

Washington D.C.

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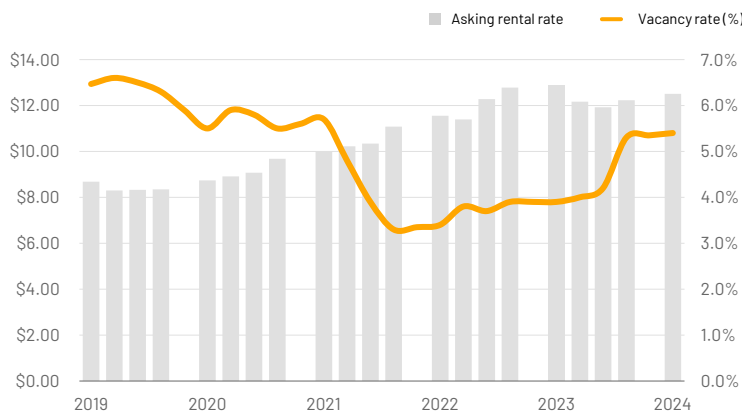
Inventory	Y-0-Y CHANGE	Vacancy Rate	Y-0-Y CHANGE	Asking Rental Rate*	Y-0-Y CHANGE	Net Absorption	Y-0-Y CHANGE	Under Construction	Y-0-Y CHANGE	Deliveries	Y-0-Y CHANGE
143.4 msf	↗	5.4 %	↗	\$12.50 psf (NNN)	↘	0.3 msf	↘	3.8 msf	↘	0.5 msf	↘
Q1 2023: 141.9 msf		Q1 2023: 3.9%		Q1 2023: \$12.87		Q1 2023: 1.1 msf		Q1 2023: 4.7 msf		Q1 2023: 1.3 msf	

*Based on all classes of available inventory

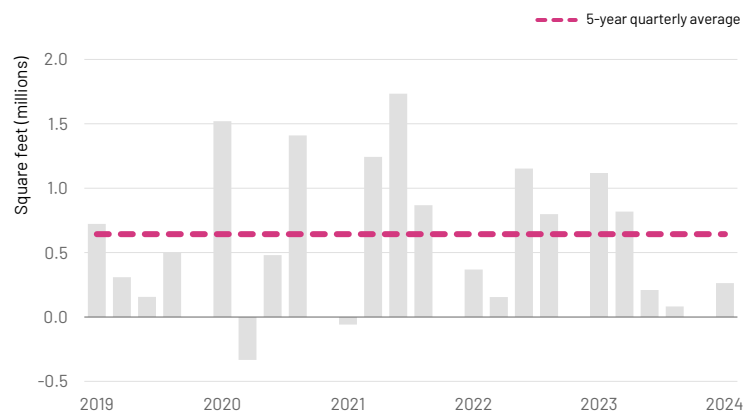
Market Trends

- 01** The vacancy rate ticked up slightly by 10 basis points (bps) from the previous quarter. This negligible increase is a result of slowing demand and space being delivered vacant.
- 02** As economic uncertainty continues to rise, developers are becoming more cautious about initiating new projects, potentially resulting in a reduced pace of future development.
- 03** In Q1, the construction pipeline contracted to 3.8 msf, the lowest in ten quarters. Stripping out data centers, only 2.3 msf are under construction and available, minimizing oversupply risk.

Asking Rent and Vacancy



Net Absorption



Top Leases

Source: Savills Research

TENANT	SIZE (SF)	SUBMARKET	ADDRESS	TRANSACTION TYPE	INDUSTRY
DHL Ecommerce	138,078	Prince William	11400 University Blvd	New Lease	Logistics & Distribution/3PLs
Above Air	109,043	Frederick	6413 English Muffin Way	Sublease	Industrial Machinery & Supplies
Orcana Biotech	88,867	Frederick	5971 Jefferson Station Ct	New Lease	Food & Beverage
Gilbane Building Company	70,750	Prince George's	6100 Columbia Park Rd	New Lease	Construction Materials & Building Fixtures
RXO, Inc.	70,600	Prince George's	6801 Mid Cities Ave	New Lease	Logistics & Distribution/3PLs

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Unless otherwise noted, all rents quoted throughout this report are average asking net (NNN) rents per square foot. Statistics are calculated using both direct and sublease information. Current and historical availability and rent data are subject to change due to changes in inventory.

The information in this report is obtained from sources deemed reliable, but no representation is made as to the accuracy thereof. Unless otherwise noted, source for data is Savills Research.

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