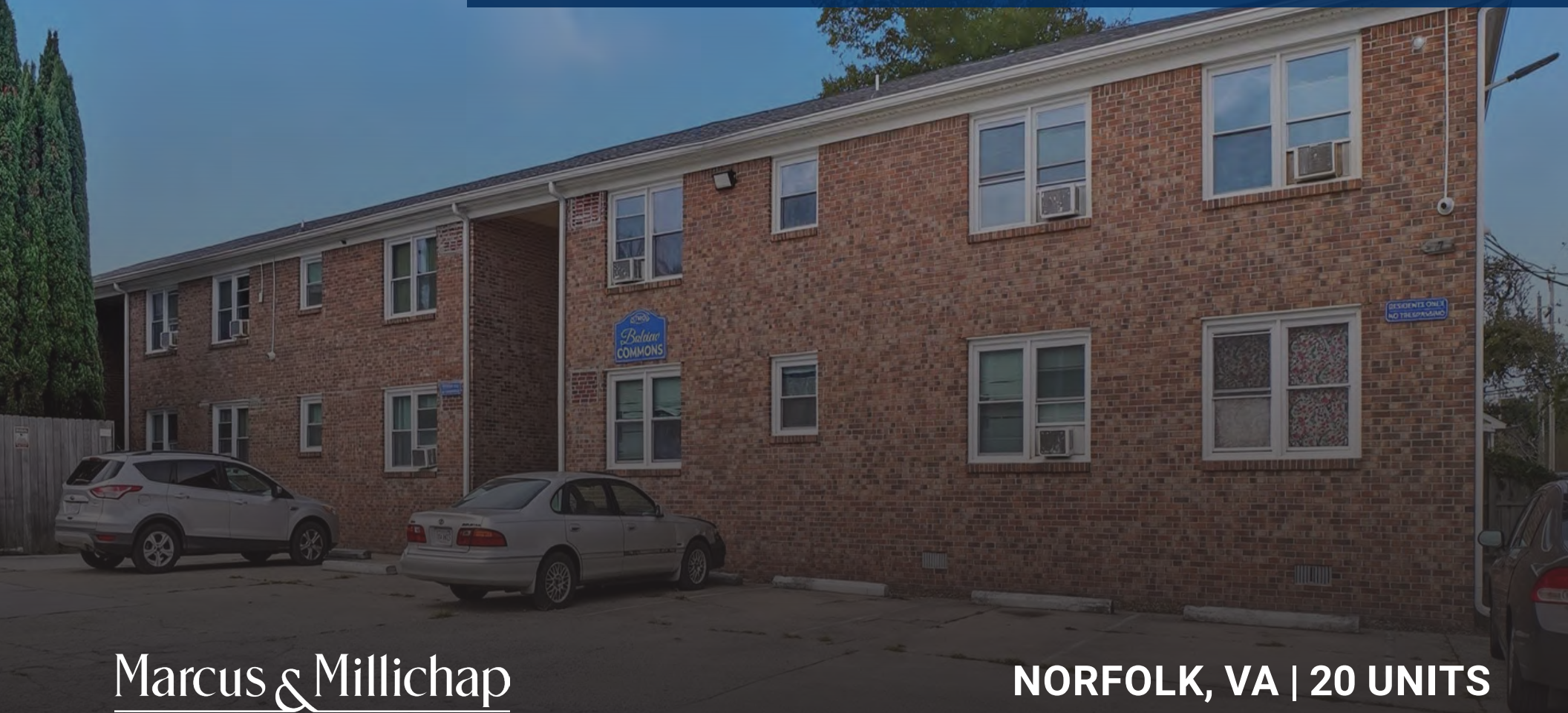


OFFERING MEMORANDUM

171-179 W BALVIEW AVENUE



Marcus & Millichap

NORFOLK, VA | 20 UNITS

NON-ENDORSEMENT AND DISCLAIMER NOTICE

CONFIDENTIALITY & DISCLAIMER The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the 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 Marketing Brochure has been obtained from sources we believe to be 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. Marcus & Millichap is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2023 Marcus & Millichap. All rights reserved.

NON-ENDORSEMENT NOTICE Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Marcus & Millichap, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Any rent or income information in this offering memorandum, with the exception of actual, historical rent collections, represent good faith projections of potential future rent only, and Marcus & Millichap makes no representations as to whether such rent may actually be attainable. Local, state, and federal laws regarding restrictions on rent increases may make these projections impossible, and Buyer and its advisors should conduct their own investigation to determine whether such rent increases are legally permitted and reasonably attainable.



LISTED BY:

Brian Hosey
Marcus & Millichap
Real Estate Investment Services of
North Carolina, Inc.
7200 Wisconsin Ave, Suite 1101
Bethesda MD 20814
VA License: 0225247494
Activity ID: ZAG0600046



Marcus & Millichap

171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

THE OPPORTUNITY

171-179 W BALVIEW AVENUE

Offered Property

Marcus & Millichap is pleased to present the offering memorandum for 171-179 W Balview Avenue in Norfolk, VA.

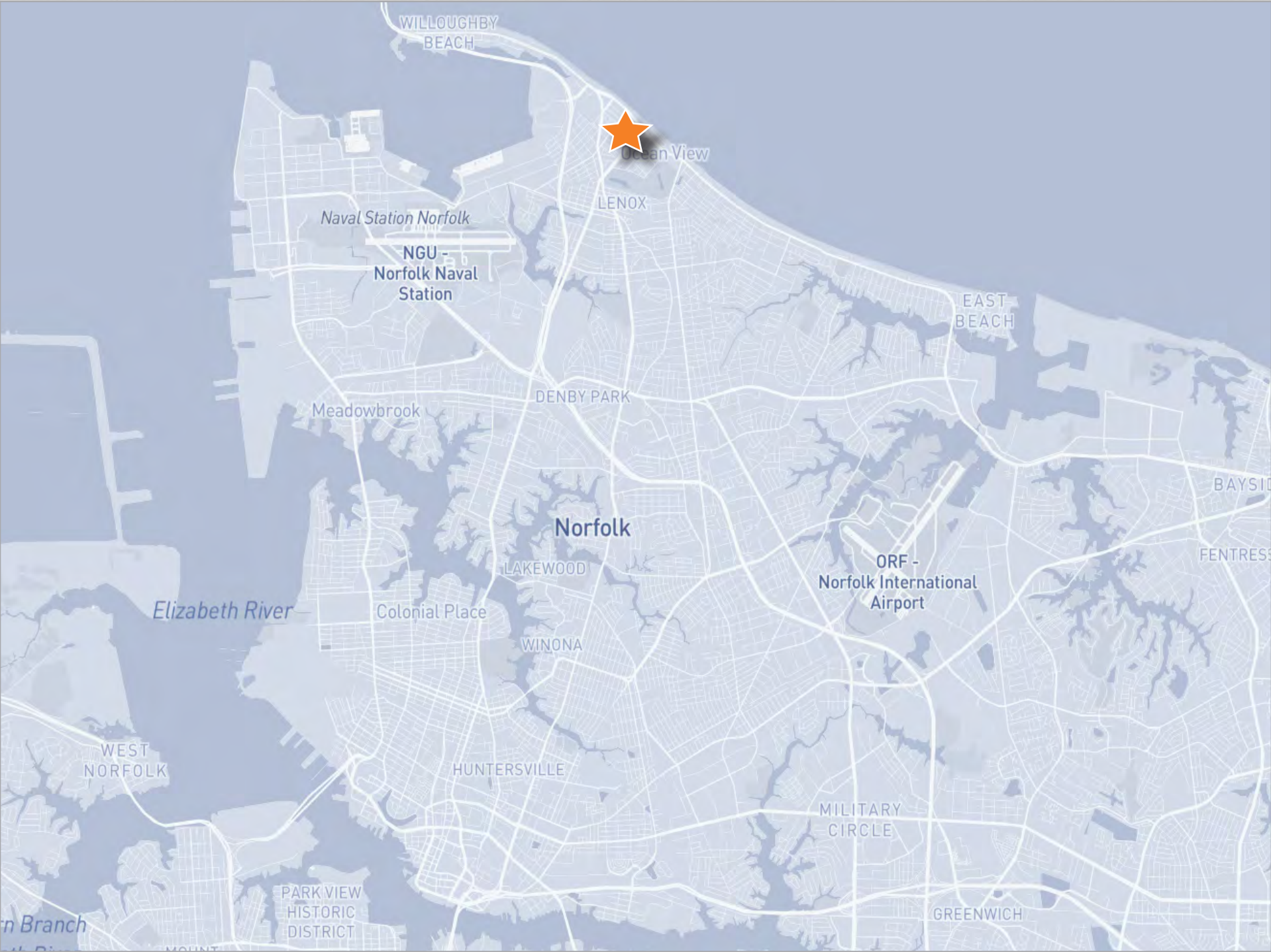
The property consists of twenty units total. There are eight, one-bedroom and one-bathroom units and twelve, two-bedroom one-bathroom units across two, two-story buildings built in 1987 and situated on +/- 0.24 acres.

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.



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



171-179 W BALVIEW AVENUE
Exterior Photos



171-179 W BALVIEW AVENUE
Interior Photos





Marcus & Millichap

171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

LOCATION ANALYSIS

171-179 W BALVIEW AVENUE

Norfolk Location Overview



171-179 W BALVIEW AVENUE

Norfolk Top Employers



171-179 W BALVIEW AVENUE

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.

171-179 W BALVIEW AVENUE

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.





Marcus & Millichap

171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

FINANCIAL ANALYSIS

171-179 W BALVIEW AVENUE

Executive Pricing Summary

PRICE	
Price	\$2,675,000
Down Payment	\$802,500
Number of Units	20
Price Per Unit	\$133,750
Price Per Sqft	\$196.69
Approx. Year Built	1987

RETURNS	CURRENT	YEAR 1
CAP Rate	7.51%	7.88%
GRM	9.18	8.20
Cash-on-Cash	7.79%	9.04%
Debt Coverage Ratio	1.45	1.52

171-179 W BALVIEW AVENUE

Investment Summary

MARKET LOAN	
Interest Rate	6.25%
Amortization Period	30 Years
Months of Interest Only	0 Months
Annual Loan Constant	7.39%
Loan Term	10 Years
Loan to Value	70%
Loan Amount	\$1,872,500
Down Payment	\$802,500

FINANCING	
Loan Amount	\$1,872,500
Loan Type	New
Interest Rate	6.25%
Amortization	30 Years
Year Due	2035

INCOME		CURRENT		YEAR 1
Gross Scheduled Rent		\$291,480		\$326,400
Less: Vacancy/Deductions	5.0%	\$14,574	5.0%	\$16,320
Total Effective Rental Income		\$276,906		\$310,080
Other Income		\$0		\$0
Effective Gross Income		\$276,906		\$310,080
Less: Expenses	27.5%	\$76,058	32.0%	\$99,209
Net Operating Income		\$200,848		\$210,871
Cash Flow		\$200,848		\$210,871
Debt Service		\$138,352		\$138,352
Net Cash Flow After Debt Service	7.79%	\$62,496	9.04%	\$72,519
Principal Reduction		\$21,942		\$23,353
Total Return	10.52%	\$84,438	11.95%	\$95,873

171-179 W BALVIEW AVENUE

Unit Mix

UNIT TYPE	# OF UNITS	AVG SF	CURRENT			POTENTIAL		
			AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1 Bed 1 Bath	8	650	\$1,139	\$1.75	\$9,115	\$1,300	\$2.00	\$10,400
2 Bed 1 Bath	12	700	\$1,265	\$1.81	\$15,175	\$1,400	\$2.00	\$16,800
Total/Weighted Averages	20	680	\$1,176	\$1.73	\$23,525	\$1,360	\$2.00	\$27,200
Gross Annualized Rents			\$291,480		\$326,400			

171-179 W BALVIEW AVENUE

Operating Statement

INCOME	CURRENT		YEAR 1		PER UNIT
Gross Potential Rent	326,400		326,400		16,320
Loss/Gain to Lease	(34,920)	7.3%	0		0
Gross Current Rent	291,480		326,400		16,320
Physical Vacancy	(8,744)	3.0%	(13,056)	4.0%	(653)
Bad Debt	(5,830)	2.0%	(3,264)	1.0%	(163)
Total Vacancy	(\$14,574)	5.0%	(\$16,320)	5.0%	(\$816)
Economic Occupancy	95.00%		95.00%		
Effective Gross Income	\$276,906		\$310,080		\$15,504
EXPENSES	CURRENT		YEAR 1		PER UNIT
Real Estate Taxes	23,125		32,903		1,645
Insurance	11,000		11,000		550
Repairs & Maintenance	9,300		12,000		600
Contract Services	5,000		9,000		450
Marketing & Advertising	1,500		1,500		75
General & Administrative	1,750		3,000		150
Operating Reserves	5,000		5,000		250
Management Fee	19,383	7.0%	24,806	8.0%	1,240
Total Expenses	\$76,058		\$99,209		\$4,960
Expenses as % of EGI	27.5%		32.0%		
Net Operating Income	\$200,848		\$210,871		\$10,544



Marcus & Millichap

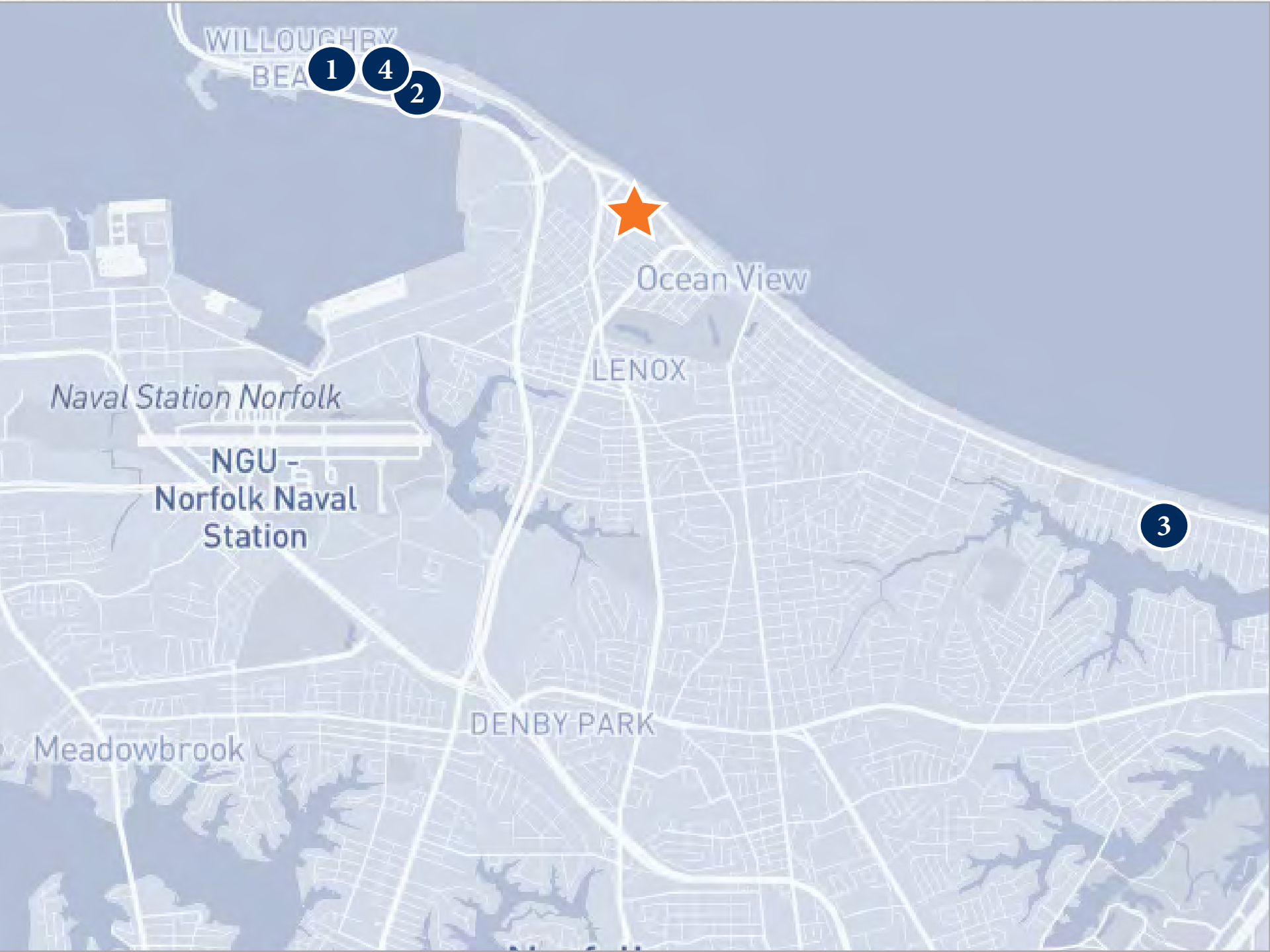
171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

MARKET COMPARABLES

171-179 W BALVIEW AVENUE

Sale Comparables

	PROPERTY	UNITS	BLDG SF	YEAR BUILT	SALES PRICE	PRICE/UNIT	PRICE/SF	SALE DATE
★	171-179 W Balview Avenue Norfolk, VA 23503	20	13,600 SF	1987	\$2,675,000	\$133,750	\$196.69	TBD
1	1250 Little Bay Avenue Norfolk, VA 23503	6	3,780 SF	1970	\$800,000	\$133,333	\$211.64	June 2025
2	905-911 Little Bay Avenue Norfolk, VA 23503	12	12,315 SF	1959	\$1,960,000	\$163,333	\$159.16	September 2024
3	9628-9632 12th Bay Street Norfolk, VA 23518	22	7,670 SF	1972	\$2,787,000	\$126,682	\$363.36	June 2024
4	1314-1318 Little Bay Avenue Norfolk, VA 23503	20	13,806 SF	1979 1984	\$2,200,000	\$110,000	\$159.35	March 2024
	Averages	15	9,393SF	-	\$1,936,750	\$133,337	\$223.38	-



171-179 W BALVIEW AVENUE

Rent Comparables

One-Bedroom					
PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★ 171-179 W Balview Avenue - 20 Units Norfolk, VA 23503	1BD/1BA	8	650 SF	\$1,139	\$1.75
1 West Beach Apartments - 10 Units 219 W Ocean View Avenue Norfolk, VA 23503	1BD/1BA	10	560 SF	\$977	\$1.75
2 Beachcomber Apartments - 32 Units 251-255 W Ocean View Avenue Norfolk, VA	1BD/1BA	20	675 SF	\$918	\$1.36
3 Sea Isle West - 22 Units 237 W Ocean Avenue Norfolk, VA 23503	1BD/1BA	22	600 SF	\$746	\$1.24
4 9525 Granby Street - 14 Units Norfolk, VA 23503	1BD/1BA	8	500 SF	\$640	\$1.28
5 Elite Apartments - 51 Units 209-213 E Ocean View Avenue Norfolk, VA 23518	1BD/1BA	28	750 SF	\$1,050	\$1.40
Averages	-	18	617 SF	\$866	\$1.41

Two-Bedroom					
PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★ 171-179 W Balview Avenue - 20 Units Norfolk, VA 23503	2BD/1BA	12	700 SF	\$1,265	\$1.81
1 West Beach Apartments - 10 Units 219 W Ocean View Avenue Norfolk, VA 23503	-	-	-	-	-
2 Beachcomber Apartments - 32 Units 251-255 W Ocean View Avenue Norfolk, VA	-	-	-	-	-
3 Sea Isle West - 22 Units 237 W Ocean Avenue Norfolk, VA 23503	-	-	-	-	-
4 9525 Granby Street - 14 Units Norfolk, VA 23503	2BD/1BA	6	600 SF	\$686	\$1.14
5 Elite Apartments - 51 Units 209-213 E Ocean View Avenue Norfolk, VA 23518	2BD/1BA	23	900 SF	\$1,200	\$1.33
Averages	-	15	750 SF	\$943	\$1.24

