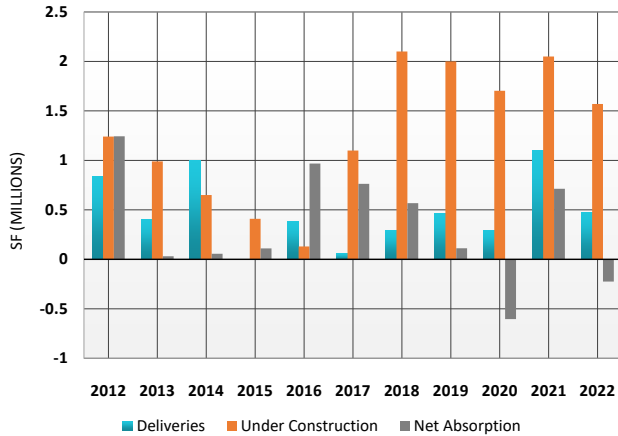


Market Spotlight - Mid 1Q 2022

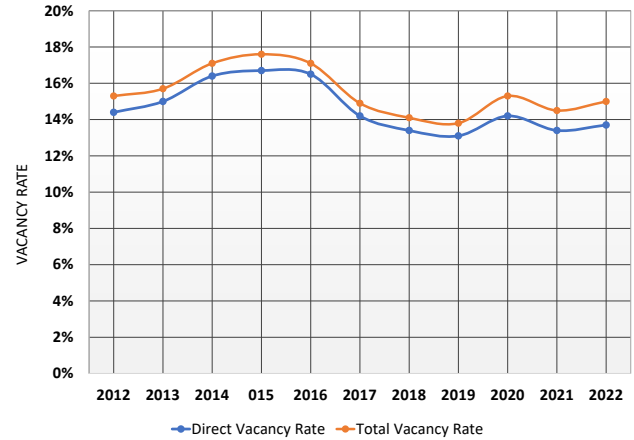
Suburban Maryland



DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



VACANCY RATE



HIGHLIGHTS

Mid-way through the first quarter of 2022, the direct vacancy rate in the Suburban Maryland market increased to 13.7%, up from 13.4% at the end of the fourth quarter 2021. Total vacancy increased to 15.0% mid-way through the first quarter 2022, up from 14.5% at the end of the fourth quarter 2021.

The Suburban Maryland market has recorded **-225,564** square feet of net absorption through the first half of the first quarter 2021. Contributing to negative net absorption was TEK Systems, Inc. vacating their 18,688-square-foot space at 4500 East-West Highway.

Suburban Maryland has recorded 451,155 square feet of leasing activity quarter-to-date. Contributing to leasing activity was Tetracore, Inc. signing a 99,206-square-foot lease at 77 Upper Rock Circle. Also contributing to leasing activity was Burness Communications signing a 10,035-square-foot lease to relocate within 7910 Woodmont Avenue.

Six buildings, totaling 1,572,196 square feet, are currently under construction. The Marriott Headquarters at 7750 Wisconsin Avenue (Class A, 734,000 sf, 100% pre-leased) is scheduled to deliver in March 2022. 9179 Central Avenue (Class B, 100,000 sf, 100% pre-leased to Prince George's County Government) is set to deliver in June 2022. The Ella at Carillon (Class A, 125,000 sf, 6.1% pre-leased to Clearway Pain Solutions) is set to deliver in November 2022. 9808 Medical Center Drive (Class A, 97,196 sf, 0% pre-leased) is set to deliver in December 2022. 915 Meeting Street (Class A, 276,000 sf, 38.0% pre-leased to Choice Hotels International) is set to deliver in January 2024. 1600 Rockville Pike (Class A, 240,000 sf, 0% pre-leased) is scheduled to deliver in June 2024.

Two buildings have delivered in the first quarter 2022. 7373 Wisconsin Avenue (Class A, 379,911 sf, 10.7% pre-leased) delivered in January 2022. 201 National Harbor Boulevard (Class A, 97,000 sf, 80.3% pre-leased) delivered in January 2022.

10 YEAR AVERAGES

2012 - 2021

TOTAL ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
343,198 PER YEAR	670,956 PER YEAR	4.9 M PER YEAR

MARKET STATS 1Q 2022

INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
90.2 M	13.7%	15.0%

YTD 2022 ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION	PRE-LEASED	DELIVERIES (SF)
-225 K	451 K	1.6 M	60.2%	477 K

ASKING RENTAL RATES (FULL SERVICE)

2012	2021	YTD 2022
\$25.62 PSF	\$29.10 PSF	\$28.97 PSF