



INDUSTRIAL INDICATORS	Market Size 272,194,928	Building Count 3,724	Absorption -127,374	YTD Absorption 803,205	Vacancy 7.56%	Rental Rate 11.45/sf
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The Baltimore industrial market closed the year on a positive note with strong absorption, stable rental rates, and new deals being executed. The Federal Reserve’s interest rate cuts throughout the year helped alleviate some economic uncertainty. Although the fourth quarter saw a slight increase in vacancy rates from 7.51% to 7.56%, overall absorption remained positive. New construction, delivered without pre-leasing, contributed to some of the excess inventory.

Rental rates are softening as landlords adjust their strategies to fill vacant spaces, partly due to decreased demand for goods impacted by inflation. Tenants are resisting the 4% rent escalations that have become common since COVID, but landlords are holding firm and limiting concessions. Consequently, many companies are reassessing their needs in key markets, leading to a more cautious approach to expansion. The Harford County submarket stood out this quarter with Bob’s Discount Furniture, Inc. renewing a 672,000 sf lease, marking the quarter’s largest deal.

In 2024, over 1.6 million square feet of industrial space was delivered with 85% currently listed for lease. An additional 3.2 million square feet is under construction with 55% of that inventory also available for lease; only 3 of the 11 buildings are pre-leased. While the industrial market remains healthy, vacancy rates are expected to rise throughout the year as new construction continues to be delivered.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Annapolis/Route 2	6,638,885	11.03%	11.39%	6.54%	57,665	82,837	\$15.77	\$15.64	\$15.10
Baltimore City	5,353,983	7.00%	6.80%	6.28%	-11,218	-28,723	\$12.37	\$12.28	\$11.90
Baltimore County East	4,079,808	9.23%	8.92%	7.11%	-31,441	3,653	\$13.28	\$13.18	\$12.75
Baltimore County West	4,789,264	10.32%	11.19%	10.84%	43,378	22,818	\$12.88	\$12.78	\$12.35
BWI Corridor	8,955,755	6.00%	6.43%	5.75%	34,017	-85,361	\$14.68	\$14.57	\$14.08
Carroll County	1,906,822	5.90%	5.89%	7.62%	-235	-12,609	\$11.70	\$11.57	\$11.20
Columbia	8,328,151	3.52%	3.47%	4.86%	-699	72,091	\$17.14	\$17.01	\$16.44
Harford & Cecil Counties	3,161,622	7.27%	8.18%	6.89%	15,938	-21,788	\$14.29	\$14.21	\$13.72
I-83 Corridor	5,687,369	3.61%	3.68%	5.83%	1,214	72,118	\$15.27	\$15.14	\$14.59
Reisterstown Rd	2,967,504	10.37%	11.66%	10.90%	32,033	15,562	\$14.26	\$14.15	\$13.68
Flex Totals	51,869,163	7.06%	7.34%	6.78%	140,652	120,598	\$14.61	\$14.49	\$14.01
Annapolis Route 2	10,282,479	2.88%	2.76%	0.35%	-13,872	-158,401	\$12.13	\$12.32	\$12.01
Baltimore City	50,450,060	7.92%	7.36%	6.57%	-546,298	-791,472	\$9.05	\$9.18	\$8.94
Baltimore County East	36,428,202	7.61%	8.14%	7.42%	207,270	1,276,744	\$9.66	\$9.88	\$9.59
Baltimore County West	9,927,966	11.51%	11.80%	9.98%	59,461	-151,451	\$9.85	\$10.00	\$9.76
BWI Corridor	44,154,832	8.47%	8.15%	5.29%	-48,669	-1,019,458	\$12.25	\$12.54	\$12.17
Carroll County	9,100,205	0.83%	1.17%	0.84%	30,554	-15,717	\$9.71	\$9.86	\$9.60
Columbia	5,317,707	15.78%	14.69%	6.02%	-59,564	-446,750	\$10.50	\$10.77	\$10.45
Harford & Cecil Counties	50,060,513	8.07%	7.97%	11.07%	67,531	1,928,580	\$9.67	\$9.72	\$9.44
I-83 Corridor	4,981,074	3.46%	4.53%	5.60%	29,753	8,684	\$14.71	\$14.96	\$14.60
Reisterstown Rd	1,622,727	0.37%	0.73%	3.56%	5,808	51,848	\$12.82	\$12.81	\$12.53
Warehouse Totals	222,325,765	7.68%	7.57%	7.04%	-268,026	682,607	\$10.32	\$10.49	\$10.20
Totals	274,194,928	7.56%	7.51%	6.99%	-127,374	803,205	\$11.45	\$11.57	\$11.23

ITEMS TO NOTE:

Cart.com, a software company that unifies commerce and logistics, leased over 290,000 sf in Columbia at 8901 Snowden River Pkwy.

Gaulin Properties purchased 7510 Montevideo Rd. in Jessup, MD for \$18.5 million. The seller, Tate Access Floors, Inc., will lease back the 121,211 sf warehouse for a year.

Construction has begun on a new spec warehouse in the BWI Corridor. The new Dorsey Run Logistics Center is scheduled to be a 220,000 sf warehouse that will be delivered in the 3Q 2025.

Sandstorm, a facility to train children in pole vaulting, has recently leased flex space at 1640 Sulphur Spring Rd.

A fully leased, 154,590 sf warehouse in the BWI Corridor sold for \$27 million. EQT Exeter acquired the triple net investment building at 7200 Standard Dr. from a joint venture.

ECD Lacrosse, having outgrown its current space, purchased the flex building at 10830 Gilroy Rd. in Hunt Valley for \$13.31 million. The 80,150 sf building had been vacant for more than two years before the acquisition.

Sky Zone, a trampoline park, will soon occupy a 25,000 sf space in a flex building in Red Run Business Park. The location in Owings Mills plans to open towards the beginning of 2025.

In the largest lease transaction of the 4th quarter, Bob’s Discount Furniture, Inc. renewed the 672,000 sf lease at 511 Chelsea Rd. in Harford County.

INDUSTRIAL OVERVIEW (WAREHOUSE)

FOURTH QUARTER | 2024



WAREHOUSE INDICATORS

Market Size
222,325,765

Building Count
2,486

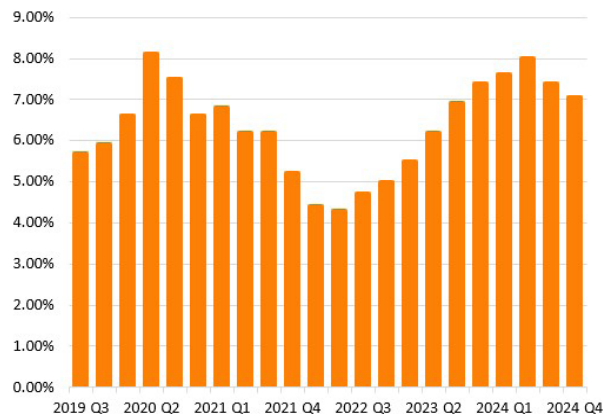
Absorption
-268,026

YTD Absorption
682,607

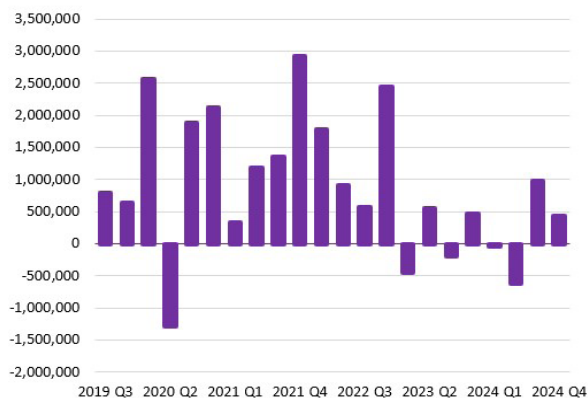
Vacancy
7.68

Rental Rate
\$10.32

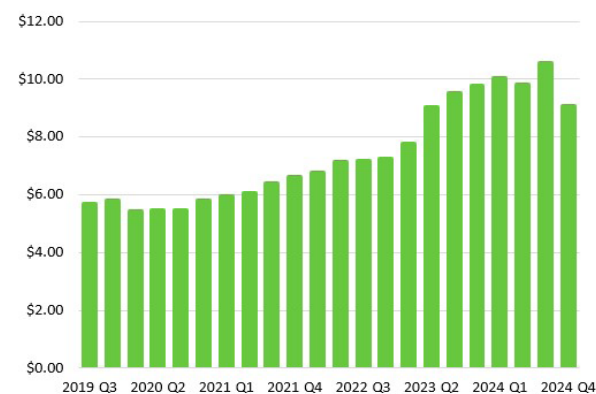
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Reisterstown Rd	0.37%
2	Carroll County	0.83%
3	Annapolis/Route 2	2.88%

Highest Vacancy

1	Columbia	15.78%
2	Baltimore County West	11.51%
3	BWI Corridor	8.47%

Most Change vs. Prior Quarter

-	I-83 Corridor	-1.07%
+	Columbia	1.09%

Lowest Net Absorption

1	Baltimore County East	207,270
2	Harford & Cecil Counties	67,531
3	Baltimore County West	59,461

Highest Net Absorption

1	Baltimore City	-546,298
2	Columbia	-59,564
3	BWI Corridor	-48,669

Most Absorption, Year-to-Date

-	BWI Corridor	-1,019,458
+	Harford & Cecil Counties	1,928,580

Cheapest Rates

1	Baltimore City	\$9.05
2	Baltimore County East	\$9.66
3	Harford & Cecil Counties	\$9.67

Most Expensive Rates

1	I-83 Corridor	\$14.71
2	Reisterstown Rd	\$12.82
3	BWI Corridor	\$12.25

Most Change vs. Prior Quarter

-	BWI Corridor	-\$0.29
+	Reisterstown Rd	\$0.01

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
511 Chelsea Rd.*	Harford/Cecil County	Bob's Discount Furniture	672,000
8901 Snowden River Pkwy.	BWI Corridor	Cart.com	290,788
7300 Corporate Center Dr.	BWI Corridor	Elite Spice	228,014
8125 Stayton Dr.*	BWI Corridor	Capitol Warehousing	205,000

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
7200 Standard Dr.	BWI Corridor	\$27,000,000	\$175	154,590
7510 Montevideo Rd.	BWI Corridor	\$18,500,000	\$153	121,211
6750 Santa Barbara Ct.	BWI Corridor	\$9,400,000	\$93	101,066
27 Frederick Rd.	Baltimore County West	\$6,200,000	\$36	173,326

* Renewal, Expansion, or Sublease

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FLEX INDICATORS

Market Size
51,869,163

Building Count
1,238

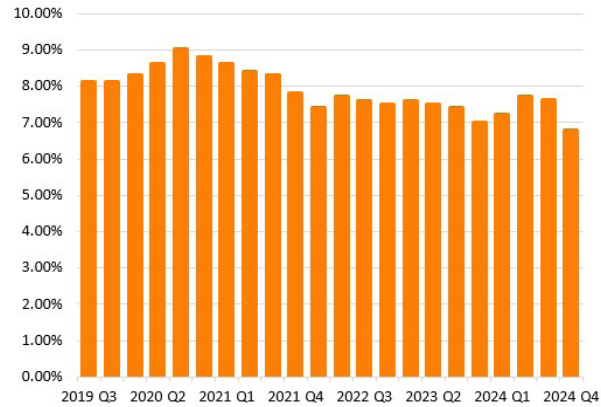
Absorption
140,652

YTD Absorption
120,598

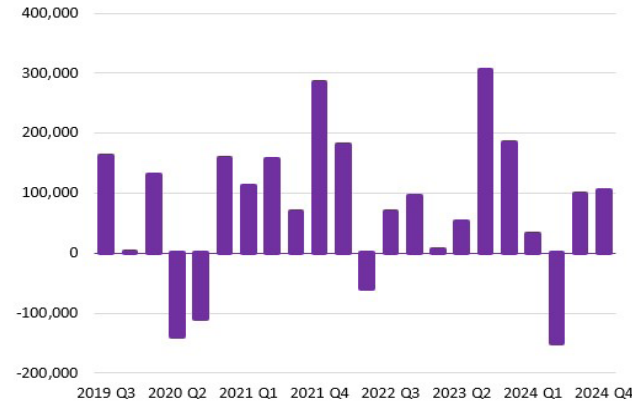
Vacancy
7.06%

Rental Rate
\$14.61

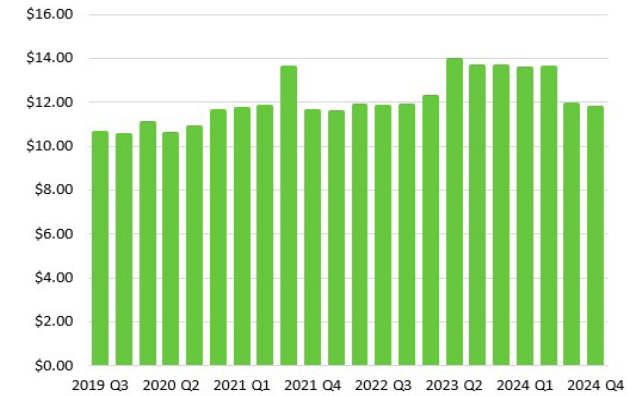
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Columbia	3.52%
2	I-83 Corridor	3.61%
3	Carroll County	5.90%

Highest Vacancy

1	Annapolis/Route 2	11.03%
2	Reisterstown Rd	10.37%
3	Baltimore County West	10.32%

Most Change vs. Prior Quarter

-	Reisterstown Rd	-1.29%
+	Baltimore County East	0.31%

Lowest Net Absorption

1	Annapolis/Route 2	57,665
2	Baltimore County West	43,378
3	BWI Corridor	34,017

Highest Net Absorption

1	Baltimore County East	-31,441
2	Baltimore City	-11,218
3	Columbia	-699

Most Absorption, Year-to-Date

-	BWI Corridor	-85,361
+	Annapolis/Route 2	82,837

Cheapest Rates

1	Carroll County	\$11.70
2	Baltimore City	\$12.37
3	Baltimore County West	\$12.88

Most Expensive Rates

1	Columbia	\$17.14
2	Annapolis/Route 2	\$15.77
3	I-83 Corridor	\$15.27

Most Change vs. Prior Quarter

-	Harford & Cecil Counties	\$0.08
+	Columbia	\$0.13

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
7320 Parkway Dr.	BWI Corridor	Chesapeake Science Point CS	56,964
7468 Candlewood Rd.	BWI Corridor	Confidential	25,313
9600 Pulaski Park Dr.	Baltimore County East	Confidential	23,400
330-336 Clubhouse Rd.	I-83 Corridor	Centurian Construction	14,522

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
10830 Gilroy Rd.	I-83 Corridor	\$13,310,000	\$166	80,150
3600 Crondall Ln.	Reisterstown Rd Corridor	\$5,200,000	\$128	40,608
6411 Beckley St.	Baltimore City SE	\$2,600,000	\$30	87,197
4100-4112 Aquarium Pl.	Baltimore City NW	\$950,000	\$54	17,640

INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2024



INDUSTRIAL INDICATORS

Market Size
114,430,161

Building Count
2,325

Absorption
-276,372

YTD Absorption
-179,032

Vacancy
8.26%

Rental Rate
\$13.67/sf

THE NUMBERS

MARKET SIZE

VACANCY %

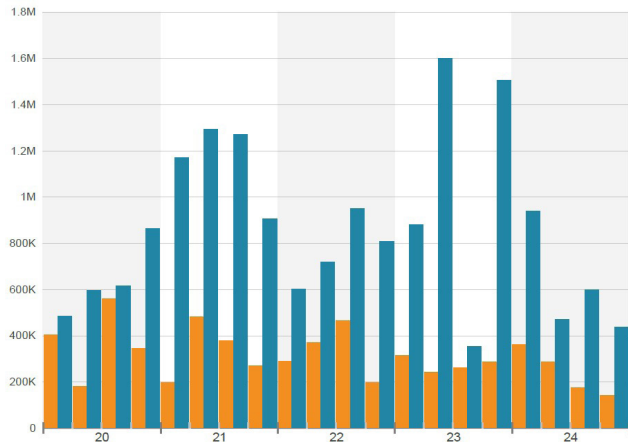
ABSORPTION

RENTAL RATES

		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	7,584,157	12.71%	11.19%	10.01%	-68,707	-121,433	\$14.68	\$14.01	\$15.06
Montgomery Co. North	7,928,946	10.68%	6.90%	10.90%	-20,109	115,639	\$20.63	\$22.75	\$25.12
Montgomery Co.; Rockville/Bethesda	5,336,606	7.62%	3.82%	4.58%	248,344	337,531	\$27.57	\$27.50	\$23.61
Prince George's Co.	8,630,622	5.42%	5.11%	4.87%	-53,987	-29,407	\$14.19	\$14.02	\$13.80
Silver Spring	1,454,271	7.46%	7.97%	5.30%	7,351	-31,429	\$18.00	\$18.03	\$18.24
Flex Totals	30,934,602	9.03%	6.58%	7.65%	112,892	270,901	\$18.45	\$18.77	\$18.91
Frederick Co.	15,477,242	5.18%	6.19%	8.24%	123,852	488,709	\$12.17	\$11.59	\$10.82
Montgomery Co. North	5,817,234	6.74%	10.29%	8.91%	200,458	138,570	\$15.74	\$15.05	\$13.90
Montgomery Co.; Rockville/Bethesda	6,902,107	4.19%	3.82%	3.81%	-27,454	-28,064	\$18.15	\$18.19	\$16.25
Prince George's Co.	53,551,198	9.57%	6.20%	5.47%	-689,090	-1,045,413	\$11.98	\$11.16	\$11.00
Silver Spring	1,747,778	2.67%	2.84%	2.51%	2,970	-3,735	\$17.88	\$17.97	\$17.17
Warehouse Totals	83,495,559	7.97%	6.22%	6.04%	-389,264	-449,933	\$12.91	\$12.23	\$11.73
Totals	114,430,161	8.26%	6.32%	6.48%	-276,372	-179,032	\$14.41	\$14.00	\$13.67

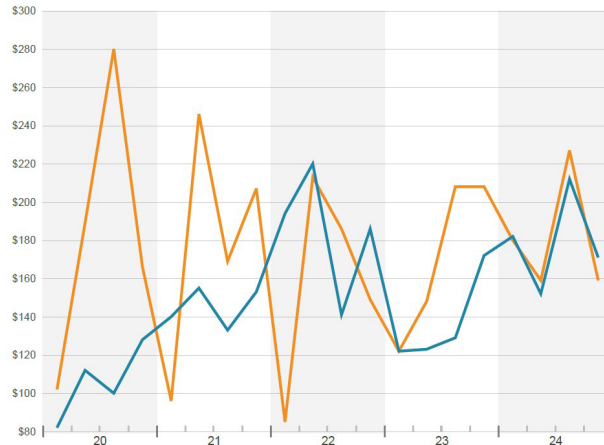
LEASING ACTIVITY

Flex Industrial



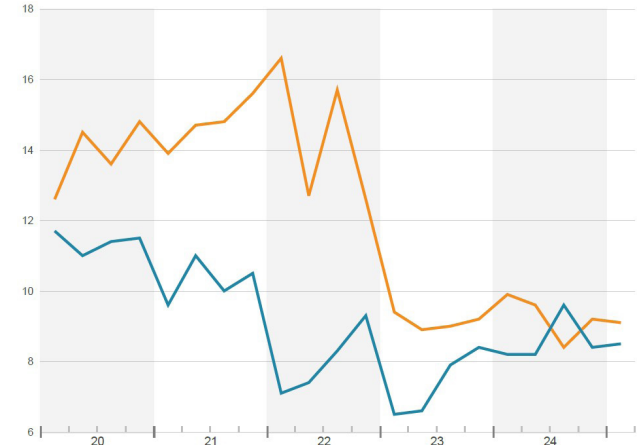
SALES PRICE PER SQUARE FOOT

Flex Industrial



LEASING: MONTHS ON THE MARKET

Flex Industrial



* Renewal, Expansion, or Sublease

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INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2024



WAREHOUSE (DC METRO)

Market Size
83,495,559

Building Count
1,678

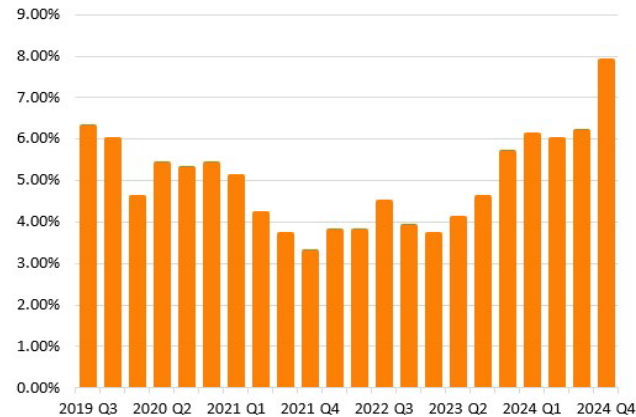
Absorption
-389,264

YTD Absorption
-449,933

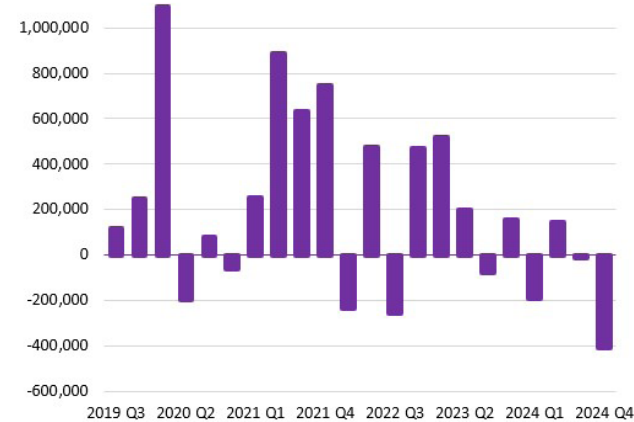
Vacancy
7.97

Rental Rate
\$12.91/sf

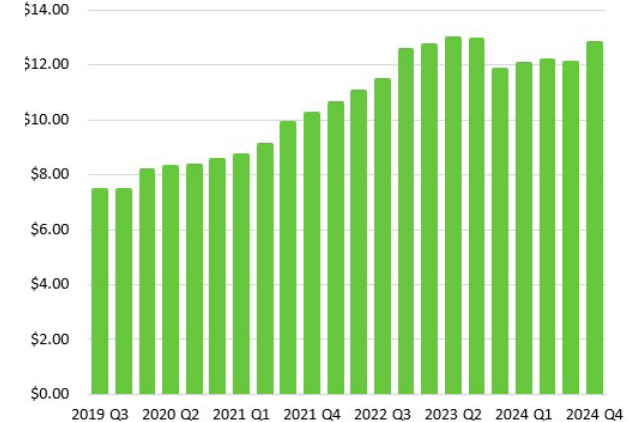
VACANCY



NET ABSORPTION



RENTAL RATES



FLEX (DC METRO)

Market Size
30,934,602

Building Count
647

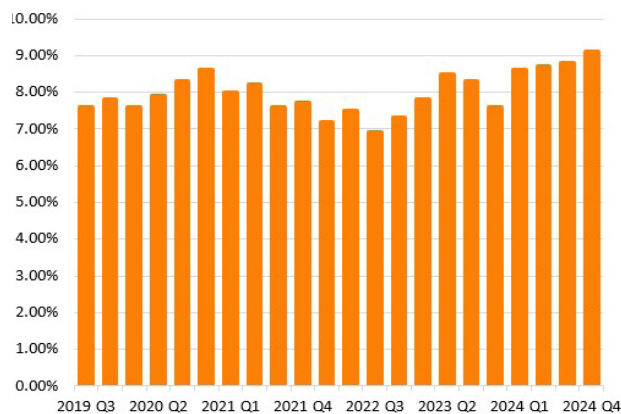
Absorption
112,892

YTD Absorption
270,901

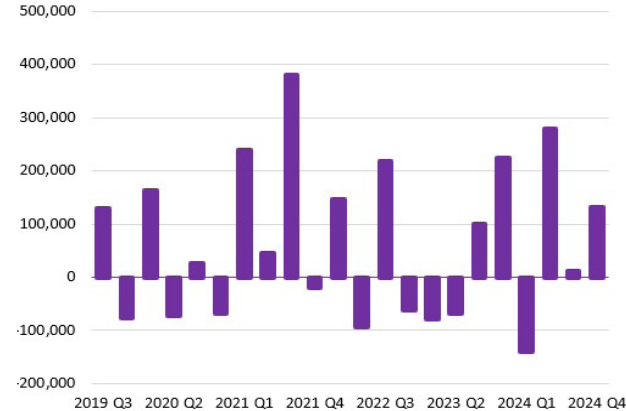
Vacancy
9.03

Rental Rate
\$18.45/sf

VACANCY



NET ABSORPTION



RENTAL RATES

