



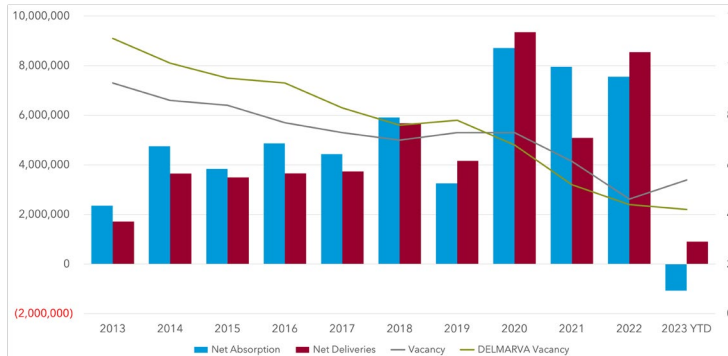
INDUSTRIAL MARKET OVERVIEW

TOM WHELAN, *Principal*

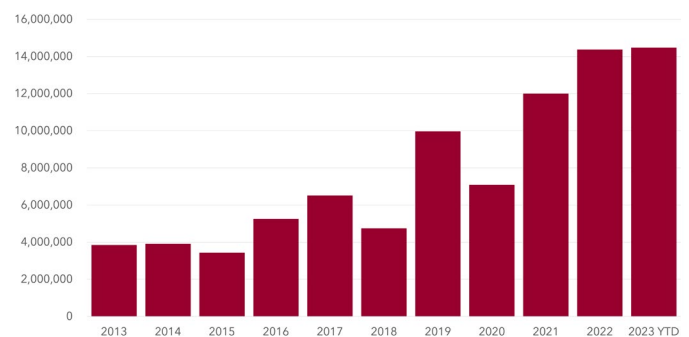
Macroeconomic concerns have led to the beginning of 2023 seeing quarterly negative net absorption for the first time and the greatest increase in direct vacancy in the past twelve months for the Greater Baltimore market. Overbuilding in non-core submarkets, especially of big-box warehouses, combined 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

