

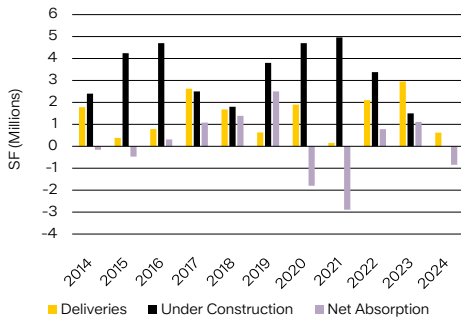
## Office Market Spotlight

Washington, D.C.

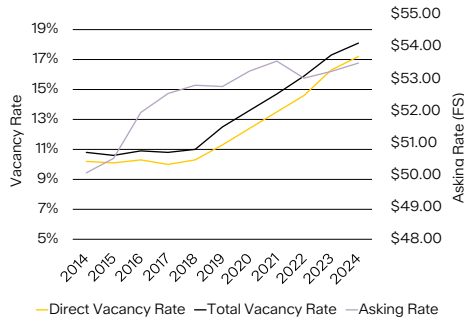
Mid-Q3 2024



### Deliveries / Under Construction / Net Absorption



### Vacancy Rate



### Market Stats YTD Q3 2024

Inventory (SF)	160.5 M
Direct Vacancy	17.2%
Total Vacancy	18.1%
YTD 2024 Absorption (SF)	-844 K
YTD 2024 Leasing Activity (SF)	5.7 M
Under Construction (SF)	-
Pre-Leased	-
Deliveries (SF)	622 K

Midway through Q3 2024 the direct vacancy rate in the Washington, D.C. market increased to 17.2%, up from 17.1% in Q2 2024, while the total vacancy rate remained flat at 18.1%.

Washington, D.C. recorded negative 250,662 square feet of net absorption quarter-to-date. Tenants contributing to the negative net absorption included Wiley Rein vacating 163,113 square feet at 1750 K Street, NW and Spiegel & McDiarmid LLP vacating 25,045 square feet at 1875 Eye Street, NW.

A total of 864,156 square feet has leased in Q3 2024, so far. Tenants executing leases this quarter included Fannie Mae signing a 16-year renewal for 324,181 square feet at 1100 15th Street, NW (Midtown Center), commencing in 2029. The GSA - U.S. Department of Treasury renewed 65,000 square feet at 1575 Eye Street, NW and Gainwell Technologies subleased 23,494 square feet at 1111 19th Street, NW.

There has been three sale transactions through the first half of Q3 2024, totaling \$180,200,000. 2000 K Street, NW sold to Spear Street Capital from Tishman Speyer for \$140.2 M (\$601 psf), 1201 Connecticut Avenue, NW sold to Duball from BrightSpire Capital for \$21.5 M (\$127 psf), and 1200 18th Street, NW sold to the Davis Companies from Paragon Real Estate Principal for \$18.5 M (\$89 psf).

600 5th Street, NW is currently under renovation. The building is expanding into an eleven-story 399,617-square-foot office building with 14,770 square feet of ground floor retail space. Renovations are expected to be completed by 2026.

### 10 Year Averages 2014-2023

Net Absorption (SF)	-125 K per year
Deliveries (SF)	1.1 M per year
Leasing Activity (SF)	8.9 M per year

### Asking Rental Rates (Full Service / PSF)

2014	\$50.07
2023	\$53.23
YTD 2024	\$53.34