



# US Pharmacopeia

FREDERICK LIFE SCIENCE PRODUCTION FACILITY

7135 ENGLISH MUFFIN WAY, FREDERICK, MARYLAND



**SINGLE-TENANT MISSION CRITICAL LIFE SCIENCE INVESTMENT OPPORTUNITY**





# Executive Summary

<b>Address</b>	7135 English Muffin Way, Frederick, MD 21704
<b>Built</b>	2009 / 2016
<b>Rentable Area</b>	63,054 RSF
<b>Tenancy</b>	100% leased to US Pharmacopeia
<b>Lease Structure</b>	Triple Net
<b>Annual Escalations</b>	3.0%
<b>Termination/Contraction Options</b>	None
<b>Lease Expiration</b>	June 2031
<b>Use</b>	Mission critical, life science production facility
<b>Parking</b>	125 Spaces (2.0/1,000 RSF)



## 100% Leased to US Pharmacopeia Through June 2031 → No Termination nor Contraction Options

- USP has been the sole occupant of the Property since initial construction, and in 2015 executed an expansion that more than doubled their premise and resulted in the construction of a new wing to the Property on a build-to-suit basis
- The Property is 100% leased to US Pharmacopeia through June 2031 with no termination nor contraction options
- The lease has attractive 3% annual escalations
- Property will be delivered free and clear of debt

# INVESTMENT HIGHLIGHTS



**100% leased**  
to US Pharmacopeia  
("USP") through June 2031  
with no termination nor  
contraction options



**NNN**  
lease with 3% annual  
escalations



**USP**  
is a well-capitalized non-  
profit whose role in the  
global pharmaceutical  
industry is mandated by  
federal law

**Mission  
critical**  
& highly specialized  
life science facility that  
serves as tenant's primary  
production facility globally

Strategically located in  
**Frederick, MD**  
a vibrant life science cluster  
with 0.4% total availability

In close proximity to  
**Fort Detrick**  
which houses some of the US government's most advanced  
biological research functions: National Interagency Biodefense  
Campus, National Biodefense Analysis and Countermeasures Center,  
the US Army Medical Research Institute of Infectious Diseases and  
the US Army Medical Research and Materiel Command Center,  
amongst many others



The National Cancer Institute,  
AstraZeneca, ThermoFisher  
Scientific, Charles River  
Laboratories, Lonza, and  
Qiagen all maintain a  
significant presence in the  
Frederick market





## **US Pharmacopeia is a Well-Capitalized Non-Profit with a Central Role in the Global Pharmaceutical Industry that is Mandated by Federal Law**

- USP is a non-profit scientific organization with a central role in the global pharmaceutical industry that is mandated by federal law under the Food, Drug, & Cosmetic Act (FDCA)
- USP helps to both establish the standards for pharmaceutical quality and purity and produces the reference standards against which many pharmaceutical products are tested
- USP standards are recognized in over 140 countries globally, and the organization has 14 locations around the world
- USP carries over \$80 MM of cash and short-term investments on its balance sheet
- USP has averaged \$325 MM in revenue over the last 3 years and has a highly profitable business model

## **Highly Specialized, Mission Critical Life Science Facility Serving as US Pharmacopeia's Primary Production Facility Globally**

- The Property features high grade clean rooms and lab facilities for production of reference standards and freezer and cold storage facilities for warehousing, and also serves as USP's global distribution facility
- The Property is USP's primary production facility globally and serves a mission critical role not only for USP but for the entire global pharmaceutical industry



## Strategically Located in Frederick, Maryland, a Vibrant Life Science Cluster with 0.4% Total Availability

- The Property is strategically located in Frederick, Maryland outside the Washington, DC blast zone but still in close proximity to USP's global headquarters in Rockville, Maryland
- Frederick is a rapidly growing 2.2 MSF private sector life science market anchored by the federal government and top bio-pharma private sector tenants
- Since the early 1940's Frederick's Fort Detrick has been a bastion of the US Government's biological warfare and bio-defense programs and Frederick is home to many of the Government's most critical biotech functions
- The Frederick National Laboratories is the single largest NIH contract recipient in the United States annually and has 4 distinct facilities in Frederick
- Notable private sector tenancy in Frederick includes AstraZeneca, ThermoFisher Scientific, Lonza, Charles River, and Qiagen, all of which have mission critical Frederick facilities
- The Frederick cluster currently has a total availability rate of 0.4% with only 3,285 RSF of direct vacancy



Walkersville  
**Lonza**

**Fort Detrick**



United States Army  
Medical Research Institute  
of Infectious Diseases  
*Biodefense solutions to protect our nation*



U.S. Army Medical Research  
and Development Command

**National Interagency  
Biodefense Campus**



National Biodefense Analysis and  
Countermeasures Center (NBACC)



National Institute  
of Allergy and  
Infectious Diseases

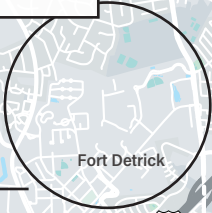


CDC  
CENTERS FOR DISEASE  
CONTROL AND PREVENTION



NIH  
**NATIONAL  
CANCER  
INSTITUTE**

Frederick National Laboratory  
for Cancer Research



Frederick National Laboratory  
for Cancer Research

**charles river**  
accelerating drug development, exactly.

Braddock  
Heights

**AstraZeneca**

Frederick National Laboratory  
for Cancer Research

**RoosterBio**

**QIAGEN**

Ballenger  
Creek

**ThermoFisher  
SCIENTIFIC**

**usp**™

Frederick National Laboratory  
for Cancer Research

Ijamsville  
Airport

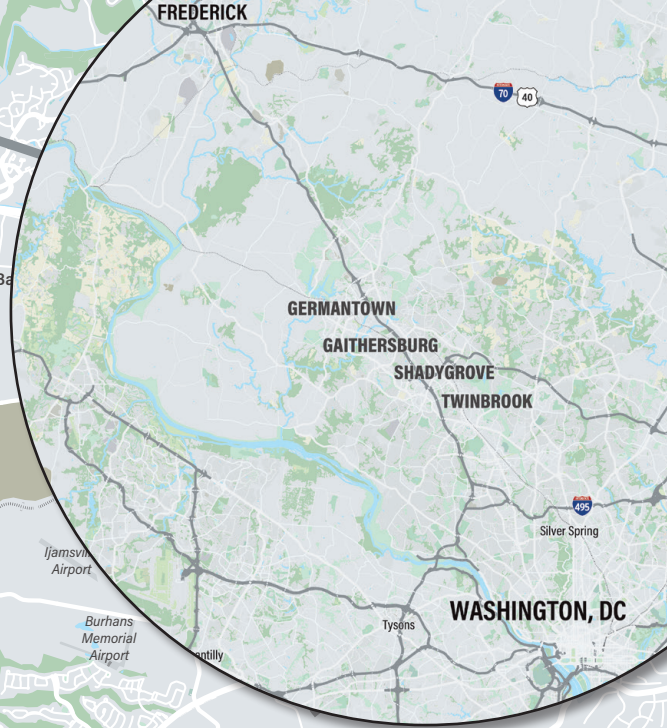
Burhans  
Memorial  
Airport

Monocacy  
National  
Battlefield

Buckeystown

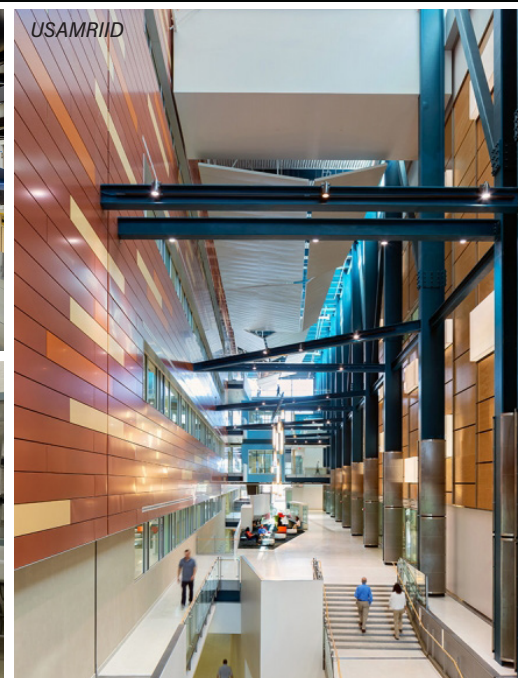
Urbana

**Kite**  
A GILEAD Company





# Frederick is Home To the US Government's Most Advanced Biological Research Programs







USAMRIID

## FORT DETRICK

Since the 1940s, Fort Detrick has been the US military's primary biological warfare and bio-defense research center. Today, it is home to the following agencies:

- US Army Medical Research Institute of Infectious Disease (USAMRIID)
- US Army Medical Research and Materiel Command (USAMRMC)
- National Interagency Biodefense Campus (NIBC)
- National Biodefense Analysis and Countermeasures Center (NBACC)
- National Institute of Allergies and Infectious Diseases (NIAID)
- Centers for Disease Control and Prevention (CDC)
- National Cancer Institute

## FREDERICK NATIONAL LABORATORIES

The Frederick National Laboratories – run by Leidos Biomedical Services on behalf of the National Institutes of Health – is the single largest NIH contract recipient annually and since 2010 has secured \$7.7 billion in contracts (3.5x the next largest recipient). The Frederick National Laboratory maintains 4 facilities in Frederick:

- Advanced Technology Research Facility (ATRF) – 8560 Progress Drive, Frederick, MD
- Clinical Monitoring Research Program (CMRP) – 5705 Industry Lane, Frederick, MD
- Frederick National Laboratory Campus – 1050 Boyles Street, Frederick, MD
- Pilot Plant – 7116 Geoffrey Way, Frederick, MD



Advanced Technology Research Facility  
8560 Progress Drive, Frederick, MD



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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.*