

FOR SALE

CHEVY CHASE LAKE MEDICAL BUILDING

8401 CONNECTICUT AVE, CHEVY CHASE, MD

 **TRANSWESTERN**[®]

CAPITAL MARKETS | MID-ATLANTIC



**CONN AVE
STATION**

INTRODUCTION

Transwestern's Capital Markets team for the Mid-Atlantic region, acting as exclusive advisor to the owner, is pleased to present the opportunity to acquire the fee simple interest in the Chevy Chase Lake Medical Building, a 190,866-square-foot medical office building located at 8401 Connecticut Avenue in Chevy Chase, Maryland.

PROPERTY AT-A-GLANCE

Occupancy:	82.3%
Medical Leased:	75.9% of Leased Area
Clinical Uses:	92.3% of Medical SF
WALT (building):	5.10 Years
WALT (medical):	6.4 Years
BOMA Building Area	190,866 BSF
Floors	13-Stories

Chevy Chase Lake Medical Building is a 190,866 SF medical office building that is 82% leased. Of the existing tenancy, 76% consists of medical uses, with 92% of those medical spaces dedicated to clinical outpatient services that include primary care, dental, and a range of specialty physicians.



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INVESTMENT HIGHLIGHTS



VALUE-ADD OPPORTUNITY

- Convert to core medical
 - 31,695 SF of vacancy (17%)
 - 31,728 SF of non-medical (17%)
- Implement medical spec suite program
- Reduce above market operating expenses
- Roll tenancy and suites to BOMA (+11,711 BSF)
- Eliminate the landlord termination right program to increase rents
 - All leases include a Landlord termination right



STABLE IN-PLACE CASH FLOW

- Strong in-place yield with substantial upside via leasing
- 82% leased with even rollover ensuring stable income



COMPLIMENTARY MEDICAL TENANCY MIX

- Weighted average tenure of 10.1 years at the Property
- Area demographics attract health providers



STRONG MEDICAL LEASING VELOCITY

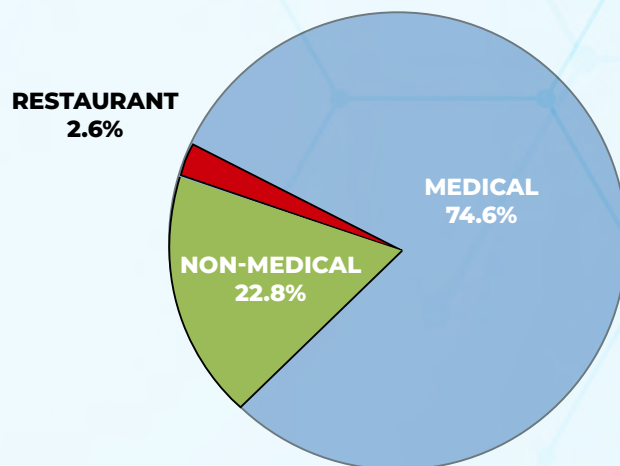
- 6 new medical tenants & 2 medical expansions in the past 12 months
- Proximate to major hospitals and research facilities



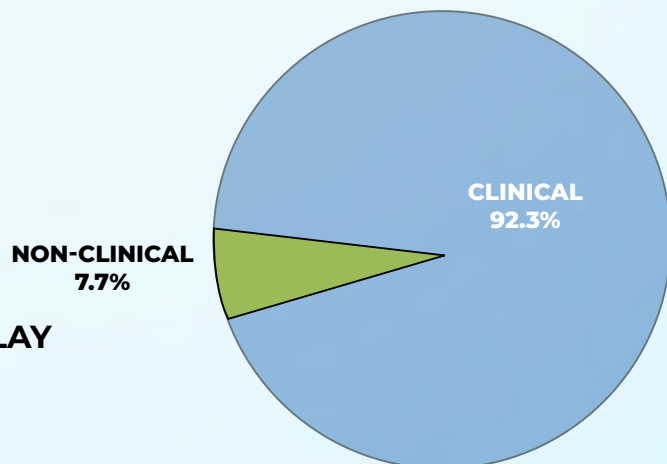
LONG TERM COVERED LAND PLAY

- By-Right Density totals 421,105 SF

MEDICAL AS A % OF LEASED AREA



MEDICAL USES % OF SQUARE FEET



IDEAL MEDICAL OFFICE BUILDING



TRANSIT-ORIENTED ACCESSIBILITY

- Highly accessible, infill location
- Abundance of walkable amenities
- Situated at the Connecticut Ave Purple Line METRO station
 - Purple Line provides direct connection from Bethesda to Silver Spring to New Carrollton
 - Provides direct access to: Metrorail, Amtrak, and MARC rail lines
- I-495 (Capital Beltway) is less than 1 mile north of Property
- Direct access to downtown Washington, DC via Connecticut Ave (5 miles)
- Access to major medical facilities
 - Walter Reed Medical Center & ER
 - National Institutes of Health Medical Center
 - Johns Hopkins' Suburban Hospital & ER
 - Uniformed Services Medical University
 - Trinity Health's Holy Cross Hospital & ER
 - Johns Hopkins Sibley Memorial Hospital & ER

DEMOGRAPHICS & NEIGHBORHOOD



STRONG DEMOGRAPHICS

- One of the wealthiest communities in the country
 - Median Household Income (1-mile): \$228,242
- Strong medical spending
 - \$7,112 /yr per household (1-mile)
 - \$3,709 /yr per household (DC Metro Area)
 - \$2,769 /yr per household (Nationally)
- Patient pool is well insured; just 1.6% of the population is uninsured
 - Uninsured in Montgomery County and US, respectively, 6.8% and 8.5%
- 22% of Chevy Chase's patient pool are age 65+
 - It is projected to grow to over 26% by 2030

GROWING NEIGHBORHOOD & POPULATION

- Immediately adjacent housing growth +904 units since 2018
 - +220 additional units planned
- Population growth of 3.3% from 2020-2025 (1-mile)
 - Growth of 3.8% projected by 2030
- Household growth of 4.0% from 2020-2025 (1-mile)
 - Amenity growth of 3.5% projected by 2030

WELL MAINTAINED & AMENITIZED



GROWING NEIGHBORHOOD & POPULATION

- Long-term institutional ownership with proactive maintenance mitigates capex exposure
- All major systems have been updated since 2015 at a cost of \$7.7MM
 - Cooling Towers (2025)
 - Roof Replacement (2025)
 - Parking Garage Renovation (2024)
 - Chillers (2023)
 - Elevator modernization (2020)
- On-Site Parking with Valet Services and an abundance of parking in adjacent buildings
- Amenities: Fitness Center, On-site Food Services, Vending, Renovated Lobby Areas
- Column-free tenant spaces (column free span from core to windows)
- Free-standing building with windows on all sides providing an abundance of natural light



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CO-BROKER CONFIDENTIALITY AGREEMENT

**RE: Chevy Chase Lake MOB
8401 Connecticut Avenue
Chevy Chase, Maryland (the "Property")**

Dear Broker:

The undersigned hereby acknowledges that it has been advised that Transwestern, (including all affiliates, subsidiaries, related parties, successors, and assigns, hereinafter referred to singly and collectively as "Agent") has been retained by the owner of the above referenced Property (the "Owner") as the Owner's exclusive agent with respect to the sale of said Property. Owner has indicated that all inquiries and communications with respect to the Property be directed to Agent. All fees due Agent in connection with the financing, recapitalization and/or sale of the Property shall be paid by Owner. The principal listed below ("Principal") and the broker listed below ("Co-Broker") hereby acknowledge that the Principal has retained and authorized the Co-Broker listed to assist in Principal's evaluation of the offering; that the Co-Broker is acting solely for Principal and not for any other person or entity. Furthermore; that the Principal has agreed to provide any and all fees or other compensation due the Co-Broker in connection with its activities with respect to the Property; that neither the Co-Broker nor Principal will under any circumstances whatsoever, make any claim against Owner or Agent for any fees or other compensation or for any loss, damage, or expense suffered or incurred in connection with its activities with respect to the Property. Co-broker acknowledges that it has not been authorized by Owner or Agent to solicit interest in, or in any way to market, the Property.

Agent has available for review certain information (the "Evaluation Material") concerning the Property. On behalf of Owner, Agent may make the Evaluation Material available to the Principal and Co-broker upon execution of this Confidentiality Agreement. The Evaluation Material is intended solely for the purpose of assisting the Principal in its evaluation of the Property. This is neither an agreement to undertake an investment in and/or financing of the Property nor a solicitation of an offer for such investment and/or financing. No agreement binding upon the Owner shall be deemed to exist, at law or equity, until the Owner enters into appropriately approved formal binding commitments with respect to any investment in and/or financing of the Property.

The Evaluation Material contains brief, selected information pertaining to the business and affairs of the Property. The Evaluation Material has been prepared by Agent and has been reviewed by Owner. It does not purport to be an all-inclusive, nor necessarily accurate, summary of the Property, nor does it contain all the information which a prospective investor or financing source may desire. Neither Agent nor Owner makes any representation or warranty, expressed or implied, as to the condition of the Property or to the accuracy or completeness of the Evaluation Material and no legal liability is assumed or to be implied with respect thereto.

By executing this Confidentiality Agreement, you agree that the Evaluation Material is confidential, that you will hold and treat it in the strictest of confidence. You further agree that you will not disclose or permit anyone else to disclose the Evaluation Material to any person, firm or entity without prior written authorization of the Agent and/or Owner; including, without limitation, investors, lenders, financing sources, and financial intermediaries; except that the information may be disclosed to the partners, officers, employees, legal counsel, and accounting advisors of the Principal for the purposes of its limited internal use and evaluation, or pursuant to a court order. You also pledge that the Evaluation Material will not be retained by Principal or Co-Broker or by the persons described above, after the use thereof is no longer required, and any and all written materials will be either destroyed or returned to Agent. You also acknowledge that the consent of Agent and Owner to the provision of the Evaluation Material to you has been induced and relied upon by the undertakings, representations, and warranties set forth in this agreement. Owner expressly reserves the right, at its sole discretion, to reject any and all proposals or expressions of interest in the Property and to terminate discussions with any party at any time with or without notice. In the event that the Principal determines that it does not have an interest in pursuing discussions with respect to the Property, or, at the request of Owner or Agent, you hereby agree to promptly return all copies of the Evaluation Material to Agent.

Co-Broker Confidentiality Agreement

Chevy Chase Lake Medical Building
8401 Connecticut Avenue
Chevy Chase, Maryland (the "Property")

If you are in agreement with the foregoing, please sign this Agreement and return it to **Jim Cardellicchio (Email: jim.cardellicchio@transwestern.com)**. Accepted and Agreed To This _____ Day of _____, ____.

Accepted and Agreed:

Principal

Signature: _____

Date: _____

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____

Email: _____

Co-Broker

Signature: _____

Date: _____

Name: _____

Title: _____

Company: _____

Address: _____

Telephone: _____

Email: _____

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