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55 YEARS

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Good business plan and willingness to hit the pavement, great opportunities are there

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"It was the best of times, it was the worst of times." With thanks to Charles Dickens, the start of "A Tale of Two Cities" may prove to be a very apt description of the times that we find ourselves in right now. If you make the mistake of listening to the national news, you could be forgiven for only accepting the more pessimistic part of the quote. True, many large commercial projects have been put on hold. And, I use the term "on hold" advisedly. It seems that these projects are not dead, but suspended until our problems begin to recede and things look brighter. Much as I wish that that were not true, I certainly can appreciate the sentiment. However, we can't simply mope around feeling sorry for ourselves or sit on our duffs waiting for something to happen.

And, that's how we get to the optimistic part of the quote. With a good business plan, reasonable collateral, and a willingness to hit the pavement, great opportunities are out there. Interest rates and construction costs are low, and for the foreseeable future real estate prices are becoming more realistic. Add to that that most Maine banks not only have money to lend but want and need to lend, and you have the beginning of a turn around. And, turn around it will do. Exactly when, is anyone's guess. Six months, a year, two, who knows. Neither an economist nor fortune teller, though I would probably have more accurate predictions as a tea leaf reader than many economists, my money is on sooner rather than later. The government's stimulus package will, I believe, be the key to a quicker recovery, and I hope we will all, regardless of political party and ideology, encourage our law makers to move swiftly, albeit deliberately, to support the President's plan.

So, what's happening in Scarborough? Well, fortunately considering the times we are in, it's a mixed bag. While we have had two major projects put on the aforementioned hold, MaineHealth, the parent company of Maine Medical Center, has announced the purchase of the former Orion Center on U.S. Route One. With plans to convert this empty former retail facility of 95,000 s/f on 16 acres into medical offices and laboratories, an exciting project is taking shape amidst the downturn. Future plans also call for adding some 50,000 to 60,000 more s/f over the next few years. This facility, the MaineHealth Professional Park, will join another Maine Med campus in Scarborough that currently contains the Maine Medical Center Research Institute, an ambulatory surgical center, outpatient services, and doctors' offices. MaineHealth's projects are adding hundreds of well paying jobs that benefit not only Scarborough but all of Southern Maine. Too often, economic development is only viewed in terms of new property taxes, when an equally important component is in the creation and retention of good, high-quality jobs.

In addition to this, small retail, service, hospitality and medical and professional office projects are sprouting up and are looking to lease or purchase existing facilities as well as contemplating new construction. Driven not only by somewhat lower costs but a genuine desire to spread their entrepreneurial wings, projects are being planned and started. With careful planning, experience

and a sound understanding of potential setbacks, small projects can succeed.

Those of us working with clients on new or expanding projects must remain bullish on the economy, while making sure that our clients realistically weigh the risks. Again, careful, realistic planning will save the day and while some projects will be put off, hopefully temporarily, others will be able to move forward.

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