

BALTIMORE AREA MARKET WATCH

JULY 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (F5)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q2 2017 NET ABSORB. SF	FIRST HALF 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	797,759	20.8%	21.0%	\$22.28	1,646,700	597,752	36.3%	0	29,000	83,000
Baltimore County West	13,341,076	1,520,883	11.4%	11.6%	\$19.91	3,380,115	662,503	19.6%	0	13,000	53,000
Baltimore County North	16,471,875	1,531,884	9.3%	9.6%	\$20.07	2,017,542	74,649	3.7%	320,000	33,000	166,000
Baltimore County East	2,891,762	373,037	12.9%	13.1%	\$18.93	443,546	64,314	14.5%	76,980	9,000	(23,000)
Baltimore CBD	20,035,970	1,723,093	8.6%	8.7%	\$21.05	9,475,511	1,411,851	14.9%	0	86,000	114,000
Balance of Baltimore City	21,138,321	1,585,374	7.5%	7.8%	\$20.43	6,020,568	319,090	5.3%	0	42,000	40,000
Total - Baltimore North	77,714,386	7,532,031	9.7%	9.9%	\$20.46	22,983,982	3,130,159	13.6%	396,980	212,000	433,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,878,161	1,111,471	7.0%	7.3%	\$24.74	7,658,250	436,520	5.7%	233,556	49,000	318,000
Route 1 North	1,245,773	225,485	18.1%	20.8%	\$20.28	219,722	95,799	43.6%	0	0	8,000
BWI	11,335,264	1,518,925	13.4%	14.3%	\$23.86	5,817,290	511,922	8.8%	0	78,000	55,000
Anne Arundel South	7,369,303	817,993	11.1%	11.3%	\$25.37	1,289,045	119,881	9.3%	229,800	7,000	43,000
Total - Baltimore South	35,828,501	3,673,874	10.3%	11.0%	\$24.44	14,984,307	1,164,122	7.8%	463,356	134,000	424,000
Total - July 2017	113,542,887	11,205,905	9.9%	10.2%	\$21.76	37,968,289	4,294,281	11.3%	860,336	346,000	857,000
Total - July 2016	111,590,567	11,573,272	10.4%	10.6%	\$21.63	35,773,902	3,497,621	9.8%	1,987,788		

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

JULY 2017

Office Space

SUBMARKET	ALL OFFICE BUILDINGS				ASKING RENT (FS)	BUILDINGS BUILT 1998-PRESENT			SF UNDER CONSTR.	Q2 2017 NET ABSORB. SF	FIRST HALF 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	11,654,099	1,002,253	8.6%	9.9%	\$38.08	2,419,189	89,510	3.7%	0	(82,000)	(82,000)
North Bethesda	10,765,098	2,109,959	19.6%	19.8%	\$28.27	1,345,340	156,059	11.6%	0	43,000	(11,000)
Rockville	8,483,331	1,026,483	12.1%	12.3%	\$29.71	2,978,003	422,876	14.2%	0	(76,000)	(25,000)
North Rockville	12,380,046	2,067,468	16.7%	18.0%	\$26.98	4,923,319	876,351	17.8%	0	(62,000)	(95,000)
Gaithersburg	6,386,461	702,511	11.0%	11.1%	\$22.35	1,889,195	94,460	5.0%	0	0	20,000
Germantown	2,730,085	384,942	14.1%	14.2%	\$24.78	1,102,063	164,207	14.9%	0	5,000	30,000
Kensington/Wheaton	1,333,234	354,640	26.6%	26.6%	\$24.80	65,000	11,570	17.8%	0	(9,000)	(7,000)
Silver Spring	6,849,072	684,907	10.0%	10.4%	\$28.11	778,420	0	0.0%	121,724	(5,000)	15,000
N. Silver Spring/Rt. 29	3,492,988	342,313	9.8%	10.0%	\$23.80	315,538	0	0.0%	0	(28,000)	(28,000)
Total - Montgomery County	64,074,414	8,675,475	13.5%	14.2%	\$28.30	15,816,067	1,815,034	11.5%	121,724	(214,000)	(183,000)
PRINCE GEORGE'S COUNTY SUBMARKETS											
Beltsville/Calverton/College Park	6,135,212	1,257,718	20.5%	20.5%	\$22.27	843,873	75,949	9.0%	0	(43,000)	31,000
Laurel	2,579,823	283,781	11.0%	11.0%	\$20.30	185,804	41,806	22.5%	0	8,000	5,000
Greenbelt	3,016,041	847,508	28.1%	28.6%	\$21.31	234,096	46,351	19.8%	0	15,000	30,000
Lanham/Landover/Largo	4,944,867	1,137,319	23.0%	23.1%	\$21.51	748,783	53,164	7.1%	0	(38,000)	(38,000)
Bowie/Marlboro/South P.G.	4,982,613	672,653	13.5%	13.5%	\$22.82	805,084	96,610	12.0%	0	10,000	30,000
Total - Prince George's County	21,658,556	4,198,979	19.4%	19.5%	\$21.83	2,817,640	313,879	11.1%	0	(48,000)	58,000
Frederick County	6,810,541	817,265	12.0%	12.1%	\$21.97	1,783,835	153,410	8.6%	47,727	20,000	75,000
Total - July 2017	92,543,511	13,691,719	14.8%	15.3%	\$26.76	20,417,542	2,282,323	11.2%	169,451	(242,000)	(50,000)
Total - July 2016	92,954,119	14,465,723	15.6%	16.0%	\$26.51	20,417,542	2,269,463	11.1%	248,903		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

JULY 2017

Flex/Industrial Space

SUBMARKETS	INVENTORY SF ¹	SF AVAILABLE ²	DIRECT VACANCY %	OVERALL VACANCY %	ASKING RENT (NNN)	SF UNDER CONSTRUCTION	Q2 2017 NET ABSORB. (SF)	FIRST HALF 2017 NET ABSORB. SF
Baltimore Metro Area								
Harford County	23,558,271	1,107,239	4.7%	4.7%	\$6.20	656,800	(94,000)	(283,000)
Baltimore County West	19,164,186	1,418,150	7.4%	7.4%	\$6.63	70,680	192,000	230,000
Baltimore County North	10,576,642	274,993	2.6%	2.9%	\$11.25	0	11,000	0
Baltimore County East	29,749,327	2,736,938	9.2%	10.9%	\$3.57	2,665,524	275,000	(135,000)
Baltimore City	52,957,197	3,971,790	7.5%	7.7%	\$4.19	586,000	227,000	119,000
Columbia	13,327,878	759,689	5.7%	6.2%	\$10.35	0	13,000	(13,000)
Route 1 North	29,597,425	2,071,820	7.0%	7.0%	\$6.19	219,500	266,000	326,000
BWI	28,113,483	2,361,533	8.4%	8.9%	\$5.51	90,240	197,000	170,000
Anne Arundel South	4,476,252	210,384	4.7%	4.7%	\$15.89	0	22,000	58,000
Total - July 2017	211,520,661	14,912,534	7.1%	7.5%	\$5.99	4,288,744	1,109,000	472,000
Total - July 2016	210,601,570	17,490,640	8.3%	8.6%	\$6.07	647,016		
Suburban Maryland								
Prince George's County	56,893,126	4,551,450	8.0%	8.6%	\$6.93	406,034	(84,000)	(48,000)
Montgomery County	22,353,088	1,922,366	8.6%	9.0%	\$11.65	330,000	67,000	(28,000)
Frederick County	16,654,326	1,232,420	7.4%	7.7%	\$7.36	323,293	67,000	83,000
Total - July 2017	95,900,540	7,706,236	8.0%	8.5%	\$8.11	1,059,327	50,000	7,000
Total - July 2016	95,567,497	7,810,228	8.2%	8.4%	\$7.95	1,019,685		

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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