



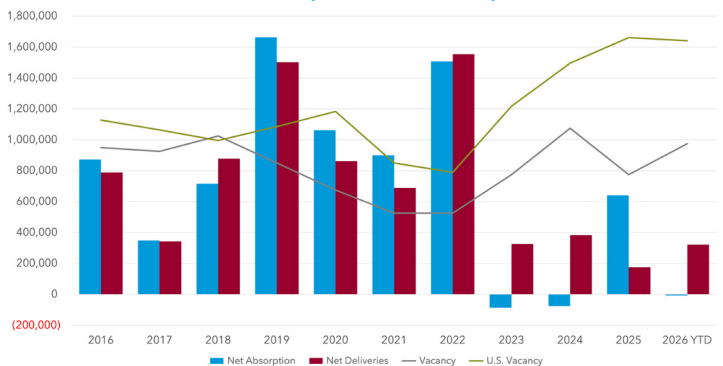
INDUSTRIAL MARKET OVERVIEW

LEE & ASSOCIATES WASHINGTON DC, NORTHERN VIRGINIA

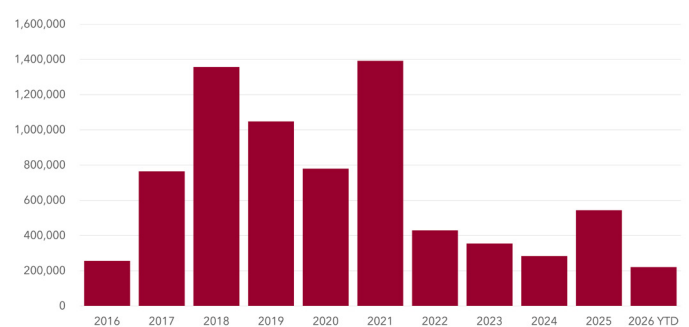
Northern Virginia's industrial market showed modest improvement in Q3 as vacancy declined from the prior quarter and rolling 12-month absorption remained positive. Recent leasing activity included several sizable transactions across Springfield, Sterling and Manassas, reflecting continued demand from logistics and industrial users. Asking rents continued to edge upward, while construction activity slowed from earlier levels, limiting near-term pressure from new supply. With vacancy below 5% and a relatively small amount of space underway, the market appears well-positioned to absorb available space. Conditions may vary by location and property, but the quarter's activity points to steady demand and measured supply growth.

MARKET INDICATORS	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025
▲ Net Absorption SF	356,841	130,847	390,883	640,587	516,020
▼ Vacancy Rate	4.70%	5.20%	4.60%	3.90%	4.80%
▲ Avg NNN Asking Rate PSF	\$18.31	\$17.79	\$17.24	\$17.33	\$17.01
▼ Sale Price PSF	\$262	\$480	\$252	\$312	\$314
▼ Cap Rate	4.89%	5.00%	5.00%	5.42%	5.00%
◀ ▶ Under Construction SF	221,380	221,380	485,594	543,834	435,404
◀ ▶ Inventory SF	38,514,234	38,514,234	38,250,020	38,191,780	38,159,768

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
7398 Ward Park Ln Springfield, Virginia	43,552 SF	\$10,075,000 \$231.33 PSF	NorthBridge Kadima Industrial Partners	Class C
44900 Falcon Pl Sterling, Virginia	42,806 SF	\$13,384,330 \$312.67 PSF	WW 44900 Falcon Llc Muhammed Ashraf	Class A
*23480 Rock Haven Way Dulles Town Center, Virginia	40,529 SF	\$8,000,000 \$197.39 PSF	Aggregate Real Estate Investors Clarke-Hook Corporation	Class B

*Part of a Portfolio Sale

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
7700 Southern Dr Springfield, Virginia	151,910 SF	BGRE	Veho Tech, Inc.	Freight Transportation Arrangement
45190 Ocean Ct Sterling, Virginia	83,330 SF	JK Moving Services	Not Disclosed	Not Disclosed
7425 Merritt Park Dr Manassas, Virginia	73,588 SF	Merritt Properties	MEI Industrial Solutions	Building Equipment Contractors

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