

DULLES WEST MARKET REPORT

Investment Sales Trends & Granular Market Signals

MID-YEAR 2026 · A MULTILEVEL VIEW ACROSS REGION, PRODUCT TYPE & BUYER TYPE



H1 2026 SALES VOLUME

\$446.5M

▲ 57.8% YoY

H1 2026 TRANSACTIONS

48

▼ 7.7% YoY

H1 2026 AVG PRICE / SF

\$267

▲ 4.3% YoY

BEST REGION — ANN. ROI

Blue Ridge West

16.1% trailing yr.

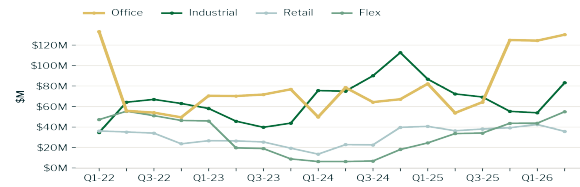
BEST PRODUCT — ANN. ROI

Industrial

17.1% trailing yr.

Sales Volume by Product Type

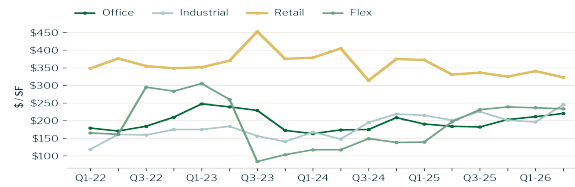
4Q trailing average (\$M)



Office has led the recent upswing on institutional demand near Dulles and Route 28.

Average Sales Price by Product Type

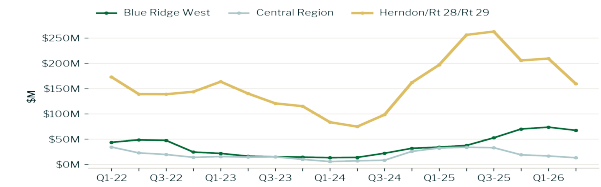
4Q trailing average (\$/SF)



Retail commands the highest price per square foot of any category, market-wide.

Regional Sales Volume Trends

4Q trailing average (\$M)



Blue Ridge West has more than quadrupled off its 2024 trough — the market's strongest recovery.

MARKET SUMMARY

- Dollar volume nearly doubled year-over-year in H1 2026 even as transaction count fell — capital is concentrating into fewer, larger deals, most of which are located in the Herndon/Rt 28/Rt 29 Region.
- Office and industrial are driving the recovery in volume; retail commands the highest price per square foot of any product type, market-wide.
- The Herndon/Rt 28/Rt 29 Region accounts for roughly two-thirds of total market volume, though its own trend has softened over the past four quarters even as Blue Ridge West has more than quadrupled off its 2024 trough.
- Institutional buyers posted the sharpest year-over-year volume growth of any buyer type — a signal of their willingness to pursue reduced-basis office and larger industrial opportunities.

Investment Sales Trends & Granular Market Signals

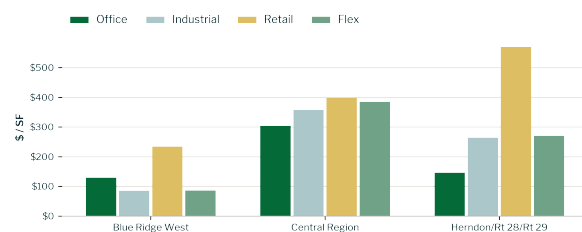
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A CLOSER LOOK: WHAT THE MARKET LOOKS LIKE FROM THE INSIDE

Headline trends by region, product type, or buyer type alone can mask what is actually happening underneath. Layering these dimensions together — our Granular Reach analysis — surfaces patterns invisible in any single-dimension view.

Sale Price per SF, by Region & Product Type

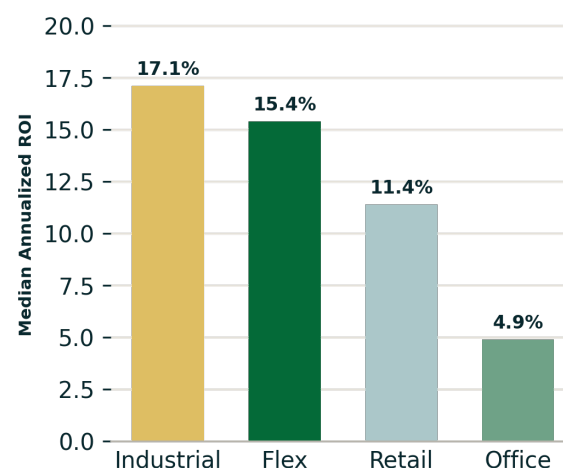
Trailing year, July 2025–July 2026



Office is the cheapest product type in two of the three regions - Central Region and Herndon/Rt 28/Rt 29 - and only prices above Industrial in Blue Ridge West. In Herndon specifically, Office's steep discount reflects the distressed, foreclosure-driven pricing concentrated in that corridor.

Annualized ROI by Product Type

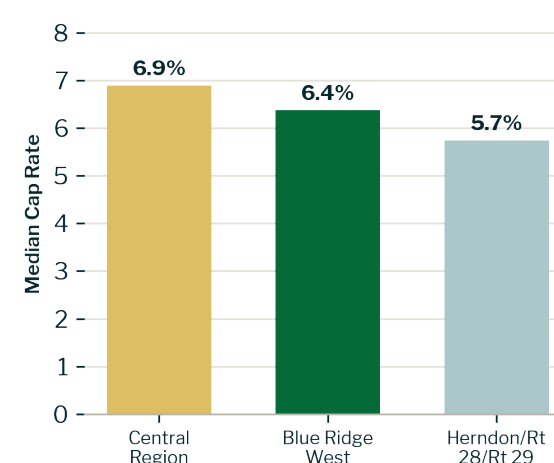
Trailing year, median



Industrial leads every product type on realized return — the direct result of a genuine land scarcity constraint tied to data center development, not a pricing fluke.

Median Cap Rate by Region

Trailing year



The Central Region commands the highest price per square foot in the market, and the tightest cap rates — despite recording the lowest sales volume of the three regions.

WHAT THIS MEANS

- The single best-performing combination in the market is Industrial collateral in the Blue Ridge West Region (19.8% annualized ROI, trailing year) — the intersection of the strongest product type and the strongest region.
- Product type alone does not tell a consistent story without knowing where the asset sits: Office and Industrial pricing move in opposite directions from Blue Ridge West to Herndon/Rt 28/Rt 29, while Retail's premium widens sharply the further east you go.
- Owner-occupant (User) buyers now post the highest price per square foot of any buyer type in the market, financing an increasing share of acquisitions through community bank relationships on more favorable terms than conventional institutional CRE debt offers.
- Reach out to discuss how these findings apply to a specific asset, submarket, or lending relationship — our full analysis goes down to the individual transaction.

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