



RETAIL INDICATORS

Market Size
134,072,582

Building Count
9,875

Absorption
-136,873

YTD Absorption
-329,596

Vacancy
3.9%

Asking Rent
\$20.44

QUARTERLY TAKEAWAY

The retail industry is continuing to change drastically. Although the Baltimore MSA has experienced numerous restaurant closures, we believe that it is not all “doom and gloom” - rather a change in how retailers are doing business. Stores like Lord n’ Taylor and Toys R Us may be gone, looking to backfill with office and healthcare; H&M, Ulta Beauty, Sephora and Lolli & Pops will increase their footprint across the country this year. Retailers such as Lowes Home Improvement, Dicks Sporting Goods, Aldi & Lidl’s continue to build new units, and Dollar General and Hobby Lobby are opening stores at a rapid rate. In Ellicott City, some retailers are still struggling to rebuild in the aftermath of the flooding on Memorial Day weekend, while others have closed their doors for good.

THE NUMBERS	MARKET SIZE	DIRECT VACANCY %			ABSORPTION		ASKING RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	13,674,176	3.3%	3.3%	2.3%	-5,043	-32,500	\$23.34	\$22.68	\$23.22
Baltimore City	26,973,332	4.1%	4.0%	3.4%	-54,796	-199,574	\$19.75	\$21.69	\$15.94
Baltimore County East	9,677,896	6.7%	6.7%	6.8%	-5,044	-29,863	\$16.76	\$13.85	\$14.42
Baltimore South	10,610,337	5.4%	5.9%	6.4%	61,519	99,774	\$16.42	\$17.36	\$16.74
Baltimore West	10,334,236	2.7%	2.9%	2.8%	11,245	25,966	\$18.93	\$19.02	\$18.46
Carroll County	8,043,453	3.7%	3.7%	4.7%	-5,284	7,627	\$15.88	\$16.10	\$15.47
Columbia	9,125,829	1.7%	2.2%	2.5%	40,121	27,101	\$27.41	\$26.34	\$31.50
Ft. Meade	8,261,378	4.2%	3.2%	2.9%	-91,388	-91,614	\$23.75	\$22.52	\$21.72
Harford County	12,026,910	3.9%	4.1%	4.3%	20,426	-8,609	\$20.98	\$19.04	\$22.83
Reisterstown Road Corridor	6,026,083	4.5%	5.5%	4.4%	-4,634	-35,209	\$22.38	\$22.26	\$21.13
White Marsh/Perry Hall	6,212,756	2.8%	3.1%	4.1%	-7,097	13,434	\$19.38	\$19.59	\$17.11
York Road Corridor	13,106,196	3.8%	3.2%	2.5%	-96,898	-106,129	\$24.06	\$23.58	\$23.86
Totals	134,072,582	3.9%	3.9%	3.8%	-136,873	-329,596	\$20.44	\$20.18	\$19.20

SHOPPING AROUND...*



Steak N Shake

Seeking 1 acre of land or a freestanding building with drive thru for conversion in Maryland.



Royal Farms

Seeking 1.5-2 acres for purchase or ground lease on main arterial roads with easy access.



Pet Supplies Plus

Seeking sites of 7,000 sf in the Baltimore Metro Area.



BMHG

Holiday Inn, Comfort Inn, Ramada Inn
Seeking 1.5-3 acres near highways in all MD areas.



Crunch Fitness

Seeking sites of 21,000-35,000 sf in all Maryland counties except Montgomery and Frederick.



Valvoline Instant Oil Change

Seeking 0.5-1 acre pad sites along busy retail corridors throughout Maryland and Delaware.

HIGHLIGHTS & TRENDS

Green Valley Marketplace will open its third location in the old Mars space at Padonia Village in Timonium. The space is approximately 31,256 sf. The store is expected to open late 2018 or early 2019.

Men’s retailer, Bonobos, is expanding into 1,100 sf of space in Harbor East at 840 Aliceanna Street, formerly occupied by Handbags.

Crunch Fitness will be opening its first Maryland gym at Canton Crossing II by the end of the year. The gym will take around 23,000 sf next to Nordstrom and Petco.

Gabe’s recently leased space at Eastpoint Mall in Dundalk, bringing the mall to almost 90% occupancy. The store has already opened and took 38,566 sf.

Union Craft Brewing is now open to the public, although they plan to hold a grand opening late July. The taproom takes approximately 7,500 sf of the Union Collective project, which totals approximately 138,000 sf and will house various other retailers.

The new Wawa at 1300 E. Joppa Road in Towson sold this April for \$7.48 million. This location will be an anchor for Loch Raven Commons, a mixed-use development with potential for 20,000 sf of retail.

Bill Bateman’s Bistro in Towson closed its doors this June. The restaurant was occupying 7,500 sf at 7800 York Road. The other seven chains in the area are expected to stay open.

Blue Dog BBQ (a whole-hog BBQ restaurant) will be replacing Heavy Seas this summer at 1300 Bank Street in Little Italy. With the recent closure of Dinosaur Bar-B-Que in Harbor East, this restaurant will offer a new option for customers.

E.C. Pops, an Ellicott City Main Street retailer, signed a temporary lease at 6655 Dobbin Road in Columbia until its Main Street location can be reopened.

Moby Dick House of Kabob is opening a second Baltimore location at the Festival at Woodholme in Pikesville. The restaurant will take approximately 2,000 sf of the shopping center, bringing the center to 94% occupancy.

*This is a sampling of our represented tenants in the market. The section is updated quarterly. If you’d like your business to be included, please let us know.



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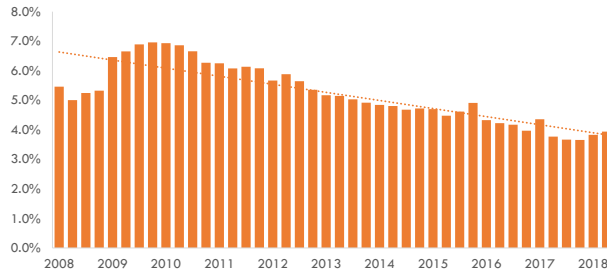
Absorption
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YTD Absorption
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Vacancy
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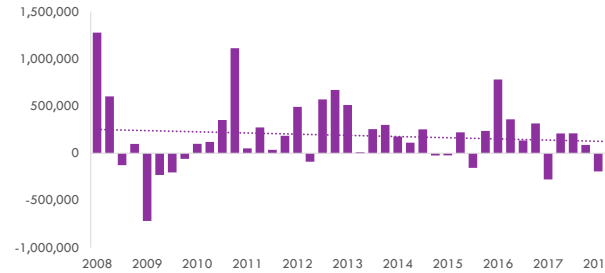
Asking Rent
\$20.44

DIRECT VACANCY



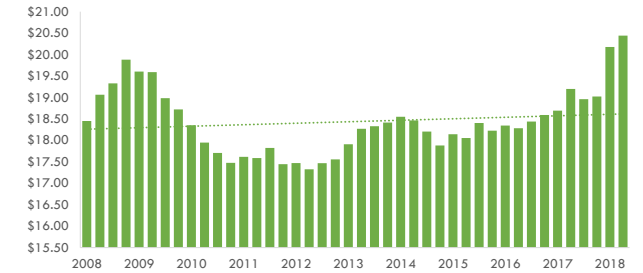
This quarter, direct vacant space decreased, equaling 5,282,134 sf out of the total 134,072,582 sf market size. This resulted in a 0.00% change from 3.94% to 3.94%. Compared to this time last year, vacancy rates are up by 0.17%.

NET ABSORPTION



Quarterly absorption was approximately -136,873 sf. For 2018 year-to-date, tenant movement in the area shows an overall negative absorption, totaling -329,596 sf. Comparatively, at this time last year, absorption was approximately 209,783 sf.

ASKING RENTAL RATES (Weighted, NNN)



Asking rental rates averaged \$20.44/sf this quarter, weighted by a total available space of 7,162,941. This is approximately \$0.26/sf higher than last quarter (\$20.18/sf), and \$1.24/sf higher than last year (\$19.20/sf).

Lowest Direct Vacancy

1	Columbia	1.7%
2	Baltimore West	2.7%
3	White Marsh/Perry Hall	2.8%

Highest Direct Vacancy

1	Baltimore County East	6.7%
2	Baltimore South	5.4%
3	Reisterstown Road Corridor	4.5%

Most Change vs. Prior Quarter

-	Reisterstown Road Corridor	-0.9%
+	Ft. Meade	+1.0%

Lowest Net Absorption

1	York Road Corridor	-96,898
2	Ft. Meade	-91,388
3	Baltimore City	-54,796

Highest Net Absorption

1	Baltimore South	61,519
2	Columbia	40,121
3	Harford County	20,426

Most Absorption, Year-to-Date

-	Baltimore City	-199,574
+	Baltimore South	99,774

Cheapest Asking Rates

1	Carroll County	\$15.88
2	Baltimore South	\$16.42
3	Baltimore County East	\$16.76

Most Expensive Asking Rates

1	Columbia	\$27.41
2	York Road Corridor	\$24.06
3	Ft. Meade	\$23.75

Most Change vs. Prior Quarter

-	Baltimore City	-\$1.94
+	Baltimore County East	+\$2.91

LEASE TRANSACTIONS

Location	Region	Tenant	Leased
150-152 Jennifer Road	Annapolis	HomeSense	33,033
925-983 Beards Hill Road¹	Harford County	Wage Connection	12,974
6200 Days Cove Road	Balt. Co. East	Alternative Routes Fitness	12,364
6708 Alexander Bell Drive	Columbia	Columbia Bank	11,560

SALE TRANSACTIONS

Location	Region	Price	PSF	Building Size
8304 Old Philadelphia Road ⁴	Balt. Co. East	\$2,100,000	\$840.00	2,500
8100 Veterans Highway ⁴	Annapolis	\$2,010,000	\$530.62	3,788
415 S. Central Avenue ⁴	Baltimore City	\$4,500,000	\$391.30	11,500
28 W. Pennsylvania Avenue⁴	Towson	\$785,000	\$373.81	4,200

(1) Renewal; (2) Expansion; (3) Part of Portfolio Sale; (4) Investment Sale; (5) Foreclosure; (6) Condo; bolded transactions are a sampling of those brokered by MacKenzie Real Estate Services, LLC.