

A photograph of a city skyline reflected in a body of water. The skyline includes several tall buildings, some with glass facades. In the foreground, there are trees and a bridge. The text "NAIOP" is written in large white letters, and "NOVA Mid-Year Market Forecast" is written in smaller white letters below it. A white horizontal line is positioned below the text.

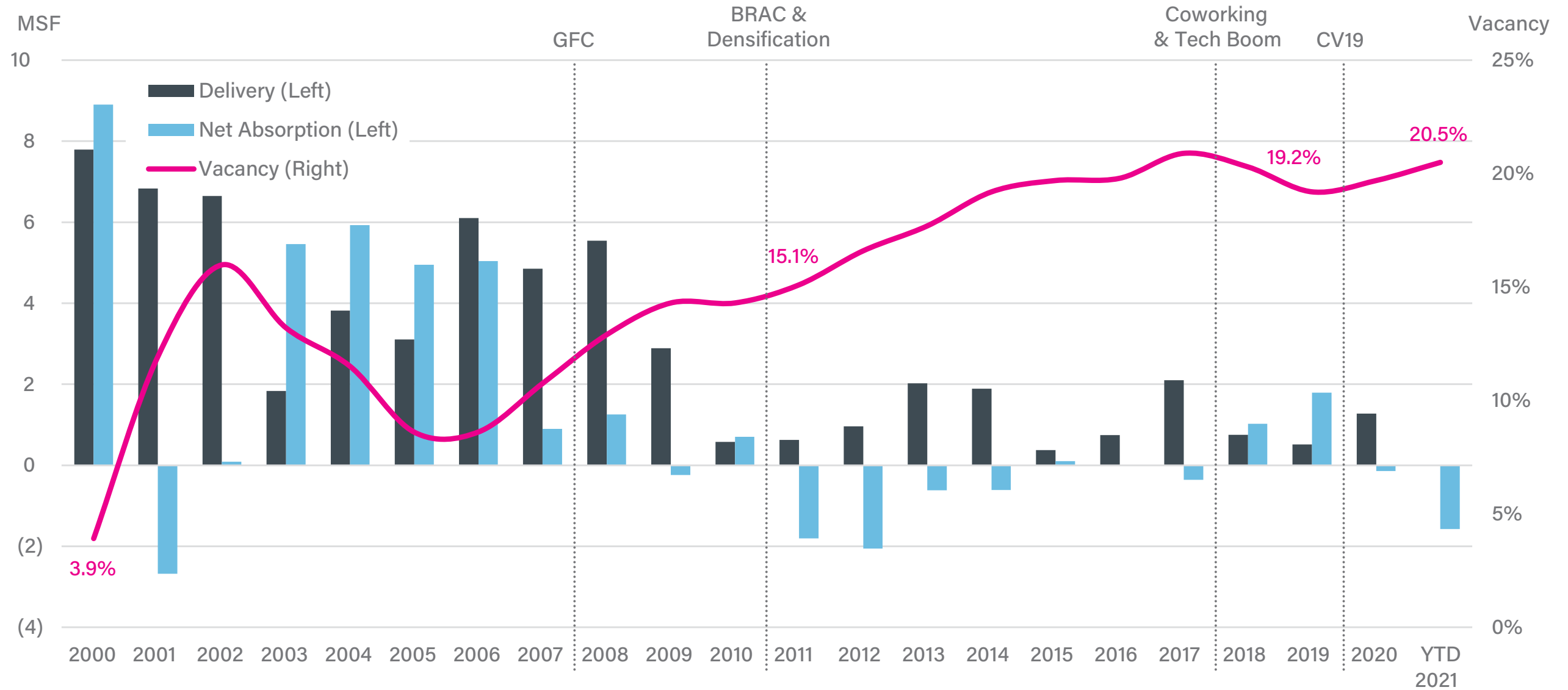
NAIOP

NOVA Mid-Year Market Forecast

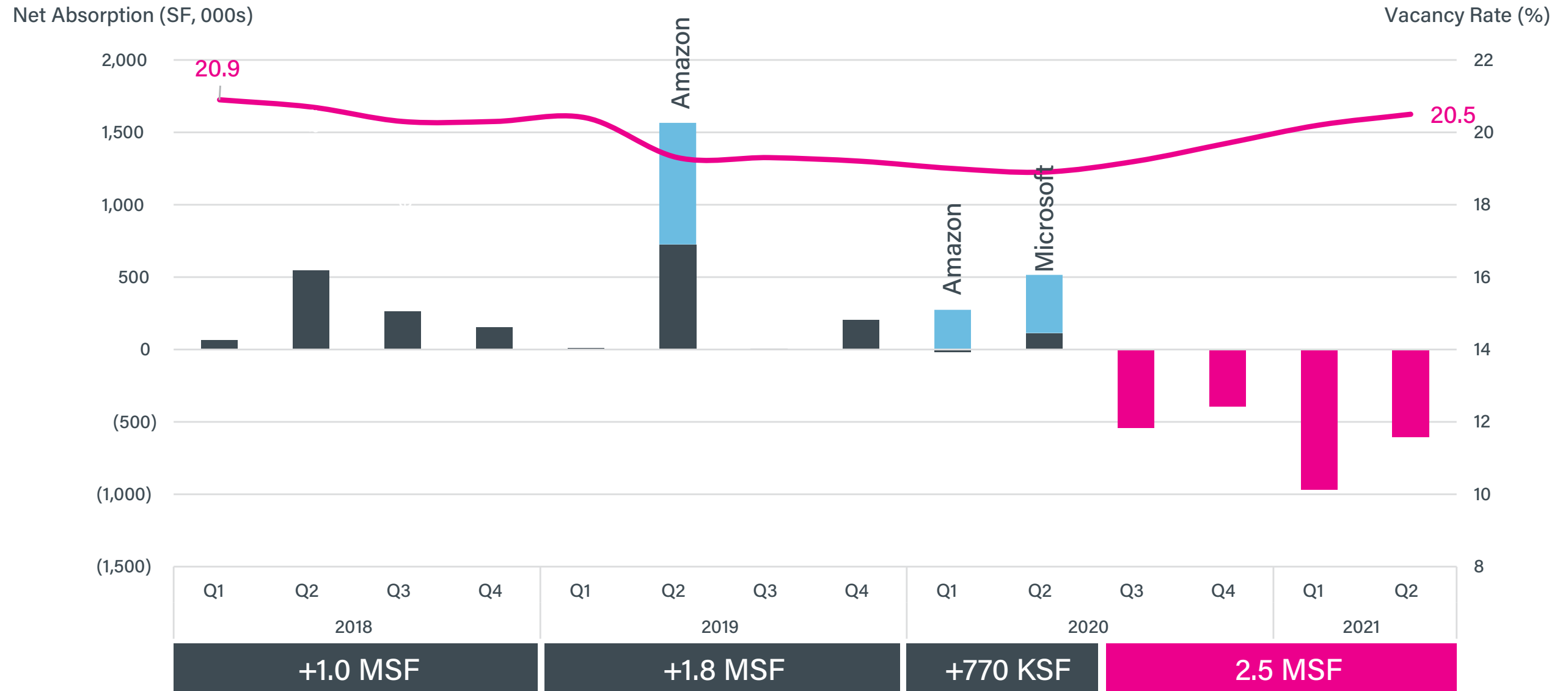
A nighttime cityscape featuring a prominent transit station in the foreground with a sign that reads "Tysons Corner Sta". The station is illuminated and has a modern, angular design. In the background, several tall skyscrapers are visible, some with lights on. The sky is dark, and the overall scene is characterized by light trails from traffic, suggesting a busy urban environment.

Market Supply & Vacancy Trend

Historical Perspective

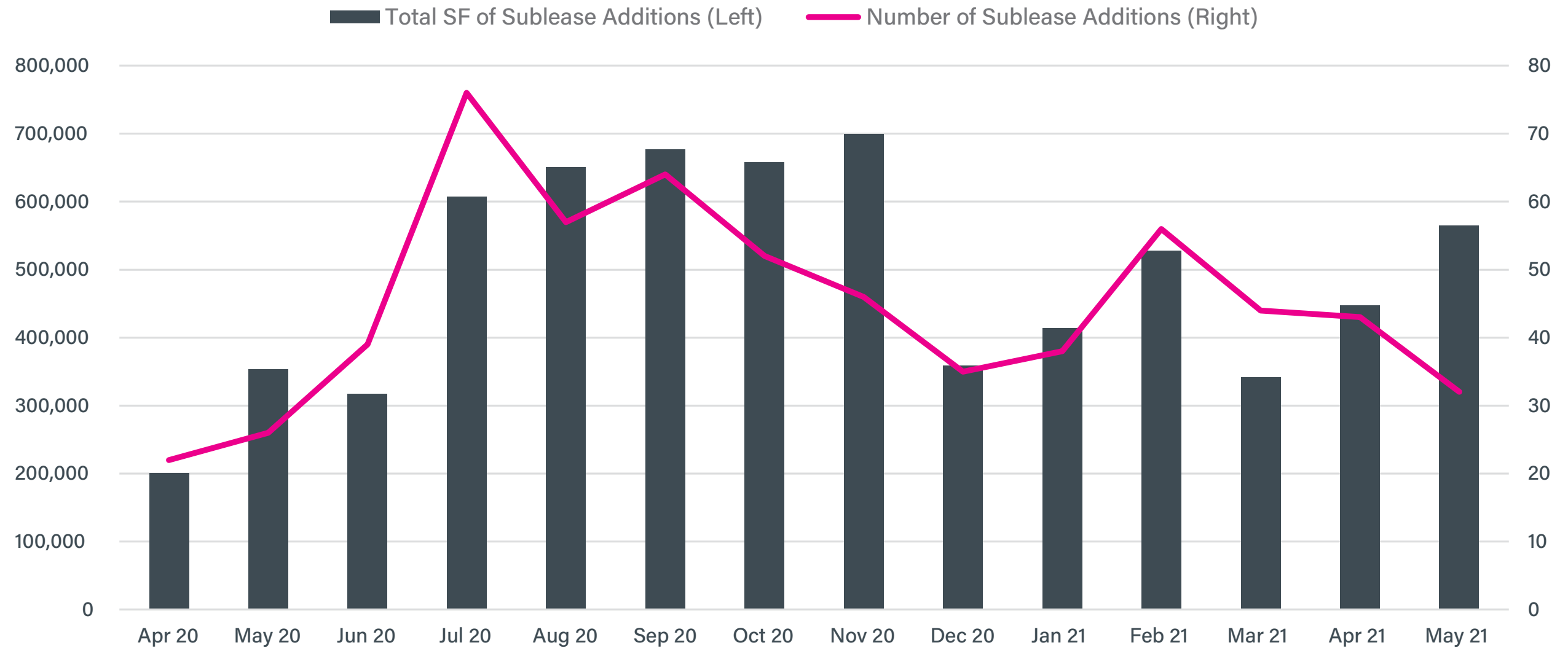


Vacancy



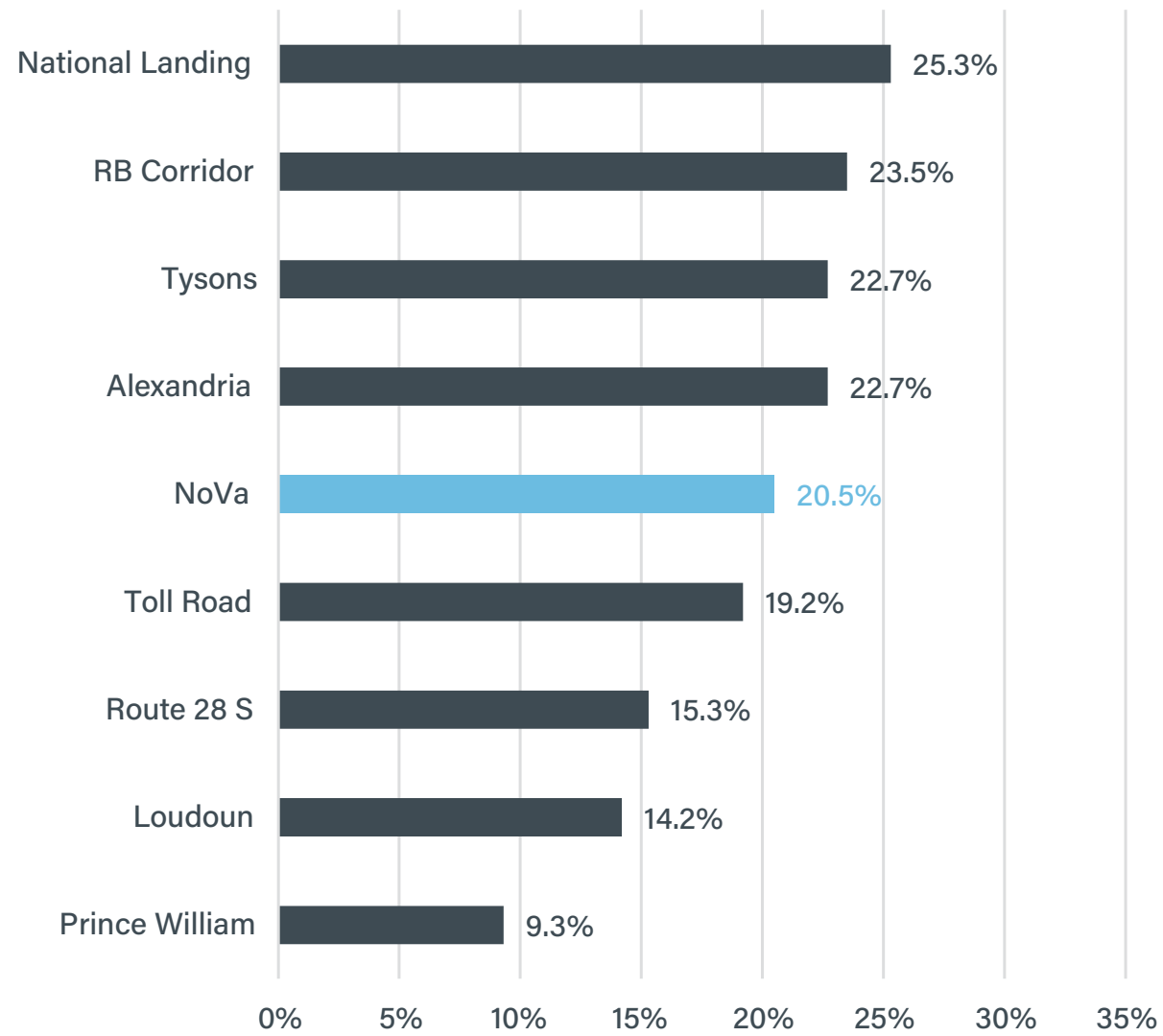
Pullback in Sublease Additions

Northern Virginia Monthly Sublease Additions

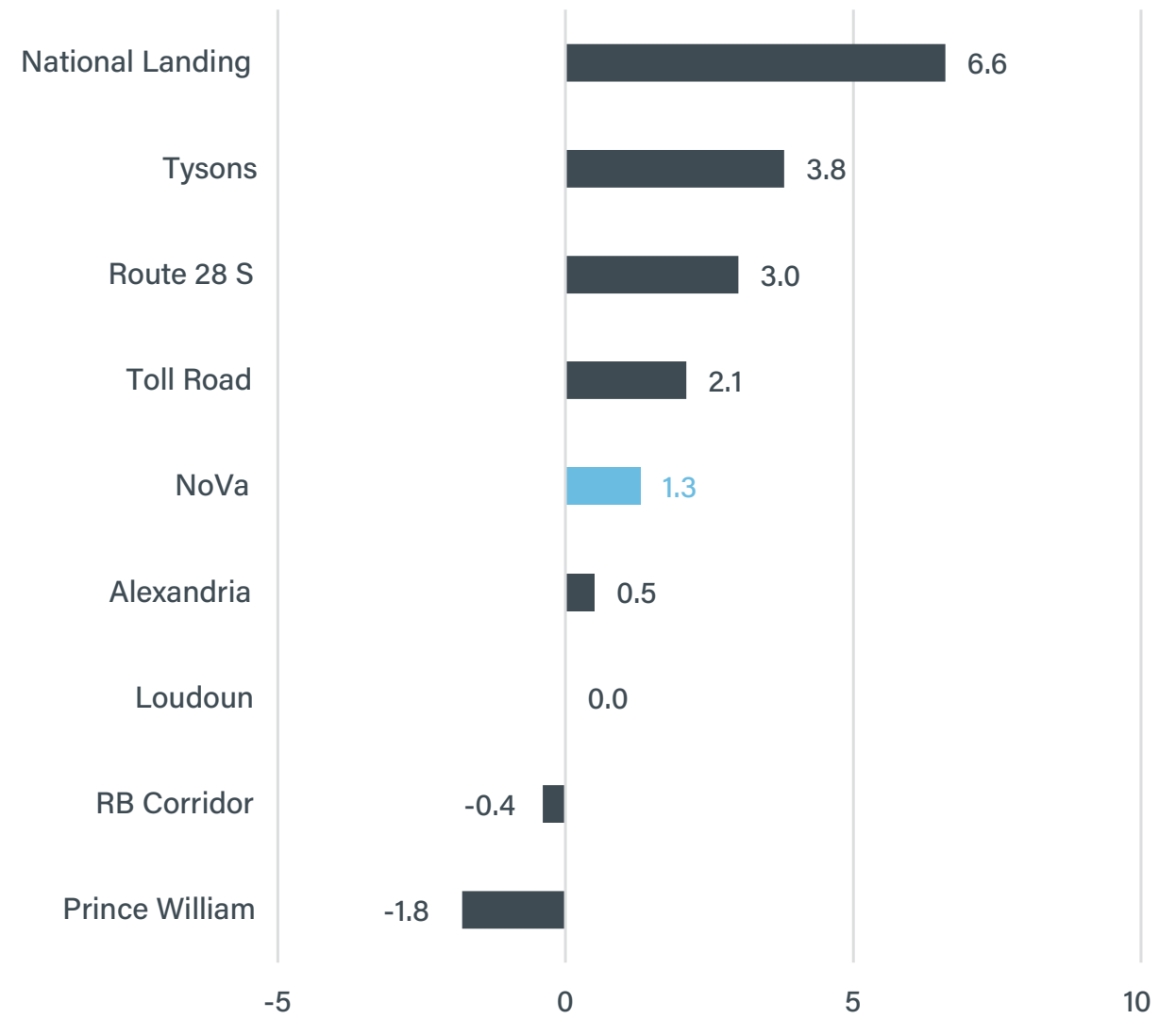


Tough Across the Board

Q2 2021 Vacancy by Submarket



Vacancy Increase Since End of 2019 (by Percentage Points)

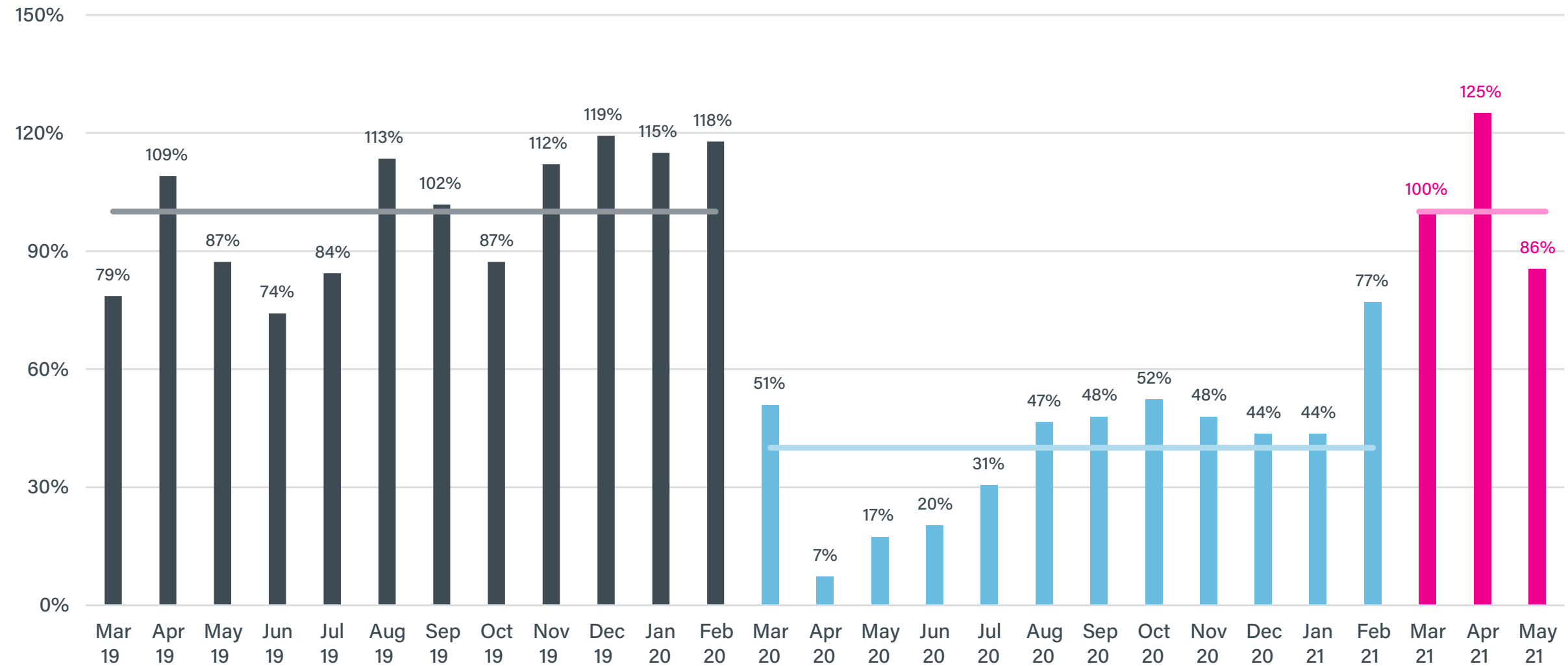




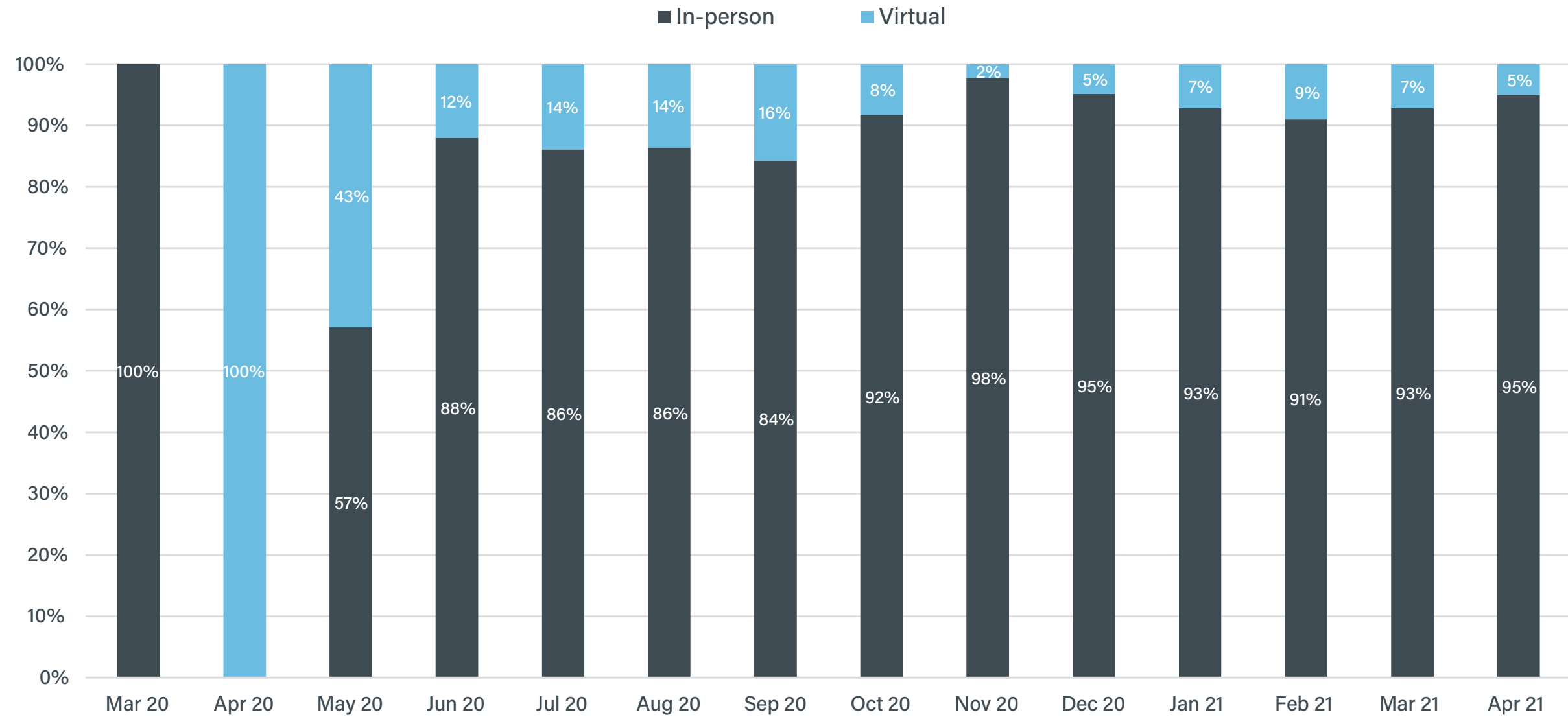
**Market Demand
& Concessions**

Pent-Up Demand Leading to Drastic Uptick in Touring Activity

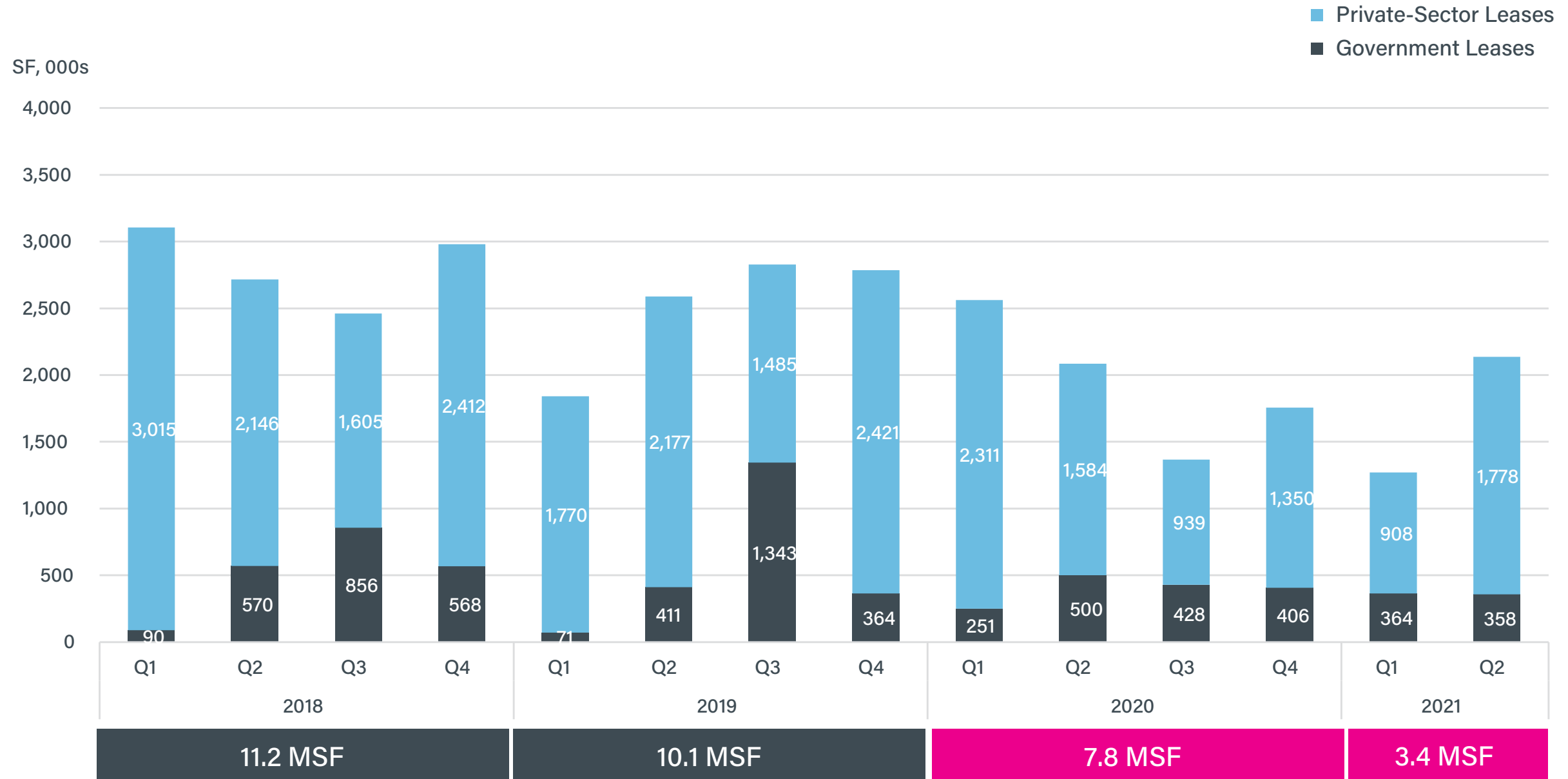
Northern Virginia Office Touring Activity
(100%=Pre-Pandemic Monthly Average)



Virtual Tours

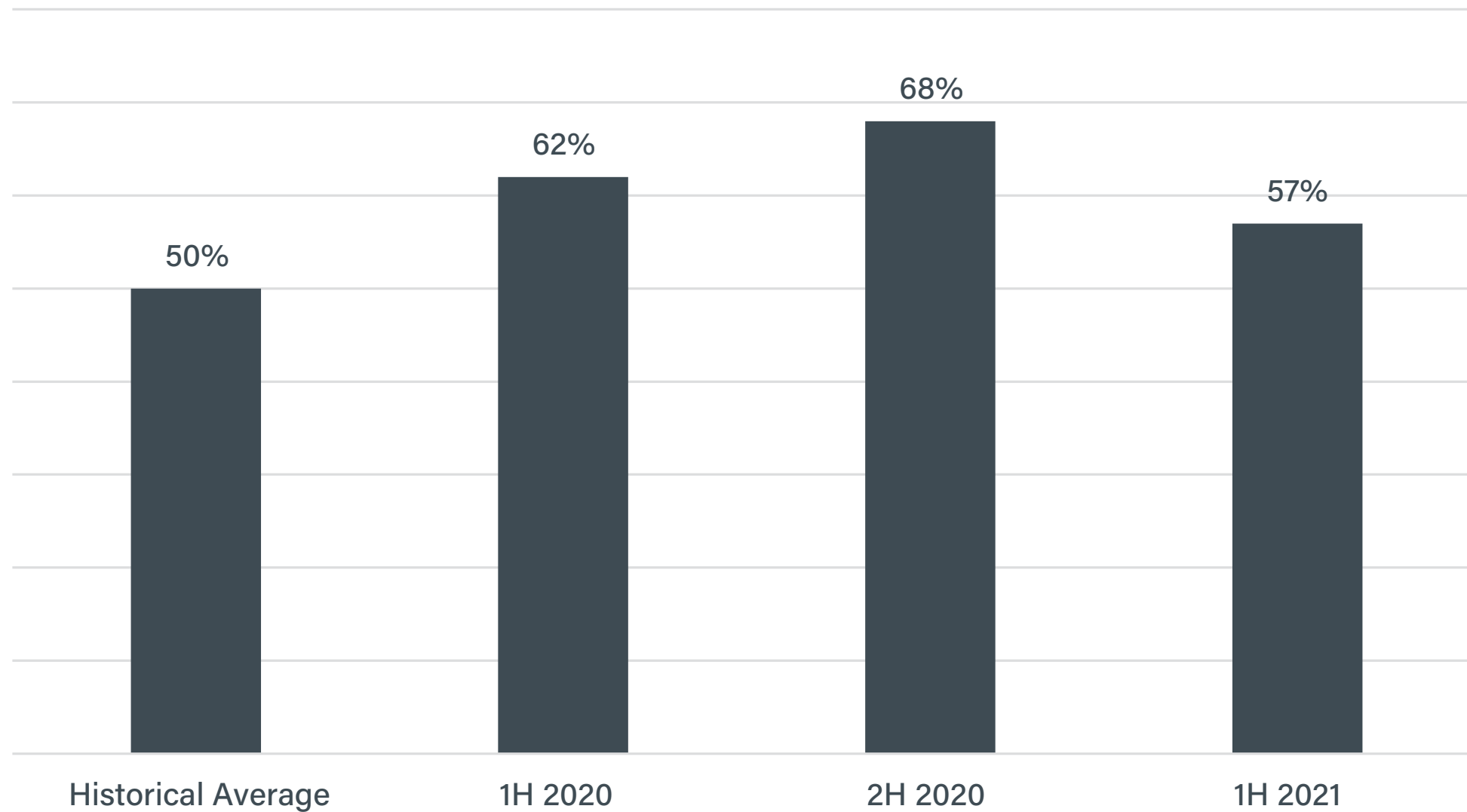


Private Sector Leasing Bounces Back



Higher Renewal Rates

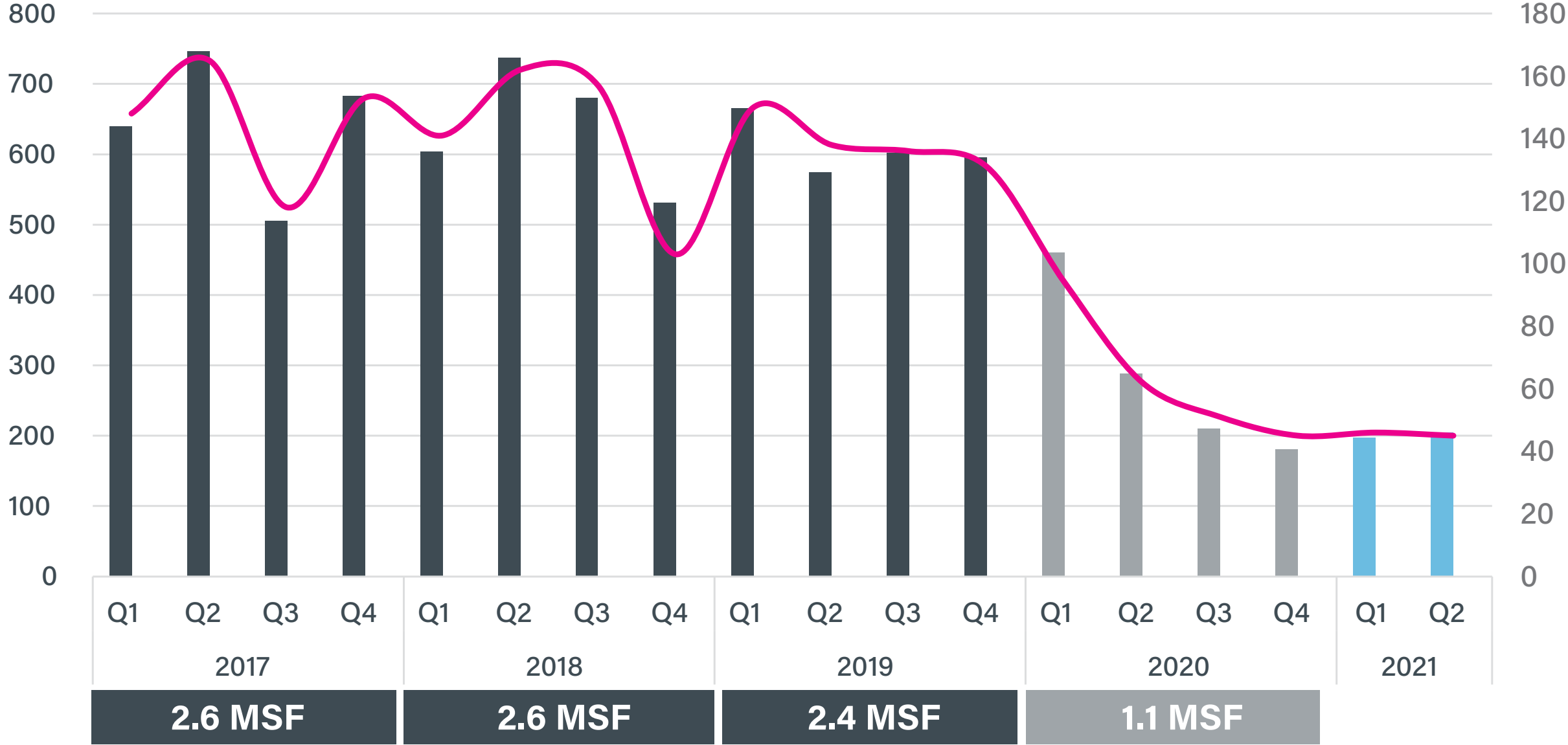
Renewal Rate of Private Sector
Tenants over 10,000 SF



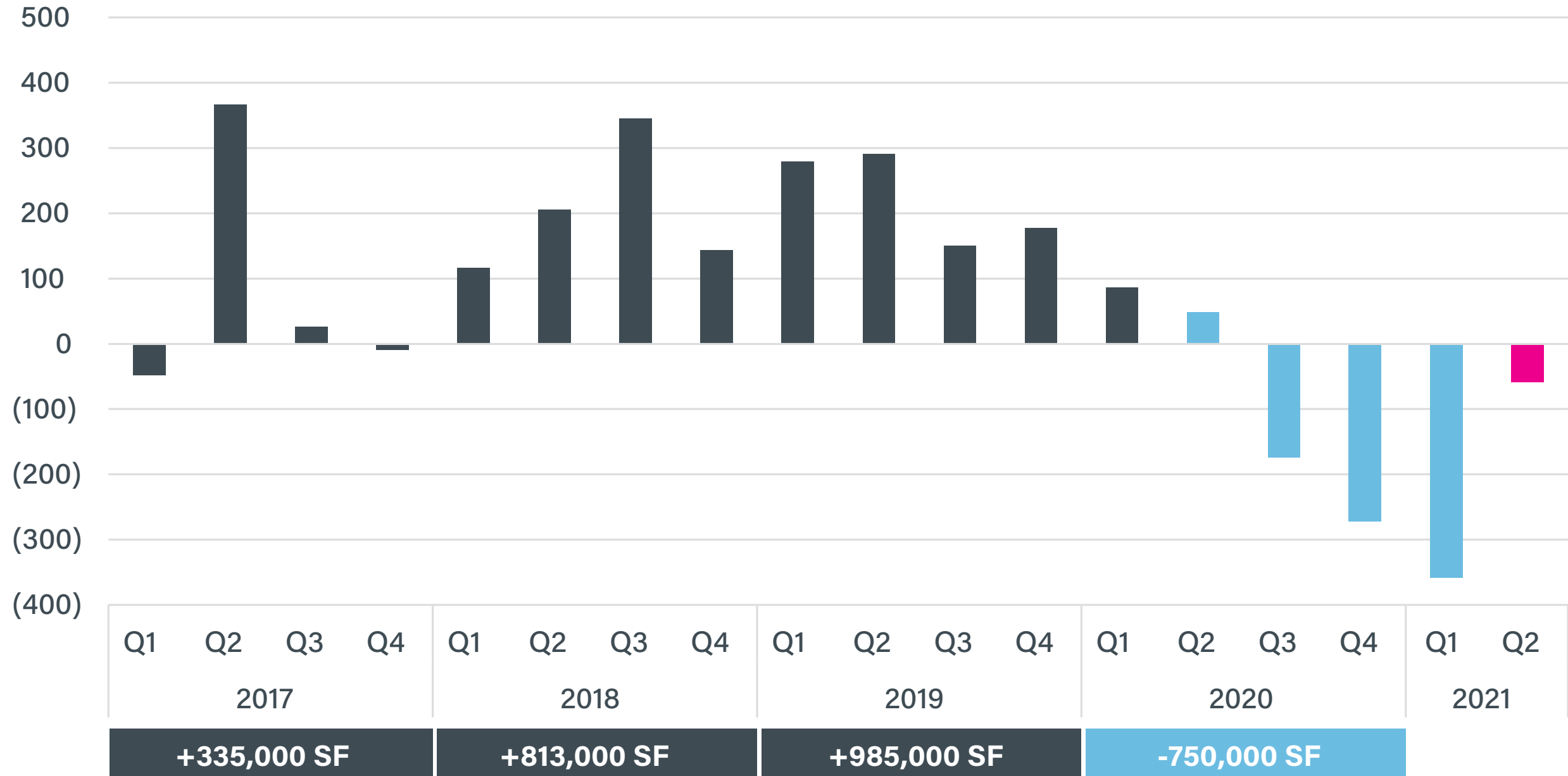
Small Tenant Inactivity

Leasing Activity(SF, 000s)

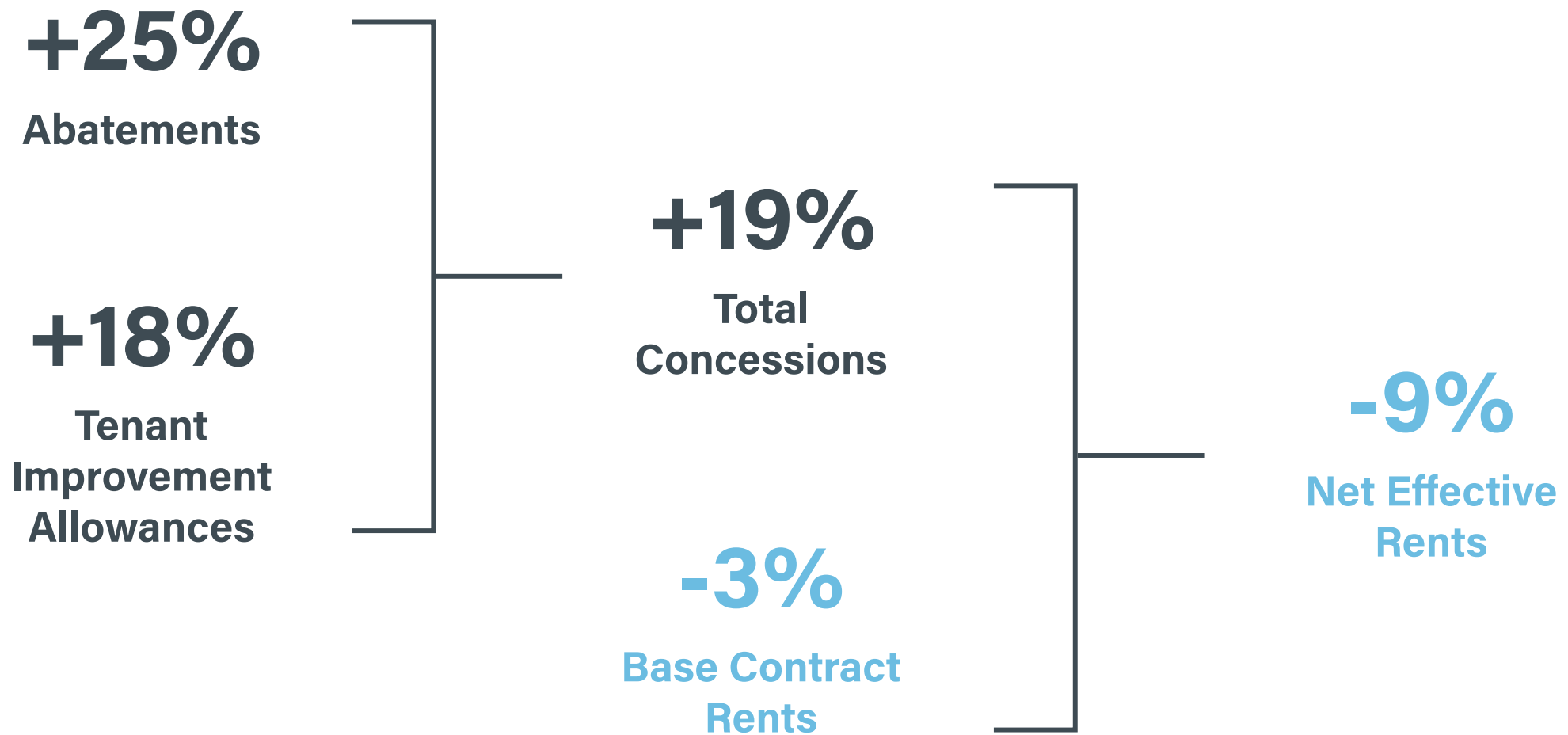
of transactions



Small Tenant Occupancy Changes

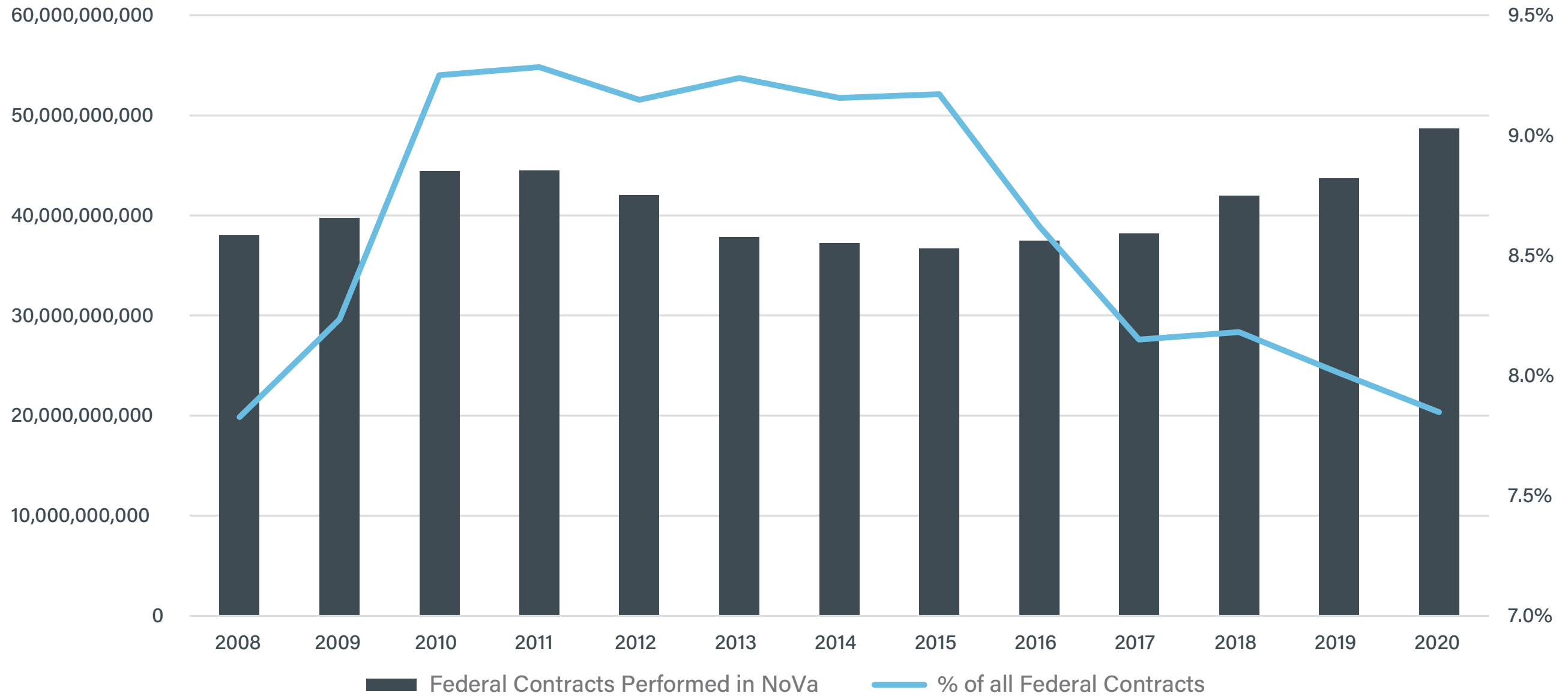


Increasing Concessions

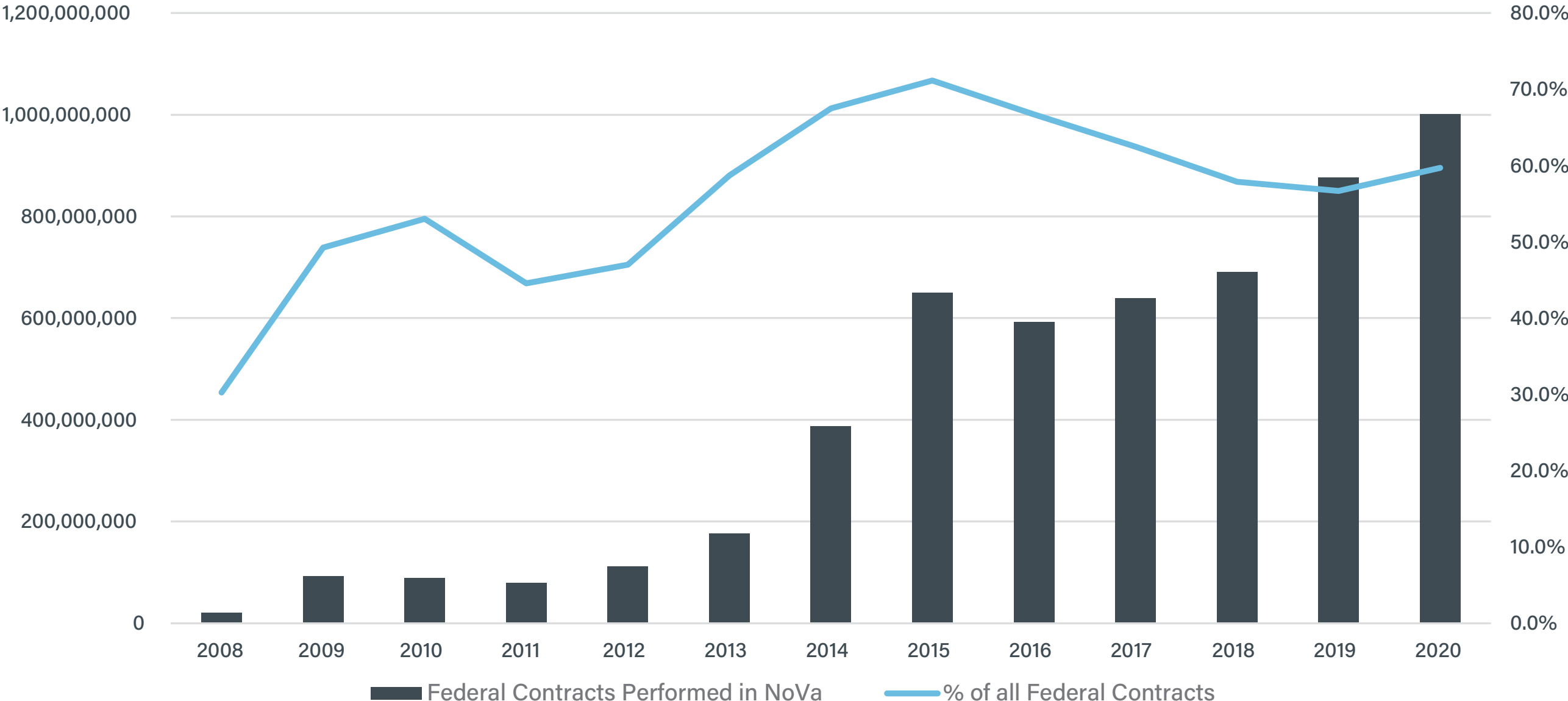


**Comparing 2021 to 2019, including private-sector, direct leases.*

Government Spending: Federal Contracts



Government Spending: Cybersecurity Federal Contracting



A photograph of three men in business suits sitting at a table, engaged in a discussion. The man on the left is wearing glasses and has a beard, looking towards the man in the middle. The man in the middle is also wearing glasses and has a beard, looking down at a notebook he is writing in. The man on the right is looking towards the man in the middle. The image has a dark blue overlay.

Panel Discussion