



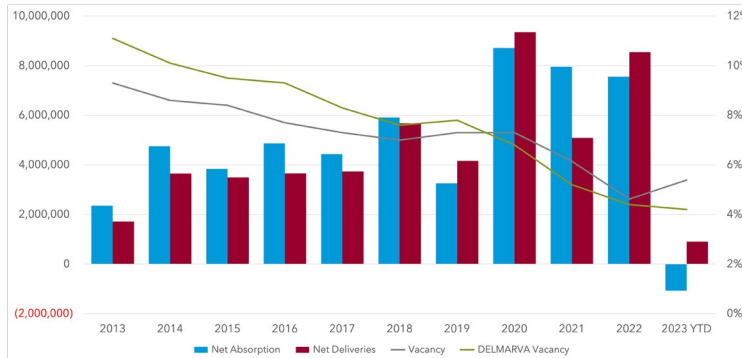
INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

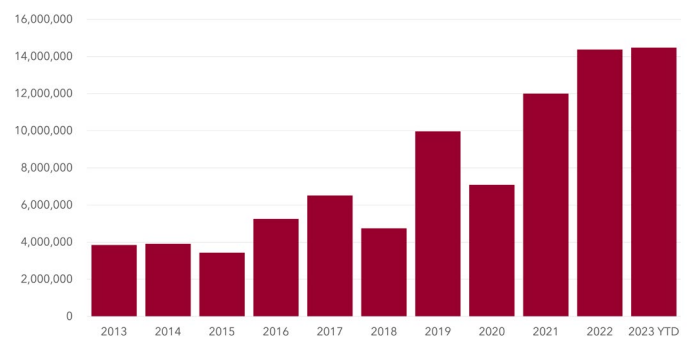
Macroeconomic concerns have led to the beginning of 2023 seeing quarterly negative net absorption for the first time and the greatest increase in direct vacancy in the past twelve months for the Greater Baltimore market. Overbuilding in non-core submarkets, especially of big-box warehouses, combined with a slowing of tenant velocity among larger tenants are the main culprits. Several of these companies have been giving back space, or electing not to renew, as they re-evaluate their supply chain strategies. However, with the land constraints of the region, we expect to still see strong demand for smaller spaces, especially in core infill locations.

| MARKET INDICATORS | Q1 2023 | Q4 2022 | Q3 2022 | Q2 2022 | Q1 2022 |
|---------------------------|-------------|-------------|-------------|-------------|-------------|
| ▼ Net Absorption SF | (1,071,216) | 1,435,400 | 3,081,598 | 1,350,808 | 1,426,840 |
| ▲ Vacancy Rate | 5.34% | 4.62% | 4.61% | 4.39% | 4.31% |
| ▲ Avg NNN Asking Rate PSF | \$8.16 | \$7.79 | \$7.84 | \$7.61 | \$7.23 |
| ▲ SF Under Construction | 14,478,784 | 14,373,868 | 12,890,943 | 15,071,873 | 12,372,563 |
| ▲ Inventory SF | 269,825,208 | 268,920,604 | 267,264,616 | 263,439,520 | 261,805,608 |

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



| TOP SALE TRANSACTIONS BY SF | SIZE | SALE PRICE | BUYER / SELLER | BUILDING CLASS |
|---|------------|------------------------------|--|----------------|
| Bladensburg Road Portfolio Brentwood, MD | 224,671 SF | \$20,000,000 \$89.02 PSF | Granite Canyon Partners Decker Development | Class C |
| 1205 68th Street Rosedale, MD | 80,775 SF | \$14,800,000 \$183.23 PSF | Triten Real Estate Partners Greenspring Realty Partners | Class C |
| 1207 67th Street Rosedale, MD | 79,800 SF | \$6,600,000 \$82.71 PSF | Whitehouse & Schapiro Daniels Health | Class B |

| TOP LEASE TRANSACTIONS BY SF | SIZE | LANDLORD | TENANT | TENANT INDUSTRY |
|--|------------|---------------------------|--------------------------|------------------------------|
| 913 Old Philadelphia Road Aberdeen, MD | 634,000 SF | Hartz Mountain Industries | Amazon | E-commerce |
| 2800 Eastern Boulevard Middle River, MD | 130,000 SF | Reich Brothers | Global Trading Unlimited | Transportation & Warehousing |
| 1533 Progress Way Eldersburg, MD | 100,000 SF | Merritt Properties | Penguin Random House | Publishing |

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