

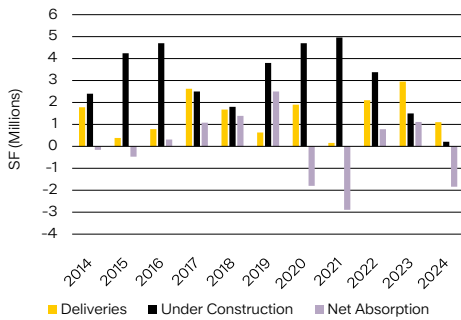
Office Market Spotlight

Northern Virginia

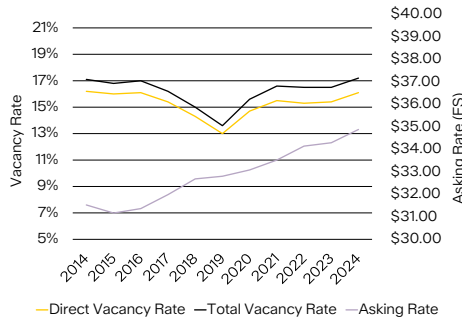
Mid-Q3 2024



Deliveries / Under Construction / Net Absorption



Vacancy Rate



Market Stats YTD Q3 2024

Inventory (SF)	193.1 M
Direct Vacancy	16.1%
Total Vacancy	17.2%
YTD 2024 Absorption (SF)	-1.8 M
YTD 2024 Leasing Activity (SF)	5.0 M
Under Construction (SF)	210 K
Pre-Leased	22.2%
Deliveries (SF)	1.1 M

Midway through Q3 2024 the direct vacancy rate in Northern Virginia increased to 16.1%, up from 15.7% at the end of Q2 2024, while the total vacancy rate has increased to 17.2%, up from 16.8% at the end of Q2 2024.

Northern Virginia has recorded negative 609,395 square feet of net absorption quarter-to-date. Tenants contributing to the negative net absorption include WeWork downsizing 61,528 square feet at 1775 Tysons Boulevard and Pillsbury Winthrop vacating 46,346 square feet at 1650 Tysons Boulevard.

A total of 558,463 square feet leased midway through Q2 2024. Tenants executing leases this quarter include SpinSys signing a 24,505-square-foot renewal at 3120 Fairview Park Drive and Facebook signing a 23,509-square-foot renewal at 1818 Library Street.

There has been three sales transactions through the first half of Q3 2024, totaling \$133,360,000. 5860, 5870, 5885, & 5875 Trinity Parkway - Trinity Centre, sold to Finmarc from Spear Street Capital for \$39,360,000 (\$77 psf). 19886 Ashburn Road - Telos, sold to JK Moving Services from Finmarc for \$60,000,000 (\$311 psf). 8000 Towers Crescent Drive - Towers Crescent, sold to Ambrish Gupta from Quadrangle / AEW & PNC for \$34,000,000 (\$71 psf).

One building is currently under construction in Northern Virginia; 1880 Reston Row Plaza (210,000 SF, 22.2% pre-leased) expected to deliver Q2 2025. Two buildings delivered this quarter, totaling 419,600 square feet. 3401 Fairfax Drive delivered 345,000 SF, 64.9% pre-leased in Fairfax and 12050 Inspiration Street delivered 74,600 SF, 0% pre-leased in Reston.

10 Year Averages 2014-2023

Net Absorption (SF)	185 K per year
Deliveries (SF)	1.5 M per year
Leasing Activity (SF)	10.5 M per year

Asking Rental Rates (Full Service / PSF)

2014	\$32.29
2023	\$34.30
YTD 2024	\$34.89