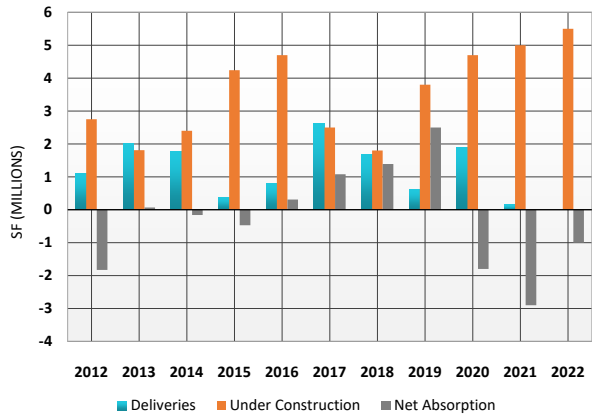


Market Spotlight - Mid 1Q 2022

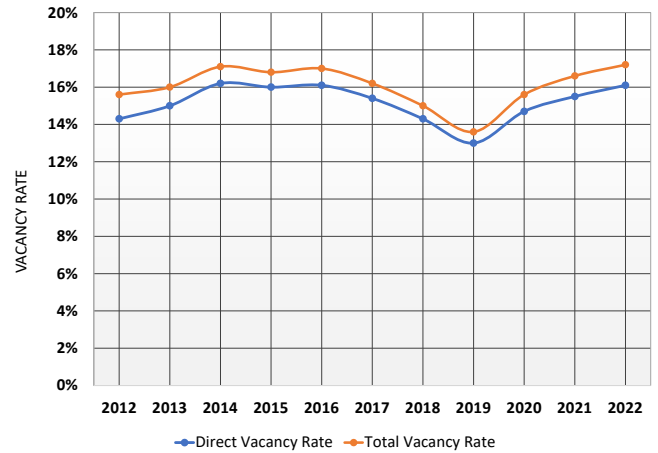
Northern Virginia



DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



VACANCY RATE



HIGHLIGHTS

Direct vacancy has increased from 15.5% in the fourth quarter 2021 to 16.1% halfway through the first quarter 2022, and has increased from 15.7% since the first quarter 2021. Total vacancy has increased from 16.6% from the fourth quarter 2021 to 17.2% midway through the first quarter 2022, and has increased from 16.7% since the first quarter 2021.

Northern Virginia recorded **-1,033,312** square feet of net absorption midway through the first quarter 2022. A contributor to the negative absorption was Northrup Gruman giving back giving back 242,563 square feet at Dulles Corner III - 2340 Dulles Corner Boulevard, located in the Herndon submarket. They still occupy 33,161 square feet of the building.

Halfway through the first quarter 2022 there has been 599,676 square feet of leasing activity. One of the largest leases signed quarter-to-date was a 147,000-square-foot expansion/extension by Leidos at 4001 N. Fairfax Drive located in the Ballston submarket

No new sales have occurred midway through the first quarter 2022.

Reston Station- Phase III- 1902 Reston Metro Plaza (221,000 sf) is scheduled to deliver by the end of February 2022 and RTC Next Tower A & B -1950 & 2000 Opportunity Way (418,000 sf & 636,000 sf) are scheduled to deliver by the end of the first quarter 2022.

10 YEAR AVERAGES 2012 - 2021		
TOTAL ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
574,653 PER YEAR	1.7 M PER YEAR	13.4 M PER YEAR

MARKET STATS 1Q 2022		
INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
188.2 M	16.1%	17.2%

YTD 2022 ABSORPTION (SF)	YTD LEASING ACTIVITY (SF)	UNDER CONSTRUCTION	PRE-LEASED	DELIVERIES (SF)
-1.0 M	599 K	5.5 M	70.7%	0

ASKING RENTAL RATES (FULL SERVICE)		
2012	2021	YTD 2022
\$32.34 PSF	\$33.53 PSF	\$33.37 PSF