



MULTIFAMILY REPORT

DC's Stable Year

February 2024

Development Remains Strong

Transactions Reach Decade Low

Northern Virginia Leads Rent Growth

WASHINGTON, D.C., MULTIFAMILY



District Holds On, Northern Virginia Booms

Feeling the seasonal lull at the end of 2023, the Washington, D.C., multifamily market closed the last quarter in the red, with rates down 20 basis points on a trailing three-month basis. Even so, last year was a relatively good one for the market, with the average rent up 1.6% over 12 months, to \$2,114. That was significantly above the U.S. figure, with the national rate up just 0.3% last year, to \$1,709. Northern Virginia outpaced the larger metro, with rents rising 3.1% and occupancy up a strong 70 basis points, even as large swaths of the country recorded contractions.

Metro D.C. continued to display one of the most stable economies among major coastal cities, with unemployment at a tight 2.7% as of November 2023 and the market adding 60,300 net jobs over 12 months. And while new development initiatives lack the magnitude of earlier megaprojects such as Amazon's HQ2 or the Silver Line metro extension, the pipeline remains relatively strong. The metro had more than 13 million square feet underway in industrial, office and self storage projects alone as of January. That comes on top of a sizable residential pipeline and several infrastructure and civic projects.

A total of 12,002 units came online across the market last year, with an additional 33,196 apartments underway. Meanwhile, only \$2 billion in rental assets traded in 2023, a decade low and an abrupt drop from the volumes recorded in the previous two years.

Market Analysis | February 2024

Contacts

Jeff Adler

Vice President & General
Manager of Yardi Matrix
Jeff.Adler@Yardi.com
(303) 615-3676

Ron Brock, Jr.

Industry Principal, Matrix
JR.Brock@Yardi.com
(480) 663-1149 x2404

Doug Ressler

Media Contact
Doug.Ressler@Yardi.com
(480) 695-3365

Author

Bogdan Odagescu

Senior Editor

Recent Washington, D.C., Transactions

Lafayette



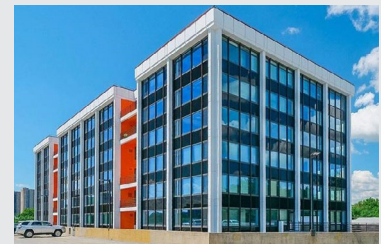
City: Alexandria, Va.
Buyer: Spira Equity Partners
Purchase Price: \$69 MM
Price per Unit: \$202,353

Connecticut Plaza



City: Washington, D.C.
Buyer: Stonebridge Investments
Purchase Price: \$67 MM
Price per Unit: \$282,458

Mission Lofts



City: Falls Church, Va.
Buyer: JCE
Purchase Price: \$50 MM
Price per Unit: \$317,468

ReNew Springfield



City: Springfield, Va.
Buyer: FPA Multifamily
Purchase Price: \$35 MM
Price per Unit: \$213,253