

# WASHINGTON METRO AREA MARKET WATCH

AUGUST 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			
<b>District of Columbia</b>											
<b>CBD</b>	41,879,302	7,684,684	18.3%	26.9%	\$53.53	30,005,182	5,502,747	18.3%	0	(364,892)	(629,433)
<b>EAST END</b>	53,104,031	8,774,000	16.5%	25.3%	\$57.05	42,179,055	6,856,149	16.3%	400,000	(269,132)	(128,833)
<b>CAPITOL HILL</b>	6,609,621	1,105,488	16.7%	25.4%	\$55.88	4,100,035	978,945	23.9%	0	(19,862)	134,471
<b>NOMA</b>	12,046,662	1,243,407	10.3%	17.5%	\$50.30	10,604,756	1,191,122	11.2%	0	23,992	(107,795)
<b>CAPITOL RIVERFRONT</b>	3,559,204	607,228	17.1%	30.8%	\$54.12	3,276,109	593,180	18.1%	0	(23,299)	95,541
<b>SOUTHWEST</b>	12,449,217	1,712,376	13.8%	15.8%	\$50.78	10,449,888	1,459,826	14.0%	0	(79,698)	(94,209)
<b>GEORGETOWN</b>	3,484,602	620,572	17.8%	23.7%	\$44.82	1,351,450	413,948	30.6%	0	64,036	75,894
<b>WEST END</b>	3,902,825	437,961	11.2%	21.5%	\$49.35	2,716,328	380,570	14.0%	0	18,497	4,807
<b>UPTOWN</b>	9,835,570	740,847	7.5%	14.1%	\$40.77	1,964,074	197,419	10.1%	0	(4,256)	14,563
<b>TOTAL</b>	<b>146,871,034</b>	<b>22,926,563</b>	<b>15.6%</b>	<b>23.6%</b>	<b>\$53.04</b>	<b>106,646,877</b>	<b>17,573,906</b>	<b>16.5%</b>	<b>400,000</b>	<b>(654,614)</b>	<b>(634,994)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>148,806,526</b>	<b>22,661,545</b>	<b>15.2%</b>	<b>24.7%</b>	<b>\$53.15</b>	<b>107,155,527</b>	<b>17,250,927</b>	<b>16.1%</b>	<b>441,000</b>	<b>92,651</b>	<b>(2,253,222)</b>

## Northern Virginia

<b>RCB CORRIDOR</b>	24,782,509	5,347,399	21.6%	30.1%	\$40.08	19,896,090	4,634,057	23.3%	0	43,319	40,591
<b>NATIONAL LANDING</b>	17,272,639	2,758,546	16.0%	19.7%	\$38.04	11,739,229	2,184,242	18.6%	0	11,648	(240,247)
<b>OLD TOWN</b>	8,226,126	1,227,092	14.9%	22.4%	\$33.48	4,217,005	821,614	19.5%	0	12,010	(16,441)
<b>EISENHOWER AVE CORRIDOR</b>	7,874,353	2,376,813	30.2%	32.5%	\$33.88	5,638,404	2,019,044	35.8%	0	(54,852)	(819,824)
<b>SPRINGFIELD/HUNTINGTON/I-95</b>	6,681,347	915,772	13.7%	18.1%	\$30.33	2,871,316	494,805	17.2%	0	11,185	10,062
<b>BAILEY'S/FALLS CHURCH/ANNANDALE</b>	5,739,428	617,188	10.8%	13.2%	\$29.25	2,641,240	344,748	13.1%	0	16,962	(13,757)
<b>MERRIFIELD</b>	7,359,861	955,243	13.0%	17.7%	\$32.22	4,834,521	814,861	16.9%	270,000	42,729	(6,024)
<b>RESTON</b>	20,401,605	3,614,476	17.7%	24.4%	\$35.32	15,548,288	3,016,940	19.4%	0	40,365	(31,236)
<b>HERNDON</b>	11,428,233	2,861,835	25.0%	30.9%	\$32.56	8,507,311	2,476,696	29.1%	0	(30,096)	(75,288)
<b>TYSONS CORNER</b>	29,761,545	5,214,598	17.5%	24.0%	\$37.08	22,450,157	4,063,295	18.1%	0	38,768	122,019
<b>MCLEAN/VIENNA</b>	2,459,169	515,214	21.0%	22.3%	\$29.41	761,012	374,168	49.2%	0	(10,548)	12,954
<b>OAKTON/FAIRFAX CITY</b>	5,151,140	504,139	9.8%	12.9%	\$25.20	1,160,204	189,191	16.3%	0	(2,375)	34,011
<b>FAIRFAX CENTER</b>	6,482,205	1,518,806	23.4%	29.5%	\$30.28	4,673,028	1,027,092	22.0%	0	(188,608)	(183,389)
<b>RT. 28 CORRIDOR SOUTH/CHANTILLY</b>	14,189,236	1,565,546	11.0%	13.3%	\$28.47	9,732,964	1,102,333	11.3%	0	7,772	(216,003)
<b>RT. 28 CORRIDOR NORTH</b>	8,278,894	592,346	7.2%	9.7%	\$27.12	4,633,299	412,843	8.9%	0	6,461	28,669
<b>LEESBURG/WEST LOUDON</b>	4,356,270	248,354	5.7%	10.1%	\$29.69	1,885,069	149,001	7.9%	34,000	(3,671)	10,526
<b>MANASSAS/GAINESVILLE</b>	3,294,104	78,197	2.4%	3.5%	\$26.71	664,957	13,147	2.0%	0	1,716	54,922
<b>EAST PRINCE WILLIAM COUNTY</b>	2,305,973	137,000	5.9%	8.4%	\$26.22	184,687	14,301	7.7%	0	(2,428)	(14,835)
<b>TOTAL</b>	<b>186,044,637</b>	<b>31,048,564</b>	<b>16.7%</b>	<b>21.9%</b>	<b>\$33.33</b>	<b>122,038,781</b>	<b>24,152,378</b>	<b>19.8%</b>	<b>304,000</b>	<b>(59,643)</b>	<b>(1,303,290)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>189,743,103</b>	<b>30,179,457</b>	<b>15.9%</b>	<b>22.4%</b>	<b>\$33.27</b>	<b>123,946,292</b>	<b>22,898,664</b>	<b>18.5%</b>	<b>883,380</b>	<b>(181,611)</b>	<b>(460,943)</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			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			
<b>Suburban Maryland</b>											
BETHESDA/CHEVY CHASE	12,092,581	2,735,585	22.6%	23.7%	\$40.54	7,834,903	2,094,883	26.7%	0	22,273	(31,585)
NORTH BETHESDA	9,239,638	1,879,187	20.3%	20.7%	\$32.23	5,451,950	1,077,960	19.8%	0	4,555	48,855
ROCKVILLE	9,063,208	1,644,219	18.1%	18.8%	\$31.29	4,087,608	700,681	17.1%	231,500	11,541	58,949
NORTH ROCKVILLE	11,582,952	1,729,751	14.9%	16.6%	\$31.80	5,122,036	915,162	17.9%	0	(30,977)	13,135
GAITHERSBURG	5,227,583	633,771	12.1%	13.5%	\$26.22	1,887,476	151,652	8.0%	0	11,115	27,988
GERMANTOWN	2,797,412	643,991	23.0%	23.5%	\$27.75	773,618	227,537	29.4%	0	750	(164,044)
KENSINGTON/WHEATON	776,561	65,847	8.5%	8.5%	\$28.62	0	0	0.0%	0	12,398	38,849
SILVER SPRING	6,428,185	1,410,858	21.9%	23.3%	\$30.97	3,947,918	905,972	22.9%	0	(30,542)	(139,361)
NORTH SILVER SPRING/RT. 29	3,412,081	230,117	6.7%	7.3%	\$27.38	0	0	0.0%	0	(305)	(12,962)
<b>TOTAL - MONTGOMERY COUNTY</b>	<b>60,620,201</b>	<b>10,973,326</b>	<b>18.1%</b>	<b>19.1%</b>	<b>\$32.45</b>	<b>29,105,509</b>	<b>6,073,847</b>	<b>20.9%</b>	<b>231,500</b>	<b>808</b>	<b>(160,176)</b>
BELTSVILLE/CALVERTON/COLLEGE PARK	5,253,911	497,318	9.5%	9.5%	\$25.68	1,682,181	156,157	9.3%	0	(10,763)	(37,207)
LAUREL	2,029,277	320,522	15.8%	16.2%	\$23.18	922,773	81,272	8.8%	0	(3,976)	32,959
GREENBELT	2,623,686	708,330	27.0%	28.3%	\$23.63	1,065,937	265,152	24.9%	0	2,761	(12,546)
LANHAM/LANDOVER/LARGO	4,494,826	868,551	19.3%	19.4%	\$24.92	779,370	92,286	11.8%	0	(21,535)	(393,631)
BOWIE/MARLBORO/SOUTH P.G.	4,380,208	259,348	5.9%	6.0%	\$27.31	1,251,509	84,201	6.7%	0	(16,713)	(47,314)
<b>TOTAL - PRINCE GEORGE'S COUNTY</b>	<b>18,781,908</b>	<b>2,654,068</b>	<b>14.1%</b>	<b>14.4%</b>	<b>\$25.32</b>	<b>5,701,770</b>	<b>679,068</b>	<b>11.9%</b>	<b>0</b>	<b>(50,226)</b>	<b>(457,739)</b>
FREDERICK COUNTY	4,637,362	631,540	13.6%	14.6%	\$25.08	1,077,655	392,862	36.5%	0	(12,865)	97,529
<b>TOTAL</b>	<b>84,039,471</b>	<b>14,258,934</b>	<b>17.0%</b>	<b>17.8%</b>	<b>\$29.93</b>	<b>35,884,934</b>	<b>7,145,777</b>	<b>19.9%</b>	<b>231,500</b>	<b>(62,283)</b>	<b>(520,386)</b>
<b>TOTAL - ONE YEAR PRIOR</b>	<b>86,681,721</b>	<b>14,113,697</b>	<b>16.3%</b>	<b>22.4%</b>	<b>\$29.79</b>	<b>36,796,791</b>	<b>7,446,700</b>	<b>20.2%</b>	<b>231,500</b>	<b>176,890</b>	<b>(1,491,595)</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 Q2 2025	NET ABSORPTION Q2 2025 YOY
<b>District of Columbia</b>								
<b>TOTAL</b>	7,753,857	457,567	5.9%	6.3%	\$19.06	0	(3,000)	(242,000)
<b>TOTAL - ONE YEAR PRIOR</b>	7,753,857	279,139	3.6%	4.5%	\$18.28	0	41,000	62,000
<b>Northern Virginia</b>								
<b>BELTWAY (I-495)</b>	8,106,526	284,838	3.5%	3.8%	\$23.30	0	122,000	88,000
<b>I-95 CORRIDOR</b>	24,445,711	1,473,453	6.0%	6.8%	\$19.33	110,935	(73,000)	(98,000)
<b>DULLES CORRIDOR</b>	38,689,594	1,344,103	3.5%	3.7%	\$18.90	335,340	161,000	402,000
<b>LEESBURG/OUTLYING LOUDOUN</b>	1,698,643	13,680	0.8%	0.8%	\$19.87	0	(3,000)	314,000
<b>MANASSAS/GAINESVILLE</b>	19,463,549	271,927	1.4%	2.3%	\$17.20	110,050	4,000	136,000
<b>TOTAL</b>	92,404,023	3,388,001	3.7%	4.0%	\$19.03	556,325	211,000	842,000
<b>TOTAL - ONE YEAR PRIOR</b>	91,646,505	3,293,358	3.6%	3.9%	\$18.23	870,531	74,000	475,000
<b>Suburban Maryland</b>								
<b>NORTHERN PRINCE GEORGE'S</b>	19,221,401	1,026,349	5.3%	5.4%	\$15.17	0	(113,000)	(297,000)
<b>CENTRAL PRINCE GEORGE'S</b>	28,311,514	1,735,402	6.1%	6.8%	\$14.91	415,605	(105,000)	(968,000)
<b>SOUTHERN PRINCE GEORGE'S</b>	10,392,113	1,878,120	18.1%	19.0%	\$14.92	40,000	(14,000)	(103,000)
<b>MONTGOMERY COUNTY</b>	19,687,871	846,314	4.3%	5.1%	\$23.50	100,854	(23,000)	(115,000)
<b>FREDERICK COUNTY</b>	19,516,822	983,155	5.0%	5.3%	\$14.28	1,038,176	53,000	(75,000)
<b>TOTAL</b>	97,129,721	6,469,341	6.7%	7.3%	\$16.98	1,594,635	(202,000)	(1,558,000)
<b>TOTAL - ONE YEAR PRIOR</b>	95,511,393	4,015,487	4.2%	5.0%	\$16.28	2,432,517	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

Four 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).

## FOR MORE INFORMATION

### Elizabeth Norton

Senior Managing Research Director  
Research Services  
[Elizabeth.Norton@transwestern.com](mailto:Elizabeth.Norton@transwestern.com)  
202-775-7026

### Kyle O'Connor

Senior Research Analyst | Mid-Atlantic  
[Kyle.Oconnor@transwestern.com](mailto:Kyle.Oconnor@transwestern.com)  
202-617-2321