

WASHINGTON METRO AREA MARKET WATCH

MARCH 2025



OFFICE MARKET INDICATORS

| SUBMARKET | ALL OFFICE BUILDINGS | | | | | CLASS A | | | UNDER CONSTR. | NET ABSORPTION Q1 2025 | NET ABSORPTION Q1 2025 YOY |
|--|----------------------|-------------------|----------------|--------------------|------------------|--------------------|-------------------|----------------|------------------|------------------------|----------------------------|
| | INVENTORY | DIRECT VACANCY SF | DIRECT VACANCY | TOTAL AVAILABILITY | AVERAGE RATE PSF | INVENTORY | DIRECT VACANCY SF | DIRECT VACANCY | | | |
| District of Columbia | | | | | | | | | | | |
| CBD | 42,076,630 | 7,461,838 | 17.7% | 26.4% | \$53.67 | 30,024,792 | 5,233,327 | 17.4% | 0 | (321,846) | (36,617) |
| EAST END | 53,421,072 | 8,489,101 | 15.9% | 26.5% | \$57.22 | 42,179,055 | 6,649,513 | 15.8% | 400,000 | 96,233 | 23,345 |
| CAPITOL HILL | 6,670,741 | 1,088,626 | 16.3% | 26.4% | \$55.86 | 4,113,685 | 976,980 | 23.7% | 0 | (13,033) | 127,940 |
| NOMA | 12,046,662 | 1,306,089 | 10.8% | 17.0% | \$50.35 | 10,604,756 | 580,355 | 17.7% | 0 | (40,592) | (216,644) |
| CAPITOL RIVERFRONT | 3,559,204 | 596,958 | 16.8% | 30.9% | \$54.18 | 3,276,109 | 580,355 | 17.7% | 0 | 30,441 | 91,712 |
| SOUTHWEST | 12,985,217 | 1,837,385 | 14.1% | 17.0% | \$50.84 | 10,985,888 | 1,610,351 | 14.7% | 0 | (31,539) | (78,040) |
| GEORGETOWN | 3,499,802 | 687,566 | 19.6% | 26.8% | \$44.84 | 1,351,450 | 397,884 | 29.4% | 0 | 12,377 | 26,957 |
| WEST END | 3,947,877 | 474,813 | 12.0% | 21.5% | \$49.52 | 2,716,328 | 417,422 | 15.4% | 0 | (37,769) | (8,741) |
| UPTOWN | 10,089,811 | 737,876 | 7.3% | 13.7% | \$40.67 | 1,964,074 | 173,382 | 8.8% | 0 | 10,627 | 18,442 |
| TOTAL | 148,297,016 | 22,680,252 | 15.3% | 24.0% | \$53.14 | 107,216,137 | 16,619,569 | 15.5% | 400,000 | (295,101) | (51,646) |
| TOTAL - ONE YEAR PRIOR | 148,450,164 | 22,420,196 | 15.1% | 24.4% | \$53.26 | 106,841,137 | 17,014,510 | 15.9% | 775,000 | (649,192) | (3,088,555) |
| Northern Virginia | | | | | | | | | | | |
| RCB CORRIDOR | 24,947,988 | 5,404,166 | 21.7% | 29.1% | \$40.14 | 20,061,569 | 4,634,818 | 23.1% | 0 | (21,994) | 34,658 |
| NATIONAL LANDING | 17,272,639 | 2,810,262 | 16.3% | 20.2% | \$38.04 | 11,739,229 | 2,236,329 | 19.1% | 0 | (86,865) | (136,024) |
| OLD TOWN | 8,238,603 | 1,252,006 | 15.2% | 22.1% | \$33.41 | 4,214,482 | 833,090 | 19.8% | 0 | (5,715) | (132,143) |
| EISENHOWER AVE CORRIDOR | 7,901,353 | 2,319,659 | 29.4% | 33.5% | \$33.89 | 5,638,404 | 1,961,852 | 34.8% | 0 | (13,081) | (795,742) |
| SPRINGFIELD/HUNTINGTON/I-95 | 6,711,512 | 936,285 | 14.0% | 18.3% | \$30.31 | 2,871,316 | 512,750 | 17.9% | 0 | 436 | 29,441 |
| BAILEY'S/FALLS CHURCH/ANNANDALE | 5,739,428 | 607,072 | 10.6% | 13.6% | \$29.21 | 2,641,240 | 322,149 | 12.2% | 0 | (8,927) | (101,181) |
| MERRIFIELD | 7,444,759 | 957,334 | 12.9% | 18.1% | \$32.19 | 4,919,419 | 805,853 | 16.4% | 270,000 | (41,971) | (13,471) |
| RESTON | 20,678,382 | 4,308,030 | 20.8% | 29.0% | \$35.16 | 15,742,433 | 3,688,260 | 23.4% | 210,000 | (49,543) | (16,445) |
| HERNDON | 11,779,030 | 2,773,785 | 23.5% | 33.9% | \$32.41 | 8,858,108 | 2,406,136 | 27.2% | 0 | (22,989) | (106,478) |
| TYSONS CORNER | 30,174,965 | 5,295,733 | 17.6% | 25.1% | \$37.13 | 22,863,577 | 4,223,474 | 18.5% | 0 | 53,704 | (308,200) |
| MCLEAN/VIENNA | 2,501,996 | 495,812 | 19.8% | 20.9% | \$29.31 | 761,012 | 371,665 | 48.8% | 0 | 12,822 | 108,327 |
| OAKTON/FAIRFAX CITY | 5,181,140 | 517,227 | 10.0% | 12.4% | \$25.11 | 1,160,204 | 193,262 | 16.7% | 0 | 2,771 | 58,094 |
| FAIRFAX CENTER | 6,478,235 | 1,364,768 | 21.1% | 30.1% | \$30.28 | 4,669,058 | 887,198 | 19.0% | 0 | (318) | 13,387 |
| RT. 28 CORRIDOR SOUTH/CHANTILLY | 14,222,912 | 1,769,572 | 12.4% | 14.9% | \$28.34 | 9,732,964 | 1,268,788 | 13.0% | 0 | 27,943 | (223,882) |
| RT. 28 CORRIDOR NORTH | 8,319,035 | 770,977 | 9.3% | 11.1% | \$30.28 | 4,673,440 | 443,069 | 9.5% | 0 | 15,512 | 25,629 |
| LEESBURG/WEST LOUDON | 5,174,136 | 214,570 | 4.1% | 9.6% | \$28.34 | 2,702,935 | 148,837 | 5.5% | 34,000 | (23,355) | 83,276 |
| MANASSAS/GAINESVILLE | 3,369,104 | 124,109 | 3.7% | 5.0% | \$28.20 | 664,957 | 41,757 | 6.3% | 0 | 15,599 | 27,236 |
| EAST PRINCE WILLIAM COUNTY | 2,353,379 | 104,525 | 4.4% | 6.2% | \$26.43 | 184,687 | 11,838 | 6.4% | 0 | (7,377) | (24,504) |
| TOTAL | 188,488,596 | 32,025,892 | 17.0% | 22.9% | \$33.28 | 124,099,034 | 24,991,125 | 20.1% | 514,000 | (153,348) | (1,478,022) |
| TOTAL - ONE YEAR PRIOR | 190,718,055 | 29,668,256 | 15.6% | 22.7% | \$33.34 | 124,878,600 | 22,329,244 | 17.9% | 1,461,187 | (367,493) | 1,822,427 |

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 | | | UNDER CONSTR. | NET ABSORPTION Q1 2025 | NET ABSORPTION Q1 2025 YOY |
|---------------------------------------|----------------------|-------------------|----------------|--------------------|------------------|-------------------|-------------------|----------------|----------------|------------------------|----------------------------|
| | INVENTORY | DIRECT VACANCY SF | DIRECT VACANCY | TOTAL AVAILABILITY | AVERAGE RATE PSF | INVENTORY | DIRECT VACANCY SF | DIRECT VACANCY | | | |
| Suburban Maryland | | | | | | | | | | | |
| BETHESDA/CHEVY CHASE | 12,637,030 | 2,909,546 | 23.0% | 28.4% | \$40.58 | 8,204,903 | 2,221,654 | 27.1% | 0 | (36,228) | 100,623 |
| NORTH BETHESDA | 9,590,283 | 1,877,438 | 19.6% | 24.3% | \$32.18 | 5,297,473 | 1,008,981 | 19.0% | 0 | 20,896 | (1,615) |
| ROCKVILLE | 9,217,448 | 1,695,423 | 18.4% | 24.7% | \$31.23 | 4,218,848 | 743,679 | 17.6% | 231,500 | 39,834 | 15,677 |
| NORTH ROCKVILLE | 11,934,801 | 1,927,261 | 16.1% | 22.8% | \$31.74 | 5,372,032 | 1,101,022 | 20.5% | 0 | 3,694 | 62,281 |
| GAITHERSBURG | 5,227,583 | 614,529 | 11.8% | 16.2% | \$26.17 | 1,887,476 | 135,000 | 7.2% | 0 | (3,399) | 37,838 |
| GERMANTOWN | 2,826,368 | 654,722 | 23.2% | 27.2% | \$27.68 | 773,618 | 205,573 | 26.6% | 0 | 10,212 | (188,202) |
| KENSINGTON/WHEATON | 776,561 | 76,532 | 9.9% | 10.5% | \$28.56 | 0 | 0 | 0.0% | 0 | 46,619 | 49,555 |
| SILVER SPRING | 6,444,025 | 1,323,886 | 20.5% | 27.2% | \$30.98 | 3,947,918 | 815,266 | 20.7% | 0 | (12,197) | (48,509) |
| NORTH SILVER SPRING/RT. 29 | 3,412,081 | 238,764 | 7.0% | 10.2% | \$27.34 | 0 | 0 | 0.0% | 0 | (9,905) | (19,241) |
| TOTAL - MONTGOMERY COUNTY | 62,066,180 | 11,318,101 | 18.2% | 23.7% | \$32.52 | 29,702,268 | 6,231,175 | 21.0% | 231,500 | 59,526 | 8,407 |
| BELTSVILLE/CALVERTON/COLLEGE PARK | 5,341,397 | 486,038 | 9.1% | 13.7% | \$25.62 | 1,682,181 | 149,656 | 8.9% | 0 | (19,740) | (21,252) |
| LAUREL | 2,064,277 | 318,838 | 15.4% | 20.5% | \$23.14 | 922,773 | 81,272 | 8.8% | 0 | 14,047 | 10,591 |
| GREENBELT | 2,623,686 | 705,010 | 26.9% | 33.0% | \$23.61 | 1,065,937 | 272,475 | 25.6% | 0 | (37,434) | 20,537 |
| LANHAM/LANDOVER/LARGO | 4,494,826 | 847,846 | 18.9% | 20.7% | \$24.86 | 779,370 | 81,470 | 10.5% | 0 | (11,953) | (409,153) |
| BOWIE/MARLBORO/SOUTH P.G. | 4,380,208 | 314,119 | 7.2% | 9.5% | \$27.24 | 1,251,509 | 68,458 | 5.5% | 0 | 2,039 | (16,999) |
| TOTAL - PRINCE GEORGE'S COUNTY | 18,904,394 | 2,671,851 | 14.1% | 17.8% | \$25.27 | 5,701,770 | 653,331 | 11.5% | 0 | (53,041) | (416,276) |
| FREDERICK COUNTY | 4,637,362 | 555,149 | 12.0% | 16.2% | \$25.00 | 1,077,655 | 376,886 | 35.0% | 0 | 43,188 | 119,303 |
| TOTAL | 85,607,936 | 14,545,101 | 17.0% | 22.0% | \$29.89 | 36,481,693 | 7,261,392 | 19.9% | 231,500 | 49,673 | (288,566) |
| TOTAL - ONE YEAR PRIOR | 86,681,721 | 14,290,134 | 16.5% | 22.0% | \$29.82 | 36,796,791 | 7,600,612 | 20.7% | 266,000 | (821,749) | (1,961,688) |

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 2025 | NET ABSORPTION Q1 2025 YOY |
|----------------------------------|------------|-------------------|----------------|-----------------|------------------|--------------------|------------------------|----------------------------|
| District of Columbia | | | | | | | | |
| TOTAL | 7,753,857 | 454,995 | 5.9% | 6.2% | \$18.85 | 0 | (52,000) | (198,000) |
| TOTAL - ONE YEAR PRIOR | 7,753,857 | 329,375 | 4.2% | 4.8% | \$18.02 | 0 | (49,000) | (23,000) |
| Northern Virginia | | | | | | | | |
| BELTWAY (I-495) | 8,106,526 | 387,762 | 4.8% | 4.9% | \$23.06 | 0 | 5,000 | (60,000) |
| I-95 CORRIDOR | 24,445,711 | 1,328,695 | 5.4% | 6.1% | \$19.12 | 109,200 | (54,000) | 74,000 |
| DULLES CORRIDOR | 38,516,731 | 1,276,552 | 3.3% | 3.8% | \$18.66 | 308,863 | 383,000 | 162,000 |
| LEESBURG/OUTLYING LOUDOUN | 1,698,643 | 12,418 | 0.7% | 0.7% | \$19.61 | 200,000 | 0 | 322,000 |
| MANASSAS/GAINESVILLE | 19,463,549 | 326,966 | 1.7% | 2.6% | \$17.01 | 110,050 | 53,000 | 207,000 |
| TOTAL | 92,231,160 | 3,332,393 | 3.6% | 4.2% | \$18.81 | 728,113 | 387,000 | 705,000 |
| TOTAL - ONE YEAR PRIOR | 91,454,333 | 3,296,592 | 3.6% | 3.9% | \$18.00 | 676,892 | 76,000 | 773,000 |
| Suburban Maryland | | | | | | | | |
| NORTHERN PRINCE GEORGE'S | 17,312,337 | 960,895 | 5.6% | 5.6% | \$15.01 | 0 | (53,000) | (285,000) |
| CENTRAL PRINCE GEORGE'S | 27,958,894 | 1,533,021 | 5.5% | 6.0% | \$14.75 | 768,225 | (282,000) | (664,000) |
| SOUTHERN PRINCE GEORGE'S | 10,252,017 | 1,687,859 | 16.5% | 19.0% | \$14.78 | 139,375 | 1,000 | (188,000) |
| MONTGOMERY COUNTY | 19,687,871 | 771,958 | 3.9% | 4.9% | \$23.24 | 0 | (5,000) | (117,000) |
| FREDERICK COUNTY | 19,516,822 | 1,284,598 | 6.6% | 6.8% | \$14.10 | 120,480 | (349,000) | 69,000 |
| TOTAL | 94,727,941 | 6,238,331 | 6.6% | 7.3% | \$16.79 | 1,028,080 | (688,000) | (1,185,000) |
| TOTAL - ONE YEAR PRIOR | 95,253,164 | 3,639,930 | 3.8% | 4.7% | \$16.06 | 2,401,024 | (2,000) | (84,000) |

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.

To continually improve the content provided to our clients, starting at Q1 2025, Transwestern Research has revised its office methodology which may shift current and historical data in our market reporting. Please reach out to the research contact(s) noted in this report with any questions.

ABOUT TRANSWESTERN

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