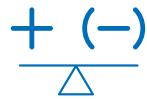


BALTIMORE METRO AREA

OFFICE MARKET | Q2 2025



104.1 MSF
Inventory



(140,999) SF
Net Absorption



12.0%
Direct Vacancy



17.3%
Total Availability



82,579 SF
Under Construction



\$24.22 PSF
Asking Rent

Office Market Struggles in Q2, Following Two Positive Quarters

Market Observations

- The office market weakened during the second quarter of 2025, with negative 140,999 SF in net absorption, bringing the year-over-year net absorption to negative 20,423 SF.
- During the quarter, the direct vacant available rate increased 10 basis points to 12.0% and is up 60 basis points from one year ago.
- A notable moveout that occurred during the quarter was American Institute for Research giving back 28,025 SF of space at 10420 Little Patuxent Parkway in the Columbia submarket. Grandview Aviation vacated 17,915 SF at 425 Williams Court in Baltimore County East.
- A handful of mid-sized deals occurred during the past three months, but not enough to offset tenants vacating space. Thrive leased 14,124 SF at 10440 Little Patuxent Parkway in Columbia and Regus signed for just over 14,000 SF at 1829 Reisterstown Road in Baltimore County West.
- The eventual impact of DOGE on federal hiring and office demand will continue to play out over the next several months. Cuts to the federal workforce typically favor contractors, as select services, particularly technology, is outsourced to private companies due to talent and resources.

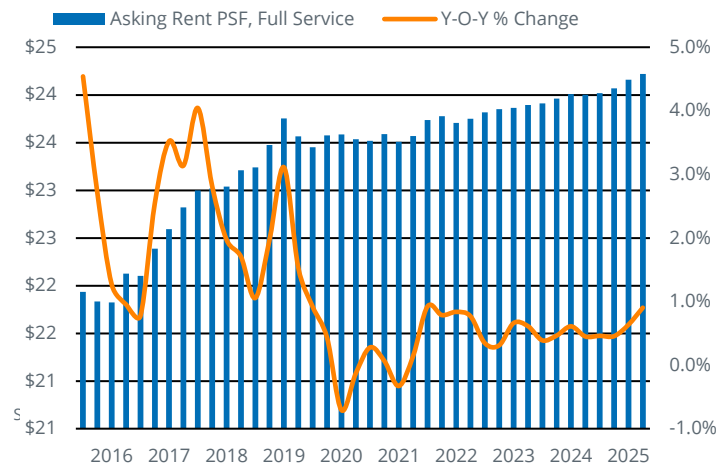




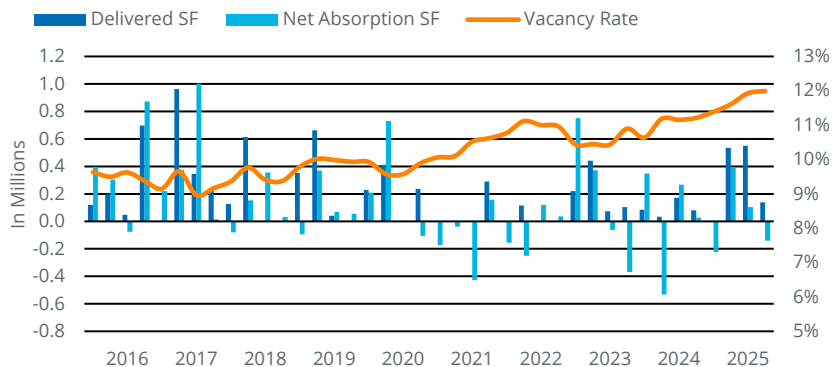
BALTIMORE METRO AREA OFFICE MARKET | Q2 2025

- Direct vacant available rate** was 12.0% at June 2025. Total availability, which is space being marketed, was 17.3%.
- Net absorption** totaled negative 140,999 SF during the second quarter of 2025. The Balance of Baltimore submarket led the way with 99,572 SF of negative absorption, with the Columbia submarket posting the second largest negative absorption number of 87,780 SF.
- Full-service rents** averaged \$24.22 PSF at June 2025, up 20 basis points during the quarter and up 90 basis points year-over-year. The BWI submarket had the highest rents at \$29.62 PSF, followed up by Anne Arundel South at \$26.26 PSF.
- Construction pipeline** in Baltimore totaled 82,579 SF at June 2025. The lone office project in the pipeline is 1770 E Monument Street, an 82,579 SF building for Johns Hopkins University in the Balance of Baltimore City.
- One construction project delivered during the quarter at 400 National Business Parkway in BWI, adding 137,985 SF of unleased space to the inventory.

ASKING RENT

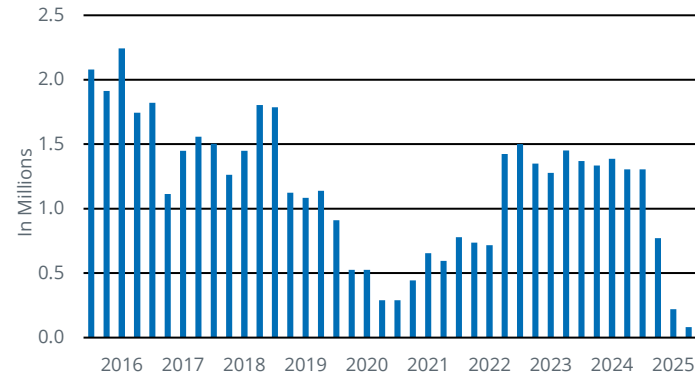


DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



BALTIMORE METRO AREA OFFICE MARKET | Q2 2025

MARKET INDICATORS TABLE

All Classes of Space | Q2 2025

SUBMARKET	INVENTORY SF	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
Harford County	2,328,188	532,241	22.9%	26.6%	0	(2,458)	(18,791)	\$23.16
Baltimore County West	10,012,768	1,509,698	15.1%	21.9%	0	7,176	(172,599)	\$23.33
Baltimore County North	14,794,566	2,110,930	14.3%	21.0%	0	7,575	(257,175)	\$22.22
Baltimore County East	2,620,513	271,651	10.4%	13.6%	0	19,000	70,080	\$19.78
Baltimore CBD	16,925,040	2,368,252	14.0%	18.4%	0	25,855	(335,212)	\$23.13
Balance of Baltimore City	23,636,758	2,228,988	9.4%	13.3%	82,579	(99,572)	812,042	\$23.78
Columbia	15,196,957	1,995,768	13.1%	21.0%	0	(87,780)	(39,506)	\$25.57
Route 1 North	1,190,660	89,439	7.5%	16.7%	0	(4,768)	7,048	\$22.76
BWI	11,471,698	914,324	8.0%	12.5%	0	(14,706)	(164,262)	\$29.62
Anne Arundel South	5,957,642	479,277	8.0%	11.6%	0	8,679	77,952	\$26.26
Total	104,134,800	12,500,568	12.0%	17.3%	82,579	(140,999)	(20,423)	\$24.22

Source: CoStar, Transwestern



Research Methodology

The information in this report is the result of a compilation of information on office properties located in the Baltimore metro area. This report includes single tenant, multi-tenant and owner-user properties 15,000 SF and larger, excluding properties owned by a government agency and medical outpatient buildings..

About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and @Transwestern

For more information

Elizabeth Norton

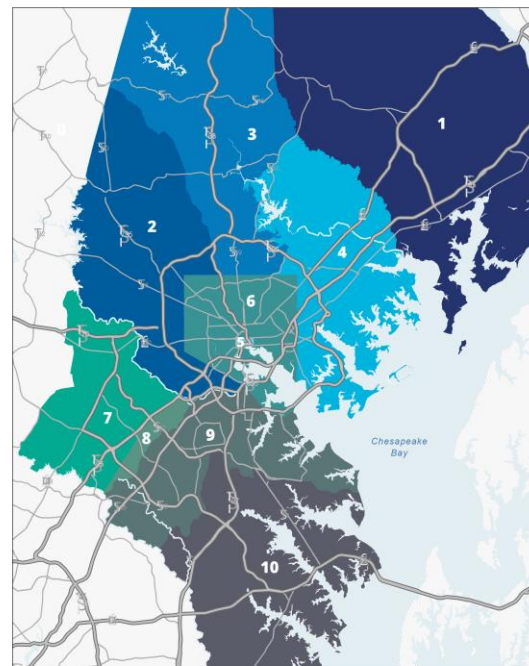
Senior Managing Research Director
Research Services
Elizabeth.Norton@transwestern.com
202.775.7026

Colin Chapman

Research Analyst | Research Services
Colin.Chapman@transwestern.com
202.778.3105

Copyright © 2025 Transwestern. All rights reserved. No part of this work may be reproduced or distributed to third parties without written permission of the copyright owner. The information contained in this report was gathered by Transwestern from CoStar and other primary and secondary sources.

transwestern.com



Baltimore Office Submarkets

- 1 Harford County
- 2 Baltimore County West
- 3 Baltimore County North
- 4 Baltimore County East
- 5 Baltimore CBD
- 6 Balance of Baltimore City
- 7 Columbia
- 8 BWI Howard County/Route 1 North
- 9 BWI
- 10 Anne Arundel South