

Alex. Brown Realty and RG Real Estate Acquire Atlanta Medical Office Portfolio

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Baltimore, MD (September 2021) – Alex. Brown Realty, Inc. (ABR) and RG Real Estate (RGRE) are pleased to announce the closing of a ten-building medical office portfolio in Atlanta, Georgia. The transaction included the recapitalization of six assets owned by RGRE, along with the simultaneous acquisition of four additional assets. ABR Chesapeake Fund VI, a value-added real estate fund sponsored by ABR, has committed \$17.4 million to the joint venture. Financing was provided by a first mortgage loan from Capital One. CBRE arranged the recapitalization and financing for the portfolio.

The ten-building portfolio totals 222,337 sf and is geographically distributed throughout the Atlanta metropolitan area. The largest building, Commerce Plaza, contains 91,700 sf and is in downtown Decatur. Other buildings within the portfolio are in some of Atlanta's fastest growing suburbs such as Alpharetta, Johns Creek, and Douglasville. The buildings range in size from 91,700 sf to 10,000 sf.

The acquisition represents the opportunity to acquire, off-market, a well-leased medical office portfolio. "The portfolio contains a mix of stabilized and value-add opportunities, and currently generates a solid return which should be further enhanced through our efforts to lease vacant space and renew/re-lease expiring leases," said Jay Hammond, senior vice president of RGRE. At acquisition, the portfolio was 91% occupied.

"We are pleased to be partnering with RGRE on this transaction," said Tom Burton, senior managing director and CIO of ABR. "We anticipate that increased occupancy through their team's leasing efforts along with the portfolio's building quality, tenant mix, and locations will support a strong exit value." This is the first transaction between RGRE and an ABR-sponsored fund.

Alex. Brown Realty, Inc. (ABR) is an independent real estate investment manager specializing in value-add, opportunistic, and core-plus investments in the middle market. The firm was founded in 1972 by the partners of Alex. Brown & Sons, a Baltimore-based investment bank organized in 1800. Since the inception of the firm, ABR has acquired over \$4 billion of assets, representing nearly 400 transactions. ABR has sponsored five real estate funds and is currently marketing its sixth fund. The firm is an SEC-registered investment advisor. www.abrealty.com

RG Real Estate (RGRE) is an Atlanta-based full service commercial real estate firm providing services to small to medium sized local and national businesses and work with every commercial property type, from office and industrial to retail, special-use, and medical. www.rg-re.com