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## Skilled Labor Market Remains Major Contributing Factor to Strength of Baltimore-area Industrial Market, says Jim Lighthizer of CREG

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*Jim Lighthizer, Principal, Managing Partner, Chesapeake Real Estate Group (center) with Owen Rouse, Manekin (right) and Jeff Bonfoey, FCL Builders.*

“The availability of a highly-skilled and plentiful labor market remains among the prime factors in the real estate selection process for industrial/warehouse uses, and the greater Baltimore metropolitan market continues to rank high in this category nationally,” explained **Jim Lighthizer**, Principal and Managing Partner, **Chesapeake Real Estate Group** at the recent Bisnow “Baltimore-Washington Industrial Boom” seminar.

“When speaking with our developer peer groups around the country at various NAIOP forums, the constant refrain is that labor remains their biggest challenges. The Baltimore-Washington, D.C. region has not experienced the same labor shortages and this remains a contributing factor to the continued strength of this industrial real estate product category.”

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“My real estate career began in 1988 and, back then and through the early 2000s, the demand for industrial/warehouse space came in significantly smaller blocks,” Lighthizer explained. “There were multiple buildings from which to choose and tenants took the time to tour every one. Things were frothy. The climate is extremely different now. The deals are exceedingly larger - up to one million square feet of space. With a small number of new speculative buildings under construction in Maryland - you can count the number on one hand - this is translating to lower occupancy rates. With fewer options to relocate, companies have the choice of renewing where they are or paying new building prices.

“There will always be demand for new, modern buildings with the latest technology and engineering,” Lighthizer continued. “In Pennsylvania, with plentiful land available, there are dozens of industrial/warehouse buildings underway as compared to Maryland’s relatively few. They are taking a bit of thunder away from us and certainly a lot of jobs resulting in lost business for our state.”

**Chesapeake Real Estate Group, LLC**, headquartered in Baltimore, Maryland, is a fully-integrated commercial real estate operating company that focuses on real estate development, leasing, property management and brokerage services. The company owns a diverse portfolio encompassing Class “A” industrial and commercial office properties, as well as retail centers. Visit [www.cregllc.com](http://www.cregllc.com) (<http://www.cregllc.com/>)