

INDUSTRIAL OVERVIEW

FOURTH QUARTER | 2025



INDUSTRIAL INDICATORS

Market Size
279,686,980

Building Count
3,769

Absorption
3,181,943

YTD Absorption
71,182

Vacancy
8.83%

Rental Rate
\$11.04/sf

The Baltimore industrial and flex market remained comparatively resilient through 4Q 2025, finishing the year with 71,182 sf of positive net absorption. Average asking rents edged down slightly to \$11.04 psf, reflecting modest softening but remaining above historical norms. Leasing activity for 2025 totaled more than 12.7M square feet, highlighting continued tenant demand for functional, well-located industrial space. The warehouse sector was the primary driver of activity during the quarter, posting more than 3M square feet of positive absorption. This growth was largely driven by Floor & Décor and Ryder, which took occupancy of 1,321,240 sf and 1,026,000 sf, respectively. New deals in the market remain relatively flat as the year came to an end.

Submarket performance varied considerably. Baltimore County East led the market with more than 800,000 sf of positive absorption YTD, supported by logistics and distribution users, while Carroll County and Harford & Cecil Counties also posted steady gains. Conversely, Baltimore City, Columbia, and the Reisterstown Road Corridor experienced occupancy losses, reflecting selective demand and space consolidation within flex product. Overall, constrained new supply and sustained demand for modern warehouse facilities continue to support market fundamentals, positioning the industrial sector as Baltimore's most stable asset class entering 2026.

THE NUMBERS	MARKET SIZE	VACANCY %			ABSORPTION		RENTAL RATES		
		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Annapolis/Route 2	6,736,083	9.50%	10.76%	10.89%	85,013	93,680	\$16.36	\$16.43	\$17.11
Baltimore City	5,419,972	8.08%	8.89%	6.31%	43,634	-96,154	\$13.97	\$13.24	\$10.81
Baltimore County East	4,019,900	10.14%	9.61%	9.36%	-21,406	-31,284	\$10.30	\$10.29	\$13.44
Baltimore County West	4,926,553	11.13%	11.58%	10.11%	22,321	-49,800	\$11.64	\$11.55	\$10.64
BWI Corridor	8,813,211	6.52%	6.99%	7.03%	41,244	45,223	\$15.78	\$15.78	\$14.11
Carroll County	1,926,734	3.48%	4.59%	7.93%	21,508	85,787	\$14.65	\$16.02	\$13.53
Columbia	8,427,133	4.14%	3.59%	3.63%	-46,966	-43,717	\$14.67	\$14.51	\$13.50
Harford & Cecil Counties	3,111,732	3.43%	4.45%	6.83%	31,774	105,909	\$10.59	\$11.43	\$9.79
I-83 Corridor	5,646,935	2.93%	2.92%	3.32%	-756	22,081	\$11.79	\$12.56	\$11.95
Reisterstown Rd	2,927,954	10.75%	10.50%	10.51%	-7,378	-7,113	\$13.43	\$12.60	\$12.73
Flex Totals	51,956,207	6.95%	7.28%	7.19%	168,988	124,612	\$13.75	\$13.79	\$13.08
Annapolis Route 2	10,274,083	7.31%	7.60%	2.88%	29,348	-455,375	\$10.39	\$11.83	\$11.80
Baltimore City	51,500,191	8.26%	8.40%	7.93%	70,200	-170,207	\$9.22	\$9.38	\$9.85
Baltimore County East	38,640,324	10.91%	14.73%	12.98%	1,477,555	801,948	\$7.75	\$8.33	\$9.21
Baltimore County West	10,055,141	9.12%	10.00%	11.09%	89,056	198,877	\$6.92	\$6.90	\$7.94
BWI Corridor	45,277,506	10.73%	11.76%	10.35%	465,759	-170,126	\$13.61	\$13.66	\$13.58
Carroll County	9,122,416	0.85%	0.82%	1.09%	-2,750	21,846	\$8.37	\$8.28	\$9.48
Columbia	5,380,338	18.04%	17.96%	15.59%	-4,050	-131,438	\$9.27	\$7.37	\$8.50
Harford & Cecil Counties	50,644,334	9.34%	10.93%	9.30%	806,774	-21,704	\$9.02	\$9.38	\$9.55
I-83 Corridor	5,150,519	4.84%	6.49%	3.57%	84,979	-65,767	\$12.94	\$9.81	\$7.04
Reisterstown Rd	1,685,921	4.00%	3.77%	3.85%	-3,916	-61,484	\$7.46	\$7.46	\$8.13
Warehouse Totals	227,730,773	9.26%	10.58%	9.24%	3,012,955	-53,430	\$9.79	\$9.96	\$10.30
Totals	279,686,980	8.83%	9.97%	8.86%	3,181,943	71,182	\$11.04	\$11.20	\$11.35

ITEMS TO NOTE:

The Maryland Transportation Authority announced updated cost and schedule projections for the Francis Scott Key Bridge reconstruction. Estimated costs have increased to as much as \$5.2 billion, and completion is now projected for late 2030. Implications for Port of Baltimore operations remain uncertain.

Crown Industrial Park, located in the Baltimore City SE submarket, sold for \$16 million to Cross Street Partners. The 16-acre site is part of a broader redevelopment initiative aimed at transforming the historic property into a mixed-use project.

The showroom property at 1805 – 1820 Margaret Ave. in Annapolis sold for \$9.13 million, or approximately \$222.24/sf. Located on 1.65 acres, the flex building is approximately 42,000 sf.

Nature Cell, a Korean biotechnology company, plans to open a 100,000 sf manufacturing facility at 1401 Severn Ave. in Baltimore City. Development will occur in two phases through 2031, with operations expected to create approximately 500 jobs.

The Silverman Group acquired the Techwood Portfolio in Hanover, Maryland, for \$42 million. Located at 1340–1352 Charwood Rd., the portfolio comprises more than 200,000 sf of light industrial space situated on 23 acres.

Caliber Collision has executed a new lease for approximately 17,000 sf at Glen Burnie Business Center. The space is in a new flex building that is located at the former Michael's 8th Avenue site, with occupancy planned for early 2026.

Monkey in the Metal is now operating from a new facility at 3483 Sinclair Ln. in Baltimore following its acquisition of KSI Professional. The transaction establishes the Mid-Atlantic's only full-service architectural fabrication partner offering integrated metal, wood, and audio solutions from a single location.

INDUSTRIAL OVERVIEW (WAREHOUSE)

FOURTH QUARTER | 2025



WAREHOUSE INDICATORS

Market Size
227,730,773

Building Count
2,527

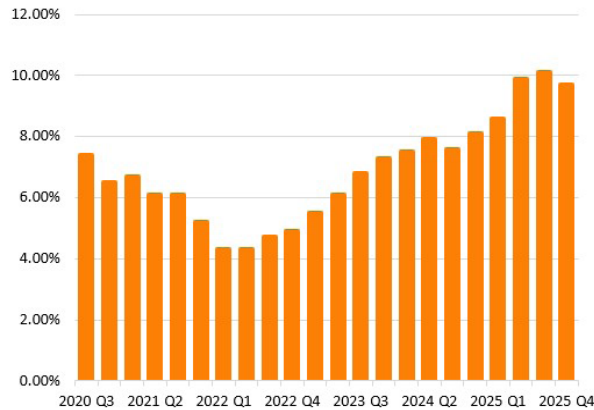
Absorption
3,012,955

YTD Absorption
-53,430

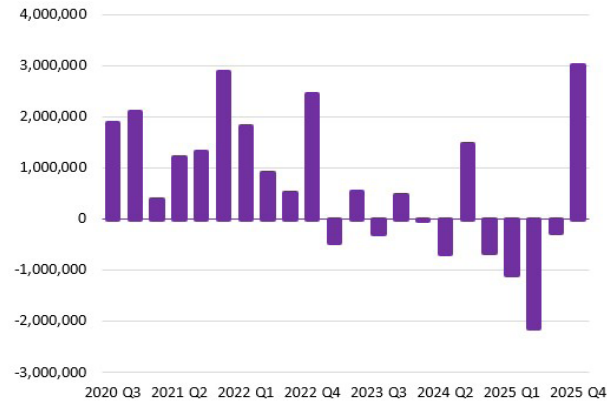
Vacancy
9.26%

Rental Rate
9.79

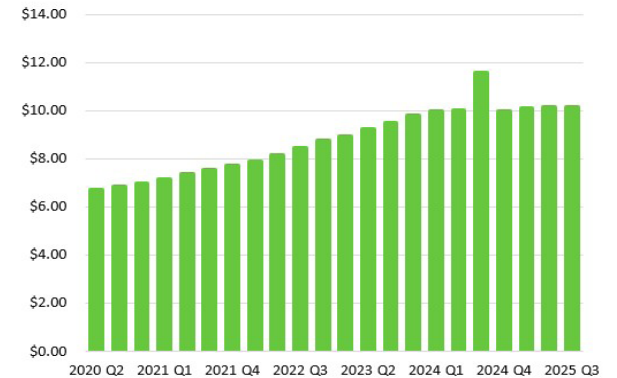
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Carroll County	0.85%
2	Reisterstown Rd	4.00%
3	I-83 Corridor	4.84%

Highest Vacancy

1	Columbia	18.04%
2	Baltimore County East	10.91%
3	BWI Corridor	10.73%

Most Change vs. Prior Quarter

-	Baltimore County East	-3.82%
+	Reisterstown Rd Corridor	0.23%

Most Positive Net Absorption

1	Baltimore County East	1,477,555
2	Harford & Cecil Counties	806,774
3	BWI Corridor	465,759

Lowest Negative Absorption

1	Columbia	-4,050
2	Reisterstown Rd	-3,916
3	Carroll County	-2,750

Greatest Changes in Absorption, Year-to-Date

-	Annapolis/Route 2	-455,375
+	Baltimore County East	801,948

Cheapest Rates

1	Baltimore County West	\$6.92
2	Reisterstown Rd	\$7.46
3	Baltimore County East	\$7.75

Most Expensive Rates

1	BWI Corridor	\$13.61
2	I-83 Corridor	\$12.94
3	Annapolis/Route 2	\$10.39

Most Change vs. Prior Quarter

-	Annapolis/Route 2	-\$1.44
+	I-83 Corridor	\$3.13

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
500 Hickory Dr.*	Harford County	Mako Freight	470,019
8416 Kelso Dr.*	Baltimore County East	Thuma	275,744
5300 Holabird Ave.	Baltimore City SE	Lineage Logistics	247,860
121 Bata Blvd.*	Harford County	Lifoam Industries	201,994

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
8261 Preston Ct.	BWI Corridor	\$20,863,630	\$233	90,058
1801 62nd St.	Baltimore City NE	\$18,000,000	\$190	94,965
8215 Dorsey Run Rd.	BWI Corridor	\$16,255,700	\$184	88,424
Crown Cork Portfolio	Baltimore City SE	\$16,000,000	\$14	1,167,667

* Renewal, Expansion, or Sublease

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FLEX INDICATORS

Market Size
51,956,207

Building Count
1,242

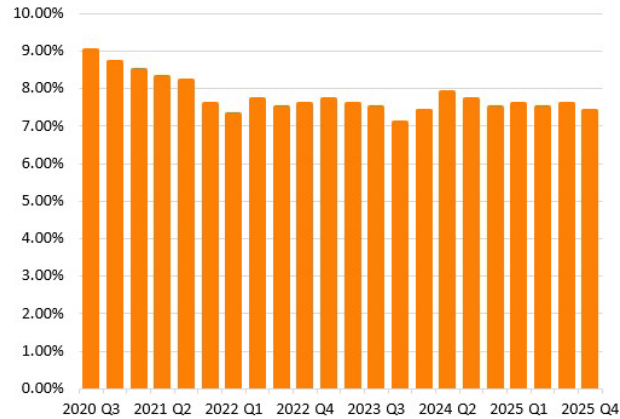
Absorption
168,988

YTD Absorption
124,612

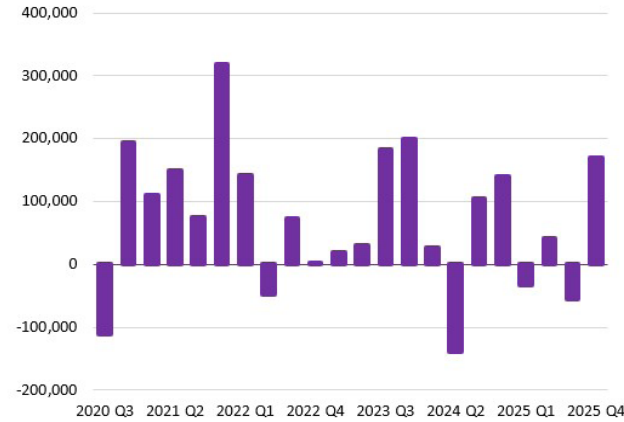
Vacancy
6.95%

Rental Rate
\$13.75/sf

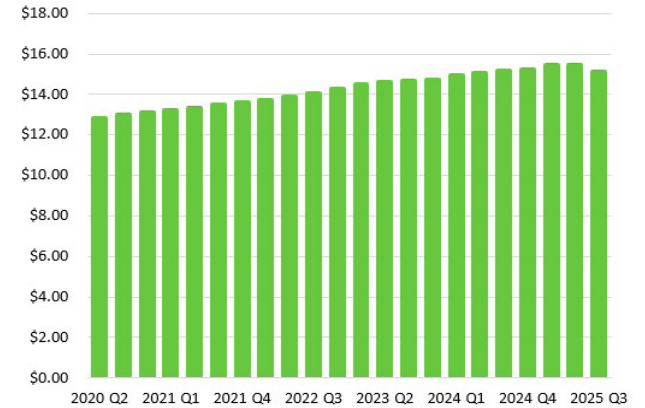
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	I-83 Corridor	2.93%
2	Harford & Cecil Counties	3.43%
3	Carroll County	3.48%

Highest Vacancy

1	Baltimore County West	11.13%
2	Reisterstown Rd	10.75%
3	Baltimore County East	10.14%

Most Change vs. Prior Quarter

-	Annapolis/Route 2	-1.25%
+	Columbia	0.56%

Most Positive Net Absorption

1	Annapolis/Route 2	85,013
2	Baltimore City	43,634
3	BWI Corridor	41,244

Lowest Negative Absorption

1	Columbia	-46,966
2	Baltimore County East	-21,406
3	Reisterstown Rd	-7,378

Greatest Changes in Absorption, Year-to-Date

-	Baltimore City	-96,154
+	Harford & Cecil Counties	105,909

Cheapest Rates

1	Baltimore County East	\$10.30
2	Harford & Cecil Counties	\$10.59
3	Baltimore County West	\$11.64

Most Expensive Rates

1	Annapolis/Route 2	\$16.36
2	BWI Corridor	\$15.78
3	Columbia	\$14.67

Most Change vs. Prior Quarter

-	Carroll County	-\$1.37
+	Reisterstown Rd Corridor	\$0.83

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
1745 W. Nursery Rd.*	BWI Corridor	Northrop Grumman	142,831
1-208 Azar Ct.*	Baltimore County West	Persona Triangle	88,609
6730 Santa Barbara Ct.*	BWI Corridor	Planet Aid Inc	52,500
9005 Junction Dr.	BWI Corridor	Brink's	29,240

* Renewal, Expansion, or Sublease

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Techwood Industrial Portfolio	BWI Corridor	\$42,000,000	\$200	209,290
7100-7121 Standard Dr.	BWI Corridor	\$27,500,000	\$217	126,759
915 Baltimore Blvd.	Carroll County	\$4,800,000	\$136	35,238
1204 Technology Dr	Harford County	\$4,234,630	\$58	73,000

INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2025



INDUSTRIAL INDICATORS

Market Size
118,091,691

Building Count
2,327

Absorption
766,095

YTD Absorption
1,080,604

Vacancy
9.04%

Rental Rate
\$16.38/sf

THE NUMBERS

MARKET SIZE

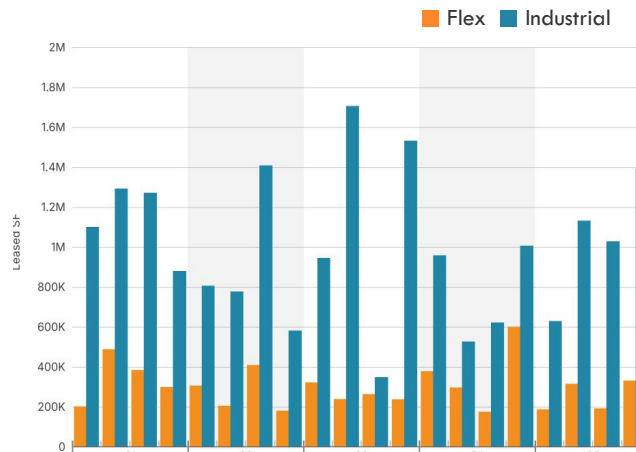
VACANCY %

ABSORPTION

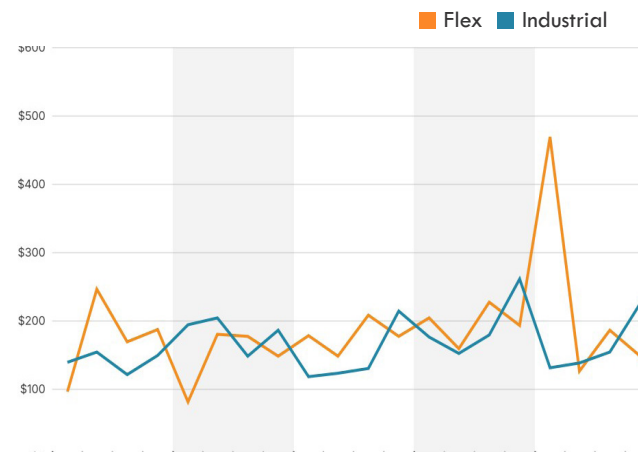
RENTAL RATES

		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	7,535,201	13.70%	11.79%	12.71%	-14,941	42,085	\$17.87	\$17.96	\$14.67
Montgomery Co. North	7,597,791	12.80%	12.47%	10.68%	56,220	-108,155	\$16.72	\$18.39	\$18.48
Montgomery Co.; Rockville/Bethesda	5,331,279	8.12%	8.72%	7.62%	34,486	-77,142	\$27.49	\$27.17	\$27.86
Prince George's Co.	8,929,899	6.27%	6.35%	5.42%	-4,082	-176,667	\$16.61	\$14.50	\$14.85
Silver Spring	1,310,433	4.68%	8.49%	7.46%	-3,402	47,232	\$18.24	\$17.89	\$17.84
Flex Totals	30,704,603	9.96%	9.76%	9.03%	68,281	-272,647	\$18.91	\$18.66	\$18.09
Frederick Co.	16,431,419	9.37%	5.61%	5.18%	40,985	-63,380	\$15.21	\$15.34	\$12.16
Montgomery Co. North	6,273,138	7.54%	7.72%	6.74%	8,593	-49,123	\$16.21	\$16.77	\$15.37
Montgomery Co.; Rockville/Bethesda	6,969,010	4.01%	4.64%	4.19%	47,787	56,018	\$20.68	\$20.53	\$20.25
Prince George's Co.	55,345,329	9.39%	10.19%	9.57%	607,131	1,384,895	\$14.68	\$13.93	\$13.68
Silver Spring	2,368,192	5.50%	2.76%	2.67%	-6,682	24,841	\$19.37	\$18.34	\$19.07
Warehouse Totals	87,387,088	8.72%	8.54%	7.97%	697,814	1,353,251	\$15.50	\$15.04	\$14.19
Totals	118,091,691	9.04%	8.87%	8.26%	766,095	1,080,604	\$16.38	\$15.98	\$15.20

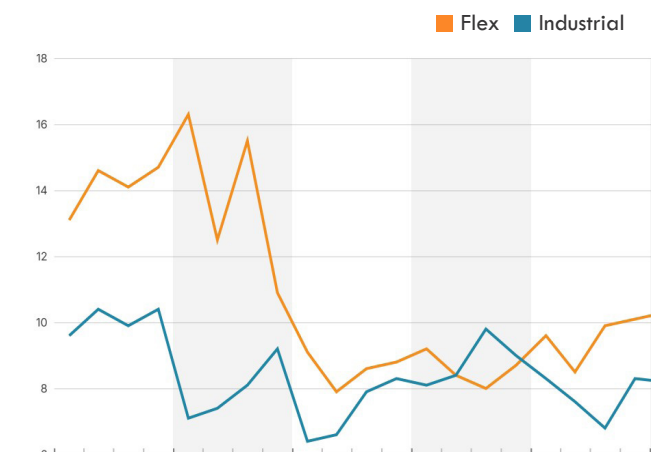
LEASING ACTIVITY



SALES PRICE PER SQUARE FOOT



LEASING: MONTHS ON THE MARKET



* Renewal, Expansion, or Sublease



WAREHOUSE (DC METRO)

Market Size
87,387,088

Building Count
1,678

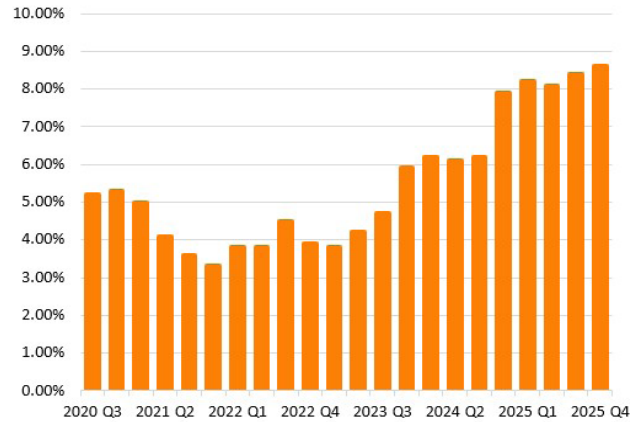
Absorption
697,814

YTD Absorption
1,353,251

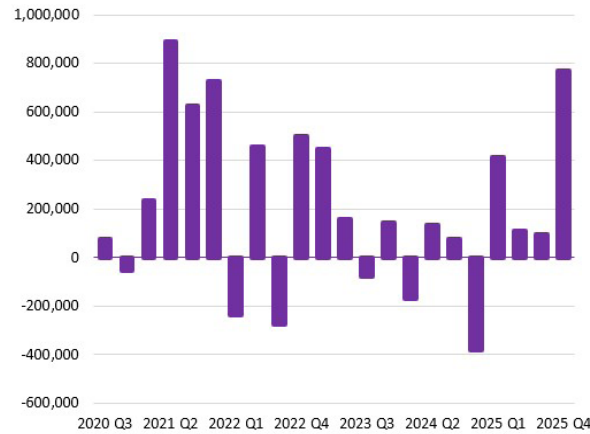
Vacancy
8.72%

Rental Rate
\$15.50/sf

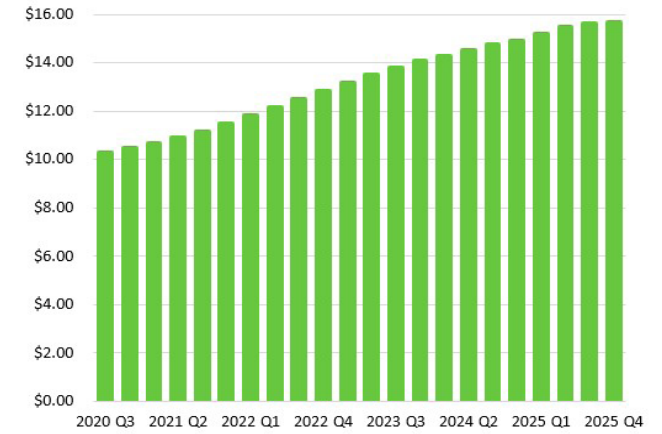
VACANCY



NET ABSORPTION



RENTAL RATES



FLEX (DC METRO)

Market Size
30,704,603

Building Count
649

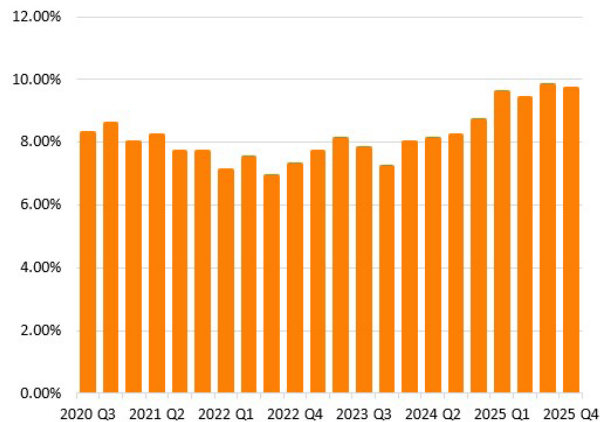
Absorption
68,281

YTD Absorption
-272,647

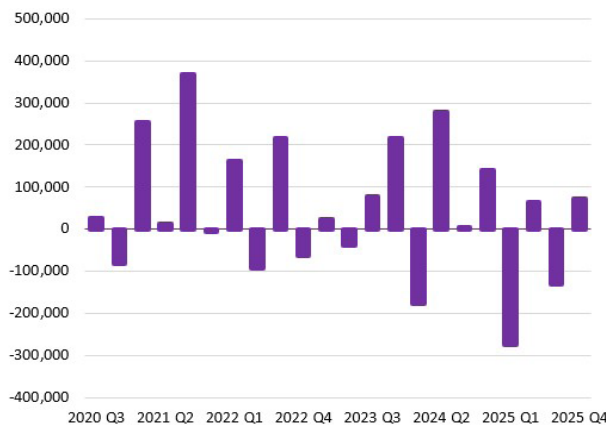
Vacancy
9.96%

Rental Rate
\$18.91

VACANCY



NET ABSORPTION



RENTAL RATES

