

WASHINGTON METRO AREA MARKET WATCH

SEPTEMBER 2023



OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q3 2023	NET ABSORPTION Q3 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	6,616,372	15.4%	16.5%	\$53.88	7,831,048	854,367	10.9%	334,000	(103,000)	77,000
EAST END	48,752,797	7,503,055	15.4%	16.5%	\$57.43	14,762,679	2,264,595	15.3%	441,617	(395,000)	(812,000)
CAPITOL HILL	6,204,902	1,041,183	16.8%	18.0%	\$55.73	2,736,190	820,857	30.0%	192,156	1,000	119,000
NOMA	11,915,358	869,821	7.3%	7.5%	\$50.46	7,487,723	471,727	6.3%	32,251	(178,000)	(265,000)
CAPITOL RIVERFRONT	5,762,589	561,276	9.7%	13.2%	\$54.87	4,751,666	494,173	10.4%	0	38,000	(60,000)
SOUTHWEST	13,153,644	1,620,529	12.3%	12.4%	\$51.06	4,882,165	527,274	10.8%	0	76,000	32,000
GEORGETOWN	2,964,995	901,951	30.4%	30.7%	\$44.74	127,308	100,553	79.0%	0	(63,000)	(253,000)
WEST END	3,892,187	548,798	14.1%	18.0%	\$50.10	432,900	32,900	7.6%	0	(8,000)	(121,000)
UPTOWN	9,573,793	1,476,279	15.4%	16.4%	\$40.55	594,613	59,461	10.0%	56,476	15,000	42,000
TOTAL	145,072,413	21,073,496	14.5%	15.6%	\$53.32	43,606,292	5,625,908	12.9%	1,056,500	(617,000)	(1,241,000)
TOTAL - ONE YEAR PRIOR	145,281,116	20,042,281	13.8%	15.0%	\$53.64	43,412,042	5,450,568	12.6%	1,567,410	(74,000)	192,000
Northern Virginia											
RCB CORRIDOR	24,820,704	4,745,719	19.1%	21.2%	\$40.51	9,164,999	1,133,710	12.4%	511,217	37,000	(81,000)
NATIONAL LANDING	16,439,962	2,594,226	15.8%	17.8%	\$38.22	4,850,336	698,448	14.4%	0	(30,000)	2,374,000
OLD TOWN	8,068,615	1,370,051	17.0%	18.3%	\$33.21	1,397,549	373,975	26.8%	0	(122,000)	(135,000)
EISENHOWER AVE CORRIDOR	8,343,378	711,690	8.5%	9.0%	\$33.99	4,747,626	161,419	3.4%	0	(40,000)	(107,000)
SPRINGFIELD/HUNTINGTON/I-95	8,329,354	1,857,446	22.3%	22.3%	\$30.26	2,948,904	734,277	24.9%	0	(169,000)	(240,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,283,127	20.2%	20.7%	\$29.09	715,940	136,745	19.1%	0	(8,000)	(18,000)
MERRIFIELD	9,247,243	1,048,637	11.3%	12.3%	\$32.24	2,614,975	345,177	13.2%	125,000	45,000	98,000
RESTON	20,777,227	3,145,672	15.1%	16.9%	\$35.54	9,876,652	1,244,458	12.6%	568,925	150,000	(102,000)
HERNDON	12,029,084	2,802,777	23.3%	24.4%	\$32.66	7,441,429	1,657,206	22.3%	0	(199,000)	(268,000)
TYSONS CORNER	31,021,909	4,088,688	13.2%	14.4%	\$37.33	11,828,017	1,147,318	9.7%	0	729,000	569,000
MCLEAN/VIENNA	2,388,725	621,069	26.0%	26.4%	\$29.09	235,000	0	0.0%	0	(10,000)	(387,000)
OAKTON/FAIRFAX CITY	5,725,889	1,093,645	19.1%	19.3%	\$24.94	499,139	118,296	23.7%	0	23,000	(34,000)
FAIRFAX CENTER	7,254,955	1,519,188	20.9%	22.5%	\$30.51	1,107,106	195,412	17.7%	0	41,000	116,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,757,952	12.1%	13.2%	\$28.68	9,423,587	1,145,908	12.2%	0	162,000	170,000
LOUDOUN COUNTY	16,597,058	2,516,114	15.2%	16.2%	\$28.34	10,825,775	1,302,341	12.0%	0	(43,000)	(20,000)
PRINCE WILLIAM COUNTY	6,694,183	1,325,448	19.8%	20.2%	\$26.20	1,748,188	262,228	15.0%	0	(33,000)	(123,000)
TOTAL	198,573,574	32,481,447	16.4%	17.6%	\$33.44	79,425,222	10,656,918	13.4%	1,205,142	533,000	1,812,000
TOTAL - ONE YEAR PRIOR	195,971,972	31,691,325	16.2%	17.4%	\$33.46	76,326,538	10,835,216	14.2%	3,894,084	93,000	294,000

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 Q3 2023	NET ABSORPTION Q3 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	2,344,296	17.8%	19.6%	\$40.76	4,184,351	826,828	19.8%	0	(145,000)	(400,000)
NORTH BETHESDA	10,897,353	1,901,588	17.5%	18.8%	\$31.85	1,557,340	38,934	2.5%	276,000	(5,000)	42,000
ROCKVILLE	8,436,869	1,594,568	18.9%	19.6%	\$30.95	2,978,003	438,958	14.7%	0	(84,000)	(202,000)
NORTH ROCKVILLE	12,720,546	1,609,149	12.7%	13.8%	\$31.33	5,279,419	369,559	7.0%	0	28,000	(10,000)
GAITHERSBURG	6,074,217	595,273	9.8%	14.1%	\$25.80	2,145,867	263,942	12.3%	42,000	(12,000)	(39,000)
GERMANTOWN	2,730,085	655,220	24.0%	26.6%	\$27.31	1,102,063	187,351	17.0%	73,166	(19,000)	(52,000)
KENSINGTON/WHEATON	1,641,234	223,826	13.6%	15.1%	\$28.50	373,000	41,030	11.0%	0	0	(37,000)
SILVER SPRING	6,973,396	1,012,537	14.5%	15.0%	\$31.07	900,144	171,026	19.0%	20,000	(5,000)	(103,000)
NORTH SILVER SPRING/RT. 29	3,661,988	384,509	10.5%	11.3%	\$27.21	484,538	41,630	8.6%	0	7,000	72,000
TOTAL - MONTGOMERY COUNTY	66,305,889	10,320,967	15.6%	17.1%	\$32.24	19,004,725	2,379,257	12.5%	411,166	(235,000)	(729,000)
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	972,722	16.0%	17.1%	\$25.58	955,149	34,385	3.6%	0	(10,000)	(6,000)
LAUREL	2,579,823	552,082	21.4%	21.6%	\$23.22	185,804	91,664	49.3%	60,000	(19,000)	(44,000)
GREENBELT	3,016,041	835,443	27.7%	28.1%	\$23.50	234,096	51,197	21.9%	0	6,000	48,000
LANHAM/LANDOVER/LARGO	5,534,867	1,558,065	28.2%	21.5%	\$24.76	1,338,783	60,245	4.5%	125,000	22,000	284,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	438,857	8.0%	8.4%	\$27.14	1,629,951	39,119	2.4%	0	(11,000)	5,000
TOTAL - PRINCE GEORGE'S COUNTY	22,698,931	4,357,169	19.2%	18.0%	\$25.21	4,343,783	276,611	6.4%	185,000	(12,000)	287,000
FREDERICK COUNTY	6,880,350	910,958	13.2%	14.5%	\$24.78	1,783,835	98,111	5.5%	78,600	34,000	(7,000)
TOTAL	95,885,170	15,589,094	16.3%	17.1%	\$29.73	25,132,343	2,753,978	11.0%	674,766	(213,000)	(449,000)
TOTAL - ONE YEAR PRIOR	95,435,108	14,692,181	15.4%	16.4%	\$29.49	24,585,147	2,235,032	9.1%	2,023,616	(79,000)	913,000

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 Q3 2023	NET ABSORPTION Q3 2023 YOY
District of Columbia								
TOTAL	9,366,241	365,283	3.9%	4.4%	\$16.72	0	46,000	20,000
TOTAL - ONE YEAR PRIOR	9,360,020	379,081	4.1%	4.5%	\$15.17	32,835	10,000	139,000
Northern Virginia								
BELTWAY (I-495)	3,851,727	183,342	4.8%	5.0%	\$16.85	0	(8,000)	(10,000)
I-95 CORRIDOR	24,918,111	244,197	1.0%	1.0%	\$13.57	0	82,000	167,000
RESTON/HERNDON	2,194,337	118,494	5.4%	6.0%	\$18.68	0	39,000	44,000
DULLES CORRIDOR	38,085,125	2,544,086	6.7%	6.7%	\$14.73	173,500	(135,000)	365,000
PRINCE WILLIAM COUNTY	21,793,122	1,314,125	6.0%	6.1%	\$11.68	308,162	(6,000)	805,000
TOTAL	90,842,422	4,404,245	4.8%	4.9%	\$13.85	481,662	(28,000)	1,371,000
TOTAL - ONE YEAR PRIOR	89,391,574	4,324,115	4.8%	4.9%	\$12.34	1,159,470	626,000	1,983,000
Suburban Maryland								
PRINCE GEORGE'S COUNTY	58,557,955	3,326,092	5.7%	6.2%	\$10.55	2,274,576	132,000	492,000
MONTGOMERY COUNTY	22,900,036	1,923,603	8.4%	9.0%	\$15.99	626,672	41,000	(57,000)
FREDERICK COUNTY	20,141,642	1,661,685	8.3%	8.5%	\$11.28	577,174	503,000	886,000
TOTAL	101,599,633	6,911,380	6.8%	7.3%	\$11.92	3,478,422	676,000	1,321,000
TOTAL - ONE YEAR PRIOR	99,673,051	6,306,286	6.3%	6.7%	\$10.83	3,138,731	477,000	1,883,000

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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