



MONROE BUSINESS CENTER
HERNDON, VIRGINIA



EXECUTIVE SUMMARY

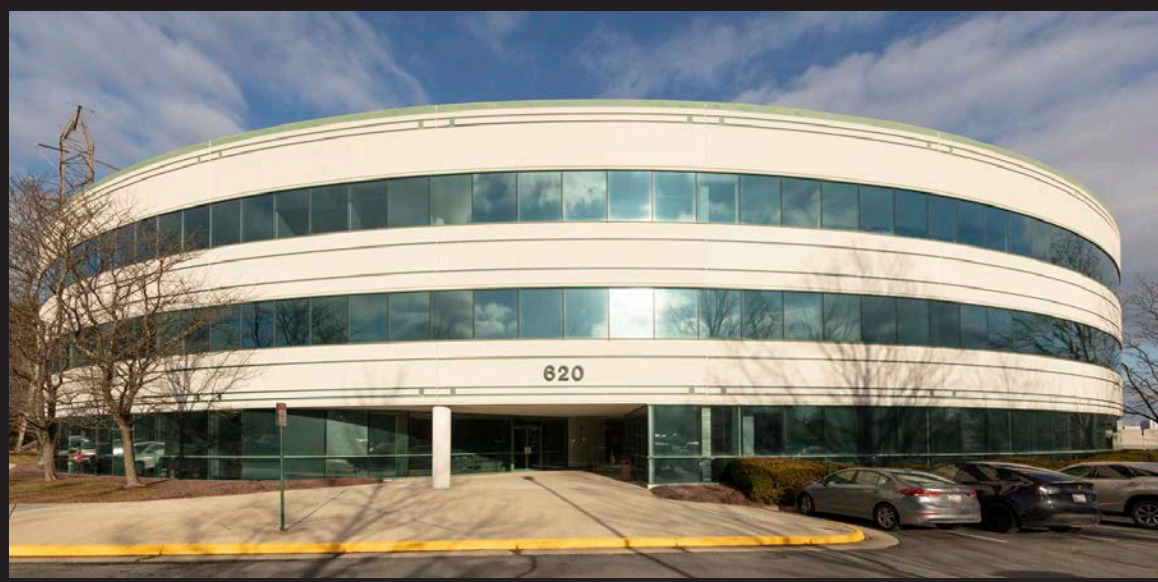
THE OFFERING

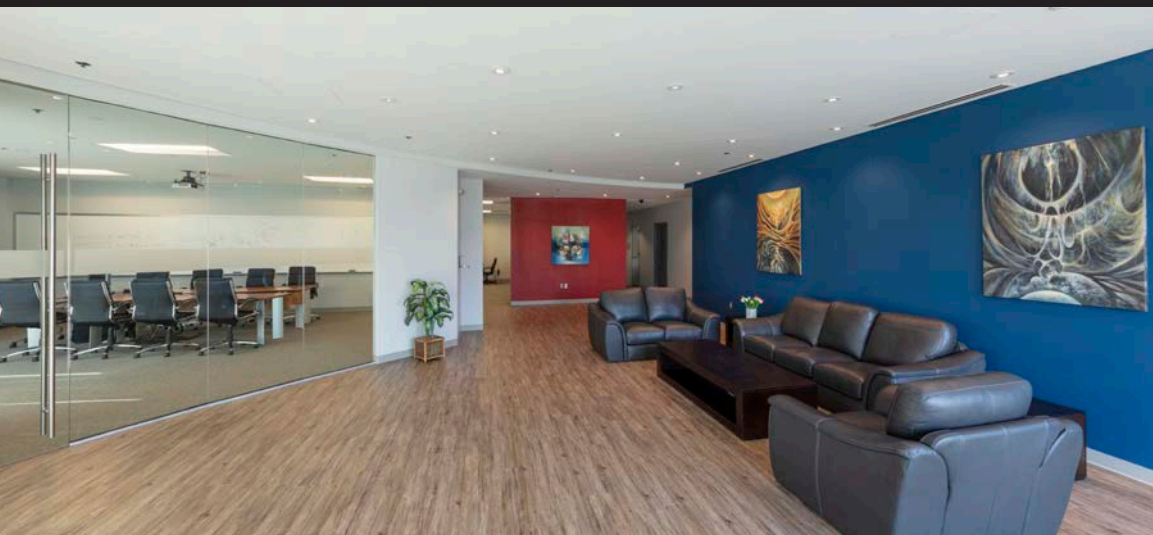
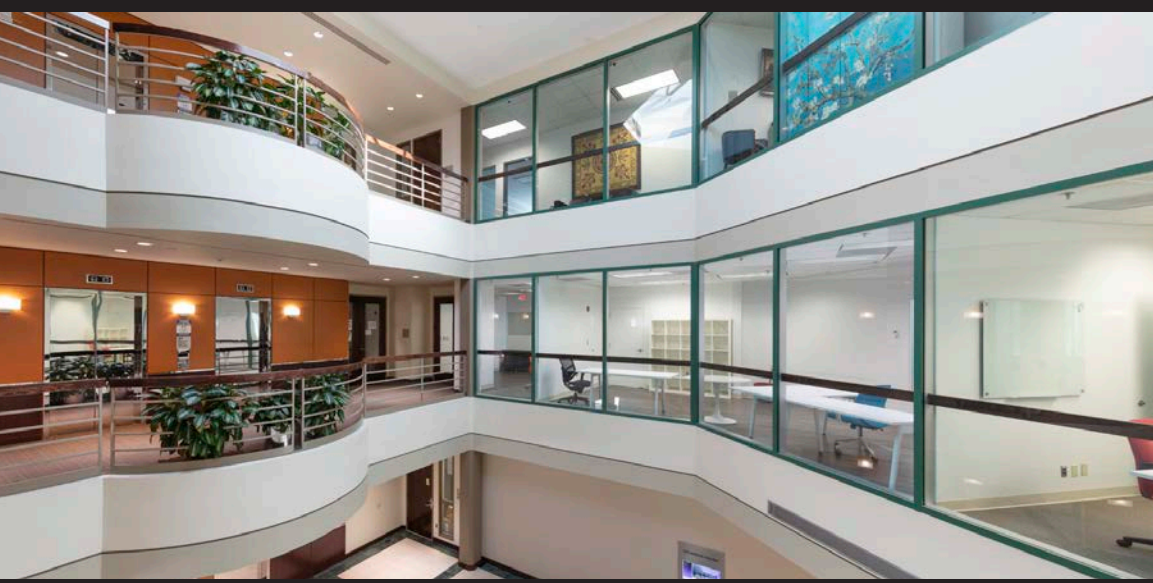
Jones Lang LaSalle, Inc. ("JLL"), as exclusive representative for the Owner, is pleased to present this offering for the sale of Monroe Business Center (the "Properties" or "Portfolio"), consisting of seven Class B office/flex buildings located at 560, 570, 580, 590, 600, 610 and 620 Herndon Parkway, totaling 244,393 square feet in the heart of the Herndon office submarket and just steps away from the Herndon Silver Line Metrorail Station (delivering 2021). The Portfolio is strategically located along Route 267 (Dulles Toll Road), with direct access to the all other major arteries in the Washington, DC Metro including the Capital Beltway (Interstate 495), Interstate 66, Route 50 and Leesburg Pike (Route 7).

The Portfolio is 94% leased to over 50 tenants with a combined weighted average remaining lease term of 2.3 years. Located less than 700' from the future Herndon Silver Line Metro Station, Monroe Business Center provides a critical leasing option for tenants looking for a prime Herndon office address with a full array of nearby amenities and metro accessibility at a fraction of the cost of nearby multi-story office space. In addition to providing a low cost alternative to high rise office product, single story office also provides tenants unique operational security and control with secured access, as well lower operating costs, and a higher space utilization because of a lack of core factor.

The Portfolio sits within the Potential Transit Related Growth Area just steps North of the Herndon Silver Line Metrorail Station. This area was designated for study to determine an FAR range and use mix that can be established in conjunction with the higher density, Herndon Transit-Oriented Core area on the south side of Herndon Parkway. The Properties are currently zoned Office and Light Industrial, but only built out to a 0.3 FAR, below the 0.7 FAR by right, and well below special exceptions of 1.0 and 1.25. Investors can potentially unlock over 780,000 SF of additional density through re-entitlement or special exception application.

Accordingly, this investment offering represents a coveted opportunity to acquire an institutional quality office portfolio below replacement cost in a dynamic, on-metro, Northern Virginia location. The Portfolio gives investors highly sought-after flexibility and upside with significant in place cash flow and value creation through re-entitlement and potential redevelopment.





INVESTMENT HIGHLIGHTS



94% Leased Institutional Quality Office Portfolio with strong in place cash flow



Rare covered land play opportunity, with over 18 acres just steps from the future Herndon Silver Line Metro Station



Herndon Silver Line Metro Station's opening (projected 2021) will link Monroe Business Center to the broader DC region by rail and continue to drive adjacent mixed-use developments, further creating a live-work-play environment that attracts the region's premier office tenancy and workforce



Weighted Average Remaining Lease Term of 2.3 Years offers flexibility for retaining in place cash flow while planning future redevelopment options



Below market in-place rents offer upside, while still providing low-cost alternative to high rise office along the Toll Road



Single-Story product is diminishing within infill locations in favor of higher density, mixed use projects, removing competitive product from the market



The Dulles Toll Road is the epicenter of government spending in cloud and big tech (Amazon, Microsoft, and Google all continue to grow in this market), signaling continued real estate and talent demand for contractors and tech companies



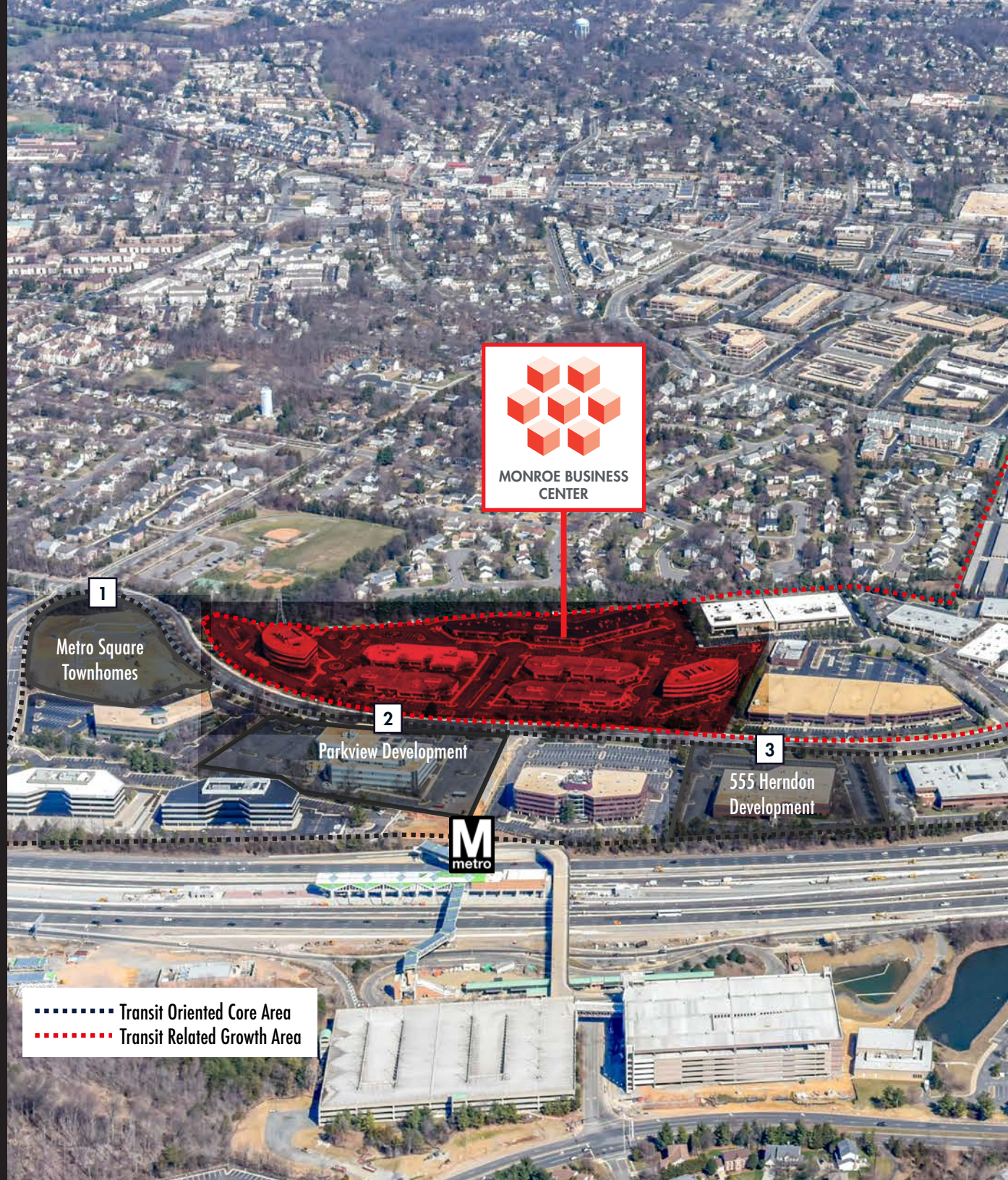
Superior Regional Location; Access to all major Washington, DC metro roadways and Dulles Airport proximity

RARE COVERED LAND PLAY – 18+ ACRES DIRECTLY ON METRO

The Portfolio offers investors a rare covered land play opportunity of scale just 700' from the Herndon Silver Line Metro Station (projected 2021 opening). Through a variety of options and special exceptions within the Town of Herndon zoning code there could be up to 780,000 SF of potential density to unlock to develop more mixed-use environments in a rapidly transforming submarket clustered around the Herndon Metro Station. With over 18 acres and 7 existing buildings with significant income streams, there is also tremendous flexibility to retain cash flow while converting some areas within the site to other uses via phased redevelopment.

	Parcel #	Land Area (SF)	Acres
560 Herndon Parcel	0164 10 0001A6	149,104	3.42
570 Herndon Parcel	0164 10 0001A5	673,545	15.46
Total		822,649	18.89

	Square Footage	FAR
Existing Improvements	244,393	0.30
Max Density By Right	575,854	0.70
Max Density By Landmark Business Option	822,649	1.00
Max Density By Landmark Business Alternate Option	1,028,311	1.25



Transit Oriented Core Area
 Transit Related Growth Area

RAPIDLY TRANSFORMING SUBMARKET ADJACENT TO HERNDON METRO STATION



1 Stanley Martin Metro Square (Project Completed)

- Purchased 4.13 acres in July 2016
- Successful application for townhome development
- 64 Townhome units constructed and delivered in 2019. Fully sold out by the end of 2020.

2 Parkview (HTOC Development Plan Under Review)

- 4.3 FAR proposed mixed-use development comprised of residential, office and retail, with max building heights of 275'
- Will consist of:
 - » 410,000 SF Office tower with 6,000 SF of retail
 - » 362,000 SF residential high rise
 - » 267,000 SF residential high rise with 4,000 SF of retail

3 555 Herndon (HTOC Development Plan Approved)

- 4.3 FAR proposed mixed-use development comprised of residential, office and retail, with max building heights of 275'
- Will consist of one mid-rise and two high-rise buildings atop podium parking with ground floor retail and amenity spaces, with public open spaces and urban streetscapes.

4 Fairbrook Park (Special Exception Approved)

- Proposal to increase FAR to 1.25 to accommodate a mixture of office, residential, and retail land uses. Subject property is 27.56 acres, and the new development would include new streets, and 1,500,000 SF of gross building density, comprised of 60% residential with building heights up to 275'
 - » Two 8-story residential/retail buildings with structured parking
 - » 11-story office building with 3 stories of podium parking (240,000 GSF)
 - » 19-story office building with 3 stories of podium parking (360,000 GSF)

5 Shamin Hotel Development (Site Plan & ARB Application Approved)

- 5-story, 248 room hotel with 248 parking spaces, and two hospitality brands: Hilton Garden Inn and Home2 Suites

POTENTIAL REDEVELOPMENT SITE PROGRAM

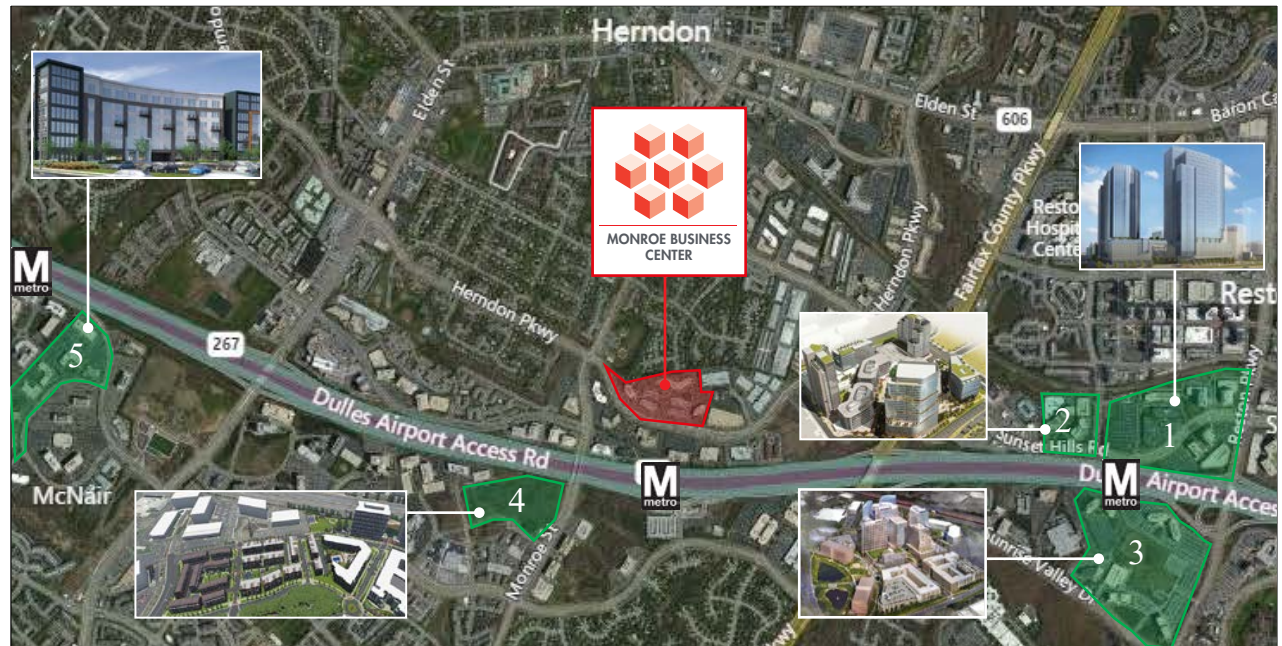


GROUND FLOOR PLAN



SILVER LINE METRO PROMOTING SIGNIFICANT GROWTH ALONG THE TOLL ROAD

Since the Silver Line was approved in 2004, Fairfax County has approved significant density increases around the future metro stations and developers have flocked to the area given the incredibly strong demographics. Several transformative redevelopments are underway and single-story & low density product are making way for placemaking mixed-use development.



(1) RESTON GATEWAY (UNDER CONSTRUCTION)

In February 2018, Boston Properties landed Fannie Mae to pre-lease 850K SF of the 1M SF of office it plans for Reston Gateway's first phase. The developer in August received Fairfax County approval for the full 33-acre site plan, which calls for 4.8M SF of mixed-use development in between Reston Town Center and the under construction Silver Line station. The development is planned to include 1.8M SF of office, 2,010 residential units, 570 hotel rooms and 162K SF of retail. Boston Properties also signed a full-building lease to kick off the final component of the original Reston Town Center development, with Leidos taking 276K SF in the 17-story tower.

(2) RTC WEST - PHASE II (PLANNED)

JBG Smith received Fairfax County approval for the second phase of RTC West, which calls for 1.3M SF of new development. The first phase, completed recently, renovated existing office buildings and added 40K SF of retail, including Cooper's Hawk Winery and Restaurant. The 14-acre property also sits in between Reston Town Center and the Silver Line station, across

the street from the Reston Gateway project. The second phase is planned to include a 22-story trophy office tower and an eight-story office building it calls a "jewel-box building." The approved plans also include a 20-story apartment building with 293 units, a 22-story residential tower with 283 units, a seven-story loft office building above an existing parking garage and a one-story retail pavilion in the project's main green space.

(3) HALLEY RISE (UNDER CONSTRUCTION)

Also near the Reston Town Center station, Brookfield unveiled plans last year for its \$1.4B Halley Rise development. Wegmans will anchor the development with an 80K SF grocery store. The full development, a transformation of a 36-acre office park, is planned to include 1,500 residential units, 1.5M SF of office space, 250K SF of retail and acres of open space. The site is currently under construction and the first phase will include 640 residential units, 450K SF of office and 200K SF of retail, and deliver it in 2022. It aims to complete the full project by 2026.

(4) WOODLAND PARK EAST (UNDER CONSTRUCTION)

Woodland Park East is a 32-acre site that is being developed by Tishman Speyer & Pinkard Group. Initially planned as 1.2M SF of suburban office, Tishman Speyer received Board of Supervisors approval to update their plans to 1.6M SF of modern mixed-use facilities. The site has been divided into a five-block plan and will include multifamily residential as well as office. Their current program schedules 164 townhomes, 515 apartment units, 500K SF of office, and 20K SF of retail space.

(5) LIBERTY PARK (EXISTING / UNDER CONSTRUCTION)

In August 2016, MRP and Walton Street Capital acquired the Liberty Park Portfolio, which consisted of eight office buildings on 32 acres adjacent to the future Innovation Metro Rail Station. MRP have since re-entitled portions of the site and have sold off parcels to residential developers Woodfield (Passport NOVA, 344 units under construction) and Stanley Martin Townhomes.



DIMINSHING SUPPLY OF SINGLE-STORY PRODUCT SUPPORTS NEAR & LONG TERM OCCUPANCY

Monroe Business Center retains a unique place in the office market along the Toll Road. Single story and low-rise office buildings consistently offer a significant rental rate discount to mid-rise and high-rise office product, as well as lower intensive capital costs and concessions. In addition to lower capital costs, existing single-story product is being taken off the market by developers along the Toll Road, in favor of higher density mixed uses, as well as data center repositionings. Several business parks have already been converted to alternative uses, and within the next 5-7 years it is anticipated that even more parks will be taken offline, eventually representing a 54% decrease in inventory of single-story office and flex product from 2.5 MM square feet in 2009.



UNRIVALED NORTHERN VIRGINIA & WASHINGTON, DC REGIONAL CONNECTIVITY

Monroe Business Center enjoys exceptional regional connectivity via Northern Virginia's extensive network of roadways. With several major highways nearby including the Capital Beltway (I-495), I-66, I-95 and Fairfax County Parkway (Rt. 286), the Property is incredibly well-connected to not only the immediate Washington DC region, but also to the greater East Coast. In addition to outstanding vehicular accessibility, the Portfolio is also an 8-minute drive (5 miles) from Washington Dulles International Airport, which is the second busiest trans-Atlantic airport on the East Coast.



DULLES TOLL ROAD IS THE EPICENTER OF GROWING TECH COMPANIES & CLOUD COMPUTING

The Dulles Toll Road region leads the nation in awarded cloud computing contracts, which has caused an influx of big tech companies to the region, as well as steady occupancy and employment from government contractors specializing in cloud technology. Big tech names such as Amazon Web Services, Microsoft, Oracle, Google, IBM and SAP have consistently grown their footprint and employment base in the region and continue to draw top tech talent to live in Herndon and Reston. With a high concentration of tech talent already living in the region, and continued growth of award volumes coming the Toll Road, there will be continued demand and tightened fundamentals for both office and residential markets.

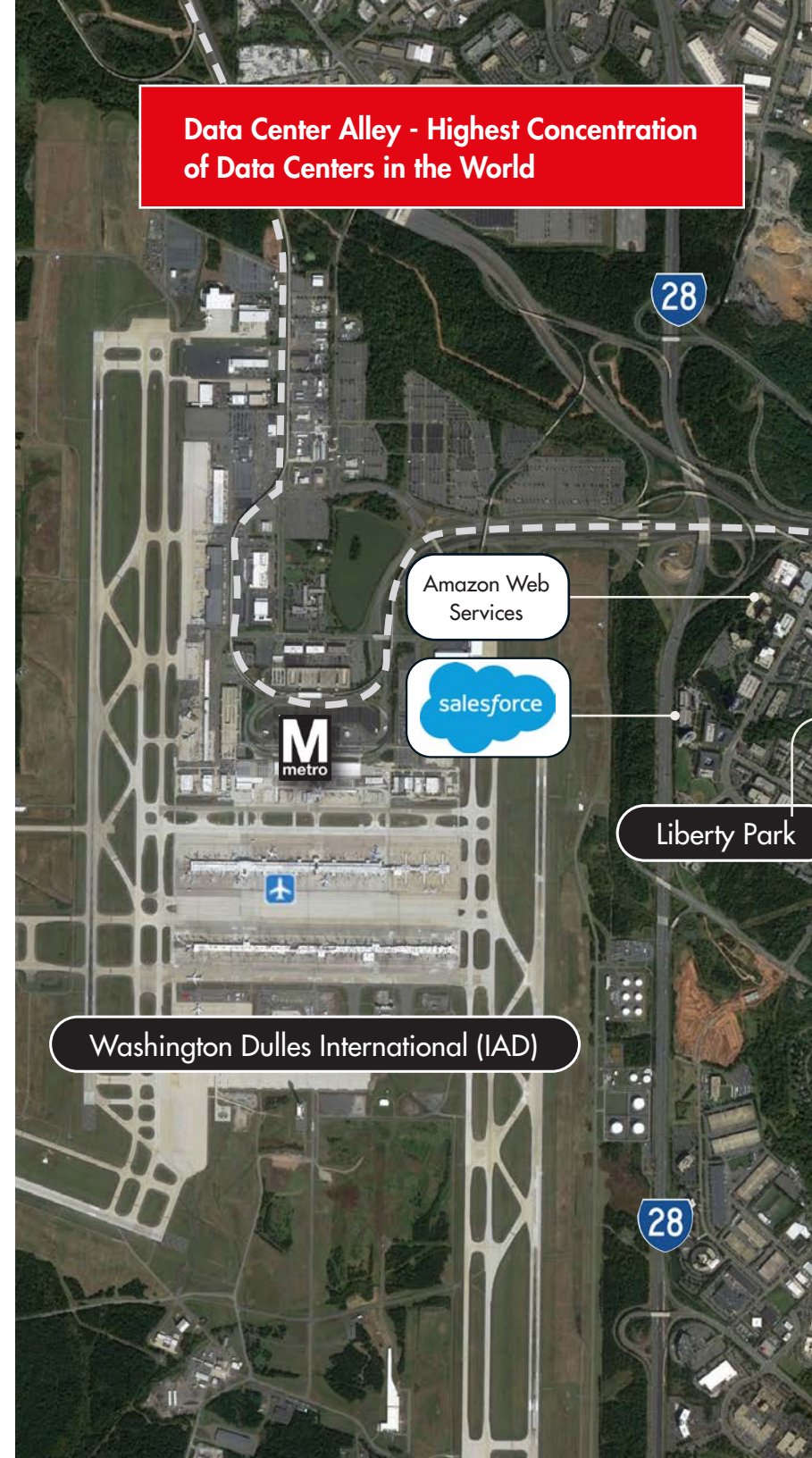
Update: Google Takes 164,000 SF at Reston Station Office

Facebook Signs Huge Lease At Reston Town Center: Report

Microsoft Growing By 400K SF In Northern Virginia

Amazon Lease 270 KSF Office in Northern Virginia

Data Center Alley - Highest Concentration of Data Centers in the World



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Amazon Web Services

salesforce

Liberty Park

M metro

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Washington Dulles International (IAD)

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The highlighted business parks are either currently being taken off-line or are expected to be demolished near term in favor of higher density, data center or residential uses

INVESTMENT ADVISORY

BRUCE STRASBURG

Senior Managing Director
Washington, DC
+1 202 533 2501
bruce.strasburg@am.jll.com

CRAIG CHILDS

Director
Washington, DC
+1 202 777 2315
craig.childs@am.jll.com

BILL PRUTTING

Senior Managing Director
Washington, DC
+1 202 719 5867
bill.prutting@am.jll.com

LEASING

MATT GALLAGHER

Managing Director
Washington, DC
+1 703 485 8741
matt.gallagher@am.jll.com

MULTIFAMILY REDEVELOPMENT

BRIAN CRIVELLA

Senior Managing Director
Washington, DC
+1 202 533 2522
brian.crivella@am.jll.com

WALTER COKER

Senior Managing Director
Washington, DC
+1 202 533 2537
walter.coker@am.jll.com

FINANCING

ROBERT CAREY

Senior Director
Washington, DC
+1 202 533 2531
robert.carey@am.jll.com

ANALYST

JAKE GUTTMAN

Associate
Washington, DC
+1 202 777 2309
jake.guttman@am.jll.com

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**The outbreak of the COVID-19 virus (novel coronavirus) since the end of January 2020 has resulted in market uncertainty and volatility. While the economic impact of a contagion disease generally arises from the uncertainty and loss of consumer confidence, its impact on real estate values is unknown at this stage. Given the prevailing domestic and global uncertainty arising from the Coronavirus, we recommend that the intended recipients of this information regularly seek our guidance.

