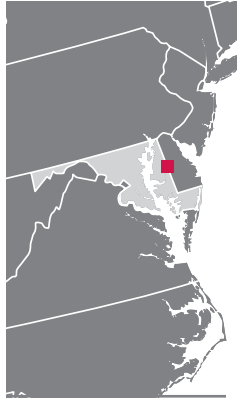


## Delaware & Cecil County, Maryland



### Contact

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### Metropolitan Area Economic Overview

2009 Population	365,831
2014 Estimated Population	431,861
Employment Population	175,945
Household Average Income	\$62,172
Median Household Income	\$48,297
Total Population Median Age	39

Wilmington's vacancy rate increased in 2009 while absorption rates decreased. Local developers have acquired existing assets and have completed new construction, much of which has remained vacant. Suburban office vacancies rose sharply in 2009 while suburban development will continue with moderate pre-leasing activity. Industrial activity in New Castle County has been slow.

Bank of America continues to consolidate into Wilmington's CBD, bringing 500,000 SF of suburban office online. Class B is forecasted to lease quickly as it has shown moderate activity and net absorption throughout 2009. Suburban office availability remains below the national average and has stabilized for Class A and Class B properties. Class A rates dropped while vacancy rose, with a reduction in Class B rates driven by increased sublease space. Development sites in Middletown and Newark represent an additional 200,000 SF. Absorption and lease rates are expected to remain constant during early 2010. Medical office commands the highest rental rates and land prices remain unchanged from 2007.

Since 2002, nearly 2.5million SF of industrial had been absorbed by automakers. In 2008, both Chrysler's Newark plant and Saturn's New Castle plant closed. The University of Delaware purchased the Newark plant. Fisker Automotive purchased the New Castle plant, where they will assemble a hybrid sedan. Industrial land absorption is expected to remain stagnant through 2010.

Most of Delaware's new retail construction is mixed-use with some strip centers in Northern Delaware opting for additions and renovations. New construction is strongest around the Christiana area. Southern Delaware continues to see growth. Future development around Route 273 and Christiana Mall will bring nearly 2 million SF online in the next few years.

Cecil County, Maryland, has experienced increased industrial activity due to aggressive county initiatives. Base Realignment And Closure, which will transfer operations from Fort Monmouth to Aberdeen Proving Ground in 2011, is affecting Cecil County as new residents are relocating to the area. Accordingly, industrial interest remains strong throughout the county.

### Delaware & Cecil County, Maryland At A Glance

(Rent/SF/YR)	Low	High	Effective Avg.	Vacancy
<b>DOWNTOWN OFFICE</b>				
New Construction (AAA)	\$ 26.00	\$ 30.00	\$ 27.50	25.0%
Class A (Prime)	\$ 26.00	\$ 28.00	\$ 26.00	20.0%
Class B (Secondary)	\$ 13.00	\$ 19.00	\$ 18.50	35.0%
<b>SUBURBAN OFFICE</b>				
New Construction (AAA)	\$ 24.00	\$ 28.00	\$ 26.00	15.0%
Class A (Prime)	\$ 22.00	\$ 28.50	\$ 22.50	20.0%
Class B (Secondary)	\$ 15.50	\$ 19.00	\$ 18.50	30.0%
<b>INDUSTRIAL</b>				
Bulk Warehouse	\$ 3.50	\$ 7.00	\$ 4.25	20.0%
Manufacturing	N/A	N/A	N/A	N/A
High Tech/R&D	\$ 10.00	\$ 20.00	\$ 14.00	18.0%
<b>RETAIL</b>				
Downtown	\$ 12.00	\$ 18.00	\$ 13.25	10.0%
Neighborhood Service Centers	\$ 18.00	\$ 23.00	\$ 20.00	15.0%
Community Power Center	\$ 19.50	\$ 27.00	\$ 21.00	10.0%
Regional Malls	\$ 55.00	\$ 75.00	\$ 60.00	5.0%
<b>DEVELOPMENT LAND</b>				
	<b>Low/Acre</b>		<b>High/Acre</b>	
Office in CBD	\$ 40.00		\$ 75.00	
Land in Office Parks	\$ 300,000.00		\$ 550,000.00	
Land in Industrial Parks	\$ 175,000.00		\$ 220,000.00	
Office/Industrial Land - Non-park	\$ 150,000.00		\$ 450,000.00	
Retail/Commercial Land	\$ 300,000.00		\$ 550,000.00	
Residential	\$ 35,000.00		\$ 225,000.00	