



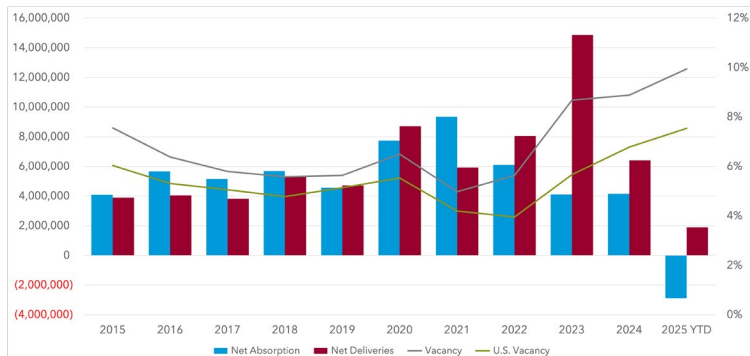
INDUSTRIAL MARKET OVERVIEW

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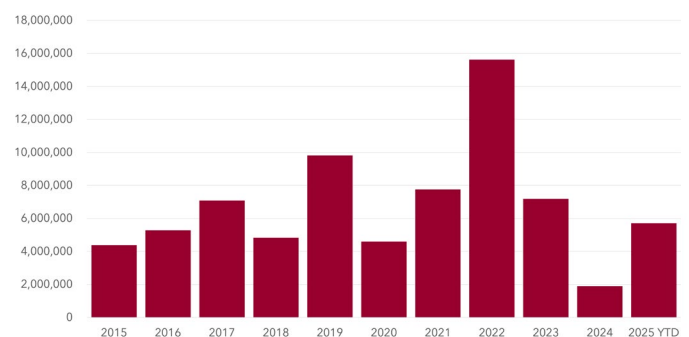
After years of robust growth, Maryland's industrial market is hitting a pause. Net absorption slowed dramatically in Q3, and vacancy crept above 10% for the first time in years. While rents held steady, the pace of leasing cooled, with logistics firms like Ryder anchoring the few large deals. Developers remain bullish, pushing construction to nearly 6 million SF, even as demand softens. On the investment side, pricing remains firm, with institutional buyers like Ares Management still active. The market is recalibrating less frenzied, but still fundamentally strong.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ Net Absorption SF	88,857	3,482,655	4,806,461	4,148,591	6,651,005
▲ Vacancy Rate	10.33%	10.13%	9.18%	8.74%	7.84%
▲ Avg NNN Asking Rate PSF	\$10.62	\$10.56	\$10.66	\$10.66	\$11.11
▲ Sale Price PSF	\$139.40	\$139.20	\$138.60	\$136.00	\$132.60
▲ Cap Rate	7.39%	7.38%	7.36%	7.36%	7.36%
▲ Under Construction SF	5,711,953	4,721,186	4,059,362	3,834,112	2,225,034
▲ Inventory SF	291,392,337	291,068,101	290,596,934	289,804,054	288,205,164

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
1000 Commerce Center Drive Elkton, MD	770,160 SF	\$80,000,000 \$103.87 PSF	Ares Management Corporation Diamond Realty Inv/Trammell Crow	Class A
651-687 Commerce Drive* Upper Marlboro, MD	151,200 SF	\$26,725,630 \$176.76 PSF	Equus Capital Partners Ltd. Mapletree Investments Pte Ltd.	Class B
551-579 Commerce Drive* Upper Marlboro, MD	119,400 SF	\$19,556,005 \$163.79 PSF	Equus Capital Partners, Ltd. Mapletree Investments Pte Ltd.	Class B

*Part of a 6-Property Mapletree Investments Portfolio

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
200 Powers Road Port Deposit, MD	1,026,000 SF	Hillwood Investment Properties	Ryder Logistics Solutions	Logistics and Transportation
16910 National Pike Hagerstown, MD	631,420 SF	The State of Maryland	Ryder	Logistics and Transportation
11710 Hopewell Road Hagerstown, MD	319,596 SF	The Bowman Group LLC	Undisclosed	Undisclosed

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