

WASHINGTON METRO AREA MARKET WATCH

MARCH 2023



OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q1 2023	NET ABSORPTION Q1 2023 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
District of Columbia											
CBD	42,852,148	6,539,238	15.3%	17.3%	\$54.08	7,831,048	974,965	12.5%	334,000	(9,000)	61,000
EAST END	49,022,797	6,931,823	14.1%	15.6%	\$57.66	14,762,679	2,118,444	14.4%	94,157	0	(279,000)
CAPITOL HILL	6,204,902	1,114,400	18.0%	19.4%	\$56.01	2,736,190	850,955	31.1%	197,324	(29,000)	34,000
NOMA	11,915,358	583,853	4.9%	5.3%	\$50.65	7,487,723	232,119	3.1%	32,251	19,000	(12,000)
CAPITOL RIVERFRONT	5,762,589	628,122	10.9%	14.9%	\$55.05	4,751,666	560,697	11.8%	0	(58,000)	(144,000)
SOUTHWEST	13,233,029	1,667,362	12.6%	12.8%	\$51.40	4,882,165	565,902	11.6%	0	(20,000)	445,000
GEORGETOWN	2,964,995	738,284	24.9%	26.3%	\$44.47	127,308	29,281	23.0%	27,752	(91,000)	(110,000)
WEST END	3,892,187	537,122	13.8%	17.2%	\$50.52	432,900	12,121	2.8%	0	(19,000)	(79,000)
UPTOWN	9,573,793	1,494,469	15.6%	16.4%	\$40.39	594,613	101,084	17.0%	56,476	(41,000)	37,000
TOTAL	145,421,798	20,234,673	13.9%	15.5%	\$53.52	43,606,292	5,445,569	12.5%	741,960	(248,000)	(47,000)
TOTAL - ONE YEAR PRIOR	144,194,619	18,959,667	13.1%	14.3%	\$53.73	42,325,545	4,937,140	11.7%	2,386,431	(365,000)	(876,000)
Northern Virginia											
RCB CORRIDOR	24,964,552	4,980,428	20.0%	22.1%	\$40.62	9,164,999	1,310,595	14.3%	511,217	62,000	(237,000)
CRYSTAL CITY/PENTAGON CITY	14,339,962	2,473,643	17.3%	19.5%	\$38.33	2,750,336	731,589	26.6%	2,100,000	(36,000)	346,000
OLD TOWN	8,134,615	1,330,010	16.4%	18.4%	\$33.13	1,397,549	375,941	26.9%	0	4,000	32,000
EISENHOWER AVE CORRIDOR	8,343,378	639,103	7.7%	8.3%	\$33.89	4,747,626	123,438	2.6%	0	(9,000)	(31,000)
SPRINGFIELD/HUNTINGTON/I-95	8,550,670	1,919,625	22.5%	22.6%	\$30.17	3,170,220	913,023	28.8%	0	(34,000)	(81,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,281,224	20.2%	20.3%	\$29.05	715,940	156,075	21.8%	0	(6,000)	(57,000)
MERRIFIELD	9,247,243	1,118,916	12.1%	13.8%	\$32.48	2,614,975	392,246	15.0%	124,000	83,000	60,000
RESTON	20,777,227	3,158,139	15.2%	17.1%	\$35.70	9,876,652	1,333,348	13.5%	1,026,781	(112,000)	(649,000)
HERNDON	12,029,084	2,550,166	21.2%	22.3%	\$32.66	7,441,429	1,614,790	21.7%	0	(18,000)	(125,000)
TYSONS CORNER	30,171,909	3,922,348	13.0%	14.1%	\$37.37	10,978,017	977,044	8.9%	850,000	(106,000)	(40,000)
MCLEAN/VIENNA	2,388,725	597,181	25.0%	25.6%	\$28.59	235,000	0	0.0%	0	(369,000)	(373,000)
OAKTON/FAIRFAX CITY	5,725,889	1,099,371	19.2%	19.2%	\$24.86	499,139	123,585	24.8%	0	11,000	(72,000)
FAIRFAX CENTER	7,254,955	1,621,410	22.3%	23.1%	\$30.53	1,107,106	217,337	19.6%	0	11,000	33,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,942,007	13.4%	14.1%	\$28.71	9,423,587	1,196,796	12.7%	0	(80,000)	94,000
LOUDOUN COUNTY	16,597,058	2,552,863	15.4%	16.3%	\$28.36	10,825,775	1,374,873	12.7%	0	28,000	58,000
PRINCE WILLIAM COUNTY	6,694,183	1,292,647	19.3%	19.7%	\$26.14	1,748,188	254,412	14.6%	0	(4,000)	(108,000)
TOTAL	196,054,738	32,479,081	16.6%	17.8%	\$33.47	76,696,538	11,095,092	14.5%	4,611,998	(575,000)	(1,150,000)
TOTAL - ONE YEAR PRIOR	196,571,375	31,846,596	16.2%	17.2%	\$33.25	75,854,421	10,282,552	13.6%	3,721,073	278,000	186,000

Note: All data is updated monthly, except for net absorption which is updated quarterly.
Source: CoStar, Transwestern.



OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q1 2023	NET ABSORPTION Q1 2023 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
Suburban Maryland											
BETHESDA/CHEVY CHASE	13,170,201	2,187,861	16.6%	19.0%	\$41.00	4,184,351	738,538	17.7%	180,683	(81,000)	505,000
NORTH BETHESDA	10,897,353	1,885,242	17.3%	18.9%	\$31.49	1,557,340	38,934	2.5%	276,000	22,000	9,000
ROCKVILLE	8,436,869	1,493,326	17.7%	18.7%	\$30.72	2,978,003	428,832	14.4%	0	(34,000)	(114,000)
NORTH ROCKVILLE	12,623,350	1,476,932	11.7%	13.2%	\$31.23	5,182,223	253,929	4.9%	97,196	19,000	32,000
GAITHERSBURG	5,939,217	457,320	7.7%	7.8%	\$25.76	2,010,867	130,706	6.5%	177,000	(15,000)	(83,000)
GERMANTOWN	2,730,085	577,413	21.2%	24.6%	\$27.29	1,102,063	144,370	13.1%	73,166	(1,000)	20,000
KENSINGTON/WHEATON	1,641,234	215,002	13.1%	14.5%	\$28.44	373,000	41,030	11.0%	0	(23,000)	(31,000)
SILVER SPRING	6,973,396	990,222	14.2%	14.6%	\$31.25	900,144	171,027	19.0%	0	(76,000)	(39,000)
NORTH SILVER SPRING/RT. 29	3,661,988	400,988	11.0%	12.0%	\$27.15	484,538	41,630	8.6%	0	(2,000)	46,000
TOTAL - MONTGOMERY COUNTY	66,073,693	9,684,305	14.7%	16.1%	\$32.21	18,772,529	1,988,996	10.6%	804,045	(191,000)	345,000
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	967,116	15.9%	16.2%	\$25.85	955,149	23,879	2.5%	0	13,000	16,000
LAUREL	2,579,823	523,704	20.3%	20.4%	\$23.06	185,804	87,761	47.2%	60,000	(18,000)	5,000
GREENBELT	3,016,041	838,459	27.8%	28.4%	\$23.50	234,096	41,903	17.9%	0	90,000	3,000
LANHAM/LANDOVER/LARGO	5,534,867	1,599,577	28.9%	21.9%	\$24.72	1,338,783	53,551	4.0%	125,000	318,000	258,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	413,276	7.5%	7.7%	\$27.02	1,629,951	31,850	2.0%	0	7,000	75,000
TOTAL - PRINCE GEORGE'S COUNTY	22,698,931	4,342,132	19.1%	17.6%	\$25.23	4,343,783	238,945	5.5%	185,000	410,000	357,000
FREDERICK COUNTY	6,905,734	984,758	14.3%	15.3%	\$24.60	1,783,835	149,842	8.4%	111,000	(3,000)	(14,000)
TOTAL	95,678,358	15,011,194	15.7%	16.4%	\$29.68	24,900,147	2,377,783	9.5%	1,100,045	216,000	688,000
TOTAL - ONE YEAR PRIOR	94,613,560	14,633,545	15.5%	16.6%	\$29.17	23,851,147	2,397,129	10.1%	2,327,309	342,000	(319,000)

Note: All data is updated monthly, except for net absorption which is updated quarterly.

Source: CoStar, Transwestern.



INDUSTRIAL MARKET INDICATORS

SUBMARKET	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	UNDER CONSTRUCTION	NET ABSORPTION Q1 2023	NET ABSORPTION Q1 2023 YOY
District of Columbia								
TOTAL	9,333,406	382,670	4.1%	4.6%	\$15.54	32,835	(74,000)	8,000
TOTAL - ONE YEAR PRIOR	9,393,510	450,888	4.8%	4.8%	\$14.80	0	73,000	83,000
Northern Virginia								
BELTWAY (I-495)	3,851,727	181,031	4.7%	5.1%	\$16.77	0	(10,000)	(17,000)
I-95 CORRIDOR	24,918,111	383,739	1.5%	1.7%	\$12.99	0	32,000	176,000
RESTON/HERNDON	2,194,337	160,187	7.3%	7.3%	\$18.74	0	2,000	25,000
DULLES CORRIDOR	38,013,403	2,497,481	6.6%	6.8%	\$13.84	136,000	118,000	794,000
PRINCE WILLIAM COUNTY	21,286,576	1,272,937	6.0%	6.0%	\$11.17	723,536	154,000	525,000
TOTAL	90,264,154	4,495,375	5.0%	5.1%	\$13.20	859,536	296,000	1,503,000
TOTAL - ONE YEAR PRIOR	88,777,097	4,511,221	5.1%	5.2%	\$11.57	671,233	653,000	1,772,000
Suburban Maryland								
PRINCE GEORGE'S COUNTY	58,435,578	3,301,610	5.7%	6.0%	\$10.17	1,103,901	(136,000)	1,078,000
MONTGOMERY COUNTY	22,505,236	1,606,874	7.1%	7.2%	\$15.43	866,540	(116,000)	(101,000)
FREDERICK COUNTY	18,952,362	1,169,361	6.2%	6.7%	\$10.52	1,470,946	121,000	462,000
TOTAL	99,893,176	6,077,845	6.1%	6.4%	\$11.42	3,441,387	(131,000)	1,439,000
TOTAL - ONE YEAR PRIOR	98,705,892	6,327,799	6.4%	6.7%	\$10.11	3,864,052	196,000	1,926,000

Note: All data is updated monthly, except for net absorption which is updated quarterly.
 Source: CoStar, Transwestern.



RESEARCH METHODOLOGY

The information in this report is the result of a compilation of information on office and industrial properties located in the Washington Metro Area. This report includes single tenant, multi-tenant and owner-user properties 15,000 SF and larger, excluding those properties owned by a government agency.

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