

MARKETWATCH

August 2011 ■ Office Space

■ Baltimore Metro Area

Submarkets	All Office Buildings				Buildings Built 1985 - Present			SF Under Construction or Renovation	Q2 2011 Net Absorption (SF)	First Half 2011 Net Absorption (SF)
	Total Rentable SF ¹	SF Available Immediately ²	Direct Vacancy Rate	Vac. Rate w/ Sublet Space	Total Rentable SF ³	SF Available Immediately ²	Direct Vacancy Rate			
Baltimore County West	10,611,476	1,008,090	9.5%	9.7%	5,248,810	498,637	9.5%	40,000	(31,000)	54,000
Baltimore County North	15,028,812	1,728,313	11.5%	11.8%	5,958,921	589,933	9.9%	195,500	15,000	(195,000)
Baltimore County East	2,205,631	319,816	14.5%	15.9%	539,943	25,917	4.8%	-	9,000	18,000
Baltimore CBD	17,891,713	2,504,840	14.0%	14.9%	8,604,903	1,204,686	14.0%	-	89,000	36,000
Balance of Baltimore City	15,070,003	2,109,800	14.0%	14.3%	4,798,099	830,071	17.3%	-	(15,000)	15,000
Columbia	13,292,258	1,794,455	13.5%	13.7%	7,599,101	1,063,874	14.0%	178,779	66,000	39,000
Route 1 North	1,145,773	260,090	22.7%	22.7%	542,178	89,459	16.5%	-	(13,000)	42,000
BWI ⁴	10,920,129	1,659,860	15.2%	15.5%	6,864,687	810,033	11.8%	125,000	(22,000)	(32,000)
Anne Arundel South	5,823,039	582,304	10.0%	10.3%	1,847,418	199,521	10.8%	-	6,000	58,000
Harford County ⁵	3,071,757	611,280	19.9%	20.3%	1,330,145	485,503	36.5%	245,200	59,000	107,000
TOTAL - Baltimore Metro	95,060,591	12,578,849	13.2%	13.6%	43,334,205	5,797,636	13.4%	784,479	163,000	142,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ Includes buildings 50,000 SF RBA and greater built 1985-present, except for Baltimore CBD, which includes those buildings that are defined as Class A by CoStar and are 50,000 SF or greater.

⁴ 430 National Business Parkway delivered.

⁵ 206 Research Boulevard delivered.

■ Suburban Maryland

Montg. Co. Submarkets	All Office Buildings				Buildings Built 1985 - Present			SF Under Construction or Renovation	Q2 2011 Net Absorption (SF)	First Half 2011 Net Absorption (SF)
	Total Rentable SF ¹	SF Available Immediately ²	Direct Vacancy Rate	Vac. Rate w/ Sublet Space	Total Rentable SF ³	SF Available Immediately ²	Direct Vacancy Rate			
Bethesda/Chevy Chase	11,293,448	869,595	7.7%	9.4%	5,174,211	300,104	5.8%	-	11,000	(11,000)
North Bethesda	10,326,658	1,249,526	12.1%	12.7%	4,424,299	756,555	17.1%	358,440	-	(124,000)
Rockville	8,588,860	1,073,608	12.5%	12.6%	3,434,177	497,956	14.5%	-	103,000	86,000
North Rockville	11,820,950	1,501,261	12.7%	14.3%	8,220,338	1,027,542	12.5%	575,000	106,000	71,000
Gaithersburg	5,281,815	728,890	13.8%	15.0%	1,489,124	232,303	15.6%	-	(26,000)	(37,000)
Germantown	2,455,685	289,771	11.8%	12.9%	1,682,920	218,780	13.0%	194,400	(27,000)	49,000
Kensington/Wheaton	1,406,234	340,309	24.2%	24.9%	65,000	-	0.0%	-	(202,000)	(217,000)
Silver Spring	6,903,910	787,046	11.4%	12.1%	3,588,215	340,880	9.5%	-	(55,000)	(7,000)
N. Silver Spring/Rt. 29	2,980,145	178,809	6.0%	6.9%	1,590,620	17,497	1.1%	-	(27,000)	(33,000)
TOTAL - Montgomery Co.	61,057,705	7,018,814	11.5%	12.5%	29,668,904	3,391,617	11.4%	1,127,840	(117,000)	(223,000)
Prince George's Co. Submarkets										
Beltsville/Calverton/Coll. Pk.	5,304,784	875,289	16.5%	16.5%	2,195,946	333,784	15.2%	268,762	5,000	5,000
Laurel	2,509,823	306,198	12.2%	12.7%	1,471,426	136,843	9.3%	-	(5,000)	(10,000)
Greenbelt	3,016,041	726,866	24.1%	24.4%	1,412,715	443,593	31.4%	-	(54,000)	(60,000)
Lanham/Landover/Largo	4,951,020	1,010,008	20.4%	20.9%	2,137,730	521,606	24.4%	-	(10,000)	(45,000)
Bowie/Marlboro/South P.G.	5,832,217	903,994	15.5%	16.0%	1,858,682	388,465	20.9%	-	(29,000)	(12,000)
TOTAL - Prince George's Co.	21,613,885	3,822,355	17.7%	18.0%	9,076,499	1,824,290	20.1%	268,762	(93,000)	(122,000)
Frederick County	5,952,641	1,029,807	17.3%	17.5%	3,601,814	713,159	19.8%	-	65,000	71,000
TOTAL - Suburban Maryland	88,624,231	11,870,976	13.4%	14.2%	42,347,217	5,929,066	14.0%	1,396,602	(145,000)	(274,000)

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ Includes buildings 50,000 SF RBA and greater.

MARKETWATCH

August 2011 ■ Flex/Industrial Space

■ Baltimore Metro Area

Submarket	Total Inventory ¹	Direct Avail. Space ²	Direct Vacancy Rate	Available Sublease Space	Vacancy Rate w/ Sublease Space
Harford County	21,308,480	1,385,051	6.5%	468,787	8.7%
Baltimore County East	24,607,235	2,386,902	9.7%	49,214	9.9%
Baltimore County North	7,884,578	307,499	3.9%	7,885	4.0%
Baltimore County West	18,825,640	1,449,574	7.7%	56,477	8.0%
Columbia	13,579,814	1,941,913	14.3%	27,160	14.5%
Route 1 North	27,964,042	3,048,081	10.9%	83,892	11.2%
BWI	25,316,122	3,037,935	12.0%	25,316	12.1%
Anne Arundel South	4,055,139	202,757	5.0%	4,055	5.1%
Baltimore City	54,468,293	3,921,717	7.2%	490,215	8.1%
TOTAL	198,009,343	17,681,428	8.9%	1,213,000	9.5%

Submarket	Q2 2011 Net Absorption (SF)	First Half 2011 Net Absorption (SF)	Space Under Construction	Space Under Renovation
Harford County	639,000	298,000	-	-
Baltimore County East	74,000	(123,000)	30,000	-
Baltimore County North	31,000	63,000	-	-
Baltimore County West	94,000	56,000	211,600	-
Columbia	14,000	68,000	-	-
Route 1 North	280,000	56,000	-	-
BWI	152,000	(253,000)	-	-
Anne Arundel South	(8,000)	4,000	-	-
Baltimore City	34,000	34,000	-	-
TOTAL	1,310,000	203,000	241,600	-

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

■ Suburban Maryland

Submarket	Total Inventory ¹	Direct Avail. Space ²	Direct Vacancy Rate	Available Sublease Space	Vacancy Rate w/ Sublease Space
Prince George's County	57,290,376	6,130,070	10.7%	343,742	11.3%
Montgomery County	26,791,812	2,250,512	8.4%	187,543	9.1%
Frederick County	15,596,199	2,479,796	15.9%	265,135	17.6%
TOTAL	99,678,387	10,860,378	10.9%	796,420	11.7%

Submarket	Q2 2011 Net Absorption (SF)	First Half 2011 Net Absorption (SF)	Space Under Construction	Space Under Renovation
Prince George's County	(229,000)	79,000	142,346	-
Montgomery County	(108,000)	(54,000)	-	-
Frederick County	(59,000)	(199,000)	370,000	-
TOTAL	(396,000)	(174,000)	512,346	-

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

MARKETWATCH

August 2011 ■ **Market Activity**

■ Baltimore Metro Area: Office

LEASES

Tenant	Address	Square Feet
Koffel Associates, Inc.	8815 Centre Park Drive	11,000
Total Gross Leasing Activity Estimate - Through August 2011 (including renewals):		3,250,000

INVESTMENT SALES

No notable sales.

■ Baltimore Metro Area: Flex/Industrial

LEASES

Tenant	Address	Square Feet
Verizon (Renewal)	7549 Harmans Road	35,000
De Leon Floors	8325 Patuxent Range Road	16,000
Total Gross Leasing Activity Estimate - Through August 2011 (including renewals):		4,650,000

INVESTMENT SALES

No notable sales.

■ Suburban Maryland: Flex/Industrial and Office

LEASES

Tenant	Address	Square Feet
DRS Technologies, Inc.	530 Gaither Road (office)	24,000
DML, Inc.	6550 Rock Spring Drive (office)	22,000
Whiting-Turner	6305 Ivy Lane (office)	14,000
PPD Development	2400 Research Boulevard (office)	13,000
Total Gross Leasing Activity Estimate - Through August 2011 (including renewals):		5,100,000

INVESTMENT SALES

No notable sales.