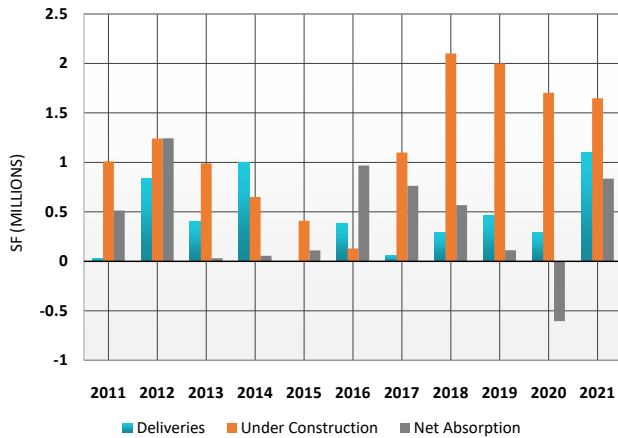


Market Spotlight - Mid 4Q 2021

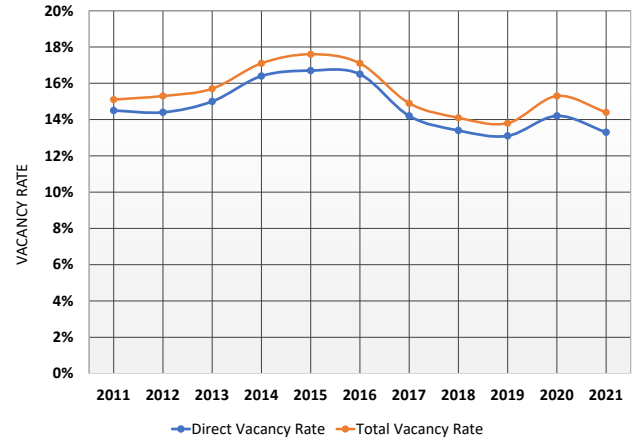
Suburban Maryland



DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



VACANCY RATE



HIGHLIGHTS

Mid-way through the fourth quarter of 2021, the direct vacancy rate in the Suburban Maryland market remained flat at 13.3%. Total vacancy also remained flat at 14.4% mid-way through the fourth quarter.

The Suburban Maryland market has recorded 17,664 square feet of net absorption through the first half of the fourth quarter, bringing Year-to-Date absorption up to 836,250 square feet. Contributing to positive net absorption were ESAB occupying a 20,887-square-foot space and United Solutions occupying a 20,602-square-foot space, both at 909 Rose Avenue.

Suburban Maryland has recorded 393,254 square feet of leasing activity quarter-to-date. Contributing to leasing activity was ERC signing a 10,638-square-foot lease at 6931 Arlington Road. Also contributing to leasing activity was Choice Hotels signing a 105,000-square-foot lease at 915 Meeting Street, a proposed property at Federal Realty's Pike & Rose, which is scheduled to break ground by year end 2021.

Six buildings, totaling 1,648,107 square feet, are currently under construction. 9808 Medical Center Drive (Class A, 97,196 sf, 0% pre-leased) is set to deliver in December 2022. 7373 Wisconsin Avenue (Class A, 379,911 sf, 0% pre-leased) is set to deliver in January 2022. 201 National Harbor Boulevard (Class A, 97,000 sf, 80.3% pre-leased) is set to deliver in May 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 Marriott Headquarters at 7750 Wisconsin Avenue (Class A, 734,000 sf, 100% pre-leased) is scheduled to deliver in March 2022. 1600 Rockville Pike (Class A, 240,000 sf, 0% pre-leased) is scheduled to deliver in June 2024.

No buildings have delivered in the fourth quarter 2021.

10 YEAR AVERAGES 2011 - 2020		
TOTAL ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
401,826 PER YEAR	552,208 PER YEAR	4.9 M PER YEAR

MARKET STATS 4Q 2021		
INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
90.2 M	13.3%	14.4%

YTD 2021 ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION	PRE-LEASED	DELIVERIES (SF)
836 K	2.3 M	1.6 M	56.7%	1.1 M

ASKING RENTAL RATES (FULL SERVICE)		
2011	2020	YTD 2021
\$25.90 PSF	\$27.93 PSF	\$29.10 PSF