

BALTIMORE AREA MARKET WATCH

FEBRUARY 2018

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q4 2017 NET ABSORB. SF	ALL OF 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	828,443	21.6%	21.8%	\$21.63	1,646,700	633,980	38.5%	0	4,000	14,000
Baltimore County West	13,341,076	1,160,674	8.7%	8.9%	\$20.15	3,380,115	676,023	20.0%	30,000	(27,000)	133,000
Baltimore County North	16,471,875	1,482,469	9.0%	9.3%	\$20.55	2,017,542	100,877	5.0%	320,000	33,000	232,000
Baltimore County East	2,968,742	356,249	12.0%	12.1%	\$19.57	520,526	42,163	8.1%	72,080	71,000	82,000
Baltimore CBD	20,035,970	1,783,201	8.9%	9.1%	\$21.56	9,475,511	1,373,949	14.5%	234,891	20,000	114,000
Balance of Baltimore City	21,138,321	1,712,204	8.1%	8.4%	\$21.11	6,020,568	307,049	5.1%	429,203	127,000	82,000
Total - Baltimore North	77,791,366	7,323,239	9.4%	9.7%	\$20.91	23,060,962	3,134,040	13.6%	1,086,174	228,000	657,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	16,006,161	1,360,524	8.5%	8.7%	\$24.90	7,786,250	669,618	8.6%	0	(41,000)	325,000
Route 1 North	1,245,773	139,527	11.2%	12.0%	\$21.63	219,722	31,201	14.2%	0	7,000	34,000
BWI	11,335,264	1,314,891	11.6%	12.6%	\$23.75	5,817,290	523,556	9.0%	118,614	193,000	361,000
Anne Arundel South	7,349,444	845,186	11.5%	12.2%	\$25.78	1,289,045	179,177	13.9%	245,757	(59,000)	21,000
Total - Baltimore South	35,936,642	3,660,127	10.2%	11.3%	\$24.60	15,112,307	1,403,551	9.3%	364,371	100,000	741,000
Total - February 2018	113,728,008	10,983,366	9.7%	10.2%	\$22.08	38,173,269	4,537,592	11.9%	1,450,545	328,000	1,398,000
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		

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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Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q4 2017 NET ABSORB. SF	ALL OF 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	11,504,840	920,387	8.0%	9.9%	\$38.24	2,419,189	48,384	2.0%	660,000	92,000	(151,000)
North Bethesda	10,765,098	2,013,073	18.7%	18.9%	\$28.32	1,345,340	153,369	11.4%	0	22,000	(11,000)
Rockville	8,483,331	950,133	11.2%	11.4%	\$29.84	2,978,003	425,854	14.3%	0	8,000	0
North Rockville	12,380,046	1,906,527	15.4%	16.4%	\$27.35	4,923,319	851,734	17.3%	0	50,000	(33,000)
Gaithersburg	6,386,461	734,443	11.5%	11.9%	\$22.28	1,889,195	103,906	5.5%	0	(26,000)	(18,000)
Germantown	2,730,085	349,451	12.8%	13.0%	\$24.77	1,102,063	145,472	13.2%	0	(8,000)	(3,000)
Kensington/Wheaton	1,333,234	357,307	26.8%	26.8%	\$24.78	65,000	12,025	18.5%	0	(27,000)	(16,000)
Silver Spring	6,849,072	684,907	10.0%	11.0%	\$28.06	778,420	0	0.0%	121,724	(27,000)	(33,000)
N. Silver Spring/Rt. 29	3,492,988	317,862	9.1%	9.1%	\$23.37	315,538	0	0.0%	0	14,000	(31,000)
Total - Montgomery County	63,925,155	8,234,090	12.9%	13.6%	\$28.99	15,816,067	1,740,744	11.0%	781,724	98,000	(296,000)
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,153,420	18.8%	18.8%	\$22.53	843,873	59,071	7.0%	0	31,000	61,000
Laurel	2,579,823	301,839	11.7%	12.4%	\$20.37	185,804	68,747	37.0%	0	(5,000)	57,000
Greenbelt	3,016,041	757,026	25.1%	25.3%	\$21.60	234,096	49,160	21.0%	0	27,000	84,000
Lanham/Landover/Largo	4,944,867	1,216,437	24.6%	24.7%	\$21.36	748,783	55,410	7.4%	251,000	(5,000)	(67,000)
Bowie/Marlboro/South P.G.	4,982,613	637,774	12.8%	12.9%	\$21.24	805,084	111,907	13.9%	93,100	10,000	70,000
Total - Prince George's County	21,658,556	4,066,497	18.8%	18.9%	\$21.58	2,817,640	344,295	12.2%	344,100	58,000	205,000
Frederick County	6,858,268	706,402	10.3%	10.4%	\$22.44	1,783,835	181,951	10.2%	0	62,000	151,000
Total - February 2018	92,441,979	13,006,989	14.1%	14.6%	\$26.77	20,417,542	2,266,991	11.1%	1,125,824	218,000	60,000
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		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

FEBRUARY 2018

Flex/Industrial Space

SUBMARKETS	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY %	ASKING RENT (NNN)	SF UNDER CONSTRUCTION	Q4 2017 NET ABSORB. (SF)	ALL OF 2017 NET ABSORB. SF
Baltimore Metro Area								
Harford County	23,558,271	1,060,122	4.5%	4.5%	\$6.31	656,800	165,000	(306,000)
Baltimore County West	19,234,866	1,384,910	7.2%	7.2%	\$6.57	42,000	38,000	718,000
Baltimore County North	10,576,642	211,533	2.0%	2.5%	\$11.22	0	(53,000)	(11,000)
Baltimore County East	31,447,351	4,151,050	13.2%	13.3%	\$3.62	1,012,320	1,225,000	1,358,000
Baltimore City	53,510,597	4,280,848	8.0%	8.1%	\$4.07	0	28,000	(444,000)
Columbia	13,327,878	599,755	4.5%	4.6%	\$10.73	0	27,000	120,000
Route 1 North	29,597,425	2,338,197	7.9%	8.0%	\$6.30	219,500	89,000	355,000
BWI	28,209,723	2,651,714	9.4%	9.6%	\$5.44	736,150	141,000	371,000
Anne Arundel South	4,476,252	210,384	4.7%	4.7%	\$16.39	0	(40,000)	45,000
Total - February 2018	213,939,005	16,888,512	7.9%	8.0%	\$5.98	2,666,770	1,620,000	2,206,000
Total - February 2017	210,873,479	15,065,366	7.1%	7.4%	\$6.10	2,938,850		
Suburban Maryland								
Prince George's County	57,060,126	4,051,269	7.1%	7.5%	\$7.09	213,033	258,000	333,000
Montgomery County	22,683,088	1,837,330	8.1%	8.7%	\$11.94	0	393,000	364,000
Frederick County	17,027,119	919,464	5.4%	5.6%	\$7.59	109,043	34,000	430,000
Total - February 2018	96,770,333	6,808,064	7.0%	7.4%	\$8.31	322,076	685,000	1,127,000
Total - February 2017	95,590,104	7,104,282	7.4%	7.4%	\$8.16	734,293		

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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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