



RETAIL INDICATORS

Market Size
116,146,105

Building Count
4,557

Absorption
-151,778

YTD Absorption
146,639

Vacancy
6.38%

Rental Rate
\$19.98

3RD QUARTER SUMMARY

Across the Baltimore submarkets, there was very little change in the overall vacancy of retail properties during Q3, 2021. Both landlords and tenants continue to jockey for the best deals, stalling deal momentum and barely moving the needle on absorption. The continued focus by retailers is for more highly-visible, prominent space in dominant centers in their respective markets or communities. Tenant retention has enabled the local market to hold its overall renewal activity; however, rents have shown little to no growth within renewal activity, hinting that Landlords are starting to see the importance of long-term stability over potential term vacancy and related deal expenses. The continued rise in construction materials and expenses are creating the need for unique dealmaking, with little to no end in sight. Retailers still require a rate of return on their capital investment into space, and when those expenses are escalating and rents are not pivoting downward, deals are often lost. Of noteworthy interest this quarter - a substantial vacancy in Owings Mills created at the former Walmart at 9750 Reisterstown Rd. that will certainly impact the submarket's vacancy rate. Walmart owns the building and has not listed the space for lease; its future plans remain a mystery. Even with the vacancy created by Walmart, and until their space formerly hits the market, the absorption for this year is holding steady at 6.38% compared to the same time last year when it was 6.29%. At the time of this publication, Baltimore City's vacancy and availability are still down over a half basis point compared to this quarter last year, with surrounding County markets showing similar stagnation across all levels of retail real estate.

ITEMS TO NOTE:

Mission BBQ (3,525 sf), Mattress Warehouse (4,000 sf), The Good Feet Store (1,650 sf), and Rockville-based Japanese specialty eatery Kyoto Matcha (2,103 sf) have signed new leases at Hunt Valley Towne Centre. The new retailers will join Onelife Fitness as a newcomer to Hunt Valley.

The popular Crooked Crab Brewing Co. signed a deal to more than double its brewery space in Anne Arundel County, growing their footprint at 8251 Telegraph Road in Odenton by 8,580 sf, stretching to nearly 15,000 square feet when it opens early next year.

Sake Japanese Steakhouse will open a second location at Foundry Row later this year. The 5,556 sf restaurant will be located next to the center's anchor, Wegmans.

Southern Spice has opened in Cross Street Market. They are presenting their southern style menu in the stall that Royal Farms Chicken vacated earlier in the year.

Agave Mexican Restaurant & Tequila Bar will be the new anchor of 106 Annapolis St. The restaurant will occupy the 15,000 sf first floor after construction is complete and expect to open fall of 2022.

Two personal grooming centers, one for men and one for women, are coming to the Shops at Kenilworth. Roosters Men's Grooming Center has leased 1,520 sf and Meg Fox Aesthetics has leased 2,000 sf.

Arundel Mills is going to lose one of its 16 anchor tenants as Best Buy plans to close their doors. Best Buy will vacate at the end of October when their lease expires.

Harborplace saw the loss of another national retailer as Build-A-Bear clears out of their prime waterfront location. Harborplace is approximately 70% vacant.

Mark Sapperstein's 28 Walker Development applied for a zoning change to make a four-acre industrial plot at 1201 Haven St. off Boston St. into a commercial space. Sapperstein is eyeing the area, located just east of his Collective at Canton project, to develop a 6,000 sf retail space at the corner.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,064,539	9.99%	9.34%	9.32%	-32,942	-39,139	\$29.90	\$29.41	\$29.97
Baltimore City	19,029,393	4.60%	4.62%	5.18%	4,209	57,902	\$16.16	\$15.99	\$14.95
Baltimore County East	15,130,933	6.64%	7.15%	7.14%	76,658	98,700	\$14.87	\$15.07	\$15.24
Baltimore County West	7,402,050	5.45%	5.45%	5.43%	211	-959	\$21.37	\$20.81	\$20.87
BWI Corridor	9,049,195	3.34%	3.81%	3.65%	42,460	8,286	\$23.86	\$23.17	\$23.43
Carroll County	6,871,110	5.06%	4.55%	4.29%	-34,992	-25,580	\$16.56	\$15.53	\$15.06
Cecil County	3,055,262	5.65%	4.96%	5.69%	-21,072	1,829	\$16.73	\$16.65	\$17.53
Columbia	10,188,089	6.48%	6.64%	4.87%	16,289	-35,875	\$28.93	\$29.29	\$28.69
Harford County	10,538,457	8.11%	7.44%	8.56%	-70,652	54,731	\$19.16	\$18.74	\$19.04
Howard County West	736,737	3.02%	4.58%	6.29%	11,466	22,459	\$31.30	\$31.30	\$29.69
I-83 Corridor	5,248,413	6.48%	6.48%	7.95%	405	73,299	\$21.46	\$22.32	\$24.73
Reisterstown Rd Corridor	7,806,091	10.57%	7.94%	8.31%	-205,137	-172,179	\$17.58	\$18.14	\$20.37
Route 2 Corridor	10,758,396	7.74%	8.16%	7.92%	45,470	115,286	\$18.39	\$18.61	\$19.18
Towson	5,267,440	5.11%	5.41%	3.81%	15,849	-12,121	\$24.74	\$26.99	\$21.98
Totals/Averages	116,146,105	6.38%	6.25%	6.29%	-151,778	146,639	\$19.98	\$20.00	\$19.93



RETAIL INDICATORS

Market Size
116,146,105

Building Count
4,557

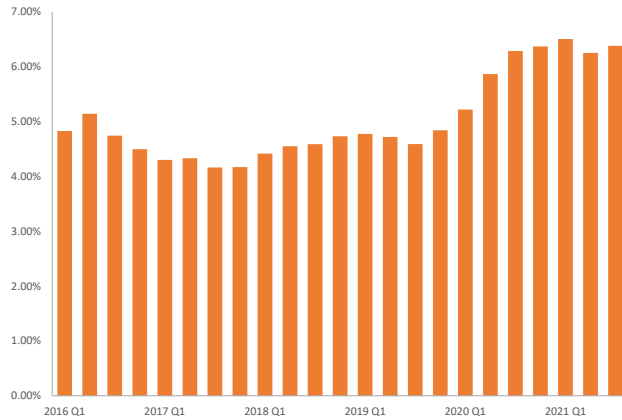
Absorption
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YTD Absorption
146,639

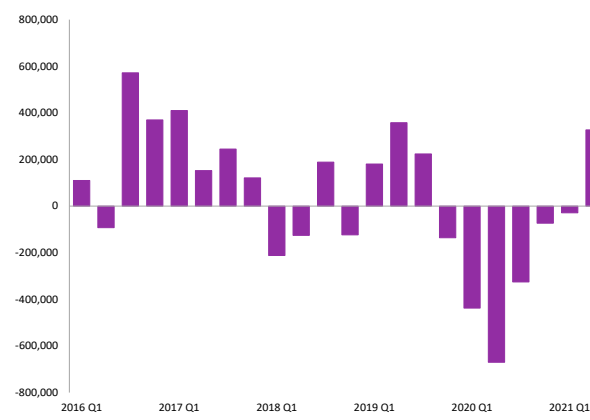
Vacancy
6.38%

Rental Rate
\$19.98

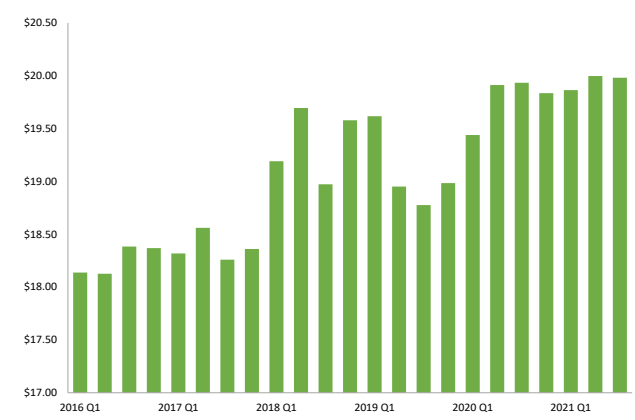
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Howard County West	3.02%
2	BWI	3.34%
3	Baltimore City	4.60%

Highest Vacancy

1	Reisterstown Rd Corridor	10.57%
2	Annapolis	9.99%
3	Harford County	8.11%

Most Change vs. Prior Quarter

-	Howard County West	-1.56%
+	Reisterstown Rd Corridor	2.63%

Lowest Net Absorption

1	Reisterstown Rd Corridor	-205,137
2	Harford County	-70,652
3	Carroll County	-34,992

Highest Net Absorption

1	Baltimore County East	76,658
2	Route 2 Corridor	45,470
3	BWI	42,460

Most Absorption, Year-to-Date

-	Reisterstown Rd Corridor	-172,179
+	Route 2 Corridor	115,286

Cheapest Rates

1	Baltimore County East	\$14.87
2	Baltimore City	\$16.16
3	Carroll County	\$16.56

Most Expensive Rates

1	Howard County West	\$31.30
2	Annapolis	\$29.90
3	Columbia	\$28.93

Most Change vs. Prior Quarter

-	Towson	-\$2.25
+	Carroll County	\$1.03

LEASE TRANSACTIONS

Location	Region	Tenant	Leased
7000 Arundel Mills Cir.	BWI Corridor	Sun & Ski Sports	30,000
5 Belair S Pkwy.	Harford County	Burlington	24,671
9900-9960 Reisterstown Rd.	Reisterstown Rd Cor.	Michael's	23,045
2105-2109 Eastern Blvd.	Baltimore County E	Exotic Haus Furniture	22,670

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size
Columbia East Marketplace	BWI Corridor	\$38,750,000	\$224.41	172,676
540 Benfield Rd.	Route 2 Corridor	\$21,000,000	\$444.99	47,192
9251 Baltimore National Pike	Columbia	\$5,700,000	\$531.42	10,726
400 W Padonia Rd.	I-83 Corridor	\$5,500,000	\$887.67	6,196

* Renewal

RETAIL OVERVIEW (DC METRO)

THIRD QUARTER | 2021



OFFICE INDICATORS

Market Size
80,582,828

Building Count
2,777

Absorption
174,690

YTD Absorption
-82,594

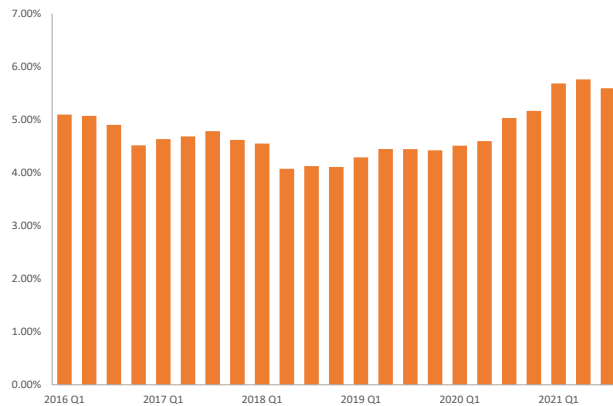
Vacancy
5.59%

Rental Rate
\$24.71

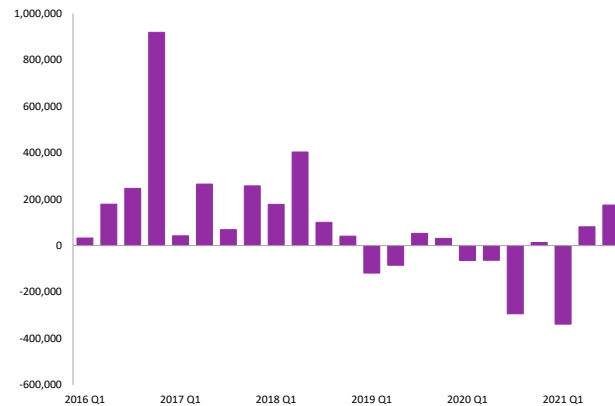
THE NUMBERS

	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	12,024,390	8.34%	8.60%	7.89%	36,502	114,270	\$18.94	\$18.05	\$18.58
Montgomery Co. North	10,653,439	2.75%	3.48%	3.20%	112,829	169,848	\$25.53	\$25.86	\$25.43
Montgomery Co. South; Rockville/Bethesda	17,660,904	5.53%	5.33%	5.07%	-36,359	-67,536	\$30.50	\$30.84	\$32.02
Prince George's Co. North	22,331,431	5.61%	5.90%	5.19%	65,751	-42,294	\$22.50	\$22.73	\$20.57
Prince George's Co. South	12,167,815	4.02%	3.94%	3.51%	-9,291	-41,150	\$24.66	\$26.43	\$20.42
Silver Spring North/29	3,142,145	12.15%	11.97%	4.77%	-5,659	-234,779	\$25.22	\$24.89	\$25.15
Silver Spring South	2,602,704	4.17%	4.59%	5.19%	10,917	19,047	\$27.31	\$25.78	\$26.86
Totals	80,582,828	5.59%	5.76%	5.03%	174,690	-82,594	\$24.71	\$24.96	\$23.80

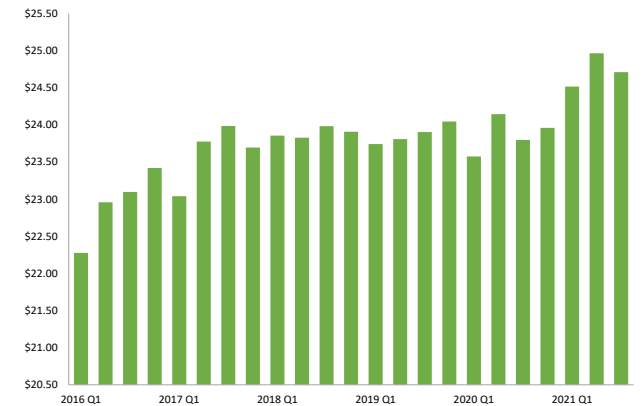
VACANCY



NET ABSORPTION



RENTAL RATES



LEASE TRANSACTIONS

Location	Region	Tenant	Leased
313 Ballenger Center Dr.	Frederick County	Lightbridge Academy	10,195
5330 Wisconsin Ave.	Montgomery County S	The Heights Food Hall	10,105
10107 Darnestown Rd.	Montgomery County S	Guidepoint Montessori	9,415

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size
8 Shopping Centers	Montgomery County N	\$168,300,000	\$232.74	723,118
11130-11134 Rockville Pike	Montgomery County S	\$7,800,000	\$325.00	24,000
18062-18070 Georgia Ave.	Montgomery County N	\$7,750,000	\$707.76	10,950