

BALTIMORE AREA MARKET WATCH

SEPTEMBER 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q3 2017 NET ABSORB. SF	JAN. - SEPT. 2017 NET ABSORB. SF
	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY		INVENTORY SF ³	SF AVAILABLE ²	DIRECT VACANCY %			
Baltimore Metro Area											
BALTIMORE NORTH SUBMARKETS											
Harford County	3,835,382	893,644	23.3%	23.5%	\$22.24	1,646,700	676,794	41.1%	0	(73,000)	10,000
Baltimore County West	13,341,076	1,414,154	10.6%	10.8%	\$19.80	3,380,115	655,742	19.4%	30,000	107,000	160,000
Baltimore County North	16,471,875	1,515,413	9.2%	9.5%	\$20.12	2,017,542	60,526	3.0%	320,000	33,000	199,000
Baltimore County East	2,968,742	430,468	14.5%	14.6%	\$19.65	520,526	140,542	27.0%	0	34,000	11,000
Baltimore CBD	20,035,970	1,883,381	9.4%	9.6%	\$21.36	9,475,511	1,421,327	15.0%	220,000	(20,000)	94,000
Balance of Baltimore City	21,138,321	1,839,034	8.7%	8.9%	\$20.75	6,020,568	331,131	5.5%	0	(85,000)	(44,000)
Total - Baltimore North	77,791,366	7,976,093	10.3%	10.5%	\$20.64	23,060,962	3,286,062	14.2%	570,000	(4,000)	430,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,878,161	1,159,106	7.3%	7.6%	\$24.91	7,658,250	536,078	7.0%	233,556	48,000	366,000
Route 1 North	1,245,773	214,273	17.2%	17.8%	\$21.36	219,722	95,799	43.6%	0	19,000	27,000
BWI	11,335,264	1,564,266	13.8%	14.7%	\$23.85	5,817,290	465,383	8.0%	0	113,000	169,000
Anne Arundel South	7,349,444	881,933	12.0%	12.2%	\$25.33	1,289,045	199,802	15.5%	229,800	36,000	79,000
Total - Baltimore South	35,808,642	3,819,578	10.7%	11.1%	\$24.54	14,984,307	1,297,061	8.7%	463,356	216,000	641,000
Total - September 2017	113,600,008	11,795,672	10.4%	10.7%	\$21.87	38,045,269	4,583,124	12.0%	1,033,356	212,000	1,071,000
Total - September 2016	111,527,107	11,148,655	10.0%	10.3%	\$21.60	35,885,442	3,664,567	10.2%	1,864,248		

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government. ² Does not include sublet space.

³ Class A includes buildings greater than 50,000 SF and built after 1997. Except for Baltimore CBD, which includes those buildings that are defined as Class A by CoStar and are 50,000 SF or greater.

SOURCE: CoStar, Transwestern

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SEPTEMBER 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (FS)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q3 2017 NET ABSORB. SF	JAN. - SEPT. 2017 NET ABSORB. SF
	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY		INVENTORY SF ³	SF AVAILABLE ²	DIRECT VACANCY %			
Suburban Maryland											
MONTGOMERY COUNTY SUBMARKETS											
Bethesda/Chevy Chase	11,554,840	924,387	8.0%	9.0%	\$38.18	2,419,189	84,672	3.5%	660,000	(161,000)	(243,000)
North Bethesda	10,765,098	2,034,604	18.9%	19.1%	\$28.28	1,345,340	156,059	11.6%	0	(22,000)	(32,000)
Rockville	8,483,331	1,060,416	12.5%	12.7%	\$29.88	2,978,003	428,832	14.4%	0	17,000	(8,000)
North Rockville	12,380,046	2,017,947	16.3%	17.4%	\$27.37	4,923,319	866,504	17.6%	0	12,000	(82,000)
Gaithersburg	6,386,461	779,148	12.2%	12.3%	\$22.56	1,889,195	103,906	5.5%	0	(13,000)	7,000
Germantown	2,730,085	409,513	15.0%	15.1%	\$24.77	1,102,063	156,493	14.2%	0	(25,000)	5,000
Kensington/Wheaton	1,333,234	346,641	26.0%	26.0%	\$24.26	65,000	11,570	17.8%	0	17,000	11,000
Silver Spring	6,849,072	691,756	10.1%	10.8%	\$27.98	778,420	0	0.0%	121,724	(21,000)	(5,000)
N. Silver Spring/Rt. 29	3,492,988	352,792	10.1%	10.3%	\$23.31	315,538	0	0.0%	0	(17,000)	(45,000)
Total - Montgomery County	63,975,155	8,617,204	13.5%	14.0%	\$28.99	15,816,067	1,808,036	11.4%	781,724	(213,000)	(392,000)
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,257,718	20.5%	20.5%	\$22.44	843,873	75,105	8.9%	0	0	31,000
Laurel	2,579,823	257,982	10.0%	10.1%	\$20.32	185,804	22,296	12.0%	0	57,000	62,000
Greenbelt	3,016,041	817,347	27.1%	27.6%	\$21.41	234,096	46,351	19.8%	0	27,000	57,000
Lanham/Landover/Largo	4,944,867	1,162,044	23.5%	23.7%	\$21.42	748,783	53,164	7.1%	75,000	(25,000)	(62,000)
Bowie/Marlboro/South P.G.	4,982,613	697,566	14.0%	14.0%	\$21.38	805,084	94,195	11.7%	0	30,000	60,000
Total - Prince George's County	21,658,556	4,192,657	19.4%	19.5%	\$21.57	2,817,640	291,111	10.3%	75,000	89,000	148,000
Frederick County	6,858,268	843,567	12.3%	12.4%	\$22.28	1,783,835	160,545	9.0%	0	15,000	90,000
Total - September 2017	92,491,979	13,653,429	14.8%	15.2%	\$26.76	20,417,542	2,259,692	11.1%	856,724	(109,000)	(154,000)
Total - September 2016	92,954,119	14,541,241	15.6%	16.1%	\$26.38	20,417,542	2,399,996	11.8%	283,515		

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SOURCE: CoStar, Transwestern

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SEPTEMBER 2017

Flex/Industrial Space

SUBMARKETS	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY %	ASKING RENT (NNN)	SF UNDER CONSTRUCTION	Q3 2017 NET ABSORB. (SF)	JAN. - SEPT. 2017 NET ABSORB. SF
Baltimore Metro Area								
Harford County	23,558,271	1,437,055	6.1%	6.1%	\$6.31	656,800	(188,000)	(471,000)
Baltimore County West	19,234,866	1,288,736	6.7%	6.7%	\$6.57	0	449,000	679,000
Baltimore County North	10,576,642	285,569	2.7%	2.9%	\$11.30	0	42,000	42,000
Baltimore County East	29,749,327	2,231,200	7.5%	7.6%	\$3.64	2,698,644	268,000	133,000
Baltimore City	52,957,197	4,236,576	8.0%	8.2%	\$4.11	586,400	53,000	172,000
Columbia	13,327,878	733,033	5.5%	5.9%	\$11.46	0	107,000	93,000
Route 1 North	29,597,425	2,426,989	8.2%	8.2%	\$6.22	219,500	(59,000)	266,000
BWI	28,209,723	2,454,246	8.7%	9.2%	\$5.43	235,750	60,000	230,000
Anne Arundel South	4,476,252	161,145	3.6%	3.6%	\$16.14	0	27,000	85,000
Total - September 2017	211,687,581	15,254,548	7.2%	7.4%	\$6.05	4,397,094	759,000	1,229,000
Total - September 2016	210,252,809	16,579,540	7.9%	8.1%	\$6.10	1,368,026		
Suburban Maryland								
Prince George's County	56,965,126	4,728,105	8.3%	9.0%	\$7.05	334,034	123,000	74,000
Montgomery County	22,353,088	1,922,366	8.6%	9.0%	\$11.92	330,000	0	(28,000)
Frederick County	16,846,326	1,145,550	6.8%	7.0%	\$7.48	131,293	313,000	395,000
Total - September 2017	96,164,540	7,796,021	8.1%	8.6%	\$8.26	795,327	436,000	441,000
Total - September 2016	95,670,968	7,570,861	7.9%	8.0%	\$8.04	680,214		

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government. ² Does not include sublet space.
SOURCE: CoStar, Transwestern

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METHODOLOGY

The information in this report is the result of a compilation of information on office and flex/industrial properties located in the Baltimore metro area. This report includes single-tenant, multi-tenant and owner-user office properties 15,000 SF and larger, excluding those properties owned by a government agency.



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