



# UPPER ROCK

ROCKVILLE, MD



EXECUTIVE SUMMARY





## INVESTMENT HIGHLIGHTS



Best-in-class, trophy investment opportunity



97.5% leased to 12 tenants with 8.3 years of WALT



Secure cashflow → 30.4% of RBA is backed by investment grade credit ratings



Proven flight to quality; over 134,000 RSF (58.1% of RBA) of new leases signed since the onset of the Pandemic



Only 12.2% of RBA is addressable from a leasing perspective prior to 2025 and 17.8% prior to 2030; minimal leasing required



1 of 7 best-in-class, Suburban Maryland offices, whose occupancy rates are highly differentiated from the broader market, collectively boasting a 99.2% occupancy rate on 1.2 MSF of inventory



Convenient, mixed-use location with nearby walkable amenities



Trophy amenity package; conference center delivered in 2022



Located in the heart of Shady Grove → Maryland's #1 life science cluster for lab and office tenants



Anchored by Tetracore, a 24 year-old biotech firm focused on diagnostics for infectious diseases & bioterrorism threat agents, and Cirrus through 2034; 61.5% of RBA is in the life science field



Upside potential via continued office to lab conversion







## PROPERTY OVERVIEW

ADDRESS	77 Upper Rock Circle Rockville, MD 20850
BUILT / RENOVATED	2005 / 2020
RENTABLE AREA	235,347 BRSF
% LEASED	97.5%
# TENANTS	12
WALT	8.3 years (as of 5/1/2023)
STORIES	8 Above-Grade Floors & 1 Below-Grade Level
TYPICAL FLOOR PLATE	± 30,500 RSF
PARKING	714 spaces (3.0 per 1,000 SF)
MAJOR TENANTS	<ol style="list-style-type: none"> <li>1. Tetracore/Cirrus: 93,400 RSF - 40.3% of RBA - Mar-34 LED</li> <li>2. Aurinia Pharmaceuticals: 30,531 RSF - 13.2% of RBA - Aug-31 LED</li> <li>3. M&amp;T Bank (<i>A3 Moody's Credit Rating</i>): 29,425 RSF - 12.7% of RBA - Aug-30 LED</li> <li>4. Cisco Systems (<i>A1 Moody's Credit Rating</i>): 22,363 RSF - 9.6% of RBA - Nov-24 LED</li> <li>5. Nutricia North America (<i>Baa1 Moody's Credit Rating</i>): 18,734 RSF - 8.1% of RBA - Oct-31 LED</li> </ol>



## OUTSTANDING TENANCY & TERM

**97%**

leased to 12 tenants with  
8.3 years WALT

**30%**

of RBA is backed by investment  
grade credit ratings

**12%**

of RBA is addressable from a leasing perspective prior to  
2025 and 18% prior to 2030; minimal leasing required

**58%**

of RBA was leased during  
the Pandemic







**ANCHORED BY**



**(40% OF RBA,  
MAR-34 LED)**

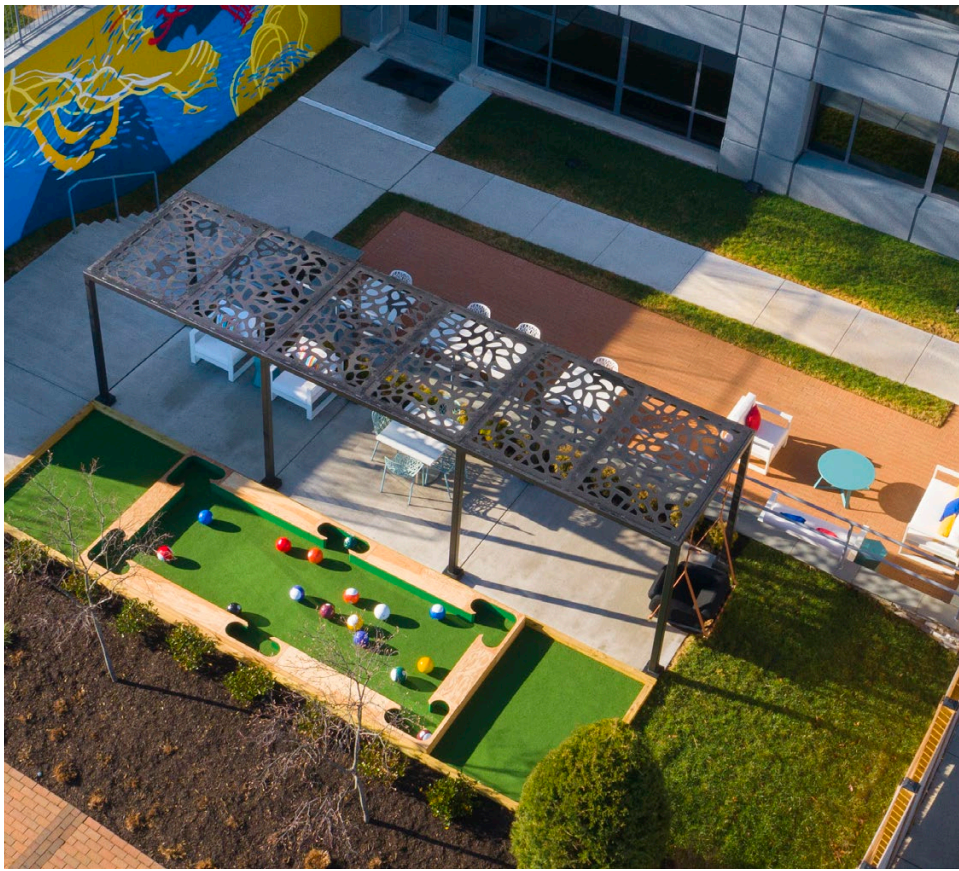
Robust financial position  
with long history of real  
estate growth

Entrenched tenant with  
no termination nor  
contraction options

\$21 MM (\$228/sf) build out  
including BSL-3, BSL-2,  
and CLIA labs as well as  
extensive SCIF space

Significantly below market  
in-place rent





## BEST IN CLASS PHYSICAL PRODUCT

Originally constructed in 2005 and significantly repositioned over the course of 2020, 77 Upper Rock is amongst the highest quality commercial assets in Suburban Maryland

A clean and expansive lobby with multiple break out areas greets tenants and visitors upon entry

A stocked tenant kitchenette and adjacent lounge provides ample areas for tenant diversions

An outdoor amenity area featuring a snookball court adjoins the kitchenette and lounge allowing for seamless indoor/ exterior gatherings

Brand-new conference facility delivered in Q2-2022, outfitted with AV for virtual conferencing

A spa-quality fitness center and yoga room is featured on the lower level of the Property







## CONVENIENTLY LOCATED WITH WALKABLE AMENITIES

77 Upper Rock enjoys a central location with immediate access to I-270 and attractive residential neighborhoods to both the north and south of the Property

Downtown Washington, DC is accessible by vehicle in roughly 30 minutes

Mom's Organic Market and Firehouse Subs afford tenants nearby walkable amenities





## LOCATED IN SHADY GROVE – MARYLAND’S #1 LIFE SCIENCE CLUSTER

77 Upper Rock is located in  
the heart of Shady Grove –  
Maryland’s #1 life science cluster

39% of the Maryland life  
science market is in Shady  
Grove with tenants such as  
GlaxoSmithKline, the National  
Cancer Institute, and Charles  
River calling Shady Grove home

Shady Grove is Maryland’s  
preeminent submarket for the  
delivery of trophy life science  
product, and accounts for 72%  
of the new, trophy R&D supply  
currently under construction

Boston Properties’ 2021  
acquisition of the Shady Grove  
Innovation District neighboring  
77 Upper Rock could deliver up  
to 1.3 MSF of trophy quality lab  
space and further cement this  
location as the epicenter of the  
Maryland life science market







## ROBUST LIFE SCIENCE MARKET FUNDAMENTALS

The core life science market, including Shady Grove & Gaithersburg, ended Q3 2022 with a vacancy rate of only 2%

Core market asking rents have grown 15% on a YoY basis and top of the market rents for existing product are now in the upper \$40's PSF NNN

With record low vacancies (less than 1% in Shady Grove) and limited availability, the life science market remains extremely competitive



## CONTACT INFORMATION

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