

Morning Calm Closes Suburban DC Office Value-Add Deal

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The nearly 300,000-square-foot park is less than half occupied, but its immediate environs look to be on the verge of a boom.

Morning Calm Management has acquired Metro Plex I and II in Landover, Md., for \$16.5 million, the buyer announced Tuesday. The 293,500-square-foot Class B property also includes a 3.7-acre pad site approved for 200,000 square feet of future development.

The park, which is adjacent to New Carrollton station on the Washington, D.C., Metro, is about only 45 percent leased. The buyer, of West Palm Beach, Fla., describes itself as focused on “special situation investing.”



Metro Plex I, built in 1980, is a six-story building with 107,180 square feet of office space, and Metro Plex II, completed two years later, has 186,300 square feet of leasable space on 12 floors. The complex was partially renovated in 2002 and 2003. The site, at 8201 – 8401 Corporate Drive, is near Route 50 and the Capital Beltway (Interstates 95 and 495) and is within walking distance of the New Carrollton Metro station, Amtrak/MARC station and the future Purple Line.

“Metro Plex is a quality asset that has underperformed in recent times,” Mukang Cho, CEO & managing principal at Morning Calm, said in a prepared statement. “Through our hands-on management approach and the capital program we will immediately put in place, we expect Metro Plex will perform once again, especially as the New Carrollton Transit Development Plan transforms this part of the region....”

The capital investment of \$4 million will include improvements to bathrooms, corridors and lobbies, a Morning Calm spokesperson told Commercial Property Executive. There are no immediate long-term plans for the undeveloped portion of the site, though there have been conversations with developers about a possible hotel, the spokesperson said. In the short term, plans include activating it as a space for

social and athletic programming. Capital Office Park, in Greenbelt, Md., which Morning Calm bought last December, currently offers outdoor yoga and other workouts, along with food trucks.

Transwestern's Mid-Atlantic Capital Markets Group, including Mark Glagola, Gerry Trainor, Tom Hilley and Tina Wakley, represented the seller.

AN INTERSECTION ABOUT TO BOOM

The Metro Plex property is adjacent to the 71-acre New Carrollton Transit District Development Plan site, which will be redeveloped by the Washington Metropolitan Area Transit Authority, Forest City and Urban Atlantic.

The plan calls for 1.3 million square feet of residential, 1.1 million square feet of office, 150,000 square feet of retail, 150,000 square feet of hotel, a parking garage for office and residential use, and 100 to 300 parking spaces for Metro rail commuters. The first phase of the plan broke ground this past June with a project comprising 260 residential units plus 13,000 square feet of retail.

In addition, the forthcoming light rail Purple Line will connect the New Carrollton Metro station at one end to Bethesda at the other, with nearly 20 stations along the way.

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