

WASHINGTON METRO AREA MARKET WATCH

JULY 2025



 **TRANSWESTERN**

OFFICE MARKET INDICATORS

SUBMARKET	ALL OFFICE BUILDINGS					CLASS A			UNDER CONSTR.	NET ABSORPTION Q2 2025	NET ABSORPTION Q2 2025 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	TOTAL AVAILABILITY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
District of Columbia											
CBD	42,246,960	7,774,572	18.4%	26.1%	\$53.53	30,005,182	5,547,681	18.5%	0	(364,892)	(629,433)
EAST END	53,413,836	9,161,821	17.2%	26.0%	\$57.05	42,179,055	6,796,567	16.1%	400,000	(269,132)	(128,833)
CAPITOL HILL	6,657,091	1,089,063	16.4%	25.3%	\$55.88	4,100,035	978,945	23.9%	0	(19,862)	134,471
NOMA	12,046,662	1,282,097	10.6%	17.8%	\$50.30	10,604,756	1,229,812	11.6%	0	23,992	(107,795)
CAPITOL RIVERFRONT	3,559,204	601,280	16.9%	30.1%	\$54.12	3,276,109	587,232	17.9%	0	(23,299)	95,541
SOUTHWEST	12,990,635	1,920,067	14.8%	16.8%	\$50.78	10,985,888	1,669,369	15.2%	0	(79,698)	(94,209)
GEORGETOWN	3,499,802	612,617	17.5%	23.5%	\$44.82	1,351,450	415,304	30.7%	0	64,036	75,894
WEST END	3,997,877	452,963	11.3%	20.4%	\$49.35	2,716,328	395,572	14.6%	0	18,497	4,807
UPTOWN	10,089,811	778,575	7.7%	14.1%	\$40.77	1,964,074	197,419	10.1%	0	(4,256)	14,563
TOTAL	148,501,878	23,673,055	15.9%	23.6%	\$53.04	107,182,877	17,817,901	16.6%	400,000	(654,614)	(634,994)
TOTAL - ONE YEAR PRIOR	148,806,526	22,661,545	15.2%	24.7%	\$53.15	107,155,527	17,250,927	16.1%	441,000	92,651	(2,253,222)

Northern Virginia

RCB CORRIDOR	24,958,396	5,355,526	21.5%	30.1%	\$40.08	20,071,977	4,650,438	23.2%	0	43,319	40,591
NATIONAL LANDING	17,272,639	2,911,338	16.9%	19.8%	\$38.04	11,739,229	2,337,383	19.9%	0	11,648	(240,247)
OLD TOWN	8,228,183	1,228,336	14.9%	21.8%	\$33.48	4,217,005	821,117	19.5%	0	12,010	(16,441)
EISENHOWER AVE CORRIDOR	8,025,209	2,380,935	29.7%	32.5%	\$33.88	5,638,404	2,023,750	35.9%	0	(54,852)	(819,824)
SPRINGFIELD/HUNTINGTON/I-95	6,711,512	829,197	12.4%	18.1%	\$30.33	2,871,316	404,536	14.1%	0	11,185	10,062
BAILEY'S/FALLS CHURCH/ANNANDALE	5,739,428	588,112	10.2%	13.1%	\$29.25	2,641,240	310,478	11.8%	0	16,962	(13,757)
MERRIFIELD	7,444,759	943,891	12.7%	17.4%	\$32.22	4,919,419	810,541	16.5%	270,000	42,729	(6,024)
RESTON	20,805,750	4,377,676	21.0%	27.9%	\$35.32	15,952,433	3,778,398	23.7%	0	40,365	(31,236)
HERNDON	11,779,030	2,846,198	24.2%	30.3%	\$32.56	8,858,108	2,453,005	27.7%	0	(30,096)	(75,288)
TYSONS CORNER	29,821,337	5,234,170	17.6%	24.7%	\$37.08	22,463,492	4,130,436	18.4%	0	38,768	122,019
MCLEAN/VIENNA	2,519,596	504,007	20.0%	21.1%	\$29.41	761,012	374,168	49.2%	0	(10,548)	12,954
OAKTON/FAIRFAX CITY	5,181,140	505,664	9.8%	12.7%	\$25.20	1,160,204	189,191	16.3%	0	(2,375)	34,011
FAIRFAX CENTER	6,616,654	1,540,199	23.3%	29.1%	\$30.28	4,807,477	1,048,485	21.8%	0	(188,608)	(183,389)
RT. 28 CORRIDOR SOUTH/CHANTILLY	14,189,236	1,594,428	11.2%	13.6%	\$28.47	9,732,964	1,114,118	11.4%	0	7,772	(216,003)
RT. 28 CORRIDOR NORTH	8,294,734	608,449	7.3%	9.5%	\$27.12	4,633,299	410,064	8.9%	0	6,461	28,669
LEESBURG/WEST LOUDON	4,424,136	237,196	5.4%	11.2%	\$29.69	1,952,935	151,233	7.7%	34,000	(3,671)	10,526
MANASSAS/GAINESVILLE	3,369,104	111,776	3.3%	4.3%	\$26.71	664,957	34,381	5.2%	0	1,716	54,922
EAST PRINCE WILLIAM COUNTY	2,353,379	154,426	6.6%	7.3%	\$26.22	184,687	15,775	8.5%	0	(2,428)	(14,835)
TOTAL	187,734,222	31,951,524	17.0%	22.3%	\$33.33	123,270,158	25,057,497	20.3%	304,000	(59,643)	(1,303,290)
TOTAL - ONE YEAR PRIOR	189,743,103	30,179,457	15.9%	22.4%	\$33.27	123,946,292	22,898,664	18.5%	883,380	(181,611)	(460,943)

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 Q2 2025	NET ABSORPTION Q2 2025 YOY
	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY	TOTAL AVAILABILITY	AVERAGE RATE PSF	INVENTORY	DIRECT VACANCY SF	DIRECT VACANCY			
Suburban Maryland											
BETHESDA/CHEVY CHASE	12,700,095	2,866,482	22.6%	28.7%	\$40.54	8,204,903	2,186,778	26.7%	0	22,273	(31,585)
NORTH BETHESDA	9,790,088	1,957,828	20.0%	26.4%	\$32.23	5,297,473	1,100,939	20.8%	0	4,555	48,855
ROCKVILLE	9,258,012	1,669,370	18.0%	24.9%	\$31.29	4,218,848	741,420	17.6%	231,500	11,541	58,949
NORTH ROCKVILLE	11,934,801	2,021,182	16.9%	25.2%	\$31.80	5,372,032	1,121,091	20.9%	0	(30,977)	13,135
GAITHERSBURG	5,227,583	596,063	11.4%	14.7%	\$26.22	1,887,476	135,000	7.2%	0	11,115	27,988
GERMANTOWN	2,875,869	653,972	22.7%	26.5%	\$27.75	773,618	205,573	26.6%	0	750	(164,044)
KENSINGTON/WHEATON	776,561	66,091	8.5%	4.8%	\$28.62	0	0	0.0%	0	12,398	38,849
SILVER SPRING	6,503,185	1,420,605	21.8%	30.9%	\$30.97	3,947,918	904,355	22.9%	0	(30,542)	(139,361)
NORTH SILVER SPRING/RT. 29	3,412,081	224,329	6.6%	9.6%	\$27.38	0	0	0.0%	0	(305)	(12,962)
TOTAL - MONTGOMERY COUNTY	62,478,275	11,475,922	18.4%	24.7%	\$32.45	29,702,268	6,395,156	21.5%	231,500	808	(160,176)
BELTSVILLE/CALVERTON/COLLEGE PARK	5,507,134	479,567	8.7%	12.8%	\$25.68	1,682,181	145,017	8.6%	0	(10,763)	(37,207)
LAUREL	2,092,323	321,282	15.4%	20.2%	\$23.18	922,773	81,272	8.8%	0	(3,976)	32,959
GREENBELT	2,623,686	708,058	27.0%	35.3%	\$23.63	1,065,937	264,501	24.8%	0	2,761	(12,546)
LANHAM/LANDOVER/LARGO	4,752,511	878,671	18.5%	20.5%	\$24.92	971,370	98,615	10.2%	0	(21,535)	(393,631)
BOWIE/MARLBORO/SOUTH P.G.	4,380,208	267,979	6.1%	8.4%	\$27.31	1,251,509	81,717	6.5%	0	(16,713)	(47,314)
TOTAL - PRINCE GEORGE'S COUNTY	19,355,862	2,655,557	13.7%	17.5%	\$25.32	5,893,770	671,122	11.4%	0	(50,226)	(457,739)
FREDERICK COUNTY	4,695,146	574,604	12.2%	17.6%	\$25.08	1,077,655	381,639	35.4%	0	(12,865)	97,529
TOTAL	86,529,283	14,706,083	17.0%	22.7%	\$29.93	36,673,693	7,447,917	20.3%	231,500	(62,283)	(520,386)
TOTAL - ONE YEAR PRIOR	86,681,721	14,113,697	16.3%	22.4%	\$29.79	36,796,791	7,446,700	20.2%	231,500	176,890	(1,491,595)

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 Q2 2025	NET ABSORPTION Q2 2025 YOY
District of Columbia								
TOTAL	7,753,857	457,567	5.9%	6.3%	\$19.06	0	(3,000)	(242,000)
TOTAL - ONE YEAR PRIOR	7,753,857	215,672	2.8%	3.1%	\$18.28	0	41,000	62,000
Northern Virginia								
BELTWAY (I-495)	8,106,526	246,747	3.0%	3.4%	\$23.30	0	122,000	88,000
I-95 CORRIDOR	24,445,711	1,449,834	5.9%	6.7%	\$19.33	109,200	(73,000)	(98,000)
DULLES CORRIDOR	38,689,594	1,366,295	3.5%	3.7%	\$18.90	291,800	161,000	402,000
LEESBURG/OUTLYING LOUDOUN	1,698,643	15,865	0.9%	0.9%	\$19.87	0	(3,000)	314,000
MANASSAS/GAINESVILLE	19,463,549	279,527	1.4%	2.3%	\$17.20	160,050	4,000	136,000
TOTAL	92,404,023	3,358,267	3.6%	4.0%	\$19.03	561,050	211,000	842,000
TOTAL - ONE YEAR PRIOR	91,545,505	3,249,741	3.5%	3.8%	\$18.23	870,531	74,000	475,000
Suburban Maryland								
NORTHERN PRINCE GEORGE'S	19,221,401	1,031,599	5.4%	5.5%	\$15.17	0	(113,000)	(297,000)
CENTRAL PRINCE GEORGE'S	27,958,894	1,649,143	5.9%	6.6%	\$14.91	768,225	(105,000)	(968,000)
SOUTHERN PRINCE GEORGE'S	10,392,113	1,868,901	18.0%	18.9%	\$14.92	0	(14,000)	(103,000)
MONTGOMERY COUNTY	19,687,871	848,391	4.3%	5.1%	\$23.50	0	(23,000)	(115,000)
FREDERICK COUNTY	19,516,822	1,066,271	5.5%	5.7%	\$14.28	1,038,176	53,000	(75,000)
TOTAL	96,777,101	6,464,304	6.7%	7.4%	\$16.98	1,806,401	(202,000)	(1,558,000)
TOTAL - ONE YEAR PRIOR	95,511,393	3,858,402	4.0%	4.9%	\$16.28	2,254,991	170,000	(55,000)

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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