

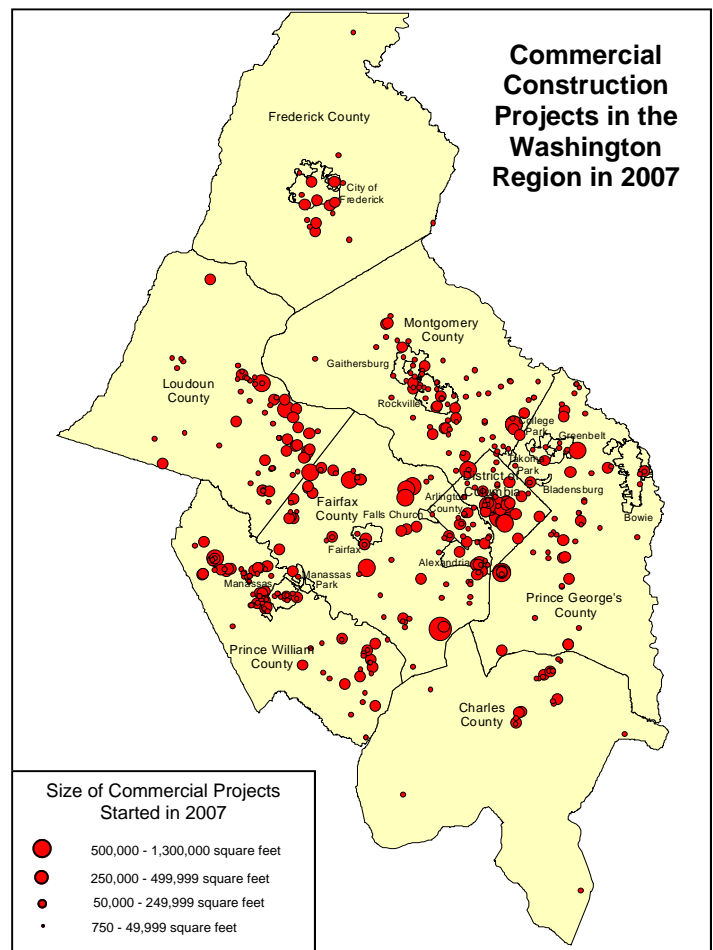
Commercial Construction Indicators 2007 Annual Summary



Metropolitan
Washington
Council of
Governments

Construction Highlights in 2007

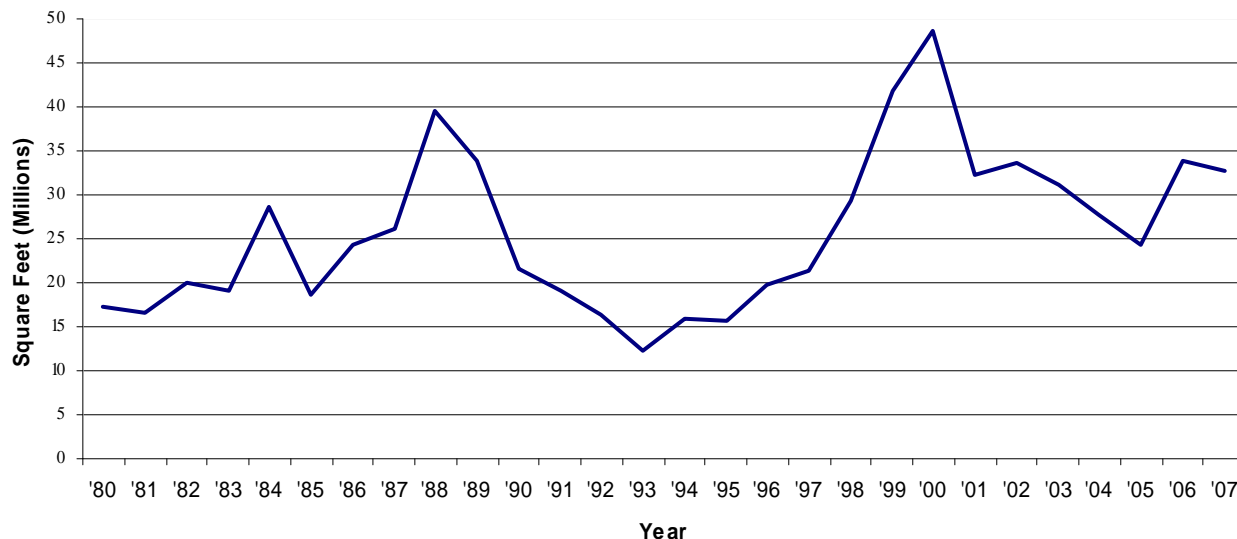
- ◆ In 2007, **473** commercial construction projects were initiated in the Washington region. These projects **added nearly 32.8 million square feet** of space, valued at nearly **\$5.7 billion**.
- ◆ Between 2006 and 2007, the level of new construction decreased nearly 1.2 million square feet, or **three percent**. This year's totals marks the seventh greatest amount of commercial construction started since 1980.
- ◆ The **DeWitt Army Community Hospital at Fort Belvoir** in Fairfax County was the region's largest project at 1.3 million square feet of space. The next largest projects were the **Patriot Plaza** office buildings in the District of Columbia and an **FDA R & D building** in Montgomery County, with 701,000 square feet and 481,000 square feet of space, respectively.



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Commercial Construction Starts, 1980-2007
Total Square Feet by Year



Commercial Construction at a Glance

◆ **Office Development holds greatest share of Commercial Construction in the region**

Office development in 2007 held the greatest share of commercial construction, creating 40 percent of the region's new commercial space. Construction in this sector added nearly 13.2 million square feet to the region's total space. Three of the seven categories of commercial construction experienced increases from 2006. Hotel and motel construction saw the biggest increase, with an additional 2.1 million square feet in 2007. Office projects increased by 258,000 square feet and Educational & Medical increased 120,000 square feet more than in the previous year.

◆ **Nearly one-fifth of new space was located in Metrorail Station Areas***

A total of 56 commercial construction projects, accounting for more than 6.0 million square feet of space, were started in Metrorail station areas in 2007. The new space amounted to 18 percent of the region's construction activity, compared to 28 percent in 2006. Twenty-three new commercial projects, totaling over 3.1 million square feet, began construction in commuter rail station areas in 2007. Twenty-one percent of all commercial projects starting in 2007 were located in Metrorail or Commuter Rail areas, compared to 35 percent in 2006.

◆ **Inner Jurisdictions capture the most new construction space in 2007**

The inner suburbs added 208 projects and over 15.5 million square feet of space in 2007, a 16 percent increase from the previous year. These jurisdictions held a 47 percent share of the region's commercial construction activity. The central jurisdictions captured 20 percent of the region's commercial development in 2007. These jurisdictions added 62 new projects and nearly 6.5 million square feet of new space, a 24 percent decrease from the previous year. In the outer suburbs, 203 new projects were started totaling 10.8 million square feet of additional space, a decrease of 10 percent from the previous year.

Definition of Jurisdictional Groups

Central Jurisdictions - The District of Columbia, Arlington County, and the City of Alexandria in Virginia.

Inner Suburban Jurisdictions - Montgomery and Prince George's Counties, and the Cities of Bowie, College Park, Gaithersburg, Greenbelt, Rockville and Takoma Park in Maryland; Fairfax County and the Cities of Fairfax and Falls Church in Virginia.

Outer Suburban Jurisdictions - Charles and Frederick Counties and the City of Frederick in Maryland; Loudoun and Prince William Counties, and the Cities of Manassas and Manassas Park in Virginia.

◆ **Northern Virginia led the region in Commercial Construction in 2007**

Northern Virginia led the region in the construction of new commercial space, most notably in the Office category. Northern Virginia added 254 projects and more than 17.4 million square feet of new space in 2007. Northern Virginia saw a net increase of nearly a half million square feet in new commercial space from 2006 to 2007. Suburban Maryland added 183 new projects in 2007, totaling nearly 10.5 million square feet. Suburban Maryland held steady in new commercial space compared to the previous year, but saw increases in office and hotel sectors. The District of Columbia added 36 new projects and nearly 4.9 million square feet of new space in 2007. The District's overall square footage of new commercial space decreased 25 percent from the previous year's construction though hotel and mixed use projects saw increases.

◆ **Regional Activity Centers capture nearly half of new commercial space**

A total of 161 commercial construction projects, contributing nearly 15.7 million square feet of space, were started in Regional Activity Centers in 2007. The new space in these centers account for 48 percent of the region's new construction activity, compared with 58 percent in 2006. A total of 235 commercial projects and nearly 20.7 million square feet of space began construction in Regional Activity Clusters in 2007. The development represents 63 percent of the region's new commercial construction activity, compared with 67 percent in 2006.

◆ **Private firms increase share of new construction starts**

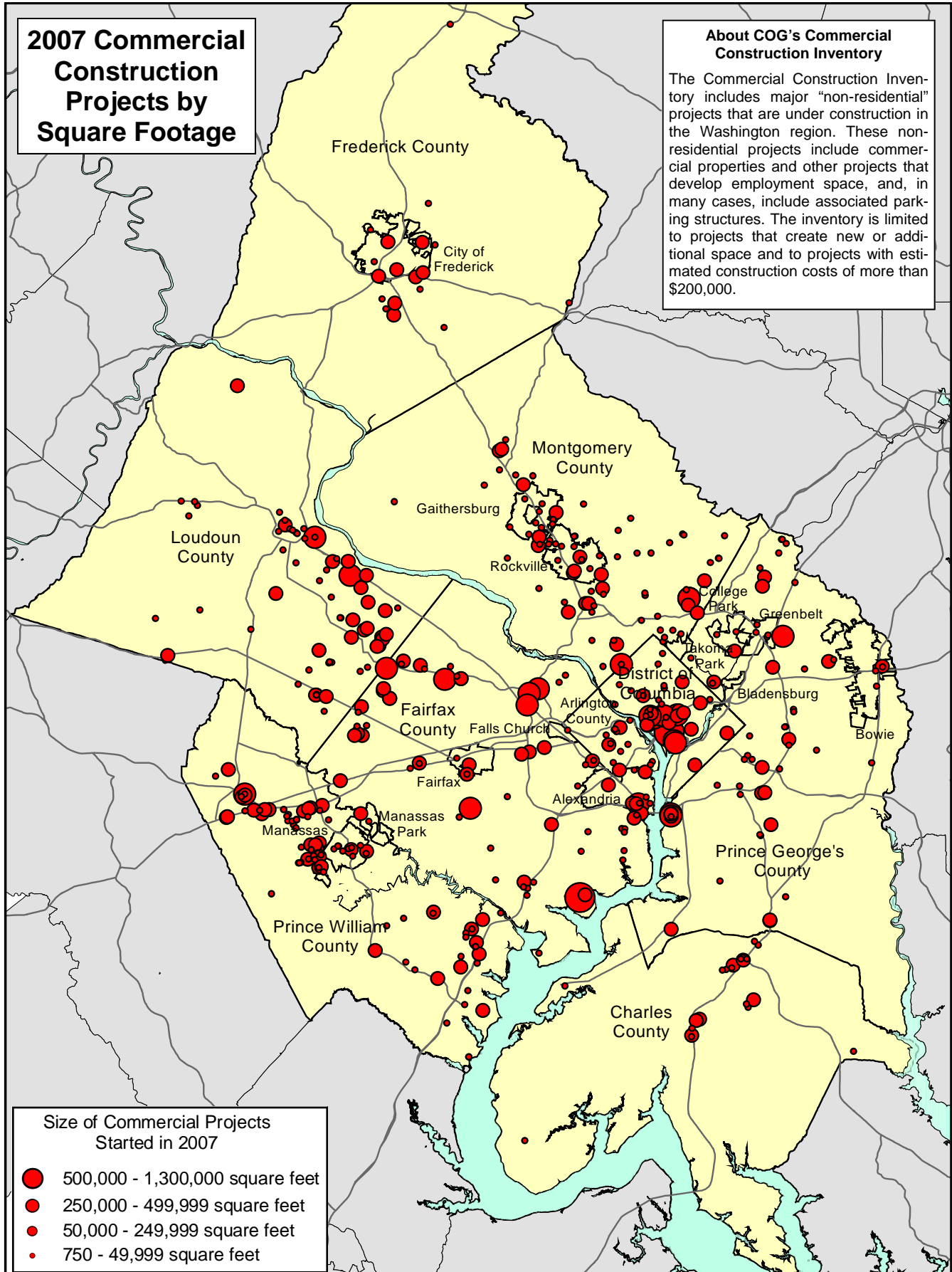
Private firms added 377 commercial construction projects to the region in 2007. The percentage of new construction by private firms decreased by 16 percent from 2006.

Government agencies started 23 percent of the region's new space in 2007, a nine percent increase in new construction from 2006. Of this construction, federal entities began 11 percent; state entities began one percent; and local governments began 11 percent, mostly to build schools.

The largest project initiated by the Federal government was the **DeWitt Army Community Hospital** at Fort Belvoir in Fairfax County, which added 1.3 million square feet of new space.

* Metrorail station area is defined as the 1/2 mile radius surrounding each Metrorail station.

Regional Numbers and Trends



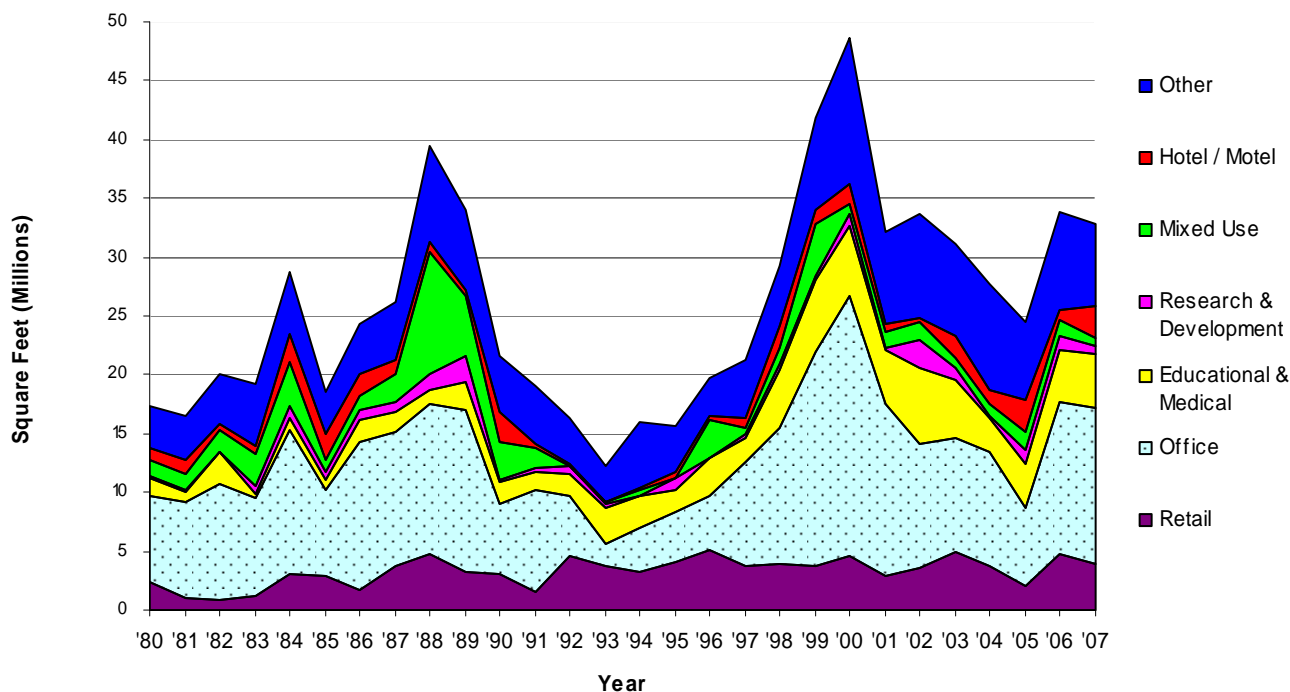
Commercial Construction by Structure Type

- ◆ As in recent years, **office development** held the greatest share of commercial construction in 2007, creating 40 percent of the region's new commercial space. This sector added over 13.2 million square feet to the region's total.
- ◆ The largest office project started in 2007 was the 701,000 square foot Patriot Plaza Phase II & III in the District of Columbia.
- ◆ Three of the seven categories of commercial construction experienced increases from 2006. **Hotel and motel** construction saw the biggest increase, with an additional 2.1 million square feet in 2007. **Office** projects increased by 258,000 square feet and **Educational & Medical** increased 120,000 square feet more than in the previous year.

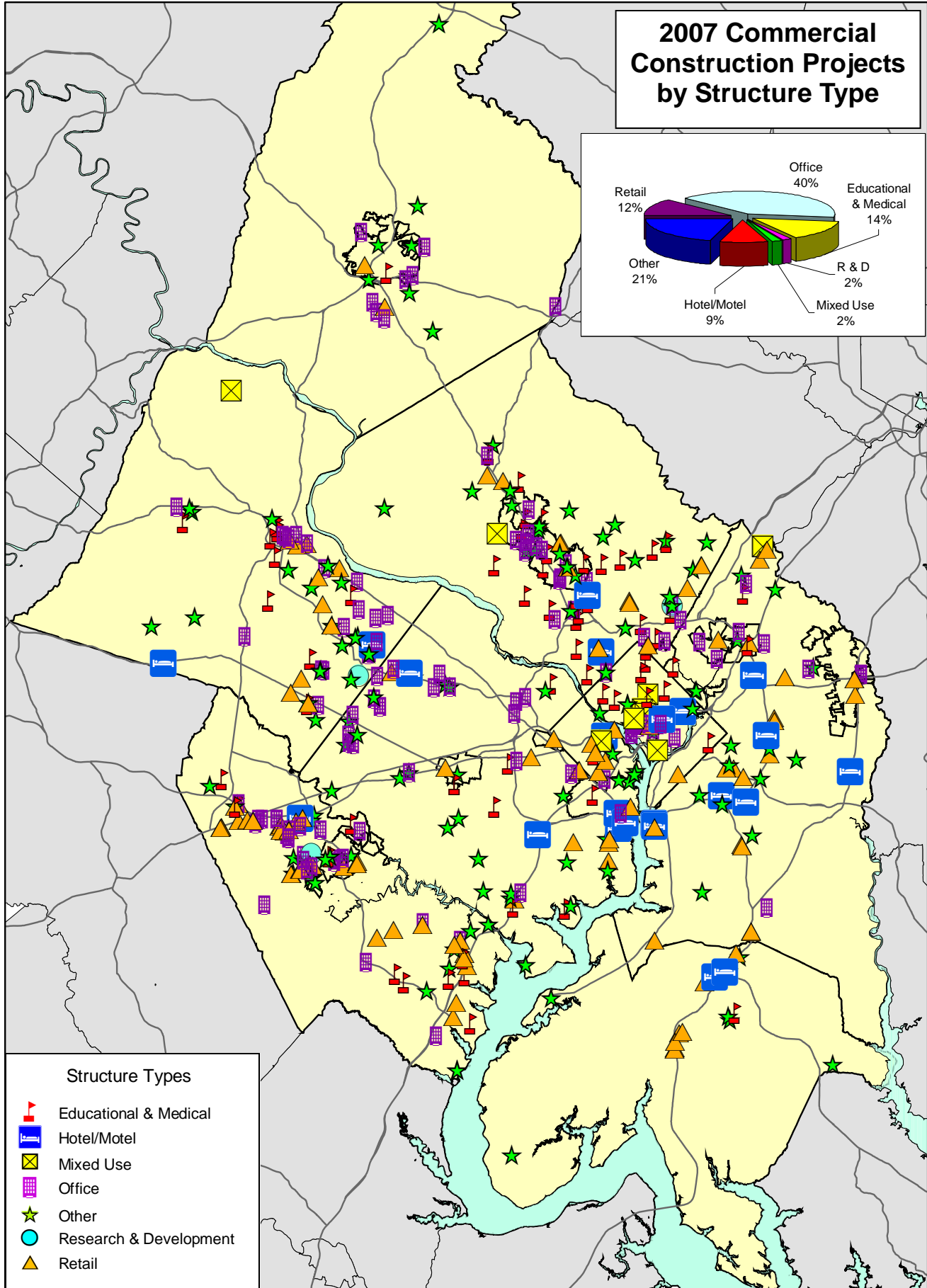
Commercial Construction Starts, 2006 and 2007 by Structure Type

	2007			2006		
	Projects	Square Feet	Value	Projects	Square Feet	Value
Retail	113	3,969,837	\$428,603,760	139	4,738,396	\$488,544,185
Office	117	13,173,160	\$1,801,920,040	121	12,914,995	\$2,135,216,248
Educational & Medical	69	4,652,447	\$1,533,451,690	72	4,532,046	\$1,106,556,646
R & D	3	592,400	\$176,596,972	8	1,136,614	\$437,229,997
Mixed Use	10	662,219	\$253,918,969	14	1,396,536	\$391,470,841
Hotel/Motel	24	2,859,956	\$539,874,234	10	725,828	\$135,099,997
Other	137	6,848,532	\$900,597,150	155	8,470,568	\$1,127,916,050
Total	473	32,758,551	\$5,634,962,815	519	33,914,983	\$5,822,033,964

Commercial Construction Starts, 1980-2007 Total Square Feet by Structure Type and Year



Commercial Construction by Structure Type



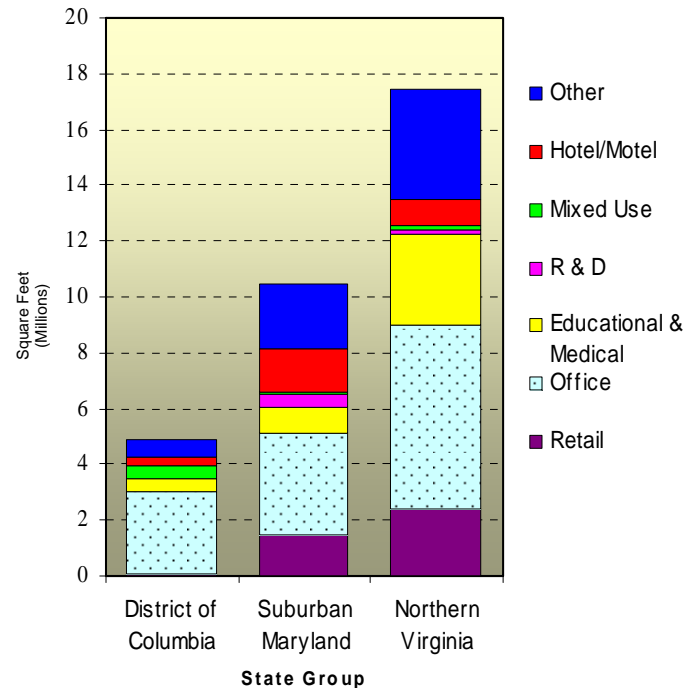
Commercial Construction by State Group

The **District of Columbia** added **36 new projects** and nearly **4.9 million square feet** of new space in 2007. Although the District's overall square footage of new commercial space decreased 25 percent from the previous year, development in the hotel and mixed use sectors increased.

Suburban Maryland added **183 new projects** in 2007, totaling nearly **10.5 million square feet**. Suburban Maryland held steady in new commercial space compared to the previous year but saw increases in office and hotel sectors.

Northern Virginia led the region in the construction of new commercial space, most notably in the Office category. Northern Virginia added **254 projects** and more than **17.4 million square feet** of new space in 2007. Northern Virginia saw a net increase of nearly a half million square feet in new commercial space from 2006 to 2007. Projects in Northern Virginia amounted to half of all the new commercial space started in 2007.

Commercial Construction Starts, 2007
Total Square Feet by Structure Type and State Group



Commercial Construction Starts, 2006 and 2007
by Structure Type and State Group

		2007			2006		
		Projects	Square Feet	Value	Projects	Square Feet	Value
District of Columbia	Retail	2	70,000	\$25,749,998	2	664,000	\$71,000,000
	Office	12	2,953,499	\$417,115,998	19	3,974,477	\$932,000,000
	Educational & Medical	8	430,554	\$131,703,000	7	803,000	\$240,639,999
	Research & Development	0	0	\$0	0	0	\$0
	Mixed Use	5	471,800	\$185,315,998	0	0	\$0
	Hotel/Motel	2	312,000	\$44,589,246	0	0	\$0
	Other	7	624,100	\$126,449,996	2	1,067,000	\$617,000,000
	Subtotal	36	4,861,953	\$930,924,236	30	6,508,477	\$1,860,639,999
Suburban Maryland	Retail	45	1,476,022	\$180,109,454	52	1,755,293	\$168,339,276
	Office	36	3,652,282	\$611,154,210	31	1,883,358	\$306,033,093
	Educational & Medical	30	937,895	\$283,231,581	36	1,745,507	\$390,681,348
	Research & Development	1	481,000	\$115,000,000	8	1,136,614	\$437,229,997
	Mixed Use	3	47,000	\$10,499,998	7	424,828	\$64,955,841
	Hotel/Motel	13	1,553,550	\$261,284,992	3	99,000	\$35,999,998
	Other	55	2,315,388	\$281,019,659	73	3,395,994	\$264,219,477
	Subtotal	183	10,463,137	\$1,742,299,894	210	10,440,594	\$1,667,459,030
Northern Virginia	Retail	66	2,423,815	\$222,744,308	85	2,319,103	\$249,204,909
	Office	69	6,567,379	\$773,649,832	71	7,057,160	\$897,183,155
	Educational & Medical	31	3,283,998	\$1,118,517,109	29	1,983,539	\$475,235,299
	Research & Development	2	111,400	\$61,596,972	0	0	\$0
	Mixed Use	2	143,419	\$58,102,973	7	971,708	\$326,515,000
	Hotel/Motel	9	994,406	\$233,999,996	7	626,828	\$99,099,999
	Other	75	3,909,044	\$493,127,495	80	4,007,574	\$246,696,573
	Subtotal	254	17,433,461	\$2,961,738,685	279	16,965,912	\$2,293,934,935
Region	Retail	113	3,969,837	\$428,603,760	139	4,738,396	\$488,544,185
	Office	117	13,173,160	\$1,801,920,040	121	12,914,995	\$2,135,216,248
	Educational & Medical	69	4,652,447	\$1,533,451,690	72	4,532,046	\$1,106,556,646
	Research & Development	3	592,400	\$176,596,972	8	1,136,614	\$437,229,997
	Mixed Use	10	662,219	\$253,918,969	14	1,396,536	\$391,470,841
	Hotel/Motel	24	2,859,956	\$539,874,234	10	725,828	\$135,099,997
	Other	137	6,848,532	\$900,597,150	155	8,470,568	\$1,127,916,050
	Total	473	32,758,551	\$5,634,962,815	519	33,914,983	\$5,822,033,964

Commercial Construction by Jurisdictional Group

Central Jurisdictions

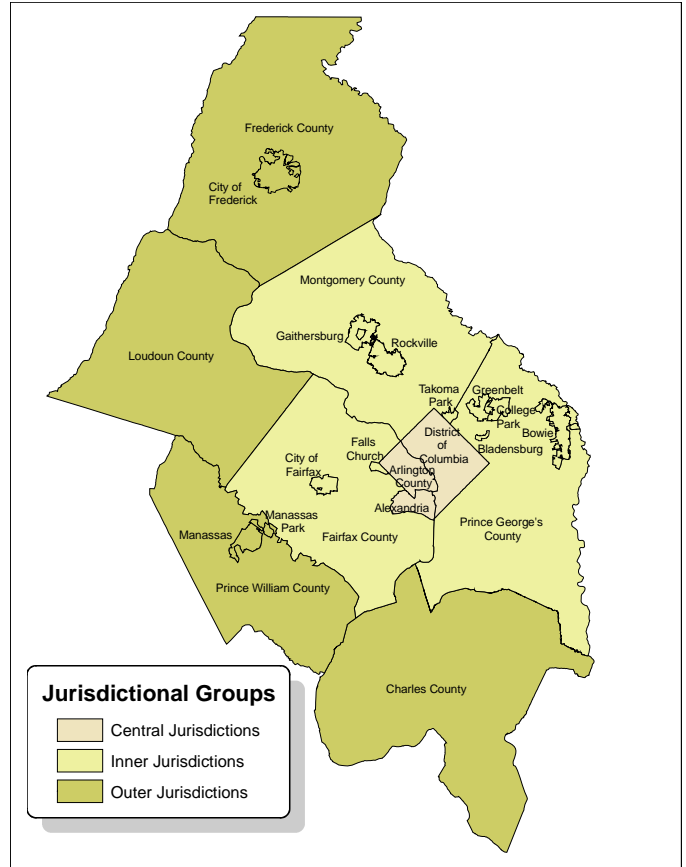
The **central jurisdictions**, comprised of the **District of Columbia, City of Alexandria, and Arlington County**, captured 20 percent of the region's commercial development in 2007. These jurisdictions added **62 new projects** and nearly **6.5 million square feet** of new space, a **24 decrease** from the previous year. The central jurisdictions had a 28 percent share of new office development in the region, a decrease from the 37 percent share of office development in 2006.

Inner Suburbs

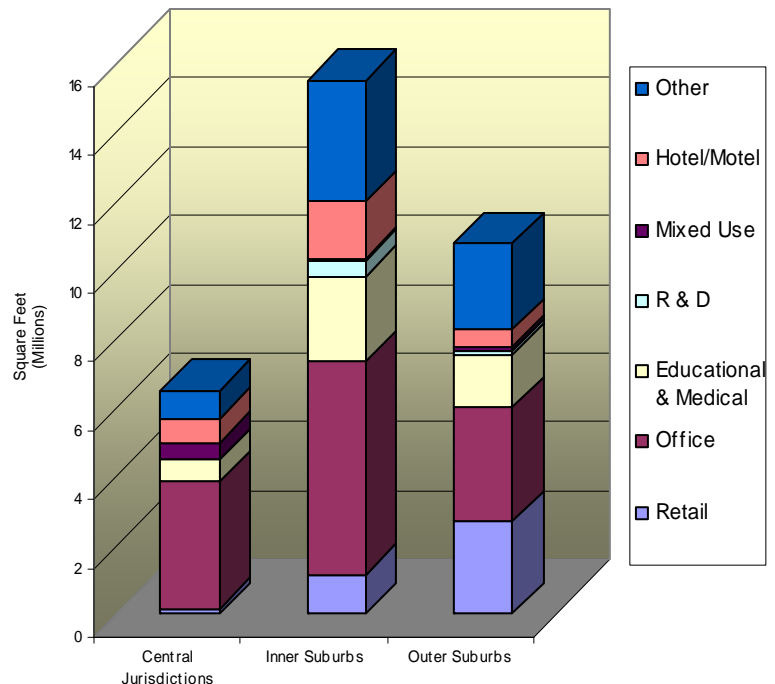
The **inner suburbs**, consisting of **Fairfax, Montgomery, and Prince George's counties** (and cities therein) added **208 projects** and over **15.5 million square feet** of space in 2006, a 16 percent increase. These jurisdictions held a 47 percent share of the region's commercial construction activity, compared to 40 percent in 2006. Forty-seven percent of the region's new office construction occurred in the inner suburbs, a slight decrease in the region's share of office projects from the previous year. In 2006, the inner suburbs held a 49 percent share of the region's office construction.

Outer Suburbs

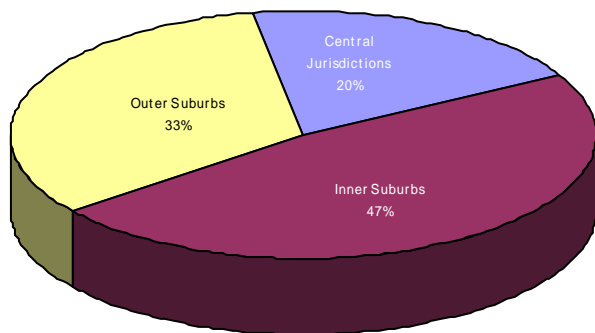
In the **outer suburbs** of **Charles, Frederick, Loudoun, and Prince William counties** (and cities therein), **203 new projects** were started, totaling more than **10.8 million square feet** of additional space, a decrease of 10 percent from the previous year. The new space constituted one-third of the region's overall development. One-quarter of the region's new office development occurred in the outer suburbs, a 10 percent increase from the previous year.



Commercial Construction Starts, 2007
Total Square Feet by Structure Type and Jurisdiction



2007 Commercial Construction



2007 Commercial Construction within Jurisdictions

- ◆ **Fairfax County**, with 63 new projects and more than **6.6 million square feet** of new development, led the region in new commercial construction space in 2007. The **District of Columbia** added 36 new projects and nearly **4.9 million square feet** of new space, followed by **Montgomery County** with more than **4.7 million square feet** of new space and **Prince William County** with nearly **4.7 million square feet** of new commercial development.

Commercial Construction in the Washington Region, 2006 and 2007

by Jurisdiction

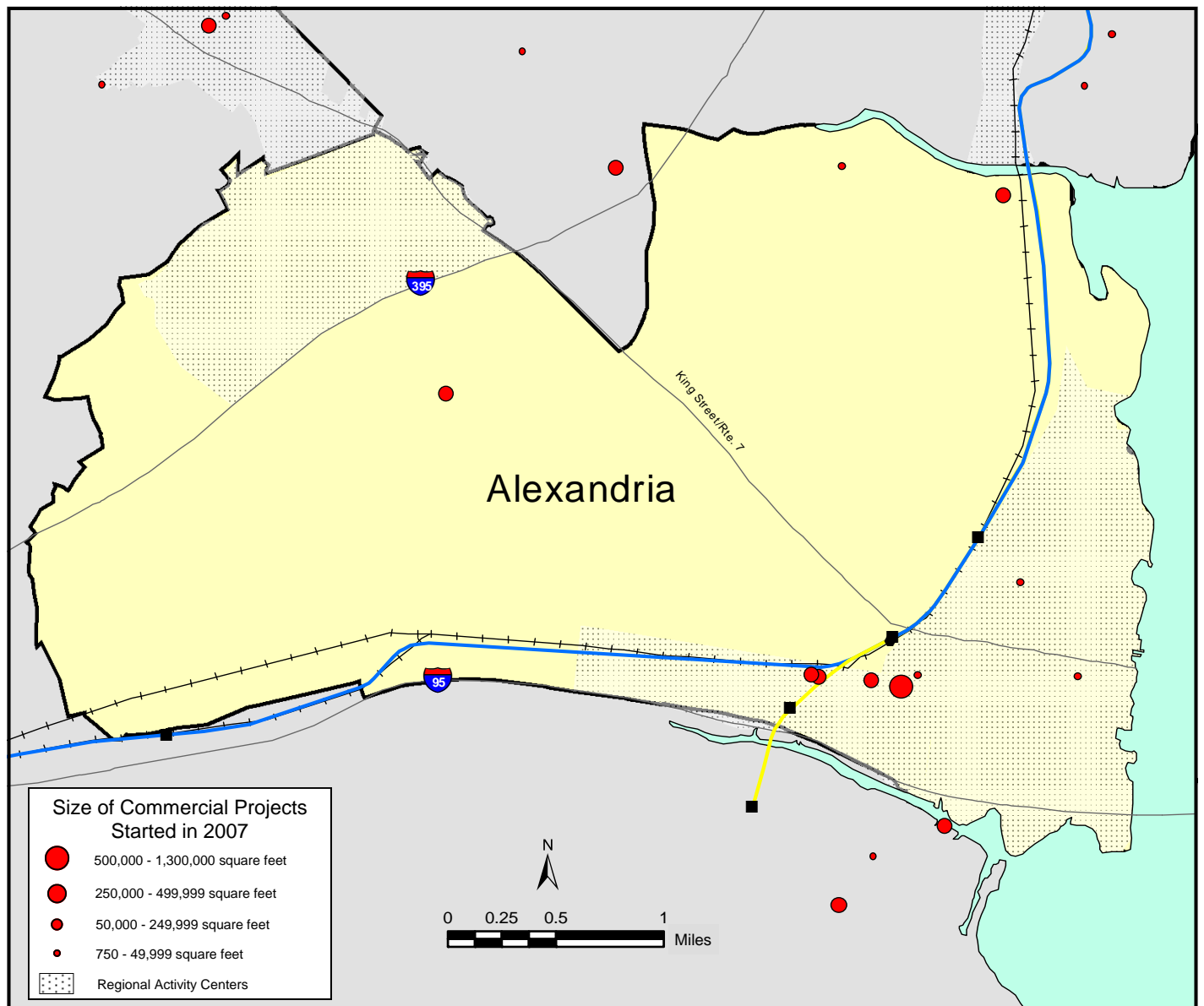
	2007			2006		
	Projects	Square Feet	Value	Projects	Square Feet	Value
District of Columbia	36	4,861,953	\$930,924,236	30	6,508,477	\$1,860,639,999
Suburban Maryland*						
Charles County	22	753,790	\$127,070,328	14	348,324	\$37,417,658
Frederick County*	18	962,153	\$101,925,329	81	3,801,012	\$709,514,910
City of Frederick*	8	519,513	\$74,521,958	16	2,025,257	\$516,185,538
Montgomery County*	83	4,743,518	\$938,236,411	67	3,719,278	\$529,968,189
City of Gaithersburg*	9	176,978	\$23,454,524	6	398,029	\$24,857,445
City of Rockville*	13	623,671	\$148,731,950	11	1,054,320	\$159,924,161
City of Takoma Park *	0	0	\$0	0	0	\$0
Prince George's County*	60	4,003,676	\$575,067,826	48	2,571,980	\$390,558,273
City of Bowie*	4	189,351	\$24,233,795	8	380,966	\$48,097,999
City of College Park*	3	126,500	\$25,649,999	4	358,526	\$91,099,999
City of Greenbelt*	4	106,340	\$20,749,996	0	0	\$0
Town of Bladensburg*	0	0	\$0	1	30,100	\$6,000,000
Subtotal	183	10,463,137	\$1,742,299,894	210	10,440,594	\$1,667,459,030
Northern Virginia						
Arlington County	15	652,561	\$145,723,939	10	1,625,386	\$520,495,759
City of Alexandria	11	977,102	\$197,423,130	6	384,258	\$92,750,000
Fairfax County	63	6,621,567	\$1,298,566,810	81	7,410,803	\$878,672,481
City of Fairfax	2	139,000	\$19,999,999	0	0	\$0
City of Falls Church	0	0	\$0	1	11,850	\$6,900,000
Loudoun County	65	3,682,756	\$603,078,972	96	3,674,313	\$335,490,975
City of Manassas	16	662,248	\$39,589,660	0	0	\$0
City of Manassas Park	0	0	\$0	0	0	\$0
Prince William County	82	4,698,227	\$657,356,175	85	3,859,302	\$459,625,720
Subtotal	254	17,433,461	\$2,961,738,685	279	16,965,912	\$2,293,934,935
Regional Total*	473	32,758,551	\$5,634,962,815	519	33,914,983	\$5,822,033,964

*NOTE: Starts in Maryland cities are included in appropriate county totals.

2007 Commercial Construction within Jurisdictions

CITY OF ALEXANDRIA

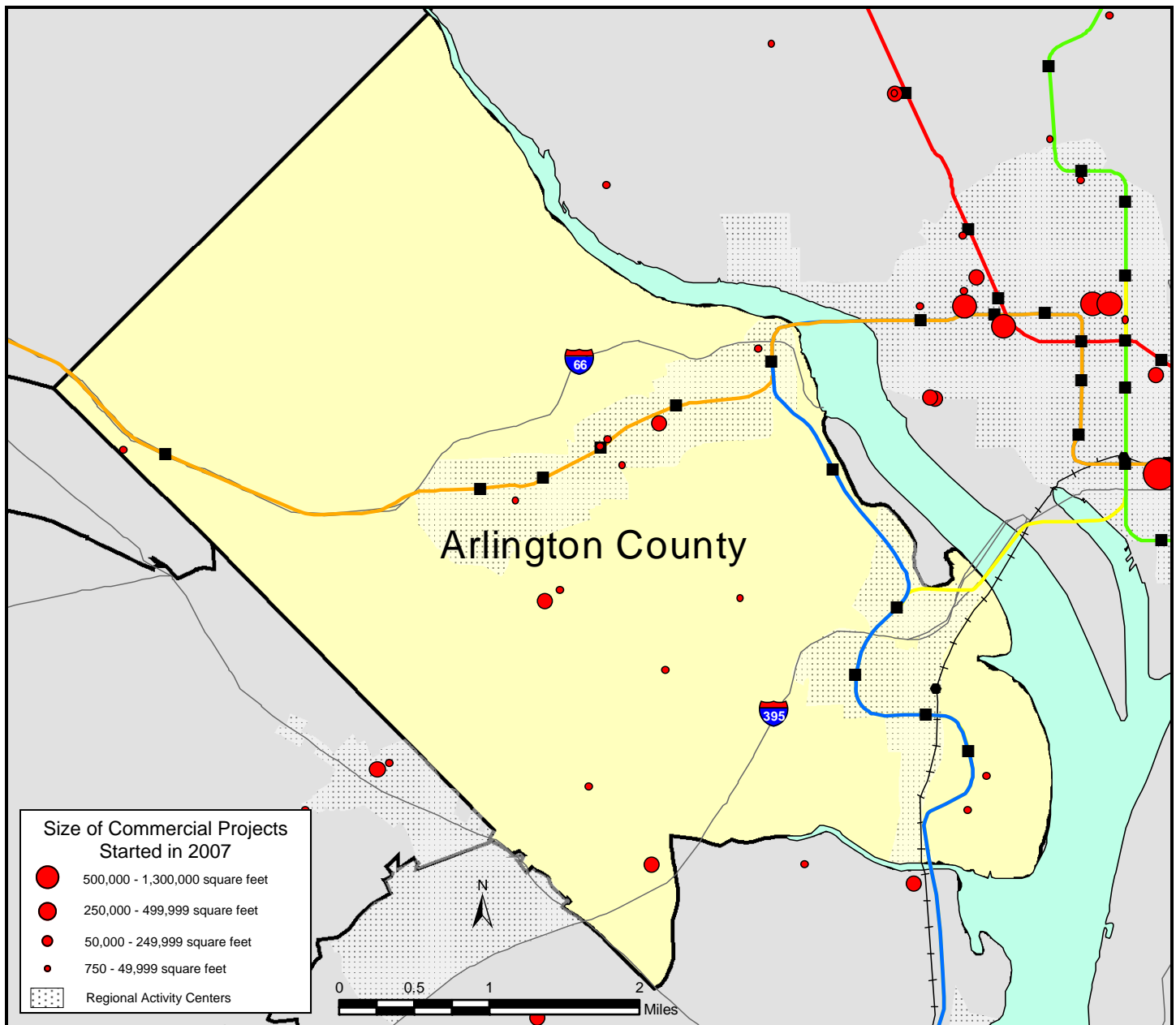
- ◆ Eleven new commercial construction projects added **more than 977,000 square feet** of new space to the City of Alexandria in 2007. This amount is one and a half times greater than the 384,000 square feet of new space added in 2006.
- ◆ The **Ballenger East Building** was the largest project in the city, adding nearly 331,000 square feet of office space.
- ◆ The **Marriott Residence Inn** and parking garage added nearly 163,000 square feet of hotel space in the City of Alexandria.



2007 Commercial Construction within Jurisdictions

ARLINGTON COUNTY

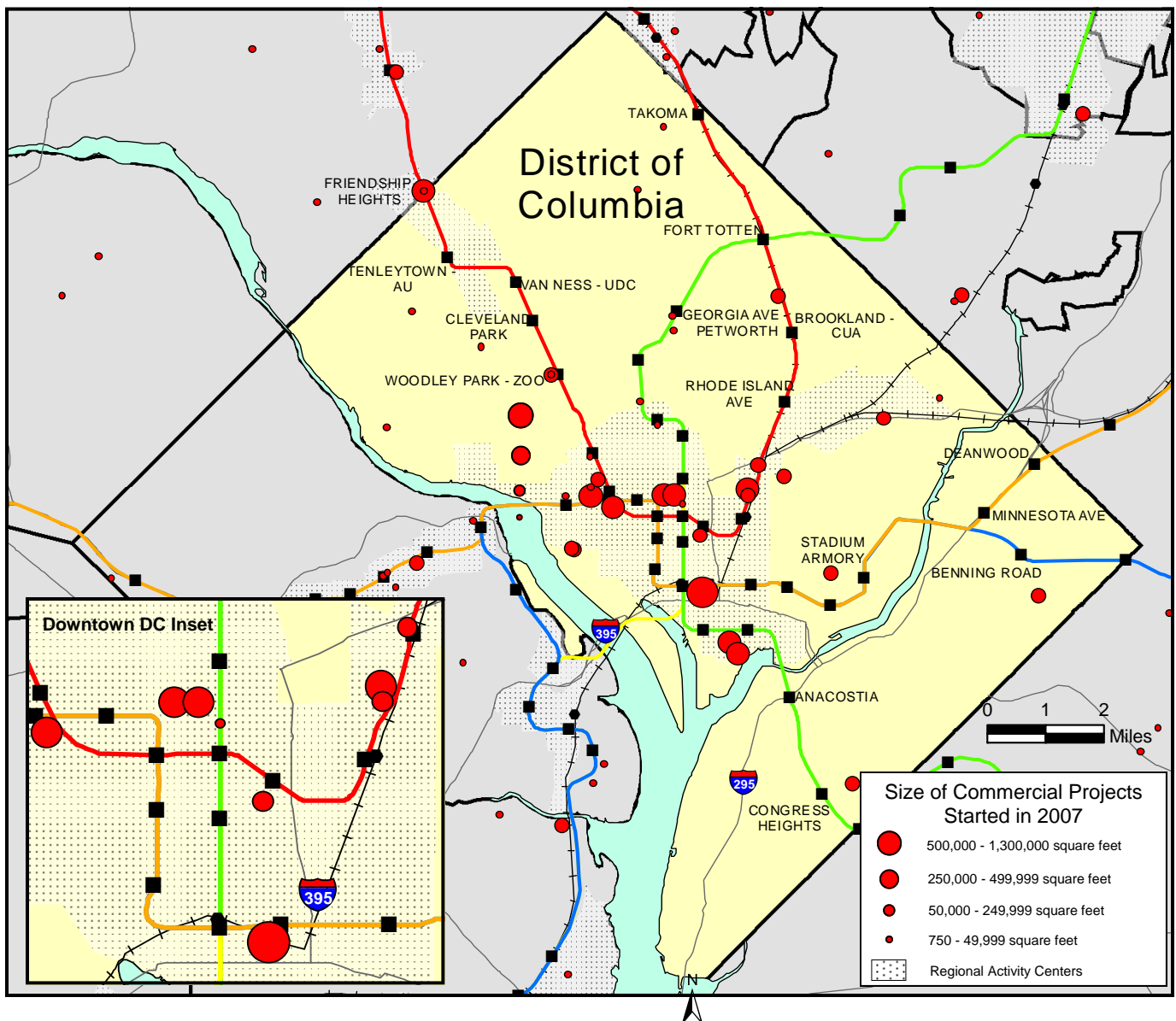
- ◆ Fifteen commercial construction projects added nearly **653,000 square feet** of space in Arlington County. The amount of new development decreased 60 percent from the previous year.
- ◆ Significant projects include **the Randolph Square office project** with 211,500 square feet, the Marriott Residence Inn with 141,000 square feet, and the George P. Shultz building with 133,000 square feet of space.



2007 Commercial Construction within Jurisdictions

DISTRICT OF COLUMBIA

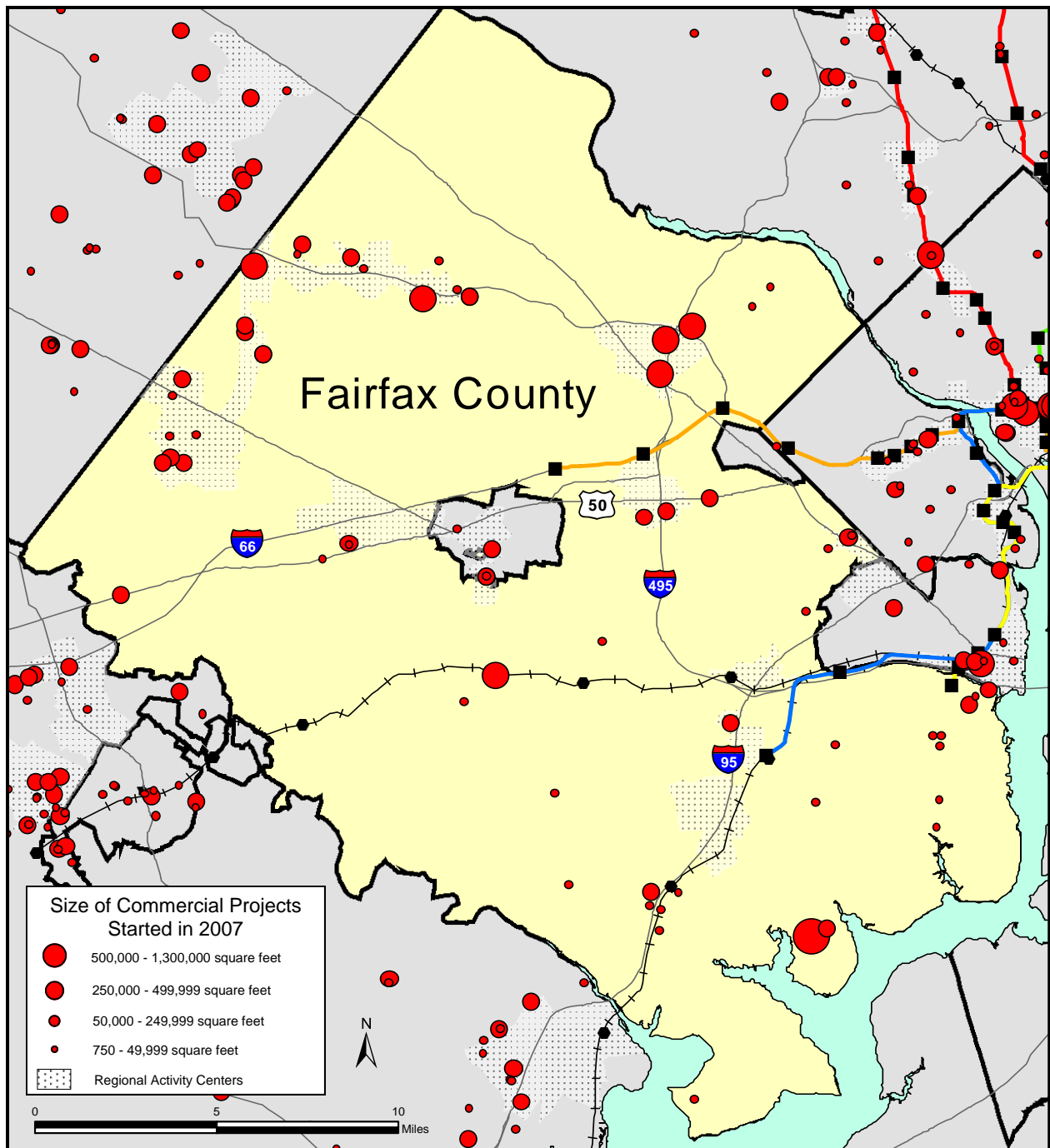
- ◆ The District of Columbia added 36 new projects and **nearly 4.9 million square feet** of space in 2007.
- ◆ **Office projects** continued to dominate the amount of new space added in the District, constituting nearly 61 percent of the District's development. The Patriot Plaza Phase II & III office building was the largest new project in the District with 505,000 million square feet of space.
- ◆ Other significant projects in the District in 2007 included the **Half Street mixed use project** with 435,000 square feet, and the 1100 1st Street office tower with 350,000 square feet.



2007 Commercial Construction within Jurisdictions

FAIRFAX COUNTY

- ◆ Fairfax County added 63 new commercial construction projects and **more than 6.6 million square feet** of space in 2007. The amount of new construction in Fairfax County decreased 11 percent from the previous year.
- ◆ Office and Educational & Medical space were the largest categories of new construction. The **DeWitt Army Community Hospital at Fort Belvoir** was the largest building project in the jurisdiction. The project added 1.3 million square feet of medical space to Fairfax County.
- ◆ Other significant projects include **Liberty Crossing (Phase 2)** with 400,000 square feet of office space and the **Burke Centre VRE Station Parking Garage** with 400,000 square feet of space.



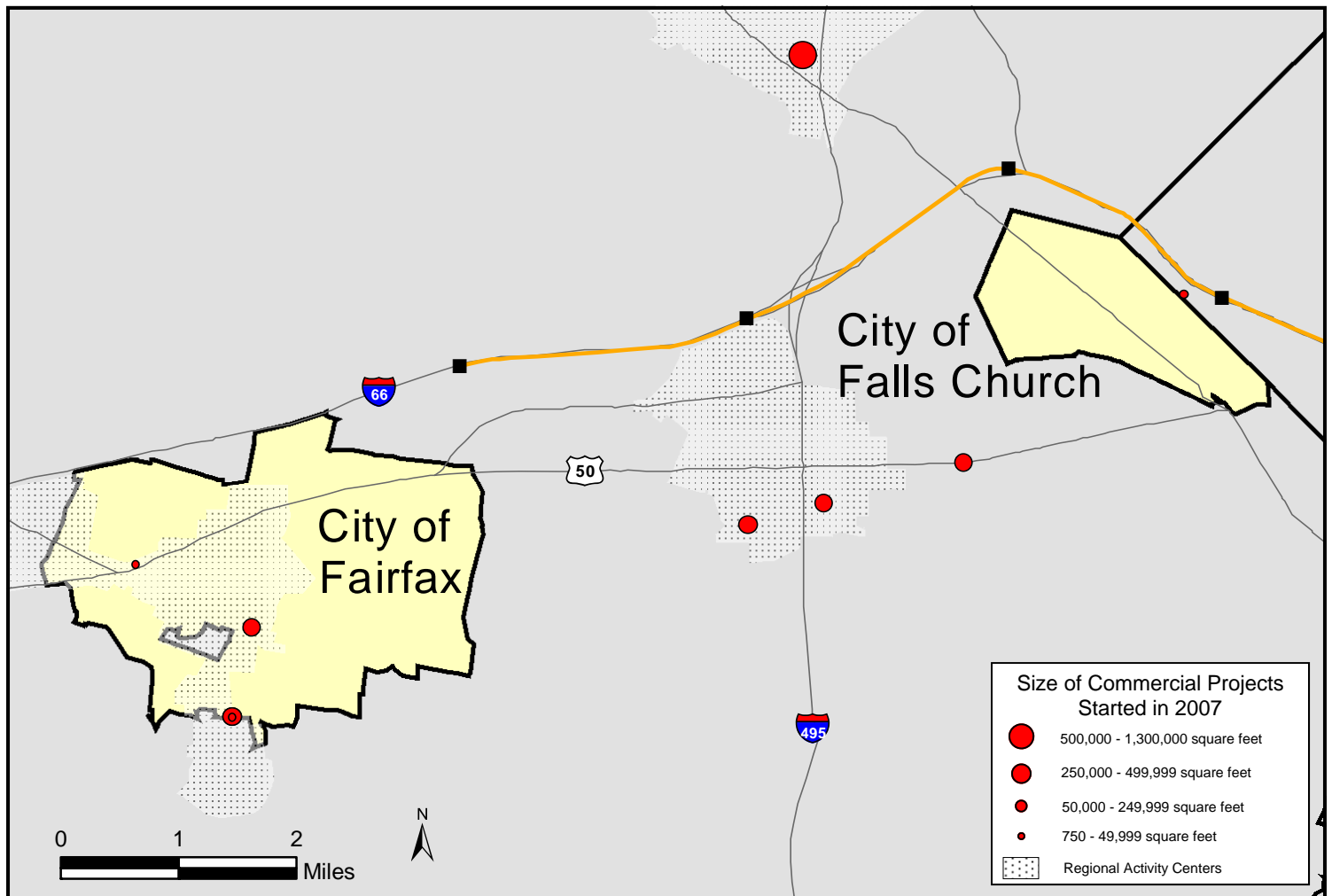
2007 Commercial Construction within Jurisdictions

CITY OF FAIRFAX

- ◆ Two projects, the Fairfax Regional Library with **122,000 square feet** of space and the Fairfax Marketplace with 17,000 square feet of retail space were added in 2007.

CITY OF FALLS CHURCH

- ◆ No major commercial construction projects started in the City of Falls Church in 2007.



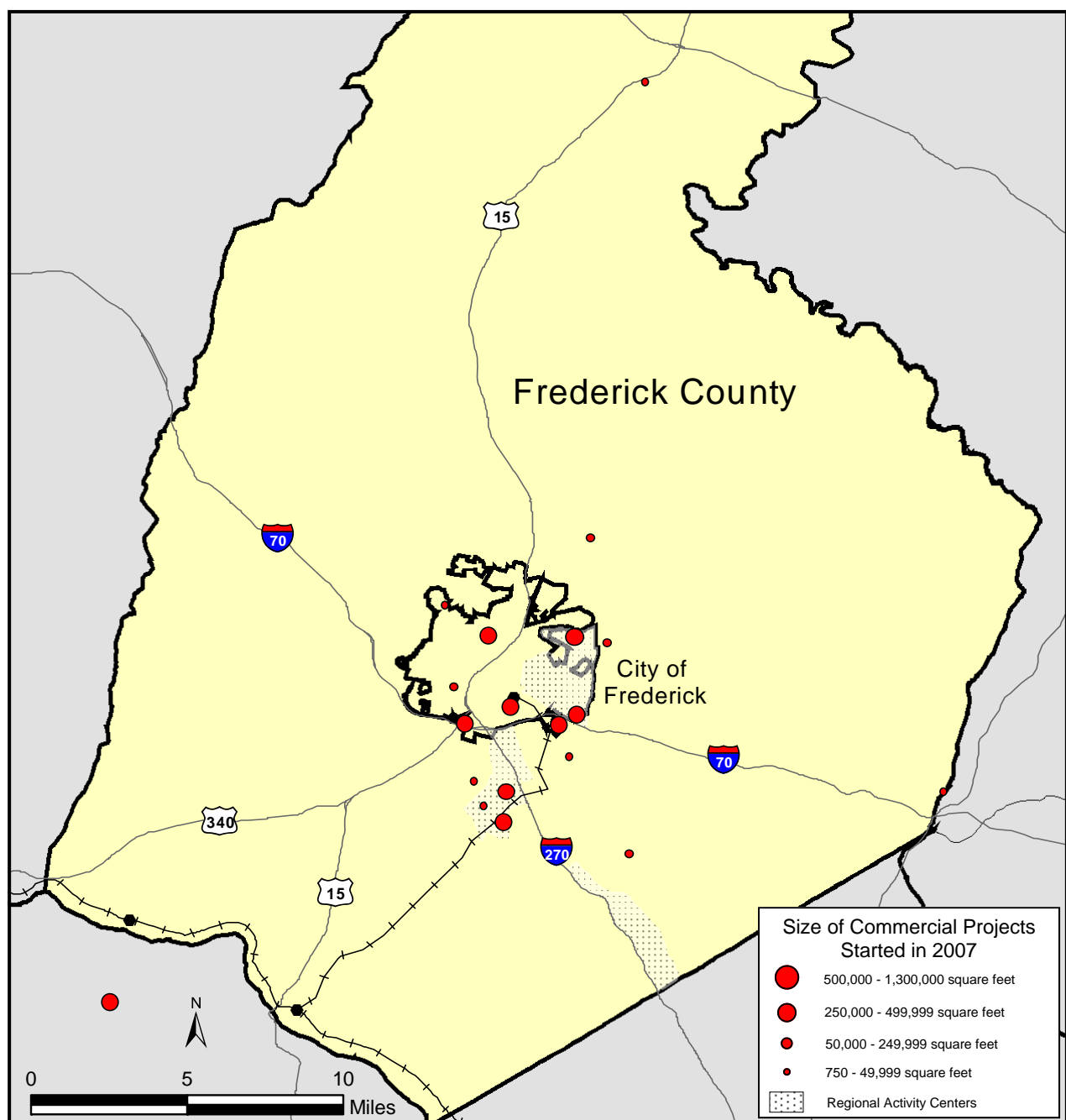
2007 Commercial Construction within Jurisdictions

FREDERICK COUNTY

- ◆ Eighteen commercial construction projects started in Frederick County in 2007. These projects added **over 962,000 square feet** of new space, a decline from 3.8 million in 2006. The largest projects in the county (outside the City of Frederick) were the **Wellington I office and warehouse** with 172,000 square feet of space and **Westview Village retail** with 110,000 square feet.

CITY OF FREDERICK

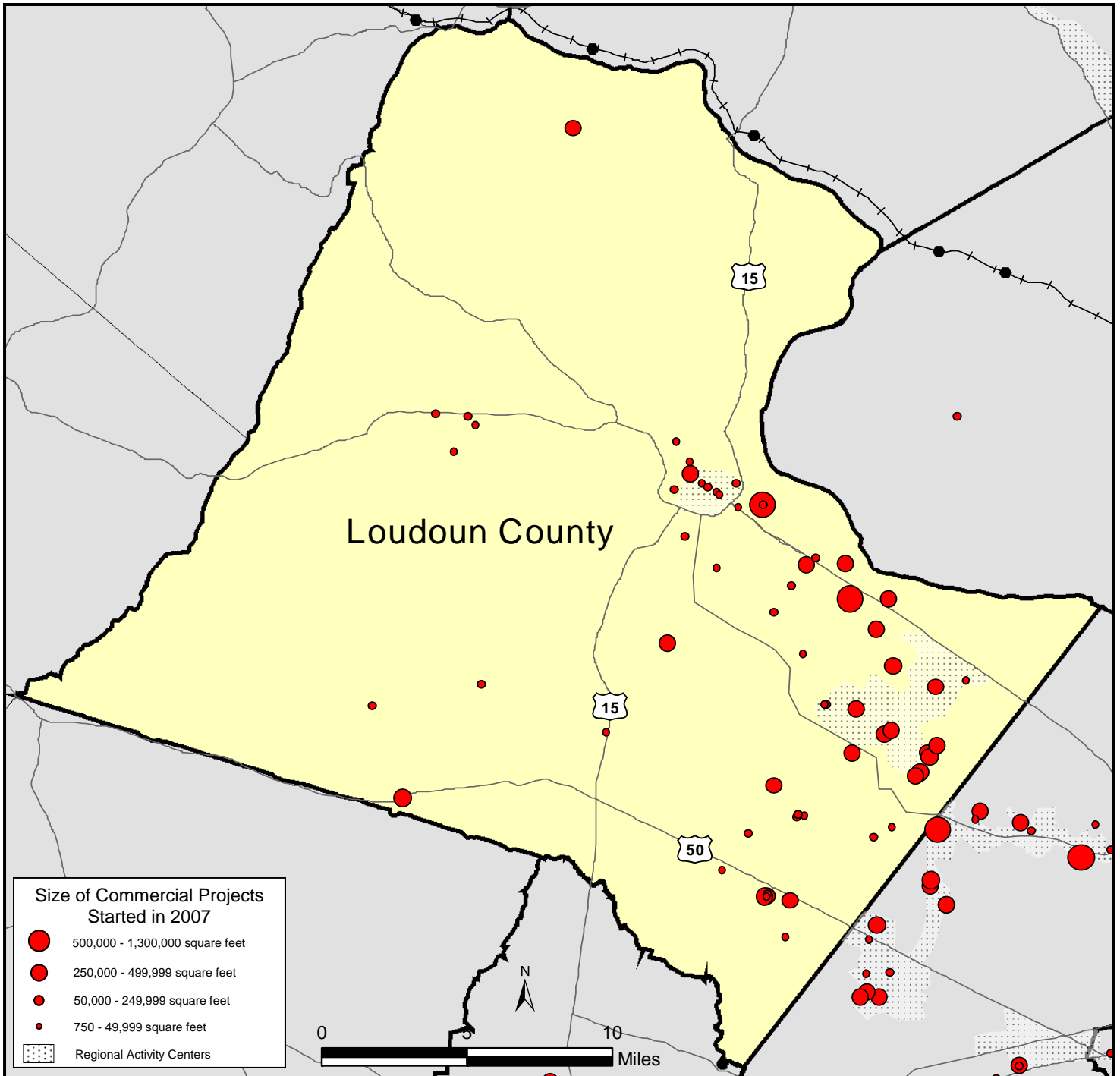
- ◆ Eight projects began in the City of Frederick in 2007. These projects added **nearly 520,000 square feet** of space, a 74 percent decrease from 2006. Notable projects included a **storage and warehouse facility** on 1539 Tilco Drive with nearly 129,000 square feet, the **Bakery de France building in Riverside Corporate Park** with 109,000 square feet.



2007 Commercial Construction within Jurisdictions

LOUDOUN COUNTY

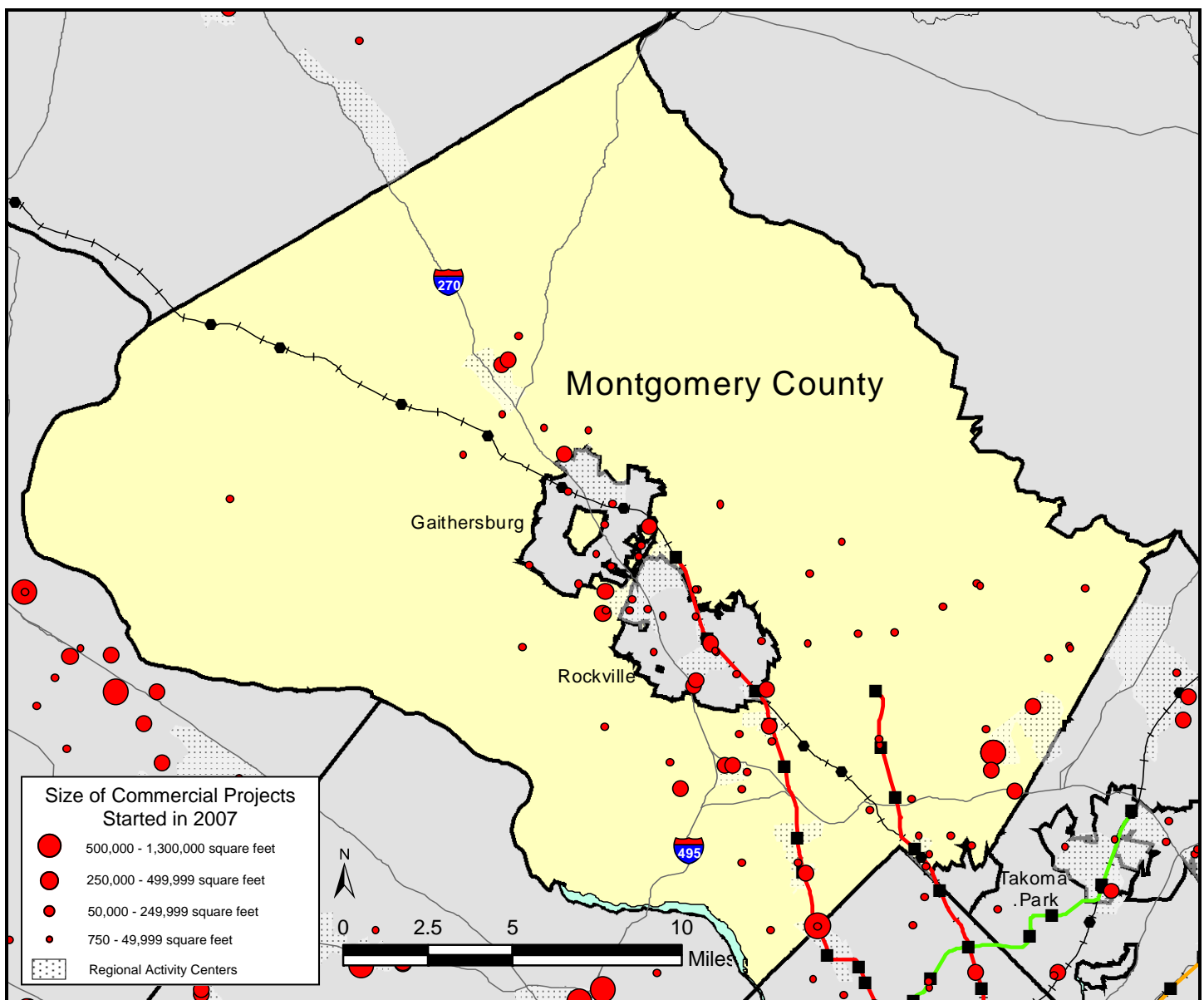
- ◆ In 2007, Loudoun County added 65 projects creating **more than 3.7 million square feet** of space. The County held steady by adding the same amount of square footage as recorded in the previous year.
- ◆ The largest projects in Loudoun County were the **Visa Data Center**, which added nearly 366,000 square feet and **Fort Evan Plaza 2** which added 273,000 square feet of retail space.



2007 Commercial Construction within Jurisdictions

MONTGOMERY COUNTY

- ◆ Montgomery County added 83 commercial construction projects and **more than 4.7 million square feet** in 2007. This amount of construction represented a 28 percent increase from the preceding year.
- ◆ The top three office projects in Montgomery County in 2007 were all located at the **FDA Headquarters at White Oak** with 481,000 square feet, 399,000 square feet, and 394,000 square feet, respectively. Other noteworthy projects include the **Wisconsin Place office building** with 350,000 square feet of space.



2007 Commercial Construction within Jurisdictions

CITY OF GAITHERSBURG

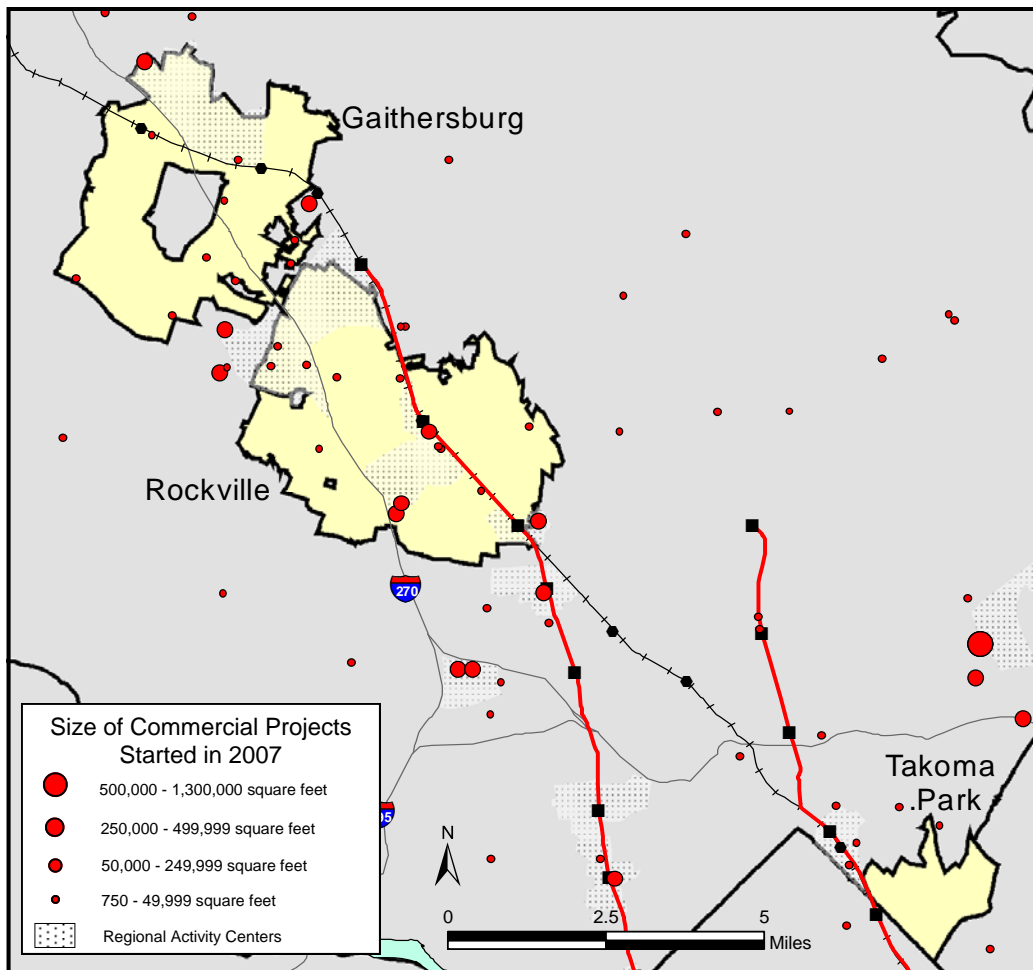
- ◆ Nine commercial construction projects added **177,000 square feet** of space to the City of Gaithersburg in 2007. The largest project was the **Travis Avenue Self Storage** facility with 100,000 square feet of space.

CITY OF ROCKVILLE

- ◆ Thirteen commercial construction projects added more than **624,000 square feet** of space to the City of Rockville in 2007. The **Tower II** office building was the largest project, adding more than 198,000 square feet of space. **The Preserve at Tower Oaks** office building and the **21 Church Street** office building added 189,000 square feet and 93,000 square feet of space, respectively.

CITY OF TAKOMA PARK

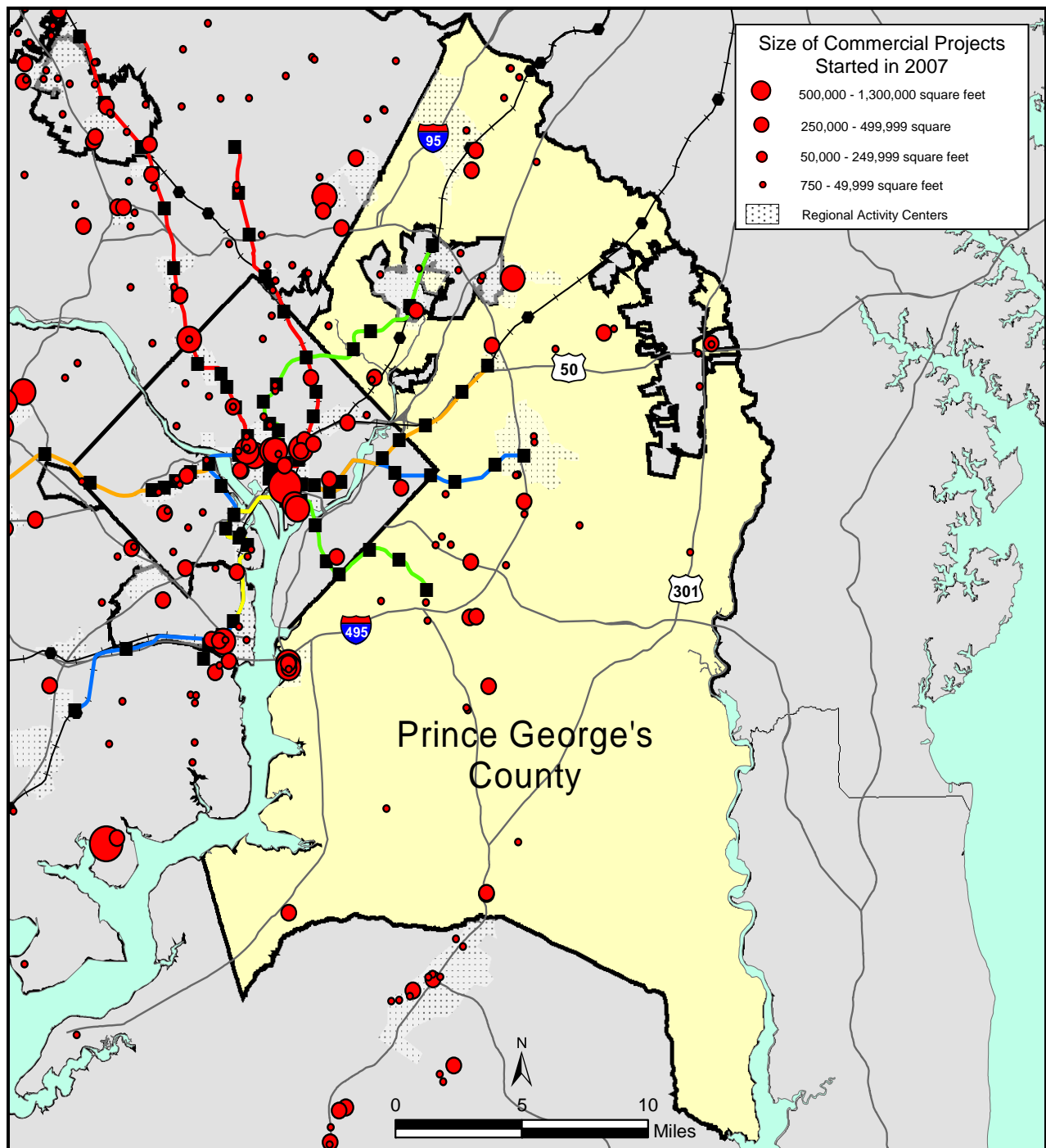
- ◆ No major commercial construction projects started in the City of Takoma Park in 2007.



2007 Commercial Construction within Jurisdictions

PRINCE GEORGE'S COUNTY

- ◆ Prince George's County added 60 new commercial construction projects in 2007 with **4.0 million square feet** of space, an increase of 56 percent from the previous year.
- ◆ Commercial construction continued at **National Harbor** in 2007 with the two largest projects, the Starwood Aloft hotel, and a retail building with parking and a security command center creating **474,000 square feet** and **360,000 square feet**, respectively.
- ◆ Another notable project, the **Exploration Sciences Building** at Goddard Space Flight Center, added 265,000 square feet of space.



2007 Commercial Construction within Jurisdictions

CITY OF BOWIE

- ◆ Four commercial construction projects were started in the City of Bowie in 2007. They added over **189,000 square feet** of new space. The largest projects were located in the Maryland Science and Technology Center. These two projects added 150,000 square feet and 28,000 square feet of office space.

CITY OF COLLEGE PARK

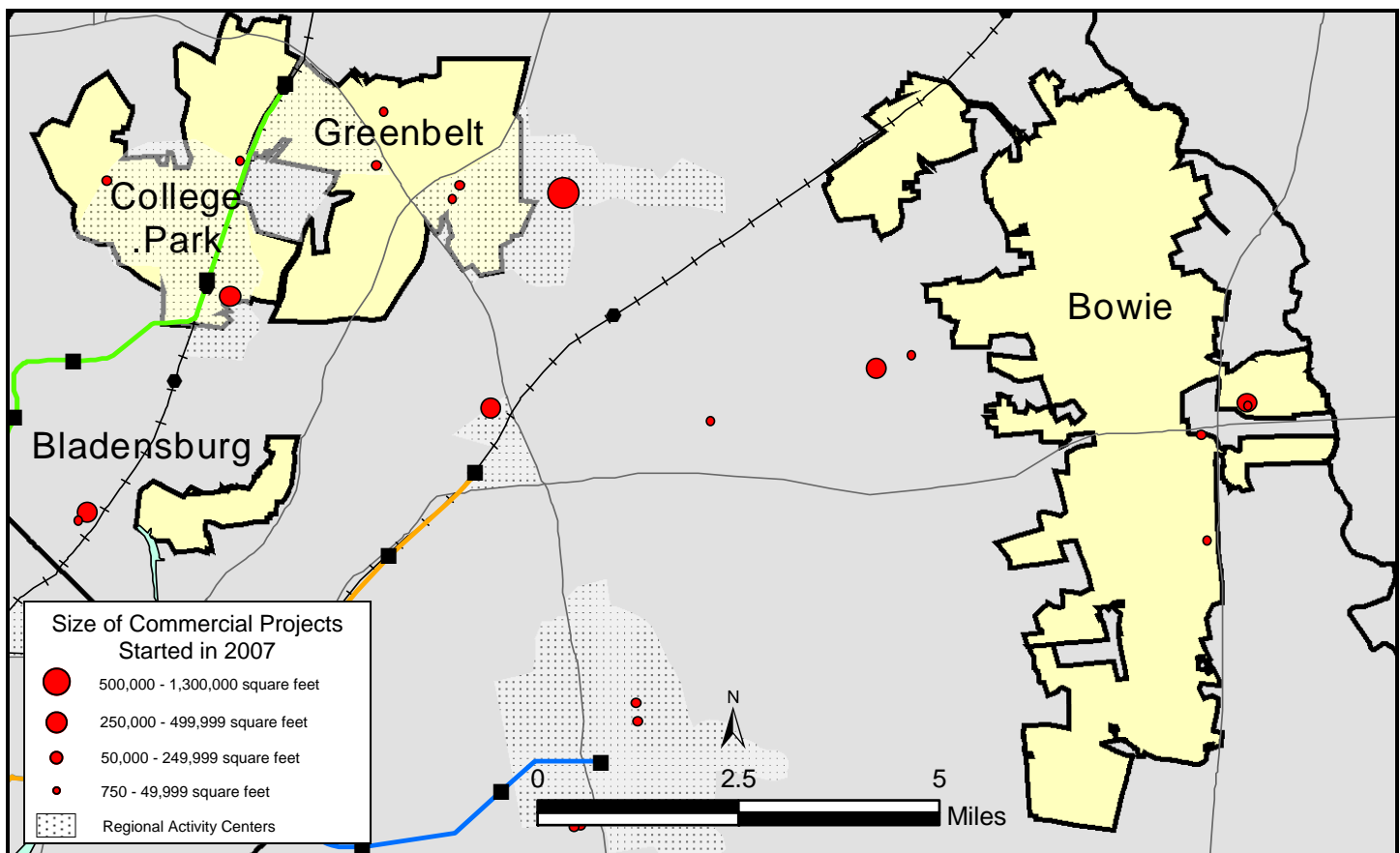
- ◆ Three commercial construction projects were started in the City of College Park in 2007. They added **126,500 square feet** of new space. The largest project was the **M-Square Office Building**, adding **120,000 square feet** of space.

CITY OF GREENBELT

- ◆ Four commercial project were started in the City of Greenbelt in 2007. The largest project was the **Greenbelt Ambulatory Care Center** with 42,300 square feet of space.

TOWN OF BLADENSBURG

- ◆ No major commercial construction projects started in the Town of Bladensburg in 2007.



2007 Commercial Construction within Jurisdictions

PRINCE WILLIAM COUNTY

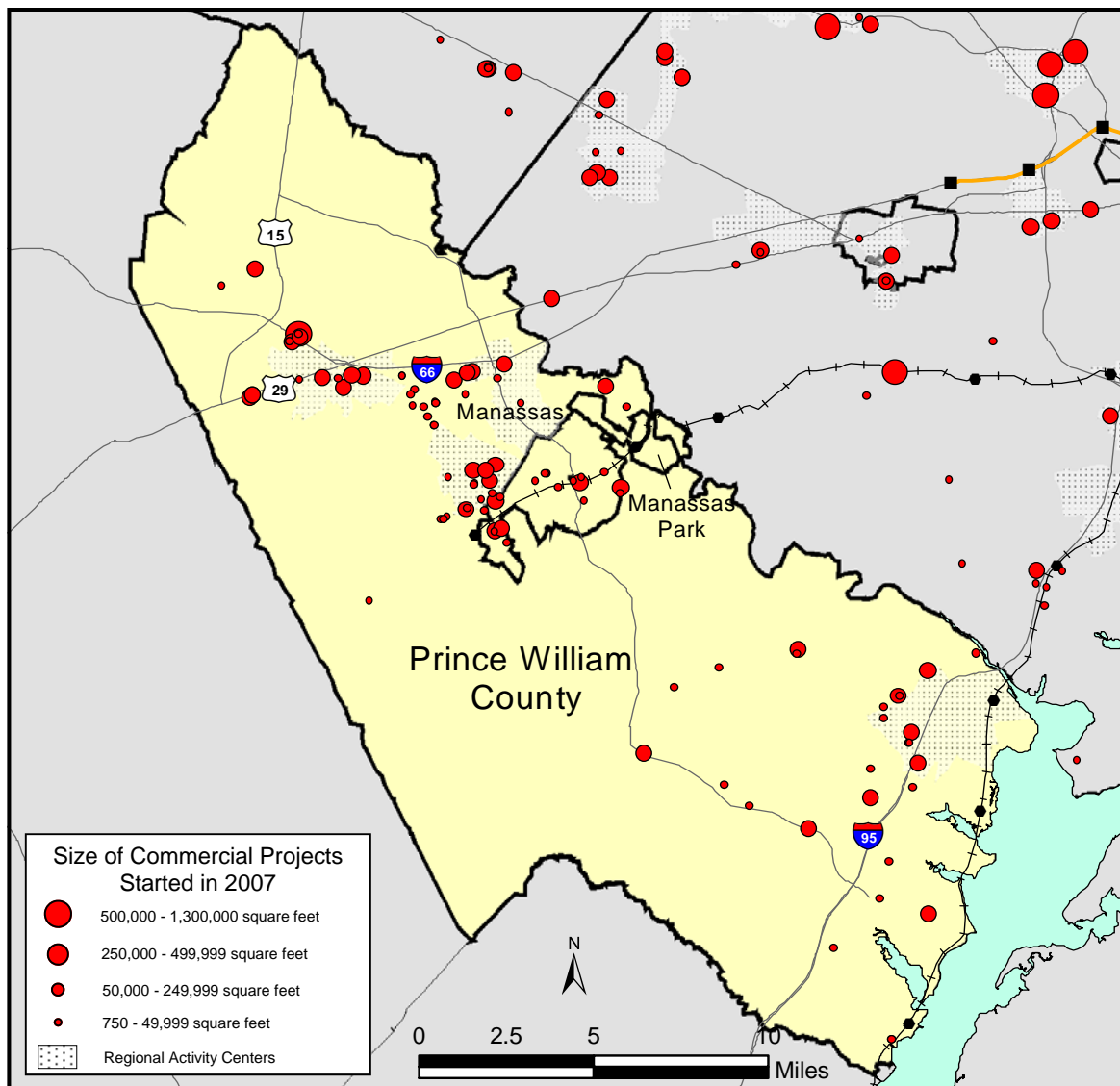
- ◆ Prince William County added 82 commercial construction projects in 2007 and **nearly 4.7 million square feet**, an increase of 22 percent from the preceding year.
- ◆ **The Corporate Center at Heritage Hunt** was the largest project in 2007, adding **300,000 square feet** of space.
- ◆ Other significant projects include the FBI Northern Virginia Resident Agency building with 238,000 square feet of space and the McLane Food Service Distribution Facility with 235,000 square feet space.

CITY OF MANASSAS

- ◆ Sixteen projects began in the City of Manassas in 2007, totaling more than 662,000 square feet. The largest project was the **VRE parking garage** with **nearly 174,000 square feet** of space.

CITY OF MANASSAS PARK

- ◆ No commercial construction projects started in the City of Manassas Park.



Metrorail and Commuter Rail Station Areas

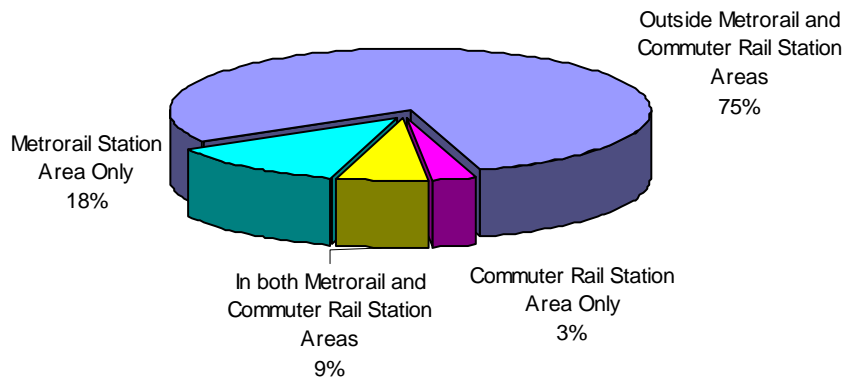
METRORAIL STATION AREAS

- ◆ **Fifty-six projects** totaling **more than 6.0 million square feet** of space were started in Metrorail station areas in 2007. Metrorail station areas are defined as the half-mile radius surrounding each station.
- ◆ These projects accounted for **18 percent of the region's total construction**, compared with 28 percent in 2006.
- ◆ Construction around the **Federal Center SW** station area resulted in 701,000 square feet of space. The **New York Avenue** station area gained nearly 700,000 square feet of space, while the **Navy Yard** station area added 685,000 square feet of space. All three of the station areas are located in the District of Columbia.

COMMUTER RAIL STATION AREAS

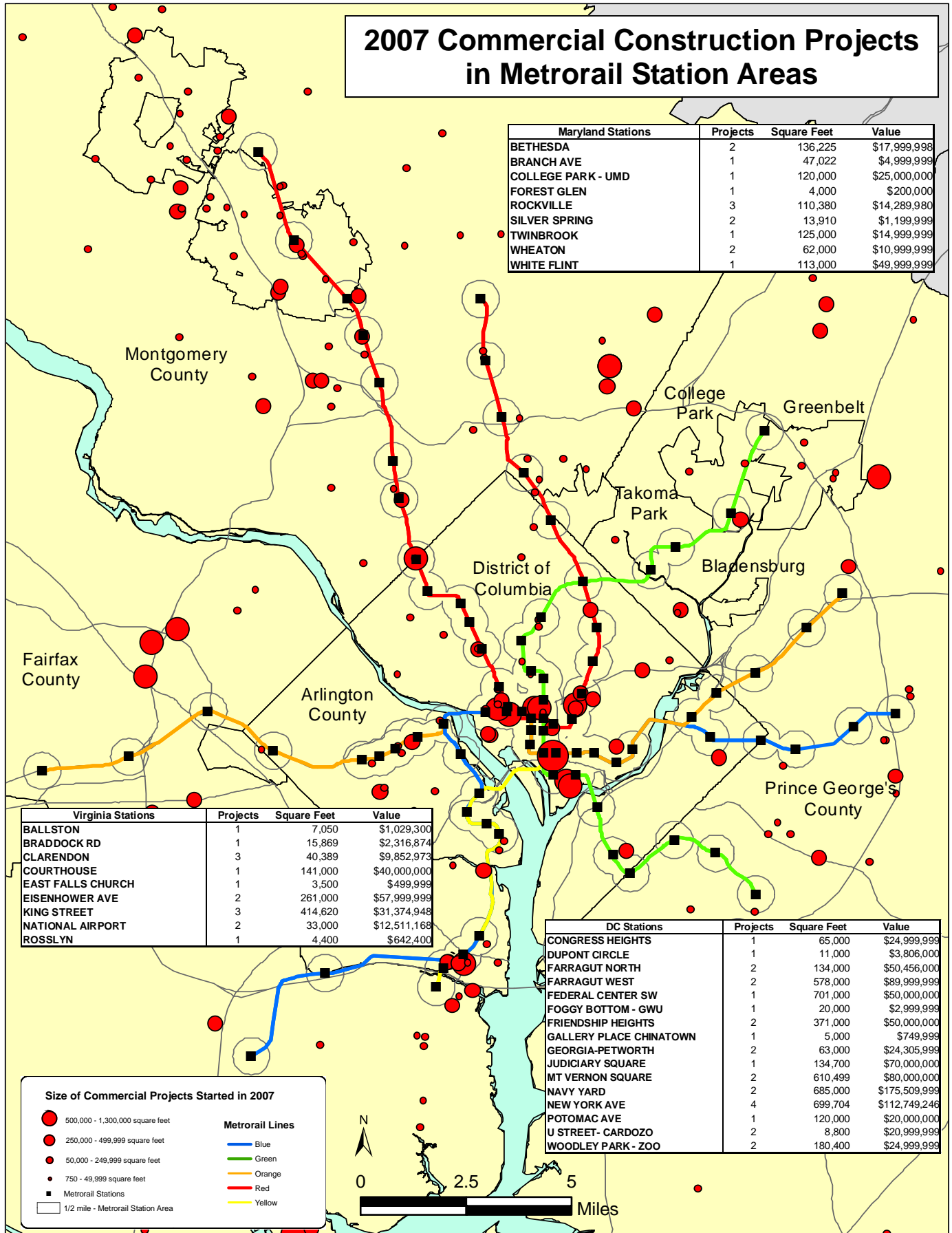
- ◆ **Twenty-three** commercial construction projects, totaling over **3.0 million square feet** of space, were started in Commuter Rail Station Areas in 2007. Commuter rail station areas are defined as the half-mile radius surrounding each station. These projects account for nine percent of the region's total construction, compared with eight percent in 2006.
- ◆ Construction around the **L'Enfant Plaza** station area resulted in 701,000 square feet of space. The **Alexandria** station area gained nearly 676,000 square feet of space, while the **Union Station** area added 440,000 square feet of space.

2007 Commercial Construction Projects
in Metrorail and Commuter Rail Station Areas

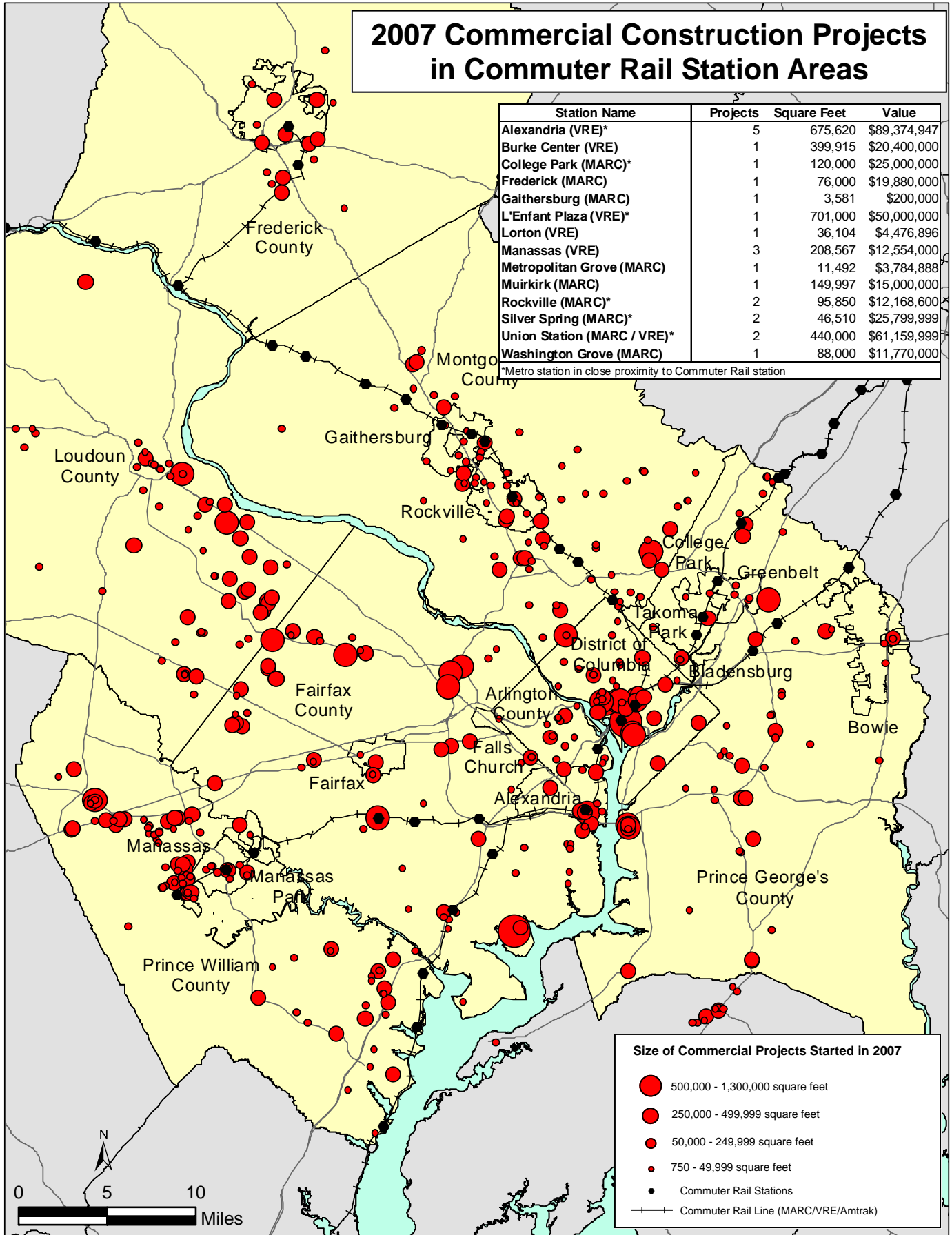


Commercial Construction in the Washington Region in Metrorail and Commuter Rail Station Areas				Percent of Regional Commercial Construction
	Projects	Square Feet	Value	
Metrorail Station Area Total	56	6,039,468	\$1,097,494,872	18%
Outside Metrorail Station Area Total	417	26,719,083	\$4,537,467,943	72%
Regional Total	473	32,758,551	\$5,634,962,815	
Commuter Rail Station Area Total	23	3,052,636	\$351,569,329	9%
Outside Commuter Rail Station Area Total	450	29,705,915	\$5,283,393,486	91%
Regional Total	473	32,758,551	\$5,634,962,815	
Metrorail and Commuter Rail Station Area Total	66	7,013,124	\$1,185,560,656	21%
Outside Metrorail and Commuter Rail Station Area Total	407	25,745,427	\$4,449,402,159	79%
Regional Total	473	32,758,551	\$5,634,962,815	

Metrail and Commuter Rail Station Areas



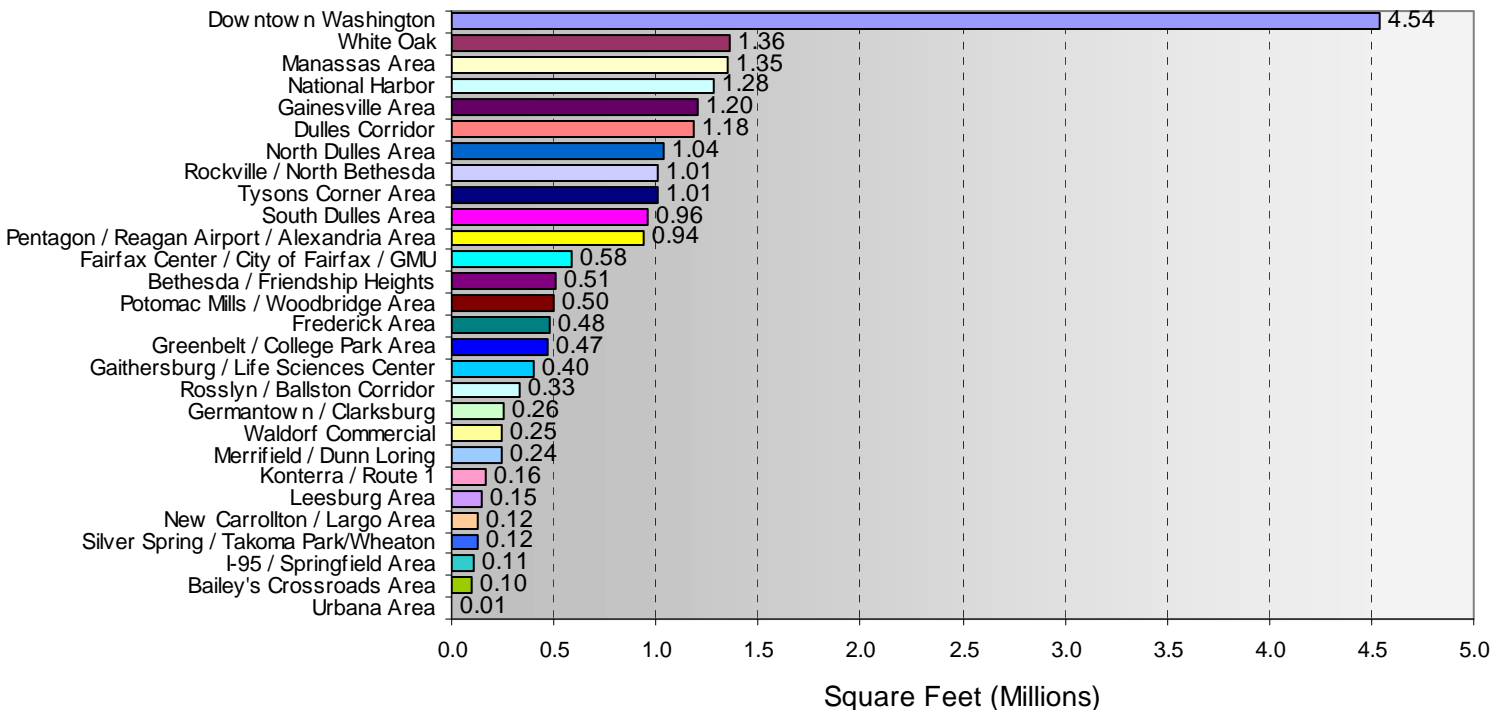
Metrorail and Commuter Rail Station Areas



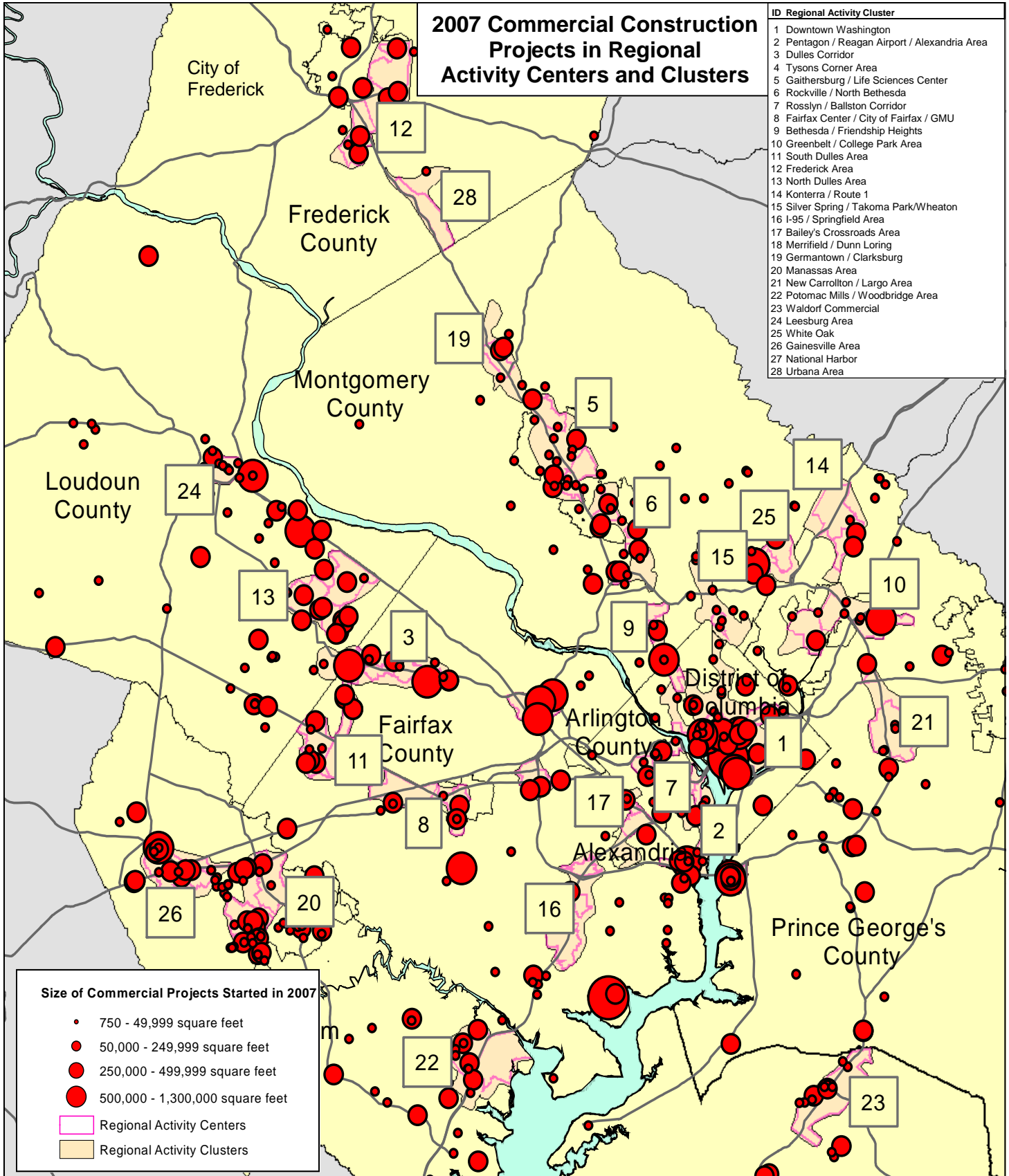
Regional Activity Centers and Clusters

- ◆ A total of **161 commercial projects**, contributing nearly **15.7 million square feet** of space, were started in **Regional Activity Centers** in 2007. The new space accounts for 48 percent of the region's new construction activity, compared with 58 percent in 2006. The **Downtown Washington** activity center captured the largest share of new commercial development, with 16 projects and nearly 2.5 million square feet of space. **Federal Center/Southwest/ Navy Yard** had the second highest amount of space, with nearly 1.4 million square feet.
- ◆ A total of **235 commercial projects** and nearly **20.7 million square feet** of space began construction in **Regional Activity Clusters** in 2007. The development represents 63 percent of the region's new commercial construction activity, compared with 67 percent in 2006. **Downtown Washington** received the greatest amount of space, with 30 projects and **over 4.5 million square feet** of space.

**2007 Commercial Construction Projects
by Regional Activity Cluster**



Regional Activity Centers and Clusters



Regional Activity Centers and Clusters

Commercial Construction in the Washington Region, 2007 by Regional Activity Center

ID	Regional Activity Center	2007			Percent of Regional Commercial Construction
		Projects	Square Feet	Value	
DC CORE					
1	Downtown Washington	16	2,479,199	\$457,261,242	
2	Federal Center/Southwest	3	1,386,000	\$225,509,999	
3	Georgetown	0	0	\$0	
4	Monumental Core	0	0	\$0	
5	New York Avenue	0	0	\$0	
	Subtotal	19	3,865,199	\$682,771,241	11.8%
MIXED-USE CENTERS					
6	Eisenhower Avenue	4	657,688	\$89,174,947	
7	Downtown Alexandria	3	55,801	\$7,516,873	
8	Ballston/Virginia Square	1	7,050	\$1,029,300	
9	Clarendon/Court House	4	181,389	\$49,852,973	
10	Crystal City	0	0	\$0	
11	Pentagon City	0	0	\$0	
12	Rosslyn	1	4,400	\$642,400	
13	Friendship Heights	2	371,000	\$50,000,000	
14	Bailey's Crossroads/Skyline	2	85,562	\$11,999,999	
15	Bethesda CBD	2	136,225	\$17,999,998	
16	Silver Spring CBD	3	51,510	\$26,199,998	
17	White Flint	1	113,000	\$49,999,999	
18	Twinbrook	1	125,000	\$14,999,999	
	Subtotal	24	1,788,625	\$319,416,486	5.5%
EMPLOYMENT CENTERS					
19	The Pentagon	0	0	\$0	
20	Herndon	1	60,146	\$9,999,999	
21	Merrifield/Dunn Loring	2	242,900	\$24,000,000	
22	Reston East	2	422,675	\$26,755,700	
23	Reston West	1	3,000	\$850,000	
24	Tysons Corner	2	605,970	\$75,140,280	
25	National Institutes of Health	0	0	\$0	
26	Rock Spring Park	2	400,419	\$74,999,998	
	Subtotal	10	1,735,110	\$211,745,977	5.3%
SUBURBAN EMPLOYMENT CENTERS					
27	Beauregard Street	0	0	\$0	
28	Waldorf Commercial	10	246,563	\$21,899,998	
29	Beltway South	0	0	\$0	
30	Dulles Corner	1	354,802	\$65,000,000	
31	Dulles East	2	265,011	\$39,588,662	
32	Dulles West	7	499,648	\$56,147,829	
33	Fairfax Center	2	159,300	\$25,976,000	
34	I-95 Corridor/Engineer Proving Ground	0	0	\$0	
35	Springfield	1	110,598	\$9,999,999	
36	City of Fairfax-GMU	5	425,671	\$67,549,998	
37	Md. 85/355 Evergreen Point	3	307,600	\$17,099,999	
38	Downtown Leesburg	5	132,281	\$11,519,682	
39	Corporate Dulles	7	491,228	\$71,920,985	
40	Germantown	1	166,292	\$20,000,000	
41	North Frederick Avenue	2	103,581	\$3,400,000	
42	Rockville Town Center	5	302,116	\$64,952,091	
43	Shady Grove/King Farm/Life Sciences Center	4	137,400	\$31,898,598	
44	White Oak	1	86,700	\$9,999,999	
45	US 1 Green Line	4	155,240	\$35,649,998	
46	Greenbelt	3	310,600	\$61,749,998	
47	New Carrollton	1	56,285	\$4,999,999	
48	US 1	1	12,195	\$2,999,999	
49	Konterra	0	0	\$0	
50	Potomac Mills	6	388,444	\$44,941,498	
	Subtotal	71	4,711,555	\$667,295,332	14.4%
EMERGING EMPLOYMENT CENTERS					
51	Airport/Monocacy Blvd.	2	170,076	\$16,783,710	
52	Urbana	0	0	\$0	
53	Route 28 North	2	137,488	\$25,249,878	
54	Largo Center	2	30,964	\$3,499,998	
55	National Harbor	6	1,283,700	\$156,999,997	
56	Bull Run - Sudley Area	5	363,543	\$40,149,999	
57	Innovation	11	872,083	\$156,149,996	
58	Gainesville	9	709,485	\$84,809,997	
59	Woodbridge	0	0	\$0	
	Subtotal	37	3,567,339	\$483,643,575	10.9%
	Inside Regional Activity Centers	161	15,667,828	\$2,364,872,611	47.8%
	Outside Regional Activity Centers	312	17,090,723	\$3,270,090,204	52.2%
	Regional Total	473	32,758,551	\$5,634,962,815	100.0%

Regional Activity Centers and Clusters

Commercial Construction in the Washington Region, 2007

by Regional Activity Cluster

ID Regional Activity Cluster	2007			Percent of Regional Commercial Construction
	Projects	Square Feet	Value	
1 Downtown Washington	30	4,537,603	\$820,527,237	13.9%
2 Pentagon / Reagan Airport / Alexandria Area	12	942,102	\$125,934,298	2.9%
3 Dulles Corridor	11	1,180,953	\$156,607,789	3.6%
4 Tysons Corner Area	3	1,005,970	\$124,740,280	3.1%
5 Gaithersburg / Life Sciences Center	14	403,660	\$65,762,391	1.2%
6 Rockville / North Bethesda	12	1,010,035	\$270,806,196	3.1%
7 Rosslyn / Ballston Corridor	8	329,239	\$93,724,673	1.0%
8 Fairfax Center / City of Fairfax / GMU	7	584,971	\$93,525,998	1.8%
9 Bethesda / Friendship Heights	4	507,225	\$67,999,998	1.5%
10 Greenbelt / College Park Area	7	469,100	\$92,399,996	1.4%
11 South Dulles Area	11	958,499	\$119,772,651	2.9%
12 Frederick Area	5	477,676	\$33,883,709	1.5%
13 North Dulles Area	13	1,039,417	\$126,341,359	3.2%
14 Konterra / Route 1	2	162,192	\$17,999,999	0.5%
15 Silver Spring / Takoma Park/Wheaton	7	122,510	\$37,849,997	0.4%
16 I-95 / Springfield Area	1	110,598	\$9,999,999	0.3%
17 Bailey's Crossroads Area	3	99,872	\$13,774,439	0.3%
18 Merrifield / Dunn Loring	2	242,900	\$24,000,000	0.7%
19 Germantown / Clarksburg	4	255,592	\$39,854,998	0.8%
20 Manassas Area	20	1,354,774	\$201,078,775	4.1%
21 New Carrollton / Largo Area	5	124,205	\$13,799,995	0.4%
22 Potomac Mills / Woodbridge Area	10	496,268	\$59,072,938	1.5%
23 Waldorf Commercial	10	246,563	\$21,899,998	0.8%
24 Leesburg Area	7	151,436	\$18,675,782	0.5%
25 White Oak	4	1,359,500	\$232,335,469	4.2%
26 Gainesville Area	16	1,202,059	\$149,209,994	3.7%
27 National Harbor	6	1,283,700	\$156,999,997	3.9%
28 Urbana Area	1	9,715	\$650,000	0.0%
Inside Regional Activity Clusters	235	20,668,334	\$3,189,228,955	63.1%
Outside of Regional Activity Clusters	238	12,090,217	\$2,445,733,860	36.9%
Regional Total	473	32,758,551	\$5,634,962,815	100%

COMMERCIAL CONSTRUCTION DEFINITIONS

PROJECT: Any non-residential project with estimated construction costs of \$200,000 or more reported by McGraw-Hill Construction, or local government planning and economic development offices as under construction.

START: Any project under construction or the demolition of an existing building for redevelopment of the site.

COMMERCIAL CONSTRUCTION: All non-residential development initiated in the metropolitan Washington region. This includes office buildings as well as other structure types listed below that create new employment space.

STRUCTURE TYPE:

Retail: Any building to be used exclusively for retail commercial purposes, including shopping centers, shopping malls, restaurants, and theaters.

Educational/Medical: Any facility to be used for educational or medical services such as a school, research building of a college or university, medical office, hospital, or clinic.

Office: Any building that will provide office space or serve an administrative function for public or local government use. This category often includes buildings that contain small amounts of street access retail without mixed-use or special zoning.

Mixed Use: Any project that combines the use of properties in a large-scale development. These projects are either in parcels

zoned for mixed use or have received a special exception to existing zoning. A mixed-use project would be any combination of office, retail, hotel, or residential space.

Research and Development: Separate facilities for research and development purposes distinguished from warehouse, manufacturing, distribution, or medical services facilities.

Hotel/Motel: Any hotel or motel facility. Does not include tourist homes or other residential buildings.

Other: Flex buildings, warehouses, recreational buildings (both private and school-related), gas stations, churches, funeral homes, childcare centers, and other miscellaneous non-residential buildings. This category also includes non-office institutional buildings such as libraries and courts.

SQUARE FEET: The total gross square footage of a building. In some projects, this figure may include parking. This figure does not include lot acreage.

CONSTRUCTION COST: The total *estimated* cost for construction to complete the building. This figure does not include "soft" costs for site location, engineering, architectural services, or site acquisition.

This report includes revised data for previous construction. The revisions incorporate projects noted as under contract or under construction in earlier reports that were later dropped or deferred.

Commercial Construction Indicators Report

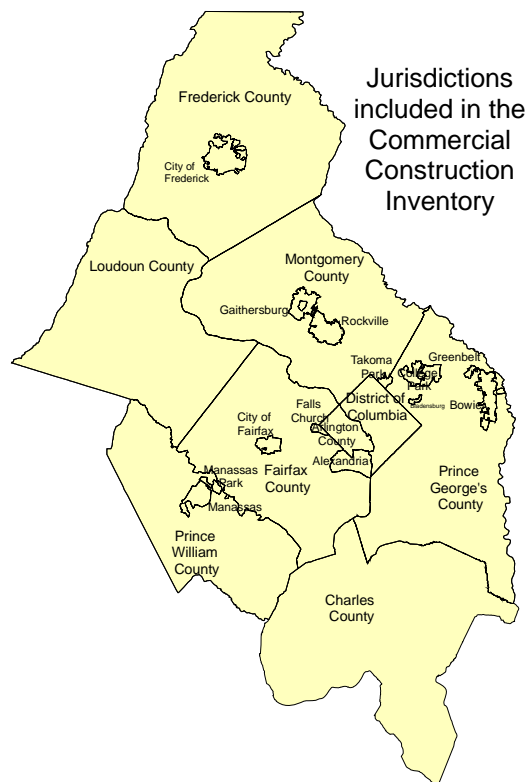
ABOUT COG'S COMMERCIAL CONSTRUCTION INVENTORY

Each year, the Metropolitan Washington Council of Governments (COG) releases a summary of the findings from its Commercial Construction Inventory. This report provides information on the level of commercial construction activity in the region during the previous year. The report provides details by jurisdiction, structure type, relationship to Metrorail stations, and more.

The Commercial Construction Inventory includes major non-residential projects that are under construction in the Washington region. The inventory only includes projects with estimated construction costs of more than \$200,000. The inventory includes both commercial properties and other projects that add employment space, and in many cases includes associated parking structures.

In this report, the "Washington region" refers to the area surrounding the city of Washington, D.C. The Washington region comprises the following jurisdictions: the District of Columbia; the Maryland suburbs of Charles, Frederick, Montgomery, and Prince George's Counties, and the Cities of Bowie, College Park, Frederick, Gaithersburg, Greenbelt, Rockville, Takoma Park, and the Town of Bladensburg; and the Virginia suburbs of Arlington, Fairfax, Loudoun, and Prince William Counties, and the Cities of Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park.*

*This definition of the Washington region differs from the Office of Management and Budget 1993 definition of the Washington Primary Metropolitan Statistical Area (PMSA) and from their 2003 definition of the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA).



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