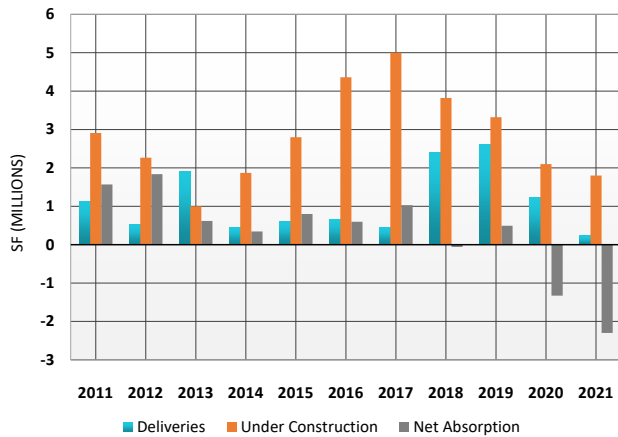


# Market Spotlight - Mid 3Q 2021

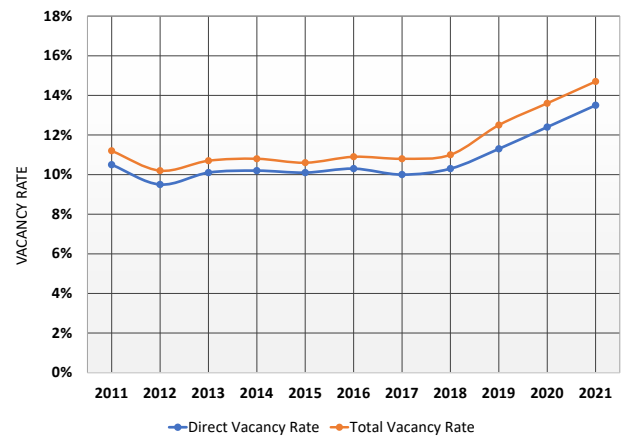
## Washington, DC



### DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



### VACANCY RATE



### HIGHLIGHTS

Midway through the third quarter, the total vacancy rate in the Washington, DC Market has increased to 14.7%, up from 14.4% at the end of the second quarter.

The amount of sublease space available has increased approximately 157,000 square feet since the start of the third quarter. Approximately 3,481,000 square feet of sublease space is currently available in The District.

The DC Market has recorded **-605,772** square feet of net absorption through the first half of the third quarter, totaling **-2,311,243** square feet absorbed YTD 2021. Contributing to the negative net absorption this quarter included Convene vacating 59,653 square feet at 575 7th Street, NW and the Center for Excellence in Public Leadership vacating 33,185 square feet at 2033 K Street, NW.

A total of 797,649 square feet has leased thus far in the third quarter. Tenants executing leases this quarter include the GSA - Federal Emergency Management Agency (FEMA) renewing 302,944 square feet at 500 C Street, SW and the American Council of Engineering Companies signing for 15,948 square feet at 1400 L Street, NW. A total of 3,866,250 square feet has leased YTD 2021.

The largest trade quarter-to-date was a 13-building portfolio sale from WashREIT to Brookfield for \$766.0 million. The sale included six buildings in DC, plus an additional seven buildings in Virginia. The six DC buildings were; 1775 Eye St, NW, 1627 Eye St, NW, 2000 M St, NW, 1901 Pennsylvania Ave, NW, 1140 Connecticut Ave, NW and 1220 19th St, NW, selling for a total of \$289,850,000 (the Virginia properties totaled \$476,150,000).

### 10 YEAR AVERAGES 2011 - 2020

TOTAL ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
<b>811,000</b> PER YEAR	<b>1.4 M</b> PER YEAR	<b>9.9 M</b> PER YEAR

### MARKET STATS 3Q 2021

INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
<b>154.4 M</b>	<b>13.5%</b>	<b>14.7%</b>

YTD 2021 ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION	PRE-LEASED	DELIVERIES (SF)
<b>-2.3 M</b>	<b>3.9 M</b>	<b>1.8 M</b>	<b>51%</b>	<b>227K</b>

### ASKING RENTAL RATES (FULL SERVICE)

2011	2020	YTD 2021
<b>\$49.57</b> PSF	<b>\$53.24</b> PSF	<b>\$53.21</b> PSF