

# WASHINGTON METRO AREA MARKET WATCH

FEBRUARY 2024



## OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q4 2023	NET ABSORPTION Q4 2023 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
<b>District of Columbia</b>											
<b>CBD</b>	42,852,148	6,937,986	16.2%	17.1%	\$53.80	7,831,048	800,202	10.2%	334,000	(141,000)	(227,000)
<b>EAST END</b>	48,752,797	7,867,111	16.1%	17.1%	\$57.34	14,762,679	2,251,413	15.3%	441,617	(10,000)	(851,000)
<b>CAPITOL HILL</b>	6,397,058	1,247,605	19.5%	20.2%	\$55.79	2,928,346	988,982	33.8%	0	(17,000)	27,000
<b>NOMA</b>	11,915,358	870,498	7.3%	7.5%	\$50.40	7,487,723	473,312	6.3%	32,251	(12,000)	(279,000)
<b>CAPITOL RIVERFRONT</b>	5,762,589	547,446	9.5%	12.9%	\$54.83	4,751,666	489,422	10.3%	0	(15,000)	(6,000)
<b>SOUTHWEST</b>	13,153,644	1,564,788	11.9%	12.1%	\$51.01	4,882,165	470,827	9.6%	0	(4,000)	9,000
<b>GEORGETOWN</b>	2,964,995	971,223	32.8%	32.8%	\$44.83	127,308	100,553	79.0%	0	(44,000)	(298,000)
<b>WEST END</b>	3,892,187	537,122	13.8%	17.5%	\$49.94	432,900	32,900	7.6%	0	0	(31,000)
<b>UPTOWN</b>	9,588,793	1,458,236	15.2%	16.2%	\$40.57	594,613	72,543	12.2%	41,000	26,000	3,000
<b>TOTAL</b>	<b>145,279,569</b>	<b>22,002,017</b>	<b>15.1%</b>	<b>16.1%</b>	<b>\$53.26</b>	<b>43,798,448</b>	<b>5,680,153</b>	<b>13.0%</b>	<b>848,868</b>	<b>(217,000)</b>	<b>(1,653,000)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>145,475,366</b>	<b>20,424,945</b>	<b>14.0%</b>	<b>15.4%</b>	<b>\$53.53</b>	<b>43,606,292</b>	<b>5,438,475</b>	<b>12.5%</b>	<b>741,960</b>	<b>195,000</b>	<b>(166,000)</b>
<b>Northern Virginia</b>											
<b>RCB CORRIDOR</b>	24,820,704	5,031,860	20.3%	22.1%	\$40.36	9,164,999	1,166,221	12.7%	545,576	(114,000)	39,000
<b>NATIONAL LANDING</b>	16,439,962	2,666,562	16.2%	17.6%	\$38.17	4,850,336	674,197	13.9%	0	(39,000)	1,904,000
<b>OLD TOWN</b>	8,068,615	1,379,117	17.1%	18.4%	\$33.25	1,397,549	375,387	26.9%	0	15,000	(87,000)
<b>EISENHOWER AVE CORRIDOR</b>	8,343,378	659,127	7.9%	8.4%	\$33.95	4,747,626	123,438	2.6%	0	94,000	13,000
<b>SPRINGFIELD/HUNTINGTON/I-95</b>	8,329,354	1,828,293	22.0%	22.0%	\$30.27	2,948,904	716,584	24.3%	0	(21,000)	(214,000)
<b>BAILEY'S/FALLS CHURCH/ANNANDALE</b>	6,342,695	1,255,854	19.8%	20.2%	\$29.11	715,940	130,301	18.2%	0	(11,000)	(19,000)
<b>MERRIFIELD</b>	9,372,243	1,321,486	14.1%	14.9%	\$32.23	2,739,975	457,576	16.7%	0	0	154,000
<b>RESTON</b>	20,777,227	3,194,726	15.4%	17.2%	\$35.40	9,876,652	1,142,984	11.6%	615,611	(148,000)	(247,000)
<b>HERNDON</b>	12,029,084	2,903,289	24.1%	24.8%	\$32.55	7,441,429	1,847,563	24.8%	0	(180,000)	(451,000)
<b>TYSONS CORNER</b>	31,021,909	4,184,077	13.5%	14.5%	\$37.31	11,828,017	1,138,072	9.6%	0	56,000	634,000
<b>MCLEAN/VIENNA</b>	2,388,725	655,084	27.4%	27.8%	\$29.17	235,000	0	0.0%	0	(12,000)	(405,000)
<b>OAKTON/FAIRFAX CITY</b>	5,725,889	1,073,129	18.7%	18.9%	\$25.00	499,139	115,800	23.2%	0	4,000	21,000
<b>FAIRFAX CENTER</b>	7,254,955	1,622,512	22.4%	24.1%	\$30.47	1,107,106	190,710	17.2%	0	(28,000)	85,000
<b>RT. 28 SOUTH/CHANTILLY</b>	14,492,593	1,733,065	12.0%	12.7%	\$28.57	9,423,587	1,143,677	12.1%	0	(32,000)	72,000
<b>LOUDOUN COUNTY</b>	16,199,714	2,254,920	13.9%	15.4%	\$28.30	10,825,775	1,366,938	12.6%	0	(101,000)	(36,000)
<b>PRINCE WILLIAM COUNTY</b>	6,694,183	1,325,906	19.8%	19.8%	\$26.27	1,748,188	287,528	16.4%	0	(30,000)	(67,000)
<b>TOTAL</b>	<b>198,301,230</b>	<b>33,089,006</b>	<b>16.7%</b>	<b>17.8%</b>	<b>\$33.39</b>	<b>79,550,222</b>	<b>10,876,978</b>	<b>13.7%</b>	<b>1,161,187</b>	<b>(547,000)</b>	<b>1,396,000</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>196,054,738</b>	<b>32,508,077</b>	<b>16.6%</b>	<b>17.8%</b>	<b>\$33.45</b>	<b>76,696,538</b>	<b>10,875,238</b>	<b>14.2%</b>	<b>4,451,998</b>	<b>(133,000)</b>	<b>(296,000)</b>

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 Q4 2023	NET ABSORPTION Q4 2023 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
<b>Suburban Maryland</b>											
BETHESDA/CHEVY CHASE	13,170,201	2,599,017	19.7%	20.8%	\$40.74	4,184,351	896,062	21.4%	0	(66,000)	(303,000)
NORTH BETHESDA	11,173,353	1,948,024	17.4%	18.3%	\$31.95	1,833,340	120,244	6.6%	0	155,000	161,000
ROCKVILLE	8,436,869	1,674,440	19.8%	21.1%	\$31.07	2,978,003	441,885	14.8%	0	(51,000)	(186,000)
NORTH ROCKVILLE	12,720,546	1,964,310	15.4%	16.7%	\$31.44	5,279,419	469,403	8.9%	0	(76,000)	(92,000)
GAITHERSBURG	6,074,217	698,019	11.5%	15.7%	\$25.94	2,145,867	266,088	12.4%	42,000	(103,000)	(121,000)
GERMANTOWN	2,803,251	737,255	26.3%	29.0%	\$27.41	1,175,229	258,550	22.0%	0	19,000	(60,000)
KENSINGTON/WHEATON	1,641,234	241,825	14.7%	14.7%	\$28.52	373,000	34,397	9.2%	0	0	(32,000)
SILVER SPRING	6,973,396	1,080,655	15.5%	16.0%	\$31.07	900,144	196,026	21.8%	0	(30,000)	(129,000)
NORTH SILVER SPRING/RT. 29	3,661,988	354,906	9.7%	10.2%	\$27.23	484,538	23,554	4.9%	0	13,000	27,000
<b>TOTAL - MONTGOMERY COUNTY</b>	<b>66,655,055</b>	<b>11,298,451</b>	<b>17.0%</b>	<b>18.3%</b>	<b>\$32.30</b>	<b>19,353,891</b>	<b>2,706,209</b>	<b>14.0%</b>	<b>42,000</b>	<b>(139,000)</b>	<b>(735,000)</b>
BELTSVILLE/CALVERTON/COLLEGE PARK	6,082,488	1,031,723	17.0%	18.1%	\$25.57	955,149	24,889	2.6%	0	(49,000)	(41,000)
LAUREL	2,579,823	539,913	20.9%	21.1%	\$23.21	185,804	91,664	49.3%	60,000	8,000	(39,000)
GREENBELT	3,016,041	895,709	29.7%	30.1%	\$23.52	234,096	51,197	21.9%	0	(36,000)	57,000
LANHAM/LANDOVER/LARGO	5,659,867	1,669,382	29.5%	32.6%	\$24.75	1,463,783	127,500	8.7%	0	1,000	360,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	457,878	8.3%	8.6%	\$27.17	1,629,951	62,619	3.8%	0	(8,000)	(27,000)
<b>TOTAL - PRINCE GEORGE'S COUNTY</b>	<b>22,823,931</b>	<b>4,594,605</b>	<b>20.1%</b>	<b>21.3%</b>	<b>\$25.21</b>	<b>4,468,783</b>	<b>357,870</b>	<b>8.0%</b>	<b>60,000</b>	<b>(84,000)</b>	<b>310,000</b>
FREDERICK COUNTY	6,880,350	963,249	14.4%	15.5%	\$24.85	1,783,835	94,543	5.3%	78,600	(52,000)	(7,000)
<b>TOTAL</b>	<b>96,359,336</b>	<b>16,856,305</b>	<b>17.5%</b>	<b>18.8%</b>	<b>\$29.78</b>	<b>25,606,509</b>	<b>3,158,622</b>	<b>12.3%</b>	<b>180,600</b>	<b>(275,000)</b>	<b>(432,000)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>95,435,108</b>	<b>14,955,900</b>	<b>15.7%</b>	<b>16.9%</b>	<b>\$29.60</b>	<b>24,585,147</b>	<b>2,231,793</b>	<b>9.1%</b>	<b>804,045</b>	<b>(292,000)</b>	<b>815,000</b>

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 Q4 2023	NET ABSORPTION Q4 2023 YOY
<b>District of Columbia</b>								
<b>TOTAL</b>	7,753,857	302,400	3.9%	4.3%	\$17.71	0	(15,000)	(41,000)
<b>TOTAL - ONE YEAR PRIOR</b>	7,671,488	283,845	3.7%	5.1%	\$16.46	0	68,000	149,000
<b>Northern Virginia</b>								
<b>BELTWAY (I-495)</b>	8,106,526	364,107	4.5%	4.5%	\$22.11	0	(29,000)	(48,000)
<b>I-95 CORRIDOR</b>	24,508,342	1,297,743	5.3%	5.4%	\$18.33	88,322	74,000	144,000
<b>DULLES CORRIDOR</b>	38,125,502	1,007,554	2.6%	3.0%	\$17.90	527,713	26,000	(62,000)
<b>LEESBURG/OUTLYING LOUDOUN</b>	1,444,343	75,533	5.2%	5.2%	\$18.74	56,000	0	0
<b>MANASSAS/GAINESVILLE</b>	19,470,279	539,517	2.8%	2.8%	\$16.28	122,372	93,000	745,000
<b>TOTAL</b>	91,654,992	3,284,454	3.6%	3.8%	\$18.03	794,407	164,000	779,000
<b>TOTAL - ONE YEAR PRIOR</b>	91,238,687	3,193,354	3.5%	3.6%	\$16.85	859,536	510,000	1,986,000
<b>Suburban Maryland</b>								
<b>NORTHERN PRINCE GEORGE'S</b>	19,411,362	750,346	3.9%	4.1%	\$14.11	0	36,000	(222,000)
<b>CENTRAL PRINCE GEORGE'S</b>	27,791,215	487,805	1.8%	2.3%	\$13.82	1,157,892	(12,000)	(66,000)
<b>SOUTHERN PRINCE GEORGE'S</b>	9,115,587	536,979	5.9%	11.9%	\$13.90	1,182,024	(13,000)	213,000
<b>MONTGOMERY COUNTY</b>	20,407,262	667,348	3.3%	3.6%	\$21.89	0	(26,000)	(32,000)
<b>FREDERICK COUNTY</b>	18,736,574	1,079,212	5.8%	5.9%	\$13.25	191,108	334,000	662,000
<b>TOTAL</b>	95,462,000	3,521,691	3.7%	4.6%	\$15.79	2,531,024	319,000	555,000
<b>TOTAL - ONE YEAR PRIOR</b>	93,458,251	2,803,748	3.0%	3.1%	\$14.65	3,441,387	354,000	1,357,000

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. This report excludes data centers, biotech, and properties owned by a government agency.

## ABOUT TRANSWESTERN

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