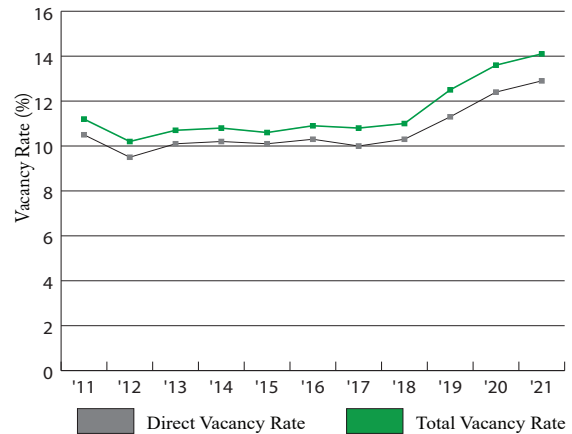
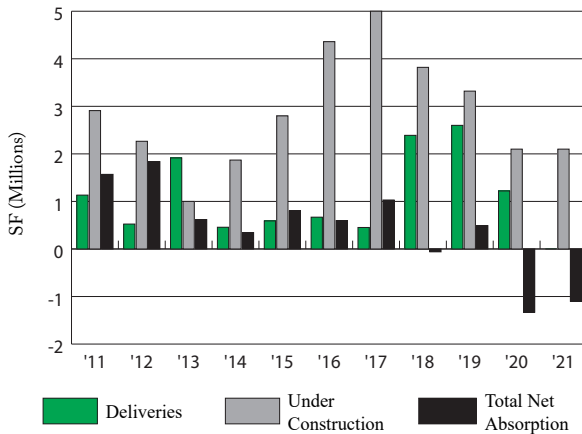


# Market Spotlight

## Washington, DC

Mid-1st Quarter 2021



## Highlights

Midway through the first quarter, the total vacancy rate in the Washington, DC Market has increased to 14.1%, up from 13.6% at the end of the fourth quarter.

The DC Market has recorded **-1,138,486** square feet of net absorption through the first half of the first quarter, a substantial drop from the **-685,166** square feet absorbed in the fourth quarter 2020. Contributing to the negative net absorption included Morrison Foerster vacating 152,342 square feet at 2000 Pennsylvania Avenue, NW (moved into approximately 100,000 SF at 2100 L Street, NW), the Bureau of Land Management vacating 99,539 square feet at 20 M Street, SE (relocated to Colorado), and the International Monetary Fund vacating 76,049 square feet at 1919 Pennsylvania Avenue, NW.

DC has recorded 500,867 square feet of leasing activity quarter-to-date. Tenants executing leases included DC Department of Health renewing 166,244 square feet at 899 N. Capitol Street, NE and GSA - Department of Veterans Affairs renewing 131,454 square feet at 1100 1st Street, NE.

250 M Street, SE is expected to deliver by the end of the first quarter. Located in the Capitol Riverfront submarket, the 227,948-square-foot building is 97% pre-leased to the DC Department of Transportation.

### 10 Year Averages (2011 - 2020)

Net Absorption	811,000 SF / Year
Deliveries	1.4 M SF / Year
Leasing Activity	9.9 M SF / Year

### Market Stats

Inventory	152.3 M SF
Direct Vacancy	12.9%
Total Vacancy	14.1%
YTD 2021 Absorption	-1,138,486 SF
YTD 2021 Leasing Activity	500,867 SF
Under Construction	2,095,754 SF
Percent Pre-Leased	58%
YTD 2021 Deliveries	0 SF

Asking Rental Rates (PSF, Full Service)	2011: \$49.57	2020: \$53.24	YTD 2021: \$53.37
---	---------------	---------------	-------------------