



2550 M STREET NW
WASHINGTON, DC



CONFIDENTIAL INVESTMENT OFFERING





EXECUTIVE SUMMARY

INVESTMENT HIGHLIGHTS

- 100% Leased to Squire Patton Boggs through April 2032 → No Termination or Contraction Options
- Rich Year 1 Double-Digit Cash Yields
- Durable and Appreciating Cash Flow → Triple Net Lease with 2.8% Rent CAGR Through Expiration
- Squire Patton Boggs is #37 on the AmLaw 100 with \$1 Billion in Annual Revenue
- 2550 M is Squire Patton Boggs' Largest Office and Houses its Most Prominent Practice Group
- Ideal Law Firm Building Offering Firms the Opportunity to Control/Brand 100% of Their Real Estate
- Top Global Law Firms are Recession Resilient and Have Outperformed Their Fortune 100 Counterparts in Past Downturns
- Forever Location Featuring Panoramic Views of Georgetown, the Potomac River, and Northern Virginia
- Attractive upside upon lease expiration via building growth under updated BOMA standards → Additional growth potential by expansion of rooftop terrace/ installation of habitable penthouse

PROPERTY SUMMARY

Address	2550 M Street NW Washington, DC 20037
Interest	Leasehold
Built / Renovated	1976 / 2015
Rentable Area	207,081 RSF
BOMA Rentable Area	224,957 BRSF
Stories	9 stories with 1 level of below-grade parking
Typical Floor Plate	± 25,175 RSF
Parking	120 stalls (0.58 per 1,000 RSF); 100% leased to Squire Patton Boggs through April 2032
Tenancy	100% Squire Patton Boggs
Lease Expiration	Leased through April 2032
WALT	10.8 Years (From August 2021)
Lease Structure	Triple-Net
Rent CAGR	2.80%
Annual Escalations	2.50% (plus \$2 PSF in 2024 & 2029)
Termination/Contraction Options	None
Ground Lease Term	99 Years

SQUIRE

PATTON BOGGS

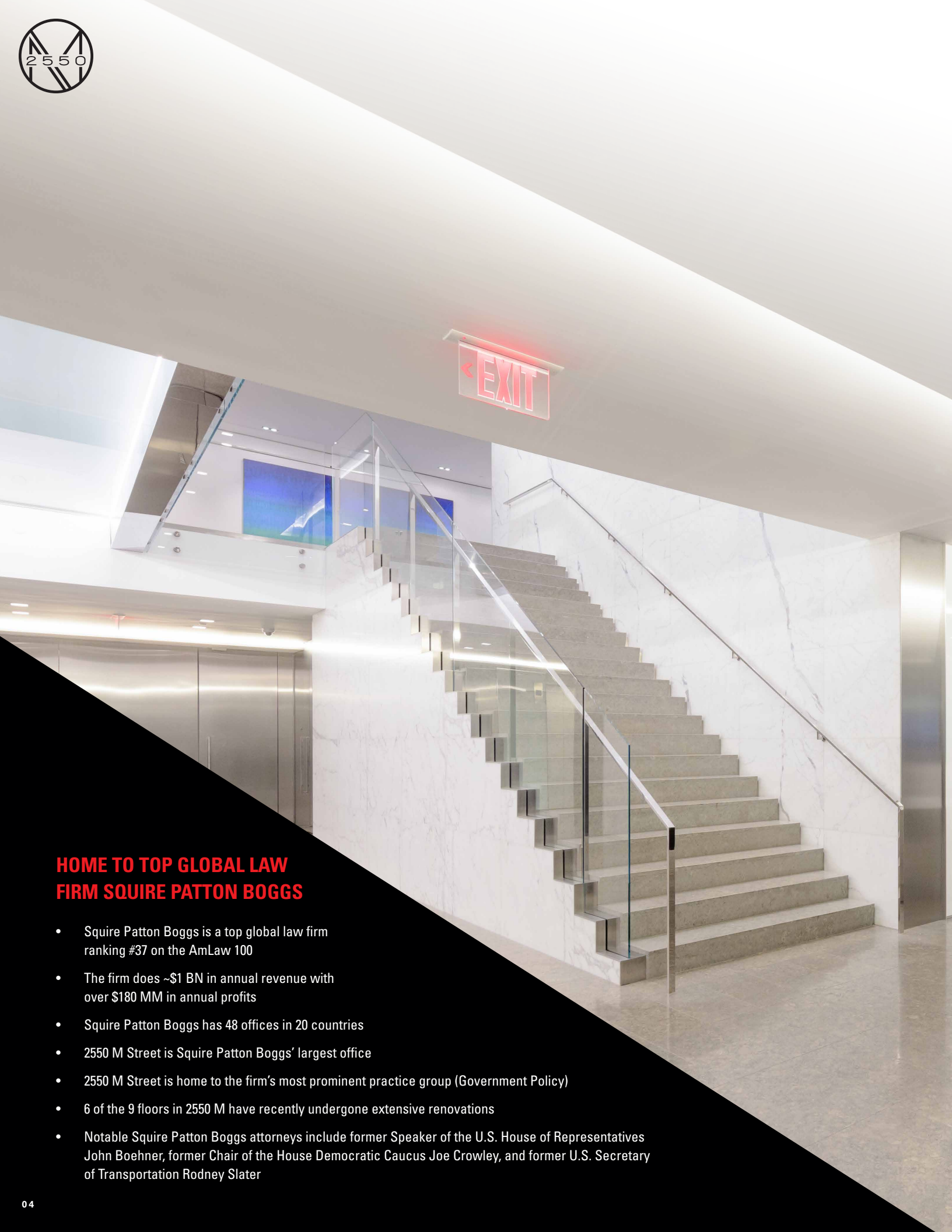
100% LEASED TO SQUIRE PATTON BOGGS THROUGH APRIL 2032 WITH NO TERMINATION OR CONTRACTION OPTIONS

- Triple-net lease structure with 2.8% rent CAGR through lease expiration (2.5% annual escalations + \$2 PSF increases in 2024 & 2029)
- Attractive static basis with 10.8 years of remaining lease term
- Forever location for Squire Patton Boggs who has been the sole occupant at the Property since 1978
- Generational investment opportunity with no future view or identity obstructions in a boutique market



ATTRACTIVE YEAR 1 DOUBLE-DIGIT CASH YIELDS IN A YIELD STARVED WORLD

- Double-digit year 1 cash yields with no significant capital outlays for 10.8 years until lease expiration
- Strong yield growth over hold by virtue of 2.5% annual lease escalations (+ two \$2 PSF rent bumps)
- Low interest rate environment provides highly accretive financing optionality for the opportunity



HOME TO TOP GLOBAL LAW FIRM SQUIRE PATTON BOGGS

- Squire Patton Boggs is a top global law firm ranking #37 on the AmLaw 100
- The firm does ~\$1 BN in annual revenue with over \$180 MM in annual profits
- Squire Patton Boggs has 48 offices in 20 countries
- 2550 M Street is Squire Patton Boggs' largest office
- 2550 M Street is home to the firm's most prominent practice group (Government Policy)
- 6 of the 9 floors in 2550 M have recently undergone extensive renovations
- Notable Squire Patton Boggs attorneys include former Speaker of the U.S. House of Representatives John Boehner, former Chair of the House Democratic Caucus Joe Crowley, and former U.S. Secretary of Transportation Rodney Slater

TOP GLOBAL LAW FIRMS ARE RECESSION RESILIENT BUSINESSES THAT ARE HIGHLY PROFITABLE IN BOTH BOOMS AND BUSTS

- By virtue of cyclical and countercyclical practice groups, top global law firms are recession resilient businesses
- Elastic cost structures with material personnel cost allows law firms to adjust to adverse conditions quickly to maintain attractive profit margins → law firms had one of their most profitable years ever in 2020
- AmLaw 100 Firms have outperformed their Fortune 100 counterparts through past downturns
- Top global law firms very infrequently collapse/declare bankruptcy, with the industry instead seeing M&A as a solution for top firms with liquidity concerns





CORNER LOCATION ON A PARK WITH 3.5 SIDES OF GLASS AND SWEEPING VIEWS OF GEORGETOWN AND NORTHERN VIRGINIA

- 2550 M occupies timeless real estate in Washington, DC, sitting on the western edge of the city, on a park, with sweeping westerly views of Georgetown and Northern Virginia
- At 207,081 RSF, 2550 M is an attractively sized opportunity for a mid-sized DC law firm to control and brand 100% of their building, from parking to the street level entrance to the lobby to the rooftop deck
- 2550 M is one of only two Washington, DC office buildings 100% leased to a law firm
- The building offers attractive upside upon lease expiration via rentable square footage growth under revised BOMA standards → Additional growth upside is available by expansion of rooftop terrace and/or installation of habitable penthouse.
- Outstanding multi-modal accessibility and convenient commutes to and from Northern Virginia and Suburban Maryland via direct vehicular access to I-66 and Rock Creek Parkway and walkable access to the Foggy Bottom-GWU and Dupont Circle Metro Stations







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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.*