



Essex Market Study Corridor 3 Back River Neck Rd Corridor

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source: Cityfeet.com

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The Town of Essex and Baltimore County would like to determine the marketability of different land uses along the Eastern Boulevard and Back River Neck Road corridors. The Eastern Avenue corridor runs between Back River Neck Road on the west and Martin Boulevard on the east. The Back Neck Road corridor runs from Eastern Avenue to Middleborough Road.

Students divided into teams to work on a market study for various corridor segments. Corridor One runs along Eastern Avenue from Back River Road to S.E. Boulevard. Corridor Two runs from S.E. Boulevard to Martin Boulevard. Corridor Three runs along Back River Neck Road from Eastern Boulevard to Middleborough Road.

This report focuses on Corridor One, the first portion of the Eastern Boulevard corridor.

Study Area



Essex is a coastal area and the 19th largest community in Maryland with a population of 40,330. The Back River Neck Corridor is located about 10 miles from downtown Baltimore, 2.5 miles from the Martin State Airport, 30 miles from BWI, and 50 miles from Washington, D.C.

There are several residential complexes near the Corridor. The newest rental products are Class A luxury complexes with top-end amenities and finishes. These properties delivered in the last few years include Arbors at Baltimore Crossroads, Berkleigh Pointe at Manorgreen, and Overlook at Franklin Square. Near White Marsh, Berkleigh Pointe, is the newest apartment development, offers 3- and 4-bedroom apartments, and asks a higher rental rate than the other Class B and C properties in the area. The two newest deliveries in Essex are Mansfield Woods and Hartland Village.

Middlesex Shopping Center is located on Eastern Boulevard, less than a mile from Back River Neck Road. This center contains a grocery store, multiple dollar stores, an MVA office, a pharmacy, and restaurants.

There are also developments bringing jobs to southeastern Baltimore County. At build-out Crossroads is projected to have 10,000 - 12,000 full-time employees. Stanley Black & Decker recently announced 400 jobs at Greenleigh at the Crossroads office park and Tradepoint Atlantic is developing a world-class logistics park at Sparrows Point that is expected to create 17,000 new jobs.

With a very occupancy level, very little new deliveries and the proximity to a large amount of upcoming jobs.



1. Back River Neck Corridor (highlighted in blue)

2. Baltimore City

3. Crossroads

4. Martin State Airport

5. Shops at Middlesex Shopping Center

6. Country Ridge Shopping Center

7. Tradepoint Atlantic



MARKET STUDY OBJECTIVES

An important component of any land use planning, zoning, public investment prioritization, or design work is understanding the underlying market dynamics that shape an area's potential.

This market study will help determine what types of development can be supported in Essex. The focus is on creating recommendations that are realistic and implementable.

The study's objectives are to:

- determine the market opportunity and support for various land uses (retail, office, for-sale residential, and for-rent residential) in Essex
- understand the target market for each land use and determine the likely depth of demand for each.
- provide recommendations on pricing, timing, market, and absorption for each of the land uses.

The Master of Real Estate Development degree (MRED) at UMD takes a comprehensive and multi-disciplinary approach to real estate education, addressing all facets of the industry from planning to property management, finance to construction. The students are taught to develop for a Quadruple Bottom Line—not only for the financial bottom line, but more broadly for Economic Viability, Environmental Respect, Social Responsibility, and Beautiful Design.

Data for this project was collected between September and December 2018, and has not been updated since that time.

During the first phase of the class, students collected and analyzed background information including a site analysis, demographic and economic analysis, residential analysis, commercial analysis, to complete a statistical demand model.

During the last half of the class, students consolidated their information into one set of recommendations and a market report for each site or corridor.

Task 1:
Project Kick-
Off and
Site Visit

Task 2:
Area Analysis

Task 3:
Demographic
and Economic
Analysis

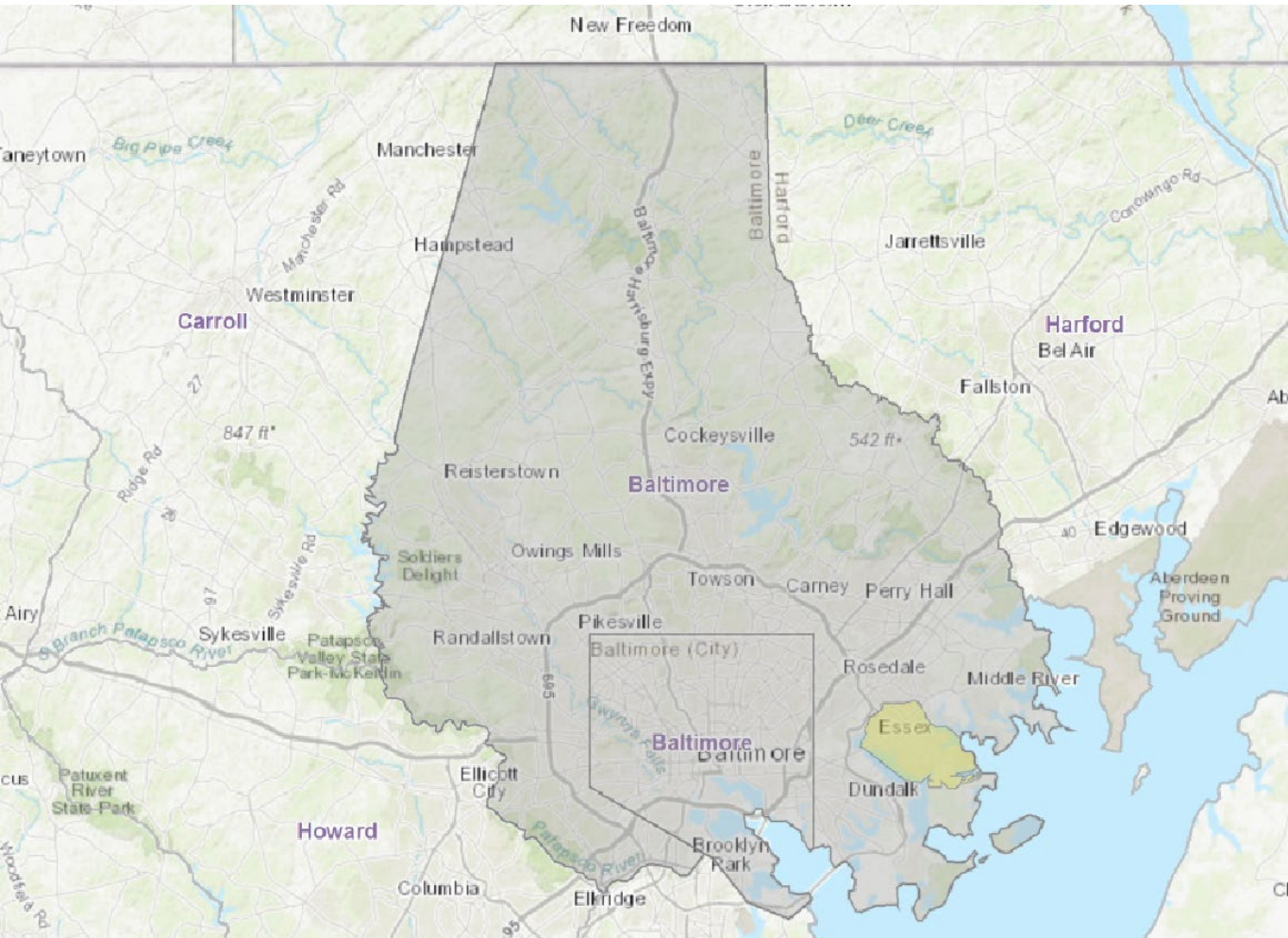
Task 4:
Residential
Market
Analysis

Task 5:
Retail and
Office Market
Analysis

Task 6:
Conclusions
and
Recommendati
ons



POPULATION - BALTIMORE COUNTY AND ESSEX CDP (2010-2020*)



Essex CDP, Baltimore City, and Baltimore County are the three geographic regions researched (see map).

Baltimore City population (ACS 2011 - 2016): 621,000

Baltimore County population (ACS 2011 - 2016): 825,666

Essex population (ACS 2011 - 2016): 5,322

The county's population (including Essex) is considerably larger than the city of Baltimore but the County's land mass is also about six times larger.

Baltimore City's population is more dense (per square foot) compared to the County.

source: www.SocialExplorer.com

* Projections



CENSUS POPULATION OF BALTIMORE COUNTY AND ESSEX CDP (2010 THRU 2020*)

Year	Baltimore County	Essex CDP
2010	805,029	39,262
2020*	847,000	42,154

The population of Essex (by percentage) is projected to increase more than Baltimore County as a whole. Essex is projected to increase by approximately 9.4 percent while the population of Baltimore County is projected to increase by approximately 4.9 percent.

	Baltimore County 2017 (2012 – 2016)	Essex CDP 2017 (2012 – 2016)
Median Value of Owner-Occupied Housing Units (2012 to 2016)	\$246,900	\$181,200
Median Gross Mortgage (2012 to 2016)	\$1,711	\$1,442
Median Gross Rent (2012 to 2016)	\$1,193	\$965

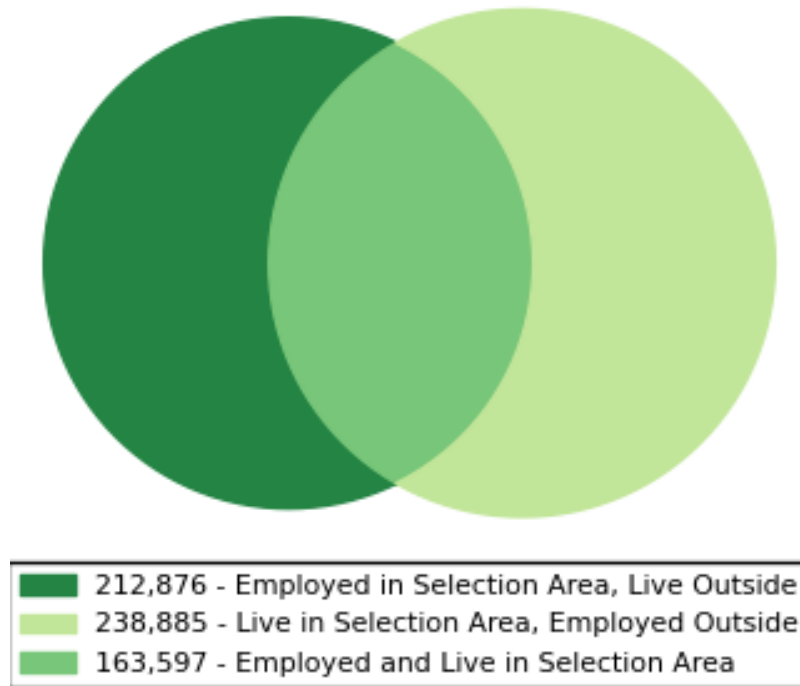
The median cost of owning a home is greater than renting in Essex

source: U.S. Census; Maryland Department of Planning and Baltimore County Government.

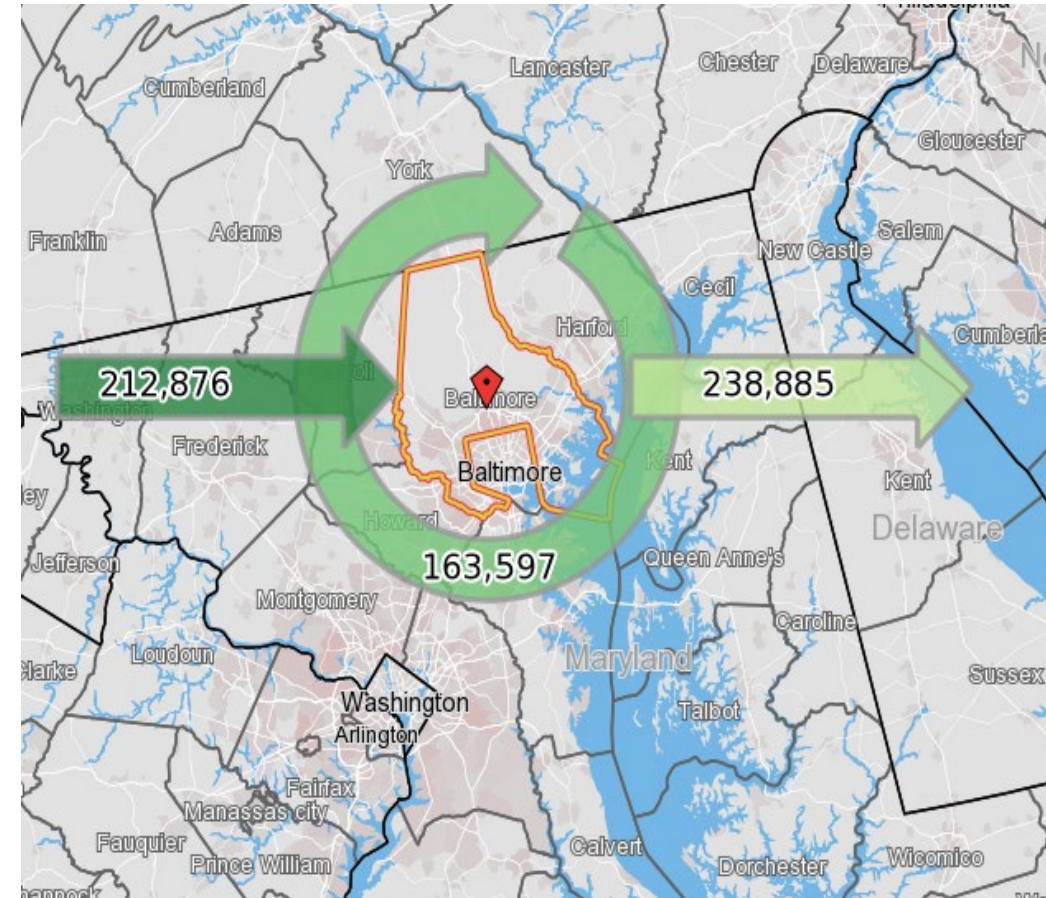
* Projections

Inflow and Outflow Chart – Baltimore Residents

Inflow/Outflow Job Counts in 2015



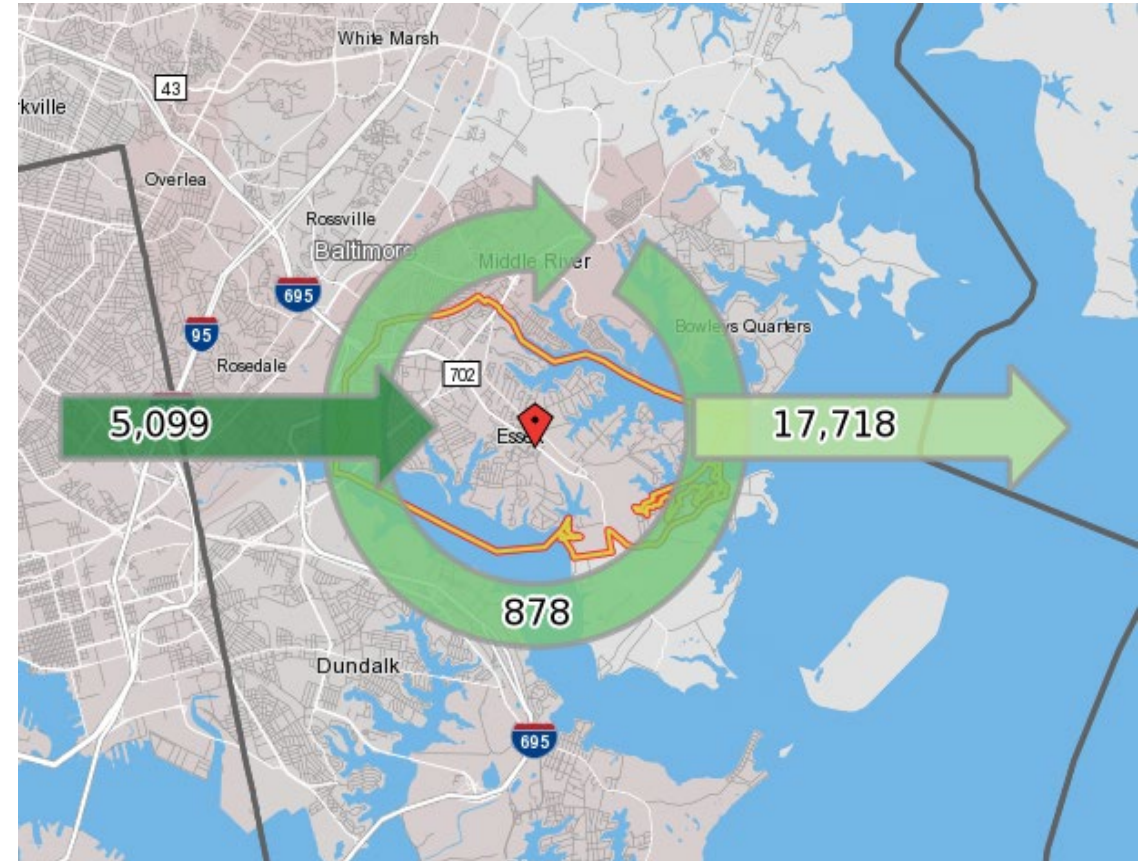
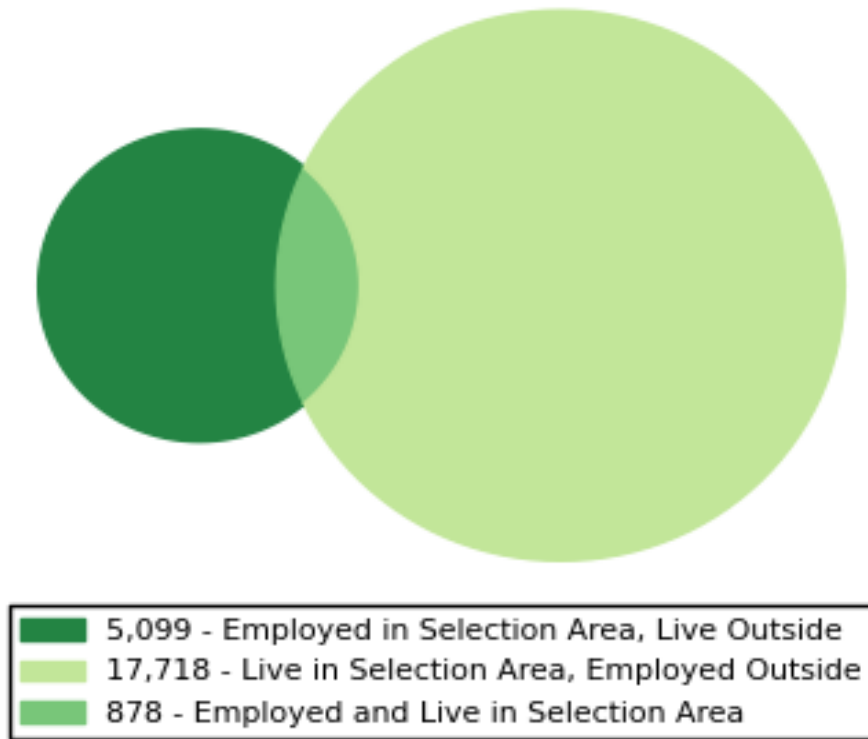
source: OnTheMap Census



Almost 40 percent of Baltimore residents County work in the county as compared to 14 percent in Essex.

Inflow and Outflow Chart – Essex Residents

Inflow/Outflow Job Counts in 2015



Many Essex residents commute somewhere else for work. If job opportunities grow, the number of residents living and working in Essex could also grow.



HOUSING AND TENURE – BALTIMORE COUNTY, BALTIMORE CITY, AND ESSEX CDP

This chart shows owner-occupied and renter-occupied housing in Baltimore County, Baltimore City and Essex, as well as the household median income.

Essex is 9.3 square miles and amounts to only about 3 percent of the housing in Baltimore City and Baltimore County.

In Essex there are slightly more owner-occupied units than renter-occupied units.

Across all three geographic regions the median household income is almost double for owner-occupied households compared to renter-occupied households.

	Baltimore County, MD	Baltimore city, MD	Essex CDP, MD
Total Housing Population:	312,826 (54%)	242,416 (43%)	14,748 (3%)
Owner-occupied			
Number of housing units:	205,922 (66%)	112,849 (46%)	8,074 (55%)
Median household income (dollars)	\$85,682	\$63,187	\$69,420
Household Income in Past 12 Months			
Less than \$24,999	20,038 (11% of owner-occupied housing)	20,064 (17% of owner-occupied housing)	1,058 (12% of owner-occupied housing)
\$25,000 to \$34,999	13,112 (6%)	9,625 (9%)	640 (8%)
\$35,000 to \$49,999	19,728 (10%)	14,227 (13%)	1,128 (14%)
\$50,000 to \$74,999	35,963 (17%)	21,383 (19%)	1,660 (21%)
\$75,000 to \$99,999	31,199 (15%)	15,233 (13%)	1,199 (15%)
\$100,000 to \$149,999	44,083 (21%)	16,890 (15%)	1,529 (19%)
\$150,000 or more	41,799 (20%)	15,427 (14%)	860 (11%)
Renter-occupied			
Number of housing units:	106,904 (34%)	129,567 (53%)	6,674 (45%)
Median household income (dollars)	\$46,960	\$30,722	\$34,401
Household Income in Past 12 Months			
Less than \$24,999	26,833 (25% of renter-occupied housing)	55,208 (43% of renter-occupied housing)	2,192 (32% of renter-occupied housing)
\$25,000 to \$34,999	11,836 (11%)	16,137 (12%)	1,215 (18%)
\$35,000 to \$49,999	17,689 (17%)	17,344 (13%)	1,143 (17%)
\$50,000 to \$74,999	23,638 (22%)	19,459 (16%)	1,012 (16%)
\$75,000 to \$99,999	12,026 (11%)	9,208 (7%)	639 (10%)
\$100,000 to \$149,999	10,888 (10%)	8,172 (6%)	417 (6%)
\$150,000 or more	3,994 (4%)	4,039 (3%)	56 (>1%)

Source: United States Census Bureau



CORRIDOR STRENGTHS AND WEAKNESSES

Characteristic	Strengths	Weakness
Open Space/Recreation	Renaissance Park is a large park at the corner of Back River Neck Road and Eastern Boulevard. It has ample parking and includes the Stenbridge Community Center with a gym and activity rooms, a Police Athletic League (PAL) Center, playgrounds, athletic fields, walking paths and three pavilions. There are additional parks, beaches and a golf course in Essex.	There are only a few small lots at the corridor's north end that could fit a multi-family residential complex. The only park in the corridor is Renaissance Park, but there is also an elementary school with a playground farther south.
Visibility	SE Blvd runs parallel to Back River Neck Road and sees heavier traffic, which limits the unintentional traffic on the corridor. There are also a lot of housing units just off the corridor.	Corridor sites are visible and there is opportunity on its south end for developments with privacy from the corridor traffic.
Aesthetic Quality of Neighboring Uses	The corridor is similar to that of the other main corridors in Essex. There is significantly more green space in the south end of the corridor.	The corridor is very developed with little greenspace, and a choppy mix of retail and residential. There are several vacancies in the Food Lion complex, with several other retail units available for lease. The residential and retail developments are showing their age.
Perception of Area	The Back River Neck corridor is a mix of retail and residential. There are several new residential development projects along the corridor. The north end of the corridor is well lit with adequate sidewalks, bus shelters, street lights, and brick crosswalks at Old Eastern Boulevard. Heading south, there is a little retail including a supermarket and more residential. There are new developments near the south end of the corridor, with little retail.	The Corridor lacks a distinctive character. Several properties are listed for sale or lease, and appear to have been vacant for some time. There are also large parking lots. The infrastructure is dated with damaged sidewalks, limited street lights, no bus shelters or benches. Two mid-sized shopping centers built in the 1980s have limited updates and the Country Ridge Shopping Center (11-acres, 2-stars) was constructed in 1963. According to CoStar, the median year built of homes along the corridor is 1961.
Schools	Www.greatschools.org rates Eastern Technical High School as 10 out of 10—one of only three high schools in the Baltimore region so rated. The second highest-rated in school in Essex is Middleborough Elementary with a 6 out of 10.	According to www.greatschools.org, most elementary, middle, and high schools along the Back River Neck Road are rated a three out of ten.
Safety	According to www.neighborhoodscout.com, Essex is slightly safer than Baltimore. There is a lot of foot traffic at the corridor's north end and a Police Athletic League (PAL) Center located in Renaissance Park.	According to www.neighborhoodscout.com, Essex is safer than only 8 percent of other US cities.



CORRIDOR STRENGTHS AND WEAKNESSES CONT'D.

Characteristic	Strengths	Weakness
Job Access	The corridor is well situated, only 10 miles from downtown Baltimore. According to CoStar, the area within five miles of the corridor supports 74,000 jobs and is connected to freeways and close to key bus routes.	There are several small retail offices along the Eastern Boulevard corridor, but no large employers nearby. According to www.City-Data.com , the average daily commute is 29.2 minutes, with only 13.9 percent of people work and live in Essex.
Transit proximity/quality	LocalLink 36 has daily service from Middleborough and Back River Neck Road to downtown Towson. CityLink Orange provides daily transportation to downtown Baltimore. The Martin State Airport MARC station is three miles from the corridor. Parking is not an issue. Almost every retail location has a large parking lot.	Only two bus lines run on the corridor, with no other public transportation. According to www.neighborhoodscout.com , Essex residents mainly use private autos but many take the bus for their daily commutes.
"Path of Growth"	Baltimore is growing north and east from downtown. The Chesapeake Bay has restricted the Path of Growth to impact Essex.	The corridor receives no benefit from the Path of Growth. According to CoStar, the expected population growth by 2023 is only 1.6 percent.
Retail – convenience and services	Eastern Boulevard is heavily populated with retail and several shopping centers. Retail is also located along Back River Neck Road. There are Aldi and a Food Lion grocery stores in the corridor, as well as the Zahradaka farm that offers community-supported agriculture and provides home delivery.	The shopping areas are older with little maintenance and updates. Although retail is at both ends of Back River Neck Road, the south end is not as walkable.
Retail - restaurants	There are numerous restaurants within the corridor and throughout Essex. Pizza John's is a highly rated on Yelp and, according to the company's website, regularly hosts fundraisers. There are several seafood and other restaurants off the corridor with views of the bay.	Most of the corridor's restaurants are fast food or pizza restaurants.
Walkability	According to www.walkscore.com , the north end of the Back River Neck corridor is "very walkable" with a score of 73. The score declines traveling south along Back River Neck to Hyde Park Road, and falls to a score of 12 at Back River Neck and Rt. 702. According to CoStar, traffic count mimics this pattern. At the north end of the corridor, the traffic volume is 16,070, and the south end is as low as 7,030.	There are damaged sidewalks along the corridor and the sidewalk ends south of the Food Lion. With an overall walk score of 35, Essex is a car-reliant city, according to www.walkscore.com . This is much lower than Baltimore's walk score of 69.

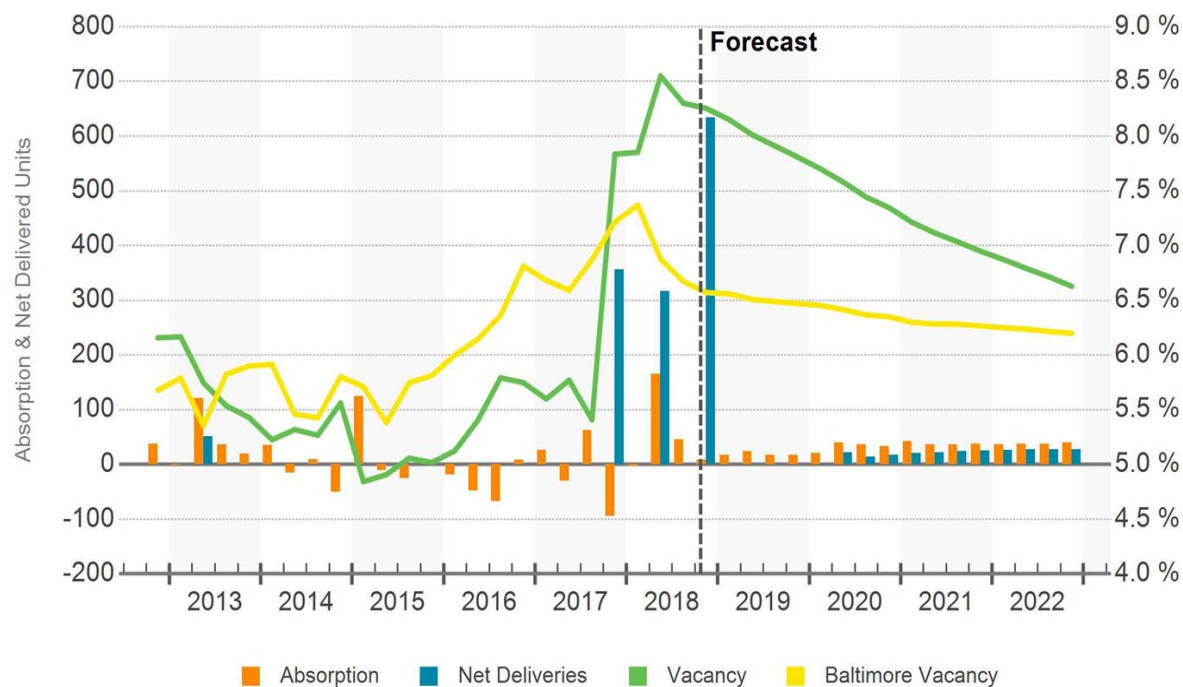


FOR-RENT RESIDENTIAL MARKET ANALYSIS

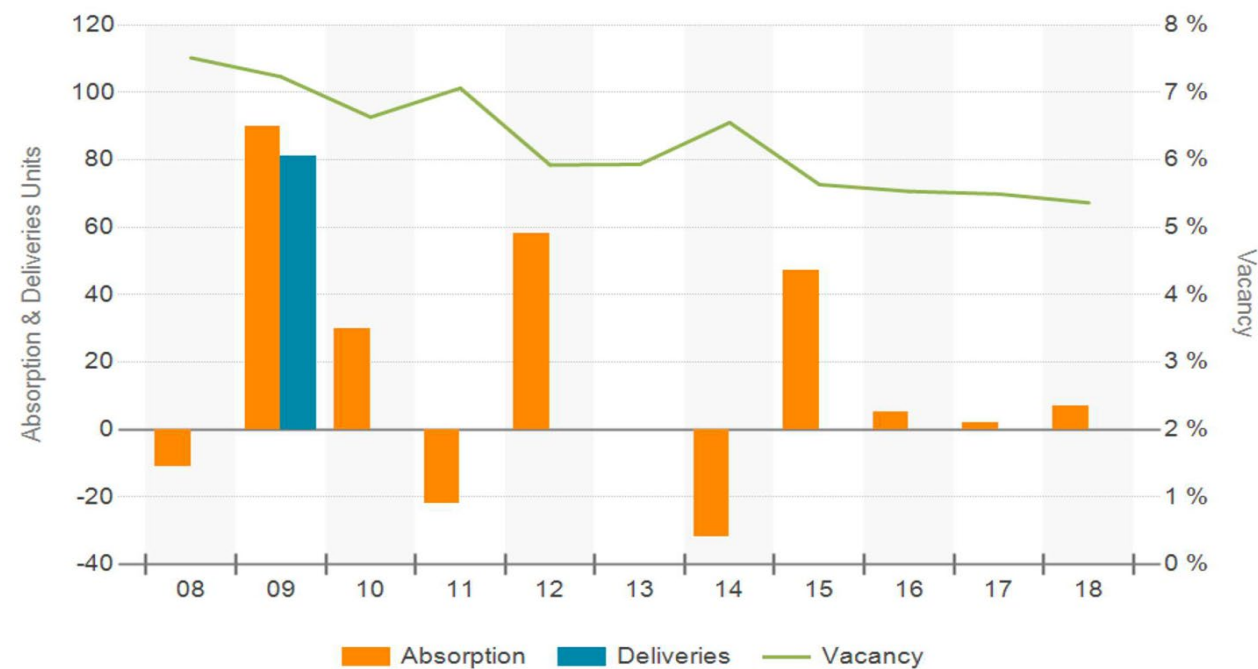


ABSORPTION, DELIVERIES, VACANCY – BALTIMORE COUNTY AND ESSEX

Absorption, Deliveries, Vacancy – Southeast Baltimore County Source: CoStar



Absorption, Deliveries, Vacancy – Essex. Source: CoStar



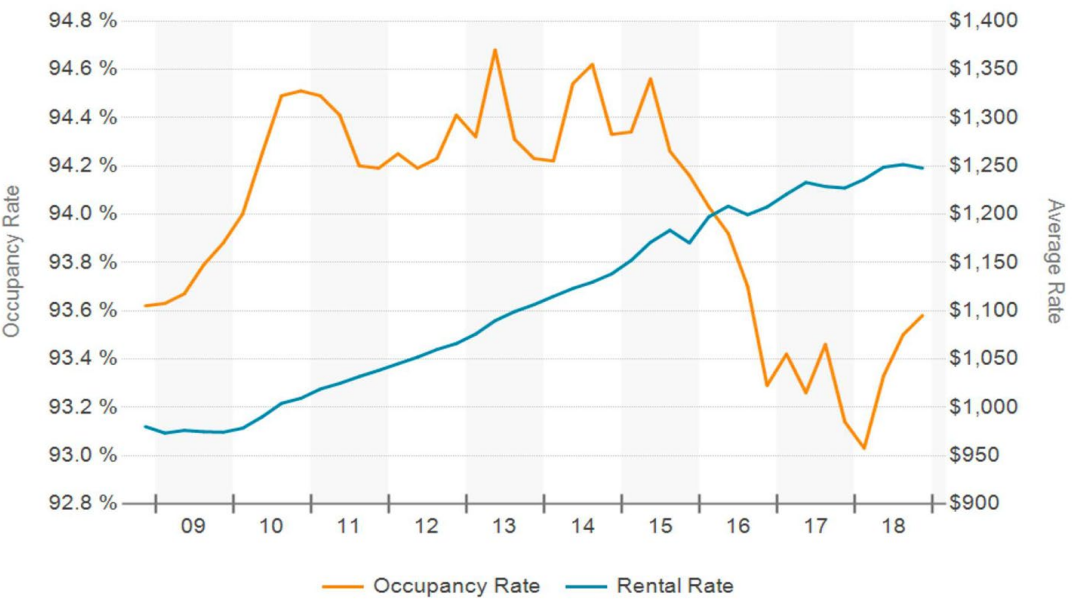
Essex has had positive absorption every year since 2015, and only three negative absorption years in the previous 10 years. This trend is due to the lack of new deliveries in Essex. In 2008, Essex delivered its newest rental complex, the only market rate rental unit delivered in the last decade. This does not include the two senior living communities that have been delivered. The vacancy rates for Essex have steadily declined over the past 10 years from nearly 8 percent down to 5.3 percent in 2018.

The vacancy rate for Baltimore and Southeast Baltimore County spiked in 2017 and peaked to more than 7.2 percent and 8.5 percent respectively as three large rental complexes were delivered. Southeast Baltimore County's absorption rate is low and has been negative at times during the past 5 years, which indicates more units are being delivered than are being absorbed.



OCCUPANCY AND RENTAL RATES

Occupancy & Rental Rates - Baltimore Source: CoStar



Occupancy & Rental Rates - Essex Source: CoStar



These graphs show that the rental rate has consistently increases over the past 10 years in Essex and Baltimore. According to CoStar, the average rental rate in Essex is just below \$1,000 per unit. This is lower than Baltimore’s average, which is closer to \$1,250.

Essex’s occupancy rate has steadily increased over the past 10 years, while Baltimore’s occupancy rate fell sharply in 2015 and hit a 10-year low in early 2018. This drop coincides with the delivery of three large luxury apartment complexes in the area. The occupancy rate in Baltimore is lower than that of Essex.



RENTAL DEMAND

There are 312,826 households in Baltimore county with approximately 106,904 rental households. Only 5.8 percent of existing rental housing in the county is in Essex.

The data suggests that the county will grow by an average of 1,058 households annually between 2020 - 2035, with 504 new households seeking rental units. The demand indicates that an approximate range of 1.9-5.8 percent of new units in Baltimore County will be delivered in Essex. This is 8 to 29 units a year until 2035, about one mid-size complex delivered every 10 years.

In the renter prosperity data, the chart shows the percentage of renters in each income range. The data shows that as household income increases, the likelihood that a household will rent decreases. The assumptions show that 80 percent of households that earn below \$25,000 will rent, and 12 percent of households earning over \$150,000 will rent. The data shows that 24 percent of households will likely move and the lower the household's income, the higher the turnover rate.

In the county, renters spend a range of their combined household income on rent, from 16 to 50 percent. Lower income households spend a significantly higher percentage of income on rent.

Essex has old apartment housing stock with very few new deliveries, and a high percentage of households move annually.

ESTIMATED ANNUAL RENTAL DEMAND POTENTIAL DEMOGRAPHIC TRENDS AND PROJECTIONS: ESSEX, MD 2018-2035

	Income: Below \$25,000	\$25,000 \$50,000	\$50,000 \$75,000	\$75,000 \$100,000	\$100,000 \$150,000	\$150,000 And above	
% Spent on Rent ³ :	50%	38%	27%	22%	16%		
Rent ² :	Below \$1,000	\$1,000 \$1,600	\$1,600 \$1,700	\$1,700 \$1,800	\$1,800 \$2,000	\$2,000 and above	
SOURCES OF DEMAND							TOTAL
New Household Growth, 2018-2035							
Total Annual New Households ¹	1,058	1,058	1,058	1,058	1,058	1,058	1,058
x Distribution of Income ³	15%	20%	19%	14%	18%	15%	100%
= Income Qualified	158	211	202	146	186	155	1,058
x Renter Propensity ³	80%	66%	55%	39%	28%	12%	48%
=New Households Seeking Rental Units	127	139	111	57	51	19	504
Existing Renter Household Annual Turnover							
Total Households	312,826	312,826	312,826	312,826	312,826	312,826	312,826
x Distribution of Income ³	15%	20%	19%	14%	18%	15%	100.0%
x Renter Propensity ³	57%	47%	40%	28%	20%	9%	34%
Total Renter Households	26,833	29,525	23,638	12,026	10,888	3,994	106,904
x Annual Turnover Rate ³	18%	25%	28%	28%	28%	18%	24%
=Demand From Existing Households in Turnover	4,830	7,381	6,619	3,367	3,049	719	25,965
Annual Rental Demand By Rent Range	4,956	7,520	6,730	3,424	3,100	738	26,469
Preference for New ⁴							
Annual Rental Demand for New Apartments	25	38	202	103	108	22	498
Preference for Essex Low ⁵							
Annual Rental Demand in Essex	0	1	3	2	2	0	8
Preference for Essex High ⁵							
Annual Rental Demand in Essex	1	2	12	6	6	1	29

¹ Based upon Baltimore Metropolitan Council Round 90 projections for Baltimore County annualized between 2020 and 2035.

² Based on rents as a percent of household income demonstrated in market assuming that renters spend 15% to 50% of household income on rent, the higher the income the lower the percentage spent on rent annually.

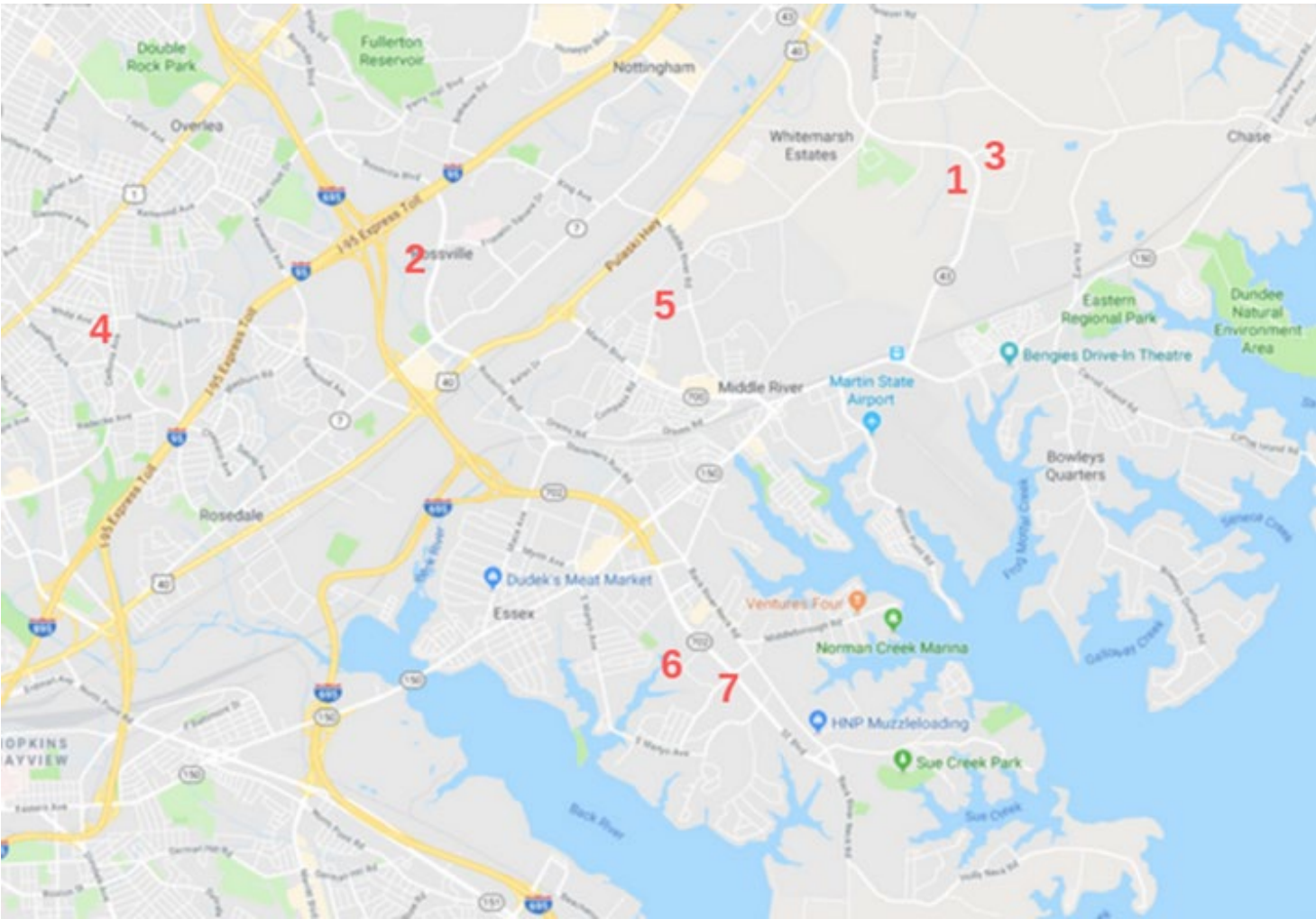
³ American Community Survey, 2016, 5 year estimates for Baltimore County, Maryland.

⁴ Based on new apartment absorption in Baltimore County compared to total units and starting rents of new apartment buildings.

⁵ Low based on the communities' number of new units compared to the county. High based upon current percentage of units in community compared to county.



COMPARABLES – RESIDENTIAL FOR-RENT



Source: CoStar & Google

Key	Project/Address	Avg Size	Avg Rent	Avg\$/sf
1	Arbors at Baltimore Crossroads	955	\$1,654	\$1.73
2	Overlook at Franklin Square	838	\$1,343	\$1.60
3	The Berkleigh	1,002	\$1,756	\$1.75
4	Windridge	1,000	\$1,119	\$1.12
5	Pointe at Manorgreen	1,946	\$1,930	\$0.99
6	Mansfield woods	628	\$921	\$1.47
7	Hartland Village	583	850	\$1.46

There are seven multi-family comps in and around Essex. Projects 1-3 are Class A luxury complexes with top-end amenities and finishes in Southeast Baltimore County, and 4-7 are Class B and Class C garden style apartments.

The newest inventory in Southeast Baltimore are three large luxury properties that will deliver thousands of units to southeast Baltimore County: the Arbors at Baltimore Crossroads, Overlook at Franklin Square, and The Berkleigh. These complexes are in desirable locations, with rental rates much higher than other complexes in the area.



FOR-RENT COMPS

The Berkleigh is located in Crossroads, a 1,000-acre master-planned community. It is a 317-unit rental complex completed in June 2018. According to CoStar, the property is over 20 percent rented. Another development in Crossroads is The Arbors at Baltimore Crossroads, a 365-unit mixed-use development, completed in January 2012 and is 88.5 percent occupied. The overlook at Franklin Square is a 356-unit apartment community completed in November 2017. According to CoStar, it is currently over 60 [ercent occupied.

The apartment stock in Essex is mainly Class B and C, with a very low vacancy rates. The comparable properties were built in 1967 with an average of 775 square foot unit size and an average rental rate of \$1.33/sf. Pointe at Manorgreen, near White Marsh, is the newest development, offering only 3-bedroom and 4-bedroom units averaging 1,945 square feet with a low cost/sf of \$0.99. Manorgreen and Windridge are both Class B outside of Essex. They have more amenities than apartments in Essex, but comparable lower level finishes. The two newest deliveries in Essex are Mansfield Woods, Class B apartments, and Hartland Village, Class C apartments.



Arbors at Baltimore Crossroads



Hartland Village



Mansfield Woods

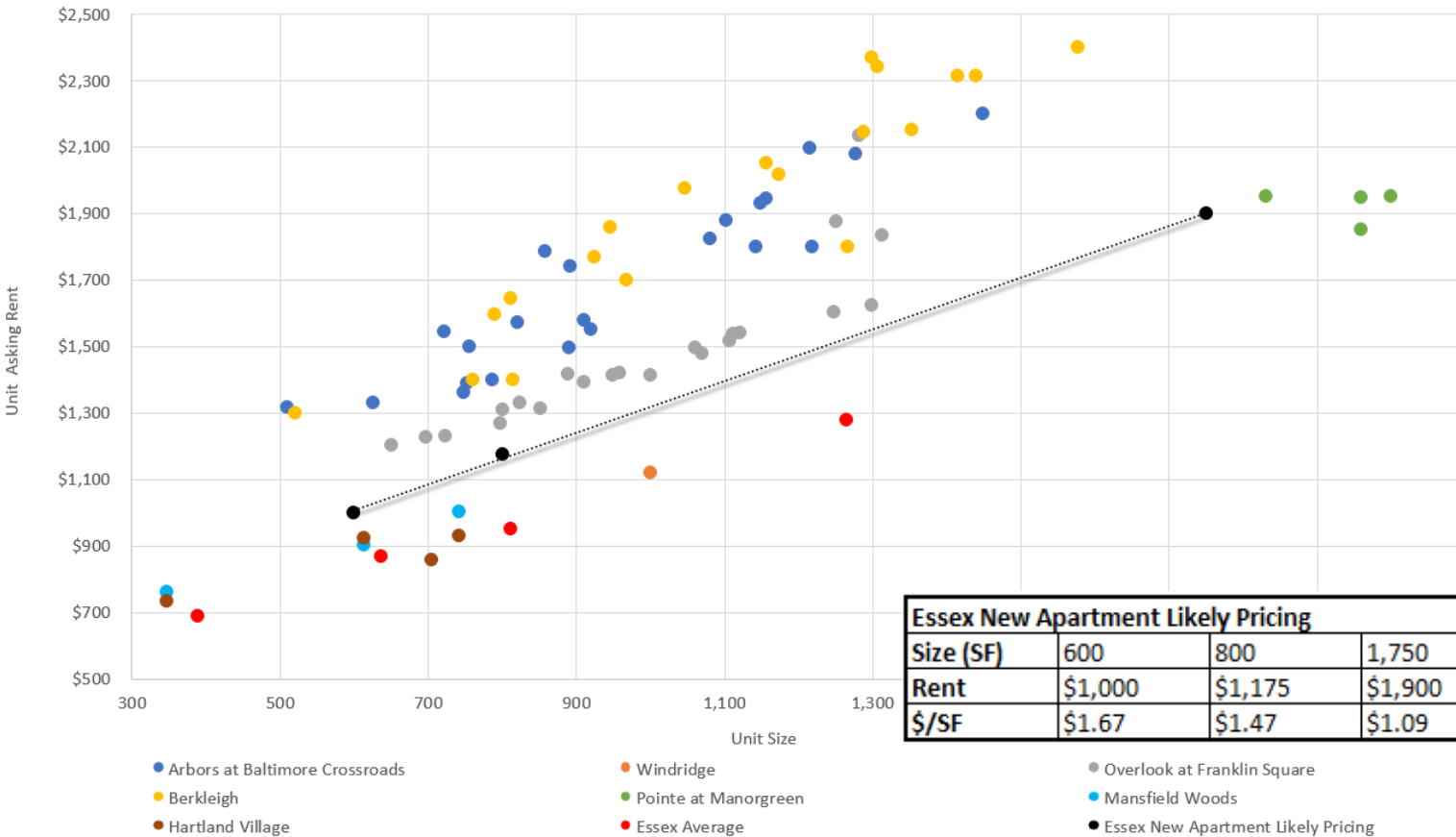


Overlook at Franklin Square



RENTAL PROPERTY POSITIONING

Price to Size Chart, Essex Area Apartment Comparables



There is a distinct difference between the Class A luxury apartments and the Class B garden-style apartments in southeastern Baltimore County, particularly, as shown, in the rental rates.

The Class A luxury complexes are Arbors at Baltimore Crossroads (blue), Overlook at Franklin Square (grey) and Berkleigh (yellow).

The existing Class B and a C garden-style apartments in southeastern Baltimore County are Pointe at Manorgreen (green), Windridge (orange), Mansfield Woods (light blue), and Hartland Village (maroon).

New apartments in Essex would likely be positioned between these Class A and Class B/C products, and priced above the Essex average. Based on age alone, new Class B garden-style apartments would be priced above the existing Class B and C apartments. With higher end finishes and amenities, new housing could easily be positioned ahead of existing Essex garden-style apartments.

A Class A mid-rise apartment complex would not fit with the surrounding development in the corridor, but a Class B garden-style apartment offering one-bedroom (600 sf), two-bedroom (800 sf), and three-bedroom (1,750 sf) units would be a good fit.



FOR-SALE RESIDENTIAL MARKET ANALYSIS



MARKET TRENDS IN ESSEX

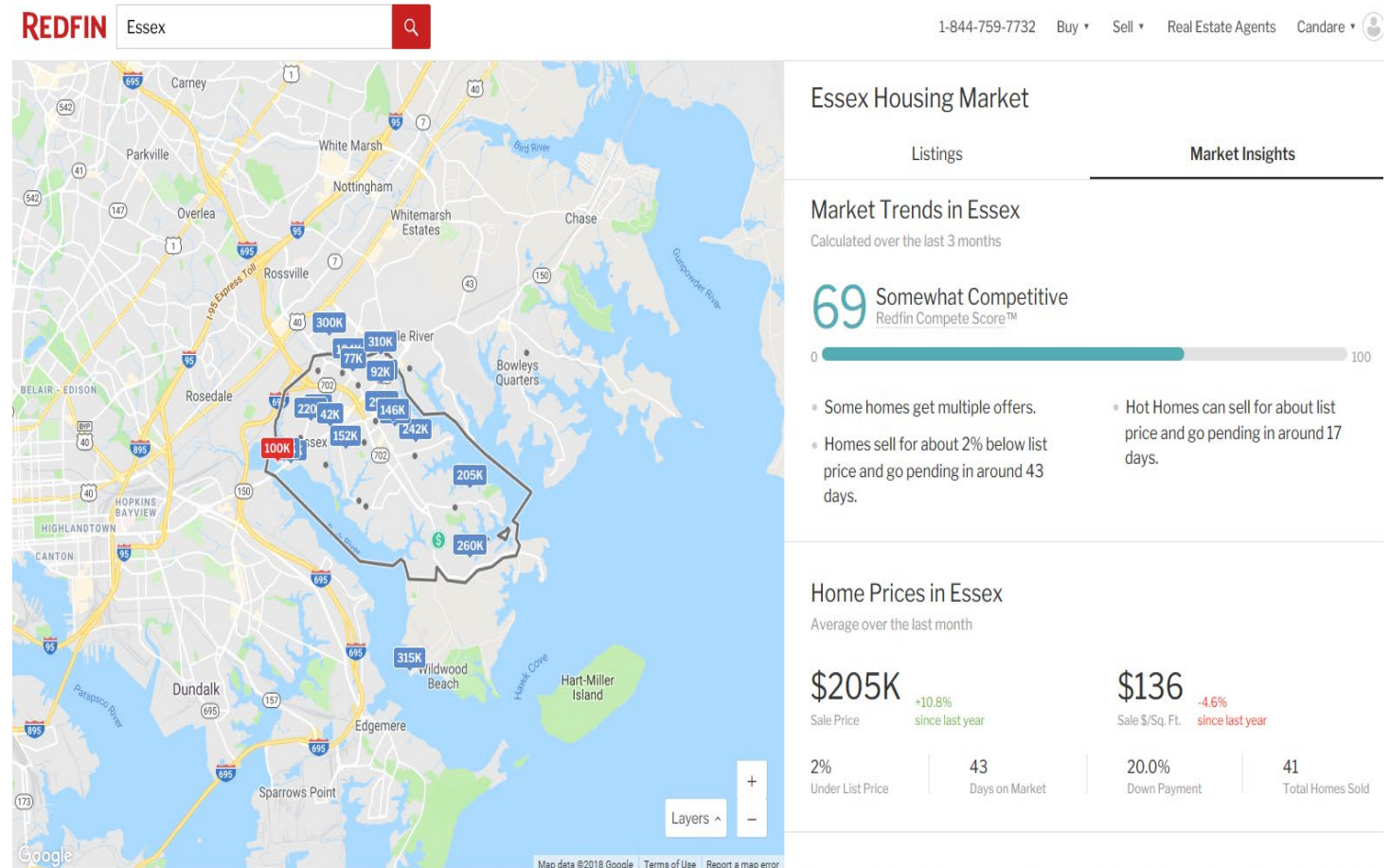
Condominiums sold in Essex in the past three months

According to Redfin, the average condo home sale price in Essex is around \$205K for 2018.

The average condo home sold for 2 percent under the list price but it went up 10.8 percent over last year.

Even though condo homes are on the market an average of 43 days, desirable condo homes sold for list price and only stayed on the market an average 17 days.

According to Redfin's compete score, 69 out of 100, Essex condo home sales are somewhat competitive.





RESIDENTIAL COMPARABLES – CONDOMINIUMS



Source: Google & Zillow

Project/Address	Avg Size	Avg Cost	Avg\$/sf
Hopkins Landing	1,500	\$224,795	\$149.86
Hopewell Point Condominium Home	1,600	\$195,000	\$121.88
Waterford Landing Condos	750	\$85,000	\$113.33

There are three multi-family comps in and around Essex. Hopkins and Hopewell are newer luxury, waterfront developments in Essex. Waterford has a water view but is not water accessible.

Most of the condos in Essex are dated, with an above average walk score and minimal amenities. A few communities have luxury amenities. Based on these three comps, the highest price/sf is at Hopkins Landing with an average of \$147/sf and an average size of 1,500 square feet. The amenity-heavy Hopkins Landing and Hopewell Pointe were constructed between 2005 and 2008.

The other condo communities on Back River Neck Road are similar in size and price point to the Waterford Landing condo community.

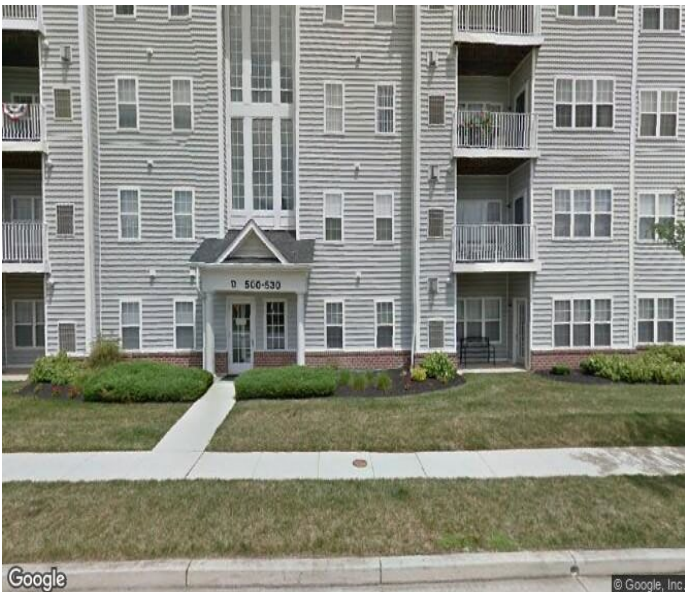


RESIDENTIAL COMPARABLES – FOR-SALE CONDOS

Hopkins Landing (Hopkins Landing Drive) is a 4-level, garden-style condo community built between 2005-2008. Units are 2-bedroom/2 baths and between 1,500-1,600 square feet. They have water access, an HOA, and some of the units come with a boat slip (at an extra cost).

Hopewell Pointe (Kathryns Court) is also a 4-level, garden-style condo community. It was built in 2008. Units are 2-bedroom/2 baths and of about 1,600 square feet. This project doesn't offer boat slips but it does have water access and a HOA.

Hopkins Landing



source: www.redfin.com

Waterford Landing



Hopewell Pointe Condos Source: www.redfin.com



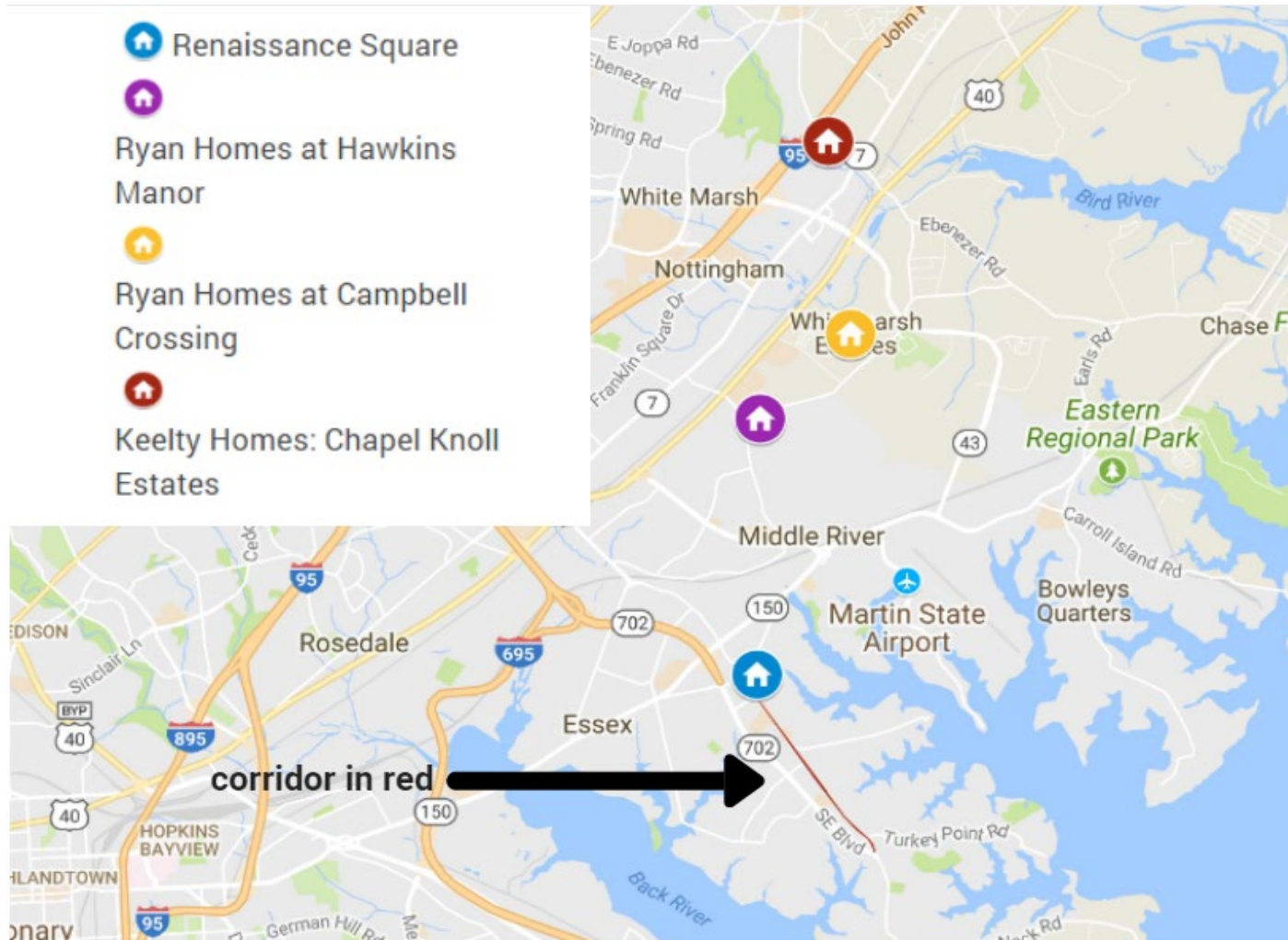
source: www.redfin.com

Waterford Landing (Banyan Wood Court, Cedar Valley Place, Sugarwood Circle) were built between 1989 and 1992. Units are 2-bedroom/1 bath and are between 700-750 square feet. They have a water view but no water access. They also have an HOA.

As mentioned, over 10,000 - 12,000 full-time new jobs are projected for this area. With the potential for high occupancy levels because of the large amount of incoming jobs, there could be a market for condos in Essex.



RESIDENTIAL COMPARABLES – SINGLE-FAMILY DETACHED



To understand the market for new single-family detached housing in Essex, four nearby, actively selling residential communities were examined.

Only one of them, Renaissance Square, is in Essex.



SINGLE-FAMILY DETACHED COMPARABLES – DETAILS

	Price	Bedrooms	Bathrooms	Size (sq. ft.)	Price per sf	Garage
Campbell Crossing-						
Ryan Homes						
Plan 1680	\$ 310,000	4	2.5	1680	\$ 185	yes
Plan 1918	\$ 340,000	4	2.5	1918	\$ 177	yes
Plan 1440	\$ 290,000	3	2.5	1440	\$ 201	yes
Plan 1296	\$ 310,000	3	2	1366	\$ 227	yes
Hawkins Manor-						
Ryan Homes						
Florence	\$ 370,000	3	2.5	2112	\$ 175	yes
Venice	\$ 380,000	4	2.5	2389	\$ 159	yes
Milan	\$ 390,000	3	2.5	2699	\$ 144	yes
Renaissance Square-						
Enterprise Homes						
Manorwod	\$ 321,000	3	3.5	1860	\$ 173	no
The Manor (smaller)	\$ 321,900	3	3.5	1904	\$ 169	yes
The Manor (larger)	\$ 321,900	4	3.5	2014	\$ 160	yes
Cottage (smaller)	\$ 288,900	3		1496	\$ 193	
Cottage (larger)	\$ 288,900	4		1606	\$ 180	
Average	\$ 327,717	3	3	1874	\$ 175	

Area comparables vary widely from new product to the resale market.

In general, new homes are selling for approximately \$100,000 more than homes in the resale market. The low price point of the resale market suggests the existence of older inventory.

The corridor has a low amount of single-family detached (SFD) product.

Renaissance Square is currently the only housing development located in the corridor. It is similar in size and amenities to other SFD developments in the area. Renaissance Square contains the cheapest option for new SFD in Essex and the surrounding area with a price point of \$288,900 for a cottage product.



FOR-SALE DEMAND – ANNUAL DEMAND UNTIL 2035

	Income:	Below \$25,000	\$25,000 \$50,000	\$50,000 \$75,000	\$75,000 \$100,000	\$100,000 \$150,000	\$150,000 And Above
	Home Price ² :	Below \$95,000	\$95,000 \$180,000	\$180,000 \$265,000	\$265,000 \$350,000	\$350,000 \$525,000	\$525,000 And Above
SOURCES OF DEMAND							TOTAL
<i>New Household Growth, 2018-2035</i>							
Total Annual New Households ¹		1,058	1,058	1,058	1,058	1,058	1,058
x Distribution of Income ³		15%	20%	19%	14%	18%	100%
= Income Qualified		158	211	202	146	186	1,058
x Owner Propensity ³		20%	34%	45%	61%	72%	52%
=New Households Seeking For-Sale Units		32	72	90	89	135	554
<i>Existing Owner Household Annual Turnover</i>							
Total Households ³		312,826	312,826	312,826	312,826	312,826	312,826
x Distribution of Income ³		15%	20%	19%	14%	18%	100.0%
x Owner Propensity ³		43%	53%	60%	72%	80%	66%
Total Owner Households		20,038	32,840	35,963	31,199	44,083	205,922
x Annual Turnover Rate ³		5%	5%	6%	6%	6%	6%
=Demand From Existing Households in Turnover		1,002	1,642	2,158	1,872	2,645	11,827
Annual For-Sale Demand By Home Price Range		1,034	1,714	2,248	1,961	2,780	12,380
Preference for New ⁴		0%	2%	2%	7%	8%	5%
Annual Demand for New		0	34	45	137	222	650
Preference for SFD ⁵		0%	5%	20%	35%	55%	52%
Annual Demand for New SFD		0	2	9	48	122	340
Preference for Townhome ⁵		0%	15%	40%	60%	43%	38%
Annual Demand for New TH		0	5	18	82	96	250
Preference for Condo ⁵		0%	80%	40%	5%	2%	9%
Annual Demand for New Condo		0	27	18	7	4	61
Essex Capture of SFD ⁶		0%	20%	10%	8%	8%	5%
Annual Demand for New SFD		0	0	1	4	10	18
Essex Capture of Townhome ⁶		0%	20%	20%	10%	5%	7%
Annual Demand for New Townhome		0	1	4	8	5	19
Essex Capture of Condo ⁶		0%	10%	5%	5%	0%	7%
Annual Demand for New Condo		0	3	1	0	0	4

¹ Based on Baltimore Metropolitan Council Round 90 projections for Baltimore County annualized between 2020 and 2035.

² Based on bankrate.com mortgage calculator, utilizing a 30-year fixed loan with a 4.5% interest rate.

³ American Community Survey, 2016, 5-year estimates for Baltimore County, Maryland.

⁴ Based on new home sales as a percentage of total home sales in Baltimore County from Redfin for the last three year

⁵ Based on re-sale home data from Redfin for the last three years.

⁶ Based on Essex capture of Baltimore County sales based upon Redfin data for three years.



FOR-SALE DEMAND CONT'D.

The demand chart on the previous page shows annual for-sale demand in Baltimore County, and Essex. There are 312,826 households in Baltimore County with 205,922 owner households. Only 5.8 percent of the county's existing housing is in Essex.

Demographics indicate that the county will grow by an average of 1,058 households annually between 2020 and 2035, with about 554 of the new households seeking for-sale units. The chart shows a 5 percent preference for new for-sale units (650 total) in Baltimore County, of which 9 percent are condominiums (61 condos annually). The Essex capture of those condo units is 7 percent, an average of about one to two buildings, 20 units, delivered every 10 years for a total of 60-80 condos by 2035.

Owner prosperity data shows the percent of owners in each income range and indicates that the higher the income, the more the likely the unit is owner-occupied. Assumptions show that the majority of owner-households earn \$50,000 to \$150,000 or more. The data also shows that only about 5 to 6 percent of the existing households turnover annually.

The preference for single-family detached (SFD) for-sale units is much greater than for condos (52 percent vs. 9 percent).

Essex has not had any new condo deliveries in 10 years although there have been new SFD units delivered in the last 3 years. These demographics support new for-sale demand in Essex, both SFD and condos.



SIZE AND PRICE RANGE OF POTENTIAL NEW SINGLE-FAMILY DETACHED AND CONDO UNITS

There is more potential for newly built for-sale SFD and condo units in the corridor than other areas, because there is more green space on which to build.

The potential for new single-family detached housing ranges between \$250,000 and \$350,000.

This housing could be between 1,350 and 1,875 square feet. Campbell Crossing contains similarly sized housing.

Based on historical data, the best size range for a condo in this area is from 1,050 to 1,700 square feet.

These new condos sizes would be between the largest condos built before 2000 (1,000 square feet) and the largest ones built after 2000 (1,650 square feet).

If condos were to be built now in Essex, they would cost only slightly more than the ones built in the area 10 years ago: \$150,000 to \$250,000.

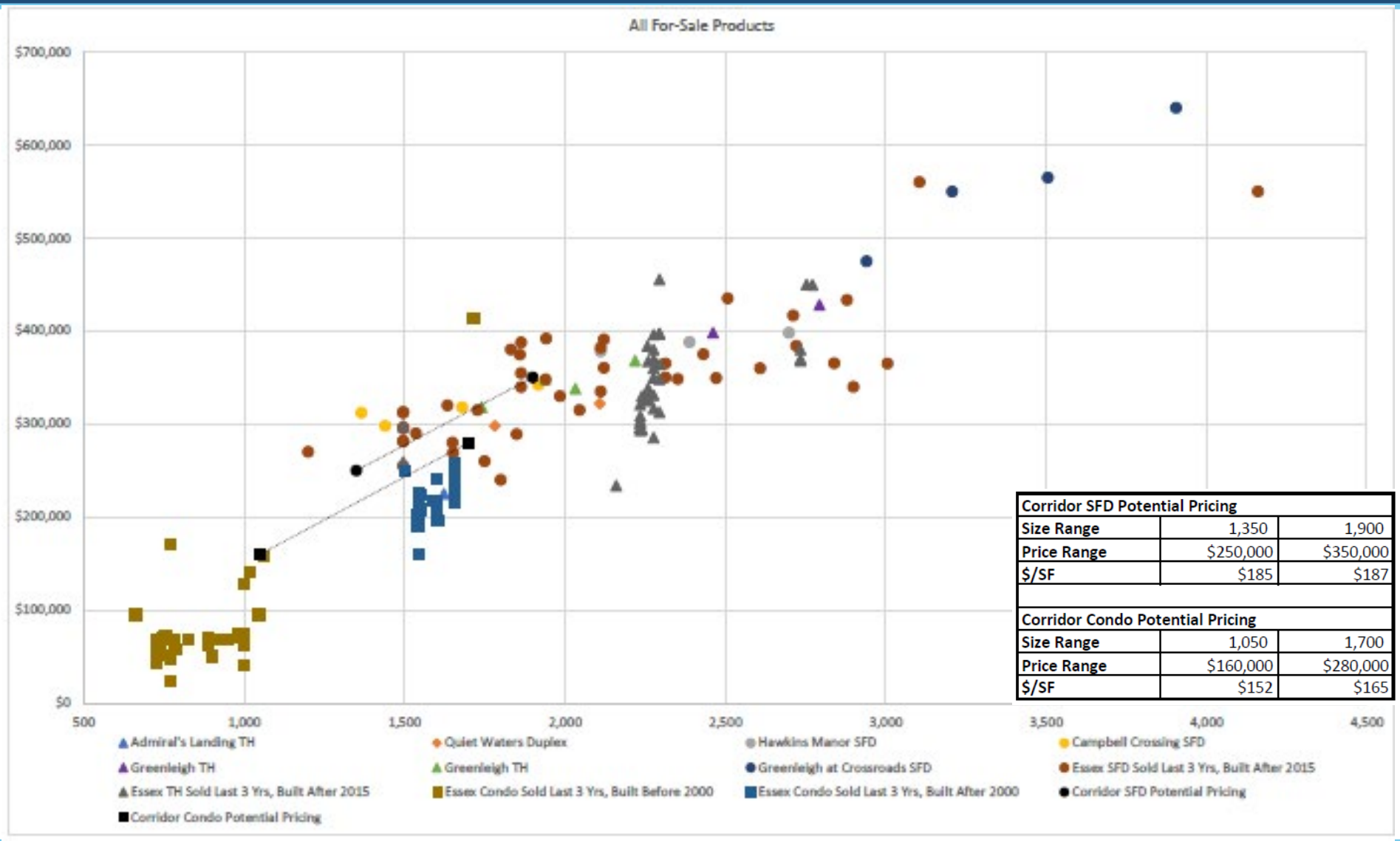
The price range for newly built condos today in this area, based on historical data, would range from \$160,000 to \$280,000 and \$152/sf to \$165/sf.

Corridor Potential for Single-Family Detached and Condo Units

	Size Range (Low)	Size Range (High)	Price Range (Low)	Price Range (High)	\$/sf (Low)	\$/sf (High)
Corridor SFD Potential Pricing	1350	1900	\$250,000	\$350,000	\$185	\$187
Corridor Condo Potential Pricing	1050	1700	\$160,000	\$280,000	\$152	\$162



FOR-SALE SINGLE-FAMILY DETACHED AND CONDO UNIT POSITIONING



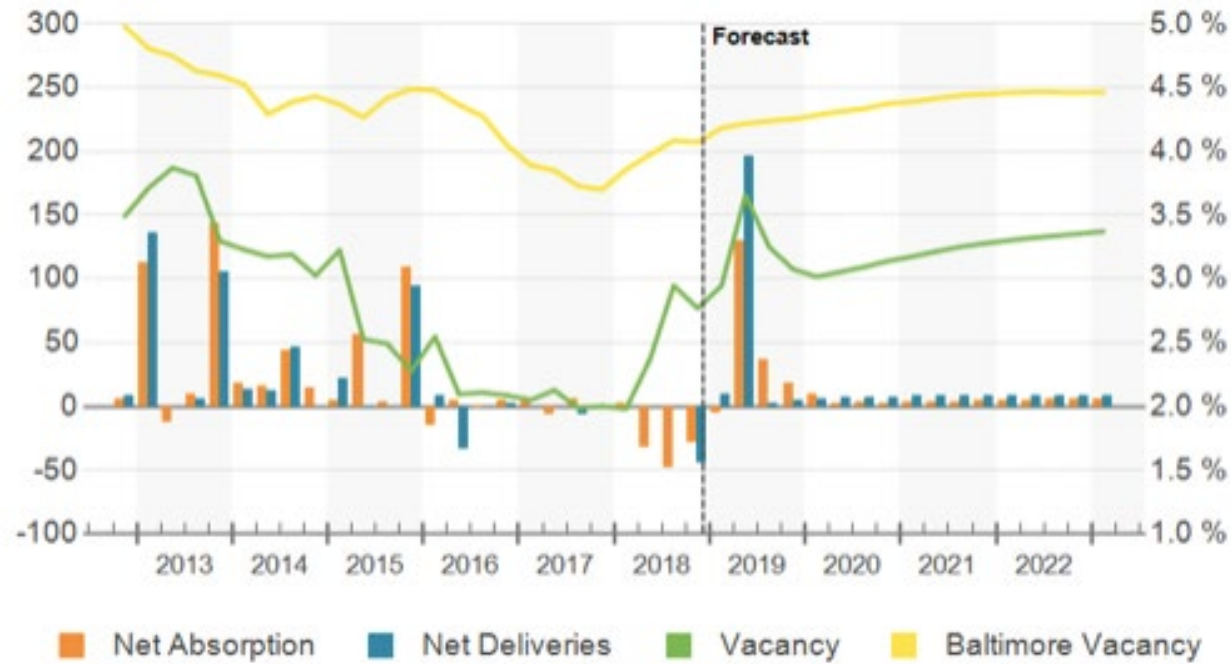


RETAIL MARKET ANALYSIS

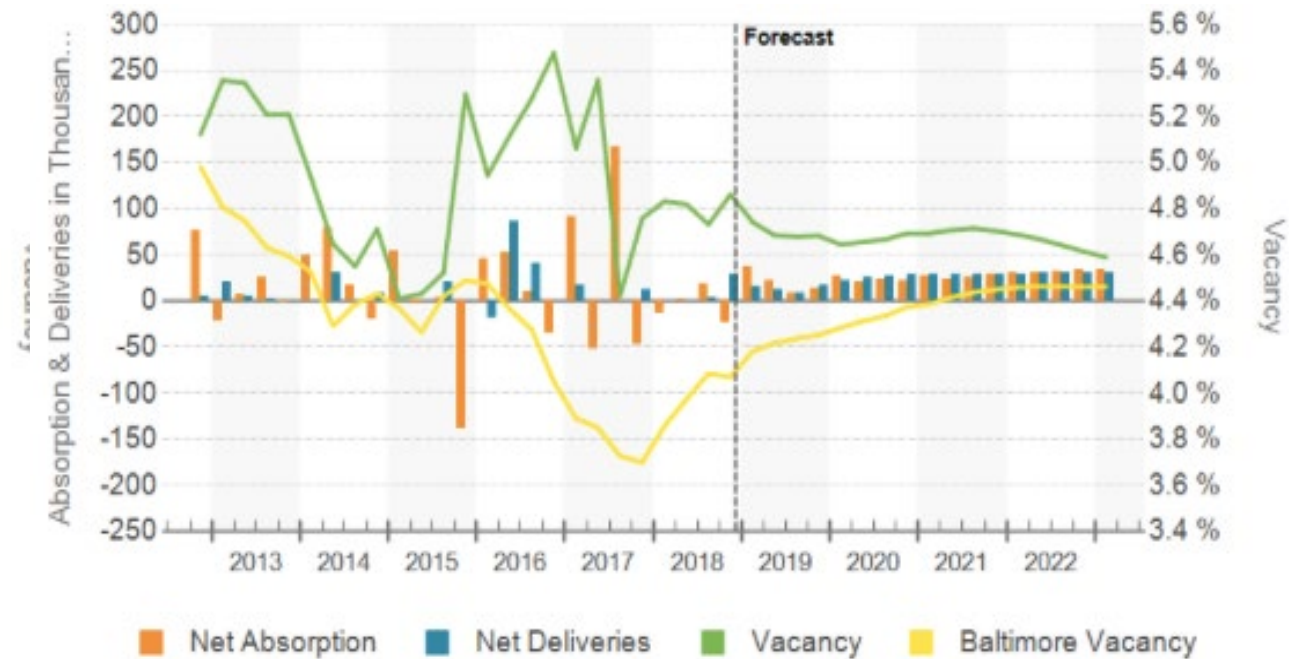


OVERALL RETAIL MARKET

Baltimore County



Essex



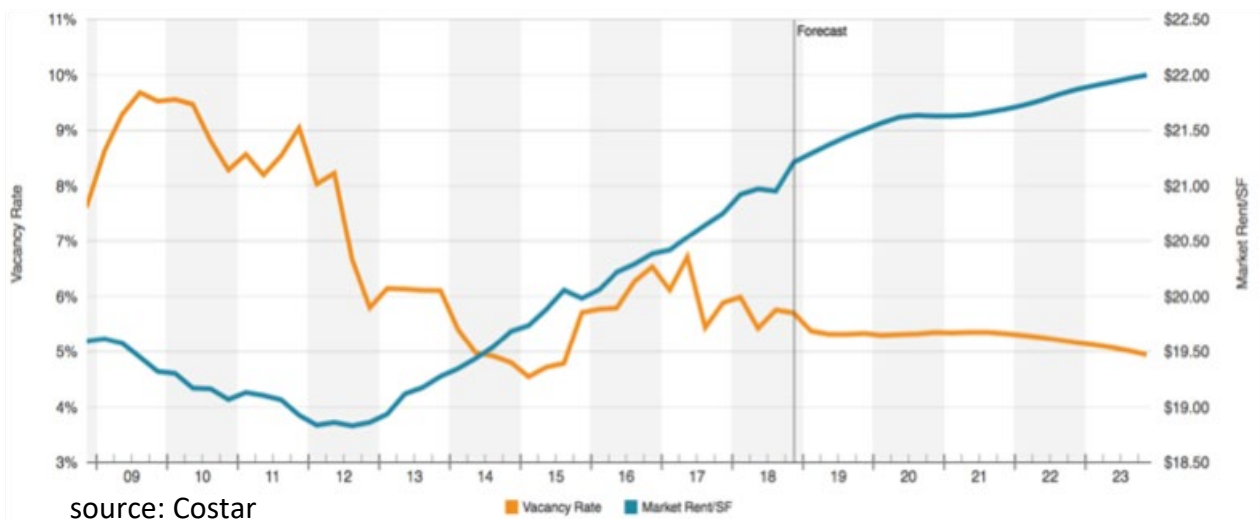
Baltimore County had an average balance of absorptions and deliveries from 2013-2014. 2015 was a difficult year with more product being absorbed but not as much being delivered. Retail vacancies in Baltimore has stayed under 5 percent for the last 5 years.

However, Essex has struggled with the absorptions and deliveries over the past 5 years. It experienced its largest negative absorption in Quarter 4 of 2015. Absorptions and deliveries are expected to balance out over the next 3 years. Retail vacancies in Essex has also stayed under 5 percent but there has been less vacancy in Baltimore County.



RETAIL MARKET NNN RENT RATES

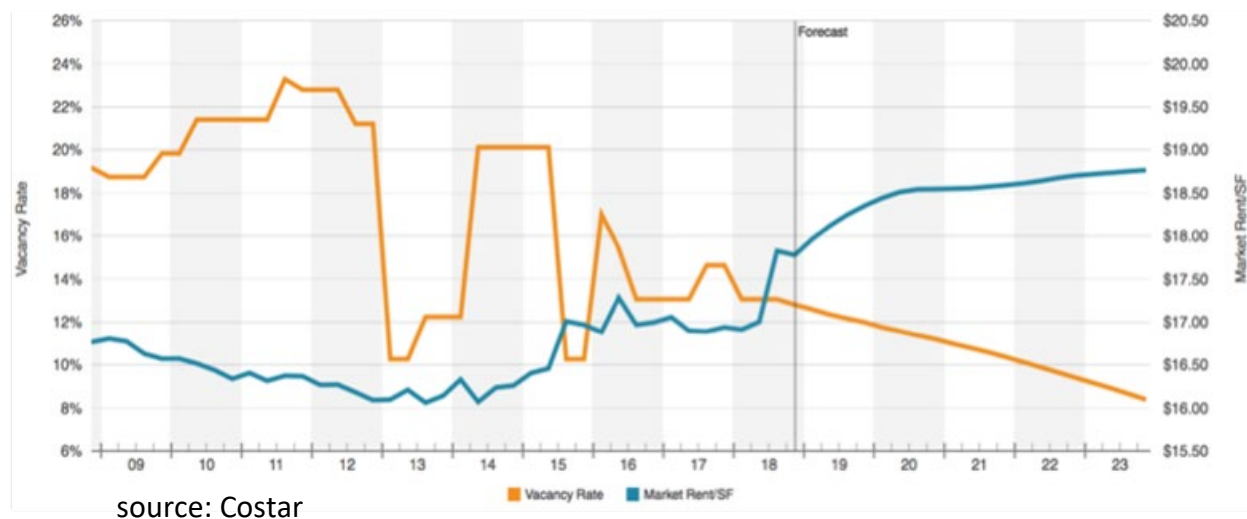
Vacancy & Market Rent Per SF



Baltimore County

Rents in Baltimore County dropped from 5 to 3 percent from 2009-2012 due to the recession. However, the rents have steadily increased over the past 5 years and are forecasted to increase through 2023.

Vacancy & Market Rent Per SF



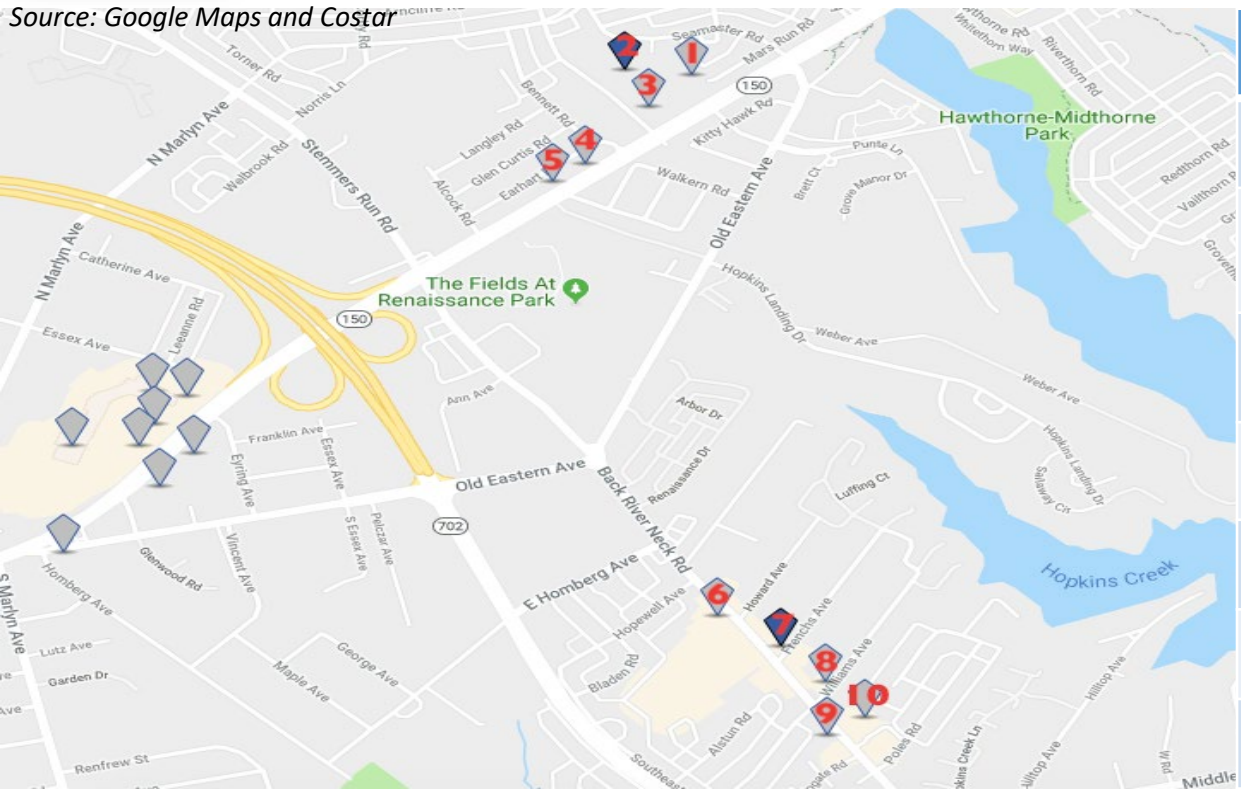
Essex

Rents in Essex have fluctuated since 2009. It took Essex 4 years, but rents are now the highest they have ever been, averaging \$15/sf. Market rents will continue to increase although at a slower rate than Baltimore County.



COMPARABLE RETAIL PROPERTIES

Source: Google Maps and Costar



Key	Property Name/Anchor	Size (SF)	Rent/SF	Vacancy Rate (%)	Center Type
1	111 Orville Rd/Suntrust	1,597	\$15-\$18 NNN	0%	Neighborhood Center
2	117-165 Orville Rd/Mars Super Markets Inc	67,815	\$16-\$19 NNN	17%	Neighborhood Center
3	101 Orville Rd/Ruby Tuesday	7,164	\$16-\$19 NNN	0%	Neighborhood Center
4	1770-1788 Eastern Blvd	3,338	\$16-\$19 NNN	0%	Strip Center
5	1723-1756 Eastern Blvd	6,329	\$15-\$19 NNN	0%	Strip Center
6	1552 Country Ridge Ln	2,400	\$10-\$12 NNN	0%	Neighborhood Center
7	129-133 Back River Neck Rd	6,000	\$17.06	15%	Strip Center

The area within a 2-mile radius of Essex includes neighborhood centers and retail strips. There area’s lack of anchor tenants impedes attraction of national brands. Locations 1-5 are outside the corridor. Retail rents average from \$15 to \$19/sf, triple-net. Most of the comps were built between 1930 and 1990.

Most of the comps are rated 2 or 3 stars. The strip and neighborhood centers are outdated and lack character. The highest rental/sf is location 2, which includes a Mars Super Market. The tenants in these centers have been there for over 10 years.



RETAIL MARKET DEMAND

Households in Essex ¹ **2018 Annual HH Growth**
15,796 60

Industry Summary	Expenditure per Household ²	Estimate of Current Total Expenditures in Essex	Sales/SF Threshold ³	Total Retail Supply in Essex Currently ⁴	Annual Future Demand From New Households	National Store Chains Sales/SF Threshold ⁵	Future Annual Supportable Square Feet ⁵	Future 10 Year Demand Potential
Women's Apparel	\$580	\$9,161,680			\$34,993	\$369	95	949
Men's Apparel	\$308	\$4,865,168			\$18,583	\$369	50	504
Girl's Apparel	\$116	\$1,832,336			\$6,999	\$301	23	232
Boy's Apparel	\$79	\$1,247,884			\$4,766	\$301	16	158
Infant Apparel	\$70	\$1,105,720			\$4,223	\$301	14	140
Footwear	\$312	\$4,928,352			\$18,824	\$357	53	528
Entertainment	\$287	\$4,533,452			\$17,316	\$107	162	1,615
Audio & Visual Equipment/Service	\$971	\$15,337,916			\$58,584	\$450	130	1,302
Reading Materials	\$72	\$1,137,312			\$4,344	\$251	17	173
Pets, Toys, Hobbies	\$577	\$9,114,292			\$34,812	\$238	147	1,465
Personal Items	\$1,871	\$29,554,316			\$112,884	\$482	234	2,344
Food at Home	\$3,569	\$56,375,924			\$215,330	\$501	430	4,296
Food Away From Home	\$2,450	\$38,700,200			\$147,817	\$551	268	2,684
Alcoholic Beverages	\$379	\$5,986,684			\$22,866	\$551	42	415
Household Equipment & Furnishings	\$1,319	\$20,834,924			\$79,580	\$337	236	2,364
Automotive Repair & Maintenance	\$697	\$11,009,812			\$42,052	\$257	164	1,635
Total	\$13,657	\$215,725,972	\$165	1,310,752	\$823,972	\$396	2,081	20,805

¹ From Esri. Estimates for Essex, Maryland. Future annual growth based upon Esri 2018-2023 estimate (50/year) and Essex household demands (49 to 70/year).

² Annual per household spending by category within a three mile radius from 1415 Eastern Boulevard.

³ Based upon current square feet in Essex from CoStar divided by total retail expenditures.

⁴ CoStar.

⁵ Based on the average reported expenditures by square foot, by store type, as reported emarketer.com.

³ Based upon a limited amount of capture of existing demand

⁴ Based upon a fair share capture of future demand based upon planned projects in area

Essex can support approximately 20,000 square feet of retail over the next 10 years.

Annually, households in Essex spend \$13,657 on retail.

Compared to the national chain store average, Essex retail stores generate approximately \$165 sales/sf, significantly below the national retail average for new retail of \$396 sales/sf.

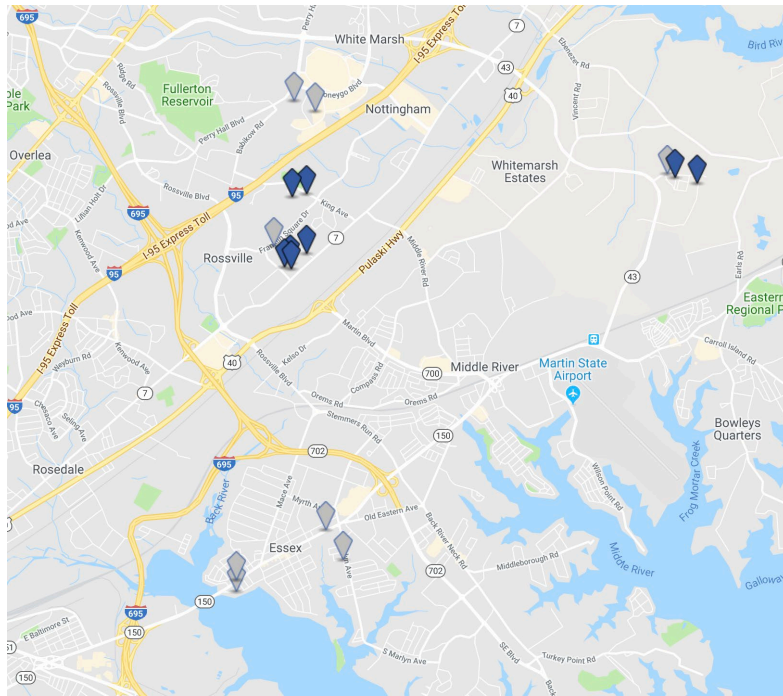
While the area could support approximately 20,000 square feet of new retail over the next 10 years, there is likely not enough to currently support chain stores. It is also not clear if any of the tenant types would be interested in an Essex location.



OFFICE MARKET ANALYSIS



OFFICE SUPPLY AND COMPARABLE PROPERTIES



Key	Property Name/Anchor	Size (SF)	Rent SF	Vacancy Rate (%)	Floors/ Floor plate	Class Type	Tenancy
1	303 Eastern Blvd	3136	\$22 - \$23	0%	2 Flr/ 1568	Class C	Multiple
2	628 Eastern Blvd	2500	\$19-\$20	0%	1 Flr/ 2500	Class C	Single
3	6015 Roseville Blvd	1500	\$19.65 - \$21	0%	2 Flr/ 750	Class B	Single
4	621 Stemmers Run Rd	12,000	\$14-\$17	17%	2 Flr/ 6000	Class B	Multiple
5	8110 Corporate Place II	79,091	\$19-\$20	0%	3 Flr/ 25,229	Class A	Single
6	9105 Franklin Square	59,383	\$19-\$20	0%	3 Flr/ 19,794	Class A	Multiple
7	6201 Greenleigh Ave	76,980	\$19-\$20	0%	3 Flr/ 19,188	Class A	Multiple
8	5233 King Avenue	60,000	\$21 - \$22	1.80%	4 Flr/ 15,000	Class B	Multiple

- The area lacks anchor tenants, key office occupiers, and Class A tenants.
- Gross average office rents range from \$19 to \$23/sf (except 621 Stemmers Road which ranges between \$14-\$17).
- Most Essex offices are Class C, home offices or Class A/B in Baltimore County.
- Most Essex offices are small and old (1,500 to 3,500 square feet) with small floor plates vs. Baltimore County, which ranges from 40,000 to 80,000 square feet and above. Essex offices are home offices with average size from 1,000 to 1,500 square feet.
- Most Essex office tenants have been there for over 10 years.



COMMERCIAL DEMAND

Baltimore County Future Office Demand		2019-2020	2020-2025	2025-2030	2030-2035	2019-2035
Projected Employment Change ⁴		5,538	16,928	12,324	10,441	45,230
Square foot/Employment Change ⁵		120	120	120	120	120
Total square footage in Demand (entire time period)		662,119	2,024,006	1,473,542	1,248,420	5,408,087
Essex Capture of Demand: Low ⁶	0%	0	0	0	0	0
Essex Capture of Demand: High ⁷	0.8%	5,427	16,588	12,077	10,232	44,324

Essex can support approximately 44,324 square feet of retail within the next 17 years i.e. 2035 as a best case scenario.

While the area could support approximately 44,324 square feet of new office space over the next 17 years, such low scale demand (as a best case scenario) may not attract developer or investor interest due to such low demand.

¹ CoStar

² BLS

³ Estimated based upon percentage of office workers by industry type

⁴ Baltimore County Round 9.0 Forecasts

⁵ Based on historical performance

⁶ Based on Essex percentage of office space compared to Baltimore County overall

⁷ Based on Essex capture of both office absorption (which has been negative) and construction (which was 0) since 1997



RECOMMENDATIONS BY USE

Use	Corridor Short Term Opportunity	Corridor Long Term Opportunity	Strengths	Challenges	Key Considerations	Demand Potential to 2035	Key Tenants/Renters
For-Rent Apartments	Moderate	Strong	<p>Essex vacancy rate is 5.3% and has steadily declined over the last 10 years while rents have increased.</p> <p>The housing stock is aging with the most recent apartments delivered in 2009.</p> <p>The Corridor has some vacant land, small lots, and opportunity for redevelopment.</p>	<p>The Corridor has limited vacant land available. The vacant lots are smaller.</p>	<p>Aging housing stock with many units constructed in 1930-1950s are Class B and C properties with lower average rental rates.</p> <p>According to CoStar, along the corridor, the median construction year is 1961.</p>	<p>Over the the next 20 years demand will support 362 new rental units.</p>	<p>Likely to be singles and couples.</p> <p>Larger apartments may attract families as well.</p>
For-Sale Condos	Moderate	Moderate	<p>During the last 10 years no condo communities have been built. Although there have been no new condos, there is still demand. In the last 3 years, 145 condos were for sale with 62 of them sold.</p> <p>Some strengths of Essex condos are their proximity to the water, their appeal to first-time home buyers and to those looking to downsize. Another strength is their proximity to the highway with easy access to Baltimore city.</p>	<p>Walkability is a challenge; sidewalks are not safe because of their narrow width.</p>	<p>Some condos are either near the water with access to boat slips with water views.</p> <p>Some of the older, less desirable apartments can be converted into condos. Condos appeal to households that want to own homes without yard maintenance.</p> <p>Some condos can be built by the water or have a water view. Other condos can be built near new retail. New condos should provide larger living space; increase from 600 sf to 1,100 sf to 1,050 sf to 1,700 sf.</p>	<p>The total demand for condos over the next 20 years would be around 80 units (an average of 40 units every 10 years).</p>	<p>Key buyers in Essex would be people between the ages of 25-34 and 55-64 with an annual household income of either \$50,000 - \$75,000 or \$100,000 - \$150,000.</p> <p>Buyers are likely to be first-time home buyers, young people, single people or couples, or older middle-aged people looking to downsize or be near the water.</p>



RECOMMENDATIONS BY USE

Use	Corridor Short Term Opportunity	Corridor Long Term Opportunity	Strengths	Challenges	Key Considerations	Demand Potential to 2035	Key Tenants/Renters
Retail	Beautification, street edges, street lights, signage	Renovations to existing buildings	Ample amount of existing retail, visibility and parking.	Urban design is lacking, new nearby development (Yard 65) can impact Essex. Household demand supports a limited amount of new retail.	Study traffic patterns and green space opportunities, bus lines, reduce retail and focus on redeveloping existing stores (e.g., spending \$50 in 3 stores compared to \$50 in 1 store)	Based on demand study, Essex can support approximately 20,000 sf of new retail.	Small local retailers meeting the needs of residents.
Commercial (Office)	Weak	Weak to moderate	No specific strengths for office market in near to medium term.	No substantial offices/companies present Weak demographics/employable population/availability of white-collar talent Weak economy in Essex. (GDP, employment data, manufacturing activity, key companies) Lack of specific government policies or incentives to attract job creating companies. Lack of investor and developer interest Area unsuited for corporate office uses (requires large investments to change) Lack of significant talent due to lack of colleges and universities in Essex No real office growth in the past five years	Essex office market is around 2,40,000 square feet. Out of this, one third (80,000 square feet) of space is converted in the area's older townhomes.	There is not much demand for new office in Essex. The area could support approximately 44,324 square feet of new office space over the next 15-17 years, which is only 2,607 sf/year. Such low demand may not attract developer and investor interest. New office isn't recommended.	No key office tenants currently prevalent The county would need to use policies and incentives to attract investment and key office tenants or corporations that can contribute to developing an office market in Essex.



RECOMMENDATIONS BY USE

Use	Corridor Short Term Opportunity	Corridor Long Term Opportunity	Strengths	Challenges	Key Considerations	Demand Potential to 2035	Key Tenants/Renters
For-Sale Single Family	Good	Increasingly constrained as land becomes unavailable due to development	<p>There is an existing fabric of single-family detached housing.</p> <p>There is also a dearth of new single-family detached housing in the area.</p>	<p>Although land is available for development, it is a small amount.</p> <p>There are few amenity options that may be a challenge to attracting homebuyers.</p> <p>Area school are also challenged, which could weaken demand.</p>	<p>Renaissance Square, the only new single-family detached development in the corridor, is cheaper than other developments.</p> <p>The demand model shows there could be steady demand for new homes over the next 17 years.</p>	<p>By 2035 there could be demand for up to 306 new single-family detached homes if land were available.</p>	<p>With an area median income of \$52,210, new single-family detached homes will have to attract higher income households.</p> <p>A price range of \$250,000 to \$350,000 is still below that of the surrounding area.</p>



RECOMMENDATIONS – FOR-RENT APARTMENTS

Class B, mid-priced, garden-style multifamily rental apartments are a suitable option for corridor. Particularly, a development similar to the photos, with high-end finishes and amenities, offering 600-square foot, 1-bedroom units, renting for \$1,000; 800-square foot, 2-bedroom units renting for \$1,000; and 1,750-square foot, 3-bedroom units renting for \$1,900.

There are limited locations available on the corridor, with an existing choppy mix of mainly retail and residential. However, there are several vacant and underutilized lots along the corridor, should an opportunity arise for redevelopment. Most of the lots are less than an acre. Areas with the most potential consist of two mid-sized shopping centers built in the 1980s and a 10-acre development built in 1963. Three larger sites have not been maintained, with minimal updates and upkeep.

Essex's vacancy rate is 5.3 percent and has steadily declined over the past 10 years. During this period, the rental rates have steadily increased. Essex's housing stock is relatively old, with a low-quality inventory offering affordable rents. Almost 95 percent of the apartments are more than 20 years old with the most recent multifamily delivery in 2009.

Only 5.8 percent of the county's rental housing is in Essex. Data suggests that the county will grow by an average of 1,058 households annually between 2020 and 2035. The demand indicates that between 1.7 percent and 5.8 percent (8 to 29) of new the units in Baltimore County will be constructed in Essex, which is approximately one garden-style complex delivered by 2035.





RECOMMENDATIONS – FOR-SALE CONDOS

Although Essex has a fair amount of for-sale housing, homebuyers want to be able to have different types of housing available. There haven't been any new condominiums delivered in the area since 2008. Because of the potential for companies such as Tradepoint Atlantic and Stanley Black & Decker to build new facilities near Essex, there could be an increased demand for for-sale housing in Essex.

With about 5 to 6 percent of Baltimore County households turning over annually, some of them are looking to become first-time homebuyers. Having for-sale condos available to purchase, offers them a more affordable type of housing. Approximately 145 existing multifamily condos have been sold in the last three years in Essex.

There is also a small demand for new condos in Essex, although none have been built since 2008. The demand model suggests that Essex Could support between 40 to 60 by 2035 or between 30 to 40 condo units every 10 years.

Corridor 3, Back River Neck Road, appears to be a better place for new condos than other corridor sections because it has more green space available. Because there is a limited amount of space in Essex, one way to provide new condo units is to convert the older, unoccupied apartment buildings (circa 1960 to 1980) into condos, creating housing more suitable for today's market.

Doing this would serve households looking for a more affordable for-sale units that meet current standards of living, (larger and open concept living space). Also, condos offer homeowners the option of owning a home with luxury amenities, without having to worry about yard maintenance, as well as a product that fits within their budget more than a single-family detached home or a townhouse.



Newly built in Virginia - The Enclave Condos
source: www.newhomesguide.com



Newly Built in Maryland - Lake Linganore Oakdale Condos
source: www.newhomesguide.com



RECOMMENDATIONS – SINGLE-FAMILY DETACHED

The area can support single-family detached homes priced lower than those in the surrounding area.

The corridor has one single-family detached development that has many price saving features resulting in lower priced housing than other area developments. Single-family communities in the surrounding area include Hawkins Manor, Campbell Crossing, and Greenleigh.

The Essex area has several challenges to developing single-family detached housing, including low-performing schools, the amount of developable land, and a lack of amenities.

The corridor also has strengths that support single-family detached development. The existing fabric of older housing stock would provide an easy framework for the incorporation of new housing. The overall suburban nature of the corridor would lend itself to the land intensive nature of this type of development.

As an area in possible transition, there are factors to consider for the corridor's future. Black & Decker and Tradepoint Atlantic could bring new employment opportunities to the area. This could increase demand for future housing, which could also increase the price of new homes. The GSA building located near Martin State Airport is an outlier that could provide an increase in activity for the area as well.



RECOMMENDATIONS – RETAIL

Based on the data collected, the demand for additional retail in the corridor is limited.

There is already a decent amount of retail in Essex including the new Dunkin Donuts. The corridor also has a grocery store, Food Lion, which provides grocery related items. This area could not support another chain grocery store at this moment. Grocery stores tend to act as anchor tenants, attracting more businesses and bringing in revenue. Without an anchor tenant for a new shopping center, any new chain stores are not likely to succeed.

The city should focus on beautification of the area: increasing signage, street edges, and utilizing the existing visibility. Adding more plants, benches, widening the sidewalk, updating shopping center signs, and using vacant lots, would add to the beautification of the area. Back River Neck Road is not well-suited for walking because most buildings are spread apart.

Over the next few years, Essex should focus on reducing the number of stores, renovating and upgrading the existing stores, and redeveloping some of older shopping centers. This way, instead of splitting \$150 in three separate stores, a consumer could spend that \$150 in one store, increasing the revenue. Providing façade improvements will help attract more customers because of the effect of the visual experience on consumer behavior.

By reducing the number of stores, beautifying the area, and renovating existing buildings, Back River Neck could bring in additional small-scale retail-oriented stores to support neighborhood shopping needs.





RECOMMENDATIONS – OFFICE

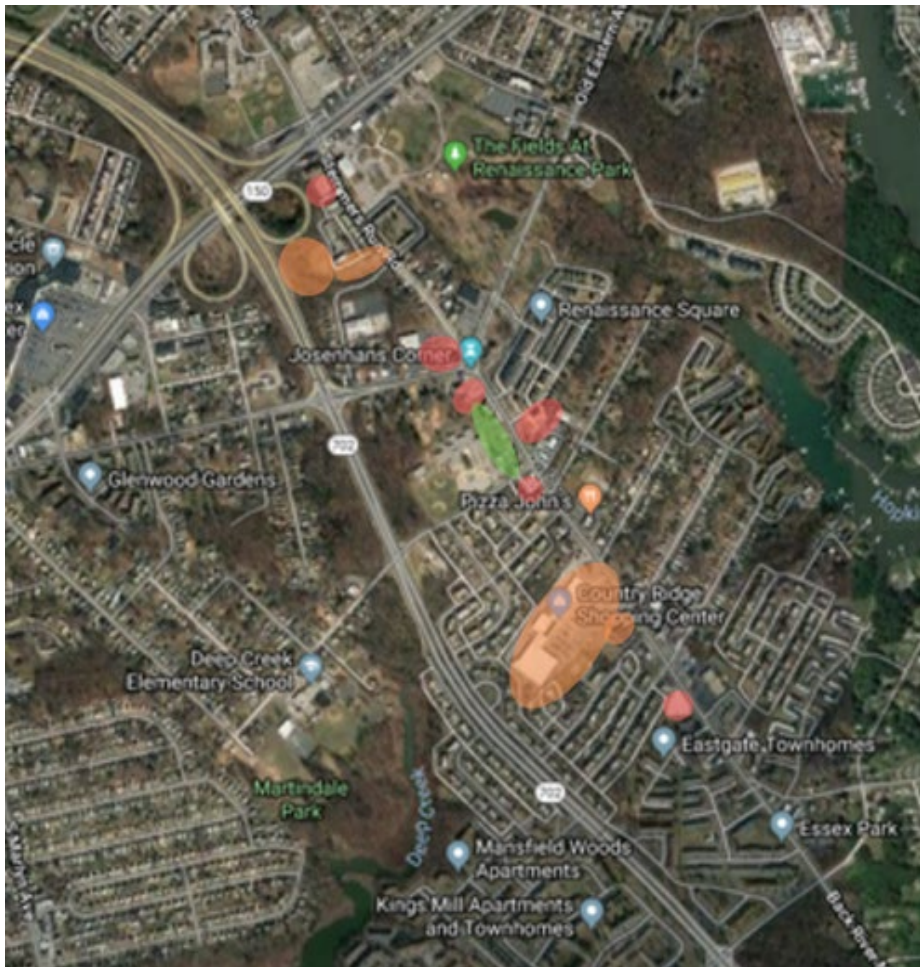
Based on the data, additional new office use space and office use development may not be viable for this Essex corridor.

There is already 340,000 square feet of office space occupied in Essex of which a third (about 80,000 square feet) are offices in older residential townhomes. Due to lack of a substantial industry presence, the lack of any key corporate offices, and the lack of specialized talent, this market needs to undergo numerous changes before becoming a viable office development market attracting more companies and businesses.

Without an anchor office tenant or potential companies for new office development, any new office development may not succeed in the area.

The county should focus on creating policies and incentives for employment that encourage companies to establish themselves in Essex. Improvements should focus on beautification of the area and improving safety issues. Essex should also focus on an image makeover to attract corporate investments that will change negative perceptions into positive ones. Beautification could include making the area greener, widening the sidewalks, using vacant lots in a strategic manner to uplift Back River Neck Road.

Over the next few years, Essex should focus on developing a strategic plan to create a viable office market including direct discussions with SME (Small and Medium Enterprises) to attract them to Essex. They can also plan to transition offices in townhomes to designated offices in new office buildings.



● Potential Land Over 1 Acre
 ● Potential Land Under 1 Acre
 ● Potential Greenspace/Park

Work with absentee owners or raise taxes on vacant properties to encourage improvements and upkeep on vacant and blighted properties.

Encourage pop-up spaces for start-up businesses by offering below-market short-term leases to promote office uses.

Reduce the number of retail stores in the next 10 years for more viable land uses.

Offer redevelopment incentives to owners of underutilized commercial and residential properties as well as to investors and developers of new uses.

Update the infrastructure and study traffic patterns to enhance the pedestrian experience. Sidewalks need repair, and upgrades like stamped concrete could improve the walking environment. Landscaping with planters and street trees, updated the lighting, and burying utility lines could also improve the pedestrian experience.

Clean and modernize bus stops, and add shelters or benches to improve the commuter experience.

Bring parks up to the standard of Renaissance Park by updating amenities—additional benches, tables, grills, updated signage, more bike lanes and walking trails—would provide an outdoor amenity in the area.

Focus on creating policies and incentives for employment-generating companies to establish in Essex.



RECOMMENDATIONS – CONT'D.

Improve property entrances. Make the Mars Estates Elementary School entrance more defined as well as other housing developments and develop signage restrictions to unify the corridor.

Review the corridor's numerous large parking lots to use them more efficiently, including retail frontage.

Promote community involvement in improving Essex and the corridor. Promotional events and neighborhood gatherings could help foster a sense of community. An open dialogue with the community and surveys could help better understand issues and the desired uses.

Improve the area's reputation by increasing police or adding police cameras to enhance safety. Essex is safer than only 8 percent of other US cities.

Encourage community assistance in improving the corridor's appearance. Community associations should be encouraged to meet regularly to discuss code violations in their areas. Offer code enforcement sweeps to encourage compliance, and regularly check on problem properties.

Improve the area's educational resources. According to [greatschools.com](https://www.greatschools.com/), most schools along the corridor are rated a 3 out of 10. Upgrading could be accomplished by increasing parental involvement through hiring within the community. Offering incentives to employees of local business for moving to Essex could attract residents with higher levels of education and can be offered to such businesses as Community College of Baltimore County, Medstar Franklin Square Hospital, Lockheed Martin, and Tradepoint Atlantic.