

2022 Q1 MARKET REPORT



Entering 2022, the commercial property market in Manassas experienced strong demand and limited vacancies across all sectors. The first quarter of 2022 was no different with a slew of business openings, new construction underway, and significant leasing activity across the City of Manassas.

The City's office sector continued to see significant leasing and sales activity in early 2022. The vacancy rate for office property in Manassas dropped to a mere 4.1% in the first quarter, down from its pandemic-high of 5.3% in 2020. This is especially encouraging given the state of office leasing in the DC region, where office vacancy stands at 15.1%. Office market rent saw modest growth reaching \$23.97 in the City.

Several notable office developments occurred in the first quarter, including the cybersecurity firm [Quad M Tech](#) opening an office outside of Downtown, Didlake swinging into full gear on their [new 44,000 square foot headquarters](#), and Manassas City staff being temporarily relocated across Manassas for the renovation of City Hall.

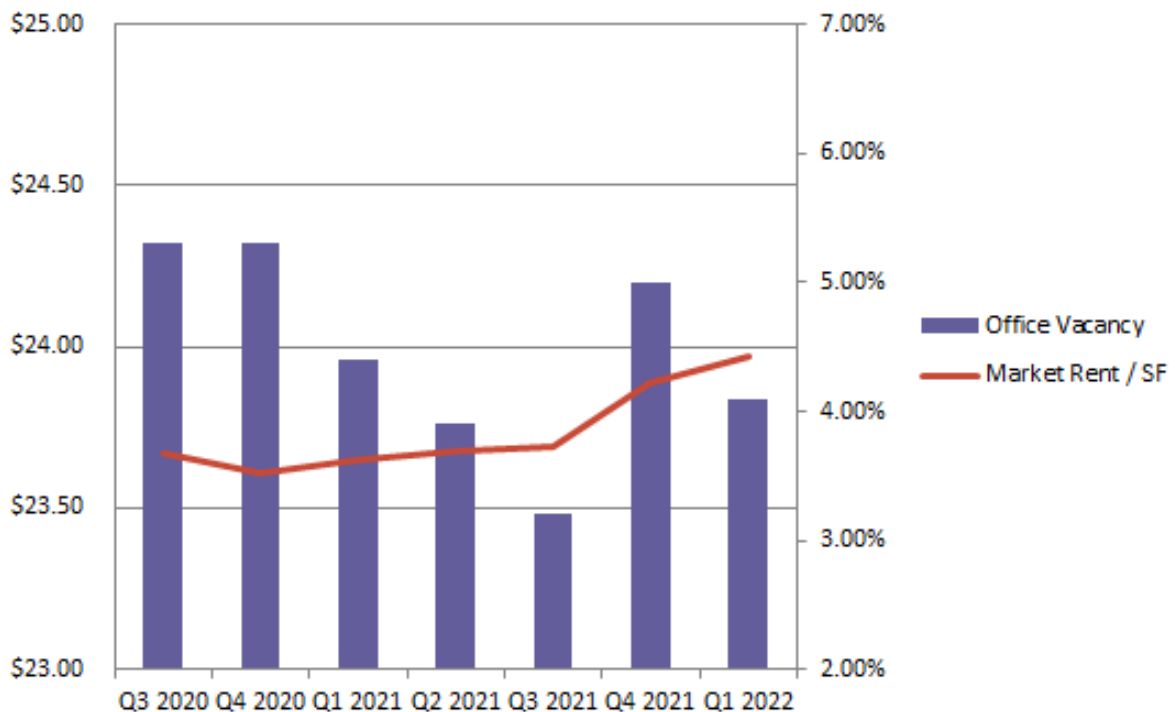
With a return to in-person shopping and corresponding sales growth, the City's retail market had its best-ever quarter to start the year. Vacancy rates for retail space reached an all-time low of 3.6% in the City, down 2.1% year-over-year. Asking market rents, which have remained relatively consistent over the last few years, jumped to \$25.11 per square foot (up almost 8% from the same time last year).

The City welcomed a number of new retail establishments in the first few months of the year, including [Valley Patient Care](#) at Wellington Station and [Benny's Pizza](#) in Historic Downtown Manassas next to Harris Pavilion.

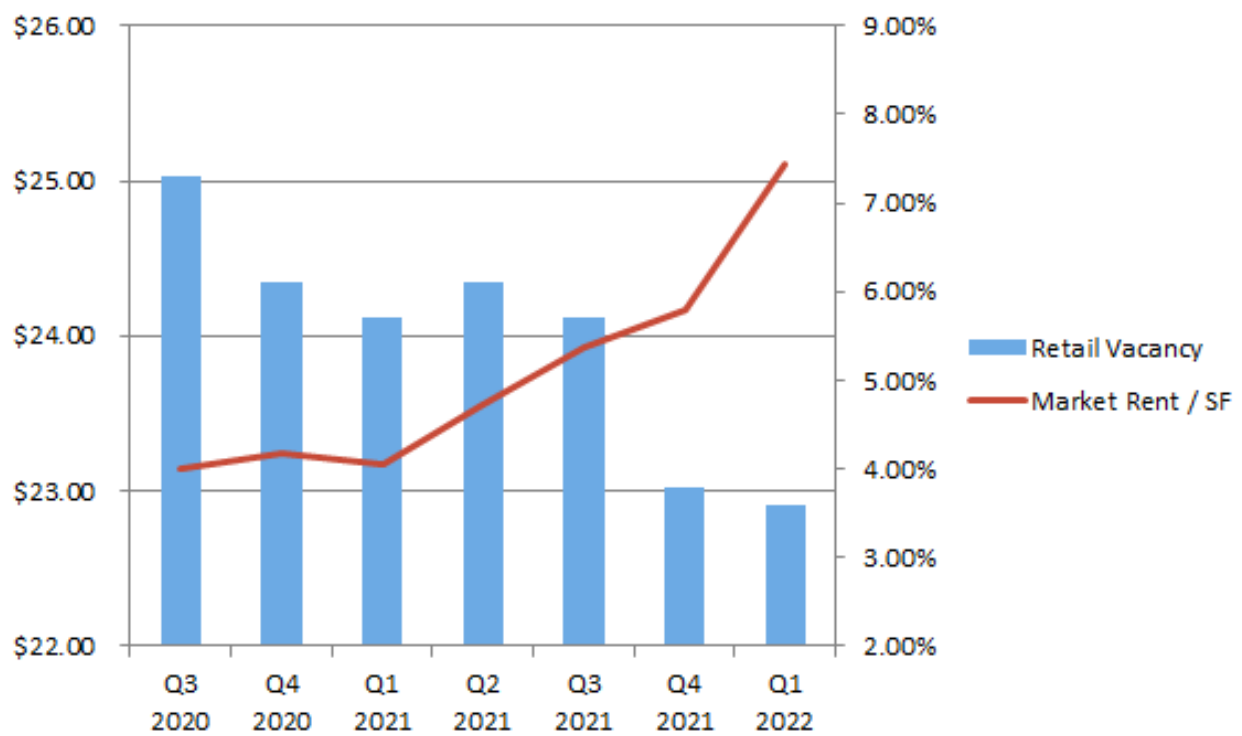
Despite limited availability for industrial and flex space, the City had several significant new business announcements this quarter. In March, the logistics firm [A. Duie Pyle announced](#) they would be expanding to Virginia and Manassas with their purchase of a 30-door cross-dock service center on Colonel Court – creating 30 new jobs in the City. Nearby on Central Park Drive, government contracting firm ITility announced the opening of a small research and development center for their renewable energy division [IREA](#). [Meridian Landscaping](#) also announced plans to locate in the City, purchasing a small office and landscape yard on Prince William Street.

These projects contributed to another strong quarter for the City's flex and industrial sector. Industrial vacancy remains near historic lows (2.9% for the quarter) and asking rents increased 9.5% year-over-year. The market rate for flex or industrial property in the City is \$13.84 per square foot. Currently, the City has less than 70,000 square feet of industrial property available with its largest availability, the former [Arlington Iron Works building on Euclid Ave.](#), just being listed for lease.

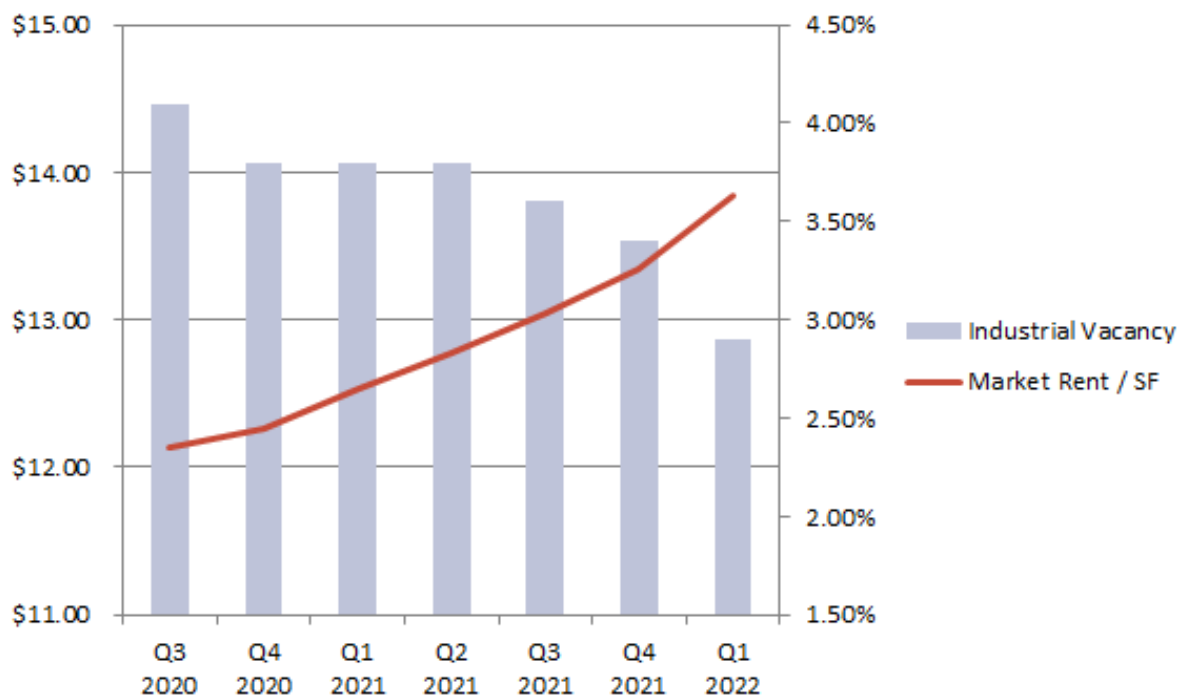
OFFICE MARKET



RETAIL MARKET



INDUSTRIAL & FLEX MARKET



Who We Are

Here, at the Department of Economic Development, our team is driven by a commitment to help businesses like yours thrive and grow. Please consider us as your personal concierge for any business-related needs. From permitting and licensing assistance, to access to capital or finding solutions to workforce demands, we are here for you.

We understand that location is one of the most significant factors in whether a business succeeds and we thank you for choosing Manassas.

We also encourage your feedback. Please share ideas and information directly with us about anything that would be helpful to our local businesses. Also, don't forget to follow us on [Facebook](#), [Instagram](#), and [LinkedIn](#) for updates on Manassas happenings.



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