

COMMERCIAL CONSTRUCTION INDICATORS

Information on the number, location, structure type, and size of new development projects in metropolitan Washington

2016 Edition



Metropolitan Washington
Council of Governments

COMMERCIAL CONSTRUCTION INDICATORS 2016

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ABOUT COG

The Metropolitan Washington Council of Governments (COG) is an independent, nonprofit association that brings area leaders together to address major regional issues in the District of Columbia, suburban Maryland, and Northern Virginia. COG's membership is comprised of 300 elected officials from 24 local governments, the Maryland and Virginia state legislatures, and U.S. Congress.

CREDITS

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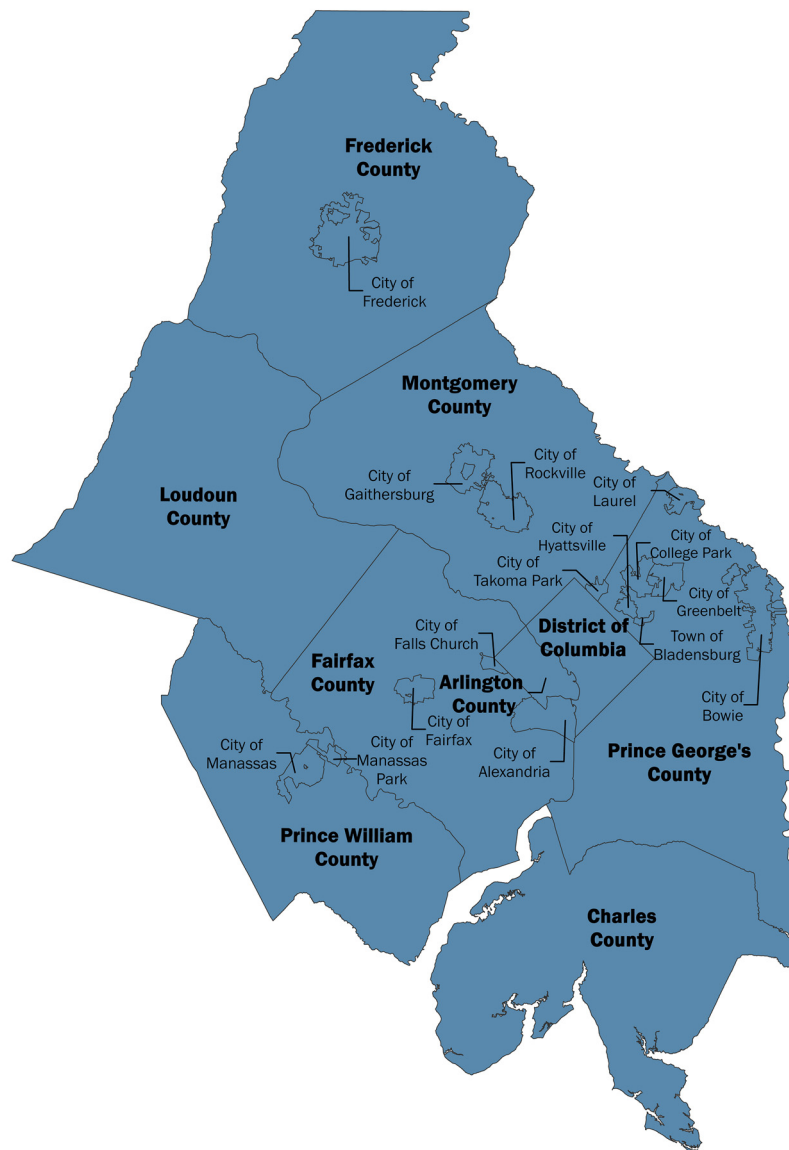
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ABOUT COG'S COMMERCIAL CONSTRUCTION INVENTORY

The Commercial Construction Inventory focuses on “non-residential” projects that have been completed in metropolitan Washington. These include office, retail, industrial, flex, healthcare, religious, educational, utility, and some government properties and other projects that develop employment space, and in many cases, include associated parking structures. The inventory is limited to projects that create new or additional space. Metropolitan Washington Council of Governments (COG) staff compiled this report by analyzing commercial property records from the CoStar subscription database (www.costar.com).

In this report, the metropolitan Washington region refers to the areas surrounding the District of Columbia that are members of COG, shown below.

Figure 1. COG represents 24 local governments in the multi-state metropolitan Washington region.



Commercial Construction at a Glance

Commercial construction in the metropolitan Washington region rebounded in 2016 to the highest point in seven years. The commercial real estate market is still underperforming pre-recession levels, particularly in the office sector. More than 12.4 million square feet of new commercial space were added in 2016 from 160 new buildings. This represents an increase of more than five million square feet from 2015.

Northern Virginia produced 5.7 million square feet of commercial construction in 2016. Suburban Maryland and the District of Columbia added 4.4 and 2.3 million square feet respectively.

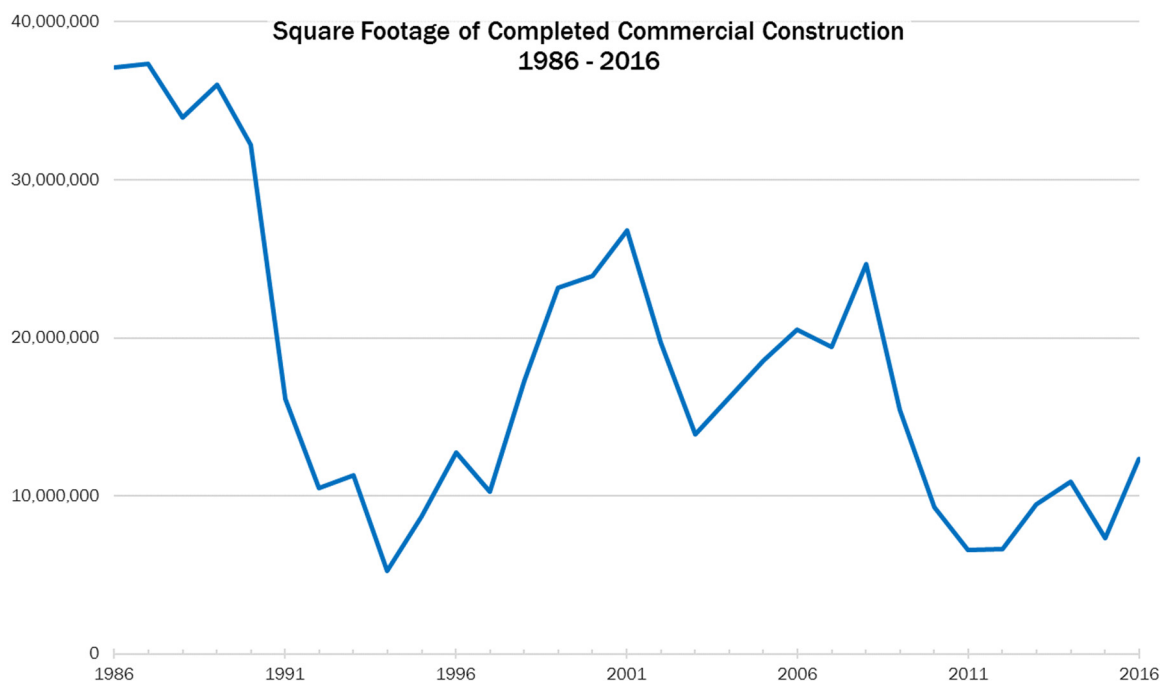
Collectively, inner suburban jurisdictions led regional commercial construction with 41 percent of all projects in the metropolitan Washington region. Outer suburban jurisdictions hosted 40 percent of construction while 20 percent of area construction was built in the region's central jurisdictions.

Figure 2. Definition of Jurisdiction 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, Hyattsville, Laurel, 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.

From 2015 to 2016, commercial construction within Activity Centers increased 49 percent. In 2016, 54 percent of all commercial construction occurred within Activity Centers. Typically, between 65 to 75 percent of construction has been sited in such communities.

Figure 3



Source: CoStar, COG

Twenty-three buildings representing 23 percent of all regional commercial construction by square feet were sited within a half mile of a Metrorail station in 2016. Construction in station areas increased 40 percent from 2015.

Industrial or flex space held the greatest share of commercial construction in 2016, creating 33 percent of the region's new space. The 4.1 million square feet of new industrial or flex space is the most since 2008 and was driven primarily by warehouse construction and data centers. Warehouses comprised 38 percent of all new industrial or flex space built in 2016, while data centers were 31 percent of all industrial or flex construction. Four of the ten largest projects by square feet were industrial or flex buildings, including Costco's new 600,000 square foot distribution center in Monrovia, Frederick County. The largest single project completed in the Washington region was the 24-story, 945,288 square foot MGM National Harbor Hotel Casino in Prince George's County. While office buildings have historically led the regional commercial construction market, new office space represented only 20 percent of total new commercial space. Retail space represented 13 percent of all commercial construction.

The overall regional vacancy rate for commercial space was 10.5 percent at the end of 2016. Vacancy rates remain high compared to both current national trends and regional historical trends.

Figure 4. Ten Largest Projects by Rentable Building Area from 2012 to 2015

Project Name	Year	Land Use	Street Address	Jurisdiction	Stories	RBA
Marriott Marquis	2014	Hotel	901 Massachusetts Ave NW, Washington, DC	District of Columbia	14	1,262,000
National Cancer Institute	2012	Office	9609 Medical Center Dr, Rockville, MD	Montgomery County	7	585,130
1812 North Moore	2013	Office	1812 N Moore St, Arlington VA	Arlington County	35	535,381
Tysons Tower	2014	Office	7900 Tysons One Pl, McLean, VA	Fairfax County	22	528,290
NIAID	2014	Office	5601 Fishers Ln, Rockville, MD	Montgomery County	10	515,717
601 Mass Ave	2015	Office	601 Massachusetts Ave NW, Washington, DC	District of Columbia	11	478,882
NPR HQ	2013	Office	1111 N Capitol St NE, Washington, DC	District of Columbia	7	450,000
ACC7	2014	Flex (Data Center)	21625 Gresham Dr, Ashburn, VA	Loudoun County	1	407,820
1717 K Street	2012	Office	1717 K St NW, Washington, DC	District of Columbia	12	385,791
Landover Logistics Center	2013	Industrial (Distribution)	1811 Cabin Branch Dr, Landover, MD	Prince George's County	1	360,550

Source: CoStar, COG

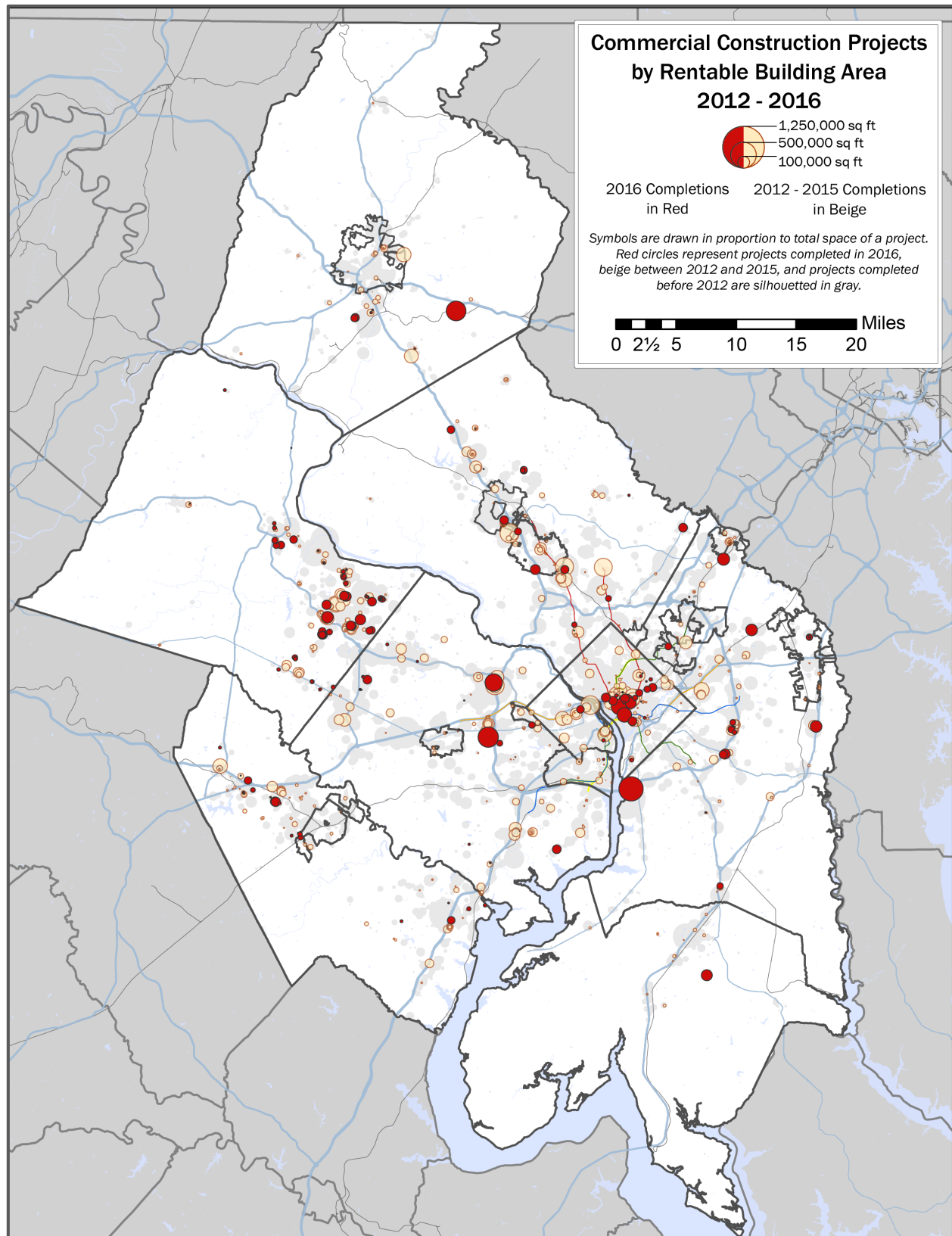
Figure 5. Ten Largest Projects by Rentable Building Area in 2016

Project Name	Land Use	Street Address	Jurisdiction	Stories	RBA*
MGM National Harbor	Hotel Casino	1 National Harbor Blvd, Oxon Hill, MD	Prince George's County	24	945,288
Inova Women and Children's Hospital	Hospital	3300 Gallows Rd, Falls Church, VA	Fairfax County	11	660,000
Costco Distribution Center	Industrial (Distribution)	5151 Intercoastal Ct, Monrovia, MD	Frederick County	1	600,000
The Corporate Office Centre @ Tysons II	Office	1775 Tysons Blvd, McLean, VA	Fairfax County	18	476,913
600 Mass Ave	Office	600 Massachusetts Ave NW, Washington, DC	District of Columbia	10	401,172
Clarksburg Premium Outlets at Cabin Branch	Retail (Outlet Center)	22705 Clarksburg Rd, Clarksburg, MD	Montgomery County	2	345,946
National Square	Office	500 D St SW, Washington, DC	District of Columbia	12	341,281
The Brick Yard - Building J	Industrial (Warehouse)	13150 Mid Atlantic Blvd, Laurel, MD	Prince George's County	1	236,471
Staybridge Suites	Hotel	10500 Eastgate Dr, Hyattsville, MD	Prince George's County	4	228,604
44100 Digital Loudoun Plaza	Flex (Data Center)	44100 Digital Loudoun Plz, Ashburn, VA	Loudoun County	1	221,000

*The ten largest projects combine to make up 36% of the region's 12.4 million square feet of combined new rentable building area

Source: CoStar, COG

Figure 6



Source: CoStar, COG

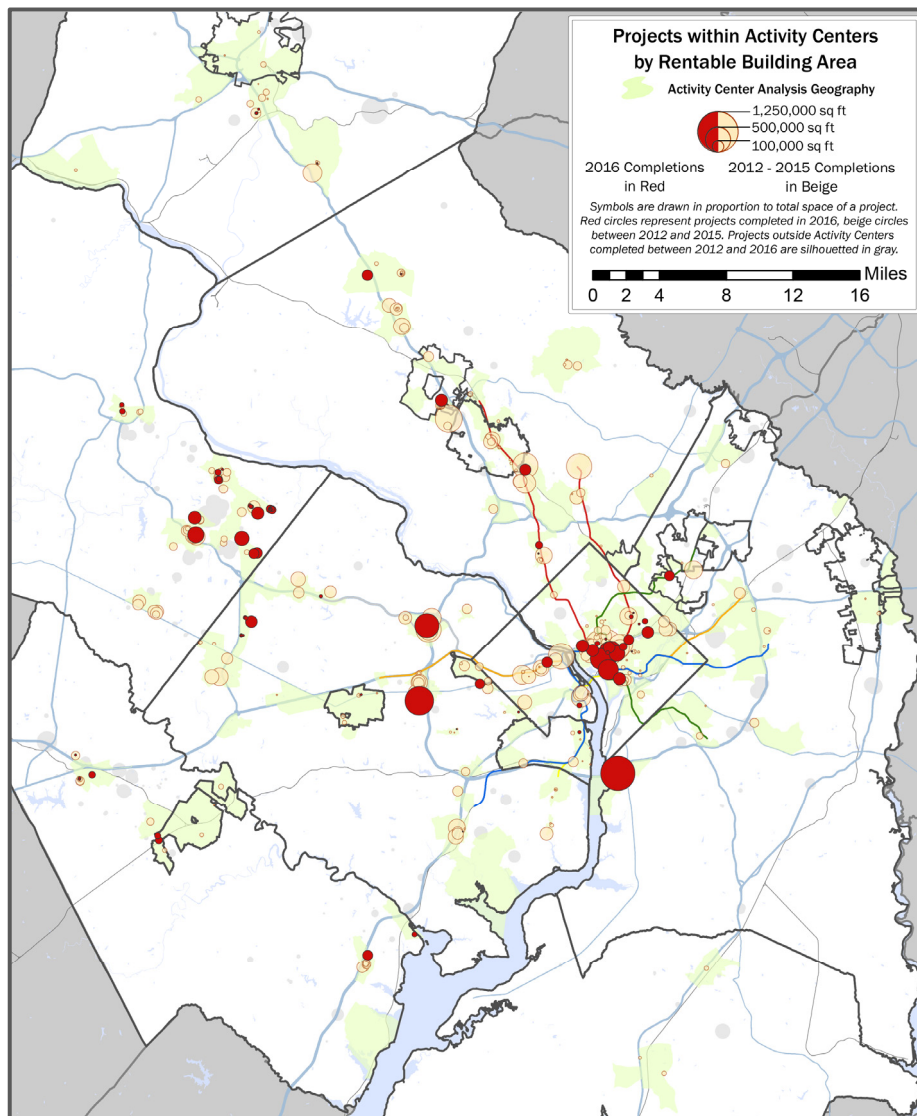
Activity Centers

Activity Centers are the locations that will accommodate the majority of the region's future growth. They include existing urban centers, priority growth areas, traditional towns, and transit hubs. In 2013, the COG Board of Directors approved 141 Activity Centers for the metropolitan Washington region.

From 2012 through 2015, 70 percent of all construction measured by square feet of development was in Activity Centers; in 2016, the share fell to 54 percent.

The 945,288 square foot MGM National Harbor Casino Hotel made National Harbor the Activity Center with the most new square footage in 2016. Between 2012 and 2015, twelve projects at three million total square feet were completed in the Downtown DC Activity Center, making it the region's leader for the four-year period.

Figure 7



Source: CoStar, COG

Figure 8 Activity Centers Totals

Activity Center	Built Prior to 2016			2016 Completions			Est. 2016 Year End Vacancy Rate		
	Buildings	Square Feet	Regional Share	Buildings	Square Feet	Regional Share	Office	Retail	Industrial / Flex
Annandale	11	740,394	0.1%	0	0	0.0%	14.6%	3.4%	0.0%
Arcola	57	2,946,826	0.3%	4	127,000	1.0%	19.9%	12.5%	0.0%
Ashburn	68	5,487,138	0.5%	2	361,000	2.9%	6.3%	7.3%	1.6%
Ashburn Station	169	7,356,431	0.7%	1	6,242	0.1%	17.1%	2.9%	17.1%
Baileys Crossroads-Western Gateway	75	9,575,252	0.9%	0	0	0.0%	41.3%	0.1%	2.3%
Ballston	41	857,571	0.1%	0	0	0.0%	18.2%	4.1%	0.0%
Beacon-Groveton	55	4,552,197	0.4%	0	0	0.0%	58.4%	0.3%	0.0%
Beauregard	106	6,489,338	0.6%	0	0	0.0%	38.0%	5.3%	0.0%
Beltway South	456	12,617,886	1.2%	2	52,800	0.4%	14.7%	2.9%	22.0%
Bethesda	1	13,000	0.0%	0	0	0.0%	9.3%	3.9%	23.4%
Bowie MARC	102	4,322,720	0.4%	0	0	0.0%	--	--	--
Bowie Town Center	378	6,670,486	0.6%	0	0	0.0%	16.1%	2.8%	20.7%
Braddock Road Metro Area	33	1,362,665	0.1%	0	0	0.0%	11.3%	2.5%	0.0%
Branch Ave	181	1,979,311	0.2%	3	27,034	0.2%	32.9%	2.2%	0.0%
Brookland	32	270,963	0.0%	0	0	0.0%	0.2%	3.8%	0.0%
Brunswick	107	687,011	0.1%	0	0	0.0%	55.5%	3.3%	0.0%
Capitol Heights-Addison Rd	270	5,623,292	0.5%	0	0	0.0%	0.0%	16.0%	31.3%
Capitol Hill	200	3,307,760	0.3%	0	0	0.0%	5.6%	1.0%	0.0%
Capitol Riverfront	100	7,057,323	0.7%	0	0	0.0%	1.8%	3.4%	100.0%
Carlyle-Eisenhower East	72	2,273,320	0.2%	0	0	0.0%	11.3%	8.4%	0.2%
Centreville	285	4,058,954	0.4%	0	0	0.0%	12.4%	1.4%	--
City of Falls Church	341	5,886,363	0.5%	0	0	0.0%	6.5%	4.6%	0.9%
City of Manassas	43	1,671,917	0.2%	2	79,200	0.6%	7.5%	6.4%	6.4%
City of Manassas Regional Airport	89	2,475,052	0.2%	0	0	0.0%	11.1%	0.0%	5.7%
Clarendon	29	1,282,477	0.1%	2	101,500	0.8%	24.9%	2.7%	0.0%
Clarksburg	28	1,832,754	0.2%	0	0	0.0%	5.9%	0.4%	51.7%
College Park	453	3,368,836	0.3%	0	0	0.0%	4.6%	0.2%	0.0%
Columbia Heights	52	1,296,008	0.1%	0	0	0.0%	1.7%	6.9%	0.0%
Columbia Pike Town Center	32	226,697	0.0%	0	0	0.0%	4.5%	5.3%	--
Columbia Pike Village Center	81	5,116,039	0.5%	1	93,000	0.8%	7.2%	0.7%	--
Courthouse	99	17,061,520	1.6%	1	25,000	0.2%	13.2%	0.0%	--
Crystal City	540	33,143,252	3.1%	5	1,113,314	9.0%	21.7%	5.8%	0.0%
Downtown DC	578	4,987,577	0.5%	0	0	0.0%	11.7%	2.6%	0.0%
Downtown Frederick	67	6,305,345	0.6%	6	171,166	1.4%	6.9%	8.9%	7.5%
Dulles East	341	20,507,236	1.9%	0	0	0.0%	7.2%	4.4%	14.7%
Dulles South	140	6,507,950	0.6%	14	348,655	2.8%	19.6%	2.7%	10.0%
Dulles Town Center	286	15,259,301	1.4%	1	660,000	5.3%	24.5%	5.6%	7.7%
Dunn Loring-Merrifield	685	19,877,941	1.8%	1	124,626	1.0%	14.0%	2.8%	3.6%
Dupont	174	3,252,475	0.3%	0	0	0.0%	8.5%	5.2%	0.0%
East Frederick Rising	127	12,023,805	1.1%	0	0	0.0%	14.4%	2.0%	12.9%
Fairfax Center	276	7,211,995	0.7%	1	6,000	0.0%	24.0%	1.3%	--
Fairfax City	48	6,692,300	0.6%	0	0	0.0%	15.8%	4.9%	5.5%
Fairfax Innovation Center	498	69,440,505	6.4%	2	149,352	1.2%	20.5%	0.0%	0.0%
Farragut Square	6	646,352	0.1%	0	0	0.0%	10.8%	3.8%	--
Fort Belvoir	273	9,685,884	0.9%	1	1,500	0.0%	--	--	--
Fort Belvoir North Area	28	604,266	0.1%	0	0	0.0%	49.2%	0.0%	11.8%
Fort Detrick	42	1,026,791	0.1%	0	0	0.0%	8.7%	0.8%	--
Fort Totten	307	9,849,874	0.9%	3	26,566	0.2%	0.0%	2.5%	4.0%
Francis Scott Key Mall	193	7,938,862	0.7%	0	0	0.0%	18.9%	1.8%	9.7%
Friendship Heights	86	2,841,538	0.3%	4	58,950	0.5%	8.9%	2.6%	0.0%
Gainesville	184	3,845,264	0.4%	0	0	0.0%	10.0%	2.4%	6.7%
Gaithersburg Central	106	3,357,602	0.3%	0	0	0.0%	12.1%	5.0%	16.1%
Gaithersburg Kentlands	36	2,927,851	0.3%	0	0	0.0%	0.3%	4.4%	0.0%
Gaithersburg Metropolitan Grove	0	0	0.0%	0	0	0.0%	36.1%	0.0%	7.5%
George Mason University	298	3,345,462	0.3%	0	0	0.0%	--	--	--
Georgetown	165	7,515,308	0.7%	0	0	0.0%	6.7%	6.7%	--
Germantown	19	753,854	0.1%	0	0	0.0%	15.1%	1.7%	7.9%
Glenmont	140	3,168,369	0.3%	0	0	0.0%	--	0.0%	--
Golden Mile	13	143,347	0.0%	0	0	0.0%	1.3%	27.8%	13.5%
Greenbelt	2	85,338	0.0%	0	0	0.0%	54.6%	0.0%	0.0%
Grosvenor	293	1,943,129	0.2%	0	0	0.0%	--	0.0%	--
H Street	104	9,012,315	0.8%	0	0	0.0%	2.4%	8.1%	0.0%
Herndon	58	1,251,309	0.1%	0	0	0.0%	21.4%	6.9%	5.7%
Huntington-Penn Daw	58	1,630,290	0.2%	0	0	0.0%	3.2%	1.0%	0.0%
Hybla Valley-Gum Springs	28	2,180,225	0.2%	0	0	0.0%	37.6%	1.0%	--
Innovation	29	430,382	0.0%	0	0	0.0%	3.9%	3.8%	16.4%
Jefferson Tech Park	181	2,129,180	0.2%	0	0	0.0%	0.0%	0.0%	5.2%
Kensington	487	7,838,172	0.7%	0	0	0.0%	4.8%	1.0%	0.0%
King Street-Old Town	37	2,605,917	0.2%	0	0	0.0%	11.3%	3.9%	0.0%
Konterra	176	2,599,322	0.2%	1	2,200	0.0%	15.1%	1.6%	8.0%
La Plata	147	1,862,709	0.2%	0	0	0.0%	5.2%	1.9%	35.0%

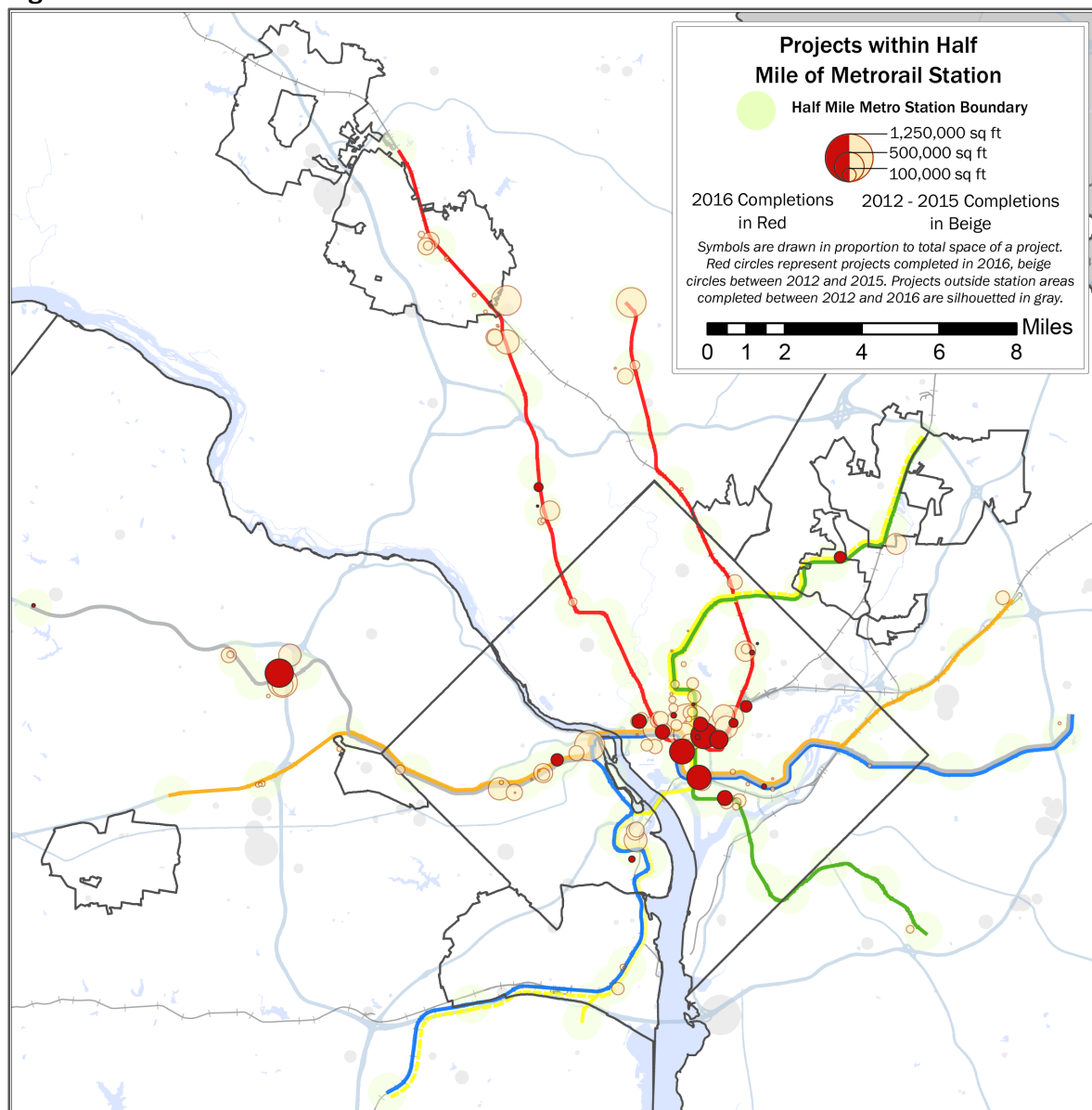
Activity Center	Built Prior to 2016			2016 Completions			Est. 2016 Year End Vacancy Rate		
	Buildings	Square Feet	Regional Share	Buildings	Square Feet	Regional Share	Office	Retail	Industrial / Flex
Landmark-Van Dorn	148	7,319,498	0.7%	0	0	0.0%	68.3%	3.4%	12.3%
Landover Mall	70	3,613,557	0.3%	0	0	0.0%	4.3%	11.1%	9.3%
Landover Metro	128	6,911,871	0.6%	0	0	0.0%	0.0%	7.3%	4.0%
Langley Park	55	1,033,388	0.1%	0	0	0.0%	26.9%	1.4%	--
Largo Town Center-Morgan Blvd	193	5,940,360	0.5%	0	0	0.0%	6.1%	7.2%	5.3%
Leesburg	403	5,088,712	0.5%	2	50,500	0.4%	9.0%	2.2%	0.0%
Life Sciences Center-Gaithersburg Crown	108	9,114,501	0.8%	1	128,563	1.0%	12.4%	2.5%	1.0%
Loudoun Gateway Station	4	704,393	0.1%	0	0	0.0%	--	0.0%	0.0%
Manassas Park	64	1,437,120	0.1%	0	0	0.0%	10.8%	8.9%	2.5%
McLean	172	2,575,647	0.2%	0	0	0.0%	10.1%	1.6%	0.0%
McMillan-Old Soldiers Home	64	1,172,620	0.1%	0	0	0.0%	7.7%	1.9%	--
Minnesota Ave	184	1,438,840	0.1%	0	0	0.0%	1.5%	4.0%	0.0%
Monumental Core	48	12,801,228	1.2%	1	341,281	2.8%	11.7%	0.0%	0.0%
National Harbor	13	3,674,307	0.3%	1	945,288	7.6%	12.3%	0.0%	--
Naylor-Southern Ave	58	1,079,171	0.1%	0	0	0.0%	0.0%	1.2%	0.0%
New Carrollton	151	5,461,376	0.5%	0	0	0.0%	11.3%	2.4%	7.8%
New York Avenue Corridor	263	5,433,457	0.5%	2	139,149	1.1%	6.5%	4.0%	6.0%
NIH-Walter Reed National Military Medical Ctr	3	40,621	0.0%	0	0	0.0%	0.0%	--	--
NoMa	509	16,314,367	1.5%	3	140,689	1.1%	10.5%	8.3%	0.5%
North Woodbridge	121	1,411,507	0.1%	1	25,000	0.2%	7.9%	7.2%	0.0%
Olney	82	1,521,747	0.1%	0	0	0.0%	6.6%	2.7%	0.0%
Oxon Hill	85	1,828,116	0.2%	0	0	0.0%	17.3%	1.0%	0.0%
Pentagon	0	0	0.0%	0	0	0.0%	--	--	--
Pentagon City	18	3,982,297	0.4%	0	0	0.0%	2.4%	0.6%	0.0%
Poplar Point	191	1,608,460	0.1%	0	0	0.0%	0.7%	4.9%	0.0%
Port Towns	359	4,089,945	0.4%	0	0	0.0%	0.8%	1.9%	3.2%
Potomac Shores	14	392,278	0.0%	0	0	0.0%	0.0%	2.3%	0.0%
Potomac Town Center	86	4,654,023	0.4%	1	90,000	0.7%	3.2%	1.9%	0.0%
Potomac Yard	150	2,357,416	0.2%	1	10,500	0.1%	0.3%	1.4%	0.0%
Prince George's Plaza	31	3,528,325	0.3%	1	83,000	0.7%	28.4%	1.8%	--
Reston Town Center	101	12,912,176	1.2%	0	0	0.0%	10.2%	0.8%	10.7%
Rhode Island Ave Metro	140	2,774,057	0.3%	0	0	0.0%	2.3%	10.1%	6.5%
Rock Spring	52	6,928,777	0.6%	0	0	0.0%	22.8%	1.5%	--
Rockville King Farm-Research Ctr-Shady Grove	49	1,476,034	0.1%	0	0	0.0%	41.6%	3.1%	1.2%
Rockville Montgomery College	121	3,349,103	0.3%	0	0	0.0%	18.8%	3.5%	4.5%
Rockville Tower Oaks	10	876,889	0.1%	0	0	0.0%	31.5%	--	0.0%
Rockville Town Center	174	4,566,929	0.4%	0	0	0.0%	9.3%	3.8%	10.8%
Rockville Twinbrook	235	8,459,927	0.8%	1	103,550	0.8%	12.8%	6.3%	8.2%
Rosslyn	73	12,261,486	1.1%	0	0	0.0%	27.1%	9.9%	--
Route 28 Central	130	7,272,640	0.7%	1	182,000	1.5%	10.2%	2.2%	6.4%
Route 28 North	0	0	0.0%	0	0	0.0%	--	--	--
Route 28 South	110	4,708,207	0.4%	2	179,312	1.5%	38.4%	3.1%	11.5%
Seven Corners	59	2,314,141	0.2%	1	75,000	0.6%	14.4%	1.1%	--
Shirlington	9	866,319	0.1%	0	0	0.0%	18.7%	2.8%	--
Silver Spring	403	12,172,552	1.1%	0	0	0.0%	10.6%	3.6%	2.4%
Southwest Waterfront	104	5,150,043	0.5%	1	132,000	1.1%	42.0%	0.0%	9.0%
Springfield	131	5,500,937	0.5%	0	0	0.0%	14.0%	1.3%	14.3%
St. Elizabeths	29	392,178	0.0%	0	0	0.0%	0.0%	2.4%	0.0%
Stadium Armory	109	1,058,598	0.1%	0	0	0.0%	0.0%	3.6%	0.0%
Suitland	75	661,869	0.1%	0	0	0.0%	55.6%	3.3%	0.0%
Takoma Park	82	862,027	0.1%	0	0	0.0%	9.3%	1.0%	0.0%
Tysons Central 123	148	19,016,486	1.8%	1	476,913	3.9%	19.4%	0.2%	--
Tysons Central 7	42	6,574,426	0.6%	0	0	0.0%	16.6%	0.4%	--
Tysons East	51	5,477,944	0.5%	0	0	0.0%	19.9%	0.0%	0.0%
Tysons West	88	6,341,535	0.6%	0	0	0.0%	21.3%	2.3%	5.2%
U-14th Street Corridor	593	6,089,218	0.6%	1	6,000	0.0%	3.3%	4.1%	0.0%
Urbana	63	1,068,642	0.1%	1	3,328	0.0%	2.3%	1.1%	0.0%
Vienna	2	420,825	0.0%	0	0	0.0%	8.1%	--	--
Virginia Square	61	2,596,339	0.2%	0	0	0.0%	10.0%	0.0%	0.0%
Waldorf	349	7,314,560	0.7%	0	0	0.0%	6.9%	8.5%	15.3%
Walter Reed	124	1,175,815	0.1%	0	0	0.0%	7.5%	5.1%	0.0%
West End	117	16,193,765	1.5%	0	0	0.0%	5.4%	0.3%	--
West Hyattsville Metro	60	1,089,154	0.1%	0	0	0.0%	1.9%	1.0%	0.0%
Westphalia	16	835,104	0.1%	0	0	0.0%	0.0%	0.0%	29.7%
Wheaton	171	3,321,088	0.3%	0	0	0.0%	22.9%	3.1%	0.0%
White Flint	159	8,147,245	0.8%	0	0	0.0%	15.2%	4.8%	10.8%
White Oak-FDA	101	4,772,159	0.4%	0	0	0.0%	8.2%	0.0%	12.0%
Wiehle-Reston East	146	9,544,366	0.9%	1	10,029	0.1%	15.3%	5.7%	9.0%
Yorkshire	77	678,851	0.1%	0	0	0.0%	3.2%	5.0%	19.3%
Inside of Activity Centers Total	19,641	736,647,654	68.2%	81	6,657,207	53.9%	14.4%	3.9%	9.2%
Outside of Activity Centers Total	14,692	343,520,701	31.8%	79	5,702,551	46.1%	15.3%	4.7%	6.9%
Regional Total	34,333	1,080,168,355	100.0%	160	12,359,758	100.0%	14.6%	4.2%	8.0%

Metrorail Station Areas

Since 2012, 55 of the Washington Metropolitan Area Transit Authority's 91 Metrorail stations have had at least one project sited within a half mile of a station entrance. The Tysons Corner station area was the most active. Its sole new building, the 476,913 square foot Corporate Office Centre at Tysons II, represented 3.9 percent of all new commercial space in the entire region.

Between 2012 and 2015, 104 commercial buildings and 13.7 million square feet of rentable space were completed in Metrorail station areas, accounting for 40 percent of all square footage of construction during that time. Metrorail's share of construction fell to 23 percent in 2016, from 23 projects totaling 2.7 million square feet.

Figure 9



Source: CoStar, COG

Figure 10. Metrorail Station Totals

Metrorail Station Area	2012 -2015 Completions			2016 Completions			State
	Buildings	Square Feet	Regional Share	Buildings	Square Feet	Regional Share	
Ballston-MU	4	476,965	1.4%	0	0	0.0%	VA
Benning Road	1	12,032	0.0%	0	0	0.0%	DC
Bethesda	3	268,714	0.8%	1	2,800	0.0%	MD
Braddock Road	2	23,000	0.1%	0	0	0.0%	VA
Branch Ave	1	38,000	0.1%	0	0	0.0%	MD
Brookland-CUA	2	298,000	0.9%	2	20,500	0.2%	DC
Capitol South	1	16,258	0.0%	0	0	0.0%	VA
Clarendon	3	309,707	0.9%	0	0	0.0%	MD
College Park-U of MD	1	268,762	0.8%	0	0	0.0%	DC
Columbia Heights	2	19,062	0.1%	0	0	0.0%	VA
Court House	0	0	0.0%	1	93,000	0.8%	VA
Crystal City	1	308,898	0.9%	1	25,000	0.2%	DC
Dunn Loring-Merrifield	3	44,255	0.1%	0	0	0.0%	VA
Dupont Circle	1	99,150	0.3%	0	0	0.0%	DC
East Falls Church	1	52,988	0.2%	0	0	0.0%	DC
Eastern Market	1	9,755	0.0%	0	0	0.0%	DC
Farragut North	3	690,258	2.0%	1	127,825	1.0%	DC
Farragut West	2	204,101	0.6%	0	0	0.0%	DC
Federal Center SW	1	196,343	0.6%	0	0	0.0%	DC
Federal Triangle	0	0	0.0%	1	379,015	3.1%	VA
Foggy Bottom-GWU	2	106,259	0.3%	1	124,626	1.0%	DC
Fort Totten	1	130,000	0.4%	0	0	0.0%	MD
Gallery Pl-Chinatown	3	121,675	0.4%	1	15,127	0.1%	VA
Georgia Ave-Petworth	1	2,403	0.0%	0	0	0.0%	MD
Glenmont	1	527,192	1.5%	0	0	0.0%	VA
Judiciary Square	0	0	0.0%	1	401,172	3.2%	DC
King St-Old Town	1	87,855	0.3%	0	0	0.0%	DC
Largo Town Center	1	6,500	0.0%	0	0	0.0%	DC
L'Enfant Plaza	0	0	0.0%	1	341,281	2.8%	DC
McLean	1	296,257	0.9%	0	0	0.0%	MD
McPherson Square	2	166,000	0.5%	1	21,527	0.2%	DC
Medical Center	0	0	0.0%	1	50,000	0.4%	VA
Metro Center	2	575,941	1.7%	0	0	0.0%	DC
Mt Vernon Sq 7th St-Convention Center	6	2,223,218	6.5%	1	118,000	1.0%	DC
Navy Yard-Ballpark	5	286,500	0.8%	1	132,000	1.1%	MD
New Carrollton	1	110,000	0.3%	0	0	0.0%	VA
NoMa-Gallaudet	5	1,393,214	4.1%	2	136,689	1.1%	DC
Pentagon	2	322,000	0.9%	0	0	0.0%	MD
Potomac Ave	2	14,275	0.0%	1	14,771	0.1%	VA
Prince George's Plaza	0	0	0.0%	1	83,000	0.7%	DC
Rockville	6	457,983	1.3%	0	0	0.0%	MD
Rosslyn	2	673,916	2.0%	0	0	0.0%	VA
Shaw-Howard U	1	98,243	0.3%	1	6,000	0.0%	DC
Silver Spring	1	4,978	0.0%	0	0	0.0%	DC
Spring Hill	2	165,662	0.5%	0	0	0.0%	VA
Tenleytown-AU	1	42,828	0.1%	0	0	0.0%	VA
Twinbrook	3	533,266	1.6%	0	0	0.0%	MD
Tysons Corner	3	802,803	2.3%	1	476,913	3.9%	MD
U Street/Afro-Amer Civil War Mem/Cardozo	5	206,849	0.6%	0	0	0.0%	DC
Union Station	1	93,140	0.3%	1	200,000	1.6%	DC
Virginia Square-GMU	1	4,000	0.0%	0	0	0.0%	VA
West Falls Church-VT/UVA	1	16,867	0.0%	0	0	0.0%	VA
Wheaton	3	212,080	0.6%	0	0	0.0%	MD
White Flint	5	685,240	2.0%	0	0	0.0%	MD
Wiehle-Reston East	0	0	0.0%	1	10,029	0.1%	VA
DC Metrorail Station Area Totals	51	7,005,504	20.5%	16	2,038,533	16.5%	DC
MD Metrorail Station Area Totals	26	3,112,715	9.1%	3	135,800	1.1%	MD
VA Metrorail Station Area Totals	27	3,585,173	10.5%	4	604,942	4.9%	VA
Inside Metrorail Station Areas Total	104	13,703,392	40.0%	23	2,779,275	22.5%	--
Outside Metrorail Station Areas Total	445	20,538,344	60.0%	93	9,580,483	77.5%	--
Regional Total	549	34,241,736	100.0%	116	12,359,758	100.0%	--

Note: Station areas with no construction between 2012 and 2016 are omitted

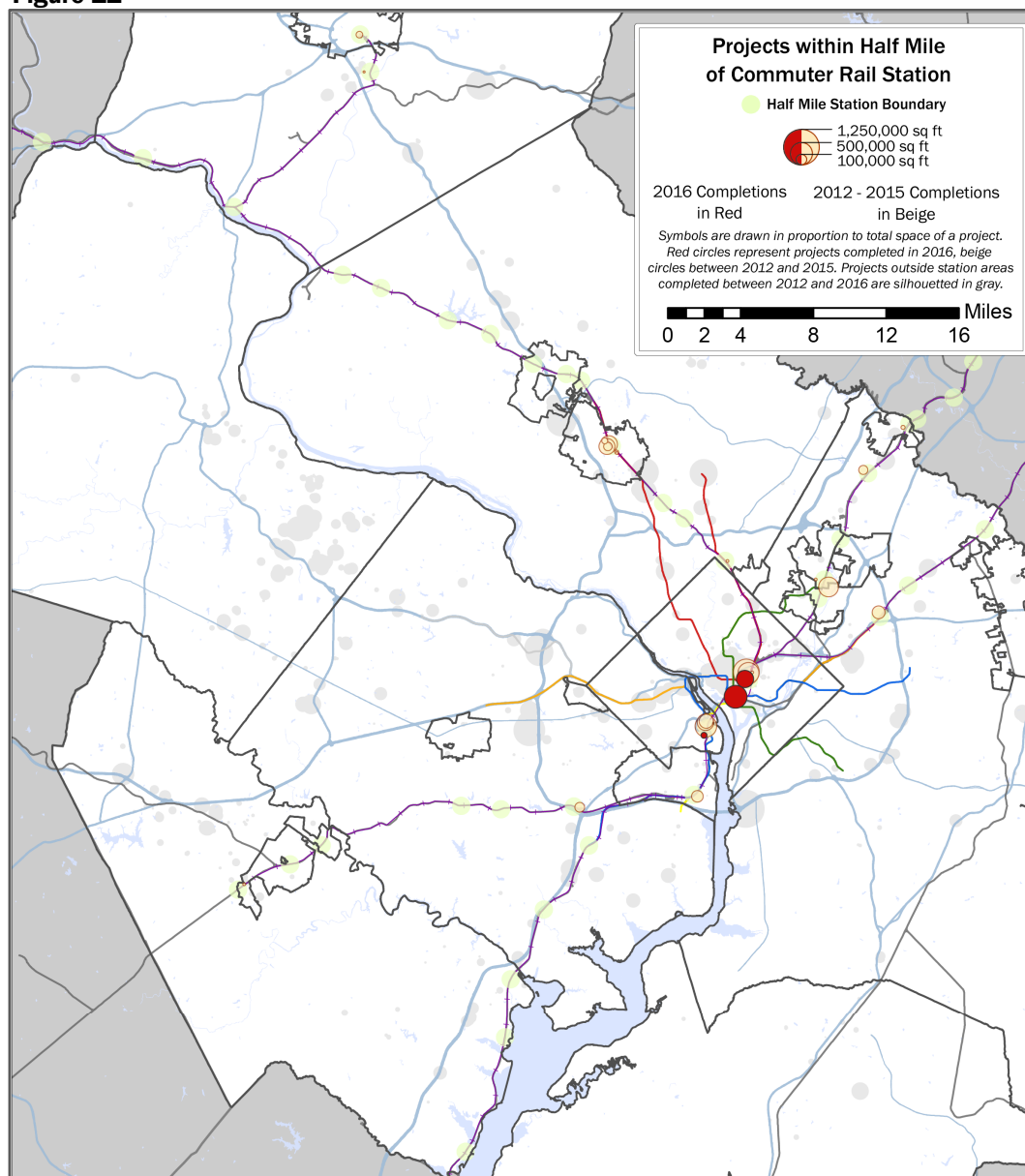
Source: CoStar, COG

Commuter Rail Station Areas

Most of the construction near Maryland's MARC or Virginia's VRE stations occurred at those that also had a Metrorail station. From 2012 to 2015, 25 projects with 2.8 million square feet of space were completed within a half mile of a commuter rail station. However, only six of those projects, totaling 170,055 square feet, were in station areas that weren't also serviced by Metrorail. Backlick Road VRE was the station with the largest such project.

In 2016, commuter rail station areas received 566,281 square feet of new space from three projects, all of which also had a Metrorail station.

Figure 11



Source: CoStar, COG

Commercial Construction by Structure Type

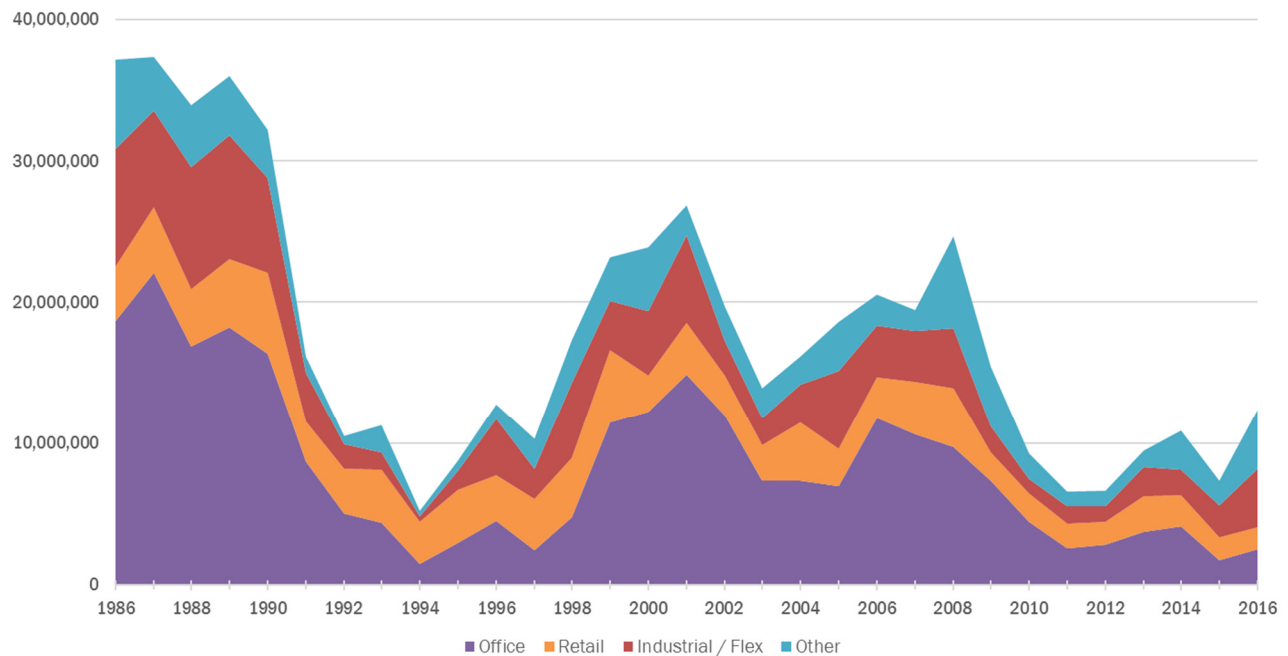
The industrial/flex sector experienced the largest increase in new space from 2015 to 2016 and remained the category with the most construction for the second straight year. The retail market was the only one to experience a decline in completed square feet from 2015. Although office construction increased by 788,315 square feet, its share of total annual construction fell to 20 percent, the lowest since 1960.

Figure 12. Square Foot of New Construction by Structure Type

Structure Type	2012 - 2015			2016		
	Buildings	Square Feet	Percent of Total	Buildings	Square Feet	Percent of Total
Office	106	12,304,887	35.9%	28	2,496,430	20.2%
Retail	314	8,009,110	23.4%	70	1,561,483	12.6%
Industrial / Flex	76	7,259,717	21.2%	36	4,120,399	33.3%
Health Care	14	1,323,294	3.9%	5	1,024,947	8.3%
Hospitality	23	3,828,968	11.2%	10	2,311,618	18.7%
Other	16	1,515,760	4.4%	11	844,881	6.8%

Figure 13

Square Footage of Completed Commercial Construction by Structure Type, 1986 - 2016



Note: This stacked area chart shows cumulative values

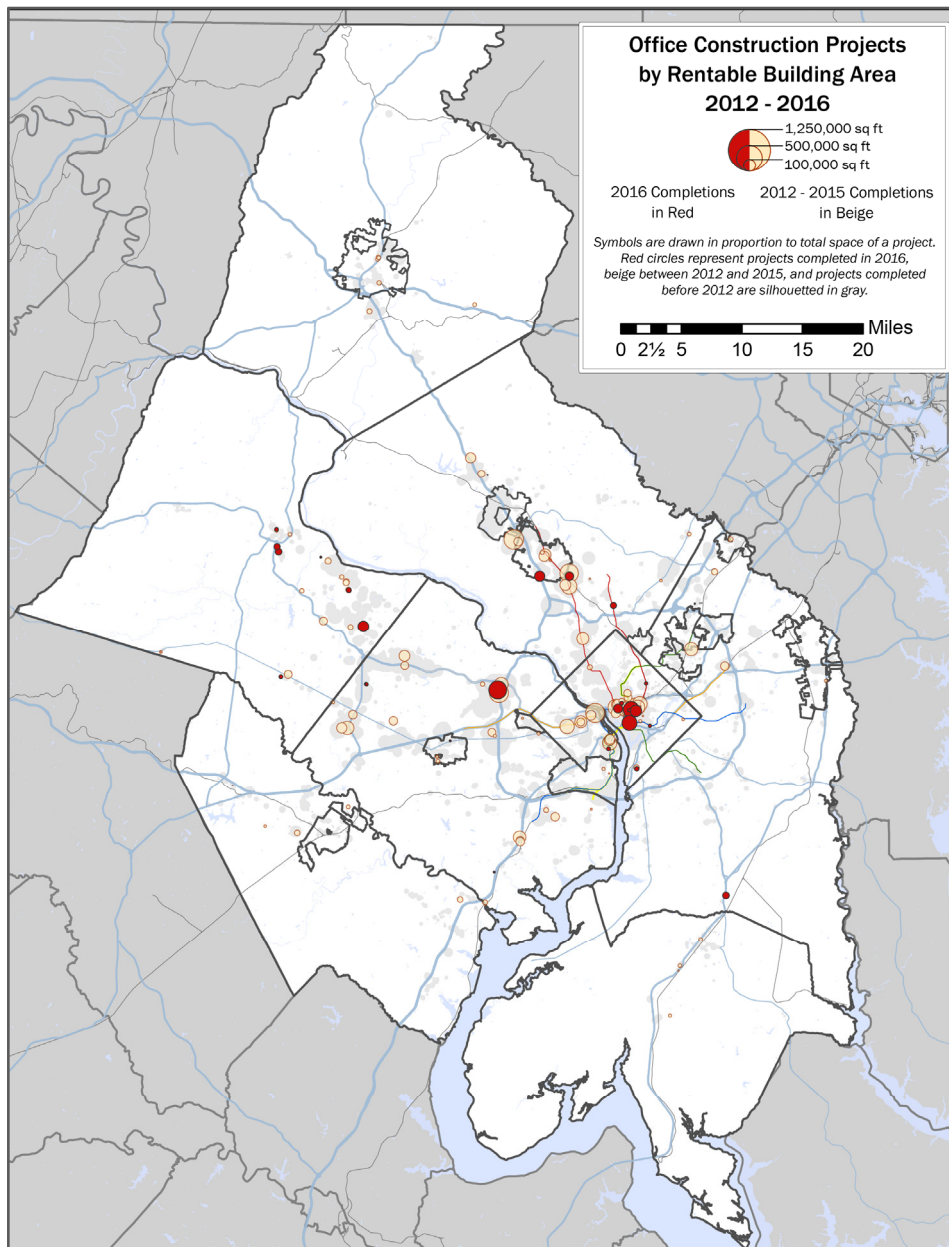
Source: CoStar, COG

Office Construction

Construction of new office space increased by 46 percent from 2015 to 2016. Twenty-eight new office projects were completed in 2016 with a combined total of 2.5 million new square feet of rentable space. This figure represents the second smallest total since 1997, surpassing only last year's total. The overall regional vacancy rate for office space was 14.6 percent at the end of 2016.

The 18-story, 476,913 square foot office building at The Corporate Office Centre at Tysons II near the Tysons Corner Metro station was the largest office project in 2016.

Figure 14

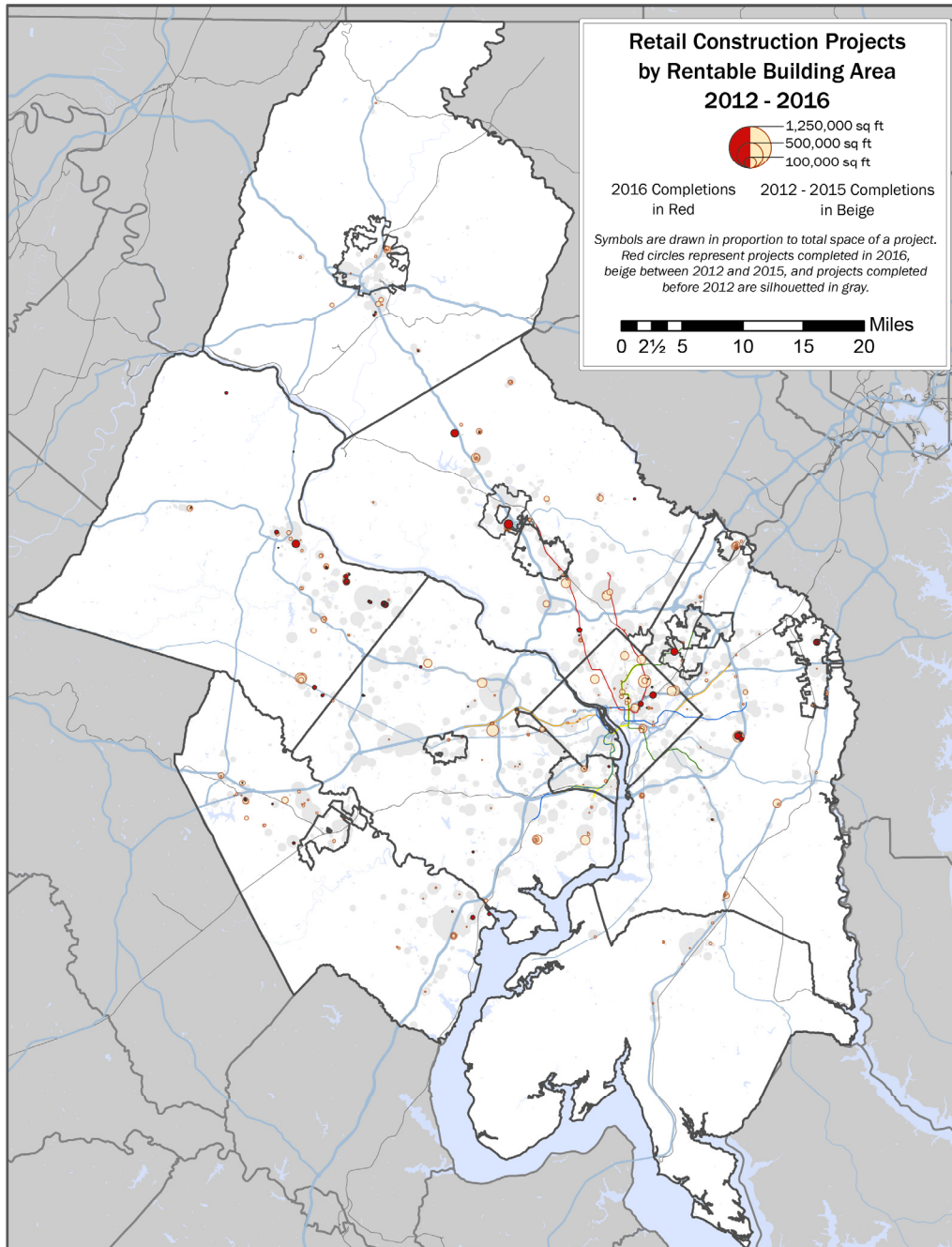


Source: CoStar, COG

Retail Construction

Construction of new retail space declined by three percent from 2015 to 2016. Seventy new retail projects were completed in 2016 with a combined total of 1.6 million new square feet of rentable space. The 389,984 square foot Clarksburg Premium Outlets at Cabin Branch located within the Clarksburg Activity Center in Montgomery County was the largest retail project. The overall regional vacancy rate for retail space was 4.2 percent at the end of 2016.

Figure 15



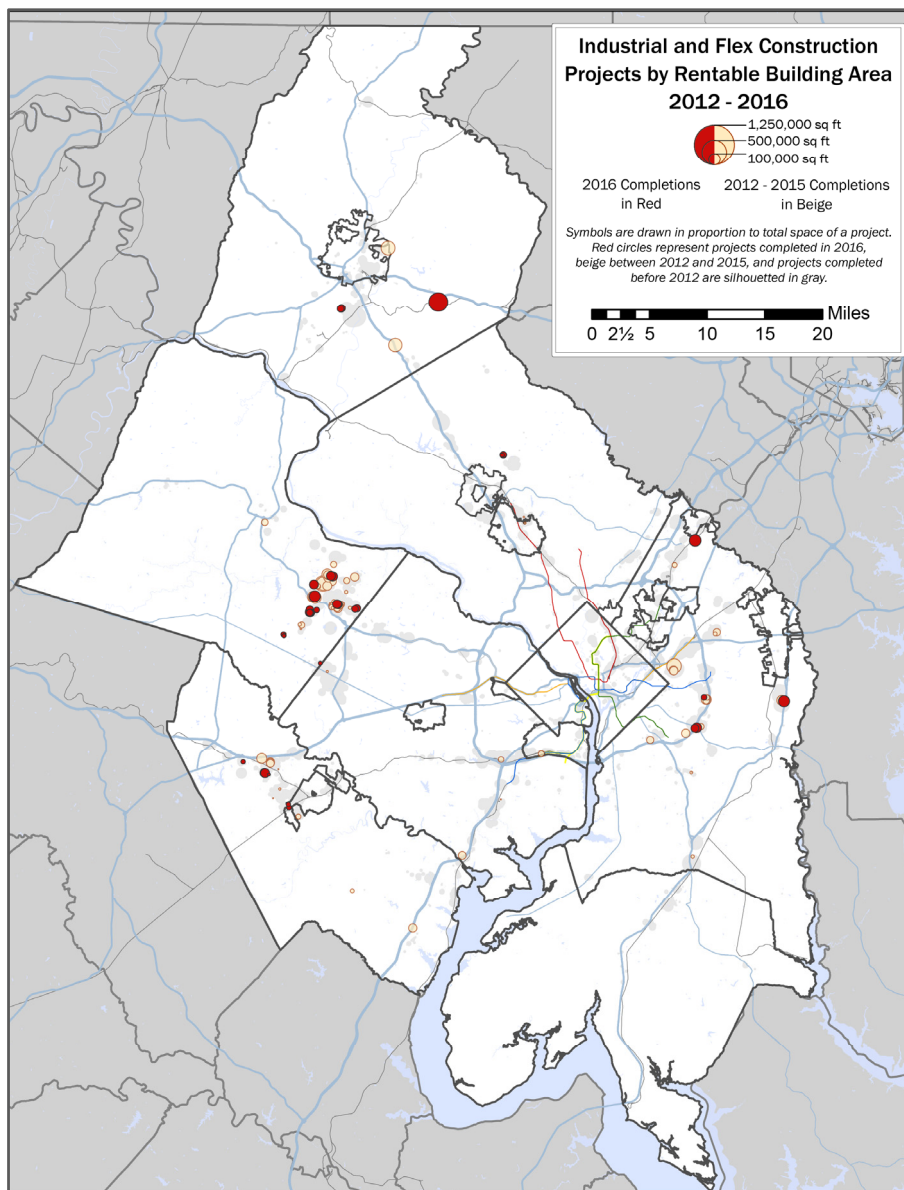
Source: CoStar, COG

Industrial/Flex Construction

Construction of new industrial or flex space increased by 80 percent from 2015 to 2016. In 2016, 4.1 million square feet of industrial or flex space was completed from 36 projects—the highest total since 2008. The single-story, 600,000 square foot Costco Distribution Center in Monrovia in Frederick County was the largest single project. The overall regional vacancy rate for industrial/flex space was 8.0 percent at the end of 2016.

Warehouses and data centers accounted for the majority of industrial construction in 2016. Data centers have become a significant portion of industrial development over the past decade and just under 90 percent of all new data center construction since 2007 has been in Loudoun County.

Figure 16

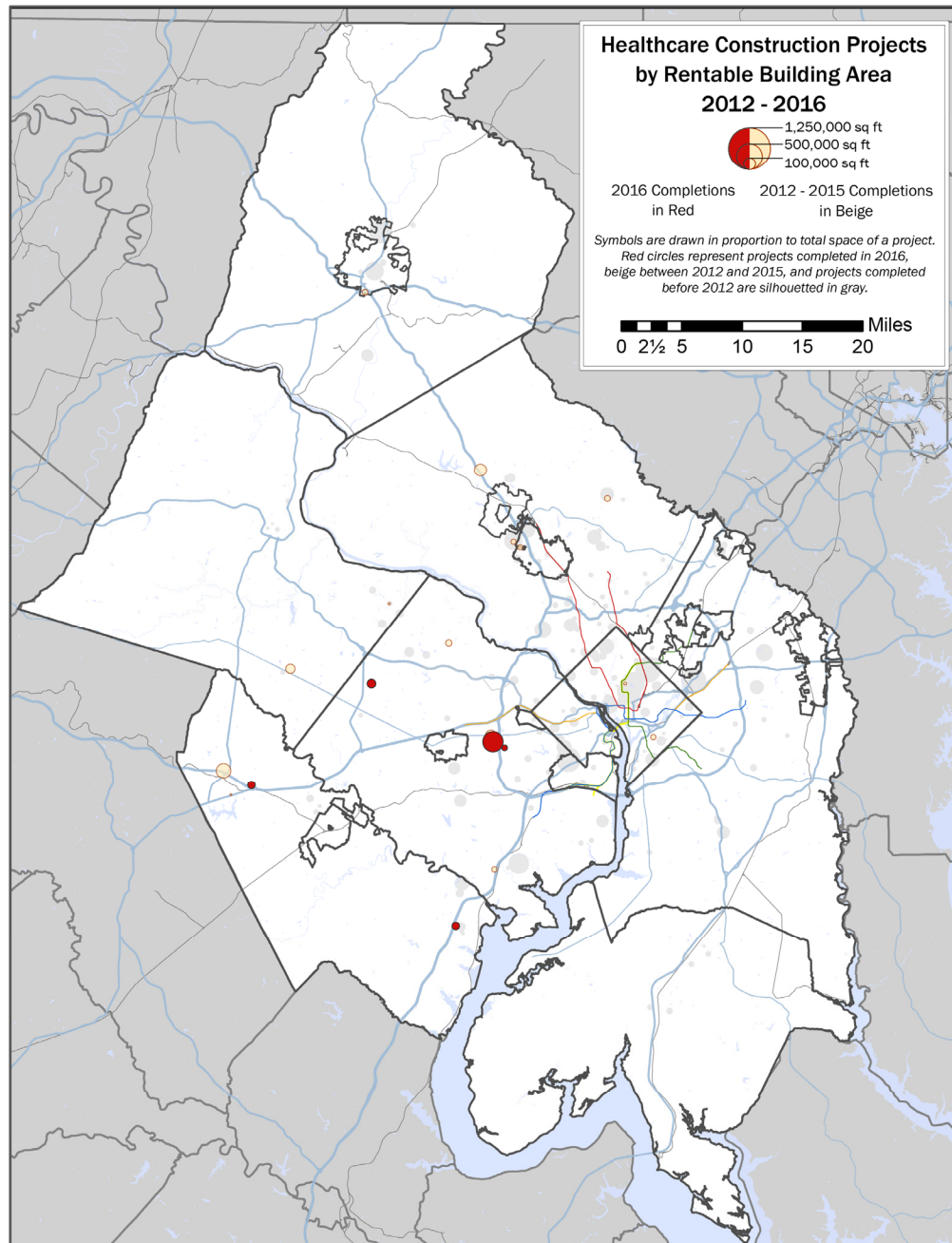


Source: CoStar, COG

Healthcare Construction

Construction of new healthcare space increased by 156 percent from 2015 to 2016. Five new healthcare projects were completed in 2016 with a combined total of one million new square feet of space. The Inova Women and Children's Hospital, an 11-story, 660,000 square foot hospital in the Dunn Loring-Merrifield Activity Center in Fairfax County was the largest healthcare project in 2016.

Figure 17

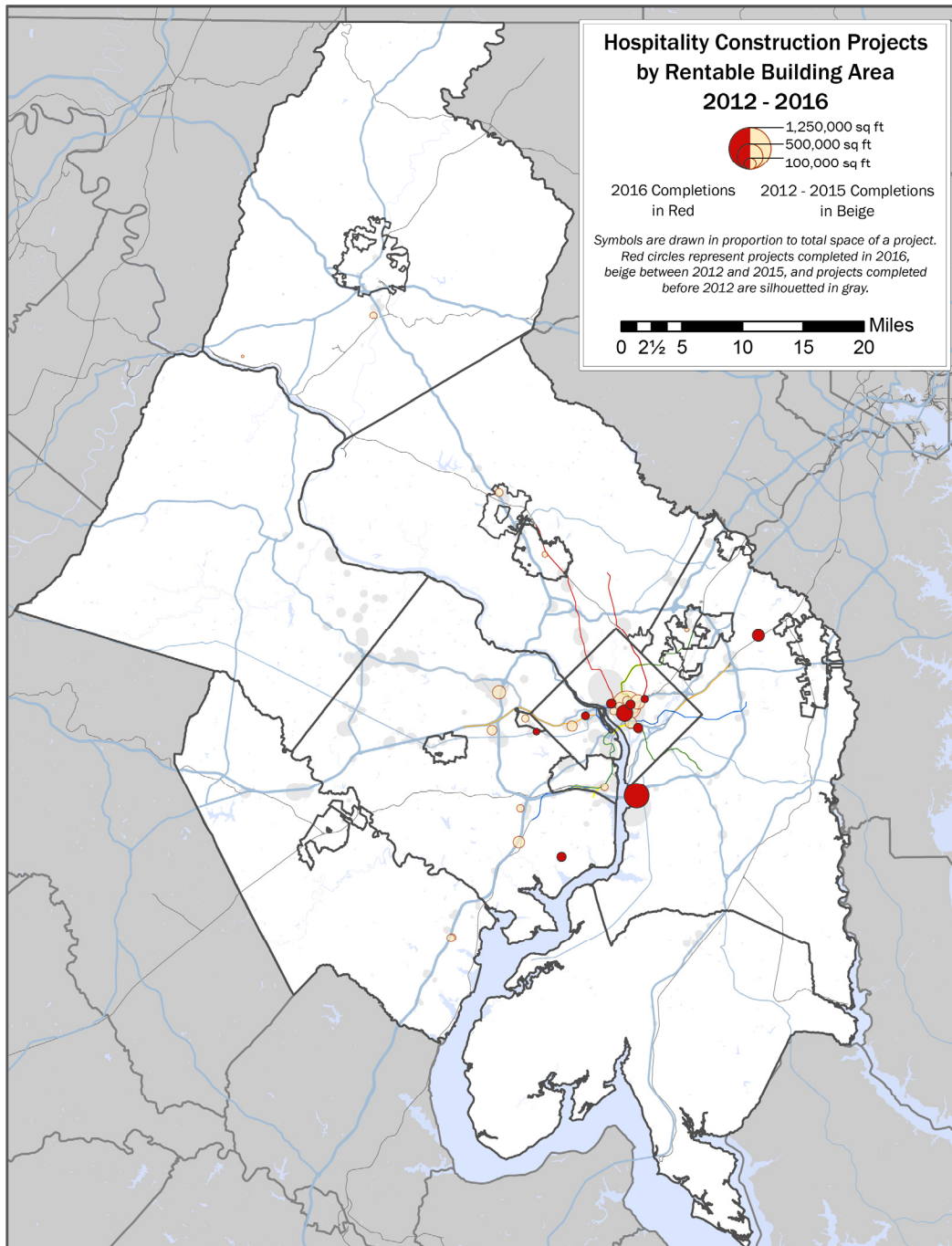


Source: CoStar, COG

Hospitality Construction

Construction of new hospitality space increased by 114 percent from 2015 to 2016. Ten new hospitality projects were completed in 2016 with a combined total of 2.3 million new square feet of rentable space. The MGM National Harbor Hotel Casino, a 24-story, 945,288 square foot hotel in the National Harbor Activity Center in Prince George's County was the largest project completed in 2016.

Figure 18



Source: CoStar, COG

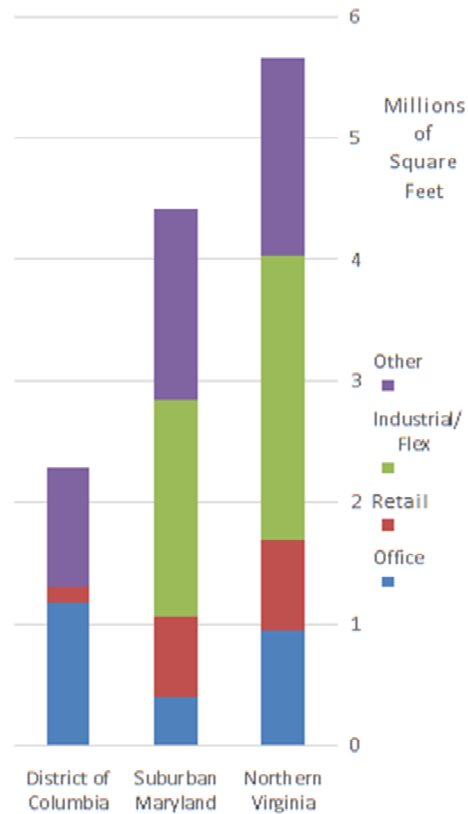
Commercial Construction by State

The District of Columbia added 22 new buildings and about 2.3 million square feet of new space in 2016, primarily in the office or hospitality sectors. Total square footage of new commercial space in the District increased by more than 63 percent from 2015. The vacancy rate in the District of Columbia was about 9.6 percent at the end of 2016.

In 2016, 41 new buildings and about 4.4 million square feet of new space were added to suburban Maryland jurisdictions. In Maryland, total square footage of new commercial space increased by about 157 percent from 2015. At the end of 2016, the Maryland jurisdiction vacancy rate was 9.8 percent.

Northern Virginia jurisdictions added 97 new buildings and about 5.7 million square feet of new space in 2016. Total square footage of new commercial space in Virginia increased by 37 percent from 2015. The Northern Virginia vacancy rate was about 11.4 percent at the end of 2016.

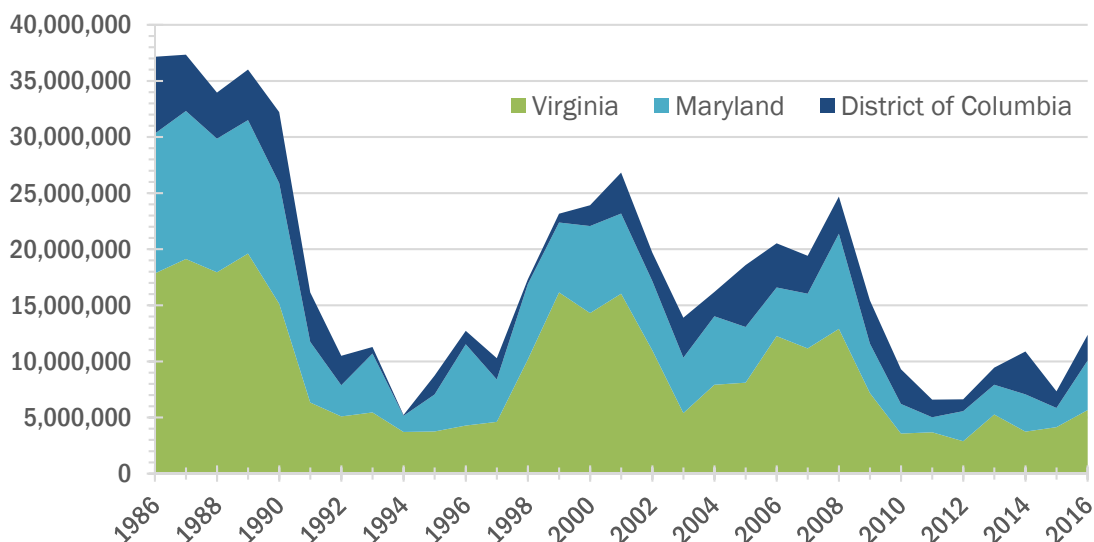
Figure 19. 2016 Projects by Rentable Building Area



Source: CoStar, COG

Figure 20

Square Footage of Completed Commercial Construction by State, 1986 - 2016



Note: This stacked area chart shows cumulative values

Source: CoStar, COG

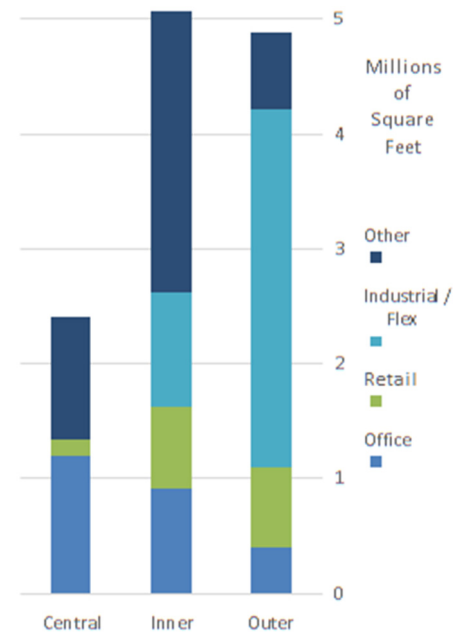
Commercial Construction by Regional “Ring”

COG groups jurisdictions into three “rings” for analysis purposes. The Central jurisdictions—DC, Alexandria and Arlington—added 25 new commercial buildings and about 2.4 million square feet of new space in 2016. Total square footage of new commercial space in Central Jurisdictions increased by 39 percent from 2015. At the end of 2016, the vacancy rate for Central jurisdictions was 11.3 percent.

In 2016, 54 new buildings and about five million square feet of space were added to the Inner Suburban Jurisdictions of Fairfax, Montgomery, and Prince George’s County counties, Falls Church and City of Fairfax. Total square footage of new commercial space increased by about 106 percent from 2015. The overall regional vacancy rate for Inner Jurisdictions was 11.1 percent at the end of 2016.

The Outer Jurisdictions of Charles, Frederick, Loudoun and Prince William Counties, Manassas and Manassas Park added 81 buildings and 4.9 million square feet of space in 2016. New commercial increased by 56 percent from 2015. At the end of 2016, the vacancy rate for Outer Jurisdictions was 7.5 percent.

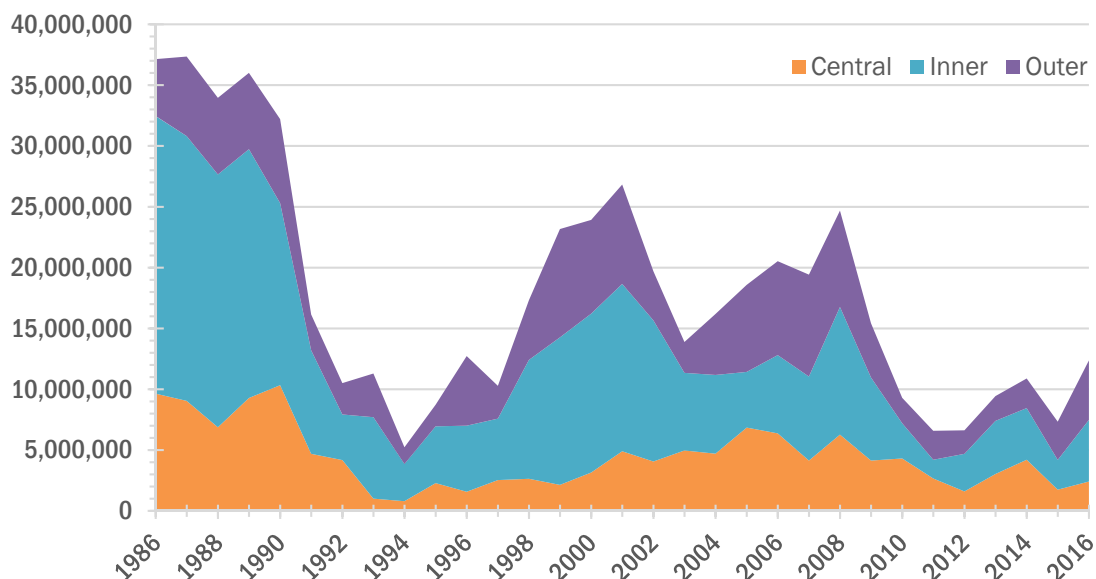
Figure 22. 2015 Projects by Rentable Building Area



Source: CoStar, COG

Figure 22

Square Footage of Completed Commercial Construction by Jurisdictional Groups, 1986 - 2016



Note: This stacked area chart shows cumulative values

Source: CoStar, COG

Commercial Construction by Jurisdiction

For the second straight year, Loudoun County led the region in commercial construction, accounting for 25 percent of new commercial space in 2016. The District of Columbia was the jurisdiction with the most commercial construction between 2012 and 2015, with 23 percent of new space during the period. Fairfax County, Alexandria, and Arlington have experienced the largest declines in construction activity in recent years. Historically, those jurisdictions accounted for just under 30 percent of regional construction. Their collective share fell to 14.3 percent in 2016. Bladensburg, Greenbelt, and Manassas Park are the only COG member jurisdictions with no commercial construction in the past five years.

Figure 25. Commercial Construction Totals for Each COG Member Jurisdiction

Jurisdiction	Built Prior to 2012			2012 -2015 Completions			2016 Completions			Estimated 2016 Year
	Buildings	Square Feet	Regional Share	Buildings	Square Feet	Regional Share	Buildings	Square Feet	Regional Share	End Vacancy Rate
District of Columbia	7,886	242,190,181	23.2%	70	7,856,476	22.9%	22	2,281,916	18.5%	9.6%
Suburban Maryland Jurisdictions										
Charles	1,017	16,140,359	1.5%	14	147,832	0.4%	1	194,755	1.6%	8.0%
Frederick	2,265	43,185,425	4.1%	32	1,303,604	3.8%	7	810,579	6.6%	8.7%
City of Frederick	1,155	20,205,564	1.9%	14	655,533	1.9%	0	0	0.0%	10.5%
Rest of County	1,110	22,979,861	2.2%	18	648,071	1.9%	7	810,579	6.6%	7.3%
Montgomery	4,653	152,806,813	14.6%	78	5,081,425	14.8%	15	1,022,620	8.3%	10.8%
Gaithersburg	511	19,128,853	1.8%	15	387,235	1.1%	1	128,563	1.0%	10.3%
Rockville	554	22,681,007	2.2%	12	656,808	1.9%	1	82,000	0.7%	16.0%
Takoma Park	103	1,156,353	0.1%	1	3,600	0.0%	0	0	0.0%	3.9%
Rest of County	3,485	109,840,600	10.5%	50	4,033,782	11.8%	13	812,057	6.6%	9.9%
Prince George's	5,840	141,813,727	13.6%	93	3,841,518	11.2%	18	2,396,027	19.4%	9.3%
Bladensburg	99	1,142,630	0.1%	0	0	0.0%	0	0	0.0%	1.0%
Bowie	205	6,340,071	0.6%	2	17,800	0.1%	3	122,098	1.0%	8.4%
College Park	242	4,178,161	0.4%	2	33,972	0.1%	0	0	0.0%	9.0%
Greenbelt	89	4,581,309	0.4%	0	0	0.0%	0	0	0.0%	23.0%
Hyattsville	219	5,033,474	0.5%	2	10,877	0.0%	1	83,000	0.7%	14.4%
Laurel	338	5,729,597	0.5%	17	429,753	1.3%	0	0	0.0%	12.6%
Rest of County	4,648	114,808,485	11.0%	70	3,349,116	9.8%	14	2,190,929	17.7%	8.5%
Maryland subtotal	13,775	353,946,324	33.8%	217	10,374,379	30.3%	41	4,423,981	35.8%	9.8%
Northern Virginia Jurisdictions										
Alexandria	1,542	40,384,142	3.9%	12	281,101	0.8%	1	10,500	0.1%	12.7%
Arlington	990	59,194,728	5.7%	17	2,422,474	7.1%	2	118,000	1.0%	17.2%
Fairfax	4,778	215,938,701	20.6%	66	5,024,048	14.7%	19	1,631,349	13.2%	12.6%
Fairfax City	272	7,251,742	0.7%	5	59,074	0.2%	2	14,664	0.1%	11.5%
Falls Church	272	3,805,769	0.4%	3	137,800	0.4%	0	0	0.0%	5.4%
Loudoun	1,895	66,235,581	6.3%	89	5,689,352	16.6%	55	3,116,828	25.2%	8.2%
Manassas City	374	7,488,251	0.7%	4	42,640	0.1%	2	79,200	0.6%	6.5%
Manassas Park	62	1,394,720	0.1%	0	0	0.0%	0	0	0.0%	4.6%
Prince William	1,938	48,096,480	4.6%	66	2,354,392	6.9%	16	683,320	5.5%	5.3%
Virginia subtotal	12,123	449,790,114	43.0%	262	16,010,881	46.8%	97	5,653,861	45.7%	11.4%
COG Region Total	33,784	1,045,926,619	100.0%	549	34,241,736	100.0%	160	12,359,758	100.0%	10.5%

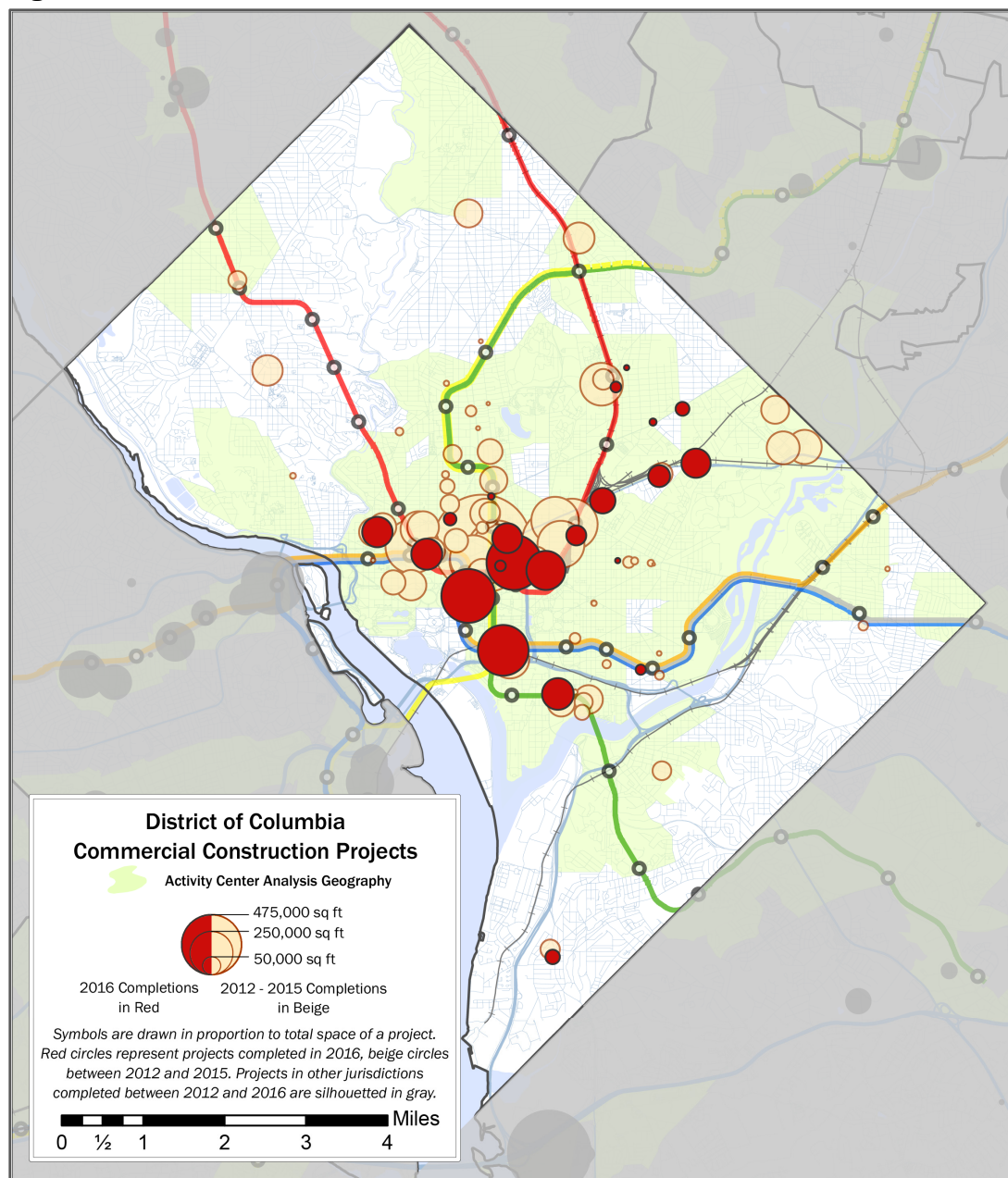
Source: CoStar, COG

District of Columbia

Construction of new commercial space increased by 55 percent from 2015 to 2016. In 2016, 22 new buildings were completed, with a combined total of 2.3 million new square feet of rentable space. The overall vacancy rate for the District was 9.6 percent at the end of 2016.

The largest project was the 10-story, 401,172 square foot 600 Mass Ave office building in the Downtown DC Activity Center. Fifty-one percent of all new commercial space in the District in 2016 was in the office sector; the District accounted for 47 percent of all new office space in the region.

Figure 24

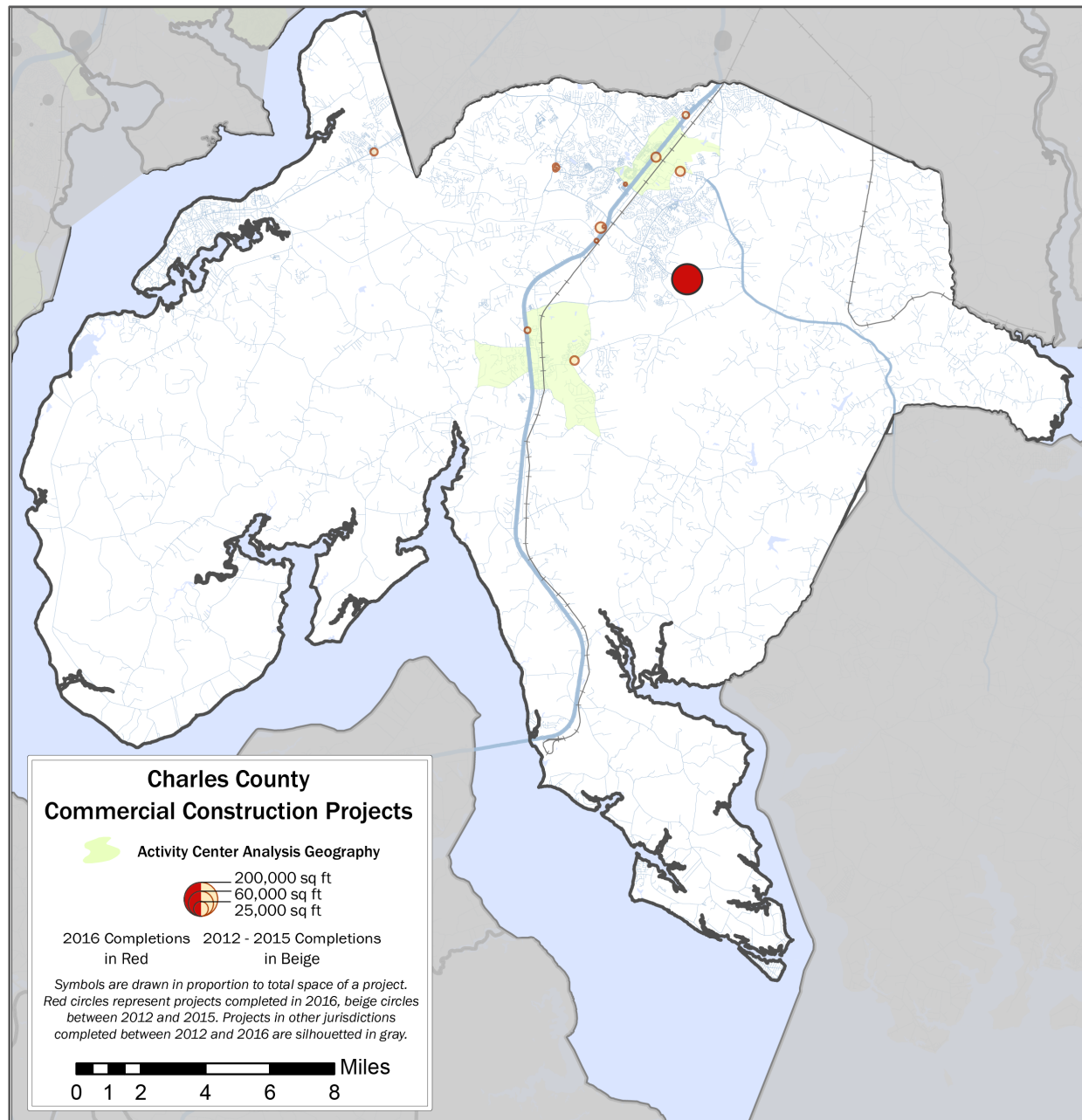


Source: CoStar, COG

Charles County

A 194,755 square foot utility substation was the sole commercial property completed in Charles County in 2016. No new commercial buildings were completed in 2015. From 2012 to 2015, Charles County represented less than one percent of all regional construction with 14 buildings and 147,832 square feet of space. The projects were all small office and retail buildings, mostly along the US 301 Highway. The vacancy rate was 8.0 percent at the end of 2016.

Figure 25

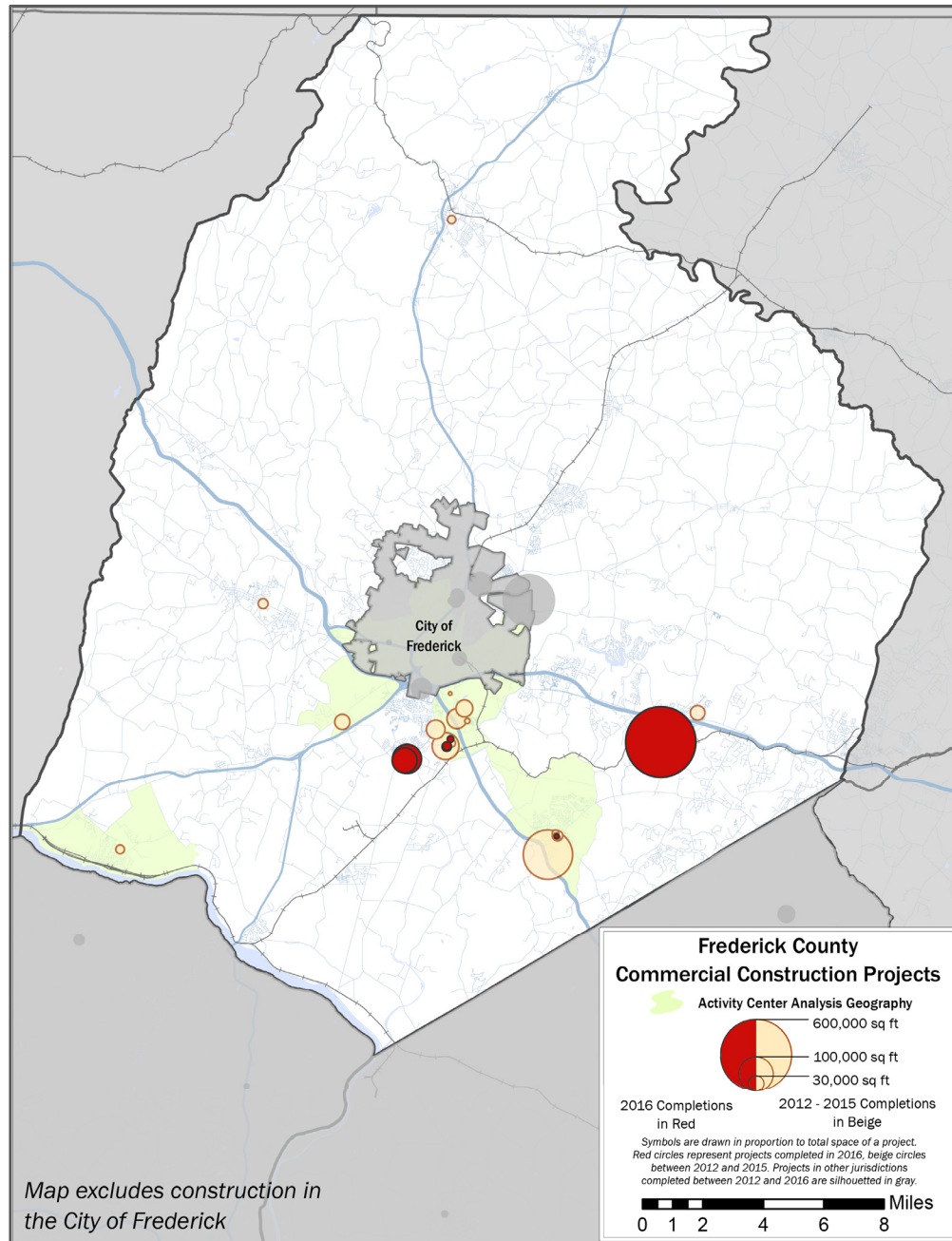


Source: CoStar, COG

Frederick County

Construction of new commercial space in Frederick County increased 207 percent from 2015 to 2016. Seven buildings with 810,579 square feet of new space were completed in 2016. The largest project was the 600,000 square foot, single-story Costco Distribution Center in Monrovia. The overall vacancy rate for the county was 8.7 percent at the end of 2016. The parts of the county outside of the City of Frederick had a lower rate of 7.3 percent.

Figure 26

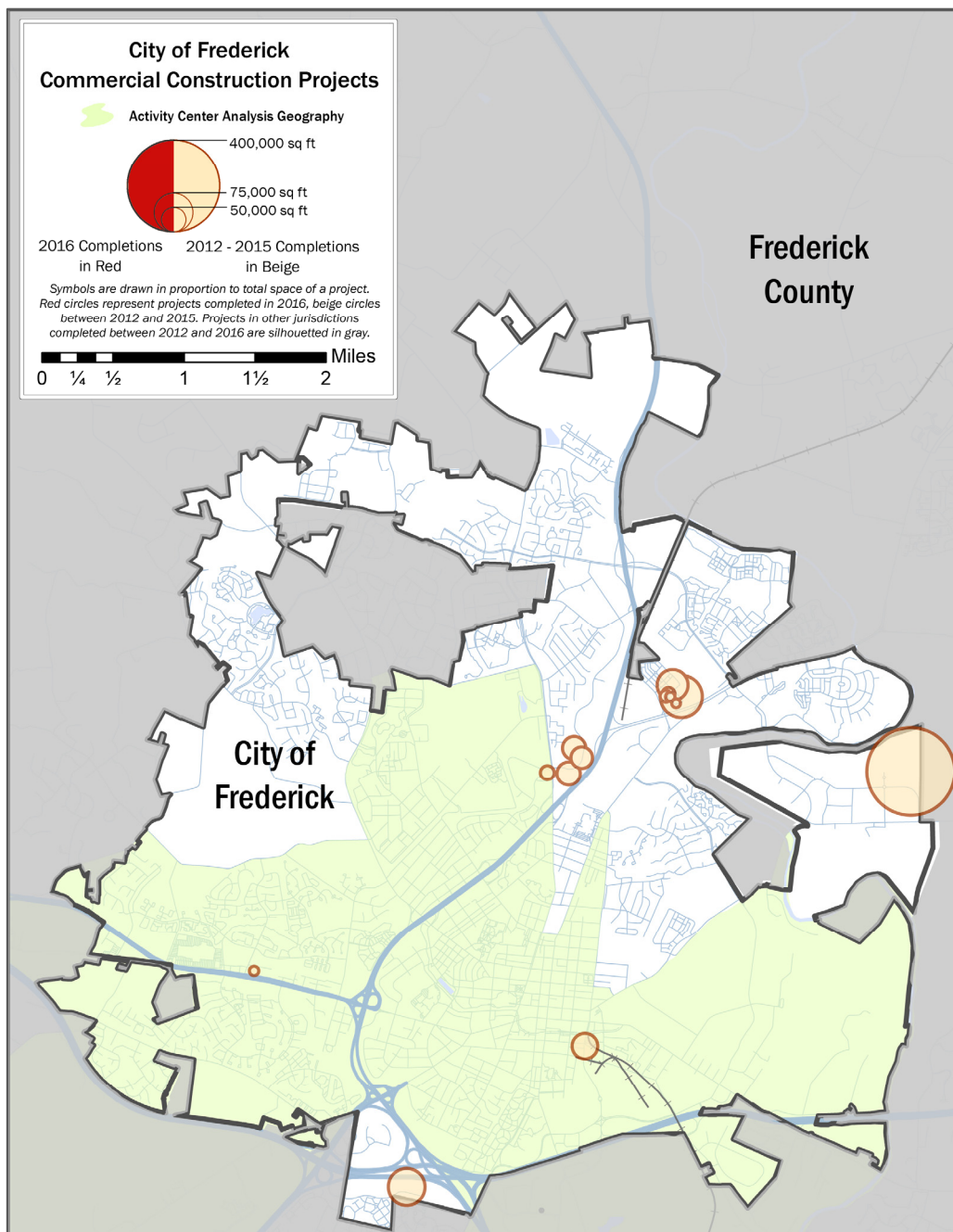


Source: CoStar, COG

City of Frederick

No commercial construction projects were completed in the City of Frederick in 2016. Between 2012 and 2015, 655,533 square feet of new space was completed from 14 buildings. In 2015, only one project was completed—the 59,000 square foot Genesis HealthCare Ballenger Creek Center, a single-story “skilled nursing facility.” The overall vacancy rate in the city was 10.5 percent at the end of 2016.

Figure 27

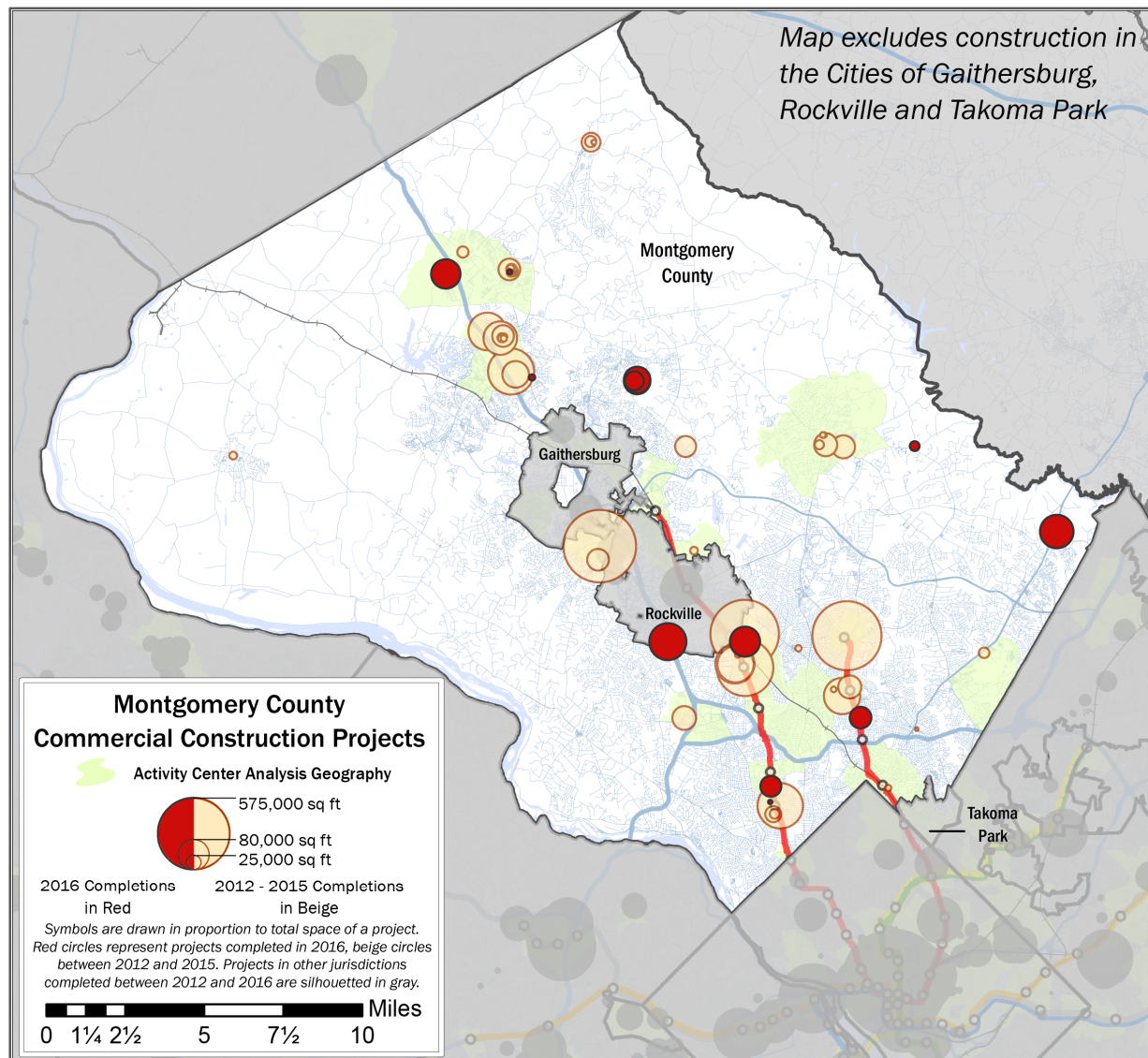


Source: CoStar, COG

Montgomery County

Construction of new commercial space in Montgomery County increased by 244 percent from 2015 to 2016. One million square feet of new space was completed from 15 buildings in 2016. The largest project was the two-story, 345,946 square foot Clarksburg Premium Outlets at Cabin Branch, located within the Clarksburg Activity Center. The overall vacancy rate for the county was 10.8 percent, the highest among the four Maryland counties.

Figure 28

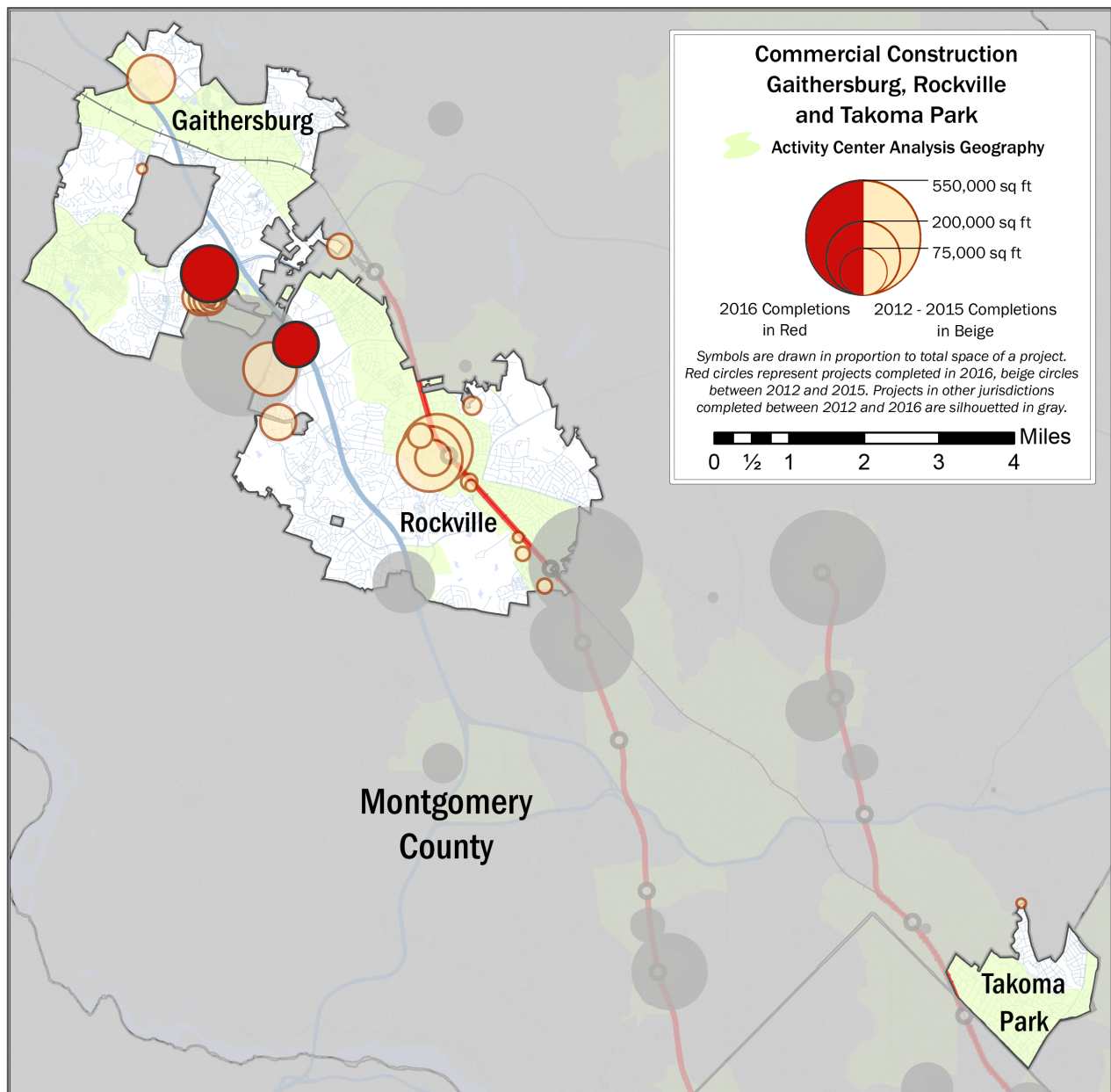


Source: CoStar, COG

Cities of Gaithersburg, Rockville, and Takoma Park

In 2016, two commercial buildings were completed in the three cities. In Gaithersburg, a three-story, 128,563 square foot health club was completed in the Life Sciences Center-Gaithersburg Crown Activity Center. In Rockville, a three-story, 82,000 square foot self-storage center was built. No commercial construction projects were completed in Takoma Park. Rockville's vacancy rate of 16.0 was well above the county-wide rate of 10.8 percent; both Gaithersburg—10.3 percent—and Takoma Park—3.9 percent—had lower rates than the rest of the county.

Figure 29

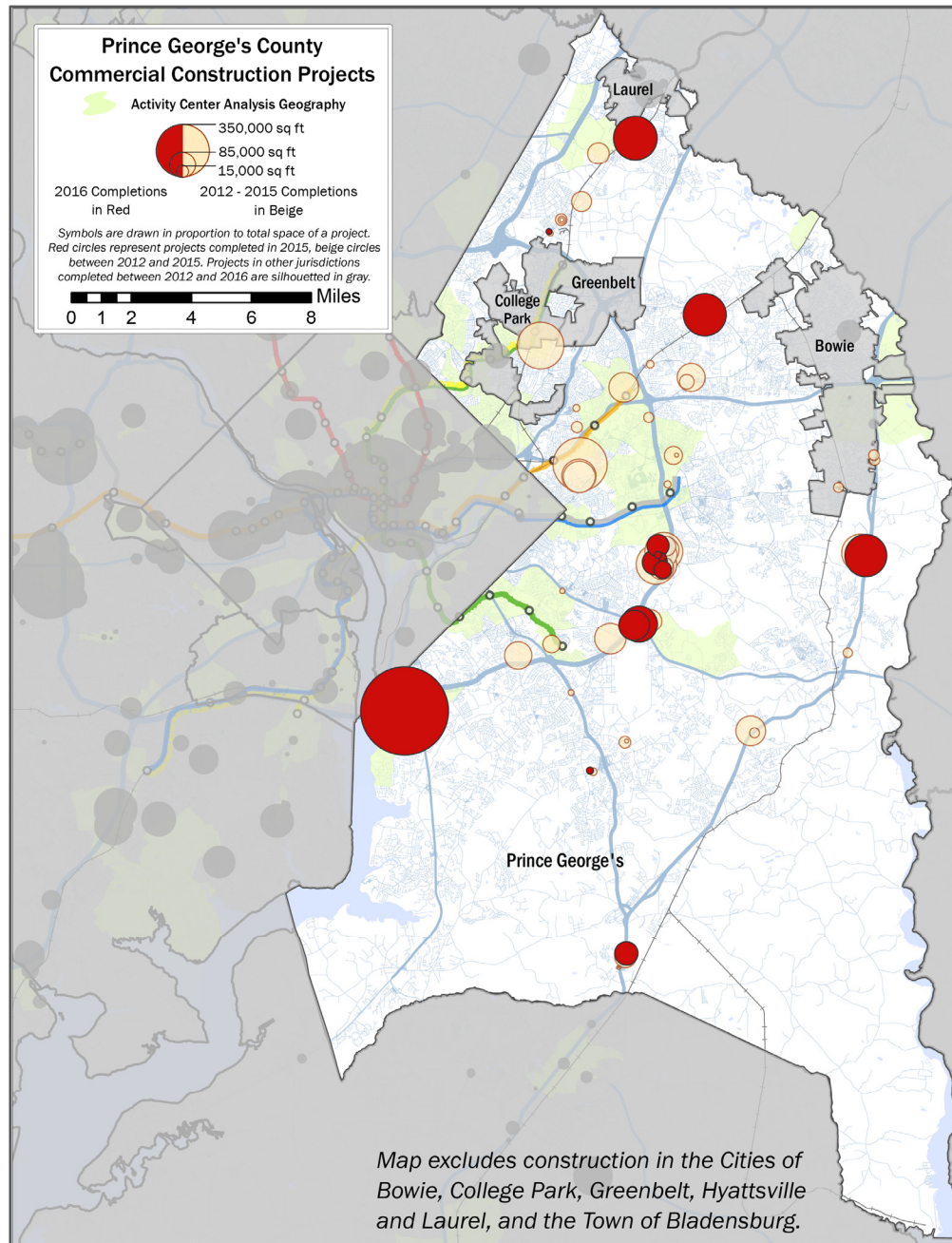


Source: CoStar, COG

Prince George's County

Construction of commercial space in Prince George's County increased by 107 percent from 2015 to 2016. In 2016, 18 buildings were completed, adding 2.4 million square feet of new space. The largest was the 24-story, 945,288 square foot MGM National Harbor Hotel Casino in Oxon Hill, which was also the largest single project in the entire region. The overall vacancy rate for the county was 9.3 percent.

Figure 30

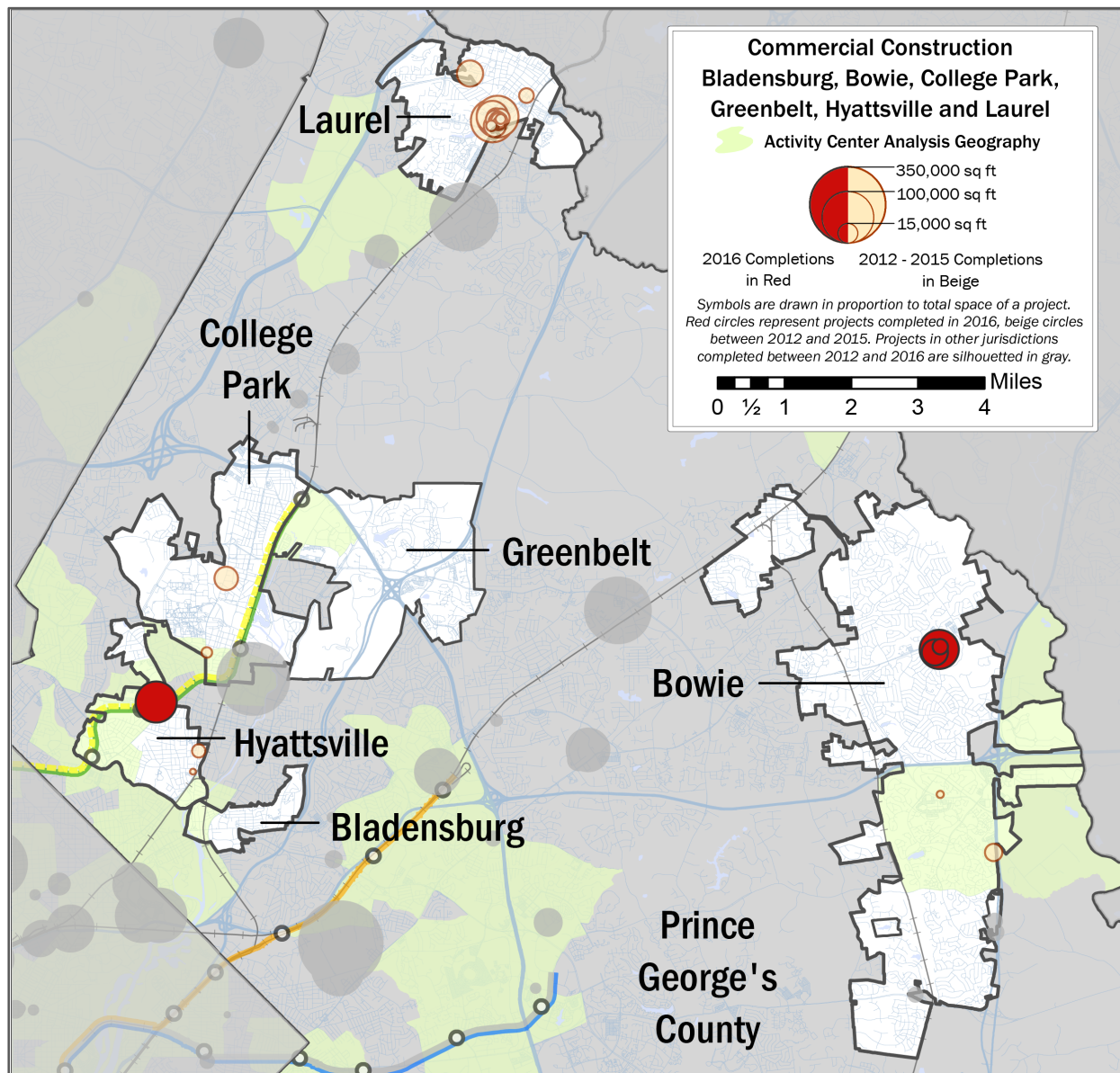


Source: CoStar, COG

Bladensburg, Bowie, College Park, Greenbelt, Hyattsville, and Laurel

In 2016, three buildings were completed in the City of Bowie, adding 122,098 square feet of space. The largest was the single-story, 75,220 square foot Bowie Marketplace retail building. The only Hyattsville commercial project completed in 2016 was the two-story, 83,000 square foot University Town Center storefront retail space near the Prince George's Plaza Metro station. No projects were completed in College Park nor Laurel in 2016, while no projects have been completed in Bladensburg nor Greenbelt since 2009. Bladensburg has the lowest vacancy rate—at one percent—among COG members, while Greenbelt's 23.0 percent rate is the highest.

Figure 31



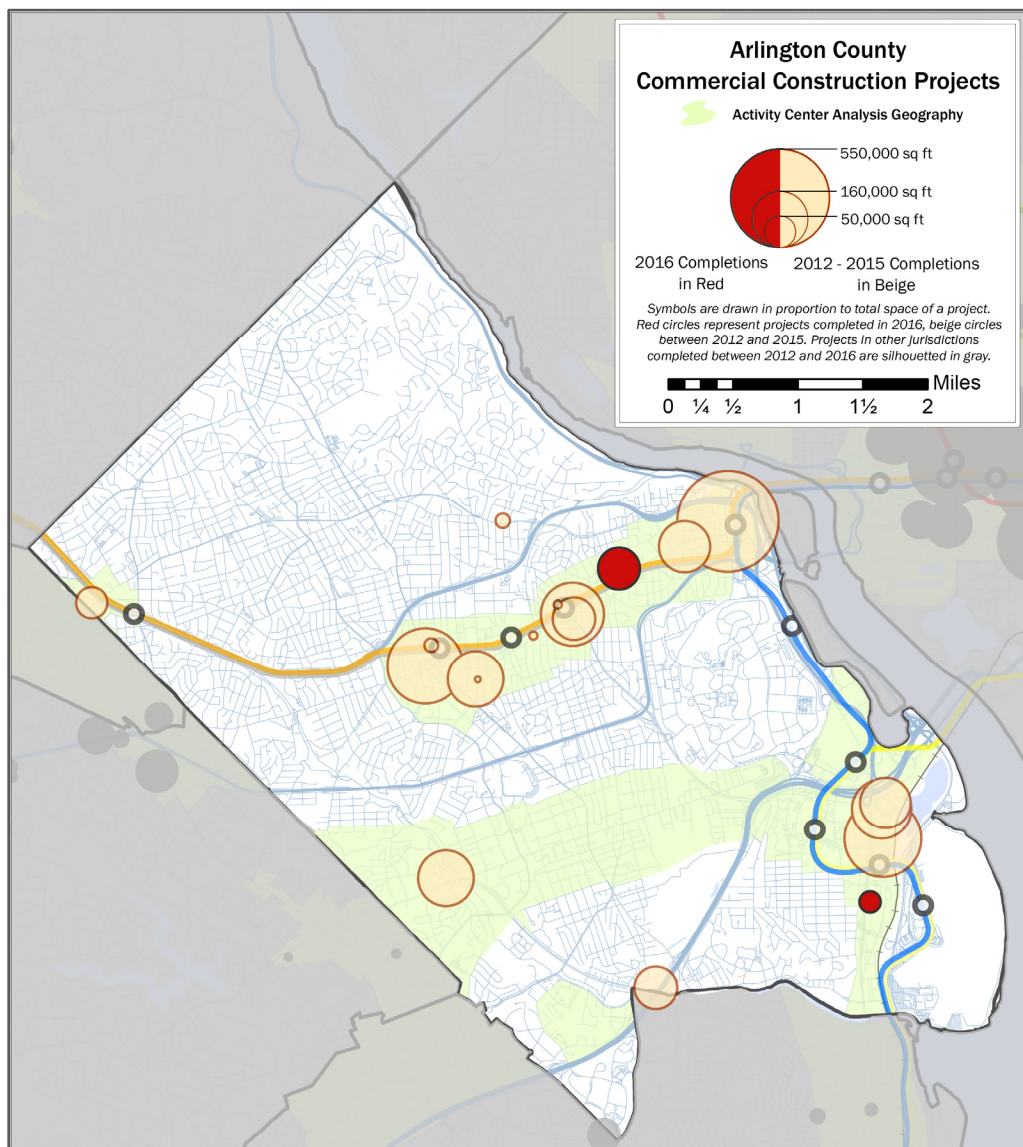
Source: CoStar, COG

Arlington County

Construction of new commercial space declined by 29 percent from 2015 to 2016. Only two projects were completed in 2016, totaling 118,000 square feet of rentable space. The largest new project in Arlington completed in 2016 was an eight-story, 93,000 square foot Hyatt Place Hotel next to the Court House Metrorail station.

The overall vacancy rate for Arlington was 17.2 percent at the end of 2016—the highest among counties in the region. Arlington’s office sector has been especially hard hit by vacancies and the 19.8 percent office vacancy rate at year’s end was also the highest among COG counties. Reduced Federal spending, the consolidation of defense related office space, a general trend towards more compact offices, and competition from the District and Tysons Corner have all contributed to high vacancies and reduced office construction in the county.

Figure 32

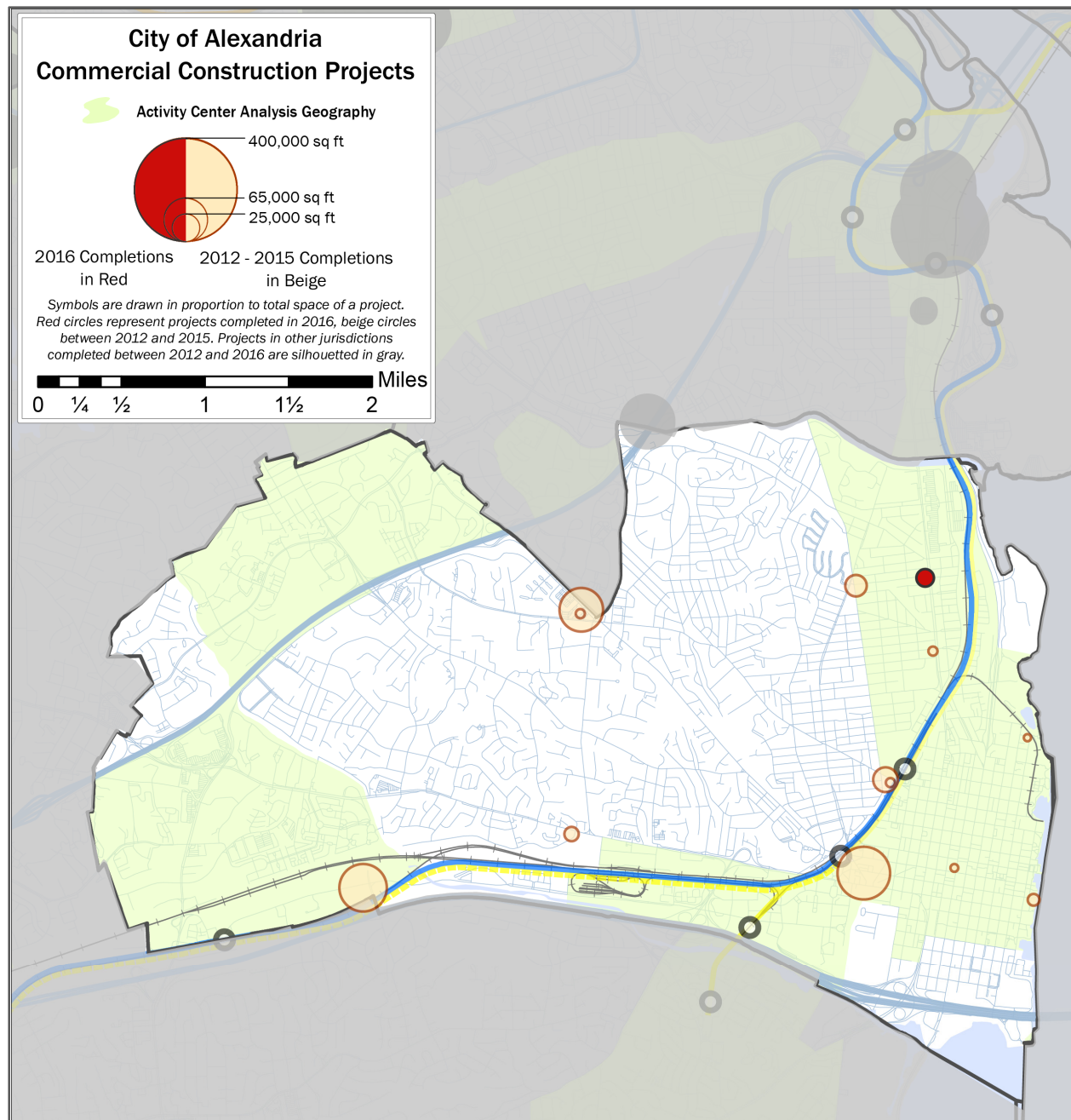


Source: CoStar, COG

City of Alexandria

From 2015 to 2016, Alexandria's commercial construction decreased by 88 percent. The sole project completed in 2016 was a 10,500 square foot freestanding retail building in the Potomac Yard Activity Center. The overall vacancy rate for Alexandria was 12.7 percent at the end of 2016.

Figure 33

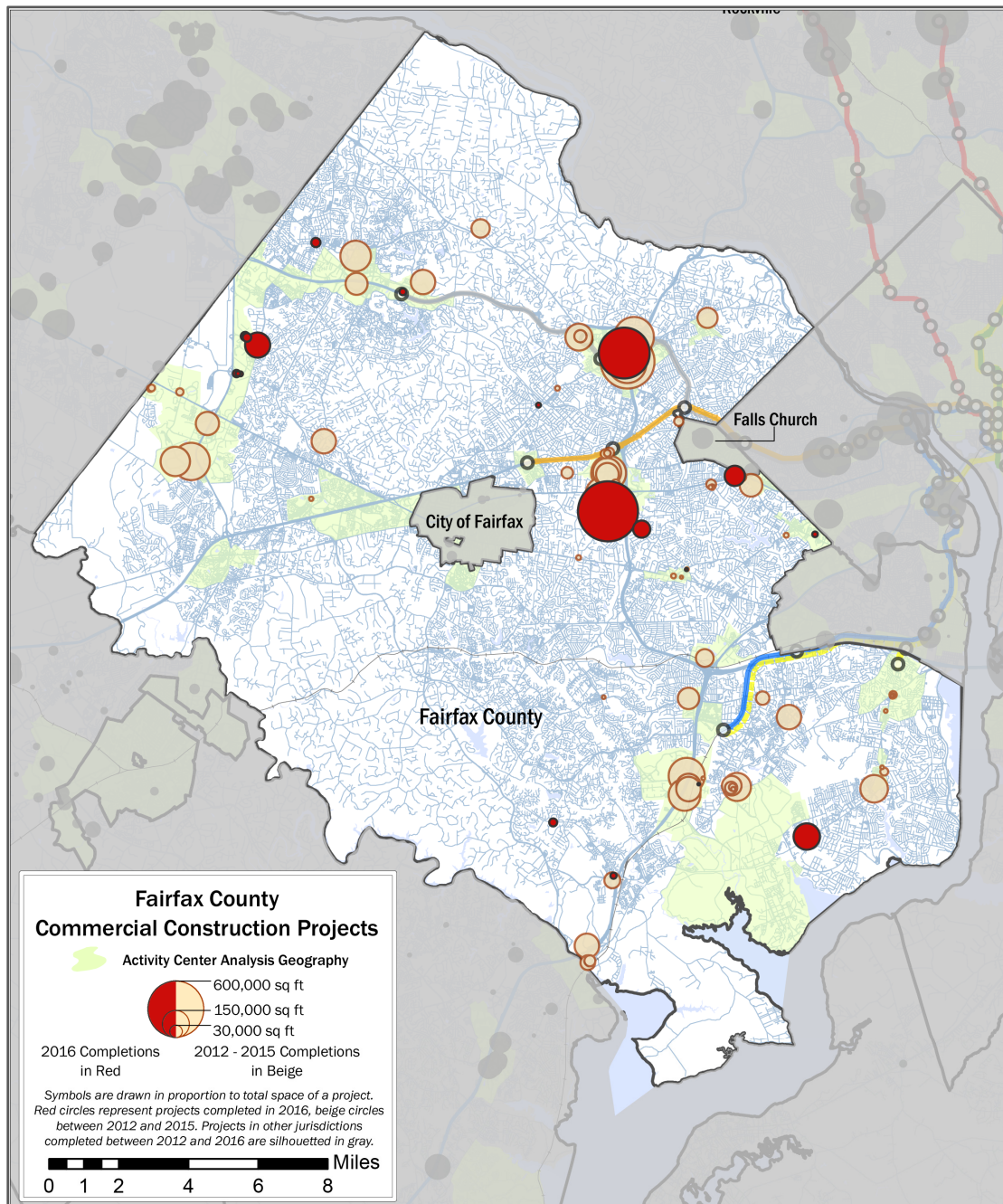


Source: CoStar, COG

Fairfax County

Construction of new commercial space increased 66 percent from 2015 to 2016. Nineteen projects were completed in 2016, totaling 1.6 million square feet of rentable space. The largest new project in 2016 was the 11-story, 660,000 square foot Inova Women and Children's Hospital in the Dunn Loring-Merrifield Activity Center. The overall vacancy rate for Fairfax County was 12.6 percent at the end of 2016.

Figure 34

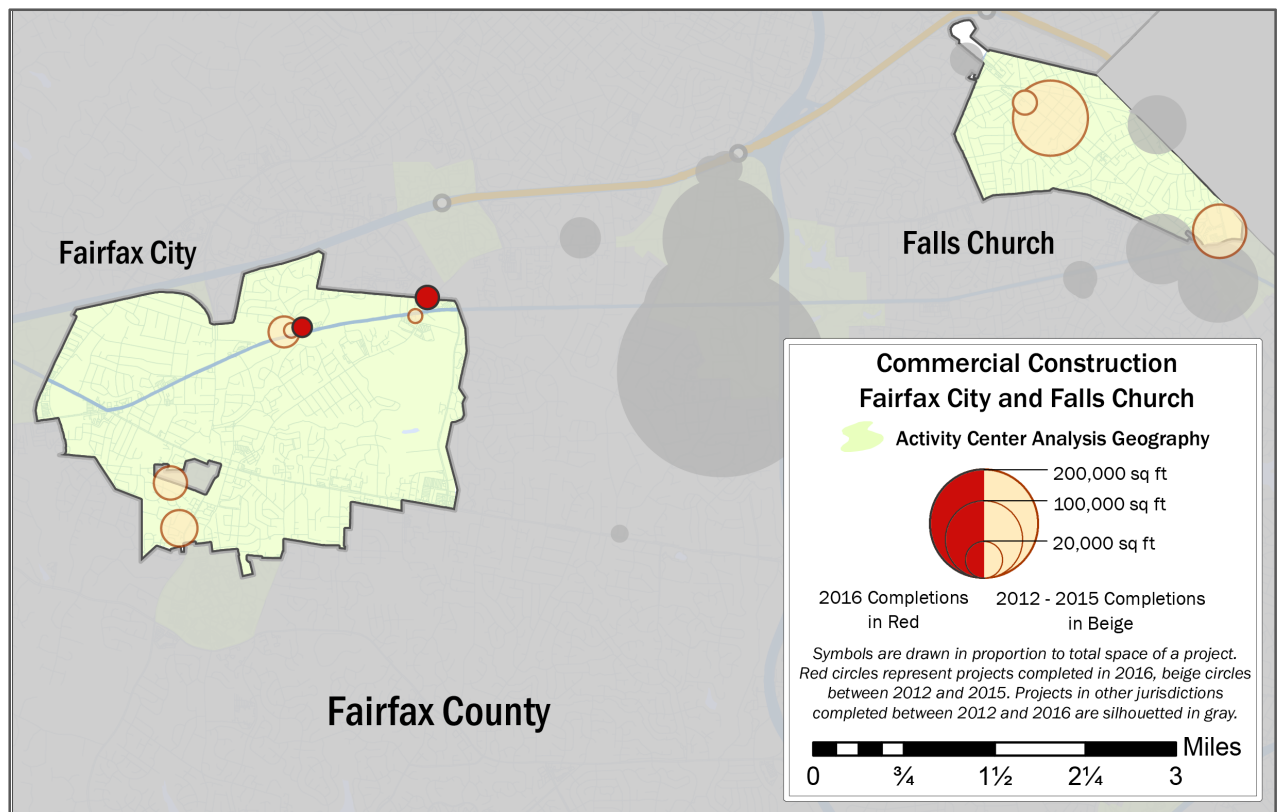


Source: CoStar, COG

Cities of Fairfax and Falls Church

Construction in the City of Fairfax declined 29 percent from 2015 to 2016. Two commercial buildings with 14,664 square feet of space were completed in 2016. The largest project was an 8,664 square foot freestanding retail building. No commercial buildings have been completed in the City of Falls Church since 2014. At the end of 2016, the overall vacancy rate was 11.5 percent for the City of Fairfax, and 5.4 percent for the City of Falls Church.

Figure 35



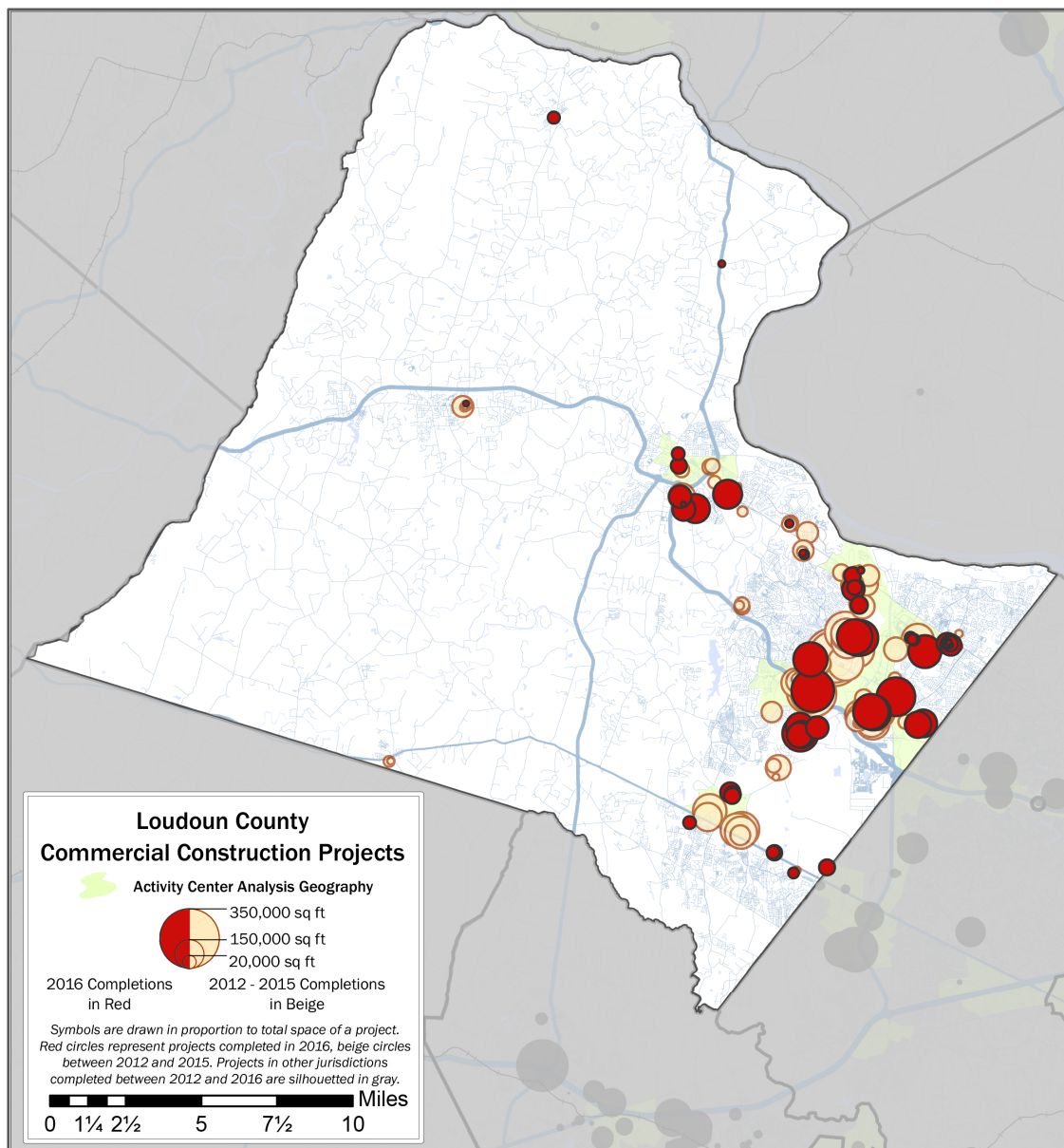
Source: CoStar, COG

Loudoun County

Construction of new commercial space increased by 33 percent from 2015 to 2016. Fifty-five new projects were completed in 2016 with a combined total of 3.1 million new square feet of rentable space. Loudoun experienced the most commercial construction in 2016 and accounted for 25 percent of all new space. The overall vacancy rate for the county was 8.2 percent at the end of 2016.

The largest new project from 2016 was a single-story 221,000 data center in the Ashburn Station Activity Center. Over the past five years, 87 percent of new data center space has been located in Loudoun County—25 percent located in the Ashburn Station Activity Center alone.

Figure 36



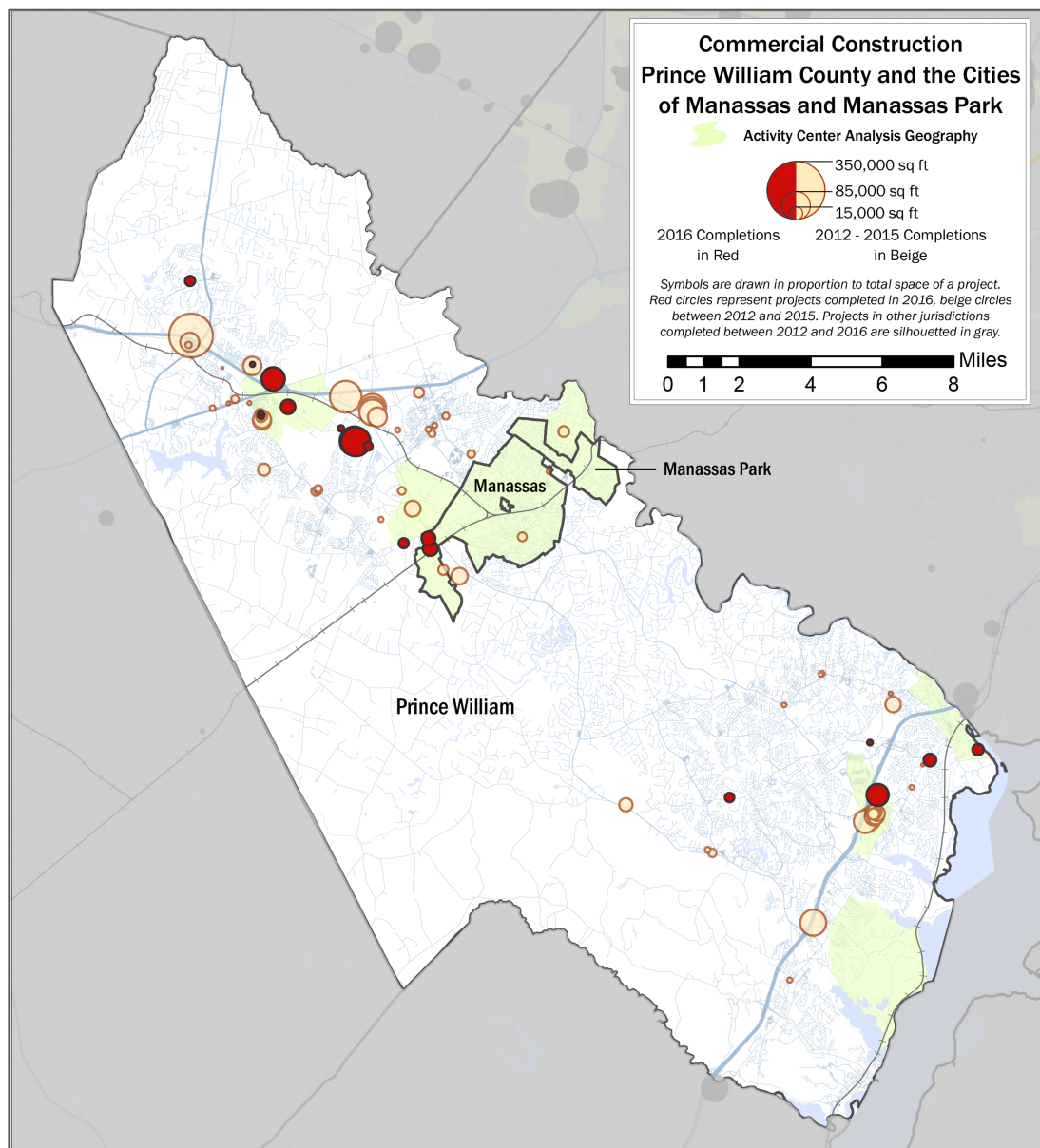
Source: CoStar, COG

Prince William County, Manassas, and Manassas Park

In Prince William County, construction of new commercial space increased 30 percent from 2015 to 2016. Sixteen projects, with 683,320 square feet of space, were completed in 2016. The largest two projects in 2016 were a pair of 148,580 square foot data centers at the Southpoint Business Center in Wellington. At the end of 2016, the vacancy rate in Prince William County was 5.3 percent.

In the City of Manassas, two projects were completed in 2016 with 79,200 square feet of space. The largest was a single-story, 44,000 square foot flex space at the Gateway Business Center. No commercial construction projects have been completed in Manassas Park since 2010. At the end of 2016, the vacancy rate stood at 6.5 percent in the City of Manassas and at 4.6 percent in Manassas Park.

Figure 37

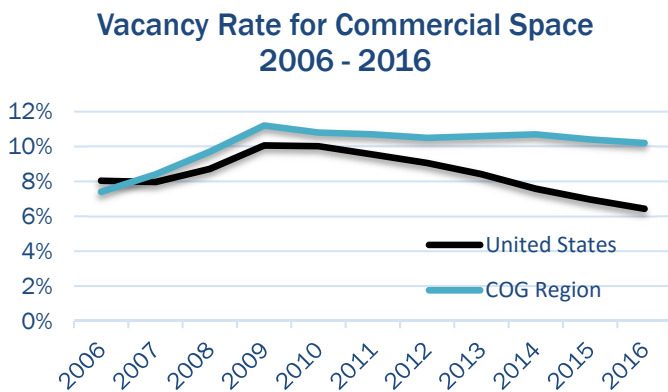


Source: CoStar, COG

Vacancy Rates

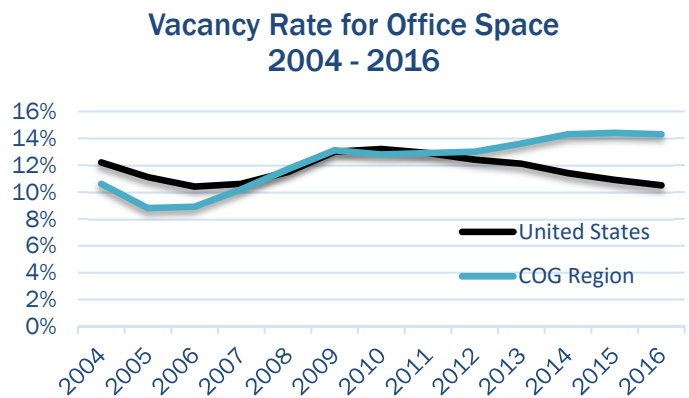
The region is experiencing high vacancy rates when compared to both current national trends and regional historical trends. Since 2009, the regional overall commercial real estate vacancy rate has hovered just below 11 percent; the office rate, however, has climbed to over 14 percent in 2016. The rates of vacant retail and industrial/flex space peaked in 2009 and 2010, respectively, and have since fallen modestly. Regional vacancy rates in all sectors remain above their pre-recession levels.

Figure 38



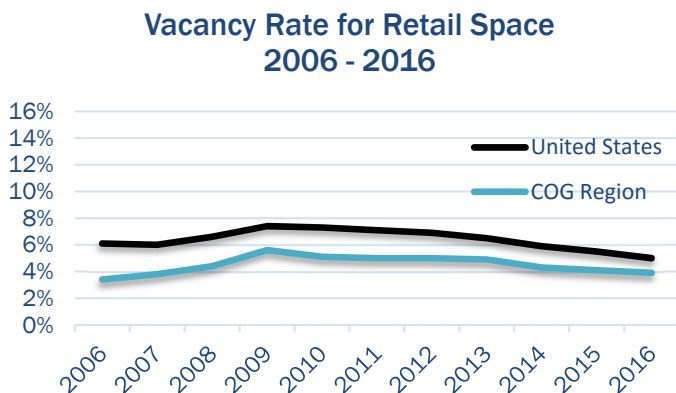
Source: CoStar, COG

Figure 39



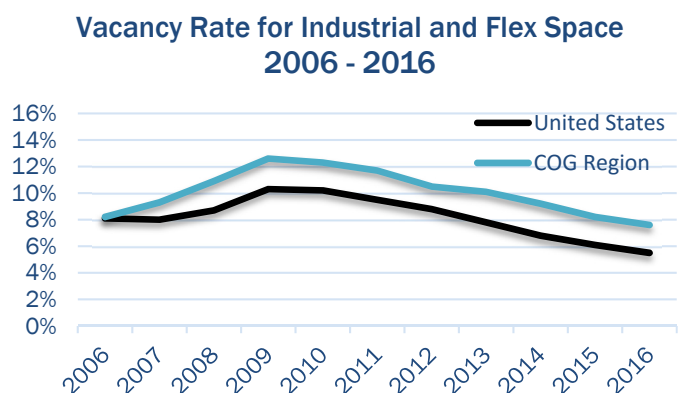
Source: CoStar, COG

Figure 40



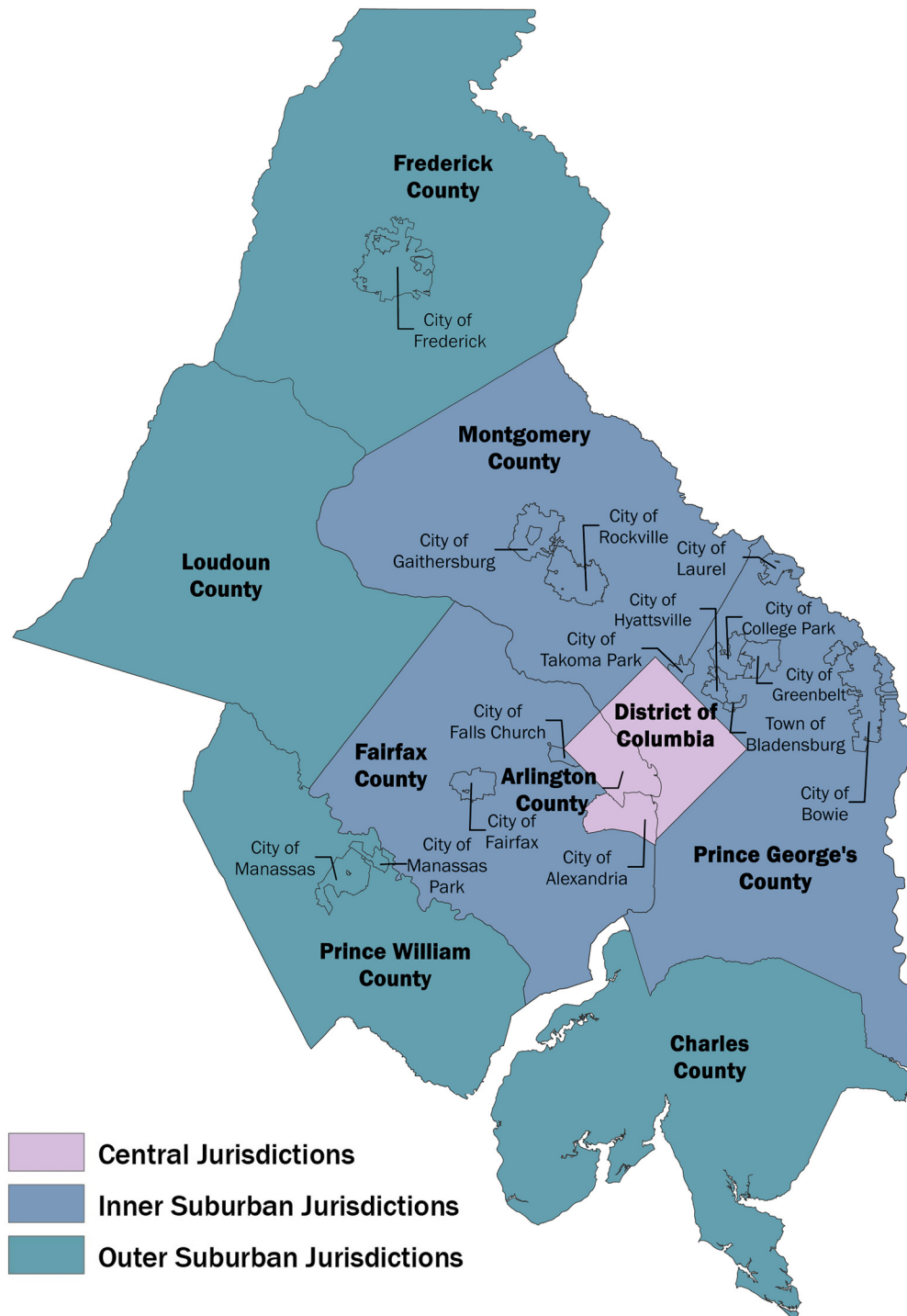
Source: CoStar, COG

Figure 41



Source: CoStar, COG

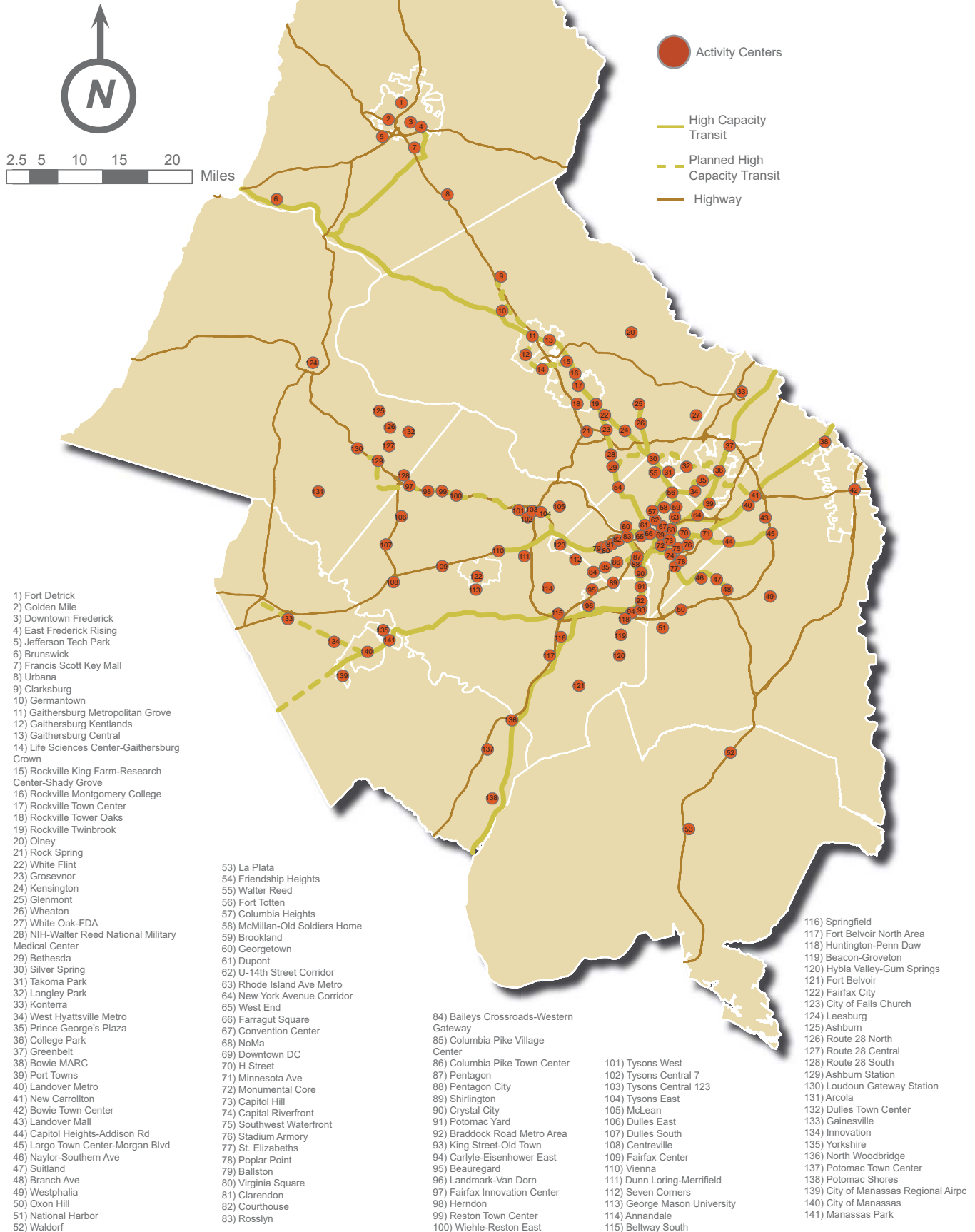
APPENDIX A. MAP OF REGIONAL “RING” JURISDICTIONAL GROUPINGS



Regional Activity Centers Map

Submitted to COG Board for Approval January 13, 2013

APPENDIX B



APPENDIX C. COMMERCIAL CONSTRUCTION DEFINITIONS

COMMERCIAL CONSTRUCTION PROJECT

A property with one or more completed buildings that allocates the majority of usable space to one of the following categories: office, retail, industrial, flex, hospitality, health care, specialty, or sports and entertainment. Some government owned buildings are excluded from the CoStar dataset. Mixed-use buildings with a residential primary use are also excluded.

COMPLETION

Projects with buildings that are completed and are ready for occupancy. A certificate of occupancy has been received.

SQUARE FEET OF RENTABLE BUILDING AREA

The usable area of a project and its associated share of the common areas. Typically, rents are based on this area. It is the space the tenant will occupy in addition to the associated common areas of the building such as the lobby, hallways, bathrooms, equipment rooms, etc.

VACANCY RATE

Expressed as a percentage, the vacancy rate identifies the amount of unoccupied space in an area divided by the total rentable building area. In this report, the general commercial construction rate applies to all buildings in the flex, industrial, office or retail categories, but excludes hospitality, health care, specialty, and sports and entertainment projects.

Structure Type (definitions taken from the [CoStar Glossary](http://www.costar.com/about/costar-glossary)¹)

All buildings in the CoStar database are assigned a structure type. Mixed-use buildings are assigned based upon a project's primary use. Retail space located in an office building is categorized as office space, while retail or office space located within an apartment building is excluded from this report.

FLEX

Designed to be versatile, which may be used in combination with office (corporate headquarters), research and development, quasi-retail sales, and including but not limited to industrial, warehouse, and distribution uses. At least half of the rentable area of the building must be used as office space. Flex buildings typically have ceiling heights under 18', with light industrial zoning. Flex buildings have also been called incubators, tech, and showrooms.

HEALTH CARE

Includes assisted living, congregate senior housing, continued care retirement communities, hospitals, rehabilitation centers, and skilled nursing facilities.

HOSPITALITY

Includes all types of lodging facilities including hotels and motels. Hotels are facilities that offer lodging accommodations and a wide range of other services, e.g., restaurants, casinos, convention facilities, meeting rooms, recreational facilities, and commercial shops.

¹ <http://www.costar.com/about/costar-glossary>

INDUSTRIAL

Adapted for a combination of uses such as assemblage, processing, and/or manufacturing products from raw materials or fabricated parts. Additional uses include warehousing, distribution, self-storage, and maintenance facilities.

OFFICE

Primary intended use is to house employees of companies that produce a product or service primarily for support services such as administration, accounting, marketing, information processing and dissemination, consulting, human resources management, financial and insurance services, educational and medical services, and other professional services. Government-owned and operated office buildings are generally excluded.

OTHER

Includes specialty projects (*such as cemeteries, mausoleums, some correctional facilities, lodges and meeting halls, marinas, movie, radio and television studios, some police and fire stations, some post offices, some public libraries, radio and TV transmission facilities, recycling centers, religious facilities, private schools, shelters, sorority and fraternity houses, trailer/camper parks, water retention facilities, and vineyards*) and sports and entertainment projects (*such as amusement parks, stadiums, casinos, golf courses, stables, race tracks, swimming pools, theaters, and concert halls*).

RETAIL

Primary intended use is to promote, distribute or sell products and services to the public. Retail buildings can be used for various sales opportunities, including, but not limited to, stand-alone (convenience stores to department stores), store fronts, strip centers (no anchors), neighborhood, community, regional, and super-regional malls, power centers, factory outlet centers, and fashion or specialty centers.



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