

Baltimore Metro Area

Office Market | Q1 2026

Sluggish Start to 2026

Market Observations

- The office market contracted during the first quarter of 2026, with negative 210,568 SF in net absorption. This brings year-over-year absorption to a negative 386,454 SF.
- The direct vacant availability rate was 12.2%, a 20 basis points increase compared to one year ago, but still 20 basis points lower than the national average of 12.4%.
- Several mid-sized deals were inked during the past three months. For example, the State of Maryland leased 69,000 SF at 36 S Charles St in the Baltimore CBD. Mueller Associates leased 12,872 SF at 1201 Winterson Rd in BWI.
- Despite some positive momentum, several move-outs offset absorption. For example, Medifast vacated roughly 50,000 SF at 100 International Dr to relocate to just under 30,000 SF at 1501 S. Clinton St. ZeroFox vacated 19,000 SF at 1834 S Charles St to relocate to 16,000 SF at 1500 Whetstone Way. All buildings are in the Balance of Baltimore City submarket.
- The office market is challenged following a soft quarter. Overall conditions remain uneven as vacancy edged higher over the past year and rent flattened. We expect market conditions to improve gradually in time, with recovery varying by submarket over the next 12 to 24 months.



101.8 MSF
Inventory



(210,568) SF
Net Absorption



12.2%
Direct Vacancy



16.7%
Total Availability



177,215 SF
Under Construction



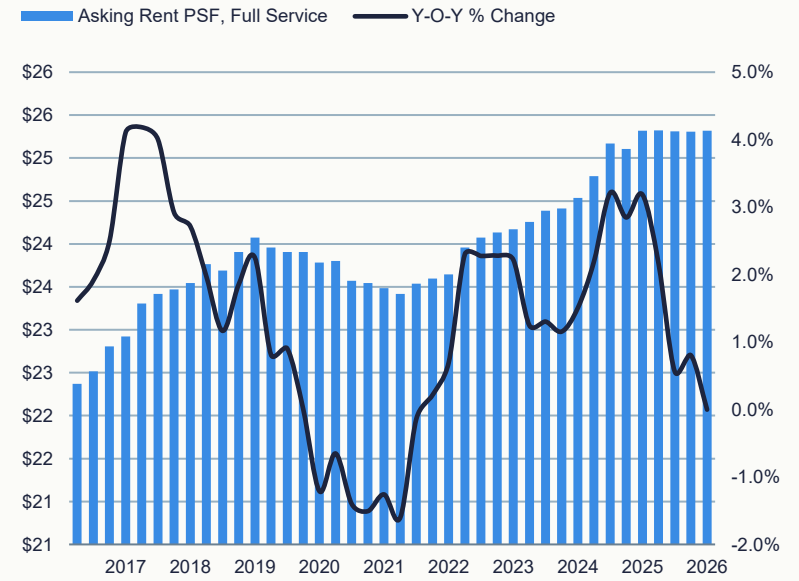
\$25.32 PSF
Asking Rent

Baltimore Metro Area

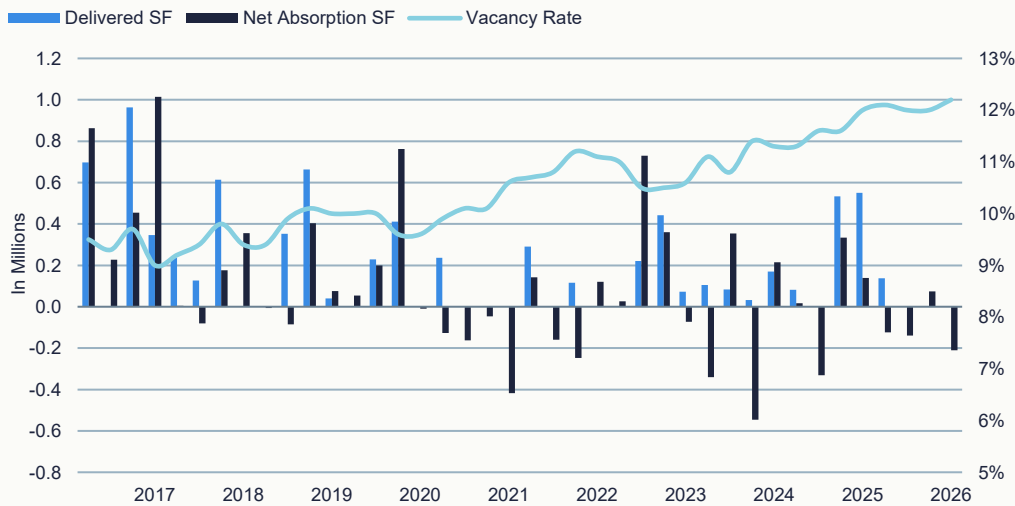


- **Direct vacant available rate** was 12.2% this quarter, which is up 20 basis points from one year ago. Total availability, which is space being marketed for lease, was 16.7%, 60 basis points down from a year ago.
- **Net absorption** totaled negative 210,568 SF this quarter. The Baltimore County North had the strongest demand with 76,125 SF. While the BWI submarket struggled with negative 184,585 SF.
- **Full-service rents** averaged \$25.32 PSF this quarter, unchanged year over year. Route 1 North recorded the strongest annual rent growth at 0.8%, while Baltimore CBD and BWI experienced the largest year-over-year decline, both decreasing 0.5%.
- **Construction pipeline** totaled 177,215 SF at the beginning of 2026. MCB Real Estate has 63,000 SF underway at 800 W North Ave in the Balance of Baltimore City submarket. This project is fully leased by the Mayor's Office of Employment Development.

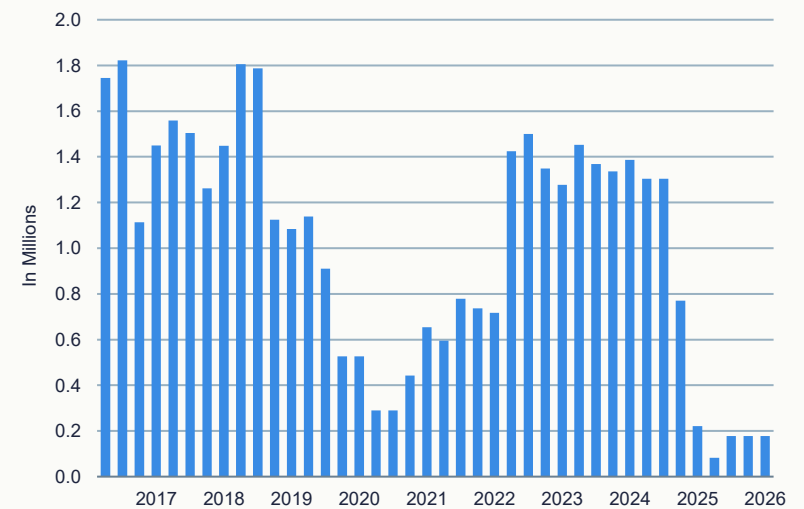
Asking Rent



Delivery Impact On Key Indicators



Under Construction



Market Indicators Table

All Classes of Space | Q1 2026

Submarket	Inventory SF	Direct Vacant SF	Direct Vacancy 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	571,253	24.7%	27.5%	0	(3,960)	(41,470)	\$25.86
Baltimore County West	9,962,398	1,535,448	15.4%	20.6%	0	27,834	(38,060)	\$24.12
Baltimore County North	14,733,528	1,976,806	13.4%	18.4%	0	76,125	81,480	\$24.16
Baltimore County East	2,436,547	246,796	10.1%	18.0%	0	(15,602)	43,855	\$22.32
Baltimore CBD	15,719,080	2,312,421	14.7%	19.4%	0	17,678	19,453	\$23.13
Balance of Baltimore City	23,240,721	2,195,091	9.4%	12.5%	63,000	(113,179)	(193,797)	\$25.56
Baltimore North	68,403,962	8,837,815	12.9%	17.2%	63,000	(11,104)	(128,539)	\$24.39
Columbia	15,067,762	1,876,722	12.5%	18.9%	67,232	(6,210)	(7,749)	\$28.26
Route 1 North	1,114,760	85,959	7.7%	18.2%	0	8,612	(1,288)	\$23.64
BWI	11,386,838	1,139,369	10.0%	13.3%	0	(184,595)	(255,522)	\$26.56
Anne Arundel South	5,881,223	476,203	8.1%	10.6%	46,983	(17,271)	6,644	\$27.50
Baltimore South	33,450,583	3,578,253	10.7%	15.5%	114,215	(199,464)	(257,915)	\$27.39
Total	101,854,545	12,416,068	12.2%	16.7%	177,215	(210,568)	(386,454)	\$25.32

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

Transwestern is a vertically integrated commercial real estate firm dedicated to serving investors, partners and clients through expertise in investment, development, brokerage and property management. We own, lease and operate \$64 billion¹ in assets. Our experience spans diverse property types, including logistics, multifamily, retail, mixed-use, healthcare, office, data centers, hotel, and life sciences. Across 33 offices nationwide, our team is united by a culture that cultivates agility, mutual trust and high performance. Learn more at transwestern.com.

¹ Includes all Transwestern enterprise assets and its RAUM as of April 1, 2026.

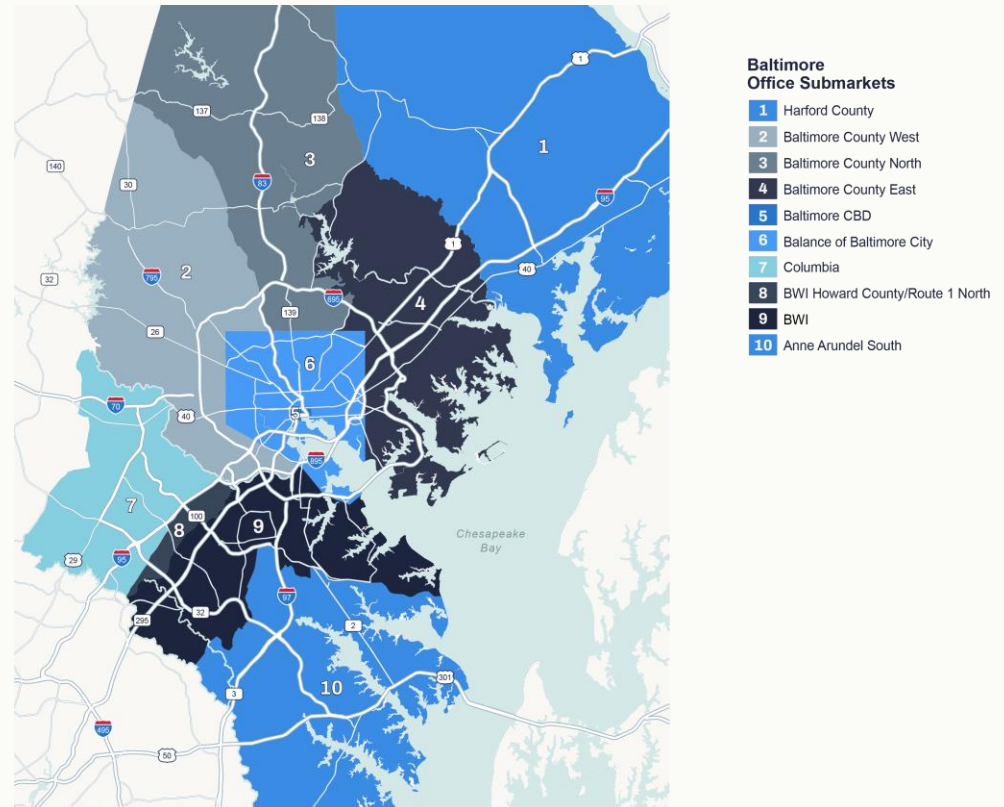
For More Information

Elizabeth Norton

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

Ben Stoner

Senior Research Analyst | Research Services
Benjamin.Stoner@transwestern.com
202.207.0717



© 2026 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