



RETAIL INDICATORS

Market Size
116,004,113

Building Count
4,820

Absorption
39,102

YTD Absorption
-82,691

Vacancy
6.6%

Rental Rate
\$25.59/sf

The Baltimore retail market showed modest improvement in 2Q 2026, recording 39,102 sf of positive quarterly absorption. However, YTD absorption remained negative at -82,691 sf, reflecting continued space turnover across several submarkets, sluggish demand from non-food uses, and continued concerns with timing for reviews, approvals, permits, and occupancy. Overall vacancy increased slightly to 6.6%, compared to 6.5% last quarter and 6.4% one year ago. Leasing activity totaled 251,458 sf for the quarter and 767,084 sf YTD, indicating that tenant demand remains active but uneven across the market. Such demand continues to focus “A” properties, 2nd generation restaurant space, and any location with strong co-tenancy.

Submarket performance was mixed. Harford County posted the strongest quarterly absorption at 82,464 sf, followed by Carroll County and the Reisterstown Road Corridor at 33,473 sf and 26,514 sf, respectively. Columbia recorded the largest quarterly loss at -81,801 sf and the weakest YTD absorption at -110,450 sf. Vacancy remained lowest in Howard County West, the BWI Corridor, and Carroll County, while the highest vacancy rates were recorded in the Reisterstown Road Corridor, Annapolis, and the I-83 Corridor. These submarkets continue to see the majority of tenant activity given their population density, higher incomes, and abundance of stable and high sales per square foot for neighboring businesses.

Retail sales activity increased in 2Q 2026, with 34 transactions totaling \$326.4 million in sales volume. The average actual cap rate was 8.3%, reflecting continued investor activity despite more selective pricing conditions. Pricing guidance and expectations continue to battle with investor modeling at aggressive cap rates versus trailing return rates, such as Treasury bills, with attractive, modest rates, with no risk. High interest rates continue to limit Seller interest as Buyers look for higher; value add returns. The largest transaction of the quarter was the sale of Annapolis Mall, which traded for \$272 million.

ITEMS TO NOTE:

Vacant since closing in 2021, the 106-year-old Shofer’s Furniture building will be renovated into a 51-unit apartment building with 12,000 sf of retail space. The \$20 million Federal Hill project has already been approved by the Commission for Historical and Architectural Preservation.

Annapolis Mall is under new ownership. The Macerich Company acquired the 1.5 million sf shopping center for \$272 million, or approximately \$184.06/sf, at a 9.2% cap rate. The center last traded for \$160 million in 2024.

Planet Fitness will remain at Aberdeen Marketplace after signing a renewal agreement for the 20,880 sf it has occupied for nearly ten years.

7th Avenue, an upscale Los Angeles-based furniture chain, has leased just over 1,000 sf on Aliceanna St. in Harbor East. This will be the company’s first Maryland location.

Slick City Action Park, an indoor slide park, has leased nearly 42,000 sf at Snowden Square Shopping Center. This will be the company’s first Maryland location, with an opening planned for early 2027.

Reisterstown Shopping Center is under new ownership following a \$40.6 million sale. Lehrman and Rappaport Co. acquired the 160,000 sf center and plans to invest \$2 million in upgrades.

Country Ridge Shopping Center, located in the Baltimore County East submarket, sold for \$10.7 million, or \$81.55/sf. The center totals nearly 130,000 sf and sits on 11.5 acres of land.

Barnes & Noble will return to Baltimore with a new Harbor East along Aliceanna St. The bookstore will occupy 10,000 sf by the end of the year.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,802,409	11.2%	11.5%	11.9%	8,964	8,092	\$34.92	\$34.59	\$33.70
Baltimore City	17,953,383	9.1%	9.2%	8.0%	-10,395	-12,726	\$20.67	\$20.46	\$20.21
Baltimore County East	15,348,663	5.5%	5.4%	5.6%	-13,846	-55,373	\$23.33	\$23.01	\$22.39
Baltimore County West	7,023,716	7.1%	6.7%	7.0%	-24,370	-21,561	\$23.70	\$23.39	\$22.72
BWI Corridor	9,498,216	2.4%	2.1%	2.4%	-20,870	-11,341	\$28.61	\$28.33	\$27.62
Carroll County	6,984,493	3.0%	3.4%	2.5%	33,473	33,800	\$23.31	\$22.98	\$22.49
Cecil County	3,350,648	5.8%	5.4%	5.1%	-3,578	-21,693	\$17.37	\$17.50	\$17.48
Columbia	10,101,566	4.8%	4.0%	3.8%	-81,801	-110,450	\$34.32	\$33.95	\$32.85
Harford County	10,788,977	5.2%	5.8%	6.0%	82,464	112,396	\$24.23	\$23.89	\$23.30
Howard County West	775,805	1.7%	2.2%	4.3%	3,857	20,076	\$27.22	\$26.90	\$26.46
I-83 Corridor	5,253,683	9.6%	9.9%	8.7%	14,076	-31,455	\$29.36	\$28.98	\$28.28
Reisterstown Rd. Corridor	7,530,471	11.7%	12.0%	11.2%	26,514	13,739	\$26.32	\$25.89	\$25.54
Route 2 Corridor	10,562,367	6.9%	6.0%	7.2%	42	-29,822	\$24.43	\$24.11	\$23.41
Towson	5,029,716	4.3%	4.9%	4.7%	24,572	23,627	\$27.49	\$27.17	\$26.39
Totals/Averages	116,004,113	6.6%	6.5%	6.4%	39,102	-82,691	\$25.59	\$25.29	\$24.69



RETAIL INDICATORS

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116,004,113

Building Count
4,820

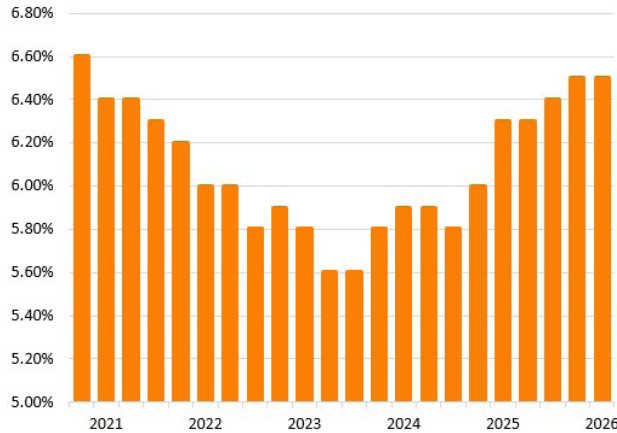
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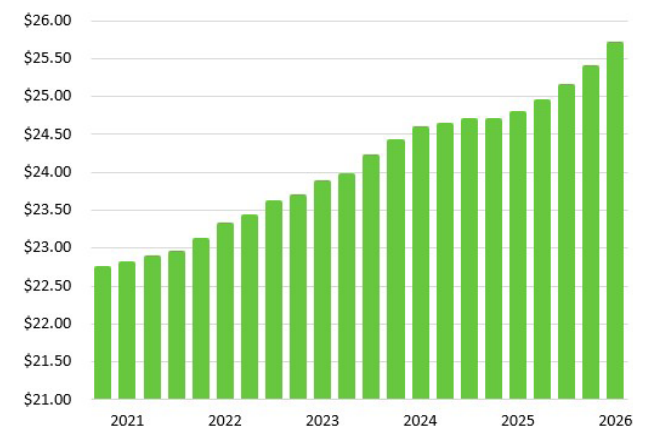
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Howard County West	1.71%
2	BWI Corridor	2.44%
3	Carroll County	3.04%

Highest Vacancy

1	Reisterstown Rd. Corridor	11.74%
2	Annapolis	11.15%
3	I-83 Corridor	9.60%

Most Change vs. Prior Quarter

-	Howard County West	-2.10%
+	I-83 Corridor	0.81%

Most Positive Net Absorption

1	Harford County	82,464
2	Carroll County	33,473
3	Reisterstown Rd. Corridor	26,514

Most Negative Absorption

1	Columbia	-81,801
2	Baltimore County West	-24,370
3	BWI Corridor	-20,870

Greatest Changes in Absorption, Year-to-Date

-	Columbia	-110,450
+	Harford County	112,396

Cheapest Rates

1	Cecil County	\$17.37
2	Baltimore City	\$20.67
3	Carroll County	\$23.31

Most Expensive Rates

1	Annapolis	\$34.92
2	Columbia	\$34.32
3	I-83 Corridor	\$29.36

Most Change vs. Prior Quarter

-	Cecil County	-\$0.13
+	Reisterstown Rd. Corridor	\$0.43

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
9021 Snowden River Pkwy.	Columbia	Slick City	41,655
1010P Beards Hill Rd.*	Harford County	Planet Fitness	20,880
1906 Towne Centre Blvd.	Annapolis	Design Within Reach	11,881
1906 Towne Centre Blvd.	Annapolis	Ruth's Chris Steak House	10,150

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Annapolis Mall	Annapolis	\$272,000,000	\$184.06	1,477,789
1500-1550 Country Ridge Ln.	Baltimore County E	\$10,700,000	\$81.55	131,214
18 Church Cir.	Annapolis	\$7,200,000	\$579.15	12,432
2444 Solomons Island Rd.	Annapolis	\$5,450,000	\$170.31	32,000

* Renewal, Expansion, or Sublease

RETAIL OVERVIEW (DC METRO)

SECOND QUARTER | 2026



RETAIL INDICATORS

Market Size
79,722,124

Building Count
2,852

Absorption
-227,999

YTD Absorption
-564,239

Vacancy
6.02%

Rental Rate
\$34.33/sf

THE NUMBERS

MARKET SIZE

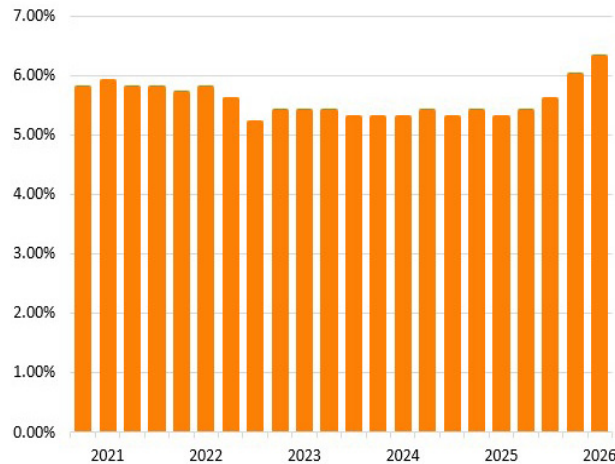
VACANCY %

ABSORPTION

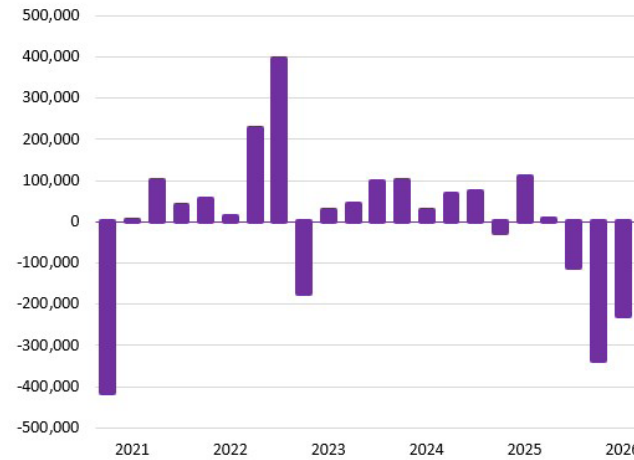
RENTAL RATES

	MARKET SIZE	Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Frederick County	12,158,591	3.3%	4.6%	5.5%	156,302	215,978	\$26.68	\$26.29	\$25.64
Montgomery County North	9,980,937	2.8%	2.7%	8.2%	-4,050	13,676	\$36.38	\$36.17	\$35.17
Montgomery County South-Rockville	17,213,115	5.2%	4.8%	4.1%	-74,875	-174,671	\$43.29	\$43.23	\$42.10
Prince George's County North	22,393,437	8.6%	7.6%	6.2%	-230,692	-423,676	\$32.39	\$32.12	\$31.31
Prince George's County South	12,179,943	5.8%	5.4%	4.0%	-50,813	-204,213	\$29.49	\$29.24	\$28.44
Silver Spring North-Route 29	3,450,688	14.2%	13.8%	13.7%	-14,737	-18,229	\$37.63	\$37.31	\$36.12
Silver Spring South	2,345,413	3.7%	3.4%	3.9%	-9,134	26,896	\$38.41	\$38.50	\$37.73
Washington DC Retail Total	79,722,124	6.0%	5.7%	5.8%	-227,999	-564,239	\$34.33	\$34.10	\$33.21

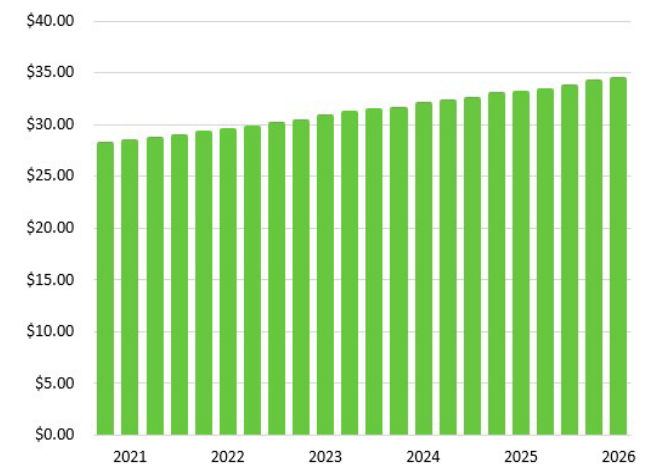
VACANCY



NET ABSORPTION



RENTAL RATES



LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
801-829 Southern Ave.	Prince George's County S	Tiger Market	62,321
800-802 Hungerford Dr.	Montgomery County S	RF Fager Supply	23,000
13400 Baltimore Ave.	Prince George's County N	Street Chasers Towing	22,000

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Frederick Shopping Center	Frederick County	\$55,500,000	\$227.22	244,254
10050 Baltimore Ave.	Prince George's County	\$6,600,000	\$1,394.76	4,732
4923-4933 Saint Elmo Ave.	Montgomery County	\$4,350,000	\$443.88	9,800

* Renewal, Expansion, or Sublease