

*Appendix C:*

Market Study for Brookville  
Industrial Area  
Executive Summary



**MARKET STUDY  
BROOKVILLE INDUSTRIAL AREA  
SILVER SPRING, MARYLAND**

Prepared for:

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Park and Planning Commission

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RER Economic Consultants, Inc.  
950 Herndon Parkway  
Suite 200  
Herndon, VA 20170



## Executive Summary

The accompanying report evaluates the competitive position of the Brookville Industrial Area in the North and West Silver Spring vicinity of Montgomery County, Maryland. Its purpose is to provide information and analysis to guide master planning for those areas of the County. Of primary concern is whether it is feasible to maintain Brookville as a viable industrial area, with the possibility that public infrastructure improvements and/or private investments to upgrade the area may be necessary to maintain that viability.

This study of the Brookville Industrial Area finds it to be an intensively developed area of over 100 acres and almost 1.4 million square feet of industrial floor space. The area has been found to have excellent geographic centrality and access to local and regional destinations, yet it is also rigidly confined by surrounding uses and limited road capacity and direct access to major thoroughfares.

Field visits and surveys of businesses and owners find the Brookville Industrial Area to be well-occupied and quite active, with numerous firms specializing in custom construction trades, and automotive and other repair services, to name the most numerous. Overall, Brookville businesses are well-established firms serving a wide geographical area.

Survey research and physical inspections indicate that the Brookville is viable and competitive as an industrial area. It benefits from the limited inventory of warehouse space in Southeastern Montgomery County and the high rents for such space that are commanded throughout the County.

Key findings of the study are highlighted below. These include alternatives for improvements that might be considered in master plans that include Brookville.

### Brookville Characteristics

The Brookville Industrial Area is characterized by multi-tenant or freestanding structures. This creates a relatively dense pattern of development. There is a total of 1.4 million square feet of industrial and related space in approximately 50 different industrial buildings (many buildings are attached and may be counted as single structures in some instances).

Approximately three-fourths of all industrial space in Brookville is considered to be of sound condition, with little or no deferred maintenance. About 14 percent is in fair condition, with need for more extensive repair; and 11 percent is in poor condition, with needed improvements so severe that demolition is a likely alternative in some cases.

An estimated eleven percent of the private industrial warehouse inventory in Brookville is currently vacant and for lease. All of this space is in multi-tenant structures, and most is in structures of poorer condition, with some exceptions. Most vacant space is warehouse space, except for Technical Services Park on Linden Place, which has a high vacancy rate due to large amounts of vacant office space in flex buildings.

Nearly 30 percent of the vacant warehouse space is in the Warren/Fraser vicinity, and another 30 percent is in the Talbot/Perkins vicinity. Both areas suffer from poor road conditions and access, which are definite disincentives for owners to upgrade rundown buildings in those vicinities. Clutter and traffic may provide a similar disincentive on Garfield Avenue.

The average asking rent for available industrial warehouse space in Brookville is \$7.19 per square foot. The range of typical asking prices is from \$6.00 to \$8.00 per square foot. The upper end of the range of rents for warehouse space in Brookville is represented by two structures with asking rents in the \$9.40 to \$9.60 range.

Flexible space (with office fronts, rear loading, and a larger office component than warehouse space), rents for \$10.00 per square foot in Brookville, although there is relatively little such space in the Area.

### Brookville Tenants

One-third of all firms in Brookville are service firms: 12 percent are automotive services, eight percent are business services, six percent are other repair services, and six percent are other services, such as cleaning services.

Firms are distributed fairly equally among other sectors, e.g., 16 percent in construction, 13 percent in manufacturing, 15 percent in wholesale, and 13 percent in retail.

Firms in Brookville are well-established, both in terms of the age of the business and the length of time in Brookville. Over 80 percent of the firms in Brookville have been in business for over five years, and 65 percent have been in business more than 10 years.

Half or more of the tenants in each industrial sector except automotive services cited convenience or good location as the chief reason for locating in Brookville. Auto services were more concerned with rent levels and space availability among similar firms.

Most tenants seem reasonably or well-satisfied with Brookville as an industrial location, as only one-third report "problems" they consider serious. Lack of parking is the most frequently cited (25 percent), and collectively a number of different aspects concerning traffic volumes and flows accounted for 35 percent of all problems cited.

Ten percent of the problems mentioned referred to crime or security issues, including the need for increased policing. Other problems, such as problems with buildings, lease terms, or management, were less frequently cited.

## Regional Competitiveness

The Montgomery County industrial submarket comparable to Brookville is highly competitive. While there are large amounts of inexpensive warehouse space at some distance away in Prince Georges County, Southeastern Montgomery County is quite limited in its inventory of industrial warehouse space.

The combination of access and scarcity of close-in competition allows Brookville to maintain market level occupancies while commanding rents above comparable space in other older industrial areas in suburban Maryland.

The vacancy rate of 11 percent in the Brookville Industrial Area is in line with vacancy rates at most industrial locations in Montgomery and Prince Georges counties. The average asking rent of \$7.19 for warehouse space in Brookville is competitive with the \$8.00 to \$9.00 range in the rest of Montgomery County.

## Master Plan Recommendations

Improvements are needed to establish clear demarcations between the industrial and residential neighborhoods and to buffer the industrial area to minimize impacts on surrounding residences. Landscape buffers can serve the dual purpose of improving visual appearance as well as defining, separating and screening the industrial area.

There is visual evidence of the need for significant private investment to renovate structures and sites to improve appearances and conditions of lots, and to correct structural deficiencies.

Public improvements are needed throughout Brookville to enhance vehicular circulation and parking, including frontages on Brookville Road and on narrow side streets. The only location in Brookville with close to adequate parking and loading space is the WWDC Industrial Park.

Demolitions of selected deteriorated buildings by owners (private and public) are warranted to remove visual and structural blight, and selective redevelopment of the sites for new structures, parking and buffering would be appropriate.

It is recommended that master planning for the Brookville vicinity include the establishment of guidelines for future development to direct the activities on sites and improvements in the public right-of-way in Brookville as are recommended in this study.

The net effect of these recommendations is to improve both the image and functioning of Brookville as an identifiable industrial area. Improved image, as well as improved functioning, is key to maintaining the competitive viability of the area in attracting tenants. It is also needed to bring the area into conformance with the high standards for quality expected by the surrounding community and throughout Montgomery County.