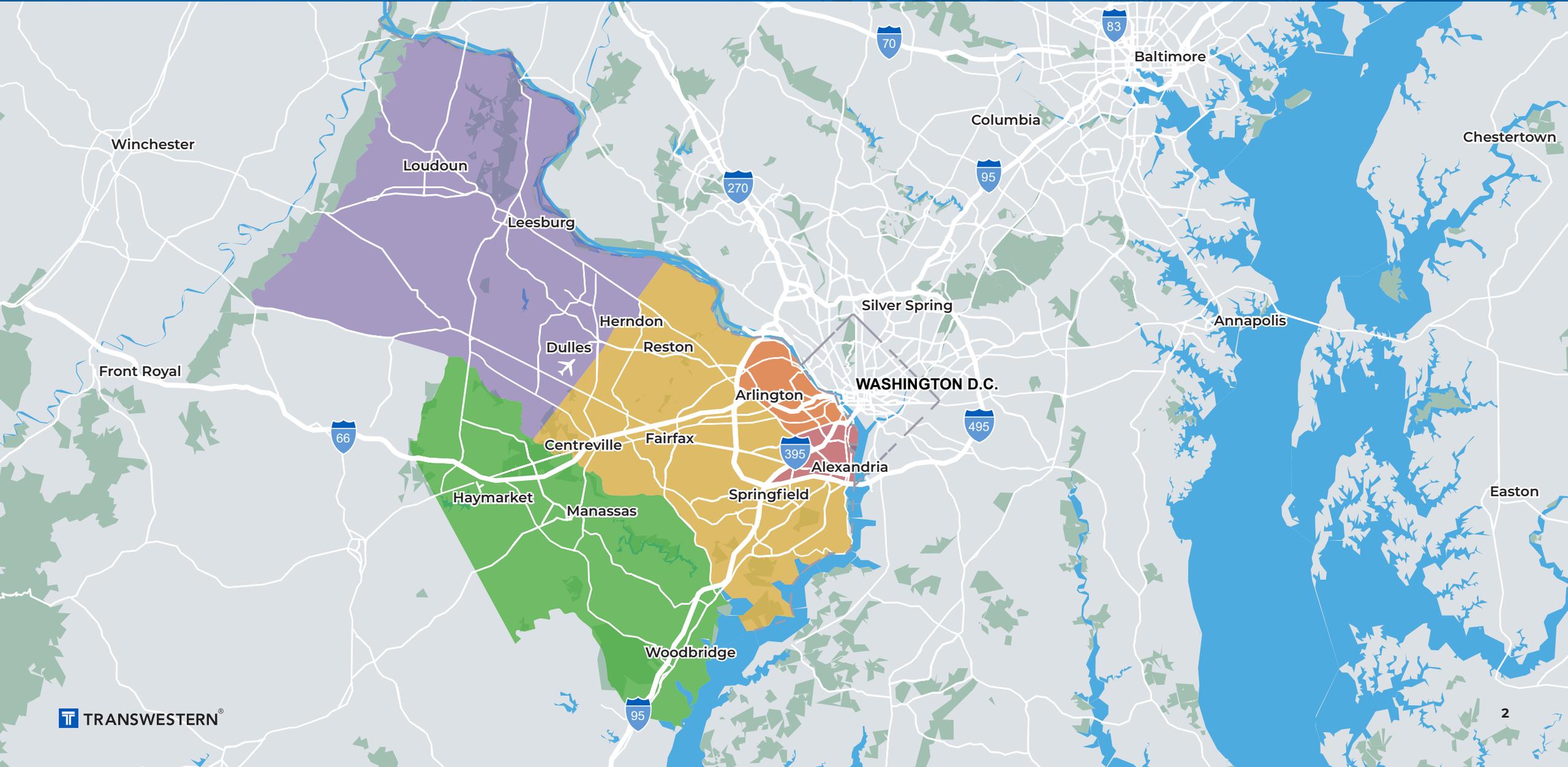




INDUSTRIAL MARKET OVERVIEW

NORTHERN VIRGINIA | MAY 2021

NORTHERN VIRGINIA MAP OVERVIEW



INDUSTRIAL MARKET OVERVIEW

Flex/Industrial Market Stats | May 2021

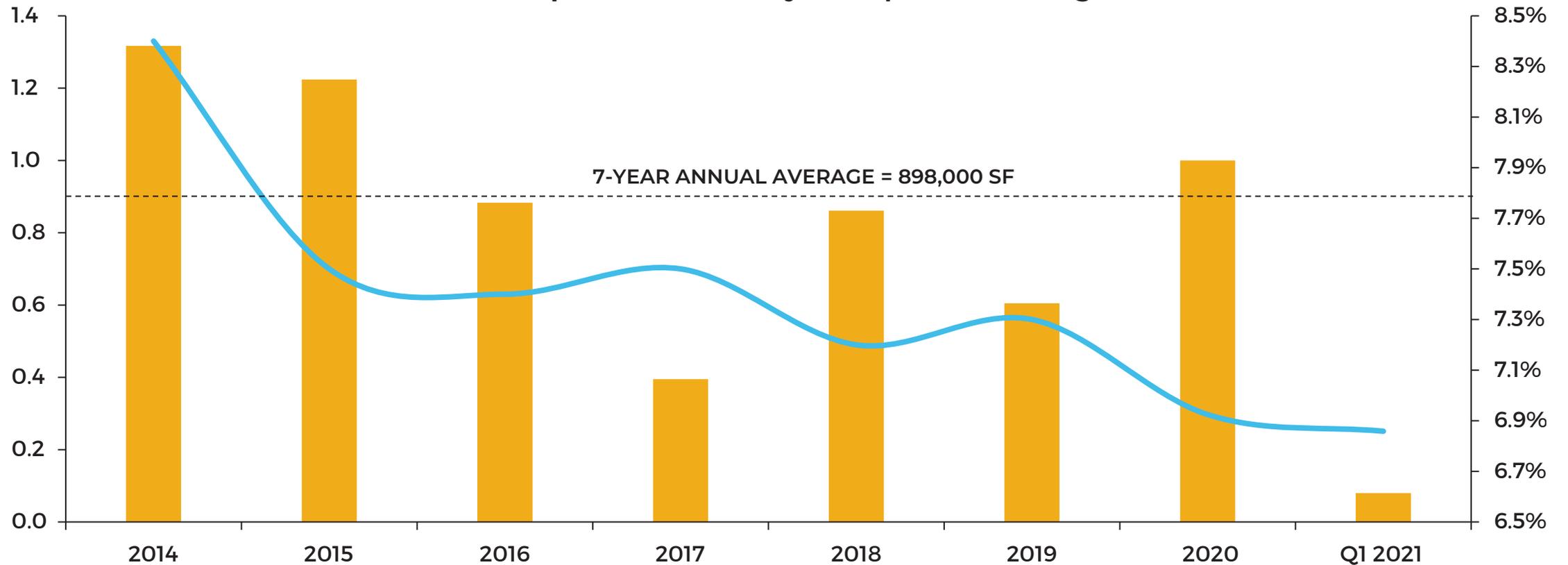
Property Type	Inventory	Percent of Market	Direct Vacancy Rate	Under Construction	Asking Rent (NNN)
Bulk Warehouse	23,904,156	27%	6.9%	326,731	\$9.30
Flex	64,663,542	73%	6.8%	126,200	\$11.10
Total	88,567,698	100%	6.9%	452,931	\$10.62

Bulk Warehouse: Buildings that are generally used for storage and/or distribution. Distinct characteristics include dock high truck loading and minimum clear ceiling height of 24 feet and minimum 40,000 SF rentable building area.

Flex: A structure that may be utilized for multiple uses, including R&D, biotech, incubator, tech or showroom space. May consist of drive-in or dock high truck loading in rear and a higher office build-out in front. Clear ceiling heights under 24 feet.

VACANCY RATE DOWN TO 6.9% DUE TO DEMAND, LIMITED NEW SUPPLY, & DEMOLITION OF OLDER PRODUCT

Net Absorption and Vacancy Rate | Northern Virginia

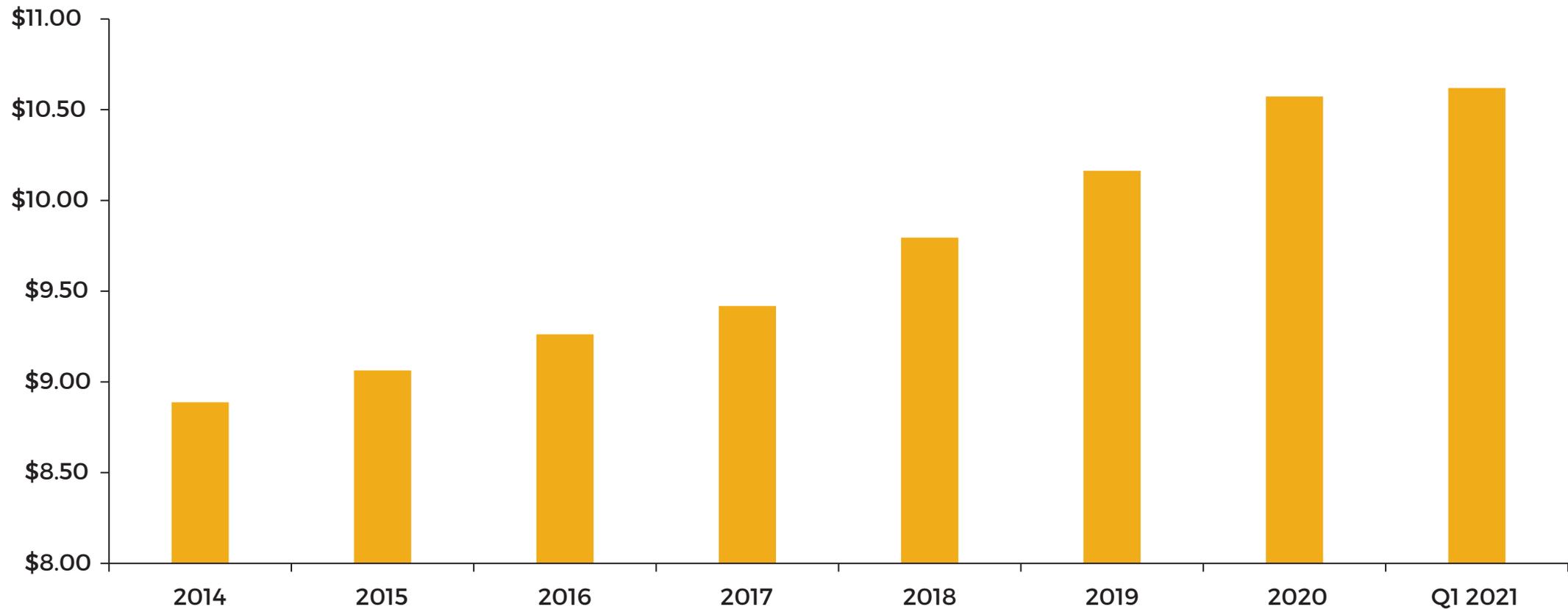


Note: Excludes data centers.
Source: CoStar, Transwestern.

Net Absorption (In Millions) Vacancy Rate

ASKING RENTS RISE 3.9% PER YEAR SINCE 2018, INSIDE THE BELTWAY UP 6.0%

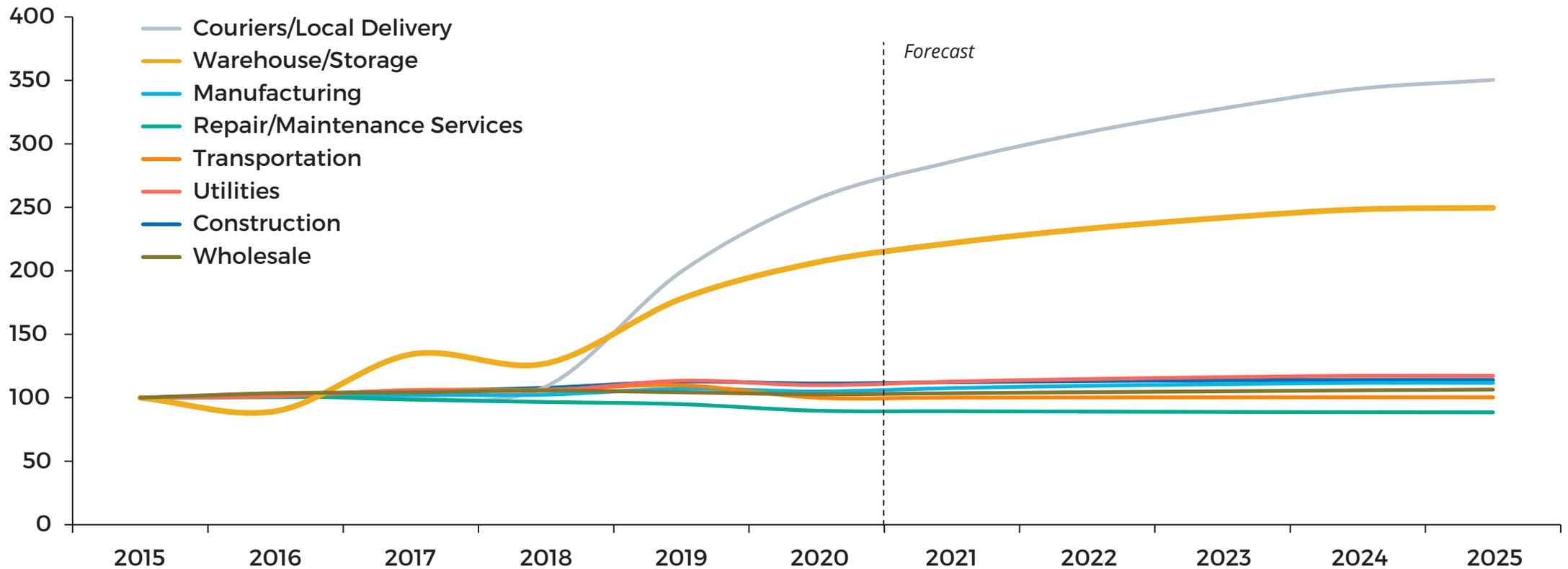
Average Asking Rent | Northern Virginia



Note: Excludes data centers. Source: CoStar, Transwestern.

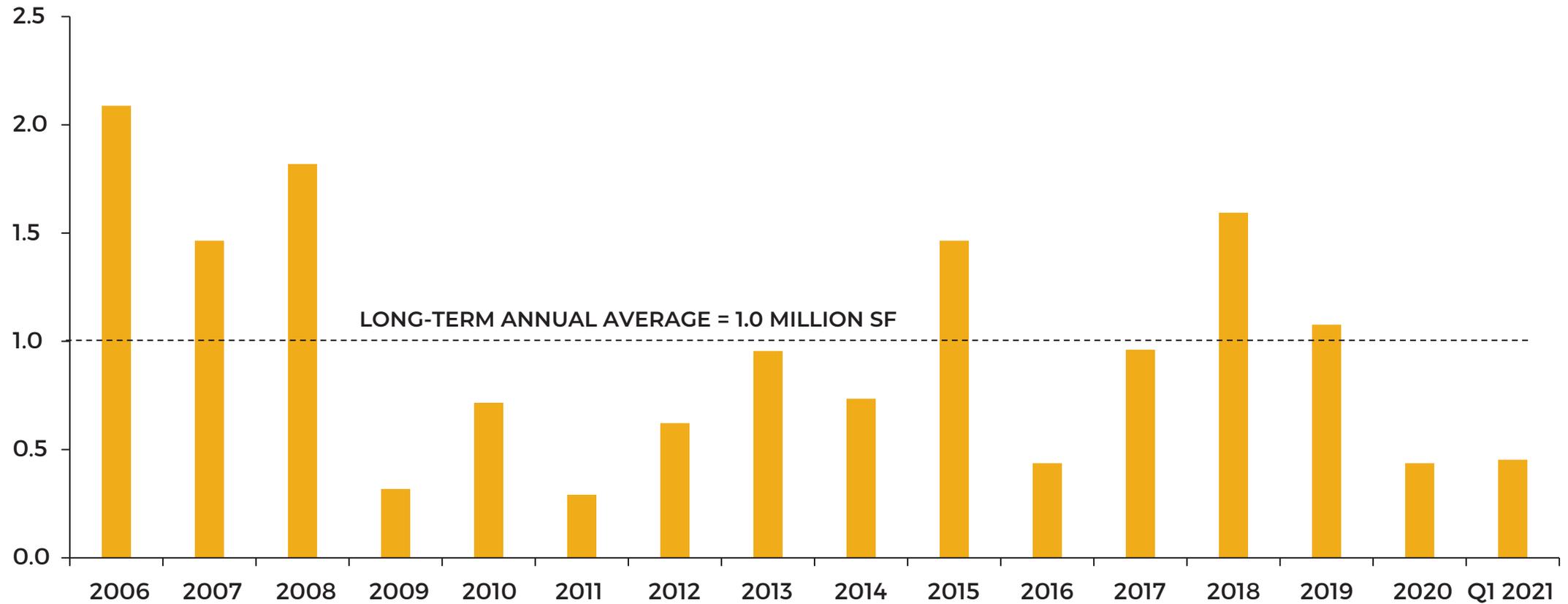
LOCAL DELIVERY AND WAREHOUSE / STORAGE TO OUTPACE OTHER INDUSTRIAL-USING JOBS

Industrial-Using Jobs



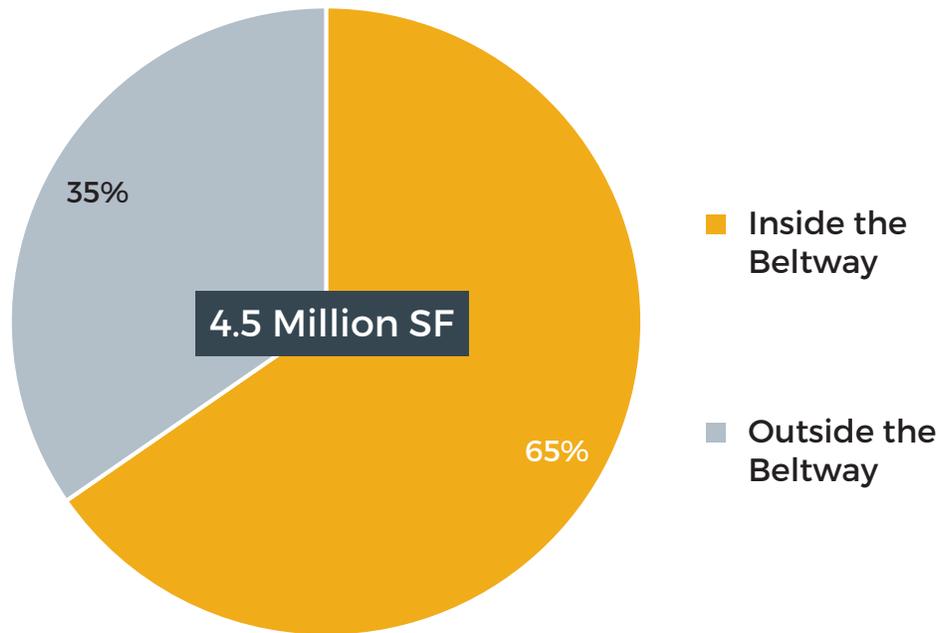
CONSTRUCTION CONTROLLED FOR NOW

Construction Pipeline | Northern Virginia

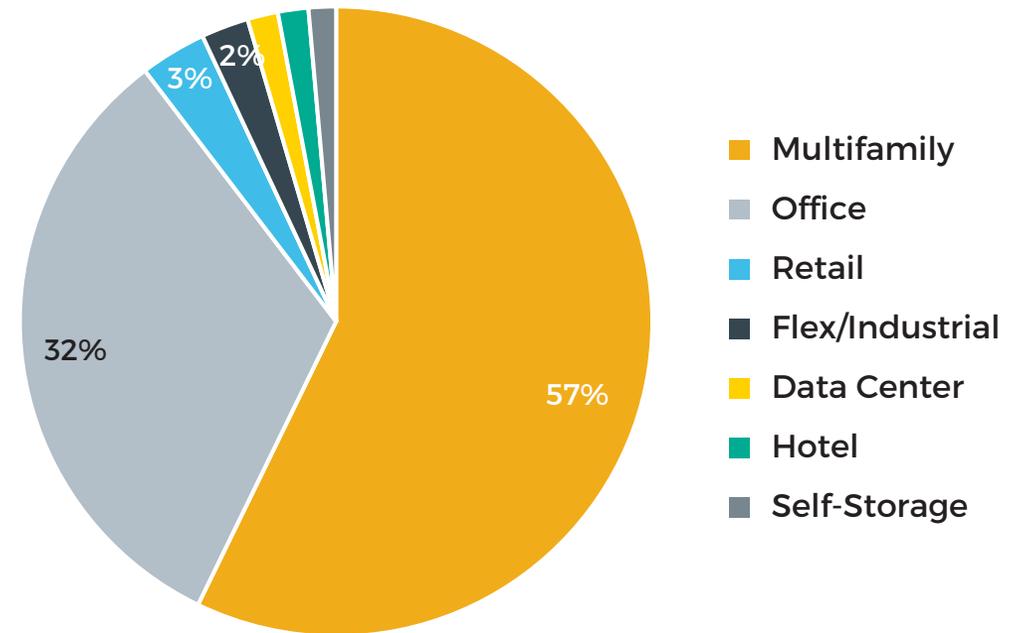


4.5 MILLION SF DEMOLISHED SINCE 2005, PRIMARILY INSIDE THE BELTWAY TO MEET MULTIFAMILY DEMAND

Demolished Flex/Industrial SF Since 2005

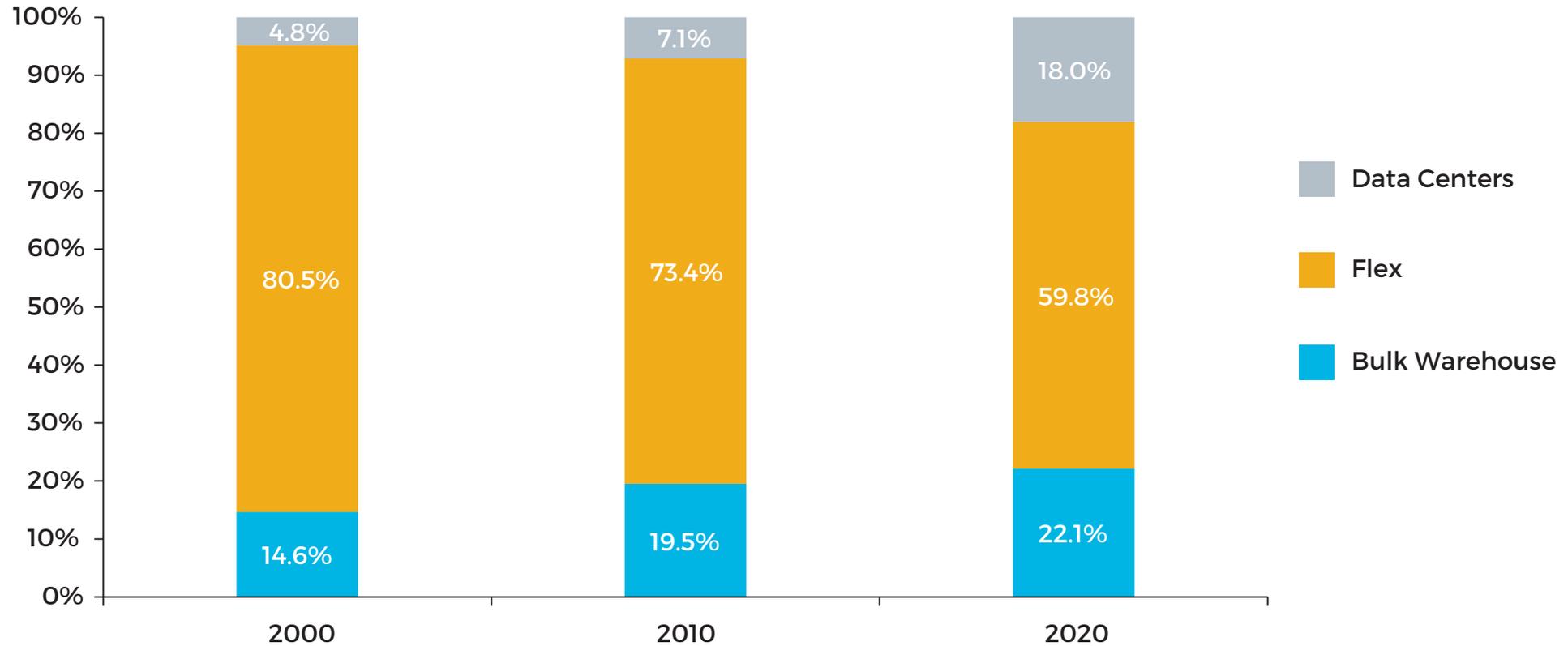


Flex/Industrial Converted To The Following



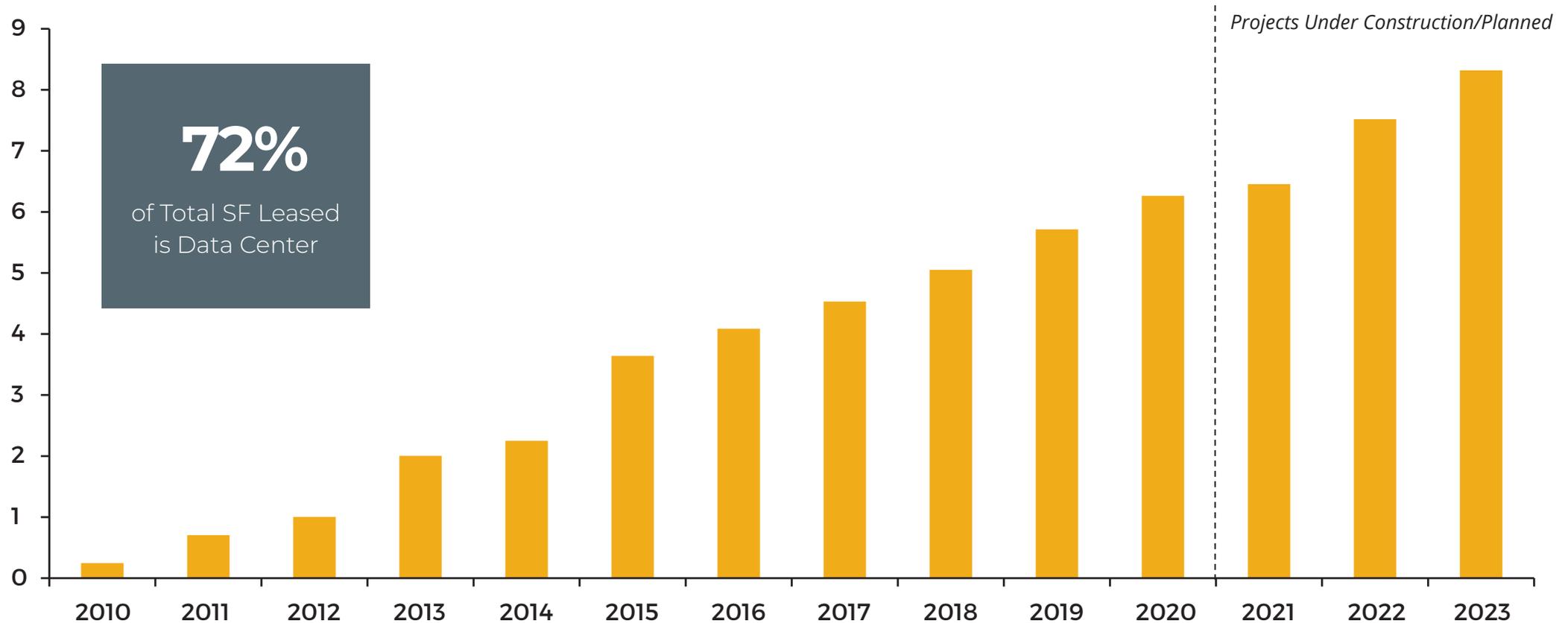
DATA CENTER & BULK WAREHOUSE INVENTORY **GROWS**, WHILE FLEX **SHRINKS** DUE TO DEMOLITION

Share of Flex/Industrial Inventory by Type | Northern Virginia



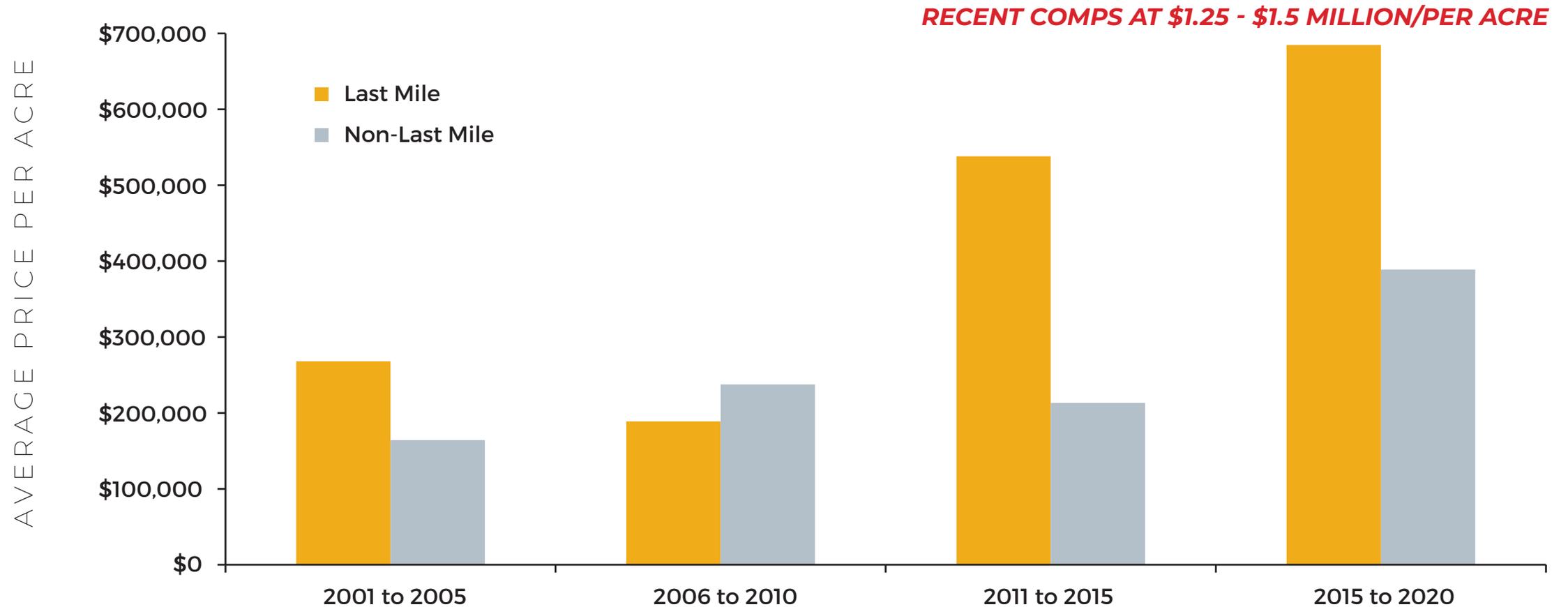
AMAZON LEASED SPACE HAS GROWN BY 46% PER YEAR SINCE 2010

Flex/Industrial Space Leased by Amazon | Northern Virginia



LAST MILE INDUSTRIAL LAND PRICES SOAR, CREATING BARRIERS TO ENTRY

Industrial Land Prices | Northern Virginia





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