



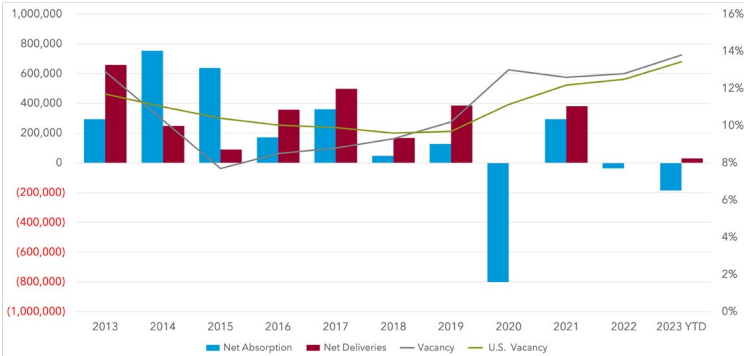
### OFFICE MARKET OVERVIEW

BILL HARRISON, *Senior Vice President*

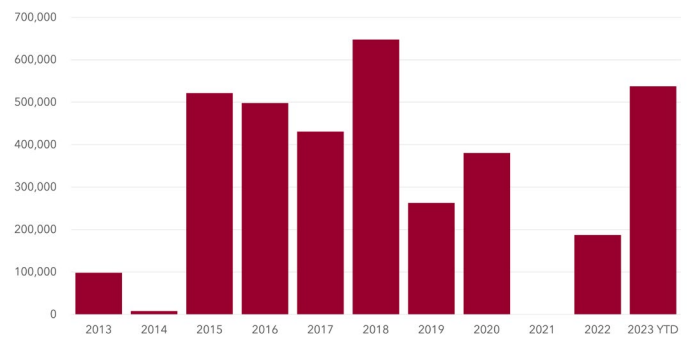
As we head into year-end it is time to examine some of the details of Q3. Direct net absorption for Q3 was negative (82,617 SF) with the vacancy rate increasing to 13.4% versus the 12.9% level seen in Q2 2023. The notable office leases completed in the quarter were 6950 Columbia Gateway Drive, 8955 Guilford and 10440 Little Patuxent. Its worth noting that two of those three leases were sublets. Asking rates decreased slightly to \$25.13 from \$25.47 in Q2. Medical and Government related tenants continue to be strong prospects in the market compared to generic office users.

MARKET INDICATORS	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
▼ Net Absorption SF	(82,617)	9,608	(45,333)	(24,372)	111,107
▲ Vacancy Rate	13.4%	12.9%	13.0%	12.8%	12.7%
▼ Avg Asking Rate PSF	\$25.13	\$25.47	\$25.53	\$25.43	\$25.25
▼ SF Under Construction	237,586	273,200	273,200	187,200	100,000
▲ Inventory SF	22,823,231	22,802,231	22,802,231	22,802,231	22,802,231

### NET ABSORPTION, NET DELIVERIES, & VACANCY



### UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
11055-11085 Stratfield Ct, Units 1,2,3 Marriottsville, MD	8,000 SF	\$1,800,000 \$225.00 PSF	ACE Services Corridor Mortgage Group	Class C
8894 Stanford Boulevard, Suite 301 Columbia, MD	3,393 SF	\$933,000 \$275.00 PSF	Akan Real Estate Group 2HB Holdings LLC	Class A
5513 Twin Knolls Rd, Units 216 & 218 Columbia, MD	2,697 SF	\$435,000 \$161.00 PSF	Howard County Chinese School Daniel Ball & Associates	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6950 Columbia Gateway Drive Columbia, MD	10,753 SF	COPT	iNovex	Engineering
8955 Guilford Road Columbia, MD	8,061 SF	Fernau LeBlanc	KasCon	Construction
10440 Little Patuxent Pkwy, Suite 700 Columbia, MD	7,841 SF	Howard Hughes	Undisclosed	Undisclosed

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