

WASHINGTON METRO AREA MARKET WATCH

NOVEMBER 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	6,620,833	15.5%	16.5%	\$53.88	7,831,048	843,333	10.8%	334,000	(103,000)	77,000
EAST END	48,752,797	7,422,258	15.2%	16.3%	\$57.43	14,762,679	2,270,143	15.4%	441,617	(395,000)	(812,000)
CAPITOL HILL	6,397,058	1,493,777	23.4%	24.3%	\$55.73	2,928,346	878,502	30.0%	0	1,000	119,000
NOMA	11,915,358	890,659	7.5%	7.6%	\$50.46	7,487,723	480,448	6.4%	32,251	(178,000)	(265,000)
CAPITOL RIVERFRONT	5,762,589	555,879	9.6%	13.2%	\$54.87	4,751,666	489,684	10.3%	0	38,000	(60,000)
SOUTHWEST	13,153,644	1,553,998	11.8%	11.9%	\$51.06	4,882,165	517,033	10.6%	0	76,000	32,000
GEORGETOWN	2,964,995	905,836	30.6%	30.8%	\$44.74	127,308	100,553	79.0%	0	(63,000)	(253,000)
WEST END	3,892,187	559,827	14.4%	18.2%	\$50.10	432,900	32,900	7.6%	0	(8,000)	(121,000)
UPTOWN	9,573,793	1,475,967	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	5,672,057	13.0%	864,344	(617,000)	(1,241,000)
TOTAL - ONE YEAR PRIOR	145,281,116	19,712,800	13.6%	14.9%	\$53.64	43,412,042	5,316,116	12.2%	1,567,410	(74,000)	192,000
Northern Virginia											
RCB CORRIDOR	24,820,704	4,689,905	18.9%	20.8%	\$40.51	9,164,999	1,058,375	11.5%	545,576	37,000	(81,000)
NATIONAL LANDING	16,439,962	2,659,986	16.2%	18.2%	\$38.22	4,850,336	708,149	14.6%	0	(30,000)	2,374,000
OLD TOWN	8,068,615	1,371,329	17.0%	18.6%	\$33.21	1,397,549	371,879	26.6%	0	(122,000)	(135,000)
EISENHOWER AVE CORRIDOR	8,343,378	703,347	8.4%	9.1%	\$33.99	4,747,626	161,419	3.4%	0	(40,000)	(107,000)
SPRINGFIELD/HUNTINGTON/I-95	8,329,354	1,849,117	22.2%	22.2%	\$30.26	2,948,904	757,868	25.7%	0	(169,000)	(240,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,314,841	20.7%	21.1%	\$29.09	715,940	136,745	19.1%	0	(8,000)	(18,000)
MERRIFIELD	9,247,243	996,443	10.8%	11.6%	\$32.24	2,614,975	341,310	13.1%	125,000	45,000	98,000
RESTON	20,777,227	3,174,789	15.3%	17.3%	\$35.54	9,876,652	1,218,588	12.3%	568,925	150,000	(102,000)
HERNDON	12,029,084	2,760,689	23.0%	24.1%	\$32.66	7,441,429	1,624,957	21.8%	0	(199,000)	(268,000)
TYSONS CORNER	31,021,909	3,899,706	12.6%	13.7%	\$37.33	11,828,017	1,095,475	9.3%	0	729,000	569,000
MCLEAN/VIENNA	2,388,725	626,673	26.2%	26.6%	\$29.09	235,000	0	0.0%	0	(10,000)	(387,000)
OAKTON/FAIRFAX CITY	5,725,889	1,078,980	18.8%	19.0%	\$24.94	499,139	118,296	23.7%	0	23,000	(34,000)
FAIRFAX CENTER	7,254,955	1,561,197	21.5%	23.0%	\$30.51	1,107,106	197,845	17.9%	0	41,000	116,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,834,183	12.7%	13.5%	\$28.68	9,423,587	1,154,378	12.2%	0	162,000	170,000
LOUDOUN COUNTY	16,597,058	2,482,586	15.0%	16.4%	\$28.34	10,825,775	1,287,161	11.9%	0	(43,000)	(20,000)
PRINCE WILLIAM COUNTY	6,694,183	1,329,842	19.9%	19.9%	\$26.20	1,748,188	268,174	15.3%	0	(33,000)	(123,000)
TOTAL	198,573,574	32,333,610	16.3%	17.5%	\$33.44	79,425,222	10,500,618	13.2%	1,239,501	533,000	1,812,000
TOTAL - ONE YEAR PRIOR	195,971,972	31,644,219	16.1%	17.4%	\$33.46	76,326,538	10,696,583	14.0%	3,968,684	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	2,326,495	17.7%	19.2%	\$40.76	4,184,351	797,919	19.1%	0	(145,000)	(400,000)
NORTH BETHESDA	10,897,353	1,905,904	17.5%	18.6%	\$31.85	1,557,340	38,934	2.5%	276,000	(5,000)	42,000
ROCKVILLE	8,436,869	1,710,228	20.3%	20.8%	\$30.95	2,978,003	520,573	17.5%	0	(84,000)	(202,000)
NORTH ROCKVILLE	12,720,546	1,636,060	12.9%	13.9%	\$31.33	5,279,419	375,967	7.1%	0	28,000	(10,000)
GAITHERSBURG	6,074,217	869,689	14.3%	18.6%	\$25.80	2,145,867	253,042	11.8%	42,000	(12,000)	(39,000)
GERMANTOWN	2,803,251	644,133	23.0%	25.7%	\$27.31	1,175,229	199,789	17.0%	0	(19,000)	(52,000)
KENSINGTON/WHEATON	1,641,234	225,272	13.7%	15.0%	\$28.50	373,000	41,030	11.0%	0	0	(37,000)
SILVER SPRING	6,973,396	1,005,669	14.4%	14.8%	\$31.07	900,144	171,026	19.0%	20,000	(5,000)	(103,000)
NORTH SILVER SPRING/RT. 29	3,661,988	382,247	10.4%	11.8%	\$27.21	484,538	41,630	8.6%	0	7,000	72,000
TOTAL - MONTGOMERY COUNTY	66,379,055	10,705,699	16.1%	17.5%	\$32.24	19,077,891	2,439,909	12.8%	338,000	(235,000)	(729,000)
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	883,676	14.5%	15.6%	\$25.58	955,149	32,189	3.4%	0	(10,000)	(6,000)
LAUREL	2,579,823	529,376	20.5%	20.6%	\$23.22	185,804	91,664	49.3%	60,000	(19,000)	(44,000)
GREENBELT	3,016,041	843,259	28.0%	28.4%	\$23.50	234,096	51,197	21.9%	0	6,000	48,000
LANHAM/LANDOVER/LARGO	5,534,867	1,561,000	28.2%	31.5%	\$24.76	1,338,783	60,245	4.5%	125,000	22,000	284,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	459,741	8.4%	8.7%	\$27.14	1,629,951	51,352	3.2%	0	(11,000)	5,000
TOTAL - PRINCE GEORGE'S COUNTY	22,698,931	4,277,052	18.8%	20.1%	\$25.21	4,343,783	286,648	6.6%	185,000	(12,000)	287,000
FREDERICK COUNTY	6,880,350	917,518	13.3%	14.5%	\$24.78	1,783,835	98,111	5.5%	78,600	34,000	(7,000)
TOTAL	95,958,336	15,900,269	16.6%	17.9%	\$29.73	25,205,509	2,824,668	11.2%	601,600	(213,000)	(449,000)
TOTAL - ONE YEAR PRIOR	95,435,108	14,756,717	15.5%	16.7%	\$29.49	24,585,147	2,223,034	9.0%	1,570,879	(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%	4.5%	\$16.72	0	46,000	20,000
TOTAL - ONE YEAR PRIOR	9,360,020	336,961	3.6%	4.0%	\$15.17	32,835	10,000	139,000
Northern Virginia								
BELTWAY (I-495)	3,851,727	206,397	5.4%	5.4%	\$16.85	0	(8,000)	(10,000)
I-95 CORRIDOR	24,918,111	284,752	1.1%	1.2%	\$13.57	0	82,000	167,000
RESTON/HERNDON	2,194,337	118,699	5.4%	5.8%	\$18.68	0	39,000	44,000
DULLES CORRIDOR	38,085,125	2,608,198	6.8%	6.9%	\$14.73	359,520	(135,000)	365,000
PRINCE WILLIAM COUNTY	21,793,122	1,287,305	5.9%	6.0%	\$11.68	339,362	(6,000)	805,000
TOTAL	90,842,422	4,505,351	5.0%	5.0%	\$13.85	698,882	(28,000)	1,371,000
TOTAL - ONE YEAR PRIOR	89,576,594	4,488,743	5.0%	5.3%	\$12.34	1,275,096	626,000	1,983,000
Suburban Maryland								
PRINCE GEORGE'S COUNTY	58,737,955	3,465,733	5.9%	7.3%	\$10.55	2,339,916	132,000	492,000
MONTGOMERY COUNTY	22,900,036	1,875,503	8.2%	8.8%	\$15.99	497,000	41,000	(57,000)
FREDERICK COUNTY	20,311,708	2,077,755	10.2%	10.4%	\$11.28	225,934	503,000	886,000
TOTAL	101,949,699	7,418,992	7.3%	8.2%	\$11.92	3,062,850	676,000	1,321,000
TOTAL - ONE YEAR PRIOR	100,035,931	6,030,509	6.0%	6.3%	\$10.83	2,448,913	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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FOR MORE INFORMATION

Elizabeth Norton

Senior Managing Research Director
Research Services
Elizabeth.Norton@transwestern.com
202-775-7026

Robert Wells

Senior Researcher | Mid-Atlantic
Robert.Wells@transwestern.com
202-775-7015

Jared Reinson

Research Analyst | Mid-Atlantic
Jared.Reinson@transwestern.com
202-775-7030