



## RETAIL INDICATORS

Market Size  
115,921,685

Building Count  
4,557

Absorption  
342,131

YTD Absorption  
419,108

Vacancy  
6.5%

Rental Rate  
20.68

## 4TH QUARTER SUMMARY

The Baltimore retail market finished 2021 with a high level of optimism for the new year, along with a continued stabilization of rents and values across product types. The strong demand for A+ retail sites is showing signs of a positive impact on NNN ground rents, with projected deal inflation specifically occurring among automotive users and related service providers. One particular specialty, full and limited service car wash facilities, has been unusually active. At the end of the year, there were nearly 10 different regional or local operators actively seeking one- to two-acre sites throughout the marketplace. With the shortage of properly zoned land, rising development costs, and these multiple, active prospects, ground rents have dramatically increased. Potential redevelopment sites along main arterial roads are seeing the bulk of this inflated activity. We suspect these rents will not carryover to other user categories, but certainly will define a specialty market with unprecedented, substantial valuations. Continued vacancy among small shop space in the unanchored product will continue and related triple net rents are projected to show a 5-10% decrease in 2022 and beyond. The overall stagnation of the current economy is holding rents, but, a steady, shrinking supply of the high demand properties will cause some level of rental increases. We expect continued challenges between owners and tenants in dealing with the ongoing pandemic, rising operating expenses, staff shortages, delivery services, and rising interest rates.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,062,532	13.1%	13.2%	12.7%	-933	-21,763	\$30.10	\$30.10	\$30.56
Baltimore City	19,013,028	5.3%	5.3%	5.2%	-11,677	-6,023	\$17.89	\$17.75	\$15.12
Baltimore County East	14,881,953	6.2%	6.4%	7.2%	28,120	154,487	\$15.35	\$14.87	\$15.41
Baltimore County West	7,407,377	5.6%	5.4%	5.4%	-9,527	-10,486	\$21.87	\$21.37	\$20.81
BWI Corridor	9,078,462	3.8%	4.9%	4.1%	100,040	33,951	\$24.20	\$23.96	\$23.52
Carroll County	6,837,431	4.3%	5.1%	4.7%	50,456	26,156	\$16.35	\$17.19	\$15.48
Cecil County	3,062,799	5.4%	5.6%	5.7%	6,603	8,432	\$14.24	\$14.34	\$14.46
Columbia	10,205,492	6.0%	6.5%	5.0%	59,198	24,723	\$30.36	\$31.13	\$31.70
Harford County	10,543,402	7.5%	8.1%	8.6%	64,268	119,499	\$20.51	\$20.03	\$18.98
Howard County West	747,297	3.0%	3.0%	6.0%	0	22,459	\$26.32	\$32.38	\$32.00
I-83 Corridor	5,250,796	6.9%	6.5%	7.9%	-24,876	48,423	\$22.08	\$22.02	\$24.93
Reisterstown Rd Corridor	7,805,217	10.3%	10.4%	8.2%	7,552	-154,147	\$17.87	\$17.90	\$22.39
Route 2 Corridor	10,723,785	7.4%	7.8%	8.8%	34,042	146,653	\$18.39	\$18.27	\$18.25
Towson	5,302,114	5.1%	5.0%	4.8%	38,865	26,744	\$26.53	\$26.53	\$31.18
<b>Totals/Averages</b>	<b>115,921,685</b>	<b>6.5%</b>	<b>6.7%</b>	<b>6.6%</b>	<b>342,131</b>	<b>419,108</b>	<b>\$20.68</b>	<b>\$20.64</b>	<b>\$20.72</b>

## ITEMS TO NOTE:

New Sue Island Grill and Crabhouse, a waterfront bar sold via online auction for \$1.52M. Located on Baltimore Yacht Club Road, the 9,315 sf building is known for live music and a tiki-style patio.

Patriots Glen National Golf Club in Elkton has been acquired by Baltimore developer Ray Jackson. Jackson's Stonewall Capital bought the 215.23-acre property in October for an undisclosed price. Jackson plans to invest around \$1M into upgrades at the par 72 course this year.

Plans for the redevelopment of Old Town Mall in East Baltimore were presented to a city panel. If approved, the overhaul could break ground by year's end. The designs presented by Columbia-based Waldon Studio Architects aim to jumpstart the mall with 51 new residential units, about 50,000 sf of retail and green space.

Anne Arundel's Pasadena Crossroads Shopping Center traded for \$69M. The fully leased 342,294 sf center is located off Ritchie Highway and Jumpers Hole.

The PGA Tour Superstore has signed a lease for roughly 37,680 sf, part of a former Shoppers grocery store at 5100 Nicholson Lane in Kensington and aims to open in the spring.

Crate & Barrel announced they will shutter its doors for good in February at the Towson Town Center. Located in the mall's "luxury wing," it will join several retailers including Sur la Table, Tiffany & Co and L'Occitane who have already closed.

The Ocean City staple Phillips Crab House has closed for good after more than 65 years in business. Located at 2004 Philadelphia Ave, the crab house had enough room for 1,400 people.

Shake Shack will be opening another location in Baltimore later this year at 3902 Boston St. and include a drive thru.

The former Bob Evans Restaurant located at 400 W Padonia Rd sold for \$5.5 million. The property, located on a highly visible corner has already been listed for lease.



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115,921,685

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4,557

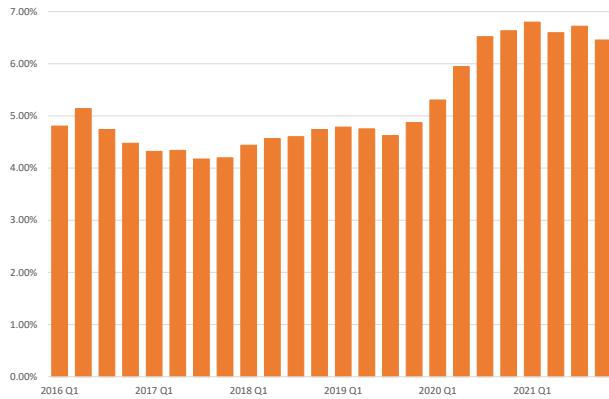
Absorption  
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YTD Absorption  
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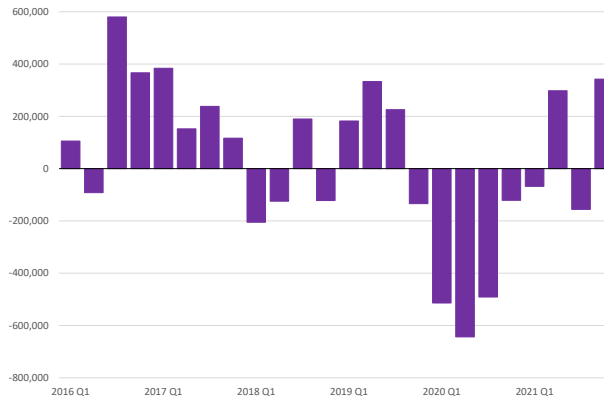
Vacancy  
6.5%

Rental Rate  
20.68

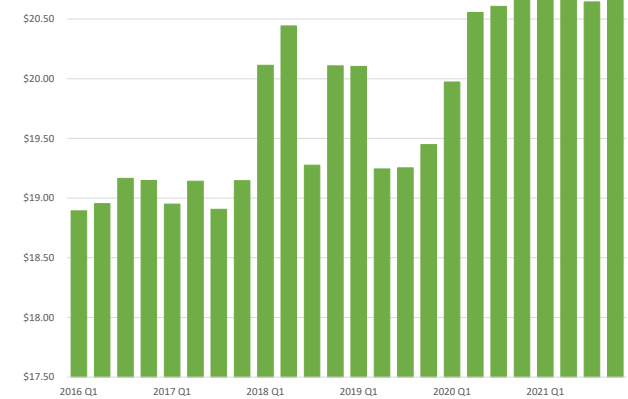
## VACANCY



## NET ABSORPTION



## RENTAL RATES



### Lowest Vacancy

1	Howard County West	3.0%
2	BWI	3.8%
3	Carroll County	4.3%

### Highest Vacancy

1	Annapolis	13.1%
2	Reisterstown Rd Corridor	10.3%
3	Harford County	7.5%

### Most Change vs. Prior Quarter

-	BWI Corridor	-1.12%
+	I-83 Corridor	+0.45%

### Lowest Net Absorption

1	I-83 Corridor	-24,876
2	Baltimore City	-11,677
3	Baltimore County West	-9,527

### Highest Net Absorption

1	BWI	100,040
2	Harford County	64,268
3	Columbia	59,198

### Most Absorption, Year-to-Date

-	Reisterstown Rd Corridor	-154,147
+	Baltimore County East	+154,487

### Cheapest Rates

1	Cecil County	\$14.24
2	Baltimore County East	\$15.35
3	Carroll County	\$16.35

### Most Expensive Rates

1	Columbia	\$30.36
2	Annapolis	\$30.10
3	Towson	\$26.53

### Most Change vs. Prior Quarter

-	Howard County West	-\$6.06
+	Baltimore County West	\$0.50

## LEASE TRANSACTIONS

Location	Region	Tenant	Leased
7726-7740 Ritchie Hwy.	Route 2 Corridor	Regency Furniture Showrooms	62,637
1910-1920 York Rd.	I-83 Corridor	Harbor Freight Tools	26,000
1025 Benfield Blvd.	BWI Corridor	Diamond Experience	24,500*
4001 Seven Mile Ln.	Reisterstown Rd. Cor.	Susan's Heart Adult Daycare	13,400

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size
8036-8160 Ritchie Hwy.	Route 2 Corridor	\$69,000,000	\$222.14	310,617
6161 Columbia Crossing Dr.	Columbia	\$12,600,000	\$277.23	45,450
7800 Parke West Dr.	Route 2 Corridor	\$7,800,000	\$333.80	23,367
2401 Solomon's Island Rd.	Annapolis	\$7,400,000	\$442.90	16,708

\* Renewal

# RETAIL OVERVIEW (DC METRO)

FOURTH QUARTER | 2021



## OFFICE INDICATORS

Market Size  
**80,340,171**

Building Count  
**2,772**

Absorption  
**-70,686**

YTD Absorption  
**-151,196**

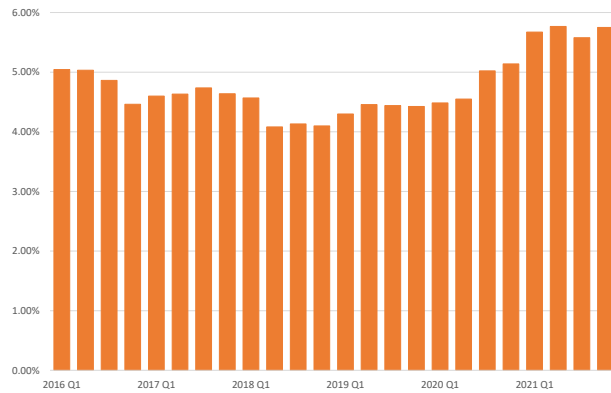
Vacancy  
**5.7%**

Rental Rate  
**\$25.15**

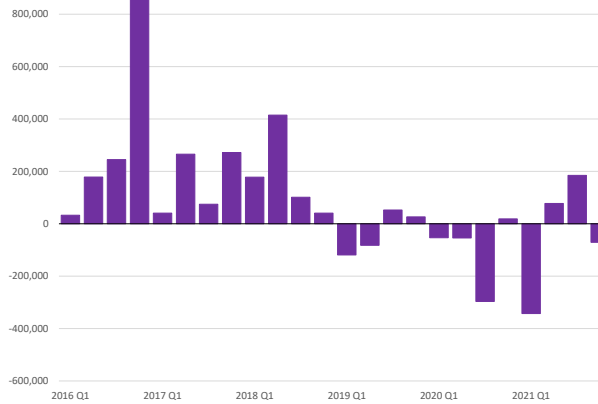
## THE NUMBERS

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Frederick Co.	12,058,476	8.9%	8.3%	8.4%	-58,931	60,839	\$19.74	\$19.16	\$19.38
Montgomery Co. North	10,599,857	2.9%	2.6%	3.1%	-21,660	153,188	\$25.94	\$26.48	\$25.55
Montgomery Co. South; Rockville/Bethesda	17,520,993	5.8%	5.6%	5.1%	-14,596	-88,862	\$28.79	\$30.32	\$30.90
Prince George's Co. North	22,311,685	5.7%	5.6%	5.4%	-2,082	-46,062	\$24.51	\$23.07	\$21.11
Prince George's Co. South	12,123,545	3.9%	4.0%	3.4%	10,174	-30,976	\$25.16	\$25.26	\$23.57
Silver Spring North/29	3,143,309	12.3%	12.1%	4.7%	-4,305	-239,084	\$25.27	\$25.31	\$25.45
Silver Spring South	2,582,306	3.9%	4.2%	5.0%	20,714	39,761	\$27.72	\$25.09	\$26.04
<b>Totals</b>	<b>80,340,171</b>	<b>5.7%</b>	<b>5.6%</b>	<b>5.1%</b>	<b>-70,686</b>	<b>-151,196</b>	<b>\$25.15</b>	<b>\$25.00</b>	<b>\$24.28</b>

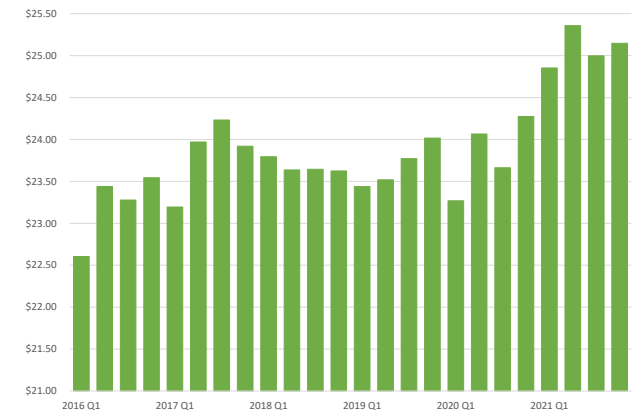
## VACANCY



## NET ABSORPTION



## RENTAL RATES



## LEASE TRANSACTIONS

Location	Region	Tenant	Leased
1 2028 Cherry Hill Rd.	Silver Spring North/29	Giant Food	64,626
5100-5154 Nicholson Ln.	Montgomery Co. South	PGA Tour Superstore	37,680
14100-300 Baltimore Ave.	Prince George's Co. North	dd's Discounts	21,855

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size
2800-2830 Campus Way N	Prince George's Co.	\$193,400,000	\$279.28	692,488
430 Hungerford Dr.	Montgomery Co. South	\$10,650,000	\$786.85	13,535
5214 River Rd.	Montgomery Co. South	\$7,500,000	\$1,730	4,335