



RETAIL INDICATORS

Market Size
116,652,299

Building Count
4,700

Absorption
13,288

YTD Absorption
301,564

Vacancy
6.22%

Rental Rate
\$20.42

4TH QUARTER SUMMARY

As leasing activity increased throughout 2023, vacancy rates continued a downward trend indicating an active deal-making environment regardless of external economic factors. Unlike office properties, retail has experienced positive absorption to the tune of over 300,000 sf. Out of the 250,000 sf of new retail space delivered in 2023, only 11,000 square feet was actively available for lease at the end of the fourth quarter 2023. Vacancy rates for the Baltimore Market ended slightly higher than last quarter at 6.22%, still lower than the end of 2022 when it was 6.30%. BWI corridor saw historically low vacancy at 2.1% as rental rates stayed in the mid-\$20's. Annapolis is boasting one of the highest average rental rates at more than \$30.00/sf but also has the highest vacancy at 12.27%, primarily due to large footprints of space available at the mall. Rates continue to fluctuate across the board from year to year; however the I-83 Corridor appears to have taken one of the largest hits with rates dropping more than \$3.50/sf over the past year. High triple net expenses and interest rates are also keeping landlords and tenants alike on their toes when negotiating deals for the future. Notably, the largest retail lease signed in 2023 was with Coppermine, who took over the former Bel Air Athletic Club. The transaction was brokered by the MacKenzie team of Michael Ruocco and Tim Harrington, who represented the landlord, Newton, MA based RMR Group. Grocery Outlet expanded its reach by securing multiple leases across the market, but the majority of deals are below 5,000 sf. Overall, there are no indications that 2024 will witness a slowdown in the real estate market.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,270,699	12.27%	12.70%	12.80%	28,015	33,160	\$30.31	\$30.94	\$30.69
Baltimore City	19,053,578	7.13%	6.85%	7.20%	9,705	42,666	\$18.31	\$18.89	\$17.63
Baltimore County East	15,491,129	5.44%	5.29%	4.90%	-23,085	-51,025	\$15.66	\$15.86	\$16.08
Baltimore County West	7,479,929	5.90%	5.83%	5.80%	-15,188	2,059	\$18.54	\$21.23	\$18.36
BWI Corridor	9,152,626	2.10%	2.45%	2.70%	39,608	82,675	\$25.35	\$25.48	\$24.83
Carroll County	6,895,325	2.50%	2.35%	2.70%	-4,135	22,883	\$16.19	\$15.95	\$16.99
Cecil County	3,227,740	4.64%	5.34%	5.30%	30,281	20,523	\$13.94	\$13.94	\$14.10
Columbia	10,097,748	4.43%	4.31%	4.70%	-10,144	40,994	\$29.61	\$30.71	\$31.09
Harford County	10,523,576	5.79%	5.92%	5.70%	6,318	-11,587	\$20.34	\$20.60	\$21.64
Howard County West	746,161	4.51%	4.10%	5.00%	-3,605	11,655	\$27.18	\$26.52	\$24.75
I-83 Corridor	5,204,958	6.90%	6.41%	7.30%	-13,371	29,994	\$25.19	\$21.16	\$28.95
Reisterstown Rd Corridor	7,457,878	10.90%	9.70%	9.60%	-45,054	1,787	\$18.05	\$23.59	\$20.69
Route 2 Corridor	10,644,275	9.57%	9.30%	10.00%	1,710	47,548	\$16.25	\$14.92	\$15.39
Towson	5,406,677	3.13%	3.38%	3.40%	12,233	28,232	\$24.32	\$24.32	\$25.60
Totals/Averages	116,652,299	6.22%	6.09%	6.30%	13,288	301,564	\$20.42	\$20.91	\$20.93

ITEMS TO NOTE:

Just one year after opening, Baltimore's Topgolf has been listed for sale at almost \$60 million. Located near M&T Stadium, the upscale facility will sell with a 20-year lease with Topgolf.

The three Wilkins auto dealerships located on Ritchie Highway in Glen Burnie sold for over \$15 million to i.g. Burton. The dealerships will remain operational under the new owner and total over 63,000 sf between the four buildings.

As \$1 billion in debt comes due, Pennsylvania Real Estate Investment Trust (PRIET) files for Chapter 11 in a U.S. Bankruptcy Court with a restructuring deal already in place. PREIT owns three malls in Maryland, Valley Mall, Francis Scott Key Mall and the Mall at Prince George's.

After over 20 years at Village of Cross Keys, an anchor tenant, Talbots, has closed for good. Talbots was unable to negotiate a lease for a smaller space that fits into the plan as the center is in the midst of a complete overhaul by the new owners, Caves Valley.

Baltimore City Planning Commission unanimously approved three crucial bills regarding the redevelopment of Harborplace. MCB Real Estate plans to redevelop Harborplace, creating a harmonious mix of residential, retail, office and entertainment that is pedestrian friendly.

McAlister's Deli has chosen 500 Pratt Street to be its first Maryland location. The Pratt Street location will open in the middle of 2024. This new location is part of an aggressive expansion plan (through franchising) that began in 2021. Currently the company has 570 delis in 29 states.

Truist Financial Corporation will close four branches in Maryland during the first quarter of 2024. The current closures are all in Prince George's County; the Baltimore Market will keep its branches open. Truist stated that a lack of foot traffic and transaction volume is what led to the current closures.



RETAIL INDICATORS

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116,652,299

Building Count
4,700

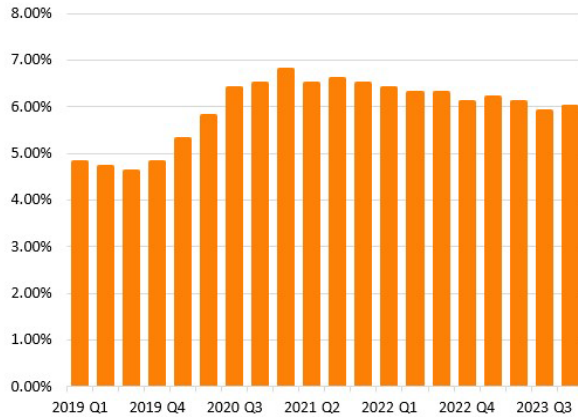
Absorption
13,288

YTD Absorption
301,564

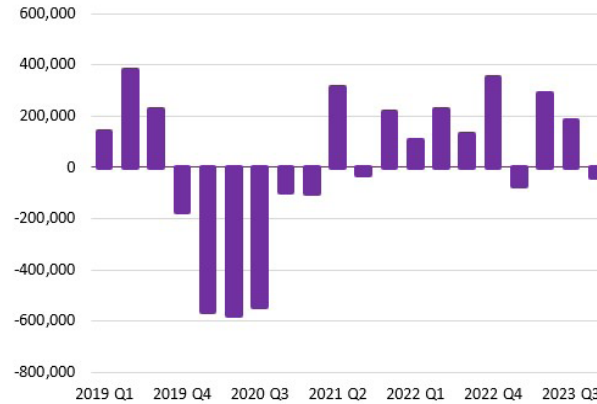
Vacancy
6.22%

Rental Rate
\$20.42

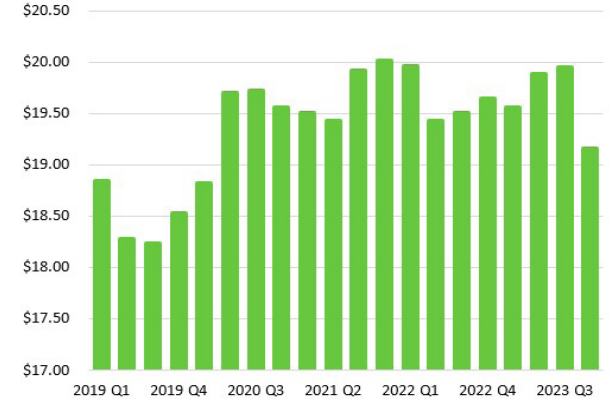
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1 BWI Corridor	2.10%
2 Carroll County	2.50%
3 Towson	3.13%

Highest Vacancy

1 Annapolis	12.27%
2 Reisterstown Rd Corridor	10.90%
3 Route 2 Corridor	9.57%

Most Change vs. Prior Quarter

- Cecil County	-0.69%
+ Reisterstown Rd Corridor	1.20%

Lowest Net Absorption

1 BWI Corridor	39,608
2 Cecil County	30,281
3 Annapolis	28,015

Highest Net Absorption

1 Reisterstown Rd Corridor	-45,054
2 Baltimore County East	-23,085
3 Baltimore County West	-15,188

Most Absorption, Year-to-Date

- Baltimore County East	-51,025
+ BWI Corridor	82,675

Cheapest Rates

1 Cecil County	\$13.94
2 Baltimore County East	\$15.66
3 Carroll County	\$16.19

Most Expensive Rates

1 Annapolis	\$30.31
2 Columbia	\$29.61
3 Howard County West	\$27.18

Most Change vs. Prior Quarter

- Reisterstown Rd Corridor	-\$5.54
+ I-83 Corridor	\$4.03

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
200 Clifton Blvd.	Carroll County	Grocery Outlet	25,079
11716 Reisterstown Rd.	Reisterstown Rd Corridor	Harbor Freight	20,625
78 Mountain Rd.	Route 2 Corridor	Grocery Outlet	17,500
101 W. Fayette St.	Baltimore City	In The Dark Circus Arts	12,240

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
6913-6925 Ritchie Hwy.	Route 2 Corridor	\$15,025,000	\$254	59,200
6405- 6425 Dobbin Center Way	Columbia	\$5,550,000	\$683	8,128
5720 Reisterstown Rd.	Baltimore City	\$4,125,000	\$103	40,148
409 Constant Friendship Blvd	Harford County	\$3,700,000	\$81	45,463

* Renewal, Expansion, or Sublease

RETAIL OVERVIEW (DC METRO)

FOURTH QUARTER | 2023



RETAIL INDICATORS

Market Size
80,503,208

Building Count
2,805

Absorption
7,697

YTD Absorption
-209,086

Vacancy
5.94%

Rental Rate
\$28.43

THE NUMBERS

MARKET SIZE

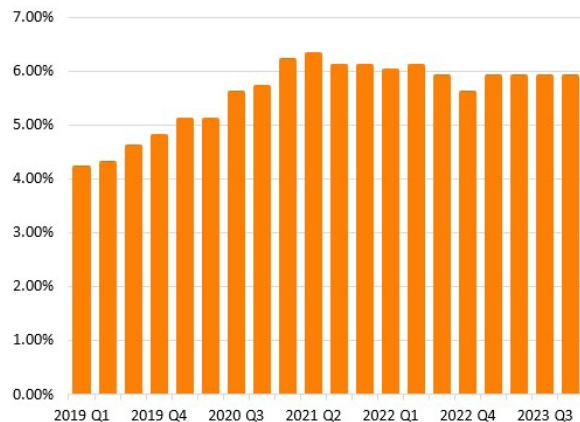
VACANCY %

ABSORPTION

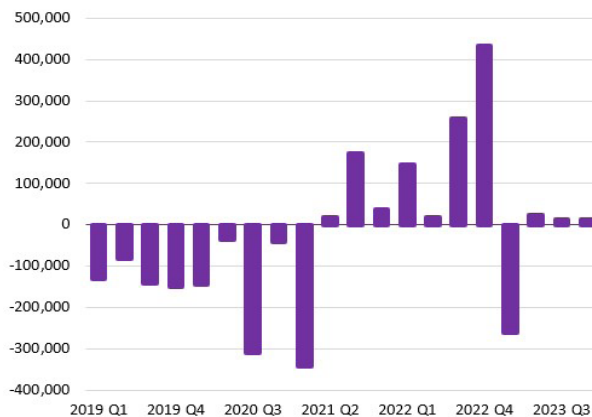
RENTAL RATES

	Market Size	Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	12,261,868	5.46%	6.41%	6.70%	106,662	129,252	\$22.75	\$23.83	\$20.34
Montgomery Co. North	10,878,202	8.70%	8.41%	6.40%	8,180	-228,623	\$30.17	\$29.99	\$27.76
Montgomery Co. South; Rockville/Bethesda	17,791,986	4.40%	4.37%	4.50%	-16,080	33,666	\$34.10	\$33.58	\$31.54
Prince George's Co. North	21,921,509	6.39%	6.16%	6.00%	-66,540	-77,492	\$24.56	\$24.31	\$25.58
Prince George's Co. South	12,284,517	4.90%	4.65%	4.50%	-32,883	-38,609	\$26.22	\$27.73	\$23.43
Silver Spring North/Route 29	3,006,789	10.31%	10.49%	12.20%	-1,253	-24,993	\$37.64	\$34.84	\$28.49
Silver Spring South	2,358,337	2.85%	3.27%	2.50%	9,611	-2,287	\$42.85	\$42.85	\$33.81
Totals	80,503,208	5.94%	5.96%	5.70%	7,697	-209,086	\$28.43	\$28.51	\$26.42

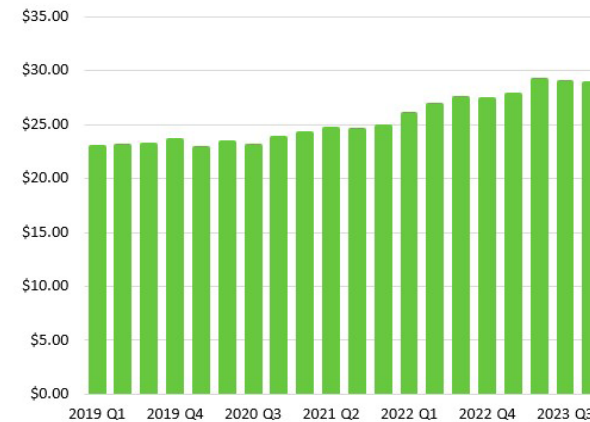
VACANCY



NET ABSORPTION



RENTAL RATES



LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
Frederick Rd.	Frederick County	Goodwill	18,000
3316 Donnell Dr.	Prince George's County	BioLife	15,235
5800 Silver Hill Rd.	Prince George's County	First Steps Early Learning Academy	10,440

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Potomac Promenade	Montgomery County S	\$75,780,275	\$722	104,935
17651 Redland Rd.	Montgomery County S	\$5,450,000	\$426	12,800
5818 Riggs Rd.	Prince George's County S	\$1,962,290	\$354	5,546

* Renewal, Expansion, or Sublease