

2022 CITY OF MANASSAS MARKET REPORT



In 2022, the City of Manassas experienced a year of economic opportunity and community growth. From longtime Manassas-based businesses continuing their expansions, to an [overnight building delivery](#), and several major economic development announcements, the commercial real estate market in the City reached new highs in 2022.

INDUSTRIAL & FLEX MARKET

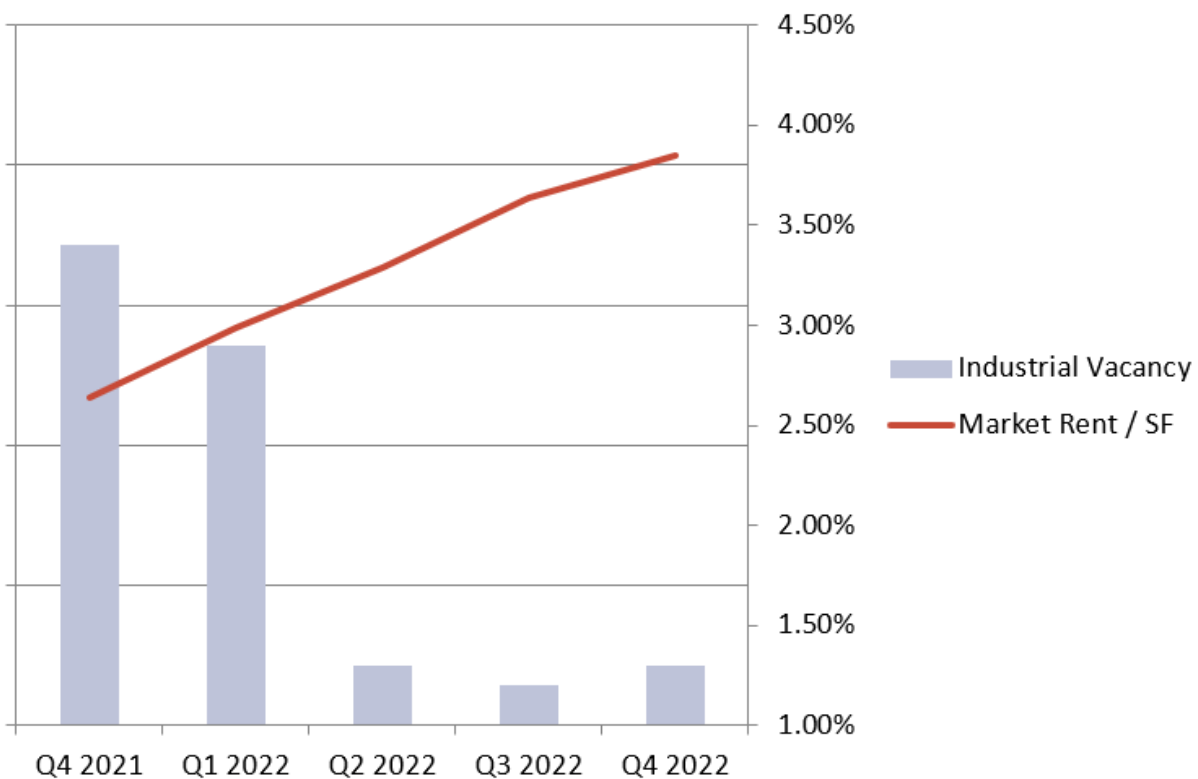
Given its location, strong business climate, and skilled workforce, the City of Manassas has long been an employment center for the region – particularly for industrial and manufacturing related activity. 2022 saw the City further cement itself as a top location of choice for industrial users, with



major economic development announcements that will change Manassas for years to come:

- [RapidFlight](#), an unmanned aircraft systems designer and manufacturer, opened in the former Georator building on Center Street and [will create 119 new jobs to the City](#)
- [Electra](#), a hybrid-electric aerospace company, [opened an 18,000 square foot R&D facility](#) at the Manassas Regional Airport
- [A. Duie Pyle](#), a provider of asset and non-asset-based supply chain solutions, established a cross-dock service center in the [City of Manassas](#) [creating 30 new jobs](#)
- [Falls Church Distillers](#), a craft producer of spirits and Ready-to-Drink (RTD) cocktails, [has relocated and expanded to the City](#) in Tucked Away Brewing
- [Envision Glass](#), a leading leading commercial glass glazing company, [expanded in the City bringing 40+ jobs to Manassas](#)

These announcements helped propel the industrial/flex market to new highs in 2022, with vacancy for industrial space dropping to an all-time low of 1.3%. Accordingly, asking rents rose over 11% year-over-year, ending at \$15.07 per square feet.



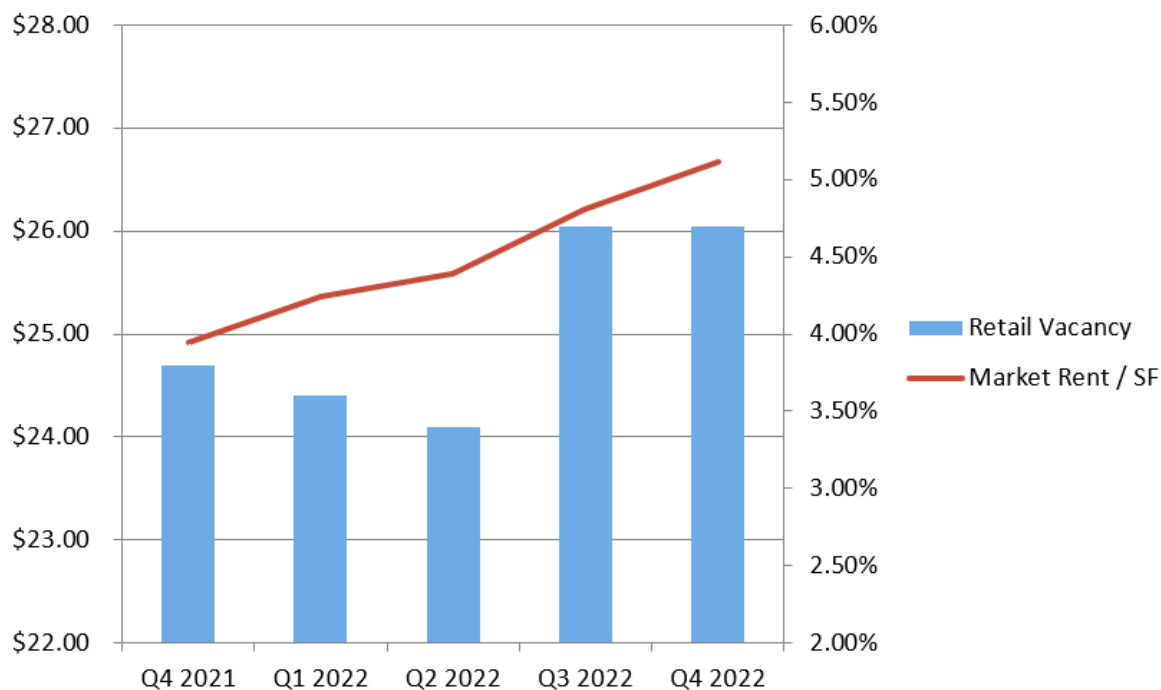
RETAIL MARKET

The City's retail sector continued its run of strong leasing activity and stable rent



growth, showing resilience against challenges from pandemic-related consumer behavior changes, higher interest rates, and rising inflation. At the end of 2022, vacancy among the 2.8M square feet of retail space in the City largely stayed steady at 4.7% (3.8% in Q4 2021). Asking rents also increased 6.5% year-over-year, ending the year at \$26.67 per square foot.

2022 brought a number of highly visible retail developments in the City. On Liberia Avenue, [Checkers & Rally opened their restaurant](#) and drive-thru after trucking in the modular building earlier in the year. Next door, Chick-fil-A completed a major expansion and renovation to their facility, and [Hangry Joes](#), a hot chicken restaurant with a Korean twist, opened at the Shops at Signal Hill. The Sudley Road commercial corridor also saw significant activity in 2022, including a [new Roaming Rooster](#), WaWa's plans to construct a new service station next to the UVA Health Prince William Medical Center, and longtime Manassas business [Tang's Bridal completing their third expansion](#) in the City.



OFFICE MARKET

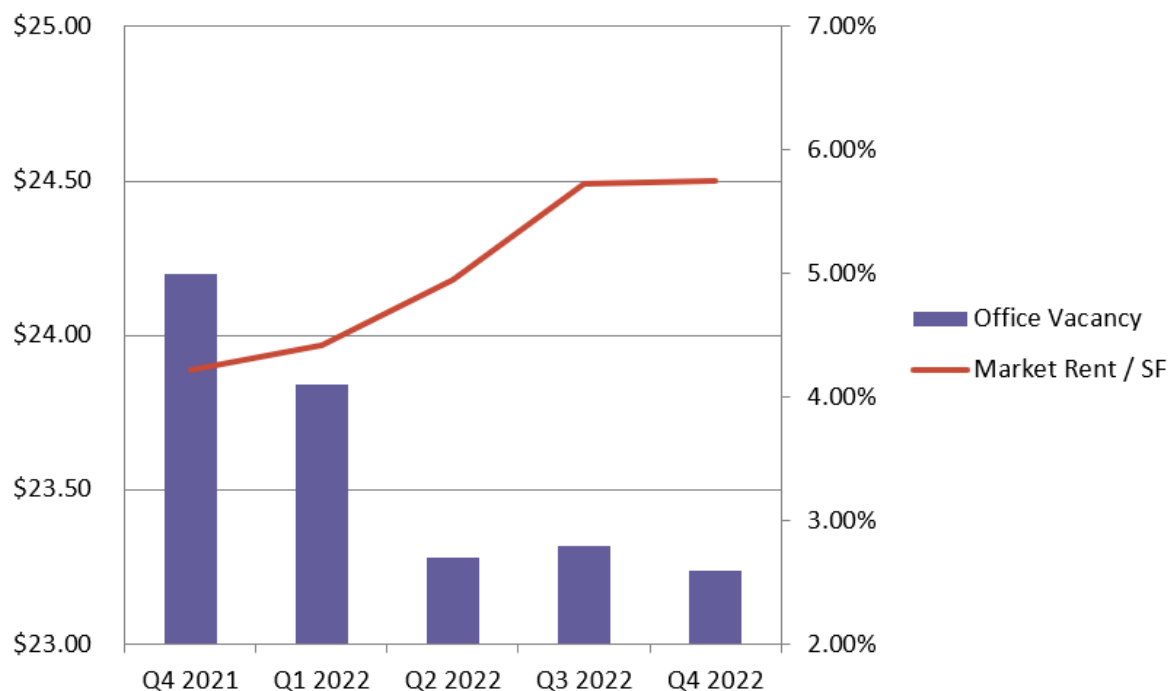
As a whole, the Northern Virginia office market recorded over 950,000 square feet of negative absorption in 2022 - meaning more open office space hitting the market than being leased. Changing work structures and

office requirements pushed the regional office vacancy rate to an all-time high 21.8% in December ([per CBRE](#)).

Bucking that trend, demand for office space in Manassas remains strong. Overall office vacancy in the City ended the fourth quarter at a record low of 2.6%, down from 5% the previous year. Market rents rose 2.5% year-over-year to \$24.50 per square foot as well.



A major highlight of office activity during 2022 was the opening of [Bristow Pediatrics](#), the first commercial tenants opening at the City's 40-acre, \$150M mixed-use community [The Landing at Cannon Branch](#). At the beginning of the year, Manassas City staff were relocated to several offices across the City for facility renovations and planned moves to the newly constructed John D. Conner III Public Safety Building. Historic Downtown Manassas saw a host of smaller office leases as well, headlined by First Care Women's Health relocation and renovation of their Center Street facility. Near the City's northern boundary, Didlake continued the buildout of their new [44,000 square-foot headquarters campus](#) with plans to open in 2023.



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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