

Baltimore

Impact

High-tech tenants serving the federal government are relocating to submarkets in Baltimore as a result of the opening of the Defense Information Systems Agency's (DISA) headquarters at Fort Meade. Office space near Fort Meade continues to be at premium as high-tech based tenants in National Business Park sign deals at rates almost 30 percent higher than the market average.

Overview

Base Realignment and Closure (BRAC), a reallocation of military personnel, and the resulting influx of government workers and contractors to Fort Meade and Aberdeen Proving Grounds have dominated high-tech trends in the Baltimore region. Local officials that expected a surge of development associated with BRAC now anticipate steady growth through the coming years as contractors gradually relocate to facilities adjacent to their clients.

Outlook

The establishment of the DISA will provide almost limitless growth potential, leading some to predict that the area surrounding Fort Meade will become a hub for cyber security contractors and high-tech firms developing such products and services, driving demand for office space.

Players: top high-tech firms
By real estate footprint



Computer Sciences Corporation
SAIC
Micros Systems

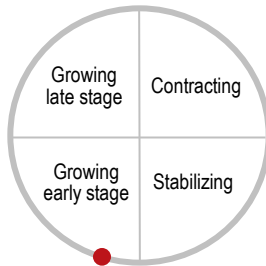
Scorecard



Economic		rank
High-tech jobs / annual growth	30,760 / 9.0%	15/2
Percent of total jobs	3.3%	13
Number of firms	2,398	12
Venture capital funding (past 4 quarters)	\$221.1 M	14
Share of U.S. total	0.9%	
College education	34.2%	13
Diversity (non-white / foreign born)	37.8% / 8.1%	6/16
Office		
Cost (average asking rent)	\$22.40	14
Annual growth	1.1%	7
Supply (vacancy rate)	15.5%	5
Demand (net absorption sf / % (past 4 quarters))	2,011,461 sf / 2.9%	5 / 1
High-tech concentration (high-tech services vs. office jobs)	11.1%	11

High-tech industry

Economic cycle clock



Office property

Market cycle clock



Recent lease activity

