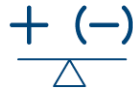


BALTIMORE METRO AREA

INDUSTRIAL MARKET | Q3 2025



226.9 MSF
Inventory



(943,000) SF
Net Absorption



6.9%
Direct Vacancy



7.9%
Overall Vacancy



3.4 MSF
Under Construction



\$12.07 PSF
Asking Rent

Two Large Move-Outs Impact Industrial Net Absorption in Q3

Market Observations

- The Baltimore industrial market continued a downward trend with 943,000 SF of negative net absorption this quarter, with year-over-year totaling negative 1.5 million SF. Baltimore has not seen positive quarterly absorption since the third quarter of 2024.
- The vacancy rate increased 40 basis points to 6.9% in September 2025 and is higher than the national rate at 6.5%. This is the highest vacancy rate level seen in Baltimore since 2016.
- Two large move outs impacted net absorption this quarter. Transdev vacated 434,490 SF at 8901 Snowden River Parkway in Columbia and Whitebox vacated 359,276 SF at 1010 Swan Creek Drive in BWI.
- Zero deliveries occurred during the third quarter 2025. This comes after nearly one million delivered in the past year. There is currently 3.4 million SF under construction, which is more than each of the previous 11 quarters.
- The industrial outlook is relatively favorable despite ongoing national challenges such as tariffs and consumer spending. While demand has softened, Baltimore continues to be a strategic hub, backed by port infrastructure. We expect long-term confidence in this market, despite some oscillation in performance quarter to quarter.

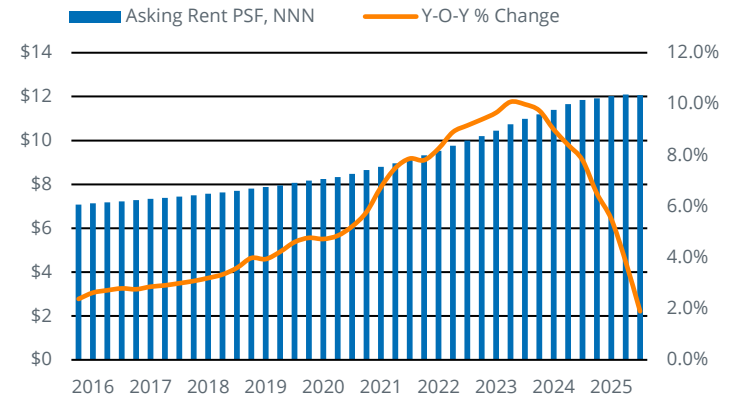




BALTIMORE METRO AREA INDUSTRIAL MARKET | Q3 2025

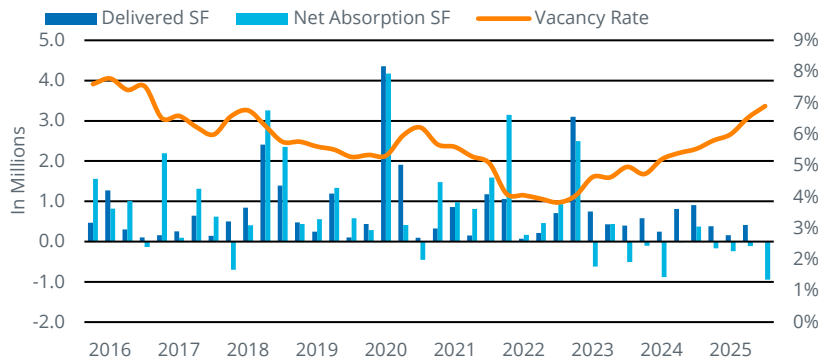
- Net absorption** totaled negative 943,000 SF during the quarter and totals negative 1.5 million SF year-over-year. This was driven by two large move-outs in Columbia and BWI. Although Baltimore County North and Baltimore City also contributed to the softness.
- The **direct vacancy** rate rose to 6.9%. Warehouse has 7.4% vacancy, while flex has 5.3%. The Baltimore County West submarket has the highest vacancy at 8.4%, while Anne Arundel South maintains a low rate of 3.6%.
- Asking rents** softened by 20 basis points during the quarter, landing at \$12.07 PSF at September 2025. Despite this, rents are up 1.9% year over year, which is the lowest annual increase in recent history.
- There is 3.4 million SF **under construction** at 50% pre-leased. The most notable project is 1.3 million SF at 1365 Sparrows Point Boulevard in Baltimore County East. This project is currently 100% pre-leased with Floor & Décor taking the whole complex. A nearby 400,000 SF project at 1390 Sparrows Point Boulevard is fully leased to UMD Medical System.

ASKING RENT



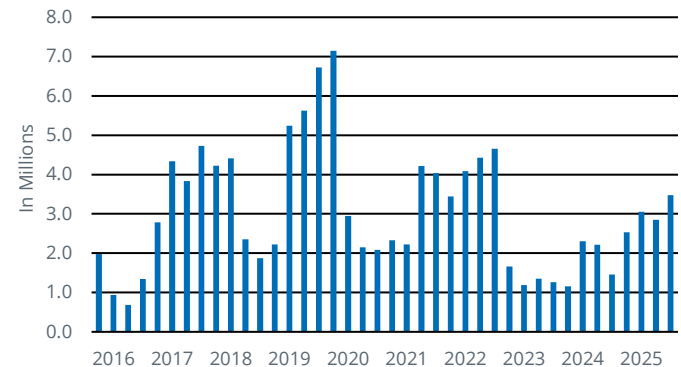
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



BALTIMORE METRO AREA INDUSTRIAL MARKET | Q3 2025

MARKET INDICATORS TABLE

All Product Types | Q3 2025

| PRODUCT TYPE | INVENTORY SF | DIRECT VACANT SF | DIRECT VACANCY RATE | OVERALL VACANCY RATE | UNDER CONSTRUCTION SF | NET ABSORPTION SF | Y-O-Y NET ABSORPTION SF | ASKING RENT PSF, NNN |
|------------------------|--------------------|-------------------|---------------------|----------------------|-----------------------|-------------------|-------------------------|----------------------|
| Flex | 2,299,607 | 85,800 | 3.7% | 3.7% | 0 | 24,000 | 59,000 | \$13.61 |
| Warehouse | 26,594,330 | 1,586,135 | 6.0% | 9.0% | 743,176 | (25,000) | 120,000 | \$10.63 |
| Harford County | 28,893,937 | 1,671,935 | 5.8% | 8.6% | 743,176 | (1,000) | 179,000 | \$10.94 |
| Flex | 7,578,857 | 619,275 | 8.2% | 8.7% | 0 | 0 | 27,000 | \$13.01 |
| Warehouse | 10,786,208 | 917,972 | 8.5% | 8.5% | 224,640 | 107,000 | 69,000 | \$11.34 |
| Baltimore County West | 18,365,065 | 1,537,247 | 8.4% | 8.6% | 224,640 | 107,000 | 96,000 | \$12.11 |
| Flex | 4,696,353 | 114,264 | 2.4% | 2.4% | 0 | 14,000 | 25,000 | \$14.97 |
| Warehouse | 4,967,300 | 374,968 | 7.5% | 7.8% | 0 | (232,000) | (212,000) | \$16.00 |
| Baltimore County North | 9,663,653 | 489,232 | 5.1% | 5.2% | 0 | (218,000) | (187,000) | \$15.38 |
| Flex | 4,137,628 | 225,785 | 5.5% | 6.1% | 0 | (3,000) | 60,000 | \$13.13 |
| Warehouse | 35,458,151 | 2,856,009 | 8.1% | 9.5% | 2,112,523 | 66,000 | (346,000) | \$10.81 |
| Baltimore County East | 39,595,779 | 3,081,794 | 7.8% | 9.1% | 2,112,523 | 63,000 | (286,000) | \$11.08 |
| Flex | 4,648,646 | 347,008 | 7.5% | 8.1% | 0 | (65,000) | (77,000) | \$11.87 |
| Warehouse | 46,436,482 | 2,814,930 | 6.1% | 6.5% | 36,583 | (107,000) | (810,000) | \$9.69 |
| Baltimore City | 51,085,128 | 3,161,938 | 6.2% | 6.6% | 36,583 | (172,000) | (887,000) | \$9.95 |
| Flex | 7,660,912 | 245,679 | 3.2% | 3.4% | 0 | (19,000) | 2,000 | \$16.70 |
| Warehouse | 5,102,322 | 765,947 | 15.0% | 15.0% | 0 | (317,000) | (76,000) | \$11.62 |
| Columbia | 12,763,234 | 1,011,626 | 7.9% | 8.1% | 0 | (336,000) | (74,000) | \$14.74 |
| Flex | 2,914,770 | 96,404 | 3.3% | 4.9% | 0 | (15,000) | (62,000) | \$13.10 |
| Warehouse | 27,604,748 | 2,060,392 | 7.5% | 8.3% | 0 | 110,000 | (142,000) | \$13.10 |
| Route 1 North | 30,519,518 | 2,156,796 | 7.1% | 8.0% | 0 | 95,000 | (204,000) | \$13.10 |
| Flex | 8,367,870 | 548,298 | 6.6% | 6.9% | 0 | 19,000 | 27,000 | \$13.88 |
| Warehouse | 22,540,034 | 1,919,340 | 8.5% | 9.4% | 356,784 | (493,000) | (146,000) | \$13.36 |
| BWI | 30,907,904 | 2,467,638 | 8.0% | 8.7% | 356,784 | (474,000) | (119,000) | \$13.51 |
| Flex | 3,838,126 | 185,683 | 4.8% | 5.1% | 0 | (14,000) | 15,000 | \$17.51 |
| Warehouse | 1,358,165 | 0 | 0.0% | 0.0% | 0 | 7,000 | 3,000 | \$16.67 |
| Anne Arundel South | 5,196,291 | 185,683 | 3.6% | 3.8% | 0 | (7,000) | 18,000 | \$17.27 |
| Flex | 46,142,769 | 2,468,196 | 5.3% | 5.8% | 0 | (59,000) | 76,000 | \$14.27 |
| Warehouse | 180,847,740 | 13,295,693 | 7.4% | 8.4% | 3,473,706 | (884,000) | (1,540,000) | \$11.41 |
| Total | 226,990,509 | 15,763,889 | 6.9% | 7.9% | 3,473,706 | (943,000) | (1,464,000) | \$12.07 |

Source: CoStar, Transwestern



Research methodology

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

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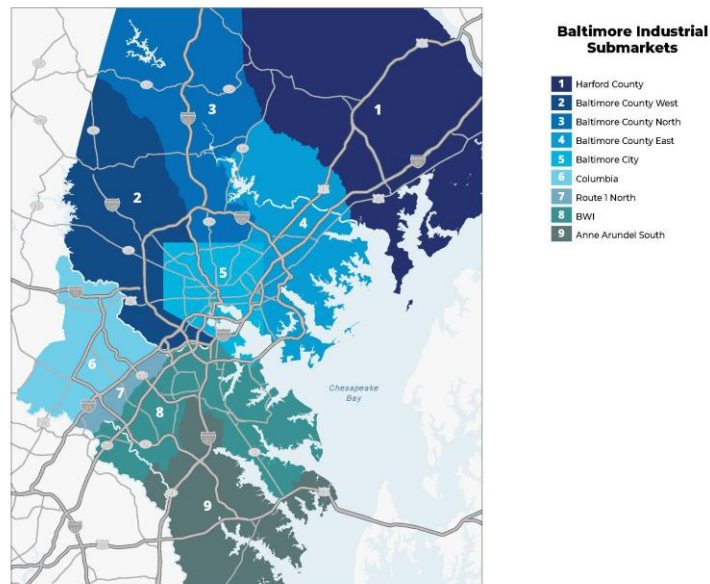
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