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## **Many segments of the construction market remain steady moving into the 4th quarter**

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The growth of many segments of the construction market remains steady as we head in to the 4th quarter of 2014 and in to early 2015. With project financing available, strengthening hiring numbers, and an increased consumer demand, many owners are revisiting their expansion plans or considering building upgrades.

Markets that are showing the strongest growth as we enter the fall and winter seasons include office, retail & automotive, banking, warehouse/distribution, private school, and advanced technology. In the healthcare market - an aging population and advantageous development funding has generated an increase in the construction of assisted living, senior housing, and memory care projects.

Assisted living development firms are actively pursuing projects for 2014-2015 construction. Companies such as Calamar Enterprises, Epoch Senior Living, Benchmark Senior Living, and LCB Senior Living have projects underway throughout New England. Sullivan Construction recently completed a first-class 37,000 s/f, 56-room Memory Care facility in Rye, N.H. for Sanctuary at Rye. This is the first project of its type in the state. Other Sullivan Construction healthcare projects include the renovation of the Emergency Room wing at Holy Family Hospital in Methuen, Mass., renovations for Mid-Coast Healthcare in Brunswick, ME, renovations for Wentworth Douglass Hospital in Dover, medical fit-ups for Eyesight Ophthalmic Services in Somersworth & Portsmouth, N.H., and the phased renovation of the Mt. Carmel Rehabilitation & Nurses Center in Manchester, N.H. Also recently completed was the Phase II construction of an expansion project at Sanborn Place - a supportive living community for elderly, disabled and/or handicapped individuals, located in Reading, Mass.

The warehouse and distribution market has seen a huge spike in activity in the region. FedEx Ground recently completed a 178,000 s/f facility in Natick, Mass. and is commencing a 400,000 s/f distribution center project in Londonderry, N.H. developed by Scannell Properties. UPS (for client Pratt Whitney) is planning a 600,000 s/f logistics center in Londonderry and FW Webb is considering the construction of a new distribution center approaching 1 million s/f in southern N.H. The trend toward more "high-bay" warehouse space demanded by users has generated new requirements for increased cubic space facilities and raised roof heights. In Stratham, N.H. Lindt & Sprungli continues its campus expansion program with new office space renovations and the addition of 180,000 s/f of packaging & distribution space.

In an active office market, Sullivan Construction completed a new, 40,000 s/f headquarters building at Pease International Tradeport for Sprague Energy and a second office building of 38,000 s/f for High Liner Foods is currently under construction at Pease. Sullivan has also started construction of a 37,000 s/f first-class office building at the Tradeport for Katz Group development. We recently

completed the new construction and office fit up of 33,000 s/f in Londonderry for Falling Water Development and office renovations for Curriculum Associates in Billerica. Sullivan Construction this month has finished a comprehensive office renovation at ECCO USA's 60,000 s/f Londonderry headquarters in an exciting, phased construction program in a fully operational building. Important to the success of this project was Sullivan's extensive track record at working within occupied spaces and our industry leading approach to sustainable construction.

Manufacturing and technology firms are also showing growth. It is promising to see that some companies are bringing back their manufacturing operations from China and other countries and to be hiring again. In the advanced technology market the team at Sullivan is currently completing a complex building renovation in Merrimack, N.H. for a major nano technology firm as it expands within the state. Included is the creation of manufacturing & office space, raising a portion of the roof, and site work. This exciting project will create valuable skilled jobs in the region and add to the emerging high-technology reputation of N.H.

Auto dealers are upgrading and expanding their facilities as consumer demand increases and manufacturers push for new store prototypes. Sullivan Construction recently completed an extensive new construction and renovation project of three automotive and service buildings for Rowe Ford Hyundai and Quick Lane in Westbrook, ME - while the dealerships remained in operation. In the financial segment we are seeing similar growth as new bank branches are being built and existing facilities are upgraded and redesigned. We are currently working as construction managers for Centrix Bank and Optima Bank for projects in Nashua, Portsmouth and Bedford.

At Sullivan Const. we are excited to see solid growth in 2014 that will continue in to the new year. This success is based on building trusted partnerships with our clients and providing customized solutions for every project.

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