

OFFERING MEMORANDUM



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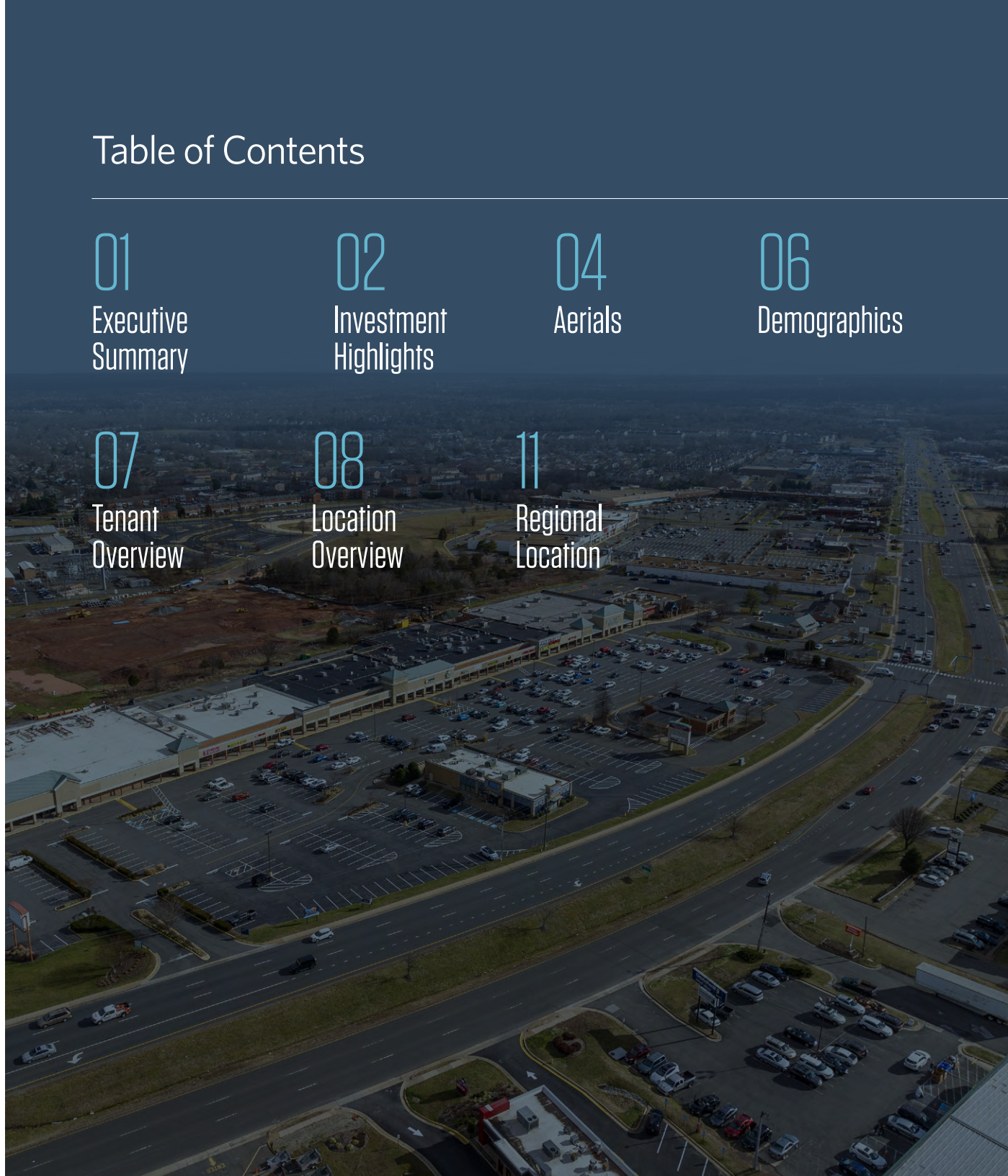
Regional
Location

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THE OFFERING

Tenant	Virginia National Bank	Lease Type	NNN Ground Lease
Price	\$4,196,841	Lease Commencement	6/1/2009
Cap	7.25%	Lease Expiration	5/31/2029
GLA	3,420 SF + Drive Thru	Increases	15% every 5 Years
Lot Size	0.95 Acres	Options	Two ; 5 Year
Year Built / Reno.	1964 / 1994 & 2011		

*Pricing is on analysis year starting 06/01/2024. Seller agrees to credit the Buyer the delta in rent if closing occurs prior to 06/01/2024.



RENT SCHEDULE

Lease Year	Date	Annual Rent	% Increase	Rent/SF
Base Rent	Current - 5/31/24	\$264,500	-	\$77.34
	6/1/24 - 5/31/29	\$304,175	15.00%	\$88.94
Option Terms	<i>First Five-Year Option</i>			
	6/1/29 - 5/31/34	\$349,801	15.00%	\$102.28
	<i>Second Five-Year Option</i>			
	6/1/34 - 5/31/39	\$402,271	15.00%	\$117.62



PRICE
\$4,196,841



CAP RATE
7.25%



LOT SIZE
0.95 Acres



YEAR BUILT / RENOVATED
1964 / 1994 & 2011



LEASE TYPE
NNN
Ground Lease



DEMOGRAPHIC HIGHLIGHTS

3-MILE



90,921 RESIDENTS



\$124,475 AVERAGE HOUSEHOLD INCOME



0.32% POPULATION GROWTH/YR

ACCESSIBILITY



SUDLEY ROAD
39,000 VPD

Investment Highlights

Lengthy Operating History and Strategic Location

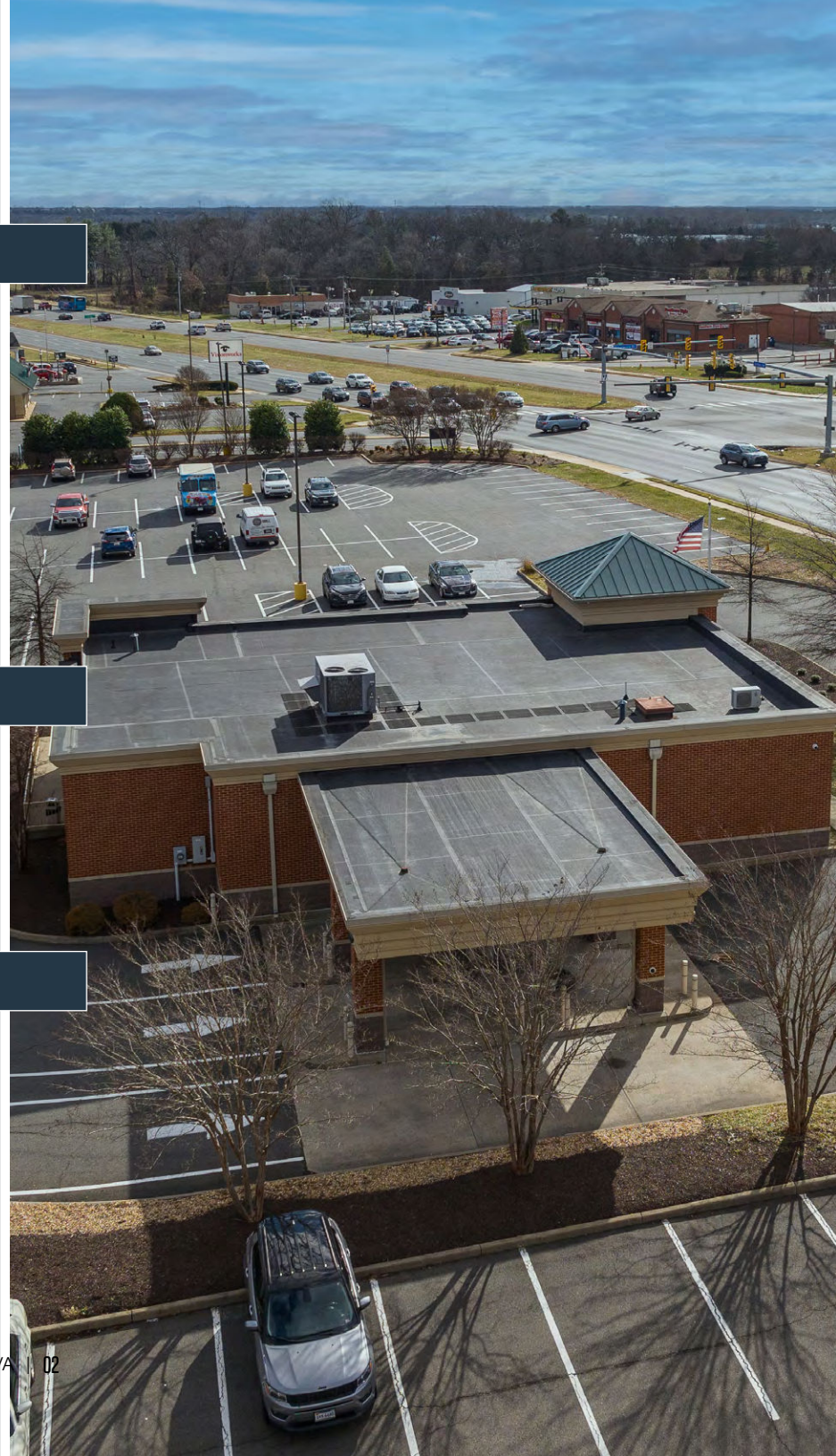
- » Lengthy operating history on-site since June-2009 with attractive increase structure; 15% increases in each of their remaining five-year options
- » Strategic expansion location for the brand with Virginia National Bank's recent acquisition of Fauquier Bank which has an established presence in the Manassas submarket. The acquisition boosts Virginia National Bank's credit and operating efficiencies. The next closest Virginia National Bank branch is approximately 4 miles away. Virginia National Bank operates 16 branches in Northern Virginia
- » Publicly traded as Virginia National Bankshares Corporation (NASDAQ: VABK) with \$184 million market capitalization

Street Facing Outparcel to Westgate Shopping Center

- » Virginia National Bank is an ideally located outparcel to Westgate Shopping Center, with in-place junior anchors Inova Health Systems and Banfield Pet Hospital and recent anchor lease executions with Onelife Fitness, Goodwill, and KPOT Korean BBQ. The new retailers are set to open in 2024 and account for 88,247 SF or 52% GLA of the larger center

Prototypical Bank Construction Performed by Tenant

- » Tenant self-renovated in 2011, adding the drive-thru lanes and expanding building footprint to accommodate the growing branch, offering increased curb appeal, brick façade, and upgraded interior finishes
- » Prototypical construction with three drive-thru lanes, ideal for a bank use and long-term residual value in dense retail corridor with tight retail demand for freestanding buildings with drive-thru lanes



Investment Highlights

Established Submarket in Low Vacancy Corridor

- » Mature and tight submarket with 6.3M SF of retail within a three-mile radius, of which small space retail below 5,000 SF accounts for only 0.5% of the vacancy
- » Only one pad-site available for lease within three-miles, a 7,400 SF building 1.3 miles away, resulting in a 98% occupancy rate for freestanding retail buildings under 10,000 SF
- » Excellent visibility and signalized access via Sudley Road (39,000 VPD) and Crestwood Drive (5,800 VPD). Multiple points of access along Sudley Road with additional shopping center access along Lomond Drive (15,000 VPD) from the northwest, providing additional access to Virginia National Bank

Accessibility to Major Economic Drivers

- » Adjacent to Lomond Village - a 13-acre development project under construction by Ryan Homes, delivering 154 condominium units directly northeast of Westgate Shopping Center
- » Insulated submarket with major economic drivers, including Micron Technology (2 miles away) which recently announced a \$3 billion expansion of their manufacturing facility - first phase of construction was completed in 2021
- » 1.5 Miles from I-66 (141,000 VPD) with direct access to Sudley Road via exit 47: I-66 is the primary highway connecting Washington DC to the Northern Virginia suburbs

Unbeatable Local Demographics

- » Extraordinarily dense residential base with 22,682 residents within 1-mile. The larger shopping center is proximate to the Westgate Apartments & Townhomes (795 Units), directly northeast of the property, which provides seamless walkability to Virginia National Bank and the shopping center amenities
- » Wealthy demographic make-up in an expanded trade area, Avg HH income of \$124,991 within a three-mile radius, which is set to grow to \$140,432 by 2028

Aerials

Birds Eye - North



BULL RUN PLAZA

Giant Marshalls®
 DICK'S Sporting Goods FIVE BELOW
 ROSS DRESS FOR LESS PETSMART

PROMENADE AT MANASSAS

THE HOME DEPOT
 planet fitness
 Ashley oh! Market

66
 1 MILE

Lowe's

amazon fresh
 SKY ZONE
 AutoZone
 SUDLEY MANOR SQUARE

WASHINGTON
 DC

BEST BUY
 Burlington
 BOB'S DISCOUNT FURNITURE
 SUDLEY TOWNE PLAZA

WESTGATE SHOPPING CENTER
 goodwill
 Banfield PET HOSPITAL
 Onelife FITNESS Panera BREAD®

Public Storage

Inova

VIRGINIA NATIONAL BANK®

LOMOND VILLAGE
 154 TOWNHOME CONDO UNITS
 UNDER CONSTRUCTION

SUDLEY ROAD

39,000
 [2022 ADT]

Visionworks





PORTSMOUTH STATION



REGENCY
FURNITURE SHOWROOMS



my family, my family, dollar.

FESTIVAL AT MANASSAS



ALWAYS FRESH & LOW PRICES



LL Flooring

MANAPORT PLAZA



Gabe's

Advance! Auto Parts!



MCKAY USED BOOKS



OPENING 2024



OPENING 2024

Visionworks

LOMOND VILLAGE
154 TOWNHOME CONDO UNITS
UNDER CONSTRUCTION



OPENING 2024






OPENING 2024

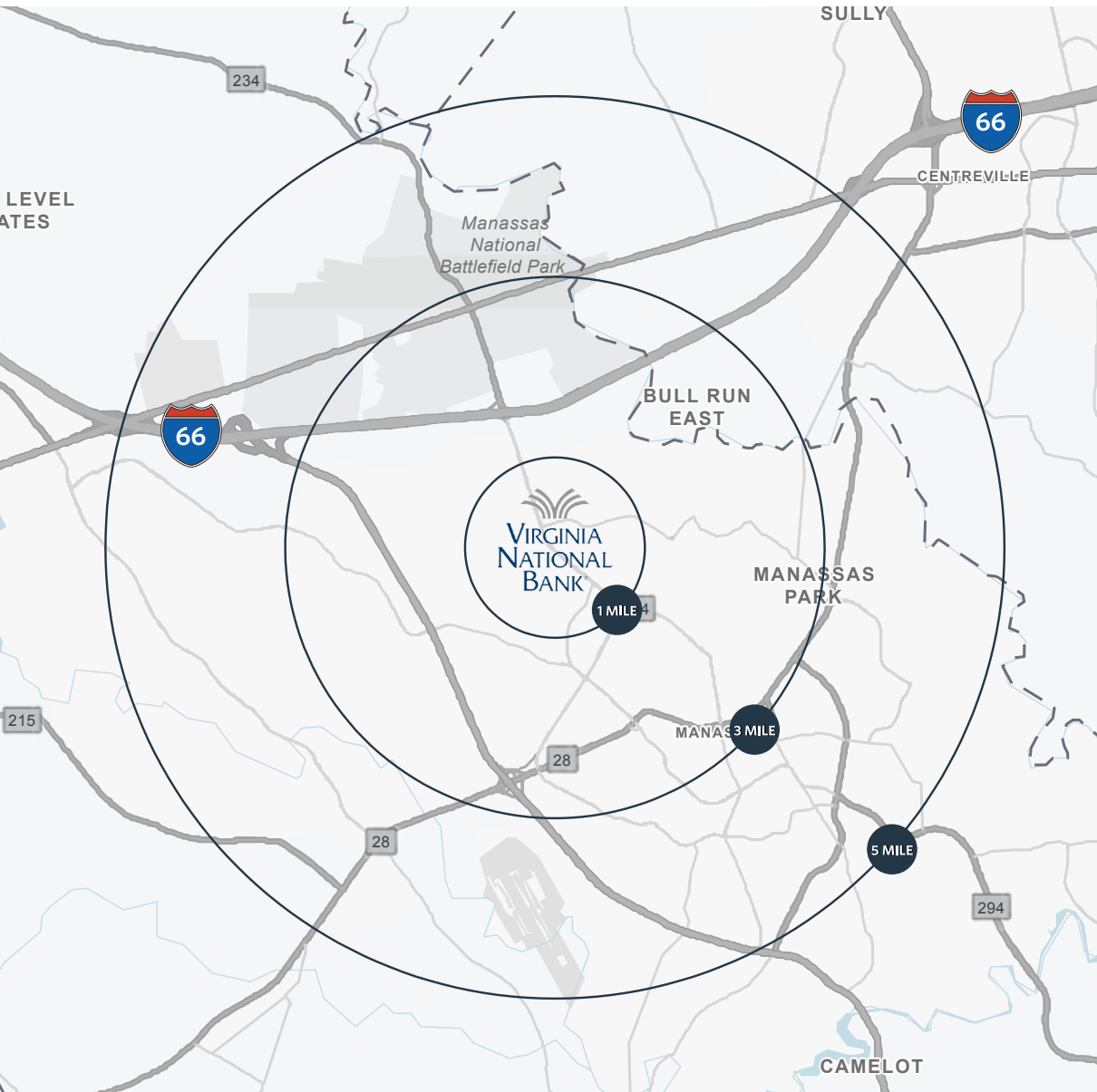


SUDLEY ROAD





39,000 [2022 ADT]





Demographics



2023 Demographic Summary

	1 MILE	3 MILE	5 MILE
 Total Population	22,514	90,921	196,022
 Average Household Income	\$98,369	\$124,475	\$146,004
 Households	7,413	28,300	61,866
 Daytime Population	20,870	94,469	173,583

2023 - 2028 Projected Annual Growth Summary

 Population	0.45%	0.32%	0.31%
 Average Household Income	2.64%	2.38%	2.26%

Tenant Overview

Established in 1998, Virginia National Bank is dedicated to community-focused banking and financial services within the State of Virginia. Serving the counties of Fauquier, Prince William, and Albemarle, as well as the cities of Richmond, Winchester, and Charlottesville, the bank operates as a wholly owned subsidiary of Virginia National Bankshares Corporation. Listed on NASDAQ as VABK, the corporation has a market capitalization of \$190M.

Demonstrating their ongoing dedication to their target demographic, Virginia National Bank expanded its reach by acquiring The Fauquier Bank in April 2021. This strategic move propelled the bank's assets to \$1.8 billion, with deposits reaching \$1.65 billion for the calendar year 2022. The integration of The Fauquier Bank bolstered the bank's market share and positioned it as a leading financial institution in Virginia, boasting enhanced scale, operating leverage, and a more comprehensive range of business lines.

[FOR MORE INFORMATION ON VNB – PLEASE SEE THE LATEST 10-K FILING HERE](#) 10-K FILING



NO. OF LOCATIONS:	NO. OF EMPLOYEES:	
16+	160+	
YEAR FOUNDED:	2022 ASSETS:	2022 DEPOSITS:
1998	\$1.8 B	\$1.65 B



Located approximately 25 miles from Washington D.C., Manassas operates as an independent city within the commonwealth of Virginia. Containing a population of 43,000 residents, Manassas is an appealing bedroom community which can be attributed to the low costs, high quality of living, and ease of access to Washington D.C. Manassas is connected through multiple highly trafficked roadways, including I-66 (130,000 VPD), I-95 (118,000 VPD), and the Virginia Railway Express, which is planning to double ridership by 2040. In addition, as an enticing location for business, Manassas is home to several Fortune 500 companies, such as Lockheed Martin, BAE Systems, and Micron Technology. **Micron, the largest employer in Manassas with 1,500+ associates, recently announced plans to start a \$3 billion project to expand their manufacturing facility and create over 1,100 jobs by 2030,**

which is supported by roughly \$70 million provided by the State of Virginia. Micron delivered their first phase of construction in December 2021 – creating over \$2 million in tax revenues. As one of Virginia’s quickest growing cities with a 13.1% growth since 2010, Manassas is experiencing a tremendous influx of new housing developments which will further densify the community. Notable recent developments include The Landing at Cannon Branch, which delivered 274 townhomes and a Tru Hotel by Hilton, The Village at Manassas Park, a 2-level, 1-car garage condominium neighborhood just off the VRE Station, delivering 300+ units, and Jefferson Square – an 84-unit townhome project – all of which are located within 3-miles of Westgate Shopping Center. Directly north of the property is the construction of Lomond Village – a 13-acre, 154 condominium community being constructed by Ryan Homes.



Prince William County

Totalling approximately 350 square miles, Prince William County is well positioned at the epicenter of Northern Virginia's 1.6-million-person workforce. The county is bounded by the Potomac River to the east, Fairfax and Loudoun Counties to the north, Fauquier County to the west and Stafford County to the south. Home to more than 465,000 residents, Prince William County has experienced 15%+ population growth since 2010, quickly becoming the community of choice for businesses and residents in the area. Many of these new residents are attracted to the county's superior location - where approximately 75% of northern Virginia's workforce lives within a 40-minute commute. Additionally, it is ranked within the 20 wealthiest counties in the United States, boasting a median household income of nearly \$113,000.

Due to its proximity to Washington, DC and the federal government, Prince William County has historically outperformed the nation in terms of both economic and employment metrics. Prince William County, as recent as July 2023, had an unemployment rate of 2.5%, below the national average of 3.5%. Additionally, Prince William County is AAA rated by all three major credit agencies due to the stable financial outlook, healthy reserves, and sound fiscal management. Of the 3,100 counties in the United States, only 48 possess this distinction of receiving the highest quality credit ratings by all three agencies. Prince William County also enjoys extensive highway access via Interstate 95, Interstate 66 and Jefferson Davis Highway, allowing commuters to traverse the greater Washington, DC area with ease.

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Prince William County Fairgrounds. The Prince William County Fair is the largest County Fair in the state of Virginia. Photo: Jim Markham.



With a population of over six million, the Washington, D.C. MSA includes the District of Columbia, the seat of the United States Government, as well as 22 counties and jurisdictions within Maryland and Virginia. The region has remained one of the best performing economies in the US, with a median household income of \$100,000. This is largely helped by being one of the most dynamic economies in the US, driven by a highly educated workforce, with more than 50% possessing a bachelor’s degree or higher. Within city lines are major educational institutions, such as Georgetown University, George Washington University, and Catholic University. The D.C. area is also a bustling business metropolis, playing host to numerous Fortune 500 companies spanning a wide array of industries, including Amazon, Lockheed Martin, General Dynamics, and Capital One. The Greater Washington region is also one of two metropolitan regions in the U.S. with three world-class airports: Washington Dulles International Airport (IAD), Baltimore/Washington International Thurgood Marshall Airport (BWI), and Ronald Reagan Washington National Airport (DCA).

The Greater Washington region has gained more than 300,000 jobs since 2000, one of the highest numbers of any metropolitan region in the country and has consistently maintained unemployment rates below the national average (3.9% in 2021) This large increase in employment is supported by the highly educated workforce employed in several prevalent industries, including government, biotechnology, science & engineering, defense contracting, and tourism.

The City of Washington D.C. has largely been characterized by its presence and influence on the national and international political sphere. Backed by one of the most resistant and stable economies globally, Washington D.C. has seen steady population growth of over 120,000 since 2010, totaling over 705,000 residents. Of this population, there has been a notable increase of young professionals calling the city home, as the number of residents ages 25-44 has increased from 55.4% to 61.5 % over the last 10 years.

#1

Largest Metropolitan Area in South Atlantic Division

#6

Largest Metropolitan Statistical Area in the Nation

17

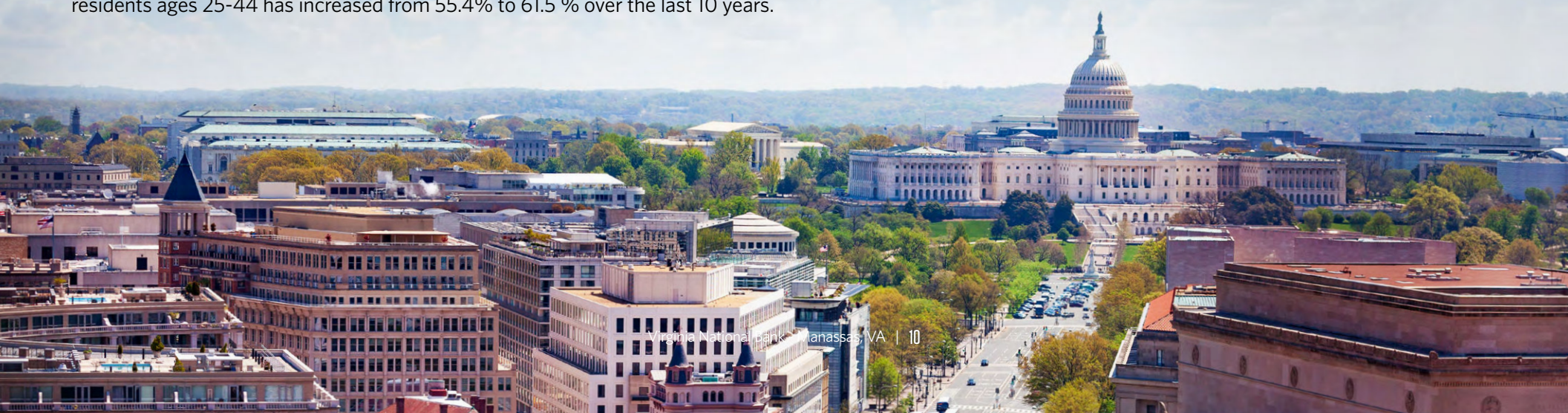
Fortune 500 Company HQs within 25 Miles of DC

3

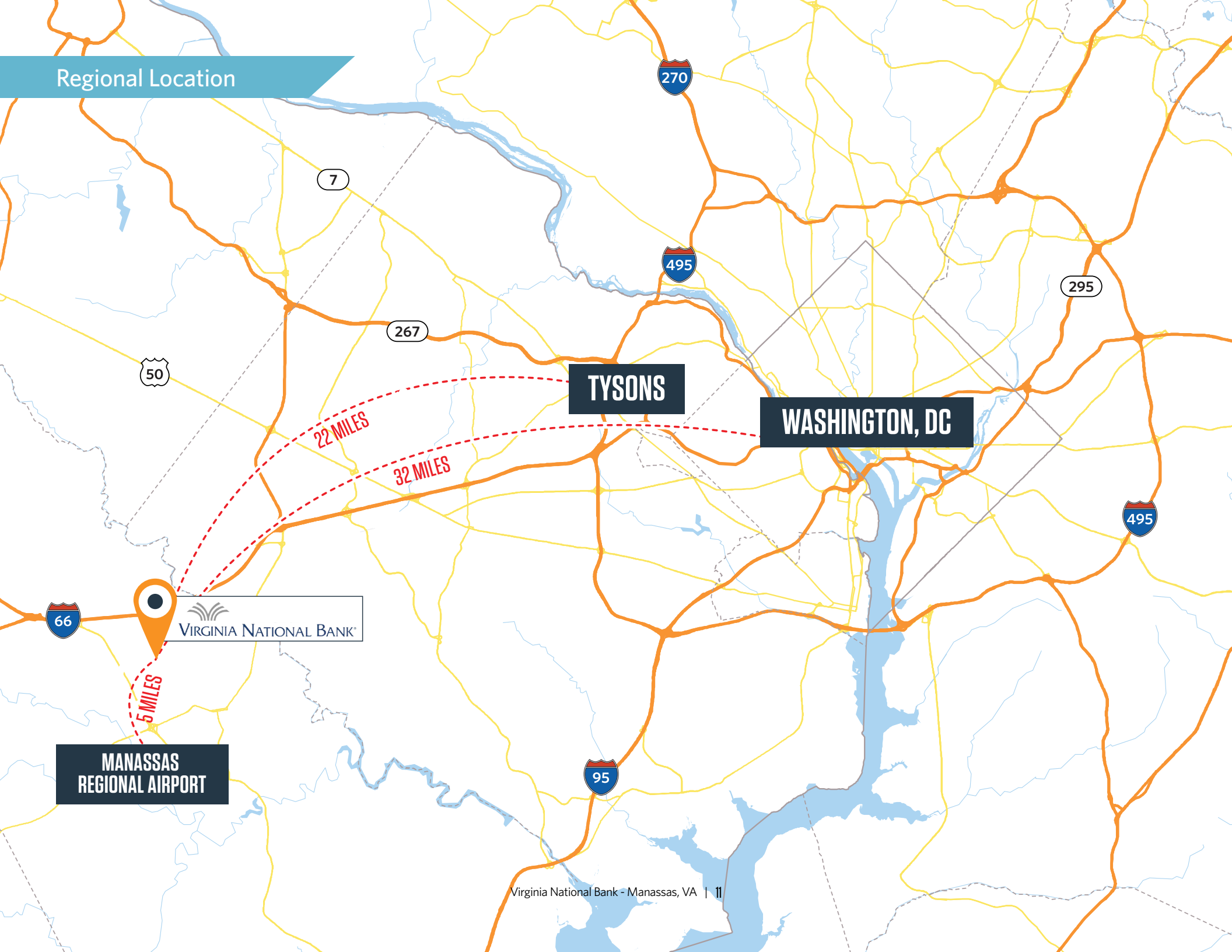
World Class Airports (BWI, DCA & IAD)

705,000

New Residents Since 2010



Regional Location



**MANASSAS
REGIONAL AIRPORT**


VIRGINIA NATIONAL BANK

TYSONS

WASHINGTON, DC

22 MILES

32 MILES

5 MILES

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