

BALTIMORE AREA MARKET WATCH

MAY 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q1 2017 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	3,835,382	828,443	21.6%	21.6%	\$22.29	1,646,700	619,159	37.6%	0	55,000	30,000
Baltimore County West	13,341,076	1,347,449	10.1%	10.3%	\$20.10	3,380,115	679,403	20.1%	0	40,000	157,000
Baltimore County North	16,471,875	1,400,109	8.5%	8.7%	\$20.28	2,017,542	72,632	3.6%	320,000	133,000	(57,000)
Baltimore County East	2,891,762	381,713	13.2%	13.3%	\$18.77	443,546	64,314	14.5%	76,980	(32,000)	34,000
Baltimore CBD	20,051,180	1,985,067	9.9%	10.0%	\$20.87	9,475,511	1,203,390	12.7%	0	28,000	(88,000)
Balance of Baltimore City	21,138,321	1,543,097	7.3%	7.6%	\$20.57	6,020,568	282,967	4.7%	0	(2,000)	894,000
Total - Baltimore North	77,729,596	7,485,877	9.6%	9.8%	\$20.58	22,983,982	2,921,865	12.7%	396,980	222,000	970,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,773,749	1,072,615	6.8%	7.1%	\$24.97	7,553,838	453,230	6.0%	332,957	269,000	357,000
Route 1 North	1,245,773	232,960	18.7%	19.2%	\$20.38	219,722	108,103	49.2%	0	8,000	(5,000)
BWI	11,309,530	1,515,477	13.4%	14.1%	\$23.70	5,817,290	523,556	9.0%	25,734	(22,000)	(398,000)
Anne Arundel South	7,242,803	811,194	11.2%	11.4%	\$25.22	1,162,545	115,092	9.9%	356,300	36,000	116,000
Total - Baltimore South	35,571,855	3,632,245	10.2%	10.8%	\$24.20	14,753,395	1,199,982	8.1%	714,991	291,000	70,000
Total - May 2017	113,301,451	11,118,123	9.8%	10.1%	\$21.76	37,737,377	4,121,846	10.9%	1,111,971	513,000	1,040,000
Total - May 2016	111,021,947	11,137,532	10.0%	10.2%	\$21.57	35,301,882	3,415,604	9.7%	2,299,908		

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

MAY 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (FS)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q1 2017 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	885,712	7.6%	8.9%	\$38.36	2,419,189	87,091	3.6%	0	0	245,000
North Bethesda	10,765,098	2,045,369	19.0%	19.2%	\$28.49	1,345,340	156,059	11.6%	0	(54,000)	301,000
Rockville	8,483,331	1,085,866	12.8%	13.3%	\$29.98	2,978,003	455,634	15.3%	0	51,000	186,000
North Rockville	12,380,046	2,017,947	16.3%	17.8%	\$26.74	4,923,319	881,274	17.9%	0	(33,000)	(233,000)
Gaithersburg	6,386,461	766,375	12.0%	12.0%	\$22.67	1,889,195	20,781	1.1%	0	20,000	(115,000)
Germantown	2,730,085	382,212	14.0%	14.1%	\$24.67	1,102,063	166,412	15.1%	0	25,000	52,000
Kensington/Wheaton	1,333,234	366,639	27.5%	27.6%	\$25.15	65,000	11,570	17.8%	0	3,000	8,000
Silver Spring	6,849,072	657,511	9.6%	9.8%	\$27.36	778,420	0	0.0%	121,724	20,000	(75,000)
N. Silver Spring/Rt. 29	3,492,988	342,313	9.8%	10.1%	\$23.75	315,538	0	0.0%	0	0	94,000
Total - Montgomery County	64,074,414	8,549,944	13.3%	14.0%	\$27.69	15,816,067	1,778,821	11.2%	121,724	32,000	463,000
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,061,392	17.3%	17.4%	\$22.13	843,873	74,261	8.8%	0	74,000	(49,000)
Laurel	2,579,823	314,738	12.2%	12.2%	\$20.09	185,804	41,806	22.5%	0	(3,000)	(26,000)
Greenbelt	3,016,041	841,475	27.9%	28.1%	\$21.47	234,096	46,351	19.8%	0	15,000	45,000
Lanham/Landover/Largo	4,944,867	1,073,036	21.7%	21.8%	\$21.32	748,783	53,164	7.1%	0	0	334,000
Bowie/Marlboro/South P.G.	4,982,613	697,566	14.0%	14.0%	\$22.45	805,084	107,881	13.4%	0	20,000	(140,000)
Total - Prince George's County	21,658,556	3,988,207	18.4%	18.5%	\$21.31	2,817,640	323,463	11.5%	0	106,000	164,000
Frederick County	6,810,541	844,507	12.4%	12.5%	\$21.78	1,783,835	169,464	9.5%	162,727	54,000	157,000
Total - May 2017	92,543,511	13,382,659	14.5%	15.0%	\$26.44	20,417,542	2,271,748	11.1%	284,451	192,000	784,000
Total - May 2016	92,923,569	14,168,700	15.2%	15.7%	\$26.34	20,313,992	2,395,144	11.8%	304,726		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

MAY 2017

Flex/Industrial Space

SUBMARKETS	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY %	ASKING RENT (NNN)	SF UNDER CONSTRUCTION	Q1 2017 NET ABSORB. (SF)	ALL OF 2016 NET ABSORB. SF
Baltimore Metro Area								
Harford County	23,558,271	1,107,239	4.7%	4.7%	\$6.27	656,800	(188,000)	1,060,000
Baltimore County West	19,164,186	1,513,971	7.9%	7.9%	\$6.63	70,680	38,000	(172,000)
Baltimore County North	10,576,642	359,606	3.4%	3.4%	\$11.36	0	(11,000)	21,000
Baltimore County East	29,648,883	2,964,888	10.0%	11.8%	\$3.76	2,415,968	(410,000)	1,664,000
Baltimore City	52,805,095	4,224,408	8.0%	8.2%	\$4.26	755,000	(108,000)	125,000
Columbia	13,327,878	799,673	6.0%	6.2%	\$9.70	0	(27,000)	227,000
Route 1 North	29,597,425	2,693,366	9.1%	10.1%	\$6.21	0	59,000	625,000
BWI	28,113,483	2,333,419	8.3%	8.8%	\$5.40	90,240	(27,000)	(70,000)
Anne Arundel South	4,476,252	205,908	4.6%	4.7%	\$15.99	0	36,000	(13,000)
Total - May 2017	211,268,115	16,202,476	7.7%	8.2%	\$6.00	3,988,688	(638,000)	3,467,000
Total - May 2016	210,297,670	17,753,999	8.4%	8.6%	\$6.06	1,446,916		
Suburban Maryland								
Prince George's County	56,551,946	4,297,948	7.6%	7.9%	\$6.93	411,000	35,000	1,361,000
Montgomery County	22,353,088	1,989,425	8.9%	9.0%	\$11.37	0	(95,000)	(48,000)
Frederick County	16,654,326	1,265,729	7.6%	7.8%	\$7.36	323,293	16,000	699,000
Total - May 2017	95,559,360	7,553,102	7.9%	8.1%	\$8.16	734,293	(44,000)	2,012,000
Total - May 2016	95,450,707	8,092,918	8.5%	8.7%	\$7.93	944,475		

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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