

BALTIMORE AREA MARKET WATCH

FEBRUARY 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	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	821,845	21.7%	21.7%	\$22.29	1,646,700	620,806	37.7%	48,080	(19,000)	30,000
Baltimore County West	13,341,076	1,334,108	10.0%	10.4%	\$19.89	3,380,115	669,263	19.8%	0	(28,000)	157,000
Baltimore County North	16,342,276	1,487,147	9.1%	9.2%	\$20.35	1,887,943	58,526	3.1%	449,599	(33,000)	(57,000)
Baltimore County East	2,891,762	387,496	13.4%	13.4%	\$18.68	443,546	61,209	13.8%	76,980	(3,000)	34,000
Baltimore CBD	20,131,735	1,912,515	9.5%	9.5%	\$20.89	9,475,511	1,156,012	12.2%	0	(113,000)	(88,000)
Balance of Baltimore City	21,063,321	1,579,749	7.5%	7.7%	\$20.25	5,945,568	202,149	3.4%	185,000	712,000	894,000
Total - Baltimore North	77,557,472	7,522,859	9.7%	9.8%	\$20.50	22,779,383	2,767,966	12.2%	759,659	516,000	970,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,626,749	1,078,246	6.9%	7.2%	\$24.27	7,196,838	381,432	5.3%	371,828	137,000	357,000
Route 1 North	1,145,773	228,009	19.9%	20.9%	\$20.13	119,722	64,889	54.2%	0	(19,000)	(5,000)
BWI	11,265,530	1,599,705	14.2%	14.9%	\$23.58	5,773,290	484,956	8.4%	289,734	(301,000)	(398,000)
Anne Arundel South	7,242,803	774,980	10.7%	11.0%	\$24.47	1,162,545	108,117	9.3%	356,300	23,000	116,000
Total - Baltimore South	35,280,855	3,680,940	10.4%	11.2%	\$23.84	14,252,395	1,039,395	7.3%	1,017,862	(160,000)	70,000
Total - February 2017	112,838,327	11,203,799	9.9%	10.3%	\$21.52	37,031,778	3,807,361	10.3%	1,777,521	356,000	1,040,000
Total - February 2016	111,344,457	11,378,971	10.2%	10.2%	\$21.58	35,301,882	3,391,470	9.6%	1,807,286		

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

FEBRUARY 2017

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	792,479	6.8%	7.8%	\$38.15	2,419,189	89,510	3.7%	0	58,000	245,000
North Bethesda	10,765,098	2,045,369	19.0%	19.3%	\$28.74	1,345,340	156,059	11.6%	0	172,000	301,000
Rockville	8,483,331	1,026,483	12.1%	12.5%	\$28.91	2,978,003	491,370	16.5%	0	42,000	186,000
North Rockville	12,448,549	1,954,422	15.7%	17.3%	\$26.46	4,923,319	817,271	16.6%	0	25,000	(233,000)
Gaithersburg	6,779,461	1,050,816	15.5%	15.6%	\$22.35	1,889,195	20,781	1.1%	0	14,000	(115,000)
Germantown	2,730,085	390,402	14.3%	14.6%	\$24.76	1,102,063	178,534	16.2%	0	16,000	52,000
Kensington/Wheaton	1,333,234	351,974	26.4%	27.0%	\$23.99	65,000	10,010	15.4%	0	8,000	8,000
Silver Spring	6,832,266	683,227	10.0%	10.4%	\$27.38	778,420	10,119	1.3%	16,806	(27,000)	(75,000)
N. Silver Spring/Rt. 29	3,492,988	310,876	8.9%	9.2%	\$23.79	315,538	0	0.0%	0	14,000	94,000
Total - Montgomery County	64,519,111	8,606,048	13.3%	14.0%	\$27.69	15,816,067	1,773,656	11.2%	16,806	322,000	463,000
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,171,825	19.1%	19.3%	\$20.63	843,873	74,261	8.8%	0	12,000	(49,000)
Laurel	2,579,823	397,293	15.4%	15.6%	\$20.08	185,804	91,044	49.0%	0	10,000	(26,000)
Greenbelt	3,016,041	880,684	29.2%	29.2%	\$21.43	234,096	46,351	19.8%	0	154,000	45,000
Lanham/Landover/Largo	4,910,778	1,001,799	20.4%	20.5%	\$21.61	748,783	56,159	7.5%	34,089	5,000	334,000
Bowie/Marlboro/South P.G.	4,982,613	697,566	14.0%	14.0%	\$22.47	805,084	107,076	13.3%	0	10,000	(140,000)
Total - Prince George's County	21,624,467	4,149,167	19.2%	19.3%	\$21.31	2,817,640	374,891	13.3%	34,089	191,000	164,000
Frederick County	6,810,541	851,318	12.5%	12.6%	\$21.54	1,783,835	222,979	12.5%	162,727	68,000	157,000
Total - February 2017	92,954,119	13,606,532	14.6%	15.1%	\$26.44	20,417,542	2,371,526	11.6%	213,622	581,000	784,000
Total - February 2016	92,933,065	14,643,300	15.8%	16.3%	\$26.32	20,225,317	2,631,020	13.0%	460,726		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

FEBRUARY 2017

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	942,331	4.0%	4.1%	\$6.26	0	707,000	1,060,000
Baltimore County West	19,164,186	1,686,448	8.8%	8.9%	\$6.61	31,560	(96,000)	(172,000)
Baltimore County North	10,576,642	370,182	3.5%	3.5%	\$11.36	0	21,000	21,000
Baltimore County East	29,288,747	1,903,769	6.5%	6.5%	\$3.86	1,708,160	996,000	1,664,000
Baltimore City	52,770,595	3,746,712	7.1%	7.2%	\$4.34	1,093,700	(245,000)	125,000
Columbia	13,327,878	839,656	6.3%	6.7%	\$10.15	0	40,000	227,000
Route 1 North	29,597,425	2,663,768	9.0%	9.6%	\$6.48	0	144,000	625,000
BWI	28,113,483	2,670,781	9.5%	10.0%	\$5.61	90,240	(28,000)	(70,000)
Anne Arundel South	4,476,252	241,718	5.4%	5.5%	\$15.00	15,190	(9,000)	(13,000)
Total - February 2017	210,873,479	15,065,366	7.1%	7.4%	\$6.10	2,938,850	1,530,000	3,467,000
Total - February 2016	210,167,004	18,309,541	8.7%	8.9%	\$5.98	1,486,996		
Suburban Maryland								
Prince George's County	56,551,946	3,902,084	6.9%	6.9%	\$7.08	411,000	196,000	1,361,000
Montgomery County	22,383,832	1,969,777	8.8%	8.8%	\$11.56	0	(89,000)	(48,000)
Frederick County	16,654,326	1,232,420	7.4%	7.4%	\$7.21	323,293	(279,000)	699,000
Total - February 2017	95,590,104	7,104,282	7.4%	7.4%	\$8.16	734,293	(172,000)	2,012,000
Total - February 2016	94,622,007	8,430,383	8.9%	9.1%	\$7.88	1,773,175		

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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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