February 2003 Update:

Spending Increases to Fight the *War on Terrorism*,

Heightened Security Requirements, and a Changing GSA Philosophy:

Impact on the Federal Leased Space Inventory and the Office Market in the Washington Metropolitan Area

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FEBRUARY 2003 UPDATE:

FEDERAL SPENDING INCREASES TO FIGHT THE *WAR ON TERRORISM*, HEIGHTENED SECURITY REQUIREMENTS, AND A CHANGING GSA PHILOSOPHY: IMPACT ON THE FEDERAL LEASED SPACE INVENTORY AND OFFICE MARKET IN THE WASHINGTON METROPOLITAN AREA

Prepared On:

February 10, 2003

Prepared By:

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2. Class B: Greater Washington Metropolitan Area

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1.* Report on the national & regional economies and the multifamily industry: Delta Associates' narrative review of the year and prognosis for the coming year vis-à-vis the national, regional and local economies, implications for apartment sector and trends in rents, vacancy and absorption.
2. State of the apartment market report: in-depth narrative analysis supplemented with illustrative graphs.
3. Statistical reports: organized by area, our reports review:
   - **key market indicators** such as year-end statistics and comparison since 1989 for each of 30 Class A and 31 Class B submarkets and regional total for (a) rent levels, (b) vacancy and (c) absorption of units at actively marketing projects.
   - **pipeline** information (Class A), i.e. projects under construction, projects likely to be delivered within 36 months, and longer-term planned projects.
   - **renovation** information (Class B) such as a comprehensive list of properties in renovation, including budget and timetable.
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4.* Experience report (Class A): Statistical portrait of the local industry's experience with (a) operating expenses, (b) replacement reserves, and (c) hard and soft development costs.
5.* Market Maker report: Annual survey results of those who "make the market" on subjects of: capitalization rates, investment posture, thoughts on the economy and more.
6.* Players report (Class A): Listing of significant developers active in the market.

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WASHINGTON/BALTIMORE OFFICE MARKET REPORT

YEAR-END (Fourth Quarter) REPORT: Issued each January. Contents include:

1.* Economic Overview: Delta Associates' narrative review of the year and prognosis for the coming year vis-à-vis the national and metro area economy, implications for office market sector and trends in rents, vacancy, absorption, job growth, unemployment, core industry performance, capital markets and other factors. Insights also provided by Dr. Stephen Fuller, one of the nation's leading economists. Illustrative graphs and charts throughout these sections.
2.* Market Maker Report: Annual survey results of those who "make the market" on subjects of: capitalization rates, investment posture, thoughts on the economy and more.
3. Metro Area Office Market Report: In-depth narrative analysis supplemented with illustrative graphs. Section data includes: overview, absorption, vacancy, construction, rents, investment sales, investment returns, land sales, development economies, and future outlook predictions. Tables on deliveries, vacancy rates projected 2 years out, portfolio sales, development economics and operating expenses.
4. Major Submarket Reports: Similar to #3 above. Also includes major submarket activity and "by submarket" data as follows: summary of office market indicators for all space and Class A space only (details total rentable sf, total available sf, vacancy rates for the past 5 years, current sf under construction, and net absorption for the past 5 years), rental rate analysis, and summaries of building and land sales.
5. Miscellaneous information on methodology, definitions of terms and submarkets, and metro area maps showing submarkets.

QUARTERLY REPORTS (First Quarter, Mid-Year and Third Quarter): Issued in April, July and October. Contents include:
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2.* Market Maker Report: Annual survey results of those who "make the market" on subjects of: capitalization rates, investment posture, thoughts on the economy and more.
3. Metro Area Industrial Market Report: In-depth narrative analysis supplemented with illustrative graphs. Section data includes: overview, absorption, vacancy, construction, rents, investment sales, land sales, and future outlook predictions. Tables on deliveries, vacancy rates projected one year out, investment sales and development costs by property type.
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5. Miscellaneous information on methodology, definitions of terms and submarkets, and metro area maps showing submarkets.

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Memorandum

To: Clients of Delta Associates and Transwestern Commercial Services

From: Gregory H. Leisch, CRE, Brian Mistysyn, Dr. Stephen F. Fuller

Date: February 10, 2003

RE: **February 2003 Update:**
Spending Increases to Fight the *War on Terrorism*,
Heightened Security Requirements, and a Changing GSA Philosophy:
Impact on the Federal Leased Space Inventory and the Office Market
In the Washington Metropolitan Area

This memo and the attached appendices present the results of an analysis undertaken in connection with the above captioned. The primary purpose of this report is to help identify:

1. The net quantity of leased space absorbed by Federal agencies during 2002.
2. The impact budget increases had on Federal payroll and contractor job growth during 2002.
3. Projected growth in the Federal leased space inventory and payroll and contractor employment over the next three years.

The primary tasks we have undertaken are as follows:

- Collect and analyze lease data from GSA and other sources to estimate Federal net leasing activity occurring in 2002. Information is accessed through the Freedom of Information Act (FOIA) if and when this method is necessary
- Compile information on Federal government employment growth and contractor employment growth over the past two years. Project growth in Federal government-related employment over next three years.
- Survey recent and oncoming office projects being constructed by or for Federal agencies.
- Enhance market knowledge by identifying expiring GSA leases and available properties currently ripe for Federal occupancy.
- Based on historical patterns, analyze staffing increases, implications of security requirements, and synthesize other trends and factors, in an attempt to estimate the scale and dimensions of Federal leased space requirements over the next three years and the impact of same on the region's office market.

Our findings are detailed following. The data on which these findings are based are found in the attached appendices.

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KEY FINDINGS FROM OUR 2002 STUDY

The Federal government occupies 88 million SF of office space – both owned and leased – accounting for 24% of the region's entire office inventory and 13% of the region's private sector rentable space.

The Federal government's need for office space has been escalating since 1981 at a rate of 1.8 million SF per annum in the Washington metro area, even with reduced local Federal employment. This increase, which includes both leased and owned space, is largely due to:

1. The creation of a better work environment that has increased the average space utilized per worker from 176 SF to 248 SF. This compares to the overall regional space use of 223 SF per office worker in 2002.
2. The accommodation of thousands of contract workers and private sector firms that are under contract to the Federal government for outsourcing and security-sensitive matters.

The net increase in Federal government space in the Washington metro area since 1981 has been equally realized in leased and owned space – about 900,000 SF per annum of each.

The Federal government's need for space in the period ahead is escalating beyond that of the recent past, for two reasons:

1. **Budget increases** – at rates enhanced by the Bush Administration's plans to fight the *War on Terrorism.*
2. **Security concerns** coming out of the 1995 Oklahoma City bombing and terrorist attacks of September 11th, 2001.

It is our estimate that the Federal government will need net new leased space of about 1.3 million SF per annum in the Washington metro area from 2002 through 2005.

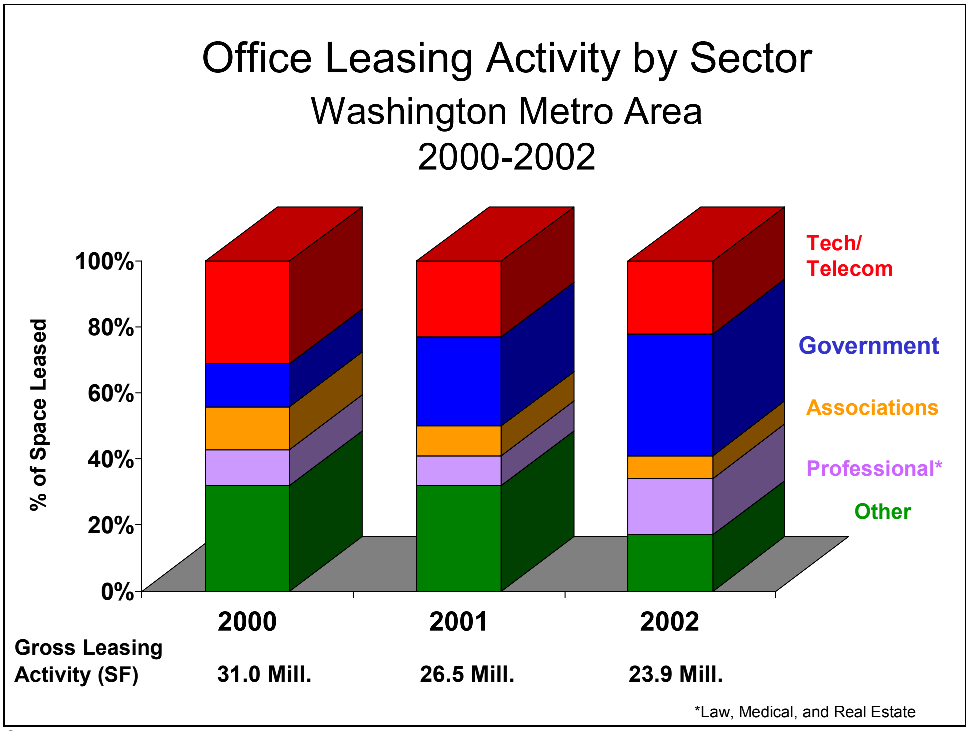
At the same time, the Federal government will experience the expiration of leases amounting to 5 to 6 million SF per annum in this period.

This suggests that the Federal government will be in the market for 6.3 to 7.5 million SF of leased space per annum through 2005.

Given Federal government security criteria and location preferences, we estimate that only 5 million SF of the region's total 32 million SF of vacant office space at 1/1/02 is suitable for GSA tenancy. Although GSA has denied it has such criteria "set in stone," its leasing pattern in 2002 suggests there is a major disconnect between the available inventory of vacant space in the region and the government's preferences. We concluded last year that this disconnect may lead to a build-to-suit building binge to accommodate the Federal government in the future.

KEY FINDINGS OF THIS UPDATE

In 2002, the government sector accounted for almost 40% of all the gross leasing activity in the Washington metro area – 8.8 million SF of a total of 23.9 SF metro wide:



Source: Delta Associates, February 2003.

Federal Government Leasing Activity in 2002

In 2002, the Federal government accounted for 40% of the net office space absorption in the Washington metro area – 965,000 SF out of a regional total of 2.4 million SF. This is below our estimate from last year of 1.3 million SF due to two factors:

1. We overestimated how quickly Congress could act on a budget to authorize space acquisitions.
2. EPA dis-absorbed 1.2 million SF of leased space to move into owned space, reducing the leased inventory but not the total space occupied by the Federal government.

Federal office leasing activity in 2002 is summarized following:

- 3.6 million SF of office space was leased by the government, not including lease renewals.
- 3.2 million SF of expiring leases were renewed.
- 2.7 million SF of expiring leases were not renewed.

At year-end 2002, it is estimated that the Federal government controlled 43.7 million SF of leased office space in the Washington metro area – about 13% of the region's rentable space inventory.

Several notable observations emerge from an analysis of the government's 2002 leasing activities:

- ***The Federal government leased eight properties in which Federal tenants occupy or will occupy entire buildings – these properties comprise a total of 1.7 million SF.*** (See Table B-2.) Among the notables are:
  - The Transportation Security Administration's 480,000 SF lease in WorldCom's Pentagon City buildings
  - The FTC's 260,000 SF lease at 601 New Jersey Avenue NW
  - The Institute for Defense Analyses' 250,000 SF lease at 4850 Mark Center in Alexandria.
- ***The Department of Defense, State Department, NIH, TSA, and other defense/security-oriented agencies actively sought office space in 2002, but leased less space, overall, than expected. This could indicate that more leasing activity from these agencies is forthcoming in the near future.*** Other agencies like the Department of Education, National Park Service, FTC, and EPA also absorbed large quantities of space. See Tables A-3 and B-2.
- ***The EPA's move-out at Waterside Mall generated 1.2 million SF of dis-absorption,*** as the agency relocated to Federally-owned office space in the Federal Triangle. If this particular anomaly is disregarded, Federal leased office space net absorption in 2002 exceeds 2 million SF.

As of January 2003, there are still several Federal entities with large unmet space requirements. See Table C-1. Among these agencies are:

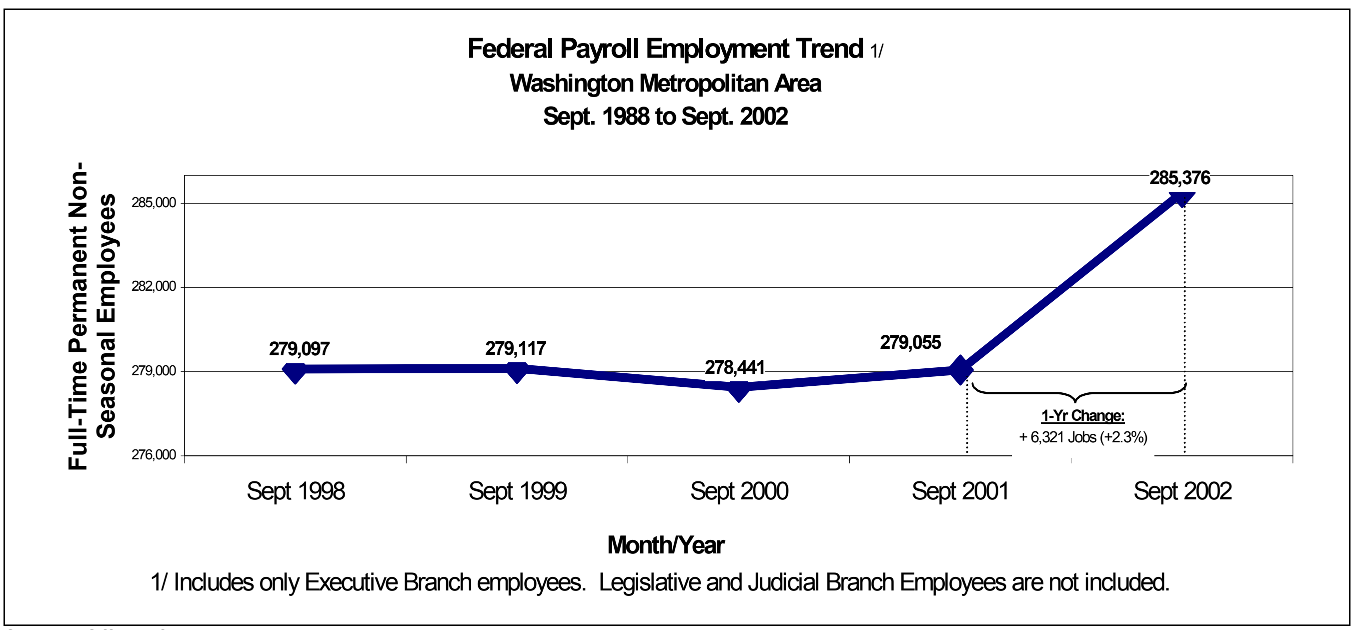
- The newly formed ***Department of Homeland Security*** will temporarily locate in its Nebraska Avenue (Northwest DC) facility, but will likely pursue a permanent home soon.
- Rumors that the ***Missile Defense Agency*** and the planned ***Terrorist Threat Integration Center*** will seek headquarters facilities soon could materialize and have a significant market impact.
- ***FEMA***, which backed out of its lease at 550 12th St., may seek a new headquarters in the near future. This requirement may change due to FEMA's absorption into the Department of Homeland Security.

In addition, three sizeable leased properties scheduled to deliver over the next 3 years will bolster net absorption figures upon delivery:

- The ***Patent and Trademark Office*** complex under construction in Alexandria, developed by LCOR, will add 2.3 million SF to the leased space inventory, while the move from Crystal City will offset 1.8 million SF of it.
- A new ***Department of Transportation*** headquarters facility will anchor development of the Southeast Federal Center; a build-to-suit lease was awarded to JBG for this 1.4 million SF project.
- The ***SEC***'s 1.1 million SF headquarters facility under construction at Station Place, NE, is being developed by Dreyfus Properties.

Growth in Federal and Contractor Employment

Federal employment in the Washington metro area grew by 6,300 jobs, or 2.3%, during 2002 – following an 8% decrease in Federal jobs between 1990 and 2000. The Department of Transportation accounted for nearly one-third of this job growth due to the emergence of the Transportation Security Administration (TSA). The Departments of State, Justice, Agriculture, and Commerce, also added significant numbers of employees. See Tables D-3, D-4, and D-5.



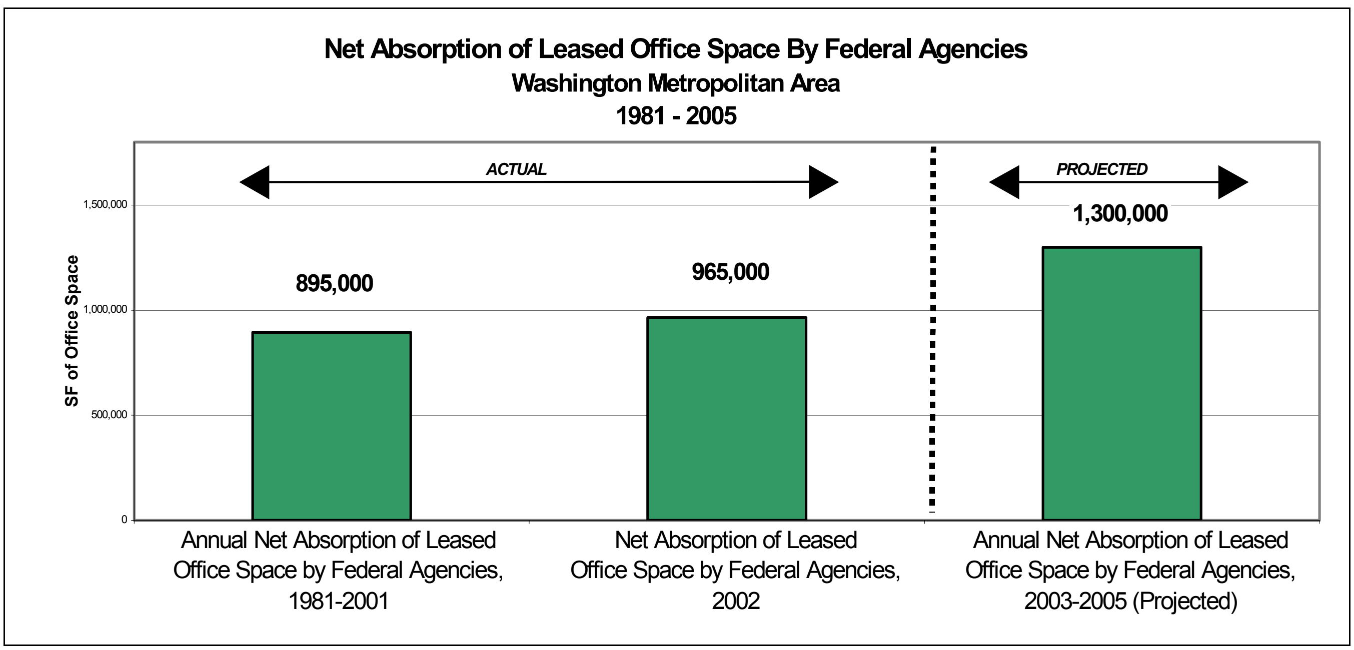
Source: Office of Personnel Management, February 2003.

Despite employment growth at most cabinet-level agencies, the Department of Defense's civilian job count did not change significantly. As more funds are allocated to fight the *War on Terrorism* and possibly a new War in Iraq, more Defense jobs will likely be added.

Federal procurement is expected to increase 7% to 10% per year over the next three years, which could generate up to 25,000 new private sector contractor jobs per year. When added to expected growth in Federal payroll employment, the combined increase in jobs could be as high as 30,000 jobs per year between 2003-2005. See Table D-1.

Outlook

We project annual net Federal leased space absorption to be 1.3 million SF in the Washington region through 2005. Although the net increase observed in 2002 was less than expected (at 965,000 SF), current unmet space requirements, projected budget increases, consolidations, and security/technology needs will continue to drive absorption – at a rate above its average historical level of 900,000 SF per year. See Table A-1.



Source: Delta Associates, February 2003.

Northern Virginia is expected to garner the largest share of this new absorption, or about 45%, while the District will see about 35% and Suburban Maryland will attract about 20%. See Table A-2.

About 11.1 million SF of Federal leased space is scheduled to expire during 2003 and 2004. This continued vigorous turnover activity will encourage further expansion and consolidation in new leased space. See Appendix E.

Ideal spaces for Federal tenants will continue to be buildings with Metro access that are 100% vacant/available – like the WorldCom buildings in Pentagon City recently leased by TSA. However, in certain cases agencies have been observed to willingly sacrifice Metro access to accommodate strategic requirements, as in the case of NIH, DOD, and the intelligence agencies. We estimate that 5 million SF of the region's vacant 38 million SF is suitable to Federal occupancy. As a result, we expect build-to suits to be the primary way GSA will handle its larger space requirements in coming years.

Based on the continued spending increases presented in the Bush Administration's 2004 budget, the following Federal agencies are likely to continue requiring significant blocks of space over the next three years:

- Health and Human Services
- Defense
- FEMA (which is to be absorbed by Homeland Security)
- CIA
- Transportation
- Justice
- Treasury
- State
- Homeland Security

These agencies are all linked to security and intelligence functions that are being expanded through spending increases. Sub-agencies of these departments, like the Coast Guard, which is administered by the Department of Transportation, will also likely seek more space in the near-term.

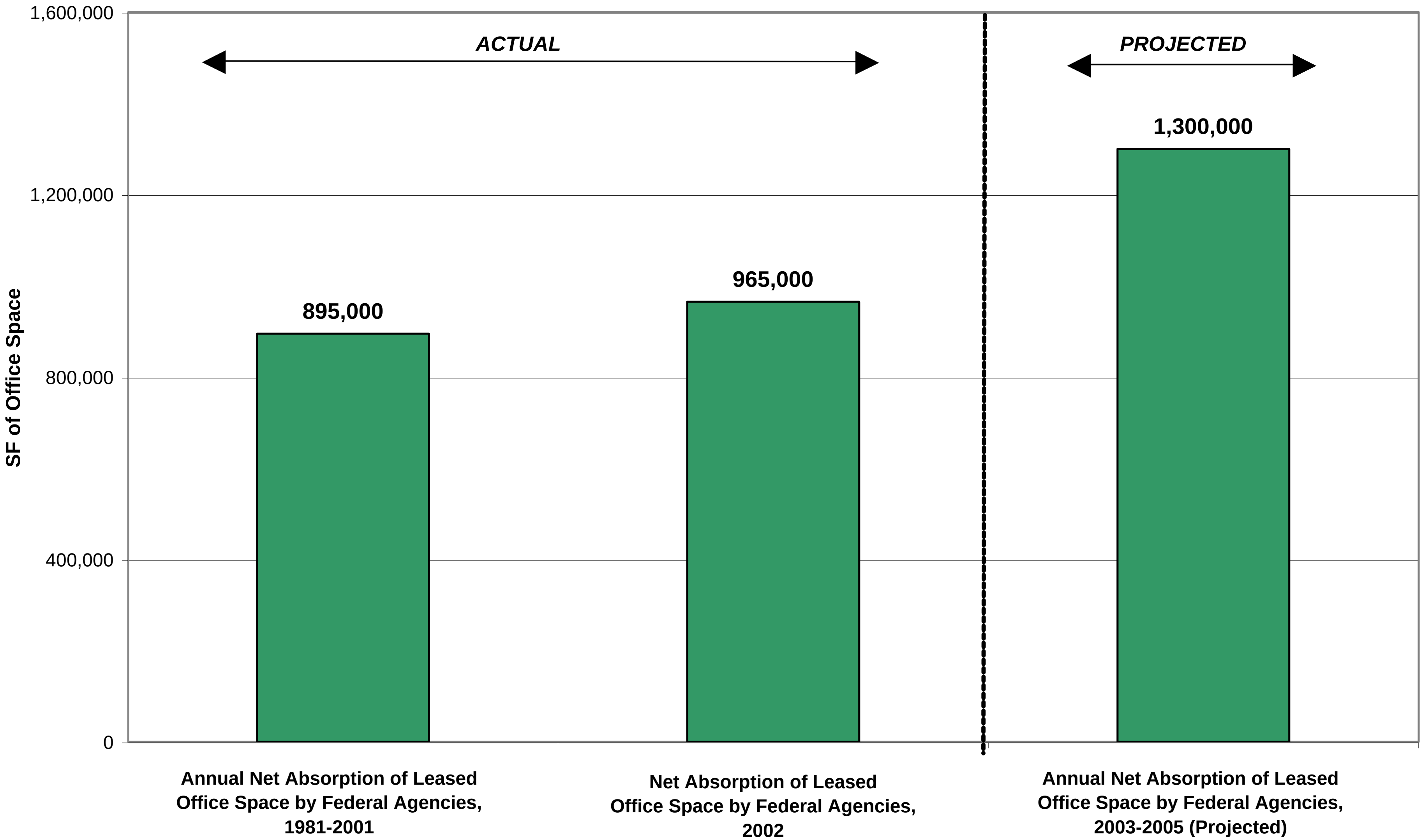
APPENDICES

Appendix A:

Key Findings

TABLE A-1

NET ABSORPTION OF LEASED OFFICE SPACE BY FEDERAL AGENCIES
WASHINGTON METROPOLITAN AREA
1981 - 2005



Source: General Services Administration,
Delta Associates, February 2003.

DA23212
AppxA-Summary, A1-Sum

TABLE A-2

NET ABSORPTION OF LEASED OFFICE SPACE BY FEDERAL AGENCIES
WASHINGTON METROPOLITAN AREA
1981-2005

Region	Annual Net Absorption of Leased Office Space by Federal Agencies 1981 - 2001	Annual Net Absorption of Leased Office Space by Federal Agencies 2002	Projected Annual Net Absorption of Leased Office Space by Fed. Agencies 2003-2005
District of Columbia	310,000	-223,000 1/	450,000
Northern Virginia	385,000	812,000	600,000
Suburban Maryland	200,000	376,000	250,000
DC Metro Total	895,000	965,000 2/	1,300,000

1/ Net absorption in the District during 2002 is skewed downward by the 1.2 million SF dis-absorption of the Waterside Mall; the EPA relocated to owned space in the Federal Triangle.

2/ Appendix B provides 2002 Federal leasing activity in detail.

Source: General Services Administration,
Delta Associates, February 2003.

DA23212
AppxA-Summary, A2-SubState

TABLE A-3

SPACE LEASED IN 2002 BY FEDERAL AGENCY 1/
WASHINGTON METROPOLITAN AREA

Note: This includes buildings leased by the Federal government for the first time in 2002. It does not include lease renewals or leases in buildings not yet delivered.

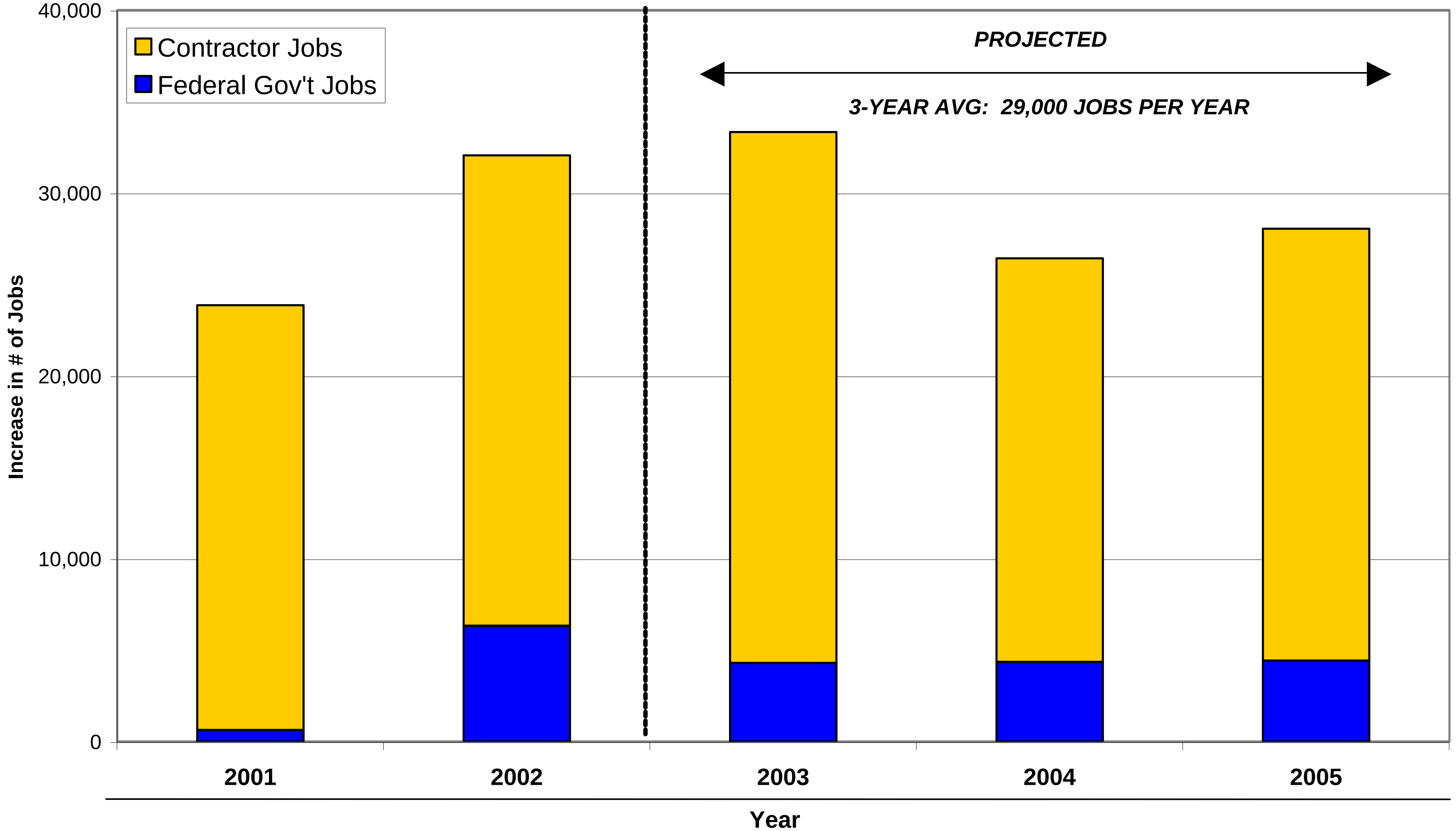
Federal Agency	Space Leased in 2002 (SF)
Department of Defense	608,000
Transportation Security Administration	504,000
Department of State	396,000
Dept. of Health & Human Services/NIH	387,000
Department of Education	309,000
Federal Trade Commission	259,000
National Park Service	220,000
Environmental Protection Agency	141,000
Dept. of Health & Human Services/FDA	125,000
Drug Enforcement Agency	121,000
Other Agencies	574,000
Total - New Leases in 2002:	**3,644,000**

1/ Appendix B provides 2002 Federal leasing activity in detail.

Source: Delta Associates,
February 2003.

TABLE A-4

ESTIMATED GROWTH IN FEDERAL GOVERNMENT JOBS AND FEDERAL CONTRACTOR JOBS WASHINGTON METROPOLITAN AREA, 2001-2005



Note: See Appendix D.

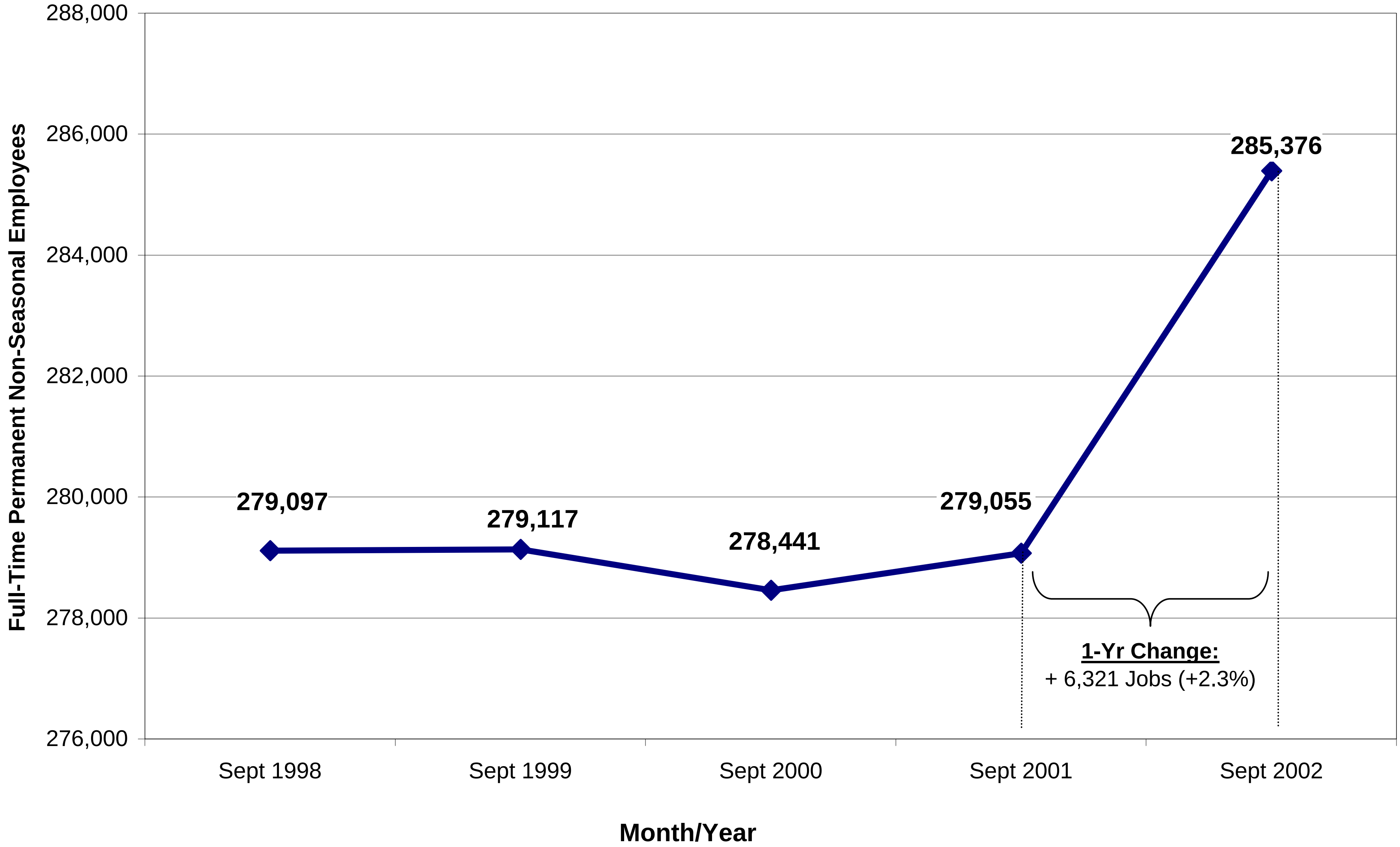
Source: Dr. Stephen Fuller,
Delta Associates, February 2003.

DA23212
AppxA-Summary, A4-Employ

TABLE A-5

FEDERAL PAYROLL EMPLOYMENT TREND
WASHINGTON METROPOLITAN AREA
SEPTEMBER 1998 - SEPTEMBER 2002

Note: This data set does not match the data set portrayed in Appendix G due to the exclusion of postal workers and workers in several small agencies.



Source: Office of Personnel Management,
Delta Associates, February 2003.

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AppxA-Summary, A5-FedEmp

TABLE A-6

FEDERAL OFFICE LEASES EXPIRING IN 2003-2004 1/
WASHINGTON METROPOLITAN AREA

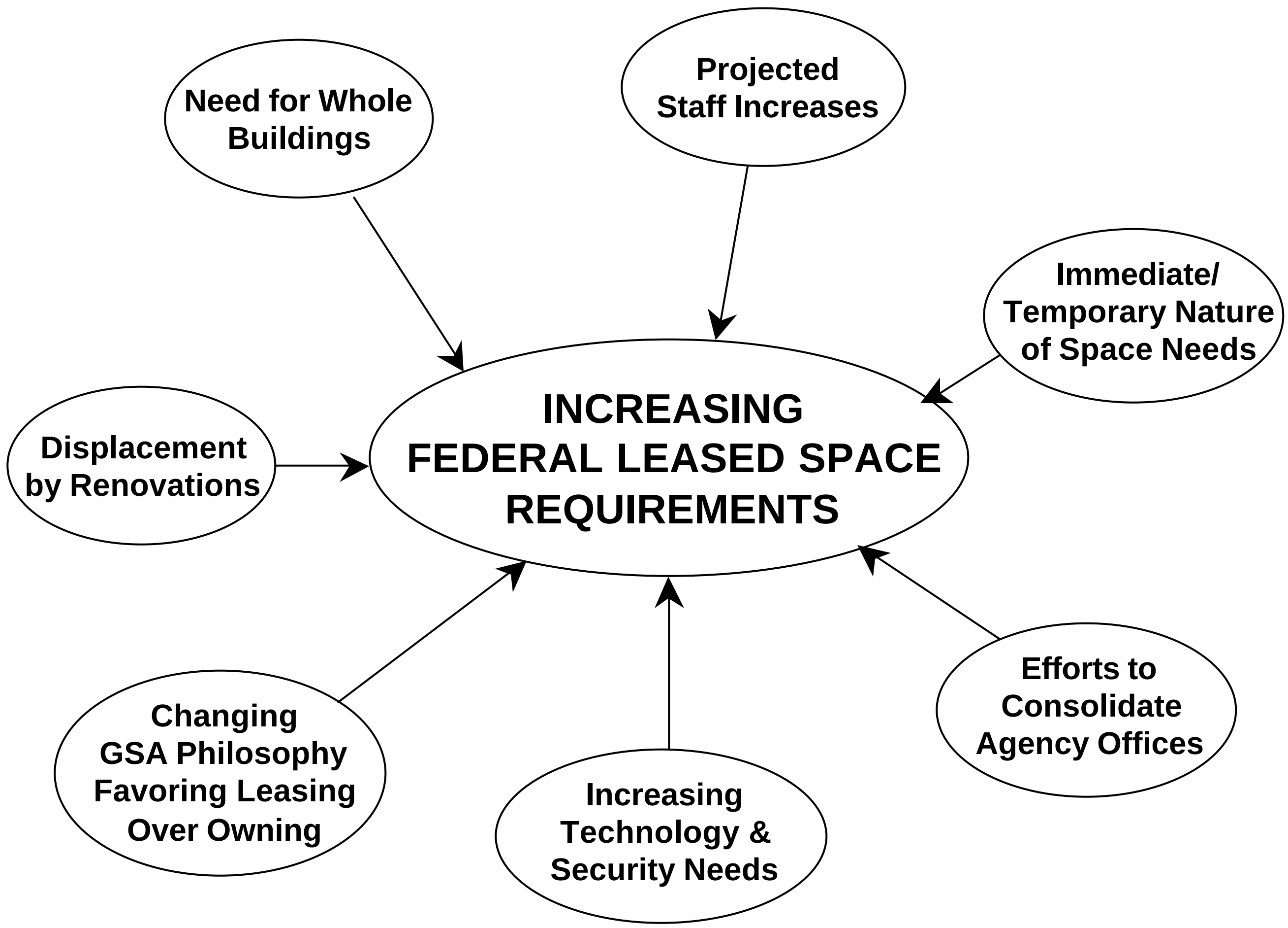
Region	Leased SF Expiring in 2003-2004
District of Columbia	3,900,000
Northern Virginia	5,800,000
Suburban Maryland	1,400,000
DC Metro Total:	**11,100,000**

1/ Appendix E lists the leases scheduled to expire in 2003-2004.

Source: General Services Administration,
Delta Associates, February 2003.

TABLE A-7

FACTORS UNDERLYING FUTURE INCREASES IN FEDERAL LEASED SPACE SPACE REQUIREMENTS OVER THE NEXT THREE YEARS WASHINGTON METRO AREA



SUPPORTING EMPIRICAL EVIDENCE:

- Over the last 20 years, leased space has increased 3.6% annually, while owned space has increased 3.0% annually. See Exhibit B-1.

- In the current development pipeline of buildings to be occupied by Federal agencies, 55% of the space will be leased (6.2M leased SF out of 11.3M SF total). See Tables C-2 and C-3.

- Leased space inventory growth accelerated during the 1990s.

Source: Delta Associates, February 2003.

DA23212
Flowchart

Appendix B:

Federal Government Leasing Activity in 2002

TABLE B-1

SUMMARY:
NET OFFICE LEASING ACTIVITY BY FEDERAL AGENCIES
WASHINGTON METRO AREA
2002

	A. Office Space Leased for the First Time by the Federal Government during 2002 1/	3,644,109	SF
-	B. Leases that Federal Agencies Opted Not to Renew in 2002 2/	2,679,505	SF
	C. Net Increase in Federal Leased Space in 2002	964,604	SF

1/ Lease renewals and leases in buildings not yet built, even if pre-leased, are excluded. (Examples: PTO in Alexandria and DOT in SE Federal Center are excluded.) See Table B-2.

2/ Includes leases that expired in 2002 that were not renewed. See Table B-3.

Source: Delta Associates' analysis of GSA and other data, February 2003.

TABLE B-2

NEW LEASES FOR OFFICE SPACE TO BE OCCUPIED
BY FEDERAL AGENCIES FOR THE FIRST TIME 1/
WASHINGTON METROPOLITAN AREA
LEASES TAKING EFFECT IN 2002

Note: This list does not include lease renewals.

Property (* denotes whole bldg lease)	**City**	**State**	**SF Leased**	**Date Eff.**	**Tenant Agencies**
550 12th St., SW	Washington	DC	309,000	Jul-02	Dept of Education
601 New Jersey Ave. NW *	Washington	DC	258,685	Jun-02	FTC, Fed. Mine Sfty
1201 Eye St. NW	Washington	DC	219,750	Sep-02	Nat'l Park Service
1310 L St., NW *	Washington	DC	130,000	Sep-02	EPA
955 L'Enfant Plaza SW	Washington	DC	81,140	Aug-02	Dept. of Energy
1666 K St. NW	Washington	DC	47,716	Dec-02	SEC-Acct'g Oversight
1 Mass Ave NW	Washington	DC	45,614	Sep-02	HHS, Tenn. Vly Auth.
799 9th St., NW	Washington	DC	41,742	Jun-02	IRS
370 L'Enfant Promenade	Washington	DC	23,500	Sep-02	TSA
2001 L St. NW	Washington	DC	23,000	Jan-03	Peace Corps
1341 G St. NW	Washington	DC	10,957	Jul-02	EPA
1220 L St. NW	Washington	DC	10,835	Oct-02	--
409 12th St. SW	Washington	DC	9,000	Dec-02	GSA
District Total:	--	--	**1,210,939**	--	--
6610 Rockledge Dr. *	Bethesda	MD	130,000	Apr-02	NIH
1101 Wootton Parkway	Rockville	MD	99,385	Jan-02	HHS
5635 Fishers Ln.	Rockville	MD	75,000	Sep-02	NIH
River Rd.	College Park	MD	65,760	Nov-02	FDA
11919 Rockville Pike	Rockville	MD	59,500	Dec-02	FDA
1440 McCormick Drive	Landover	MD	50,978	Mar-02	--
9200 Edmonston Rd.	Greenbelt	MD	42,000	Jul-02	USDA
6101 Executive Blvd.	North Bethesda	MD	37,000	Jun-02	NIH
10210 Greenbelt Road	Greenbelt	MD	27,282	Dec-02	NASA
Suburban MD Total:	--	--	**586,905**	--	--
601-701 S. 12th St. *	Arlington	VA	480,000	Dec-02	TSA
1801 N. Lynn St. *	Arlington	VA	339,000	Mar-02	State Dept
875 N. Randolph Street	Arlington	VA	310,829	Oct-02	DOD
4850 Mark Center Drive *	Alexandria	VA	249,220	Jan-02	DOD
14560 Avion Parkway *	Chantilly	VA	71,504	Feb-02	DEA
4501 N. Fairfax Dr.	Arlington	VA	67,000	Apr-02	US Fish & Wildlife
6315 Bren Mar Drive	Alexandria	VA	60,000	Sep-02	Fed. Protective Service
1000 Wilson Blvd.	Arlington	VA	57,306	Feb-02	State Dept.
22624 Dulles Summit Ct *	Sterling	VA	49,692	Mar-02	DEA
10803-10805 Parkridge Blvd	Reston	VA	47,858	Nov-02	DOD
10720 Richmond Highway	Lorton	VA	38,204	Mar-02	--
12379 Sunrise Valley	Reston	VA	30,139	Dec-02	--
7400 Fullerton Road	Springfield	VA	24,345	Jan-02	--
1700 N. Kent Street	Arlington	VA	10,945	Dec-02	--
1650 King Street	Alexandria	VA	10,223	Mar-02	State Justice Institute
Northern VA Total:	--	--	**1,846,265**	--	--
DC METRO AREA TOTAL:	--	--	**3,644,109**	--	--

1/ Following the GSA's convention, leased space in buildings under construction is typically not accounted for until the building delivers.

Source: GSA, Delta Associates,
February 2003.

TABLE B-3

LEASES EXPIRING IN 2002 THAT WERE NOT RENEWED BY FEDERAL AGENCIES
WASHINGTON METROPOLITAN AREA
2002

Property	City	State	SF Leased	Expire Date	Tenant Agencies	Comment
Waterside Mall, SW	Washington	DC	1,160,166	Sep-02	EPA	not renewed; redevelop.
1120 Vermont Ave., NW	Washington	DC	110,746	Mar-02	DOT, VA	not renewed
1730 K St. (Riddell Bldg)	Washington	DC	92,649	Sep-02	Treasury, Labor	not renewed; demolished
499 S Capitol St. (Fairchild)	Washington	DC	70,687	Sep-02	EPA	not renewed
District Total:	**--**	**--**	**1,434,248**	**--**	**--**	**--**
6525 Belcrest	Hyattsville	MD	210,613	Dec-02	HHS CDC	not renewed
Suburban MD Total:	**--**	**--**	**210,613**	**--**	**--**	**--**
2521 Jeff. Davis Hwy (Polk)	Arlington	VA	352,129	Oct-02	DOD	vacated; re-lease unlikely
4015 Wilson Blvd	Arlington	VA	169,250	May-02	DOD, Labor	vacated for major renov.
800 North Randolph	Arlington	VA	152,948	May-02	DOD	vacated for major renov.
801 North Randolph	Arlington	VA	148,746	May-02	DOD	vacated for major renov.
10701 Parkridge	Reston	VA	110,147	Aug-02	Not Disclosed	not renewed
8198 Terminal Road	Springfield	VA	77,688	Jun-02	Not Disclosed	not renewed
3251 Old Lee Highway	Fairfax	VA	23,736	Apr-02	Not Disclosed	not renewed
Northern VA Total:	**--**	**--**	**1,034,644**	**--**	**--**	**--**
DC METRO AREA TOTAL:	--	--	**2,679,505**	--	--	--

Source: GSA, Delta Associates,
February 2003.

Appendix C:

Recent Office Developments Involving Federal Tenants

TABLE C-1

ILLUSTRATIVE LIST OF FEDERAL AGENCIES WITH CURRENT UNMET SPACE REQUIREMENTS 1/
WASHINGTON METRO AREA
FEBRUARY 2003

Tenant	SF Needed	Comments
US Agency for Int'l Development	630,000	Seeks consolidated space in Arlington.
Homeland Security	275,000	Will locate in Nebraska Ave (NW DC) facility temporarily.
FEMA	400,000	Pulled out of SW Fed Ctr lease; FEMA being absorbed by Homeland Sec.
Coast Guard	500,000	--
Nat'l Endow. for Arts/Humanities	250,000	Expected to move from Old Post Office
NOAA- World Weather Service	200,000	Likely to seek build-to-suit.
Missile Defense Agency	1,000,000	Rumored in '02 that MDA was seeking to move from Navy Annex.
Terrorist Threat Integration Center	300,000	Bush announced plans in January; 1,000+ employees.
Confidential	300,000	--
TOTAL	**3,855,000**	**--**

1/ This list is not necessarily comprehensive, but indicative of the scale and character of Federal agency requirements.

Source: Transwestern Commercial Services, Washington Business Journal,
Mid-Atlantic Real Estate Journal,
Delta Associates, February 2003.

TABLE C-2

OFFICE BUILDINGS RECENTLY DELIVERED & UNDER CONSTRUCTION 1/
LEASED BY GSA/FEDERAL TENANTS
WASHINGTON METRO AREA
FEBRUARY 2003

Agency-Tenant	Bldg Name	Location	SF	Type	Bldg Status	Project Status	Notes
1. SEC	Station Place	2nd & F Streets NE	1,100,000	New Bldg/ Lease	Completion Dec 2003	Lease Signed May 2001	SEC, represented by Spaulding & Slye, signed 14-year lease in May 2001; will move all operations to this new HQ which will be built by Dreyfus Properties. SEC has own independent leasing authority outside of GSA.
2. Dept of Transportation	Southeast Federal Center	M St & New Jersey Ave, SE	1,400,000	New Bldg/ Lease	Completion in 2005	Lease Awarded Feb 2002	GSA reached lease agreement with JBG/JER to develop and lease a new DOT HQ facility in Southeast Federal Center. Will be the first development at the SE Federal Center site.
3. Patent and Trademark Office	--	Alexandria	2,300,000	New Bldg/ Lease	Completion 2005	Lease signed in 2000; Currently U/C	GSA signed lease for LCOR to build new $700 million 5-bldg facility in 2000; plans to move out of its 9 leased bldgs in Crystal City.
4. Dept of Education/ GSA	Potomac Center	550 12th St, SW	420,000	New Bldg/ Lease	Completion February 2003	As of Fall 2002, Dept. of Education moving in	GSA signed 10-year lease in Nov 2000 for FEMA to occupy most of the new bldg, but FEMA decided not to occupy for security reasons. Dept of Education will occupy 309,000 SF and GSA will occupy remainder.
5. State Dept	1801 North Lynn	Rosslyn	345,000	New Bldg/ Lease	Completed March 2002	Lease effective March 2002	State Dept began occupying the building late 2002.
6. Federal Trade Commission	--	601 New Jersey Ave, NW	260,000	New Bldg/ Lease	Completed June 2002	Lease effective June 2002	FTC will occupied most of this 260,000 SF building; will move out of about 120,000 SF at 601 Pennsylvania Ave by 2003.
7. Office of Naval Research	Liberty Center	Ballston	330,000	New Bldg + Lease Renewal	Existing/Planned Complex	Lease signed in 2002.	ONR had sought relocation to a new 300,000 SF space, but decided to renew lease for 10 years while landlord redevelops Ballston complex. By 2004, ONR will relocate into a new 330,000 SF building on the same site and vacate its old space, which will be demolished.
Total- Leased New Construction:		**--**	**6,155,000**	**--**	**--**	**--**	**--**

1/ This list is not necessarily comprehensive, but indicative of the scale and character of recent Federal leasing activity.

Source: Washington Business Journal, Mid-Atlantic Real Estate Journal, Delta Associates, February 2003.

TABLE C-3

OFFICE BUILDINGS RECENTLY DELIVERED, UNDER CONSTRUCTION, & PLANNED 1/
OWNED BY THE FEDERAL GOVERNMENT
WASHINGTON METRO AREA
FEBRUARY 2003

Agency-Tenant	Bldg Name	Location	SF	Type	Bldg Status	Project Status	Notes
1. FDIC	--	Virginia Square, Arlington	422,000	New Bldg/Owned	Completion in 2006	Design phase funded	$111 million facility to be built on land adjacent to existing facility; employees will move out of leased space in 3 DC office buildings upon completion.
2. FDA	Center for Food Safety and Applied Nutrition	College Park	350,000	New Bldg/Owned	Opened Oct 2001	FDA moving in	$63 million facility took 3 years to build; FDA will move labs out of the FOB 8, which will undergo renovation.
3. ATF	--	New York & Florida Ave	422,000	New Bldg/Owned	Completion 2005	Construction begins early 2002	$104 million facility to serve as ATF's new HQ. Construction delayed because of Sept 11th.
4. NOAA	--	Suitland Federal Center	208,000	New Bldg/ Owned	Completion 2004	Funded; Constr. To start 2002	$34 million facility will house facilities currently housed in Suitland's FOB 4.
5. FDA	--	White Oak (Former Naval Surface Warfare Center site)	2,200,000	New Facilities/Owned	Complex Completion by 2008	First design phase funded	FDA to consolidate its metro area operations into this new facility over next decade; first 114,000 SF bldg under construction and complete by late 2002.
6. Commerce/Census Bureau	--	Suitland Federal Center	770,000	New Facilities/Owned	Completion 2005	Design phase funded	Census Bureau will move operations to this new facility from existing location in Suitland FOB 3, which does not meet current GSA standards for air circulation, fire and life safety, or accessibility.
7. Dept of Justice	E. Barrett Prettyman Courthouse Annex	3rd & Constitution, NW	328,000	New Annex/Owned	Completion 2004	Construction Funded	$100 million new facility will be an annex to the existing 1952 courthouse; will house various Federal court functions.
Total- Owned New Construction:		**--**	**5,122,000**	**--**	**--**	**--**	**--**

1/ This list is not necessarily comprehensive, but indicative of the scale and character of recent Federal construction projects.

Source: Washington Business Journal, Mid-Atlantic Real Estate Journal, Delta Associates, February 2003.

TABLE C-4

OFFICE BUILDING RENOVATION PROJECTS: UNDER RENOVATION & PLANNED 1/
FEDERALLY-OWNED OFFICE BUILDINGS
WASHINGTON METRO AREA
FEBRUARY 2003

Agency-Tenant	Bldg Name	Location	SF	Type	Bldg Status	Project/Transaction Status	Notes
1. EPA	Federal Triangle	Various Bldgs	2,000,000	Renovation/ Relocation/ New Bldg (Reagan Bldg)	Renovated Buildings	Relocation into renovated bldgs and new bldg underway	EPA is in the final phase of moving 5,500 employees into several buildings within the newly renovated Federal Triangle; occupied space includes 1.2 million SF along Constitution Ave and space within Ronald Reagan and Ariel Rios Bldgs.
2. FDA	FOB 8	2nd & C St SW	545,000	Renovation	Completion Aug 2004	Design phase underway	FDA will vacate this building in phases; many of its labs will relocate into new College Park complex. Upon completion, GSA will seek another federal tenant to occupy the upgraded space.
3. Various Federal Tenants	Acacia Building	320 1st St NW	277,000	Renovation	Existing Building	Renovation funded	$8.3 million renovation.
4. IRS	IRS Headquarters	1111 Constitution Ave, NW	1,385,000	Renovation (ongoing)	Existing Building	Renovation funded	Phase 2 of ongoing renovations to building contructed in 1936, $20.4 million.
5. Dept of Interior	Main Interior Building	1849 C St. NW	1,320,000	Renovation (ongoing)	Existing Building	Renovation funded	Phase 2 of ongoing renovations to building contructed in 1935, $22.7 million.
6. Dept of Justice	Main Justice Building	9th & Constitution, NW	1,100,000	Renovation (ongoing)	Existing Building	Renovation funded	Phase 2 of ongoing renovations to building contructed in 1935, $46 million. To be complete by 2005.
7. General Services Administration	GSA Headquarters	18th & F Streets, NW	830,000	Renovation	Existing Building	Design phase underway	Architect was selected in 2002; building modernization scheduled to begin in 2004.
8. Dept of Education & HHS	Switzer	330 C Street SW	590,000	Renovation	Existing Building	Renovation funded	$81.7 renovation to be completed by 2008.
TOTAL	--	--	**6,627,000**	--	--	--	--

1/ This list is not necessarily comprehensive, but indicative of the scale and character of recent Federal renovation projects.

Source: Washington Business Journal, Mid-Atlantic Real Estate Journal,
Delta Associates, February 2003.

TABLE C-5

OFFICE DEVELOPMENT PROJECTS IN LONG-TERM PLANNING 1/
FEDERALLY-OWNED LAND/BUILDINGS
WASHINGTON METRO AREA
FEBRUARY 2003

Bldg Name	Location	SF	Type	Bldg Status	Project/Transaction Status	Notes
1. Southeast Federal Center	Adjacent to Navy Yard (55-acre site)	--	Future Development	--	RFQ has been issued	GSA seeks private redevelopment of federally-owned site, possibly to accommodate future GSA space requirements.
2. Air rights over Union Station tracks	North of Union Station	2,600,000	Future Development	--	GSA reportedly sold air rights to John Akridge Cos for $10 million in August 2002.	GSA reportedly sold rights to develop office space over tracks north of Union Station to John Akridge Cos for $10 million; approved for up to 2.6 million SF.
3.. Old Post Office Pavilion	Pennsylvania Ave	262,000	Purchase of Lease for Future Redevelopment	Existing Building	Lease purchased	GSA bought back lease on the Pavilion for $7.1 million in July 2001. The property has struggled as a tourist attraction and retail mall. GSA will seek to determine best use and redevelop the property.

1/ This list is not necessarily comprehensive, but indicative of the scale and character of planned Federal development projects.

Source: Washington Business Journal, Mid-Atlantic Real Estate Journal,
Delta Associates, February 2003.

TABLE C-6

FEDERAL OWNED PROPERTIES
OFFICIALLY ADDED TO/REMOVED FROM GSA INVENTORY
WASHINGTON METROPOLITAN AREA
2002

A. Owned Properties Added to Inventory During 2002:

Building Address	Name	City	State	Rentable SF
450 E St. NW	Court of Military Appeals	Washington	DC	39,331
Constitution & J Marshall	Courthouse	Washington	DC	540,977
Ronald Reagan National Airport	Terminals A, B, and C	Washington	DC	Not Listed
323 Wilkes Road	White Oak Area 300	Silver Spring	MD	Not Listed
300 Sims Road	White Oak Buildings M	Silver Spring	MD	Not Listed

B. Owned Properties Removed from Inventory During 2002:

Building Address	Name	City	State	Rentable SF
203A Bowditch Road	White Oak Building 203A	Silver Spring	MD	Not Listed
100 Bowditch Road	White Oak Building 100	Silver Spring	MD	23,745
20 Edison Road	White Oak Building 20	Silver Spring	MD	95,786
203 Bowditch Road	White Oak Building 203	Silver Spring	MD	4,346
206 Bowditch Road	White Oak Building 206	Silver Spring	MD	5,029
30 Lake Road	White Oak Building 30	Silver Spring	MD	32,998
90 Bowditch Road	White Oak Building 90	Silver Spring	MD	31,099
1 New Hampshire Avenue	White Oak Main Buildings	Silver Spring	MD	407,498

Source: General Services Administration,
Delta Associates, February 2003.

Appendix D:

Estimated Growth in Federal Government and Contractor Jobs, 2001-2005

TABLE D-1

ESTIMATED GROWTH IN FEDERAL GOVERNMENT JOBS AND GOVERNMENT CONTRACTOR JOBS WASHINGTON METROPOLITAN AREA 2001 - 2005

Year	New Private Sector Jobs Created By Increases in Fed. Procurement 1/ (A)	Increase in Federal Government Jobs 2/ (B)	Total Job Increase (=A+B)
2001	23,240	614	23,854
2002	25,730	6,321	32,051
2003 *	29,050	4,281	33,331
2004 *	22,078	4,345	26,423
2005 *	23,623	4,410	28,033
Projected 3-Year Job Increase, 2003-2005:	74,751	13,036	87,787
Projected Avg Annual Job Incr., 2003-2005:	24,917	4,345	29,262

* indicates projection

1/ See Table D-2.
2/ See Table D-2. Projections based on 1.5% Federal employment growth annually over next 3 years. Includes all workers, not just full-time W-2 wage earners.

Source: Delta Associates, Dr. Stephen Fuller, February 2003.

TABLE D-2

FEDERAL PROCUREMENT-RELATED JOB GROWTH
WASHINGTON METROPOLITAN AREA
2001 - 2005

Year	Federal Procurement 1/ (In Billions)	Annual Chg. in Fed. Proc. (In Billions)	New Jobs Created by Increases in Fed. Proc. 2/
2000	$28.6	--	--
2001	$31.4	$2.8	23,240
2002	$34.5	$3.1	25,730
2003 *	$38.0	$3.5	29,050
2004 *	$40.7	$2.7	22,078
2005 *	$43.5	$2.8	23,623
3-Year Job Increase, 2003-2005:			74,751
Avg Annual Job Increase, 2003-2005:			24,917

* indicates projection

1/ Regional procurement projections based on Dr. Stephen Fuller's most recent estimates; assumes 10% growth in 2003, followed by 7% growth in 2004 and 2005.

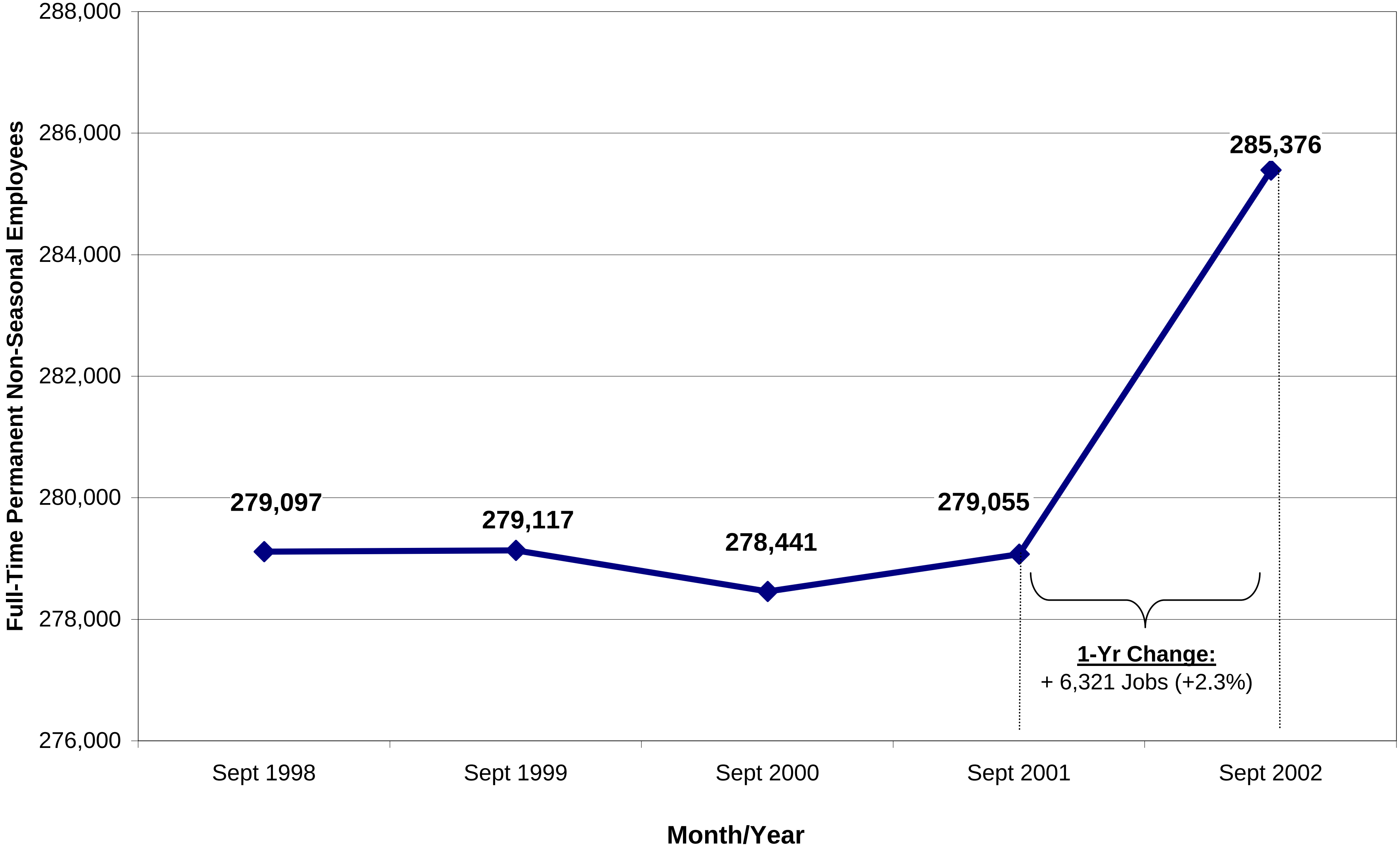
2/ Private sector employment generated by increased Federal procurement based on Dr. Stephen Fuller's estimate of 8,300 jobs per $1 billion increase.

Source: Delta Associates, Dr. Stephen Fuller, February 2003.

TABLE D-3

FEDERAL PAYROLL EMPLOYMENT TREND
WASHINGTON METROPOLITAN AREA
SEPTEMBER 1998 - SEPTEMBER 2002

Note: This data set does not match the data set portrayed in Appendix G due to the exclusion of postal workers and workers in several small agencies.



Source: Office of Personnel Management,
Delta Associates, February 2003.

DA23212
AppxD-EmplUpdate, D3-Graph

TABLE D-4

FEDERAL PAYROLL EMPLOYMENT 1/
WASHINGTON METROPOLITAN AREA
SEPTEMBER 2001 - SEPTEMBER 2002

Type of Agency	Employment		Increase	
	September 2001	September 2002	#	%
Cabinet Level Agencies	224,193	229,857	5,664	2.5%
Large Independent Agencies (1,000 or more employees)	45,324	45,783	459	1.0%
Medium Independent Agencies (100 - 999 employees)	8,368	8,511	143	1.7%
Small Independent Agencies (less than 100 employees)	1,170	1,225	55	4.7%
Total	**279,055**	**285,376**	**6,321**	**2.3%**

1/ This data set differs from the data set shown in Appendix G, so totals do not match; postal employees and several small agencies are excluded.
Includes all workers, not just full-time W-2 wage earners.

Source: Office of Personnel Management;
Delta Associates, January 2003.

TABLE D-5

FEDERAL PAYROLL EMPLOYMENT BY CABINET LEVEL AGENCY 1/
WASHINGTON METROPOLITAN AREA
SEPTEMBER 2001 - SEPTEMBER 2002

Cabinet Level Agency	Employment		Increase	
	September 2001	September 2002	#	%
Department of Defense	62,732	63,101	369	0.6%
Department of Agriculture	11,436	11,786	350	3.1%
Department of Commerce	20,357	21,040	683	3.4%
Department of Justice	22,153	22,720	567	2.6%
Department of Labor	5,522	5,505	-17	-0.3%
Department of Energy	5,340	5,334	-6	-0.1%
Department of Education	3,451	3,421	-30	-0.9%
Department of Health and Human Services	31,045	31,383	338	1.1%
Department of Housing and Urban Development	3,102	3,308	206	6.6%
Department of Interior	8,177	8,190	13	0.2%
Department of State	10,059	10,867	808	8.0%
Department of Transportation	10,775	12,832	2,057	19.1%
Department of Treasury	23,177	23,303	126	0.5%
Department of Veterans Affairs	6,867	7,067	200	2.9%
Total	**224,193**	**229,857**	**5,664**	**2.5%**

1/ This data set differs from the data set shown in Appendix G, so totals do not match; postal employees and several small agencies are excluded. Includes all workers, not just full-time W-2 wage earners.

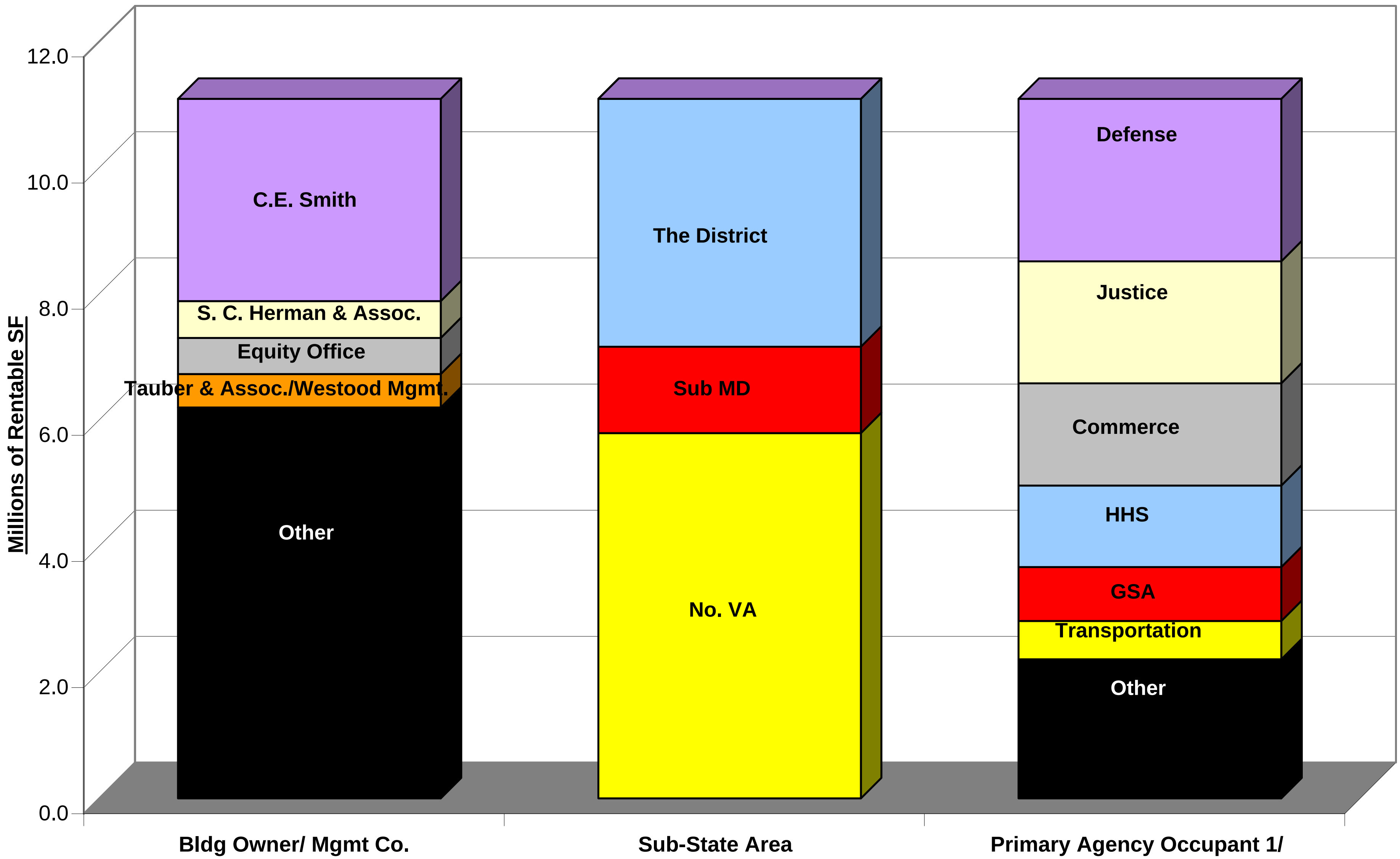
Source: Office of Personnel Management;
Delta Associates, February 2003.

Appendix E:

Federal Leases Expiring in 2003 and 2004

TABLE E-1

COMPOSITION OF GSA LEASES EXPIRING IN 2003 AND 2004
WASHINGTON METRO AREA



1/ "Primary Agency Occupant" is defined as the Federal agency that occupies a majority of the building's rentable space.

Source: General Services Administration;
Delta Associates, February 2003.

DA22312
AppxE-ExpireLeases-FSV, 1Chart

TABLE E-2

LIST OF GSA LEASES EXPIRING IN 2003 AND 2004 1/
SORTED BY LEASE RENTABLE SF
WASHINGTON METROPOLITAN AREA
FEBRUARY 2003

Building	Rentable SF	Usable SF	Primary Agency Occupant	Secondary Agency Occupant	Expiration	Address	City	State	Building Owner	Management Company	Multiple Leases
PLEASE CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS											
Total	11,094,259	9,893,792									

1/ Includes only leases with at least 50,000 rentable SF.

Source: General Services Administration;
Delta Associates, February 2003.

DA22312
AppxE-ExpireLeases-FSV, 2By RSF

TABLE E-3

LIST OF GSA LEASES EXPIRING IN 2003 AND 2004 1/
SORTED BY SUB-STATE AREA AND AGENCY
WASHINGTON METROPOLITAN AREA
FEBRUARY 2003

Building	Rentable SF	Usable SF	Primary Agency Occupant	Secondary Agency Occupant	Expiration	Address	City	State	Building Owner	Management Company	Multiple Leases
District of Columbia											
PLEASE CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS											
Total, D.C.:	3,931,457	3,411,122									
Suburban MD											
PLEASE CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS											
Total, Suburban MD:	1,370,221	1,244,781									
Northern VA											
PLEASE CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS											
Total, Northern VA:	5,792,581	5,237,889									
Total, Metro Area:	11,094,259	9,893,792									

1/ Includes only leases with at least 50,000 rentable SF.

Source: General Services Administration;
Delta Associates, February 2003.

DA22312
AppxE-ExpireLeases-FSV, 3By Sub State

Appendix F:

Growth in Federal Space Inventory, 1981-2001

TABLE F-1

INVENTORY OF GSA OFFICE SPACE 1/
OWNED VS. LEASED SPACE
WASHINGTON METRO AREA
1981 VS. 2001

			20-Year Change 3/		Average Annual Change	
	1981	**2001** 2/	**S.F.**	**%**	**S.F.**	**%**
A. Owned Office Space:						
District of Columbia	20,321,660	32,783,234	12,461,574	61.3%	623,079	3.1%
Northern Virginia	5,600,928	7,049,705	1,448,777	25.9%	72,439	1.3%
Suburban Maryland	2,310,894	5,565,261	3,254,367	140.8%	162,718	7.0%
Metro Area Total	28,233,482	45,398,200	17,164,718	60.8%	858,236	3.0%
B. Leased Office Space:						
District of Columbia	11,649,398	17,841,289	6,191,891	53.2%	309,595	2.7%
Northern Virginia	8,499,254	16,190,820	7,691,566	90.5%	384,578	4.5%
Suburban Maryland	4,665,546	8,664,327	3,998,781	85.7%	199,939	4.3%
Metro Area Total	24,814,198	42,696,436	17,882,238	72.1%	894,112	3.6%
C. Combined Space (A + B):						
District of Columbia	31,971,058	50,624,523	18,653,465	58.3%	932,673	2.9%
Northern Virginia	14,100,182	23,240,525	9,140,343	64.8%	457,017	3.2%
Suburban Maryland	6,976,440	14,229,588	7,253,148	104.0%	362,657	5.2%
Metro Area Total	53,047,680	88,094,636	35,046,956	66.1%	1,752,348	3.3%

1/ This inventory includes both regular and "special" office space, but does not include any storage space. "Special" space is defined as space that has unique architectural/construction features, requiring the installation of special equipment to construct, maintain and/or operate as compared to standard office space. Examples of "special space" are library space, auditoriums, conference rooms, Automatic Data Processing (ADP) space, and Sensitive Compartmentalized Information Facility (SCIF) space.

2/ For comparison purposes, Virginia's 2001 inventory shown above includes the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody in 2001.

3/ It should be noted that GSA added more space to its portfolio during the 1990's than it did during the 1980's.

Source: General Services Administration,
Delta Associates, February 2003.

TABLE F-2

INVENTORY OF GSA OFFICE SPACE 1/
REGULAR VS. "SPECIAL" SPACE
WASHINGTON METRO AREA
1981 VS. 2001

	1981	2001 2/	20-Year Change 3/ S.F.	20-Year Change 3/ %	Average Annual Change S.F.	Average Annual Change %
A. Regular Office Space:						
District of Columbia	27,374,336	30,799,921	3,425,585	12.5%	171,279	0.6%
Northern Virginia	11,982,615	18,187,961	6,205,346	51.8%	310,267	2.6%
Suburban Maryland	5,199,345	9,895,474	4,696,129	90.3%	234,806	4.5%
Metro Area Total	44,556,296	58,883,356	14,327,060	32.2%	716,353	1.6%
B. Special Office Space: 4/						
District of Columbia	4,596,722	19,824,602	15,227,880	331.3%	761,394	16.6%
Northern Virginia	2,117,567	5,052,564	2,934,997	138.6%	146,750	6.9%
Suburban Maryland	1,777,095	4,334,114	2,557,019	143.9%	127,851	7.2%
Metro Area Total	8,491,384	29,211,280	20,719,896	244.0%	1,035,995	12.2%
C. Combined Space (A + B):						
District of Columbia	31,971,058	50,624,523	18,653,465	58.3%	932,673	2.9%
Northern Virginia	14,100,182	23,240,525	9,140,343	64.8%	457,017	3.2%
Suburban Maryland	6,976,440	14,229,588	7,253,148	104.0%	362,657	5.2%
Metro Area Total	53,047,680	88,094,636	35,046,956	66.1%	1,752,348	3.3%

1/ This inventory includes both owned and leased office space, but does not include storage space.

2/ For comparison purposes, Virginia's 2001 inventory shown above includes the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody in 2001.

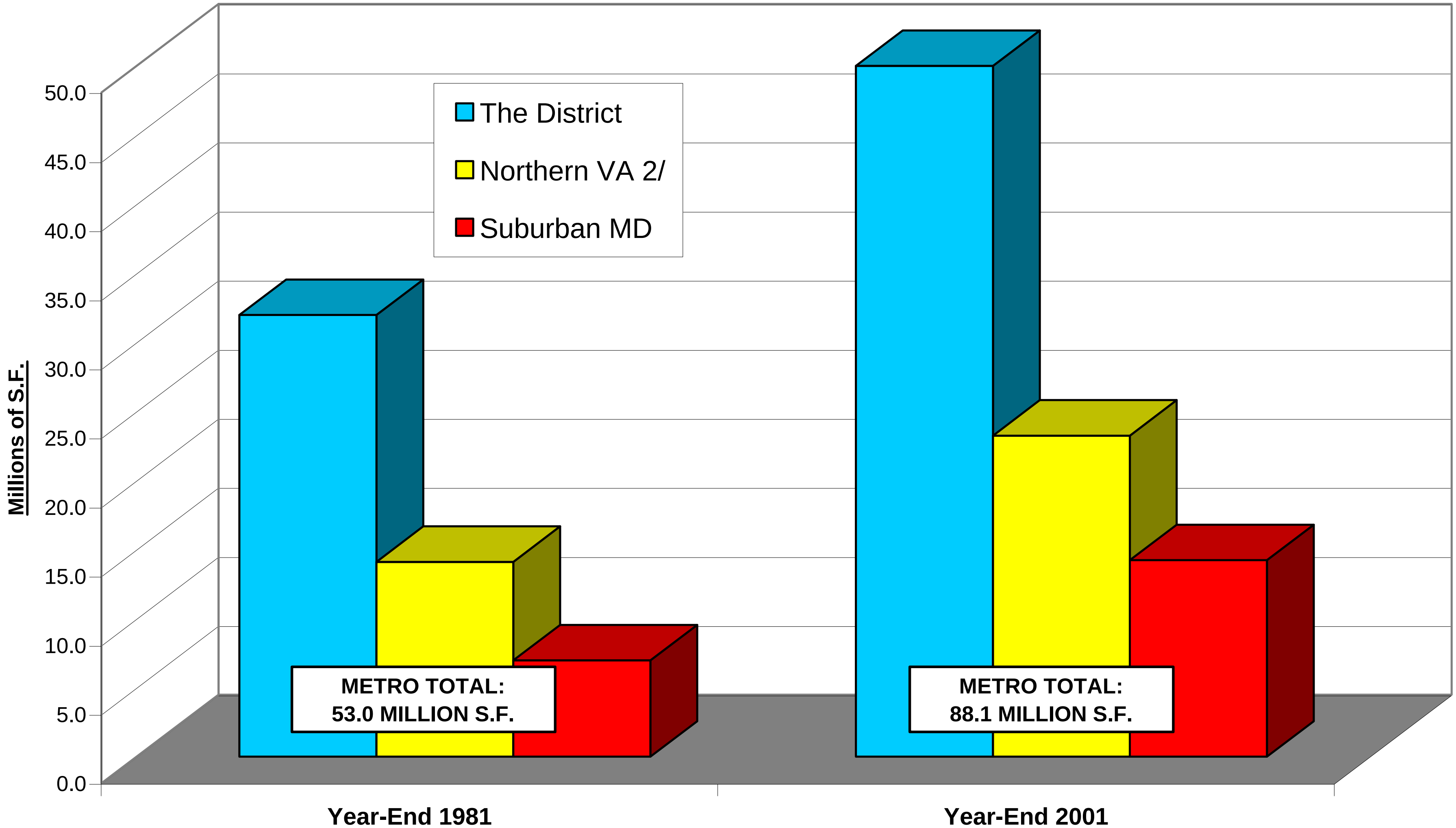
3/ It should be noted that GSA added more space to its portfolio during the 1990's than it did during the 1980's.

4/ "Special" space is defined as space that has unique architectural/construction features, requiring the installation of special equipment to construct, maintain and/or operate as compared to standard office space. Examples of "special space" are library space, auditoriums, conference rooms, Automatic Data Processing (ADP) space, and Sensitive Compartmentalized Information Facility (SCIF) space.

Source: General Services Administration,
Delta Associates, February 2003.

TABLE F-3

INVENTORY OF GSA OFFICE SPACE BY SUB-STATE AREA 1/
WASHINGTON METRO AREA
1981 VS. 2001



1/ This inventory includes all leased and owned regular and "special" office space, but does not include storage space.

2/ For comparison purposes, Virginia's 2001 inventory shown above includes the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody in 2001 .

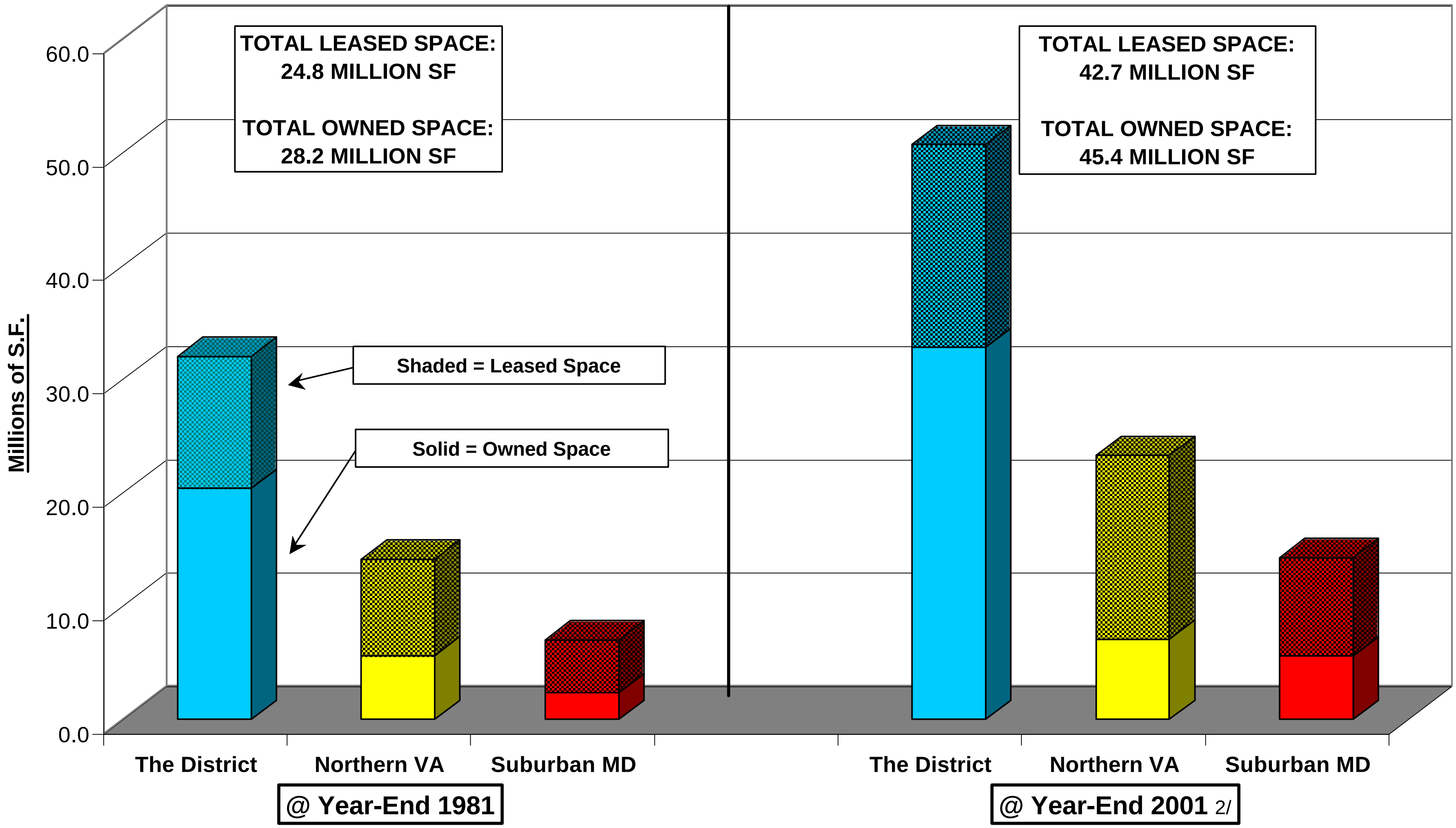
Note: GSA added a greater amount of space to its portfolio during the 1990's than during the 1980's.

Source: General Services Administration,
Delta Associates, February 2003.

DA22312
AppxF-GSA_graphs, 3All_byState

TALBE F-4

INVENTORY OF GSA OFFICE SPACE BY TYPE OF TENURE 1/
WASHINGTON METRO AREA
1981 vs. 2001



1/ This inventory includes both owned and leased regular and "special" office space, but does not include any storage space.

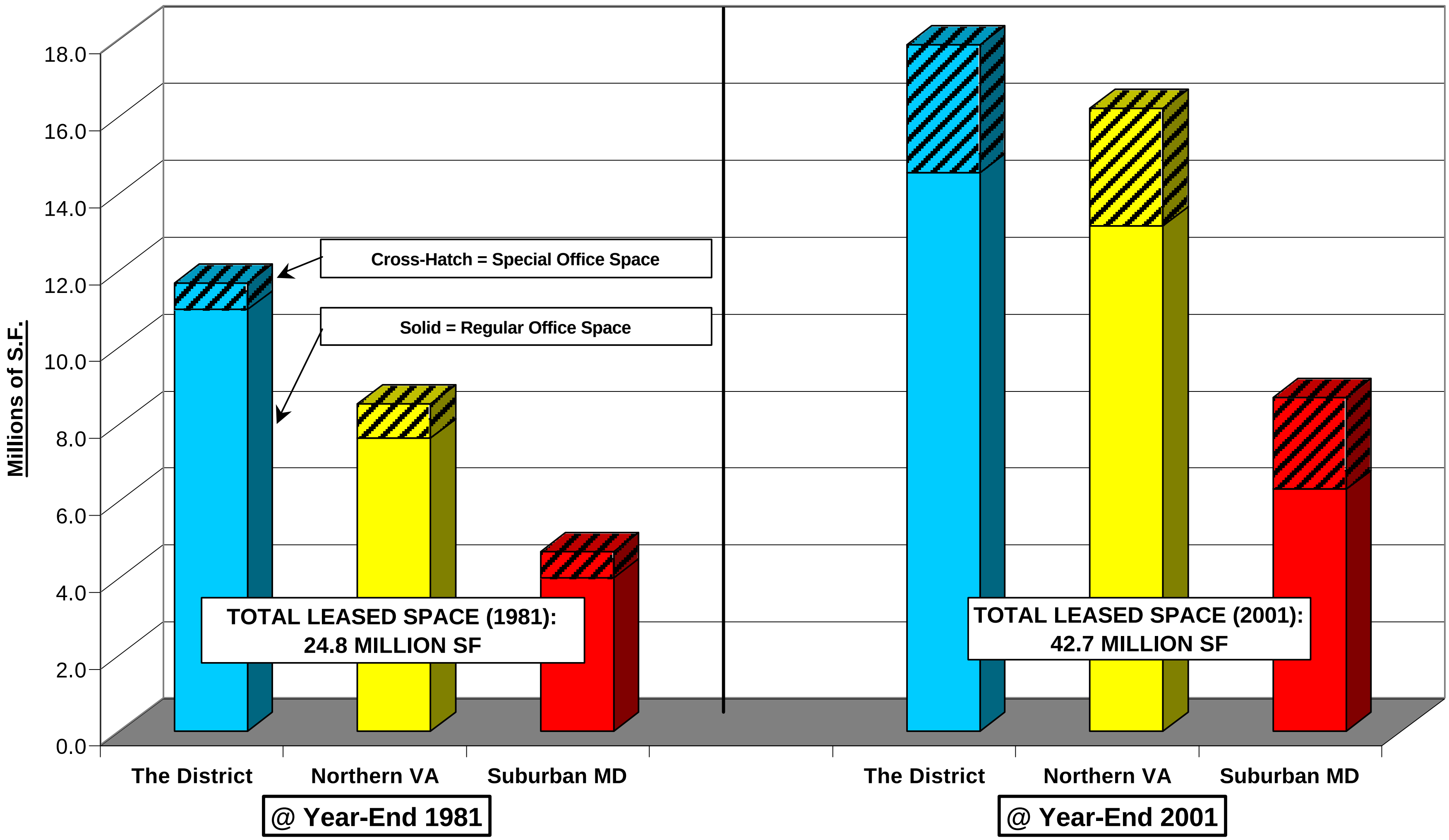
2/ For comparison purposes, Virginia's 2001 inventory shown above includes the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody by 2001 .

Source: General Services Administration,
Delta Associates, February 2003.

DA22312
AppxF-GSA_graphs, 4OwnVSLease

TABLE F-5

INVENTORY OF GSA LEASED OFFICE SPACE 1/
WASHINGTON METRO AREA
1981 vs. 2001

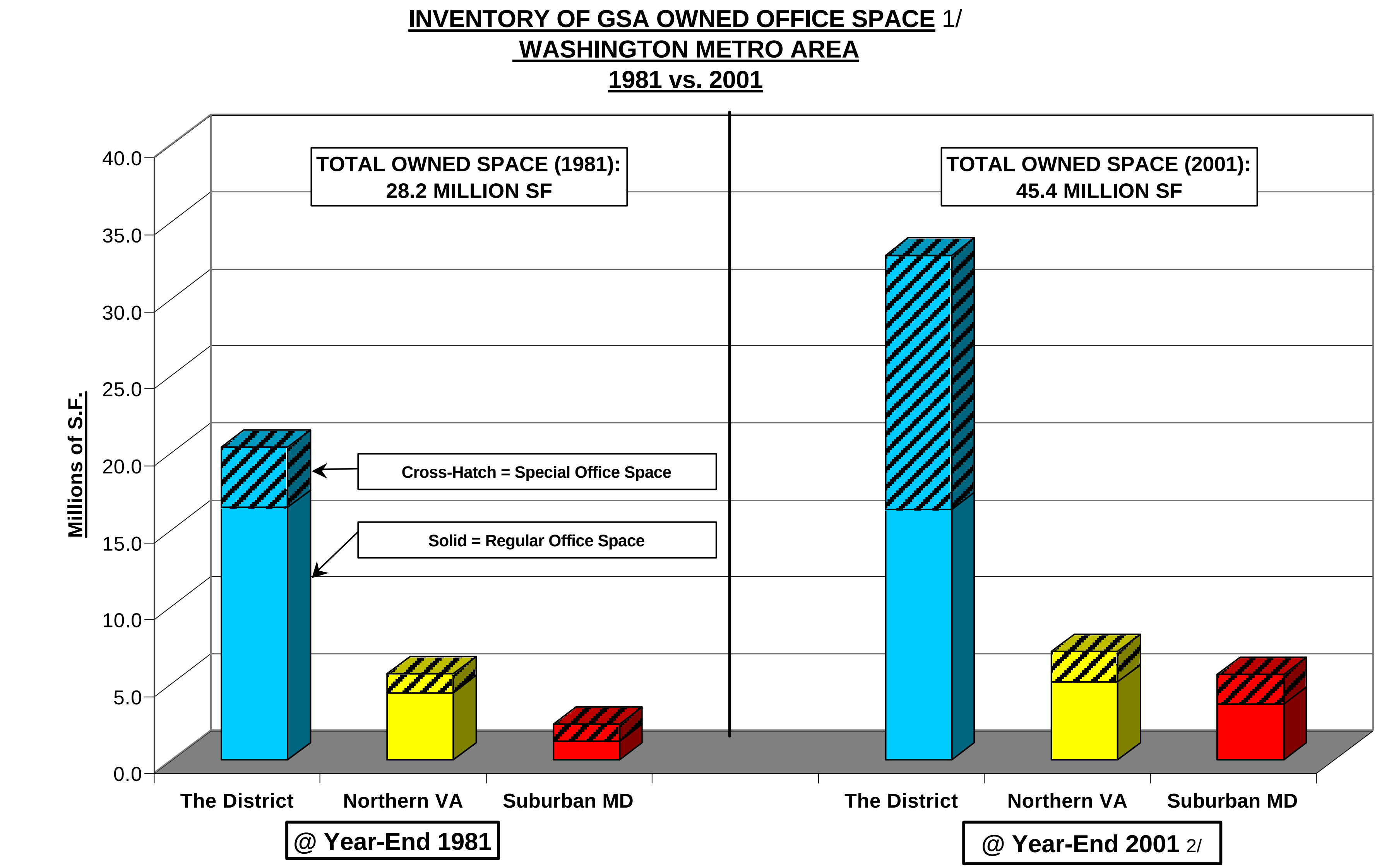


1/ This inventory does not include storage space. "Special" office space is defined as space that has unique architectural/construction features, requiring the installation of special equipment to construct, maintain and/or operate as compared to standard office space. Examples of "special space" are library space, auditoriums, conference rooms, Automatic Data Processing (ADP) space, and Sensitive Compartmentalized Information Facility (SCIF) space.

Source: General Services Administration, Delta Associates, February 2003.

DA22312
AppxF-GSA_graphs, 5Lsd_byState

TABLE F-6



1/ This inventory does not include storage space. "Special" office space is defined as space that has unique architectural/construction features, requiring the installation of special equipment to construct, maintain and/or operate as compared to standard office space. Examples of "special space" are library space, auditoriums, conference rooms, Automatic Data Processing (ADP) space, and Sensitive Compartmentalized Information Facility (SCIF) space.

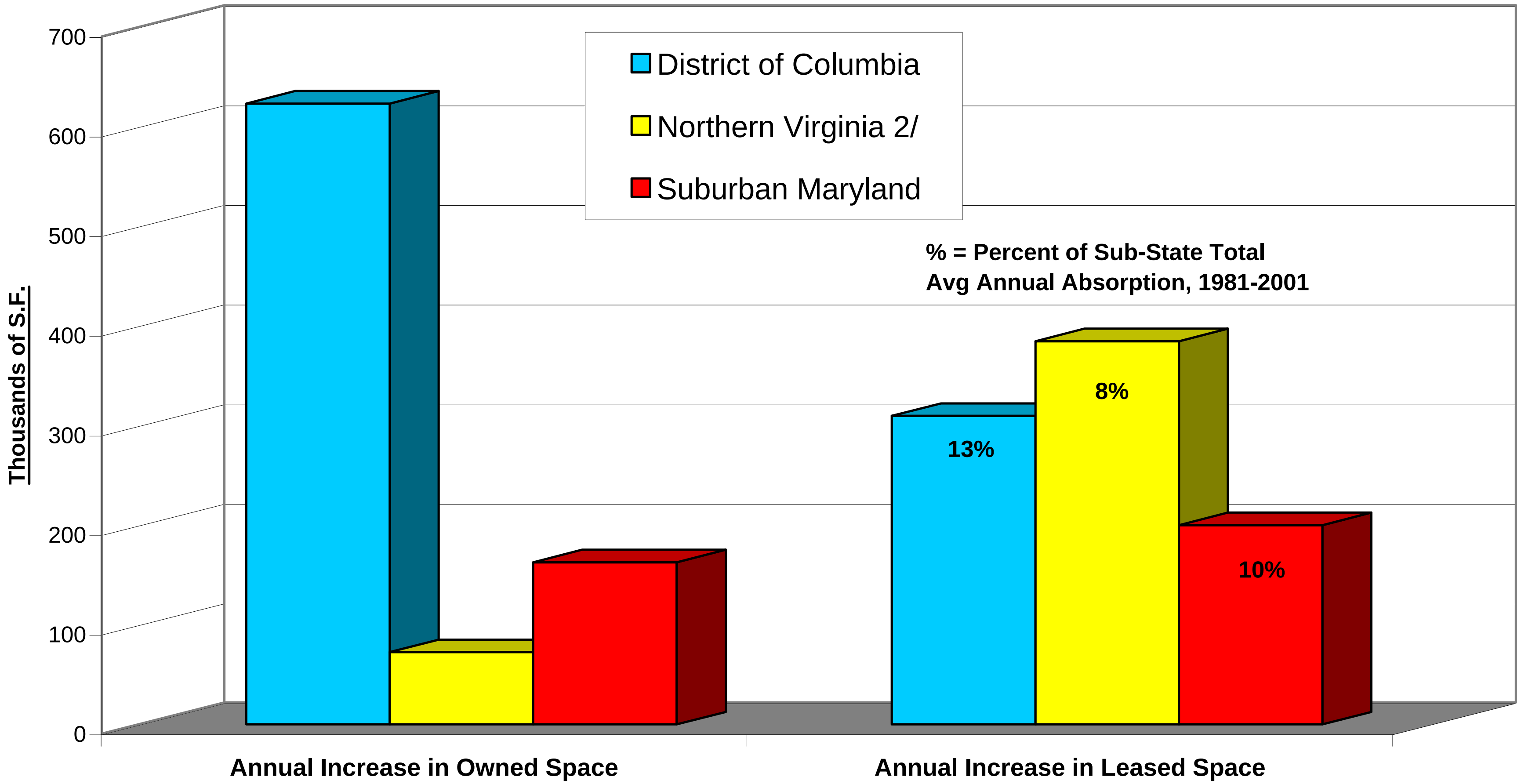
2/ For comparison purposes, Virginia's 2001 inventory shown above includes the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody by 2001 .

Source: General Services Administration,
Delta Associates, February 2003.

DA22312
AppxF-GSA_graphs, 6Own_byState

TABLE F-7

AVERAGE ANNUAL INCREASE IN GSA OFFICE SPACE BY SUB-STATE AREA 1/ 1981 - 2001



METRO TOTAL: 858,200 SF/YR	METRO TOTAL: 894,100 SF/YR

1/ These increases include all leased and owned regular and "special" office space, but do not include storage space.

2/ Virginia's 2001 inventory is considered to include the Pentagon, Navy Annex, and CIA Headquarters. These three facilities, comprising a total 5.5 million SF, were part of GSA's 1981 portfolio, but were no longer in GSA's custody in 2001 . We include them in this analysis to show a continuity in Federal space.

Note: GSA added a greater amount of space the portfolio during the 1990's than during the 1980's. District of Columbia owned space increase reflects GSA's absorption of Federal Triangle from PADC in the 1980's.

Source: General Services Administration,
Delta Associates, February 2003.

DA22312
AppxF-GSA_graphs, 7Annual_byState

Appendix G:

Growth in Federal Employment, 1990-2000

TABLE G-1

NATION-WIDE "EXECUTIVE BRANCH" CIVILIAN FULL-TIME EQUIVALENT (FTE) EMPLOYMENT 1/
HISTORICAL FIGURES: 1981-2001; ESTIMATES: 2002-2003
(IN THOUSANDS)

Fiscal Year	Total Executive Branch	Dept of Defense	Civilian Agencies								
			Total	Agriculture	HHS, Education, Social Security Admin.	Interior	Justice	Trans-portation	Treasury	Veterans	Other
FTE Employment Subject to Administrative Ceilings 2/											
1981	2,109	947	1,162	117	155	81	56	59	124	214	357
1982	2,074	978	1,096	112	147	73	54	60	116	215	319
1983	2,074	983	1,091	110	147	73	56	62	119	217	307
1984	2,083	999	1,083	109	142	73	58	61	123	219	298
1985	2,112	1,029	1,084	107	137	72	61	61	127	221	297
1986	2,113	1,041	1,071	103	133	71	63	60	131	221	290
1987	2,105	1,032	1,073	103	127	70	66	60	138	221	289
1988	2,109	1,007	1,102	107	123	70	71	61	153	221	296
1989	2,129	1,023	1,106	110	122	71	76	63	154	212	297
1990	2,174	1,006	1,168	111	122	71	79	65	156	214	350
1991	2,112	969	1,143	110	126	72	84	66	160	218	307
Total FTE Employment											
1992	2,169	973	1,196	113	134	75	92	70	163	229	321
1993	2,139	932	1,207	114	136	78	95	69	161	234	319
1994	2,053	868	1,184	110	132	76	95	66	157	233	314
1995	1,970	822	1,148	104	129	72	98	63	157	228	297
1996	1,892	779	1,113	101	126	67	104	62	151	222	280
1997	1,835	746	1,089	98	127	66	111	62	145	212	267
1998	1,790	707	1,083	96	126	67	117	63	142	207	264
1999	1,778	681	1,097	95	126	67	121	64	144	206	274
2000	1,814	660	1,154	95	128	67	123	63	144	203	332
2001	1,738	650	1,088	97	129	69	124	63	145	207	254
2002 estimate	1,774	635	1,139	99	133	70	136	82	151	207	262
2003 estimate	1,801	627	1,174	99	134	69	141	107	152	208	263

1/ Excerpted directly from 2003 Bush Administration Budget Proposal. Excludes Postal Service and uniformed military personnel.
2/ FTE levels between 1981–1991 excluded students in stay-in-school, Federal Junior Fellowship, Summer Aid, Cooperative Work Study and other programs.

Source: U.S. Office of Management and Budget,
Delta Associates, February 2003.

DA22312
AppxG-EmpByAgency, 1FTEbyYr

TABLE G-2

FEDERAL CIVILIAN EMPLOYMENT BY SUB-STATE AREA
WASHINGTON METROPOLITAN STATISTICAL AREA 1/
1990 VS. 2000
(INCLUDING POSTAL SERVICE EMPLOYEES)

Sub-State Area	1990	2000	10-Year Change (#)	10-Year Change (%)
District of Columbia	212,031	180,969	-31,062	-14.6%
Suburban Maryland 2/	75,302	75,387	85	0.1%
Northern Virginia 3/	75,023	74,861	-162	-0.2%
West Virginia 4/	NA	3,604	NA	NA
Washington MSA (as defined by OMB)	362,356	334,821	-27,535	-7.6%
Washington MSA (1990 counties) 5/	362,356	323,058	-39,298	-10.8%
For Comparison:				
Total U.S. Domestic Federal Civilian Workforce	2,906,416	2,674,437	-231,979	-8.0%

1/ Washington Metropolitan Statistical Area (MSA) as defined by the Federal Office of Management and Budget (OMB). These figures exclude CIA, National Security Agency, and Defense Intelligence Agency employees.

2/ Comprised of Montgomery, Prince George's, Calvert, Charles, and Frederick Counties.

3/ As of 2000, comprised of Arlington, Fairfax, Loudoun, Prince William, Clarke, Culpeper, Fauquier, King George, Stafford, Spotsylvania, and Warren Counties; Alexandria, Falls Church, Fairfax, Manassas, Manassas Park, and Fredericksburg Independent Cities. Note that 1990 figure does not include counties added to the MSA in 1998.

4/ Comprised of Berkeley and Jefferson Counties.

5/ Berkeley, Jefferson, Clarke, Culpepper, Fauquier, King George, Spotsylvania, and Warren Counties, and Fredericksburg City were added to the Washington MSA in 1998. For comparison purposes, this line excludes employees attributed to these eight counties and one city.

Source: U.S. Office of Personnel Management, Delta Associates, February 2003.

TABLE G-3

FEDERAL CIVILIAN EMPLOYMENT BY AGENCY
WASHINGTON METROPOLITAN STATISTICAL AREA 1/
1990 VS. 2000

Federal Agency	December 31, 1990	December 31, 2000	10-Year Change (#)	10-Year Change (%)
Postal Service	24,828	26,559	1,731	7.0%
Defense 2/	86,238	64,032	-22,206	-25.7%
Vetarans Affairs	6,278	6,689	411	6.5%
Treasury	22,201	22,727	526	2.4%
Health & Human Svcs	29,338	30,524	1,186	4.0%
Agriculture	12,674	11,383	-1,291	-10.2%
Justice	19,723	22,285	2,562	13.0%
Interior	9,173	8,039	-1,134	-12.4%
Transportation	9,571	10,426	855	8.9%
Commerce	18,972	20,471	1,499	7.9%
Labor	5,845	5,479	-366	-6.3%
Energy	6,462	5,356	-1,106	-17.1%
HUD	3,361	3,129	-232	-6.9%
NASA	5,901	4,095	-1,806	-30.6%
GSA	6,794	4,850	-1,944	-28.6%
EPA	6,030	6,633	603	10.0%
Other Agencies	88,967	82,144	-6,823	-7.7%
All Agencies	**362,356**	**334,821**	**-27,535**	**-7.6%**

1/ Washington Metropolitan Statistical Area as defined by the Federal Office of Management and Budget (OMB). Social Security Agency workers were not separated in 1990 data. CIA, NSA, and Defense Intelligence Agency workers are not included. Note that the Washington MSA expanded by adding eight Virginia counties and one independent city in 1998.

2/ These figures represent only civilian DoD workers.

Source: U.S. Office of Personnel Management,
Delta Associates, February 2003.

TABLE G-4

FEDERAL CIVILIAN EMPLOYMENT BY AGENCY BY SUB-STATE AREA OF THE WASHINGTON M.S.A. 1/ DECEMBER 31, 2000

Federal Agency	District of Columbia	Suburban Maryland 2/	Northern Virginia 3/	West Virginia 4/	Total Washington M.S.A.
Postal Service	7,343	8,789	10,149	278	26,559
Defense 5/	12,442	11,610	39,771	209	64,032
Vetarans Affairs	5,283	76	71	1,259	6,689
Treasury	16,205	4,263	1,230	1,029	22,727
Health & Human Svcs	3,285	27,227	12	0	30,524
Agriculture	7,202	3,007	1,079	95	11,383
Justice	18,883	253	3,143	6	22,285
Interior	3,916	394	3,169	560	8,039
Transportation	8,156	319	1,828	123	10,426
Commerce	3,369	10,426	6,674	2	20,471
Labor	5,170	10	299	0	5,479
Energy	3,843	1,463	50	0	5,356
HUD	3,129	0	0	0	3,129
NASA	1,090	3,004	1	0	4,095
GSA	3,301	224	1,320	5	4,850
EPA	5,203	0	1,430	0	6,633
Social Security	295	145	1,274	14	1,728
Other Agencies	72,854	4,177	3,361	24	80,416
All Agencies	**180,969**	**75,387**	**74,861**	**3,604**	**334,821**

1/ Washington Metropolitan Statistical Area as defined by the Federal Office of Management and Budget (OMB). These figures exclude CIA, National Security Agency, and Defense Intelligence Agency employees.

2/ Comprised of Montgomery, Prince George's, Calvert, Charles, and Frederick Counties.

3/ Comprised of Arlington, Fairfax, Loudoun, Prince William, Clarke, Culpeper, Fauquier, King George, Stafford, Spotsyl and Warren Counties; Alexandria, Falls Church, Fairfax, Manassas, Manassas Park, and Fredericksburg Independen

4/ Comprised of Berkeley and Jefferson Counties.

5/ These figures represent only civilian DoD workers. Non-civilian (i.e., military) DoD personnel counts are as follows, according to 1999 data: 13,240 in D.C., 29,455 in Northern Virginia, and 11,180 in Suburban Maryland.

Source: U.S. Office of Personnel Management, Delta Associates, February 2003.

TABLE G-5

FEDERAL CIVILIAN EMPLOYMENT BY AGENCY BY JURISDICTION IN NORTHERN VIRGINIA 1/ DECEMBER 31, 2000

Federal Agency	Arlington County	Fairfax County 2/	Alexandria City	Loudoun County	Prince William County 3/	Falls Church City	Other Counties/ Cities 4/	Total: Northern Virginia
Postal Service	1,817	4,160	767	1,826	591	264	724	10,149
Defense 5/	19,415	7,343	5,020	554	2,509	1,227	3,703	39,771
Vetarans Affairs	0	3	0	0	58	0	10	71
Treasury	273	744	22	71	19	38	63	1,230
Health & Human Svcs	3	1	0	0	1	7	0	12
Agriculture	282	99	644	1	32	0	21	1,079
Justice	2,195	240	145	0	127	434	2	3,143
Interior	628	2,366	10	0	91	0	74	3,169
Transportation	277	361	41	1,086	49	0	14	1,828
Commerce	6,387	242	2	36	2	1	4	6,674
Labor	294	0	0	0	0	4	1	299
Energy	49	0	1	0	0	0	0	50
HUD	0	0	0	0	0	0	0	0
NASA	1	0	0	0	0	0	0	1
GSA	779	314	2	1	0	221	3	1,320
EPA	1,419	10	0	0	0	0	1	1,430
Social Security	13	23	36	0	60	1,116	26	1,274
Other Agencies	1,515	271	518	942	8	26	81	3,361
All Agencies	**35,347**	**16,177**	**7,208**	**4,517**	**3,547**	**3,338**	**4,727**	**74,861**

1/ Washington Metropolitan Statistical Area as defined by the Federal Office of Management and Budget (OMB). These figures exclude CIA, NSA, and Defense Intelligence Agency employees.

2/ Includes Fairfax City.

3/ Includes Manassas and Manassas Park Cities.

4/ Includes Clarke, Culpeper, Fauquier, King George, Stafford, Spotsylvania, and Warren Counties, and Fredericksburg City.

5/ These figures represent only civilian DoD workers. The non-civilian (i.e., military) DoD personnel count for Northern Virginia is 29,455 according to 1999 data.

Source: U.S. Office of Personnel Management, Delta Associates, February 2003.

TABLE G-6

FEDERAL CIVILIAN EMPLOYMENT BY AGENCY BY JURISDICTION IN SUBURBAN MARYLAND 1/ DECEMBER 31, 2000

Federal Agency	Montgomery County	Prince George's County	Frederick County	Other Counties 2/	Total: Suburban Maryland
Postal Service	3,361	4,378	660	390	8,789
Defense 3/	4,366	3,781	1,514	1,949	11,610
Vetarans Affairs	70	0	6	0	76
Treasury	267	3,980	16	0	4,263
Health & Human Svcs	26,151	610	466	0	27,227
Agriculture	2	2,909	83	13	3,007
Justice	202	51	0	0	253
Interior	41	253	93	7	394
Transportation	222	97	0	0	319
Commerce	5,337	5,083	3	3	10,426
Labor	1	9	0	0	10
Energy	1,461	2	0	0	1,463
HUD	0	0	0	0	0
NASA	7	2,997	0	0	3,004
GSA	6	218	0	0	224
EPA	0	0	0	0	0
Social Security	63	69	13	0	145
Other Agencies	2,399	1,596	176	6	4,177
All Agencies	**43,956**	**26,033**	**3,030**	**2,368**	**75,387**

1/ Washington Metropolitan Statistical Area as defined by the Federal Office of Management and Budget (OMB). The figures exclude CIA, NSA, and Defense Intelligence Agency employees.

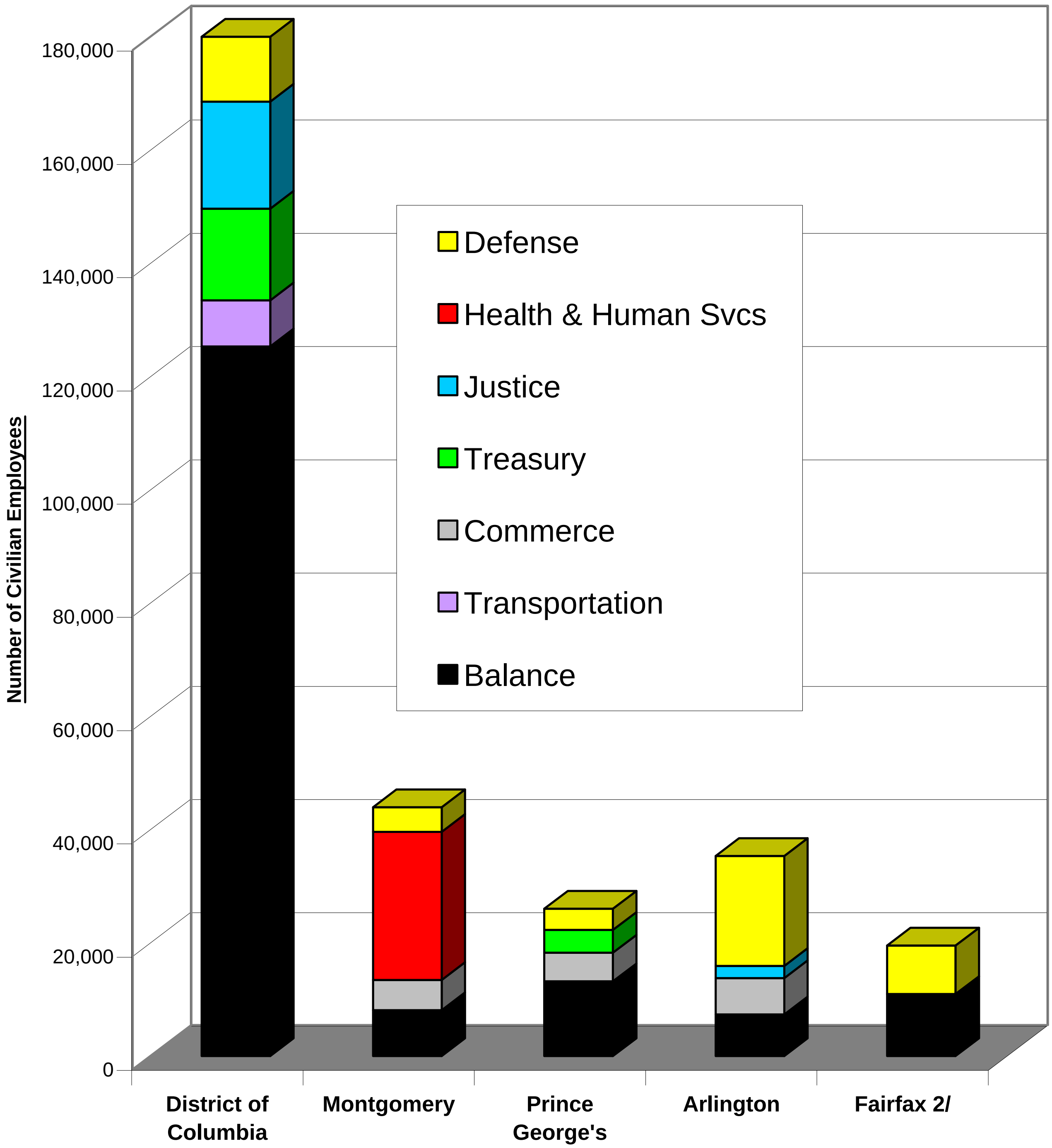
2/ Includes Calvert and Charles Counties.

3/ These figures represent only civilian DoD workers. The non-civilian (i.e., military) DoD personnel count for Suburba Maryland is 11,180 according to 1999 data.

Source: U.S. Office of Personnel Management,
Delta Associates, February 2003.

TABLE G-7

FEDERAL CIVILIAN EMPLOYMENT IN FIVE WASHINGTON METRO JURISDICTIONS WITH LARGEST NUMBER OF FEDERAL EMPLOYEES 1/ AS OF DECEMBER 31, 2000



1/ CIA, NSA, and Defense Intelligence employees are not included. The purpose of this exhibit is to highlight agencies that underpin Federal employment in each jurisdiction; only agencies that represent a major portion of Federal emplyment in each respective jurisdiction are highlighted.

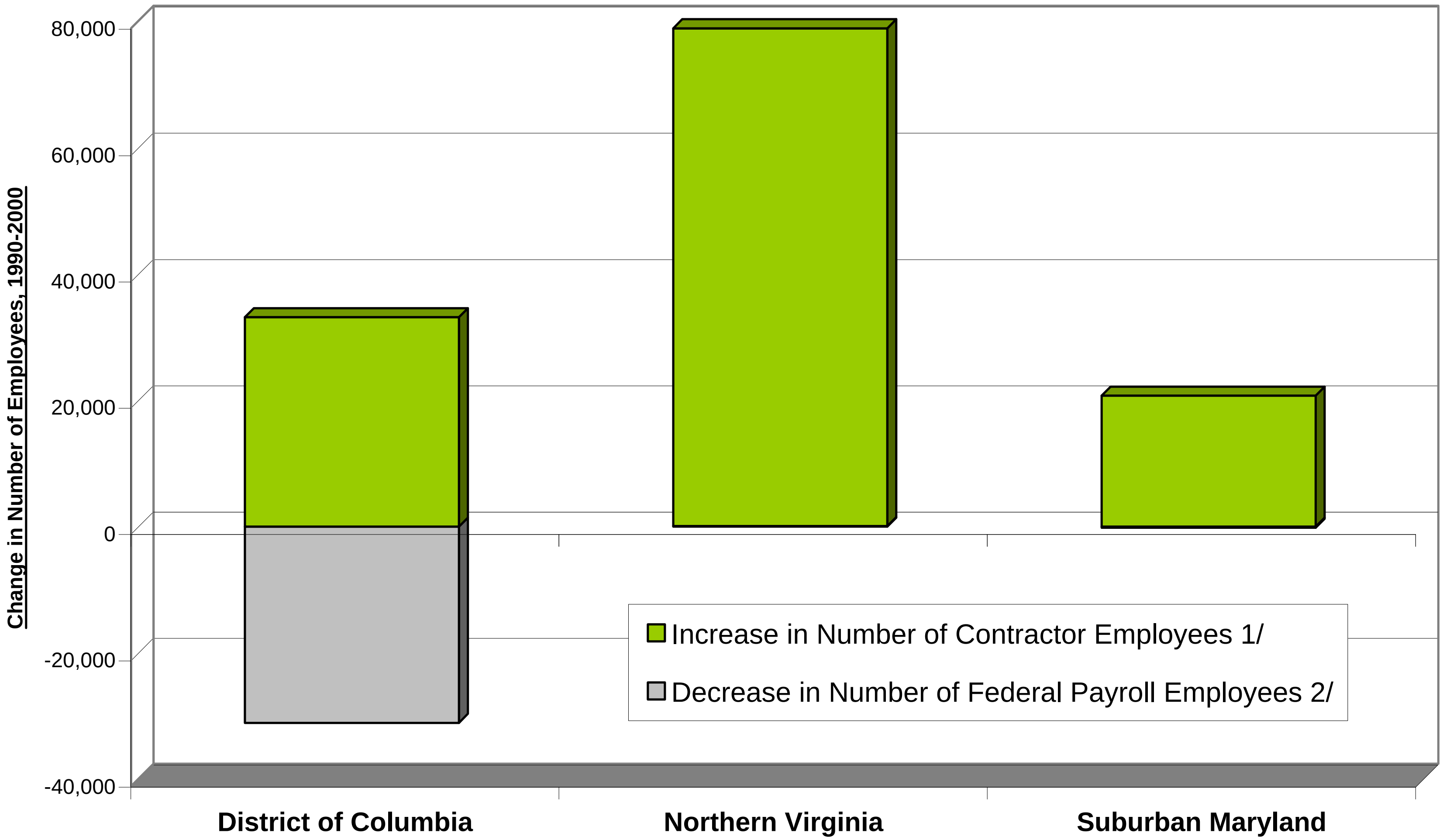
2/ Fairfax figures include Falls Church and Fairfax City.

Source: Office of Personnel Management, Delta Associates, February 2003.

DA22312
AppxG-EmpByAgency, 7Graph

TABLE G-8

CHANGE IN NUMBER OF CIVILIAN FEDERAL JOBS AND PRIVATE CONTRACTOR JOBS (SUPPORTED BY PROCUREMENT) BY SUB-STATE AREA WASHINGTON METRO AREA 1990-2000



1/ Increae in estimated number of employees supported by Federal procurement spending.
2/ See Exhibit C-2. CIA, NSA, and Defense Intelligence Agency employees are not included.

Source: Office of Personnel Management, Dr. Stephen Fuller, Delta Associates, February 2003.

DA22312
AppxG-EmpByAgency, 8Graph

Appendix H:

The 2003 Bush Administration Federal Budget Proposal

TABLE H-1

THE BUSH ADMINISTRATION'S 2004 FEDERAL BUDGET PROPOSAL 1/
COMPARED TO SPENDING ESTIMATES BY AGENCY FOR 2002 AND 2003
FEBRUARY 2003

Department or other unit	2002	2003 estimate	2004 estimate	$ Change, 2002-2004	% Change, 2002-2004
Legislative Branch	3,218	3,961	4,336	1,118	25.8%
The Judiciary	4,823	5,419	5,663	840	14.8%
Agriculture	68,731	72,773	74,124	5,393	7.3%
Commerce	5,314	5,790	5,778	464	8.0%
Defense—Military	331,951	358,155	370,707	38,756	10.5%
Education	46,282	59,481	58,891	12,609	21.4%
Energy	17,681	19,796	21,030	3,349	15.9%
Health and Human Services	465,812	502,013	539,015	73,203	13.6%
Homeland Security	17,476	28,155	27,942	10,466	37.5%
Housing and Urban Development	31,885	37,987	36,486	4,601	12.6%
Interior	9,739	10,357	10,722	983	9.2%
Justice	21,112	22,156	24,271	3,159	13.0%
Labor	64,704	70,746	58,118	-6,586	-11.3%
State	9,453	10,977	10,205	752	7.4%
Transportation	56,104	52,280	53,680	-2,424	-4.5%
Treasury	370,558	368,803	391,968	21,410	5.5%
Veterans Affairs	50,884	56,946	61,889	11,005	17.8%
Corps of Engineers	4,797	4,146	4,117	-680	-16.5%
Other Defense—Civil Programs	35,157	40,148	40,442	5,285	13.1%
EPA	7,450	7,958	8,270	820	9.9%
Exec. Office of the President	451	334	341	-110	-32.3%
General Services Administration	-677	424	80	757	--
Int'l Assistance Programs	13,342	13,020	15,235	1,893	12.4%
NASA	14,430	14,599	15,255	825	5.4%
National Science Foundation	4,188	4,853	5,092	904	17.8%
Office of Personnel Management	52,512	55,793	58,475	5,963	10.2%
Small Business Administration	493	1,553	770	277	36.0%
Social Sec. Admin. (On-budget)	45,816	44,506	47,498	1,682	3.5%
Social Sec. Admin. (Off-budget)	442,425	465,404	483,267	40,842	8.5%
Other Ind. Agencies (On-budget)	16,636	14,994	17,228	592	3.4%
Other Ind. Agencies (Off-budget)	-651	-4,238	-3,045	-2,394	78.6%
Allowances	....	-1,125	-527	--	--
Undistributed offsetting receipts	-201,121	-207,787	-217,898	--	--
(On-budget)	-115,009	-114,718	-119,177	--	--
(Off-budget)	-86,112	-93,069	-98,721	--	--
Total outlays	**2,010,975**	**2,140,377**	**2,229,425**	**218,450**	**10.9%**

1/ All years represented are fiscal years.

Source: Office of Manegament Budget,
Federal Budget Historical Table 4.1 - Outlays By Agency,
Delta Associates,
February 2003.

Appendix I:

Metro Area Office Buildings with at Least 80% Space Availability

TABLE I-1

LISTING OF OFFICE BUILDINGS EXISTING & UNDER CONSTRUCTION SORTED BY MARKET [1/]
WITH AT LEAST 80% OF BUILDING SPACE AVAILABLE AT FEBRUARY 2003
WASHINGTON METRO AREA

Market	Submarket	Building Address (Asterisk Denotes Metro Access)	Leasing Company	RBA	% Avail	SF Avail. Listing	Space Type	Year Built
DC Markets								
Capitol Hill	Capitol Hill	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Capitol Hill	Southwest							
Subtotal Capitol Hill:	**--**	**--**	**--**	**763,623**	**100.0%**	**763,623**	**--**	**1979**
Downtown DC	East End							
Downtown DC	East End							
Downtown DC	East End							
Downtown DC	CBD	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Downtown DC	East End							
Downtown DC	East End							
Downtown DC	East End							
Downtown DC	East End							
Subtotal Downtown DC:	**--**	**--**	**--**	**2,566,431**	**99.0%**	**2,530,445**	**--**	**1989**
Georgetown/Uptown	Uptown							
Subtotal Georgetown/Uptown:	**--**	**--**	**--**	**54,347**	**100.0%**	**54,347**	**--**	**1952**
Total DC:	**--**	**--**	**--**	**3,384,401**	**99.3%**	**3,348,415**	**--**	**1984**
Virginia Markets								
Alexandria/I-395 Area	I-395 Corridor							
Alexandria/I-395 Area	I-395 Corridor							
Alexandria/I-395 Area	Old Town Alexandria	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Alexandria/I-395 Area	Crystal City							
Alexandria/I-395 Area	Crystal City							
Alexandria/I-395 Area	I-395 Corridor							
Alexandria/I-395 Area	I-395 Corridor							
Subtotal Alexandria/I-395 Area:	**--**	**--**	**--**	**1,724,794**	**96.4%**	**1,668,700**	**--**	**1977**
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Dulles Corridor	Herndon							
Dulles Corridor	Herndon							
Dulles Corridor	Herndon							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South							

1/ Does not include buildings with R.B.A. of less than 50,000 SF.

Source: CoStar, Delta Associates, February 2003.

DA23212
AppxI-LargeAvail-FSV, 1-By Market

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WITH AT LEAST 80% OF BUILDING SPACE AVAILABLE AT FEBRUARY 2003
WASHINGTON METRO AREA

Market	Submarket	Building Address (Asterisk Denotes Metro Access)	Leasing Company	RBA	% Avail	SF Avail. Listing	Space Type	Year Built
Dulles Corridor Continued								
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South		**CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS**					
Dulles Corridor	Reston							
Dulles Corridor	Reston							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Rt. 28 Corridor South							
Dulles Corridor	Herndon							
Dulles Corridor	Herndon							
Subtotal Dulles Corridor:	**--**	**--**	**--**	**3,634,117**	**98.1%**	**3,553,144**	**--**	**1994**
Fauquier County/Vint Hill			**CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS**					
Subtotal Fauquier County/Vint Hill:	**--**	**--**	**--**	**80,887**	**100.0%**	**80,887**	**--**	**1959**
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Merrifield		**CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS**					
Greater Fairfax County	Merrifield							
Greater Fairfax County	Merrifield							
Greater Fairfax County	Annandale							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Merrifield							
Greater Fairfax County	Tysons Corner							
Greater Fairfax County	Tysons Corner							
Subtotal Greater Fairfax County:	**--**	**--**	**--**	**2,945,954**	**95.3%**	**2,782,405**	**--**	**1989**
Leesburg/Route 7 Corridor	Route 7 Corridor		**CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS**					
Subtotal Leesburg/Route 7 Corridor:	**--**	**--**	**--**	**67,172**	**100.0%**	**67,172**	**--**	**2003**
R-B Corridor	Clarendon/Courthouse		**CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS**					
R-B Corridor	Ballston							
Subtotal R-B Corridor:	**--**	**--**	**--**	**472,599**	**98.9%**	**466,850**	**--**	**2003**

1/ Does not include buildings with R.B.A. of less than 50,000 SF.

Source: CoStar, Delta Associates, February 2003.

LISTING OF OFFICE BUILDINGS EXISTING & UNDER CONSTRUCTION SORTED BY MARKET [1/]
WITH AT LEAST 80% OF BUILDING SPACE AVAILABLE AT FEBRUARY 2003
WASHINGTON METRO AREA

Market	Submarket	Building Address (Asterisk Denotes Metro Access)	Leasing Company	RBA	% Avail	SF Avail. Listing	Space Type	Year Built
Virginia Continued								
SE Fairfax County	Springfield/Burke	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Subtotal SE Fairfax County:	**--**	**--**	**--**	**50,917**	**98.2%**	**50,000**	**--**	**2002**
Total Virginia:	**--**	**--**	**--**	**8,976,440**	**97.2%**	**8,669,158**	**--**	**1991**
Maryland Markets								
Frederick	Frederick	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Subtotal Frederick:	**--**	**--**	**--**	**50,000**	**100.0%**	**50,000**	**--**	**--**
I-270 Corridor	North Rockville							
I-270 Corridor	North Rockville							
I-270 Corridor	North Rockville							
I-270 Corridor	North Rockville							
I-270 Corridor	Germantown Ind							
I-270 Corridor	Germantown	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
I-270 Corridor	North Rockville							
I-270 Corridor	North Bethesda/Potomac							
I-270 Corridor	Rockville							
I-270 Corridor	North Bethesda/Potomac							
I-270 Corridor	Gaithersburg							
I-270 Corridor	North Rockville							
Subtotal I-270	**--**	**--**	**--**	**1,061,032**	**94.5%**	**1,008,797**	**--**	**1988**
N Prince George's County								
N Prince George's County		CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
N Prince George's County								
Subtotal N Prince George's County:	**--**	**--**	**--**	**328,585**	**96.3%**	**318,141**	**--**	**1998**
S Prince George's County	Oxon Hill/Ft Washington	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
Subtotal S Prince George's County:	**--**	**--**	**--**	**125,000**	**100.0%**	**125,000**	**--**	**1990**
SE Montgomery County	Silver Spring							
SE Montgomery County	Silver Spring							
SE Montgomery County	Silver Spring	CONTACT TRANSWESTERN COMMERCIAL SERVICES FOR DETAILS						
SE Montgomery County	Silver Spring							
SE Montgomery County	Silver Spring							
Subtotal SE Montgomery County:	**--**	**--**	**--**	**540,451**	**99.5%**	**537,163**	**--**	**1961**
Total Maryland:	**--**	**--**	**--**	**2,105,068**	**96.4%**	**2,039,101**	**--**	**1982**
DC Metropolitan Area Total:	**--**	**--**	**--**	**14,465,909**	**97.3%**	**14,056,674**	**--**	**1988**

1/ Does not include buildings with R.B.A. of less than 50,000 SF.

Source: CoStar, Delta Associates, February 2003.

TABLE I-2

OFFICE BUILDINGS EXISTING AND U/C WITH AT LEAST 80% SPACE AVAILABLE
IN LOCATIONS THAT ARE METRO-SERVED
SUMMARY BY WASHINGTON METRO SUB-STATE AREA
AS OF FEBRUARY 2003

Sub-State Area	# of Buildings	Building Total R.B.A.	Available Space Listed
District of Columbia	10	3,330,054	3,294,068
Northern Virginia	6	1,697,169	1,681,020
Suburban Maryland	3	312,217	296,114
Total	**19**	**5,339,440**	**5,271,202**