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Positioned for growth - A look at New Hampshire's commercial real estate landscape - by Bob Rohrer

April 25, 2025 - Spotlights



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While much of New England wrestles with affordability, regulatory drag, and post-pandemic uncertainty, New Hampshire has quietly emerged as one of the region's most resilient and business-friendly commercial real estate (CRE) markets. Its appeal lies in a compelling mix of tax advantages, strategic geography, and a relatively nimble permitting landscape.

According to the Tax Foundation's 2024 State Business Tax Climate Index, New Hampshire ranks first in New England and sixth nationally. There's no general sales tax, no income tax on wages or capital gains, and a steadily declining business tax structure. That's not just a win for investors and developers - it's a draw for high-net-worth individuals, entrepreneurs, and anyone looking for a little more breathing room in their budget.

Of course we're not kidding ourselves, geography does play a part as well. Southern NH and the Seacoast area enjoy easy access to Boston and major highways while maintaining lower real estate costs. According to Colliers research, first quarter industrial lease rates in southern NH average \$11.62 NNN – compared to \$17.91 NNN just across the border in northern Massachusetts.

Then there's the state's localized governance model. Municipalities control their own zoning and approvals, which often leads to faster timelines. Now it might not always seem that way to those who've faced a particularly headstrong planning board or staff member capable of testing the patience of Job. Still, compared to our neighbors, New Hampshire can often seem refreshingly practical.

Advanced manufacturing is another bright spot. Often overlooked, this sector includes aerospace, defense, and precision optics, supporting over 1,100 businesses and representing 5.6% of the state's total employment according to data from the NH Department of Business and Economic Affairs. New Hampshire wages exceed national averages, and the sector's growth is fueled by targeted workforce development and private-sector partnerships.

Construction, too, has outpaced overall employment growth since 2013, driven by demand for housing, commercial space, and infrastructure.

But the Granite State isn't without its challenges. Workforce shortages, limited housing supply, and high construction costs could slow long-term momentum. Sustained growth will depend on strategic investment in talent, housing, and infrastructure.

In short, New Hampshire's CRE market is well positioned — but future success depends on maintaining a pro-growth mindset. The opportunity is real. The only question is: will we take it?

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