



RETAIL INDICATORS

Market Size
116,040,191

Building Count
4,622

Absorption
355,915

YTD Absorption
750,001

Vacancy
6.3%

Rental Rate
\$20.94

4TH QUARTER SUMMARY

Demand remained strong entering into the last quarter of 2022. We continue to see the high majority of new retail leases from the fast food/quick serve industry with new transactions from Popeyes, Raising Canes, Taco Bell, Chipotle, and numerous others. As in years past, the food sector continues to represent more than 70% of the new retail leases. Vacancy rates across the Baltimore Market hit 6.2% entering the last quarter of 2022, and we expect this rate to drop further into 2023, given the lack of new retail properties and land sites, with continued demand from strong regional and national operators looking to enter the Baltimore market. With the recent rise in interest rates and the inflation of goods, we expect a slight softening in capitalization rates and asset values on retail net leases. The continued demand for highly visible and accessible properties, combined with shrinking inventory, will impact average retail rents. We expect marginal increases going into 2023, with higher rents a sign of landlords of “A” properties willing to demonstrate patience for above market deals. Currently, average rental rates for the Baltimore Metropolitan area are \$20.94/sf. Columbia, Annapolis, and the I-83 Corridor command some of the higher rents at \$31.24, \$30.69, and \$28.18/sf, respectively. Absorption for the area ended on the positive side, 750,000 sf. Majority of this took place in Baltimore County East, BWI Corridor, and Harford County.

ITEMS TO NOTE:

The historic Alexander Brown & Sons building, located at 135 E. Baltimore St., will reopen as Zander's restaurant this spring. The new 16,638 sf restaurant will serve a 1920's-themed menu.

The Baltimore Arena has a new name, The CFG Bank Arena. The \$200 million renovation on the 15,000-person capacity arena is set to be complete by the first quarter of 2023.

PNC Financial Services Group announced it will be closing 32 branches, across ten states, with six locations in Maryland. All Maryland branches are scheduled to close 1Q2023 and are located inside a Giant grocery store.

After 50 years, Bertha's Mussels in Fells Point is closing as the family is ready to pursue other interests. The property was up for auction; at the last minute it was abruptly cancelled.

The Save-A-Lot anchored East Drive Shopping Center located in Arbutus sold for \$5.7 million. The 65,000 sf center is located at 5101-5209 East Drive in the BWI Corridor and spans 6.4 acres of land.

Giant Food opened their first new location in Baltimore City in over a decade. The 44,000 sf store is in Southside Marketplace in Locust Point.

SECU has announced plans to open a bank branch at 250 W. Pratt Street next to Starbucks.

MCB Real Estate received approval to buy Harborplace and has plans to kick off a reinvention of the landmark that currently has a 75% vacancy rate despite is prime location.

Church Square Shopping Center, a 44,252 sf building sold for \$6.5 million. The property is located a few blocks from Johns Hopkins Medical Campus at 923 N. Caroline Street in East Baltimore and is fully leased.

Belvedere Square, a 101,000 square foot shopping center located in Baltimore City East, traded hands for an undisclosed amount. War Horse Cities sold the property to Bethesda based Premier Management Services, Inc.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,247,385	12.8%	12.9%	12.8%	17,700	13,544	\$30.69	\$30.69	\$30.10
Baltimore City	19,317,102	7.2%	7.1%	6.0%	70,629	-15,728	\$17.55	\$16.57	\$17.77
Baltimore County East	15,215,977	4.9%	5.0%	6.5%	24,712	267,937	\$16.08	\$15.62	\$15.35
Baltimore County West	7,417,317	5.8%	6.1%	5.7%	21,184	-11,175	\$18.36	\$19.74	\$21.87
BWI Corridor	9,078,798	2.7%	2.8%	3.8%	12,536	125,844	\$25.37	\$24.84	\$24.48
Carroll County	6,898,848	2.7%	2.8%	3.8%	15,254	100,753	\$16.99	\$16.24	\$16.17
Cecil County	3,160,444	5.3%	5.9%	5.3%	18,101	-2,347	\$14.10	\$14.10	\$14.56
Columbia	10,092,076	4.7%	4.9%	5.4%	17,121	68,243	\$31.24	\$31.35	\$30.52
Harford County	10,398,568	5.7%	6.0%	6.6%	29,370	119,016	\$21.64	\$21.49	\$20.51
Howard County West	718,332	5.0%	4.7%	3.1%	3,562	-7,337	\$24.75	\$24.54	\$26.32
I-83 Corridor	5,080,868	7.3%	7.4%	9.0%	6,548	92,397	\$28.18	\$21.37	\$21.73
Reisterstown Rd Corridor	7,391,668	9.6%	10.2%	9.9%	44,491	48,809	\$20.69	\$16.45	\$17.87
Route 2 Corridor	10,699,875	10.0%	10.2%	8.6%	22,228	-150,406	\$15.55	\$16.40	\$18.39
Towson	5,322,933	3.4%	4.4%	5.3%	52,479	100,451	\$25.56	\$25.56	\$28.47
Totals/Averages	116,040,191	6.3%	6.5%	6.6%	355,915	750,001	\$20.94	\$20.22	\$20.76



RETAIL INDICATORS

Market Size
116,040,191

Building Count
4,622

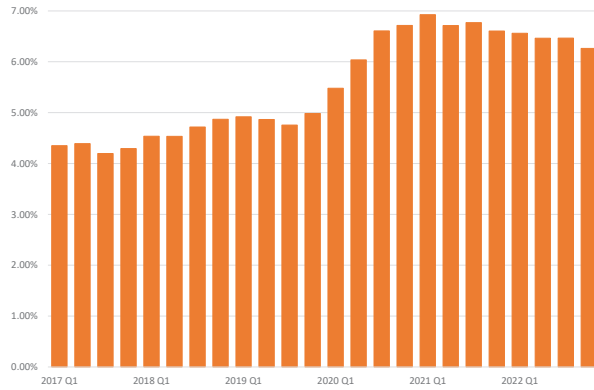
Absorption
355,915

YTD Absorption
750,001

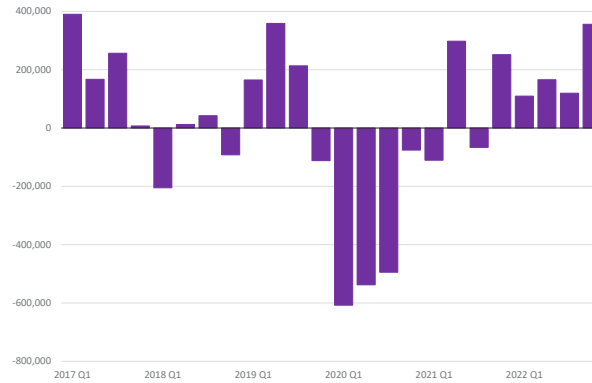
Vacancy
6.3%

Rental Rate
\$20.94

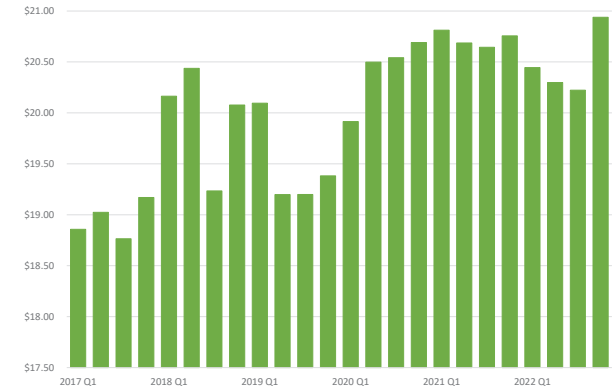
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	BWI	2.7%
2	Carroll County	2.7%
3	Towson	3.4%

Highest Vacancy

1	Annapolis	12.8%
2	Route 2 Corridor	10.0%
3	Reisterstown Rd Corridor	9.6%

Most Change vs. Prior Quarter

-	Towson	-1.03%
+	Howard County West	0.26%

Lowest Net Absorption

1	Howard County West	3,562
2	I-83 Corridor	6,548
3	BWI	12,536

Highest Net Absorption

1	Baltimore City	706,29
2	Towson	52,479
3	Reisterstown Rd Corridor	44,491

Most Absorption, Year-to-Date

-	Baltimore City	-154,828
+	Harford County	119,016

Cheapest Rates

1	Cecil County	\$14.10
2	Baltimore County East	\$15.62
3	Carroll County	\$16.24

Most Expensive Rates

1	Columbia	\$31.35
2	Annapolis	\$30.69
3	Towson	\$25.56

Most Change vs. Prior Quarter

-	Baltimore County West	-\$1.38
+	I-83 Corridor	\$6.81

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
6901 Security Blvd.	Baltimore County West	CubeSmart	115,000
7383 Baltimore Annapolis Blvd.	Route 2 Corridor	AutoZone	52,706
711-733 W 40th St.	Baltimore City	Warehouse Cinemas	33,759
3591-3595 Washington Blvd.	BWI Corridor	Ross Dress for Less	21,064

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Waverly Woods Village Ctr.	Columbia	\$22,500,000	\$198.20	113,523
4320 Forge Rd.	Baltimore Co. East	\$7,376,033	\$563.49	13,090
901-937 N Caroline St.	Baltimore City	\$6,500,000	\$124.59	52,170
5201-5207 East Dr.	BWI Corridor	\$5,721,500	\$114.61	49,920

* Renewal, Expansion, or Sublease

RETAIL OVERVIEW (DC METRO)

FOURTH QUARTER | 2022



OFFICE INDICATORS

Market Size
80,474,209

Building Count
2,783

Absorption
327,624

YTD Absorption
750,463

Vacancy
5.7%

Rental Rate
\$26.32

THE NUMBERS

MARKET SIZE

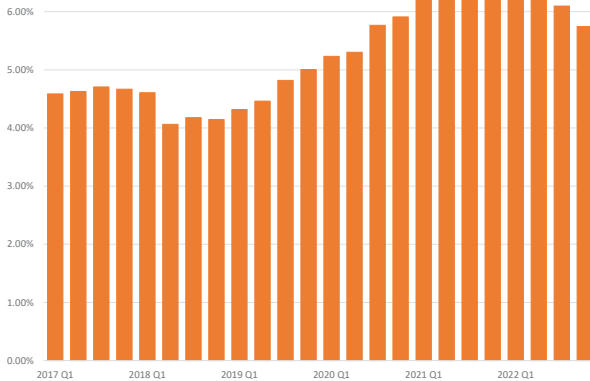
VACANCY %

ABSORPTION

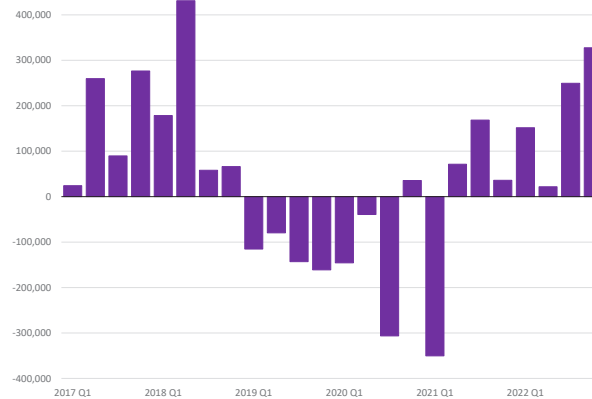
RENTAL RATES

	MARKET SIZE	Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	12,229,318	6.7%	6.9%	7.9%	27,594	151,217	\$20.61	\$20.48	\$19.67
Montgomery Co. North	10,814,481	6.4%	6.9%	7.1%	50,921	83,024	\$27.76	\$27.21	\$25.27
Montgomery Co. South; Rockville/Bethesda	17,642,818	4.5%	4.8%	5.6%	41,774	212,595	\$31.54	\$32.02	\$28.93
Prince George's Co. North	21,972,580	6.0%	6.2%	6.3%	40,636	129,909	\$25.35	\$25.63	\$24.64
Prince George's Co. South	12,321,508	4.5%	5.4%	4.0%	169,469	95,024	\$22.98	\$28.52	\$25.16
Silver Spring North/Route 29	3,145,389	12.2%	11.8%	12.3%	-13,296	874	\$28.49	\$25.11	\$25.27
Silver Spring South	2,348,115	2.5%	3.0%	4.4%	10,526	77,820	\$33.81	\$30.82	\$27.72
Totals	80,474,209	5.7%	6.1%	6.3%	327,624	750,463	\$26.32	\$27.03	\$25.10

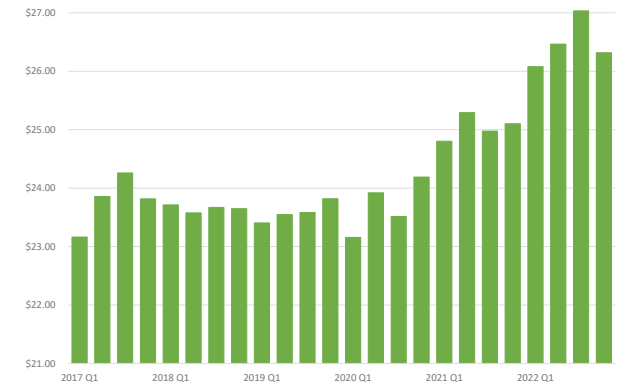
VACANCY



NET ABSORPTION



RENTAL RATES



LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
12655 Laurel Bowie Rd.	Prince George's County N	Mattress World	25,917
7330 Guilford Dr.	Frederick County	Partner Veterinary	20,423
5200 Nicholson Ln.	Montgomery County S	Confidential	16,331

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
8145-8147 Baltimore Ave.	Prince George's Co.	\$30,000,000	\$1,175	25,528
22702 Gosnell Farm Dr.	Montgomery Co. N	\$8,200,000	\$1,025	8,000
6411 Riggs Rd.	Prince George's Co.	\$6,500,000	\$65.52	99,200

* Renewal, Expansion, or Sublease