



INDUSTRIAL INDICATORS

Market Size
280,258,307

Building Count
3,785

Absorption
-1,608,498

YTD Absorption
-1,608,498

Vacancy
9.76%

Rental Rate
\$11.26/sf

Baltimore's industrial market weakened in 1Q 2026, with net absorption of -1,608,498 sf (YTD and QTD), driven primarily by warehouse givebacks. Overall vacancy increased to 9.8%, up from 8.8% last quarter and 7.2% one year ago, reflecting higher availability across multiple submarkets. Despite softer occupancy, average asking rents ticked up to \$11.26/sf, supported by continued pricing strength in well-located, functional product. Leasing activity remained active at over 3M sf for the quarter, indicating tenant demand is still present even as move-outs and space turnover outweighed new occupancy.

Flex posted -88,931 sf of absorption with vacancy rising to 7.2%, while warehouse accounted for most of the market's contraction at -1,519,567 sf and vacancy jumping to 10.3%. A large portion of the negative absorption came from the closure of Rite Aid's, 889,608 sf, distribution center in Harford County. Warehouse leasing remained robust, led by the BWI Corridor with over 1,185,000 sf leased, underscoring a market characterized by high activity but uneven net occupancy gains. Industrial sales jumped to an average of \$126/sf in 2024, \$122/sf in 2025 and are still holding at \$120/sf at the end of the first quarter. Quarterly prices can change dramatically. Last year the second quarter averaged \$172/sf while the year ended at \$72.50/sf. The yearly average was \$122.19.

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	10.23%	9.50%	7.45%	-52,297	-52,297	\$17.09	\$16.36	\$17.13
Baltimore City	5,330,164	7.71%	8.08%	7.02%	26,917	26,917	\$12.96	\$13.97	\$12.83
Baltimore County East	4,019,900	9.72%	10.14%	8.19%	16,844	16,844	\$11.00	\$10.30	\$10.39
Baltimore County West	4,926,553	10.75%	11.13%	10.95%	18,584	18,584	\$11.10	\$11.64	\$11.18
BWI Corridor	8,771,885	7.07%	6.52%	4.80%	-33,021	-33,021	\$15.93	\$15.78	\$14.54
Carroll County	1,934,650	3.59%	3.48%	3.15%	-2,550	-2,550	\$17.87	\$14.65	\$15.15
Columbia	8,380,754	4.52%	4.14%	4.14%	-31,183	-31,183	\$12.71	\$14.67	\$13.74
Harford & Cecil Counties	3,112,932	4.33%	3.43%	7.36%	-27,936	-27,936	\$10.69	\$10.59	\$11.28
I-83 Corridor	5,629,450	3.30%	2.93%	5.66%	-20,113	-20,113	\$12.34	\$11.79	\$12.09
Reisterstown Rd	2,909,903	10.28%	10.75%	12.40%	15,824	15,824	\$12.73	\$13.56	\$12.54
Flex Totals	51,752,274	7.17%	6.95%	6.83%	-88,931	-88,931	\$13.60	\$13.76	\$13.38
Annapolis Route 2	10,277,426	6.66%	7.31%	0.50%	32,654	32,654	\$11.31	\$10.39	\$12.44
Baltimore City	51,719,944	8.95%	8.26%	5.82%	-214,280	-214,280	\$10.17	\$9.22	\$9.74
Baltimore County East	38,855,208	12.56%	10.91%	8.58%	-236,398	-236,398	\$8.62	\$7.75	\$8.33
Baltimore County West	10,055,005	10.56%	9.12%	11.52%	-48,566	-48,566	\$6.95	\$6.97	\$7.99
BWI Corridor	45,530,956	10.90%	10.73%	6.19%	-290,202	-290,202	\$12.56	\$13.59	\$13.21
Carroll County	9,151,323	0.58%	0.85%	72.00%	25,044	25,044	\$9.84	\$8.81	\$7.27
Columbia	5,380,355	16.39%	18.04%	18.20%	88,736	88,736	\$10.23	\$9.24	\$7.29
Harford & Cecil Counties	50,679,748	12.08%	9.34%	9.72%	-922,876	-922,876	\$9.01	\$8.95	\$9.11
I-83 Corridor	5,165,309	5.35%	4.84%	4.37%	72,945	72,945	\$11.68	\$12.94	\$9.81
Reisterstown Rd	1,690,759	5.57%	4.00%	39.00%	-26,624	-26,624	\$9.65	\$7.46	\$8.48
Warehouse Totals	228,506,033	10.35%	9.26%	7.25%	-1,519,567	-1,519,567	\$10.05	\$9.79	\$9.93
Totals	280,258,307	9.76%	8.83%	7.17%	-1,608,498	-1,608,498	\$11.26	\$11.06	\$11.11

ITEMS TO NOTE:

The Port of Baltimore recorded its second-best year on record in 2025. While operations have not fully recovered from the Key Bridge collapse, the port handled approximately 50 million tons of cargo valued at \$65.6 billion.

A site previously considered for a municipal trash facility is now under contract for potential mixed-use redevelopment. Seawall Development has executed a deal for 4.3 acres at 2801 and 2701 Falls Rd.; community meetings are being held to discuss its future.

Evonik Industries has announced plans to close its silica production plant at 701 Fountain St. by the end of the year. The 200,000 sf facility, located in the center of Havre de Grace, has been in operation for approximately 70 years.

Securityhunter Inc. will relocate its headquarters to Windsor Mill Corporate Park this summer. The company will occupy 27,120 sf at 2520 Lord Baltimore Dr. to accommodate continued growth.

The 825,000 sf distribution center at 16220 Hopewell Rd. (also known as 16220 Wright Rd.) in Hagerstown sold for \$102.4 million, or \$124/sf, to U.S. Immigration & Customs Enforcement.

Epiq Solutions will relocate from Mt. Airy to 4744 Arcadia Dr. in Frederick. The company plans to occupy 36,120 sf in the newly constructed facility this fall.

Mako Freight has signed a sublease for more than 470,000 sf at 500 Hickory Dr. in Aberdeen.

Link Logistics sold a seven-property industrial portfolio to Camber Real Estate Partners and PGIM, Inc. for \$107.1 million. The portfolio was fully occupied at the time of sale.



WAREHOUSE INDICATORS

Market Size
228,506,033

Building Count
2,546

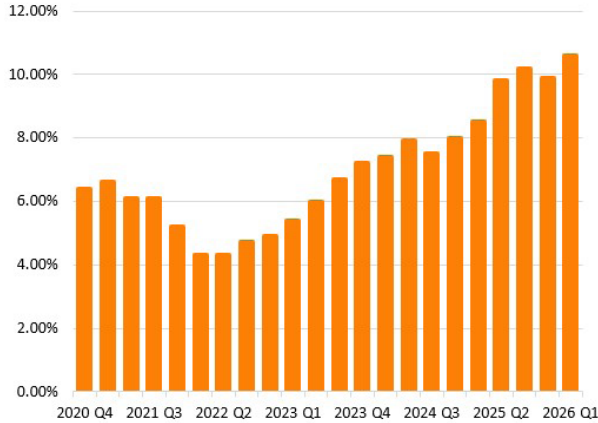
Absorption
-1,519,567

YTD Absorption
-1,519,567

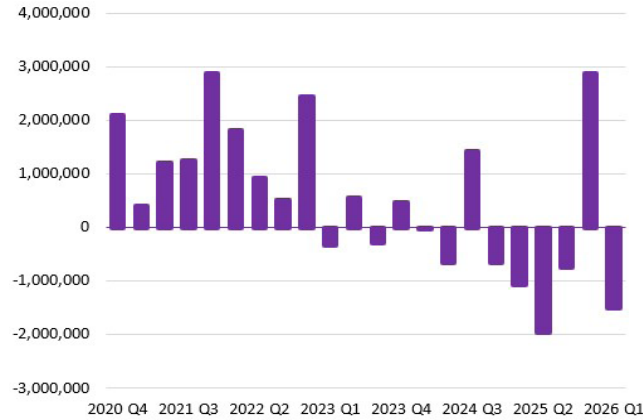
Vacancy
10.35%

Rental Rate
\$10.05/sf

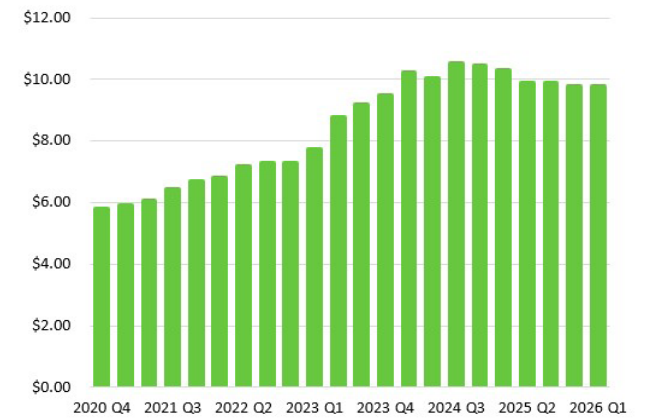
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	Carroll County	0.58%
2	I-83 Corridor	5.35%
3	Reisterstown Rd	5.57%

Highest Vacancy

1	Columbia	16.39%
2	Baltimore County East	12.56%
3	Harford & Cecil Counties	12.08%

Most Change vs. Prior Quarter

-	Columbia	-1.65%
+	Harford & Cecil Counties	2.74%

Most Positive Net Absorption

1	Columbia	88,736
2	I-83 Corridor	72,945
3	Annapolis/Route 2	32,654

Lowest Negative Absorption

1	Harford & Cecil Counties	-922,876
2	BWI Corridor	-290,202
3	Baltimore County East	-236,398

Greatest Changes in Absorption, Year-to-Date

-	Harford & Cecil Counties	-922,876
+	Columbia	88,736

Cheapest Rates

1	Baltimore County West	\$6.95
2	Baltimore County East	\$8.62
3	Harford & Cecil Counties	\$9.01

Most Expensive Rates

1	BWI Corridor	\$12.56
2	I-83 Corridor	\$11.68
3	Annapolis/Route 2	\$11.31

Most Change vs. Prior Quarter

-	I-83 Corridor	-\$1.26
+	Reisterstown Rd	\$2.19

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
500 Hickory Dr.*	Harford County	Mako Freight	470,019
7040 Troy Hill Dr.*	BWI Corridor	Northrup Grumman	271,600
7621 Energy Pkwy.*	BWI Corridor	Northrup Grumman	222,636
350 Winmeyer Ave.	BWI Corridor	Pro-Air	186,878

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
Link Logistics Bldgs	Multiple	\$107,100,000	\$143.71	745,270
8200 Fischer Rd.	Baltimore County East	\$9,500,000	\$81.44	116,653
8715 Bollman Pl.	BWI Corridor	\$9,450,000	\$191.81	49,268
2331-2339 Washington Blvd.	Baltimore City SW	\$8,450,000	\$135.42	62,400

* Renewal, Expansion, or Sublease



FLEX INDICATORS

Market Size
51,752,274

Building Count
1,239

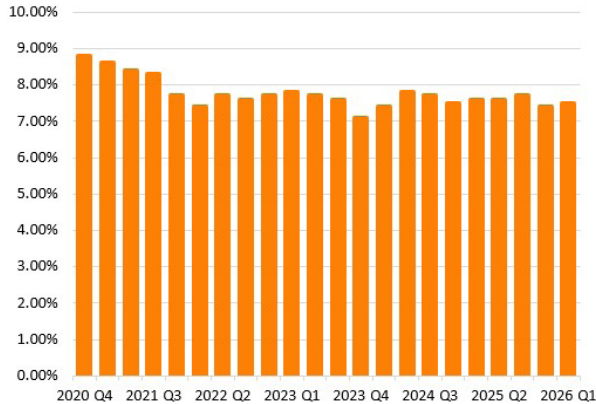
Absorption
-88,931

YTD Absorption
-88,931

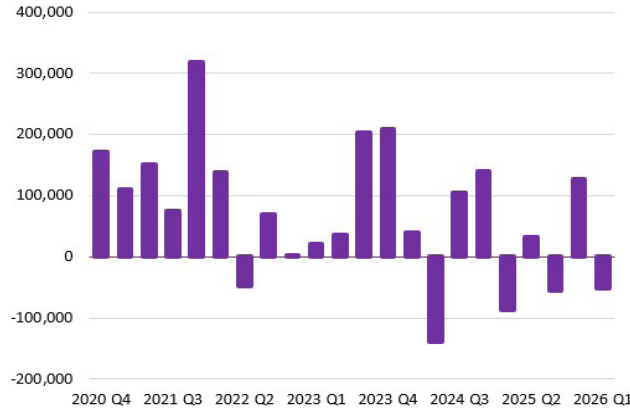
Vacancy
7.17%

Rental Rate
\$13.60/sf

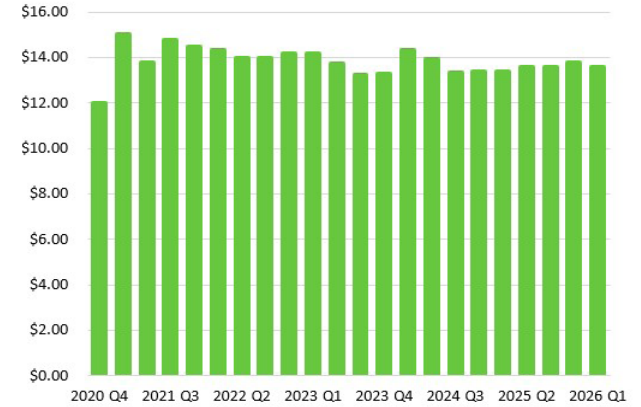
VACANCY



NET ABSORPTION



RENTAL RATES



Lowest Vacancy

1	I-83 Corridor	3.30%
2	Carroll County	3.59%
3	Harford & Cecil Counties	4.33%

Highest Vacancy

1	Baltimore County West	10.75%
2	Reisterstown Rd	10.28%
3	Annapolis/Route 2	10.23%

Most Change vs. Prior Quarter

-	Reisterstown Rd	-0.48%
+	Harford & Cecil Counties	0.90%

Most Positive Net Absorption

1	Baltimore City	26,917
2	Baltimore County West	18,584
3	Baltimore County East	16,844

Lowest Negative Absorption

1	Annapolis/Route 2	-52,297
2	BWI Corridor	-33,021
3	Columbia	-31,183

Greatest Changes in Absorption, Year-to-Date

-	Annapolis/Route 2	-52,297
+	Baltimore City	26,917

Cheapest Rates

1	Harford & Cecil Counties	\$10.69
2	Baltimore County East	\$11.00
3	Baltimore County West	\$11.10

Most Expensive Rates

1	Carroll County	\$17.87
2	Annapolis/Route 2	\$17.09
3	BWI Corridor	\$15.93

Most Change vs. Prior Quarter

-	Columbia	-\$1.96
+	Carroll County	\$3.22

LEASE TRANSACTIONS

Location	Region	Tenant	Leased (sf)
10460 Campbell Blvd.	Baltimore County East	Unknown	50,160
1342 Charwood Rd.	BWI Corridor	Grand Rental Events	32,301
2520 Lord Baltimore Dr.	Baltimore County W	Securityhunter, Inc.	27,120
10330 S Dolfield Rd.	Reisterstown Rd Corridor	Temp Air Co	22,024

SALE TRANSACTIONS

Location	Region	Price	PSF	Bldg. Size (sf)
8861 Citation Rd.	Baltimore County East	\$2,000,000	\$263.89	7,579
5400-5402 Reisterstown Rd.	Baltimore City NW	\$278,000	\$37.67	7,380

* Renewal, Expansion, or Sublease

INDUSTRIAL OVERVIEW (DC METRO)

FIRST QUARTER | 2026



INDUSTRIAL INDICATORS

Market Size
117,235,738

Building Count
2,325

Absorption
-292,084

YTD Absorption
-292,084

Vacancy
9.58%

Rental Rate
\$16.30/sf

THE NUMBERS

MARKET SIZE

VACANCY %

ABSORPTION

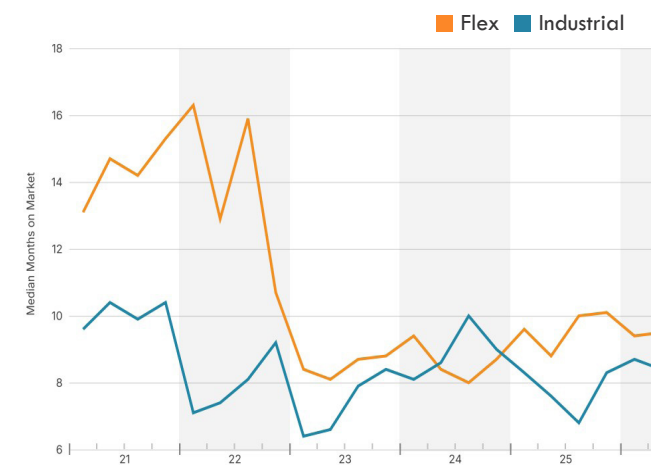
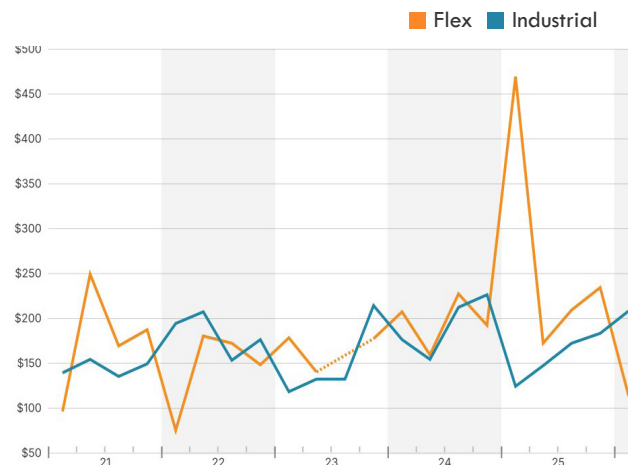
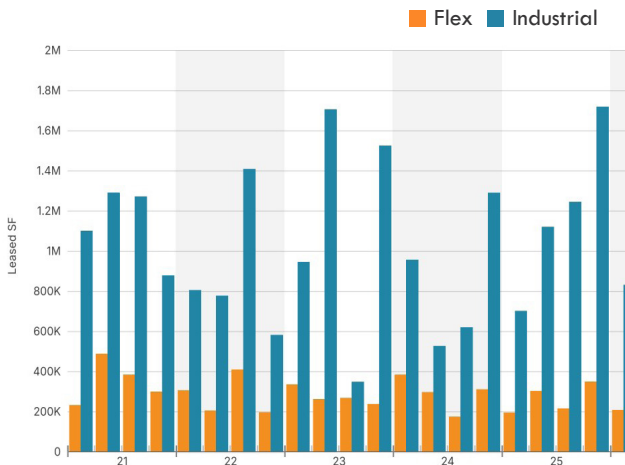
RENTAL RATES

		Current	Prior Qtr	Prior Yr	QTD	YTD	Current	Prior Qtr	Prior Yr
Frederick Co.	7,401,088	13.92%	13.70%	12.33%	-58,626	-58,626	\$17.92	\$17.87	\$18.08
Montgomery Co. North	7,551,929	12.83%	12.80%	10.87%	-44,789	-44,789	\$18.01	\$17.16	\$18.67
Montgomery Co.; Rockville/Bethesda	5,026,167	9.22%	8.12%	6.29%	-12,916	-12,916	\$27.19	\$26.96	\$25.03
Prince George's Co.	9,024,395	6.99%	6.27%	5.31%	-70,078	-70,078	\$17.09	\$16.61	\$14.74
Silver Spring	1,458,133	6.97%	4.68%	4.77%	-40,295	-40,295	\$21.30	\$18.24	\$19.46
Flex Totals	30,461,712	10.49%	9.96%	8.59%	-226,704	-226,704	\$19.39	\$18.84	\$18.45
Frederick Co.	16,273,764	9.87%	9.37%	8.10%	-19,286	-19,286	\$14.92	\$15.09	\$12.53
Montgomery Co. North	6,309,046	8.57%	7.54%	6.23%	-19,312	-19,312	\$16.01	\$15.81	\$15.85
Montgomery Co.; Rockville/Bethesda	7,272,308	4.21%	4.01%	4.38%	-26,770	-26,770	\$20.66	\$20.68	\$20.17
Prince George's Co.	54,550,716	10.01%	9.39%	5.80%	-2,732	-2,732	\$14.31	\$14.68	\$13.68
Silver Spring	2,368,192	5.39%	5.50%	2.59%	2,720	2,720	\$19.33	\$19.37	\$18.74
Warehouse Totals	86,774,026	9.27%	8.72%	6.08%	-65,380	-65,380	\$15.22	\$15.47	\$14.30
Totals	117,235,738	9.58%	9.04%	6.75%	-292,084	-292,084	\$16.30	\$16.35	\$15.38

LEASING ACTIVITY

SALES PRICE PER SQUARE FOOT

LEASING: MONTHS ON THE MARKET



* Renewal, Expansion, or Sublease



WAREHOUSE (DC METRO)

Market Size
86,774,026

Building Count
1,677

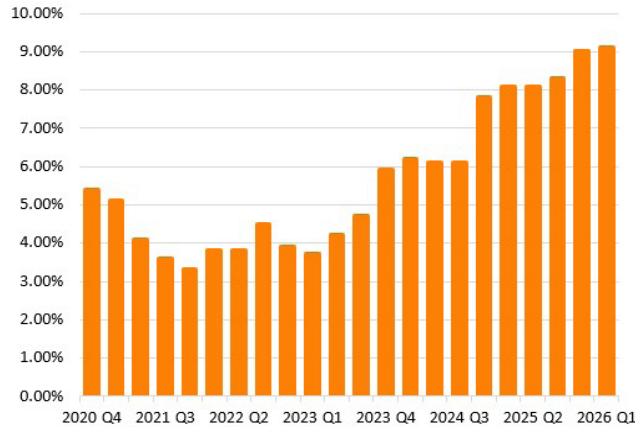
Absorption
-65,380

YTD Absorption
-65,380

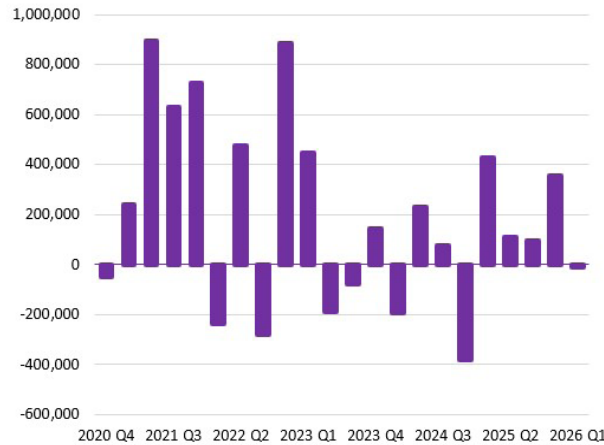
Vacancy
9.27%

Rental Rate
\$15.22/sf

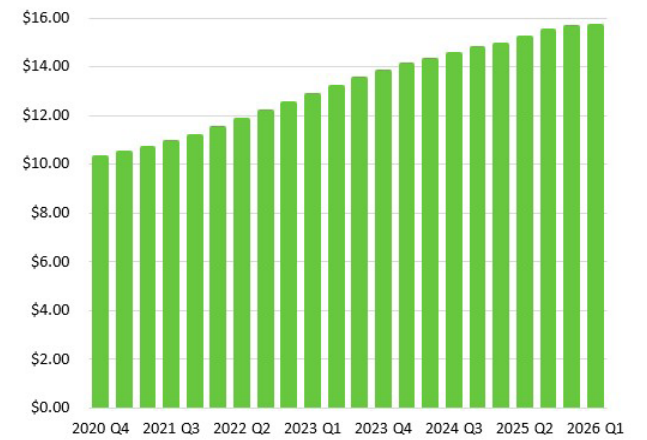
VACANCY



NET ABSORPTION



RENTAL RATES



FLEX (DC METRO)

Market Size
30,461,712

Building Count
648

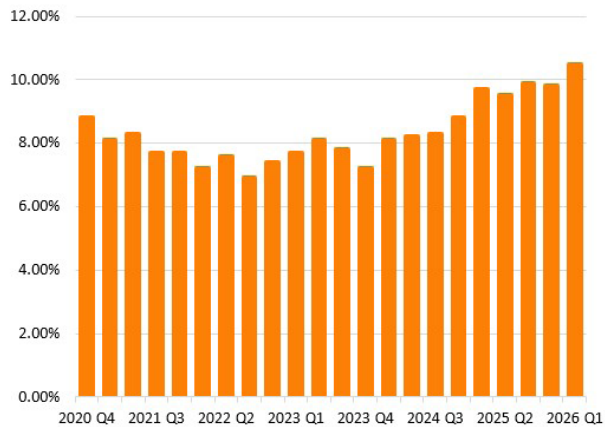
Absorption
-226,704

YTD Absorption
-226,704

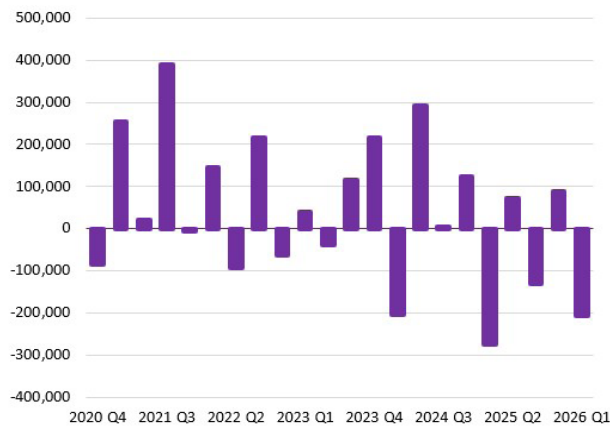
Vacancy
10.49%

Rental Rate
\$19.39/sf

VACANCY



NET ABSORPTION



RENTAL RATES

