

# Q4 2023 CITY OF MANASSAS MARKET REPORT



Commercial and industrial vacancy rates remain historically low at 2% Citywide. This far outperforms the regional average and demand from businesses for new or larger spaces is hard to fill. This continues to drive increased rents and building values. Average commercial rents reached an all-time high of \$21.22 per square foot while the average sales price settled slightly down at \$217/sf. Despite whatever headwinds other markets may experience from interest rates and remote work, the City of Manassas continues to see strength across all property types. As we've said in the past, low supply and high demand should present opportunity for new and redevelopment – we are [ready to assist](#) developers who wish to build or expand in Manassas.

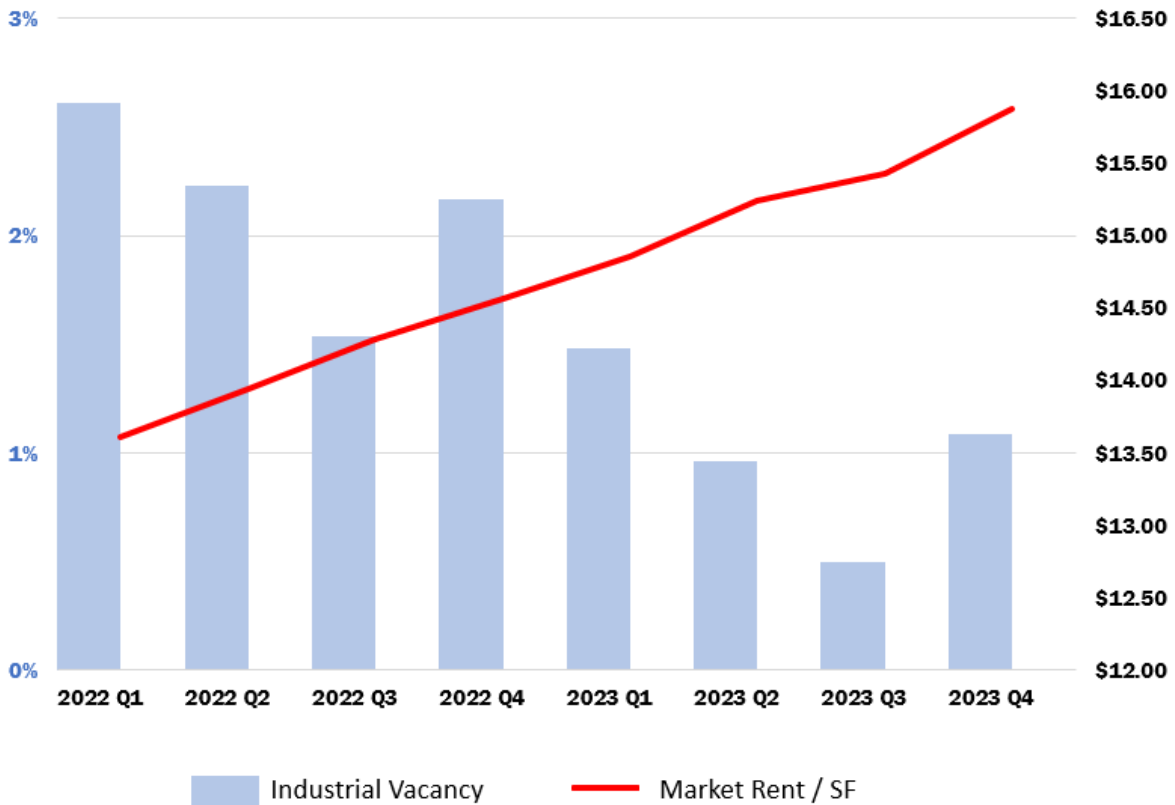
## INDUSTRIAL & FLEX MARKET

The “new normal” is that industrial

and flex space is almost impossible to find in Manassas. Vacancy rates for traditional manufacturing space did rise slightly this past quarter from .5% to 1.1% while flex space vacancy dropped slightly from .8% to an almost nonexistent .7%.



Rents hit an all-time high of \$15.88/sf for industrial and \$16.10/sf for flex space and to further demonstrate how tight things are – the time on market for space is a staggeringly low 1.1 months. It’s literally a first-come, first-served market when a space opens up.

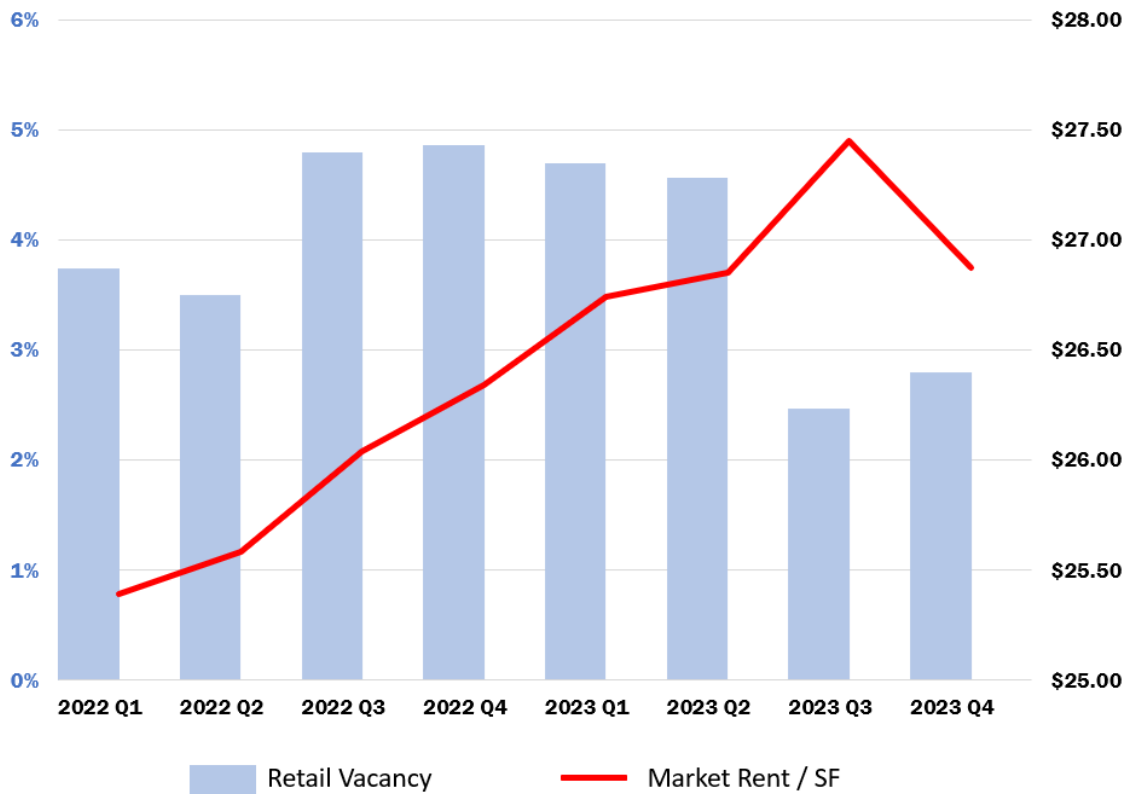


## RETAIL MARKET

The City’s ongoing efforts to improve its commercial corridors is evidenced by continued investment and revitalization resulting in a 2.8% vacancy rate that is well below the regional average of 4.35%.



Market rents declined and the current average is \$26.87/sf but that is still well above historical averages. This data indicates that retail continues to be a highly active sector in Manassas thanks to the City's rising incomes and increasing residential density within and around the City limits.

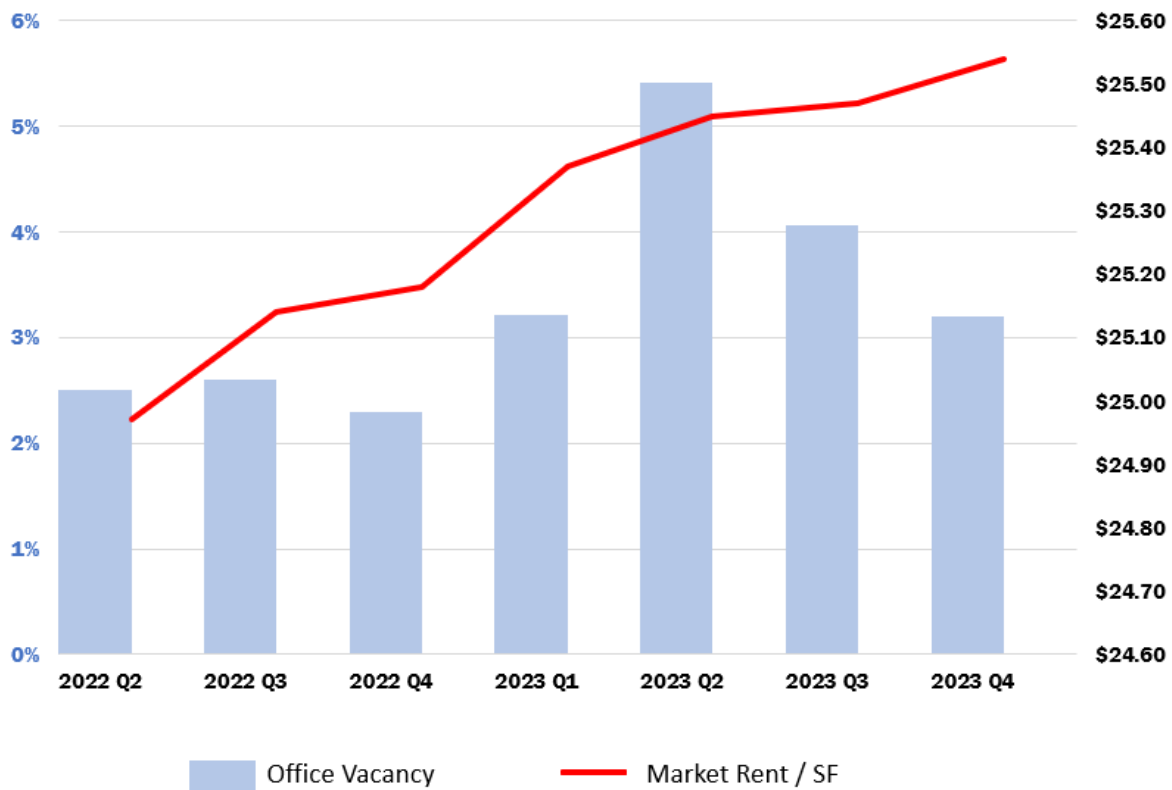


## OFFICE MARKET

Vacancy for office space also continues to outperform the region with an almost historically low rate of 3.2%, down from last quarter's 4.1%. This compares to a 16.4% office vacancy rate in the Washington DC metro area.

Real estate experts have predicted an increase in office vacancy heading into 2024, but Manassas has historically shown resiliency despite broader market trends. Rents rose slightly to \$25.54/sf but are significantly higher than in the past several years.





## 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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