



## INDUSTRIAL INDICATORS

Market Size  
**271,786,394**

Building Count  
**3,682**

Absorption  
**348,875**

YTD Absorption  
**348,875**

Vacancy  
**7.17%**

Rental Rate  
**\$11.63**

The data pertaining to Baltimore's industrial market for Q1 2024, inclusive of flex and warehouse spaces, underscores the market's resilience. Despite softening demand, the current vacancy rate stands at 7.17%, indicative of a well-balanced market. While the impact of the recent Francis Scott Key Bridge tragedy remains uncertain, ongoing efforts to clear the port and mitigate repercussions are underway. In the first quarter of 2024, deals have continued to progress with over one million square feet of new leases signed. Notably, the largest lease signed to date this year was for 400,000 sf to be constructed at 1390 Sparrows Point Blvd. by the University of Maryland Medical Systems.

The slowdown in the total leases inked can be attributed to multiple factors including increased interest rates and a shift in supply and demand. Consumer income has not increased at the same pace as inflation leading to a decrease in spending. Decreased demand for goods and the increased cost to borrow has led companies to slow their growth and reposition their needs in key markets. Demand remains steady along the I-95 Corridor with most new construction concentrated in the BWI Corridor and Baltimore County East totaling 678,000 sf and 612,000 sf, respectively. The average asking rent for Baltimore's industrial market is \$10.75/sf, with flex space averaging \$14.25/sf.

The overall economic outlook for Baltimore's industrial real estate market is positive despite fluctuations in demand, vacancy rates, and rental rates across different submarkets. Industrial sales averaged \$174/sf for Class A and B buildings in 2023, a significant increase from the \$95/sf average in 2020. The diversity of economic drivers and available product types in Baltimore's industrial market provides resilience to the industrial sector within the broader regional economy, offering opportunities 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	6,398,248	7.45%	6.54%	7.1%	-25,673	-25,673	\$16.14	\$17.37	\$17.18
Baltimore City	5,078,988	7.02%	6.28%	8.8%	-9,799	-9,799	\$26.08	\$26.67	\$10.17
Baltimore County East	4,162,110	8.19%	7.11%	8.2%	39,185	39,185	\$14.33	\$13.99	\$14.48
Baltimore County West	4,787,539	10.95%	10.84%	10.4%	-6,901	-6,901	\$11.54	\$12.39	\$11.97
BWI Corridor	8,928,546	4.80%	5.75%	6.7%	40,759	40,759	\$14.51	\$13.00	\$12.50
Carroll County	1,884,461	6.15%	7.62%	8.8%	-9,611	-9,611	\$10.14	\$10.72	\$10.12
Columbia	8,393,695	4.14%	4.86%	4.2%	18,282	18,282	\$12.40	\$12.08	\$12.50
Harford & Cecil Counties	3,096,094	7.36%	6.89%	7.3%	-5,386	-5,386	\$9.67	\$9.75	\$10.28
I-83 Corridor	5,513,728	5.66%	5.83%	7.3%	9,556	9,556	\$10.72	\$10.70	\$10.94
Reisterstown Rd	2,955,313	12.40%	10.90%	10.5%	-43,218	-43,218	\$12.77	\$12.78	\$11.77
<b>Flex Totals</b>	<b>51,198,722</b>	<b>6.83%</b>	<b>6.78%</b>	<b>7.4%</b>	<b>7,194</b>	<b>7,194</b>	<b>\$14.26</b>	<b>\$14.23</b>	<b>\$12.53</b>
Annapolis Route 2	10,037,086	0.50%	0.35%	0.2%	-22,980	-22,980	\$13.42	\$13.69	\$9.07
Baltimore City	50,162,617	5.82%	6.57%	6.7%	315,033	315,033	\$11.12	\$9.93	\$6.79
Baltimore County East	35,595,619	8.58%	7.42%	6.2%	264,906	264,906	\$9.80	\$10.49	\$11.32
Baltimore County West	9,876,995	11.52%	9.98%	8.6%	-152,869	-152,869	\$7.94	\$7.89	\$6.69
BWI Corridor	44,017,754	6.19%	5.29%	5.0%	-182,711	-182,711	\$13.89	\$13.78	\$10.33
Carroll County	8,954,711	0.72%	0.84%	0.8%	-4,611	-4,611	\$7.52	\$7.96	\$7.69
Columbia	5,321,989	18.20%	6.02%	5.6%	-646,143	-646,143	\$15.11	\$11.38	\$12.08
Harford & Cecil Counties	49,713,318	9.72%	11.07%	7.8%	734,853	734,853	\$8.36	\$8.25	\$7.01
I-83 Corridor	5,281,563	4.37%	5.60%	3.9%	-15,245	-15,245	\$10.98	\$8.33	\$9.10
Reisterstown Rd	1,626,020	0.39%	3.56%	0.2%	51,448	51,448	\$11.00	\$11.00	\$11.91
<b>Warehouse Totals</b>	<b>220,587,672</b>	<b>7.25%</b>	<b>7.04%</b>	<b>5.9%</b>	<b>341,681</b>	<b>341,681</b>	<b>\$10.75</b>	<b>\$10.41</b>	<b>\$8.63</b>
<b>Totals</b>	<b>271,786,394</b>	<b>7.17%</b>	<b>6.99%</b>	<b>6.2%</b>	<b>348,875</b>	<b>348,875</b>	<b>\$11.63</b>	<b>\$11.35</b>	<b>\$9.55</b>

## ITEMS TO NOTE:

Blue Whale EV has moved its headquarters to Mercantile Drive in Hanover, expanding to double the square footage of its previous location.

Goodwill Industries acquired an 180,000 sf industrial warehouse for more than \$25 million. The building, located at 2701 Wilmarco Ave. in Baltimore City, was vacant at the time of purchase and Goodwill intends to occupy it.

The warehouse located at 1700 Ridgley St. sold for \$15.5 million to Clean Harbors, Inc. out of Massachusetts. The non-profit Second Chance is currently located at the 110,360 sf facility.

EVAPCO, Inc. is expanding its world headquarters in Carroll County by 45,000 sf. The office expansion at 5151 Allendale Lane will be a two-year process that will result in the addition of 275 new jobs in Taneytown.

The fully leased 62,376 sf warehouse at 2915 Wilmarco Ave. sold for \$6.9 million. The buyer, Faropoint, focuses on last-mile logistics facilities.

Hart Print, the pioneer in digital printing on recyclable cans, has inaugurated a new manufacturing facility in Cecil County. Situated at 402 Belle Hill Rd. in Elkton, the facility was purpose-built to accommodate three Hinterkopf D360 digital printers.

The former data center, now a warehouse, located at 7150 Standard Dr. in Hanover was sold for \$13 million. Distribution By Air acquired the 66,590 sf warehouse with plans to occupy the space.

Client contracts are expiring leading to the layoff of 170 employees in Cecil County. The unexpected layoffs occurred at the warehouse located at 200 Gateway Dr., and attempts to reach the companies for comment were unsuccessful.



## WAREHOUSE INDICATORS

Market Size  
220,587,672

Building Count  
2,456

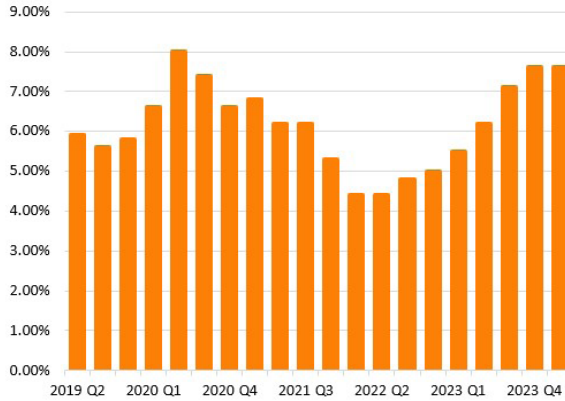
Absorption  
341,681

YTD Absorption  
341,681

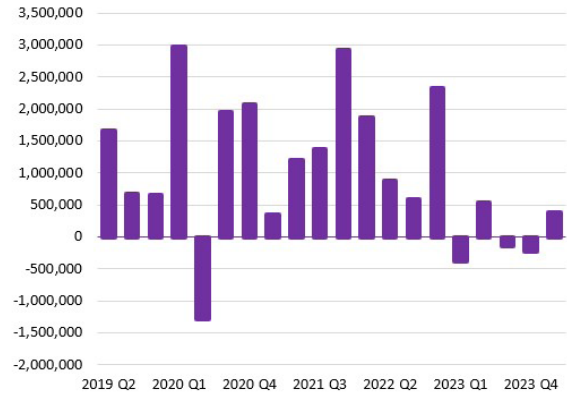
Vacancy  
7.25%

Rental Rate  
\$10.75

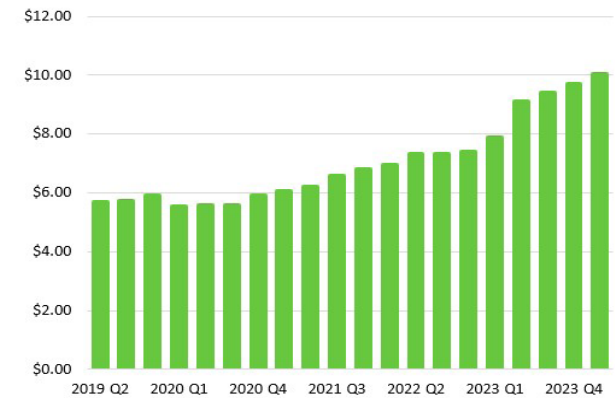
## VACANCY



## NET ABSORPTION



## RENTAL RATES



### Lowest Vacancy

1	Annapolis/Route 2	0.42%
2	Carroll County	0.74%
3	Reisterstown Rd	3.22%

### Highest Vacancy

1	Harford & Cecil Counties	11.52%
2	Baltimore County East	9.31%
3	Baltimore County West	8.03%

### Most Change vs. Prior Quarter

-	Baltimore County West	-1.57%
+	Harford & Cecil Counties	4.42%

### Lowest Net Absorption

1	Harford & Cecil Counties	1,378,853
2	Baltimore City	315,033
3	Baltimore County East	264,906

### Highest Net Absorption

1	Columbia	-646,143
2	BWI Corridor	-182,711
3	Baltimore County West	-152,869

### Most Absorption, Year-to-Date

-	Columbia	-646,143
+	Harford & Cecil Counties	1,378,853

### Cheapest Rates

1	Carroll County	\$7.52
2	Baltimore County West	\$7.94
3	Harford & Cecil Counties	\$8.36

### Most Expensive Rates

1	Columbia	\$15.11
2	BWI Corridor	\$13.89
3	Annapolis/Route 2	\$13.42

### Most Change vs. Prior Quarter

-	Baltimore County East	-\$0.69
+	Columbia	\$3.73

## LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
1390 Sparrows Point Blvd.	Baltimore County East	University of MD Medical Sys	400,000
8411 Kelso Dr.*	Baltimore County East	Mako Freight	274,821
400 Old Post Rd.	Harford County	Pacific Coast Furniture Distr.	175,805
7200 Dorsey Run Rd.*	BWI Corridor	Amazon	126,000

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
2701 Wilmarco Ave.	Baltimore City SW	\$25,125,000	\$139	180,701
1700 Ridgely St.	Baltimore City SW	\$15,500,000	\$140	110,360
7150 Standard Dr.	BWI Corridor	\$13,000,000	\$195	66,590
2700 Hollins Ferry Rd.	Baltimore City SW	\$12,500,000	\$100	125,000

\* Renewal, Expansion, or Sublease



## FLEX INDICATORS

Market Size  
51,198,722

Building Count  
1,226

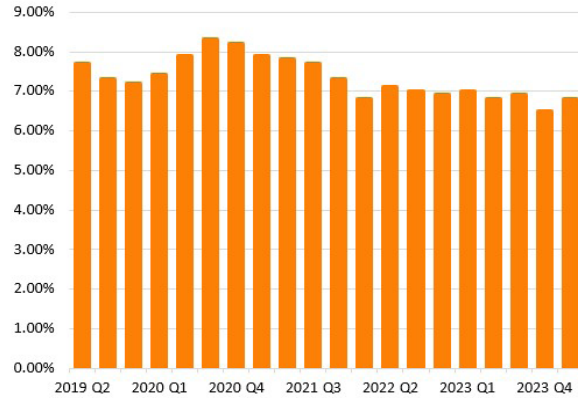
Absorption  
7,194

YTD Absorption  
7,194

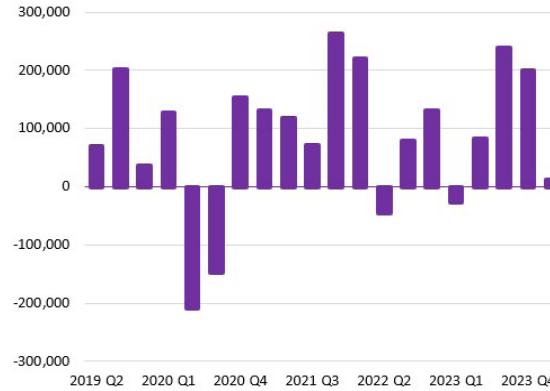
Vacancy  
6.83%

Rental Rate  
\$14.26

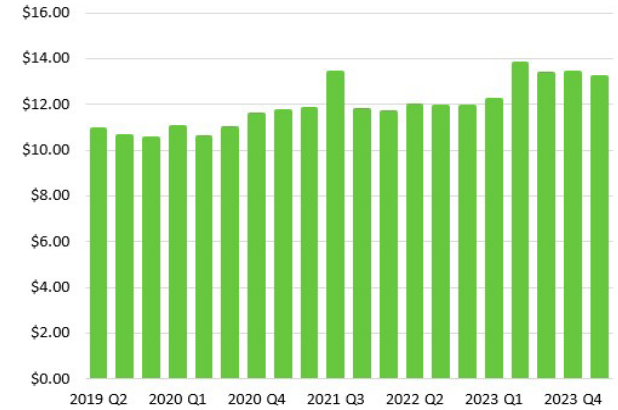
## VACANCY



## NET ABSORPTION



## RENTAL RATES



### Lowest Vacancy

1	Columbia	4.14%
2	BWI Corridor	4.80%
3	I-83 Corridor	5.66%

### Highest Vacancy

1	Reisterstown Rd	12.40%
2	Baltimore County West	10.95%
3	Baltimore County East	8.19%

### Most Change vs. Prior Quarter

-	Carroll County	-1.47%
+	Reisterstown Rd	1.50%

### Lowest Net Absorption

1	BWI Corridor	40,759
2	Baltimore County East	39,185
3	Columbia	18,282

### Highest Net Absorption

1	Reisterstown Rd	-43,218
2	Annapolis/Route 2	-25,673
3	Baltimore City	-9,799

### Most Absorption, Year-to-Date

-	Reisterstown Rd	-43,218
+	BWI Corridor	40,759

### Cheapest Rates

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

### Most Expensive Rates

1	Baltimore City	\$26.08
2	Annapolis/Route 2	\$16.14
3	BWI Corridor	\$14.51

### Most Change vs. Prior Quarter

-	Annapolis/Route 2	-\$1.23
+	BWI Corridor	\$1.51

## LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
7090 Golden Ring Rd.*	Baltimore County East	Board of Education	30,827
9331 Philadelphia Rd.	Baltimore County East	Unknown	25,350
7393 Washington Blvd.	Route 1 Corridor	Unknown	25,200
6958 Aviation Blvd	BWI Corridor	Skyline Technology Solutions	16,001

## SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
9730 Patuxent Woods Dr.	Columbia	\$3,656,230	\$118	30,985
9685 Gerwig Ln.	Columbia	\$2,899,000	\$201	14,400
951 Bay Ridge Rd.	Annapolis	\$2,100,000	\$210	10,000
301 Dove Ct.	Harford County	\$1,050,000	\$150	7,000

\* Renewal, Expansion, or Sublease

# INDUSTRIAL OVERVIEW (DC METRO)

FIRST QUARTER | 2024



## INDUSTRIAL INDICATORS

Market Size  
112,611,006

Building Count  
2,312

Absorption  
-188,156

YTD Absorption  
-188,156

Vacancy  
6.75%

Rental Rate  
\$14.84

## THE NUMBERS

### MARKET SIZE

### VACANCY %

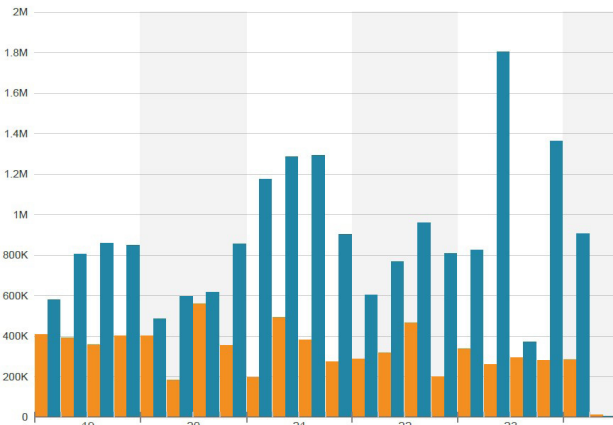
### ABSORPTION

### RENTAL RATES

		Current	Prior Qtr	Prior Yr	Net	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	7,412,664	12.33%	10.01%	9.2%	-180,314	-180,314	\$15.80	\$15.62	\$16.62
Montgomery Co. North	7,757,567	10.87%	10.90%	10.1%	3,889	3,889	\$25.39	\$27.15	\$28.92
Montgomery Co.; Rockville/Bethesda	4,854,601	6.29%	4.58%	5.8%	-27,860	-27,860	\$22.64	\$21.64	\$19.49
Prince George's Co.	8,741,059	5.31%	4.87%	6.9%	6,418	6,418	\$13.98	\$13.37	\$12.39
Silver Spring	1,454,271	4.77%	5.30%	4.9%	7,678	7,678	\$18.03	\$18.03	\$12.00
<b>Flex Totals</b>	<b>30,220,162</b>	<b>8.59%</b>	<b>7.65%</b>	<b>8.0%</b>	<b>-190,189</b>	<b>-190,189</b>	<b>\$18.94</b>	<b>\$19.01</b>	<b>\$18.79</b>
Frederick Co.	15,521,711	8.10%	8.24%	4.7%	3,635	3,635	\$11.82	\$10.82	\$10.69
Montgomery Co. North	5,959,820	6.23%	8.91%	6.5%	159,628	159,628	\$14.78	\$13.90	\$14.70
Montgomery Co.; Rockville/Bethesda	6,888,375	4.38%	3.81%	4.3%	-31,561	-31,561	\$16.23	\$16.17	\$15.68
Prince George's Co.	52,310,340	5.80%	5.47%	4.1%	-128,309	-128,309	\$13.17	\$12.77	\$11.91
Silver Spring	1,710,598	2.59%	2.51%	2.3%	-1,360	-1,360	\$15.57	\$15.57	\$15.74
<b>Warehouse Totals</b>	<b>82,390,844</b>	<b>6.08%</b>	<b>6.04%</b>	<b>4.4%</b>	<b>2,033</b>	<b>2,033</b>	<b>\$13.34</b>	<b>\$12.83</b>	<b>\$12.28</b>
<b>Totals</b>	<b>112,611,006</b>	<b>6.75%</b>	<b>6.48%</b>	<b>5.4%</b>	<b>-188,156</b>	<b>-188,156</b>	<b>\$14.84</b>	<b>\$14.49</b>	<b>\$14.03</b>

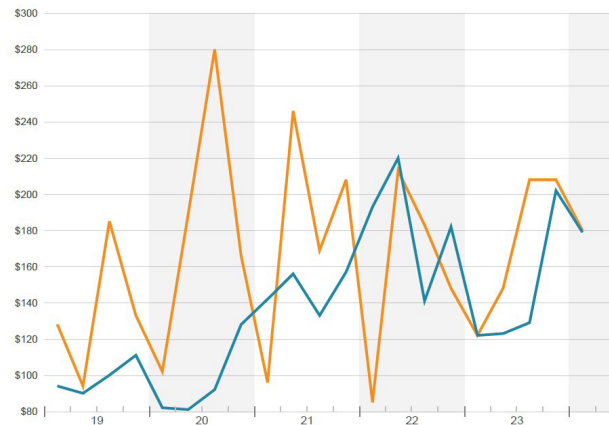
## LEASING ACTIVITY

Flex Industrial



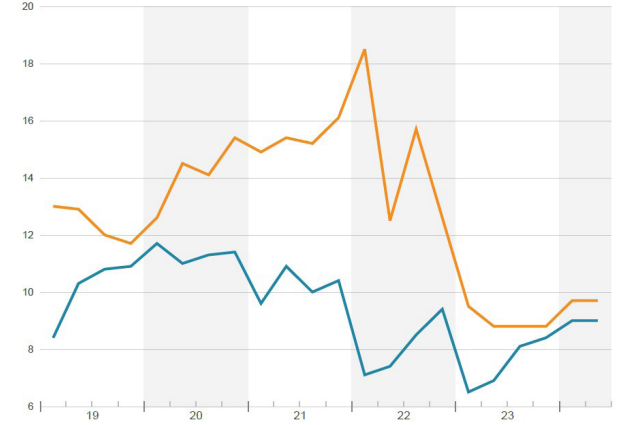
## SALES PRICE PER SQUARE FOOT

Flex Industrial



## LEASING: MONTHS ON THE MARKET

Flex Industrial



\* Renewal, Expansion, or Sublease



## WAREHOUSE (DC METRO)

Market Size  
82,390,844

Building Count  
1,670

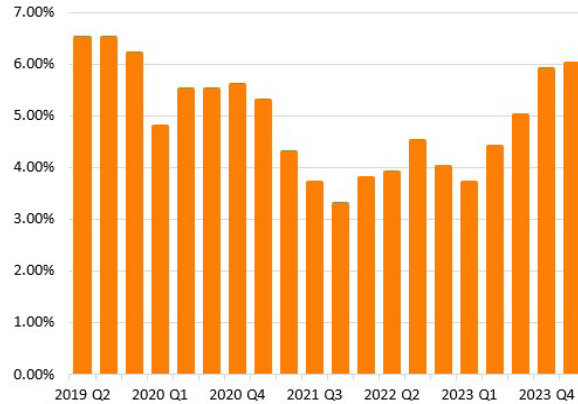
Absorption  
2,033

YTD Absorption  
2,033

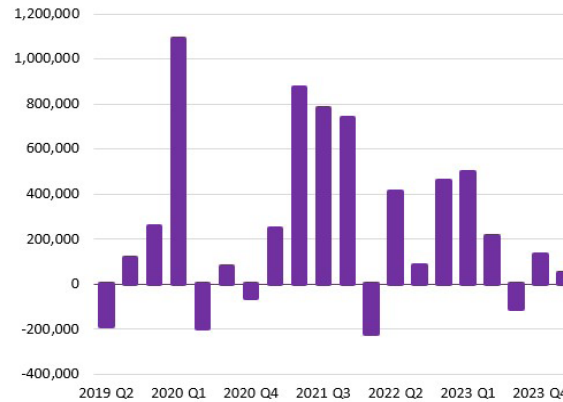
Vacancy  
6.08%

Rental Rate  
\$13.34

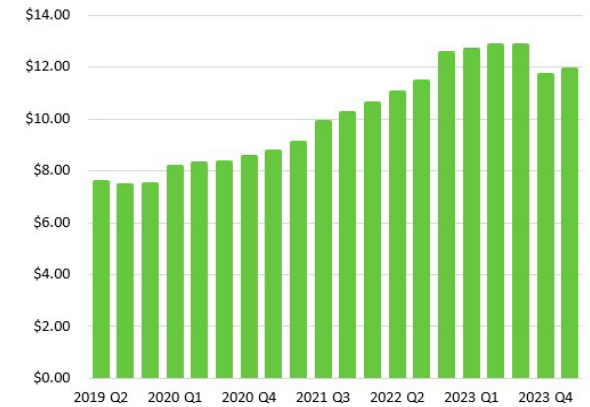
### VACANCY



### NET ABSORPTION



### RENTAL RATES



## FLEX (DC METRO)

Market Size  
30,220,162

Building Count  
642

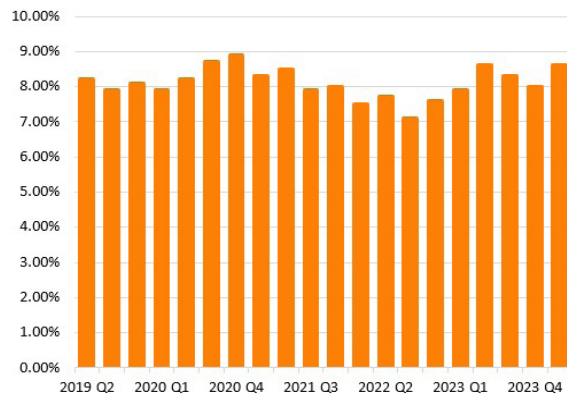
Absorption  
-190,189

YTD Absorption  
-190,189

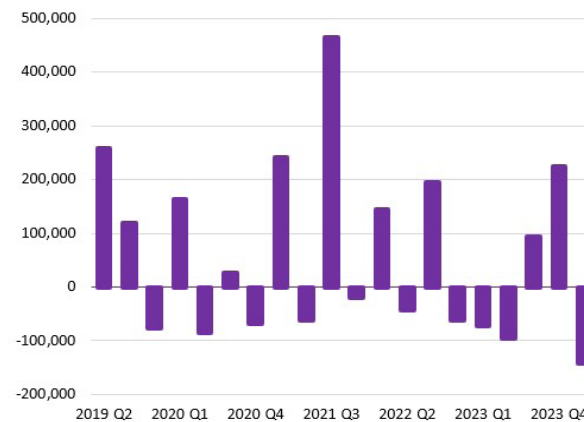
Vacancy  
8.59%

Rental Rate  
\$18.94

### VACANCY



### NET ABSORPTION



### RENTAL RATES

