

# FOR SALE

## MEDICAL OUTPATIENT BUILDING

6849 OLD DOMINION DRIVE, MCLEAN, VIRGINIA

A Johns Hopkins Anchored MOB

**TRANSWESTERN**<sup>®</sup>

CAPITAL MARKETS | MID-ATLANTIC

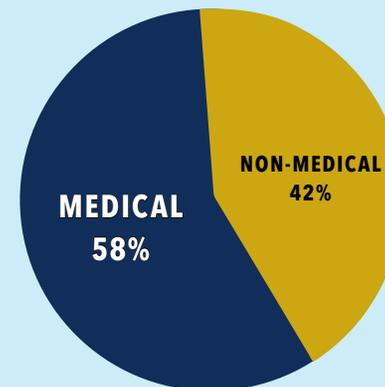


### THE OFFERING

*Transwestern's Mid-Atlantic Capital Markets Group, as the exclusive advisor to the owner, is pleased to present the opportunity to acquire the fee simple interest in 6849 Old Dominion Drive (the "Property"), a 69,330 SF value-add medical outpatient building located in one of the nation's most affluent communities, McLean, Virginia.*

Currently 89% leased to a diversified tenant mix, the Property is medically anchored by Johns Hopkins Health System, one of the top healthcare systems in the country and a major driver of medical demand throughout the region. Medical uses currently account for 58% of the leased space at the Property with a medical WALT of 5.8 years.

#### TENANT MIX



#### DEAL CONTACTS

**GERRY TRAINOR**

202.775.7091  
gerry.trainor@transwestern.com

**JIM CARDELICCHIO**

202.775.7094  
jim.cardelicchio@transwestern.com

**ROWAN MILLER**

202.775.7029  
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# INVESTMENT HIGHLIGHTS

## ESTABLISHED MEDICAL TENANCY (Proof of Concept)

- » 58% of the tenancy
  - » Anchored by Johns Hopkins Medicine
  - » Last 4 leases were medical averaging \$45.13 PSF
- » Medical WALT of 5.8 years
- » In-place non-medical rents are more than 9% below medical rents

## JOHNS HOPKINS HEALTH SYSTEM CORPORATION AND AFFILIATES

- » 2024 Revenues of \$8.6 Billion
- » 50+ outpatient sites which receive more than 931,200 annual patients
- » Credit Ratings - Moody's Aa2, Fitch AA
- » Rated as one of the top 3 hospital systems in the country
- » 100% clinical including: Internal Medicine, Family Medicine, Gynecology Oncology, and Neurology
- » Tenant has invested over \$225 PSF in their space

## VALUE-ADD OPPORTUNITY

- » Convert to core medical
  - » 7,108 SF of Vacancy
  - » 25,353 SF of non-medical
- » 6 Non-medical tenants expire during Years 1-4; 7.5% below market
- » Roll to BOMA (+2,203 SF)

## LONG TERM COVERED LAND PLAY

- » The comp plan that governs the site allows for additional density
- » It allows both commercial and residential uses
- » Neighboring MOB just approved for 7-story luxury condo



## PROPERTY AT-A-GLANCE

**BUILDING SIZE**  
69,330 BSF

**STORIES**  
4

**OCCUPANCY**  
89.4%

**WALT (BUILDING)**  
4.3 Years

**WALT (MEDICAL)**  
5.8 Years

**MARKET RENT**  
\$47.00 PSF, FS

**IN-PLACE NON-MEDICAL RENT**  
\$42.60 PSF, FS

**PARKING RATIO**  
3.2/1,000 SF (40% covered)

## MEDICAL USES

### JOHNS HOPKINS SPECIALTIES

Internal Medicine  
Family Medicine  
Gynecology Oncology  
Neurology

### OTHER TENANCIES

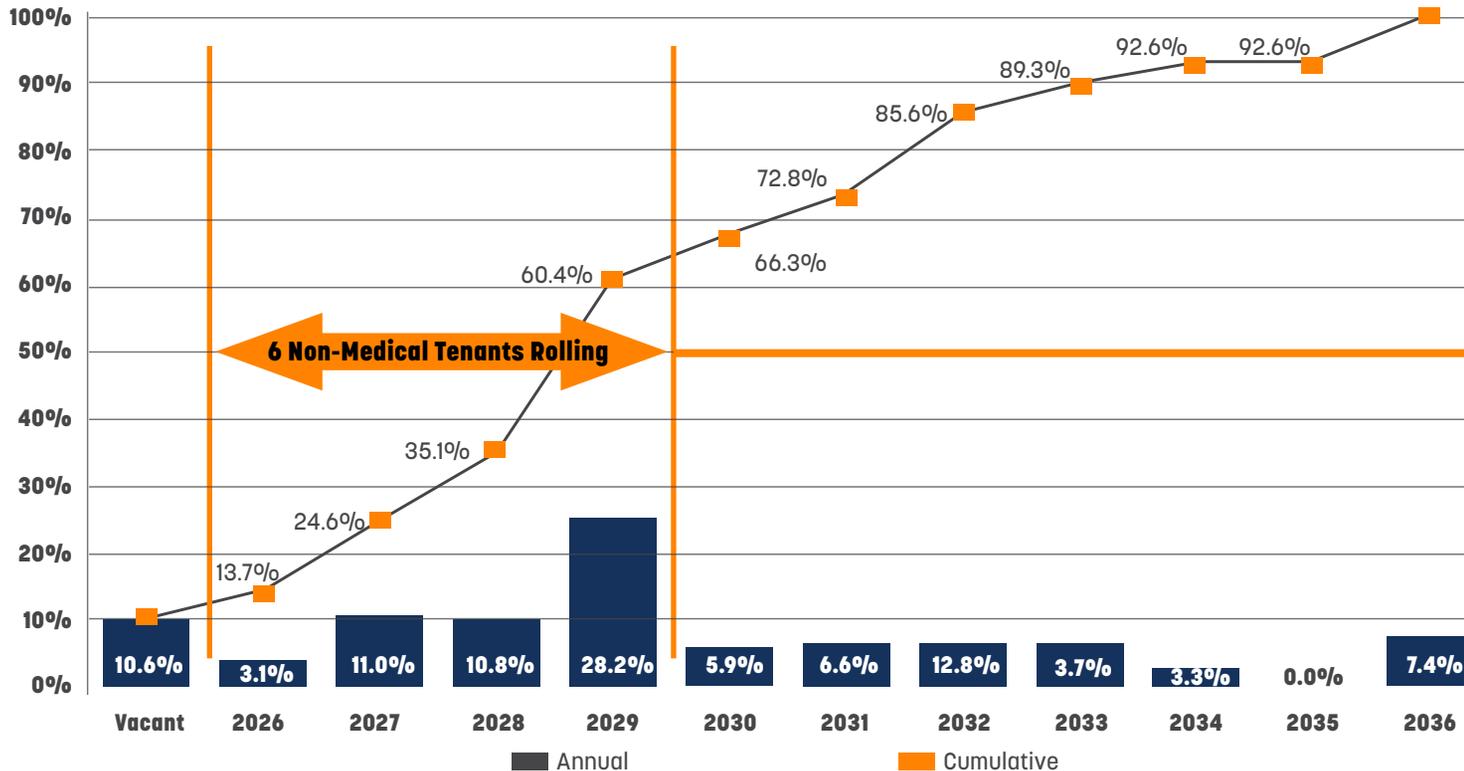
Cosmetic Surgery  
Dermatology  
Infusion Therapy  
Physical Therapy  
Podiatry  
Psychology

### STABLE IN-PLACE CASH FLOW WITH UPSIDE

- » Strong in-place yield with substantial upside via full conversion to medical
- » 89% leased with even rollover ensuring stable income
- » WALT of 4.3 years; however, medical tenancies have 5.8 years of WALT
- » Tenant roster of 16 tenants provides diversity; 9 are complimentary medical users
- » Six of the non-medical tenants roll in the next 4 years

### STRONG MEDICAL LEASING VELOCITY

- » Four new medical tenants in the past 14 months
- » Rents have grown 4.5% year over since 2020
- » Proximate to major hospitals and other medical outpatient facilities



**UPSIDE:** During Years 1-4, six non-medical tenants roll with an average rent of \$43.40 providing upside of more than 7.5%

As a percentage of NRA per calendar Year

## STRONG DEMOGRAPHICS

- » McLean, VA is one of the wealthiest communities in the country
- » Characterized by highly educated professionals in affluent suburbs
  - » Average Household Income (1-mile): \$326,513
  - » DC Metro Area and Nationally: \$129,227 and \$81,624, respectively
- » Strong medical spending
  - » \$7,858 /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 1.9% of the population is uninsured
  - » Uninsured in Fairfax County and US, respectively, 7.5% and 8.5%



## MCLEAN, VIRGINIA

McLean, Virginia, is an affluent, unincorporated community in Fairfax County located just 10 miles from Washington, DC. It is renowned for its extreme wealth, high-ranking residents (politicians, diplomats, members of Congress, and high-ranking government officials), elite schools, and luxury real estate with a median home price over \$2 million. Known for a quiet, suburban feel, it borders the Potomac River and is adjacent to the bustling commercial hubs of Tysons and Arlington.

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**SCULPT AESTHETICS & PLASTIC SURGERY**

**CO-BROKER CONFIDENTIALITY AGREEMENT**

**RE: 6849 Old Dominion Drive  
McLean, Virginia (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

6849 Old Dominion Drive  
McLean, Virginia (the "Property")

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

Accepted and Agreed:

Principal

Co-Broker

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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