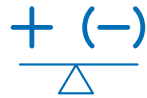


# NORTHERN VIRGINIA

## OFFICE MARKET | Q4 2025



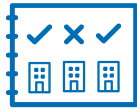
**185.9 MSF**  
Inventory



**646,923 SF**  
Net Absorption



**16.7%**  
Direct Vacancy



**21.4%**  
Total Availability



**317,544 SF**  
Under Construction



**\$33.64 PSF**  
Asking Rent

### Robust Q4 Demand Ends 2025 in Positive Territory

#### Market Observations

- The Northern Virginia office market expanded during the fourth quarter of 2025, with positive 646,923 SF of net absorption, bringing the year-over-year total to 452,990 SF.
- The direct vacant available rate reached 16.7% in the fourth quarter of 2025, down 10 basis points from the quarter prior, and down 20 basis points compared to one year ago.
- Notable deals over the past three months include the National Science Foundation leasing 386,606 SF at 401 Dulany Street, backfilling the former Patent and Trademark Office space. Booz Allen Hamilton is relocating its HQ to 1800 and 1870 Reston Row Plaza in Reston, taking 310,000 SF. The federal contractor will be vacating its long-time HQ home in Tysons Corner.
- Offsetting demand somewhat was Walmart Labs vacating 52,422 SF at Parkridge Center V. Also, Solers vacated 35,324 SF at 950 N Glebe Road in the RCB Corridor.
- Northern Virginia leasing conditions are showing clear signs of stabilization as the market enters 2026. Although the vacancy rate remains elevated, it is starting to tick downward and should continue to slowly decline throughout 2026. Large blocks of quality space is limited, given the constrained pipeline, which will create pressure within the top tier office market. Recovery will be slow and uneven by submarket.

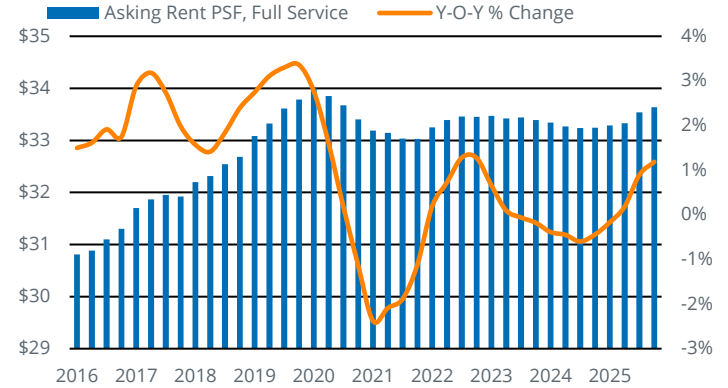




# NORTHERN VIRGINIA OFFICE MARKET | Q4 2025

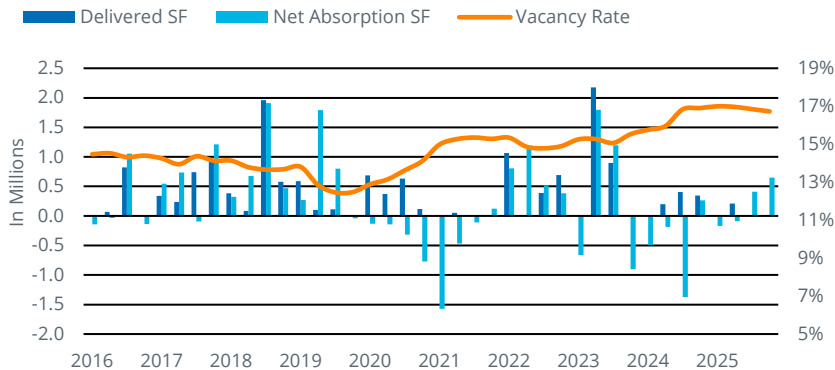
- Direct vacant available rate** was 16.7% at the end of 2025, which shows a declining trend for the past several quarters. The availability rate, space being marketed for lease, was 21.4%. Herndon had the highest rate at 25.8%.
- Net absorption** totaled positive 646,923 SF in the fourth quarter of 2025, with the Eisenhower Avenue Corridor and Reston accounting for the majority of demand this quarter.
- Full-service rents** grew to an average of \$33.64 PSF, up 1.2% year-over-year. This is the highest year-over-year growth since the fourth quarter of 2022. The submarket with the highest year-over-year growth was East Prince William County at 2.4%.
- Construction pipeline** remained at 317,544 SF at December 2025. One notable development is 1 Exchange Street, which is a 44,606 SF office building that is part of a mixed-use development by Kite Realty Group. The development features multifamily and retail, with plans for hospitality, which will create a dynamic environment at the development in Ashburn.

## ASKING RENT



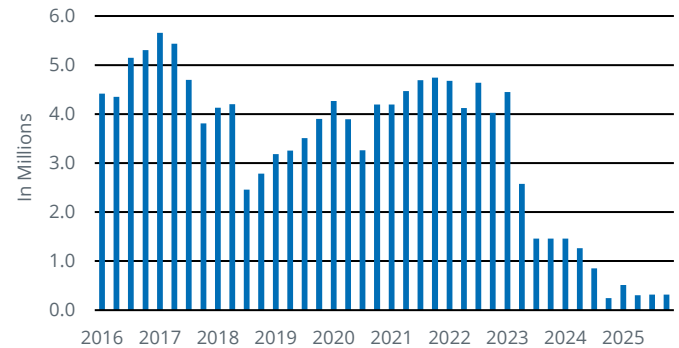
Source: CoStar, Transwestern

## DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, Transwestern

## UNDER CONSTRUCTION



Source: CoStar, Transwestern



# NORTHERN VIRGINIA OFFICE MARKET | Q4 2025

## MARKET INDICATORS TABLE

All Classes of Space | Q4 2025

SUBMARKET	INVENTORY SF	DIRECT VACANT AVAILABLE SF	DIRECT VACANT AVAILABLE RATE	TOTAL AVAILABILITY RATE	UNDER CONSTRUCTION SF	NET ABSORPTION SF	Y-O-Y NET ABSORPTION SF	ASKING RENT PSF, FULL SERVICE
RCB Corridor	24,782,509	5,366,059	21.7%	28.5%	0	(50,063)	22,807	\$40.12
National Landing	17,248,320	2,874,800	16.7%	20.2%	0	37,223	(123,889)	\$38.38
Old Town	8,284,255	1,310,297	15.8%	22.9%	0	(10,251)	(1,420)	\$33.83
Eisenhower Avenue Corridor	7,874,353	1,952,498	24.8%	27.7%	0	373,203	302,408	\$34.18
Springfield/Huntington/Lorton	6,712,367	781,755	11.6%	16.3%	0	17,473	18,603	\$30.66
Bailey's/Falls Church/Annandale	5,739,428	921,136	16.0%	17.8%	0	21,099	(313,489)	\$29.59
Merrifield	7,209,125	996,632	13.8%	18.1%	270,000	(4,474)	(38,357)	\$32.59
Reston	20,347,932	3,682,587	18.1%	23.3%	0	305,081	560,693	\$35.75
Herndon	11,351,544	2,928,073	25.8%	30.1%	0	37,776	(51,766)	\$32.93
Tysons Corner	30,089,397	5,178,008	17.2%	23.2%	0	(40,164)	168,778	\$37.35
McLean/Vienna	2,459,169	521,427	21.2%	22.5%	0	(10,643)	(12,793)	\$29.85
Oakton/Fairfax City	5,098,046	523,030	10.3%	13.0%	0	(9,750)	(3,032)	\$25.57
Fairfax Center	6,482,205	1,530,499	23.6%	31.6%	0	(17,461)	(158,983)	\$30.51
Rt. 28 Corridor South/Chantilly	14,170,736	1,478,012	10.4%	13.4%	0	15,749	81,413	\$28.83
Rt. 28 Corridor North	8,129,223	567,212	7.0%	10.5%	0	17,387	39,779	\$27.47
Leesburg/West Loudoun	4,390,182	292,131	6.7%	10.4%	47,544	(26,730)	(78,862)	\$30.12
Manassas/Gainesville	3,240,545	67,272	2.1%	3.0%	0	(1,562)	72,436	\$27.10
East Prince William County	2,305,973	124,619	5.4%	6.5%	0	(6,970)	(31,336)	\$26.69
<b>Total</b>	<b>185,915,309</b>	<b>31,096,047</b>	<b>16.7%</b>	<b>21.4%</b>	<b>317,544</b>	<b>646,923</b>	<b>452,990</b>	<b>\$33.64</b>

Source: CoStar, Transwestern



# NORTHERN VIRGINIA OFFICE MARKET | Q4 2025

## Research Methodology

The information in this report is the result of a compilation of information on office properties located in Northern Virginia. This report includes single tenant, multi-tenant and owner-user properties 15,000 SF and larger, excluding properties owned by a government agency and medical outpatient buildings.

## 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)

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