Greetings,

Summer time in Harford County means a break for many as we enjoy vacations and some much-needed down time. For others, this season is booming. Historically low interest rates have pushed consumer confidence upward and the local economy is reaping the benefits. This month EDAB e-News takes a look at the growth in the commercial and residential real estate markets. We've welcomed a number of new businesses and helped many expand in the County. The housing market is exploding, with inventory moving briskly at full list price, according to local realtors.

Don't miss the exciting details of new industrial and retail contracts in our main story. Meet a local residential realtor in Business Spotlight. Finally, don't forget to take your own break this summer, because Fall promises to continue the upswing.

For more information about EDAB or to become involved, visit www.harfordbusiness.org, or contact me.

Regards,

Eric McLauchlin
Chairman
EDAB

Staying in the Game: Real Estate Shows Positive Impact on Economy
by Eileen Frado

From Baltic Avenue to Park Place on the Monopoly board, the savvy player considers price, profit potential and location before investing in a chunk of real estate. Proximity to resources and traffic potential of other players helps the property owner to accumulate wealth. In real life, the local real estate game applies the same basic premise of investment success: location and profit potential.

Whether it's commercial or residential real estate, Harford County is worth the investment. Businesses who have located here have discovered an ideal location, convenient to the I-95 corridor for transportation purposes, with access to an educated, diverse work force. Potential residents want to live here because of the proximity to businesses, jobs, and various community amenities. The result: positive economic development.

This year, the County has experienced the expansion of several existing industrial and distribution facilities, as well as the addition of new retailers in and around the Enterprise Zones. Industrial vacancy is less than six percent, thanks to renewed leases and new business signings. Among them are Kenco, leasing 692,000 square feet of space at Chelsea Road in Perryman; Pier 1, adding nearly 350,000 square feet to its existing 634,000 square foot facility and signing a 10-year lease; and U.S. Lumber, leasing 114,000 square feet.

Harford County companies are also relocating or expanding to larger spaces as they become available, as evidenced by the move of Northeastern Supply to a multi-tenant building, and TIC Gums Manufacturing's expansion to the former Mercedes Benz warehouse in Belcamp. Retail establishments have selected prime real estate locations, with new leases signed by up-and-coming companies like Pet Value, Wild Bertha, Stone's Cove Kit Bar, Jimmy Johns and Ann Taylor Loft. A number of frozen yogurt shops, fitness clubs and dance
studios have also contracted space and are thriving within a competitive environment.

The County itself is often competing to win these businesses. From programs like the Enterprise Zone credits to the Entrepreneurs Edge, each county has an economic development plan to attract businesses who will maintain a positive economic climate. With each new business that settles in the community, the opportunities open for jobs, profits and growth. In turn, residential real estate expands.

That's exactly what's happening here. On the heels of the commercial real estate growth, the local home market is showing strong upward movement, after a lengthy slump. Home sales and pending contracts in the Baltimore metro area have increased at double-digit rates over the last two months, according to a recent report from Real Estate Business Intelligence (RBI). According to the report, new listings are up nearly 20 percent over last year, and the properties are selling quickly - the median number of days on the market is 26, the lowest since June 2006. In addition, median sales prices have increased year-to-date over last year throughout the region, averaging between 1.7 and 7 percent. Harford County has enjoyed a 2.2 percent median sales price increase year-to-date, from $225,000 to $230,000 -- about 15 percent higher than the national median home sales price. In new construction, County building permits are up 10.5 percent year-to-date through May. In fact, a comparison of permits for May 2012 vs. May 2013 shows a 278 percent increase in 2013.

Overall, 2013 is shaping up to be a winning year, with forecasts showing continued growth. We'll stay in the game by creating strategic programs and marketing our built-in advantages of location and profit potential to companies and residents alike. Who needs Park Place when you've got Harford County?

Business Spotlight: Garceau Realty

"We are building more than a business, we are building our community!" says the Garceau Realty website at www.GarceauRealty.com. Differentiated by its local roots, Garceau Realty's Harford County office on Main Street in Bel Air is home base for 30 agents who pride themselves on personalized service and customer satisfaction. A full-service real estate brokerage firm, Garceau provides "first class service and first class exposure for homes," according to associate broker Chris Streett.

A member of the Garceau team since its inception here in 2008, Streett says today's business is good for him and his colleagues. "It's a marathon, not a sprint," he says, but he admits his 2013 sales are already 80 percent of his total 2012 sales. "Buyers need to recognize that it's the perfect storm right now - interest rates are at an historic low, the economy as a whole has improved, and the County has done its part with economic development in all areas to provide great opportunities for residents," Streett notes.

Garceau Realty was opened in 2008 by Georagenna Garceau, a 23-year veteran of the real estate profession. After moving to Maryland when her husband was transferred to Baltimore in 1981, she obtained her real estate license in 1986 and immediately became a top producer at her first agency, Magill Yerman's Better Homes and Gardens. Since then, she has been among the top 1 percent of industry producers nationwide. After obtaining her broker's license in 2007, she decided to open her own agency. Garceau Realty's two offices (Harford County and Baltimore Metro in Canton) have more than 40 agents serving the Harford, Cecil and Baltimore Metro areas. Garceau Realty's agents live in the counties in which they work, giving them first-hand knowledge of their customer base and familiarity with the various neighborhoods. Additionally, every agent is involved in a variety of community activities, and the agency itself supports numerous non-profit and community organizations like The Senator Bob Hooper House of Upper Chesapeake Health, Believe in Tomorrow, The Alliance for Lupus Research, KidsPeace and The Arc.

Real Estate Fast Facts

- Year-to-date through May, the number of building permits issued in Harford County has increased 10.5 percent over the same period in 2012. In the month of May alone, 174 permits were issued, vs. 46 in May of 2012.
- A total of 952,161 square feet has been newly leased in the County for industrial and warehouse use.
- Nearly 10 new retail and restaurant outlets have leased space this year.
- The vacancy rate of leasable industrial space is currently less than 6 percent, with an average rental rate of $4.76 per square foot. Office space has a vacancy rate of about 17 percent and an average rental rate of $22.32 per square foot.

Source: Bloomberg.com; MRIS and Coastal Association of Realtors; Real Estate Business Intelligence, Baltimore, MD Metro Area May 2013 Housing Market Update

David R. Craig, Harford County Executive

The Harford County Economic Development Advisory Board consists of a number of subcommittees - including technology, workforce development, finance, tourism, and land use - dedicated to the positive growth and Economic Development of Harford County

Forward email