

# INDUSTRIAL OVERVIEW

FOURTH QUARTER | 2025



## INDUSTRIAL INDICATORS

| Market Size | Building Count | Absorption | YTD Absorption | Vacancy | Rental Rate |
|-------------|----------------|------------|----------------|---------|-------------|
| 279,686,980 | 3,769          | 3,181,943  | 71,182         | 8.83%   | \$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        |
| <b>Flex Totals</b>       | <b>51,956,207</b>  | <b>6.95%</b> | <b>7.28%</b>  | <b>7.19%</b> | <b>168,988</b>   | <b>124,612</b> | <b>\$13.75</b> | <b>\$13.79</b> | <b>\$13.08</b> |
| 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         |
| <b>Warehouse Totals</b>  | <b>227,730,773</b> | <b>9.26%</b> | <b>10.58%</b> | <b>9.24%</b> | <b>3,012,955</b> | <b>-53,430</b> | <b>\$9.79</b>  | <b>\$9.96</b>  | <b>\$10.30</b> |
| <b>Totals</b>            | <b>279,686,980</b> | <b>8.83%</b> | <b>9.97%</b>  | <b>8.86%</b> | <b>3,181,943</b> | <b>71,182</b>  | <b>\$11.04</b> | <b>\$11.20</b> | <b>\$11.35</b> |

## 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**

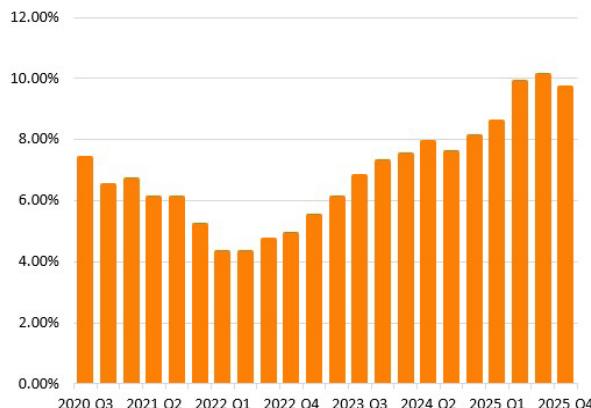
Absorption  
**3,012,955**

YTD Absorption  
**-53,430**

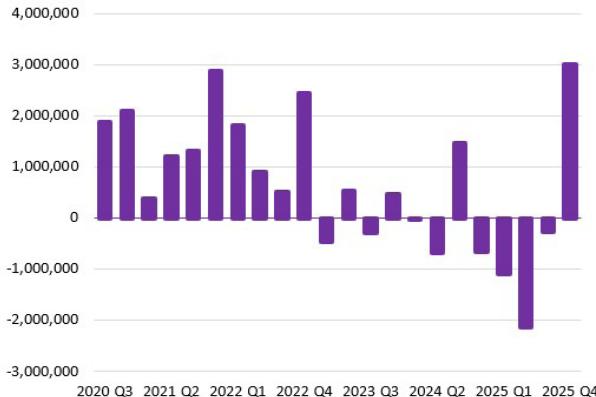
Vacancy  
**9.26%**

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     |

\* Renewal, Expansion, or Sublease

## 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       |



## FLEX INDICATORS

 Market Size  
**51,956,207**

 Building Count  
**1,242**

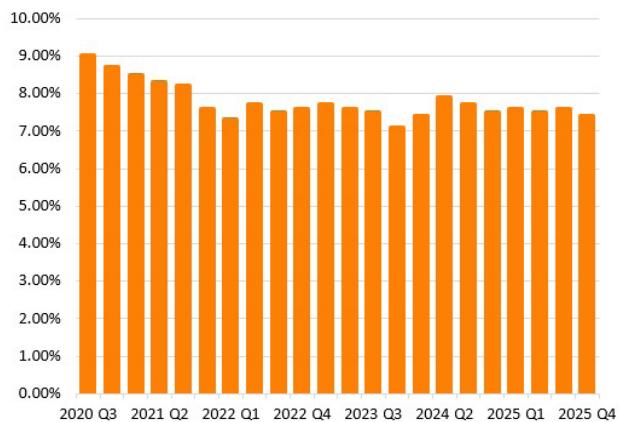
 Absorption  
**168,988**

 YTD Absorption  
**124,612**

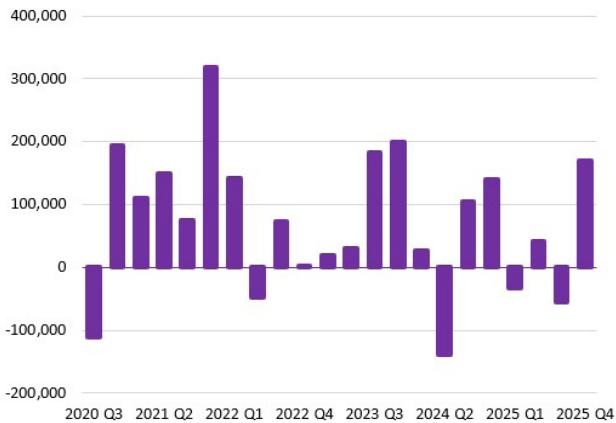
 Vacancy  
**6.95%**

 Rental Rate  
**\$13.75/sf**

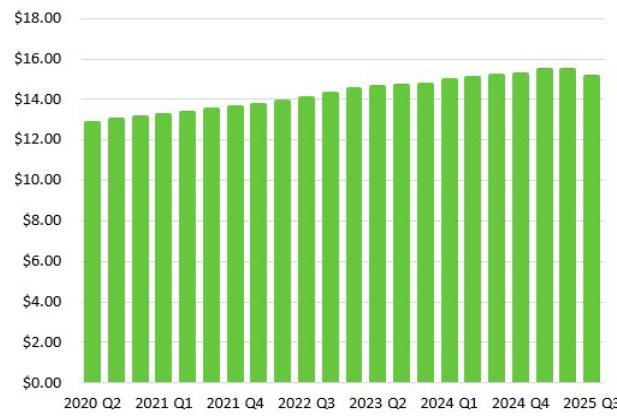
## VACANCY



## 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**

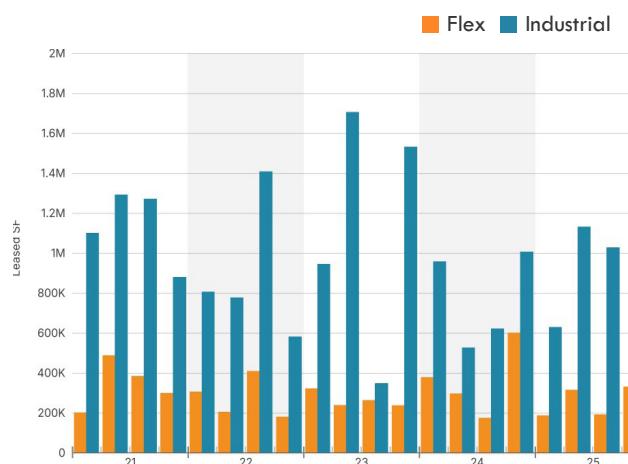
Vacancy  
**9.04%**

Rental Rate  
**\$16.38/sf**

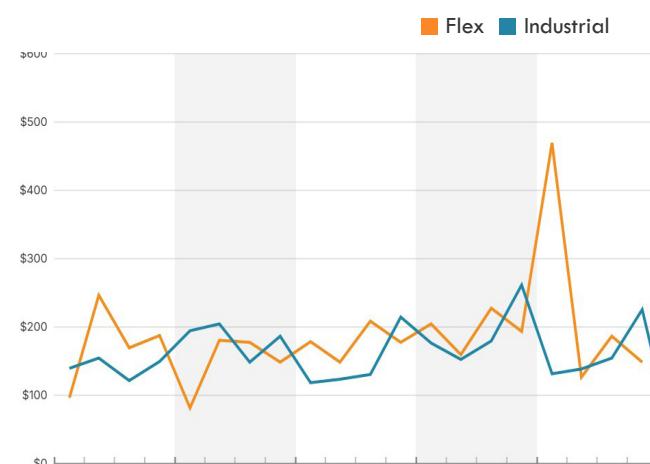
## THE NUMBERS

|                                    | 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        |  |
| <b>Flex Totals</b>                 | <b>30,704,603</b>  | <b>9.96%</b> | <b>9.76%</b> | <b>9.03%</b> | <b>68,281</b>  | <b>-272,647</b>  | <b>\$18.91</b> | <b>\$18.66</b> | <b>\$18.09</b> |  |
| 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        |  |
| <b>Warehouse Totals</b>            | <b>87,387,088</b>  | <b>8.72%</b> | <b>8.54%</b> | <b>7.97%</b> | <b>697,814</b> | <b>1,353,251</b> | <b>\$15.50</b> | <b>\$15.04</b> | <b>\$14.19</b> |  |
| <b>Totals</b>                      | <b>118,091,691</b> | <b>9.04%</b> | <b>8.87%</b> | <b>8.26%</b> | <b>766,095</b> | <b>1,080,604</b> | <b>\$16.38</b> | <b>\$15.98</b> | <b>\$15.20</b> |  |

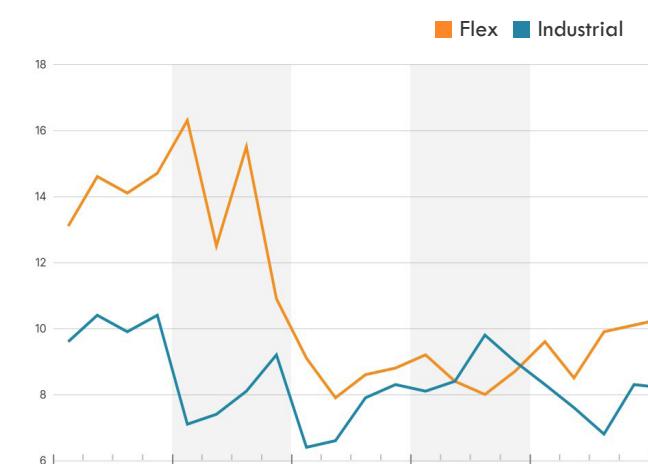
## LEASING ACTIVITY



## SALES PRICE PER SQUARE FOOT



## LEASING: MONTHS ON THE MARKET



# INDUSTRIAL OVERVIEW (DC METRO)

FOURTH QUARTER | 2025



WAREHOUSE  
(DC METRO)

Market Size  
**87,387,088**

Building Count  
**1,678**

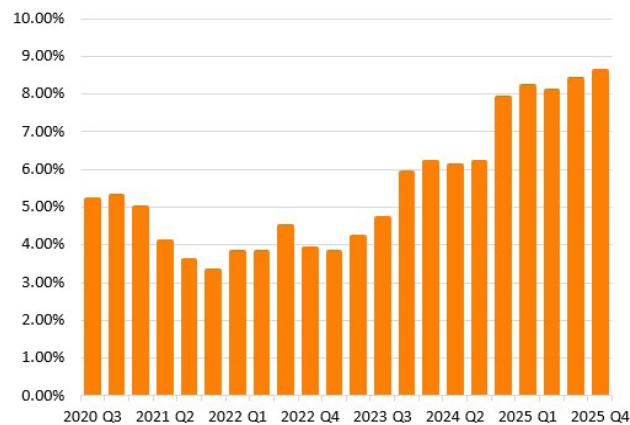
Absorption  
**697,814**

YTD Absorption  
**1,353,251**

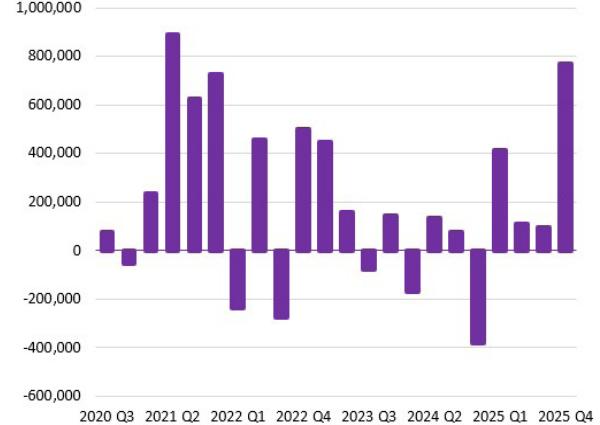
Vacancy  
**8.72%**

Rental Rate  
**\$15.50/sf**

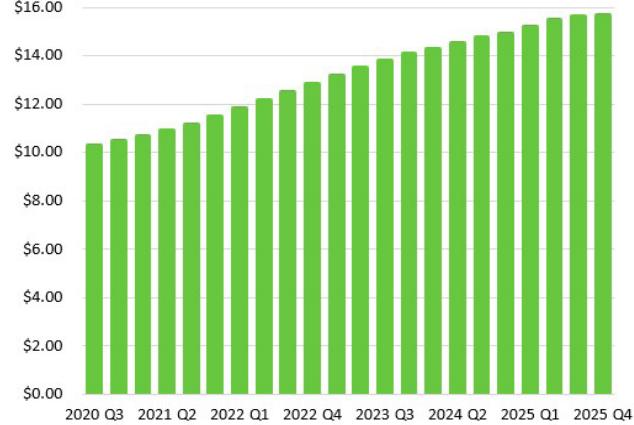
## VACANCY



## NET ABSORPTION



## RENTAL RATES



FLEX (DC METRO)

Market Size  
**30,704,603**

Building Count  
**649**

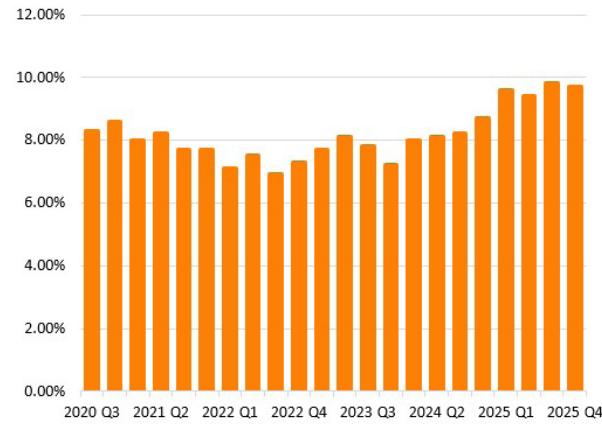
Absorption  
**68,281**

YTD Absorption  
**-272,647**

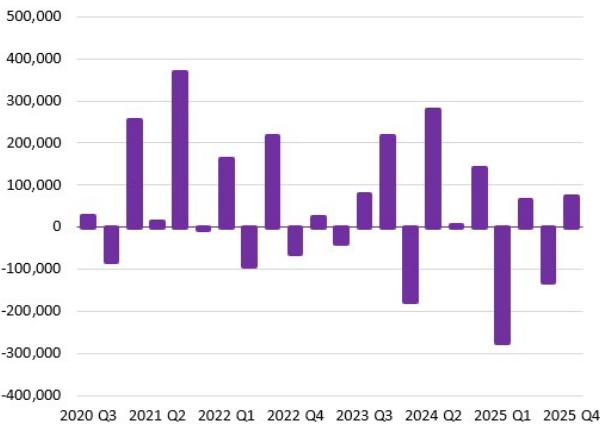
Vacancy  
**9.96%**

Rental Rate  
**\$18.91**

## VACANCY



## NET ABSORPTION



## RENTAL RATES

