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## **The retail market in north central Massachusetts has expanded by 1.2 million s/f!**

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The north central Mass. retail market is exploding! Retail has grown by 1.2 million s/f. Target, Hannaford and Dick's have all recently joined Macy's, Bob's Stores, IParty and Marshalls' in the north central Mass. retail market. Lowes, Best Buy, and Petsmart will be opening for the fall retail season. Wal-Mart stated recently that they will be opening two additional supercenters in the trade area.

New England Development, Walton St. Capital, and Centro Watt have each recently joined, CBL & Associates, Liscotti Development and Geronimo Properties in retail development in north central Mass. Private equity firms are also investing in the region. REITs have increased interest in the trade area. Permits for new retail centers are sought by national and regional developers. Existing centers continue to be re-positioned. Even neighborhood centers are full with new energy to fulfill the area's growing needs.

North central Mass. includes the cities and towns spanning Rte. 2; stretching from Groton to Gardner, and north to the state line. This trade area has a population of 200,000 residents. The traditional center of retail has been along Rte. 2; The Mall at Whitney Field in Leominster, to the retail centers at the intersection of Rte. 12, to the Twin City Shopping Center on the Leominster/Fitchburg line.

Historically, 30% of retail sales left the region; shoppers were underserved. Customers often traveled to Framingham, Nashua or Burlington to supplement the lack of variety of merchants in north central Mass.

Rapidly, the area along Rte. 2 and I-190 has become the retail hub of north central Mass. Instead of losing retail outside the area, the trade area has become a destination for shoppers who prior would not have traveled to the retailers of north central Mass. The expanded goods and services provided by the concentrated retailers are attracting shoppers from further east as far as Acton, from Boylston south on I-190, west to Orange and even north from southwest New Hampshire. The added retail has created a synergy within the region to create an enlarged trade area.

North central Mass. is one of the few regions in New England that population is expanding. The growth in populations of the region bucks the state trend of a declining residence. The cities and towns of this area are one of the most affordable regions in all of New England to live according to the American Chamber of Commerce Research Associates. The quality of life stimulates the stability and growth of the region.

Not only is retail real estate surging but also demand for commercial/industrial space is increasing. The absorption rate of industrial space has increased in Ayer, Fitchburg and Leominster. More importantly, Bristol-Myers Squibb broke ground on a \$750 million drug manufacturing plant at Devens. This facility projects employment upwards of 1,000 employees. The magnitude of the plant

will require a high demand of goods and services. The real estate industry, as a whole, will respond and benefit by developing more residential, commercial and retail properties.

Retail real estate developments highlights of north central Mass.:

- \* Orchard Hill Park, developed by Lisciotti Development will be opening Best Buy next month. The electronic retailer joins Target, Bed, Bath & Beyond, Kohls and Dick's Sporting Goods and four restaurants. The 360,000 s/f is near the intersection of I-190 and Rte. 2 in Leominster.

- \* Across Rte. 2 from Orchard Hill Park, Wal-Mart has proposed an 180,000 s/f supercenter. This project is currently being permitted with the town of Lancaster.

- \* New England Development is developing both sides of Rte. 117 in south Leominster off of I-190. This 500,000 s/f retail development is anchored by Lowes and a Wal-Mart supercenter. Construction started early spring with anticipated fall opening.

- \* Other projects includes an additional 25,000 s/f by Geronimo Props. Twin City Shopping Center, the 350,000 s/f retail area continues to add retailers. Petsmart will be adding to the Whitney Field retail community.

Retail in north central Mass. is growing. The added retail has kept much of the retail shopper home and has attracted shoppers who would not venture to the area prior. The high quality of life, affordable cost of living and job growth suggest that growth will be continuing.

It is an exciting time for the region!

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