

WASHINGTON METRO AREA MARKET WATCH

OCTOBER 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	6,637,505	15.5%	16.6%	\$53.88	7,831,048	848,391	10.8%	334,000	(103,000)	77,000
EAST END	48,752,797	7,607,713	15.6%	16.7%	\$57.43	14,762,679	2,175,058	14.7%	441,617	(395,000)	(812,000)
CAPITOL HILL	6,397,058	1,305,595	20.4%	21.6%	\$55.73	2,928,346	1,026,377	35.0%	0	1,000	119,000
NOMA	11,915,358	865,657	7.3%	7.4%	\$50.46	7,487,723	468,393	6.3%	32,251	(178,000)	(265,000)
CAPITOL RIVERFRONT	5,762,589	588,432	10.2%	13.7%	\$54.87	4,751,666	516,761	10.9%	0	38,000	(60,000)
SOUTHWEST	13,153,644	1,511,351	11.5%	11.6%	\$51.06	4,882,165	465,952	9.5%	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	553,887	14.2%	18.0%	\$50.10	432,900	32,900	7.6%	0	(8,000)	(121,000)
UPTOWN	9,573,793	1,475,355	15.4%	16.4%	\$40.55	594,613	59,461	10.0%	56,476	15,000	42,000
TOTAL	145,264,569	21,073,496	14.5%	15.8%	\$53.32	43,798,448	5,693,847	13.0%	864,344	(617,000)	(1,241,000)
TOTAL - ONE YEAR PRIOR	145,281,116	19,989,916	13.8%	15.1%	\$53.64	43,412,042	5,475,563	12.6%	1,567,410	(74,000)	192,000
Northern Virginia											
RCB CORRIDOR	24,820,704	4,831,056	19.5%	21.4%	\$40.51	9,164,999	1,233,523	13.5%	545,576	37,000	(81,000)
NATIONAL LANDING	16,439,962	2,544,906	15.5%	17.5%	\$38.22	4,850,336	669,346	13.8%	0	(30,000)	2,374,000
OLD TOWN	8,068,615	1,375,867	17.1%	18.2%	\$33.21	1,397,549	374,785	26.8%	0	(122,000)	(135,000)
EISENHOWER AVE CORRIDOR	8,343,378	695,003	8.3%	8.8%	\$33.99	4,747,626	132,934	2.8%	0	(40,000)	(107,000)
SPRINGFIELD/HUNTINGTON/I-95	8,329,354	1,799,140	21.6%	21.6%	\$30.26	2,948,904	725,430	24.6%	0	(169,000)	(240,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,276,785	20.1%	20.5%	\$29.09	715,940	136,745	19.1%	0	(8,000)	(18,000)
MERRIFIELD	9,247,243	1,038,074	11.2%	12.1%	\$32.24	2,614,975	345,177	13.2%	125,000	45,000	98,000
RESTON	20,777,227	3,204,313	15.4%	17.5%	\$35.54	9,876,652	1,262,433	12.8%	568,925	150,000	(102,000)
HERNDON	12,029,084	3,012,453	25.0%	26.2%	\$32.66	7,441,429	1,861,400	25.0%	0	(199,000)	(268,000)
TYSONS CORNER	31,021,909	4,060,547	13.1%	14.3%	\$37.33	11,828,017	1,138,076	9.6%	0	729,000	569,000
MCLEAN/VIENNA	2,388,725	620,410	26.0%	26.4%	\$29.09	235,000	0	0.0%	0	(10,000)	(387,000)
OAKTON/FAIRFAX CITY	5,725,889	1,084,805	18.9%	19.1%	\$24.94	499,139	117,594	23.6%	0	23,000	(34,000)
FAIRFAX CENTER	7,254,955	1,506,377	20.8%	22.3%	\$30.51	1,107,106	194,223	17.5%	0	41,000	116,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,559,341	10.8%	11.6%	\$28.68	9,423,587	968,745	10.3%	0	162,000	170,000
LOUDOUN COUNTY	16,597,058	2,441,994	14.7%	16.1%	\$28.34	10,825,775	1,387,719	12.8%	0	(43,000)	(20,000)
PRINCE WILLIAM COUNTY	6,694,183	1,328,884	19.9%	19.9%	\$26.20	1,748,188	266,458	15.2%	0	(33,000)	(123,000)
TOTAL	198,573,574	32,379,956	16.3%	17.5%	\$33.44	79,425,222	10,814,588	13.6%	1,239,501	533,000	1,812,000
TOTAL - ONE YEAR PRIOR	195,971,972	31,781,112	16.2%	17.4%	\$33.46	76,326,538	10,977,445	14.4%	3,912,110	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	2,515,443	19.1%	20.6%	\$40.76	4,184,351	821,457	19.6%	0	(145,000)	(400,000)
NORTH BETHESDA	10,897,353	1,974,348	18.1%	19.2%	\$31.85	1,557,340	38,934	2.5%	276,000	(5,000)	42,000
ROCKVILLE	8,436,869	1,600,312	19.0%	19.4%	\$30.95	2,978,003	359,470	12.1%	0	(84,000)	(202,000)
NORTH ROCKVILLE	12,720,546	1,648,489	13.0%	14.1%	\$31.33	5,279,419	373,963	7.1%	0	28,000	(10,000)
GAITHERSBURG	6,074,217	619,104	10.2%	14.3%	\$25.80	2,145,867	265,396	12.4%	42,000	(12,000)	(39,000)
GERMANTOWN	2,803,251	651,113	23.2%	26.0%	\$27.31	1,175,229	185,458	15.8%	0	(19,000)	(52,000)
KENSINGTON/WHEATON	1,641,234	222,260	13.5%	14.8%	\$28.50	373,000	174,280	46.7%	0	0	(37,000)
SILVER SPRING	6,973,396	1,017,717	14.6%	15.0%	\$31.07	900,144	171,026	19.0%	20,000	(5,000)	(103,000)
NORTH SILVER SPRING/RT. 29	3,661,988	374,164	10.2%	11.1%	\$27.21	484,538	41,630	8.6%	0	7,000	72,000
TOTAL - MONTGOMERY COUNTY	66,379,055	10,622,951	16.0%	17.4%	\$32.24	19,077,891	2,431,614	12.7%	338,000	(235,000)	(729,000)
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	968,586	15.9%	17.0%	\$25.58	955,149	36,581	3.8%	0	(10,000)	(6,000)
LAUREL	2,579,823	561,378	21.8%	21.9%	\$23.22	185,804	91,664	49.3%	60,000	(19,000)	(44,000)
GREENBELT	3,016,041	849,291	28.2%	28.6%	\$23.50	234,096	51,197	21.9%	0	6,000	48,000
LANHAM/LANDOVER/LARGO	5,534,867	1,570,655	28.4%	31.8%	\$24.76	1,338,783	61,918	4.6%	125,000	22,000	284,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	407,613	7.4%	7.7%	\$27.14	1,629,951	39,119	2.4%	0	(11,000)	5,000
TOTAL - PRINCE GEORGE'S COUNTY	22,698,931	4,357,523	19.2%	20.5%	\$25.21	4,343,783	280,479	6.5%	185,000	(12,000)	287,000
FREDERICK COUNTY	6,880,350	926,876	13.5%	14.6%	\$24.78	1,783,835	98,111	5.5%	78,600	34,000	(7,000)
TOTAL	95,958,336	15,907,350	16.6%	17.9%	\$29.73	25,205,509	2,810,204	11.1%	601,600	(213,000)	(449,000)
TOTAL - ONE YEAR PRIOR	95,435,108	14,559,817	15.3%	16.5%	\$29.49	24,585,147	2,197,328	8.9%	2,166,051	(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	355,917	3.8%	4.3%	\$16.72	0	46,000	20,000
TOTAL - ONE YEAR PRIOR	9,360,020	355,681	3.8%	4.2%	\$15.17	32,835	10,000	139,000
Northern Virginia								
BELTWAY (I-495)	3,851,727	199,989	5.2%	5.2%	\$16.85	0	(8,000)	(10,000)
I-95 CORRIDOR	24,918,111	161,409	0.6%	0.7%	\$13.57	0	82,000	167,000
RESTON/HERNDON	2,194,337	140,521	6.4%	6.8%	\$18.68	0	39,000	44,000
DULLES CORRIDOR	38,085,125	2,490,702	6.5%	6.6%	\$14.73	173,500	(135,000)	365,000
PRINCE WILLIAM COUNTY	21,793,122	1,290,556	5.9%	6.0%	\$11.68	339,362	(6,000)	805,000
TOTAL	90,842,422	4,283,177	4.7%	4.8%	\$13.85	512,862	(28,000)	1,371,000
TOTAL - ONE YEAR PRIOR	89,500,574	4,394,350	4.9%	5.1%	\$12.34	1,351,116	626,000	1,983,000
Suburban Maryland								
PRINCE GEORGE'S COUNTY	58,737,955	3,384,217	5.8%	6.2%	\$10.55	2,206,716	132,000	492,000
MONTGOMERY COUNTY	22,900,036	1,904,245	8.3%	8.9%	\$15.99	626,672	41,000	(57,000)
FREDERICK COUNTY	20,276,882	1,674,849	8.3%	8.5%	\$11.28	441,934	503,000	886,000
TOTAL	101,914,873	6,963,312	6.8%	7.3%	\$11.92	3,275,322	676,000	1,321,000
TOTAL - ONE YEAR PRIOR	99,673,051	5,983,287	6.0%	6.4%	\$10.83	3,089,847	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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