

WASHINGTON METRO AREA MARKET WATCH

APRIL 2024



 **TRANSWESTERN**

OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A: BUILDINGS BUILT 1998 - PRESENT			UNDER CONSTR.	NET ABSORPTION Q1 2024	NET ABSORPTION Q1 2024 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	OVERALL VACANCY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
District of Columbia											
CBD	42,795,309	6,887,508	16.1%	17.1%	\$53.75	7,831,048	804,124	10.3%	334,000	(56,000)	(275,000)
EAST END	48,465,746	7,765,421	16.0%	17.1%	\$57.27	14,762,679	2,459,694	16.7%	441,617	(383,000)	(1,234,000)
CAPITOL HILL	6,397,058	1,328,807	20.8%	21.6%	\$55.82	2,928,346	1,063,159	36.3%	0	40,000	96,000
NOMA	11,866,949	800,384	6.7%	6.9%	\$50.36	7,487,723	493,631	6.6%	0	(6,000)	(304,000)
CAPITOL RIVERFRONT	5,762,589	588,829	10.2%	12.1%	\$54.74	4,751,666	523,510	11.0%	0	(17,000)	35,000
SOUTHWEST	13,153,644	1,621,153	12.3%	12.5%	\$50.96	4,882,165	470,827	9.6%	0	(39,000)	(10,000)
GEORGETOWN	2,936,331	930,377	31.7%	31.7%	\$44.85	127,308	100,553	79.0%	0	(31,000)	(239,000)
WEST END	3,892,187	556,705	14.3%	18.9%	\$49.85	432,900	32,900	7.6%	0	(19,000)	(31,000)
UPTOWN	9,545,269	1,417,807	14.9%	15.8%	\$40.57	594,613	72,543	12.2%	41,000	15,000	59,000
TOTAL	144,815,082	21,896,990	15.1%	16.1%	\$53.21	43,798,448	6,020,940	13.7%	816,617	(496,000)	(1,903,000)
TOTAL - ONE YEAR PRIOR	145,421,798	20,336,928	14.0%	15.3%	\$53.52	43,606,292	5,318,293	12.2%	714,208	(248,000)	(47,000)
Northern Virginia											
RCB CORRIDOR	24,658,917	4,902,335	19.9%	21.5%	\$40.28	9,164,999	1,048,603	11.4%	545,576	(110,000)	(134,000)
NATIONAL LANDING	16,439,962	2,761,914	16.8%	18.2%	\$38.11	4,850,336	679,047	14.0%	0	(112,000)	1,828,000
OLD TOWN	7,764,037	1,050,290	13.5%	14.9%	\$33.26	1,397,549	373,146	26.7%	0	(9,000)	(100,000)
EISENHOWER AVE CORRIDOR	8,343,378	675,814	8.1%	8.6%	\$33.91	4,747,626	142,429	3.0%	0	(67,000)	(45,000)
SPRINGFIELD/HUNTINGTON/I-95	8,329,354	1,819,131	21.8%	21.8%	\$30.26	2,948,904	695,941	23.6%	0	26,000	(154,000)
BAILEY'S/FALLS CHURCH/ANNANDALE	6,342,695	1,274,882	20.1%	20.5%	\$29.12	715,940	130,301	18.2%	0	13,000	0
MERRIFIELD	9,372,243	1,324,167	14.1%	15.3%	\$32.21	2,739,975	461,242	16.8%	0	(167,000)	(96,000)
RESTON	20,777,227	3,261,484	15.7%	16.9%	\$35.26	9,876,652	1,341,615	13.6%	615,611	21,000	(114,000)
HERNDON	12,029,084	3,030,818	25.2%	26.4%	\$32.46	7,441,429	1,865,924	25.1%	0	(48,000)	(481,000)
TYSONS CORNER	31,021,909	4,464,546	14.4%	15.4%	\$37.28	11,828,017	1,281,135	10.8%	0	(102,000)	637,000
MCLEAN/VIENNA	2,388,725	665,978	27.9%	28.5%	\$29.22	235,000	0	0.0%	0	(31,000)	(67,000)
OAKTON/FAIRFAX CITY	5,725,889	1,070,061	18.7%	18.8%	\$25.03	499,139	115,800	23.2%	0	7,000	17,000
FAIRFAX CENTER	7,254,955	1,542,593	21.3%	22.8%	\$30.41	1,107,106	190,710	17.2%	0	(9,000)	65,000
RT. 28 SOUTH/CHANTILLY	14,492,593	1,707,140	11.8%	12.2%	\$28.46	9,423,587	1,123,334	11.9%	0	58,000	210,000
LOUDOUN COUNTY	16,183,528	2,198,311	13.6%	14.6%	\$28.24	10,825,775	1,356,468	12.5%	0	(38,000)	(102,000)
PRINCE WILLIAM COUNTY	6,694,183	1,385,088	20.7%	20.7%	\$26.31	1,748,188	301,258	17.2%	0	(13,000)	(76,000)
TOTAL	197,818,679	33,134,551	16.7%	17.8%	\$33.34	79,550,222	11,106,954	14.0%	1,161,187	(581,000)	1,388,000
TOTAL - ONE YEAR PRIOR	196,054,738	32,449,064	16.6%	17.8%	\$33.47	76,696,538	11,048,493	14.4%	4,615,629	(575,000)	(1,150,000)

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 Q1 2024	NET ABSORPTION Q1 2024 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	2,436,487	18.5%	19.5%	\$40.70	4,184,351	878,714	21.0%	0	(82,000)	(304,000)
NORTH BETHESDA	11,173,353	1,994,672	17.9%	18.7%	\$32.03	1,833,340	155,834	8.5%	0	22,000	161,000
ROCKVILLE	8,436,869	1,581,446	18.7%	20.0%	\$31.13	2,978,003	442,712	14.9%	0	(76,000)	(228,000)
NORTH ROCKVILLE	12,720,546	1,892,019	14.9%	16.2%	\$31.55	5,279,419	402,524	7.6%	0	(223,000)	(334,000)
GAITHERSBURG	6,074,217	700,980	11.5%	16.0%	\$26.04	2,145,867	263,084	12.3%	42,000	(6,000)	(112,000)
GERMANTOWN	2,803,251	747,385	26.7%	28.6%	\$27.48	1,175,229	257,434	21.9%	0	(36,000)	(95,000)
KENSINGTON/WHEATON	1,641,234	253,156	15.4%	15.4%	\$28.53	373,000	41,030	11.0%	0	(32,000)	(41,000)
SILVER SPRING	6,973,396	1,075,278	15.4%	15.8%	\$31.07	900,144	196,026	21.8%	0	(28,000)	(80,000)
NORTH SILVER SPRING/RT. 29	3,661,988	369,546	10.1%	10.6%	\$27.25	484,538	48,454	10.0%	0	5,000	34,000
TOTAL - MONTGOMERY COUNTY	66,655,055	11,050,970	16.6%	17.9%	\$32.35	19,353,891	2,685,811	13.9%	42,000	(456,000)	(999,000)
BELTSVILLE/CALVERTON/COLLEGE PARK	5,989,488	947,273	15.8%	17.0%	\$25.57	955,149	34,385	3.6%	0	(17,000)	(72,000)
LAUREL	2,579,823	586,211	22.7%	22.8%	\$23.21	185,804	100,315	54.0%	60,000	(8,000)	(28,000)
GREENBELT	3,016,041	886,281	29.4%	29.8%	\$23.52	234,096	51,197	21.9%	0	(20,000)	(53,000)
LANHAM/LANDOVER/LARGO	5,659,867	1,703,265	30.1%	33.2%	\$24.74	1,463,783	181,918	12.4%	0	(22,000)	21,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	473,711	8.6%	8.9%	\$27.17	1,629,951	65,340	4.0%	0	(25,000)	(58,000)
TOTAL - PRINCE GEORGE'S COUNTY	22,730,931	4,596,741	20.2%	21.4%	\$25.21	4,468,783	433,155	9.7%	60,000	(92,000)	(190,000)
FREDERICK COUNTY	6,905,812	1,319,408	19.1%	20.1%	\$24.88	1,783,835	410,282	23.0%	53,138	(344,000)	(348,000)
TOTAL	96,291,798	16,967,118	17.6%	18.9%	\$29.82	25,606,509	3,529,249	13.8%	155,138	(892,000)	(1,537,000)
TOTAL - ONE YEAR PRIOR	95,678,358	15,005,726	15.7%	17.0%	\$29.68	24,900,147	2,350,094	9.4%	919,362	216,000	688,000

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 Q1 2024	NET ABSORPTION Q1 2024 YOY
District of Columbia								
TOTAL	7,753,857	310,154	4.0%	4.6%	\$18.02	0	(49,000)	(23,000)
TOTAL - ONE YEAR PRIOR	7,753,857	271,385	3.5%	4.0%	\$16.82	0	(36,000)	(8,000)
Northern Virginia								
BELTWAY (I-495)	8,106,526	457,336	5.6%	5.7%	\$22.08	0	(15,000)	(64,000)
I-95 CORRIDOR	24,429,658	1,321,167	5.4%	5.5%	\$18.29	0	20,000	177,000
DULLES CORRIDOR	38,125,502	1,218,261	3.2%	3.5%	\$17.87	498,520	(116,000)	(220,000)
LEESBURG/OUTLYING LOUDOUN	1,444,343	80,100	5.5%	5.5%	\$18.71	56,000	(5,000)	(5,000)
MANASSAS/GAINESVILLE	19,348,304	329,001	1.7%	1.9%	\$16.25	122,372	192,000	885,000
TOTAL	91,454,333	3,405,866	3.7%	3.9%	\$18.00	676,892	76,000	773,000
TOTAL - ONE YEAR PRIOR	90,293,936	2,979,700	3.3%	3.5%	\$17.19	1,931,526	80,000	1,421,000
Suburban Maryland								
NORTHERN PRINCE GEORGE'S	19,247,401	708,486	3.7%	3.9%	\$14.36	0	133,000	54,000
CENTRAL PRINCE GEORGE'S	27,827,335	636,682	2.3%	2.8%	\$14.08	1,121,772	(5,000)	(27,000)
SOUTHERN PRINCE GEORGE'S	9,246,212	624,887	6.8%	12.7%	\$14.15	1,052,024	(165,000)	40,000
MONTGOMERY COUNTY	19,687,871	622,266	3.2%	3.6%	\$22.24	0	52,000	(43,000)
FREDERICK COUNTY	19,280,465	1,035,651	5.4%	5.4%	\$13.48	191,108	(17,000)	(108,000)
TOTAL	95,289,284	3,627,973	3.8%	4.7%	\$16.06	2,364,904	(2,000)	(84,000)
TOTAL - ONE YEAR PRIOR	94,745,210	2,652,866	2.8%	3.0%	\$14.97	2,815,373	(140,000)	1,181,000

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

Five dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award-winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and [@Transwestern](https://twitter.com/Transwestern).

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