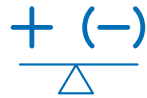


BALTIMORE METRO AREA

OFFICE MARKET | Q3 2025



102.1 MSF
Inventory



(125,651) SF
Net Absorption



12.0%
Direct Vacancy



17.3%
Total Availability



212,811 SF
Under Construction



\$24.21 PSF
Asking Rent

Demand Slows Causing Weaker Fundamentals in Q3

Market Observations

- The Baltimore metro area office market cooled during the third quarter of 2025, with negative 125,621 SF in net absorption. This brings the year-over-year total to positive 216,417 SF.
- The direct vacant availability rate was 12.0%, which is down from 11.6% one year ago and compares favorably to the national rate of 13.2%.
- Net absorption was impacted this quarter by CareFirst Blue Cross vacating 104,000 SF at 10802 Red Run Boulevard in Baltimore County West.
- Notable lease deals include Insight Global and Ayers Saint Gross signing for 15,600 SF and 25,525 SF, respectively, at 2455 House Street In the Balance of Baltimore submarket.
- The office market will remain under pressure driven by uncertainty surrounding federal policy decisions, coupled with continued space consolidations and slower employment growth. Less construction, coupled with demolitions/conversions is welcome news for the office market. However, given the near-term demand outlook, the correction in supply is not a silver bullet and unlikely to reverse the upward trajectory of the vacancy rate in the near-term. With the limited amount of supply coming online, tenants will be challenged to find high-quality, new space.

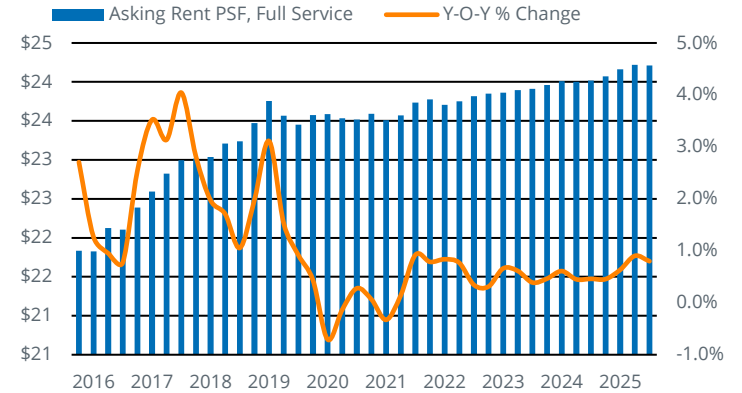




BALTIMORE METRO AREA OFFICE MARKET | Q3 2025

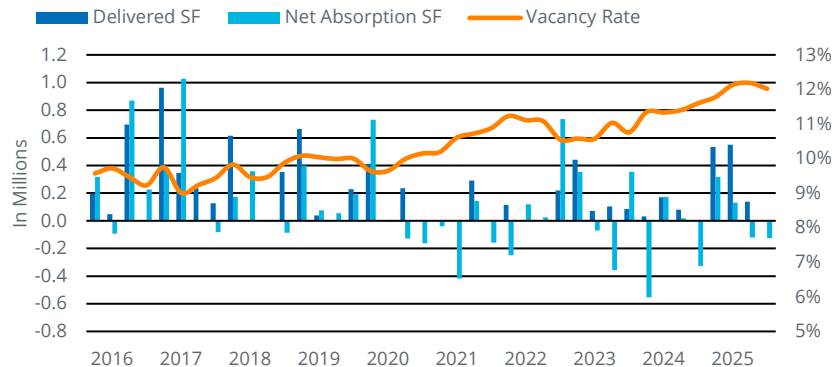
- Direct vacant available rate** was 12.0% this quarter. Total availability, which is space being marketed for lease, was 17.3%, down 20 basis points from one year ago.
- Net absorption** totaled negative 125,651 SF this quarter. This was led by the Baltimore CBD submarket which posted several mid-sized move-outs. The negative absorption was buoyed in older product as Class A posted positive 25,800 SF this quarter.
- Full-service rents** averaged \$24.21 PSF this quarter, with no growth during the quarter, but up 0.8% year over year. Baltimore County East had the strongest growth at 1.1% over the past year.
- Construction pipeline** totaled 212,811 SF at September 2025. Reservoir Square in the Balance of Baltimore City has 63,000 SF underway and is fully leased to the Mayor's Office of Employment Development. The current pipeline is a steep drop from the 1.3 million SF under construction a year ago.

ASKING RENT



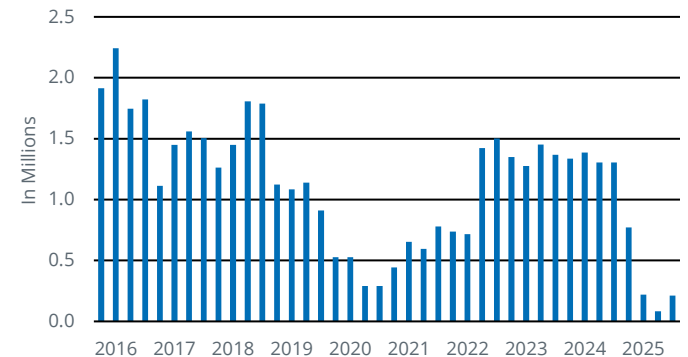
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



BALTIMORE METRO AREA OFFICE MARKET | Q3 2025

MARKET INDICATORS TABLE

All Classes of Space | Q3 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	2,311,688	560,208	24.2%	26.8%	0	(27,967)	(17,160)	\$23.16
Baltimore County West	9,960,703	1,562,226	15.7%	21.4%	0	(78,312)	(173,403)	\$23.32
Baltimore County North	14,763,887	1,886,713	12.8%	19.2%	0	7,624	(156,560)	\$22.22
Baltimore County East	2,502,547	260,200	10.4%	18.3%	0	11,451	43,346	\$19.79
Baltimore CBD	15,728,760	2,417,678	15.4%	20.0%	0	(113,977)	(403,151)	\$23.11
Balance of Baltimore City	23,263,492	2,149,003	9.2%	12.9%	145,579	39,465	922,410	\$23.78
Columbia	15,101,287	1,940,630	12.9%	20.6%	67,232	36,494	49,027	\$25.57
Route 1 North	1,148,160	89,439	7.8%	18.0%	0	0	2,548	\$22.77
BWI	11,386,838	905,543	8.0%	12.6%	0	23,179	(96,362)	\$29.60
Anne Arundel South	5,909,873	498,585	8.4%	12.1%	0	(23,608)	45,722	\$26.25
Total	102,077,235	12,270,225	12.0%	17.3%	212,811	(125,651)	216,417	\$24.21

Source: CoStar, Transwestern



BALTIMORE METRO AREA OFFICE MARKET | Q3 2025

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](https://twitter.com/Transwestern)

For more information

Elizabeth Norton

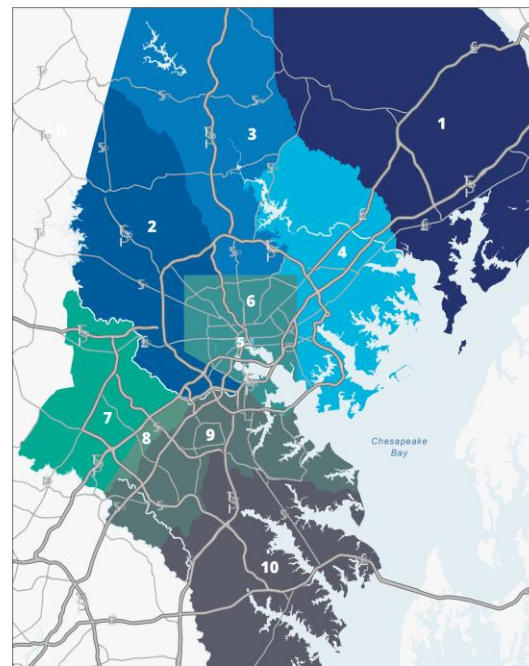
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Baltimore Office Submarkets

- 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