



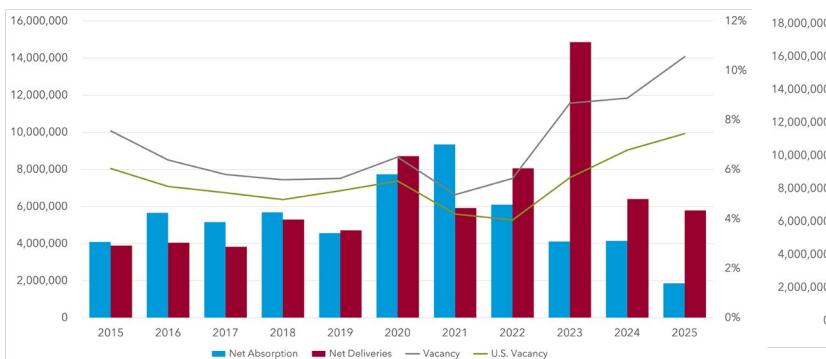
INDUSTRIAL MARKET OVERVIEW

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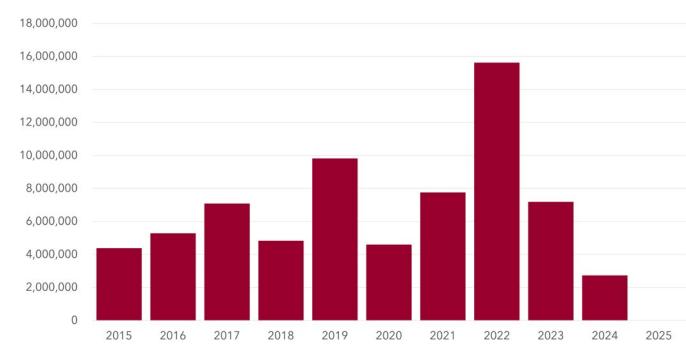
Maryland's industrial market showed signs of stabilization in Q4 after a turbulent summer. Net absorption rebounded sharply, posting over 2.1 million SF in positive demand, reversing the steep losses from Q3. Vacancy tightened to 9.64%, dipping below the double-digit mark, while asking rents continued their upward trend, crossing \$10 PSF for the first time. Construction activity surged, with more than 4.2 million SF underway, signaling developer confidence despite recent volatility. On the investment front, pricing remained firm, with average sale prices climbing to \$146.60 PSF and cap rates compressing slightly to 7.08%, underscoring sustained institutional interest. Large leases by Southland Industries, Graybar Electric, and Standard Solar anchored activity, reflecting a diverse tenant mix from construction to renewable energy.

MARKET INDICATORS	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
▲ Net Absorption SF	2,179,834	(3,821,301)	482,839	3,160,259	3,910,207
▼ Vacancy Rate	9.64%	10.13%	10.08%	9.15%	8.74%
▲ Avg NNN Asking Rate PSF	\$10.09	\$9.99	\$9.84	\$9.93	\$9.78
▲ Sale Price PSF	\$146.60	\$144.60	\$142.40	\$140.60	\$137.20
▼ Cap Rate	7.08%	7.12%	7.19%	7.22%	7.28%
▲ Under Construction SF	4,229,662	3,115,137	957,074	295,250	70,000
▲ Inventory SF	295,021,867	291,344,949	291,020,713	290,134,586	289,341,706

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
4401 Eastern Avenue - Bldg 40* Baltimore, MD	183,225 SF	\$16,000,000 N/A	Cross Street Partners Crown Associates	Class C
2300 Craftsman Circle Hyattsville, MD	180,000 SF	\$50,000,000 \$277.78 PSF	Terreno Realty Atapco Properties	Class A
4401 Eastern Avenue - Bldg 45* Baltimore, MD	140,170 SF	\$16,000,000 N/A	Cross Street Partners Crown Associates	Class C

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
14900 Elion Way Brandywine, MD	400,848 SF	Elion Partners	Southland Industries	Construction
14301 Mattawoman Drive Brandywine, MD	393,440 SF	Mapletree Investments	Graybar Electric Supply	Distribution/ Wholesale
10440 Downsville Pike Hagerstown, MD	319,000 SF	Tramwell Crow Co. Diamond Realty Invest	Standard Solar	Renewable Energy



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