

WASHINGTON METRO AREA MARKET WATCH

MAY 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	42,048,851	7,930,929	18.9%	26.4%	\$53.67	30,005,182	5,648,190	18.8%	0	(321,846)	(36,617)
EAST END	53,148,061	8,438,454	15.9%	25.9%	\$57.22	42,179,055	6,609,564	15.7%	400,000	96,233	23,345
CAPITOL HILL	6,623,271	1,111,352	16.8%	25.5%	\$55.86	4,113,685	993,189	24.1%	0	(13,033)	127,940
NOMA	12,046,662	1,481,023	12.3%	18.0%	\$50.35	10,604,756	1,428,738	13.5%	0	(40,592)	(216,644)
CAPITOL RIVERFRONT	3,559,204	674,116	18.9%	31.7%	\$54.18	3,276,109	655,529	20.0%	0	30,441	91,712
SOUTHWEST	12,990,635	1,853,904	14.3%	16.8%	\$50.84	10,985,888	1,603,206	14.6%	0	(31,539)	(78,040)
GEORGETOWN	3,484,602	677,129	19.4%	25.6%	\$44.84	1,351,450	387,023	28.6%	0	12,377	26,957
WEST END	3,947,877	443,672	11.2%	20.6%	\$49.52	2,716,328	386,281	14.2%	0	(37,769)	(8,741)
UPTOWN	10,089,811	755,395	7.5%	13.9%	\$40.67	1,964,074	176,072	9.0%	0	10,627	18,442
TOTAL	147,938,974	23,365,974	15.8%	23.8%	\$53.14	107,196,527	17,887,792	16.7%	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	17,094,582	16.0%	775,000	(649,192)	(3,088,555)

Northern Virginia											
RCB CORRIDOR	24,796,609	5,388,663	21.7%	30.2%	\$40.14	19,910,190	4,652,588	23.4%	0	(21,994)	34,658
NATIONAL LANDING	17,272,639	2,908,232	16.8%	20.2%	\$38.04	11,739,229	2,334,318	19.9%	0	(86,865)	(136,024)
OLD TOWN	8,238,603	1,224,641	14.9%	21.9%	\$33.41	4,214,482	835,260	19.8%	0	(5,715)	(132,143)
EISENHOWER AVE CORRIDOR	7,901,353	2,364,754	29.9%	33.2%	\$33.89	5,638,404	2,001,026	35.5%	0	(13,081)	(795,742)
SPRINGFIELD/HUNTINGTON/I-95	6,711,512	950,521	14.2%	18.5%	\$30.31	2,871,316	517,706	18.0%	0	436	29,441
BAILEY'S/FALLS CHURCH/ANNANDALE	5,739,428	582,153	10.1%	13.0%	\$29.21	2,641,240	307,979	11.7%	0	(8,927)	(101,181)
MERRIFIELD	7,444,759	907,844	12.2%	18.4%	\$32.19	4,919,419	777,937	15.8%	270,000	(41,971)	(13,471)
RESTON	20,484,237	4,200,840	20.5%	27.8%	\$35.16	15,548,288	3,576,672	23.0%	210,000	(49,543)	(16,445)
HERNDON	11,779,030	2,799,198	23.8%	33.6%	\$32.41	8,858,108	2,395,842	27.0%	0	(22,989)	(106,478)
TYSONS CORNER	30,174,965	5,333,500	17.7%	24.7%	\$37.13	22,863,577	4,265,914	18.7%	0	53,704	(308,200)
MCLEAN/VIENNA	2,501,996	504,434	20.2%	21.4%	\$29.31	761,012	374,168	49.2%	0	12,822	108,327
OAKTON/FAIRFAX CITY	5,181,140	491,221	9.5%	12.1%	\$25.11	1,160,204	190,657	16.4%	0	2,771	58,094
FAIRFAX CENTER	6,478,235	1,564,206	24.1%	30.7%	\$30.28	4,669,058	1,086,636	23.3%	0	(318)	13,387
RT. 28 CORRIDOR SOUTH/CHANTILLY	14,222,912	1,578,940	11.1%	13.5%	\$28.34	9,732,964	1,104,418	11.3%	0	27,943	(223,882)
RT. 28 CORRIDOR NORTH	8,319,035	598,536	7.2%	9.1%	\$27.02	4,673,440	424,784	9.1%	0	15,512	25,629
LEESBURG/WEST LOUDON	5,174,136	240,984	4.7%	9.7%	\$29.62	2,702,935	148,294	5.5%	34,000	(23,355)	83,276
MANASSAS/GAINESVILLE	3,369,104	112,800	3.3%	4.3%	\$26.63	664,957	41,730	6.3%	0	15,599	27,236
EAST PRINCE WILLIAM COUNTY	2,305,973	105,761	4.6%	6.7%	\$26.12	184,687	11,838	6.4%	0	(7,377)	(24,504)
TOTAL	188,095,666	31,857,228	16.9%	22.6%	\$33.28	123,753,510	25,047,767	20.2%	514,000	(153,348)	(1,478,022)
TOTAL - ONE YEAR PRIOR	190,718,055	29,668,256	15.6%	22.5%	\$33.34	124,878,600	22,603,027	18.1%	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	2,858,608	22.6%	28.5%	\$40.58	8,204,903	2,181,358	26.6%	0	(36,228)	100,623
NORTH BETHESDA	9,590,283	1,859,690	19.4%	24.2%	\$32.18	5,297,473	1,032,699	19.5%	0	20,896	(1,615)
ROCKVILLE	9,217,448	1,675,813	18.2%	25.2%	\$31.23	4,218,848	728,630	17.3%	231,500	39,834	15,677
NORTH ROCKVILLE	11,934,801	2,035,399	17.1%	23.7%	\$31.74	5,372,032	1,177,458	21.9%	0	3,694	62,281
GAITHERSBURG	5,227,583	606,840	11.6%	15.2%	\$26.17	1,887,476	135,000	7.2%	0	(3,399)	37,838
GERMANTOWN	2,826,368	654,722	23.2%	27.1%	\$27.68	773,618	205,573	26.6%	0	10,212	(188,202)
KENSINGTON/WHEATON	776,561	69,102	8.9%	5.4%	\$28.56	0	0	0.0%	0	46,619	49,555
SILVER SPRING	6,444,025	1,330,163	20.6%	30.4%	\$30.98	3,947,918	810,295	20.5%	0	(12,197)	(48,509)
NORTH SILVER SPRING/RT. 29	3,412,081	230,253	6.7%	10.2%	\$27.34	0	0	0.0%	0	(9,905)	(19,241)
TOTAL - MONTGOMERY COUNTY	62,066,180	11,320,590	18.2%	24.1%	\$32.52	29,702,268	6,271,013	21.1%	231,500	59,526	8,407
BELTSVILLE/CALVERTON/COLLEGE PARK	5,341,397	485,433	9.1%	13.5%	\$25.62	1,682,181	145,017	8.6%	0	(19,740)	(21,252)
LAUREL	2,064,277	318,513	15.4%	20.2%	\$23.14	922,773	81,272	8.8%	0	14,047	10,591
GREENBELT	2,623,686	689,597	26.3%	34.3%	\$23.61	1,065,937	258,138	24.2%	0	(37,434)	20,537
LANHAM/LANDOVER/LARGO	4,494,826	824,170	18.3%	21.4%	\$24.86	779,370	84,047	10.8%	0	(11,953)	(409,153)
BOWIE/MARLBORO/SOUTH P.G.	4,380,208	322,687	7.4%	9.6%	\$27.24	1,251,509	68,458	5.5%	0	2,039	(16,999)
TOTAL - PRINCE GEORGE'S COUNTY	18,904,394	2,640,400	14.0%	18.1%	\$25.27	5,701,770	636,932	11.2%	0	(53,041)	(416,276)
FREDERICK COUNTY	4,637,362	548,301	11.8%	16.5%	\$25.00	1,077,655	364,424	33.8%	0	43,188	119,303
TOTAL	85,607,936	14,509,291	16.9%	22.4%	\$29.89	36,481,693	7,272,369	19.9%	231,500	49,673	(288,566)
TOTAL - ONE YEAR PRIOR	86,681,721	14,215,802	16.4%	22.2%	\$29.82	36,796,791	7,543,342	20.5%	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	441,970	5.7%	6.1%	\$18.85	0	(52,000)	(198,000)
TOTAL - ONE YEAR PRIOR	7,753,857	286,893	3.7%	4.4%	\$18.02	0	(49,000)	(23,000)
Northern Virginia								
BELTWAY (I-495)	8,106,526	362,488	4.5%	4.7%	\$23.06	0	5,000	(60,000)
I-95 CORRIDOR	24,445,711	1,239,328	5.1%	5.8%	\$19.12	109,200	(54,000)	74,000
DULLES CORRIDOR	38,689,594	1,344,538	3.5%	3.7%	\$18.66	136,000	383,000	162,000
LEESBURG/OUTLYING LOUDOUN	1,698,643	15,976	0.9%	0.9%	\$19.61	200,000	0	322,000
MANASSAS/GAINESVILLE	19,463,549	338,622	1.7%	2.7%	\$17.01	160,050	53,000	207,000
TOTAL	92,404,023	3,300,952	3.6%	4.1%	\$18.81	605,250	387,000	705,000
TOTAL - ONE YEAR PRIOR	91,545,505	3,418,430	3.7%	3.9%	\$18.00	861,913	76,000	773,000
Suburban Maryland								
NORTHERN PRINCE GEORGE'S	17,312,337	871,198	5.0%	5.2%	\$15.01	0	(53,000)	(285,000)
CENTRAL PRINCE GEORGE'S	27,958,894	1,568,686	5.6%	6.2%	\$14.75	768,225	(282,000)	(664,000)
SOUTHERN PRINCE GEORGE'S	10,392,113	1,733,726	16.7%	17.6%	\$14.78	0	1,000	(188,000)
MONTGOMERY COUNTY	19,687,871	757,220	3.8%	4.6%	\$23.24	0	(5,000)	(117,000)
FREDERICK COUNTY	19,516,822	1,280,728	6.6%	6.9%	\$14.10	840,660	(349,000)	69,000
TOTAL	94,868,037	6,211,558	6.5%	7.1%	\$16.79	1,608,885	(688,000)	(1,185,000)
TOTAL - ONE YEAR PRIOR	95,289,284	3,857,924	4.0%	4.9%	\$16.06	2,364,904	(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.

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