



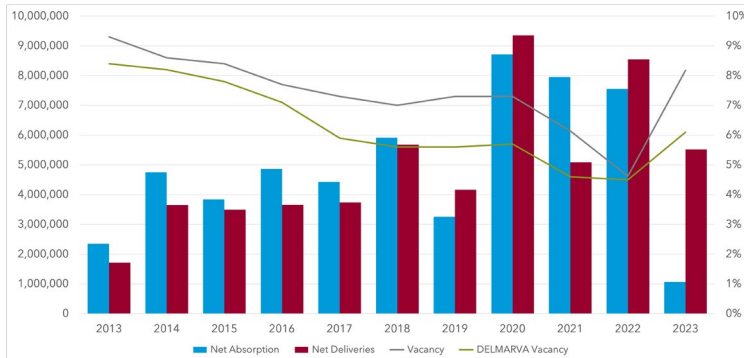
INDUSTRIAL MARKET OVERVIEW

ERIC SKOGMO, *Vice President*

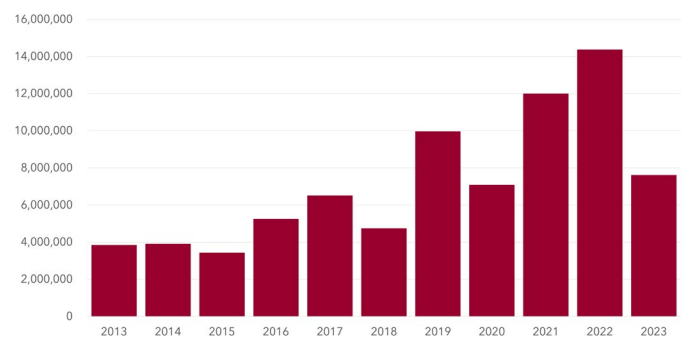
The Greater Baltimore industrial market once again had a down quarter to end the year. Despite the asking rental rate leveling off and more space becoming available, leasing velocity remained slow. Negative absorption was over three quarters of a million square feet. As companies reevaluate their supply chains the amount of vacant sublet space has increased, contributing to the negative absorption and increased vacancy rate. Multiple deliveries of big box warehouses, either fully or partially vacant, also contributed to the approximately 1% increase in the vacancy rate since Q3. Capital markets remained slow as economic concerns still linger.

MARKET INDICATORS	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
▼ Net Absorption SF	(260,274)	1,649,851	(215,737)	(1,071,216)	1,435,400
▲ Vacancy Rate	8.18%	7.24%	6.37%	5.43%	4.60%
▼ Avg NNN Asking Rate PSF	\$8.89	\$8.90	\$8.93	\$8.01	\$7.64
▼ SF Under Construction	7,618,515	9,983,969	14,580,644	14,478,784	14,373,868
▲ Inventory SF	273,208,479	271,374,754	266,343,192	264,055,067	263,150,463

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
Lakeside Business Park Portfolio Edgewood, MD	892,076 SF	\$112,074,285 \$125.63 PSF	Rockpoint Link Logistics	Class A
727 Old Philadelphia Road Aberdeen, MD	500,400 SF	\$51,330,000 \$102.57 PSF	Peterson Companies Northwestern Mutual Life Insurance	Class A
2101 Riggs Avenue Baltimore, MD	116,149 SF	\$750,000 \$6.46 PSF	MCB Real Estate Mark Rannie	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6709 Pulaski Highway Rosedale, MD	222,400 SF	Wh-pulaski LLC	BGE	Utilities
1021 Swan Creek Drive Curtis Bay, MD	154,400 SF	Hartz Mountain Industries	Nissan	Manufacturing
670 Chesapeake Park Plaza Middle River, MD	147,030 SF	Regency Furniture	St. Martin's	Appliances

The information and details contained herein have been obtained from third-party sources believed to be reliable, however, Lee & Associates has not independently verified its accuracy. Lee & Associates makes no representations, guarantees, or express or implied warranties of any kind regarding the accuracy or completeness of the information and details provided herein, including but not limited to, the implied warranty of suitability and fitness for a particular purpose. Interested parties should perform their own due diligence regarding the accuracy of the information.

The information provided herein, including any sale or lease terms, is being provided subject to errors, omissions, changes of price or conditions, prior sale or lease, and withdrawal without notice. Third-party data sources: CoStar Group, Inc., The Economist, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, Congressional Budget Office, European Central Bank, GlobeSt.com, CoStar Property, and Lee & Associates Proprietary Data. ©

© Copyright 2023 Lee & Associates all rights reserved. Third-party Image sources: sorbis/shutterstock.com, shutterstock.com, pixabay.com, istock.com