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William Low expects that the many economic initiatives in the works may bode well for the future of Western Mass.

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It was predicted that the Western Mass. commercial real estate market would slowly recover over the last quarter of 2010 and the first quarter of 2011. Strangely, we saw a flurry of activity in office leasing in downtown Springfield the last three to four months of the year. 2011 began with much promise but stalled early and is still crawling back like some feeble bug with its legs removed.

In the past 12 months at least four Class B office buildings sold in downtown Springfield, some were at square foot prices not seen since the early '90s (low). One block purchased by the United Farm Workers is where the former Paramount Theater was located. After years as the "Hippodrome" night club the new owners will try to bring it back to its glory days as an art and entertainment center which will be transforming for that area of Springfield.

The industrial market is improving from an activity perspective, however sale prices are down between 20%-50% and there are very few new companies relocating to the area. As a result there continues to be an oversupply of industrial space: there are over 50 buildings 90,000 s/f and above on the market in the Pioneer Valley. One interesting phenomenon: small manufacturers tell us business is improving, however people choose to stay on unemployment rather than work, (not a bad idea) so they're having trouble expanding.

The retail leasing market is slowly improving, although most activity is in B locations where rents are cheap and even their lease rates are down 20%-30% from 2007-2008. There was a lot of action opening Internet Cafes' in neighborhood retail centers, however our elected officials saw that as threatening and found a way to shut them down. Is there a Rodney Dangerfield joke in there somewhere?

Inquires coming in through MassEcon and the EDC continue to torture us by dangling nice requirements we can't fulfill or choosing another state or region to locate to once they calculate the cost of operating here. The \$168 million High Performance Computer Center for Holyoke is proceeding through the regulatory channels and we're getting closer to beginning the renovation of the train station in Springfield. Remember? That's the \$75 million project we've been talking about for 20 some odd years (remember that mutilated bug). Talk of high speed rail is heating up and many believe, this time, it has a chance of happening. I would actually rather see the money go to making the Connecticut River navigable. Want to change Springfield and the surrounding area? You wouldn't recognize it anymore.

It seems as though primary markets have recovered somewhat and we usually lag behind those markets six to twelve months. That fact plus the many economic initiatives in the works may bode well for 2012 in Western Mass. It still is frustrating though that it seems to take forever to get anything accomplished around here.

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