



15,525 VPD GARRETT HWY

MD DEPARTMENT OF HUMAN SERVICES

12578 GARRETT HIGHWAY
OAKLAND, MD 21550

EXCLUSIVELY LISTED BY:

CRAIG DUNKLE

Sr. Director

Philadelphia

Cell 717.554.4881

Office 215.302.4400

craig.dunkle@scopecre.com

License PA RS324418

MHER M. VARTANIAN

Director

Philadelphia

Cell 267.664.7118

Office 215.302.4400

mher.vartanian@scopecre.com

License PA RS345557

NICK DIPRIMIO

Senior Associate

Philadelphia

Cell 484.885.8103

nick.diprimio@scopecre.com

License PA RS359679

BRIAN BROCKMAN

Broker of Record

Bang Realty

Cell 513.898.1551

bor@bangrealty.com

License MD RS678573

04 EXECUTIVE SUMMARY *MD DEPARTMENT OF HUMAN SERVICES*

The Offering • Investment Overview

06 ANALYSIS *MD DEPARTMENT OF HUMAN SERVICES*

Lease Abstract • Tenant Summary

Operating Statement

10 ABOUT MD DEPT. OF HUMAN SERVICES PHOTOS & SITE PLANS *MD DEPARTMENT OF HUMAN SERVICES*

18 MARKET OVERVIEW *MD DEPARTMENT OF HUMAN SERVICES*

Market Analysis • Regional Map

Demographics

CONFIDENTIALITY & DISCLAIMER

ALL MATERIALS AND INFORMATION RECEIVED OR DERIVED FROM SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC ITS DIRECTORS, OFFICERS, AGENTS, ADVISORS, AFFILIATES AND/OR ANY THIRD-PARTY SOURCES ARE PROVIDED WITHOUT REPRESENTATION OR WARRANTY AS TO COMPLETENESS, VERACITY, OR ACCURACY, CONDITION OF THE PROPERTY, COMPLIANCE OR LACK OF COMPLIANCE WITH APPLICABLE GOVERNMENTAL REQUIREMENTS, DEVELOPABILITY OR SUITABILITY, FINANCIAL PERFORMANCE OF THE PROPERTY, PROJECTED FINANCIAL PERFORMANCE OF THE PROPERTY FOR ANY PARTY'S INTENDED USE OR ANY AND ALL OTHER MATTERS.

NEITHER SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC ITS DIRECTORS, OFFICERS, AGENTS, ADVISORS, OR AFFILIATES MAKE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY MATERIALS OR INFORMATION PROVIDED, DERIVED, OR RECEIVED. MATERIALS AND INFORMATION FROM ANY SOURCE, WHETHER WRITTEN OR VERBAL, THAT MAY BE FURNISHED FOR REVIEW ARE NOT A SUBSTITUTE FOR A PARTY'S ACTIVE CONDUCT OF ITS OWN DUE DILIGENCE TO DETERMINE THESE AND OTHER MATTERS OF SIGNIFICANCE TO SUCH PARTY. SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC WILL NOT INVESTIGATE OR VERIFY ANY SUCH MATTERS OR CONDUCT DUE DILIGENCE FOR A PARTY UNLESS OTHERWISE AGREED IN WRITING.

EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

ANY PARTY CONTEMPLATING OR UNDER CONTRACT OR IN ESCROW FOR A TRANSACTION IS URGED TO VERIFY ALL INFORMATION AND TO CONDUCT THEIR OWN INSPECTIONS AND INVESTIGATIONS INCLUDING THROUGH APPROPRIATE THIRD-PARTY INDEPENDENT PROFESSIONALS SELECTED BY SUCH PARTY. ALL FINANCIAL DATA SHOULD BE VERIFIED BY THE PARTY INCLUDING BY OBTAINING AND READING APPLICABLE DOCUMENTS AND REPORTS AND CONSULTING APPROPRIATE INDEPENDENT PROFESSIONALS. SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC MAKES NO WARRANTIES AND/OR REPRESENTATIONS REGARDING THE VERACITY, COMPLETENESS, OR RELEVANCE OF ANY FINANCIAL DATA OR ASSUMPTIONS. SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC DOES NOT SERVE AS A FINANCIAL ADVISOR TO ANY PARTY REGARDING ANY PROPOSED TRANSACTION. ALL DATA AND ASSUMPTIONS REGARDING FINANCIAL PERFORMANCE, INCLUDING THOSE USED FOR FINANCIAL MODELING PURPOSES, MAY DIFFER FROM ACTUAL DATA OR PERFORMANCE. ANY ESTIMATES OR MARKET RENTS AND/OR PROJECTED RENTS THAT MAY BE PROVIDED TO A PARTY DO NOT NECESSARILY MEAN THAT RENTS CAN BE ESTABLISHED AT OR INCREASED TO THAT LEVEL. PARTIES MUST EVALUATE ANY APPLICABLE CONTRACTUAL AND GOVERNMENTAL LIMITATIONS AS WELL AS MARKET CONDITIONS, VACANCY FACTORS, AND OTHER ISSUES IN ORDER TO DETERMINE RENTS FROM OR FOR THE PROPERTY.

LEGAL QUESTIONS SHOULD BE DISCUSSED BY THE PARTY WITH AND ATTORNEY. TAX QUESTIONS SHOULD BE DISCUSSED BY THE PARTY WITH A CERTIFIED PUBLIC ACCOUNTANT OR TAX ATTORNEY. QUESTIONS REGARDING THE CONDITION OF THE PROPERTY AND WHETHER THE PROPERTY COMPLIES WITH APPLICABLE GOVERNMENTAL REQUIREMENTS SHOULD BE DISCUSSED BY THE PARTY WITH APPROPRIATE ENGINEERS, ARCHITECTS, CONTRACTORS, OTHER CONSULTANTS, AND GOVERNMENTAL AGENCIES. ALL PROPERTIES AND SERVICES ARE MARKETED BY SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC IN COMPLIANCE WITH ALL APPLICABLE FAIR HOUSING AND EQUAL OPPORTUNITY LAWS.

SCOPE COMMERCIAL REAL ESTATE SERVICES, LLC.

SCOPE
INVESTMENT REAL ESTATE SERVICES



THE OFFERING

| | |
|------------------------|-----------|
| Year Built/Renovated | 1979/2024 |
| Total Buildings | 1 |
| Lot Size | 1.3 Acres |
| NOI | \$293,554 |
| Rentable Building Area | 14,116 SF |



NOI
\$293,554



CAP RATE
8.27%



OFFERING PRICE
\$3,550,000



LOT SIZE
1.3 acres

INVESTMENT OVERVIEW

SCOPE Commercial Real Estate Services, LLC “SCOPE” is pleased to present the Maryland Department of Human Services’ Garrett County Social Services Office. The 14,116 square foot building consists of office space, waiting and visitation rooms, meeting rooms, and document storage. The property houses the Garrett County Child Support Administration and is the only Social Services Office in Garrett County. The State of Maryland just extended their lease for 10 Years followed by a 1X5 Option - which demonstrates commitment for the property. Several capital expenditures are planned for the property including new LED Lighting, replacement of HVAC units, painting, new carpeting and tiling, and parking lot repairs. The tenant is on a modified gross lease and is responsible for the cost of electric, heating and fuel, janitorial, trash removal, snow/ice removal, and increases over the base year for real estate taxes. Landlord is responsible for the base year tax amount, repairs & maintenance, water & sewer, and property insurance. The State of Maryland has AAA rated credit and the subject property offers investors stable and predictive income.

INVESTMENT HIGHLIGHTS

- ▶ AAA Credit Rated Tenant
- ▶ 10 Year Lease Extension & Long Occupancy History
- ▶ Modified Lease
- ▶ Significant Capital Improvements Scheduled

LEASE ABSTRACT

| | |
|-----------------------|------------------------------|
| Tenant | State of Maryland |
| Use | Department of Human Services |
| Commencement Date | 9/1/2024 |
| Lease Expiration Date | 8/31/2034 |
| Option | 1 (5) Year Renewal Option |
| Termination Clause | Yes |

Tenant Expenses and Responsibilities:

1. Electricity
2. Heating & Fuel
3. Cleaning Services & Supplies
4. Snow and Ice Removal
5. Trash removal
6. 100% of the increase in Real Estate Taxes over the Base Year

Landlord Expenses and Responsibilities:

1. Base Year Tax Amount
2. Repairs and Maintenance
3. Water and Sewer
4. Property Insurance

AERIAL VIEW



TENANT SUMMARY

| | |
|----------------------|---------------------------------|
| Tenant Name | MD Department of Human Services |
| Square Feet | 14,116 SF |
| % Bldg. Share | 100% |
| Lease Dates | 9/1/24 - 8/31/34 |
| Annual Rent Per SF | \$25.25 |
| Total Rent Per Month | \$29,702 |
| Total Rent Per Year | \$356,429 |
| Lease Type | Modified Gross |
| Renewal Option | One (5) Year Option |

OPERATING STATEMENT

| INCOME | Current | Per SF |
|--|------------------|----------------|
| Scheduled Base Rental Income | 356,429 | \$25.25 |
| EFFECTIVE GROSS REVENUE | \$356,429 | |
| OPERATING EXPENSES | Current | Per SF |
| HVAC | 2,734 | \$0.19 |
| Materials & Supplies | 3,754 | \$0.27 |
| Water | 1,725 | \$0.12 |
| Other Operating Expense and Operating Reserves | 3,000 | \$0.21 |
| Insurance | 6,804 | \$0.48 |
| Real Estate Taxes | 27,037 | 1.92 |
| Management Fee | 17,821 | \$1.26 |
| TOTAL EXPENSES | \$62,875 | \$4.45 |
| EXPENSES AS % OF EGR | 17.6% | |
| NET OPERATING INCOME | \$293,554 | \$20.80 |



We are the state's human services provider. We help Marylanders buy healthy foods, pay energy bills, and obtain medical assistance. We also provide stable environments for children and adults. The Department, through its 24 local departments of social services, aggressively pursues opportunities to assist people in economic need, provide preventive services, and protect vulnerable children and adults in each of Maryland's 23 counties and Baltimore City. We envision a Maryland where people independently support themselves and their families and where individuals are safe from abuse and neglect.



PROPERTY PHOTOS

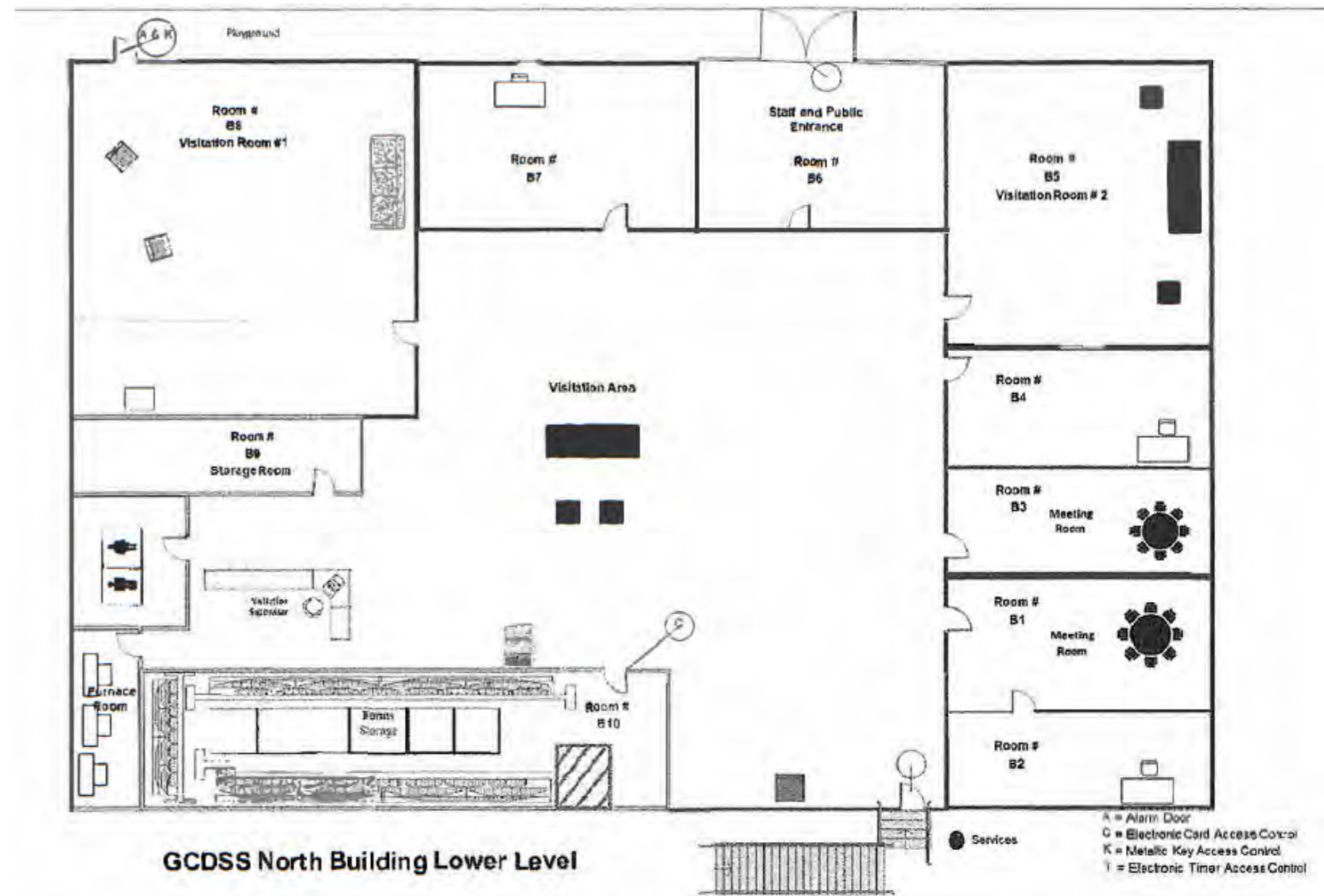
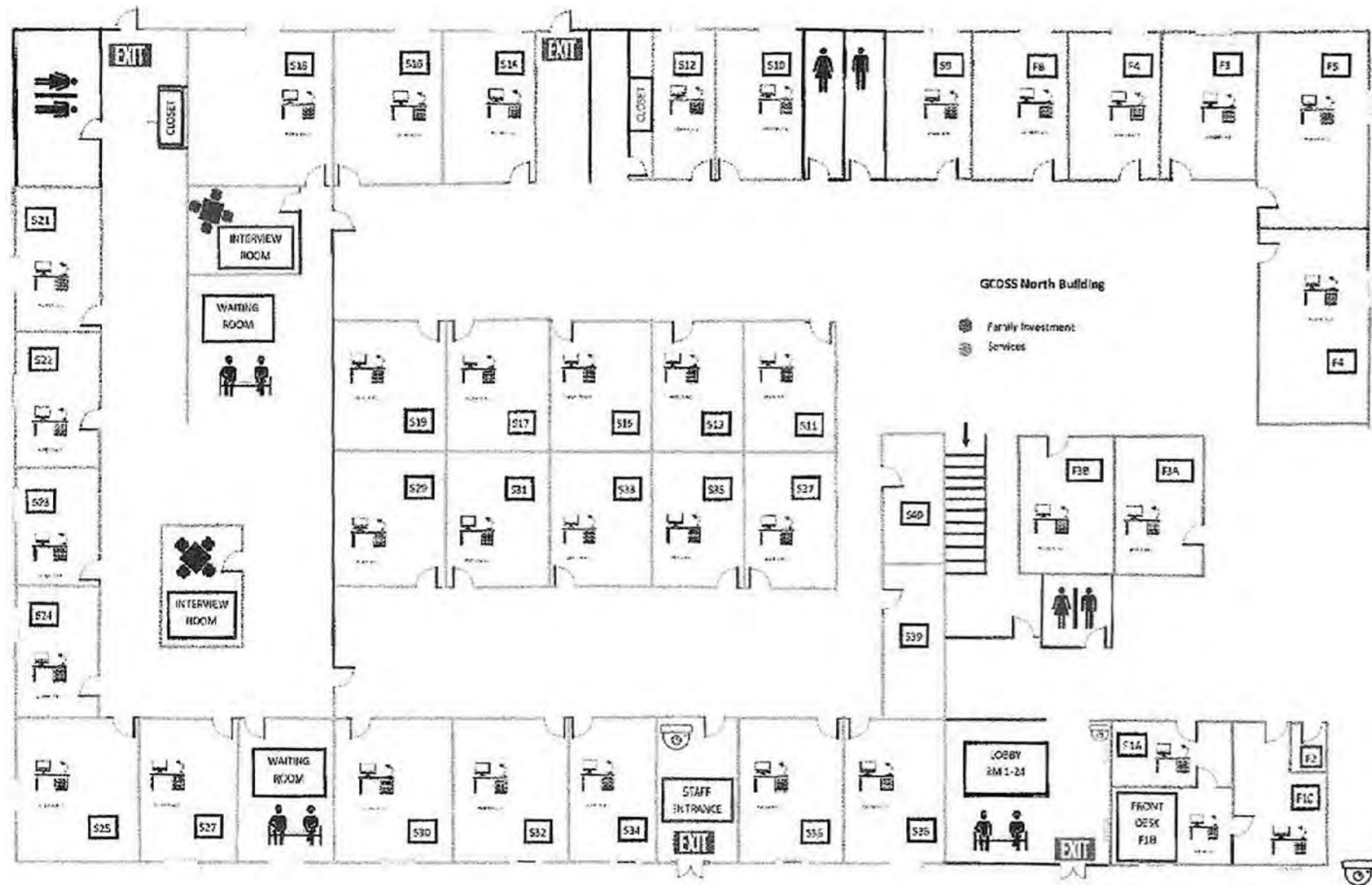
12578 GARRETT HIGHWAY, OAKLAND, MD 21550



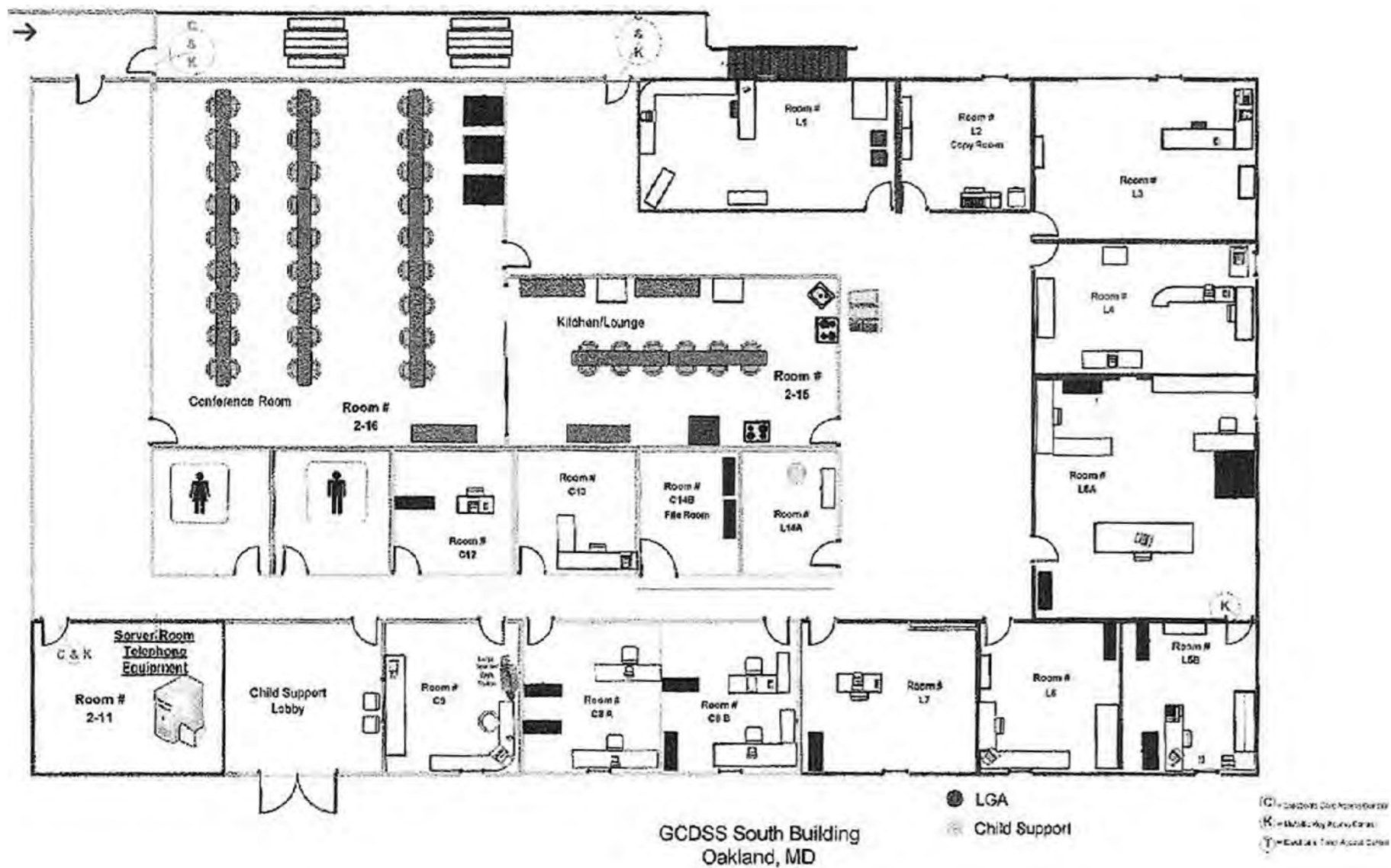
12578 GARRETT HIGHWAY, OAKLAND, MD 21550

SITE PLAN - NORTH BUILDING

SITE PLAN - NORTH BUILDING (LOWER LEVEL)



SITE PLAN - SOUTH BUILDING



GARRETT COUNTY, MD

Garrett County, the westernmost county in Maryland, offers a unique blend of natural beauty and economic stability, making it an attractive location for commercial real estate investments. The county's economy has evolved from its historical roots in agriculture, timber, and coal mining to a more diversified portfolio that includes tourism and government services.

ECONOMIC STABILITY & GROWTH

The presence of the State of Maryland as a tenant in your office building adds a layer of economic stability and reliability to your investment. Government tenants are known for their long-term leases and financial dependability, which can significantly enhance the attractiveness of your property to potential buyers.

DEMOGRAPHICS AND WORKFORCE

With a population of approximately 28,579 as of 2022, Garrett County boasts a high rate of homeownership (79.5%) and a median household income of \$58,011. The county's workforce is well-educated, with 90.4% of residents over 25 having at least a high school diploma and 24.7% holding a bachelor's degree or higher. This educated workforce supports a stable and growing local economy, which is beneficial for commercial real estate investments.

TRANSPORTATION AND ACCESSIBILITY

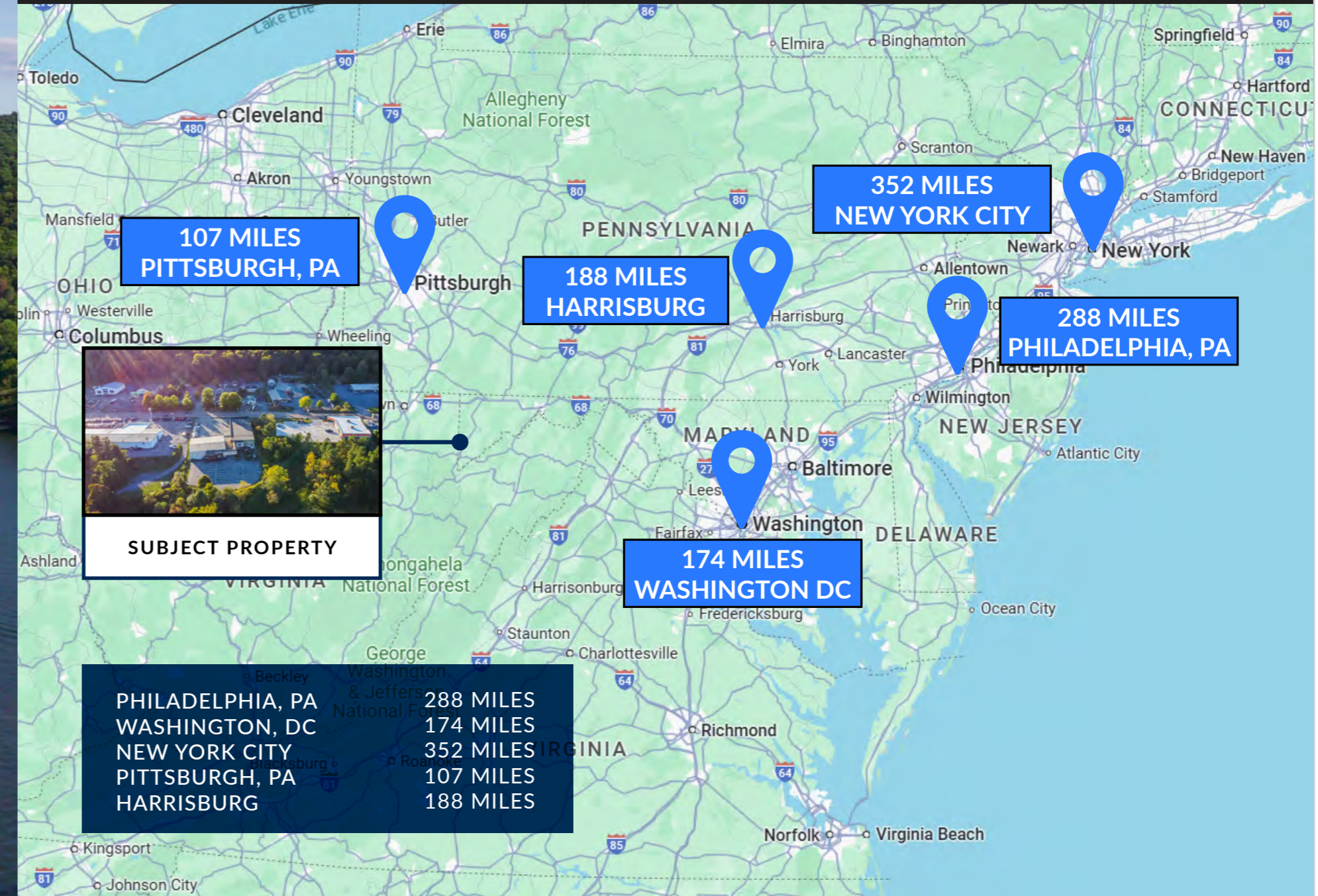
Garrett County is well-connected by major highways, including U.S. Route 219 and Interstate 68, facilitating easy access for businesses and employees. The county's strategic location within the Appalachian Mountains also offers a unique appeal for businesses looking to balance accessibility with a serene working environment.

TOURISM AND LOCAL ATTRACTIONS

Tourism is a significant part of Garrett County's economy, with attractions like Deep Creek Lake and several state parks drawing visitors year-round. This influx of tourists supports local businesses and can drive demand for commercial spaces, including office buildings.



REGIONAL MAP



MARKET OVERVIEW

OAKLAND, MD

Oakland is a charming town in Garrett County, Maryland, and serves as the county seat. It was incorporated in 1862 and has a population of around 1,851 as of the 2020 census. The town is nestled in the Allegheny Mountains, near the source of the Potomac River, and is part of the Pittsburgh media market.

Oakland is known for its rich history and beautiful Victorian architecture. The town's historic district includes many buildings from the late 19th and early 20th centuries. One notable landmark is the B&O Railroad Station, which was listed on the National Register of Historic Places in 1973. The station has been restored and is now used for special events and gatherings. The town offers a variety of activities and attractions, including the nearby Wisp Resort at Deep Creek Lake, which is popular for skiing and other outdoor activities. Oakland also hosts seasonal festivities and has a vibrant downtown area with shops, restaurants, and historic sites.



GARRETT COUNTY MARYLAND

at a glance

21,095
Total Population

8,982
Total Households

\$58,858
Median Household Income

45
Average Age

Source: CoStar, 2024

on a 10-mile radius



15,525 VPD
GARRETT HWY

DEMOGRAPHICS

| POPULATION | 1 MILE | 5 MILES | 10 MILES |
|------------------|--------|---------|----------|
| 2024 Population | 1,379 | 8,819 | 21,095 |
| 2029 Population | 1,333 | 8,608 | 21,306 |
| 2024 Average Age | 45 | 44 | 45 |

| INCOME | 1 MILE | 5 MILES | 10 MILES |
|---------------------|----------|----------|----------|
| Median HH Income | \$59,782 | \$53,955 | \$58,858 |
| Average HH Size | 2.1 | 2.3 | 2.3 |
| Average HH Vehicles | 2 | 2 | 2 |

| HOUSEHOLDS | 1 MILE | 5 MILES | 10 MILES |
|-----------------|--------|---------|----------|
| 2024 Households | 596 | 3,679 | 8,982 |
| 2029 Households | 574 | 3,580 | 9,073 |

| HOUSING | 1 MILE | 5 MILES | 10 MILES |
|-------------------|-----------|-----------|-----------|
| Median Home Value | \$223,043 | \$185,177 | \$210,875 |
| Median Year Built | 1971 | 1977 | 1983 |





15,525 VPD

GARRETT HWY