



RETAIL INDICATORS

Market Size
115,752,506

Building Count
4,593

Absorption
162,434

YTD Absorption
386,553

Vacancy
6.2%

Rental Rate
\$20.25/sf

2ND QUARTER SUMMARY

As leasing activity increased during the 2nd Quarter, vacancy rates continued a downward trend indicating an active deal-making environment regardless of external economic factors, nearly 80,000 sf of new retail being delivered to the market, and the rising tide of higher interest rates. Within the industry spirits were high at this year's ICSC Global Retail Convention in Las Vegas; Maryland had a substantial presence of many leading industry attorneys, elected officials, brokers, and developers. This year's convention revealed some evolving trends, gone were the mega-booths for Chick-fil-a, Starbucks, and Walgreens; instead, the convention floor was occupied by newer faces: hotels, car wash operators, children's learning centers, and national self-storage brands to name a few. Retailers intending to expand through new construction continue to face rising construction costs, extended time frames due to a shortage of materials and staffing, and delays in local occupancy permitting. Tenants continue to seek Class A, second generation restaurant spaces; however, the inventory has been depleted due to the dramatic demand and absorption during late 2021 and start of 2022. The recent rise in triple net expenses is also keeping landlords and tenants alike on their toes. Activity in Baltimore City has seen little movement, though the overall vacancy rate is still among the lowest in the Baltimore Metro area at 5.2%. Annapolis is boasting one of the highest average rental rates at more than \$30.68/sf but also has the highest vacancy at 13%, mostly due to the large footprints of space available at the mall. The recent acquisition of Harbor Place by MCB Real Estate spreads hope among locals that a new Baltimore City center point will bring life back into this once thriving, waterfront tourist attraction. Though success will not be overnight since a project of this scale will take years to develop from concept to completion; however, having a local, experienced, and talented firm spearhead the initiative is certainly a positive going into the balance of 2022.

ITEMS TO NOTE:

Brightside Boutique will move its Fells Point store to 830 Aliceanna St. in Harbor East. The new location will be larger and offer a better in-store shopping experience.

A 48,000 sf retail condo at Towson Commons sold for \$10.3M. Located at 435 York Rd., it was fully leased to L.A. Fitness at the time of sale.

Farm Charm, a family-owned home décor business, has opened its second location totaling 4,700 sf at Waterside Village in Easton.

Urbano Mexican Fare will open at Annapolis Town Center in early 2023. The 5,000 sf restaurant will be able to seat 150 people, design inspired by downtown Mexico City.

Rosedale Federal Savings & Loan Association signed a lease for a free-standing building at 1730 York Rd. in Timonium, MD. This location represents the 10th full-service branch office for the locally operated financial institution.

Café Hon in Hampden has been leased by Foreman Wolf and they have only said, "we have something really interesting coming that we are very excited about."

Continental Realty Corp. sold the Merritt Manor Shopping Center in Dundalk to Abrams Development for \$11.9 Million. The 88,332 sf center is located on Merritt Blvd. and was 96% leased at the time of sale.

Giant Food will replace outgoing Shoppers at the Southside Marketplace located at 857 E. Fort Ave. in Locust Point. Giant plans to open by the end of 2022.

Aldi has opened its fourth location in Anne Arundel County and is the new anchor of Robinson Crossing Shopping Center. Located at 484 Ritchie Hwy in Severna Park, this newest location is a little over 22,000 sf.

The Goddard School announced it will open its fourth Greater Baltimore location in early 2023. The new facility will be 15,000 sf and located at 1111 Key Hwy in Locust Point across from the Domino Sugar Plant.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,213,388	13.0%	13.7%	12.2%	37,573	-8,584	\$30.68	\$30.63	\$30.10
Baltimore City	19,168,172	5.2%	5.1%	5.2%	58,208	103,725	\$17.32	\$16.28	\$17.00
Baltimore County East	15,174,384	4.9%	5.4%	7.0%	75,994	212,748	\$15.30	\$15.16	\$15.10
Baltimore County West	7,401,580	6.1%	5.8%	5.4%	-22,288	-32,776	\$19.70	\$19.60	\$20.85
BWI Corridor	9,033,341	2.6%	3.8%	5.3%	107,064	109,911	\$23.38	\$24.20	\$23.46
Carroll County	6,856,745	3.3%	4.0%	4.6%	48,348	82,608	\$16.32	\$16.54	\$15.63
Cecil County	3,152,814	6.2%	5.4%	4.8%	-25,434	-30,293	\$13.98	\$14.35	\$14.49
Columbia	10,253,812	5.2%	5.4%	6.6%	15,660	70,783	\$31.18	\$32.30	\$31.56
Harford County	10,344,812	6.2%	6.4%	6.6%	22,299	51,930	\$20.95	\$21.98	\$19.46
Howard County West	768,849	4.5%	4.5%	4.5%	-499	-12,499	\$19.45	\$19.25	\$32.38
I-83 Corridor	5,055,990	7.4%	7.4%	8.6%	393	82,359	\$21.37	\$21.30	\$22.40
Reisterstown Rd Corridor	7,342,194	10.5%	10.6%	7.7%	18,639	-26,678	\$16.45	\$17.38	\$17.93
Route 2 Corridor	10,681,811	10.3%	8.6%	8.4%	-179,564	-234,861	\$17.92	\$18.07	\$18.52
Towson	5,304,614	4.7%	4.8%	5.4%	6,041	18,180	\$25.56	\$25.56	\$32.66
Totals/Averages	115,752,506	6.2%	6.3%	6.6%	162,434	386,553	\$20.25	\$20.40	\$20.70



RETAIL INDICATORS

Market Size
115,752,506

Building Count
4,593

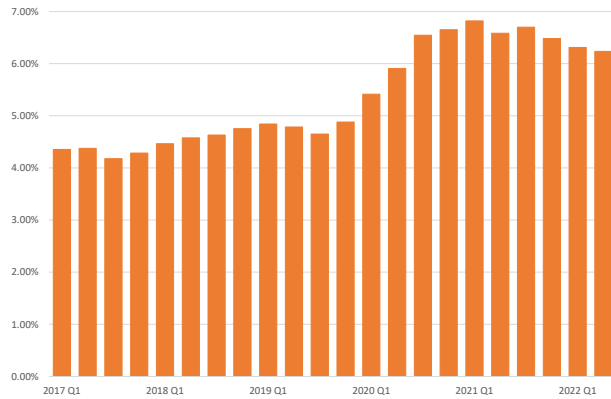
Absorption
162,434

YTD Absorption
386,553

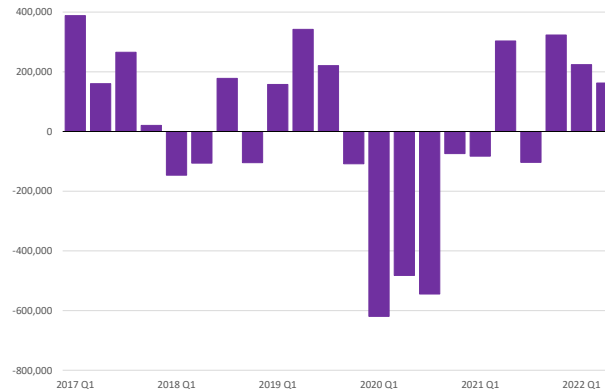
Vacancy
6.2%

Rental Rate
\$20.25/sf

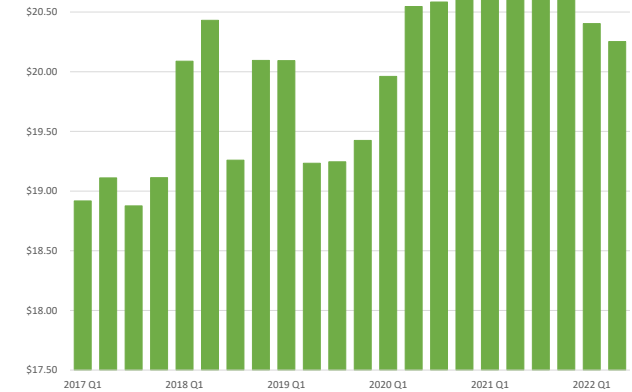
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1 BWI	2.6%
2 Carroll County	3.3%
3 Howard County West	4.5%

Highest Vacancy

1 Annapolis	13.0%
2 Reisterstown Rd Corridor	10.5%
3 Route 2 Corridor	10.3%

Most Change vs. Prior Quarter

- BWI	-1.22%
+ Route 2 Corridor	+1.72%

Lowest Net Absorption

1 Route 2 Corridor	-179,564
2 Cecil County	-25,434
3 Baltimore County West	-22,288

Highest Net Absorption

1 BWI	107,064
2 Baltimore County East	75,994
3 Baltimore City	58,208

Most Absorption, Year-to-Date

- Route 2 Corridor	-234,861
+ Baltimore County East	131,004

Cheapest Rates

1 Cecil County	\$13.98
2 Baltimore County East	\$15.30
3 Carroll County	\$16.32

Most Expensive Rates

1 Columbia	\$31.18
2 Annapolis	\$30.68
3 Towson	\$25.56

Most Change vs. Prior Quarter

- Columbia	-\$1.12
+ Baltimore City	+\$1.04

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
1900 Pulaski Hwy.	Harford County	Gabe's	50,000
857 E Fort Ave.	Baltimore SE	Giant Food	44,264
2452 Solomons Island Rd.	Annapolis	Landmark Theater	36,000
11989 Reisterstown Rd.*	BWI Corridor	Planet Fitness	16,783

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Perry Hall Square & Center	Baltimore County E	\$45,700,000	\$197.19	231,754
9909-9999 Pulaski Hwy.	Baltimore County E	\$25,436,250	\$121.21	209,851
1123-1215 Merritt Blvd.	Baltimore County E	\$11,900,000	\$134.72	88,332
1 W Pennsylvania Ave.	Towson	\$10,375,000	\$216.15	48,000

* Renewal, Expansion, or Sublease

RETAIL OVERVIEW (DC METRO)

SECOND QUARTER | 2022



OFFICE INDICATORS

Market Size
80,228,013

Building Count
2,779

Absorption
-433,338

YTD Absorption
-382,002

Vacancy
6.2%

Rental Rate
\$26.44/sf

THE NUMBERS

MARKET SIZE

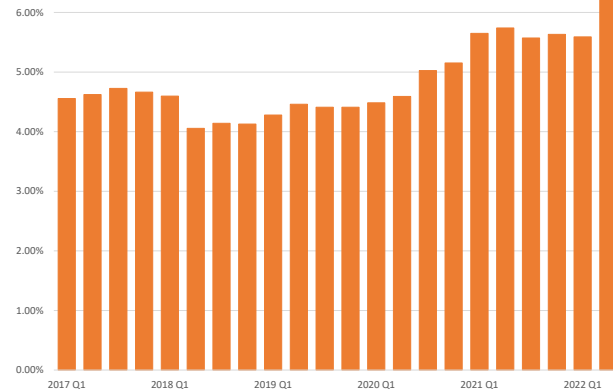
VACANCY %

ABSORPTION

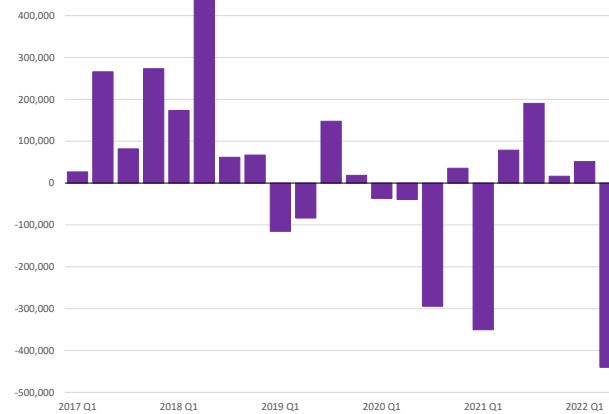
RENTAL RATES

	Market Size	Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	12,226,956	7.2%	7.3%	8.4%	5,973	106,837	\$21.06	\$22.01	\$18.83
Montgomery Co. North	10,796,062	6.6%	2.2%	3.3%	-462,707	-409,938	\$26.41	\$26.67	\$26.58
Montgomery Co. South; Rockville/Bethesda	17,419,235	6.2%	5.9%	5.3%	-43,165	-68,783	\$32.47	\$31.29	\$30.50
Prince George's Co. North	22,122,354	5.7%	5.6%	6.0%	57,866	97,906	\$25.26	\$24.75	\$23.35
Prince George's Co. South	12,181,069	5.0%	5.0%	3.9%	-227	-1,254,666	\$24.92	\$25.04	\$27.86
Silver Spring North/Route 29	3,134,955	12.1%	12.0%	12.0%	-2,270	7,695	\$25.10	\$25.21	\$24.97
Silver Spring South	2,347,382	3.9%	4.4%	5.1%	11,082	9,747	\$30.82	\$31.39	\$26.90
Totals	80,228,013	6.2%	5.6%	5.7%	-433,448	-382,002	\$26.44	\$26.27	\$25.50

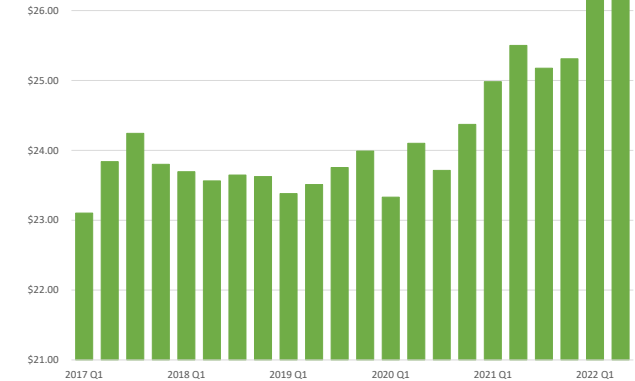
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NET ABSORPTION



RENTAL RATES



LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
5820 Silver Hill Rd.*	Prince George's County S	Shopper's	51,831
5520 Randolph Rd.	Montgomery County S	Planet Fitness	29,035
2400-2520 University Blvd. E*	Prince George's County N	Mega Farmers Market	21,111

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Gaithersburg Plaza	Montgomery County N	\$24,450,000	\$342.78	71,329
1845 Brookfield Ct.	Frederick County	\$6,350,000	\$97.69	65,000
4007 Norbeck Rd.	Montgomery County S	\$5,500,000	\$666.10	8,257

* Renewal, Expansion, or Sublease