

Real Estate Roundtable Economic Development Report 2008-2009



MARKET ASSESSMENT

Retail

Office

Warehouse/Industrial

Hotel

Residential

Retail

College Park Retail Analysis, 2008					
District	Buildings	Total SF	Vacant SF	Vacancy	Asking Rents
Downtown	7	144,605	7,759	5%	\$23.00-\$45.00
Hollywood	4	71,800	5,000	7%	\$16.00-\$25.00
Mid Town	3	47,000	0	0%	\$35.00
Uptown	11	762,335	39,738	5%	\$18.00-\$40.00
Total	25	1,025,740	52,497	5%	

- Overall rents were stable; vacancies up, but up slightly from 3% to 5%.
 - Excluding Linens and Things, vacancy rate is 3%
- Many vacant spaces/properties in College Park tend to be “for sale,” redevelopment sites, “not on the market,” or extremely low quality properties, as of February 2009
- County Council approved five mixed-use projects with 65,847 SF of retail space over the last year and half
- Asking rents still over \$30.00 SF in downtown, mid-town, uptown (by the Beltway) for most spaces
- New businesses: Jason’s Deli, Einstein Brothers Bagels, Five Guys, Buffalo Wild Wings

Office

College Park Office Analysis, 2008				
District	Buildings	Total SF	Vacant SF	Vacancy
Downtown	8	191,863	10,942	6%
TDOZ	12	1,753,804	64,560	4%
Berwyn	4	62,571	4,588	7%
Hollywood/Uptown	7	155,462	27,220	18%
Mid-Town	6	1,949,371	6,000	0%
Total	37	4,113,071	113,310	3%

- Vacancies up since 2007 (from less than 1% to 3%); majority of vacancies (80%) were created by available space in the TDOZ, Uptown, and Hollywood districts
- Overall asking rents are significantly influenced by 50,000+ SF of vacant space at M Square; both Class A (M Square) and Class B (Uptown and Downtown) are up approximately \$3 SF from 2007**
- NOAA (if completed) and M Square 2 will add 400,000 SF Class A Office by 2010
- Mid-Town will lose 45,000 SF of office space when 8400 Baltimore Ave is demolished during the development of the University View Village

Warehouse/Industrial

College Park Industrial/Warehouse Space Analysis, 2008						
District	Buildings	Total SF	Vacant SF	Vacancy	Asking Rents	
Downtown/ TDOZ	10	228,836	11,000	5%	\$11.00-\$15.00	
Mid-Town/Berwyn	6	61,960	13,300	21%	\$8.50 -\$12.00	
Uptown/Branchville	3	98,500	11,600	12%	\$11.00-\$12.00	
Total	19	389,296	35,900	9%		

- Vacancies are up in this usually tight market; typically, vacancies are close to 0%
- Rents dropping slightly; still \$7 to \$12 SF depending on the quality of the space
- The biggest news in this market was the 2008 announcement that the Washington Post Plant would be closing in 2009

Hotel

College Park Hotel Occupancy Rates, 2004-2008			
Year	Occupancy Rate	Average Daily Rate	# of Rooms
2004	63.20%	\$83.31	1,274
2005	68.10%	\$90.26	1,274
2006	66.40%	\$96.60	1,274
2007	62.50%	\$102.70	1,274
2008	60.30%	\$102.69	1,274
Average	64.10%	\$95.11	

Smith Travel Associates

- Between 2004 and 2008 daily rates showed a substantial increase (25%)
- Occupancy dropped 8% between 2005 and 2008
- The biggest news has been the announcement by Baywood Properties in 2009 that they would be redeveloping their three hotel site (Days Inn, Ramada, Howard Johnson) in Uptown

Housing Sales for Zip Code 20740			
Year	# of Sales	Median Value	Mean Value
2007	268	\$360,000	\$356,301
2006	499	\$354,200	\$348,651
2005	669	\$290,000	\$293,205
2004	447	\$241,625	\$236,704
2003	232	\$200,000	\$205,923
2002	345	\$167,762	\$166,411

Source: Maryland Data Center

- Expect to see significant drops in home values in 2008 and 2009
- College Park substantially better off than the rest of Prince George's County
- The College Park University Partnership has been working to develop a strategy to address foreclosures in College Park—Work/ Live College Park Program
 - Contact is Amy Neugebauer at aneugeba@umd.edu

Residential Continued

Housing Sales for Zip Code 20740 (Single Family)					
Year	2004	2005	2006	2007	2008
Avg Sale \$	\$255,000	\$355,000	\$347,000	\$342,730	\$293,728
Total Sold	358	395	439	181	153
Avg Days on Market	48	20	50	87	118

Source: MLIS Data

DEVELOPMENT PROJECTS: 2009

Camden at College Park, Village at College Park, M Square 1, Downtown Parking Garage

Under Construction (5)

NOAA*, Mazza GrandMarc, M Square 2, University Overlook, Starview Plaza

Approved, Inactive Projects (7)

Jefferson Square Apartments, Northgate Condos, JPI West, Garden Suites, Hollywood Station, Greenbelt Station, Mosaic at Turtle Creek

Approved (2)

The Varsity, University View Village

Submitted (3)

East Campus, The Domain, Towne Suites by Marriott

Source: City of College Park

* Under construction, but currently inactive

Development Projects: 2009

Development Projects 2009			
Name	Status	Residential Units	Commercial SF
Completed Projects			
The Village at College Park	Completed	0	40,000
Camden at College Park	Completed	520	0
M Square 1	Completed	0	120,000
Downtown Parking Garage	Nealry Completed	0	5,800
NOAA Building	Inactive	0	289,500
Sub Total		520	455,300
Under Construction			
Mazza Grandmarc Apartments	Under Construction	231	10,000
University Overlook	Under Construction	154	11,600
Starview Plaza	Under Construction	177	9,487
M Square 2	Under Construction	0	120,000
Sub Total		562	151,087
Approved Projects			
The Varsity	Approved	258	20,019
University View Village	Approved	272	18,960
Sub Total		530	38,979
Submitted Projects			
Towneplace Suites by Marriot	Approved	75	0
East Campus	Inactive	1,511	613,990
The Domain at College Park	Submitted	250	7,500
Sub Total		1,761	621,490
Total		3,373	1,266,856

Student Housing

Completed Student Housing		Beds	Date of Completion
University Courtyards at UMD		768	2000
South Campus Commons:	Phase 1	1,036	2002
	Phase 2	217	2003
	Phase 3	571	2004
University View		1,056	2005
Sub-Total		3,648	

Under Construction Student Housing		Beds	Ground Breaking
South Campus Commons	Phase 4	368	2008
Mazza Grandmarc		630	2008
University Overlook		516	2009
Starview Plaza		662	2009
Sub-Total		2,176	

Approved Student Housing		Beds	Estimated Ground Breaking
Oakland Hall (on-campus)		650	2009
The Varsity		901	2009
University View Village		900	2009
Sub-Total		2,451	

Total	8,275		
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Special Projects

- ShopCollegePark.Org Launched
- TDOZ ULI Technical Assistance Panel
- EDI grant for streetscape improvements
- Work & Live College Park program
- City Economic Development Website

Questions?

