

OFFICE SPACE

May 2009

DISTRICT OF COLUMBIA

Submarkets	All Office Buildings				Buildings Built 1985 - Present			SF Under Construction or Renovation	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)
	Total Rentable SF ¹	SF Available Immediately ²	Direct Vacancy Rate	Vac. Rate w/Sublet Space	Total Rentable SF ³	SF Available Immediately ²	Direct Vacancy Rate			
CBD	38,195,939	2,520,932	6.6%	8.3%	8,899,636	720,871	8.1%	1,660,643	(138,000)	(368,000)
East End ⁴	44,388,456	3,506,688	7.9%	9.3%	24,216,390	2,203,691	9.1%	260,843	(163,000)	739,000
Capitol Hill	4,861,494	209,044	4.3%	5.1%	1,793,832	118,393	6.6%	165,000	2,000	10,000
NoMa ⁵	9,034,806	1,291,977	14.3%	14.6%	5,972,651	1,116,886	18.7%	1,803,679	(60,000)	(21,000)
Capitol Riverfront ⁶	3,353,345	613,662	18.3%	19.7%	3,164,152	601,189	19.0%	414,029	9,000	98,000
Southwest	11,590,385	1,170,629	10.1%	10.3%	5,379,323	618,622	11.5%	2,606,606	35,000	185,000
Georgetown	2,964,995	343,939	11.6%	12.6%	735,802	77,259	10.5%	-	(65,000)	(71,000)
West End	3,673,485	378,369	10.3%	10.3%	1,335,283	222,992	16.7%	432,900	18,000	7,000
Uptown	8,210,990	492,659	6.0%	6.6%	2,530,175	207,474	8.2%	-	(82,000)	(33,000)
TOTAL - District	126,273,895	10,527,900	8.3%	9.5%	54,027,244	5,887,378	10.9%	7,343,700	(444,000)	546,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ Includes buildings 50,000 SF RBA and greater.

⁴ 700 6th Street, NW delivered.

⁵ 700 2nd Street, NE and 1100 First Street delivered.

⁶ 55 M Street, SE delivered.

NORTHERN VIRGINIA

Submarkets	All Office Buildings				Buildings Built 1985 - Present			SF Under Construction or Renovation	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)
	Total Rentable SF ¹	SF Available Immediately ²	Direct Vacancy Rate	Vac. Rate w/Sublet Space	Total Rentable SF ³	SF Available Immediately ²	Direct Vacancy Rate			
Rosslyn, Courthouse, Ballston	21,994,117	1,209,676	5.5%	7.2%	13,290,804	398,724	3.0%	342,833	(154,000)	978,000
Crystal and Pentagon Cities	13,575,620	1,113,201	8.2%	9.0%	4,920,765	629,858	12.8%	409,744	217,000	598,000
Old Town Alexandria	8,268,663	578,806	7.0%	8.4%	3,877,971	259,824	6.7%	120,400	(8,000)	(50,000)
Eisenhower Ave, I-395 Corr.	9,350,185	1,065,921	11.4%	11.8%	5,793,582	417,138	7.2%	-	19,000	259,000
Springfield/Huntington/I-95	5,480,357	531,595	9.7%	10.4%	2,643,977	235,314	8.9%	156,000	(25,000)	136,000
Bailey's/Falls Church/Annandale	5,823,890	547,446	9.4%	9.9%	1,833,993	135,715	7.4%	-	(23,000)	35,000
Merrifield	8,861,365	1,001,334	11.3%	14.1%	5,062,242	642,905	12.7%	298,347	(18,000)	(542,000)
Reston, Herndon	29,808,297	4,202,970	14.1%	16.8%	24,099,276	3,157,005	13.1%	235,433	(119,000)	356,000
Tysons Corner	26,160,645	2,877,671	11.0%	13.0%	15,399,836	1,139,588	7.4%	295,000	52,000	(487,000)
McLean, Vienna	2,370,748	120,908	5.1%	5.2%	578,200	6,938	1.2%	-	2,000	(5,000)
Oakton, Fairfax City	4,382,075	512,703	11.7%	12.6%	1,445,126	128,616	8.9%	25,122	(96,000)	(27,000)
Fairfax Center	6,445,385	773,446	12.0%	14.0%	5,198,766	691,436	13.3%	-	(52,000)	(122,000)
Chantilly (Rt. 28 South)	12,654,515	2,087,995	16.5%	17.5%	10,886,043	1,839,741	16.9%	159,500	139,000	788,000
Loudoun County (Rt. 28 North)	13,140,178	2,194,410	16.7%	17.4%	9,559,622	1,730,292	18.1%	156,829	124,000	121,000
Prince William County	6,802,068	938,685	13.8%	14.1%	1,655,203	292,971	17.7%	47,000	(7,000)	295,000
TOTAL - Northern Virginia	175,118,108	19,756,767	11.3%	12.8%	106,245,406	11,706,065	11.0%	2,246,208	51,000	2,333,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ Includes buildings 50,000 SF RBA and greater.

SUBURBAN MARYLAND

Mont. Co. Submarkets	All Office Buildings				Buildings Built 1985 - Present			SF Under Construction or Renovation	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)
	Total Rentable SF ¹	SF Available Immediately ²	Direct Vacancy Rate	Vac. Rate w/Sublet Space	Total Rentable SF ³	SF Available Immediately ²	Direct Vacancy Rate			
Bethesda/Chevy Chase	10,998,448	626,912	5.7%	8.2%	4,879,211	273,236	5.6%	295,000	(88,000)	121,000
North Bethesda	10,326,658	1,321,812	12.8%	13.7%	4,424,299	654,796	14.8%	-	(124,000)	(78,000)
Rockville	8,269,890	1,066,816	12.9%	13.7%	3,115,207	392,516	12.6%	318,970	(49,000)	144,000
North Rockville	11,280,358	1,150,597	10.2%	13.2%	7,679,746	714,216	9.3%	540,592	(45,000)	292,000
Gaithersburg	5,281,815	765,863	14.5%	16.1%	1,489,124	332,075	22.3%	-	(27,000)	87,000
Germantown	2,435,685	362,917	14.9%	16.9%	1,682,920	306,291	18.2%	-	12,000	(36,000)
Kensington/Wheaton	1,406,234	98,436	7.0%	7.4%	65,000	-	0.0%	-	(10,000)	(37,000)
Silver Spring	6,853,910	527,751	7.7%	8.4%	3,538,215	187,525	5.3%	137,340	(41,000)	(76,000)
N. Silver Spring/Rt. 29	2,980,145	196,690	6.6%	7.5%	1,590,620	68,397	4.3%	-	13,000	(35,000)
TOTAL - Montgomery Co.	59,833,143	6,117,793	10.2%	11.9%	28,464,342	2,929,053	10.3%	1,291,902	(359,000)	382,000
Prince George's Co. Submarkets										
Beltsville/Calverton/Coll. Pk.	5,181,784	797,995	15.4%	16.0%	2,072,946	232,170	11.2%	391,762	(114,000)	10,000
Laurel	2,509,823	301,179	12.0%	14.3%	1,471,426	150,085	10.2%	-	(8,000)	25,000
Greenbelt	3,016,041	699,722	23.2%	25.6%	1,412,715	329,163	23.3%	-	(15,000)	(154,000)
Lanham/Landover/Largo	4,951,020	990,204	20.0%	22.0%	2,137,730	436,097	20.4%	-	(50,000)	(123,000)
Bowie/Marlboro/South P.G.	5,811,217	743,836	12.8%	13.8%	1,858,682	330,845	17.8%	-	(24,000)	398,000
TOTAL - Prince George's Co.	21,469,885	3,532,935	16.5%	17.9%	8,953,499	1,478,360	16.5%	391,762	(211,000)	156,000
Frederick County ⁴	5,692,441	569,244	10.0%	10.4%	3,420,814	400,235	11.7%	230,258	75,000	197,000
TOTAL - Suburban Maryland	86,995,469	10,219,972	11.7%	13.3%	40,838,655	4,807,648	11.8%	1,913,922	(495,000)	735,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ Includes buildings 50,000 SF RBA and greater.

⁴ Crestwood Boulevard (Building 1) delivered.

FLEX/INDUSTRIAL SPACE

May 2009

DISTRICT OF COLUMBIA

Submarkets	Total Inventory ¹	Direct Avail. Space ²	Direct Vacancy Rate	Available Sublease Space	Vacancy Rate w/ Sublease Space
District of Columbia	11,983,676	1,402,090	11.7%	-	11.7%

Submarkets	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)	Space Under Construction	Space Under Renovation
District of Columbia	(12,000)	(215,000)	-	125,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

NORTHERN VIRGINIA

Submarkets	Total Inventory ¹	Direct Avail. Space ²	Direct Vacancy Rate	Available Sublease Space	Vacancy Rate w/ Sublease Space
Beltway (I-495)	4,352,701	300,336	6.9%	8,705	7.1%
I-95 Corridor	26,057,174	1,719,773	6.6%	182,400	7.3%
Reston/Herndon	2,650,018	159,001	6.0%	26,500	7.0%
Dulles Corridor ³	30,487,747	3,871,944	12.7%	304,877	13.7%
Prince William County ⁴	17,986,163	1,978,478	11.0%	161,875	11.9%
TOTAL	81,533,803	8,029,533	9.8%	684,359	10.7%

Submarkets	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)	Space Under Construction	Space Under Renovation
Beltway (I-495)	4,000	(16,000)	-	-
I-95 Corridor	(78,000)	(234,000)	-	-
Herndon/Reston	21,000	(35,000)	-	-
Dulles Corridor	11,000	846,000	348,903	-
Prince William County	(15,000)	91,000	300,000	-
TOTAL	(57,000)	652,000	648,903	-

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ 25383/25387/25391/25395 Pleasant Valley Road delivered.

⁴ 9651 Hornbaker Road delivered.

SUBURBAN MARYLAND

Submarkets	Total Inventory ¹	Direct Avail. Space ²	Direct Vacancy Rate	Available Sublease Space	Vacancy Rate w/ Sublease Space
Prince George's County ³	48,135,968	5,631,908	11.7%	336,952	12.4%
Montgomery County	22,916,353	1,879,141	8.2%	229,164	9.2%
Frederick County	12,558,573	2,197,750	17.5%	238,613	19.4%
TOTAL	83,610,894	9,708,799	11.6%	804,728	12.6%

Submarkets	Q1 2009 Net Absorption (SF)	All of 2008 Net Absorption (SF)	Space Under Construction	Space Under Renovation
Prince George's County	(139,000)	274,000	28,240	56,000
Montgomery County	(23,000)	(73,000)	-	-
Frederick County	(63,000)	395,000	52,000	-
TOTAL	(225,000)	596,000	80,240	56,000

¹ Includes buildings 15,000 SF RBA and greater. Does not include buildings under construction; does not include buildings owned by the government.

² Does not include sublet space.

³ 5702 Woodcliff Road delivered.

MARKET ACTIVITY

May 2009

DISTRICT OF COLUMBIA

Leases

Tenant	Address	Sq. Ft.
Davis Wright Tremaine (Renewal)	1919 Pennsylvania Avenue, NW	50,000
Solar Energy Industries	575 7th Street, NW	13,000
International Food Policy Research Institute	2033 K Street, NW	13,000
Susan Davis International	1101K Street, NW	11,000

Investment Sales

No notable sales.

NORTHERN VIRGINIA

Leases

Tenant	Address	Sq. Ft.
GSA	2121 Crystal Drive	59,000
U.S General Services Administration	5301 Shawnee Road	43,000
Insurance Institute for Highway Safety (Renewal)	1005 N. Glebe Road	29,000

Investment Sales

General Electric Credit Equities purchased 12930 Worldgate Drive for \$50.6 million (\$262/SF).

SUBURBAN MARYLAND

Leases

Tenant	Address	Sq. Ft.
Cricket Communications	8515 Georgia Avenue	25,000
Frederick Surgical Center	45 Thomas Johnson Drive	18,000
Exeter Government Services	9841 Washingtonian Boulevard	13,000

Investment Sales

Akridge Real Estate Services purchased 7735 Old Georgetown Road (office) for \$26.5 million (\$216/SF).

Broad Street Ventures purchased 950 Wind River Lane (office) for \$9 million (\$180/SF).