



## RETAIL INDICATORS

Market Size  
115,416,627

Building Count  
4,477

Absorption  
9,654

YTD Absorption  
9,654

Vacancy  
6.34%

Rental Rate  
\$20.03

## 1ST QUARTER SUMMARY

It is almost impossible to drive down the street or walk through a mall and not see a “for lease” or “available” sign; however, retail has held steady the first quarter of 2021. As occupancy restrictions are lifted, and vaccinations are becoming more readily available, people are venturing out of their house and signs of life are returning. Both local and national retailers are gaining confidence in the near-future return to normality, with store sales and customer traffic counts. Deal activity was at a steady pace with only a .01% positive change in qualified retail vacancy. The first quarter saw 136 leases signed for over 512,294 sf. Rental rates also appear to be on hold with the overall difference between last quarter and this quarter being a nominal amount. Four retail properties delivered adding 113,556 sf of new inventory to the market. The I-83 Corridor and Route 2 Corridor both saw a substantial uptick in absorption with over 100,000 sf feet between the two, further supporting the notion that as daytime workers return to the office, more retail sales will be derived from the local industry providers. Most of the leasing comprises grocers, furniture stores, health clubs, and quick-serve restaurants. We continue to see strong demand for 2nd generation restaurant space in core, densely populated markets, with experienced, well-capitalized entrepreneurs looking to seize the opportunity to expand into failed spaces as a direct result of COVID. Related, Landlords have had to adjust their rental value expectations and offer deeper incentive to tenants for the right use, menu, or tenant entity. Continued industry concern are the sizable vacancies created by major retailers such as Macy’s, Sears, JC Penney, and Office Depot, to name a few, that are causing landlords and brokers to pursue more creative ways to utilize these retail spaces. We expect more medical offices or fulfillment centers to be a strong alternative to traditional retail prospects.

## ITEMS TO NOTE:

Bar ONE has leased the former Gordon Biersch space at 1000 Lancaster Street in Harbor East. This will be the first Baltimore location for the Miami-based restaurant.

Onelife Fitness signed a deal at the Hunt Valley Towne Centre for 55,000 sf. The fitness chain will occupy a portion of the former Sears space and the rest of the space will be new construction. This will be Onelife’s fifth location.

The Big Bean Coffee House will open their second location at 888 Bestgate Road in Annapolis. The expansion of the Severna Park staple plans to open this spring.

Walbrook Junction Shopping Center, located at 3411-3425 Clifton Avenue, sold for \$6.2 million to Chicago TREND. Chicago TREND, a group of Black commercial real estate professionals, used crowdfunding to create a local buy-in, as well as an investment opportunity for nearby residents.

Brooks Brothers Baltimore closed their upscale Harbor East location. The high-end menswear retailer filed for bankruptcy in the summer of 2020. The chain still has four additional locations in Maryland.

Atlas Restaurant Group will be opening a second location of The Chophouse in Annapolis next year. Located in Ego Alley at 110 Compromise Street, the former home of Fawcett Boat Supplies, the space will have both indoor and outdoor seating options with a waterfront view. This will be their first restaurant outside of Baltimore City.

Groundbreaking on the new South Market building at Lexington Market took place in February and is scheduled to open early 2022. They have received more than 200 applications for the 20 - 30 available vendor spots.

Local chain THB Bagelry & Deli put the finishing touches this quarter on their new Owings Mills location set to open May 10th. Located at 10288 Mill Run Circle in the Mill Station Shopping Center, the store will be the sixth and largest to date for THB. The store was designed with Covid-19 prevention in mind, with spacious waiting area, socially distanced tables, contactless ordering kiosks, and a walk-up window for mobile orders.

THE NUMBERS	MARKET SIZE	DIRECT VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,175,508	11.52%	11.22%	4.87%	-15,323	-15,323	\$29.79	\$29.97	\$31.28
Baltimore City	18,200,747	5.54%	5.36%	5.66%	-18,649	-18,649	\$15.31	\$14.54	\$15.05
Baltimore County East	15,095,422	7.60%	7.25%	5.43%	-53,056	-53,056	\$15.53	\$15.41	\$15.06
Baltimore County West	7,304,977	5.60%	5.46%	5.84%	-10,358	-10,358	\$20.62	\$20.35	\$18.06
BWI Corridor	9,568,881	3.24%	3.38%	3.09%	12,548	12,548	\$23.98	\$23.60	\$24.42
Carroll County	6,865,563	4.89%	4.69%	3.21%	-13,879	-13,879	\$14.89	\$15.57	\$14.01
Cecil County	3,013,510	5.14%	6.06%	5.26%	27,858	27,858	\$14.23	\$14.34	\$14.44
Columbia	10,062,296	5.09%	4.98%	3.64%	-3,254	-3,254	\$28.99	\$29.14	\$26.72
Harford County	10,420,638	8.55%	8.64%	5.38%	14,416	14,416	\$18.87	\$18.40	\$19.00
Howard County West	820,303	5.34%	5.49%	5.91%	1,200	1,200	\$39.80	\$39.15	\$36.41
I-83 Corridor	5,078,456	7.04%	8.12%	6.64%	54,742	54,742	\$23.59	\$24.19	\$24.43
Reisterstown Rd Corridor	7,783,472	6.19%	6.18%	6.12%	-1,054	-1,054	\$18.14	\$19.85	\$19.44
Route 2 Corridor	10,753,721	7.21%	7.79%	6.78%	62,052	62,052	\$18.69	\$17.94	\$19.03
Towson	5,273,133	5.60%	4.70%	3.20%	-47,589	-47,589	\$25.79	\$27.18	\$22.52
<b>Totals/Averages</b>	<b>115,416,627</b>	<b>6.34%</b>	<b>6.33%</b>	<b>5.10%</b>	<b>9,654</b>	<b>9,654</b>	<b>\$20.03</b>	<b>\$19.99</b>	<b>\$19.61</b>



## RETAIL INDICATORS

Market Size  
115,416,627

Building Count  
4,477

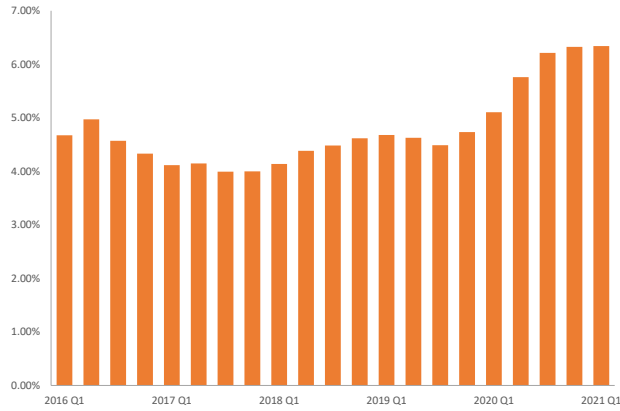
Absorption  
9,654

YTD Absorption  
9,654

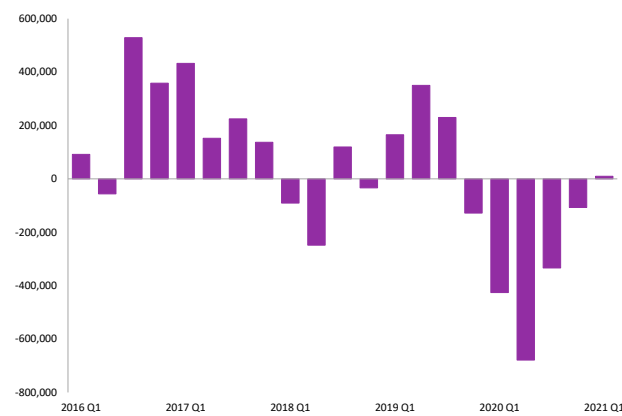
Vacancy  
6.34%

Rental Rate  
\$20.03

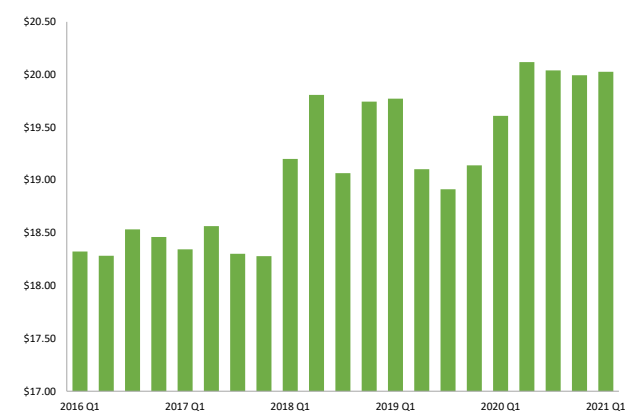
### DIRECT VACANCY



### NET ABSORPTION



### RENTAL RATES



#### Lowest Direct Vacancy

1 BWI	3.24%
2 Carroll County	4.89%
3 Columbia	5.09%

#### Highest Direct Vacancy

1 Annapolis	11.52%
2 Harford County	8.55%
3 Baltimore County East	7.60%

#### Most Change vs. Prior Quarter

- I-83 Corridor	-1.08%
+ Towson	0.90%

#### Lowest Net Absorption

1 Baltimore County East	-53,056
2 Towson	-47,589
3 Baltimore City	-18,649

#### Highest Net Absorption

1 Route 2 Corridor	62,052
2 I-83 Corridor	54,742
3 Cecil County	27,858

#### Most Absorption, Year-to-Date

- Baltimore County East	-53,056
+ Route 2 Corridor	62,052

#### Cheapest Rates

1 Cecil County	\$14.23
2 Carroll County	\$14.89
3 Baltimore City	\$15.31

#### Most Expensive Rates

1 Howard County West	\$39.80
2 Annapolis	\$29.79
3 Columbia	\$28.99

#### Most Change vs. Prior Quarter

- Reisterstown Rd Corridor	-\$1.71
+ Baltimore City	\$0.77

### LEASE TRANSACTIONS

Location	Region	Tenant	Leased
6510-6790 Reisterstown Rd.	Reisterstown Rd Cor.	Super Beauty	24,760
9544 Philadelphia Rd.	Baltimore Co. East	Tractor Supply Company	24,673
8895 McGaw Rd.	Columbia	Frisco Tap House	17,793
1712 Crain Hwy. S	Route 2 Corridor	Dollar Tree	13,627

### SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size
805 Leidy Rd.	Carroll County	\$3,265,000	\$680.21	4,800
7410 Ritchie Hwy.	Route 2 Corridor	\$2,800,000	\$56.00	50,000
2849 Jessup Rd.	BWI Corridor	\$2,295,000	\$453.20	5,064
1404 Merritt Blvd.	Baltimore Co. East	\$2,100,000	\$537.36	3,908

\* Renewal

# RETAIL OVERVIEW (DC METRO)

FIRST QUARTER | 2021



## OFFICE INDICATORS

Market Size  
**80,464,747**

Building Count  
**2,768**

Absorption  
**-284,000**

YTD Absorption  
**-284,000**

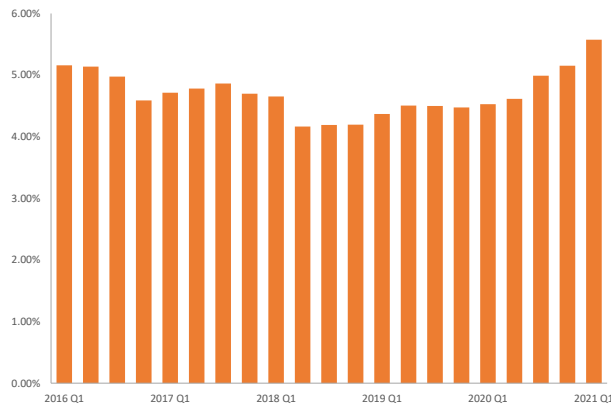
Vacancy  
**5.58%**

Rental Rate  
**\$24.13**

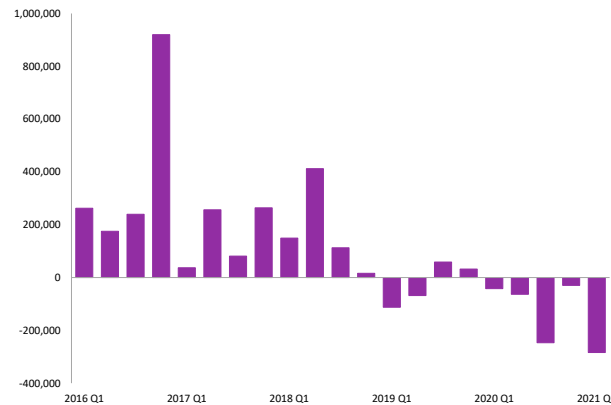
## THE NUMBERS

	MARKET SIZE	DIRECT VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	11,966,366	8.84%	8.46%	7.40%	-15,591	-15,591	\$18.37	\$18.65	\$17.55
Montgomery Co. North	10,486,856	3.32%	3.26%	2.84%	7,121	7,121	\$24.62	\$24.67	\$25.61
Montgomery Co. South; Rockville/Bethesda	17,715,878	5.22%	5.09%	4.58%	-23,208	-23,208	\$30.75	\$31.10	\$32.28
Prince George's Co. North	22,537,396	5.82%	5.37%	4.28%	-101,940	-101,940	\$21.50	\$20.94	\$18.77
Prince George's Co. South	12,107,907	4.26%	3.64%	3.44%	-60,706	-60,706	\$23.87	\$19.79	\$20.80
Silver Spring North/29	3,042,805	6.84%	3.67%	5.71%	-96,319	-96,319	\$25.58	\$25.32	\$25.25
Silver Spring South	2,607,539	4.60%	4.86%	3.66%	6,643	6,643	\$25.76	\$26.47	\$28.18
<b>Totals</b>	<b>80,464,747</b>	<b>5.58%</b>	<b>5.15%</b>	<b>4.53%</b>	<b>-284,000</b>	<b>-284,000</b>	<b>\$24.13</b>	<b>\$23.50</b>	<b>\$23.31</b>

## DIRECT VACANCY



## NET ABSORPTION



## RENTAL RATES

