



DISTRICT OF COLUMBIA



WHITEBOX

REAL ESTATE

Q2 2023

INDUSTRIAL
MARKET BEAT

Washington DC Industrial Overview | Q2 2023

Market Insights:

The Washington DC Market ended the second quarter of 2023 with a vacancy rate of 4.3%. The vacancy rate increased from the previous quarter, and the net absorption rate over the last 12 months is 6,244,938 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$15.87/SF across all classes, increasing from \$15.76/SF in the previous quarter. Over the last 12 months there have been 7,544,080 SF of new construction deliveries, and there is currently 9,549,542 SF under construction in the submarket.

The Washington DC Market for commercial sales ended the second quarter of 2023 with an average commercial sale price of \$228.43, and overall cap rates are 6.6%

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



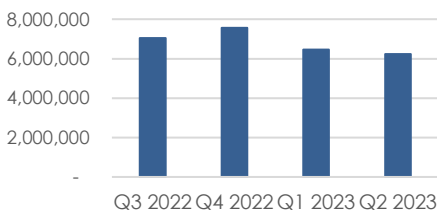
Under Construction

Absorption

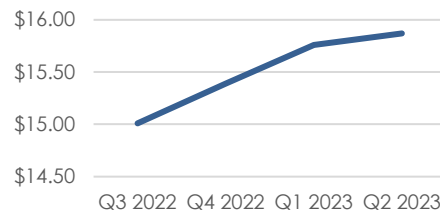


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Washington DC	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF
United States	18,382,572,030 SF	1,484,724,253 SF	4.7%	295,267,296 SF	463,051,268 SF	592,389,376 SF	\$11.59/SF

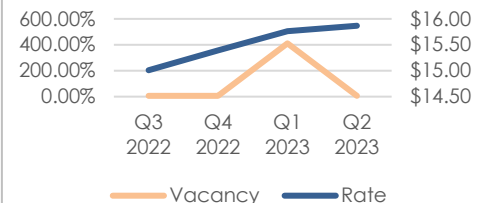
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Market	Total Inventory SF	Vacancy		Availability		12 Month Total SF		SF Under Construction	Rates
		Vacant SF	Vac %	Available SF	Avail %	Net Absorption	Net Deliveries		
Bethesda / Chevy Chase	180,586	0	0.0%	0	0.0%	0	0	0	\$21.51
Capitol Riverfront	285,613	0	0.0%	0	0.0%	-26,614	-26,614	0	\$17.54
NE	8,133,243	710,615	6.4%	390,301	4.8%	9,239	18,591	0	\$16.74
NW	1,174,606	0	0.0%	0	0.0%	0	0	0	\$20.90
SW / SE	724,584	0	0.0%	0	0.0%	0	0	0	\$20.08
Total	10,498,632	710,615	6.4%	390,301	4.8%	1,013,989	3,072,391	0	\$19.35

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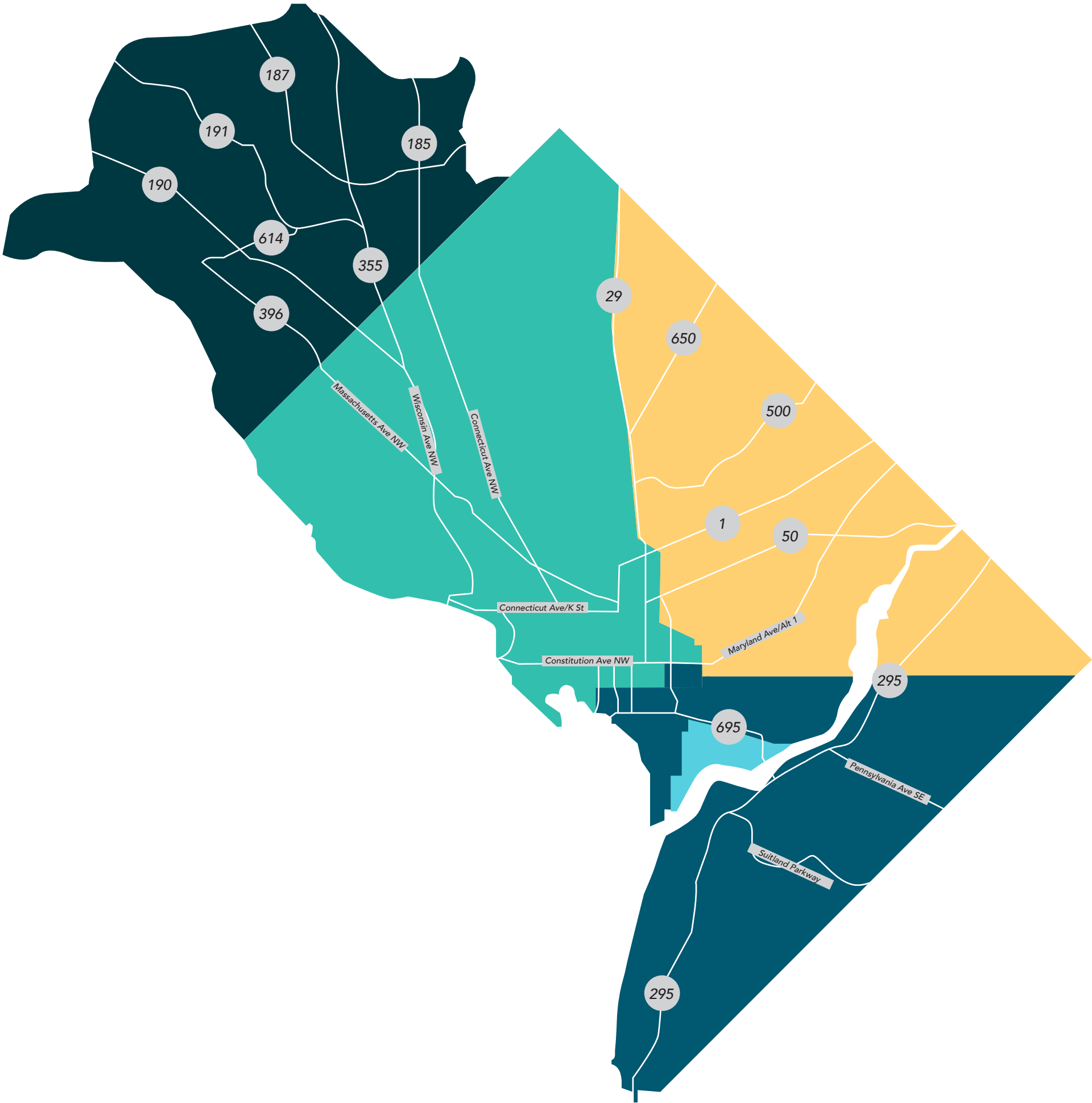
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DC
Industrial
Market
Overview

Legend

- 1 - Bethesda/Chevy Chase
- 2 - Capitol Riverfront
- 3 - Northeast
- 4 - Northwest
- 5 - Southwest/Southeast



Bethesda / Chevy Chase | Q2 2023

Market Insights:

The Bethesda / Chevy Chase Submarket ended the second quarter of 2023 with a vacancy rate of 0.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is 0 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$21.51/SF across all classes, increasing from \$21.39/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

Bethesda / Chevy Chase commercial sales ended the second quarter of 2023 at \$333.70/SF, increasing from \$330.10/SF in the previous quarter. The average commercial sale price in Washington DC is \$228.43/SF, and overall cap rates are 6.6%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



Under Construction

Absorption

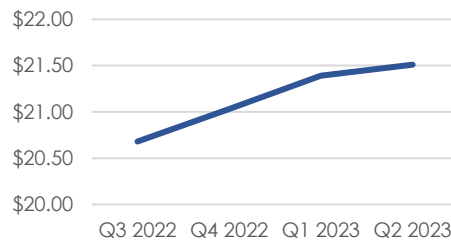


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Bethesda / Chevy Chase	180,586 SF	0 SF	0.0%	0 SF	0 SF	0 SF	\$21.51/SF
Washington DC Total	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF

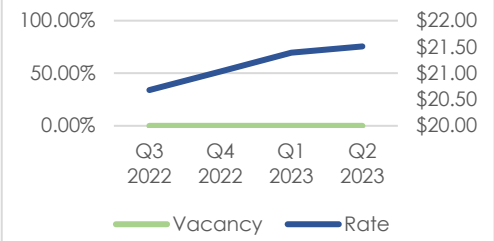
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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Capitol Riverfront | Q2 2023

Market Insights:

The Capitol Riverfront Submarket ended the second quarter of 2023 with a vacancy rate of 0.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is (26,614) SF at the end of Q2 2023.

Rental rates ended the second quarter at \$17.54/SF across all classes, increasing from \$17.32/SF in the previous quarter. Over the last 12 months there have been (26,614) SF of new construction deliveries, and there is no construction currently underway in the submarket.

Capitol Riverfront commercial sales ended the second quarter of 2023 at \$247.12/SF, increasing from \$231.17/SF in the previous quarter. The average commercial sale price in Washington DC is \$228.43/SF, and overall cap rates are 6.6%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

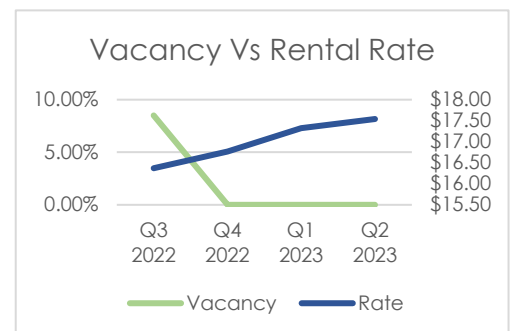
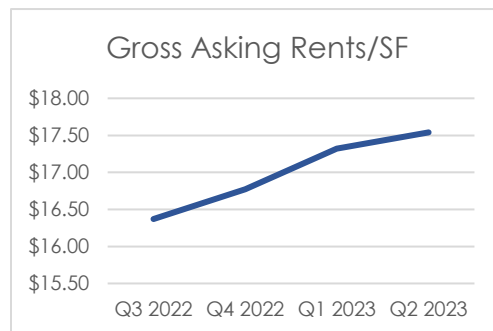
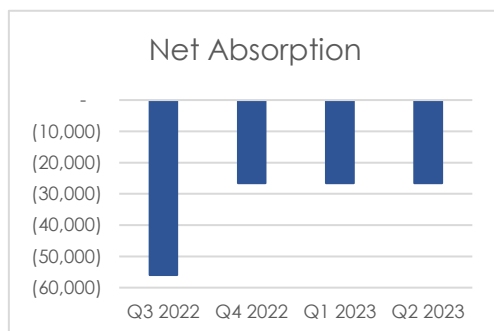


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
Capitol Riverfront	285,613 SF	0 SF	0.0%	(26,614) SF	(26,614) SF	0 SF	\$17.54/SF
Washington DC Total	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF



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NE | Q2 2023

Market Insights:

The NE Submarket ended the second quarter of 2023 with a vacancy rate of 6.4%. The vacancy rate decreased from the previous quarter, and the net absorption rate over the last 12 months is 9,239 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$16.74/SF across all classes, increasing from \$16.33/SF in the previous quarter. Over the last 12 months there have been 18,591 SF of new construction deliveries, and there is no construction currently underway in the submarket.

NE commercial sales ended the second quarter of 2023 at \$275.07/SF, increasing from \$266.16/SF in the previous quarter. The average commercial sale price in Washington DC is \$228.43/SF, and overall cap rates are 6.6%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



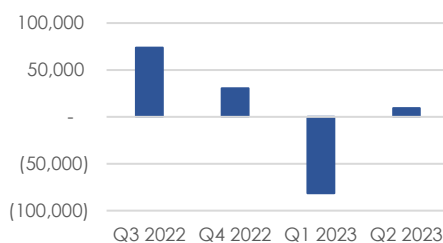
Under Construction

Absorption

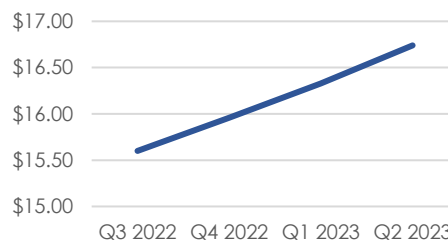


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
NE	8,133,243 SF	710,615 SF	6.4%	9,239 SF	18,591 SF	0 SF	\$16.74/SF
Washington DC Total	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF

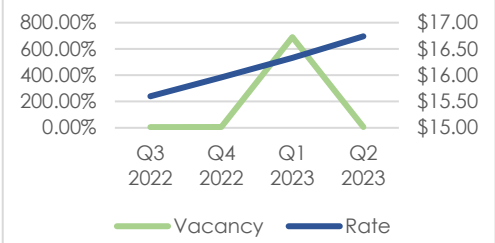
Net Absorption



Gross Asking Rents/SF



Vacancy Vs Rental Rate



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NW | Q2 2023

Market Insights:

The NW Submarket ended the second quarter of 2023 with a vacancy rate of 0.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is 0 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.90/SF across all classes, increasing from \$20.75/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

NW commercial sales ended the second quarter of 2023 at \$290.58/SF, increasing from \$267.30/SF in the previous quarter. The average commercial sale price in Washington DC is \$228.43/SF, and overall cap rates are 6.6%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy



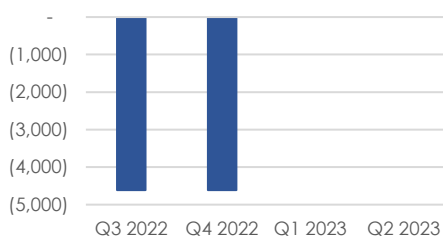
Under Construction

Absorption

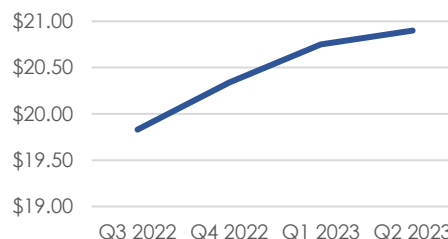


	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
NW	1,174,606 SF	0 SF	0.0%	0 SF	0 SF	0 SF	\$20.90/SF
Washington DC Total	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF

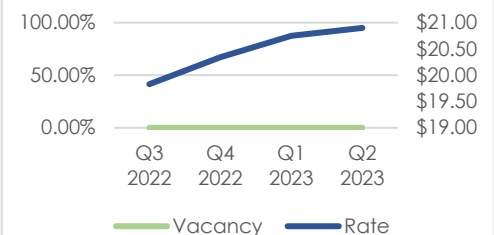
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SW / SE | Q2 2023

Market Insights:

The SW / SE Submarket ended the second quarter of 2023 with a vacancy rate of 0.0%. The vacancy rate remained the same from the previous quarter, and the net absorption rate over the last 12 months is 0 SF at the end of Q2 2023.

Rental rates ended the second quarter at \$20.08/SF across all classes, decreasing from \$20.17/SF in the previous quarter. There have been no new construction deliveries in the last 12 months, and there is no construction currently underway in the submarket.

SW / SE commercial sales ended the second quarter of 2023 at \$293.43/SF, increasing from \$270.85/SF in the previous quarter. The average commercial sale price in Washington DC is \$228.43/SF, and overall cap rates are 6.6%.

Q2 2023 vs Q1 2023

Rental Rates

Vacancy

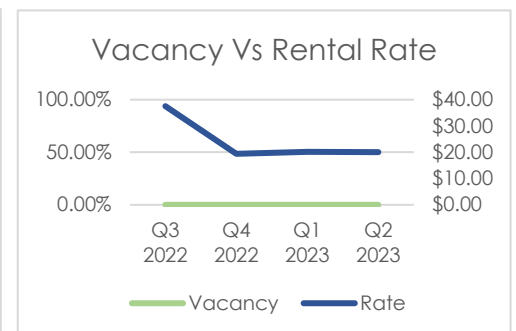
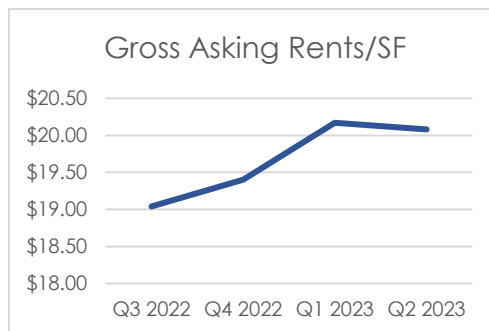
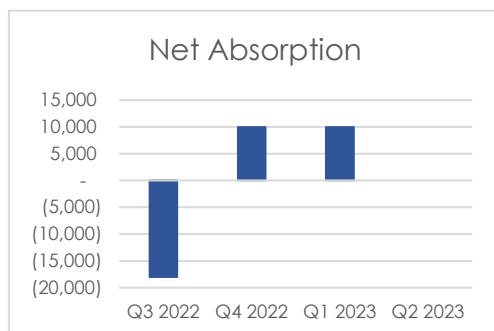


Under Construction

Absorption



	Inventory	Total Available SF	Vacancy Rate	12-Month Net Absorption	12-Month Deliveries	Under Construction	Rates - All Classes
SW / SE	724,584 SF	0 SF	0.0%	0 SF	0 SF	0 SF	\$20.08/SF
Washington DC Total	290,216,873 SF	20,628,288 SF	4.3%	6,244,938 SF	7,544,080 SF	9,549,542 SF	\$15.87/SF



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