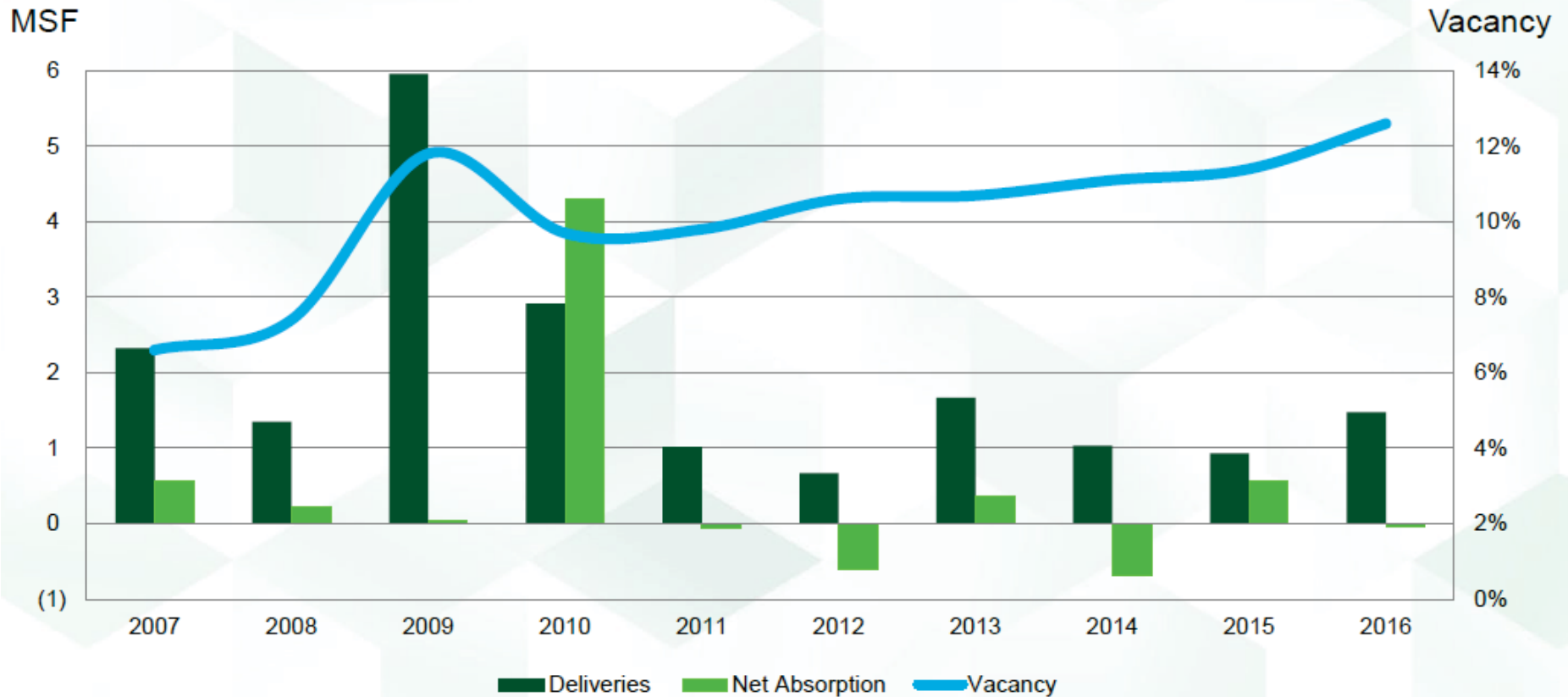


Vacancy in Washington, D.C. ended the year at its highest level since 1992 at 12.6%. Negative net absorption coupled with 750,000 sq. ft. of vacant space delivering in 2016 drove vacancy rates up.



## WHO ARE THE TENANTS?

Leases signed since 2015 involving growth and net new demand:



FEDERAL GOV'T  
13%



LAW FIRMS  
19%



NONPROFITS  
67%

### GROWTH DRIVERS

- Increase in space needs
- Moving from owned to leased
- New locations in the District
- Moving out of shared space



## WHAT DO THEY WANT?

Typical examples of characteristics needed for office development sites to be successful:

- Proximity to metro station
- Existing retail
- Existing amenity base
- Proximity to other established submarkets
- Attractive economic terms

USE	ROOM TYPE	FLOOR-TO-FLOOR	FLOOR-TO-CEILING	USER TYPE
Clinical	Exam Room	13.5'-14'	9'-10'	Outpatient, Research, MOB
	Therapy Suite	14'-15'	9'-10'	Outpatient, Research, MOB
	PT Suite	14'-15'	9'-10'	Outpatient, MOB
	Occupational Therapy	13.5'-14'	9'-10'	Outpatient
Imaging	CT	15'-16'	10'	Outpatient, MOB
	MRI	15'-16'	10'	Outpatient, MOB
	Ultrasound	15'-16'	9'-10'	Outpatient, MOB
	Mammography	15'-16'	9'-10'	Outpatient, Research, MOB
Interventional	General OR	15'-16'	10'	Outpatient
Heart Center	Procedure Room	14'-15'	9'-10'	Outpatient
Cancer	Treatment Room	13.5'-14'	9'	Outpatient, Research
	Proton Therapy	19'-20'	10'-11'	Outpatient, Research
	Gamma Knife	19'-20'	12'-14'	Outpatient, Research
	Cyber Knife	20'-21'	11'-12'	Outpatient, Research
Behavioral Clinical	Psych Room	13.5'-14'	9'-10'	Research, MOB
	Therapy Room	13.5'-14'	9'-10'	Research, MOB
Lab	General Clinical	13.5'-14'	9'	Research, MOB
Pharma	Outpatient	13.5'-14'	9'	MOB

