

# WASHINGTON METRO AREA MARKET WATCH

MAY 2024



## 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			
<b>District of Columbia</b>											
<b>CBD</b>	42,795,309	6,907,948	16.1%	17.1%	\$53.75	7,831,048	894,628	11.4%	334,000	(56,000)	(275,000)
<b>EAST END</b>	48,465,746	7,768,686	16.0%	17.1%	\$57.27	14,762,679	2,465,340	16.7%	441,617	(383,000)	(1,234,000)
<b>CAPITOL HILL</b>	6,397,058	1,331,443	20.8%	21.6%	\$55.82	2,928,346	1,063,229	36.3%	0	40,000	96,000
<b>NOMA</b>	11,866,949	854,683	7.2%	7.3%	\$50.36	7,487,723	532,136	7.1%	0	(6,000)	(304,000)
<b>CAPITOL RIVERFRONT</b>	5,762,589	605,541	10.5%	12.4%	\$54.74	4,751,666	537,414	11.3%	0	(17,000)	35,000
<b>SOUTHWEST</b>	13,153,644	1,653,628	12.6%	13.0%	\$50.96	4,882,165	485,260	9.9%	0	(39,000)	(10,000)
<b>GEORGETOWN</b>	2,936,331	924,039	31.5%	31.5%	\$44.85	127,308	100,553	79.0%	0	(31,000)	(239,000)
<b>WEST END</b>	3,892,187	550,517	14.1%	19.0%	\$49.85	432,900	32,900	7.6%	0	(19,000)	(31,000)
<b>UPTOWN</b>	9,545,269	1,417,131	14.8%	15.9%	\$40.57	594,613	72,543	12.2%	41,000	15,000	59,000
<b>TOTAL</b>	<b>144,815,082</b>	<b>22,013,617</b>	<b>15.2%</b>	<b>16.2%</b>	<b>\$53.21</b>	<b>43,798,448</b>	<b>6,184,005</b>	<b>14.1%</b>	<b>816,617</b>	<b>(496,000)</b>	<b>(1,903,000)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>145,421,798</b>	<b>20,256,570</b>	<b>13.9%</b>	<b>15.2%</b>	<b>\$53.52</b>	<b>43,606,292</b>	<b>5,334,100</b>	<b>12.2%</b>	<b>709,040</b>	<b>(248,000)</b>	<b>(47,000)</b>
<b>Northern Virginia</b>											
<b>RCB CORRIDOR</b>	24,859,493	5,158,340	20.7%	22.4%	\$40.28	9,365,575	1,305,193	13.9%	345,000	(110,000)	(134,000)
<b>NATIONAL LANDING</b>	16,439,962	2,729,034	16.6%	18.1%	\$38.11	4,850,336	669,346	13.8%	0	(112,000)	1,828,000
<b>OLD TOWN</b>	7,764,037	1,047,073	13.5%	15.2%	\$33.26	1,397,549	448,383	32.1%	0	(9,000)	(100,000)
<b>EISENHOWER AVE CORRIDOR</b>	8,343,378	709,187	8.5%	9.0%	\$33.91	4,747,626	180,410	3.8%	0	(67,000)	(45,000)
<b>SPRINGFIELD/HUNTINGTON/I-95</b>	8,329,354	1,835,790	22.0%	22.2%	\$30.26	2,948,904	681,197	23.1%	0	26,000	(154,000)
<b>BAILEY'S/FALLS CHURCH/ANNANDALE</b>	6,342,695	1,268,539	20.0%	20.2%	\$29.12	715,940	127,437	17.8%	0	13,000	0
<b>MERRIFIELD</b>	9,372,243	1,306,326	13.9%	15.2%	\$32.21	2,739,975	447,618	16.3%	0	(167,000)	(96,000)
<b>RESTON</b>	20,777,227	3,229,298	15.5%	17.1%	\$35.26	9,876,652	1,292,803	13.1%	615,611	21,000	(114,000)
<b>HERNDON</b>	12,029,084	3,035,928	25.2%	26.4%	\$32.46	7,441,429	1,854,622	24.9%	0	(48,000)	(481,000)
<b>TYSONS CORNER</b>	31,021,909	4,501,971	14.5%	15.3%	\$37.28	11,828,017	1,280,068	10.8%	0	(102,000)	637,000
<b>MCLEAN/VIENNA</b>	2,388,725	660,629	27.7%	28.3%	\$29.22	235,000	0	0.0%	0	(31,000)	(67,000)
<b>OAKTON/FAIRFAX CITY</b>	5,725,889	1,044,813	18.2%	18.4%	\$25.03	499,139	115,800	23.2%	0	7,000	17,000
<b>FAIRFAX CENTER</b>	7,254,955	1,532,948	21.1%	22.6%	\$30.41	1,107,106	190,710	17.2%	0	(9,000)	65,000
<b>RT. 28 SOUTH/CHANTILLY</b>	14,492,593	1,691,082	11.7%	12.1%	\$28.46	9,423,587	1,109,498	11.8%	0	58,000	210,000
<b>LOUDOUN COUNTY</b>	16,183,528	2,354,818	14.6%	15.6%	\$28.24	10,825,775	1,488,919	13.8%	0	(38,000)	(102,000)
<b>PRINCE WILLIAM COUNTY</b>	6,694,183	1,410,482	21.1%	21.1%	\$26.31	1,748,188	328,360	18.8%	0	(13,000)	(76,000)
<b>TOTAL</b>	<b>198,019,255</b>	<b>33,516,258</b>	<b>16.9%</b>	<b>18.0%</b>	<b>\$33.34</b>	<b>79,750,798</b>	<b>11,520,367</b>	<b>14.4%</b>	<b>960,611</b>	<b>(581,000)</b>	<b>1,388,000</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>198,154,738</b>	<b>32,383,212</b>	<b>16.3%</b>	<b>17.6%</b>	<b>\$33.47</b>	<b>78,796,538</b>	<b>11,066,251</b>	<b>14.0%</b>	<b>2,515,629</b>	<b>(575,000)</b>	<b>(1,150,000)</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 Q1 2024	NET ABSORPTION Q1 2024 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	2,343,166	17.8%	18.8%	\$40.70	4,184,351	785,390	18.8%	0	(82,000)	(304,000)
NORTH BETHESDA	11,173,353	1,999,091	17.9%	18.7%	\$32.03	1,833,340	155,834	8.5%	0	22,000	161,000
ROCKVILLE	8,436,869	1,600,407	19.0%	20.2%	\$31.13	2,978,003	468,281	15.7%	0	(76,000)	(228,000)
NORTH ROCKVILLE	12,720,546	1,925,040	15.1%	16.4%	\$31.55	5,279,419	410,434	7.8%	0	(223,000)	(334,000)
GAITHERSBURG	6,074,217	697,603	11.5%	15.9%	\$26.04	2,145,867	263,084	12.3%	42,000	(6,000)	(112,000)
GERMANTOWN	2,803,251	747,377	26.7%	28.5%	\$27.48	1,175,229	280,773	23.9%	0	(36,000)	(95,000)
KENSINGTON/WHEATON	1,641,234	253,183	15.4%	15.4%	\$28.53	373,000	41,030	11.0%	0	(32,000)	(41,000)
SILVER SPRING	6,973,396	1,022,660	14.7%	15.0%	\$31.07	900,144	196,026	21.8%	0	(28,000)	(80,000)
NORTH SILVER SPRING/RT. 29	3,661,988	384,195	10.5%	11.0%	\$27.25	484,538	48,454	10.0%	0	5,000	34,000
<b>TOTAL - MONTGOMERY COUNTY</b>	<b>66,655,055</b>	<b>10,972,722</b>	<b>16.5%</b>	<b>17.7%</b>	<b>\$32.35</b>	<b>19,353,891</b>	<b>2,649,305</b>	<b>13.7%</b>	<b>42,000</b>	<b>(456,000)</b>	<b>(999,000)</b>
BELTSVILLE/CALVERTON/COLLEGE PARK	5,989,488	944,039	15.8%	16.6%	\$25.57	955,149	34,385	3.6%	0	(17,000)	(72,000)
LAUREL	2,579,823	574,435	22.3%	22.4%	\$23.21	185,804	100,315	54.0%	60,000	(8,000)	(28,000)
GREENBELT	3,016,041	885,044	29.3%	29.8%	\$23.52	234,096	56,493	24.1%	0	(20,000)	(53,000)
LANHAM/LANDOVER/LARGO	5,659,867	1,790,343	31.6%	34.7%	\$24.74	1,463,783	180,160	12.3%	0	(22,000)	21,000
BOWIE/MARLBORO/SOUTH P.G.	5,485,712	466,997	8.5%	8.8%	\$27.17	1,629,951	60,818	3.7%	0	(25,000)	(58,000)
<b>TOTAL - PRINCE GEORGE'S COUNTY</b>	<b>22,730,931</b>	<b>4,660,857</b>	<b>20.5%</b>	<b>21.6%</b>	<b>\$25.21</b>	<b>4,468,783</b>	<b>432,172</b>	<b>9.7%</b>	<b>60,000</b>	<b>(92,000)</b>	<b>(190,000)</b>
FREDERICK COUNTY	6,905,812	1,328,669	19.2%	20.1%	\$24.88	1,783,835	412,017	23.1%	53,138	(344,000)	(348,000)
<b>TOTAL</b>	<b>96,291,798</b>	<b>16,962,248</b>	<b>17.6%</b>	<b>18.8%</b>	<b>\$29.82</b>	<b>25,606,509</b>	<b>3,493,493</b>	<b>13.6%</b>	<b>155,138</b>	<b>(892,000)</b>	<b>(1,537,000)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>95,678,358</b>	<b>14,966,906</b>	<b>15.6%</b>	<b>17.0%</b>	<b>\$29.68</b>	<b>24,900,147</b>	<b>2,422,654</b>	<b>9.7%</b>	<b>939,362</b>	<b>216,000</b>	<b>688,000</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 Q1 2024	NET ABSORPTION Q1 2024 YOY
<b>District of Columbia</b>								
<b>TOTAL</b>	7,753,857	286,893	3.7%	4.4%	\$18.02	0	(49,000)	(23,000)
<b>TOTAL - ONE YEAR PRIOR</b>	7,753,857	271,385	3.2%	3.8%	\$16.82	0	(36,000)	(8,000)
<b>Northern Virginia</b>								
<b>BELTWAY (I-495)</b>	8,106,526	484,641	6.0%	6.0%	\$22.08	0	(15,000)	(64,000)
<b>I-95 CORRIDOR</b>	24,429,658	1,300,683	5.3%	5.4%	\$18.29	45,000	20,000	177,000
<b>DULLES CORRIDOR</b>	38,125,502	1,221,045	3.2%	3.5%	\$17.87	527,713	(116,000)	(220,000)
<b>LEESBURG/OUTLYING LOUDOUN</b>	1,444,343	77,468	5.4%	5.4%	\$18.71	258,000	(5,000)	(5,000)
<b>MANASSAS/GAINESVILLE</b>	19,439,476	334,592	1.7%	1.8%	\$16.25	31,200	192,000	885,000
<b>TOTAL</b>	<b>91,545,505</b>	<b>3,418,430</b>	<b>3.7%</b>	<b>3.9%</b>	<b>\$18.00</b>	<b>861,913</b>	<b>76,000</b>	<b>773,000</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>90,293,936</b>	<b>2,979,700</b>	<b>3.1%</b>	<b>3.3%</b>	<b>\$17.19</b>	<b>1,931,526</b>	<b>80,000</b>	<b>1,421,000</b>
<b>Suburban Maryland</b>								
<b>NORTHERN PRINCE GEORGE'S</b>	19,247,401	823,843	4.3%	4.5%	\$14.36	0	133,000	54,000
<b>CENTRAL PRINCE GEORGE'S</b>	27,827,335	623,487	2.2%	2.8%	\$14.08	1,121,772	(5,000)	(27,000)
<b>SOUTHERN PRINCE GEORGE'S</b>	9,246,212	726,557	7.9%	13.8%	\$14.15	1,052,024	(165,000)	40,000
<b>MONTGOMERY COUNTY</b>	19,687,871	672,477	3.4%	3.8%	\$22.24	0	52,000	(43,000)
<b>FREDERICK COUNTY</b>	19,280,465	1,011,560	5.2%	5.2%	\$13.48	191,108	(17,000)	(108,000)
<b>TOTAL</b>	<b>95,289,284</b>	<b>3,857,924</b>	<b>4.0%</b>	<b>4.9%</b>	<b>\$16.06</b>	<b>2,364,904</b>	<b>(2,000)</b>	<b>(84,000)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>94,745,210</b>	<b>2,652,866</b>	<b>2.5%</b>	<b>2.8%</b>	<b>\$14.97</b>	<b>2,815,373</b>	<b>(140,000)</b>	<b>1,181,000</b>

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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](https://transwestern.com) and [@Transwestern](https://twitter.com/Transwestern).

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