



INDUSTRIAL INDICATORS

Market Size
270,529,852

Building Count
3,657

Absorption
537,162

YTD Absorption
1,099,002

Vacancy
6.99%

Rental Rate
\$11.04

The data for the Baltimore industrial market, encompassing both flex and warehouse spaces, underscores the resilience of this market. The total current vacancy rate stands at 6.99%, signaling a well-balanced market, while the Year-to-Date (YTD) absorption of 1,099,002 square feet indicates sustained economic activity. The significance of market size in assessing overall economic dynamics in industrial real estate is apparent, particularly in larger submarkets like Baltimore City and Harford & Cecil Counties, indicating substantial economic involvement and potential opportunities. Due to limited available land in the BWI Corridor, the predominance of industrial development has shifted north along the I-95 corridor to Harford and Cecil Counties. While over 11 million square feet have been constructed over the past five years, only three million is available for lease. The region has accommodated the demand for larger buildings, with only six out of 25 buildings constructed under 150,000 square feet. Although the increase of rental rates has slowed, it remains active. The submarkets between the Baltimore and Washington DC beltways with more demand, such as Columbia and the BWI Corridor, are commanding higher average asking rental rates at \$11.20/sf and \$13.77/sf, respectively. Companies reluctant to relocate to areas lacking immediate access to I-95 and 695 face higher costs. The average asking rents for the Baltimore industrial market is \$11.04/sf, with flex space averaging \$13.75/sf. In summary, the overall economic outlook for Baltimore's industrial real estate market is positive, with fluctuations in demand, vacancy rates, and rental rates evident across different submarkets. Industrial sales averaged \$133/sf foot for Class A and B buildings in 2023. The diversity of the economic drivers and available product types in the Baltimore Industrial market provide resilience to the industrial sector within the broader regional economy, offering opportunity for investors, developers, and tenants.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Annapolis/Route 2	6,308,948	6.54%	7.30%	6.9%	33,607	55,150	\$14.34	\$14.32	\$14.27
Baltimore City	5,067,038	6.28%	7.04%	8.0%	-15,307	-34,705	\$26.67	\$25.14	\$10.17
Baltimore County East	3,991,513	7.11%	9.10%	8.6%	69,090	39,210	\$13.99	\$13.99	\$14.48
Baltimore County West	4,758,996	10.84%	11.44%	9.2%	14,687	-100,626	\$11.89	\$11.89	\$9.57
BWI Corridor	9,074,395	5.75%	6.04%	7.4%	862	203,654	\$12.73	\$12.28	\$12.50
Carroll County	1,862,549	7.62%	7.72%	8.9%	-1,535	15,093	\$10.72	\$10.50	\$9.59
Columbia	8,360,319	4.86%	5.92%	5.0%	-34,600	-11,746	\$12.06	\$11.77	\$12.46
Harford & Cecil Counties	3,087,442	6.89%	6.87%	6.8%	377	44,489	\$9.75	\$9.75	\$10.63
I-83 Corridor	5,513,632	5.83%	6.11%	6.7%	28,147	130,750	\$10.70	\$10.98	\$11.25
Reisterstown Rd	2,966,402	10.90%	12.86%	11.1%	8,669	83,221	\$12.72	\$12.48	\$11.95
Flex Totals	50,991,234	6.78%	7.63%	7.4%	103,997	424,490	\$13.75	\$13.48	\$11.98
Annapolis Route 2	10,110,786	0.35%	0.37%	1.2%	-2,431	22,819	\$12.93	\$10.60	\$8.55
Baltimore City	49,780,222	6.57%	6.34%	5.7%	-135,385	276,079	\$9.92	\$9.66	\$6.88
Baltimore County East	35,466,196	7.42%	9.31%	3.2%	606,635	379,743	\$9.80	\$10.49	\$11.32
Baltimore County West	9,870,091	9.98%	8.03%	8.9%	-192,213	-126,665	\$7.41	\$6.28	\$6.81
BWI Corridor	43,817,329	5.29%	5.69%	4.1%	14,075	-272,487	\$13.77	\$13.13	\$9.35
Carroll County	8,950,118	0.84%	0.74%	4.8%	-9,236	-5,348	\$7.96	\$7.96	\$6.99
Columbia	5,354,789	6.02%	6.00%	7.7%	-7,054	-1,514	\$11.20	\$12.04	\$12.28
Harford & Cecil Counties	49,317,651	11.07%	11.52%	8.0%	157,448	508,132	\$8.25	\$8.15	\$6.37
I-83 Corridor	5,245,416	5.60%	6.16%	4.6%	6,326	-82,933	\$7.11	\$8.33	\$8.02
Reisterstown Rd	1,626,020	3.56%	3.22%	2.2%	-5,000	-23,314	\$11.00	\$11.91	\$12.00
Warehouse Totals	219,538,618	7.04%	7.39%	5.4%	433,165	674,512	\$10.21	\$10.01	\$8.25
Totals	270,529,852	6.99%	7.43%	5.8%	537,162	1,099,002	\$11.04	\$10.82	\$9.09

ITEMS TO NOTE:

Conair has chosen a site in Hagerstown for its upcoming distribution center, projected to be the largest in the State with a footprint exceeding 2.1 million square feet. The construction of the facility is currently underway, with an anticipated completion date in the second quarter of 2024.

After years of navigating short-term leases and moving between buildings, Samaritan's Purse has secured a permanent home through a \$10.5 million acquisition. The new headquarters, located at 7120 Ambassador Road in Windsor Mill, comprises an 82,000 sf warehouse, allowing the consolidation of all operations.

Lakeside Business Park, situated on Quarry Drive and Lakeside Boulevard in Edgewater, has been acquired for \$112 million. Rockpoint has purchased nine industrial buildings collectively spanning over 890,000 sf from Link Logistics Real Estate.

Following a 15-year occupancy at 7190 Parkway Drive, Crate & Barrel has finalized a lease renewal. The global furniture company is set to continue operating within 78,070 sf of warehouse space in Hanover, MD.

The Silverman Group purchased 7479 New Ridge Road in Hanover for almost \$18 million. Dillon's Bus Service has seven years remaining on its lease of the 18,393 sf building that is situated on 13.35 acres.

The 300 E. Cromwell Street location, once the site of the former Baltimore Sun building, has been entirely demolished. The 256,000 sf structure, which formerly accommodated the printing plant and newsroom for the Baltimore Sun, has been razed. As of now, there is no information available regarding the future plans for the site.

INDUSTRIAL OVERVIEW (WAREHOUSE)

FOURTH QUARTER | 2023



WAREHOUSE INDICATORS

Market Size
219,538,618

Building Count
2,438

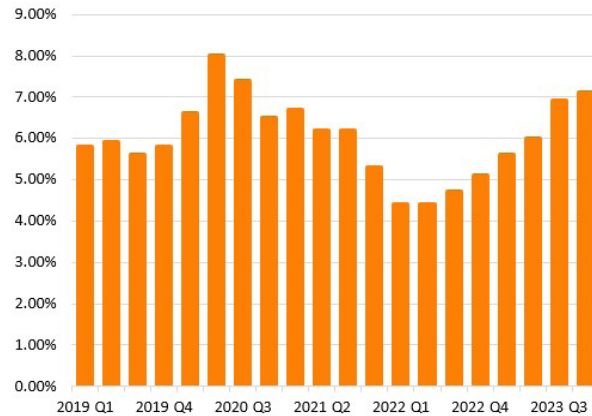
Absorption
433,165

YTD Absorption
674,512

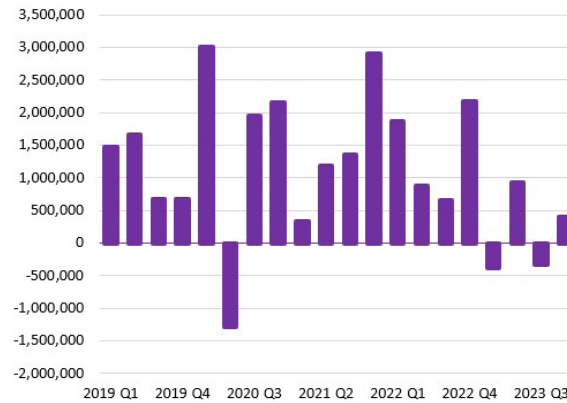
Vacancy
7.04%

Rental Rate
\$10.21

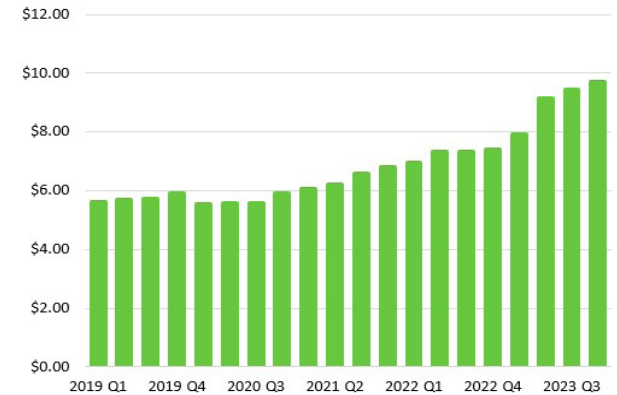
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Annapolis/Route 2	0.35%
2	Carroll County	0.84%
3	Reisterstown Rd	3.56%

Highest Vacancy

1	Harford & Cecil Counties	11.07%
2	Baltimore County West	9.98%
3	Baltimore County East	7.42%

Most Change vs. Prior Quarter

-	Baltimore County East	-1.89%
+	Baltimore County West	1.95%

Lowest Net Absorption

1	Baltimore County East	606,635
2	Harford & Cecil Counties	157,448
3	BWI Corridor	14,075

Highest Net Absorption

1	Baltimore County West	-192,213
2	Baltimore City	-135,385
3	Carroll County	-9,236

Most Absorption, Year-to-Date

-	BWI Corridor	-272,487
+	Harford & Cecil Counties	508,132

Cheapest Rates

1	I-83 Corridor	\$7.11
2	Baltimore County West	\$7.41
3	Carroll County	\$7.96

Most Expensive Rates

1	BWI Corridor	\$13.77
2	Annapolis/Route 2	\$12.93
3	Columbia	\$11.20

Most Change vs. Prior Quarter

-	I-83 Corridor	-\$1.22
+	Annapolis/Route 2	\$2.33

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
8415 Kelso Dr.*	Baltimore County East	DHL	144,500
103 Chesapeake Park Plz.	Baltimore County East	Rocket Lab	113,000
1255 S. Caton Ave.	Baltimore City SW	Carlisle Companies	108,160
1405 Magellan Rd.*	BWI Corridor	Shaw Flooring	106,758

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Lakeside Business Park	Harford County	\$112,074,285	\$126	892,076
727 Old Philadelphia Rd.	Harford County	\$51,325,000	\$103	500,625
7479 New Ridge Rd.	BWI Corridor	\$17,963,759	\$977	18,393
10331 S. Dolfield Rd.	Reisterstown Rd Cor	\$7,750,000	\$151	51,448

* Renewal, Expansion, or Sublease



FLEX INDICATORS

Market Size
50,991,234

Building Count
1,219

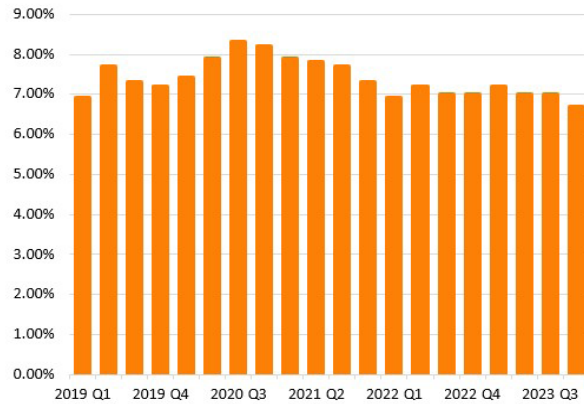
Absorption
103,997

YTD Absorption
424,490

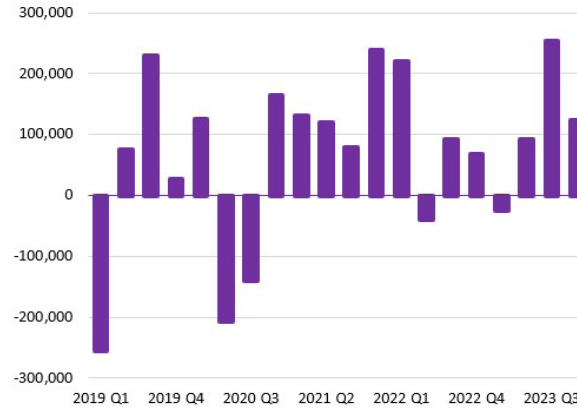
Vacancy
6.78%

Rental Rate
\$13.75

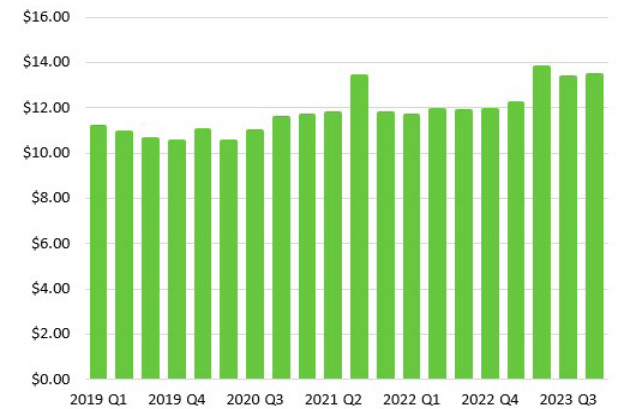
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Columbia	4.86%
2	BWI Corridor	5.75%
3	I-83 Corridor	5.83%

Highest Vacancy

1	Reisterstown Rd Corridor	10.90%
2	Baltimore County West	10.84%
3	Carroll County	7.62%

Most Change vs. Prior Quarter

-	Baltimore County East	-1.99%
+	Harford & Cecil Counties	0.02%

Lowest Net Absorption

1	Baltimore County West	188,968
2	I-83 Corridor	57,272
3	Harford & Cecil Counties	12,316

Highest Net Absorption

1	Baltimore County East	-39,269
2	Baltimore City	-12,712
3	Annapolis/Route 2	-2,541

Most Absorption, Year-to-Date

-	Baltimore County West	-100,626
+	BWI Corridor	203,654

Cheapest Rates

1	Harford & Cecil Counties	\$9.75
2	I-83 Corridor	\$10.70
3	Carroll County	\$10.72

Most Expensive Rates

1	Baltimore City	\$26.67
2	Annapolis/Route 2	\$14.34
3	Baltimore County East	\$13.99

Most Change vs. Prior Quarter

-	I-83 Corridor	-\$0.28
+	Baltimore City	\$1.53

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
9065 Guilford Rd.	Columbia	Quick Servant Company, Inc.	46,781
1135 Business Pky. S	Carroll County	Carroll County Board of Elections	23,422
21 Fontana Ln.	Baltimore County East	Marine Solutions Inc.	21,109
125 Airport Dr.	Carroll County	Carroll County Board of Elections	14,844

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
9140 & 9150 Guilford Rd.	Columbia	\$7,400,000	\$125	59,360
6600 Santa Barbara Rd.	BWI Corridor	\$3,500,000	\$174	20,076
901 & 909 Baltimore Blvd.	Carroll County	\$3,425,000	\$69	49,700
2001-2003 Greenspring Dr.	I-83 Corridor	\$2,110,000	\$173	12,170

INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2023



INDUSTRIAL INDICATORS

Market Size
112,517,006

Building Count
2,311

Absorption
248,220

YTD Absorption
661,251

Vacancy
6.48%

Rental Rate
\$13.61

THE NUMBERS

MARKET SIZE

VACANCY %

ABSORPTION

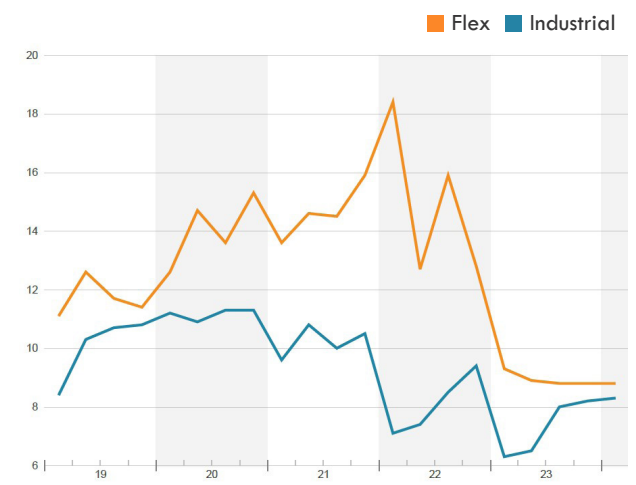
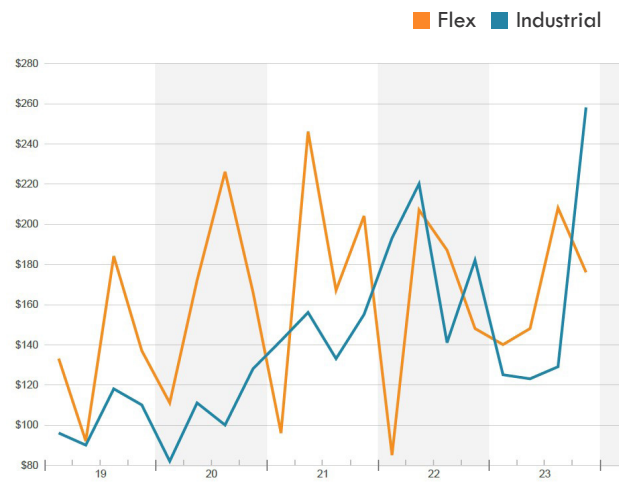
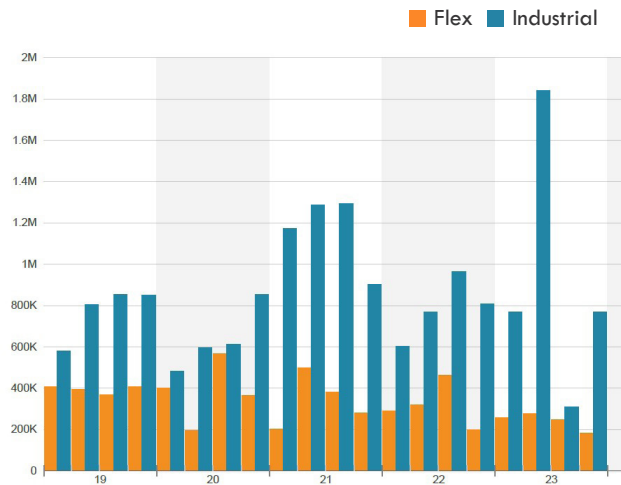
RENTAL RATES

		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	7,386,072	10.01%	9.30%	9.6%	70,091	84,124	\$15.33	\$15.08	\$12.83
Montgomery Co. North	7,769,078	10.90%	11.17%	9.6%	18,869	-42,493	\$26.88	\$28.32	\$29.06
Montgomery Co.; Rockville/Bethesda	4,738,936	4.58%	6.63%	5.8%	85,069	45,769	\$21.64	\$20.58	\$19.53
Prince George's Co.	8,886,078	4.87%	5.92%	6.1%	52,656	84,902	\$12.80	\$12.20	\$11.32
Silver Spring	1,454,271	5.30%	4.96%	4.5%	-5,132	-8,374	\$18.03	\$18.24	\$16.47
Flex Totals	30,234,435	7.65%	8.14%	7.7%	221,553	163,928	\$18.67	\$18.65	\$17.78
Frederick Co.	15,579,339	8.24%	6.68%	5.6%	388,046	518,192	\$11.20	\$11.33	\$10.36
Montgomery Co. North	5,959,820	8.91%	9.67%	3.4%	-6,863	58,877	\$13.26	\$13.16	\$14.42
Montgomery Co.; Rockville/Bethesda	6,908,230	3.81%	3.85%	5.3%	3,052	55,620	\$16.16	\$16.03	\$15.35
Prince George's Co.	52,124,584	5.47%	4.37%	5.0%	-363,008	-137,513	\$11.03	\$12.43	\$11.70
Silver Spring	1,710,598	2.51%	2.82%	2.6%	5,440	2,147	\$15.57	\$15.57	\$15.74
Warehouse Totals	82,282,571	6.04%	5.12%	5.0%	26,667	497,323	\$11.75	\$12.64	\$12.03
Totals	112,517,006	6.48%	5.94%	5.7%	248,220	661,251	\$13.61	\$14.26	\$13.58

LEASING ACTIVITY

SALES PRICE PER SQUARE FOOT

LEASING: MONTHS ON THE MARKET



* Renewal, Expansion, or Sublease

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INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2023



WAREHOUSE (DC METRO)

Market Size
82,282,571

Building Count
1,670

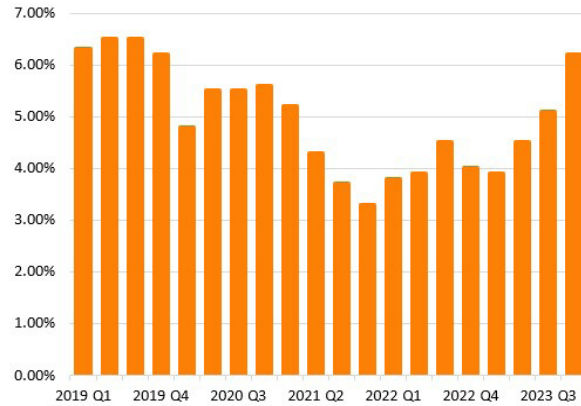
Absorption
26,667

YTD Absorption
497,323

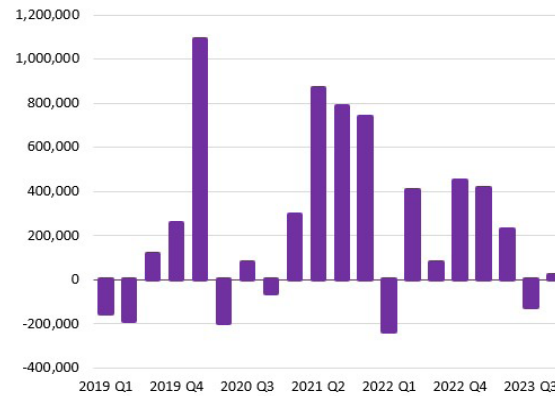
Vacancy
6.04%

Rental Rate
\$11.75

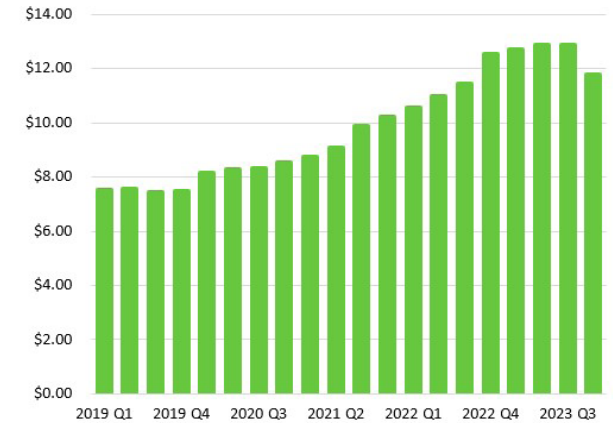
VACANCY



NET ABSORPTION



RENTAL RATES



FLEX (DC METRO)

Market Size
30,234,435

Building Count
641

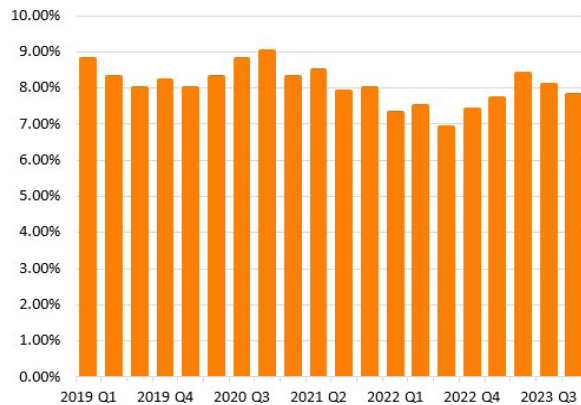
Absorption
221,553

YTD Absorption
163,928

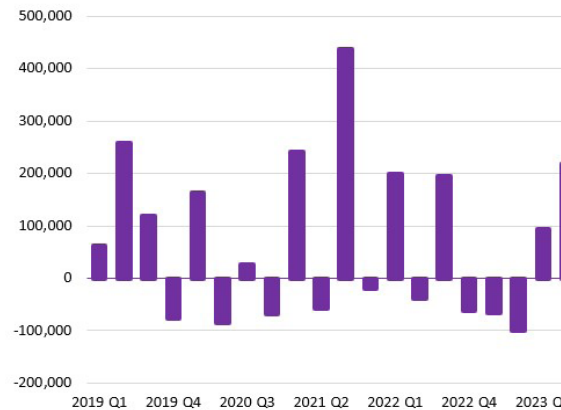
Vacancy
7.65%

Rental Rate
\$18.67

VACANCY



NET ABSORPTION



RENTAL RATES

