

BALTIMORE AREA MARKET WATCH

AUGUST 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	859,126	22.4%	22.6%	\$22.28	1,646,700	645,506	39.2%	0	29,000	83,000
Baltimore County West	13,341,076	1,467,518	11.0%	11.2%	\$19.91	3,380,115	655,742	19.4%	30,000	13,000	53,000
Baltimore County North	16,471,875	1,515,413	9.2%	9.4%	\$20.07	2,017,542	64,561	3.2%	320,000	33,000	166,000
Baltimore County East	2,968,742	377,030	12.7%	12.9%	\$18.93	520,526	70,792	13.6%	0	9,000	(23,000)
Baltimore CBD	20,035,970	1,783,201	8.9%	9.0%	\$21.05	9,475,511	1,411,851	14.9%	220,000	86,000	114,000
Balance of Baltimore City	21,138,321	1,712,204	8.1%	8.3%	\$20.43	6,020,568	325,111	5.4%	0	42,000	40,000
Total - Baltimore North	77,791,366	7,714,492	9.9%	10.1%	\$20.46	23,060,962	3,173,563	13.8%	570,000	212,000	433,000
BALTIMORE SOUTH SUBMARKETS											
Columbia	15,878,161	1,190,862	7.5%	7.8%	\$24.74	7,658,250	497,786	6.5%	233,556	49,000	318,000
Route 1 North	1,245,773	208,044	16.7%	19.5%	\$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	714,822	9.7%	9.9%	\$25.37	1,289,045	118,592	9.2%	229,800	7,000	43,000
Total - Baltimore South	35,828,501	3,632,654	10.1%	11.2%	\$24.44	14,984,307	1,224,099	8.2%	463,356	134,000	424,000
Total - August 2017	113,619,867	11,347,146	10.0%	10.4%	\$21.76	38,045,269	4,397,662	11.6%	1,033,356	346,000	857,000
Total - August 2016	111,615,567	10,945,189	9.8%	10.0%	\$21.63	35,773,902	3,257,804	9.1%	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

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AUGUST 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	978,944	8.4%	9.5%	\$38.08	2,419,189	82,252	3.4%	360,000	(82,000)	(82,000)
North Bethesda	10,765,098	2,120,724	19.7%	19.9%	\$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	425,854	14.3%	0	(76,000)	(25,000)
North Rockville	12,380,046	2,030,328	16.4%	17.9%	\$26.98	4,923,319	871,427	17.7%	0	(62,000)	(95,000)
Gaithersburg	6,386,461	638,646	10.0%	10.1%	\$22.35	1,889,195	28,338	1.5%	0	0	20,000
Germantown	2,730,085	374,022	13.7%	13.8%	\$24.78	1,102,063	154,289	14.0%	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%	10.6%	\$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	8,551,007	13.3%	14.0%	\$28.30	15,816,067	1,729,791	10.9%	481,724	(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	75,105	8.9%	0	(43,000)	31,000
Laurel	2,579,823	239,924	9.3%	9.3%	\$20.30	185,804	41,806	22.5%	0	8,000	5,000
Greenbelt	3,016,041	817,347	27.1%	27.7%	\$21.31	234,096	46,351	19.8%	0	15,000	30,000
Lanham/Landover/Largo	4,944,867	1,162,044	23.5%	23.7%	\$21.51	748,783	53,164	7.1%	75,000	(38,000)	(38,000)
Bowie/Marlboro/South P.G.	4,982,613	657,705	13.2%	13.2%	\$22.82	805,084	93,390	11.6%	0	10,000	30,000
Total - Prince George's County	21,658,556	4,134,738	19.1%	19.2%	\$21.83	2,817,640	309,815	11.0%	75,000	(48,000)	58,000
Frederick County	6,810,541	721,917	10.6%	10.7%	\$21.97	1,783,835	137,355	7.7%	0	20,000	75,000
Total - August 2017	92,543,511	13,407,662	14.5%	15.0%	\$26.76	20,417,542	2,176,961	10.7%	556,724	(242,000)	(50,000)
Total - August 2016	92,954,119	14,336,600	15.4%	15.9%	\$26.51	20,417,542	2,261,826	11.1%	283,515		

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SOURCE: CoStar, Transwestern

BALTIMORE AREA MARKET WATCH

AUGUST 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	1,295,705	5.5%	5.5%	\$6.20	656,800	(94,000)	(283,000)
Baltimore County West	19,234,866	1,134,857	5.9%	5.9%	\$6.63	0	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	2,826,186	9.5%	9.7%	\$3.57	2,698,644	275,000	(135,000)
Baltimore City	52,957,197	3,707,004	7.0%	7.2%	\$4.19	586,400	227,000	119,000
Columbia	13,327,878	666,394	5.0%	5.5%	\$10.35	0	13,000	(13,000)
Route 1 North	29,597,425	2,012,625	6.8%	7.1%	\$6.19	219,500	266,000	326,000
BWI	28,203,723	2,481,928	8.8%	9.3%	\$5.51	235,750	197,000	170,000
Anne Arundel South	4,476,252	170,098	3.8%	3.8%	\$15.89	0	22,000	58,000
Total - August 2017	211,681,581	14,569,789	6.9%	7.1%	\$5.99	4,397,094	1,109,000	472,000
Total - August 2016	210,721,570	16,946,802	8.0%	8.4%	\$6.07	527,016		
Suburban Maryland								
Prince George's County	56,965,126	4,500,245	7.9%	8.5%	\$6.93	334,034	(84,000)	(48,000)
Montgomery County	22,353,088	1,944,719	8.7%	9.2%	\$11.65	330,000	67,000	(28,000)
Frederick County	16,846,326	1,364,552	8.1%	8.4%	\$7.36	131,293	67,000	83,000
Total - August 2017	96,164,540	7,809,516	8.1%	8.6%	\$8.11	795,327	50,000	7,000
Total - August 2016	95,803,497	7,775,053	8.1%	8.3%	\$7.95	783,685		

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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