



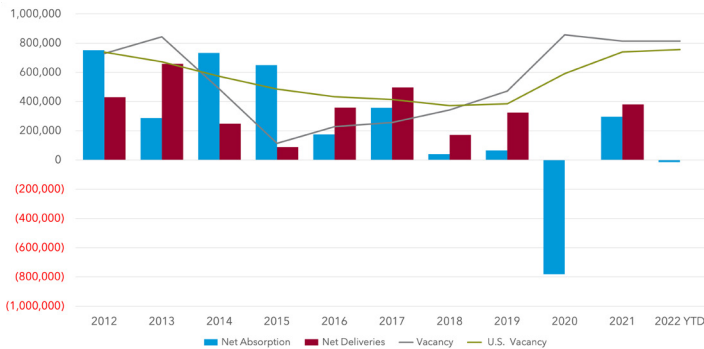
OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

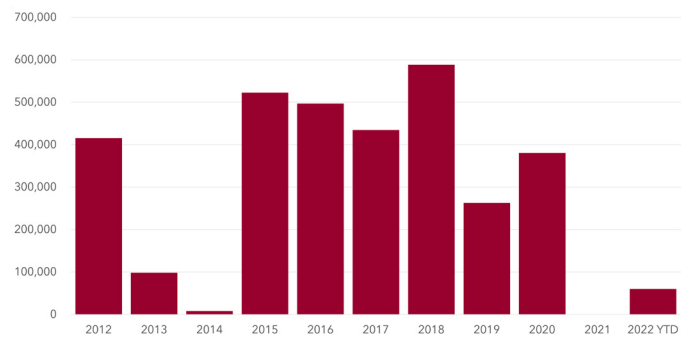
It seems to be an improving market, measuring direct Negative net absorption for Q 1 2022 decreased to (14,646) SF with the vacancy rate remaining stable at 12.7% versus the 12.7% level seen in Q 4 2021. Perhaps a reflection of inflation, asking rates increased to \$26.45. Primarily in highly amenitized Class-A buildings, there were several notable leases completed in the Greater Columbia area. As a result, Class A product experienced a positive absorption rate of 17,188 SF versus B and C level product witnessed negative absorption. As employers strive to get employees back to the office, newer buildings with attractive facilities and locations tend to win the attention of prospective tenants.

MARKET INDICATORS	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
▲ Net Absorption SF	(14,646)	(32,717)	(3,245)	278,647	53,736
◀▶ Vacancy Rate	12.7%	12.7%	12.1%	12.1%	12.3%
▲ Avg NNN Asking Rate PSF	\$26.45	\$26.10	\$26.05	\$25.55	\$25.50
▲ SF Under Construction	60,000	0	109,246	109,246	372,246
◀▶ Inventory SF	22,742,060	22,742,060	22,632,814	22,632,814	22,369,814

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6805 Douglas Legum Drive Elkridge, MD	20,400 SF	\$3,875,000 \$189.95 PSF	RELI Group Icat Real Estate	Class A
3600 Saint Johns Lane Ellicott City, MD	6,145 SF	\$1,125,000 \$183.08 PSF	Huynh Thai Mangini Associates Inc	Class C
5084-5086 Dorsey Hall Drive Ellicott City, MD	2,129 SF	\$465,000 \$218.41 PSF	Undisclosed Howard County Education	Class B

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7125 Columbia Gateway Drive Columbia, MD	45,273 SF	COPT	Undisclosed	Government Contractor
10277 Little Patuxent Pky Columbia, MD	21,500 SF	Howard Hughes	Orthopedic Associates of Central MD	Medical
8830 Stanford Boulevard Columbia, MD	13,517 SF	Merritt	DEI	Human Resources

