

Ladysmith Professional Center

8051 Prosperity Way, Ruther Glen, VA 22546



O F F E R I N G M E M O R A N D U M

Marcus & Millichap

Ladysmith Professional Center

CONTENTS

01 Executive Summary

Investment Summary

02 Location

Location Summary

Local Business Map

Major Employers Map

Aerial View Map

03 Property Description

Property Features

Property Images

04 Rent Comps

Rent Comps Map

Rent Comps

Rent Comps Summary

05 Sale Comps

Sale Comps Map

Sale Comps Summary

Sale Comps

Sale Comps Charts

06 Rent Roll

Rent Roll

Lease Expiration

Tenant Profile

07 Financial Analysis

Income & Expense Analysis

Cash Flow Analysis

Financial Metrics

08 Demographics

General Demographics

Exclusively Marketed by:

Brian Hosey

Marcus & Millichap

Senior Managing Director

(202) 536-3750

Brian.Hosey@marcusmillichap.com

0225247494

Marcus & Millichap

<https://www.marcusmillichap.com/mid-atlantic>

01 **Executive Summary**

Investment Summary

OFFERING SUMMARY

ADDRESS	8051 Prosperity Way Ruther Glen VA 22546
SUBMARKET	Caroline County Submarket
BUILDING SF	16,800 SF
LAND SF	162,479 SF
YEAR BUILT	2008

FINANCIAL SUMMARY

PRICE	\$3,050,000
PRICE PSF	\$181.55
OCCUPANCY	100%
NOI (2025)	\$256,609
NOI (Year 1)	\$233,893
CAP RATE (2025) Based on Self-Managed Operations	8.41%
CAP RATE (YEAR 1)	7.67%

PROPOSED FINANCING

Local Lender	
LOAN TYPE	Amortized
DOWN PAYMENT	\$915,000
LOAN AMOUNT	\$2,135,000
INTEREST RATE	6.00%
LOAN TERMS	5
ANNUAL DEBT SERVICE	\$165,077
LOAN TO VALUE	70%
AMORTIZATION PERIOD	25 Years

Notes MMCC has provided a soft loan commitment

Investment Overview

- » Marcus & Millichap is pleased to present the Offering Memorandum for 8051 Prosperity Way, located in Ruther Glen, Virginia. This 16,800-square-foot, fully leased office property delivers stable cash flow from two long-term tenants and is strategically positioned in a growing submarket. The first floor is occupied by MEDICORP, the real estate arm of Mary Washington Healthcare, which began its tenancy in 2021. Founded in 1899, Mary Washington Healthcare has evolved into a non-profit regional health system that includes two hospitals with a combined 571 beds, three emergency departments, and more than 50 healthcare and wellness facilities. The organization is dedicated to improving the health and well-being of the communities it serves.
- » The second floor is leased to Health Connect America, which has operated at this location since 2020. Serving five southeastern states, Health Connect America delivers comprehensive mental and behavioral health services to children, families, and adults. KEYS Academy, acquired by HCA in 2014, functions as an affiliated private, coeducational day school licensed by the Commonwealth of Virginia. It serves K–12 students with special education needs, including classifications such as Emotional Disabilities (ED), Autism, Other Health Impairments (OHI), and Specific Learning Disabilities (SLD). KEYS Academy currently operates schools in Culpeper, Charlottesville, Augusta, and Caroline County, with one additional location in development.
- » The property is located in Ladysmith, a rapidly developing and underserved area within Caroline County, conveniently situated between the metropolitan hubs of Richmond and Fredericksburg. The surrounding retail and commercial activity further enhances the asset's long-term value. With strong tenancy, contractual rent escalations, and enduring regional demand, 8051 Prosperity Way represents a compelling investment opportunity offering secure income and future growth potential.

Investment Highlights

- » Ideally located off I-95 in Ladysmith, VA, the property lies between Richmond and Fredericksburg in a fast-growing corridor with 3,500+ homes planned and expanding employers like Amazon and McKesson nearby
- » The property is fully leased to Mary Washington Healthcare and Health Connect America (KEYS Academy), with rent escalations, renewal options, and essential services that ensure long-term stability
- » The area benefits from major healthcare and government investment, including a \$200M regional medical center and a \$375M VA clinic, boosting long-term tenant demand
- » This best-in-class office/medical building boasts prominent Route 1 frontage and is conveniently located near retail, dining, and essential services, enhancing its appeal to tenants and visitors

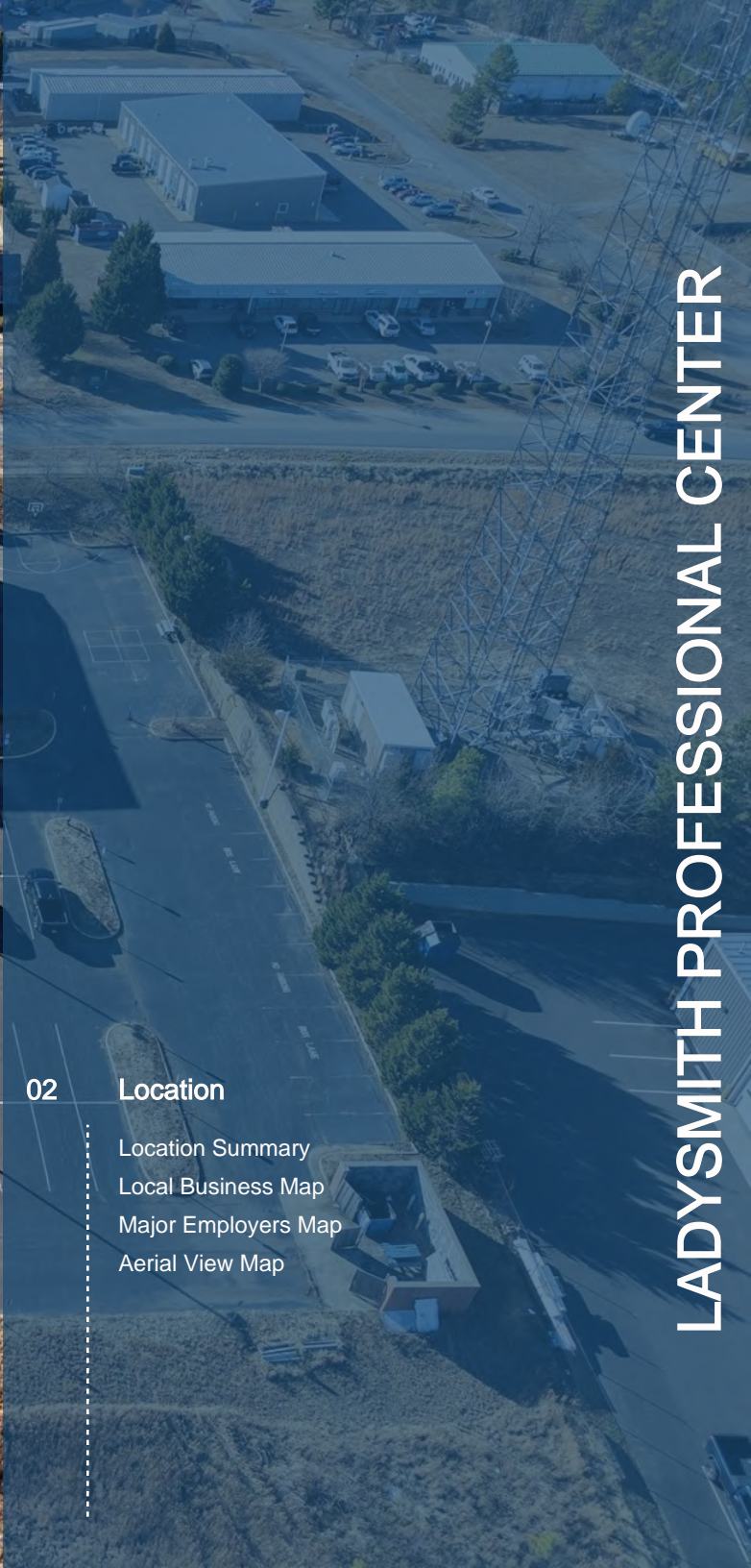




02

Location

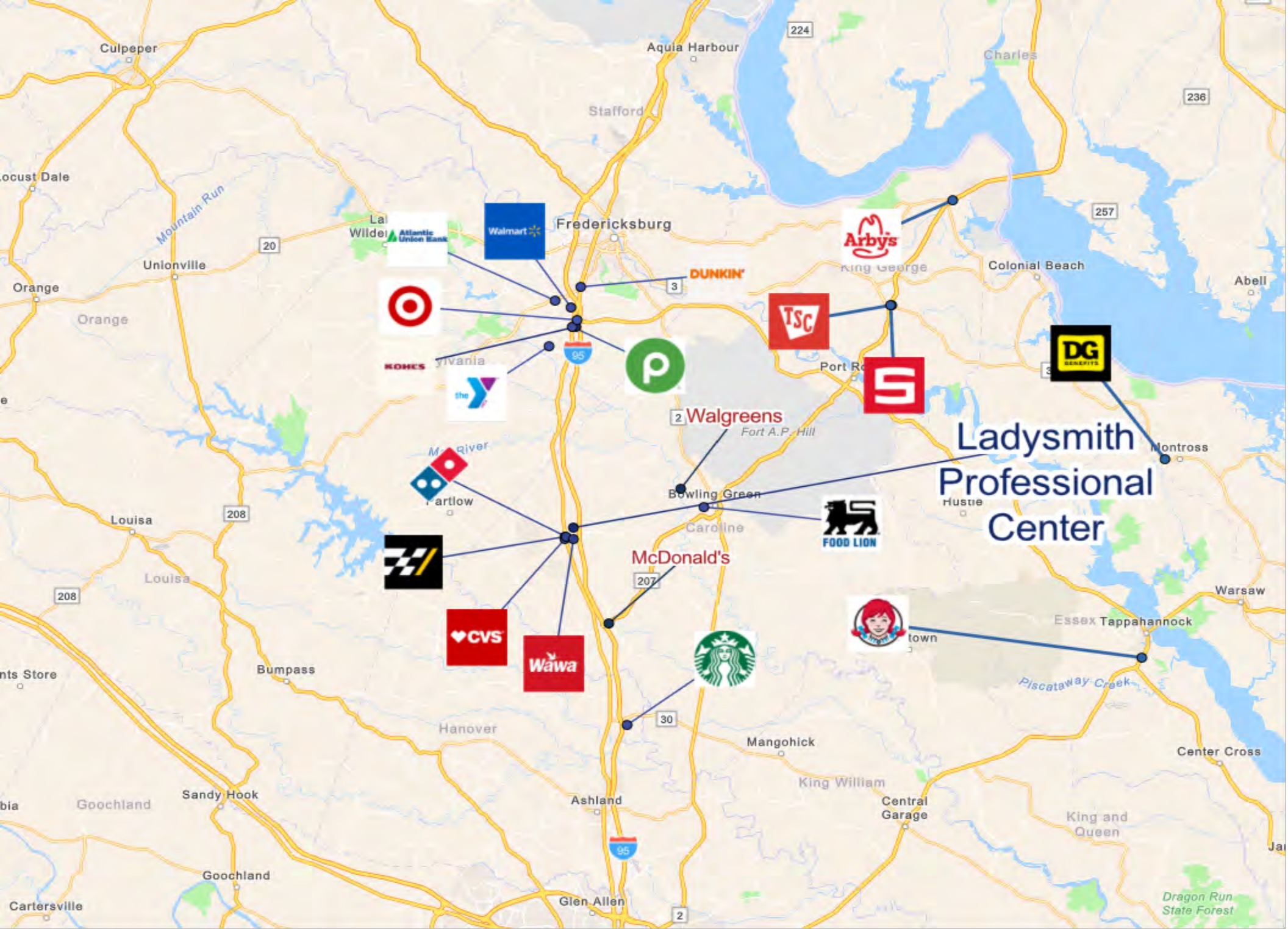
- Location Summary
- Local Business Map
- Major Employers Map
- Aerial View Map

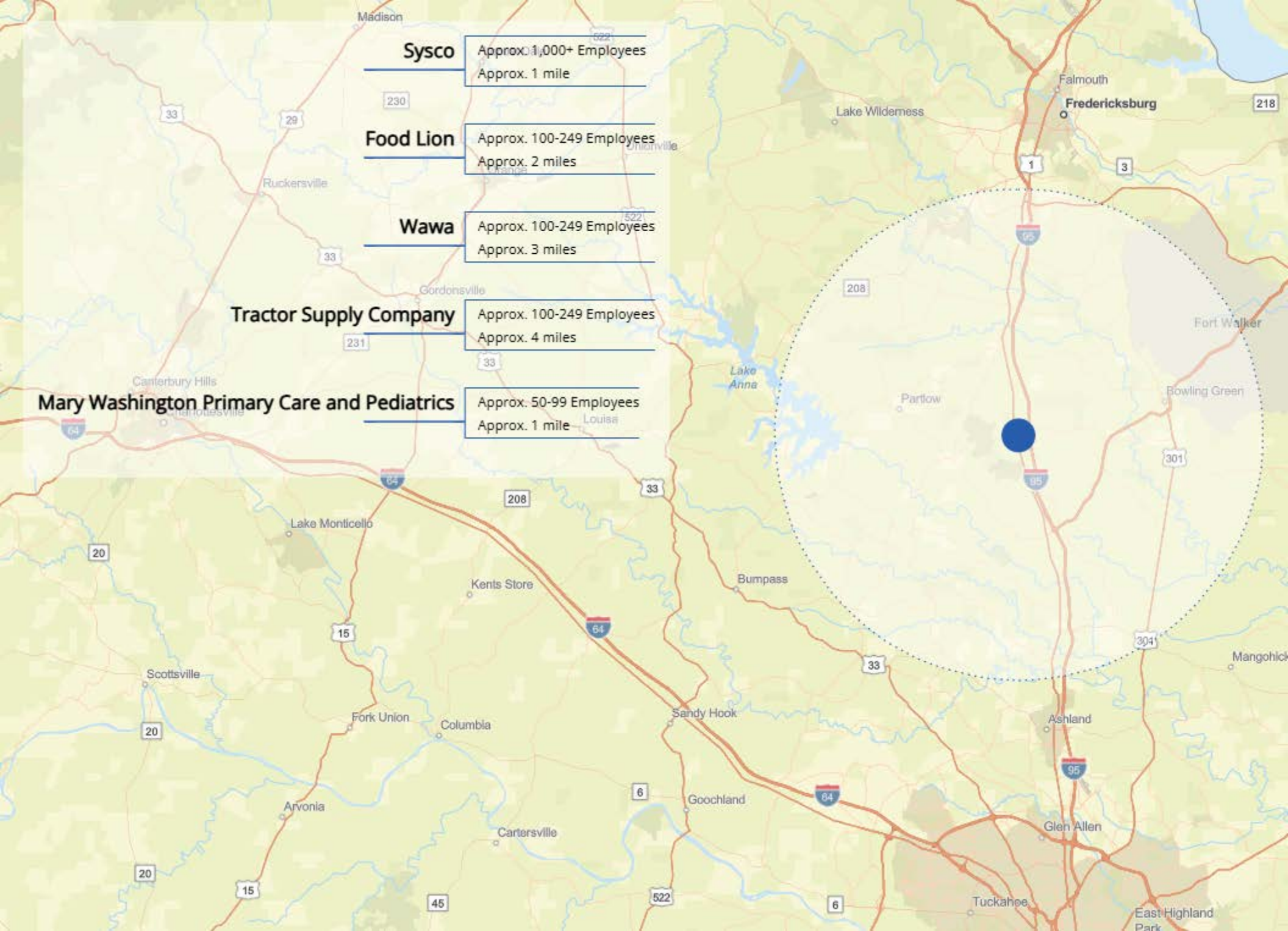


Location Summary – Caroline County, Virginia

- » Caroline County, located in the heart of Virginia, occupies a strategic position between two of the state's fastest-growing metro areas—Richmond to the south and Fredericksburg to the north. Anchored along the I-95 corridor, the county offers exceptional regional connectivity, linking Northern Virginia, Washington, D.C., and Greater Richmond. Access to major highways, active rail lines, and nearby airports makes Caroline highly attractive for both businesses and residents.
- » The county has experienced steady population and economic growth, supported by favorable market conditions, affordable living, and proactive local leadership. Ample developable land, strong quality of life, and a growing pro-business climate have driven residential expansion and attracted a wide range of commercial and industrial investments. Continued infrastructure commercial and upgrades—including roads, utilities, and broadband—further enhance Caroline's appeal as a growth market.
- » Caroline's economy is diverse, with strengths in government, healthcare, education, and logistics. Its location along I-95 has positioned the county as an emerging logistics and distribution hub, while neighboring employment centers in Fredericksburg and Richmond contribute to overall economic stability. However, gaps remain, particularly in healthcare and education, creating strong demand for new facilities such as 8051 Prosperity Way.
- » The county's demographic trends are equally promising. A growing population base, increasingly drawn by Caroline's affordability and high quality of life, is creating a deepening pool of both residents and skilled labor. In turn, this dynamic is driving demand across residential, commercial, and service sectors, offering compelling opportunities for investors seeking long-term tenant stability and income growth.
- » With its strategic location, strong growth, business-friendly climate, and development momentum, Caroline County is one of Central Virginia's most promising emerging markets for real estate investment. Investors today can capitalize on sustained demand and long-term upside in this well-connected, rapidly evolving community.









03 Property Description

Property Features

Property Images

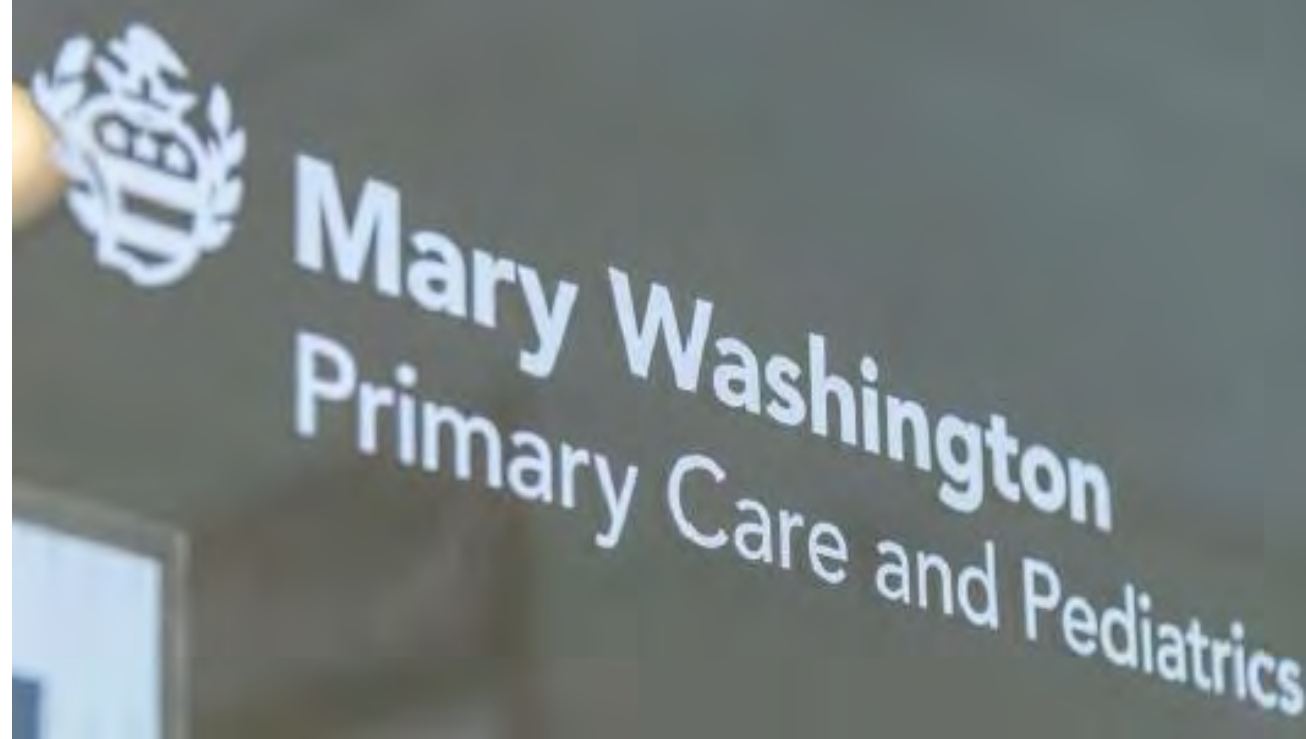
PROPERTY FEATURES

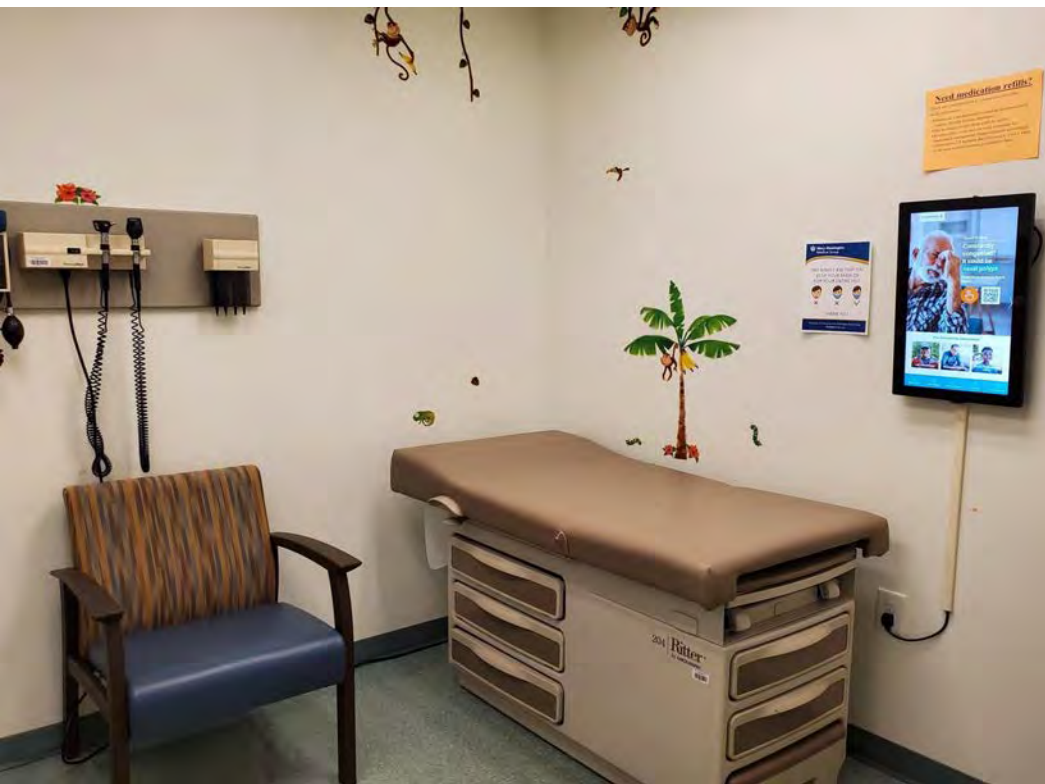
NUMBER OF TENANTS	2 + Parking Lot
BUILDING SF	16,800
LAND SF	162,479
YEAR BUILT	2008
PARCEL #	52D-2-15
ZONING TYPE	B-1
BUILDING CLASS	B
NUMBER OF STORIES	2
NUMBER OF BUILDINGS	1
NUMBER OF PARKING SPACES	150
PARKING RATIO	5.00/1,000 SF

TENANT INFORMATION

LEASE TYPE	Modified Gross
------------	----------------











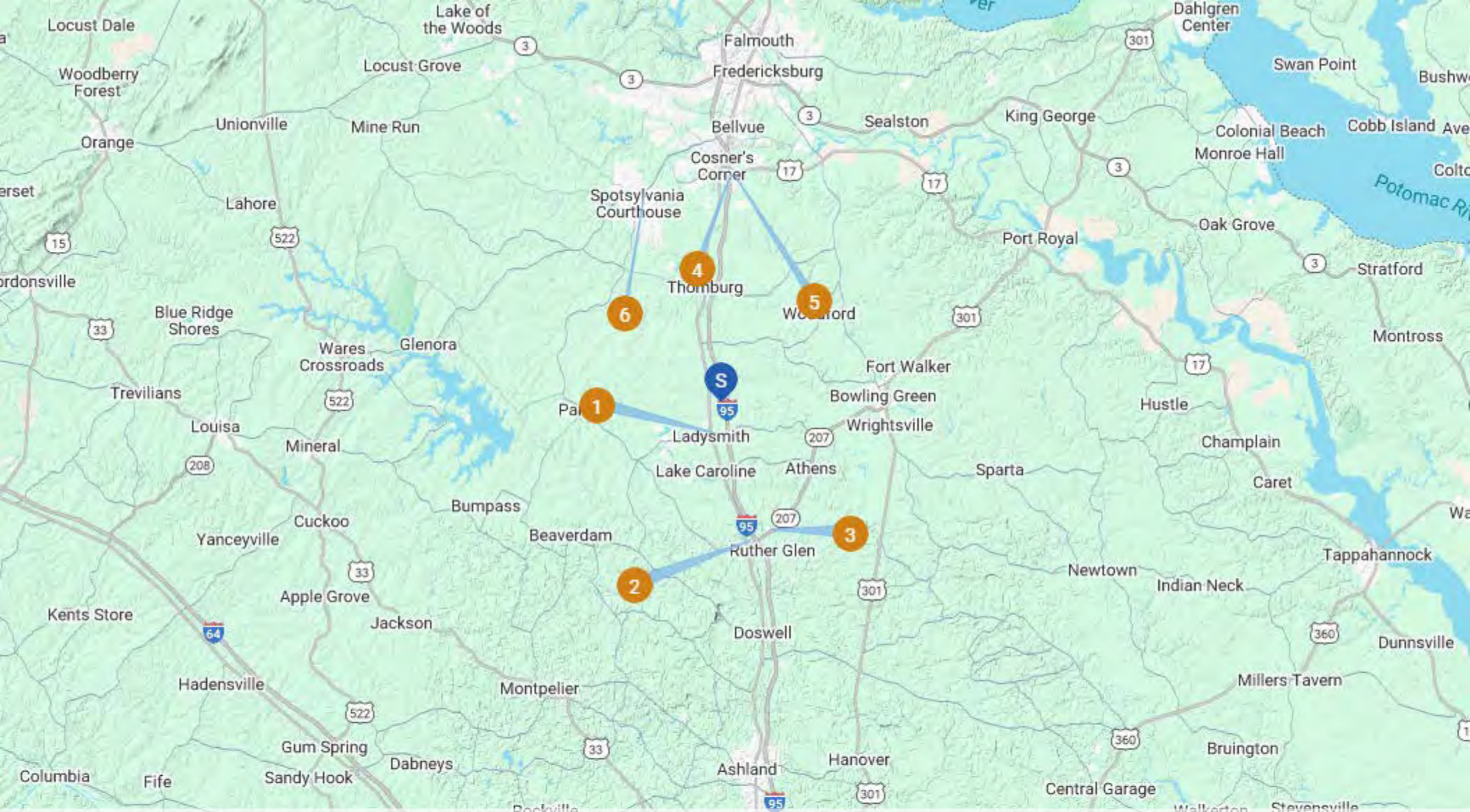
04

Rent Comps

Rent Comps Map

Rent Comps

Rent Comps Summary



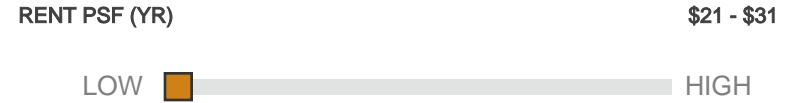
#	Property Name	Address	City
S	Ladysmith Professional Center	8051 Prosperity Way	Ruther Glen
1	17470 Center Dr	17470 Center Dr	Ruther Glen
2	24010 US-1 Hwy	24010 Partnership Blvd	Ruther Glen
3	Belmont Professional Office	11073 Colonel Armistead Dr	Ruther Glen
4	4535 Spotsylvania Pky	4535 Spotsylvania Pky	Fredericksburg
5	9701 Hospital Blvd	9701 Hospital Blvd	Fredericksburg
6	9215 Courthouse Rd	9215 Courthouse Rd	Spotsylvania

1



17470 Center Dr
17470 Center Dr
Ruther Glen, VA 22546

BUILDING SF	16,003
YEAR BUILT	1999
LEASE TYPE	MG
RENT PSF (YR)	\$21.00
RENT PSF (MO)	\$1.75
DISTANCE	3.5 miles



2



24010 US-1 Hwy
24010 Partnership Blvd
Ruther Glen, VA 22546

BUILDING SF	70,000
YEAR BUILT	2006
LEASE TYPE	NNN
RENT PSF (YR)	\$22.00
RENT PSF (MO)	\$1.83
DISTANCE	8.7 miles



Notes Single Tenant

3



Belmont Professional Office

11073 Colonel Armistead Dr
Ruther Glen, VA 22546

BUILDING SF	12,924
YEAR BUILT	2017
LEASE TYPE	MG
RENT PSF (YR)	\$23.00
RENT PSF (MO)	\$1.92
DISTANCE	9.5 miles

RENT PSF (YR)

\$21 - \$31



Notes Medical Office

4



4535 Spotsylvania Pky

4535 Spotsylvania Pky
Fredericksburg, VA 22408

BUILDING SF	5,280
YEAR BUILT	2019
LEASE TYPE	NNN
RENT PSF (YR)	\$31.00
RENT PSF (MO)	\$2.58
DISTANCE	13.9 miles

RENT PSF (YR)

\$21 - \$31



Notes Medical Office - Mary Washington Primary Care

5



9701 Hospital Blvd

9701 Hospital Blvd
Fredericksburg, VA 22408

BUILDING SF	6,000
YEAR BUILT	2018
LEASE TYPE	NNN
RENT PSF (YR)	\$29.00
RENT PSF (MO)	\$2.42
DISTANCE	14.2 miles

RENT PSF (YR)

\$21 - \$31



Notes Medical Office

6



9215 Courthouse Rd

9215 Courthouse Rd
Spotsylvania, VA 22553

BUILDING SF	8,884
YEAR BUILT	1989
LEASE TYPE	NNN
RENT PSF (YR)	\$24.00
RENT PSF (MO)	\$2.00
DISTANCE	15.4 miles

RENT PSF (YR)

\$21 - \$31






BUILDING SF	16,800
LAND SF	162,479
YEAR BUILT	2008
OCCUPANCY	100%
LEASE TYPE	Modified Gross
RENT PSF (YR)	\$19.41
RENT PSF (MO)	\$1.62



Ladysmith Professional Center

8051 Prosperity Way
Ruther Glen, VA 22546

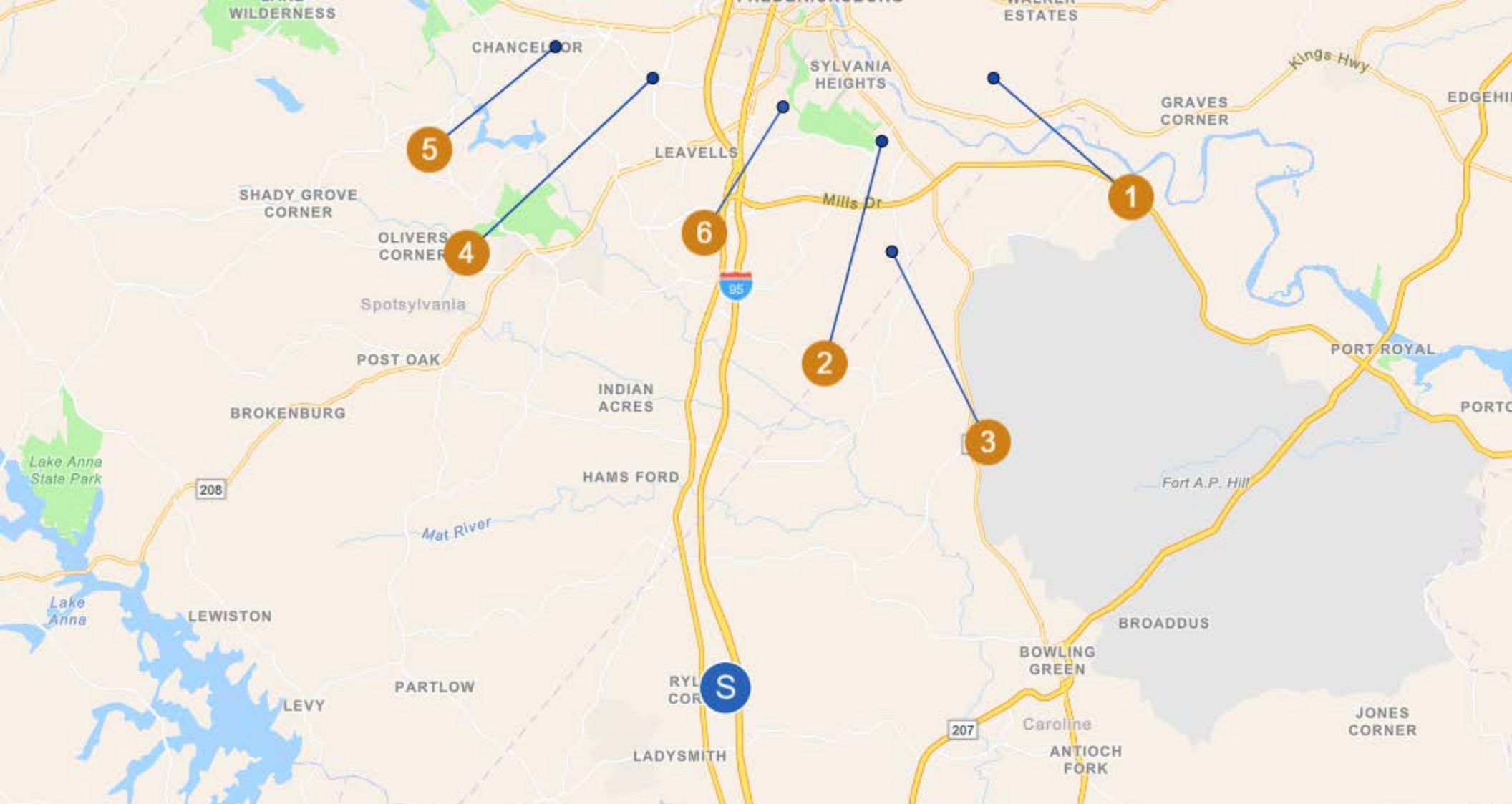
	PROPERTY	BLDG SF	PSF (YR)	PSF (MO)	BUILT	Lease Type	DISTANCE (mi)
1	 <p>17470 Center Dr 17470 Center Dr Ruther Glen, VA 22546</p>	16,003	\$21.00	\$1.75	1999	MG	3.50
2	 <p>24010 US-1 Hwy 24010 Partnership Blvd Ruther Glen, VA 22546</p>	70,000	\$22.00	\$1.83	2006	NNN	8.70
3	 <p>Belmont Professional Office 11073 Colonel Armistead Dr Ruther Glen, VA 22546</p>	12,924	\$23.00	\$1.92	2017	MG	9.50
4	 <p>4535 Spotsylvania Pky 4535 Spotsylvania Pky Fredericksburg, VA 22408</p>	5,280	\$31.00	\$2.58	2019	NNN	13.90
5	 <p>9701 Hospital Blvd 9701 Hospital Blvd Fredericksburg, VA 22408</p>	6,000	\$29.00	\$2.42	2018	NNN	14.20
6	 <p>9215 Courthouse Rd 9215 Courthouse Rd Spotsylvania, VA 22553</p>	8,884	\$24.00	\$2.00	1989	NNN	15.40
AVERAGES		19,848	\$25.00	\$2.08			

	PROPERTY	BLDG SF	PSF (YR)	PSF (MO)	BUILT	Lease Type	DISTANCE (mi)
S	 <p>Ladysmith Professional Center 8051 Prosperity Way Ruther Glen, VA 22546</p>	16,800	\$19.41	\$1.62	2008	Modified Gross	0.00





05

Sale Comps

- Sale Comps Map
- Sale Comps Summary
- Sale Comps
- Sale Comps Charts



#	Property Name	Address	City
S	Ladysmith Professional Center	8051 Prosperity Way	Ruther Glen
1	Courthouse Medical Office	9755 Courthouse Rd	Spotsylvania
2	Mary Washington Healthcare	1031 Care Way	Fredericksburg
3	Mary Washington Healthcare / Central Park Corporat	1340 Central Park Blvd	Fredericksburg
4	Shannon Park Drive	3500 Shannon Park Dr	Fredericksburg
5	2511 Salem Church Rd	2511 Salem Church Rd	Fredericksburg
6	Cowan Center - Medical Building	2541 Cowan Blvd	Fredericksburg
7	Townsend Office Park	1955 Emancipation Hwy	Fredericksburg

	PROPERTY	BLDG SF	SALE PRICE	PSF	CAP RATE	BUILT	CLOSE DATE	DISTANCE (mi)
1	 Courthouse Medical Office 9755 Courthouse Rd Spotsylvania, VA 22553	10,752	\$2,650,000	\$246.47	N/A	2012	8/29/2025	15.70
2	 Mary Washington Healthcare 1031 Care Way Fredericksburg, VA 22401	20,568	\$6,700,000	\$325.75	N/A	2007	3/10/2025	21.60
3	 Mary Washington Healthcare / Central Park Corporat 1340 Central Park Blvd Fredericksburg, VA 22401	42,367	\$8,630,000	\$203.70	N/A	2001	1/10/2025	21.00
4	 Shannon Park Drive 3500 Shannon Park Dr Fredericksburg, VA 22408	10,625	\$2,600,000	\$244.71	N/A	2007	9/12/2024	20.70
5	 2511 Salem Church Rd 2511 Salem Church Rd Fredericksburg, VA 22407	5,761	\$1,450,000	\$251.69	N/A	2004	8/9/2024	20.30
6	 Cowan Center - Medical Building 2541 Cowan Blvd Fredericksburg, VA 22401	10,800	\$3,540,024	\$327.78	N/A	2008	8/6/2024	21.40
7	 Townsend Office Park 1955 Emancipation Hwy Fredericksburg, VA 22401	12,000	\$2,250,000	\$187.50	N/A	2002	6/26/2024	21.50
AVERAGES		16,125	\$3,974,289	\$255.37				
S	 Ladysmith Professional Center 8051 Prosperity Way Ruther Glen, VA 22546	16,800	\$3,050,000	\$181.55	8.41%	2008	On Market	

1



Courthouse Medical Office

9755 Courthouse Rd
Spotsylvania, VA 22553

BUILDING SF	10,752
YEAR BUILT	2012
SALE PRICE	\$2,650,000
PRICE PSF	\$246.47
OCCUPANCY	100%
LEASE TYPE	Triple Net
CLOSING DATE	8/29/2025
DISTANCE	15.7 miles

Bldg Price/SF

\$188 - \$328



Notes True Owner: Mary Washington Healthcare

2



Mary Washington Healthcare

1031 Care Way
Fredericksburg, VA 22401

BUILDING SF	20,568
YEAR BUILT	2007
SALE PRICE	\$6,700,000
PRICE PSF	\$325.75
OCCUPANCY	100%
LEASE TYPE	Owner Use
CLOSING DATE	3/10/2025
DISTANCE	21.6 miles

Bldg Price/SF

\$188 - \$328



3



Mary Washington Healthcare / Central Park Corporat

1340 Central Park Blvd
Fredericksburg, VA 22401

BUILDING SF	42,367
YEAR BUILT	2001
SALE PRICE	\$8,630,000
PRICE PSF	\$203.70
OCCUPANCY	100%
LEASE TYPE	Triple Net
CLOSING DATE	1/10/2025
DISTANCE	21.0 miles

Bldg Price/SF

\$188 - \$328



4



Shannon Park Drive

3500 Shannon Park Dr
Fredericksburg, VA 22408

BUILDING SF	10,625
YEAR BUILT	2007
SALE PRICE	\$2,600,000
PRICE PSF	\$244.71
OCCUPANCY	100%
LEASE TYPE	Modified Gross
CLOSING DATE	9/12/2024
DISTANCE	20.7 miles

Bldg Price/SF

\$188 - \$328



5



2511 Salem Church Rd
2511 Salem Church Rd
Fredericksburg, VA 22407

BUILDING SF	5,761
YEAR BUILT	2004
SALE PRICE	\$1,450,000
PRICE PSF	\$251.69
OCCUPANCY	100%
LEASE TYPE	Triple Net
CLOSING DATE	8/9/2024
DISTANCE	20.3 miles

Bldg Price/SF

\$188 - \$328



Notes Tenant: Owner User/Medical Office

6



Cowan Center - Medical Building
2541 Cowan Blvd
Fredericksburg, VA 22401

BUILDING SF	10,800
YEAR BUILT	2008
SALE PRICE	\$3,540,024
PRICE PSF	\$327.78
OCCUPANCY	100%
LEASE TYPE	Triple Net
CLOSING DATE	8/6/2024
DISTANCE	21.4 miles

Bldg Price/SF

\$188 - \$328



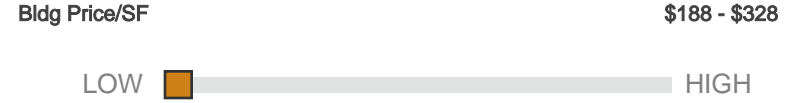
Notes Sale Type: Owner User

7



Townsend Office Park
 1955 Emancipation Hwy
 Fredericksburg, VA 22401

BUILDING SF	12,000
YEAR BUILT	2002
SALE PRICE	\$2,250,000
PRICE PSF	\$187.50
OCCUPANCY	100%
LEASE TYPE	Owner Use
CLOSING DATE	6/26/2024
DISTANCE	21.5 miles

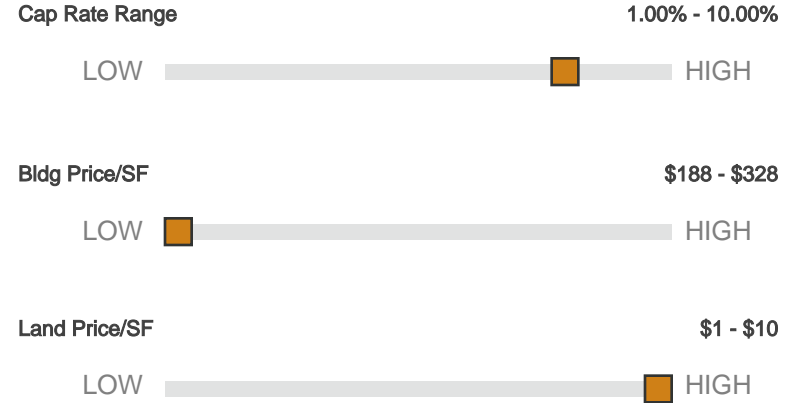


S



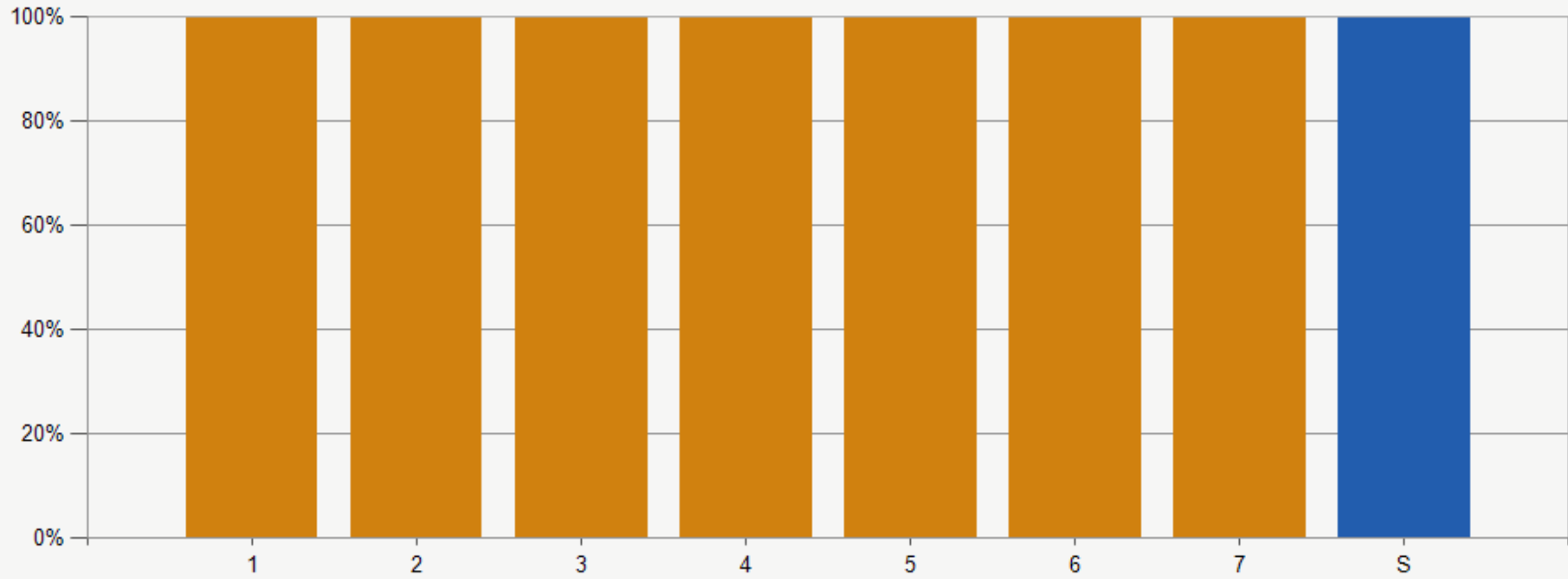
Ladysmith Professional Center
 8051 Prosperity Way
 Ruther Glen, VA 22546

BUILDING SF	16,800
LAND SF	162,479
YEAR BUILT	2008
ASKING PRICE	\$3,050,000
PRICE PSF	\$181.55
LAND PSF	\$18.77
CAP RATE	8.41%
OCCUPANCY	100%
LEASE TYPE	Modified Gross



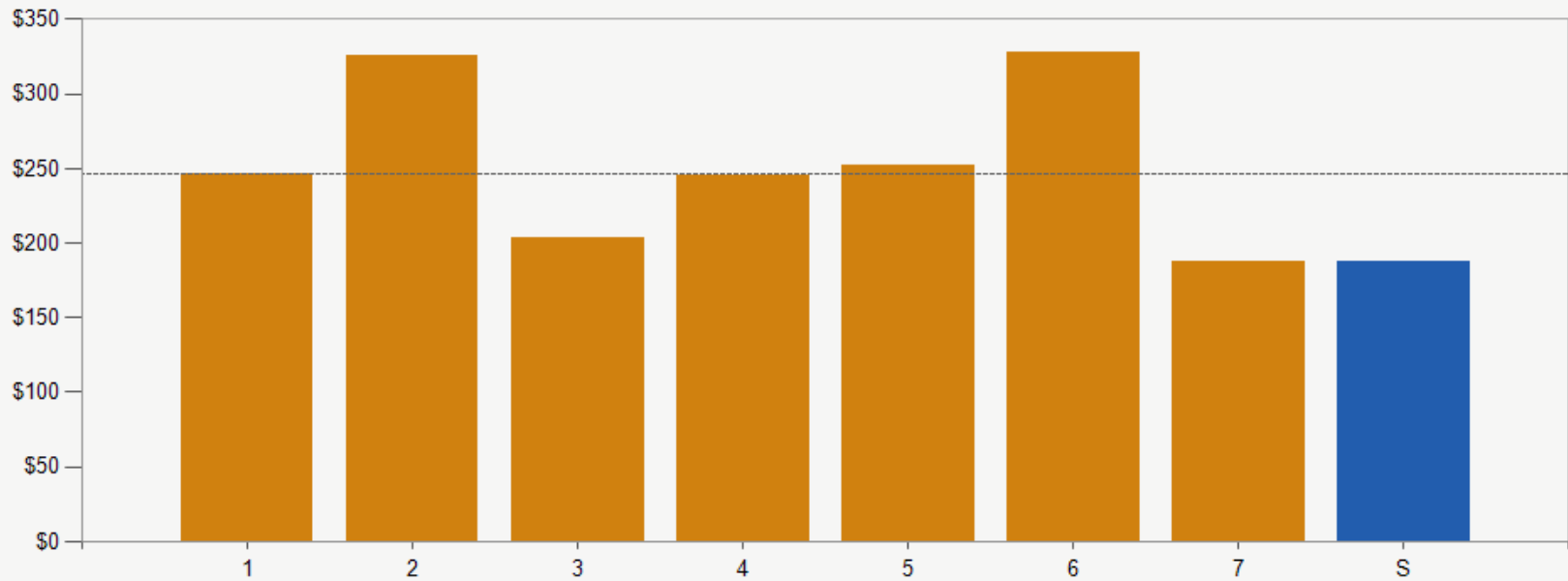
Occupancy

Average: 100.00%



Price/SF

Average: \$246.89



06

Rent Roll

- Rent Roll
- Lease Expiration
- Tenant Profile

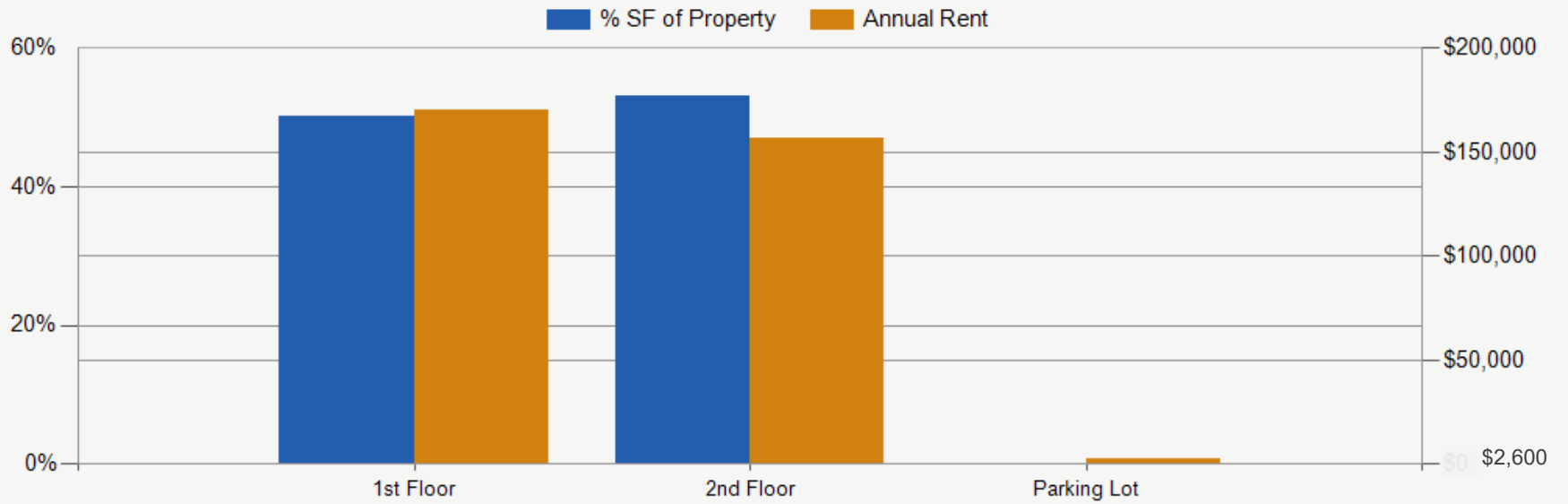
Suite	Tenant Name	Square Feet	% of NRA	Lease Term		Begin Date	Rental Rates				Lease Type	Options/Notes
				Lease Start	Lease End		Monthly	PSF	Annual	PSF		
1st Floor	Mary Washington Primary Care and Pediatrics	8,400	50.00%	05/01/21	04/30/29	CURRENT	<u>\$14,151</u>	\$1.68	<u>\$169,812</u>	\$20.22	MG	Lease Options: 3% annual escalation with one (1) additional three-year renewal option
	Renewed at adjusted rent			05/01/2026	04/30/29	Renewal 1st	\$14,70	\$1.75	\$176,400	\$21.00		
2nd Floor	Keys Academy	8,400	50.00%	07/01/20	06/30/30	CURRENT	<u>\$13,019</u>	\$1.55	<u>\$156,228</u>	\$18.60	MG	Lease Options: 4% annual escalation
	Renewed at adjusted rent			07/01/25	06/30/30	Renewal	\$13,540	\$1.61	\$162,477	\$19.32		
Parking Lot	George Washington Regional Commission	10 Parking Lots		01/07/22	06/30/27	CURRENT	<u>\$217</u>	\$1/lot	<u>\$2,600</u>	\$10/day		Annual Parking Contract
	Renewed at the same rent			01/07/26	06/30/27	Renewal	\$217	\$1/lot	\$2,600	\$10/day		
Totals:		17,280					<u>\$27,387</u>		<u>\$328,640</u>			

Notes: **1st Floor: Mary Washington:** The landlord is responsible for maintaining all major interior and exterior building systems, including HVAC, roof, elevator, grounds, property taxes, insurance, utilities, and other related components. Tenants are responsible for maintaining the interior of their leased premises, including janitorial services, pest control, and general interior upkeep.

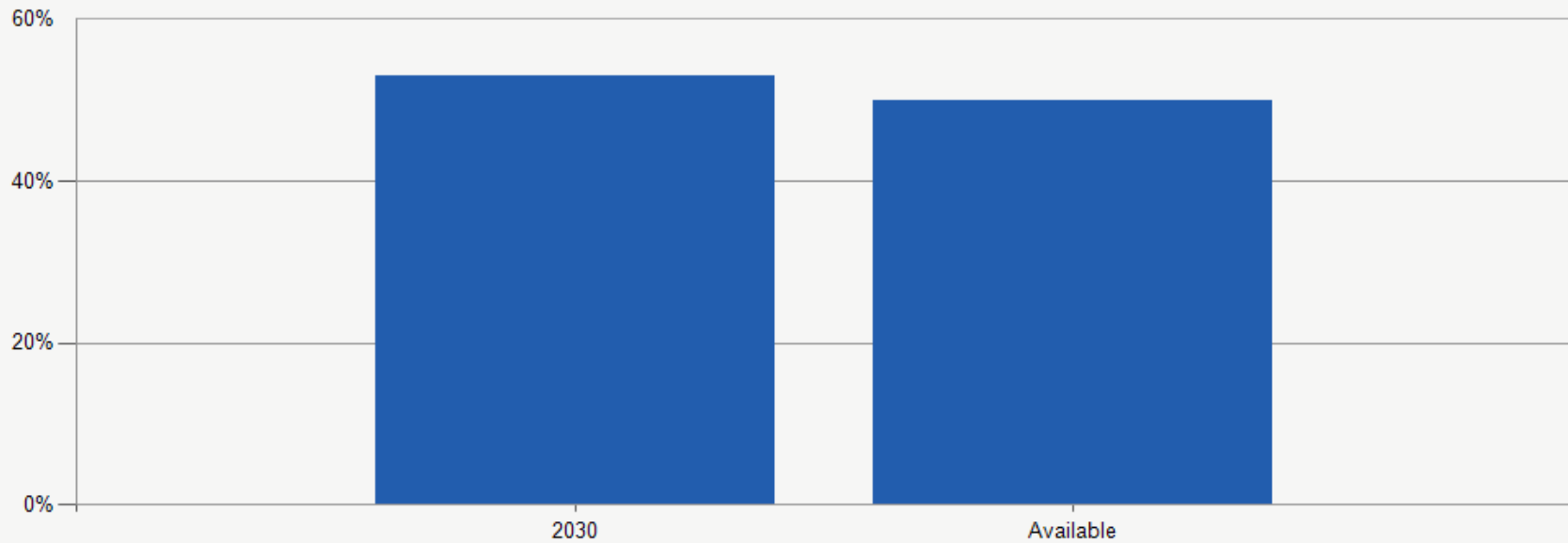
2nd Floor Keys Academy: The landlord is responsible for maintaining all major interior and exterior building systems, including HVAC, roof, elevator, grounds, property taxes, insurance, and similar items. The tenants are responsible for maintaining the interior of their leased premises, including janitorial services, pest control, and related interior upkeep. Parking Lot.

GWRC: Lease Terms: \$1 per space per weekday. A total of 10 spaces are available. The landlord is responsible for maintaining the parking lot, including sweeping, snow removal, pothole repairs, and general upkeep.

Tenant SF Analysis



Lease Expiration Summary





Company

Trade Name	Mary Washington Primary Care and Pediatrics
# of Locations	110
Website	https://www.marywashingtonhealthcare.com

Description

Mary Washington Healthcare (MWHC), operating as MEDICORP, is a leading not-for-profit healthcare system based in Fredericksburg, Virginia, with over 120 years of service. Its \$1 billion network includes two hospitals (571 beds), urgent care centers, outpatient clinics, and specialty offices, supported by 5,000 staff and 700 physicians.

MEDICORP has leased the first floor of 8051 Prosperity Way since May 2021, with a term through April 2026 and renewal options. The space features custom medical buildouts and plays a vital role in MWHC’s operations. The tenant handles general maintenance, janitorial services, and pest control, while the landlord covers major property responsibilities. MWHC’s strong credit and essential services make this a highly stable, attractive investment.



Company

Trade Name	Keys Academy (Health Connect America)
# of Locations	57
Website	https://www.keysacademy.org

Description

KEYS Academy is a licensed private day school serving K–12 students with special education needs, including Emotional Disabilities, Autism, and Specific Learning Disabilities. Founded in 2011 and affiliated with Health Connect America (HCA) since 2014, KEYS combines therapeutic education with behavioral health services. HCA operates in five southeastern states with over 50 locations and 1,000 employees, expanding its educational reach through KEYS Academy’s accredited campuses in Culpeper, Charlottesville, Augusta (Verona), and Caroline County.

The lease at 8051 Prosperity Way began on July 1, 2020, and runs through June 30, 2030, reflecting a long-term commitment. The tenant handles janitorial services, pest control, and tenant-specific duties, while the landlord is responsible for property taxes, insurance, HVAC, roof, utilities, grounds, trash removal, elevator, and general maintenance. KEYS Academy’s specialized services and stable tenancy enhance the property’s investment profile.



Company

Trade Name	George Washington Regional Commission
Headquartered	Fredericksburg, Virginia
# of Locations	1
Website	https://gwregion.org/

Description

George Washington Regional Commission (GWRC) is a regional organization dedicated to fostering cooperation among local governments in the Fredericksburg area, supporting economic development, environmental stewardship, and long-term regional planning initiatives that enhance quality of life throughout the region.

GWRC has been a tenant at the property since July 1, 2022, operating under a year-to-year lease structure. The tenancy is limited exclusively to the parking lot, with no occupancy of building space. The lease provides for the use of 10 parking spaces at a rate of \$1 per space per weekday, offering a stable ancillary income stream with minimal landlord obligations.



07

Financial Analysis

Income & Expense Analysis

Cash Flow Analysis

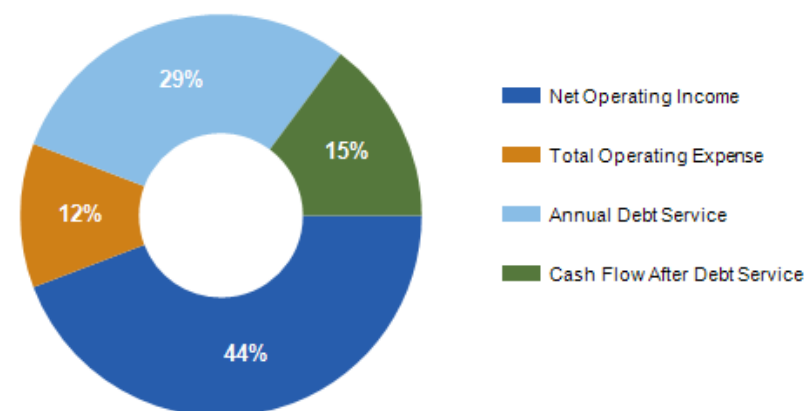
Financial Metrics

REVENUE ALLOCATION

2025

INCOME	2025	YEAR 1
Gross Scheduled Rent Floor 1	\$168,164	\$174,204
Gross Scheduled Rent Floor 2	\$153,228	\$159,353
Gross Scheduled Rent Parking Lot	\$2,600	\$2,600
Effective Gross Income	\$323,992	\$336,157
Less Expenses	\$67,383 20.79%	\$102,264 30.42%
Net Operating Income	\$256,609	\$233,893
Annual Debt Service		\$165,077
Cash flow		\$68,815
Debt Coverage Ratio		1.42

- Income Notes:**
1. GPR – First Floor (Mary Washington): Assumes a 3% rental increase based on in-place lease terms.
 2. GPR – Second Floor (KEYS Academy): Assumes a 4% rental increase based on in-place lease terms.
 3. GPR – Parking Lot: Reflects \$10 per space, based on 5-day-per-week usage.

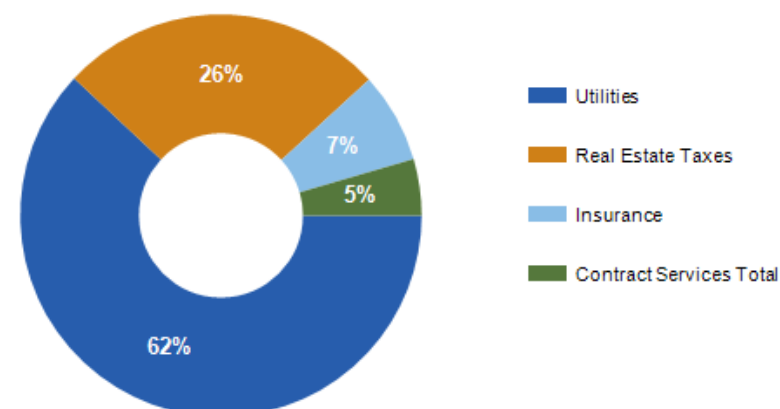


EXPENSES	2025	YEAR 1
Real Estate Taxes	\$17,703	\$24,570
Insurance	\$4,884	\$4,884
Utilities	\$41,743	\$42,996
Management Fee		\$13,446
Contract Services Total	\$3,053	\$3,144
Reserves		\$2,664
Repairs & Maintenance		\$10,560
Total Operating Expense	\$67,383	\$102,264
Annual Debt Service		\$165,077
Expense / SF	\$4.01	\$6.09
% of EGI	20.79%	30.42%

- Expense Notes:**
1. Real Estate Taxes: Estimated at 0.78% of the sale price.
 2. Insurance: No annual increase per contract terms in 2026.
 3. Utilities: Assumes a 3% annual increase.
 4. Contract Services: Assumes a 3% annual increase.
 5. Repairs & Maintenance: Assumes \$0.60/SF.
 6. Reserves: Assumes \$0.15/SF.
 7. Management Fee: Assumes 4% of Effective Gross income (EGI).

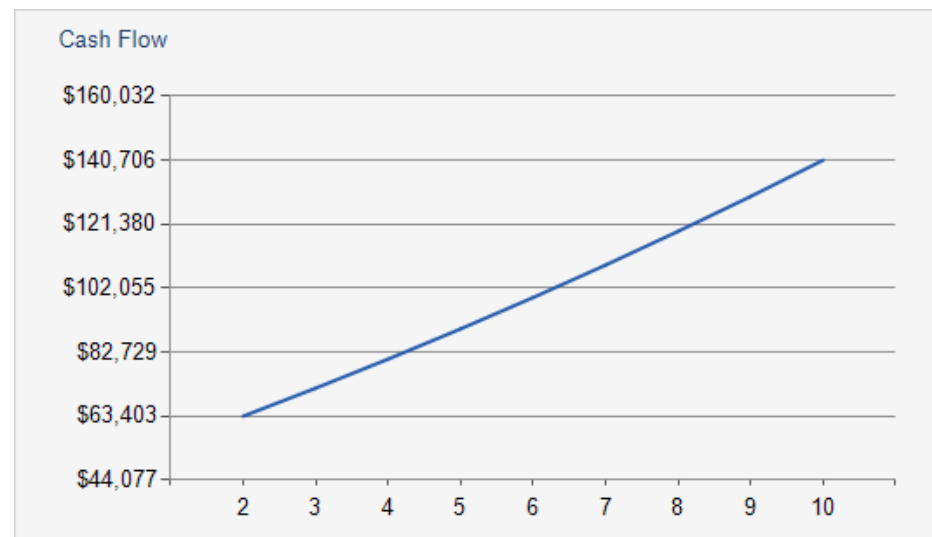
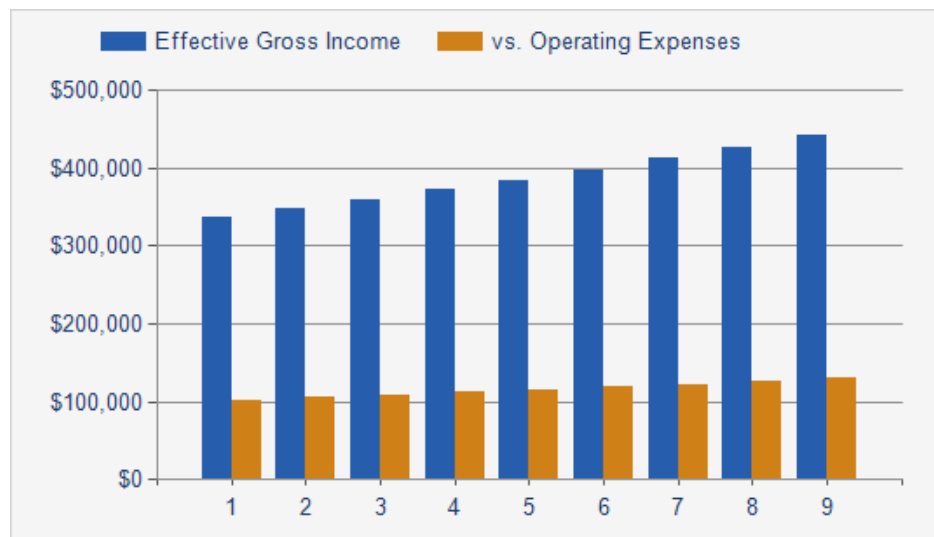
DISTRIBUTION OF EXPENSES

2025



Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

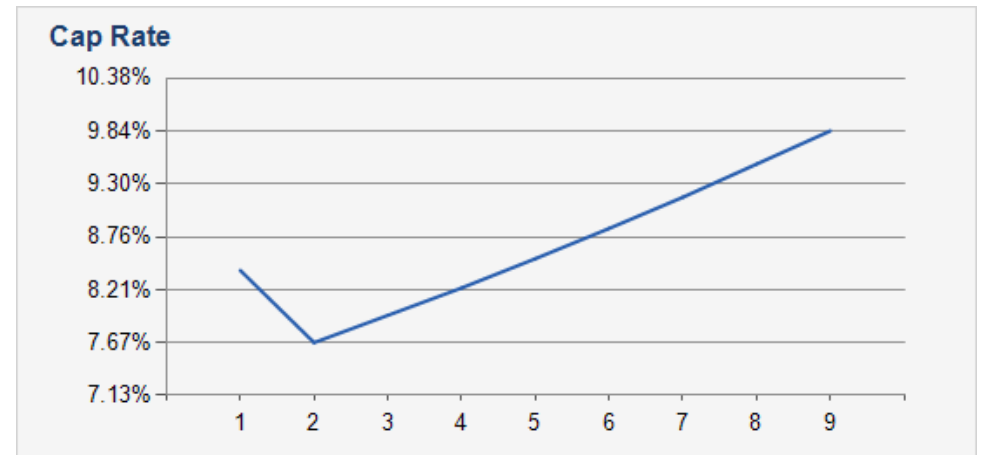
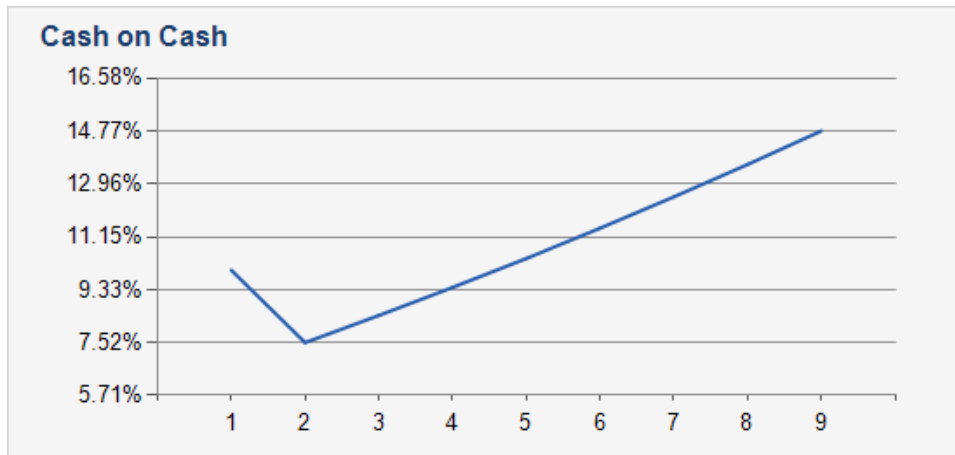
Calendar Year	2025	Year 1	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Gross Revenue										
Gross Scheduled Rent Floor 1	\$168,164	\$174,204	\$179,430	\$184,813	\$190,357	\$196,068	\$201,950	\$208,009	\$214,249	\$220,676
Gross Scheduled Rent Floor 2	\$153,228	\$159,353	\$165,727	\$172,356	\$179,250	\$186,420	\$193,877	\$201,632	\$209,698	\$218,086
Gross Scheduled Rent Parking Lot	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600	\$2,600
Effective Gross Income	\$323,992	\$336,157	\$347,757	\$359,769	\$372,207	\$385,088	\$398,427	\$412,241	\$426,547	\$441,362
Operating Expenses										
Real Estate Taxes	\$17,703	\$24,570	\$25,307	\$26,066	\$26,848	\$27,654	\$28,483	\$29,338	\$30,218	\$31,125
Insurance	\$4,884	\$4,884	\$5,031	\$5,181	\$5,337	\$5,497	\$5,662	\$5,832	\$6,007	\$6,187
Utilities	\$41,743	\$42,996	\$44,286	\$45,614	\$46,983	\$48,392	\$49,844	\$51,339	\$52,880	\$54,466
Management Fee		\$13,446	\$13,910	\$14,391	\$14,888	\$15,404	\$15,937	\$16,490	\$17,062	\$17,654
Contract Services Total	\$3,053	\$3,144	\$3,238	\$3,335	\$3,436	\$3,539	\$3,645	\$3,754	\$3,867	\$3,983
Reserves		\$2,664	\$2,744	\$2,826	\$2,911	\$2,998	\$3,088	\$3,181	\$3,276	\$3,375
Repairs & Maintenance		\$10,560	\$10,877	\$11,203	\$11,539	\$11,885	\$12,242	\$12,609	\$12,987	\$13,377
Total Operating Expense	\$67,383	\$102,264	\$105,393	\$108,618	\$111,942	\$115,369	\$118,901	\$122,543	\$126,297	\$130,166
Net Operating Income	\$256,609	\$233,893	\$242,364	\$251,151	\$260,265	\$269,719	\$279,526	\$289,698	\$300,250	\$311,196
Annual Debt Service		\$170,490	\$170,490	\$170,490	\$170,490	\$170,490	\$170,490	\$170,490	\$170,490	\$170,490
Cash Flow		\$63,403	\$71,874	\$80,662	\$89,775	\$99,229	\$109,036	\$119,208	\$129,760	\$140,706



Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

Calendar Year	2025	Year 1	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash on Cash Return b/t	10.00%	7.52%	8.45%	9.41%	10.40%	11.44%	12.51%	13.62%	14.77%	15.97%
CAP Rate	8.41%	7.67%	7.95%	8.23%	8.53%	8.84%	9.16%	9.50%	9.84%	10.20%
Debt Coverage Ratio	1.55	1.42	1.47	1.52	1.58	1.63	1.69	1.75	1.82	1.89
Operating Expense Ratio	20.79%	30.42%	30.30%	30.19%	30.07%	29.95%	29.84%	29.72%	29.60%	29.49%
Loan to Value	69.97%	68.77%	67.46%	65.99%	64.51%	62.93%	61.24%	59.50%	57.57%	55.56%
Breakeven Ratio	71.75%	79.53%	77.78%	76.08%	74.43%	72.83%	71.27%	69.77%	68.31%	66.89%
Price / SF	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55	\$181.55
Income / SF	\$19.28	\$20.00	\$20.69	\$21.41	\$22.15	\$22.92	\$23.71	\$24.53	\$25.38	\$26.27
Expense / SF	\$4.01	\$6.08	\$6.27	\$6.46	\$6.66	\$6.86	\$7.07	\$7.29	\$7.51	\$7.74

Disclaimer: These numbers are provided as assumptions and are not guaranteed. Broker and/or Seller shall bear no responsibility if actual outcomes vary.

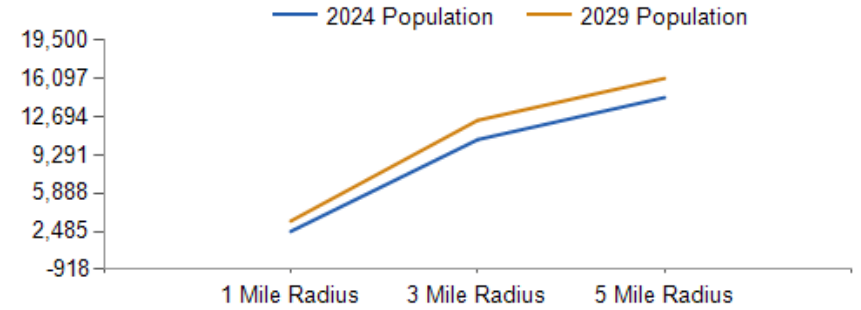


08 Demographics

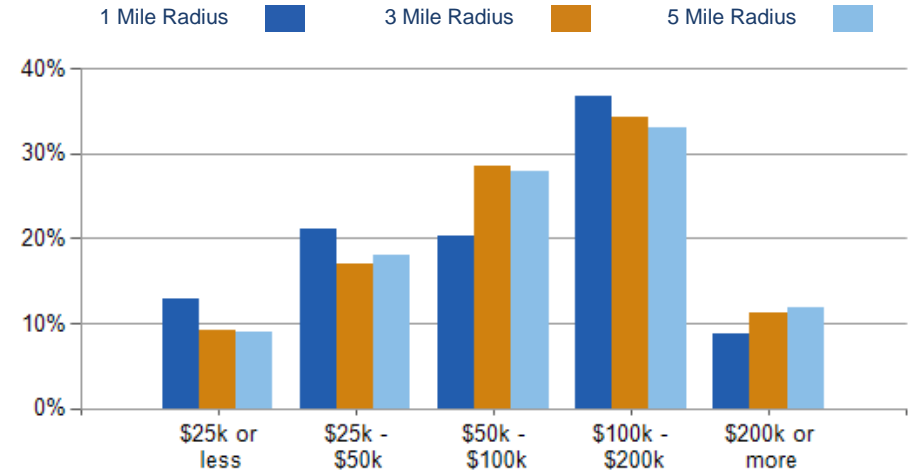
General Demographics

POPULATION	1 MILE	3 MILE	5 MILE
2000 Population	653	4,952	7,832
2010 Population	1,236	8,019	11,678
2024 Population	2,485	10,651	14,393
2029 Population	3,407	12,368	16,097
2024 African American	680	2,311	3,178
2024 American Indian	10	35	48
2024 Asian	27	120	155
2024 Hispanic	234	852	1,105
2024 Other Race	124	390	489
2024 White	1,394	6,739	9,121
2024 Multiracial	248	1,043	1,385
2024-2029: Population: Growth Rate	32.55%	15.15%	11.30%

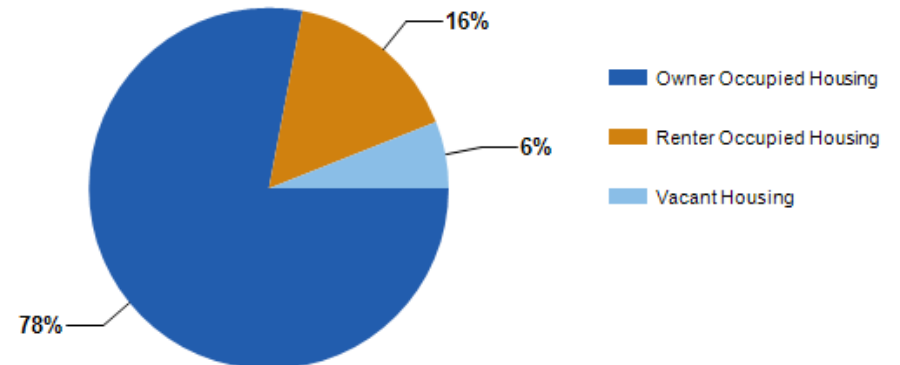
2024 HOUSEHOLD INCOME	1 MILE	3 MILE	5 MILE
less than \$15,000	26	128	205
\$15,000-\$24,999	83	222	269
\$25,000-\$34,999	29	98	163
\$35,000-\$49,999	150	548	787
\$50,000-\$74,999	98	554	762
\$75,000-\$99,999	73	532	712
\$100,000-\$149,999	166	805	1,158
\$150,000-\$199,999	145	500	588
\$200,000 or greater	75	432	630
Median HH Income	\$86,065	\$90,308	\$89,191
Average HH Income	\$108,067	\$115,559	\$115,576



2024 Household Income



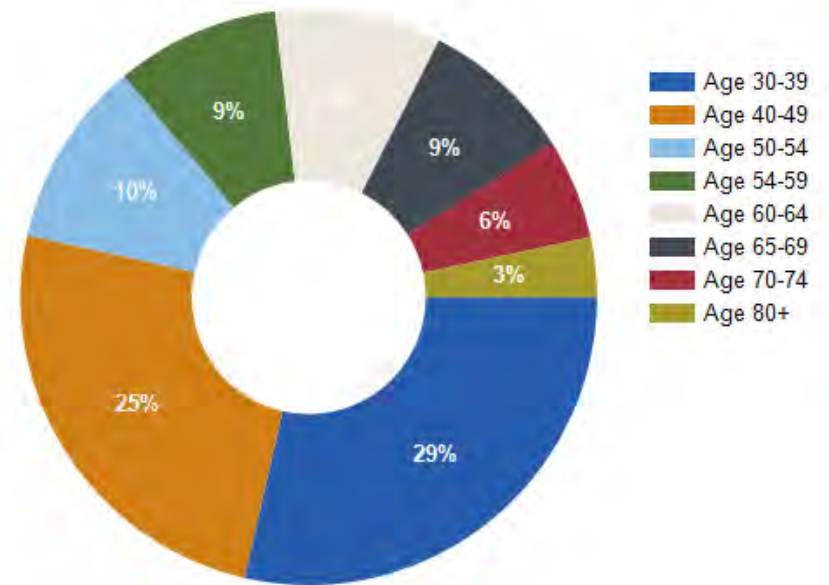
2024 Own vs. Rent - 1 Mile Radius



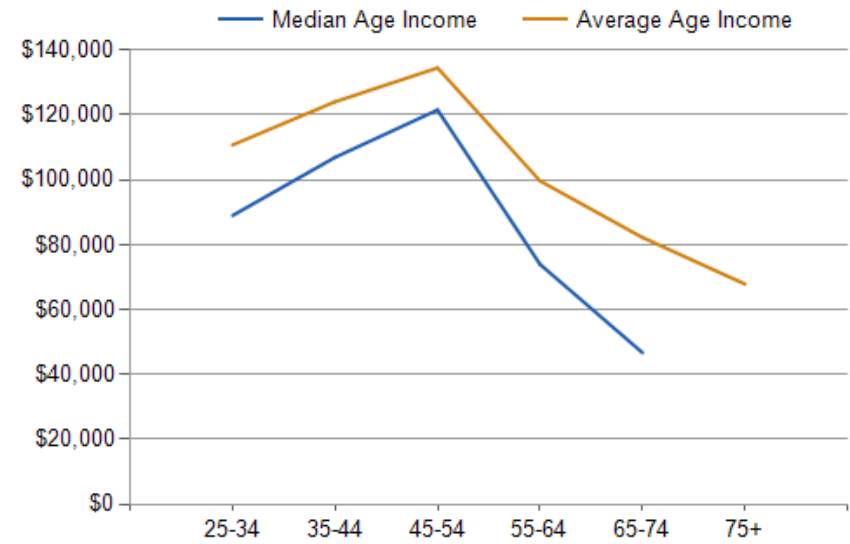
Source: esri

2024 POPULATION BY AGE	1 MILE	3 MILE	5 MILE
2024 Population Age 30-34	185	819	1,072
2024 Population Age 35-39	216	865	1,123
2024 Population Age 40-44	182	773	1,013
2024 Population Age 45-49	167	680	912
2024 Population Age 50-54	147	624	859
2024 Population Age 55-59	129	589	849
2024 Population Age 60-64	131	615	878
2024 Population Age 65-69	120	551	797
2024 Population Age 70-74	79	409	596
2024 Population Age 75-79	47	296	439
2024 Population Age 80-84	23	154	246
2024 Population Age 85+	19	113	178
2024 Population Age 18+	1,774	7,828	10,759
2024 Median Age	35	37	38
2029 Median Age	37	38	39

Population By Age



2024 INCOME BY AGE	1 MILE	3 MILE	5 MILE
Median Household Income 25-34	\$89,014	\$89,977	\$91,201
Average Household Income 25-34	\$110,776	\$117,705	\$118,366
Median Household Income 35-44	\$106,954	\$106,129	\$106,116
Average Household Income 35-44	\$124,082	\$130,420	\$131,714
Median Household Income 45-54	\$121,562	\$113,468	\$111,687
Average Household Income 45-54	\$134,519	\$134,836	\$135,483
Median Household Income 55-64	\$73,949	\$95,214	\$93,344
Average Household Income 55-64	\$99,677	\$117,206	\$117,761
Median Household Income 65-74	\$46,679	\$68,712	\$68,219
Average Household Income 65-74	\$82,231	\$97,568	\$95,923
Average Household Income 75+	\$67,864	\$78,284	\$81,920



Ladysmith Professional Center

CONFIDENTIALITY and DISCLAIMER

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap.

By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property, please promptly return this offering memorandum to Marcus & Millichap. This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property.

The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property.

The information contained in this offering memorandum has been obtained from sources we believe reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.