

BALTIMORE AREA MARKET WATCH

DECEMBER 2016

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F\$)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q4 2016 NET ABSORB. SF	ALL OF 2016 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	3,787,302	855,930	22.6%	22.6%	\$22.29	1,646,700	620,806	37.7%	48,080	(19,000)	30,000
Baltimore County West	13,341,076	1,574,247	11.8%	12.2%	\$19.89	3,380,115	723,345	21.4%	25,734	(28,000)	157,000
Baltimore County North	16,342,276	1,585,201	9.7%	9.8%	\$20.35	1,887,943	49,087	2.6%	259,599	(33,000)	(57,000)
Baltimore County East	2,891,762	364,362	12.6%	12.6%	\$18.68	443,546	61,209	13.8%	76,980	(3,000)	34,000
Baltimore CBD	20,131,735	2,073,569	10.3%	10.3%	\$20.89	9,475,511	1,525,557	16.1%	0	(113,000)	(88,000)
Balance of Baltimore City	21,025,821	1,682,066	8.0%	8.3%	\$20.25	5,945,568	208,095	3.5%	222,500	712,000	894,000
Total - Baltimore North	77,519,972	8,135,374	10.5%	10.7%	\$20.50	22,779,383	3,188,099	14.0%	632,893	516,000	970,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,416,749	1,063,756	6.9%	7.1%	\$24.27	7,196,838	367,039	5.1%	641,828	137,000	357,000
Route 1 North	1,145,773	140,930	12.3%	13.6%	\$20.13	119,722	19,156	16.0%	0	(19,000)	(5,000)
BWI	11,165,530	1,563,174	14.0%	14.7%	\$23.58	5,673,290	346,071	6.1%	244,000	(301,000)	(398,000)
Anne Arundel South	7,242,803	854,651	11.8%	12.0%	\$24.47	1,162,545	112,767	9.7%	126,500	23,000	116,000
Total - Baltimore South	34,970,855	3,622,511	10.4%	10.8%	\$23.84	14,152,395	845,032	6.0%	1,012,328	(160,000)	70,000
Total - December 2016	112,490,827	11,757,885	10.5%	10.7%	\$21.52	36,931,778	4,033,130	10.9%	1,645,221	356,000	1,040,000
Total - December 2015	111,304,033	11,609,899	10.4%	10.6%	\$21.58	35,301,882	3,440,374	9.7%	1,794,170		

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

BALTIMORE AREA MARKET WATCH

DECEMBER 2016

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F\$)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q4 2016 NET ABSORB. SF	ALL OF 2016 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	11,654,099	780,825	6.7%	8.1%	\$38.15	2,419,189	99,187	4.1%	0	58,000	245,000
North Bethesda	10,765,098	2,002,308	18.6%	18.9%	\$28.74	1,345,340	154,714	11.5%	0	172,000	301,000
Rockville	8,483,331	1,051,933	12.4%	12.8%	\$28.91	2,978,003	470,524	15.8%	0	42,000	186,000
North Rockville	12,448,549	2,004,216	16.1%	17.8%	\$26.46	4,923,319	772,961	15.7%	0	25,000	(233,000)
Gaithersburg	6,779,461	1,179,626	17.4%	18.0%	\$22.35	1,889,195	120,908	6.4%	0	14,000	(115,000)
Germantown	2,730,085	414,973	15.2%	15.6%	\$24.76	1,102,063	192,861	17.5%	0	16,000	52,000
Kensington/Wheaton	1,333,234	357,307	26.8%	27.1%	\$23.99	65,000	7,605	11.7%	0	8,000	8,000
Silver Spring	6,832,266	669,562	9.8%	10.3%	\$27.38	778,420	10,119	1.3%	16,806	(27,000)	(75,000)
N. Silver Spring/Rt. 29	3,492,988	307,383	8.8%	9.4%	\$23.79	315,538	0	0.0%	0	14,000	94,000
Total - Montgomery County	64,519,111	8,768,133	13.6%	14.4%	\$27.69	15,816,067	1,828,880	11.6%	16,806	322,000	463,000
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,288,395	21.0%	21.4%	\$20.63	843,873	74,261	8.8%	0	12,000	(49,000)
Laurel	2,579,823	319,898	12.4%	12.6%	\$20.08	185,804	41,806	22.5%	0	10,000	(26,000)
Greenbelt	3,016,041	874,652	29.0%	29.0%	\$21.43	234,096	46,351	19.8%	0	154,000	45,000
Lanham/Landover/Largo	4,910,778	1,065,639	21.7%	22.2%	\$21.61	748,783	74,878	10.0%	34,089	5,000	334,000
Bowie/Marlboro/South P.G.	4,982,613	757,357	15.2%	15.2%	\$22.47	805,084	132,839	16.5%	0	10,000	(140,000)
Total - Prince George's County	21,624,467	4,305,940	19.9%	20.2%	\$21.31	2,817,640	370,135	13.1%	34,089	191,000	164,000
Frederick County	6,810,541	885,370	13.0%	13.1%	\$21.54	1,783,835	192,654	10.8%	232,620	68,000	157,000
Total - December 2016	92,954,119	13,959,444	15.0%	15.7%	\$26.44	20,417,542	2,391,669	11.7%	283,515	581,000	784,000
Total - December 2015	92,865,740	14,206,724	15.3%	15.9%	\$26.32	20,157,992	2,591,317	12.9%	490,245		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

DECEMBER 2016

Flex/Industrial Space

SUBMARKETS	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY %	ASKING RENT (NNN)	SF UNDER CONSTRUCTION	Q4 2016 NET ABSORB. (SF)	ALL OF 2016 NET ABSORB. SF
Baltimore Metro Area								
Harford County	23,558,271	965,889	4.1%	4.1%	\$6.26	0	707,000	1,060,000
Baltimore County West	19,164,186	1,897,254	9.9%	9.9%	\$6.61	0	(96,000)	(172,000)
Baltimore County North	10,576,642	327,876	3.1%	3.1%	\$11.36	0	21,000	21,000
Baltimore County East	29,288,747	1,903,769	6.5%	6.5%	\$3.86	360,136	996,000	1,664,000
Baltimore City	52,770,595	4,221,648	8.0%	8.1%	\$4.34	643,100	(245,000)	125,000
Columbia	13,327,878	826,328	6.2%	6.6%	\$10.15	0	40,000	227,000
Route 1 North	29,597,425	2,693,366	9.1%	9.7%	\$6.48	0	144,000	625,000
BWI	27,775,813	2,249,841	8.1%	8.7%	\$5.61	427,910	(28,000)	(70,000)
Anne Arundel South	4,476,252	246,194	5.5%	5.6%	\$15.00	15,190	(9,000)	(13,000)
Total - December 2016	210,535,809	15,332,164	7.3%	7.5%	\$6.10	1,446,336	1,530,000	3,467,000
Total - December 2015	210,087,004	18,373,124	8.7%	8.8%	\$5.98	1,261,496		
Suburban Maryland								
Prince George's County	56,331,146	4,168,505	7.4%	7.8%	\$7.08	411,000	196,000	1,361,000
Montgomery County	22,383,832	1,925,010	8.6%	8.7%	\$11.56	0	(89,000)	(48,000)
Frederick County	16,654,326	1,349,000	8.1%	8.2%	\$7.21	323,293	(279,000)	699,000
Total - December 2016	95,369,304	7,442,515	7.8%	8.1%	\$8.16	734,293	(172,000)	2,012,000
Total - December 2015	94,422,007	8,141,246	8.6%	8.8%	\$7.88	1,113,385		

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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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