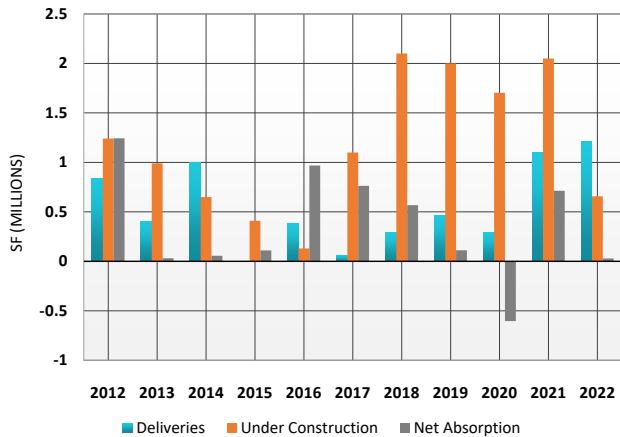


Market Spotlight - Mid 3Q 2022

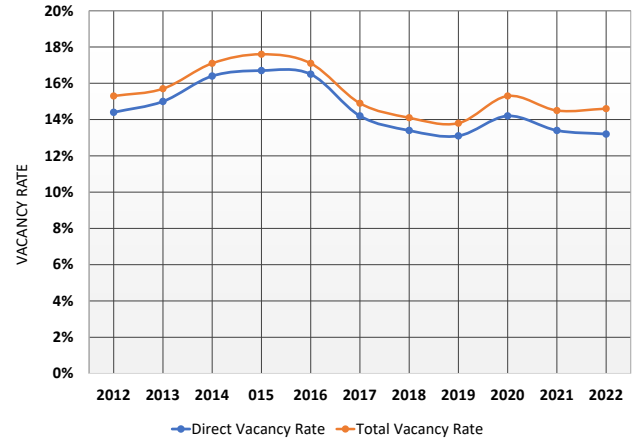
Suburban Maryland



DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



VACANCY RATE



HIGHLIGHTS

Mid-way through the third quarter, the direct vacancy rate in the Suburban Maryland market decreased to 13.2%, down from 13.5% at the end of the second quarter. Total vacancy decreased to 14.6% mid-way through the third quarter, down from 14.8% at the end of the second quarter.

The sublease vacancy rate remained flat at 1.3% mid-way through the third quarter. Sublease availability remained flat as well at 1.18 million square feet of available space.

The Suburban Maryland market has recorded 220,016 square feet of net absorption through the first half of the third quarter. Contributing to the positive net absorption was Marriott International occupying their 734,000-square-foot space at 7750 Wisconsin Avenue.

Suburban Maryland has recorded 312,221 square feet of leasing activity quarter-to-date. Contributing to leasing activity was Arcellx signing a 60,000-square-foot lease at 800 King Farm Boulevard, which will be converted into life sciences use along with 805 King Farm Boulevard.

One building delivered on the first half of the third quarter: The Marriott Headquarters at 7750 Wisconsin Avenue (Class A, 734,000 sf, 100% pre-leased) delivered in July 2022.

1500 and 1550 Research Boulevard sold to Altus Realty from Westat for \$25,500,000 (\$300 psf). Altus Realty plans to convert both buildings to lab space.

10 YEAR AVERAGES 2012 - 2021		
TOTAL ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
343 K PER YEAR	671 K PER YEAR	4.9 M PER YEAR

MARKET STATS 3Q 2022		
INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
92.1 M	13.2%	14.6%

YTD 2022 ABSORPTION (SF)	YTD 2022 LEASING ACTIVITY (SF)	UNDER CONSTRUCTION	PRE-LEASED	YTD 2022 DELIVERIES (SF)
29 K	2.3 M	658 K	39%	1.2 M

ASKING RENTAL RATES (FULL SERVICE)		
2012	2021	YTD 2022
\$25.62 PSF	\$29.10 PSF	\$29.56 PSF