MARKETBEAT

BALTIMORE

INDUSTRIAL Q3 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
8.7% Vacancy Rate	▲	▼
-1.2M YTD Net Absorption, SF	▼	▲
$11.02 Asking Rent, PSF *(Overall, Net Asking Rent)*	▲	▬

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
1.5M Baltimore Employment	▲	▼
3.4% Baltimore Unemployment Rate	▲	▲
4.3% United States Unemployment Rate	▲	▲

Source: BLS

ECONOMY

Baltimore businesses are finding creative ways to navigate shifting trade and supply chain dynamics. Rising demand for bonded warehouses and foreign trade zones near the Port of Baltimore lets importers delay tariffs and manage inventory more effectively. These facilities add flexibility amid volatile policies and reinforce Baltimore's role as a key U.S. logistics hub.

Adding momentum, CSX marked the reopening of the expanded Howard Street Tunnel, a transformative project modernizing East Coast freight rail. When additional work finishes in early 2026, double-stacked intermodal trains will move through Baltimore, adding 160,000 containers annually and supporting 13,000 new jobs. Together, stronger warehouse demand and the tunnel expansion highlight Baltimore's growing industrial capacity and strategic importance in regional and national supply chains.

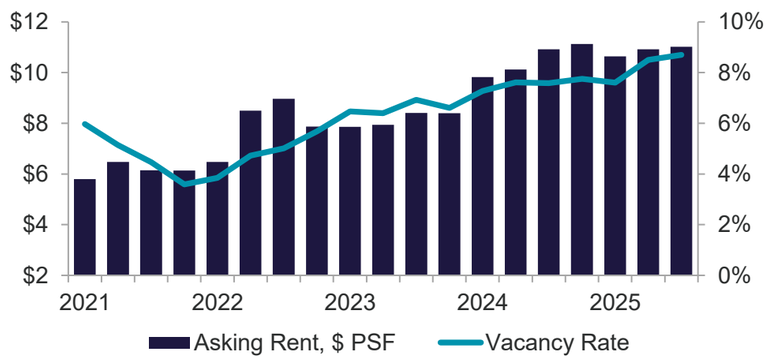
SUPPLY & DEMAND

The Baltimore Metro industrial market posted 508,406 square feet (sf) of negative absorption in Q3 2025, pushing year-to-date (YTD) occupancy losses to negative 1.2 million square feet (msf). The quarter's softening was driven by two major move-outs: Americold's 360,458-sf vacancy at 300 Belvidere Rd in the Harford/Cecil County submarket and Whitebox's 359,276-sf departure from 1010 Swan Creek Dr in the BW Corridor. These losses outweighed new tenant occupancies, which were led by Cambium Carbon's and TA Services' mid-sized commitments for a combined total of 218,000 sf. Overall vacancy increased 30 basis points (bps) from the previous quarter and 140 bps YOY to 8.7%, though asking rents held steady at $11.02 per square foot, underscoring the market's resilience despite a challenging absorption environment.

Looking ahead, the pipeline momentum remains a stabilizing force. While no new projects delivered or broke ground during Q3, 2.4 msf of space is slated to deliver by year-end, including Floor & Décor's 1.3-msf build-to-suit at Tradepoint Atlantic. Leasing demand remains strong, up 8.0% YOY, led by Ryder's 1.0-msf lease at Bainbridge Logistics Center—a deal that erased the last remaining 1.0 -msf block of availability in the state. With Ryder's move-in and Floor & Décor's delivery expected in Q4, more than 2.3 msf of positive absorption is anticipated before year-end 2025, setting the stage for a rebound after three quarters of contraction.

SPACE DEMAND / DELIVERIES

OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	YTD CONSTR COMPLETIONS (SF)	YTD LEASING ACTIVITY (SF)	YTD RENEWAL LEASING ACTIVITY (SF)	OVERALL WEIGHTED AVG NET RENT (W/D)
Baltimore City East	17,362,345	906,244	5.2%	100,240	-25,636	0	0	156,400	57,000	$9.41
Baltimore County East	30,194,309	2,966,385	9.8%	-42,403	-564,480	1,712,523	414,960	604,463	332,687	$11.27
Harford and Cecil County	41,205,257	4,061,784	9.9%	-343,670	-109,585	463,612	0	1,487,908	360,033	$7.99
I-95N CORRIDOR TOTALS	**88,761,911**	**7,934,413**	**8.9%**	**-285,833**	**-699,701**	**2,176,135**	**414,960**	**2,248,771**	**749,720**	**$9.48**
Baltimore Southeast	10,824,953	1,026,528	9.5%	-359,276	-359,276	0	0	220,650	151,189	$11.89
Baltimore Southwest	15,349,411	1,459,794	9.5%	-51,865	-256,807	0	0	181,368	62,236	$11.41
I-95/Route 1 Corridor	41,883,193	3,804,751	9.1%	181,868	179,131	356,784	115,188	1,727,592	1,461,886	$13.42
BW CORRIDOR TOTALS	**68,057,557**	**6,291,073**	**9.2%**	**-229,273**	**-436,952**	**356,784**	**115,188**	**2,129,610**	**1,675,311**	**$12.76**
Carroll	5,384,965	0	0	0	0	0	0	0	1,035,249	N/A
Northwest	1,287,917	129,152	10.0%	0	-129,152	0	0	0	0	N/A
Reisterstown Road Corridor	278,533	0	0	0	0	0	0	0	0	N/A
Route 83 North	2,590,770	89,668	3.5%	6,700	37,821	0	0	22,830	0	$10.26
Route 83 South	375,976	0	0	0	0	0	0	0	0	N/A
Woodlawn/Catonsville	522,934	44,808	8.6%	0	0	0	0	0	0	$7.15
BELTWAY TOTALS	**10,441,095**	**263,628**	**2.5%**	**6,700**	**-91,331**	**0**	**0**	**22,830**	**1,035,249**	**$9.22**
BALTIMORE TOTALS	**167,260,563**	**14,489,114**	**8.7%**	**-508,406**	**-1,227,984**	**2,532,919**	**530,148**	**4,401,211**	**3,460,280**	**$11.02**

**Rental rates reflect weighted net asking $psf/year*

KEY LEASE TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
200 Powers Rd - Bainbridge Logistics Center Bldg B	Harford & Cecil County	Ryder	1,026,000	New Lease
6635 Business Pkwy	I-95/Route 1 Corridor	Lexor	149,800	Renewal* & Expansion
4501 Curtis Ave	Southeast	Dealer Tire	121,000	New Lease
9325 Snowden River Parkway	I-95/Route 1 Corridor	Cambium Carbon	118,678	New Lease
2413 Peppermill Rd	I-95/Route 1 Corridor	Confidential Jewelry Company	107,180	New Lease

**Renewals not included in leasing statistics*

KEY SALES TRANSACTIONS Q3 2025

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / $ PSF
Elkton Commerce Center	95 North	Trammell Crow / Ares	770,160	$80M / $103
9055 Junction Dr & 10650 Riggs Hill Rd	BW Corridor	Knickerbocker Properties / Ares	200,242	$32.5M / $162
7165-7195 Oakland Mills	BW Corridor	ATEC Industries / The Premier Companies	148,910	$27M / $181
Owings Mills Commerce Center	Beltway	CSG Partners / Fernau LeBlanc	132,000	$18M / $136
1801 62nd Street	95 North	Cabot / KKR	94,350	$18M / $191

MICHAEL HANES
Senior Research Manager
Tel: +1 215 963 4037
Michael.Hanes@cushwake.com

BEN CAFFEY
Senior Research Analyst
Tel: +1 410 685 9883
Benjamin.Caffey@cushwake.com