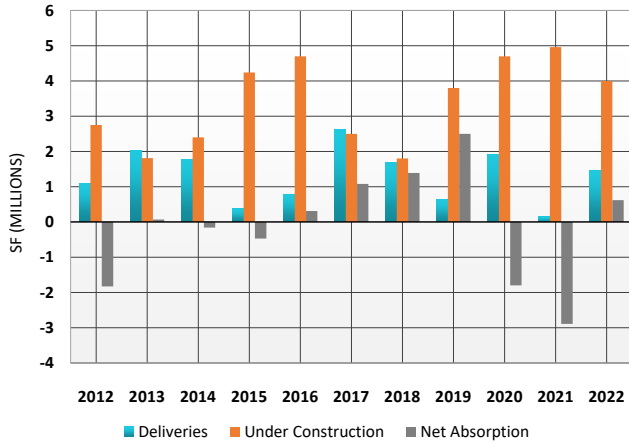


Market Spotlight - Mid 3Q 2022

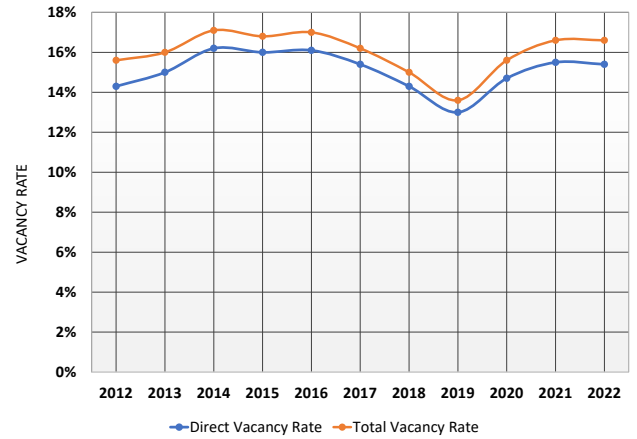
Northern Virginia



DELIVERIES / UNDER CONSTRUCTION / NET ABSORPTION



VACANCY RATE



HIGHLIGHTS

Midway through the third quarter, direct vacancy in the Northern Virginia market has decreased to 15.4%, down from 15.7% at the end of the second quarter. Total vacancy has decreased to 16.6%, down from 16.8% at the end of the second quarter.

A total of 2,220,248 square feet of sublease space is currently available in Northern Virginia, representing an uptick of approximately 120,000 square feet since the end of the second quarter.

Northern Virginia has recorded 40,016 square feet of net absorption quarter-to-date. Tenants contributing to the positive net absorption include Evergreen Academy moving into 24,464 square feet at 11240 Waples Mill Road - Fair Center Office Bldg and ASC moving into 22,955 square feet at 1401 S. Clark Street - Jefferson Plaza.

A total of 734,794 square feet has leased in the third quarter so far. Tenants executing leases this quarter include K. Hovian signing for 27,463 square feet at 14520 Avion Parkway - Avion MidRise II and AT&T signing for 22,570 square feet at 14800 Conference Center Drive - Ridgewood 1.

There have been five sales in Northern Virginia quarter-to-date, totaling \$321,000,000. The largest sale was the NoVa CDI portfolio trading to GI Partners from Turnbridge Equities for \$220,000,000 (\$256 psf). Buildings traded in this six-building portfolio sale included; 460 Herndon Parkway, 12450 Fair Lakes Circle, 21700 Atlantic Boulevard, 14700 Lee Road, and 10302 & 10304 Eaton Place.

10 YEAR AVERAGES 2012 - 2021		
NET ABSORPTION (SF)	DELIVERIES (SF)	LEASING ACTIVITY (SF)
-180,000 PER YEAR	1.3 M PER YEAR	10.9 M PER YEAR

MARKET STATS 3Q 2022		
INVENTORY (SF)	DIRECT VACANCY	TOTAL VACANCY
190.2 M	15.4%	16.6%

YTD 2022 ABSORPTION (SF)	YTD 2022 LEASING (SF)	UNDER CONSTRUCTION	PRE-LEASED	YTD 2022 DELIVERIES (SF)
618 K	5.8 M	4.0 M	73.8%	1.5 M

ASKING RENTAL RATES (FULL SERVICE)		
2012	2021	YTD 2022
\$32.24 PSF	\$33.53 PSF	\$33.86 PSF