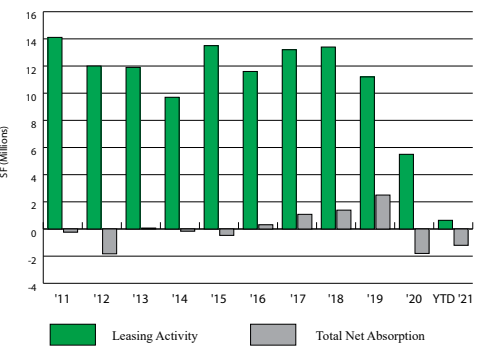
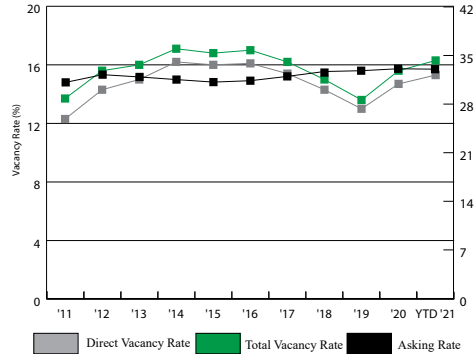
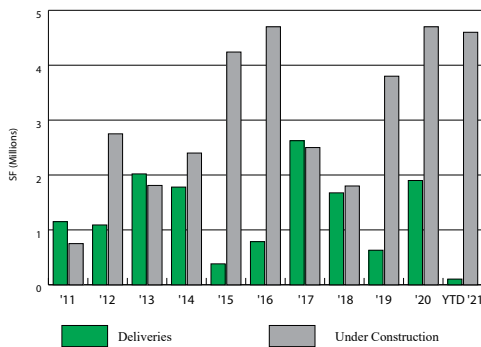


Market Spotlight

Northern Virginia

Mid-1st Quarter 2021



Highlights

Direct vacancy has increased from 14.7% in the fourth quarter 2020 to 15.3% midway through the first quarter 2021, and has increased from 13.3% since the first quarter 2020. Total vacancy has increased from 15.6% in the fourth quarter 2020 to 16.3% midway through the first quarter 2021, and has increased from 14.0% since the first quarter 2020.

Northern Virginia recorded **-1,198,967** square feet of net absorption midway through the first quarter 2021. A contributor to the negative absorption was a 242,563 square-foot move-out by Northrop Grumman at 2340 Dulles Corner Boulevard, located in the Reston-Herndon submarket.

Halfway through the first quarter 2021 there has been 640,079 square feet of leasing activity. One of the largest leases signed quarter-to-date was a 181,174-square-foot relet by Microsoft at 1300 Wilson Boulevard, located in the Rosslyn-Ballston Corridor submarket.

One of the largest sales transactions in the first quarter so far was the sale of Mark Center 2001 - 2001 N. Beauregard Street, located in the I-395 Corridor submarket. The 239,945-square-foot office building was acquired by Grupo Haddad US from G8 Capital for \$71,690,000 (\$298.78 psf). The building was 100.0% occupied at the time of sale.

APTA Centennial Center - 3030 Potomac Avenue in National Landing delivered this quarter. The building currently is 59.4% occupied by APTA.

10 Year Averages	(2011 - 2020)
Total Absorption	657,709 SF / Year
Deliveries (SF)	1.6 M SF / Year
Leasing Activity	12.6 M SF / Year

Market Stats	
Inventory	188.2 M SF
Direct Vacancy	15.3%
Total Vacancy	16.3%
YTD 2021 Absorption	-1.2 M SF
YTD 2021 Leasing Activity	640,079 SF
Under Construction	4,560,628 SF
Percent Pre-Leased	91.3%
YTD 2021 Deliveries	104,453 SF

Asking Rental Rates (PSF, Full Service)	2011:	2020:	YTD 2021:
	\$31.17	\$33.09	\$33.03