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## **Southern New Hampshire market update: Life sciences are on the move - by Michael Harrington**

July 05, 2024 - Northern New England



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New Hampshire's life sciences industry is quietly gaining momentum, providing high paying jobs and rewarding careers that add resiliency to the commercial and industrial real estate markets. To the uninitiated, New Hampshire might seem like an unlikely location for life science companies to grow and thrive, as it turns out Southern New Hampshire and the seacoast are perfectly positioned. Let's first review location (I'm using Manchester as the center point) Manchester is 47 miles from the nation's bio-tech hub Cambridge, Mass., 45 miles to Worcester (Worcester Polytechnic Institute), 64 miles from Hanover, N.H. (Dartmouth College), 53 miles from Portsmouth, N.H. and 42 miles to the beautiful Lakes Region. This makes Manchester the geographical center point for life sciences companies to locate as it provides access to an educated workforce, in a low tax (no income tax) state with nearby collaboration hubs and recreational activities.

Thanks to the vision and hard work of business leaders, state economic development officials and federal funding sources the southern and seacoast real estate markets are experiencing a steady increase of life sciences companies expanding or relocating into the market. So much so that the Granite State has its first ever life sciences association, NH Life Sciences (NHLS), headed up by Andrea Hechavarria, president and CEO. I encourage you to visit their website at <https://www.nhlifesciences.org/>. In addition, there is a regional transformation taking place that includes the re-branding of the Merrimack Valley to ReGen Valley. ReGen Valley is a vision created by investor Dean Kamen who recently addressed a crowd of over 100 real estate professionals, contractors and developers at the May 2024 NEREJ Summit held at the Advanced Regenerative Manufacturing Institute (ARMI) at 400 North Commercial St. At this forum Kamen announced that the Department of Defense has committed \$100 million over the next 10 years to ARMI to escalate the large-scale production of human tissue and organs. Kamen's plea to the audience is for the development of much-needed housing, additional commercial development and infrastructure needed to attract and retain life science workers living in the ReGen Valley. It's predicted that 9,000 jobs will be generated over the next several years and there will be several thousand additional jobs to support this industry. A real time example of the growing life sciences industry working in conjunction with the ARMI is the commitment made by United Therapeutics. It moved its organ manufacturing facility from Burlington, VT and has recently completed renovations of an 80,000 s/f mill building located at 100 Commercial St., Manchester. This is a state-of-the-art bio-manufacturing facility that has a goal of 3D printing/manufacturing patient-specific organs. What once was mill space for the manufacturing of textile products over 100 years ago will now be producing human organs. Fascinating!

In the seacoast, companies such as Novocure, Novo Nordisk and Lonza have been operating and growing for several decades and they continue to thrive. It's been reported that Novocure employs 300 to 400 workers in Portsmouth and another 350 people in West Lebanon. Novo Nordisk plans to add 100 more workers in 2024 and Lonza has approximately 1,500 employees at its Portsmouth facilities. According to a report released last June by the State of NH Business and Economic Development office, the New Hampshire life sciences industry generated \$4.3 billion in sales in 2021 and represents 11,290 + jobs, with average salaries of \$130,848 per year.

Why is this industry so important? It might seem obvious, but a growing life sciences industry will create jobs (good paying jobs) which is the underlying economic growth engine of the commercial, industrial, and residential real estate markets. It will also diversify our workforce which will make the New Hampshire economy resilient to downturns. This plus other factors is why approximately 1,400 apartment units are either under construction or in the pipeline to be built in Manchester. Portsmouth continues to have a steady pipeline of developers looking to construct mixed use projects in its downtown. Salem and Nashua continue to invest in public spaces and have attracted industry, retailers and residents from over the border into New Hampshire.

As we all know, a rising tide lifts all boats. Thanks to the vision and commitment of business leaders, the support of our U.S. senators, congressmen and state officials the Southern New Hampshire/Seacoast markets are transforming and reinventing themselves. This is good news for real estate developers, owners, contractors and suppliers who look to invest in New Hampshire.

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