



MULTIFAMILY REPORT

DC Stays On Track

July 2025

Asking Rent Gains Above US Average

Pipeline Slows, but Still Significant

Deal Volume Decelerates

WASHINGTON, D.C., MULTIFAMILY



Steady Rent Gains, Pipeline Slowdown

As we approach the third quarter, the metro D.C. multifamily market is poised to rely on its strong fundamentals. Average advertised asking rents were up 0.4%, on a trailing three-month basis through May, to \$2,245, 10 basis points above the national figure. Year-over-year, the metro's average clocked in at 2.2%, more than double the 1% national figure. The occupancy rate contracted 20 basis points over the 12 months ending in March, settling at 95.1% as of April. However, it remained above the 94.4% U.S. average.

Metro D.C. added 2,200 net jobs in the 12 months ending in March. The government sector (1,600 jobs) led gains. As of April, D.C.'s unemployment rate was 4.3%, which was just below the national average, according to preliminary Bureau of Labor Statistics data. Several large-scale developments are moving forward in the area. As of May, the Purple Line rail project reached 78% completion, with all stations under construction. With more than 6,500 future apartments, D.C. ranks second only to New York City when it comes to office-to-residential conversions. In one such project, Post Brothers is converting 1.1 million square feet of office into 525 units.

Year-to-date through May, developers added 5,759 units to metro D.C.'s stock. Development remained significant, with 24,733 units under construction and an additional 230,000 units in the planning and permitting stages. Investment deals slowed to a total of \$800 million in 2025 as of May, down some 40% from last year.

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Recent Washington, D.C., Transactions

Fenwick



City: Silver Spring, Md.
Buyers: 29th Street Capital,
Wilton Investment Group
Purchase Price: \$95 MM
Price per Unit: \$306,774

Central



City: Silver Spring, Md.
Buyer: Galium Capital
Purchase Price: \$71 MM
Price per Unit: \$293,621