

# 2019 COMMERCIAL CONSTRUCTION TRENDS FOR MWCOG REGION

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## Analysis of CoStar data

John Kent  
Regional Planner  
Department of Community Planning and Services

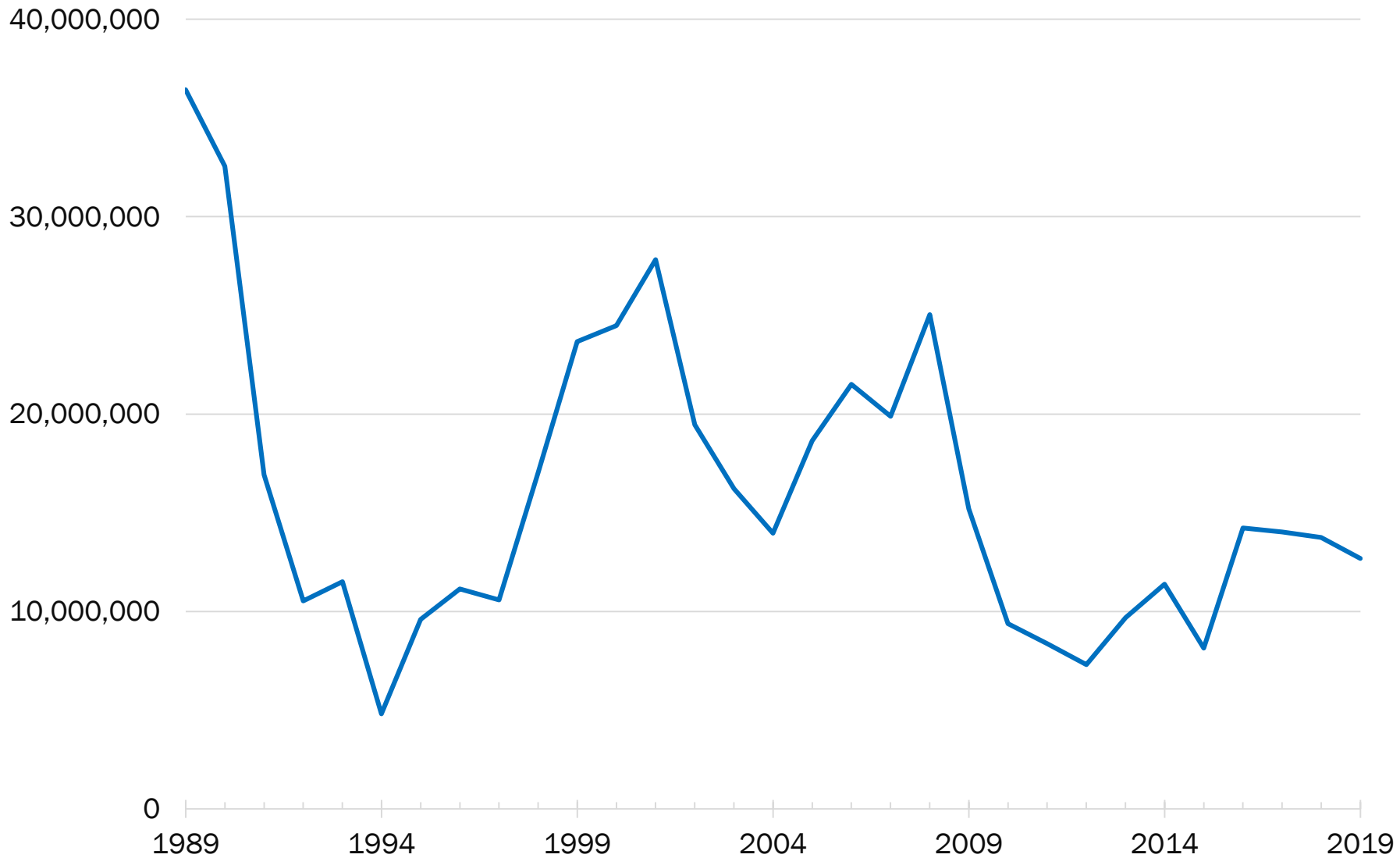
Planning Directors Technical Advisory Committee  
July 17, 2020

# About the Commercial Construction Report

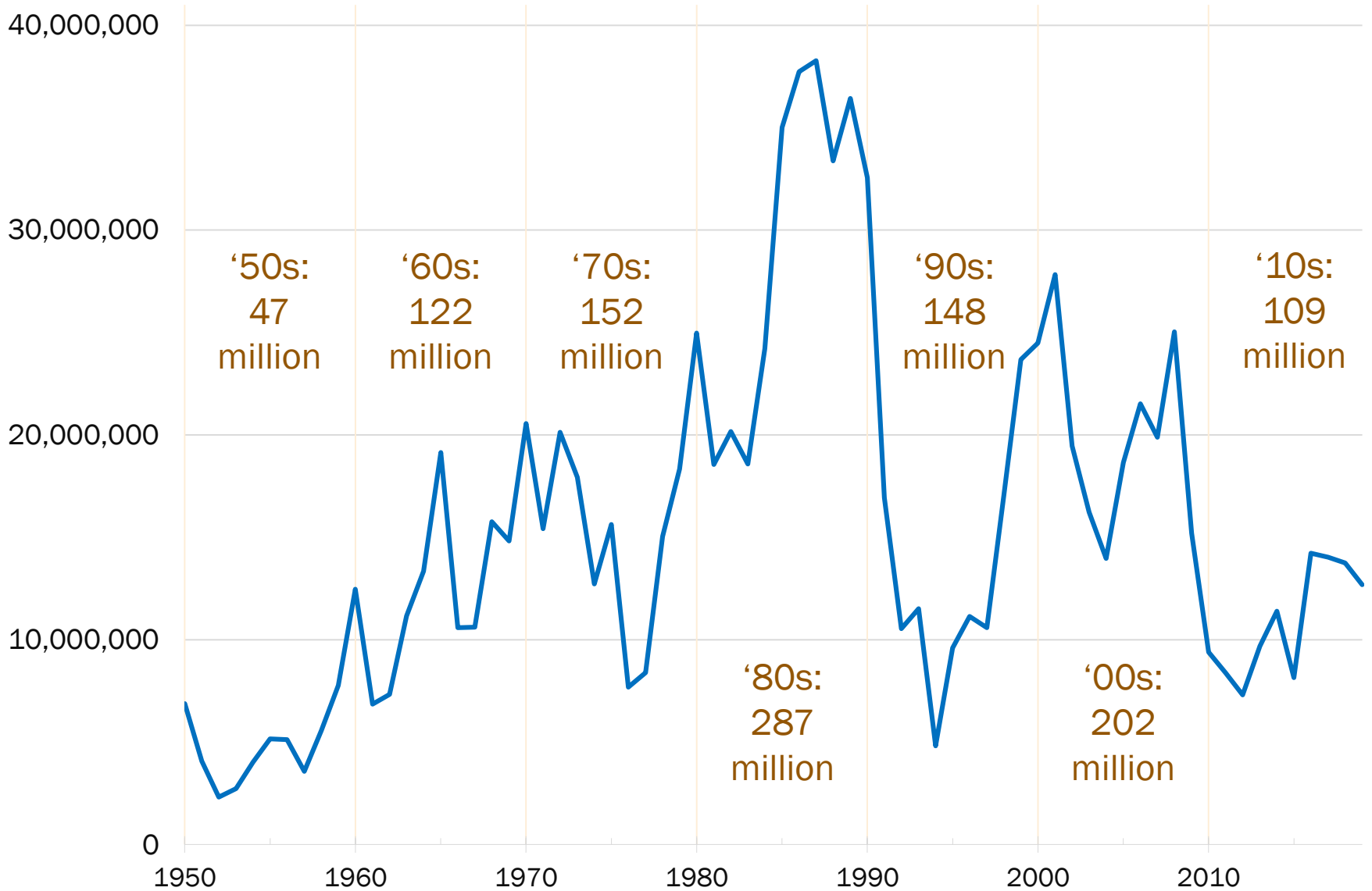
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- Annual analysis of completed regional commercial real estate projects using data from CoStar's database of properties.
  - Includes office, retail, industrial, flex, healthcare, hospitality, sports and entertainment and specialty buildings
  - Generally, government buildings—including courts, administrative buildings and public schools—are omitted from the database

# Square Footage of Completed Commercial Construction, 1989 - 2019



# Square Footage of Completed Commercial Construction since 1950



# Largest Projects in 2019

Project Name	Land Use	Jurisdiction	Stories	RBA
655 New York Ave	Office	District of Columbia	12	758,000
Marriott at Columbia Place	Hotel	District of Columbia	12	568,921
Washington Adventist Hospital at White Oak	Hospital	Montgomery	7	562,730
Four Constitution Square	Office	District of Columbia	11	522,550
Keys Energy Center	Natural Gas Power Plant	Prince George's	--	450,000
700K at Anthem Row	Office	District of Columbia	12	442,676
Boro Tower	Office	Fairfax County	20	438,169
QTS	Industrial (Data Center)	Loudoun	3	427,320
Conrad Washington DC	Hotel	District of Columbia	10	413,000
Gardenside - Ingleside at King Farm, Phase II	Continuing Care Retirement Community	City of Rockville	--	374,614

- The ten largest projects represent 39% of the region's 12.7 million square feet of new commercial space.
- Four of the ten largest projects were in the Downtown DC / Convention Center Activity Center.

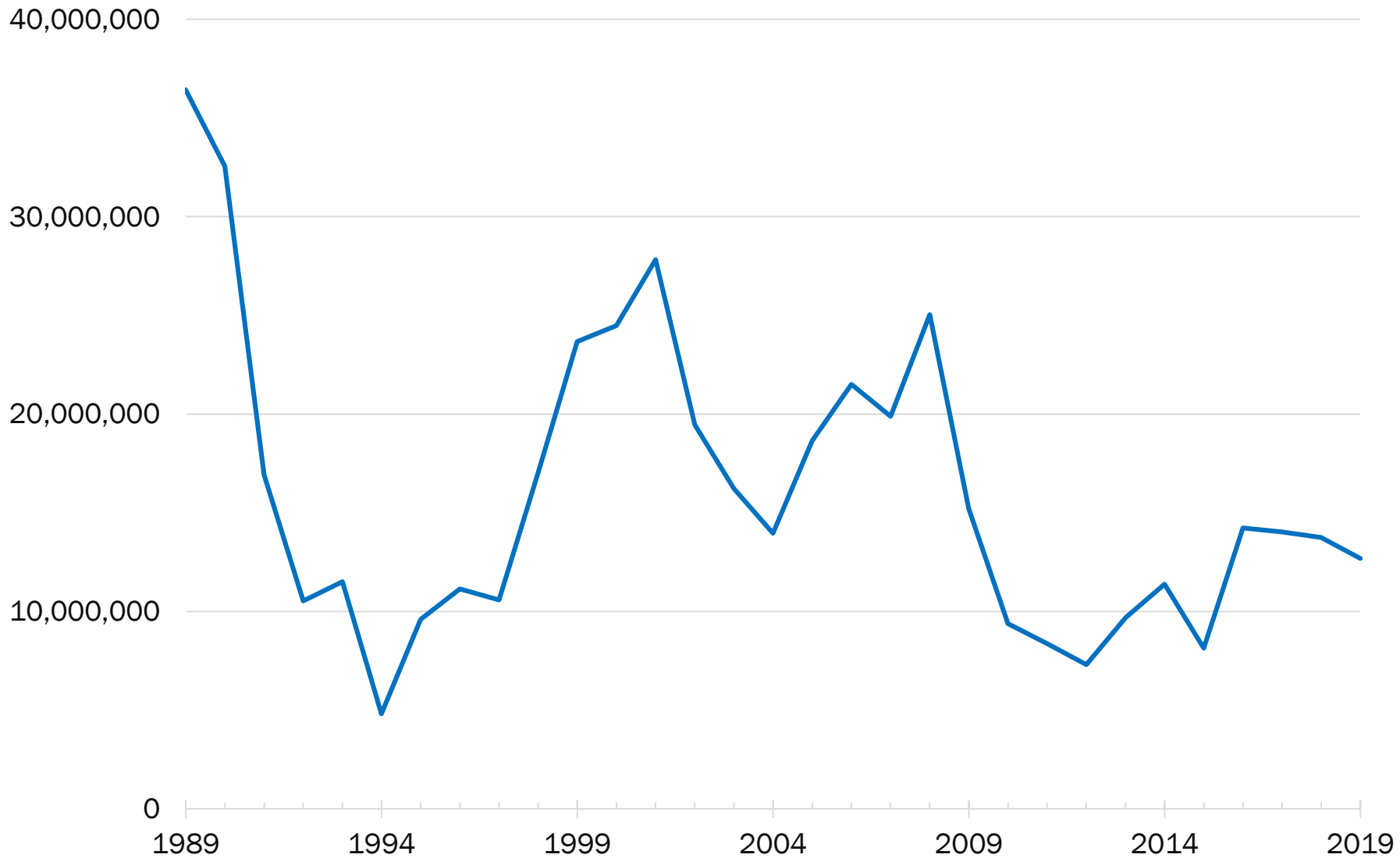


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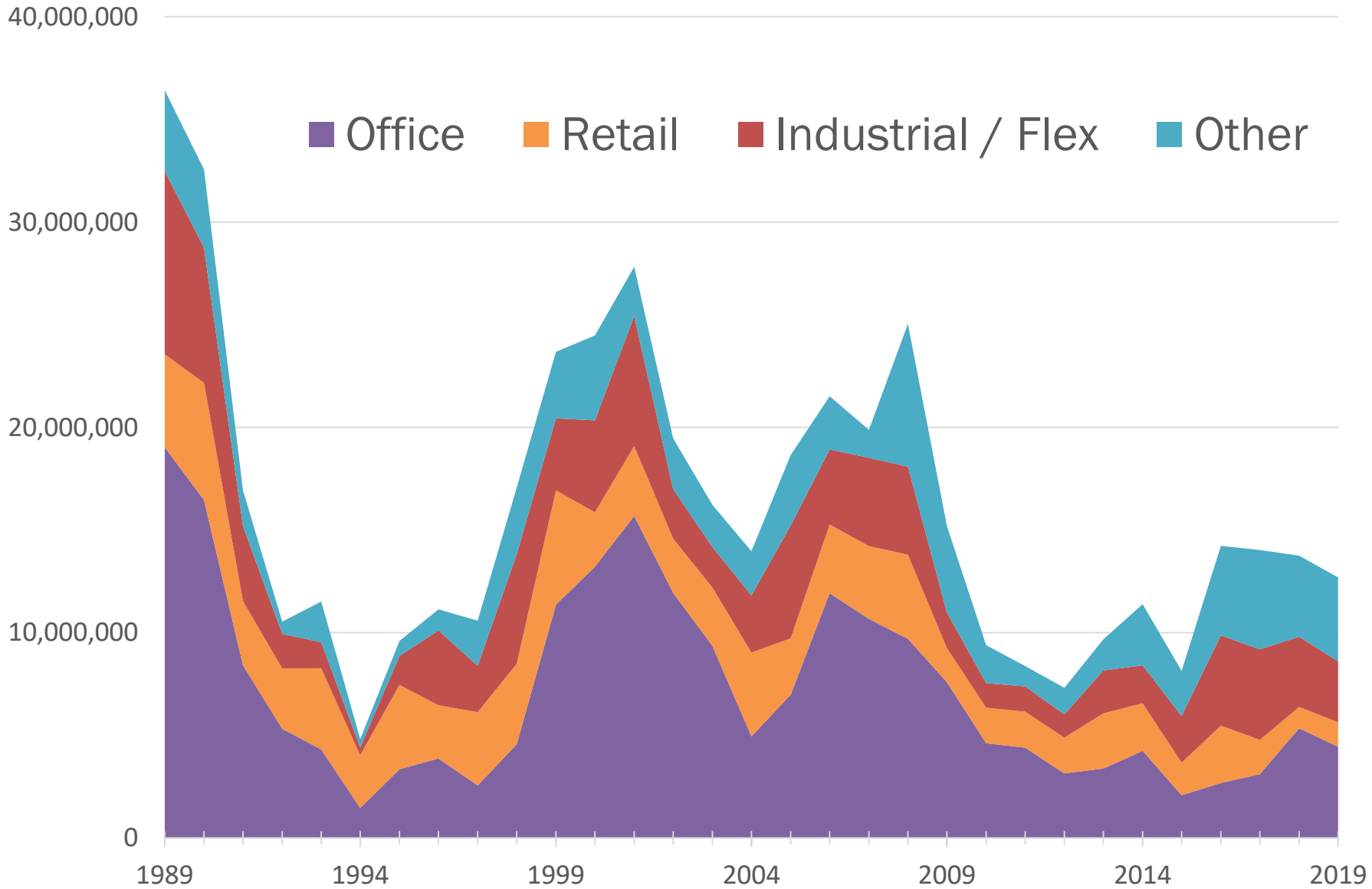
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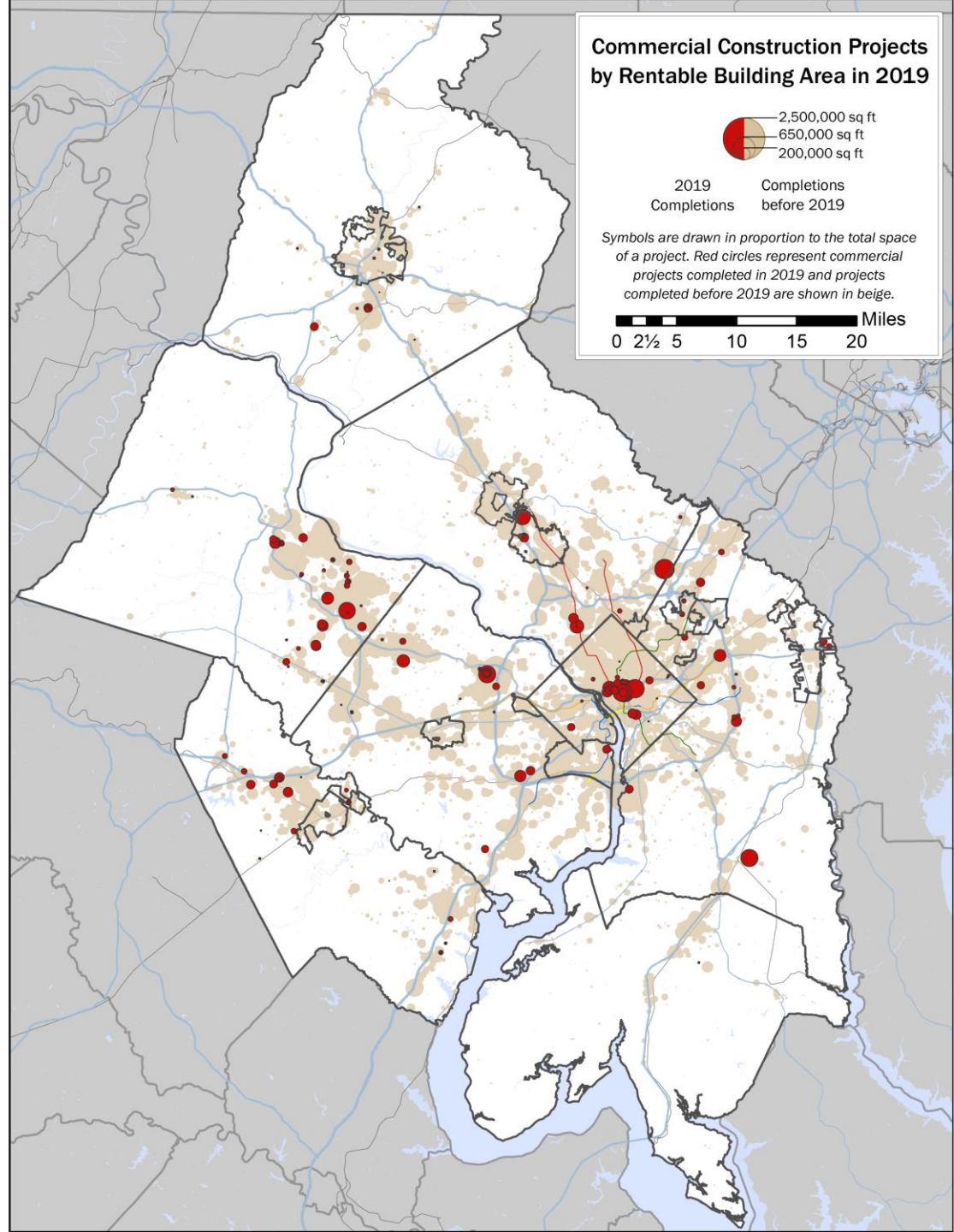




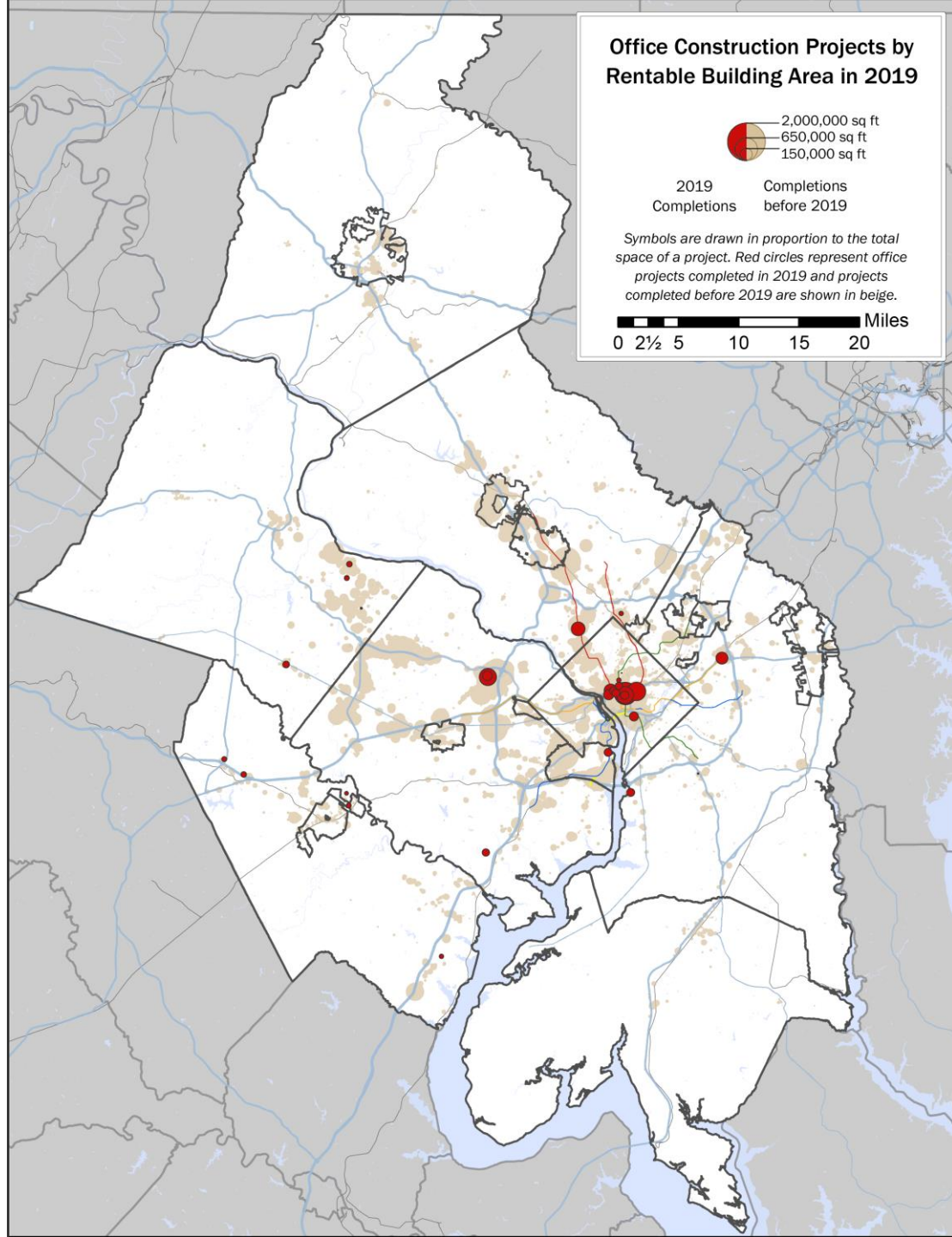
# Square Footage of Completed Commercial Construction by Structure Type, 1989 - 2019



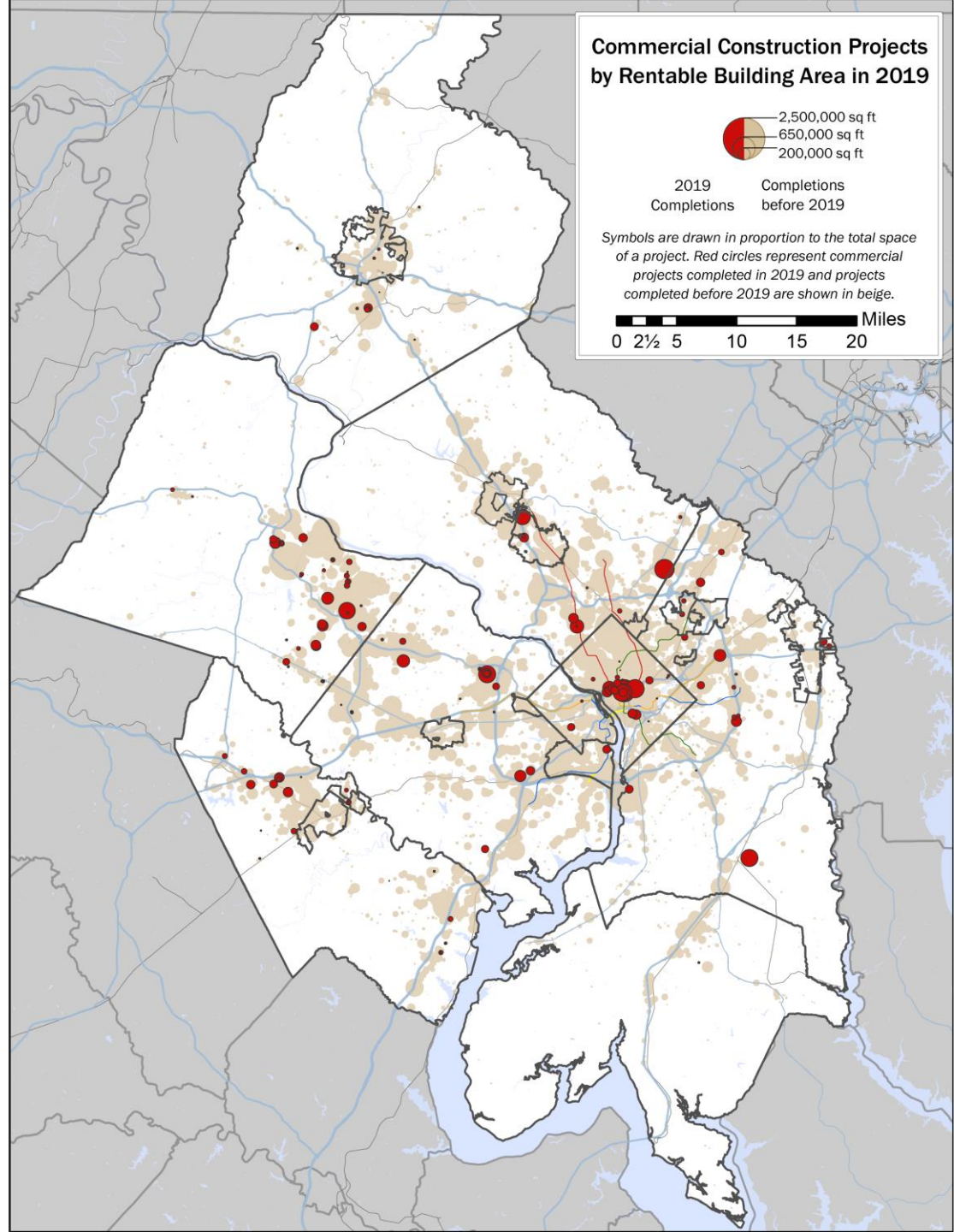
- All COG counties added commercial space in 2019.



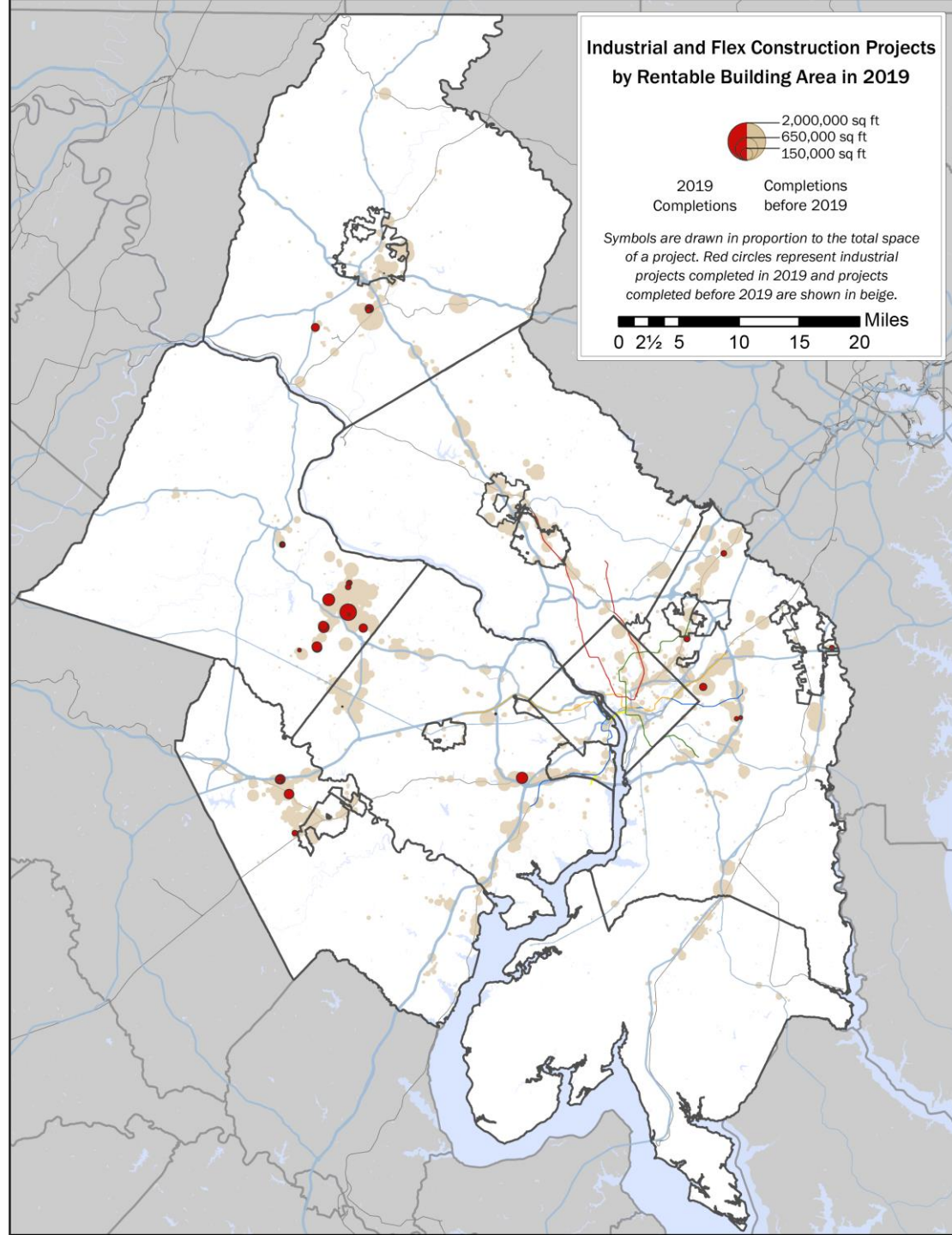
- All COG counties added commercial space in 2019.
- Office building construction primarily around Metrorail stations and in the District of Columbia



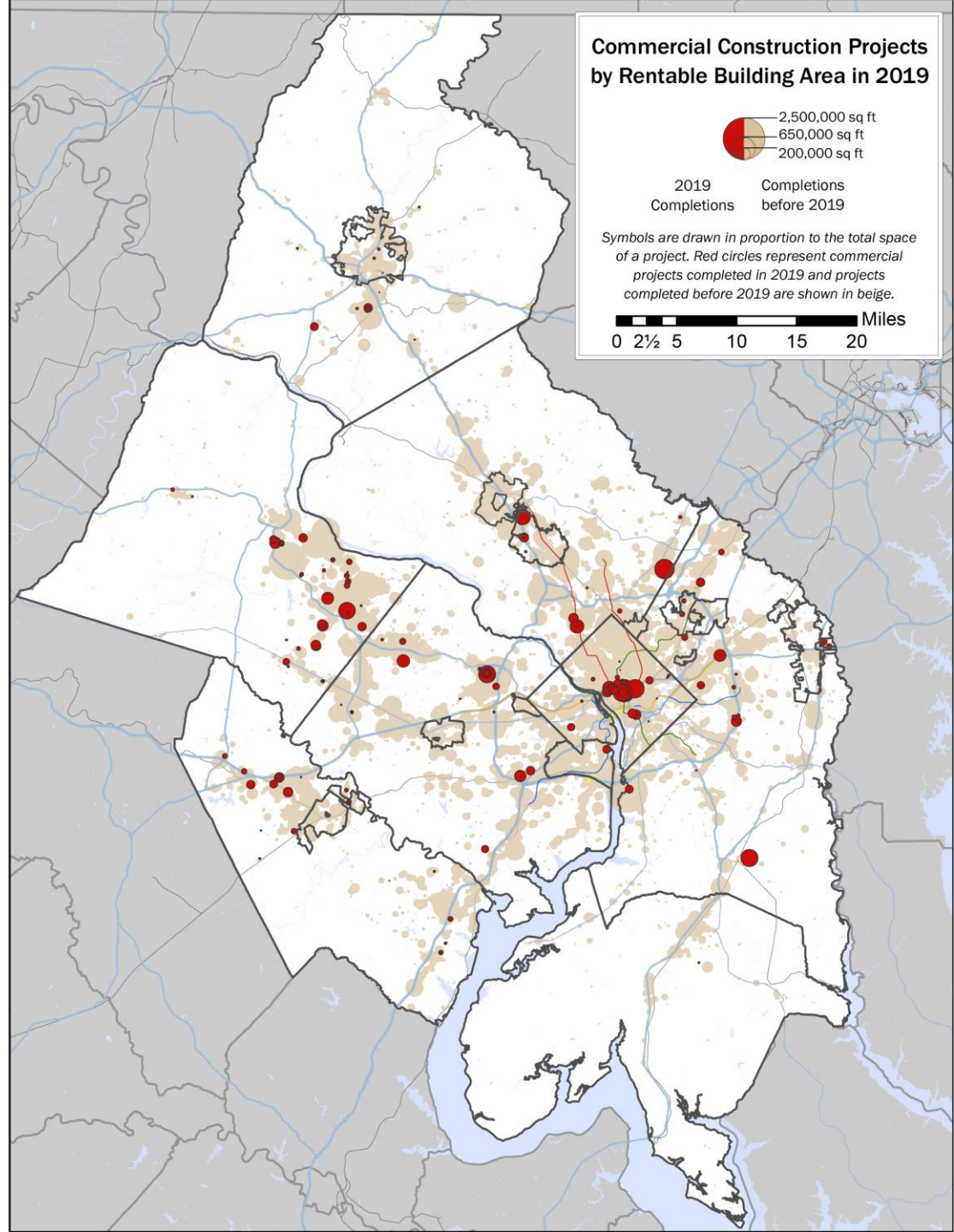
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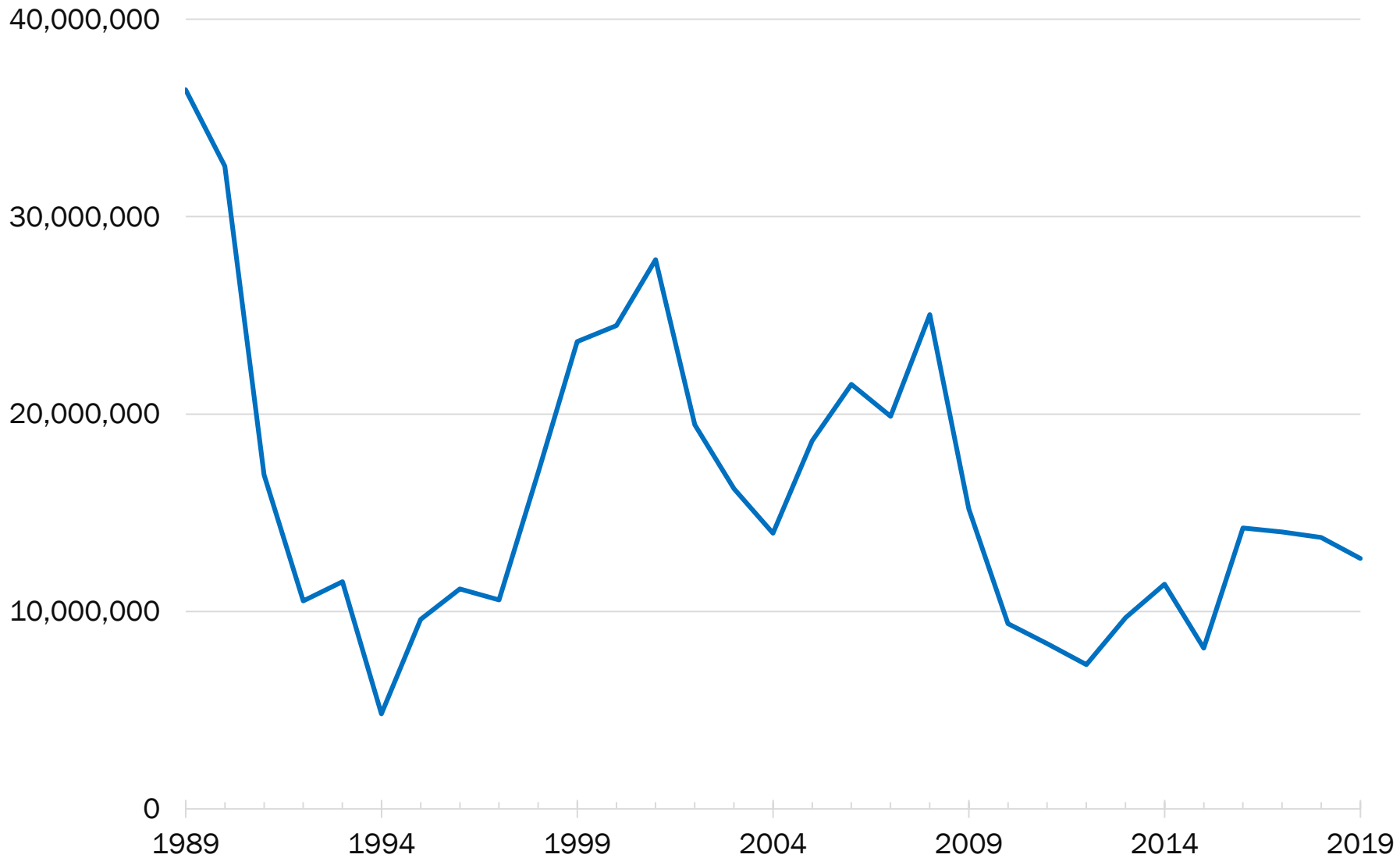
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- Office building construction primarily around Metrorail stations and in the District of Columbia
- Loudoun County had significant construction in industrial/flex space



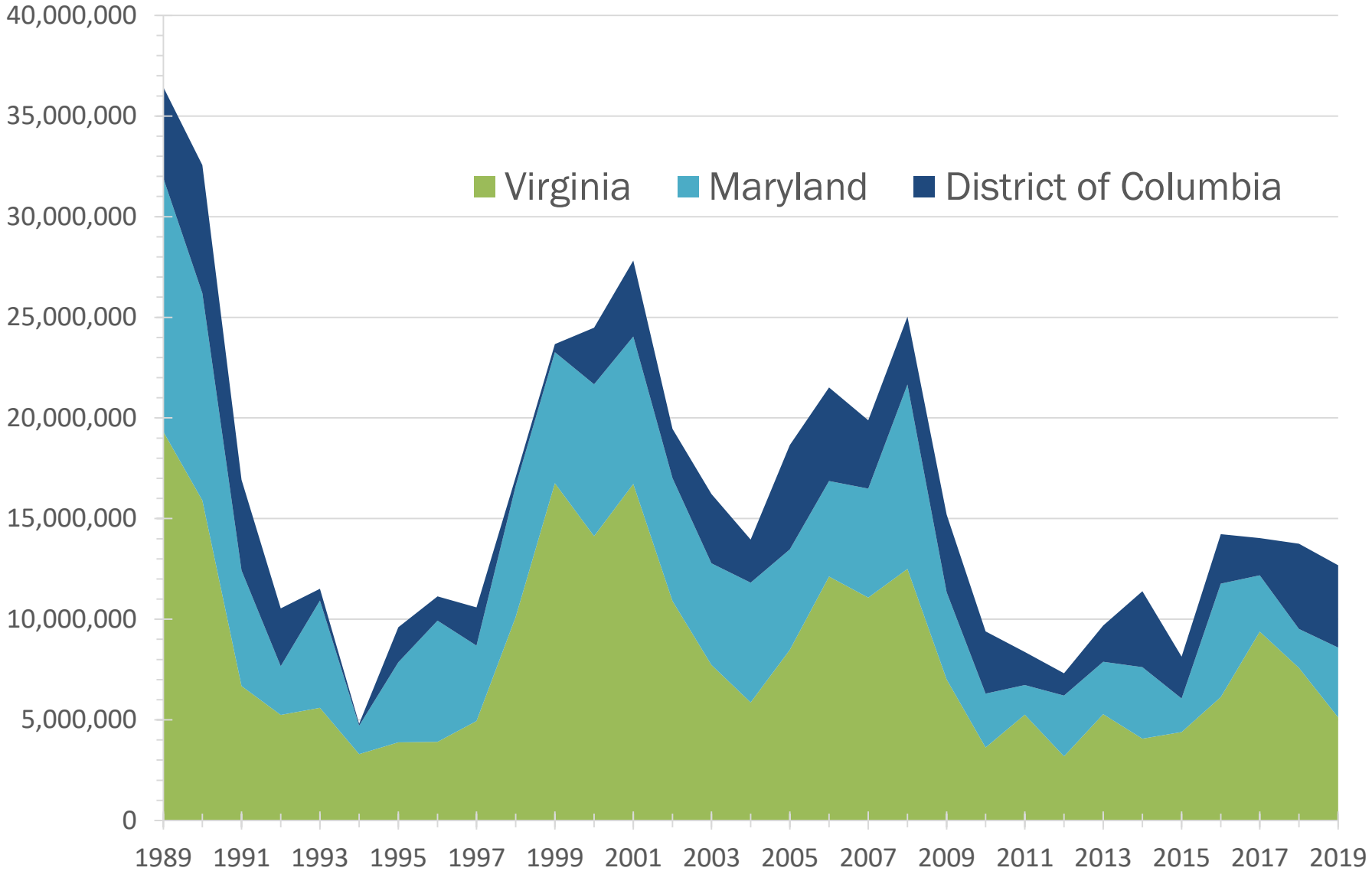
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# Square Footage of Completed Commercial Construction, 1989 - 2019



# Commercial Construction by Jurisdictional Group





## Central Jurisdictions

District of Columbia

Arlington County

City of Alexandria

## Inner Jurisdictions

Fairfax County

Montgomery County

Prince George's County

City of Falls Church

City of Fairfax

## Outer Jurisdictions

Charles County

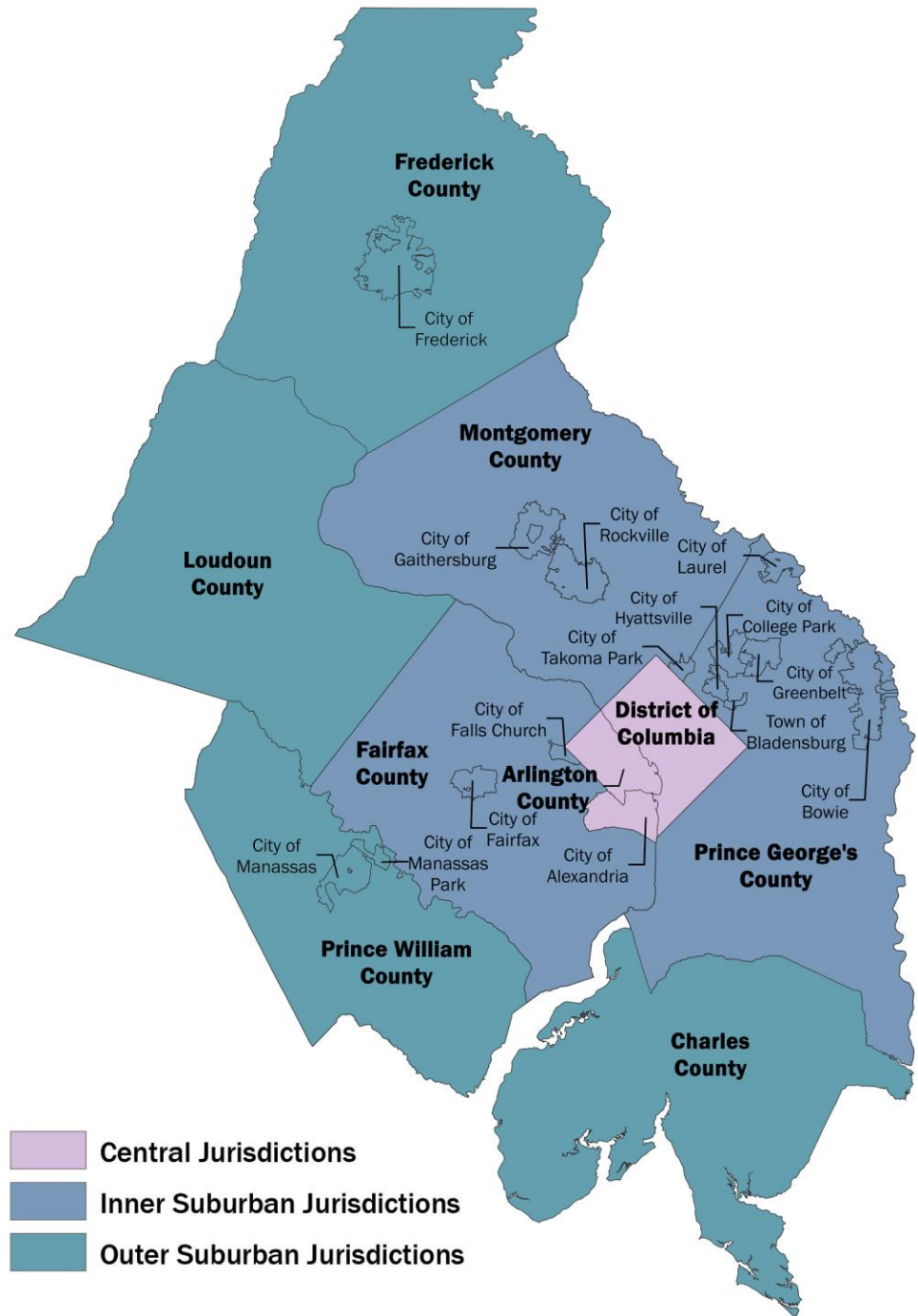
Frederick County

Loudoun County

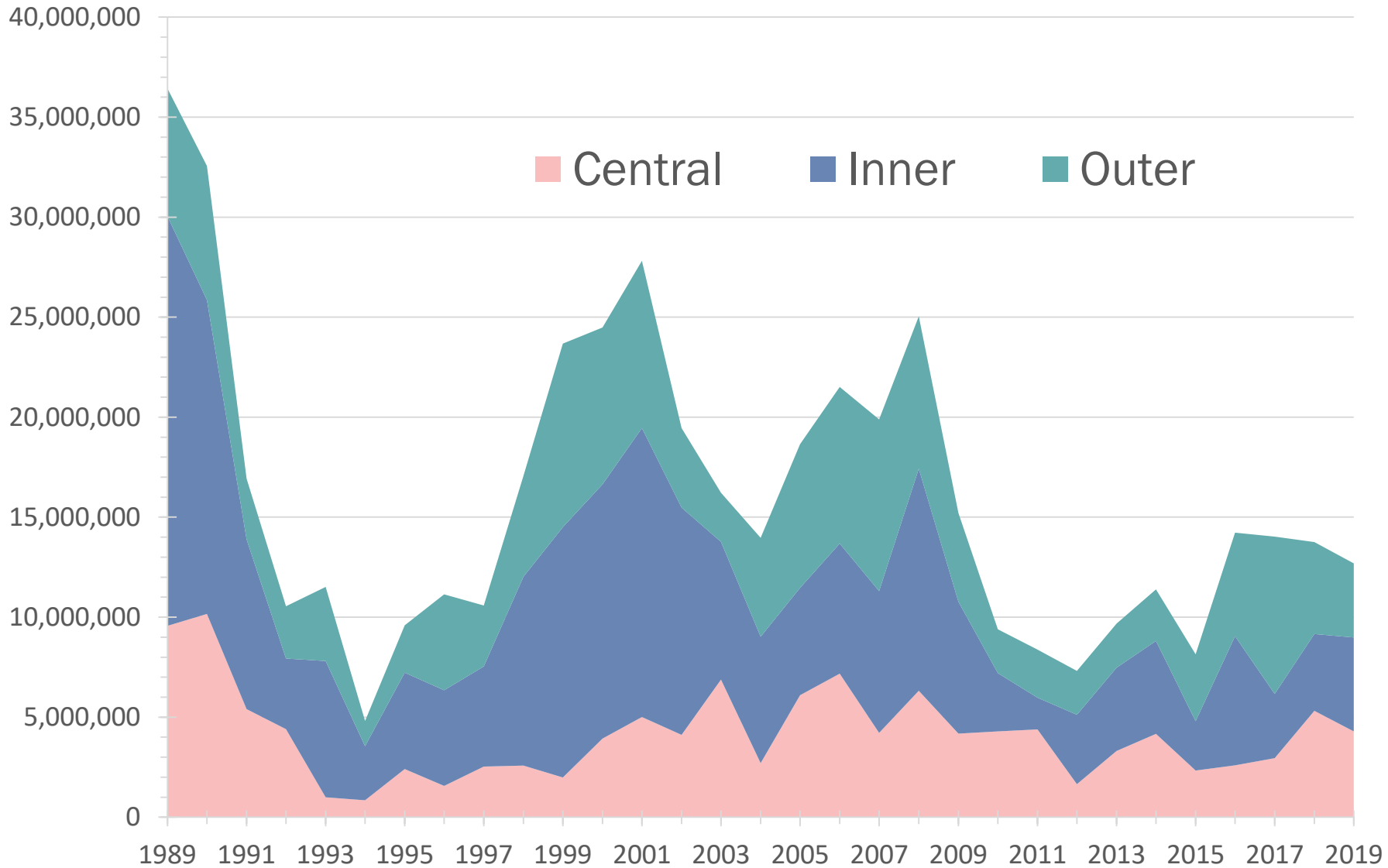
Prince William County

City of Manassas

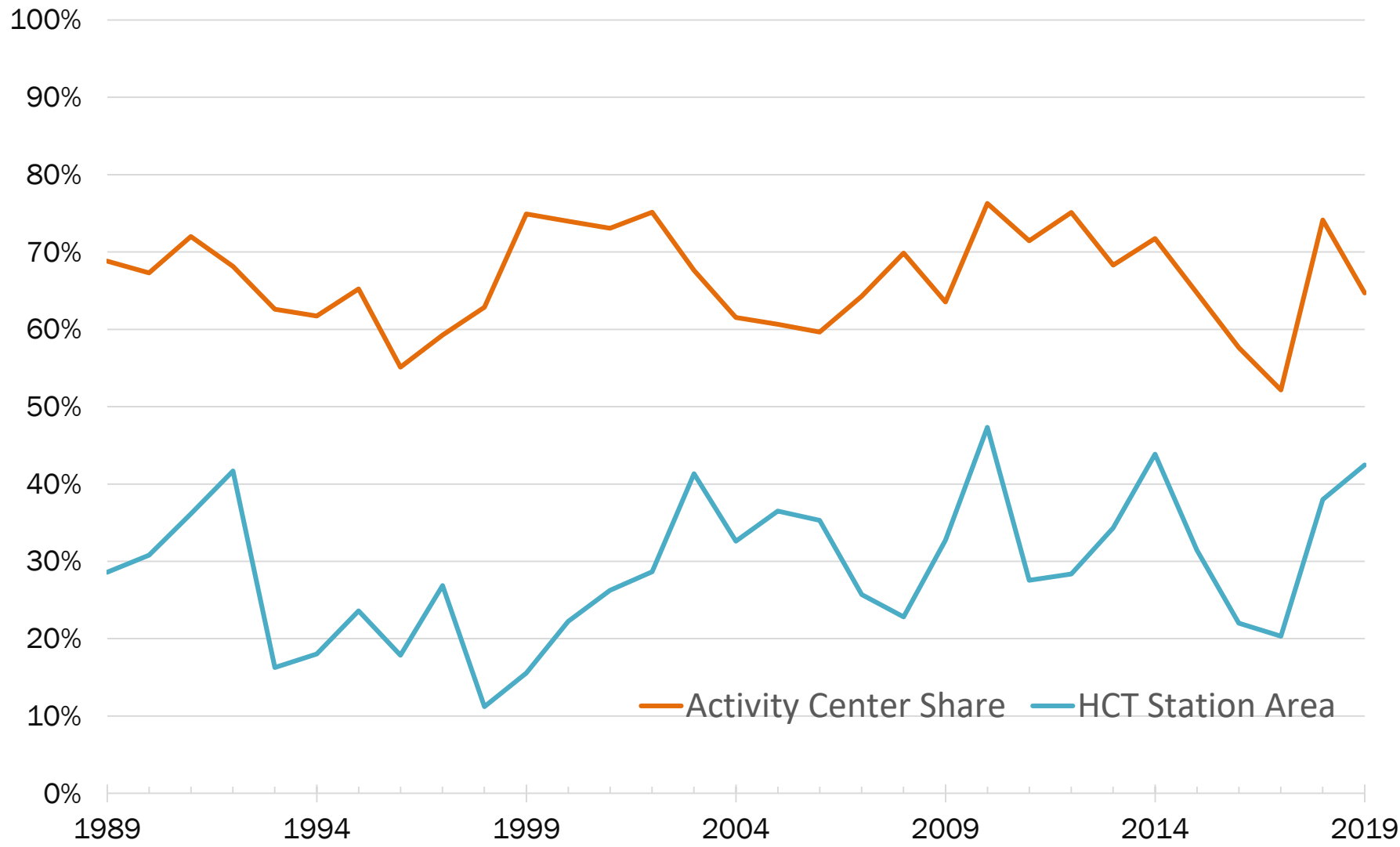
City of Manassas Park



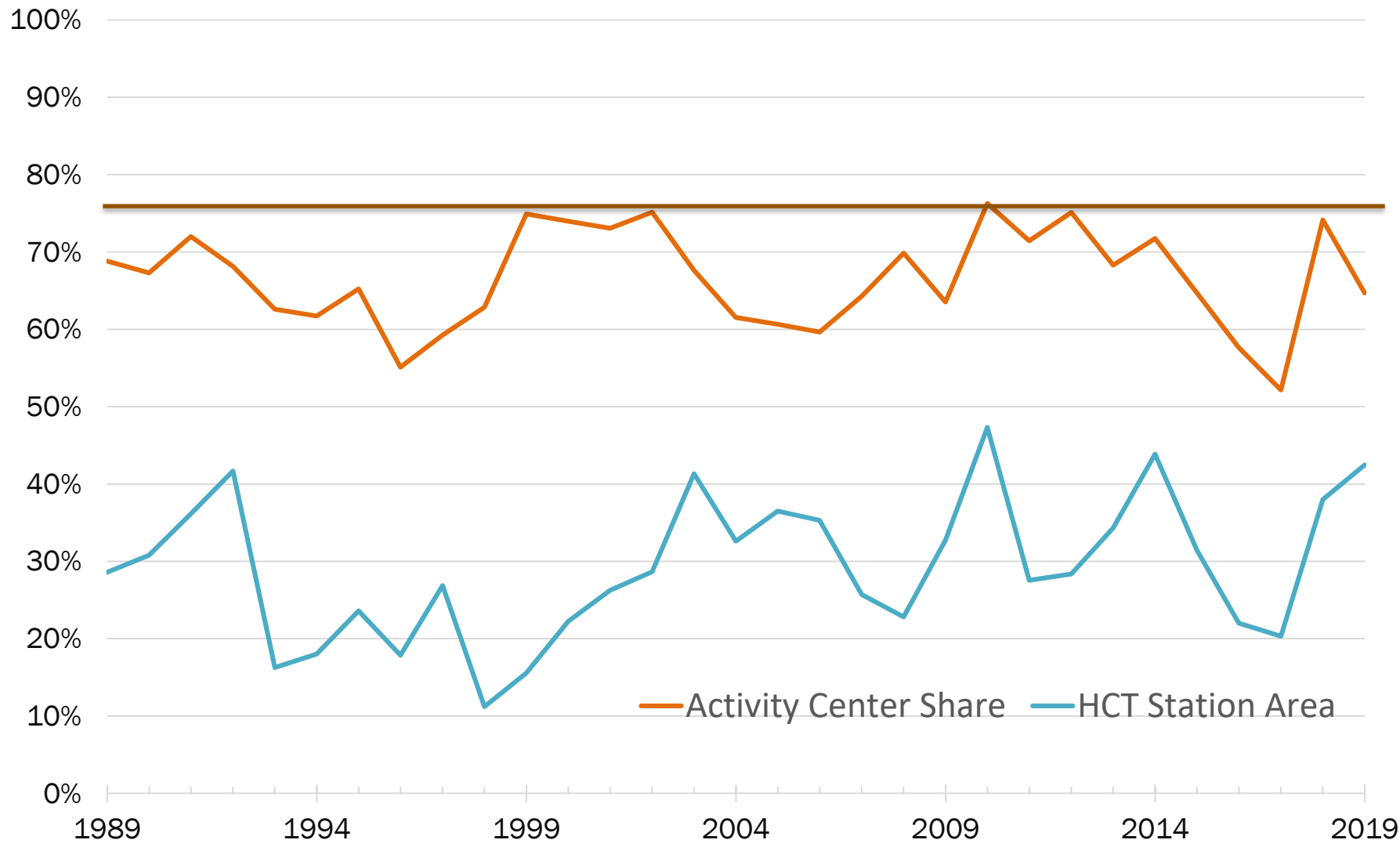
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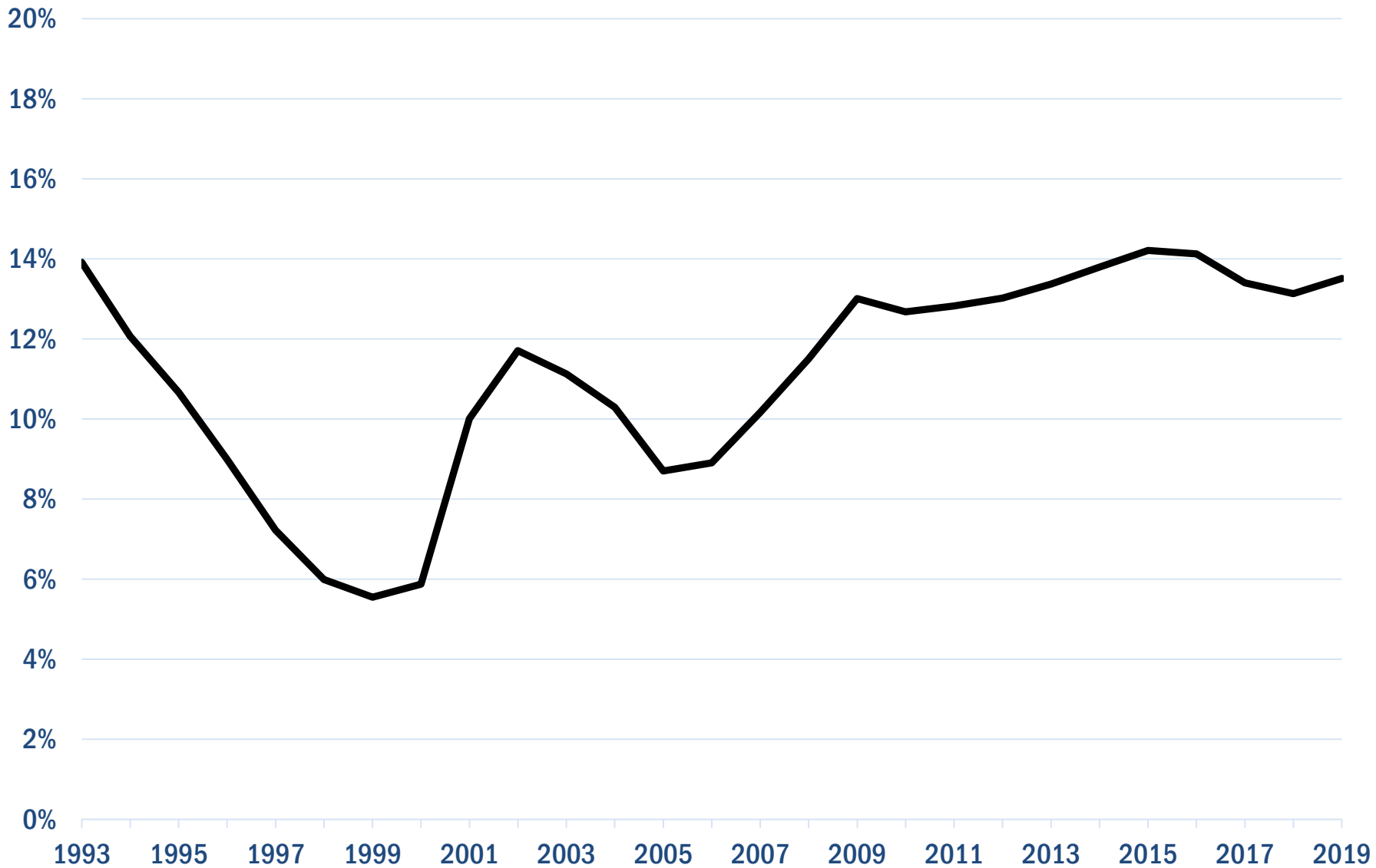
# Construction in Activity Centers and High Capacity Transit Station Areas, 1989 - 2019



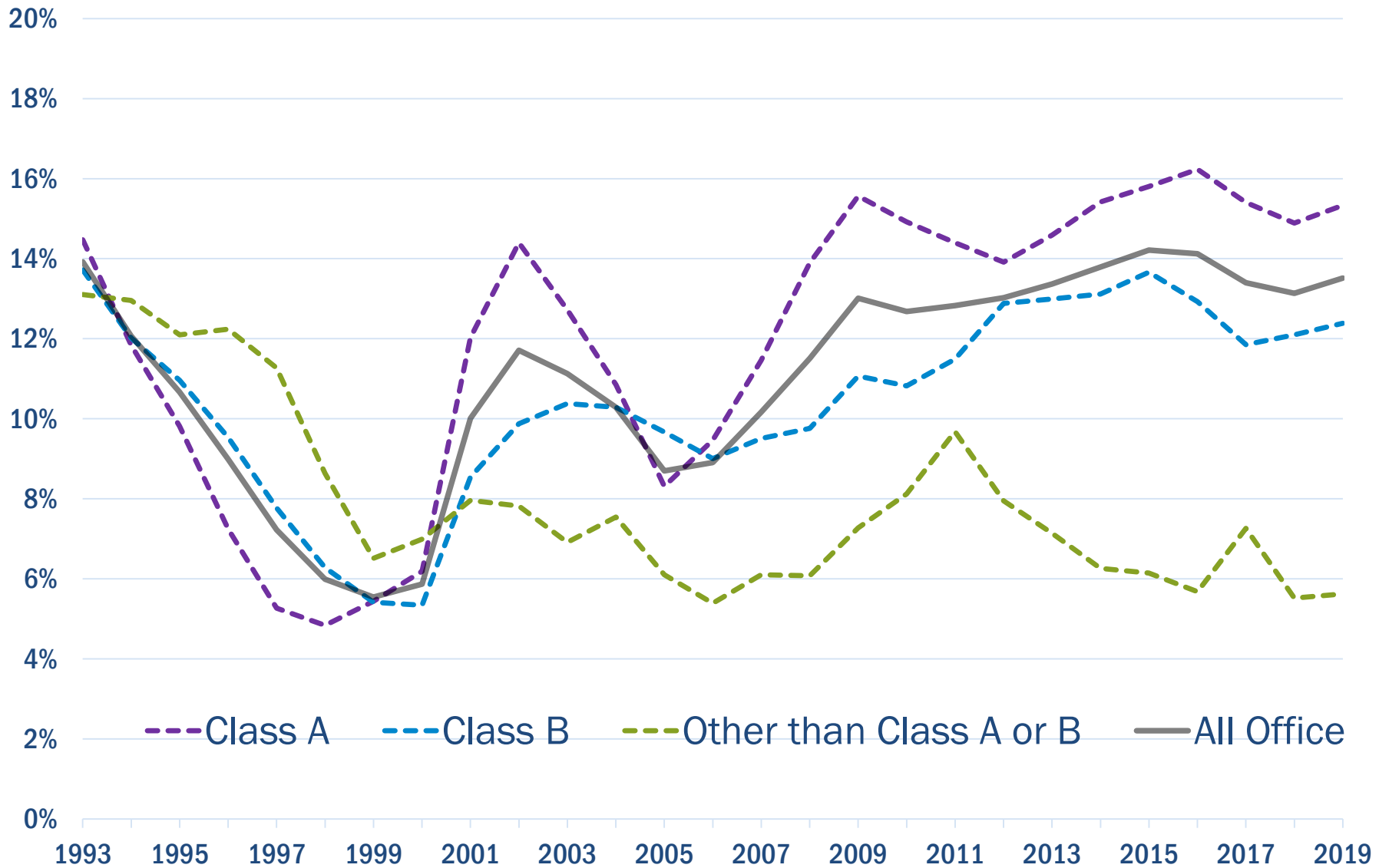
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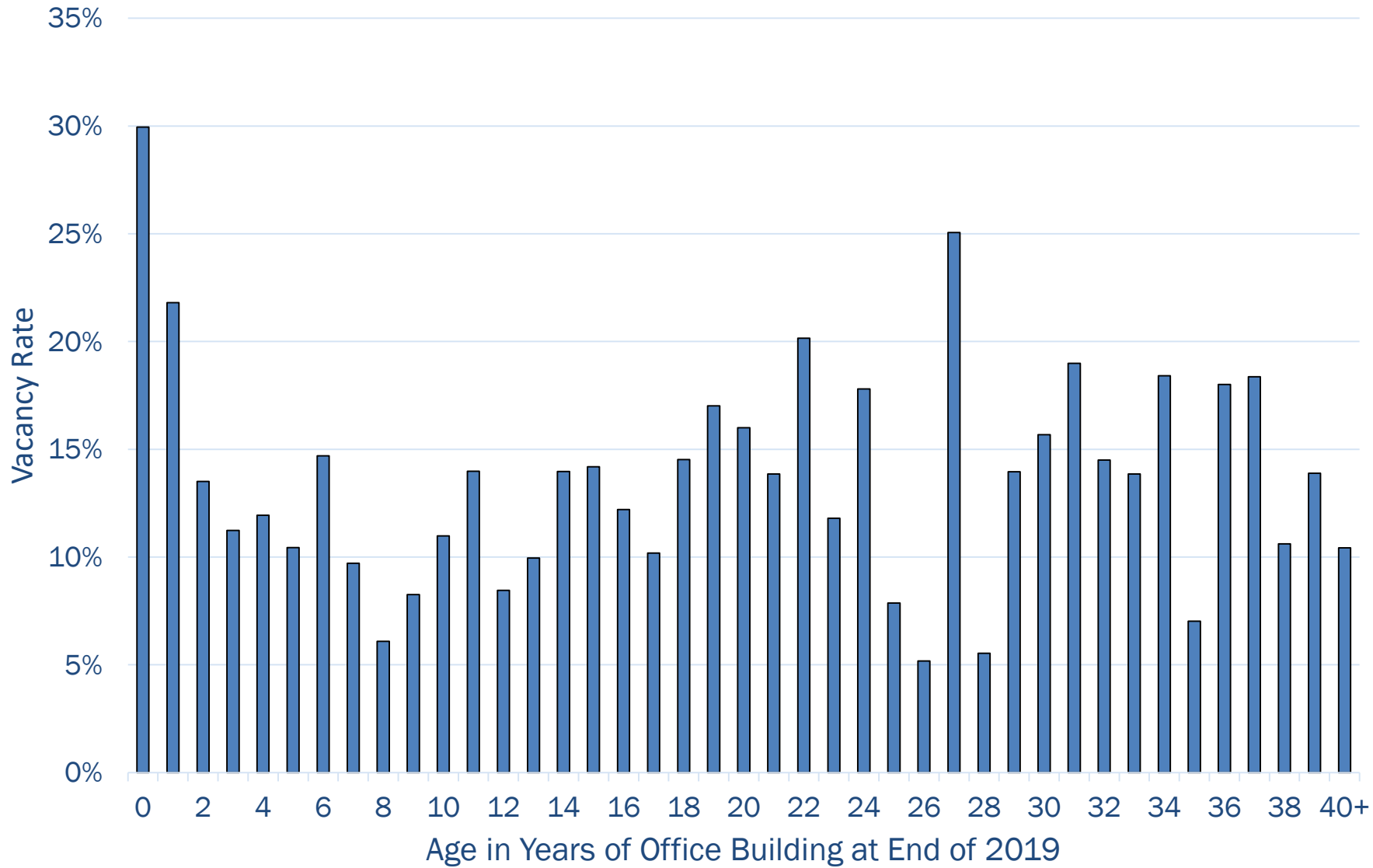
# Vacancy Rate for Office Space, 1993 - 2019



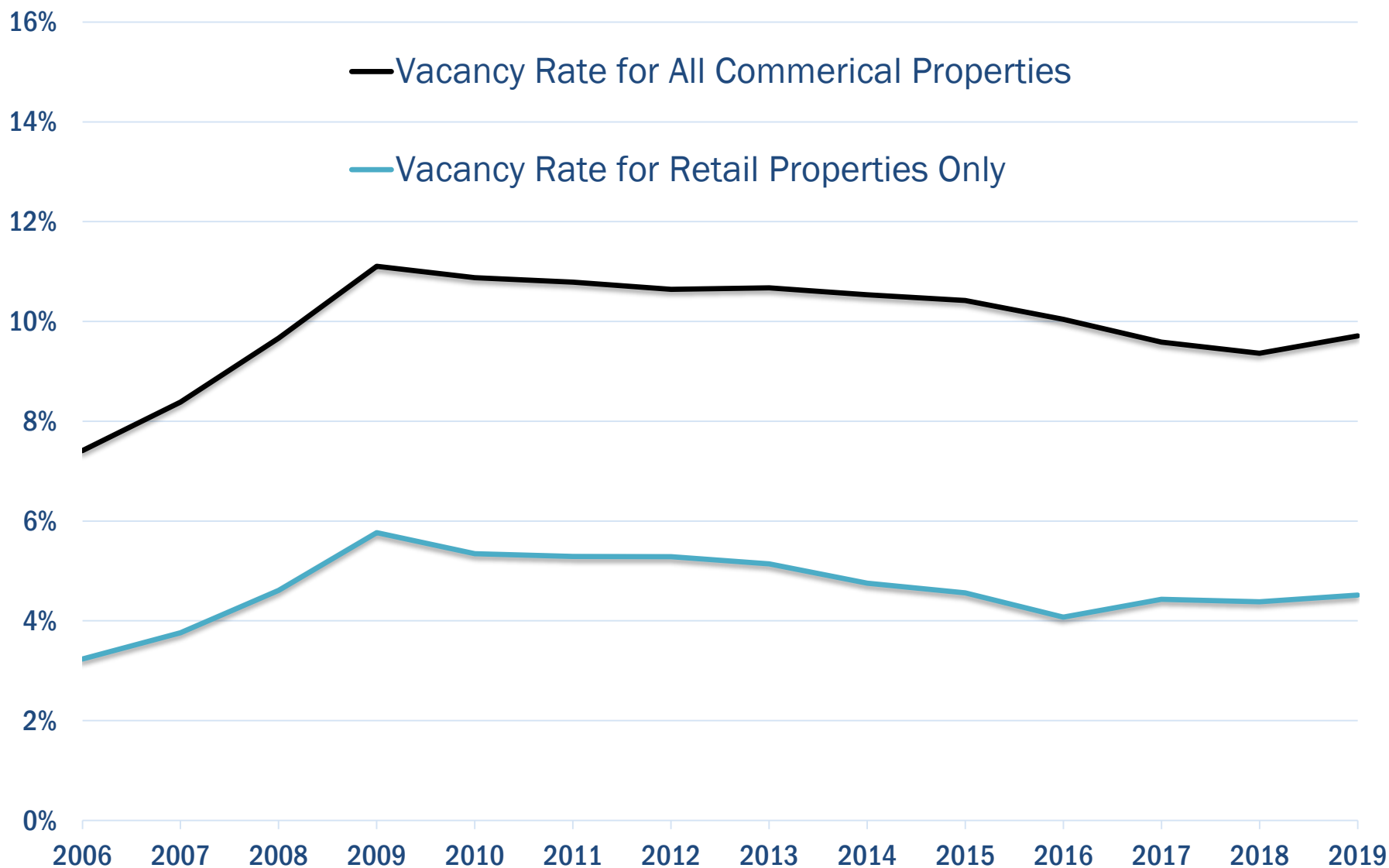
# Vacancy Rate for Office Space, 1993 - 2019



# 2019 Year End Office Vacancy Rate by Age of Building

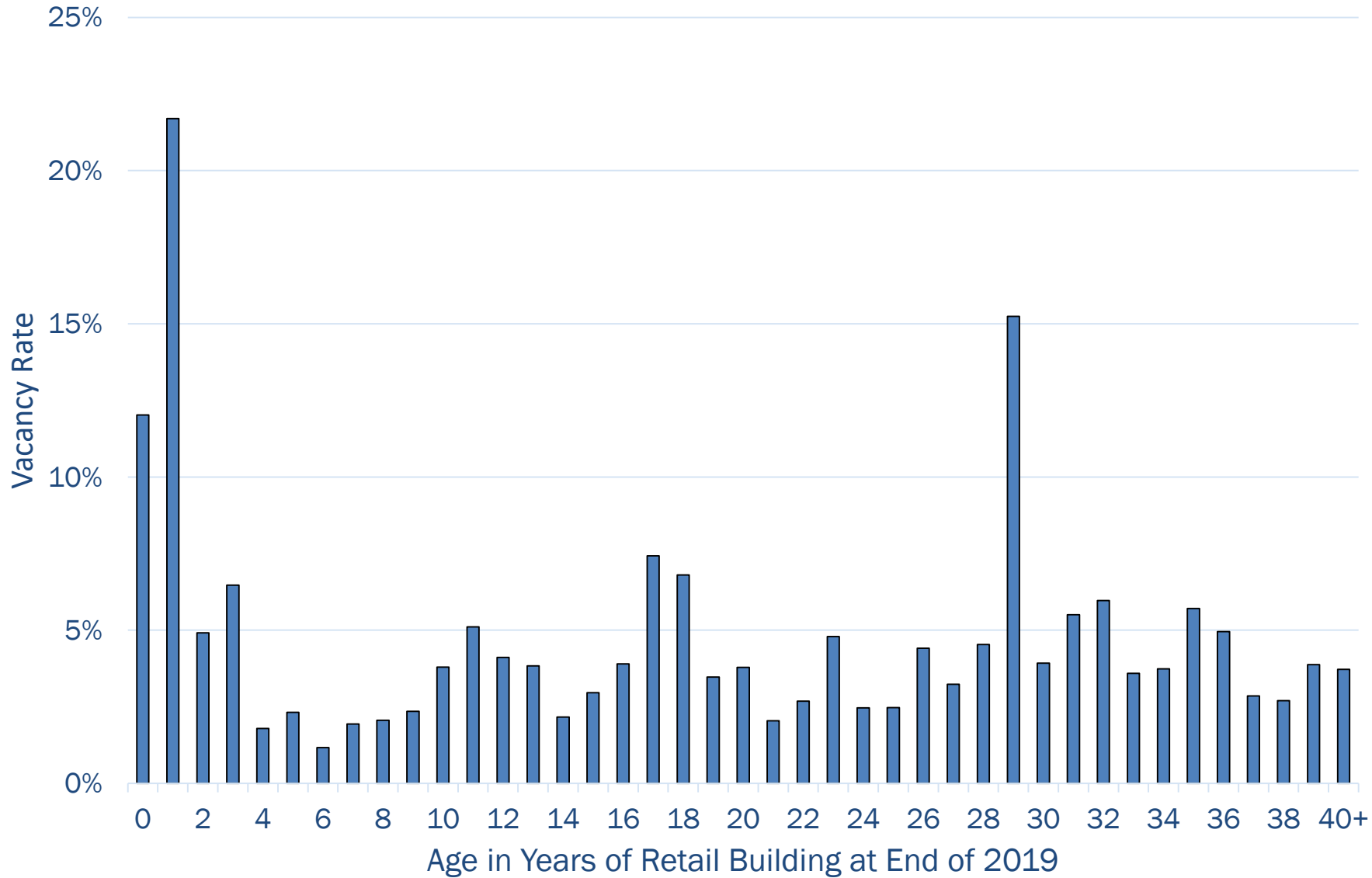


# Vacancy Rate for Retail Space, 2006 – 2019

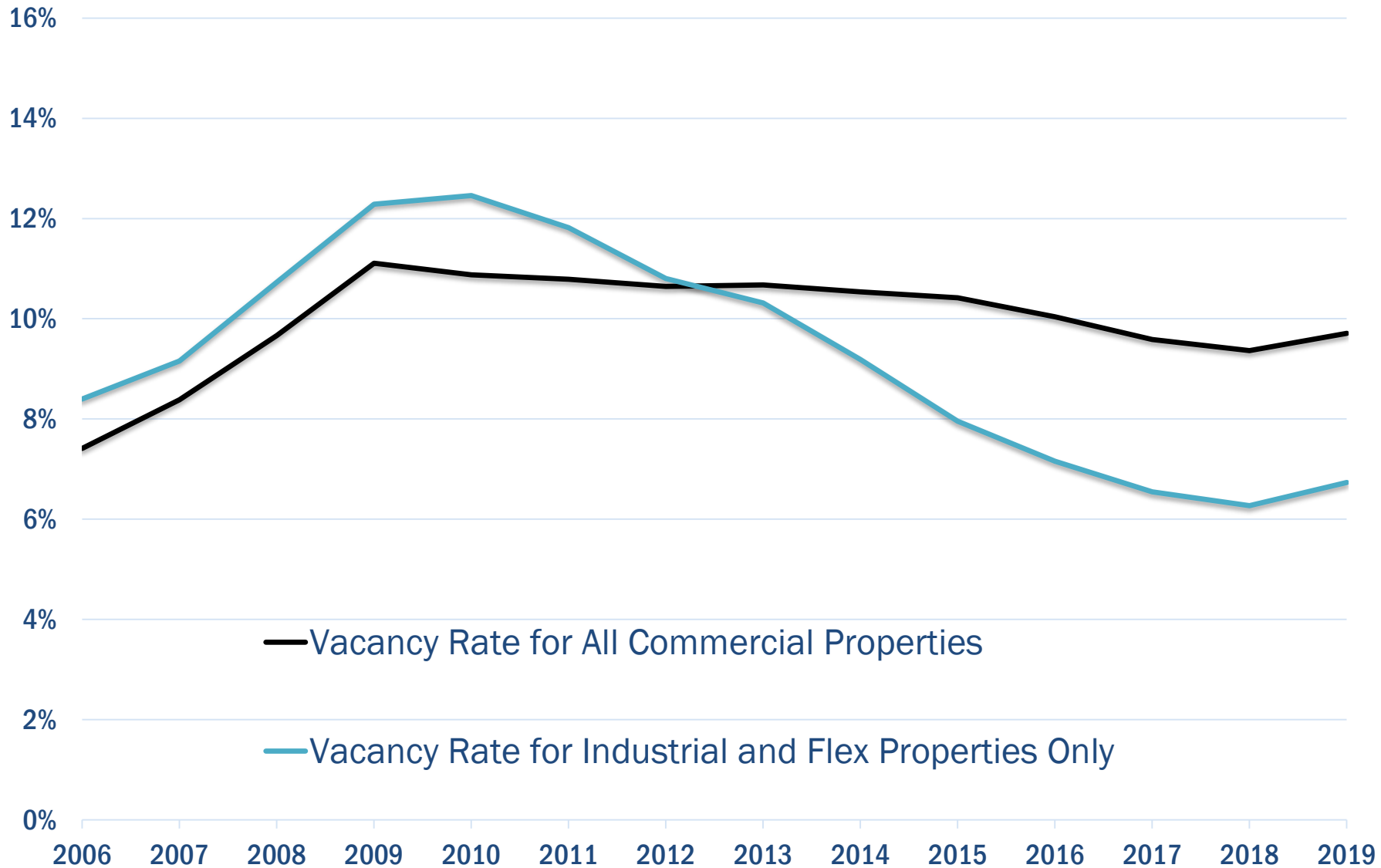




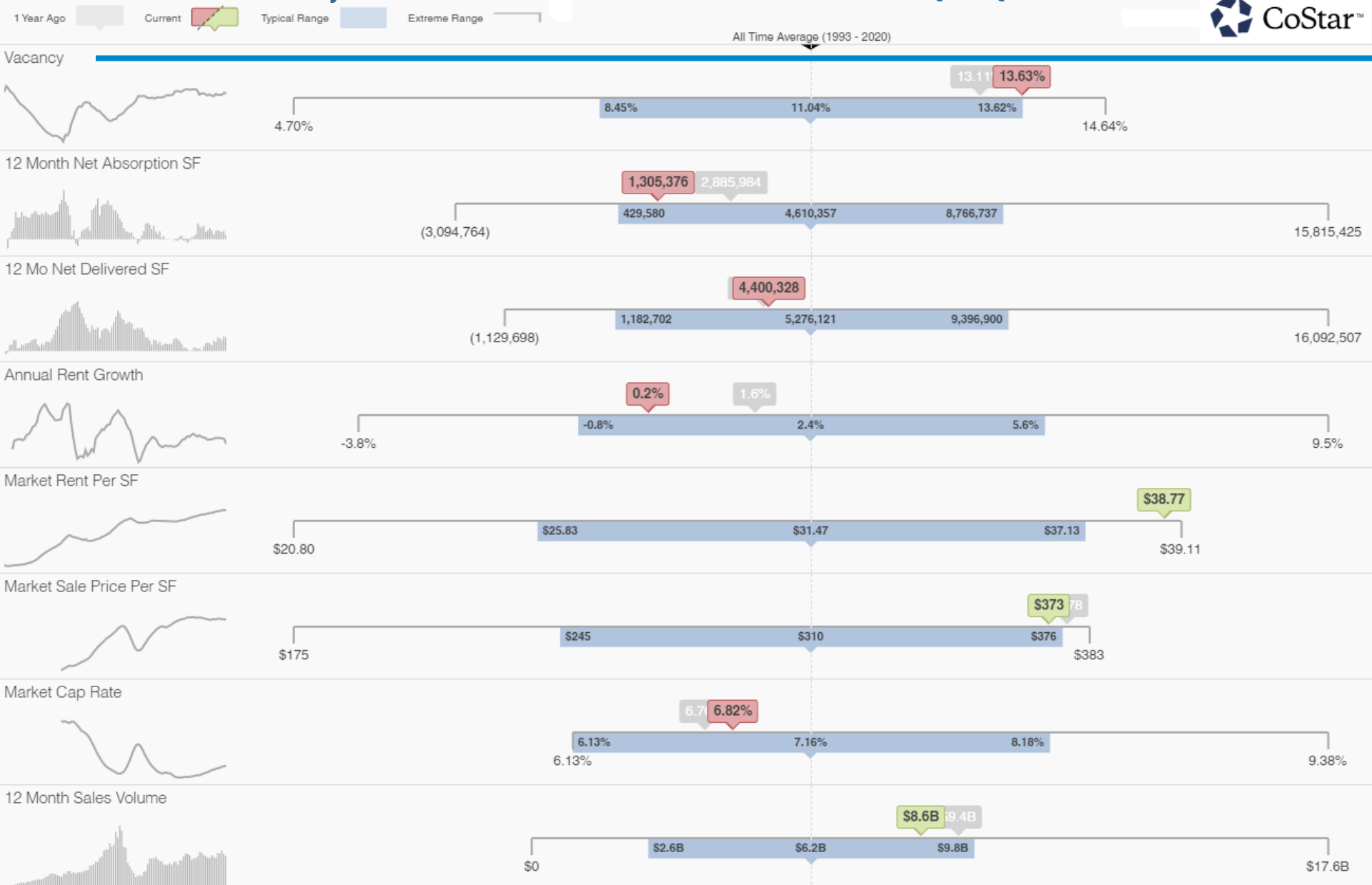
# 2019 Year End Retail Vacancy Rate by Age of Building



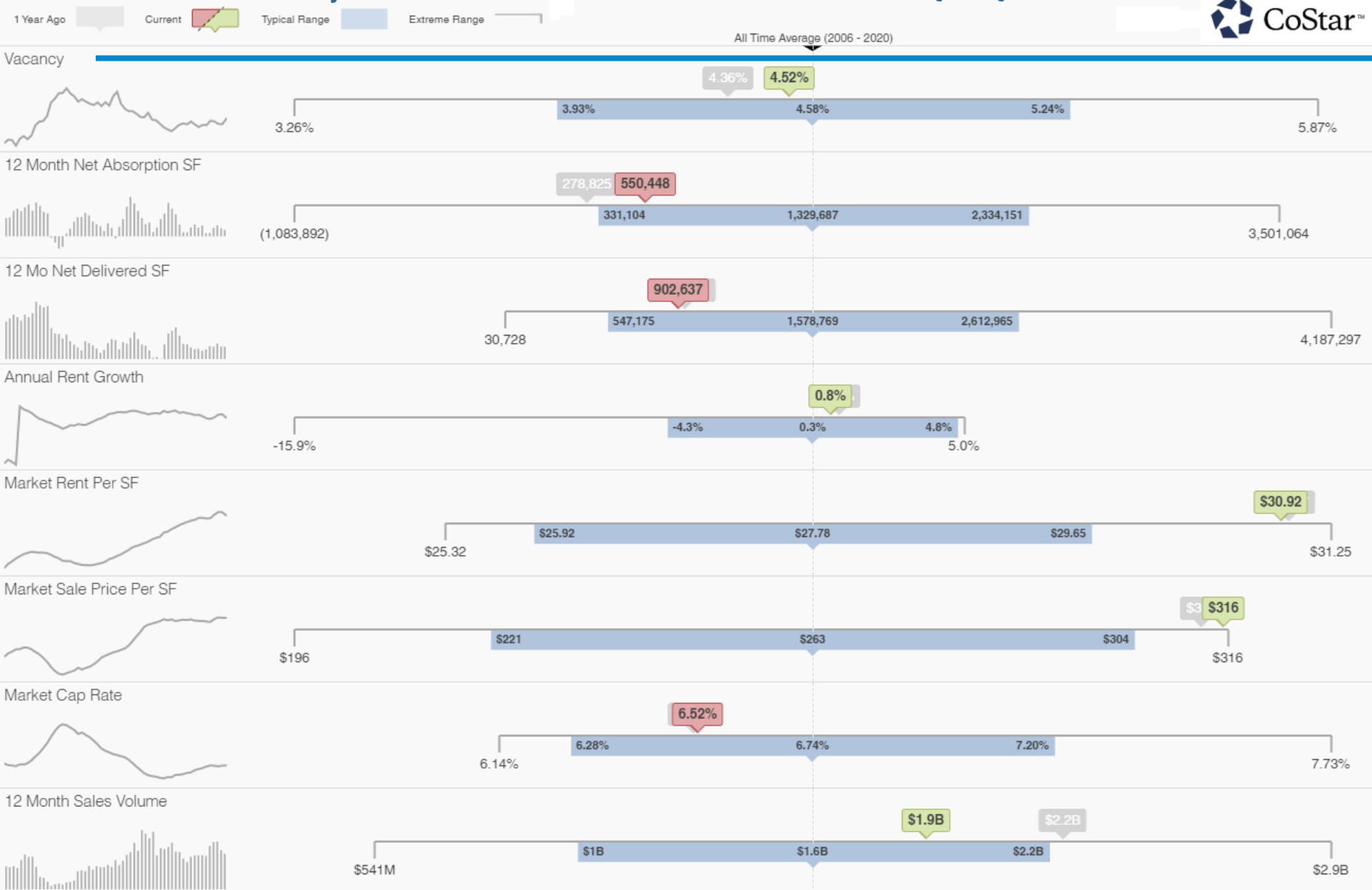
# Vacancy Rate for Industrial and Flex Space, 2006 - 2019



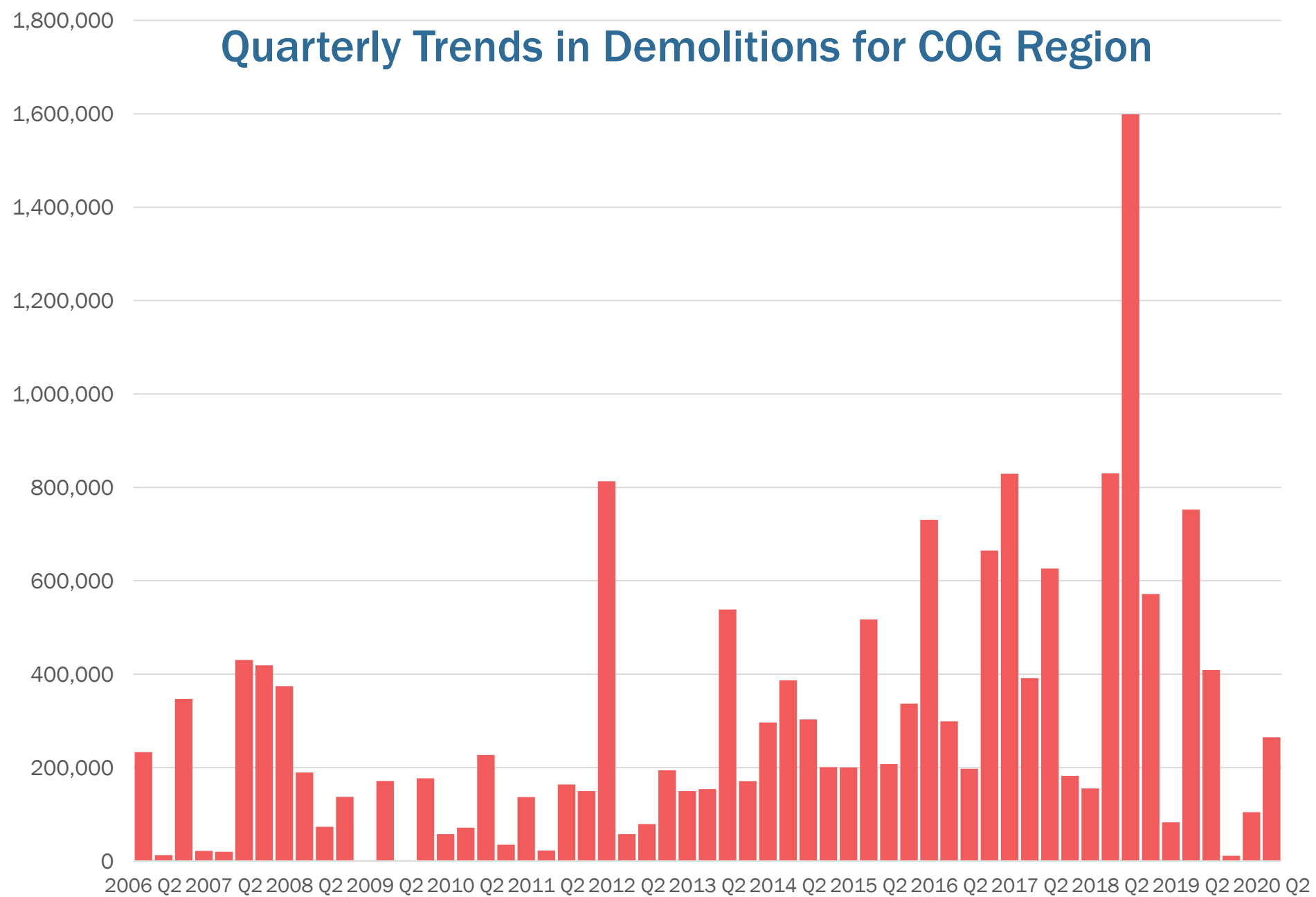
# Key Performance Indicators for Office Market at QTD Q3 2020



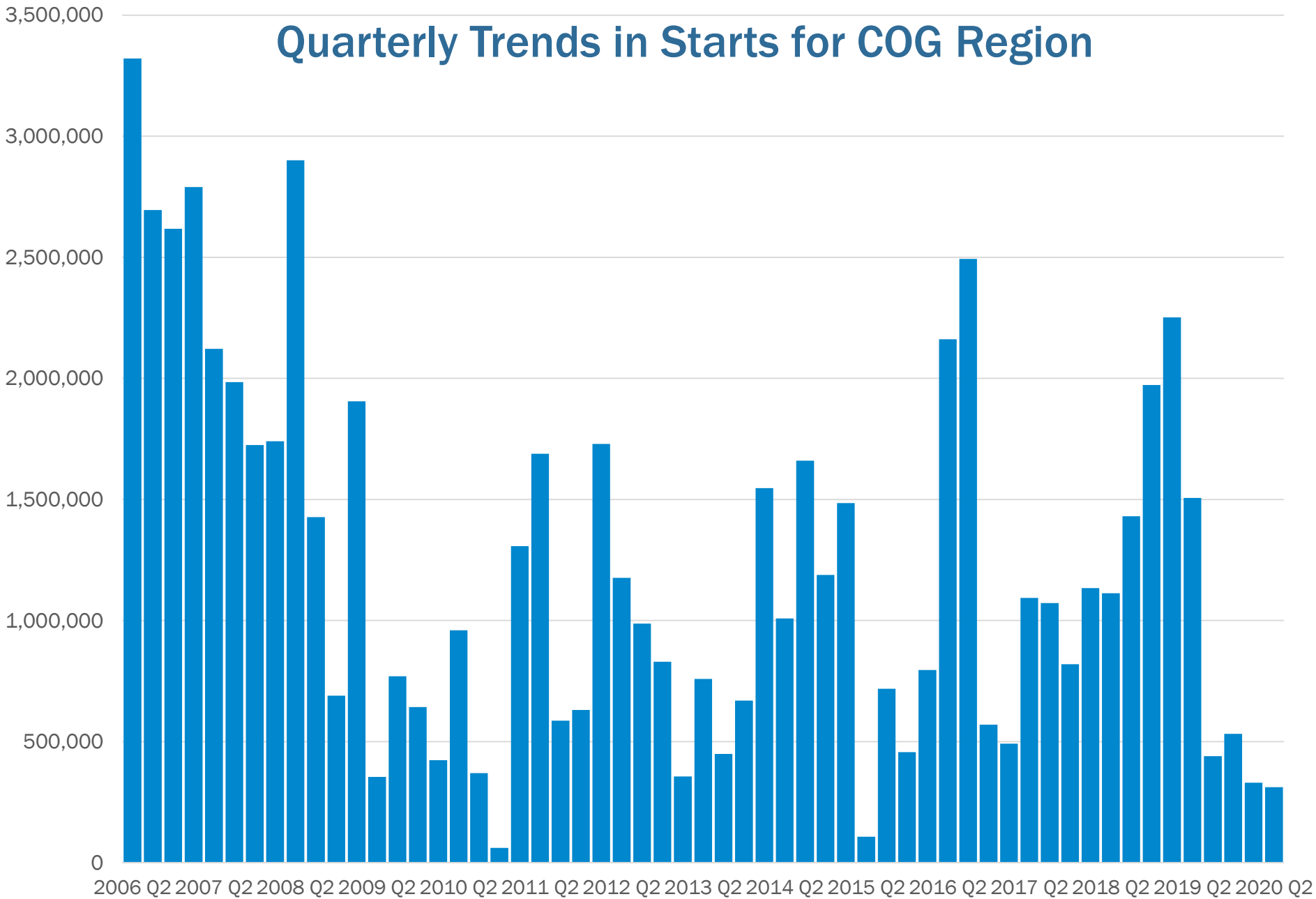
# Key Performance Indicators for Retail Market at QTD Q3 2020



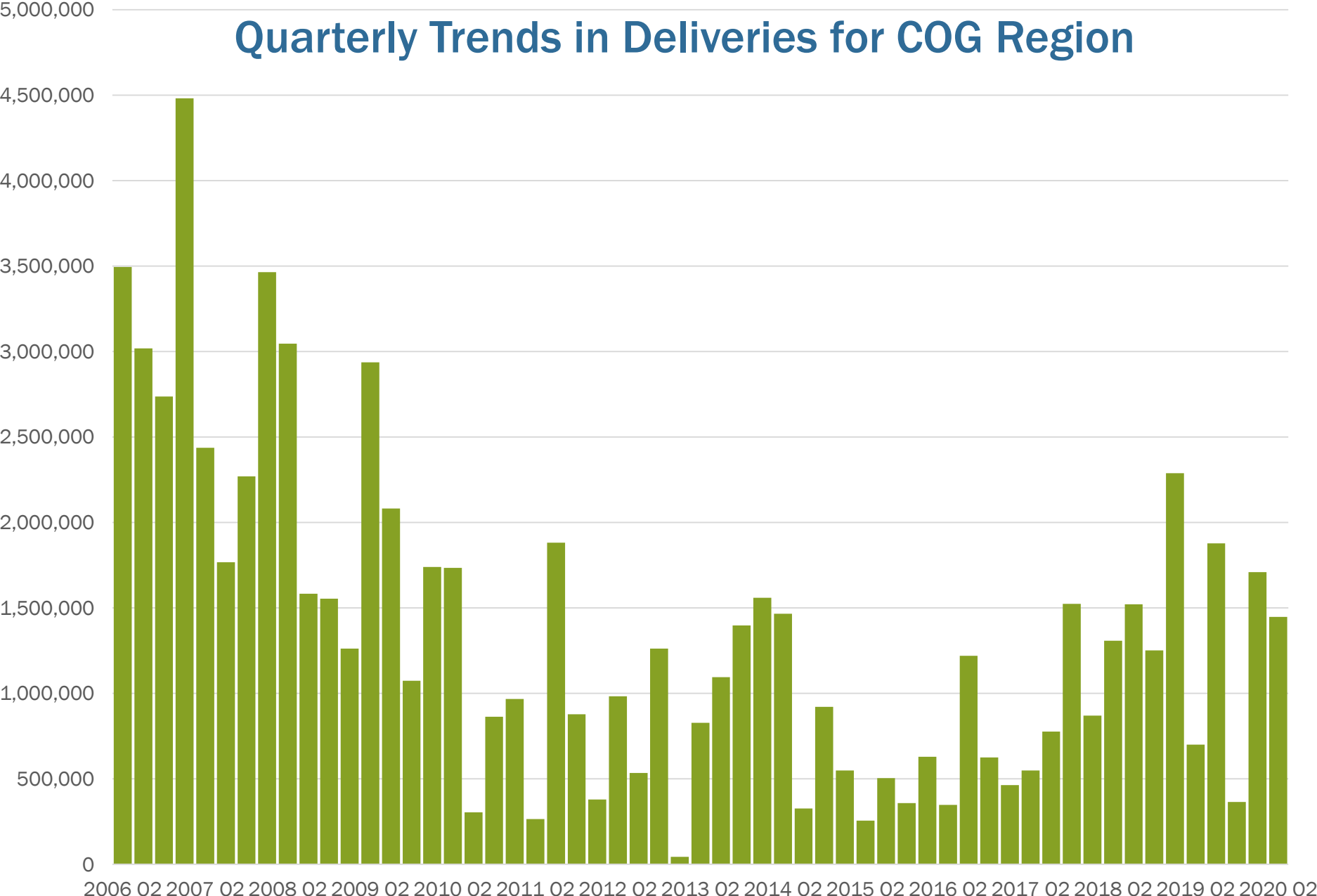
# Quarterly Trends in Demolitions for COG Region



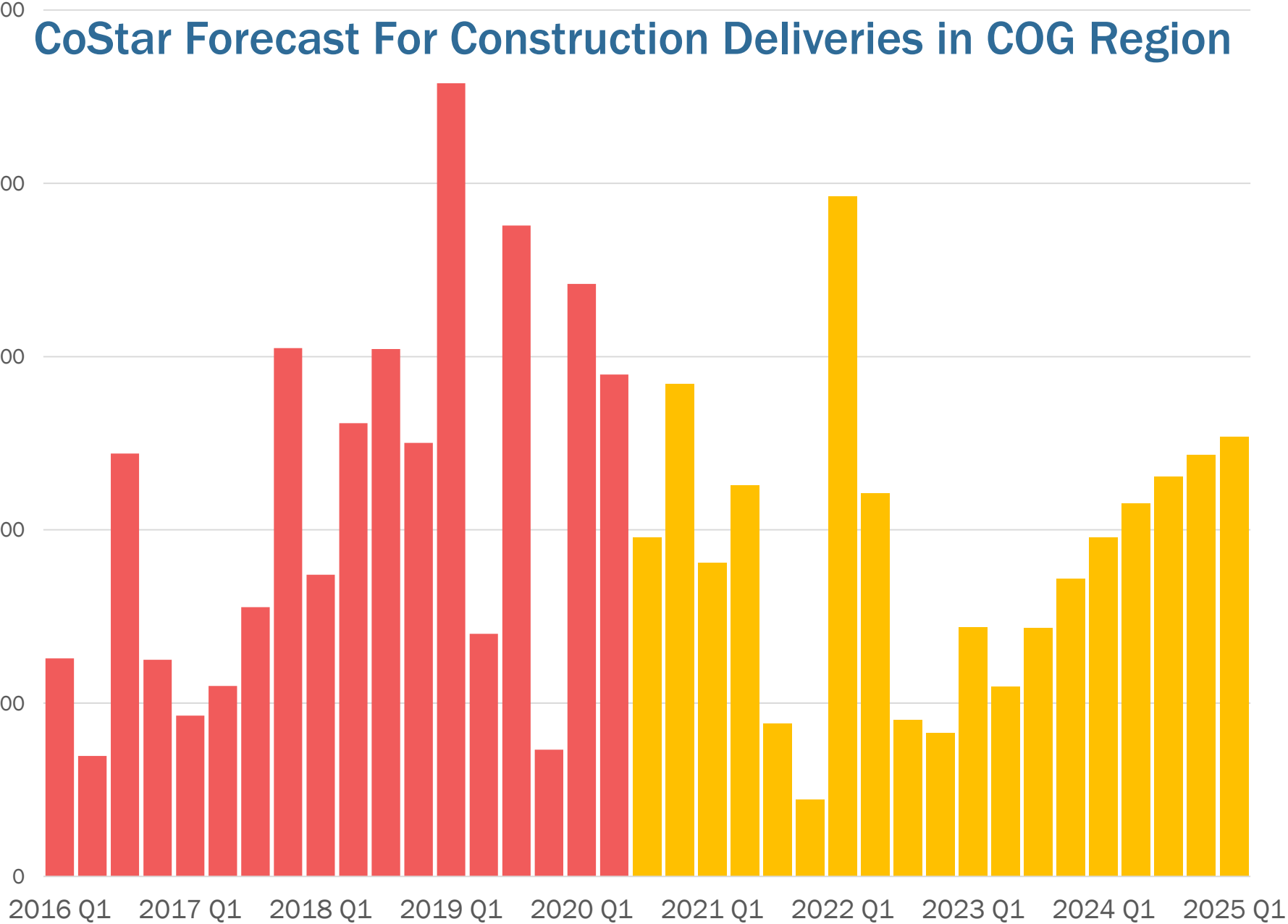
# Quarterly Trends in Starts for COG Region



# Quarterly Trends in Deliveries for COG Region



# CoStar Forecast For Construction Deliveries in COG Region





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