

WASHINGTON METRO AREA MARKET WATCH

JULY 2023



OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q2 2023	NET ABSORPTION Q2 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	6,528,338	15.2%	16.5%	\$53.95	7,831,048	860,571	11.0%	334,000	26,000	133,000
EAST END	48,752,797	7,320,697	15.0%	16.2%	\$57.53	14,762,679	2,182,526	14.8%	493,774	(446,000)	(564,000)
CAPITOL HILL	6,204,902	1,071,314	17.3%	18.5%	\$55.95	2,736,190	825,823	30.2%	192,156	72,000	180,000
NOMA	11,915,358	703,056	5.9%	6.1%	\$50.52	7,487,723	303,728	4.1%	32,251	(108,000)	(90,000)
CAPITOL RIVERFRONT	5,762,589	583,201	10.1%	14.1%	\$54.89	4,751,666	520,301	10.9%	0	29,000	(81,000)
SOUTHWEST	13,153,644	1,644,970	12.5%	12.6%	\$51.26	4,882,165	603,954	12.4%	0	(43,000)	(5,000)
GEORGETOWN	2,964,995	821,452	27.7%	29.0%	\$44.42	127,308	100,553	79.0%	0	(101,000)	(213,000)
WEST END	3,892,187	541,974	13.9%	17.7%	\$50.30	432,900	12,121	2.8%	0	(4,000)	(74,000)
UPTOWN	9,573,793	1,509,429	15.8%	16.7%	\$40.46	594,613	101,084	17.0%	56,476	3,000	17,000
TOTAL	145,072,413	20,724,430	14.3%	15.5%	\$53.40	43,606,292	5,510,662	12.6%	1,108,657	(572,000)	(697,000)
TOTAL - ONE YEAR PRIOR	145,281,116	19,818,110	13.6%	14.8%	\$53.66	43,412,042	5,252,338	12.1%	1,551,934	77,000	(79,000)
Northern Virginia											
RCB CORRIDOR	24,820,704	4,824,832	19.4%	21.4%	\$40.58	9,164,999	1,227,634	13.4%	511,217	54,000	(84,000)
NATIONAL LANDING	16,439,962	2,613,954	15.9%	17.9%	\$38.24	4,850,336	727,550	15.0%	0	2,009,000	2,432,000
OLD TOWN	8,134,615	1,438,070	17.7%	19.0%	\$33.21	1,397,549	373,975	26.8%	0	16,000	37,000
EISENHOWER AVE CORRIDOR	8,343,378	705,015	8.5%	9.1%	\$33.77	4,747,626	156,672	3.3%	0	(33,000)	(79,000)
SPRINGFIELD/HUNTINGTON/I-95	8,329,354	1,688,360	20.3%	20.3%	\$30.21	2,948,904	687,095	23.3%	0	10,000	(37,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,236,826	19.5%	19.9%	\$29.00	715,940	127,437	17.8%	0	6,000	(22,000)
MERRIFIELD	9,247,243	1,101,908	11.9%	12.8%	\$32.38	2,614,975	389,888	14.9%	125,000	25,000	127,000
RESTON	20,777,227	3,261,923	15.7%	17.7%	\$35.68	9,876,652	1,419,073	14.4%	568,925	(137,000)	(376,000)
HERNDON	12,029,084	2,841,104	23.6%	24.7%	\$32.79	7,441,429	1,711,648	23.0%	0	(54,000)	(203,000)
TYSONS CORNER	31,021,909	4,268,271	13.8%	15.1%	\$37.17	11,828,017	1,256,808	10.6%	0	(45,000)	(148,000)
MCLEAN/VIENNA	2,388,725	607,821	25.4%	25.7%	\$29.06	235,000	0	0.0%	0	(14,000)	(387,000)
OAKTON/FAIRFAX CITY	5,725,889	1,121,109	19.6%	19.7%	\$24.88	499,139	123,585	24.8%	0	(17,000)	(80,000)
FAIRFAX CENTER	7,254,955	1,589,653	21.9%	23.2%	\$30.41	1,107,106	197,065	17.8%	0	62,000	109,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,875,237	12.9%	13.8%	\$28.73	9,423,587	1,227,778	13.0%	0	22,000	145,000
LOUDOUN COUNTY	16,597,058	2,439,704	14.7%	15.6%	\$28.25	10,825,775	1,260,039	11.6%	0	80,000	43,000
PRINCE WILLIAM COUNTY	6,694,183	1,221,062	18.2%	18.6%	\$26.05	1,748,188	262,573	15.0%	0	1,000	(102,000)
TOTAL	198,639,574	32,834,851	16.5%	17.8%	\$33.42	79,425,222	11,148,820	14.0%	1,205,142	1,985,000	1,375,000
TOTAL - ONE YEAR PRIOR	196,198,903	31,641,306	16.1%	17.3%	\$33.39	76,269,574	10,676,748	14.0%	3,951,048	(541,000)	(221,000)

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 Q2 2023	NET ABSORPTION Q2 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	2,210,425	16.8%	18.9%	\$40.92	4,184,351	767,221	18.3%	0	(12,000)	(250,000)
NORTH BETHESDA	10,897,353	1,937,889	17.8%	18.8%	\$31.56	1,557,340	38,934	2.5%	276,000	(11,000)	(19,000)
ROCKVILLE	8,436,869	1,520,907	18.0%	18.7%	\$30.79	2,978,003	418,545	14.1%	0	(17,000)	(93,000)
NORTH ROCKVILLE	12,623,350	1,525,489	12.1%	13.3%	\$31.32	5,182,223	247,735	4.8%	97,196	(63,000)	(76,000)
GAITHERSBURG	5,939,217	431,319	7.3%	11.6%	\$25.81	2,010,867	128,695	6.4%	177,000	9,000	(56,000)
GERMANTOWN	2,730,085	645,132	23.6%	26.3%	\$27.34	1,102,063	179,289	16.3%	73,166	(59,000)	(33,000)
KENSINGTON/WHEATON	1,641,234	223,826	13.6%	14.9%	\$28.44	373,000	41,030	11.0%	0	(9,000)	(38,000)
SILVER SPRING	6,973,396	1,006,753	14.4%	14.9%	\$31.23	900,144	171,026	19.0%	20,000	(17,000)	(101,000)
NORTH SILVER SPRING/RT. 29	3,661,988	391,833	10.7%	11.7%	\$27.21	484,538	41,630	8.6%	0	9,000	66,000
TOTAL - MONTGOMERY COUNTY	66,073,693	9,893,572	15.0%	16.5%	\$32.24	18,772,529	2,034,106	10.8%	643,362	(170,000)	(600,000)
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	962,858	15.8%	16.9%	\$25.86	955,149	23,879	2.5%	0	4,000	17,000
LAUREL	2,579,823	548,366	21.3%	21.4%	\$23.08	185,804	94,954	51.1%	60,000	(10,000)	(21,000)
GREENBELT	3,016,041	844,379	28.0%	28.4%	\$23.52	234,096	51,197	21.9%	0	(3,000)	9,000
LANHAM/LANDOVER/LARGO	5,534,867	1,581,053	28.6%	32.1%	\$24.76	1,338,783	53,142	4.0%	125,000	19,000	275,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	483,748	8.8%	9.1%	\$27.06	1,629,951	69,661	4.3%	0	(15,000)	30,000
TOTAL - PRINCE GEORGE'S COUNTY	22,698,931	4,420,403	19.5%	20.7%	\$25.26	4,343,783	292,833	6.7%	185,000	(5,000)	310,000
FREDERICK COUNTY	6,905,734	897,745	13.0%	14.0%	\$24.66	1,783,835	142,707	8.0%	111,000	15,000	(23,000)
TOTAL	95,678,358	15,211,720	15.9%	17.3%	\$29.71	24,900,147	2,469,645	9.9%	939,362	(160,000)	(313,000)
TOTAL - ONE YEAR PRIOR	95,387,108	14,630,484	15.3%	16.4%	\$29.17	24,585,147	2,317,599	9.4%	1,861,616	842,000	817,000

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 Q2 2023	NET ABSORPTION Q2 2023 YOY
District of Columbia								
TOTAL	9,366,241	421,481	4.5%	5.1%	\$16.30	0	4,000	(16,000)
TOTAL - ONE YEAR PRIOR	9,393,510	422,708	4.5%	4.6%	\$14.80	32,835	28,000	82,000
Northern Virginia								
BELTWAY (I-495)	3,851,727	177,724	4.6%	4.6%	\$16.91	0	6,000	(2,000)
I-95 CORRIDOR	24,918,111	246,319	1.0%	1.1%	\$13.32	0	57,000	60,000
RESTON/HERNDON	2,194,337	172,359	7.9%	8.3%	\$18.74	0	2,000	15,000
DULLES CORRIDOR	38,013,403	2,398,595	6.3%	6.4%	\$14.31	207,348	160,000	1,006,000
PRINCE WILLIAM COUNTY	21,654,622	1,175,439	5.4%	5.5%	\$11.52	355,490	472,000	945,000
TOTAL	90,632,200	4,170,436	4.6%	4.7%	\$13.57	562,838	697,000	2,024,000
TOTAL - ONE YEAR PRIOR	88,880,494	4,222,145	4.8%	4.9%	\$11.95	1,430,370	175,000	1,652,000
Suburban Maryland								
PRINCE GEORGE'S COUNTY	58,455,578	3,608,959	6.2%	6.6%	\$10.42	1,411,901	(34,000)	576,000
MONTGOMERY COUNTY	22,900,036	1,971,185	8.6%	9.2%	\$15.79	669,140	37,000	(76,000)
FREDERICK COUNTY	19,125,564	1,195,922	6.3%	6.7%	\$10.91	1,541,052	195,000	623,000
TOTAL	100,481,178	6,776,066	6.7%	7.2%	\$11.74	3,622,093	198,000	1,123,000
TOTAL - ONE YEAR PRIOR	99,031,594	6,289,966	6.4%	6.6%	\$10.47	3,510,430	512,000	1,734,000

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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