

ROCKVILLE PIKE RETAIL

718-726 Rockville Pike
Rockville, MD 20852





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Table of Contents

Investment Overview

01

Executive Summary
Investment Highlights
Site Plan

Market Overview

09

Regional Map
Competitive Trade Area
Market Aerials
Location Overview
Demographics

Tenancy Overview

20

Tenant Overview

Financial Analysis

23

Financial Assumptions
10 Year Cash Flow
Rent Roll

Investment Overview





The Offering

KLNB Retail Capital Markets is pleased to exclusively present for sale the leasehold interest in Rockville Pike Retail, a 23,357 SF multi-tenant retail property located in Rockville, MD. The fully occupied center features a strong mix of tenants, including Hangry Joe’s, Crust and Crumb, and AAA in a multi-tenant retail strip, as well as a freestanding Patient First urgent care. All tenants are on long-term NNN leases with staggered lease expirations and annual rental escalations, providing investors with a truly passive investment opportunity with full expense reimbursement, predictable income, and a built-in hedge against inflation. The asset sits on a prominent 2.9-acre parcel along Rockville Pike (MD Route 355), the most dominant retail corridor in Montgomery County, which sees more than 48,000 vehicles per day. Located in a strong-demographic, supply-constrained submarket within the Washington, D.C. MSA, Rockville Pike Retail presents a rare opportunity to acquire a stabilized, high-performing retail asset with strong in-place income and long-term growth potential.

718-726 ROCKVILLE PIKE, ROCKVILLE, MD 20852

NET OPERATING INCOME		PRICE	
\$472,270		\$6,500,000	
RENTABLE AREA		CAP RATE	
23,357 SF		7.25%	
YEAR BUILT	LAND AREA	OCCUPANCY	
2012 / 2025	2.9 AC	100%	
OWNERSHIP INTEREST		GROUND LEASE TERM REMAINING	
Leasehold		87 years	

TENANTS



3-MILE RADIUS

POPULATION	INCOME GROWTH PER YEAR	AVERAGE HH INCOME
120,464	1.81%	\$179,692



Attractive Tenant Mix Consisting of Four Strong Tenants with Long-Term Occupancy

- The property is 100% occupied by a strong lineup of tenants with long-term occupancy; Patient First has been at Center for 13 years or since 2012 and AAA has been in occupancy for 14 years or since 2011
- Franchisee tenants consist of Hangry Joe's and Crust and Crumb. Hangry Joe's has been in occupancy since 2022 and is corporately guaranteed. Crust and Crumb is the newest tenant at the Center and has a personal guarantee from a strong operator. There was fierce competition for this space amongst national tenants
- AAA and Patient First are corporately guaranteed leases with significant credit and backing. AAA is a privately held not-for-profit national member association with over 65 million members and approximately 1,000 locations. Patient First is also a privately held regional chain of urgent care centers in the Mid-Atlantic region with over 75 locations
- Tenant mix allows for the offering of daily needs and service-oriented uses with a strong customer draw that are internet-resistant



Passive Investment with Limited Expense Exposure to Landlord Offering with Stable and Passive Cash Flow

- Hangry Joe's, Crust and Crumb and AAA occupy the multi-tenant retail strip located on the North side of the parcel
- Patient First occupies a freestanding building located on the South side of the parcel
- All leases are triple net (NNN) lease structures, fully reimbursing operating expenses and minimizing landlord responsibilities—creating a truly passive investment opportunity.
- The only reoccurring landlord expense is the ground rent for the ground lease



Staggered Lease Expirations with Annual Rent Increases

- The property has a weighted average lease term (WALT) of 4.4 years coupled with a staggered lease rollover schedule with varying expirations from October-2027 thru May-2035
- Strong WALT and staggered lease roll allows for an investor to hedge their rollover risk over the next 10 years
- AAA, with the shortest lease term, has been in occupancy since 2011 and has previously exercised all of their lease options and benefits from 6 bay doors for automotive repair and service
- All leases feature built-in annual rental escalations in their base term and option periods, ensuring consistent income growth and an effective hedge against inflation



Strong Residual Value in a High Barrier to Entry Submarket

- Rare opportunity to acquire 23,357 square feet across two freestanding buildings located on a prime 2.9-acre site
- Situated along Rockville Pike (MD Route 355), Montgomery County's most dominant retail corridor, the property benefits from excellent visibility and exposure to over 48,000 vehicles per day.
- Retail development, and development in general, is extremely challenging along Rockville Pike which leads to a low threat of future competition and a very high barrier to entry for new retail product



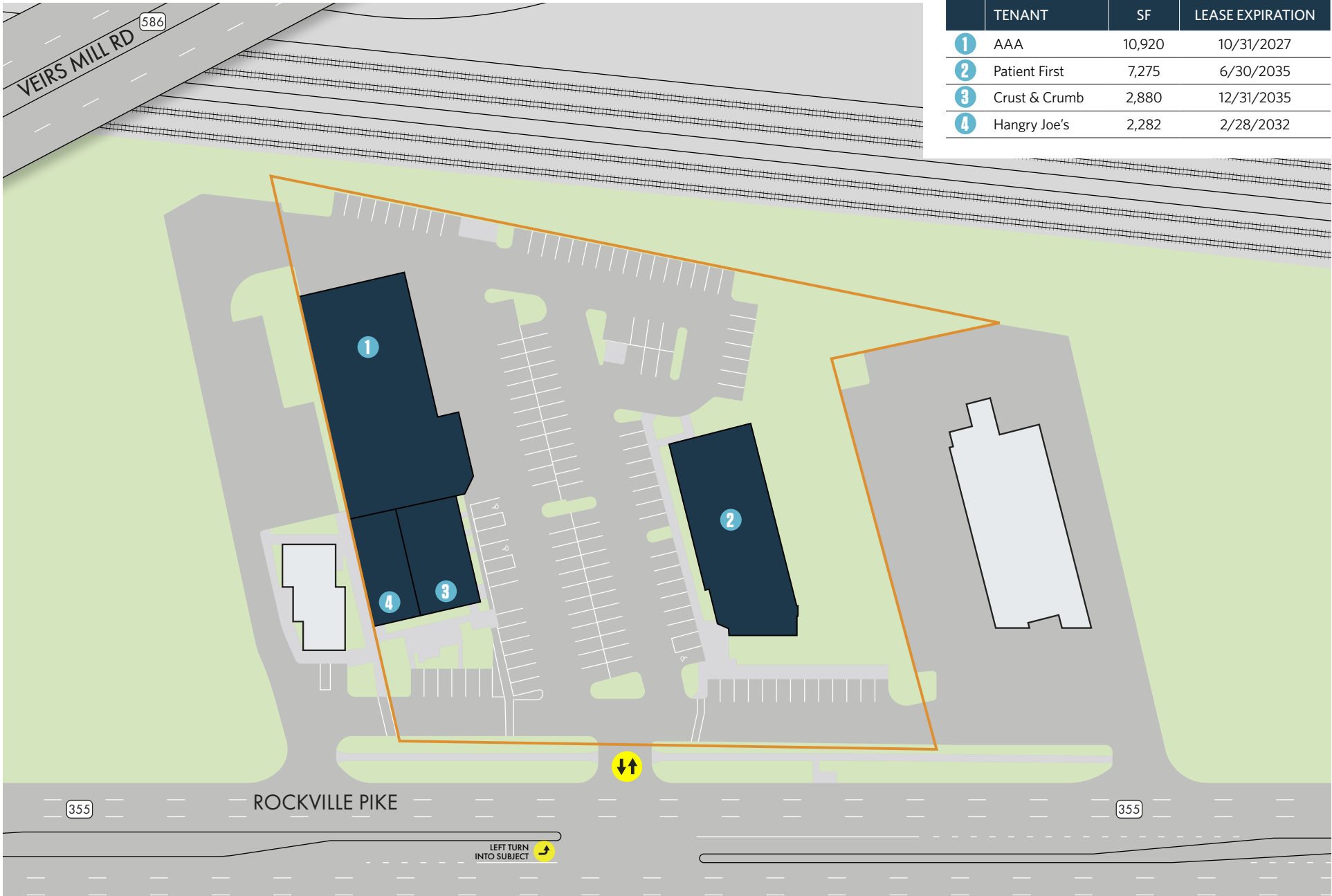
Located in a Dense and Growing Submarket

- Rockville is a dense, affluent submarket within the Washington, D.C. metro area, marked by strong demographics, limited retail development opportunities, and sustained demand from tenants and consumers alike.
- More than 120,000 residents with an average household income of over \$175,709 within a 3-mile radius of the subject property
- Numerous new and planned residential, both single-family, townhome and multi-family projects, are located within proximity to the subject property leading to projected population growth of 0.49% annually over the next five years, within a 5 mile radius



Proximity to Major Commuter Arteries, Economic Drivers and Steady Employment Base

- The property benefits from direct access to key transportation arteries including I-270 and the nearby Twinbrook and Rockville Metro stations (Red Line), providing seamless regional connectivity.
- Situated within proximity to a dense and affluent residential base and a robust employment hub anchored by federal agencies, biotech companies, and Fortune 500 employers. The Rockville submarket is part of the nationally recognized I-270 Life Sciences Corridor, home to NIH, FDA, and major research institutions, providing consistent economic activity and workforce stability.
- Surrounded by major demand drivers including the Montgomery County government center, U.S. District Court, and major mixed-use developments. The area's strong public infrastructure and highly educated population continue to support growth across healthcare, tech, and service sectors.
- Rockville is one of Maryland's most affluent and established suburban markets, with exceptional demographics, a steady employment base, and a history of high occupancy rates—making it a proven location for long-term commercial real estate investment.



	TENANT	SF	LEASE EXPIRATION
1	AAA	10,920	10/31/2027
2	Patient First	7,275	6/30/2035
3	Crust & Crumb	2,880	12/31/2035
4	Hangry Joe's	2,282	2/28/2032



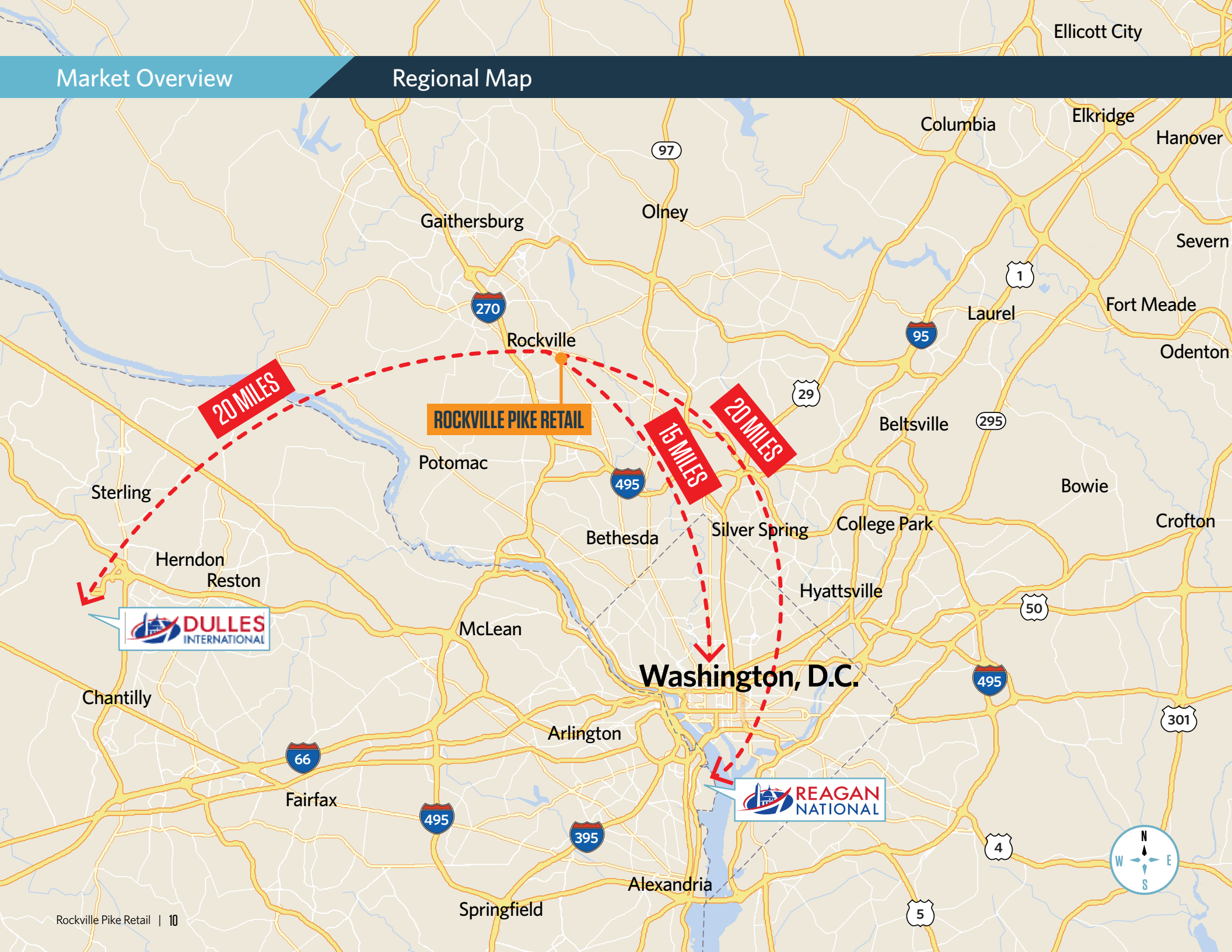
VEIRS MILL ROAD

ROCKVILLE PIKE



Market Overview





20 MILES

ROCKVILLE PIKE RETAIL

15 MILES

20 MILES



Market Overview

Competitive Trade Area





RICHARD MONTGOMERY HIGH SCHOOL

BLVD FORTY FOUR APARTMENTS | 263 UNITS

DOWNTOWN ROCKVILLE:
1 MILE

ROCKVILLE METRO PLAZA

AMERICANA CENTRE CONDO'S | 121 UNITS

JEFFERSON PLAZA BUSINESS CENTER

ROCKVILLE STATION OFFICE 2022 DEVELOPMENT



ST. MARY'S SCHOOL



SOUTH STONES STREET AVE
(3,435 VPD)



VEIRS MILL ROAD (23,810 VPD)

BARRISTERS PLACE OFFICE



ROCKVILLE PIKE (48,215 VPD)

ROCKVILLE PIKE RETAIL

ROCKVILLE METRO



Market Overview

Market Aerial



WOODMONT COUNTRY CLUB

OURISMAN
MAZDA VW CHEVROLET

RITCHIE CENTER
7 ELEVEN PENNY'S

CVS pharmacy

PNC BANK

IHOP

DARCARS
AUTOMOTIVE GROUP

BARRISTERS PLACE OFFICE

MARLO
FURNITURE & MATTRESSES
9
goodwill

WOOTTON PKWY
(18,440 VPD)

jiffylube

LONG & FOSTER
REAL ESTATE

ROCKVILLE PIKE (48,215 VPD)

PATRIOT
URGENT CARE
Get in. Get out. Get better.

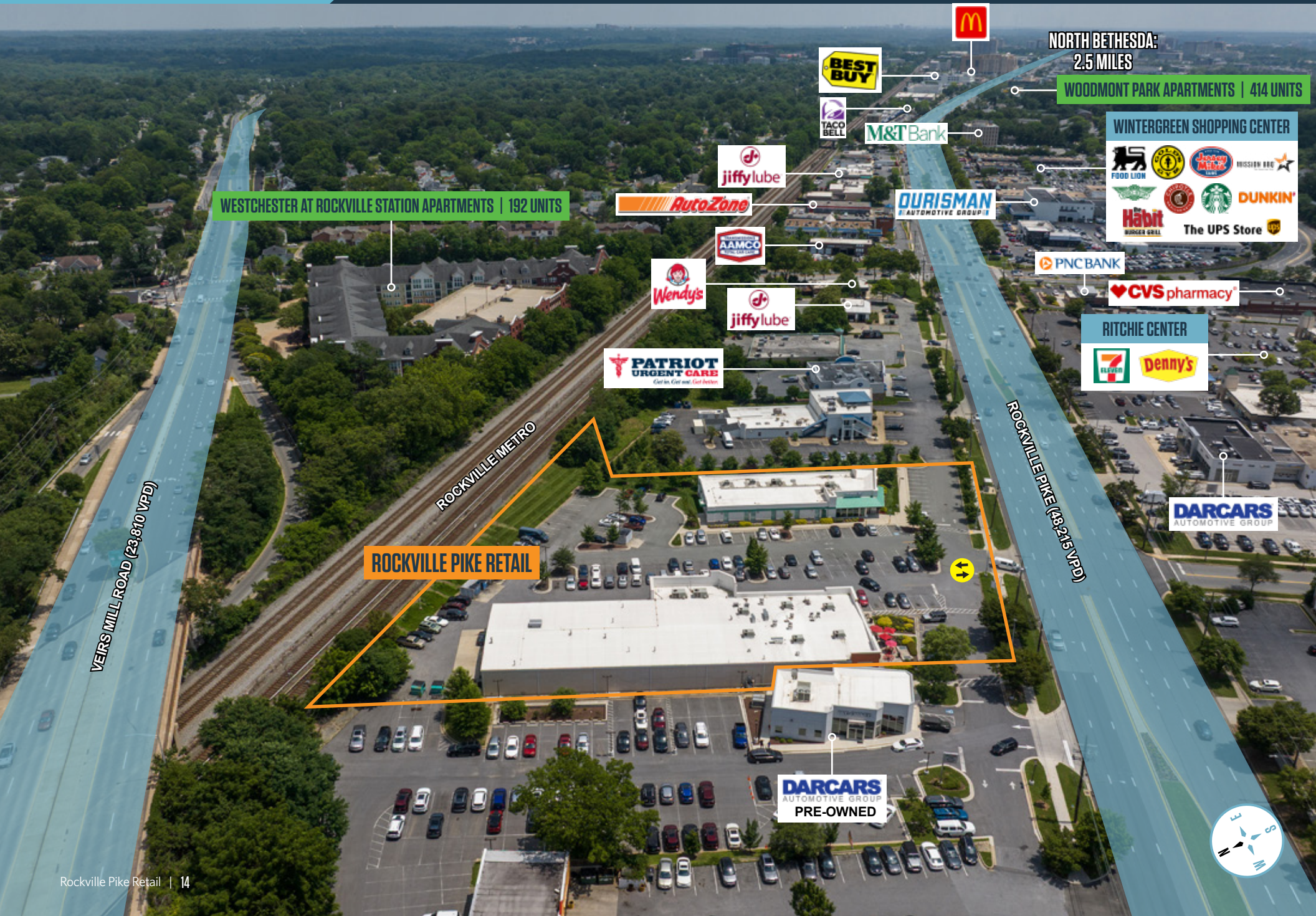
FedEx

DARCARS
AUTOMOTIVE GROUP
PRE-OWNED

MR. TIRE
AUTO SERVICE CENTERS

ROCKVILLE METRO

ROCKVILLE PIKE RETAIL



NORTH BETHESDA:
2.5 MILES

WOODMONT PARK APARTMENTS | 414 UNITS

WINTERGREEN SHOPPING CENTER

- FOOD LION
- WALGREENS
- JOHNSON MATH
- MISSION BBQ
- Habit BUBBLER GRILL
- STARBUCKS
- DUNKIN'
- The UPS Store

WESTCHESTER AT ROCKVILLE STATION APARTMENTS | 192 UNITS

DURISMAN
AUTOMOTIVE GROUP

PNC BANK

CVS pharmacy

RITCHIE CENTER



7 ELEVEN
Denny's

DARCARS
AUTOMOTIVE GROUP

ROCKVILLE PIKE RETAIL

DARCARS
AUTOMOTIVE GROUP
PRE-OWNED

2025 Demographic Summary

	1 MILE	3 MILE	5 MILE
 Total Population	18,730	120,464	337,562
 Average Household Income	\$141,285	\$175,709	\$179,692

SOUTH STONESTREET AVE

WESTCHESTER AT ROCKVILLE STATION APARTMENTS | 192 UNITS

VEIRS MILL ROAD (23,810 VPD)

ROCKVILLE METRO



ROCKVILLE PIKE RETAIL

ROCKVILLE PIKE (48,215 VPD)



Strategically located just 12 miles from Washington, D.C., Rockville, Maryland is one of the region's most dynamic and prosperous cities. With a population of approximately 67,000 and a median household income exceeding \$122,000, Rockville offers a highly educated, diverse, and affluent customer base. Over 64% of residents hold a bachelor's degree or higher, and more than one-third are foreign-born, creating a sophisticated and globally connected community.

Rockville lies at the heart of the I-270 Technology Corridor—one of the nation's premier hubs for innovation in tech and life sciences. The city is home to over 200 IT companies and is adjacent to major federal institutions like the NIH, FDA, and NIST. With access to top-tier talent and infrastructure that includes three Metro stations and seamless highway connectivity, Rockville is a magnet for forward-looking industries and professionals alike.

For investors, Rockville presents a compelling opportunity in a high-demand, high-growth market. Its strong economic fundamentals, exceptional demographics, and prime location within the thriving I-270 corridor make it a top-tier destination for retail and mixed-use investment.



Situated on the northern border of Washington, DC, Montgomery County is the most populous jurisdiction in the state of Maryland and is growing faster than the state average, at 0.7% annually. With an average household income of \$156,680, Montgomery County is also among the most affluent and highly educated counties in the nation, with 60% of the workforce holding a Bachelor's Degree or higher and an unprecedented 91% possessing high school education. The County is consistently rated a top 15 place to live.

Montgomery County is a strong employment hub and is the epicenter for biotechnology in the Mid-Atlantic region and is recognized as the third largest biotechnology cluster in the country. Many large businesses also located their headquarters in the County including: Lockheed Martin, Marriott International, Host Hotels & Resorts, Travel Channel, Ritz-Carlton, RLJ Cos, Choice Hotels, MedImmune, Chevy Chase Bank, TV One, BAE Systems Inc, Hughes Network Systems, and GEICO. The diverse economic climate is driving Montgomery County to be one of the fastest developing areas in the nation. Ranging from dynamic commercial districts and cosmopolitan suburbs to farms and park land, the county offers a choice of environments for businesses and residents alike.

Montgomery County is bisected north-south by Interstate 270, an auxiliary interstate highway that travels between I-495 (the Capital Beltway) just north of Bethesda, and I-70 in the city of Frederick. I-270 divides in North Bethesda with its primary roadway connecting to the eastbound I-495, and a spur connecting to southbound I-495 as it approaches northern Virginia. Interstate 370 connects Interstate 270 with the Shady Grove Metro station via the Shady Grove Access Road. Unlike Virginia, Montgomery County contains many thoroughfare roads that connect residents of the county to downtown Washington, DC including Rockville Pike (an extension of Wisconsin Avenue), Connecticut Avenue, Georgia Avenue, Massachusetts Avenue, and New Hampshire Avenue. Superb access to and from the county makes Montgomery County an ideal location for businesses and residents.

With a population of 6.3 million - the Washington Metropolitan Statistical Area includes the District of Columbia, the seat of the United States Government, as well as numerous counties in Central Maryland, Northern Virginia, and West Virginia. The region is one of the best performing economies in the US, with a median household income of \$106,156- nearly 61% above the national average. This is largely fueled by being one of the most dynamic economies in the US, driven by a highly educated workforce, with more than 51% possessing a bachelor's degree or higher. This highly educated workforce is employed in several prevalent industries, including government, biotechnology, defense contracting, and tourism.

The Greater Washington region has gained more than 330,000 jobs since 2000, one of the highest numbers of any metropolitan region in the country and has consistently maintained unemployment rates below the national average. The largest city in the Washington MSA is Washington D.C. which also serves as an international tourist destination with approximately 23 million annual visitors that spend over \$7.5 Billion. Top annual attractions include the Lincoln Memorial, National Air & Space Museum, and National Museum of Natural History. The Washington D.C. MSA is also one of two metropolitan regions in the U.S. with three world-class airports: Washington Dulles International Airport (IAD), Baltimore/Washington International Thurgood Marshall Airport (BWI), and Ronald Reagan Washington National Airport (DCA). The subject property is a 30-minute drive from Washington Dulles International Airport, a tremendous asset for the growing neighborhood logistics and industrial infrastructure.

#1

Largest Metropolitan Area in South Atlantic Division

#6

Largest Metropolitan Statistical Area in the Nation

17

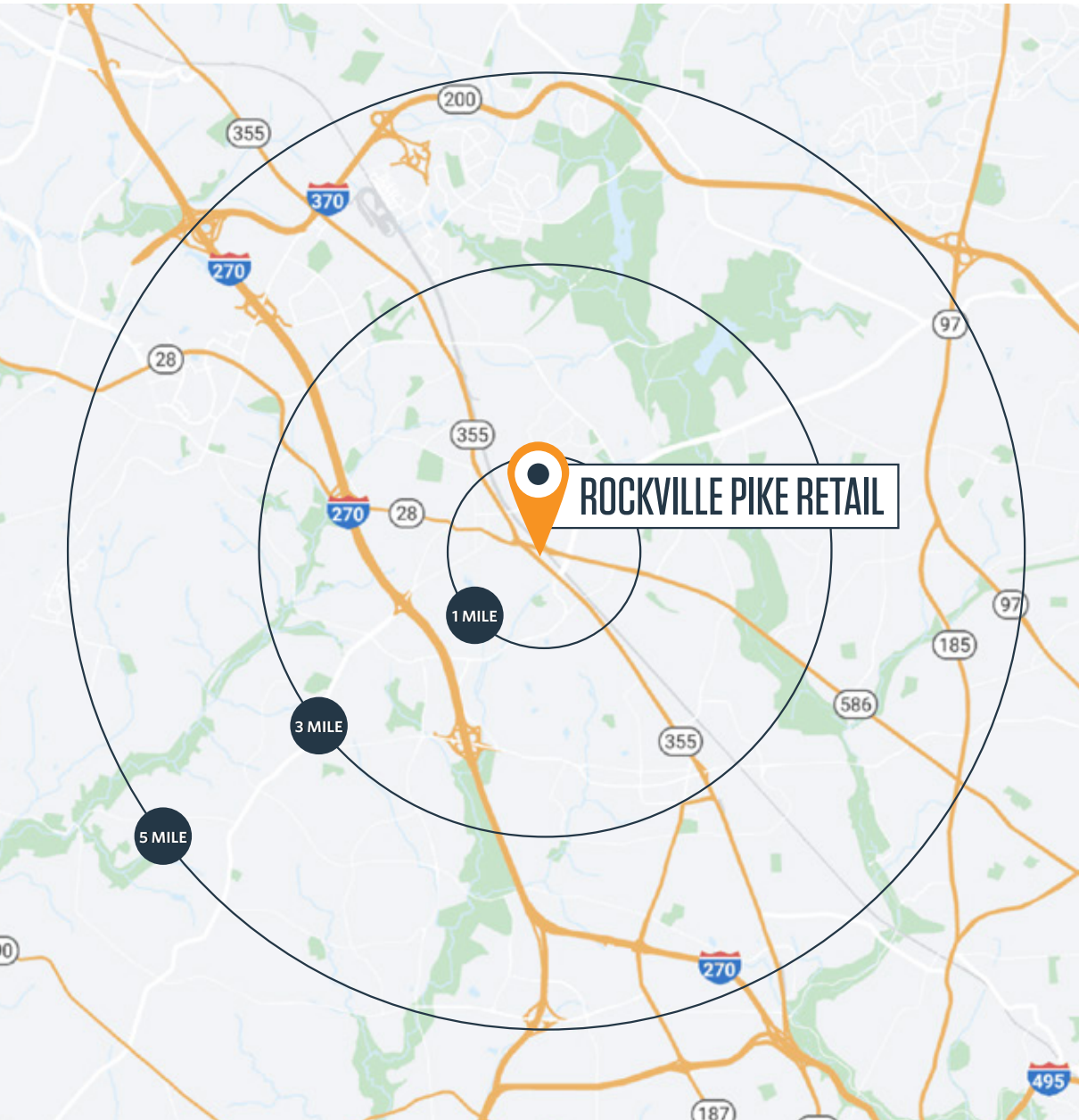
Fortune 500 Company HQs within 25 Miles of DC

3



World Class Airports (BWI, DCA & IAD)

705,000



New Residents Since 2010



2025 Demographic Summary

	1 MILE	3 MILE	5 MILE
 Total Population	18,730	120,464	337,562
 Average Household Income	\$141,825	\$175,709	\$179,692

2025 - 2030 Projected Annual Growth Summary

 Population	0.12%	0.46%	0.49%
 Average Household Income	1.93%	1.81%	1.89%

2010 Population

 Population	17,375	110,246	301,475
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Tenancy Overview





4/28/2011
Rent Commencement

10/31/2027
Rent Expiration

10,920 SF
Size

www.cluballiance.aaa.com



AAA Mid-Atlantic, established in 1904 and now operating as part of AAA Club Alliance, is a leading regional auto club serving over 4 million members across Delaware, Maryland, New Jersey, Pennsylvania, Virginia, and Washington, D.C. Headquartered in Wilmington, Delaware, the organization supports its broad membership base through a network of more than 186 retail branches and service centers and employs approximately 3,300 associates. AAA Mid-Atlantic offers a wide range of services including 24/7 roadside assistance, insurance, travel planning, financial services, and auto repair. The organization continues to expand its footprint and enhance service offerings through new retail center openings, digital service innovations, and strategic partnerships aimed at improving member convenience and value.



1,000+
of Employees

4/16/2012
Rent Commencement

5/15/2032
Rent Expiration

7,275 SF
Size

www.patientfirst.com

Patient First

Founded in 1981, Patient First operates 79 medical centers across Maryland, Pennsylvania, New Jersey, and Virginia, making it one of the ten largest urgent care chains in the United States. Headquartered in Glen Allen, Virginia, Patient First is a leading regional provider of walk-in urgent care in the Mid-Atlantic. Its mission is to make access to quality medical care as convenient and cost-effective as possible. Open 365 days a year from 8:00 a.m. to 10:00 p.m., Patient First centers provide diagnosis and treatment for a wide range of common symptoms and ailments—no appointment necessary.



1/1/2026
Rent Commencement

12/31/2035
Rent Expiration

2,880 SF
Size

Crust & Crumb is the US Trade Name for Bakery Cafe Brand from Fuzhou, China translated as “Bring abundant , fullness of life”.

Since launching 1991, the brand serve 9 mil population of Fuzhou City by providing delicious and fresh bakery products with 50 locations with average sales per store is \$2.5 mil. The reason for the such a popularity contributed by dedication to use high quality

ingredient such as high end butter from France.

About the operator - Mr.Jun Qing Zhang.

Mr. Zhang is pioneer restaurateur and successfully founded Cajun Sefood Chain store - Crafty Crab (<https://www.crafty-crab-restaurant.com>) and after he sold the majority of the license and stakehold developed different venues such as AYCE full sit down 1st conveyor belt Sushi (Kanji Sushi Bar <https://www.kanjispringfield.com/> concept in Springfield, and Korean BBQ + Hot Pot concept (T-POT <https://tpotrestaurant.com>).

The Role of Mr Zhang with relation to Crust Crum is master licensor in US and Canada and plan to open 40 locations within a 5 year period.



3/1/2022
Rent Commencement

2/28/2032
Rent Expiration

2,282 SF
Size

www.hangryjoes.com

Hangry Joe’s Hot Chicken, founded in Virginia, is a rapidly growing fast-casual concept specializing in Nashville-style hot chicken with a modern twist. Its menu is centered around freshly prepared items like chicken sandwiches, tenders, wings, and Korean-inspired nuggets, all offered with customizable spice levels—from mild to extra hot. Signature sides, including waffle fries and coleslaw, along with house-made sauces, round out the menu, appealing to a wide range of spice tolerance and taste preferences.

Designed for convenience and consistency, Hangry Joe’s blends bold Southern flavor with a contemporary dining experience, attracting a diverse customer base that includes students, professionals, and families. Currently with 100+ locations, the brand is actively expanding through a franchise-driven model, opening new locations across the U.S. with plans for international growth, and are on track to reach 200 locations by the end of the year. With strong franchise support, a distinctive brand identity, and a commitment to quality, Hangry Joe’s is establishing itself as a rising competitor in the hot chicken and fast-casual dining sector, and was ranked #2 fastest growing Restaurant Brand at the 2025 Restaurant Leadership Conference.

Financial Analysis



GLOBAL ASSUMPTIONS

Total Square Feet	23,357	Operating Expense Source	2025 Budget + 3.0%
Occupied	23,357	Real Estate Tax Source	2025 Budget + 3.0%
Vacant	0	Management Fee (% of EGR)	3.50%
Analysis Period	10	Capital Reserve (PSF)	0.25
Analysis Start Date	7/1/26		
Analysis End Date	6/30/36		
Vacancy Factor	0.00%		
General Inflation Rate	3.00%		
Market Rent Inflation	3.00%		
Renewal Probability	75.0%		

MARKET LEASING ASSUMPTIONS

	\$29.00 PSF - AAA Mid-Atlantic	\$44.00 PSF - Hangry Joe's Annapolis	\$55.00 PSF - Crust & Crumb	\$45.00 PSF - Patient First
Term Length (Years/Months)	10/0	5/0	5/0	10/0
Renewal Probability	75%	75%	75%	75%
Months Vacant	9.00	9.00	9.00	9.00
Months Vacant (Blended)	2.25	2.25	2.25	2.25
Market Base Rent (UOM)	\$ / SF / Year	\$ / SF / Year	\$ / SF / Year	\$ / SF / Year
Market Base Rent (New)	29.00	44.00	55.00	45.00
Market Base Rent (Renewal)	29.00	44.00	55.00	45.00
Market Base Rent (Blended)	29.00	44.00	55.00	45.00
Fixed Steps	12%/5 Yr.	3.0%	3.0%	2.0%
Recovery Type	Continue Prior	Continue Prior	Continue Prior	Continue Prior
Tenant Improvements (UOM)	\$ / Area	\$ / Area	\$ / Area	\$ / Area
Tenant Improvements (New)	25.00	25.00	25.00	25.00
Tenant Improvements (Renew)	10.00	10.00	10.00	10.00
Tenant Improvements (Blended)	13.75	13.75	13.75	13.75
Leasing Commissions (New UOM)	Fixed %	Fixed %	Fixed %	Fixed %
Leasing Commissions (New)	6.00%	6.00%	6.00%	6.00%
Leasing Commissions (Renew UOM)	Fixed %	Fixed %	Fixed %	Fixed %
Leasing Commissions (Renew)	3.00%	3.00%	3.00%	3.00%
Leasing Commissions (Blended)	3.75%	3.75%	3.75%	3.75%
Leasing Commissions (Renew)	3.00%	3.00%	3.00%	3.00%
Leasing Commissions (Blended)	3.75%	3.75%	3.75%	3.75%

NOTES TO UNDERWRITING

GROUND RENT

- Ground Rent of \$366,300/Year subject to adjustments every five years
- Increase calculated as: percentage increase in Base Rent above stability rent of \$672k multiplied by base ground rent of \$330k
- Analysis reflects Ground Rent (\$366k) as-is through year-end 2028, adjusting to \$436k and \$488k in 2029 and 2034, respectively

TENANCY

- Crust & Crumb: Tenant assumed to commence rent at start of analysis (Jan-26), replacing Roy Rodgers

OPTIONS (CREDIT TENANTS)

- AAA: 1x5 Yr. remaining option exercised at a 12% Increase
- Patient First (Hopkins): 4x5 Yr. options available, first assumed to be exercised in analysis (through end of hold period) at continued 2% increases

RECOVERIES

- Structures based on 2024 CAM Rec and lease review
- Ground Rent non-recoverable, Trash assumed to be recoverable
- AAA: 10% Admin Fee and 5.0% Y/Y controllable cap included in analysis based on lease language
- Non-controllables: Snow, Utilities, Insurance - Admin on CAM, excl. INS
- Patient First (Hopkins): 4.0% Gross Receipt based management fee, otherwise standard Net
- Crust & Crumb / Hangry Joe's: Standard Net+Mgmt

EXPENSES (YEAR 1 ASSUMPTIONS)

- Management Fee: 3.50% EGR
- Management Fee excluded from historical statements, but included in 2024 CAM Reconciliations (to be reviewed prior to marketing)
- Snow Removal: \$5,000
- All other expenses based on the 2025 Budget + 3.0%

For the Years Ending	PSF	6/30/27 Year 1	6/30/28 Year 2	6/30/29 Year 3	6/30/30 Year 4	6/30/31 Year 5	6/30/32 Year 6	6/30/33 Year 7	6/30/34 Year 8	6/30/35 Year 9	6/30/36 Year 10
REVENUE											
Potential Base Rent	35.67	833,032	871,154	897,072	910,795	924,877	938,403	974,354	1,004,108	1,019,619	1,035,537
Absorption & Turnover Vacancy	-	-	-	-	-	-	(20,327)	(63,022)	-	-	(35,479)
Free Rent	-	-	-	-	-	-	-	-	-	-	-
Total Rental Revenue	35.67	833,032	871,154	897,072	910,795	924,877	918,076	911,332	1,004,108	1,019,619	1,000,057
Percentage Rent	-	-	-	-	-	-	-	-	-	-	-
Total Expense Recoveries	9.73	227,226	234,311	241,460	248,180	255,100	255,884	246,609	277,134	285,821	287,496
Total Vacancy & Credit Loss	-	-	-	-	-	-	-	-	-	-	-
Total Other Revenue	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	45.39	1,060,258	1,105,465	1,138,532	1,158,975	1,179,977	1,173,960	1,157,941	1,281,241	1,305,440	1,287,554
OPERATING EXPENSES											
Utilities	(.73)	(16,936)	(17,444)	(17,968)	(18,507)	(19,062)	(19,634)	(20,223)	(20,830)	(21,454)	(22,098)
Landscaping	(.20)	(4,705)	(4,846)	(4,991)	(5,141)	(5,295)	(5,454)	(5,617)	(5,786)	(5,960)	(6,138)
Snow Removal	(.22)	(5,075)	(5,227)	(5,384)	(5,546)	(5,712)	(5,883)	(6,060)	(6,242)	(6,429)	(6,622)
Trash	(.67)	(15,682)	(16,152)	(16,637)	(17,136)	(17,650)	(18,179)	(18,725)	(19,287)	(19,865)	(20,461)
Management Fees	(1.59)	(37,109)	(38,691)	(39,849)	(40,564)	(41,299)	(41,089)	(40,528)	(44,843)	(45,690)	(45,064)
Insurance	(.40)	(9,409)	(9,691)	(9,982)	(10,282)	(10,590)	(10,908)	(11,235)	(11,572)	(11,919)	(12,277)
Real Estate Taxes	(5.64)	(131,727)	(135,679)	(139,749)	(143,941)	(148,260)	(152,707)	(157,289)	(162,007)	(166,867)	(171,873)
Miscellaneous	(.04)	(1,045)	(1,077)	(1,109)	(1,142)	(1,177)	(1,212)	(1,248)	(1,286)	(1,324)	(1,364)
Total Operating Expenses (before Ground Rent)	(9.49)	(221,688)	(228,807)	(235,668)	(242,258)	(249,044)	(255,066)	(260,925)	(271,852)	(279,509)	(285,898)
NOI (before Ground Rent)	35.90	838,570	876,658	902,864	916,717	930,933	918,894	897,017	1,009,389	1,025,931	1,001,656
Ground Rent		(366,300)	(366,300)	(401,240)	(436,179)	(436,179)	(436,179)	(436,179)	(462,185)	(488,191)	(488,191)
Net Operating Income	20.22	472,270	510,358	501,624	480,538	494,753	482,715	460,837	547,204	537,739	513,465
CAPITAL EXPENSES											
Tenant Improvements	-	-	-	-	-	-	(37,466)	(184,666)	-	-	(53,219)
Leasing Commissions	-	-	-	-	-	-	(23,870)	(154,817)	-	-	(42,382)
Capital Reserve	(.25)	(5,927)	(6,105)	(6,288)	(6,476)	(6,671)	(6,871)	(7,077)	(7,289)	(7,508)	(7,733)
Total Capital Costs	(.25)	(5,927)	(6,105)	(6,288)	(6,476)	(6,671)	(68,207)	(346,559)	(7,289)	(7,508)	(103,334)
Operating Cash Flow	19.97	466,343	504,253	495,336	474,061	488,083	414,508	114,278	539,915	530,232	410,130

Financial Analysis

Rent Roll

OPTION YEARS BOLDED

OPTION YEARS BOLDED				RENT					RECOVERIES			
Tenant	Area	Commence	Expiration	Date	Annual	Monthly	PSF	Inc.	CAM/RE Tax	Options Modeling Assumptions	Market Rent	
AAA Mid-Atlantic	10,920	5/25/12	10/31/27	5/25/12	313,600	26,133	28.72		Net+Mgmt, 5% Cap, 10% Admin: AAA	Option	\$29.00 PSF - AAA Mid-Atlantic	
Option 1		11/1/27	10/31/32	11/1/27	351,232	29,269	32.16	12.00%		Market - 75.00%		
Patient First	7,275	7/1/15	6/30/35	7/1/26	254,892	21,241	35.04	2.00%	Net+4% GR Mgmt: Patient First	Option	\$34.00 PSF - Patient First	
				7/1/27	259,990	21,666	35.74	2.00%				
				7/1/28	265,189	22,099	36.45	2.00%				
				7/1/29	270,493	22,541	37.18	2.00%				
				7/1/30	275,903	22,992	37.92	2.00%				
				7/1/31	281,421	23,452	38.68	2.00%				
				7/1/32	287,050	23,921	39.46	2.00%				
				7/1/33	292,791	24,399	40.25	2.00%				
				7/1/34	298,646	24,887	41.05	2.00%				
Option 1		7/1/35	6/30/40	7/1/35	304,619	25,385	41.87	2.00%		Market - 75.00%		
				7/1/36	310,712	25,893	42.71	2.00%				
				7/1/37	316,926	26,410	43.56	2.00%				
				7/1/38	323,264	26,939	44.43	2.00%				
				7/1/39	329,730	27,477	45.32	2.00%				
Crust & Crumb	2,880	1/1/26	12/31/35	1/1/26	158,400	13,200	55.00		Net+Mgmt: Hangry Joe's, Crust & Crumb	Market - 75.00%	\$55.00 PSF - Crust & Crumb	
				1/1/27	163,152	13,596	56.65	3.00%				
				1/1/28	168,047	14,004	58.35	3.00%				
				1/1/29	173,088	14,424	60.10	3.00%				
				1/1/30	178,281	14,857	61.90	3.00%				
				1/1/31	183,629	15,302	63.76	3.00%				
				1/1/32	189,138	15,761	65.67	3.00%				
				1/1/33	194,812	16,234	67.64	3.00%				
				1/1/34	200,656	16,721	69.67	3.00%				
				1/1/35	206,676	17,223	71.76	3.00%				
Hangry Joe's Annapolis	2,282	3/1/22	2/28/32	3/1/26	102,736	8,561	45.02	3.00%	Net+Mgmt: Hangry Joe's, Crust & Crumb	Market - 75.00%	\$44.00 PSF - Hangry Joe's Annapolis	
				3/1/27	105,819	8,818	46.37	3.00%				
				3/1/28	108,993	9,083	47.76	3.00%				
				3/1/29	112,263	9,355	49.19	3.00%				
				3/1/30	115,631	9,636	50.67	3.00%				
				3/1/31	119,100	9,925	52.19	3.00%				
Total		23,357										
Occupied		23,357										
Vacant		0										

TOTAL AREA	2.9 AC
LEASE COMMENCEMENT	11/12/09
RENT COMMENCEMENT	4/17/10
LEASE EXPIRATION	2/16/62
BASE RENT	\$330,000
INCREASES	Yes; See further detail below
ORIGINAL TERM	50 Years
BASE TERM REMAINING	37.0
OPTIONS	2 x 25 Years
TOTAL TERM REMAINING	87 Years

RENTAL SCHEDULE		
DATE	ANNUAL RENT	MONTHLY RENT
Current-11/12/2025	\$366,300	\$30,525
11/13/2025-2/16/2062	TBD; see abstract	TBD; see abstract

NOTES:	
LESSEE	MS Pike LLC
LESSOR	C E PROPERTY CORP
NOTIFICATION PERIOD TO EXERCISE OPTIONS	Tenant must give written notice to landlord no less than 12 months prior to the expiration of the base term
LANDLORD OBLIGATIONS	None
TENANT OBLIGATIONS	Tenant assumes all responsibilities and duties regarding all operating expenses, utilities, taxes and insurance.
PERCENTAGE RENT	<p>For purposes of this Lease, "Project Revenue" shall mean with respect to any Reset Lease Year, the greater of the actual amount of rents, revenues and income actually received by the Tenant in connection with its leasing and operation of the Demised Premises and Improvements under all Property Agreements during (i) the Reset Lease Year or (ii) the two (2) Lease Years immediately preceding the Reset Lease Year and calculated as an average amount. For purposes of this Lease, a "Reset Lease Year" shall mean the calendar year in which the fourth (4th) annual anniversary date of the Basic Rent Commencement Date occurred and every fifth Lease Year thereafter. Project Revenue equals \$625,000 and the Project Stability Rent Level is \$500,000, then Additional Rent would be calculated as follows:</p> <p>(i) The NOI Factor = $(\\$625,000 - \\$500,000) / \\$500,000 = 0.25$</p> <p>(ii) NOI Factor x \$330,000 = $0.25 \times \\$330,000$; or</p> <p>(iii) Additional Rent = \$82,500</p> <p>If Additional Rent is \$82,500, then Basic Rent shall be \$330,000 + \$82,500 or \$412,500.</p>
ASSIGNMENT & SUBLETTING	Except as otherwise provided in this Lease, Tenant covenants that it shall not assign, sublet, transfer, convey, sell, mortgage, pledge or encumber Tenant's entire leasehold interest in the Demised Premises (except for a Leasehold Mortgage in compliance with Article 10 and except for subleases to tenants that occupy the Demised Premises or a portion thereof) (each a "Transfer"), without the prior written consent of Landlord which shall not be unreasonably withheld, conditioned or delayed. Consent by Landlord to any type of Transfer described in this Article 9 or elsewhere in this Lease shall not in any way be construed to relieve Tenant from obtaining further authorization from Landlord for any subsequent Transfer of any nature whatsoever.
TERMINATION RIGHTS	In the event that any of the conditions set forth in Section 3.1(a) have not been fulfilled on the Basic Rent Commencement Date, Tenant shall have the right, at its option, to terminate this Lease by sending written notice to Landlord (the "Lease Termination Notice"), in which event the parties hereto shall be relieved of all obligations under this Lease (and all Interim Rent previously paid to Landlord shall be deemed earned by Landlord as liquidated damages), except that the foregoing shall not relieve Tenant from its indemnity obligations pursuant to Section 3.2.
RIGHT TO PURCHASE	Before entering into a binding agreement to sell all or a portion of its fee interest of the property, Landlord shall send written notice to tenant, granting the tenant and option to purchase in accordance with the following: The sale notice should designate a value. Tenant has 90 days to exercise its right to purchase. If tenant goes forth with the sale, tenant must deliver a deposit equal to 5% of the price set for in the sales notice

Disclaimer Notice & Non-Endorsement

Confidentiality Disclaimer

This Investment Memorandum (“Memorandum”) is furnished to prospective purchasers solely to facilitate the purchaser’s consideration of Subject Property. The Memorandum contains proprietary information and was prepared by KLNБ, LLC (“KLNБ”) using information compiled from sources we consider to be reliable. By receipt of this Memorandum, you agree that: (a) the Memorandum and its contents are of a confidential nature and that you will hold and treat it in strictest confidence in full compliance with the separate confidentiality agreement you have executed; (b) you will not reproduce, transmit or disseminate the information contained in the Memorandum through any means, or disclose this Memorandum or any of its contents to any other entity without the prior written authorization of KLNБ nor will you use this Memorandum or any of its contents in any fashion or manner detrimental to the interests of KLNБ or seller; and (c) upon request you will return the Memorandum without retaining any copy or extract of any portion.

This Memorandum does not purport to be all-inclusive or to contain all the information which prospective purchasers may desire and is a summary upon which prospective purchasers are not entitled to rely. Certain documents and materials are described herein in summary form. The summaries are not complete descriptions of the documents and materials. Interested parties are

expected to review all such documents and materials independently. Market financial projections are provided for reference purposes only and are based on assumptions relating to the general economy, competition and other factors beyond the control of KLNБ and are, therefore subject to material variation. Additional information and an opportunity to inspect the Property will be made available to qualified prospective purchasers upon request. Each purchase offer is to be based strictly and entirely upon the purchaser’s independent investigation, analysis, appraisal and evaluation of facts and circumstances deemed relevant by the purchaser. Neither Owner, KLNБ nor any of their respective directors, officers or affiliates have made any representation or warranty, express or implied as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitment or obligation shall arise by reason of this Memorandum or its contents.

This offering is submitted and received with the understanding that all negotiations for the acquisition of the herein described property will be conducted through KLNБ. The sellers and KLNБ expressly reserve the right, at their sole discretion, to reject any or all expressions of interest or offers to purchase the Property and/or terminate discussions with any entity at any time with or without notice.

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