

OFFERING MEMORANDUM
**2811-2815 COLONIAL AVENUE
& 509 W 29TH STREET**



Marcus & Millichap

NORFOLK, VA | 11 UNITS + SFH + RETAIL

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THE OPPORTUNITY

2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Offered Property

Marcus & Millichap is pleased to offering memorandum for 2811-2815 Colonial Avenue & 509 W 29th Street located in Norfolk, VA.

The property consists of eleven units, a SFH and a retail space. There are eight, one-bedroom & one-bathroom units, three two-bedroom & one-bathroom units and a retail space.. 2811-2815 Colonial Avenue & 509 W 29th Street were built in 1910 and 1981 and situated on 0.86 ac.

Norfolk, VA is in the heart of the Hampton Roads metropolitan area, which is home to over 1.7 million people. It's central location within the region makes it an important economic and cultural hub, attracting a diverse population and providing a stable demand for housing. Norfolk benefits from a robust and diversified economy. It is home to major military installations, including the Naval Station Norfolk, which is the largest naval base in the world. The presence of military personnel and related industries provide a consistent demand for rental properties.

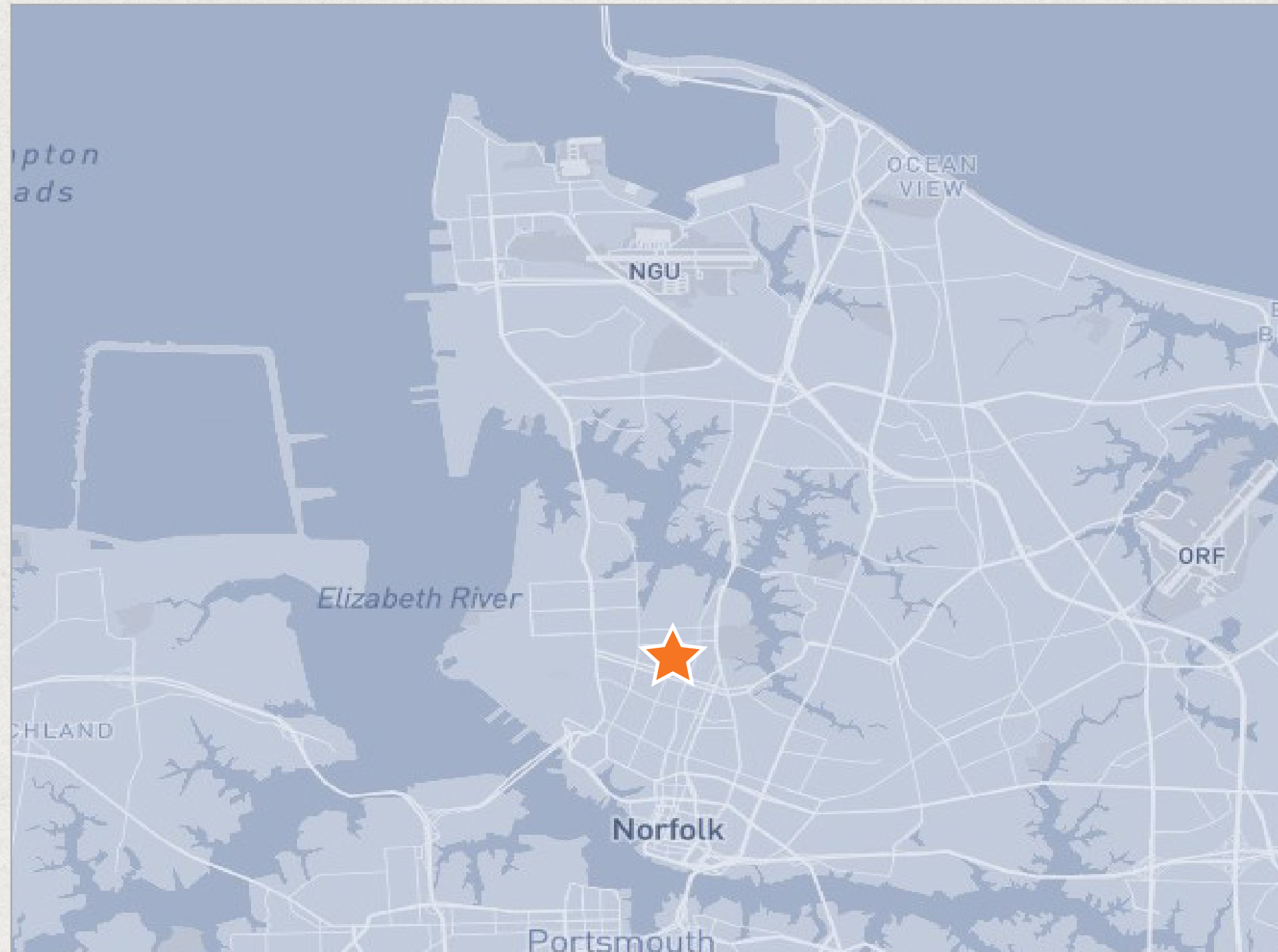


PROPERTY SUMMARY: COLONIAL AVENUE & W 29TH STREET

Price	\$2,200,000
# of Units	11 Units + SFH + Retail
Year Built	1910 & 1981
Total Square Feet	19,545 SF
Average Unit Size	812 sf

INVESTMENT HIGHLIGHTS

- **TRANSIT ORIENTED** Easy access to I-64, I-264, I-564, and Granby Street
- **EASY ACCESS TO NUMEROUS EMPLOYMENT CENTERS** Within 10 minutes from Norfolk International Airport, IKEA, and Simon Premium Outlet Mall



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LOCATION ANALYSIS

2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Norfolk Location Overview



2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Norfolk Top Employers



2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Hampton Roads Transformation & Growth



HRBT Expansion

\$3.9B Project

The Hampton Roads Bridge-Tunnel (HRBT) expansion project is a major infrastructure initiative aimed at improving transportation and connectivity in the Hampton Roads, particularly between the cities of Norfolk and Hampton. The project is set to be completed Spring 2027.



Atlantic Park

\$350M Project

This project, which has garnered support from the renowned entertainer Pharrell Williams, will showcase a 2.67-acre Wave garden Cove surf park designed to create waves suitable for surfers of varying skill levels. In addition to the surf park, Atlantic Park will feature novel dining establishments, immersive retail experiences, residential and office spaces, as well as cutting-edge indoor and outdoor entertainment facilities.



Rivers Casino

\$340M Project

In January 2023, the grand opening of Rivers Casino in Portsmouth marked a significant turning point for the region. Since its inception, Rivers Casino has become a vibrant hub of tourism, drawing visitors with its exciting gaming options, top-notch entertainment, and exquisite dining experiences. Notably, the casino has made a substantial contribution to the local economy by generating employment opportunities and boosting patronage at nearby hotels, restaurants, and entertainment venues.

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Hampton Roads Naval Shipyard

The Norfolk Naval Shipyard (NNSY) is a major United States Navy shipyard located in Portsmouth, Virginia, adjacent to Norfolk. It is one of the most significant and oldest shipyards in the United States. NNSY is primarily responsible for the maintenance, repair, and overhaul of U.S. Navy ships and submarines. It plays a crucial role in ensuring the operational readiness of the Navy's fleet, including aircraft carriers, submarines, destroyers, and other vessels. The shipyard's skilled workforce and advanced facilities are essential for keeping the Navy's assets in top condition.

NNSY is one of the largest employers in the region, providing jobs to thousands of workers, including civilian and military personnel. This significant employment opportunity contributes to the local economy by generating income and supporting local businesses and services.



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FINANCIAL ANALYSIS

2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Executive Pricing Summary

PRICE	
Price	\$2,200,000
Down Payment	\$660,000
Number of Units	13
Price Per Unit	\$169,231
Price Per Sqft	\$208.53
Approx. Year Built	1910 & 1981

RETURNS	CURRENT	YEAR 1
Cap Rate	5.07%	7.64%
GRM	12.69	9.21
Cash-on-Cash	-0.81%	7.77%
Debt Coverage Ratio	0.95	1.44

2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Investment Summary

MARKET LOAN

Interest Rate	6.50%
Amortization Period	30 Years
Annual Loan Constant	7.58%
Loan Term	10 Years
Loan to Value	70%
Loan Amount	\$1,540,000
Down Payment	\$660,000

FINANCIAL SUMMARY

	CURRENT		YEAR 1
Gross Scheduled Rent	\$173,364		\$238,764
Less: Vacancy/Deductions	6.0%	\$10,435	5.0% \$11,938
Total Effective Rental Income		\$162,929	\$226,826
Other Income		\$0	\$3,000
Effective Gross Income		\$162,929	\$229,826
Less: Expenses	31.6%	\$51,490	26.9% \$61,723
Net Operating Income		\$111,439	\$168,103
Cash Flow		\$111,439	\$168,103
Debt Service		\$116,806	\$116,806
Net Cash Flow After Debt Service	-0.81%	-\$5,367	7.77% \$51,297
Principal Reduction		\$17,213	\$18,366
Total Return	1.79%	\$11,846	10.55% \$69,663

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Unit Mix

UNIT TYPE	# OF UNITS	AVG SF	CURRENT			POTENTIAL		
			AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1BD/1BA	8	650	\$923	\$1.42	\$7,385	\$1,381	\$2.13	\$11,050
2BD/1BA	3	650	\$1,021	\$1.57	\$3,063	\$1,433	\$2.21	\$4,300
Retail	1	2,000	\$2,200	\$1.10	\$2,200	\$2,350	\$1.18	\$2,350
SFH	1	1,400	\$1,799	\$1.29	\$1,799	\$2,000	\$1.43	\$2,000
Total/Weighted Averages	13	812	\$1,111	\$1.37	\$14,447	\$1,515	\$1.87	\$19,700
Gross Annualized Rents			\$173,364			\$236,400		

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Operating Statement

INCOME	CURRENT		YEAR 1		PER UNIT
Gross Potential Rent	236,400		238,764		18,366
Loss/Gain to Lease	(63,036)	26.7%	0		0
Gross Current Rent	173,364		238,764		18,366
Physical Vacancy	(6,935)	4.0%	(9,551)	4.0%	(735)
Bad Debt	(3,500)	2.0%	(2,388)	1.0%	(184)
Total Vacancy	(\$10,435)	6.0%	(\$11,938)	5.0%	(\$918)
Economic Occupancy	93.98%		95.00%		
Effective Rental Income	162,929		226,826		17,448
Utility Bill-Back			3,000		231
Total Other Income	\$0		\$3,000		\$231
Effective Gross Income	\$162,929		\$229,826		\$17,679
EXPENSES	CURRENT		YEAR 1		PER UNIT
Real Estate Taxes	11,850		18,500		1,423
Insurance	6,400		6,400		492
Utilities - Electric	675		675		52
Utilities - Water & Sewer	3,000		3,000		231
Repairs & Maintenance	8,250		8,250		635
Contract Services	6,050		4,950		381
Marketing & Advertising	825		825		63
General & Administrative	285		285		22
Operating Reserves	2,750		2,750		212
Management Fee	11,405	7.0%	16,088	7.0%	1,238
Total Expenses	\$51,490		\$61,723		\$4,748
Expenses as % of EGI	31.6%		26.9%		
Net Operating Income	\$111,439		\$168,103		\$12,931

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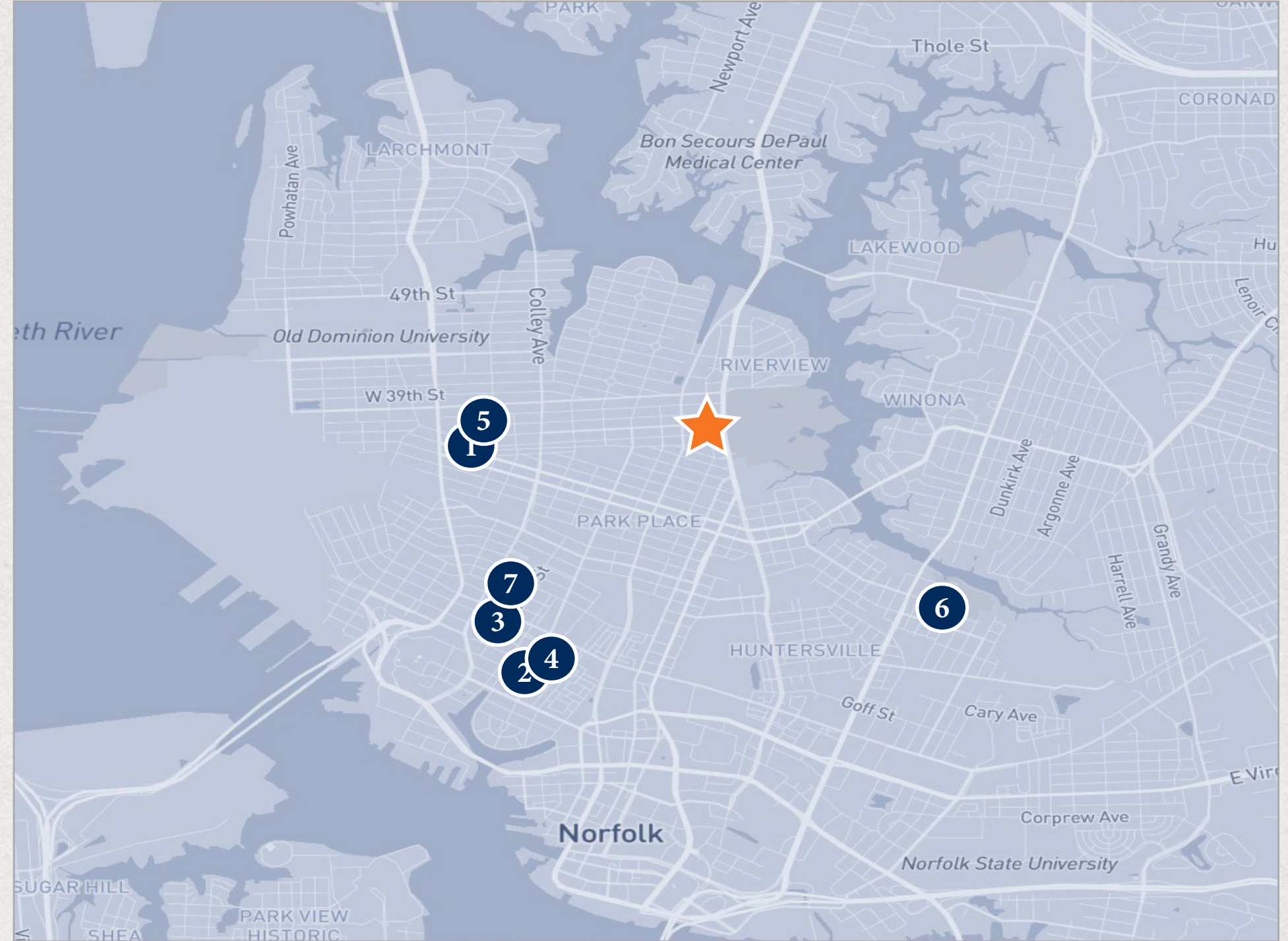
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MARKET COMPARABLES

2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Sale Comparables

	PROPERTY	UNITS	YEAR BUILT	SALES PRICE	PRICE/UNIT	PRICE/SF	SALE DATE
★	2811-2815 Colonial Avenue & 509 W 29th Street Norfolk, VA	11	1910 & 1981	\$2,200,000	\$169,231	\$208.53	-
1	1028 W 35th Street Norfolk, VA	6	1918	\$1,008,775	\$168,129	\$96.79	April 2026
2	819 Colonial Avenue Norfolk, VA	16	2000	\$2,850,000	\$178,125	\$125.05	December 2025
3	750 W Princess Anne Road Norfolk, VA	22	1921	\$2,850,000	\$129,545	\$150.00	December 2025
4	601 Graydon Avenue Norfolk, VA	15	1910 2023	\$3,030,000	\$202,000	\$290.68	December 2025
5	1043 W 36th Street Norfolk, VA	8	1973	\$950,000	\$118,750	\$125.40	December 2025
6	2421 Bolton Street Norfolk, VA	8	1965 2023	\$1,099,000	\$137,375	\$205.66	May 2025
7	Maury Court 749 Maury Avenue Norfolk, VA	12	1928	\$1,693,431	\$141,119	\$123.71	February 2025
	Averages	12	-	\$1,925,887	\$153,435	\$159.61	-

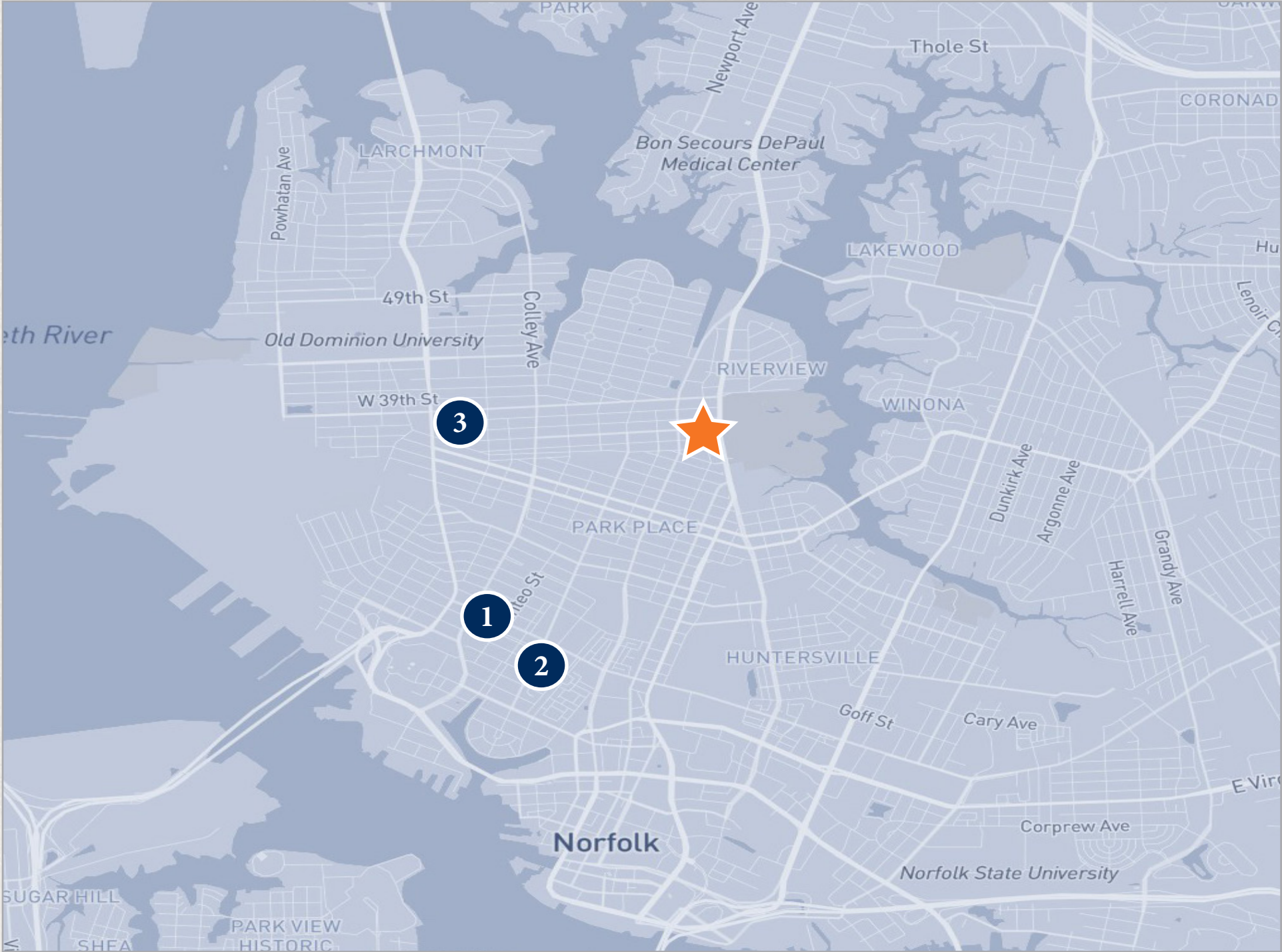


2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Rent Comparables

One-Bedroom

	PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
	★ 2811-2815 Colonial Avenue & 509 W 29th Street - 11 Units Norfolk, VA	1BD/1BA	8	650	\$923	\$1.42
1	750 W Princess Anne Road Norfolk, VA	1BD/1BA	16	750	\$937	\$1.25
2	601 Graydon Avenue Norfolk, VA	1BD/1BA	12	700	\$1,746	\$2.49
3	1043 W 36th Street Norfolk, VA	1BD/1BA	1	550	\$1,240	\$2.25
	Averages		10	667	\$1,308	\$2.00



2811-2815 COLONIAL AVENUE & 509 W 29TH STREET

Rent Comparables

Two-Bedroom

	PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★	2811-2815 Colonial Avenue & 509 W 29th Street - 11 Units Norfolk, VA	2BD/1BA	3	650	\$1,021	\$1.57
1	1028 W 35th Street Norfolk, VA	2BD/1BA	2	700	\$1,450	\$2.07
2	819 Colonial Avenue Norfolk, VA	2BD/1BA	16	1,000	\$1,426	\$1.43
3	750 W Princess Anne Road Norfolk, VA	2BD/1BA	4	1,000	\$1,165	\$1.17
4	601 Graydon Avenue Norfolk, VA	2BD/1BA	3	700	\$1,533	\$2.19
5	1043 W 36th Street Norfolk, VA	2BD/1BA	7	750	\$1,400	\$1.87
6	2421 Bolton Street Norfolk, VA	2BD/1BA	8	800	\$1,337	\$1.67
7	Maury Court 749 Maury Avenue Norfolk, VA	2BD/1BA	12	1,000	\$1,700	\$1.70
	Averages	-	7	850	\$1,430	\$1.73

