



MULTIFAMILY REPORT

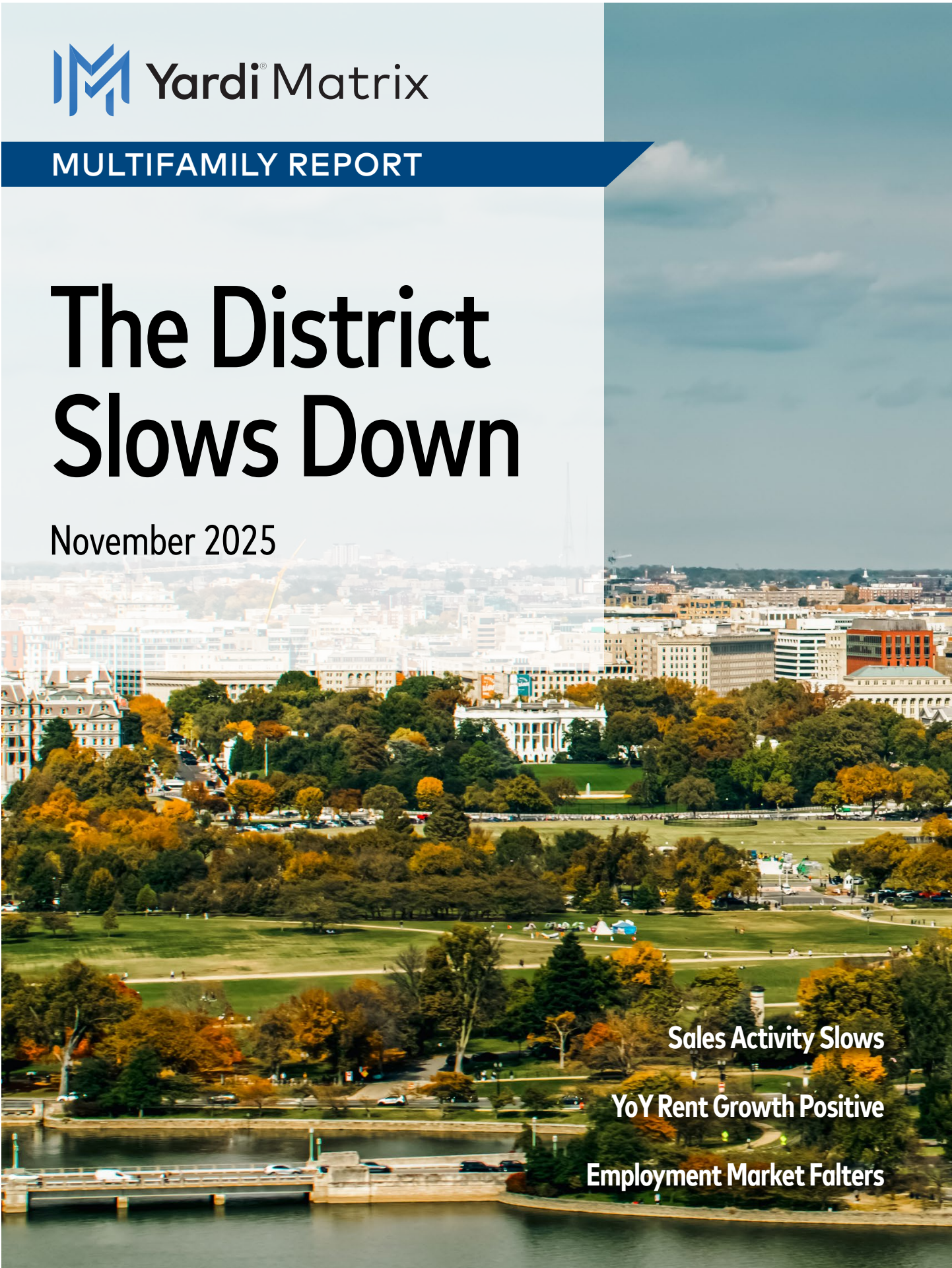
The District Slows Down

November 2025

Sales Activity Slows

YoY Rent Growth Positive

Employment Market Falters



WASHINGTON, D.C. MULTIFAMILY



Slowing Job Growth, Sales Volume in DC

By the end of the third quarter, Washington, D.C.'s multifamily market fundamentals remained mixed. Average advertised asking rents were down 0.3%, on a trailing three-month basis through September, to \$2,227 and 20 basis points below the U.S. average. Yardi Matrix expects an increase for the rest of the year, with the forecast at 2.3% for 2025.

Washington, D.C., employment rose 0.5% through July, 30 basis points below the national average. Education and health services led growth, adding 16,600 jobs to the workforce and marking a 3.3% yearly expansion. Still, the metro recorded a net loss of 4,400 jobs year-over-year. The area's unemployment rate was 5.6% as of August, marking a 50-basis-point increase month-over-month, according to preliminary data from the Bureau of Labor Statistics. A \$3.7 billion project will be taking shape at the former RFK Stadium site and will feature a 65,000-seat venue, as well as retail, riverside park space and some 6,000 affordable units. The Washington Commanders received final approval from the D.C. Council.

Developers brought 12,457 units online this year through September, accounting for 1.9% of existing stock and 30 basis points below the 2.2% national figure. Transaction volume reached \$1.9 billion, with 32 assets changing hands.

Market Analysis | November 2025

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Recent Washington, D.C. Transactions

Mira First and M



City: Washington, D.C.
Buyer: Foulger-Pratt
Purchase Price: \$181 MM
Price per Unit: \$386,160

The Esquire on Fifth



City: Washington, D.C.
Buyer: Foulger-Pratt
Purchase Price: \$86 MM
Price per Unit: \$423,232

Aspire at Rippon Landing



City: Woodbridge, Va.
Buyer: Southern Management Cos.
Purchase Price: \$83 MM
Price per Unit: \$352,754

Malvern Lakes

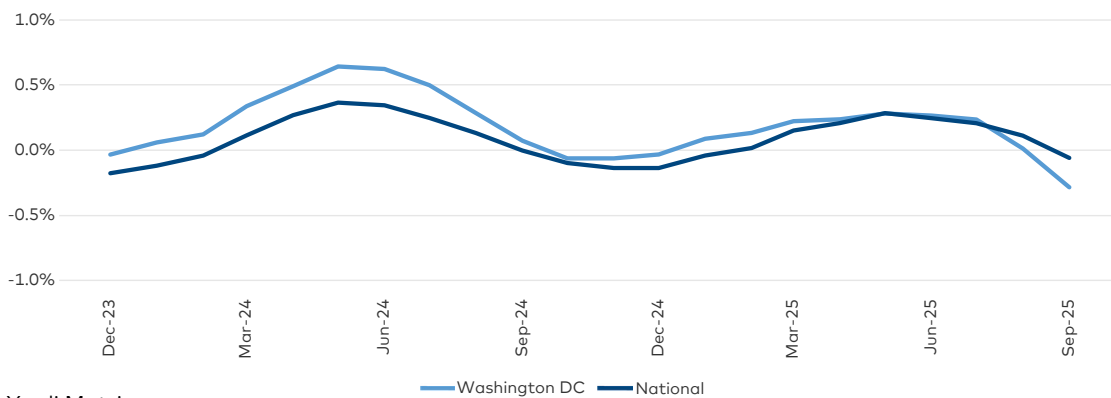


City: Fredericksburg, Va.
Buyer: Fulton Peak Capital
Purchase Price: \$34 MM
Price per Unit: \$228,667

RENT TRENDS

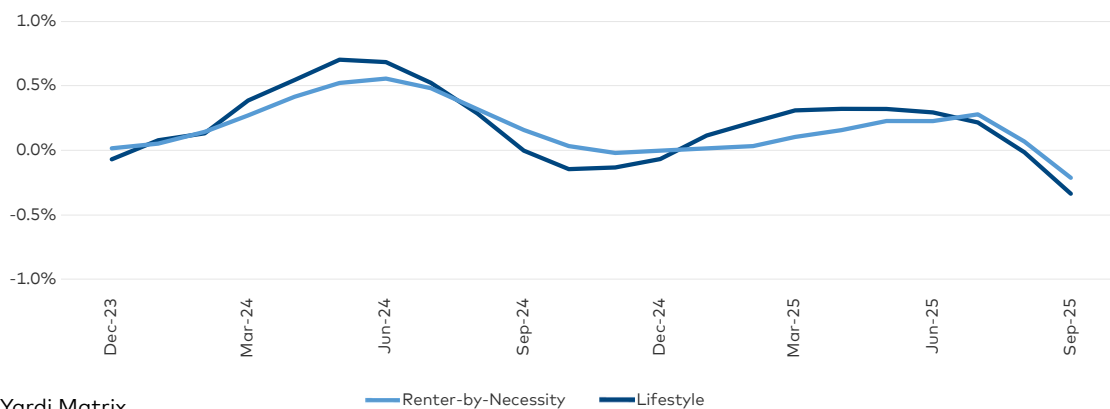
- ▶ Washington, D.C.'s average advertised asking rents were down 0.3%, on a trailing three-month (T3) basis through September, to \$2,227. This was 20 basis points below the U.S. average, which was down 0.1% during the same time frame. It also marked the first month of negative figures, after the metro's rent movement had been positive since January.
- ▶ On a year-over-year basis, the average advertised rate was up 0.5%, placing the District in the top half of the top 30 metros tracked by Yardi Matrix. Yardi Matrix expects an increase for the rest of the year, with the forecast at 2.3% for 2025.
- ▶ Both quality segments recorded losses on a T3 basis through September. Advertised asking rates for working-class, Renter-by-Necessity assets were down 0.2%, to \$1,886. Rents for Lifestyle properties also decreased, down 0.3% to \$2,575.
- ▶ The metro's average overall occupancy rate in stabilized properties stood at 95.2%, as of August, down 20 basis points year-over-year. While Lifestyle rates remained flat, at 95.8%, RBN figures recorded a 50-basis-point decrease year-over-year, to 94.6%.
- ▶ Of the total submarkets tracked by Yardi Matrix, a few stood out with significant year-over-year rent growth. Hillcrest Heights/Marlow Heights was up 4.9% to \$1,588, followed by Ashburn/Dulles/Sterling (up 4.1% to \$2,475) and Arlington Heights/Clarendon (up 3.3% to \$2,687).

Washington, D.C. vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Washington, D.C. Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- ▶ Washington, D.C. employment rose 0.5% through July, 30 basis points below the national average. Education and health services led growth, adding 16,600 jobs to the workforce and marking a 3.3% expansion year-over-year. Mining, logging and construction also contributed significantly, with 11,600 positions. Nevertheless, the metro recorded a net loss of 4,400 jobs in the 12 months ending in July, with professional and business services (-17,300) and government (-15,100) registering the steepest slides.
- ▶ The metro's unemployment rate was 5.6% as of August, marking a 50-basis-point increase month-over-month, according to preliminary data from the Bureau of Labor Statistics. The rate was 130 basis points above the national figure.
- ▶ The Washington Commanders received final approval from the D.C. Council for a \$3.7 billion stadium and mixed-use development. The project will take shape at the former RFK Stadium site and will feature a 65,000-seat venue, as well as retail, riverside park space and some 6,000 affordable units. As part of the agreement, the team will provide \$2.7 billion for development costs, while \$1 billion from the city will cover infrastructure, utilities, transit and parking costs. Groundbreaking is planned for 2026, with opening slated for 2030.

Washington, D.C. Employment Share by Sector

Code	Employment Sector	Current Employment	
		(000)	% Share
65	Education and Health Services	526.3	14.3%
15	Mining, Logging and Construction	192.1	5.2%
70	Leisure and Hospitality	365.6	10.0%
80	Other Services	196.2	5.3%
55	Financial Activities	161.4	4.4%
30	Manufacturing	69.1	1.9%
50	Information	83.7	2.3%
40	Trade, Transportation and Utilities	471.3	12.8%
90	Government	763.3	20.8%
60	Professional and Business Services	840	22.9%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- ▶ Metro D.C. gained 14,014 residents between 2021 and 2022, marking a 0.2% increase and registering below the 0.4% national rate growth.
- ▶ In the last decade ending in 2022, the metro's population grew by 742,000 residents.

Washington, D.C. vs. National Population

	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Metro D.C.	6,196,585	6,250,309	6,332,069	6,346,083

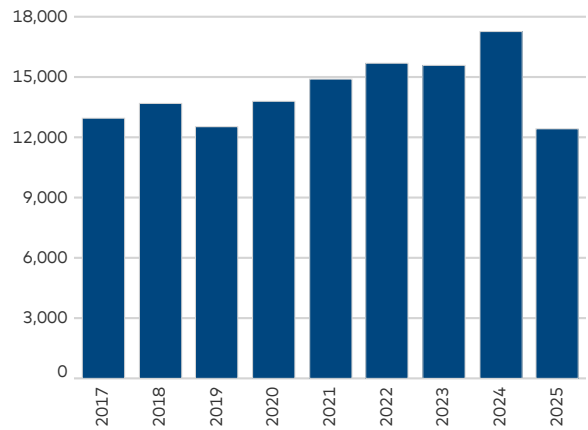
Source: U.S. Census

SUPPLY

- ▶ Developers brought 12,457 units online this year through September, accounting for 1.9% of existing stock. That was 30 basis points below the 2.2% U.S. average. All but nine properties that came online were Lifestyle assets. Last year marked the metro's largest volume of deliveries in the last eight years, with 17,272 completed units, accounting for 2.8% of existing stock.
- ▶ Washington, D.C. had 19,778 units under construction as of September. Another 234,000 apartments were in the planning and permitting stages. Construction starts continued to dwindle significantly, due to lending difficulties for developers and overall economic uncertainty. Work started on only 4,475 units across 19 projects through September, while construction started on 8,146 units across 32 projects during the same period last year.
- ▶ Of the 101 submarkets tracked by Yardi Matrix, 44 had at least 50 units under construction, with only two submarkets crossing the 1,000-unit mark. Barry Farms/Saint Elizabeths led with 1,915 units, followed by Ashburn/Dulles/Sterling (1,403 units) and Winchester (787 units).
- ▶ Barry Farms/Saint Elizabeths also houses the metro's largest multifamily development

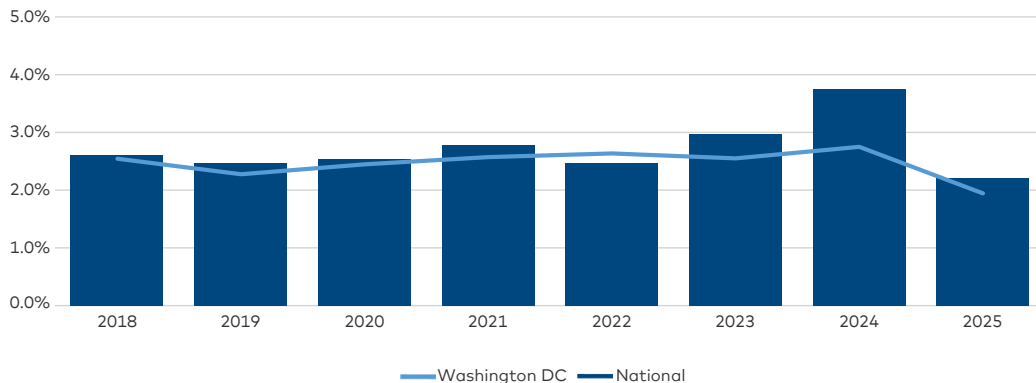
underway as of September. Redbrick broke ground on the 757-unit Bridge District in March 2023, with the aid of a \$142.5 million construction loan from Citizens Financial Group. Completion is slated for December 2025. The 12-story tower will include 78 affordable units. A second phase of the project is now in the prospective stage and will encompass 825 units across two buildings.

Washington, D.C. Completions (as of September 2025)



Source: Yardi Matrix

Washington, D.C. vs. National Completions as a Percentage of Total Stock (as of September 2025)

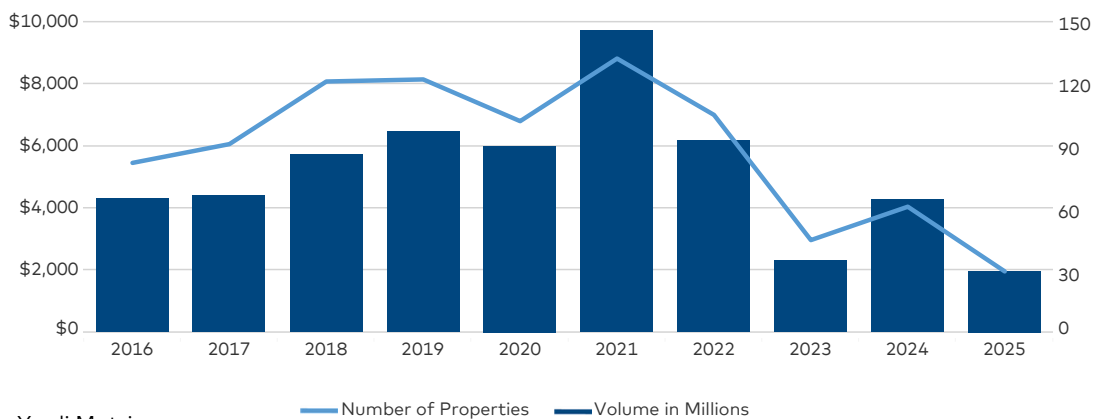


Source: Yardi Matrix

TRANSACTIONS

- ▶ Multifamily transactions in Washington, D.C. reached \$1.9 billion through the third quarter. Sales surpassed the \$4 billion mark in 2024, but figures are still well below the record-breaking volume recorded between 2021 and 2022, when a combined \$15.9 billion in assets traded in the metro.
 - ▶ Sales composition through September was evenly distributed between quality segments, with a total of 32 properties changing hands.
- Nevertheless, the price per unit was up \$41,800 to \$316,023, surpassing the \$209,188 U.S. average as well.
- ▶ Eight submarkets exceeded the \$100 million mark for multifamily transactions during the 12 months ending in September. Brentwood/Trinidad/Woodridge led with \$478 million, followed by Lee Highway/McLean (\$466 million) and Colonial Village/North Highlands/Roslyn (\$309 million) rounding out the top three.

Washington, D.C. Sales Volume and Number of Properties Sold (as of September 2025)



Source: Yardi Matrix

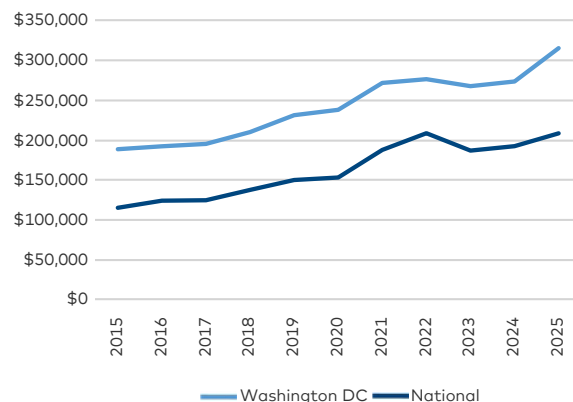
Top Submarkets for Transaction Volume¹

Submarket	Volume (\$MM)
Brentwood/Trinidad/Woodridge	478
Lee Highway/McLean	466
Colonial Village/North Highlands/Roslyn	309
Downtown Bethesda	309
Herndon/Reston	250
Alexandria West	237
West Foggy Bottom	186

Source: Yardi Matrix

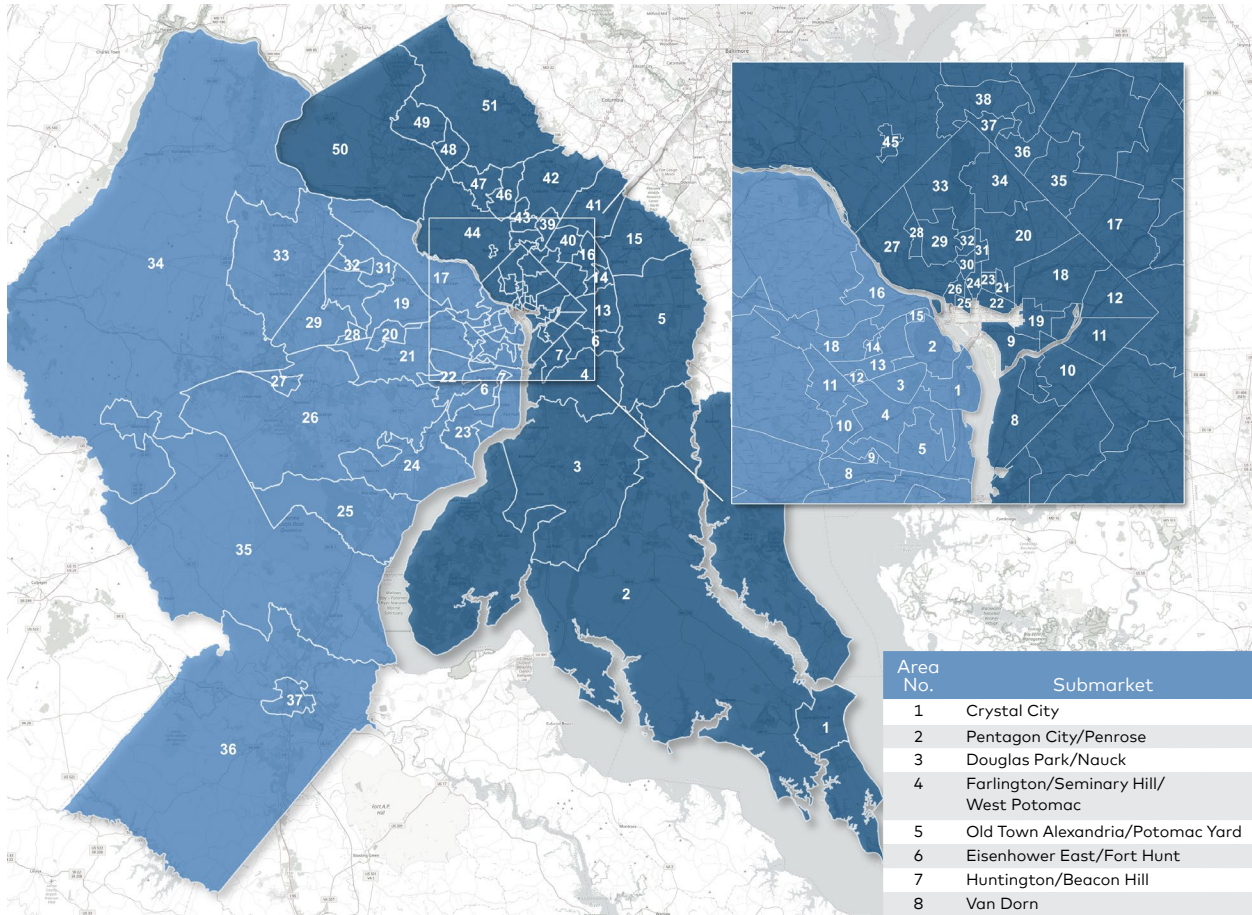
¹ From October 2024 to September 2025

Washington, D.C. vs. National Sales Price per Unit



Source: Yardi Matrix

WASHINGTON, D.C. SUBMARKETS



Area No.	Submarket
1	Crystal City
2	Pentagon City/Penrose
3	Douglas Park/Nauck
4	Farlington/Seminary Hill/ West Potomac
5	Old Town Alexandria/Potomac Yard
6	Eisenhower East/Fort Hunt
7	Huntington/Beacon Hill
8	Van Dorn
9	Landmark/Foxchase
10	Alexandria West
11	Bailey's Crossing
12	Columbia Heights West
13	Arlington Heights/Clarendon
14	Ashton Heights/Buckingham
15	Fort Myers Heights/Radnor
16	Colonial Village/ North Highlands/Roslyn
17	Lee Highway/McLean
18	Ballston/East Falls Church
19	Merrifield/Tyson's Corner/Vienna
20	Fairfax
21	Burke/Falls Church/Jefferson
22	Annandale/Franconia/Springfield
23	Mount Vernon
24	Dale City/Lorton/Woodbridge
25	Dumfries/Triangle
26	Prince George/Manassas
27	Manassas
28	Fair Oaks
29	Bull Run/Centreville/Chantilly
30	South Herndon
31	North Reston
32	Herrdon/Reston
33	Ashburn/Dulles/Sterling
34	Gainesville/Leesburg
35	Stafford/Warrenton
36	Falmouth/Spotsylvania
37	Fredericksburg

Area No.	Submarket
1	Lexington Park
2	California/Leondartown/ Prince Frederick
3	St. Charles/Waldorf
4	Camp Springs/Fort Washington
5	Bowie/Lake Arbor/Largo
6	Forestville/Suitland
7	Hillcrest Heights/Marlow Heights
8	Congress Heights/Congress Park
9	Barry Farms/St. Elizabeths
10	Anacostia/Garfield Heights
11	Fort Dupont Park/Marshall Heights
12	Deanwood
13	Seat Pleasant/Walker Mill
14	Cheverly/Glenarden/Landover Hills
15	Goddard/Glenn Dale
16	West Greenbelt/East Riverdale
17	Bladensburg/Riverdale Park
18	Brentwood/Trinidad/Woodridge
19	Capitol Hill
20	Brookland/South Petworth
21	North Capitol
22	Penn Quarter
23	Logan Circle/West Mount Vernon
24	South 16th Street/Scott Circle Corridor
25	East Foggy Bottom
26	West Foggy Bottom

Area No.	Submarket
27	Georgetown/Wesley Heights/ South Glover Park
28	West Cleveland Park/Wisconsin Avenue
29	East Cleveland Park/Woodley Park
30	Adams Morgan/North Dupont Circle
31	Columbia Heights
32	Mount Pleasant
33	North Connecticut Ave. Corridor
34	Brightwood/16th Street Heights
35	Chillum/Queens Chapel
36	Takoma Park
37	Downtown Silver Spring
38	West Silver Spring
39	East Silver Oak/White Oak
40	College Park
41	Beltsville/Laurel/South Laurel
42	Fairland
43	Wheaton
44	Chevy Chase/Potomac
45	Downtown Bethesda
46	Aspen Hill/Rossmoor
47	East Rockville
48	East Gaithersburg/Redland
49	Germantown/Montgomery Village
50	West Gaithersburg
51	Olney

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students*, who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households*, composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households*, which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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Yardi Matrix Multifamily
provides accurate data on
nearly **23 million** units, covering
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