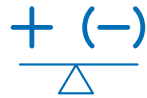


BALTIMORE METRO AREA

OFFICE MARKET | Q4 2025



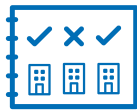
102.1 MSF
Inventory



101,064 SF
Net Absorption



12.0%
Direct Vacancy



16.7%
Total Availability



232,811 SF
Under Construction



\$24.20 PSF
Asking Rent

Office Market Shows Signs of Resilience at Q4

Market Observations

- The Baltimore metro area office market saw some encouraging momentum during the last quarter of 2025, with positive 101,064 SF in net absorption. This brings year-over-year absorption to a relatively flat negative 239 SF.
- The direct vacant availability rate was 12.0%, a 30 basis points increase compared to one year ago, but still 40 basis points lower than the national average of 12.4%.
- The positive absorption for this quarter can be attributed to multiple leases over 25,000 SF. The Maryland Department of Management signed for 45,117 SF at 7 St Paul Street in the Baltimore CBD and Ellin and Tucker leased 28,000 SF at 100 International Drive in the Balance of Baltimore City.
- Offsetting this demand was Millennial Media vacating three floors at 2400 Boston Street for 45,288 SF in the Balance of Baltimore City and Raytheon vacating its 20,730 SF space at 1362 Mellon Road in BWI.
- The Baltimore metro area's office market is expected to remain stable in 2026, with modest growth, if any. Overall fundamentals remain challenged, but are showing signs of resilience as indicated by performance this quarter. Class A office demand remains the focus, with this class performing better than older product for the past several quarters. We expect office market recovery to be slow and uneven over the next 12 months, with select submarkets outperforming the market average.

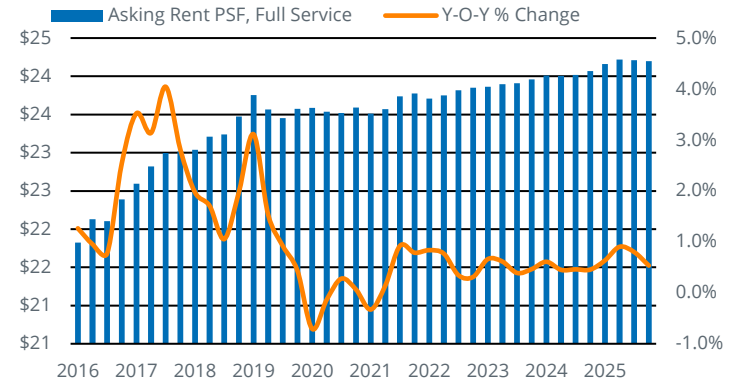




BALTIMORE METRO AREA OFFICE MARKET | Q4 2025

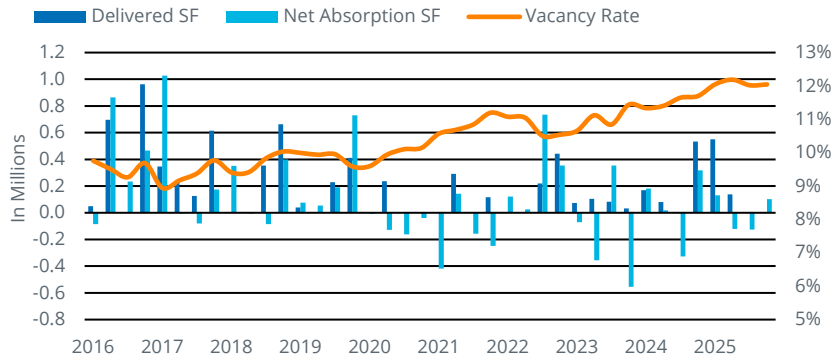
- Direct vacant available rate** was 12.0% this quarter, which has remained relatively flat through most of 2025, but is up 30 basis points from one year ago. Total availability, which is space being marketed for lease, was 16.7%, 80 basis points down from a year ago.
- Net absorption** totaled positive 101,064 SF this quarter. The Baltimore CBD had the strongest demand with 105,577 SF. The lowest absorption this quarter was in the BWI submarket, with negative 79,400 SF.
- Full-service rents** averaged \$24.20 PSF this quarter, which represents 0.5% growth year over year, and is in-line with the previous three quarters. Route 1 North and Baltimore County West tied for the highest rent growth year over year at 0.7%.
- Construction pipeline** totaled 232,811 SF at the end of 2025. A notable project is 800 W North Avenue, which will deliver 63,000 SF in the Balance of Baltimore City submarket when it delivers by year-end 2026. One addition to the pipeline was 20,000 SF at 8537 Veterans Highway, which is fully leased to The Goddard School and slated for delivery by April 2026.

ASKING RENT



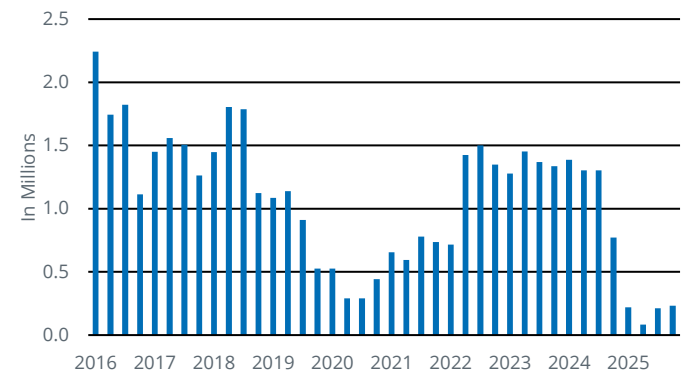
Source: CoStar, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

UNDER CONSTRUCTION



Source: CoStar, Transwestern



BALTIMORE METRO AREA OFFICE MARKET | Q4 2025

MARKET INDICATORS TABLE

All Classes of Space | Q4 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	567,293	24.5%	27.0%	0	(7,085)	(37,655)	\$23.15
Baltimore County West	9,960,703	1,563,282	15.7%	21.4%	0	(1,056)	(165,829)	\$23.33
Baltimore County North	14,763,887	2,068,661	14.0%	18.2%	0	(9,844)	2,101	\$22.21
Baltimore County East	2,502,547	231,194	9.2%	17.7%	0	29,006	46,516	\$19.76
Baltimore CBD	15,728,760	2,330,099	14.8%	19.7%	0	105,577	(421,791)	\$23.08
Balance of Baltimore City	23,263,492	2,142,678	9.2%	12.2%	145,579	18,086	560,924	\$23.79
Columbia	15,101,287	1,883,869	12.5%	19.3%	67,232	14,868	108,634	\$25.57
Route 1 North	1,148,160	94,571	8.2%	18.4%	0	(5,132)	(8,176)	\$22.77
BWI	11,386,838	954,774	8.4%	13.1%	0	(79,400)	(144,520)	\$29.55
Anne Arundel South	5,909,873	458,932	7.8%	10.6%	20,000	36,044	59,557	\$26.23
Total	102,077,235	12,295,353	12.0%	16.7%	232,811	101,064	(239)	\$24.20

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..

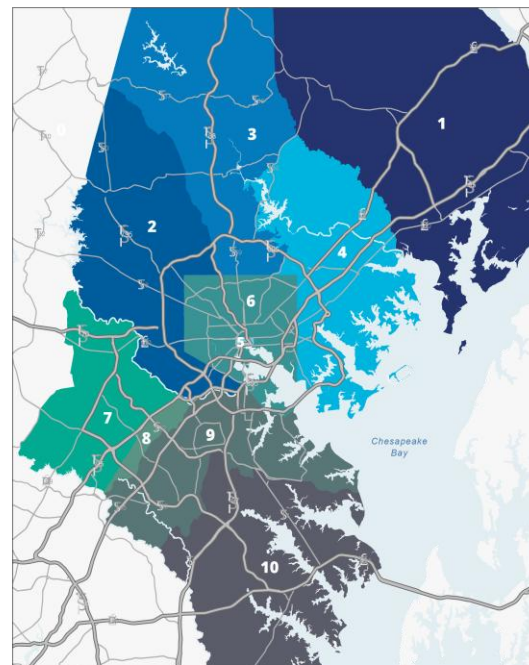
About Transwestern

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

For more information

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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

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