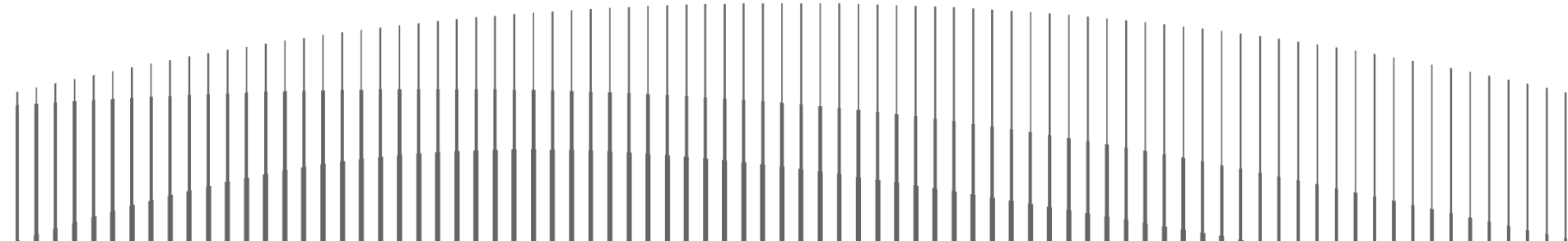


PREPARED FOR SANJAY ANAND

District Heights/Capital Heights Submarket Review & 7505-7609 Marlboro Pike Valuation





01 **Market Overview**
Insights into recent sales & activity

02 **Listings on the Market**
Current availability

03 **Valuation: 7605-7609 Marlboro Pike**
Facts | Reasons

01

DISTRICT HEIGHTS/CAPITOL HEIGHTS MARKET OVERVIEW

Insights into recent sales & future outlooks,



District Heights/Capitol Heights

- ◆ In the last 12 mos 9 retail properties have sold in the submarket. Avg price per sq foot=\$633
- ◆ Last 24 mos 5 properties sold as strip centers or retail storefronts. Avg price per sq foot=\$540
- ◆ 7605-7609 is considered “Strip Center”; Strip Centers have 0% vacancy in this submarket
- ◆ According to CoStar, avg cap rates in the Pennsylvania Ave Corridor is hovering at 8%, but strip centers closer to 7%
- ◆ No major construction expected for a few years so supply depressed even though demand is up.
- ◆ Only 2 other “Retail” zoned properties are for sale in 1 mile radius.

Data source: CoStar



Current Supply/Demand Scenario

- ◆ Supply of strip centers not expected to increase in area over the next 5 years
- ◆ Limited supply keeps rent up and vacancy low

STRIP CENTER SUPPLY & DEMAND

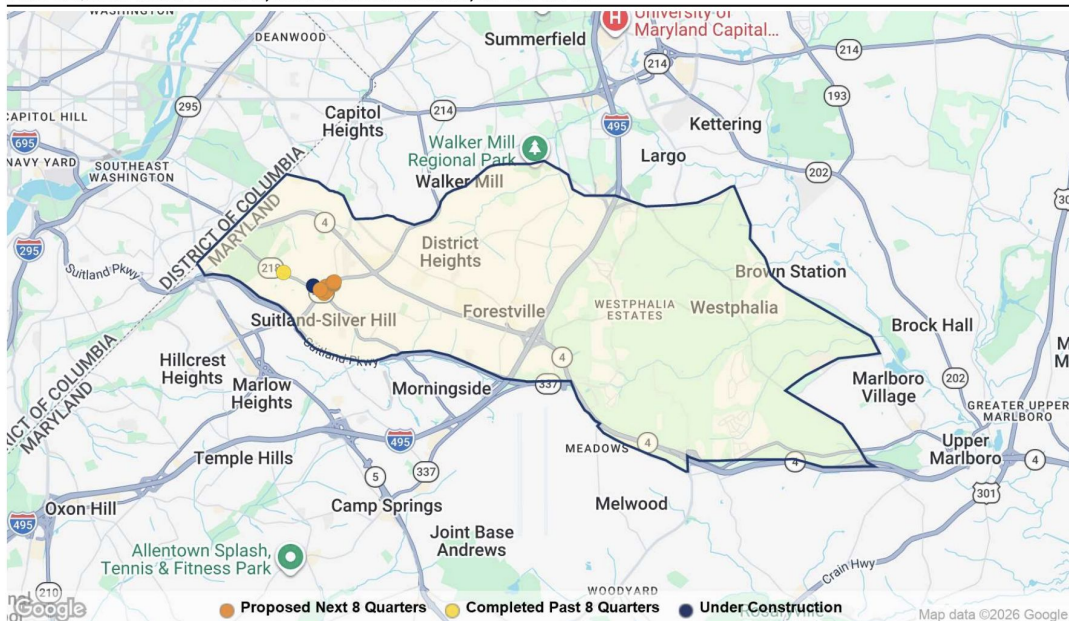
Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2030	190,706	345	0.2%	225	0.1%	1.5
2029	190,361	143	0.1%	39	0%	3.7
2028	190,218	(28)	0%	(71)	0%	-
2027	190,246	(242)	-0.1%	293	0.2%	-
2026	190,488	(71)	0%	(592)	-0.3%	-
YTD	190,559	0	0%	-	-	-
2025	190,559	0	0%	-	-	-
2024	190,559	0	0%	-	-	-
2023	190,559	0	0%	-	-	-
2022	190,559	0	0%	1,300	0.7%	0
2021	190,559	0	0%	-	-	-
2020	190,559	0	0%	7,963	4.2%	0
2019	190,559	0	0%	(5,469)	-2.9%	-
2018	190,559	0	0%	(1,250)	-0.7%	-
2017	190,559	0	0%	706	0.4%	0
2016	190,559	0	0%	13,673	7.2%	0
2015	190,559	0	0%	(5,751)	-3.0%	-
2014	190,559	0	0%	2,159	1.1%	0

Construction

- ◆ Currently not much new inventory has delivered keeping supply tight.
- ◆ Several projects will deliver near Silver Hill by 2027.
 - 88,000 Sq Ft Delivers in the next 6 quarters
 - No new strip centers to be delivered

All-Time Annual Avg. Square Feet	Delivered Square Feet Past 8 Qtrs	Delivered Square Feet Next 8 Qtrs	Proposed Square Feet Next 8 Qtrs
40,460	2,515	88,000	96,480

PAST 8 QUARTERS DELIVERIES, UNDER CONSTRUCTION, & PROPOSED



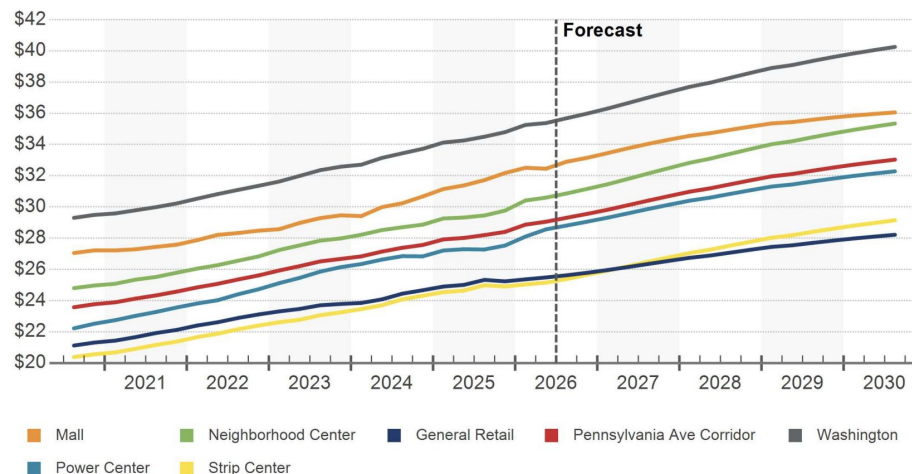
Asking Rent

- ◆ Asking rent for strip centers hovers around \$25. This is just base rent and exclusive of.NNN
- ◆ Actual rent is not available since most landlords do not provide the data
- ◆ Strip centers command lower asking rent per sq ft but higher occupancy

STRIP CENTER RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2030	\$29.34	164	2.5%	17.8%	275	0.1%	0.1%
2029	\$28.61	159	3.0%	14.9%	173	0.1%	0%
2028	\$27.78	155	3.8%	11.5%	97	0.1%	0%
2027	\$26.77	149	4.4%	7.5%	21	0%	-0.3%
2026	\$25.65	143	3.0%	3.0%	523	0.3%	0.3%
YTD	\$25.18	140	1.8%	1.1%	0	0%	0%
2025	\$24.90	139	2.4%	0%	0	0%	0%
2024	\$24.31	136	4.6%	-2.4%	0	0%	0%
2023	\$23.25	130	3.8%	-6.7%	0	0%	0%
2022	\$22.40	125	4.8%	-10.0%	0	0%	-0.7%
2021	\$21.37	119	4.0%	-14.2%	1,300	0.7%	0%
2020	\$20.56	115	2.3%	-17.4%	1,300	0.7%	-4.2%
2019	\$20.10	112	2.8%	-19.3%	9,263	4.9%	2.9%
2018	\$19.56	109	2.9%	-21.5%	3,794	2.0%	0.7%

MARKET ASKING RENT PER SQUARE FEET



02

LISTINGS ON MARKET

Current availability





7100 Marlboro Pike, Forestville, MD 20747

- ◆ 8,236sq ft,
- ◆ Zoned **Retail, Office**, Subtype **Auto Shop, Executive Office**
- ◆ On Market: 363 days
- ◆ Price: **Undisclosed**
- ◆



5401 Silver Hill Rd, District Heights, MD 20747

- ◆ 2550sq ft
- ◆ Zoned **Retail** Subtype : **Convenience Store, Gas Station**
- ◆ On Market: 213 days
- ◆ Price: \$3,312,571

03

VALUATION OF 7605-7609 MARLBORO PIKE

Facts | Reasons



Leasing & Tenant Information

- ◆ Property has been 100% leased for decades
- ◆ Two tenants have been in place for more than 15+ years
- ◆ Property commands rent 24-32% above market asking rents
- ◆ No issues with rent payments by tenants according to owner

RENT ROLL

Tenant	Square Footage (Approx)	Monthly Rent	Annual Rent	Price Per Sq Foot (Annual)	Annual % Rent Escalation	Lease Type	Lease Expiration
Adames Money Transfer & Check Cashing	1,260	\$3,481.48	\$41,777.76	\$33.16	3.50%	Gross	Mar 31, 2033
J&K Fresh Seafood & Crab	1,260	\$3,300.00	\$39,600.00	\$31.43	3.50%	NN	Nov 30, 2030
Vivian Nails	1,260	\$3,500.00	\$42,000.00	\$33.33	5.00%	NN	Apr 30, 2036

TENANT PROFILE

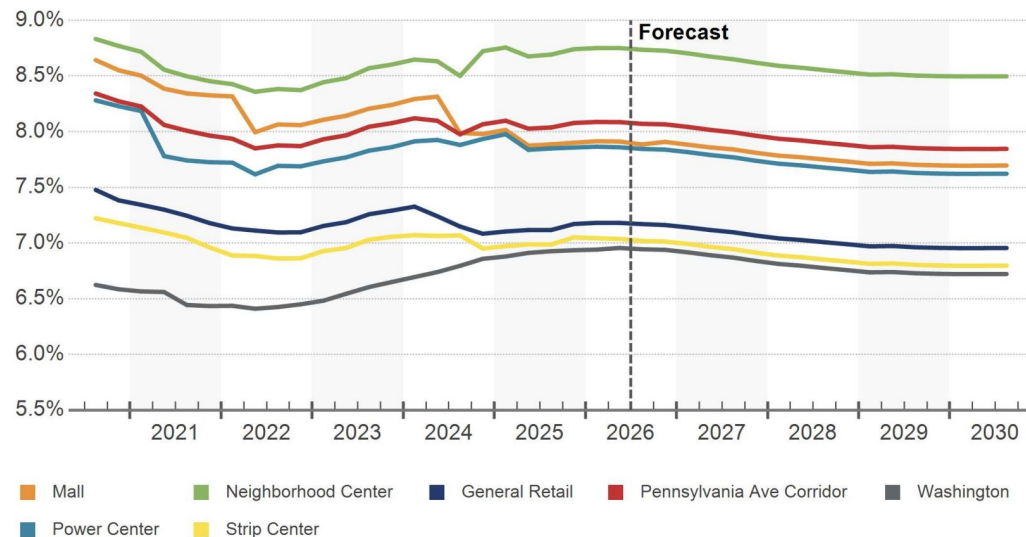
Unit #	Tenant	Type of Business	Description	Length of Tenancy
7605	Adames Money Transfer & Check Cashing	Check Cashing & Money Transfer Services	Adames provides quick access to funds by allowing customers to send and receive money and convert checks into cash without relying on traditional banking.	3 years
7607	J&K Fresh Seafood & Crab	Carry out/Restaurant	Bringing truly fresh seafood and high-quality crabs to the community, prepared with care and respect for the flavors of the sea.	28 years
7609	Vivian Nails	Nail Shop	Local nail salon with a commitment to the highest quality and most cost-effective services.	19 years

-Rent roll and tenant profiles updated 5/8/26 .
 -Rental income based on current lease term for each tenant a over 12 mos period.
 -Vivian Nails signed new lease on 4/30/26.

Cap Rates

- ◆ Strip center cap rates hover around 7%. Subject property commands 7.32%
- ◆ Cap rates are not forecasted to increase much through 2030

MARKET CAP RATE



Price per Sq Foot

Sales Past 12 Months

Pennsylvania Ave Corridor Retail

Sale Comparables

Avg. Cap Rate

Avg. Price/SF

Avg. Vacancy At Sale

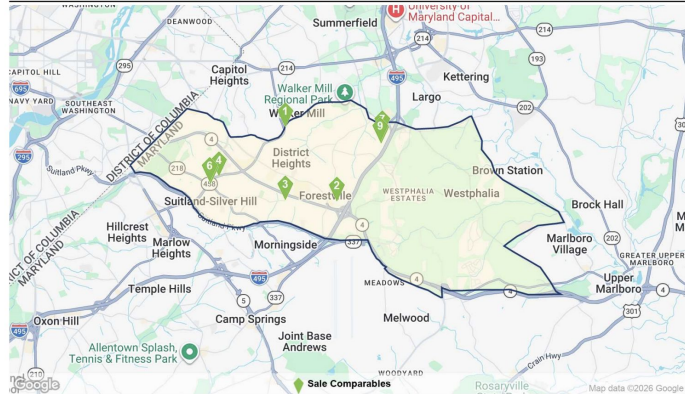
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\$633

0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$1,000,000	\$1,433,333	\$1,100,000	\$2,200,000
Price/SF	\$381	\$633	\$470	\$1,204
Cap Rate	-	-	-	-
Time Since Sale in Months	1.5	4.0	2.8	7.2

AVG within 3 miles of subject property

Property Address	Property City	Property Type	Building SF	Sale Price	Price Per SF	Sale Date	Zoning
6701 Walker Mill Rd	Capitol Heights	Retail	1,827	\$2,200,000	\$1,204.16	6/10/2026	CGO
7820 Marlboro Pike	District Heights	Retail	2,342	\$1,100,000	\$469.68	5/1/2026	IE
1401-1409 Ritchie Marlboro Rd	District Heights	Retail (Strip Center)	9,940	\$5,100,000	\$513.08	12/16/2024	CGO
3617 Forestville Rd	District Heights	Retail	2,123	\$800,000	\$376.83	10/24/2024	CSC
3400 Walters Ln	Forestville	Retail	2,622	\$1,000,000	\$381.39	3/6/2026	CSC
				3,771	\$2,040,000	\$541.00	

- ◆ Over the last 24 months strip centers sold within a 3 mile radius of subject property averaged \$541 price per sq ft
- ◆ In the past 12 mos, retail as a whole had an average price per sq ft of \$633
- ◆ Subject property is listed at \$471.70 price per sq ft.

Capital Expenditures

- ◆ Tenant handles all maintenance inside and out of property
- ◆ Tenant responsible for the replacement of HVAC (*Note: Only reason Landlord replaced HVAC in 2020 because it was a new tenant and equipment not working*)
- ◆ Minimal capital expenditures over the last 5 years

Expense Item	Tenant	Landlord	Notes
Real Estate Taxes	◆		Tenant repays Landlord
Insurance	◆		Tenant repays Landlord
Electric	◆		Tenant pays
Gas	◆		Tenant pays
Water	◆		Tenant pays
Interior Maintenance	◆		Tenant pays
Trash	◆		Tenant pays
CAM	◆		Tenant pays cleanup, Landlord pays parking lot maintenance
Roof & Structure		◆	Landlord pays

Capital Expenditures Last 5 years:

- 2025 Parking Lot re-striping \$250
- 2022 [Building and asphalt refresh](#): \$14,134
- 2021 [New outdoor lighting](#): \$2,650
- 2020 New HVAC system in 7605 Store: \$7,500

Subject Property

- ◆ Current market cap rates, price per sq ft, tenant stability, minimal capex, limited inventory and forecasts for growth justify current price and value

- ◆ Sales Price: \$1,750,000
- ◆ Cap Rate: 7.32%
- ◆ Price per Sq Ft: \$471.70
- ◆ 100% Leased
- ◆ Annual rent escalation 3.5-5%





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