotient (LQ)** is a measure of industry concentration within a region. An LQ of 1.0 means that an industry is as concentrated within the region as it is on a national level. An LQ greater than 1.0 indicates that an industry is more concentrated in a region than at the national level.

EXISTING JOB TRENDS (2-DIGIT NAICS, 2022)

The table outlines 2022 jobs by industry in Yarmouth, the county, and the state of Maine.

- ◆ In 2022 there were 6,191 jobs in Yarmouth, representing about 3% of all jobs in Cumberland County
- ◆ Almost half of Yarmouth's total jobs are in the Government (18%), Professional, Scientific, and Technical Services (18%), and Health Care and Social Assistance (14%). Yarmouth has a high concentration of Professional, Scientific, and Technical Services compared to the county (9%), region (7%), and Maine (5%).

Jobs by Sector, 2022

NAICS	Description	Yarmouth		Cumberland County		Portland-South Portland MSA		Maine	
		#	%	#	%	#	%	#	%
11	Agriculture, Forestry, Fishing and Hunting	85	1%	2,560	1%	3,947	1%	17,548	2%
21	Mining, Quarrying, and Oil and Gas Extraction	0	0%	<10	0%	88	0%	274	0%
22	Utilities	32	1%	367	0%	533	0%	1,731	0%
23	Construction	324	5%	13,237	6%	21,213	6%	48,355	7%
31	Manufacturing	264	4%	12,862	6%	29,276	9%	56,881	8%
42	Wholesale Trade	99	2%	7,750	4%	9,498	3%	19,917	3%
44	Retail Trade	681	11%	22,613	10%	34,986	11%	85,143	12%
48	Transportation and Warehousing	14	0%	5,922	3%	7,739	2%	19,753	3%
51	Information	26	0%	3,604	2%	4,479	1%	8,213	1%
52	Finance and Insurance	235	4%	13,891	6%	16,162	5%	26,258	4%
53	Real Estate and Rental and Leasing	49	1%	4,295	2%	5,570	2%	9,554	1%
54	Professional, Scientific, and Technical Services	1,088	18%	19,235	9%	23,891	7%	38,070	5%
55	Management of Companies and Enterprises	<10	0%	6,239	3%	6,844	2%	14,935	2%
56	Administrative and Support and Waste Management and Remediation Services	149	2%	11,226	5%	15,759	5%	34,304	5%
61	Educational Services	143	2%	7,571	3%	10,215	3%	21,746	3%
62	Health Care and Social Assistance	882	14%	36,333	17%	47,213	14%	108,548	15%
71	Arts, Entertainment, and Recreation	58	1%	4,310	2%	5,955	2%	11,433	2%
72	Accommodation and Food Services	526	8%	16,109	7%	27,759	8%	56,271	8%
81	Other Services (except Public Administration)	436	7%	10,705	5%	15,481	5%	31,552	4%
90	Government	1,094	18%	20,503	9%	40,154	12%	103,179	14%
99	Unclassified Industry	0	0%	<10	0%	18	0%	3,191	0%
Total		6,191	100%	219,347	100%	326,779	100%	716,855	100%

Source: Lightcast

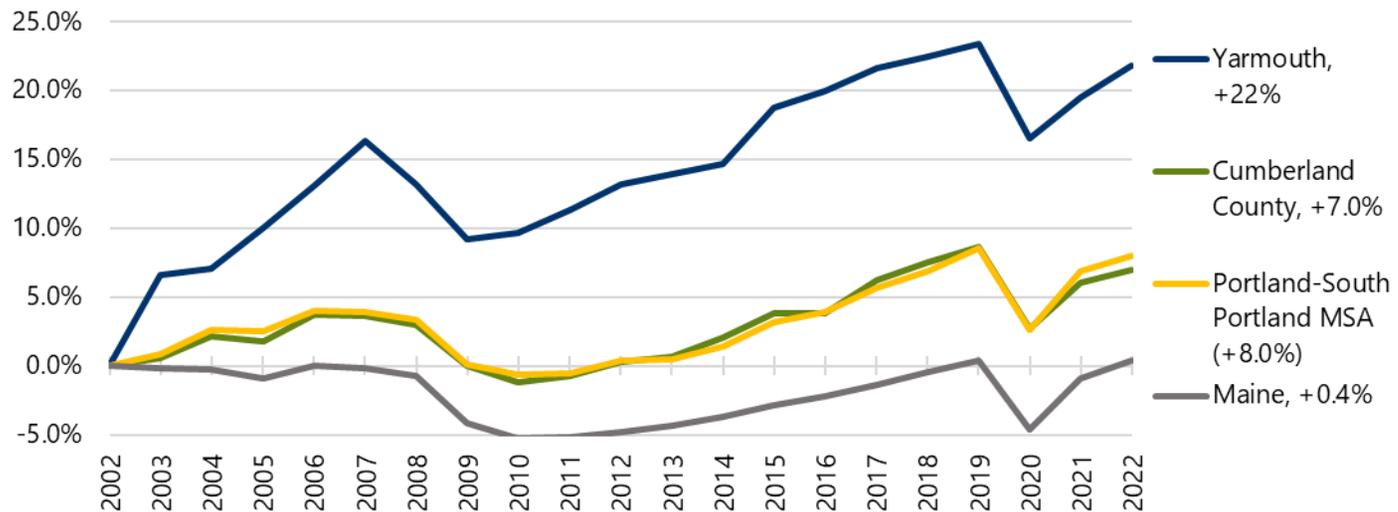
Note: NAICS 90, Government, includes federal, state, and local government (including military and postal service), prisons and jails, as well as public schools and hospitals.

TOTAL JOB GROWTH: REGIONAL COMPARISON

The figure below demonstrates the historical job growth trends in Yarmouth and the surrounding regions from 2002 to 2022.

- ◆ Yarmouth added over 1,100 jobs (a 22% increase) in the two decades from 2002 to 2022.
- ◆ Yarmouth had strong growth years in the early 2000s and in 2015, and mostly tracks regional trends in other years.
- ◆ All geographies experienced job losses due to the COVID-19 pandemic and have largely rebounded.

Cumulative Percent Change in Jobs, 2002-2022



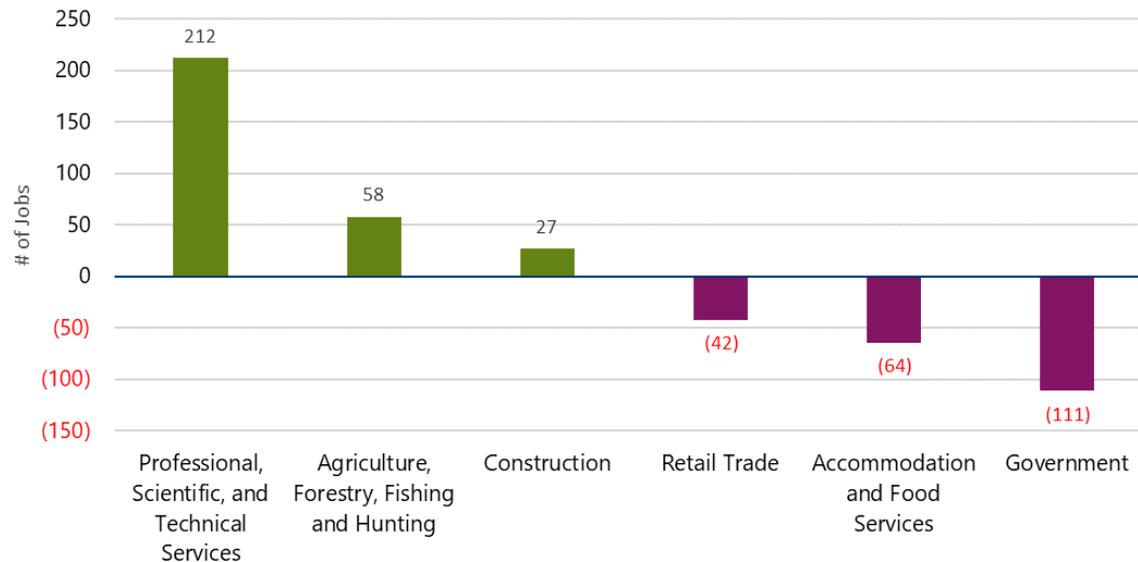
Source: Lightcast

JOB TRENDS (2-DIGIT NAICS): YARMOUTH

The following figure outlines the change in jobs from 2017-2022. The subsequent table also highlights this historic change along with projected change from 2022-2027.

- ◆ In the past five years, from 2022-2027, Yarmouth’s job growth was flat, seeing a net increase of only 10 jobs. Sectors with the largest gains were Professional, Scientific, and Technical Services (+212 jobs) and Agriculture, Forestry, Fishing and Hunting (+58 jobs).
- ◆ Growth in Professional, Scientific, and Technical Services is driven by Scientific Research (+72 jobs) and Architectural, Engineering, and Related Services (+53 jobs). Crop Production (+49) was the fastest-growing Agricultural subsector.
- ◆ However, these gains were mostly offset by losses in other sectors. Government lost the most jobs (-111), which is largely attributed to local government losses (-92).
- ◆ Projections, which are based on current trends and do not consider potential projects that may be in the pipeline but deviate from historic growth patterns, suggest that Yarmouth will continue to see modest growth in the next five years, as projected gains in Professional, Scientific, and Technical Services, Agriculture, and others are partially outweighed by projected losses in sectors like Retail Trade and Government.

Town of Yarmouth Top Job Gainers and Losers, 2017-2022



Source: Lightcast

Town of Yarmouth Job Change

NAICS	Description	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022 - 2027 Change	2022 - 2027 % Change
11	Agriculture, Forestry, Fishing and Hunting	58	215%	32	38%
21	Mining, Quarrying, and Oil and Gas Extraction	0	0%	0	0%
22	Utilities	2	5%	(2)	(5%)
23	Construction	27	9%	2	1%
31	Manufacturing	25	10%	15	6%
42	Wholesale Trade	(19)	(16%)	(4)	(5%)
44	Retail Trade	(42)	(6%)	(38)	(6%)
48	Transportation and Warehousing	(5)	(24%)	(1)	(5%)
51	Information	(6)	(19%)	(1)	(4%)
52	Finance and Insurance	16	7%	1	0%
53	Real Estate and Rental and Leasing	1	2%	(0)	(1%)
54	Professional, Scientific, and Technical Services	212	24%	93	9%
55	Management of Companies and Enterprises	Insf. Data	Insf. Data	Insf. Data	Insf. Data
56	Administrative and Support and Waste Management and Remediation Services	(14)	(9%)	(6)	(4%)
61	Educational Services	(32)	(18%)	6	4%
62	Health Care and Social Assistance	3	0%	11	1%
71	Arts, Entertainment, and Recreation	(7)	(11%)	3	5%
72	Accommodation and Food Services	(64)	(11%)	25	5%
81	Other Services (except Public Administration)	(35)	(7%)	2	0%
90	Government	(111)	(9%)	(57)	(5%)
Total		10	0%	81	1%

Source: Lightcast

JOB TRENDS (2-DIGIT NAICS): REGIONAL COMPARISON

The following table outlines the Portland-South Portland, ME MSA's job change trends.

- ◆ From 2017-2022, the region saw 2% job gains, outpacing Yarmouth's growth of 0%. Growth was highest for Professional, Scientific, and Technical Services, aligning with Yarmouth.
- ◆ Losses occurred in several sectors but were greatest in Accommodation and Food Services and Retail Trade. The region had slightly lower decline in these sectors compared to Yarmouth. Additionally, job loss associated with Government was less significant in the region than in Yarmouth.
- ◆ Projections from 2022-2027 show steady 2% growth in the coming five years, outpacing Yarmouth's 1% projected growth. Overall, the MSA is projected to net 5,954 new jobs added across many sectors. Retail Trade is projected to decline the most (-1,523 jobs).

Portland-South Portland MSA Job Change

NAICS	Description	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022 - 2027 Change	2022 - 2027 % Change
11	Agriculture, Forestry, Fishing and Hunting	1,916	94%	1,163	29%
21	Mining, Quarrying, and Oil and Gas Extraction	(20)	(19%)	3	3%
22	Utilities	56	12%	(14)	(3%)
23	Construction	2,046	11%	414	2%
31	Manufacturing	3,447	13%	1,242	4%
42	Wholesale Trade	(372)	(4%)	(67)	(1%)
44	Retail Trade	(1,353)	(4%)	(1,523)	(4%)
48	Transportation and Warehousing	(665)	(8%)	(154)	(2%)
51	Information	191	4%	152	3%
52	Finance and Insurance	694	4%	(96)	(1%)
53	Real Estate and Rental and Leasing	162	3%	41	1%
54	Professional, Scientific, and Technical Services	4,729	25%	2,366	10%
55	Management of Companies and Enterprises	779	13%	488	7%
56	Administrative and Support and Waste Management and Remediation Services	(423)	(3%)	(225)	(1%)
61	Educational Services	375	4%	295	3%
62	Health Care and Social Assistance	(321)	(1%)	610	1%
71	Arts, Entertainment, and Recreation	(390)	(6%)	288	5%
72	Accommodation and Food Services	(2,477)	(8%)	1,700	6%
81	Other Services (except Public Administration)	(797)	(5%)	252	2%
90	Government	(693)	(2%)	(994)	(2%)
99	Unclassified Industry	--	--	11	63%
Total		6,902	2%	5,954	2%

Source: Lightcast

SECTOR CHARACTERISTICS (2-DIGIT NAICS): YARMOUTH

The following table outlines the concentration, competitiveness, and earnings per job by sector in Yarmouth.

- ◆ Professional, Scientific, and Technical Services is the most concentrated sector in Yarmouth (LQ of 2.50). This is followed by Utilities (LQ of 1.57). However, neither of the two have competitive advantage in Yarmouth.
- ◆ Agriculture, Forestry, Fishing and Hunting is the only industry that has competitive advantage in Yarmouth.
- ◆ Average earnings per job across all sectors is \$74,867. This is on par with the county and higher than the MSA and state.
- ◆ The top employers in Yarmouth are Tyler Technologies, Garmin/DeLorme, Yarmouth Town Schools, and Bush Equities. Various home health, rehabilitation centers, and family practice offices also make the list of top employers.

Town of Yarmouth Sector Characteristics

NAICS	Description	2022 Location Quotient	Competitive Effect	Avg. Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	1.15	28	\$39,818
21	Mining, Quarrying, and Oil and Gas Extraction	0.00	0	\$0
22	Utilities	1.57	(2)	\$137,915
23	Construction	0.91	(16)	\$71,544
31	Manufacturing	0.55	5	\$66,087
42	Wholesale Trade	0.44	(9)	\$171,738
44	Retail Trade	1.13	(52)	\$50,261
48	Transportation and Warehousing	0.05	(2)	\$95,671
51	Information	0.22	(3)	\$85,948
52	Finance and Insurance	0.92	(13)	\$126,240
53	Real Estate and Rental and Leasing	0.46	(3)	\$81,527
54	Professional, Scientific, and Technical Services	2.50	(23)	\$98,664
55	Management of Companies and Enterprises	0.07	0	Insf. Data
56	Administrative and Support and Waste Management and Remediation Services	0.38	(16)	\$67,863
61	Educational Services	0.89	(9)	\$47,626
62	Health Care and Social Assistance	1.12	(73)	\$83,820
71	Arts, Entertainment, and Recreation	0.59	(3)	\$42,404
72	Accommodation and Food Services	1.06	(29)	\$34,992
81	Other Services (except Public Administration)	1.40	(24)	\$48,972
90	Government	1.22	(81)	\$77,994
Total		--	(326)	\$74,867

Source: Lightcast

Location Quotient and Competitive Effect

Both the location quotient and the competitive effect help to illustrate what makes a region unique.

Location quotient (LQ) is a measure of industry concentration within a region. An LQ of 1.0 means that an industry is as concentrated within the region as it is on a national level. An LQ greater than 1.0 indicates that an industry is more concentrated in a region than at the national level.

The **competitive effect** illustrates how much change in an industry is not explained by national economic or industry trends. A positive competitive effect means that the region has unique characteristics giving it a competitive advantage in that respective industry.

SECTOR CHARACTERISTICS (2-DIGIT NAICS): REGIONAL COMPARISON

The following table outlines the concentration, competitiveness, and earnings per job by sector in the Portland-South Portland MSA.

- ◆ Management of Companies and Enterprises is the most concentrated sector in the MSA (LQ of 1.44). This is followed by Finance and Insurance (LQ of 1.20). Of the two the MSA only holds a competitive advantage in Management of Companies and Enterprises. This varies significantly from Yarmouth, which has strong concentrations in Professional, Scientific, and Technical Services, Utilities, and Government.
- ◆ The average earnings per job is slightly higher in Yarmouth, at \$74,867 in 2022.

Portland-South Portland MSA Sector Characteristics

NAICS	Description	2022 Location Quotient	Competitive Effect	Avg. Earnings Per Job
11	Agriculture, Forestry, Fishing and Hunting	1.01	976	\$45,489
21	Mining, Quarrying, and Oil and Gas Extraction	0.08	(3)	\$81,113
22	Utilities	0.49	(21)	\$152,152
23	Construction	1.13	(772)	\$66,748
31	Manufacturing	1.16	140	\$86,611
42	Wholesale Trade	0.81	(455)	\$98,708
44	Retail Trade	1.09	(2,271)	\$46,800
48	Transportation and Warehousing	0.55	(985)	\$64,644
51	Information	0.73	(212)	\$82,600
52	Finance and Insurance	1.20	(1,049)	\$120,749
53	Real Estate and Rental and Leasing	0.98	(251)	\$72,387
54	Professional, Scientific, and Technical Services	1.04	(181)	\$97,790
55	Management of Companies and Enterprises	1.44	115	\$144,036
56	Administrative and Support and Waste Management and Remediation Services	0.77	(1,291)	\$52,810
61	Educational Services	1.20	(749)	\$43,964
62	Health Care and Social Assistance	1.14	(3,881)	\$77,312
71	Arts, Entertainment, and Recreation	1.14	(370)	\$35,946
72	Accommodation and Food Services	1.06	(1,124)	\$36,336
81	Other Services (except Public Administration)	0.94	(661)	\$37,755
90	Government	0.85	(1,896)	\$82,685
99	Unclassified Industry	0.03	4	\$35,613
Total			(14,938)	\$71,610

Source: Lightcast

EXISTING JOB TRENDS (4-DIGIT NAICS): YARMOUTH

The following table outlines the top growing industries (4-NAICS) by number of jobs in Yarmouth.

- ◆ The town's fastest-growing sectors are largely within the Professional, Scientific, and Technical Services Sector. Scientific Research and Development Services (+72) and Architectural, Engineering, and Related Services (+53) added the most jobs over this time period, and both fall within the larger industry category.
- ◆ Of the top growing industries, Advertising, Public Relations, and Related Services is the most concentrated with a LQ of 4.77. This is followed by Architectural, Engineering, and Related Services, with a LQ of 4.06.
- ◆ Of the top ten fastest-growing sub-industries, six have average earnings higher than the overall average for all sectors in Yarmouth.

Town of Yarmouth, Top Growing Sub-Industries, 2017-2022

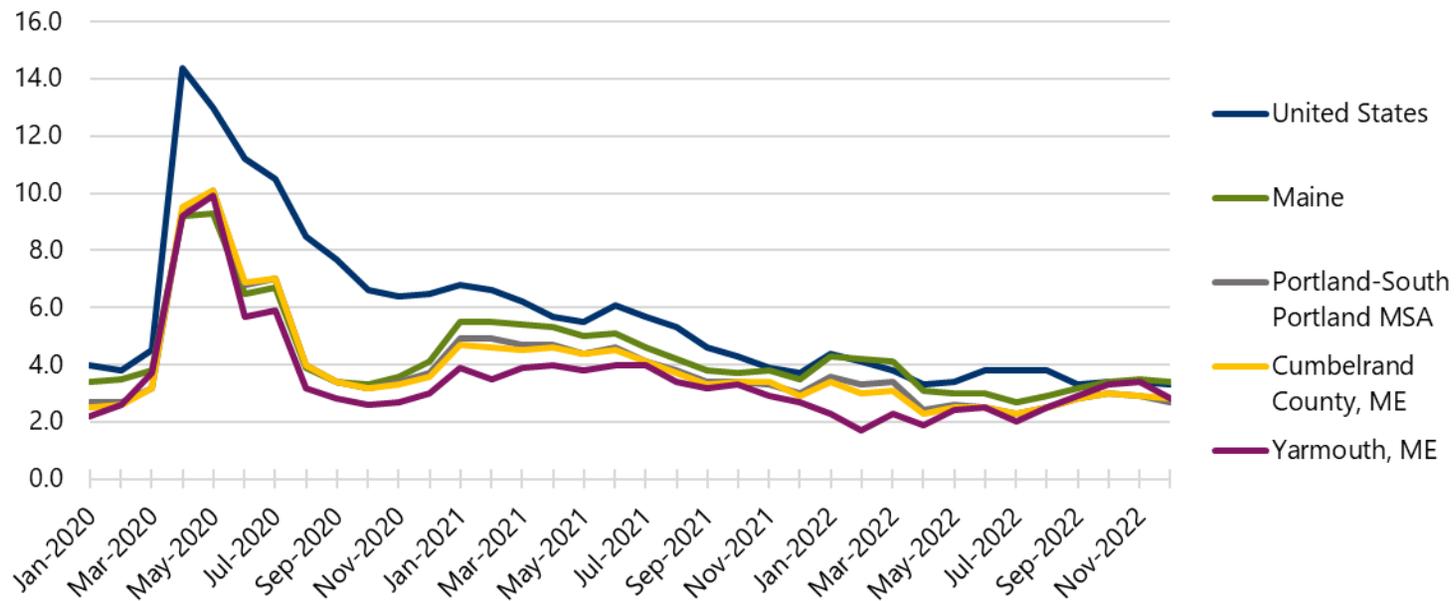
NAICS	Description	2017 Jobs	2022 Jobs	2017 - 2022 Change	2017 - 2022 % Change	2022 Location Quotient	Competitive Effect	Avg. Earnings Per Job
5417	Scientific Research and Development Services	32	104	72	223%	3.21	63	\$100,370
5413	Architectural, Engineering, and Related Services	200	252	53	26%	4.06	35	\$104,395
5222	Nondepository Credit Intermediation	16	65	49	315%	2.76	49	\$104,026
1110	Crop Production	25	74	49	199%	2.29	49	\$43,780
5416	Management, Scientific, and Technical Consulting Services	90	129	38	43%	1.67	20	\$109,339
5419	Other Professional, Scientific, and Technical Services	109	147	38	35%	3.91	19	\$70,109
4541	Electronic Shopping and Mail-Order Houses	67	88	21	31%	4.00	5	\$38,511
2361	Residential Building Construction	56	75	19	33%	1.52	2	\$60,541
5418	Advertising, Public Relations, and Related Services	75	93	18	24%	4.77	20	\$80,200
5411	Legal Services	190	208	18	9%	4.02	12	\$115,957

Source: Lightcast

UNEMPLOYMENT RATE TRENDS: REGIONAL COMPARISON

- ◆ The unemployment rate for Yarmouth has trended lower than comparison geographics for most months from 2017-2022.
- ◆ Since peaking at 9.9% in May 2020, Yarmouth’s unemployment rate has steadily decreased, to an average of 2.8% in the second half of 2022, slightly higher than the pre-pandemic average of 2.0% during the second half of 2019 but still very low.

Unemployment Rate (% , not seasonally adjusted)



Source: Lightcast

4. REAL ESTATE OVERVIEW

TOWN OF YARMOUTH REAL ESTATE INVENTORY SNAPSHOT

Based on properties tracked by CoStar there is over 440,000 SF of rentable retail space across 73 properties in Yarmouth, of which only 1,300 SF is currently vacant. Offices and multi-family space are the next most common types of space in the area. There are 53 office properties accounting for over 490,000 SF of space, and 12 multi-family buildings accounting for 462,000 SF of space. Overall, vacancy is very tight for most types of real estate within the Town. Property inventory is summarized in the table below.

Town of Yarmouth Real Estate Inventory Summary

Row Labels	# of Properties	Avg. Year Built	Vacant SF	Rentable Building Area
Retail	73	1938	1,300	440,778
Office	53	1965	14,003	490,616
Multi-Family	12	1955	0	461,771
Specialty	5	1841	0	54,928
Industrial	3	1950	0	42,355
Health Care	3	1976	0	121,268
Flex	3	1986	23,000	207,928
Hospitality	1	1950	0	4,201
Total	162	1954	38,303	1,823,845

Source: CoStar

4.1 RESIDENTIAL MARKET ANALYSIS

RESIDENTIAL MARKET ANALYSIS: KEY FINDINGS

- ◆ Historically, the Greater Portland Market has not been known to have a significant multifamily market, with homeownership dominating. However, the rental market has strengthened in recent years, with minimal vacancies and strong rent growth prompting developers to respond to the improved market demand.
- ◆ Approximately 75% of Yarmouth's occupied housing units are owner-occupied. This is lower than the percentage of owner-occupied units in the surrounding towns, but similar to the Portland Metro Area and the State. New residential development in the town is focused on multifamily and mixed-use units, with approximately 100 units under development.
- ◆ Given past trends, over the next five years (2022-2027) the number of households in Yarmouth is projected to increase by 17. Age cohorts driving growth will be those aged 65+ and 25–34-year-olds. Growth will be concentrated among higher-income households. Households with incomes greater than \$100,000 will increase most, while households with incomes of \$100,000 or less will decrease.
- ◆ It is estimated that over the next five years up to 32 new rental housing units could be supported from demand within Yarmouth in addition to attraction from within the surrounding market. This is equal to up to 6 units per year for the next five years.
- ◆ It is also projected that over the next five years between 122 and 248 newly constructed for-sale housing units could be supported from demand within Yarmouth in addition to attraction from the surrounding market. This is equal to about 24-50 units per year for the next five years.
- ◆ The low amount of housing that has been produced in Yarmouth has constrained recent household growth. However, there is sufficient regional demand potential to significantly increase market-rate housing production.

Projected Demand for Housing Units in Yarmouth

	Renter		For-Sale	
	Baseline	High Growth	Baseline	High Growth
Net 5-year Supportable Demand	0	32	122	248
Net Annual Supportable Demand	0	6	24	50

Source: Camoin Associates

HOUSING INVENTORY: OCCUPANCY

The following charts outline existing housing units by occupancy status. Yarmouth’s housing market is compared to surrounding towns, Cumberland County, the Portland-South Portland Metro Area, the state, and nation, where appropriate.

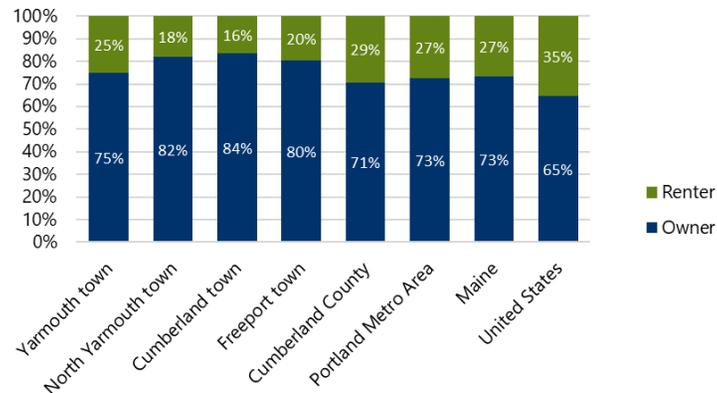
- ◆ 96% of Yarmouth’s housing units are occupied and 4% are vacant.
- ◆ Of the occupied units, approximately 72% are owner-occupied. This is lower than the percentage of owner-occupied units in neighboring towns, but higher than Cumberland County. Yarmouth’s rate of owner-occupied units most closely resembles the Portland Metro Area and the State.
- ◆ 2% of Yarmouth’s housing units are attributed to seasonal homes, compared to 16% of housing units overall in Maine.

Housing Units by Occupancy, 2021

Town of Yarmouth		
	Number	Percent
Occupied	3,463	96%
<i>Owner occupied</i>	2,594	72%
<i>Renter Occupied</i>	869	24%
Vacant	149	4%
<i>Seasonal</i>	82	2%
<i>Other Vacant</i>	67	2%
Total	3,612	100%

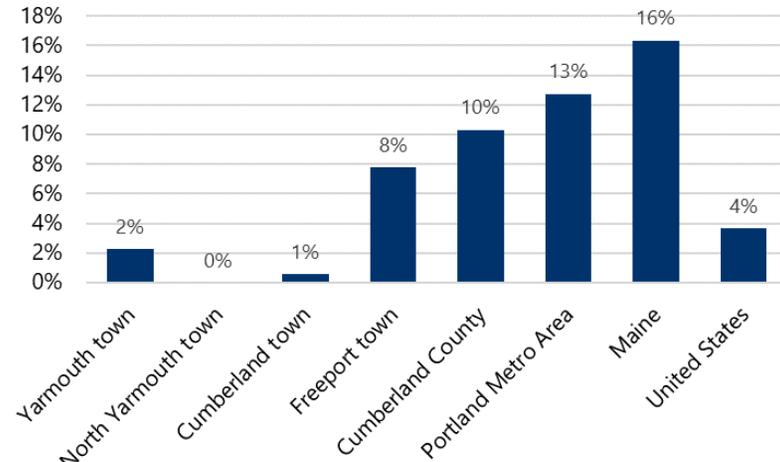
Source: 2021 ACS 5-Year Estimates

Occupied Housing Unit Breakdown



Source: 2021 ACS 5-Year

Seasonal Housing Units as a % of Total Units



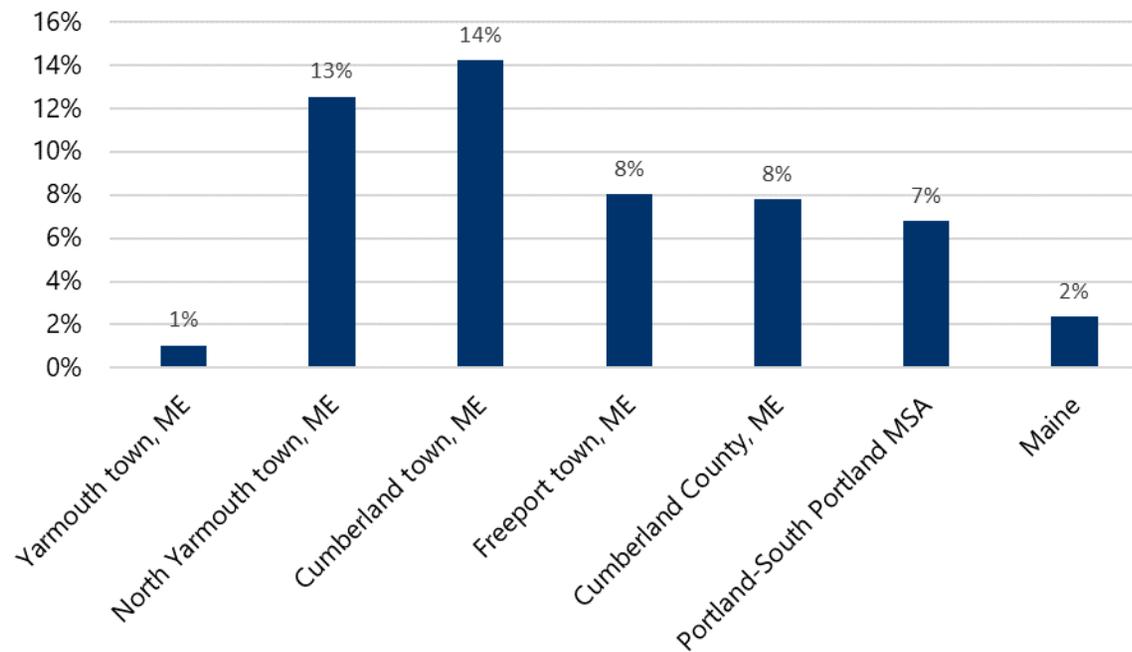
Source: ACS 2021 5-Year Estimates

HOUSING INVENTORY: UNITS

The following table outlines the change in number of housing units:

- ◆ Since 2010, the number of housing units in Yarmouth has increased by 1%, from 3,819 to 3,859. This is a *net* increase of 40 units over 10 years.
- ◆ Yarmouth's change in housing lags growth in Cumberland County and the Portland-South Portland MSA. It is most in line with Maine's growth in housing units (2%).
- ◆ Neighboring North Yarmouth recently placed a growth cap of 15 units in its village center and residential zones in 2022.

% Change in Housing Units, 2010-2020



Source: Esri, Decennial Data

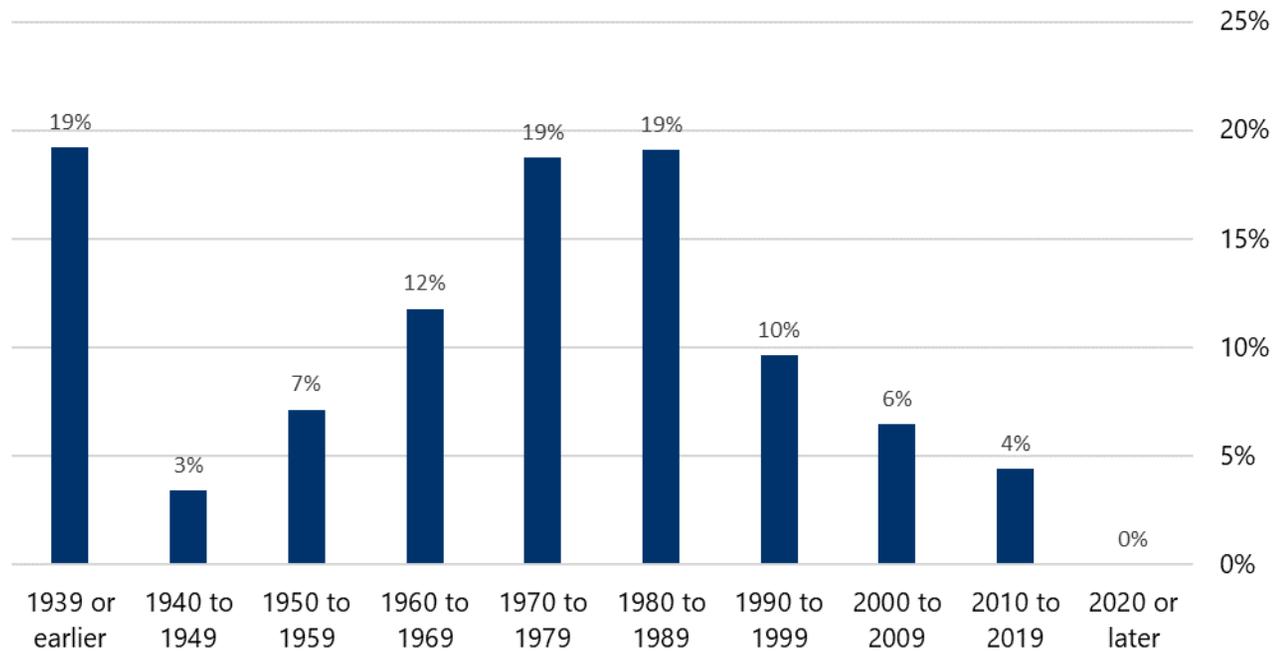
Note: The Decennial Census growth in Yarmouth's housing units differs from local reports and appears to undercount new housing growth in the last decade. However, it provides a helpful comparison to peer communities' housing growth in recent years.

HOUSING INVENTORY: HOUSING UNITS BY YEAR BUILT

The following chart outlines existing housing units by the year they were built:

- ◆ The median year that homes were built in Yarmouth is 1974.
- ◆ Only 11% of housing units have been built since 2000, while 19% were built in 1939 or earlier.

Total Housing Units by Year Built, Town of Yarmouth



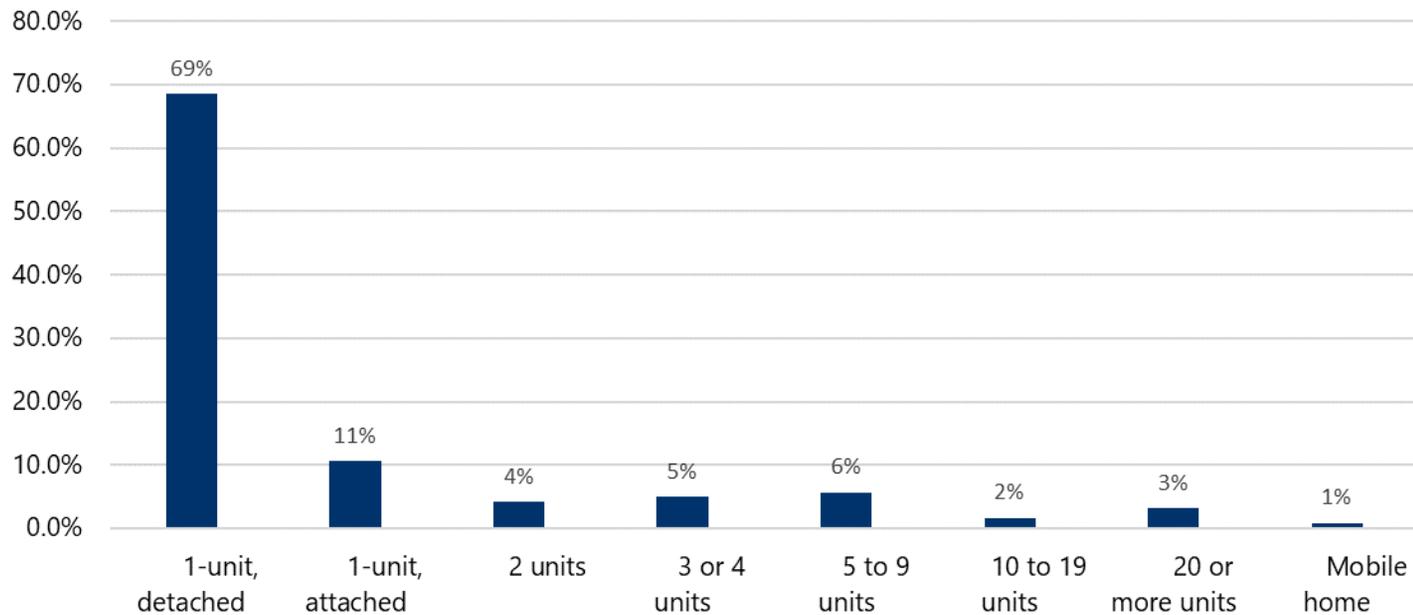
Source: US Census Bureau, American Community Survey, 2021 5-year

HOUSING INVENTORY: HOUSING UNITS BY UNITS IN STRUCTURE

The following chart outlines existing housing units by the number of units in structure:

- ◆ Yarmouth's housing stock has a large portion of 1-unit (single family) housing.
- ◆ About 20% of Yarmouth's housing stock is in multifamily structures (2+ units).

Share of Housing Units by Units in Structure, Town of Yarmouth



Source: American Community Survey, 2021 5-Year Estimates

HOUSING INVENTORY: BUILDING PERMITS

The following table outlines the number of residential building permits issued from 2012 to 2022, according to HUD and the Town:

- ◆ Since 2010 building permits have been issued for 233 single-family units and 44 multifamily units in Yarmouth. Nearly all multifamily permits were issued in 2021.
- ◆ The number of single-family permits issued has fluctuated through the years in Yarmouth, with development generally increasing from 2015-2018, and declining from 2019-2022. Housing development has been most substantial in Cumberland, with a total of 491 permits issued over the decade.

Residential Building Permits Issued, # of Units

Year	Yarmouth Town		North Yarmouth		Freeport Town		Cumberland Town	
	Single		Single		Single		Single	
	Family	Multifamily	Family	Multifamily	Family	Multifamily	Family	Multifamily
2012	5	0	13	0	34	3	25	0
2013	13	0	16	0	50	0	33	0
2014	22	0	11	0	38	2	65	0
2015	14	0	13	0	53	5	57	0
2016	25	0	20	0	44	2	58	0
2017	42	0	25	0	45	0	62	84
2018	44	0	27	2	45	6	39	25
2019	23	0	50	2	39	0	28	0
2020	21	2	29	0	33	0	41	2
2021	15	42	47	0	33	0	37	3
2022	9	0	37	2	30	0	46	47
Total	233	44	288	6	444	18	491	161

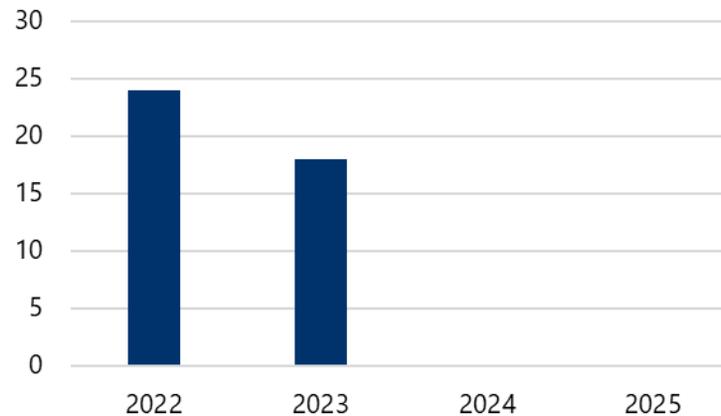
Source: Town of Yarmouth; Town of North Yarmouth; HUD

HOUSING INVENTORY: UNITS IN PIPELINE

The following tables shows the estimated number of residential units in the development pipeline in Yarmouth:

- ◆ In total, there are 42 residential units in the pipeline – 24 that were recently completed in 2022, and 18 that are pending final Certificate of Occupancy. No other residential units are in the development pipeline beyond 2023.
- ◆ A majority (24) of units are part of multifamily development, with the remaining (18) being mixed-use. All of the units are rental properties, with no owner-occupied properties in the development pipeline.

Est. Deliveries - Units in the Town of Yarmouth



Source: Yarmouth Town Planning Department

Residential Development Pipeline - Projects Proposed, Approved, Under Construction, and Recently Completed - Yarmouth

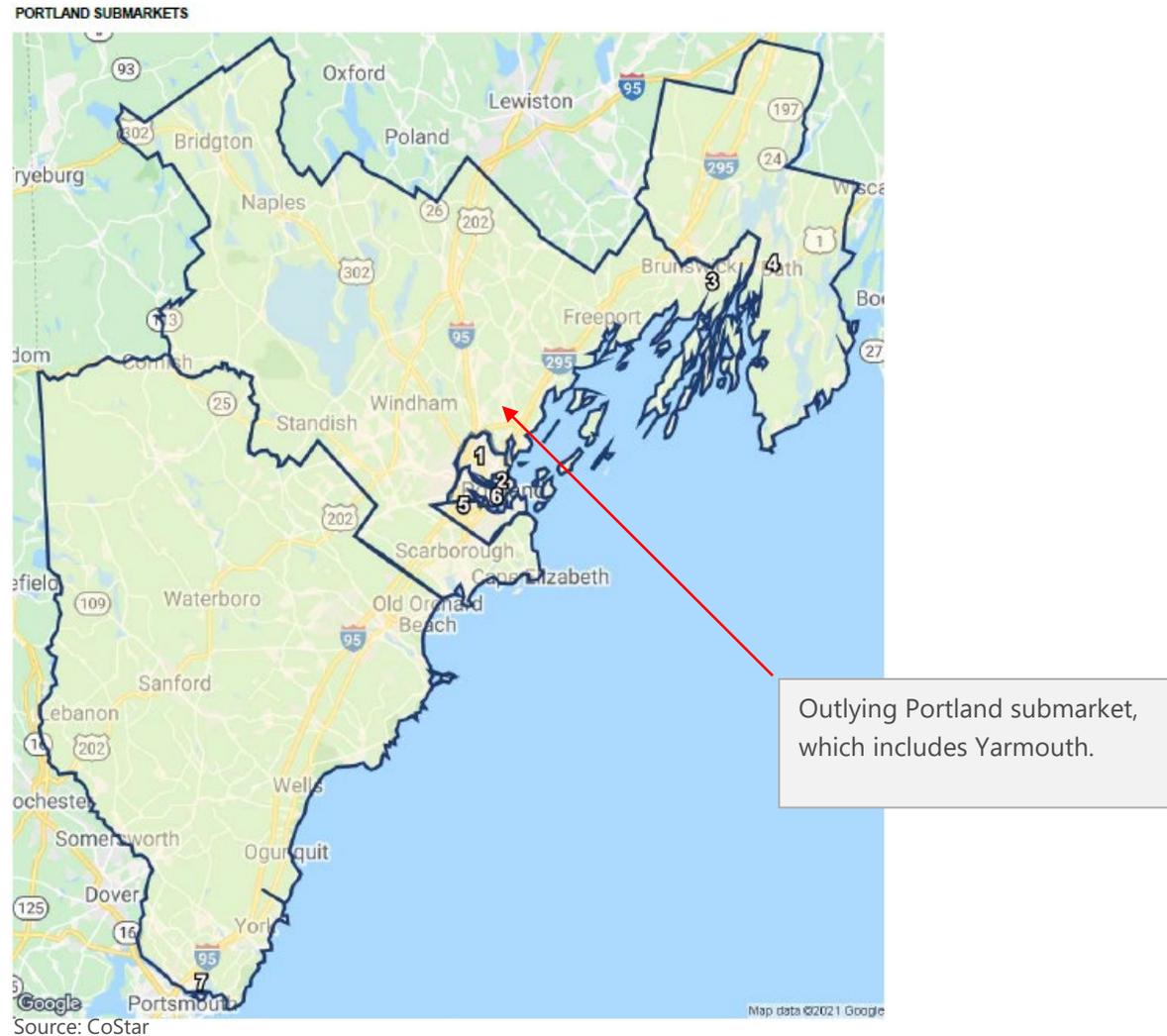
Project Name	Address	Type	Unit Count	Rental/ Owner	Development Status	Status Detail	Est. Completion
Yarmouth Commons	350 Route One	Mixed-Use	18	Rental	Completed	Pending final Certificate of Occupancy	2023
Sweetser Village	216 East Main Street	Multifamily	24	Rental	Completed	Completed	Completed 2022

Source: Yarmouth Town Planning Department; Camoin Associates

Note: Unit counts reflect units for which building permits have been issued. There may be other units in the development pipeline that are not captured here.

MULTIFAMILY MARKET: GEOGRAPHICAL CONTEXT

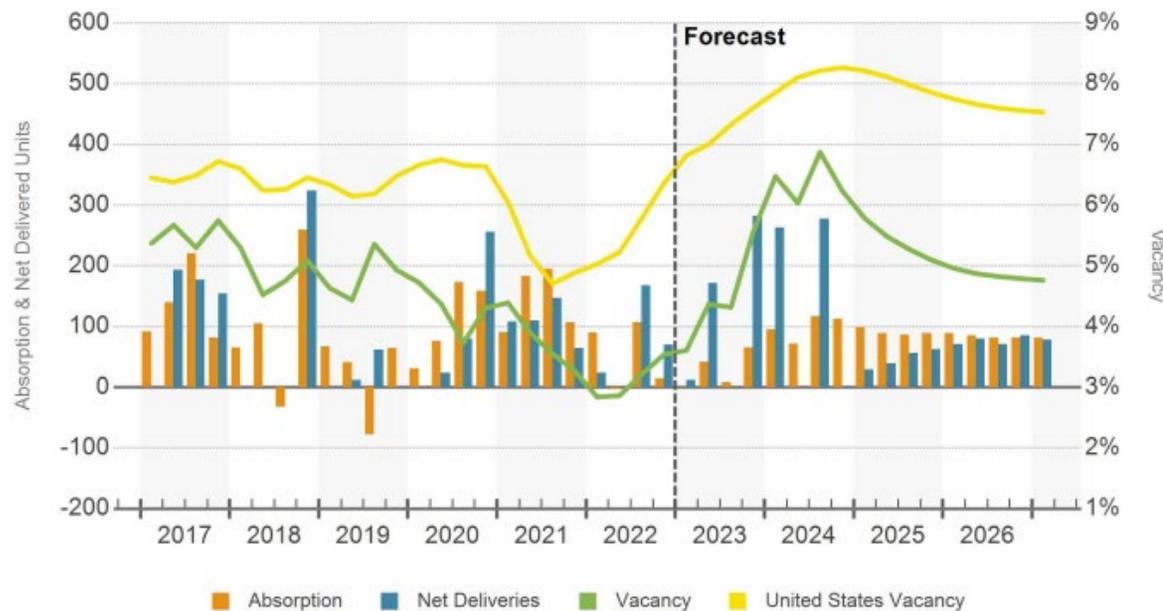
The Town of Yarmouth's multifamily market falls in the Portland, ME market, as defined by CoStar (the entire yellow area in the map below). Within this market, Yarmouth falls in the Outlying Cumberland submarket (#3 in below map). Trends from the Portland, ME market and Outlying Cumberland submarket are included in this analysis.



MULTIFAMILY MARKET: REGIONAL CONTEXT (PORTLAND, ME MARKET)

According to CoStar, Portland is typically a slow-growth multifamily market, with an inventory of just under 16,000 units and about 1,000 currently under construction. Vacancy has been tight in recent years, and although renter demand is cooling, has yet to budge at 3.6%. Meanwhile, pricing power for operators has begun to weaken as rent growth tailed off in the second half of 2022. Notable rent gains have been made in the luxury segment of the market, with units classified as 4 and 5 star (highest quality properties) increasing about 5.3% over the last 12 months. Asking rent growth is expected to average 2.4% YOY, down from a peak of 7.4% in the second quarter of 2022. Delivered units are expected to increase over the next 12 months, leading to a temporary spike in the vacancy rate as they are absorbed into the market.

ABSORPTION, NET DELIVERIES & VACANCY



Source: CoStar, as of 1Q23

Absorption, Deliveries, & Vacancy

These are three metrics that help to understand the full picture of a region's multifamily housing market.

Absorption refers to the change in occupancy over a given period of time and is calculated as the number of newly occupied units minus units that have been vacated.

Net Deliveries refers to the number of new housing units in the market that have recently completed construction.

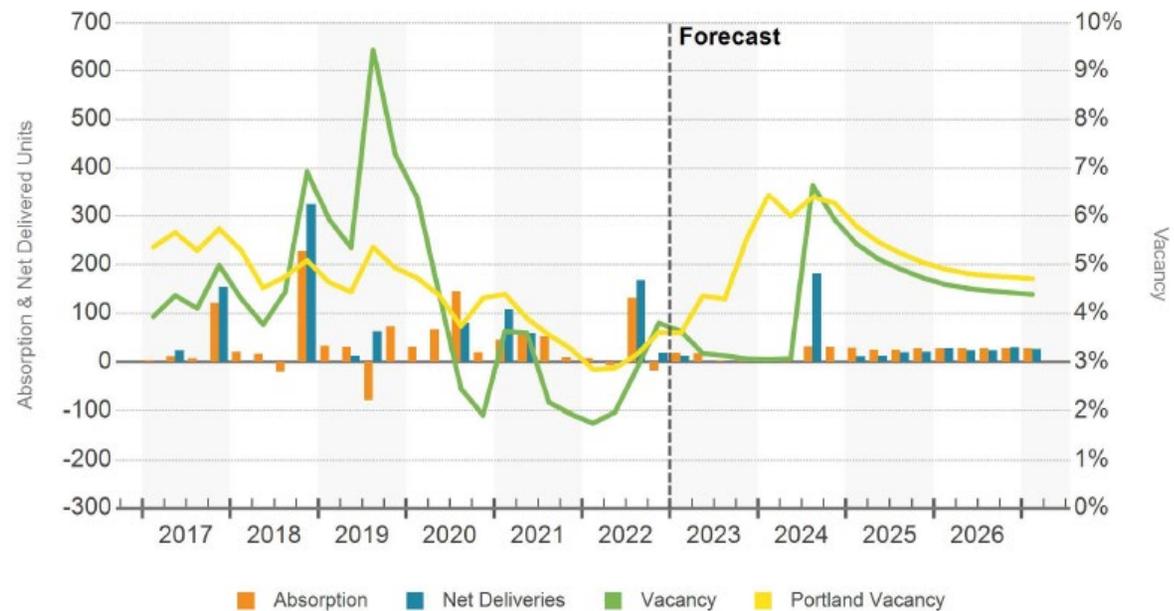
Vacancy is expressed as a percentage and refers to the amount of vacant units divided by the total number of units in the market.

MULTIFAMILY MARKET: YARMOUTH AREA (OUTLYING CUMBERLAND COUNTY SUBMARKET)

In Outlying Cumberland County specifically:

- ◆ The vacancy rate has expanded moderately over the past four quarters to 3.8%, aligning with the long-term average.
- ◆ About 200 units have been delivered in the past 12 months, consistent with the five-year average. These units were concentrated in Freeport (144 Units), though 18 units were finished at Yarmouth Commons in October 2022 along with 24 units at Sweetser Village in August 2022. Development of an additional 181 units is underway in Brunswick on Admiral Fitch Avenue. Additionally, 350 units have been proposed at Rock Row in Westbrook, with a planned completion in 2024. In Yarmouth, a total of 76 units are planned at Railroad Square and 298 Main Street.
- ◆ Rents have risen by 10.0% over the last year, the strongest annual increase in over 10 years and significantly exceeding average annual growth of 3.9% over the past decade.

ABSORPTION, NET DELIVERIES & VACANCY

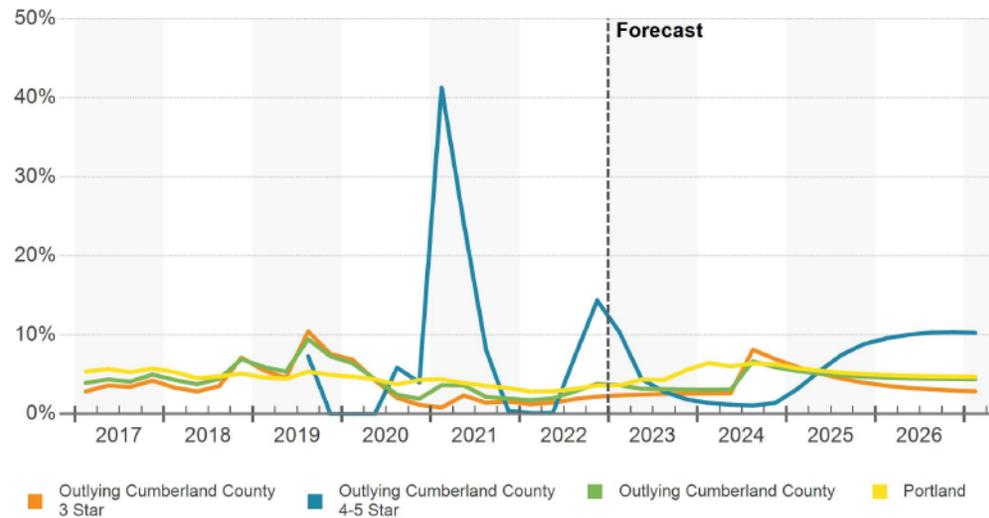


Source: CoStar, as of 1Q23

Within the submarket,

- ◆ Inventory is dominated by 3-star properties. 181 new 3-star units are under construction, entirely at Admiral Fitch Avenue in Brunswick.
- ◆ Asking rents average more than \$1,700 for all property classes. Rents on 4- and 5-star units are averaging approximately \$2,260.
- ◆ The largest recent deliveries have been concentrated in Brunswick and Freeport, with 108 units at Brunswick Landing Apartments in February 2021 and 144 units at the Residences at Crosstree in Freeport in October 2022. The latter is in close proximity to Yarmouth.
- ◆ The vacancy rate is 3.8%, with 4 & 5-star units having the highest vacancy rate (12.9%).

VACANCY RATE



KEY INDICATORS

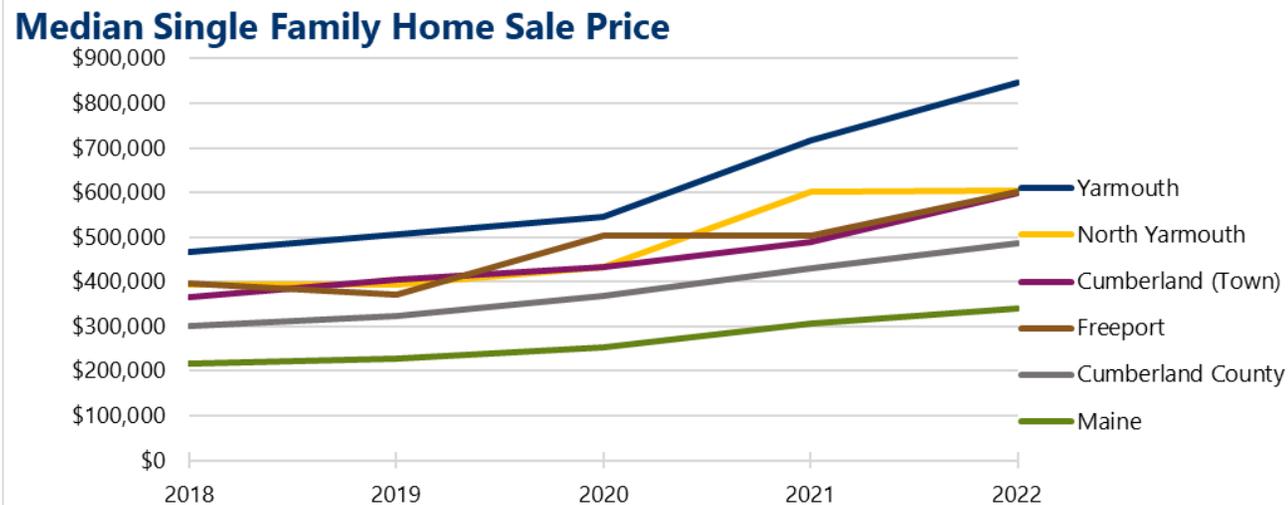
Current Quarter	Units	Vacancy Rate	Asking Rent	Effective Rent	Absorption Units	Delivered Units	Under Constr Units
4 & 5 Star	340	12.9%	\$2,259	\$2,254	5	0	0
3 Star	2,433	2.3%	\$1,720	\$1,714	9	12	181
1 & 2 Star	1,041	4.3%	\$1,850	\$1,841	(2)	0	0
Submarket	3,814	3.8%	\$1,799	\$1,793	12	12	181

Source: CoStar, as of 1Q23

FOR-SALE MARKET: MEDIAN SALE PRICE

The figures below outline the median sale price of single-family homes in Yarmouth from 2018 to 2022:

- ◆ The median sale price of a single-family home in Yarmouth in 2022 was \$846,750, significantly higher than surrounding areas.
- ◆ Yarmouth’s median sale price growth has far exceeded surrounding towns, Cumberland County, and Maine, at 81.5% from 2018-2022. The median home in Yarmouth now sells for over \$380,000 more than in 2018.
- ◆ The median sale price was approximately equal in North Yarmouth, Cumberland, and Freeport in 2022 at around \$600,000.
- ◆ Nationally, home values experienced a large increase in 2020-2022. From 2020 to 2022, the median home price in Yarmouth increased by over 55%, reaching an all-time peak of \$1.2 million in the fourth quarter of 2022.



Source: Redfin

Single Family Home Price Changes, 5-year trend

	Yarmouth	North Yarmouth	Cumberland (Town)	Freeport	Cumberland County	Maine
2018-2022 Change	\$380,250	\$209,500	\$232,475	\$205,913	\$185,100	\$123,550
2018-2022 % Change	81.5%	53.1%	63.6%	51.9%	61.5%	57.0%
2018-2022 CAGR	12.7%	8.9%	10.4%	8.7%	10.1%	9.4%

Source: Redfin

HOUSING DEMAND IN YARMOUTH: HOUSEHOLDS BY INCOME AND AGE

The table below combines all households by income and age in Yarmouth in 2022.

- ◆ As of 2022 there are an estimated 3,572 households in Yarmouth.
- ◆ The largest household age cohorts in Yarmouth are 55-64 (24%), 65-74 (20%), and 45-54 (18%).
- ◆ Households over 55 collectively account for 60% of all households.

Households by Income and Age, Town of Yarmouth, 2022

Income	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total	% of Total
< \$15,000	10	11	6	8	11	17	17	80	2%
\$15,000-\$24,999	10	5	2	7	22	21	54	121	3%
\$25,000-\$34,999	14	21	16	13	47	49	86	246	7%
\$35,000-\$49,999	27	50	27	27	46	52	94	323	9%
\$50,000-\$74,999	19	53	40	52	74	145	130	513	14%
\$75,000-\$99,999	12	43	54	51	93	119	62	434	12%
\$100,000-\$149,999	10	56	72	119	152	112	49	570	16%
\$150,000-\$199,999	2	32	67	139	162	73	37	512	14%
\$200,000+	1	43	101	216	248	116	48	773	22%
Total	105	314	385	632	855	704	577	3,572	100%
% of Total	3%	9%	11%	18%	24%	20%	16%	100%	

Source: Esri

Scale:	1	<>	248
--------	---	----	-----

HOUSING DEMAND IN YARMOUTH: PROJECTED CHANGE IN HOUSEHOLDS

The table below shows the projected change in all Yarmouth households from 2022-2027, by income and age, if past trends hold steady. Future household growth potential is constrained by the level of housing production locally.

- ◆ Over the next five years (2022-2027) the number of households in Yarmouth is expected to grow by 17 (net). Among household earnings over \$50,000, there will be 213 new households.
- ◆ Age cohorts driving growth will be those aged 65+ and 25-34-year-olds.
- ◆ Growth will be concentrated in higher-income households. Households with incomes greater than \$100,000 will grow the most, while households with incomes of \$75,000 or less are projected to decrease. This is the case across all age cohorts, with higher-income households at all age levels driving household growth in Yarmouth.

Projected Change in Households, Town of Yarmouth, 2022-2027

Income	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
< \$15,000	(2)	(2)	(2)	(5)	(8)	(7)	(1)	(27)
\$15,000-\$24,999	(2)	(1)	(1)	(5)	(11)	(8)	(7)	(35)
\$25,000-\$34,999	1	0	(4)	(8)	(23)	(17)	(1)	(52)
\$35,000-\$49,999	(4)	(8)	(12)	(16)	(20)	(17)	(5)	(82)
\$50,000-\$74,999	(7)	(12)	(15)	(29)	(32)	(38)	2	(131)
\$75,000-\$99,999	(1)	0	(15)	(19)	(27)	(21)	(3)	(86)
\$100,000-\$149,999	4	34	8	(7)	(9)	27	32	89
\$150,000-\$199,999	2	20	21	2	25	58	52	180
\$200,000+	0	26	15	(8)	7	71	50	161
Total	(9)	57	(5)	(95)	(98)	48	119	17

Source: Esri

HOUSING DEMAND IN CUMBERLAND COUNTY: HOUSEHOLDS BY INCOME AND AGE

The table below combines all households by income and age in Cumberland County in 2022.

- ◆ As of 2022 there are an estimated 130,552 households in Cumberland County.
- ◆ The largest household age cohorts in Cumberland County are 55-64 (21%), 45-54 (17%), and 65-74 (17%).
- ◆ Households over 55 collectively account for 50% of all households.

Households by Income and Age, Cumberland County, 2022

Income	Age 15-	Age 25-	Age 35-	Age	Age 55-	Age 65-	Age 75+	Total	% of Total
	24	34	44	45-54	64	74			
< \$15,000	485	813	729	769	1,241	1,263	1,468	6,768	5%
\$15,000-\$24,999	383	842	600	655	1,166	1,483	2,021	7,150	5%
\$25,000-\$34,999	613	1,337	1,103	961	1,667	1,902	2,462	10,045	8%
\$35,000-\$49,999	737	1,896	1,503	1,328	1,930	2,344	2,654	12,392	9%
\$50,000-\$74,999	953	3,207	2,991	3,195	4,104	4,533	2,789	21,772	17%
\$75,000-\$99,999	545	2,729	2,909	3,008	3,490	2,866	1,490	17,037	13%
\$100,000-\$149,999	382	3,316	4,725	5,292	5,624	3,654	1,524	24,517	19%
\$150,000-\$199,999	122	1,973	2,575	3,399	3,566	1,835	1,050	14,520	11%
\$200,000+	75	1,652	3,011	4,157	4,115	2,229	1,112	16,351	13%
Total	4,295	17,765	20,146	22,764	26,903	22,109	16,570	130,552	100%
% of Total	3%	14%	15%	17%	21%	17%	13%	100%	

Source: Esri

Scale:	75	<>	5,624
--------	----	----	-------

HOUSING DEMAND IN CUMBERLAND COUNTY: PROJECTED CHANGE IN HOUSEHOLDS

The table below shows the projected change in all Cumberland County households from 2022-2027, by income and age.

- ◆ Over the next five years (2022-2027) the number of households in Cumberland County is expected to grow by 3,054 on net.
- ◆ Age cohorts driving growth will be those aged 65+ and 35-44-year-olds. The age cohort of 45-64 years old will see a net decline in households from 2022-2027.
- ◆ Growth will be concentrated in higher-income households. Households with incomes greater than \$100,000 will grow the most, while households with incomes of \$75,000 or less are projected to decrease as household income rises

Projected Change in Households, Cumberland County, 2022-2027

Income	15-24	25-34	35-44	45-54	55-64	65-74	75+	Total
< \$15,000	(86)	(319)	(254)	(316)	(579)	(451)	(244)	(2,249)
\$15,000-\$24,999	(42)	(201)	(171)	(227)	(414)	(335)	(135)	(1,525)
\$25,000-\$34,999	(31)	(227)	(227)	(287)	(518)	(324)	(177)	(1,791)
\$35,000-\$49,999	(52)	(280)	(232)	(335)	(557)	(320)	(41)	(1,817)
\$50,000-\$74,999	(2)	(486)	(558)	(749)	(902)	(124)	609	(2,212)
\$75,000-\$99,999	21	(233)	(208)	(391)	(397)	264	481	(463)
\$100,000-\$149,999	156	639	661	223	363	1,369	1,092	4,503
\$150,000-\$199,999	63	805	1,001	709	974	1,147	1,069	5,768
\$200,000+	8	431	591	69	199	795	747	2,840
Total	35	129	603	(1,304)	(1,831)	2,021	3,401	3,054

Source: Esri

RENTAL DEMAND IN YARMOUTH: PROPENSITY TO RENT AND NEW UNITS

According to CoStar, market rents for units in the Outlying Cumberland County submarket average about \$1,800 per month. To afford a rent of \$1,800 per month, a household would need annual income of at least \$75,000 (assuming annual spending on rent to be no more than 30% of income). To estimate future rental demand, we segmented the market to consider only households earning \$75,000 and up. While overall household growth is nominal, there will be a significant shift toward these higher-income households that will drive growth.

We then considered the propensity to rent for each age cohort in this income group. Given overall declining affordability and accessibility of home ownership, it is likely that the propensity to rent among Yarmouth area residents will increase as renters spend more years renting than in previous years. Therefore, we assume that the propensity to rent will more closely resemble that of the United States than the current propensity to rent among Sagadahoc and Northern Cumberland County residents. Overall, 20% of U.S. households earning more than \$75,000 rent their homes, compared to 13% of Sagadahoc and Northern Cumberland County households. This varies greatly by age, with 70% of households under 25 renting and declining to just 8% of 65-74-year-old households renting, nationally (see below table).

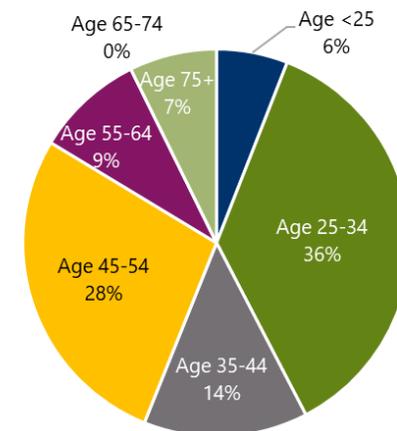
The chart below shows the composition of the renter target market for Yarmouth by age cohort. The largest renter demographic is 25-34-year-olds making up 36% of all renters, followed by 45-54-year-olds, representing just under a quarter of renters. The three senior cohorts (55-64, 65-74, and 75+) collectively make up 18% of the renter market.

Propensity to Rent by Age, Households with Income Over \$75,000

Age	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
Sagadahoc and Northern Cumberland Counties								
Rental Propensity	50%	36%	11%	14%	4%	0%	6%	13%
United States								
Rental Propensity	70%	42%	23%	16%	11%	8%	9%	20%

Source: Census ACS 1-year PUMS, 2021

Yarmouth Market-Rate Rental Unit Demand Through 2027, by Household Age Cohort

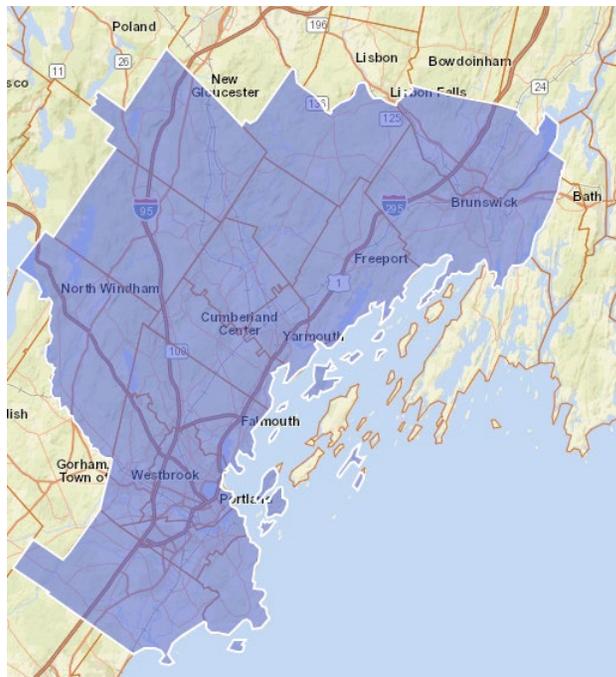


Source: Esri, Census ACS 1-year PUMS, 2021; Camoin Associates

HOUSING MARKET AREA DEMAND

In addition to absorbing demand by Yarmouth residents, new multifamily development in the town could capture a portion of the demand from the surrounding area. To estimate the demand for units that could be absorbed from the larger region, a housing market area (HMA) was used. This region extends from Scarborough in the south, to Durham and Topsham in the north, with Gray, New Gloucester, and Windham to the West. This represents a reasonable area from which Yarmouth could attract new residents, given the geographic location and demographic/housing characteristics of the selected communities. Towns in this market area are generally accessible to Yarmouth within a 30-minute drive. The region is highlighted on the map below.

The market area is projected to gain a net of 2,416 households from 2022-2027, a portion of which Yarmouth could reasonably be expected to capture. Under the Baseline Scenario, it is assumed that Yarmouth accounts for approximately 3.5% of the market area’s housing units. However, it is likely that Yarmouth could capture a larger share of housing demand if housing unit development were to exceed historic trends, which is modeled using a 10% capture rate in the Growth Scenario. Furthermore, additional housing unit demand is generated through the replacement of old or obsolete housing, assumed to be approximately 2% of existing housing units over the next five years. After accounting for units that are currently in the pipeline, Yarmouth could support additional demand of between 0-32 rental units and between 122-248 for-sale units over the next five years. On an annual basis, this translates to between 0-6 rental units or between 24-50 owner-occupied units per year.



5-Year Projected Demand for Housing Units in Yarmouth

	Baseline		High Growth	
	Renter	Owner	Renter	Owner
Share of Projected HMA Demand	20%	80%	20%	80%
Projected HMA Demand	483	1,933	483	1,933
Yarmouth Capture Rate	3.5%	3.5%	10.0%	10.0%
Yarmouth Demand Capture	17	68	48	193
Yarmouth Replacement Demand (2%)	17	54	17	54
Total Supportable Demand	34	122	66	248
Currently in Pipeline	34	0	34	0
Net 5-year Supportable Demand	0	122	32	248
Net Annual Supportable Demand	0	24	6	50

Source: Esri, Town of Yarmouth, Camoin Associates

4.2 RETAIL MARKET ANALYSIS

RETAIL MARKET ANALYSIS: KEY FINDINGS

- ◆ Within the Portland market retail vacancy rates (except for malls and other retail) are trending downward. While the overall outlook is positive, challenges such as inflation, online retail, and labor shortages will continue to put a strain on the market.
- ◆ The pipeline of new retail space in the market is limited, with most new retail space being constructed in Portland and Topsham. Yarmouth has a small retail market that is not as competitive with the larger neighboring Freeport, Portland, and Topsham retail centers.
- ◆ Based on the data that is available for current retail demand, retail industries with the largest gap (demand exceeds sales) represent retail categories for which residents need to leave the area to meet their needs. These industries include:
 - **Local Trade Area:** Small-scale grocery, Boutique Clothing Stores, Restaurants and Cafés
- ◆ Up to about 34,000 SF of retail space could be supported as a result of leakage recapture of local trade area residents and household growth. Local small-scale grocery stores, for which the trade area has leakage, could fit into this category.

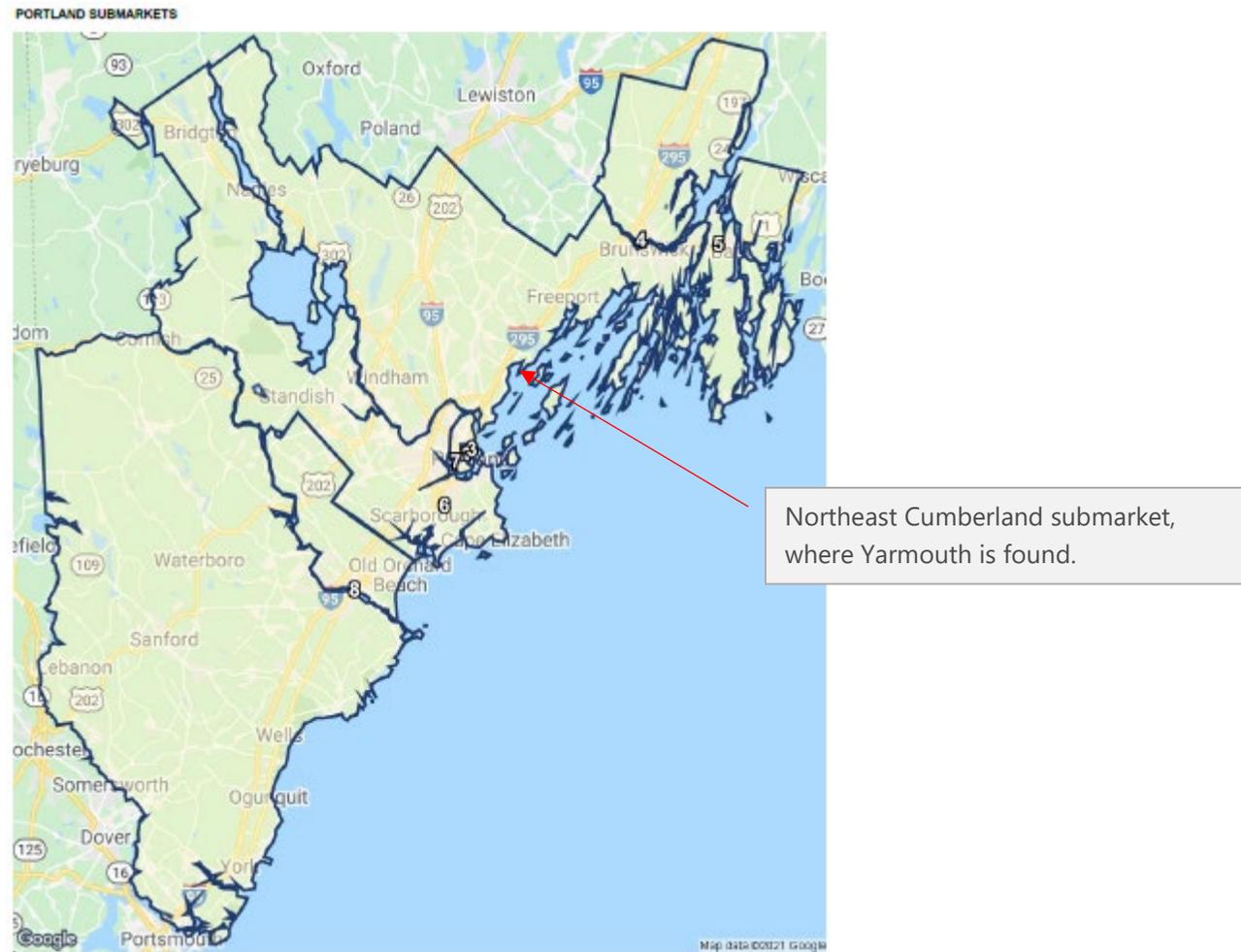
Local Trade Area Supportable Demand for New Retail Space

Demand From	SF
Demand from Existing Residents	32,262
Demand from New Residents	1,766
Total Supportable Demand	34,029
Currently Vacant	1,300
Net Supportable Demand	32,729

Source: CoStar, Camoin Associates

RETAIL MARKET: GEOGRAPHICAL CONTEXT

The Town of Yarmouth's retail market falls in the Portland, ME market (the entire yellow area on the map below). Within this market, Yarmouth falls in Northeast Cumberland submarket, indicated below. In this analysis, both the Portland, ME market and Northeast Cumberland County, ME submarket will be analyzed.

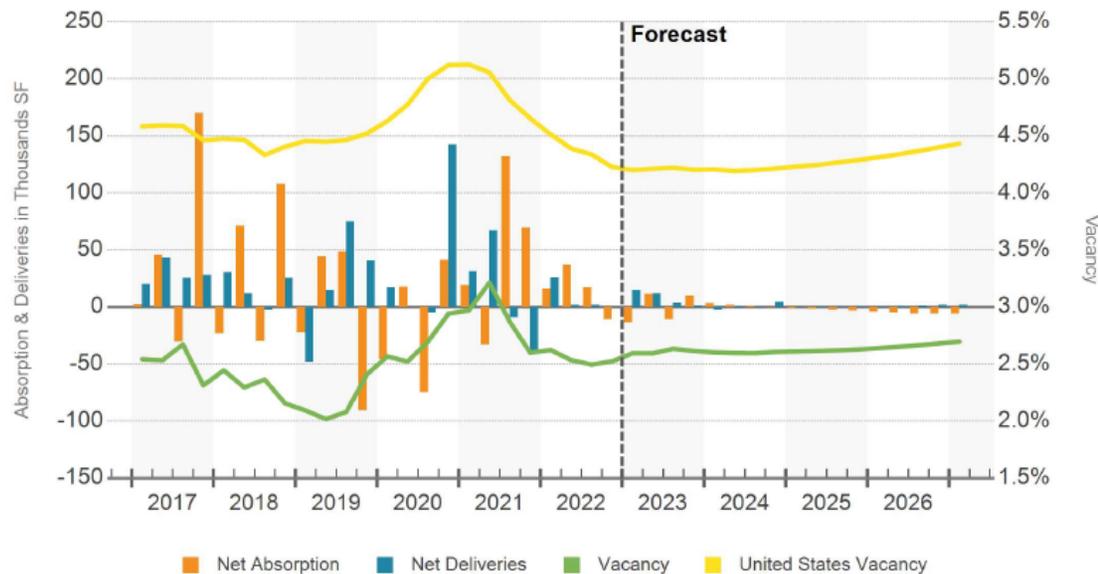


Source: CoStar

RETAIL MARKET: REGIONAL CONTEXT (PORTLAND, ME MARKET)

According to CoStar, vacancies in the Portland retail market have remained steady over the last four quarters and are in line with the 10-year average, with a 2.6% vacancy rate market-wide. 230,000 SF of space has delivered over the past three years. There is an additional 44,000 SF under construction, a fractional expansion. Most of this is located in close proximity to Portland, with smaller additions in Bridgton, Saco, and Topsham. Retail rents in the Portland market rose at a 2.4% annual rate in the first quarter of 2023, in line with the 3-year average gain of 2.0%. Net absorption in the Portland, ME Market is almost -20,000, driven by net absorption in general retail.

NET ABSORPTION, NET DELIVERIES & VACANCY



KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	2,901,566	5.2%	\$21.81	5.3%	(9,773)	0	0
Power Center	1,261,960	0.7%	\$20.42	0.7%	29,000	0	0
Neighborhood Center	6,481,130	5.4%	\$15.88	7.2%	(8,321)	0	0
Strip Center	1,105,352	1.5%	\$15.33	1.3%	(7,100)	0	0
General Retail	28,011,491	1.7%	\$15.72	2.0%	(23,761)	8,000	43,629
Other	307,636	7.3%	\$17.69	7.3%	0	0	0
Market	40,069,135	2.6%	\$16.34	3.1%	(19,955)	8,000	43,629

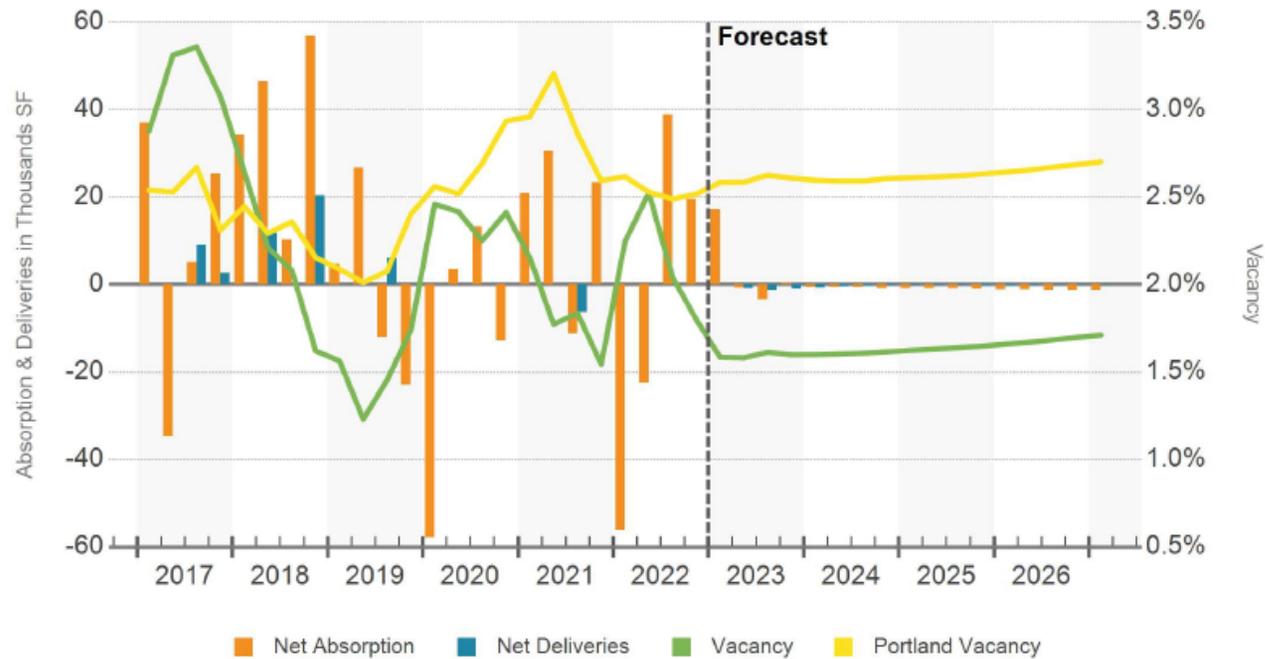
Source: CoStar, as of 1Q23

RETAIL MARKET: YARMOUTH AREA (NE CUMBERLAND SUBMARKET)

In NE Cumberland County specifically:

- ◆ Retail vacancies are below the Portland region’s average and remain in line with the submarket’s five-year average.
- ◆ Of properties tracked by CoStar, no new retail space is under construction, and inventory has contracted in the last three years due to demolitions.
- ◆ Rents have risen by 2.9% over the last year.

NET ABSORPTION, NET DELIVERIES & VACANCY

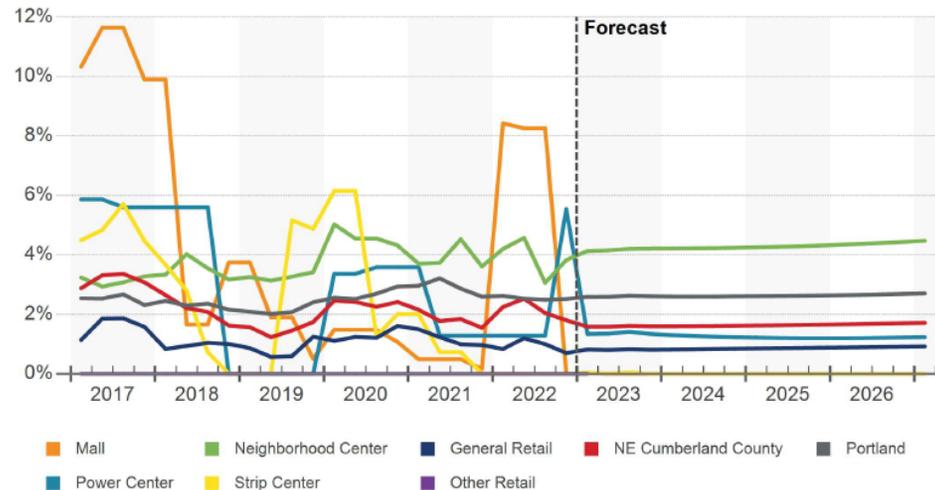


Source: CoStar, as of 1Q23

Within the submarket,

- ◆ The current retail vacancy rate is low at 1.6%. Vacancy rates have generally trended downward since 2017, with two notable jumps in 2020 during COVID-19 (driven by strip centers and power centers) and in 2022 (driven by mall space).
- ◆ Malls and strip centers have the lowest vacancy rate while neighborhood centers have the highest.

VACANCY RATE



KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Malls	493,344	0.2%	\$17.85	0.2%	0	0	0
Power Center	678,715	5.6%	\$19.32	5.6%	0	0	0
Neighborhood Center	2,148,647	3.3%	\$15.77	3.4%	0	0	0
Strip Center	244,523	0%	\$14.89	0%	0	0	0
General Retail	4,440,093	0.8%	\$15.42	1.5%	8,589	0	0
Other	0	-	-	-	0	0	0
Submarket	8,005,322	1.8%	\$15.98	2.3%	8,589	0	0

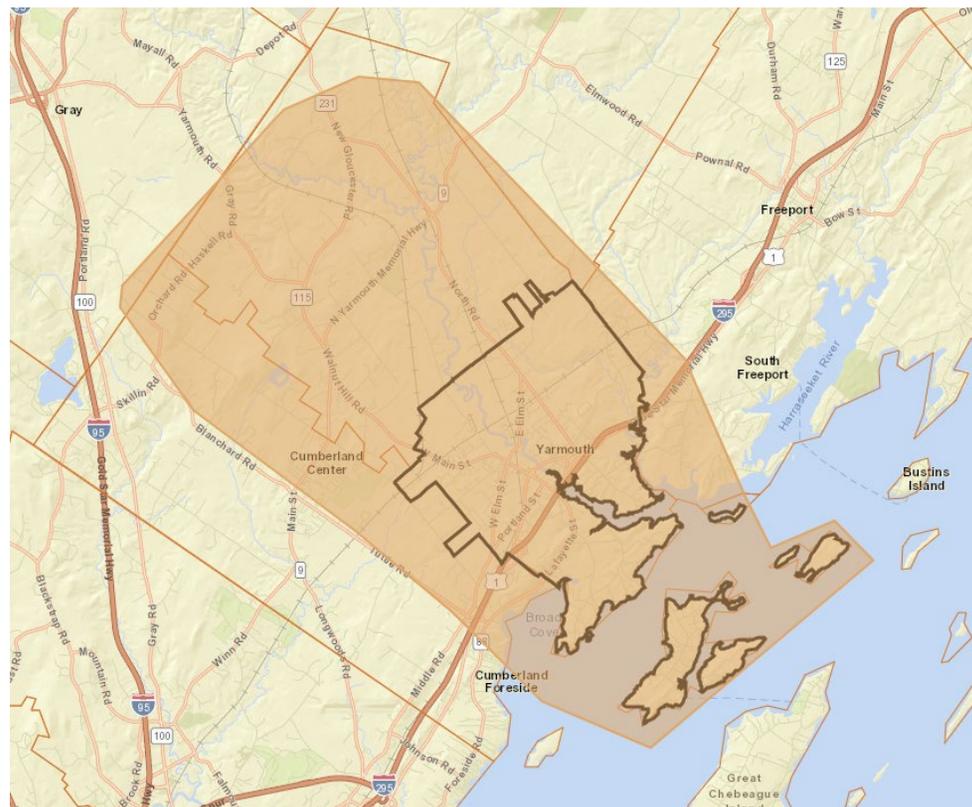
Power Center: Typically consists of several freestanding anchors with a minimum amount of small specialty tenants.

Neighborhood Center: Provides for the sales of convenience goods and personal services for day-to-day living needs of the immediate neighborhood, with a supermarket being the principal tenant.

Strip Center: An attached row of stores or Service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores.

LOCAL RETAIL TRADE AREA

- ◆ The local retail trade area (red shading on map) delineates the draw area for “everyday” needs: grocery, pharmacy, personal care services, bank, fitness, quick meals, etc.
- ◆ The local retail trade serves a small geographic area and is a 5 to 15-minute drive time that covers primarily Yarmouth and North Yarmouth.
- ◆ Customers outside this area typically shop for daily needs in surrounding communities: Cumberland, Freeport, Falmouth and Gray.



Source: Esri

MARKET DEMAND: TAPESTRY SEGMENTATION

TAPESTRY SEGMENTATION

A tool used by retail site selectors in determining the characteristics of a particular trade area is market segmentation, which is the classification of consumers according to demographic, socioeconomic, housing, and lifestyle characteristics. It is how retailers and site selectors compare consumer trends across trade areas when considering many site locations.

Market segmentation is based on the concept that people with similar demographic characteristics, purchasing habits, and media preferences naturally gravitate toward each other and into the same communities. Businesses utilize segmentation to understand their customers' lifestyle choices, purchasing preferences, and how they spend their free time.

Market segmentation data for the regional trade area were obtained from Esri's Tapestry segmentation model. Additional information about Esri's model can be [found here](#). We will focus on the characteristics of consumers living in the broader regional trade area since the retail categories with the best potential for success in the area tend to have a regional reach.

It is important to recognize that the classifications and labels that ESRI uses for defining market segments are generalizations. The descriptions of each segment are based on comparisons with the U.S. as a whole and reflect the propensity of households within that segment to exhibit certain demographic, lifestyle, and consumer characteristics relative to the overall population. The purpose of this exercise is to compare local consumer trends to those of consumers across the U.S. so businesses and developers not familiar with the region understand consumer demand in this area.

The top Esri Tapestry segment for the local trade area is listed in the table below, with profiles of each segment, including household composition, housing type, income, age, education, and consumer habits listed in Attachment B.

Top Tapestry Segments of the Local Retail Trade Area

Rank	Tapestry Segment	Percent
1	Affluent Estates	44.0%
2	GenXurban	27.5%
3	Cozy country Living	14.1%
4	Family Landscapes	9.9%
5	Middle Ground	4.5%

Source: Esri

RETAIL INVENTORY IN THE LOCAL TRADE AREA

Retail Inventory

Category	Town of Yarmouth/Local Trade Area
Grocery	Hannaford; Rosemont Market & Bakery
Pharmacy	Walgreens; Hannaford Pharmacy (inside Hannaford)
General Merchandise	
Convenience Stores	Big Apple Store; Cumberland Farms
Household Furnishings	Fiore Home (Fiore Interiors LLC); Pistol Pete's Upholstery Shop; Conversation Caning; Venn & Maker; Mattress by Appointment; Kit Clark Furniture; Centerline Design & Build
Electronics	AT&T Store
Office Supplies	
Apparel	Found Trading Co; Chattel; Gingham; Svetlana Custom Clothing & Couture
Home Improvement/Lawn & Garden	Sherwin-Williams Paint Store; Coastal Maine Interiors; Augustine Interiors (Painting); The Trunk Shop; The Cabinet Shop; Coastal Hardware, Inc.; McVety's Heath & Home; Water Treatment Equipment, Inc.; Farmhouse Floral by Estabrook's; Estabrook's
Pets	Pet Scripts Pharmacy; The Puppy Parlor; Blue Seal Animal Feed Store; Belted Cow Company Warehouse Store
Hobby/Crafts/Games	W.M. Schwind Antiques; Island Treasure Toys; Maine Modelworks; The Village Framer
Cards/Gifts	Royal River Books
Sporting Goods	KB Wheels; Maine Fly Company; Soul Surf Collective; Lakeside Archery; Robinson Arms
Quick-Service Restaurants	Maggie Mae's; Dunkin'; Maples Bakery; Subway; Little China Express; Clayton's Café; Bruce's Burritos; China Taste; Thoroughfare; Peachy's Smoothie Café; Toots Ice Cream; Freeport Café; Gifford's HomeMaine Ice Cream; Toots Ice Cream
Full-Service Restaurants	Otto; Romeos Pizza; Chopstick Sushi; Royal River Grill House; Brickyard Hollow; Gather; Locally Sauced; The Garrison; Pat's Pizza; Binga's Wingas Yarmouth; Owl & Elm; Trudy Bird's Olbar; Muddy Rudder; Goodfire Tasting Room & Kitchen
Entertainment	
Personal Care Services	Studio 88 Salon; Boston Hair; Tove Hair Salon; Snip & Clip Hair Design; Epic Image Salon; KR Studios; Lee Nails; Lucinda's Day Spa & Hair Studio; Tranquility In Balance Center for Wellness; Salon Haute Couture; The Barbershop; Shear Joy Hair & Body Salon; LA Nails: Cozy Nails & Spa
Fitness	CrossFit Yarmouth; Zbon Fitness; Rivebend Yoga & Meditation Studio; Jibe Cycling Studio; YMCA of Southern Maine; Village Body Works
Auto Parts & Services	O'Reilly Auto Parts; NAPA Auto Parts; Casco Bay Ford Parts; North Yarmouth Automotive Services

Note: This inventory list is not comprehensive, but provides a general overview of the types and quantities of retail business types in the Town of Yarmouth at the time of writing.

MARKET DEMAND: LEAKAGE ANALYSIS

RETAIL GAP ANALYSIS

In a retail gap analysis, the existing retail sales (“supply”) of trade area businesses are compared to the estimated retail spending of trade area residents (“demand”). The difference between demand and supply is referred to as the “retail gap.”¹ The retail gap can be positive or negative.

When the demand (spending by trade area residents) for goods and services is greater than sales at trade area businesses, sales are said to “leak out” of the trade area, creating a positive retail gap (i.e., sales leakage).

Conversely, if the supply of goods sold (local trade area sales) exceeds trade area demand (spending by trade area residents), it is assumed that non-residents are coming into the trade area and spending money, creating a negative retail gap (i.e. sales surplus).

Sales leakage and sales surplus carry different implications. In many cases, sales leakage presents an opportunity to capture unmet demand in a trade area since a percentage of residential spending occurs outside the trade area. This demand can be met within the trade area by opening new businesses or expanding existing businesses within retail sectors that show sales leakage. However, not all retail categories that exhibit sales leakage within a particular trade area are a good fit for the region. Rapidly changing retail norms mean long term consequences for potential build out of retail space. It is important to consider that while there may be leakage indicated for a certain industry, that leakage could be due to ecommerce and therefore is not a retail category that would be as productive as a brick-and-mortar space. What were once retail locations may have more economic potential as flex space, office or redevelopment in housing. This data should be used as a starting point to determine if what categories have leakage and whether they are viable for brick-and-mortar locations.

A sales surplus might exist for several reasons. For example, the region might be a popular shopping destination for tourists and other out-of-towners, or a cluster of competing businesses offering a similar product or service may be located within the trade area, creating a specialty cluster that draws in spending by households from outside the trade area. Alternatively, a sales surplus could be an indicator of market saturation.

The following Retail Gap Analysis table contains a list of industries by 6-digit NAICS codes and includes figures for sales demand (estimated purchases by local trade area residents both in and out of the trade area, and purchases by non-trade-area residents), sales supply (existing sales within the trade area), and retail gap (demand minus supply). Retail categories with the greatest sales leakage are displayed. Retail industries with the largest gap (demand exceeds sales) are similar between the Town of Yarmouth and the local trade area and include:

- ◆ **Local Trade Area:** Small-scale grocery, Boutique Clothing Stores, Restaurants and Cafés

MARKET DEMAND: RETAIL POTENTIAL ANALYSIS – EXISTING RESIDENTS

RETAIL POTENTIAL ANALYSIS

In the following analysis, we compare the retail gaps within the retail categories that have sales leakage to the average sales of similar businesses in the town, local, and regional trade areas. This allows us to identify which of the industries with sales leakage may have enough unmet demand to warrant opening a new store or expanding existing stores.

The tables below identify the number of new businesses that, theoretically, could be supported in the geographies, assuming:

1. 25% of the sales leakage is recaptured and
2. New businesses have sales comparable to the average sales business of all businesses. In this analysis, we assume an average of \$325 per square feet across all retail categories.

While no industries could support a new business on their own, businesses that cater to multiple retail needs could potentially be supported, or existing businesses could be expanded. For each geography:

- ◆ **Local Trade Area:** Nearly \$10.5 million in sales could be recaptured, which would support about 32,300 square feet of retail space.

Retail Gap, 6-Digit NAICS, Local Trade Area (2022)

NAICS	Description	Total Demand	Total Sales	Retail Gap (Demand-Sales)	Leakage Capture Rate (25%)	Total Supportable Square Feet
445110	Supermarkets and Other Grocery (except Convenience) Stores	\$10,449,796	\$4,034,321	\$6,415,475	\$1,603,869	4,935
441110	New Car Dealers	\$10,315,216	\$6,659,541	\$3,655,676	\$913,919	2,812
452210	Department Stores	\$3,637,001	\$86,851	\$3,550,150	\$887,538	2,731
443142	Electronics Stores	\$3,056,656	\$615,541	\$2,441,115	\$610,279	1,878
448140	Family Clothing Stores	\$2,215,252	\$90,109	\$2,125,143	\$531,286	1,635
722511	Full-Service Restaurants	\$20,502,383	\$18,687,150	\$1,815,234	\$453,808	1,396
312120	Breweries	\$2,472,540	\$943,376	\$1,529,165	\$382,291	1,176
442110	Furniture Stores	\$1,606,546	\$202,827	\$1,403,719	\$350,930	1,080
448120	Women's Clothing Stores	\$1,310,033	\$79,349	\$1,230,684	\$307,671	947
722515	Snack and Nonalcoholic Beverage Bars	\$1,524,511	\$322,634	\$1,201,877	\$300,469	925
451110	Sporting Goods Stores	\$1,321,277	\$346,417	\$974,860	\$243,715	750
441120	Used Car Dealers	\$1,840,063	\$898,921	\$941,141	\$235,285	724
448210	Shoe Stores	\$1,016,393	\$108,045	\$908,349	\$227,087	699
441310	Automotive Parts and Accessories Stores	\$1,688,376	\$860,898	\$827,478	\$206,870	637
448190	Other Clothing Stores	\$867,558	\$111,391	\$756,167	\$189,042	582
446120	Cosmetics, Beauty Supplies, and Perfume Stores	\$811,727	\$69,833	\$741,894	\$185,474	571
312130	Wineries	\$944,319	\$241,498	\$702,821	\$175,705	541
453310	Used Merchandise Stores	\$956,280	\$267,183	\$689,097	\$172,274	530
444190	Other Building Material Dealers	\$2,554,089	\$1,874,476	\$679,613	\$169,903	523
448310	Jewelry Stores	\$1,390,252	\$735,745	\$654,506	\$163,627	503
445310	Beer, Wine, and Liquor Stores	\$743,654	\$110,080	\$633,574	\$158,394	487

Source: Lightcast, Camoin Associates, ICSC

Retail Gap (continued), 6-Digit NAICS, Local Trade Area (2022)

NAICS	Description	Total Demand	Total Sales	Retail Gap (Demand-Sales)	Leakage Capture Rate (25%)	Total Supportable Square Feet
453220	Gift, Novelty, and Souvenir Stores	\$677,998	\$79,905	\$598,093	\$149,523	460
444220	Nursery, Garden Center, and Farm Supply Stores	\$842,379	\$262,970	\$579,409	\$144,852	446
722513	Limited-Service Restaurants	\$20,989,562	\$20,453,305	\$536,257	\$134,064	413
448150	Clothing Accessories Stores	\$493,806	\$53,619	\$440,187	\$110,047	339
453991	Tobacco Stores	\$578,343	\$145,034	\$433,309	\$108,327	333
446199	All Other Health and Personal Care Stores	\$577,959	\$180,860	\$397,099	\$99,275	305
812320	Drycleaning and Laundry Services (except Coin-Operated)	\$331,470	\$0	\$331,470	\$82,868	255
442210	Floor Covering Stores	\$634,288	\$307,200	\$327,088	\$81,772	252
713940	Fitness and Recreational Sports Centers	\$1,581,635	\$1,257,131	\$324,504	\$81,126	250
812111	Barber Shops	\$307,134	\$0	\$307,134	\$76,783	236
454210	Vending Machine Operators	\$412,106	\$143,143	\$268,963	\$67,241	207
441228	Motorcycle, ATV, and All Other Motor Vehicle Dealers	\$523,033	\$264,908	\$258,125	\$64,531	199
445299	All Other Specialty Food Stores	\$401,417	\$148,675	\$252,742	\$63,185	194
451120	Hobby, Toy, and Game Stores	\$495,438	\$244,777	\$250,660	\$62,665	193
443141	Household Appliance Stores	\$356,168	\$107,096	\$249,071	\$62,268	192
512131	Motion Picture Theaters (except Drive-Ins)	\$242,854	\$0	\$242,854	\$60,714	187
446130	Optical Goods Stores	\$361,247	\$120,643	\$240,604	\$60,151	185
441210	Recreational Vehicle Dealers	\$511,614	\$294,389	\$217,225	\$54,306	167
448110	Men's Clothing Stores	\$304,622	\$90,976	\$213,646	\$53,412	164
445230	Fruit and Vegetable Markets	\$221,530	\$15,925	\$205,605	\$51,401	158
812910	Pet Care (except Veterinary) Services	\$635,684	\$431,938	\$203,746	\$50,937	157
446191	Food (Health) Supplement Stores	\$281,516	\$95,071	\$186,445	\$46,611	143
448130	Children's and Infants' Clothing Stores	\$215,042	\$55,571	\$159,470	\$39,868	123
453110	Florists	\$370,335	\$214,596	\$155,739	\$38,935	120
453920	Art Dealers	\$306,700	\$171,351	\$135,348	\$33,837	104
453910	Pet and Pet Supplies Stores	\$590,378	\$469,213	\$121,165	\$30,291	93
448320	Luggage and Leather Goods Stores	\$141,060	\$23,253	\$117,808	\$29,452	91
445210	Meat Markets	\$268,532	\$162,784	\$105,748	\$26,437	81
722514	Cafeterias, Grill Buffets, and Buffets	\$123,673	\$19,858	\$103,815	\$25,954	80
444110	Home Centers	\$4,111,111	\$4,011,021	\$100,089	\$25,022	77
Total					\$10,485,290	32,262

Source: Lightcast, Camoin Associates, ICSC

Note: Includes industries for which the gap is greater than \$100,000

MARKET DEMAND: RETAIL POTENTIAL ANALYSIS – NEW RESIDENTS

RETAIL POTENTIAL ANALYSIS

By 2027 it is projected that the number of households the local trade area will increase by 118, reflecting 1.8% growth. A similar rate of spending growth could be expected as these new households will make purchases within the trade area, increasing the amount of supportable retail within the town.

Based on the current retail spending per household in the local trade area, the total new purchases for projected new households were calculated. This spending translates to approximately 1,766 SF of additional supportable retail space in the local trade area.

Additional Retail Supportable by New Residents

	Local Trade Area
Purchases by Residents in Region	\$32,680,554
Current Households	6,717
Current Retail Purchases in Region Per Household	\$4,865
New Households (2027)	118
New Purchases	\$574,111
Average Retail Sales per SF	\$325
Additional Retail SF Supportable	1,766

Source: Lightcast, Esri, Camoin Associates

4.3 INDUSTRIAL/FLEX MARKET ANALYSIS

INDUSTRIAL/FLEX MARKET: KEY FINDINGS

- ◆ The Portland industrial market has approximately 33.2 million SF of space, over half of which is categorized as logistics space, with the rest being split between specialized industrial and flex space.
- ◆ In general, the Portland industrial market is somewhat tight, with low vacancy. Recent demographic trends in and around the Portland market have made it an increasingly attractive location for final mile distribution centers and warehouse space. The Portland market could serve as a key location in helping to address national supply chain and bottleneck issues due to an overall lack of supply of industrial space to warehouse products and distribute to consumers.
- ◆ In the NE Cumberland County (1.7% vacancy) submarket, the overwhelming majority of stock is occupied, with vacancy of 1.1%. Currently, no industrial construction is underway.
- ◆ The submarket has remained active for industrial transactions in the past few years, but momentum has more recently slowed. Vacancy is expected to remain low due to the prolonged period of no new development, which has lasted over three years.
- ◆ Local demand could support up to approximately 10,000 SF of industrial space in Yarmouth. Regionally, logistics space is in greatest demand.

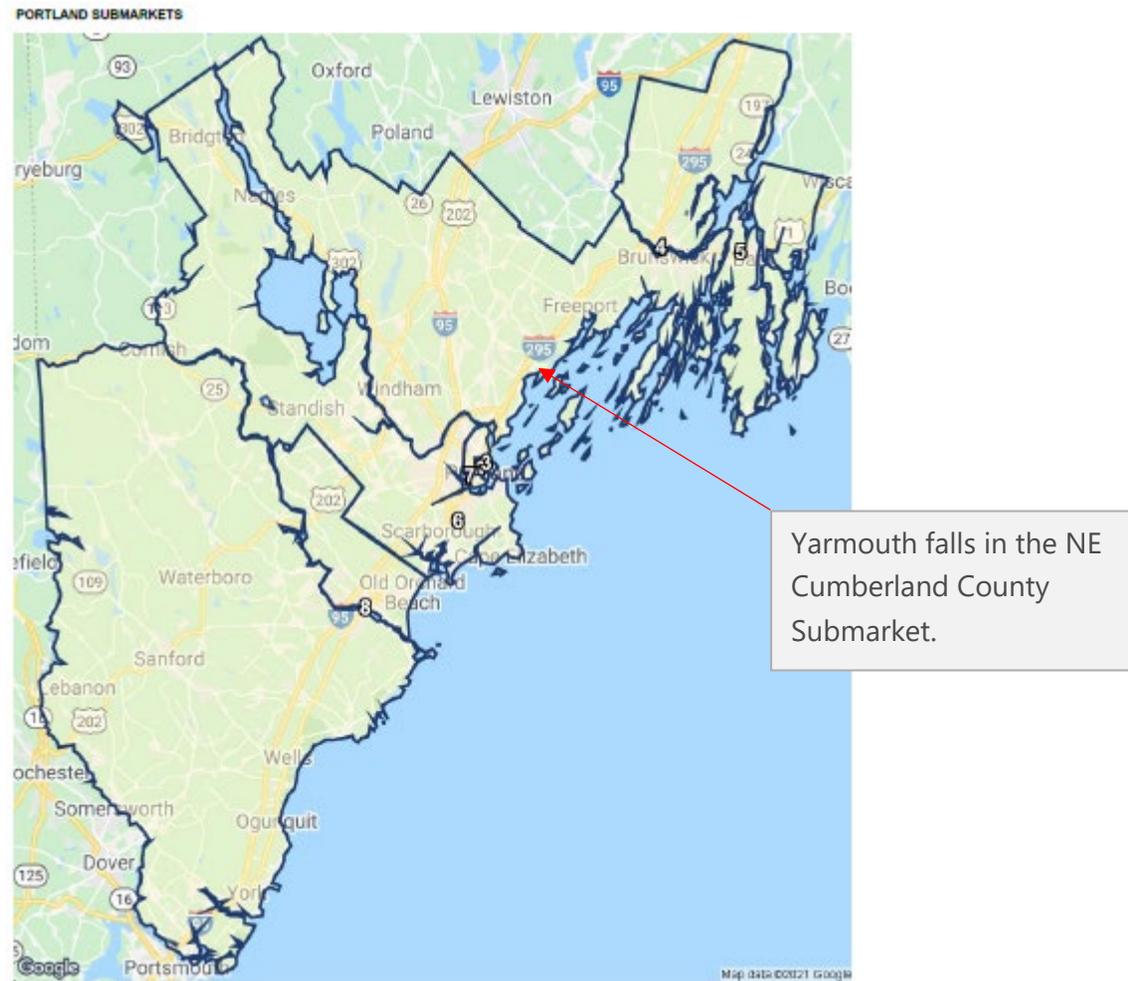
Yarmouth Net Supportable Industrial Demand

	Baseline	High Growth
Supportable SF	16,542	33,084
Current Vacant SF		23,000
Net Supportable Industrial Demand	-6,458	10,084

Source: CoStar, Camoin Associates

INDUSTRIAL/FLEX MARKET: GEOGRAPHICAL CONTEXT

The Town of Yarmouth's industrial/flex market falls in the Portland, ME market (the entire yellow area on the map below). Within this market, Yarmouth falls in the NE Cumberland County submarket (#4 in below map). Trends from the Portland, ME market and NE Cumberland submarket are included in this analysis.

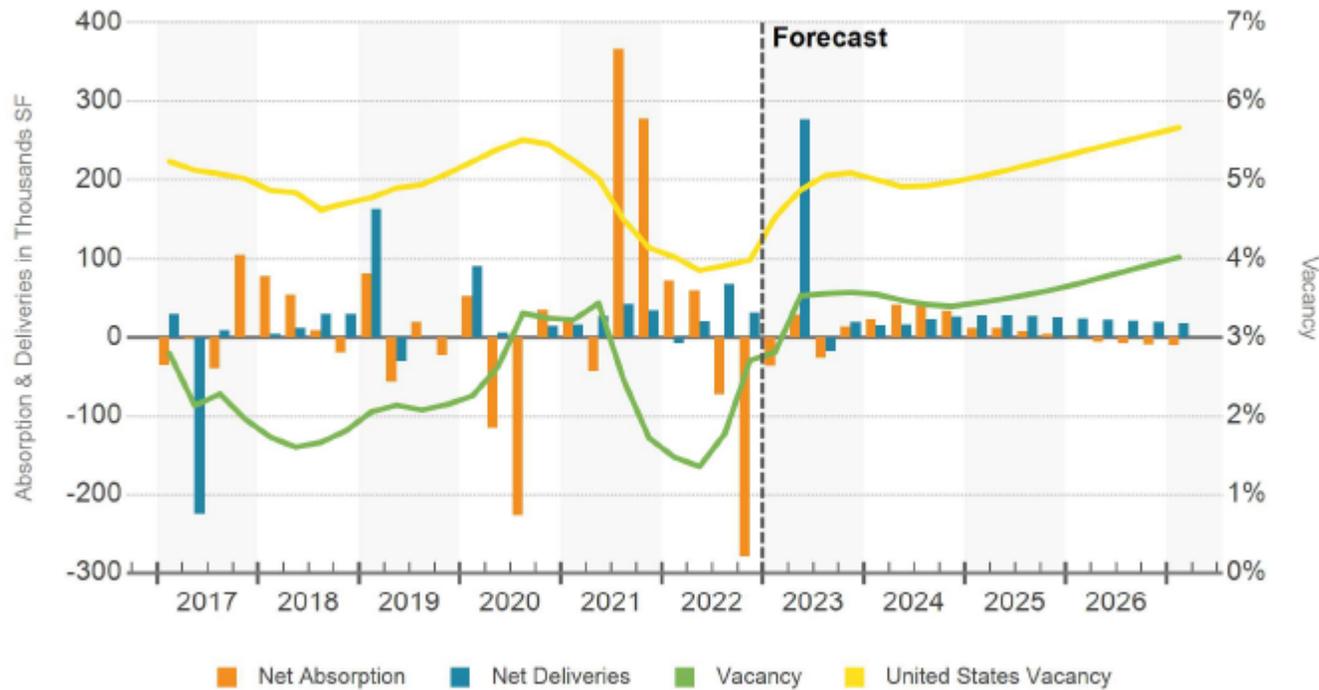


Source: CoStar

INDUSTRIAL/FLEX MARKET: REGIONAL CONTEXT (PORTLAND, ME MARKET)

According to CoStar, the Portland industrial market has approximately 33.2 million square feet of space, over half of which is categorized as logistics space with the rest being split between specialized industrial and flex space. Industrial rents in the Portland Market were rising at an 8.2% annual rate during the first quarter of 2023 and have posted an average annual gain of 7.3% over the past three years. In addition to the 290,000 SF that has delivered over the past three years (a cumulative inventory expansion of 0.9%), there is 330,000 SF currently underway. Vacancies in the metro were in line with the 10-year average as of 2023Q1 and trended up over the past four quarters.

NET ABSORPTION, NET DELIVERIES & VACANCY



Source: CoStar, as of 1Q23

INDUSTRIAL/FLEX MARKET: YARMOUTH AREA (NE CUMBERLAND COUNTY SUBMARKET)

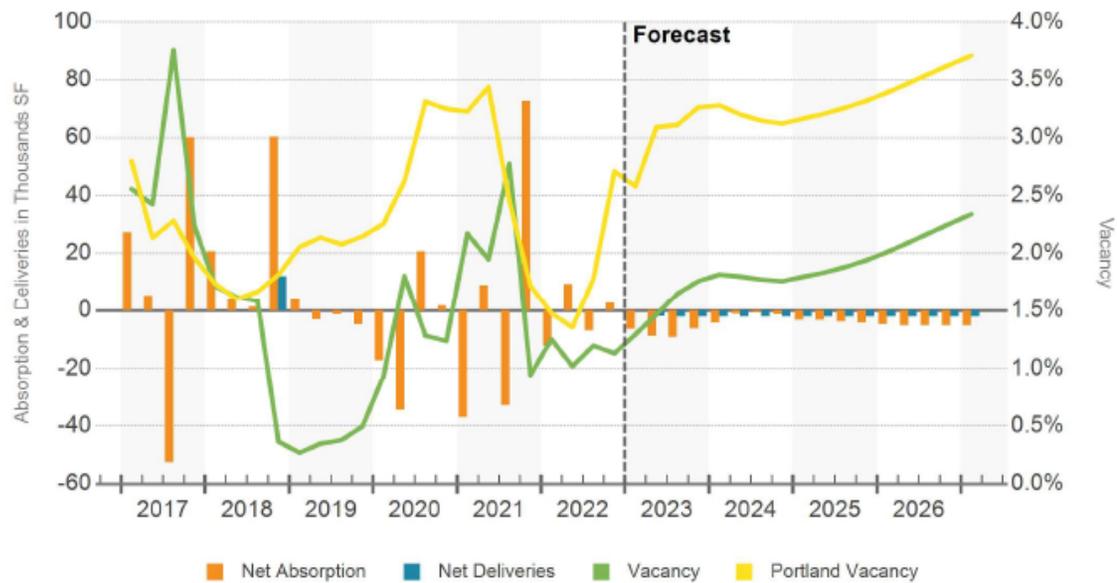
The NE Cumberland County submarket is a mid-sized submarket that contains around 3.9 million SF of industrial space. In the submarket:

- ◆ The overwhelming majority of stock is occupied. Vacancies have been relatively unchanged over the last year and the current rate of 1.1% remains low with little room for further tightening.
- ◆ Net absorption was -65 SF in the last 12 months, but was better over the last five years, at an average of 14,000 SF annually.
- ◆ Rents have risen by 4.2% annually on average over the last 10-years, and by 8.4% over the 12 months.
- ◆ Existing flex and light industrial space in Yarmouth is present in the Cuddledown business district, which is zoned Commercial 2. Additional marine-related industrial exists along the Royal River as Water Oriented Commercial.
- ◆ Wyman Station, the site of Wyman Energy, presents opportunity as a site with long-term viability for over 100 acres of industrial land.

Within the submarket,

- ◆ Most of the inventory is logistics space (2.1 million SF). The submarket also has a sizable flex presence (1.0 million SF).
- ◆ The vacancy rate for logistics is extremely low, at 0%, with no availability. At 2.5% and 2.4%, respectively, both specialized industrial and flex space have some availability but are operating under a tight market.

NET ABSORPTION, NET DELIVERIES & VACANCY



KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
Logistics	2,108,499	0%	\$8.76	0%	0	0	0
Specialized Industrial	812,591	2.5%	\$9.74	3.0%	0	0	0
Flex	1,049,222	2.4%	\$12.59	7.8%	0	0	0
Submarket	3,968,312	1.1%	\$9.97	2.6%	0	0	0

Source: CoStar, as of 1Q23

INDUSTRIAL MARKET EMPLOYMENT

Employment in industrial utilizing industries is one way to estimate the future demand for industrial space. Compared to the Portland-South Portland MSA, Yarmouth has experienced lower rates of growth in industrial utilizing industries over the last five years. This trend is projected to continue over the next five years, with growth in Yarmouth being driven by Manufacturing and Construction but offset by declines in other industries.

Yarmouth Industrial Utilizing Industries

NAICS Description	2022 Jobs	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022 - 2027 Change	2022 - 2027 % Change
21 Mining, Quarrying, and Oil and Gas Extraction	0	0	0%	0	0%
22 Utilities	32	2	5%	(2)	(5%)
23 Construction	324	27	9%	2	1%
31 Manufacturing	264	25	10%	15	6%
42 Wholesale Trade	99	(19)	(16%)	(4)	(5%)
48 Transportation and Warehousing	14	(5)	(24%)	(1)	(5%)
Total	734	30	4%	10	1%

Source: Lightcast

Portland-South Portland MSA Industrial Utilizing Industries

NAICS Description	2022 Jobs	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022 - 2027 Change	2022 - 2027 % Change
21 Mining, Quarrying, and Oil and Gas Extraction	88	(20)	0%	3	0%
22 Utilities	533	56	12%	(14)	(3%)
23 Construction	21,213	2,046	11%	414	2%
31 Manufacturing	29,276	3,447	13%	1,242	4%
42 Wholesale Trade	9,498	(372)	(4%)	(67)	(1%)
48 Transportation and Warehousing	7,739	(665)	(8%)	(154)	(2%)
Total	68,347	4,492	7%	1,425	2%

Source: Lightcast

INDUSTRIAL MARKET DEMAND: NE CUMBERLAND SUBMARKET

In 2022, the regional industrial market was characterized by supply constraints, with five years of sub-3% vacancies. While transactional volume increased year-over-year, transactional value plateaued, as did lease rates. According to The Dunham Group, new inventory in the market is quickly absorbed, as the market remains highly competitive. Over the next year, industrial space in Southern Maine is expected to see an increasing vacancy rate. Investment demand is projected to be steady but include more risky acquisitions; transactional volume is expected to increase, but be dominated by smaller deals.

Future demand for industrial and flex space can be estimated using inventory and vacancy data by industrial subtype. In this case, data from the submarkets surrounding and bordering Yarmouth were used (the NE Cumberland County) as this represents the most likely market for space for Yarmouth. A target vacancy rate of 5% was used in conjunction with current rental building area and vacancy data from CoStar to calculate the amount of new industrial space that could be supported. In other words, how much space can be added so that the vacancy rate does not exceed 5%? Across both submarkets, 262,600 SF of new industrial space could be supported in the NE Cumberland submarket.

Regional Industrial Space Demand

Subtype	Current Space 2022 YTD				Target Vacancy Rate	Potential Space		
	Rentable Building Area (SF)	Vacant Space (SF)	Vacancy Rate	Vacancy Rate		Rentable Building Area (SF)	Vacant Space (SF)	SF That Can Be Added
NE Cumberland County Submarket								
Logistics	2,106,499	0	0%	5.0%	2,217,367	110,868	110,868	
Specialized Industrial	812,591	0	2.5%	5.0%	855,359	42,768	42,768	
Flex	1,049,222	25,000	2.4%	5.0%	1,078,128	53,906	28,906	
Total Submarket	3,968,312	25,000	1.1%	5.0%	4,150,855	207,543	182,543	
Portland-South Portland MSA Submarket								
Logistics	19,400,111	696,333	3.6%	5.0%	19,688,187	984,409	288,076	
Specialized Industrial	9,313,916	128,442	1.4%	5.0%	9,668,920	483,446	355,004	
Flex	4,467,310	74,000	1.7%	5.0%	4,624,537	231,227	157,227	
Total Submarket	33,181,337	898,775	2.7%	5.0%	33,981,644	1,699,082	800,307	
Total New Space to be Supported (SF)								
					NE Cumberland Submarket	Captured from MSA	Total	
Logistics					110,868	28,808	139,676	
Specialized Industrial					42,768	35,500	78,268	
Flex					28,906	15,723	44,629	
Total					182,543	80,031	262,573	

Source: CoStar, Camoin Associates

Note: YTD as of March 1, 2023

INDUSTRIAL MARKET DEMAND: YARMOUTH

It is reasonable to assume that Yarmouth could capture a portion of this supportable demand. According to CoStar, Yarmouth currently has approximately 250,000 SF of industrial space, accounting for 6.3% of the submarket's inventory. This reflects the baseline scenario of capture. Under a high growth scenario, we assume Yarmouth's capture would double, to 12.6% of the submarket's inventory.

According to CoStar, Yarmouth currently has 23,000 SF of vacant Industrial space, which is entirely comprised of Flex space. After accounting for this vacant space, Yarmouth could support up to 10,084 SF of industrial space.

Yarmouth Net Supportable Industrial Demand

	Baseline	High Growth
Supportable SF	16,542	33,084
Current Vacant SF	23,000	
Net Supportable Industrial Demand	-6,458	10,084

Source: CoStar, Camoin Associates

4.4 OFFICE MARKET ANALYSIS

OFFICE MARKET: KEY FINDINGS

- ◆ Portland is a midsize secondary market with roughly 26 million SF of office space. Relatively little supply has kept vacancies low in the market. Vacancy rates in both downtown and suburban areas are expected to tick up slightly and plateau in mid-2023.
- ◆ In the NE Cumberland County submarket, no new construction of office buildings is currently underway, although inventory has expanded by 1.2% over the last three years.
- ◆ Locally, demand for medical office space is expected to be stronger than for general office space. Over the next five years, demand from Yarmouth could support over 4,000 SF of new medical office space, compared to minimal new traditional office space. Yarmouth could also capture a portion of demand from the larger region. Within the MSA it is estimated that there will be net demand for nearly 150,000 SF of new medical office space and minimal net new demand of traditional office space in the next five years.
- ◆ Major office users in Yarmouth include Tyler Technologies and Garmin. Garmin is currently planning expansion that has the potential to support up to 300 employees, beginning with 25,000 SF for 50 new employees in the near term.

Supportable Demand for New General Office Space, 5-Year

Demand From	Low Office Intensity	Medium Office Intensity	High Office Intensity
Demand (SF)			
Yarmouth	600	900	1,200
Portland-South Portland MSA	224,100	336,150	448,200
Net Demand (Minus Current Vacancy)			
Yarmouth	-13,403	-13,103	-12,803
Portland-South Portland MSA	-897,662	-785,612	-673,562

Source: Camoin Associates

Supportable Demand for New Medical Office Space, 5-Year Estimates (SF)

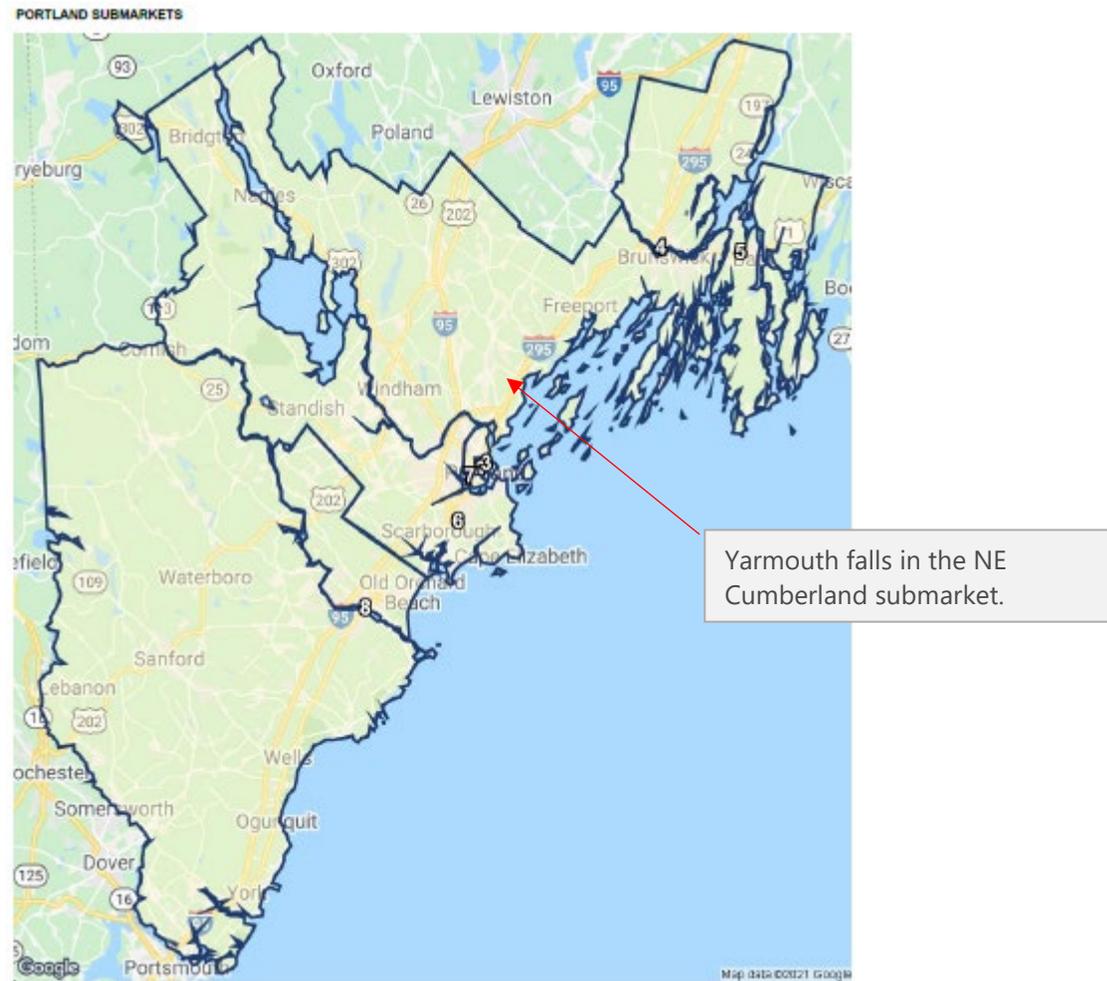
Demand From	Yarmouth	Portland-South Portland MSA
New Demand (SF)	4,260	227,657
Currently Vacant (SF)	0	78161
Net New Demand (SF)	4,260	149,496

Source: CoStar, Camoin Associates

Note: Vacancy for YTD 2023

OFFICE MARKET: GEOGRAPHICAL CONTEXT

The Town of Yarmouth's office market falls in the Portland, ME market (the entire yellow area on the map below). Within this market, Yarmouth falls in the NE Cumberland submarket (#4 in below map). Trends from the Portland, ME market and NE Cumberland County Submarket are included in this analysis.

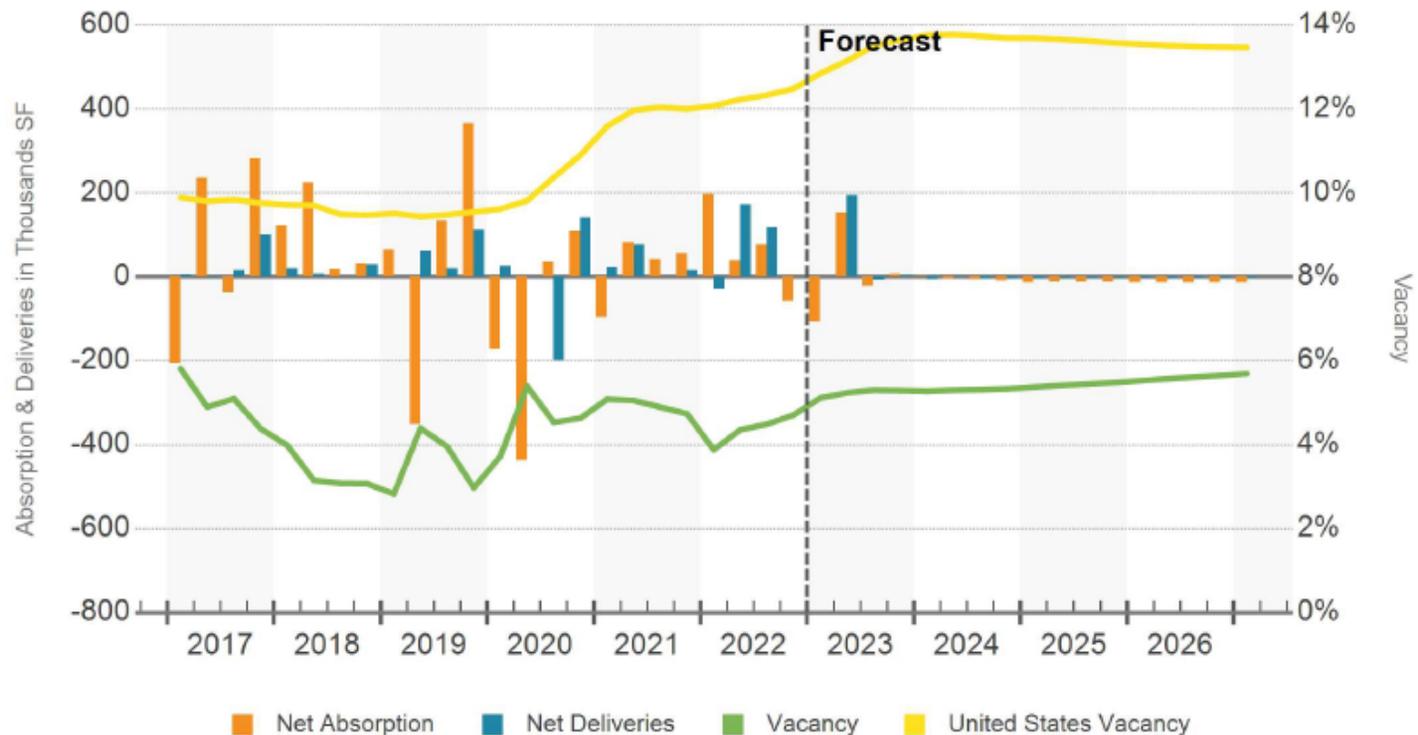


Source: CoStar

OFFICE MARKET: REGIONAL CONTEXT (PORTLAND, ME MARKET)

According to CoStar, Portland is a midsize secondary market with roughly 26 million SF of office space. Over the past three years, inventory has expanded by 1.2%, or 330,000 SF. There is currently 217,000 SF currently under construction. Vacancies are trending up slightly in the last four quarters and are in line with the 10-year average – currently at 5.2% in the first quarter of 2023. The Portland Metro’s jobs are recently increasing at an annual rate of 4.6%, posting the strongest job creation in more than a year, a welcome sign for the local office market.

NET ABSORPTION, NET DELIVERIES & VACANCY



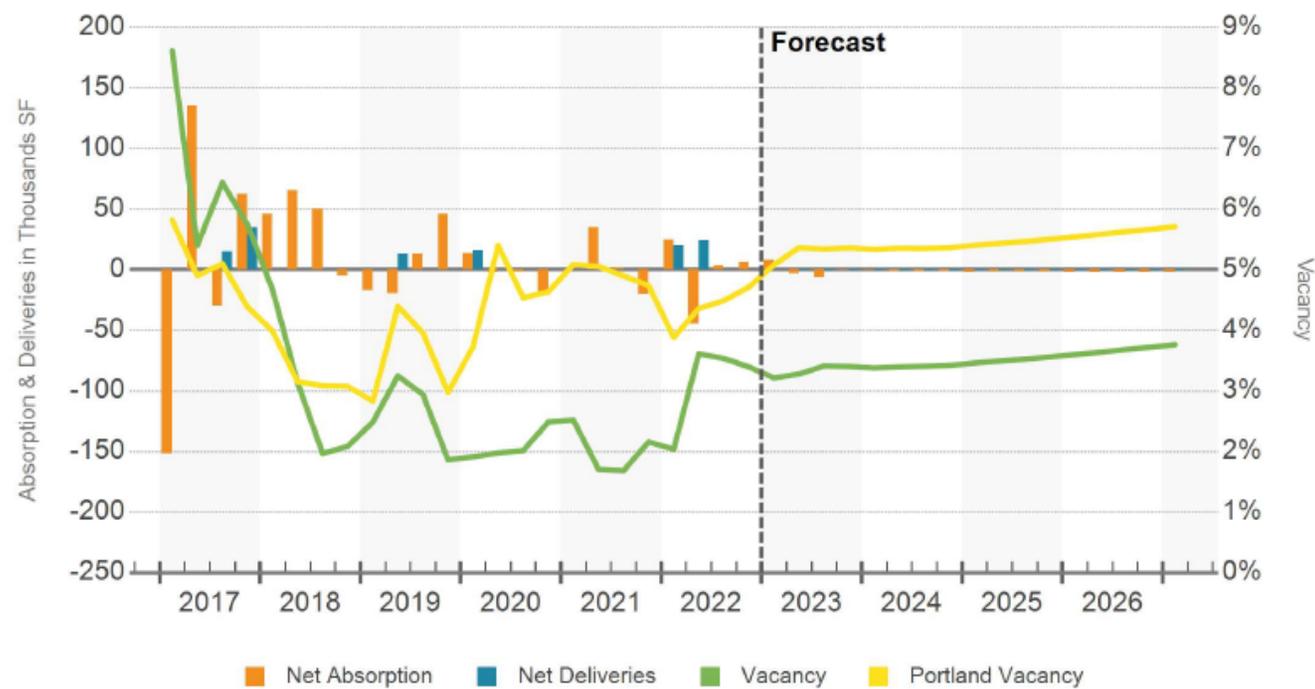
Source: CoStar, as of 1Q23

OFFICE MARKET: YARMOUTH AREA (NE CUMBERLAND COUNTY SUBMARKET)

NE Cumberland County submarket is a midsized submarket that contains around 4.3 million SF of office space. In the submarket:

- ◆ The vacancy rate risen slightly the last year. At 3.1% this is well below the 10-year average for the submarket.
- ◆ Net absorption over the past year has been negative, though the last five years average net absorption of 45,000 SF per year.
- ◆ Rents have risen by 1.8% over the last year, below the 2.9% average annual change over the last ten years.
- ◆ Currently, there are no new office constructions being tracked in this submarket, though inventory has expanded by approximately 1.2% over the last three years.

NET ABSORPTION, NET DELIVERIES & VACANCY

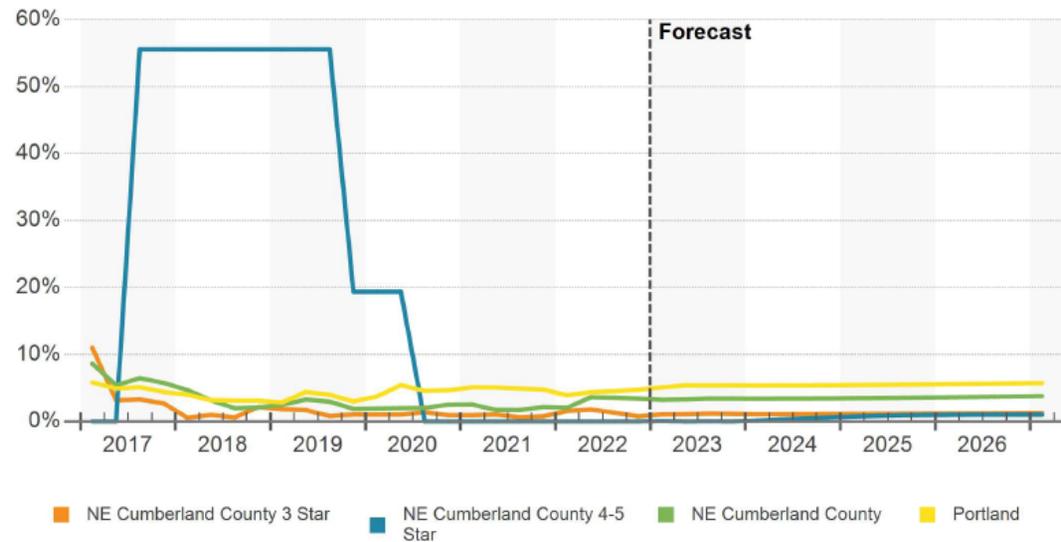


Source: CoStar, as of 1Q23

Within the submarket,

- ◆ Most of the office space inventory is 1- and 2-star space. Offices in this category have a vacancy rate of 4.8%.
- ◆ There is no availability of 4- and 5-star space within the submarket. 3-star space has a low availability rate, 2.2%.
- ◆ Due to limited inventory of 4- and 5-star space within the submarket, small changes in overall space occupancy result in large swings in the vacancy rate.

VACANCY RATE



KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	56,150	0%	\$26.25	0%	0	0	0
3 Star	1,810,287	1.0%	\$23.08	2.2%	(3,934)	0	0
1 & 2 Star	2,468,363	4.8%	\$17.58	4.9%	15,669	0	0
Submarket	4,334,800	3.1%	\$19.99	3.7%	11,735	0	0

Source: CoStar, as of 1Q23

OFFICE MARKET DEMAND

Throughout 2023 it is expected that demand for office space will stay relatively low. Both Portland and NE Cumberland market areas are projected to have vacancy that ticks up slightly and plateaus mid-year.

The demand outlook for office space depends on growth in the types of industries and jobs that utilize office space in the region. The following tables show the categories of office utilizing industries and the historical change in the number of jobs in those industries in the last five years. From 2017-2022 the estimated number of office jobs in Yarmouth remained flat at 1% growth, while the Portland-South Portland MSA saw more significant growth of 8%. In 2022, there were 1,728 jobs in office-using industries in Yarmouth, representing about 28% of all jobs in the Town. This is comparable to the MSA (25.4%)

Yarmouth Office Utilizing Industries

NAICS	Description	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022-2027 Change	2022-2027 % Change
5112	Software Publishers	0	0%	0	0%
512	Motion Picture and Sound Recording Industries	Insf. Data	Insf. Data	Insf. Data	Insf. Data
515	Broadcasting (Except Internet)	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5173	Wired and Wireless Telecommunications Carriers	7	67%	3	17%
5179	Other Telecommunications	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5191	Other Information Services	Insf. Data	Insf. Data	Insf. Data	Insf. Data
52	Finance and Insurance	16	7%	1	0%
531	Real Estate	(2)	(13%)	(0)	(0%)
5331	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	0	Insf. Data	0	0
5411	Legal Services	18	9%	9	4%
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	(24)	(37%)	(8)	(19%)
5413	Architectural, Engineering, and Related Services	53	26%	27	11%
5414	Specialized Design Services	9	17%	7	11%
5415	Computer Systems Design and Related Services	(10)	(16%)	(1)	(2%)
5416	Management, Scientific, and Technical Consulting Services	38	43%	11	9%
5418	Advertising, Public Relations, and Related Services	18	24%	4	4%
55	Management of Companies and Enterprises	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5611	Office Administrative Services	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5613	Employment Services	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5614	Business Support Services	(20)	(56%)	(6)	(36%)
5615	Travel Arrangement and Reservation Services	Insf. Data	Insf. Data	Insf. Data	Insf. Data
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	(32)	(13%)	(2)	(1%)
9011	Federal Government, Civilian	(8)	(8%)	(15)	(15%)
9029	State Government, Excluding Education and Hospitals	(9)	(25%)	(5)	(19%)
9039	Local Government, Excluding Education and Hospitals	(41)	(14%)	(15)	(6%)
Total		15	1%	6	0%

Source: Lightcast

Portland-South Portland MSA Office Utilizing Industries: Employment Projections

NAICS	Description	Historic		Projected	
		2017 - 2022 Change	2017 - 2022 % Change	2022-2027 Change	2022-2027 % Change
5112	Software Publishers	65	20%	105	48%
512	Motion Picture and Sound Recording Industries	41	7%	(62)	(9%)
515	Broadcasting (Except Internet)	(59)	(12%)	(77)	(13%)
5173	Wired and Wireless Telecommunications Carriers	158	14%	267	32%
5179	Other Telecommunications	(11)	(18%)	(5)	(8%)
5191	Other Information Services	(14)	(4%)	(71)	(16%)
52	Finance and Insurance	(96)	(1%)	694	4%
531	Real Estate	137	3%	399	9%
5331	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	Insf. Data	Insf. Data	Insf. Data	Insf. Data
5411	Legal Services	29	1%	142	5%
5412	Accounting, Tax Preparation, Bookkeeping, and Payroll Services	68	3%	381	22%
5413	Architectural, Engineering, and Related Services	394	8%	774	20%
5414	Specialized Design Services	76	8%	(4)	(0%)
5415	Computer Systems Design and Related Services	845	16%	1,501	41%
5416	Management, Scientific, and Technical Consulting Services	617	13%	1,303	39%
5418	Advertising, Public Relations, and Related Services	(23)	(4%)	(18)	(3%)
55	Management of Companies and Enterprises	488	7%	779	13%
5611	Office Administrative Services	(35)	(7%)	32	6%
5613	Employment Services	2	0%	211	7%
5614	Business Support Services	(251)	(19%)	(695)	(34%)
5615	Travel Arrangement and Reservation Services	(8)	(2%)	(45)	(8%)
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	55	1%	(348)	(7%)
9011	Federal Government, Civilian	81	1%	1,162	13%
9029	State Government, Excluding Education and Hospitals	(232)	(13%)	(245)	(12%)
9039	Local Government, Excluding Education and Hospitals	(84)	(1%)	(253)	(3%)
Total		2,241	3%	5,931	8%

Source: Lightcast

OFFICE MARKET DEMAND

Demand for Future Office Space

	Yarmouth	Portland-South Portland MSA
Office Utilizing Industry Jobs (2022)	1,728	82,968
5-Year Growth Forecast	0%	3%
Projected New Jobs (5-Year)	6	2,241
Pipeline Office Expansion	25-150KSF	
	New SF to be Supported	
High WFH Scenario (100 SF per Employee)	600	224,100
Hybrid Office Use Scenario (150 SF per Employee)	900	336,150
Fully In Office Scenario (200 SF per Employee)	1,200	448,200
	Net New SF to be Supported	
High WFH Scenario (100 SF per Employee)	-13,403	-897,662
Hybrid Office Use Scenario (150 SF per Employee)	-13,103	-785,612
Fully In Office Scenario (200 SF per Employee)	-12,803	-673,562
Currently Vacant	14,003	1,121,762

Source: CoStar, Lightcast, JLL, Camoin Associates

Note: Vacancy as YTD 2023

According to job forecasts provided by Lightcast, the number of jobs in office utilizing industries in the Portland-South Portland MSA are expected to grow by 3% over the next five years, while Yarmouth is projected to add just slightly over 0%. Therefore, it is estimated that there will be approximately 5 new office utilizing jobs in Yarmouth and 2,241 in the Portland-South Portland MSA in the next five years.

According to surveys conducted by JLL Research, the average square foot per office employee was 196 in 2020. This is up from JLL's estimates of 120 to 150 square feet per employee (depending on the industry) pre-COVID-19. However, the office-using landscape has shifted drastically since the onset of COVID-19, with the more common use of work-from-home and hybrid arrangements that require fewer square feet per employee. Therefore, we estimate a series of office-use scenarios, with High Work-From-Home (WFH) scenario reflecting high work-from-home take-up, Hybrid Office Use scenario reflecting a moderate mix of work-from-home, hybrid, and in-office arrangements, and Fully In Office scenario reflecting a scenario with workers mostly working in an office setting.

Under all three scenarios, Yarmouth is expected to have need for very little office space, ranging from about 500-1,000 SF in the next five years. This would represent a 0.1%-0.2% increase from the current 473,000 square feet of office space in Yarmouth. However, the Portland-South Portland MSA will be able to support more office space, ranging from about 224,000 to 448,000 SF. That said, it is possible for Yarmouth to capture some of the larger market's demand.

Currently in 2023, there is approximately 14,000 SF of vacant office space in Yarmouth and 1.1 million SF of vacant office space in the Portland-South Portland MSA.

Garmin, one of Yarmouth's largest office users, has plans for expansion beginning with 25,000 square feet for 50 new employees with potential for up to 300 new employees. This following analysis captures office demand beyond this planned expansion.

MEDICAL OFFICE MARKET DEMAND

Aside from traditional office space, Medical Office Buildings (MOBs) are another type of commercial office space that could be explored. MOBs have unique characteristics and a different market than traditional office space.

According to Colliers International's 2022 Healthcare Marketplace report, national medical office vacancy rates fell in 2021 to 8.3%, compared to an increase in the broader office sector to 14.8%.

Other significant trends in the field of MOBs include increasing volume of MOB construction and a pivot to focus on off-campus locations. These off-campus locations represent a shift away from in-patient hospital care and toward readily accessible locations for out-patient clinics. These facilities tend to be smaller than new on-campus facilities, and account for nearly 70% of MOB construction projects.

To estimate the future demand of MOB in Yarmouth and the market area, employment projections for ambulatory care services were examined. This includes various types of doctor's offices, dentist offices, laboratories, and health care services. Over the next five years Yarmouth is projected to add 20 jobs, while the MSA is projected to grow by 1,100. An assumption of an average of 207 square feet per employee was used to calculate demand for medical office space (source: Institute of Transportation Engineers).

Over the next five years it is estimated that there will be:

- ◆ Net demand for 4,260 SF of new office space in Yarmouth
- ◆ Net Demand for 149,496 SF of new medical office space in the Portland-South Portland MSA.

The tables on the following page illustrate the projected change in employment and associated demand for space.

Supportable Demand for New Medical Office Space, 5-Year Estimates (SF)

Demand From	Yarmouth	Portland-South Portland MSA
New Demand (SF)	4,260	227,657
Currently Vacant (SF)	0	78161
Net New Demand (SF)	4,260	149,496

Source: CoStar, Camoin Associates

Note: Vacancy for YTD 2023

Yarmouth Medical Office Utilizing Industries

NAICS	Description	Historic		Projected		New Demand (SF)
		2017-2022 Change	2017-2022 % Change	2022-2027 Change	2022-2027 % Change	
6211	Offices of Physicians	8	19%	6	12%	1,239
6212	Offices of Dentists	0	-2%	3	11%	600
6213	Offices of Other Health Practitioners	6	18%	5	12%	1,029
6214	Outpatient Care Centers	9	54%	7	25%	1,392
6215	Medical and Diagnostic Laboratories	Insf. Data	Insf. Data	Insf. Data	Insf. Data	0
6219	Other Ambulatory Health Care Services	Insf. Data	Insf. Data	0	-3%	0
Total		31	24%	20	13%	4,260

Source: Lightcast, Institute of Transportation Engineers

Portland-South Portland MSA Medical Office Utilizing Industries

NAICS	Description	Historic		Projected		New Demand (SF)
		2017-2022 Change	2017-2022 % Change	2022-2027 Change	2022-2027 % Change	
6211	Offices of Physicians	269	4%	209	3%	43,180
6212	Offices of Dentists	161	8%	126	6%	26,060
6213	Offices of Other Health Practitioners	301	10%	258	8%	53,337
6214	Outpatient Care Centers	1,235	116%	511	22%	105,816
6215	Medical and Diagnostic Laboratories	(174)	(22%)	(23)	(4%)	(4,830)
6219	Other Ambulatory Health Care Services	295	65%	20	3%	4,095
Total		2,087	15%	1,100	7%	227,657

Source: Lightcast, Institute of Transportation Engineers

ATTACHMENT A: DATA SOURCES



Lightcast (formerly Emsi Burning Glass) is a global leader in labor market analytics, offering a data platform that gives a comprehensive, nuanced, and up-to-date picture of labor markets at all scales from national to local. Key components of the platform include traditional labor market information, job postings analytics, talent profile data, compensation data, and skills analytics. Lightcast integrates government data with information from online job postings, talent profiles, and resumes to produce timely intelligence on the state of the labor market. Job and compensation data is available by industry, occupation, educational program, and skill type. [Click to learn more.](#)



Esri ArcGIS Business Analyst combines proprietary statistical models covering demographic, business, and spending data with map-based analytics to offer insights on market opportunities for industries, businesses, and sites. Business Analyst integrates datasets covering a wide range of topics including demographics, consumer spending, market potential, customer segmentation, business locations, traffic counts, and crime indexes, which can be overlaid spatially to produce customizable maps and uncover market intelligence. Data can be pulled for standard and custom geographies, allowing for valuable comparison between places. [Click to learn more.](#)



CoStar is a comprehensive source of commercial real estate intelligence, offering an inventory of over 6.4 million commercial properties spanning 135 billion square feet of space in 390 markets across the US. CoStar covers office, retail, industrial, hospitality, and multifamily markets. Property- and market-level data on absorption, occupancy, lease rates, tenants, listings, and transactions are researched and verified through calls to property managers, review of public records, visits to construction sites, and desktop research to uncover nearly real-time market changes. [Click to learn more.](#)



Redfin is a national real estate brokerage and analytics firm that offers access to its extensive for-sale residential property listings database. Data is aggregated from the hundreds of local multiple listings services (MLS) used by real estate agents in the markets where it operates. The data covers broker-listed homes from the MLS, homes in foreclosure, select for-sale by owner (FSBO) homes, and records of past sales. Redfin's downloadable data on market trends is released monthly and is available at the national, metro, state, county, city, ZIP code, and neighborhood level. [Click here to learn more.](#)

OnTheMap | US Census Bureau

OnTheMap is a tool developed through the US Census Longitudinal Employer-Household Dynamics (LEHD) program that helps to visualize Local Employment Dynamics (LED) data about where workers are employed and where they live. It offers visual mapping capabilities for data on age, earnings, industry distributions, race, ethnicity, educational attainment, and sex. [Click to learn more.](#)

ATTACHMENT B: TAPESTRY SEGMENTS

AFFLUENT ESTATES

- ◆ Average Household Size: 2.85
- ◆ Median Age: 45.1
- ◆ Median Household Income: \$108,700

These residents are well educated, well read, and well capitalized. Families include empty nesters and empty nester wannabes, who still have adult children at home. Located in older neighborhoods outside of the urban core, their suburban lifestyle includes home remodeling and gardening plus the active pursuit of sports and exercise. They enjoy good food and wine, plus the amenities of the city's cultural events.

GENX URBAN

- ◆ Average Household Size: 2.51
- ◆ Median Age: 40.9
- ◆ Median Household Income: \$60,000

These suburbanites have achieved the dream of home ownership. They have purchased homes that are within their means. Their homes are older, and townhomes and duplexes are not uncommon. Many of these families are two-income married couples approaching retirement age; they are comfortable in their jobs and their homes, budget wisely, but do not plan on retiring anytime soon or moving. Neighborhoods are well established, as are the amenities and programs that supported their now independent children through school and college. The appeal of these kid-friendly neighborhoods is now attracting a new generation of young couples.

COZY COUNTRY LIVING

- ◆ Average Household Size: 2.44
- ◆ Median Age: 47.4
- ◆ Median Household Income: \$56,400

These neighborhoods are found in pastoral settings throughout the United States. Consumers are educated empty nesters living an active but modest lifestyle. Their focus is land. They are more likely to invest in real estate or a vacation home than stocks. They are active gardeners and partial to homegrown and home-cooked meals. Although retirement beckons, most of these residents still work, with incomes slightly above the US level.

FAMILY LANDSCAPES

- ◆ Average Household Size: 2.75
- ◆ Median Age: 36.1
- ◆ Median Household Income: \$59,800

These neighborhoods transformed from the easy pace of country living to semirural subdivisions in the last decade, as the housing boom spread beyond large metropolitan cities. Residents are traditional, family-oriented customers. Still more country than rock and roll, they are thrifty but willing to carry some debt and are already investing in their futures. They rely on their smartphones and mobile devices to stay in touch and pride themselves on their expertise. They prefer to buy American and travel in the US. This market is younger but growing in size and assets.

MIDDLE GROUND

- ◆ Average Household Size: 2.06
- ◆ Median Age: 37.4
- ◆ Median Household Income: \$59,200

These consumers live in lower-density neighborhoods of urban areas throughout the country. Young and mobile, they are more likely to rent. Half have a college degree and a professional occupation. Incomes close to the US median come primarily from wages, investments, and self-employment. This group is highly connected, using the internet for entertainment and making environmentally friendly purchases. Long hours on the internet are balanced with time at the gym. Many embrace the “foodie” culture and enjoy cooking adventurous meals using local and organic foods. Music and art are major sources of enjoyment. They travel frequently, both abroad and domestically.

ABOUT CAMOIN ASSOCIATES

As the nation's only full-service economic development and lead generation consulting firm, Camoin Associates empowers communities through human connection backed by robust analytics.

Since 1999, Camoin Associates has helped local and state governments, economic development organizations, nonprofit organizations, and private businesses across the country generate economic results marked by resiliency and prosperity.

To learn more about our experience and projects in all of our service lines, please visit our website at www.camoinassociates.com. You can also find us on [LinkedIn](#), [Facebook](#), and [YouTube](#).

The Project Team

Tom Dworetzky, Director of Research
Project Principal

Tori McNiff
Project Manager

Angela Hallowell
Analyst

SERVICE LINES



Strategic and
Organizational
Planning



Real Estate
Development
Services



Lead Generation
and Relationships



Business
Attraction and
Retention



Entrepreneurship
and Innovation



Industry and
Workforce
Analytics



Impact
Analysis





www.camoinassociates.com