



## RETAIL INDICATORS

Market Size  
**117,626,030**

Building Count  
**4,752**

Absorption  
**58,656**

YTD Absorption  
**113,348**

Vacancy  
**6.08%**

Rental Rate  
**\$20.27/sf**

## 3RD QUARTER SUMMARY

The retail market in Baltimore is experiencing a mix of resilience, challenges, and opportunities. Despite a backdrop of continued economic uncertainty and evolving consumer behaviors, the region has shown strong demand for retail space, with low vacancy rates. The retail environment has adapted to the post-pandemic environment. Many businesses are enhancing consumer experience by catering to the increased preferences for convenience, yet consumers are not challenging the higher prices. In fact, retailers are generating leases at above market rents in some instances.

The market is also facing pressures, including rising costs and an uptick in store closures, as some nationally branded retailers continue to struggle in the competitive landscape. Recent trends indicate a concerning wave of bankruptcies with companies like Big Lots, closing traditional big box locations as part of restructuring plans. In the third quarter alone Big Lots closed 302 locations nationwide with 5 located in Maryland; the average store size was 33,800 sf. Despite these closures, the overall demand for retail space in Baltimore remains robust, indicating that while challenges persist, opportunities for growth and adaptation also exist. This is evident by positive absorption this quarter bringing Baltimore's vacancy rate to 6% with overall rental rates having remained steady in the low to mid \$20's as a representation of the larger trade area.

It is too early to tell how a drop in interest rates will affect property sales as the latest reports still show ongoing inflation of consumer goods, and decreased spending. The average sale price of retail has increased from approximately \$119/psf at the start of the year to \$156/psf by the end of the third quarter. The largest retail transaction this year was the sale of Westfield Annapolis Mall at \$160M by a Dallas developer.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Annapolis	5,612,793	12.28%	12.21%	12.64%	17,036	24,193	\$32.49	\$29.71	\$30.51
Baltimore City	19,226,350	7.10%	7.11%	6.94%	3,361	7,074	\$18.58	\$18.87	\$19.35
Baltimore County East	15,585,753	5.48%	5.47%	5.29%	1,405	472	\$14.57	\$14.50	\$15.93
Baltimore County West	7,270,942	6.69%	5.80%	5.83%	-51,947	-63,207	\$19.41	\$17.52	\$21.26
BWI Corridor	9,447,911	2.59%	2.10%	2.56%	-46,244	-54,478	\$25.62	\$25.41	\$25.28
Carroll County	7,039,730	2.82%	2.62%	2.35%	45,701	32,642	\$16.83	\$16.24	\$15.95
Cecil County	3,215,828	4.86%	4.76%	5.34%	-4,272	-7,624	\$13.46	\$13.80	\$13.82
Columbia	10,070,442	4.09%	4.12%	4.57%	2,483	43,473	\$28.64	\$28.54	\$29.65
Harford County	10,615,346	5.39%	5.55%	5.92%	22,125	83,422	\$20.18	\$20.27	\$20.60
Howard County West	773,153	4.00%	4.38%	4.10%	2,366	2,730	\$26.78	\$27.10	\$26.20
I-83 Corridor	5,207,704	8.89%	8.69%	6.41%	-13,566	-51,022	\$22.70	\$25.32	\$24.37
Reisterstown Rd Corridor	7,631,458	10.15%	10.53%	9.70%	83,225	82,684	\$16.84	\$16.65	\$23.59
Route 2 Corridor	10,454,145	7.29%	9.68%	9.30%	12,710	-10,659	\$17.32	\$17.19	\$14.92
Towson	5,474,475	2.66%	2.38%	3.38%	-15,727	23,648	\$23.59	\$24.45	\$24.32
<b>Totals/Averages</b>	<b>117,626,030</b>	<b>6.08%</b>	<b>6.19%</b>	<b>6.10%</b>	<b>58,656</b>	<b>113,348</b>	<b>\$20.27</b>	<b>\$20.21</b>	<b>\$21.04</b>

## ITEMS TO NOTE:

Annapolis Mall has been sold for \$160 million to a partnership that plans to enhance the property and transform it into a destination hub. Spanning 1.5 million square feet across 48 acres, the buyers intend to redevelop the mall into a mixed-use space, integrating live, work, and play elements.

The historic Mayflower Theater façade will be dismantled for the development of a mixed-use project on N. Howard St. The six-story building will include 93 apartments and ground-floor retail, with plans to restore and rebuild the Mayflower Theater façade as part of the new structure.

Big Lots declared Chapter 11 bankruptcy resulting in the closure of over 300 stores nationwide. The big box retailer has closed 5 locations in Maryland.

Arbutus Shopping Center, a nearly 88,000 sf property anchored by Weis Markets, sold for \$16.65 million. The center was 95% leased at the time of sale.

Continental Realty Corporation sold the Centre at Hagerstown to Bridge33 Capital for \$36.25 million. The nearly 292,000 sf shopping center was 97% leased at the time of the sale.

Bank of America has secured a location next to Mom's Organic Market at the Rotunda on W. 40th St. Following several years of branch closures, the new location is scheduled to open by fall 2025.

Döner Brös, a kebab restaurant that started as a food truck in 2017, has filed for Chapter 7 bankruptcy after quietly closing its two locations in Charles Village and Harbor Point.

Hawthorne Plaza at 2105 Eastern Blvd. sold for \$6.4 million in an off market deal. The center is approximately 69,500 sf and is anchored by Geresbeck's Grocer.



## RETAIL INDICATORS

Market Size  
117,626,030

Building Count  
4,752

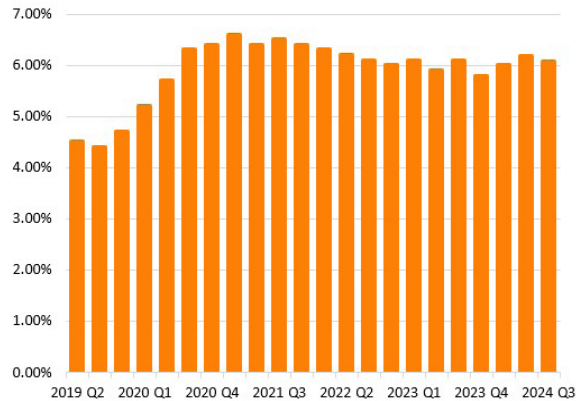
Absorption  
58,656

YTD Absorption  
113,348

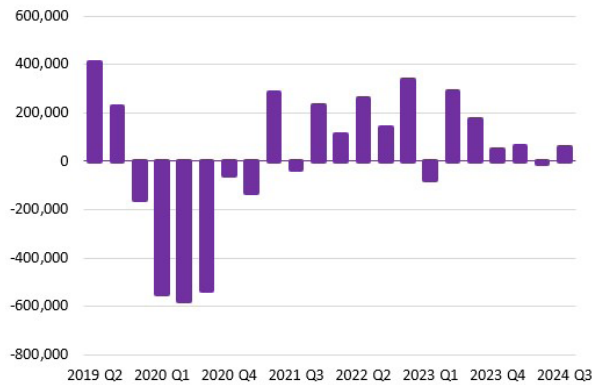
Vacancy  
6.08%

Rental Rate  
\$20.27/sf

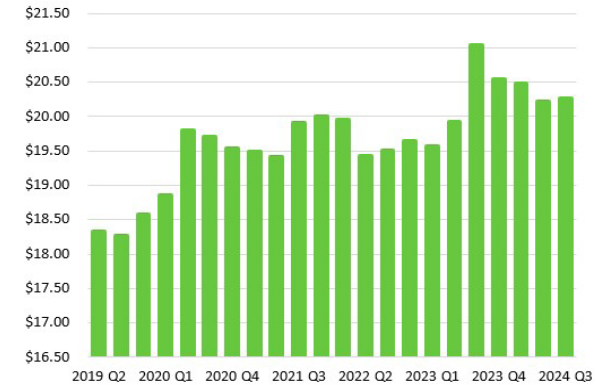
## VACANCY



## NET ABSORPTION



## RENTAL RATES



### Lowest Vacancy

1 BWI Corridor	2.10%
2 Towson	2.38%
3 Carroll County	2.62%

### Highest Vacancy

1 Annapolis	12.21%
2 Reisterstown Rd Corridor	10.53%
3 Route 2 Corridor	9.68%

### Most Change vs. Prior Quarter

- Columbia	-0.35%
+ I-83 Corridor	0.96%

### Lowest Net Absorption

1 Annapolis	57,157
2 Harford County	56,297
3 Columbia	39,755

### Highest Net Absorption

1 I-83 Corridor	-95,456
2 Route 2 Corridor	-26,949
3 Carroll County	-13,059

### Most Absorption, Year-to-Date

- I-83 Corridor	-49,190
+ Towson	62,029

### Cheapest Rates

1 Cecil County	\$13.80
2 Baltimore County East	\$14.50
3 Carroll County	\$16.24

### Most Expensive Rates

1 Annapolis	\$29.71
2 Columbia	\$28.54
3 Howard County West	\$27.10

### Most Change vs. Prior Quarter

- Reisterstown Rd Corridor	-\$1.40
+ Towson	\$0.09

## LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
1953 E. Joppa Rd.	Baltimore County E	A&M Appliances	24,161
5700 Cottonworth Ave.	Baltimore City NW	Copper Union	22,223
1161 State Route 3 N	BWI Corridor	Snap Fitness	12,354
5624 Baltimore National Pike	Baltimore County W	Modern Buffet	11,868

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Annapolis Mall	Annapolis	\$160,000,000	\$106	1,509,419
Arbutus Shopping Center	Baltimore County West	\$16,650,000	\$189	87,939
8540 Pulaski Hwy.	Baltimore County East	\$12,906,229	\$478	27,000
2105-2109 Eastern Blvd.	Baltimore County East	\$6,400,000	\$92	69,582

\* Renewal, Expansion, or Sublease

# RETAIL OVERVIEW (DC METRO)

THIRD QUARTER | 2024



## RETAIL INDICATORS

Market Size  
**81,777,847**

Building Count  
**2,833**

Absorption  
**-71,739**

YTD Absorption  
**111,126**

Vacancy  
**5.89%**

Rental Rate  
**\$28.80/sf**

## THE NUMBERS

### MARKET SIZE

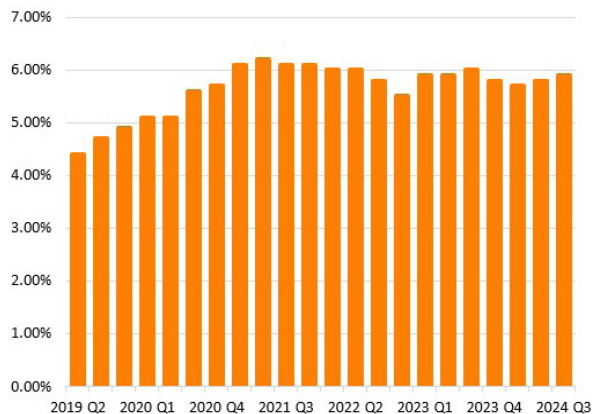
### VACANCY %

### ABSORPTION

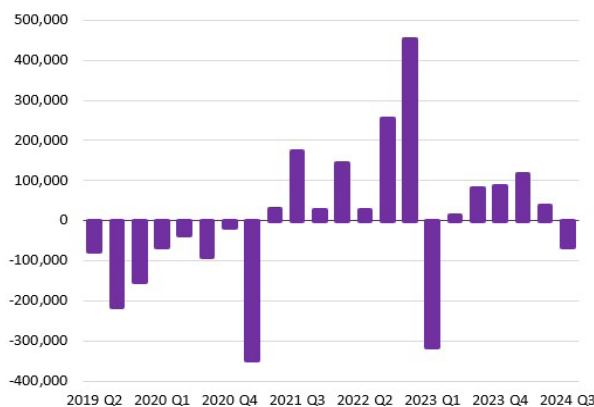
### RENTAL RATES

	Market Size	Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Frederick County	12,161,872	4.77%	5.09%	6.41%	40,979	-9,967	\$22.38	\$22.19	\$23.83
Montgomery County North	10,919,079	8.30%	8.22%	8.41%	3,696	34,813	\$31.26	\$30.94	\$30.74
Montgomery County South-Rockville	18,177,381	4.04%	4.12%	4.37%	4,453	108,599	\$31.42	\$31.71	\$33.59
Prince George's County North	22,457,779	6.77%	6.30%	6.16%	-66,805	-107,816	\$26.79	\$26.93	\$24.48
Prince George's County South	12,306,742	5.19%	4.65%	4.65%	-95,957	-48,842	\$27.46	\$20.65	\$27.73
Silver Spring North-Route 29	3,368,172	10.48%	11.32%	10.49%	29,869	131,244	\$38.26	\$38.26	\$34.84
Silver Spring South	2,386,822	3.48%	3.21%	3.27%	12,026	3,095	\$42.64	\$41.26	\$42.85
<b>Washington DC Retail Total</b>	<b>81,777,847</b>	<b>5.89%</b>	<b>5.76%</b>	<b>6.00%</b>	<b>-71,739</b>	<b>111,126</b>	<b>\$28.80</b>	<b>\$27.76</b>	<b>\$28.70</b>

## VACANCY



## NET ABSORPTION



## RENTAL RATES



## LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
7415 Greenbelt Rd.	Prince George's County	DMV Iron Gym	30,239
4600 Branch Ave.	Prince George's County	United Rentals	21,108
1601-1683 Rockville Pike	Montgomery County S	A&M Appliances	16,018

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Germantown Commons	Montgomery County N	\$69,700,000	\$374	186,500
Penn Mar	Prince George's County S	\$68,500,000	\$181	378,205
Frederick Crossing	Frederick County	\$47,200,000	\$160	294,718

\* Renewal, Expansion, or Sublease