

# OFFERING MEMORANDUM



**6095 INDIAN RIVER ROAD**

Virginia Beach, Virginia 23464

7,480 SF MEDICAL | RETAIL CENTER | OWNER-OCCUPANT OPPORTUNITY

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## **BROKER**

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An aerial photograph of a coastal city, likely San Francisco, serves as the background. A prominent red banner is positioned in the upper left, and two thick white diagonal stripes run from the top right towards the bottom left. The text 'TABLE OF CONTENTS' is centered within the red banner.

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# OFFERING MEMORANDUM – EXECUTIVE SUMMARY








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Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale 6095 Indian River Road (the “Property”), a 35% leased, 7,480 square foot medical / retail strip center located in highly desirable Virginia Beach. The center was constructed in 2013 and offers a rare opportunity to acquire an owner-occupant opportunity with retail visibility in modern 2013 construction. Strategically situated next to CVS on the hard corner of Indian River Road and Providence Road with combined traffic counts over 70,000 vehicles per day and three separate access points.

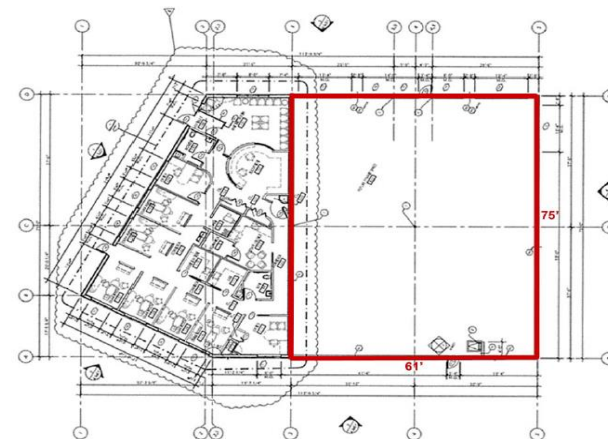
Sitting on ±1.05 acres with over 130' of frontage on Indian River Road (45,000 VPD), the Property is located within .4 miles of the I-64 / Indian River Road interchange and is one of the densest residential areas of the entire Hampton Roads market.

The 2013 construction offers new first generation retail space that provides an opportunity to acquire an asset significantly below current replacement costs supplemented with rental income of a newly extended 5-year lease with Tidewater Dental Group. The Property offers investors and owner-occupants an opportunity to acquire a well-positioned asset with stable income, little deferred maintenance and upside opportunity.

## 2022 AREA DMOGRAPHICS

							
	Average Population	Daytime Population	Median HHI	Average HHI	Home Value	Median Age	Graduate Degree
1 MILE	16,098	13,970	\$71,190	\$92,437	\$277,140	38.8	11.8%
3 MILE	107,129	111,894	\$76,443	\$97,072	\$301,961	38.8	12.3%
5 MILE	303,961	320,917	\$70,539	\$91,880	\$291,192	36.5	11.3%

PROPERTY	6095 Indian River Road Virginia Beach, VA 23464
TOTAL GLA	7,480 SF
OCCUPANCY	35%
YEAR BUILT	2013
SITE SIZE	1.05 acres
ZONING	B2 – Community Business District
WALT	5 Years
WTD. AVG. RENT	\$32.50 PSF with annual escalations
PARKING	42 Total Spaces (5.6 Per 1,000 SF)
ASKING PRICE	Call Broker





# INVESTMENT HIGHLIGHTS



## NEW CONSTRUCTION

- Delivered in 2013; first generation shell space
- Offers investors ability to purchase below replacement cost with little deferred maintenance

## SUPPLEMENTAL INCOME

- Tidewater Dental recently extended for 5 years, lease expiration of October 8, 2027
- Annual escalations
- Dental buildout that will always have demand

## HIGHLY TRAFFICKED FRONTAGE

- Located at intersection of Indian River Road & Providence Road (70,000 AADT)
- Less than .4 miles from the I-64 / Indian River Road interchange
- Over 130' of frontage with three entrances and a monument sign

## STRONG MARKET FUNDAMENTALS

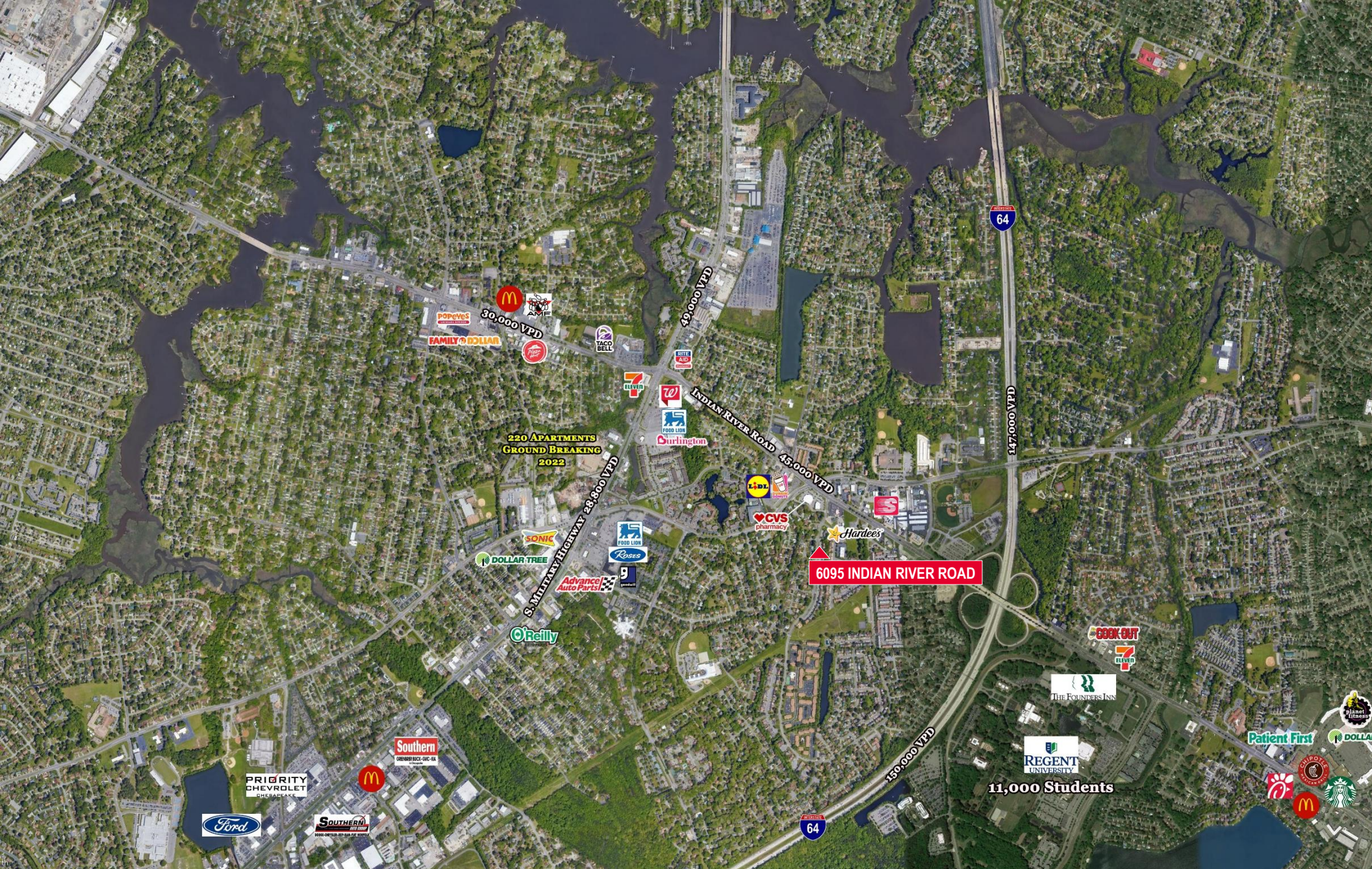
- 5.6% vacancy at the College Park medical and retail submarket
- Subject property newer vintage and superior positioning to competitive set
- Strong medical parking ratio of 5.6/1,000

## OWNER-OCCUPANT OPPORTUNITY

- 35% occupied with a dental group with an opportunity for future ownership to increase revenue
- First generation shell medical / retail space
- Existing lease has annual rental escalations and has tenant responsible for utilities to mitigate inflation exposure



## PROPERTY OVERVIEW







PROPERTY





BUILDING INFORMATION

ADDRESS	6095 Indian River Road, Virginia Beach, VA 23464
TOTAL SF	7,480 SF
SITE SIZE	1.05 Acres
YEAR BUILT	2013
OCCUPANCY	35%
PARCEL NO. (APN)	1456-43-6104
PARKING	42 spaces (5.6 spaces per 1,000 SF)
ACCESS	Via Indian River Road, Providence Road and Level Green Boulevard with combined traffic counts over 70,000 AADT

CONSTRUCTION

CONSTRUCTION	Reinforced concrete
EXTERIOR WALLS	Masonry, Brick & EIFS
WINDOWS	Thermal windows in aluminum frames
FIRE/LIFE SAFETY/ADA	To code
ROOF	Rubber membrane with 2013 warranty

UTILITIES

ELECTRICITY	Dominion Energy
WATER/SEWER	City of Virginia Beach
NATURAL GAS	Virginia Natural Gas





LEGEND

- Tidewater Dental Group  
**2,546 SF**  
*(October 8, 2027 Expiration)*
- Vacant  
**4,934 SF**





MARKET



## HAMPTON ROADS, VIRGINIA

### Virginia Beach

Virginia Beach is the largest city in Hampton Roads. Although it is mainly known for its boardwalk and oceanfront, the city offers much more than just the beach, including the Sportsplex, parks, museums, a variety of restaurants and shops, and a live music venue. Many people are also drawn to the city for the military and the Oceana Naval Air Station. Virginia Beach is an excellent mix between city life, because there is always something to do, and the suburbs, because it's an ideal location to raise a family.

### Transportation

The industries and people of Hampton Roads are well served by its roadway transportation network. First among them is Interstate 64, which links the area with Richmond and the Midwest as well as with Interstate 95, the east coast's primary arterial. The Hampton Roads Beltway is a loop of I-64 and I-664 that links the Virginia Peninsula north of the harbor with Southside Hampton Roads through two bridge-tunnels. A third bridge-tunnel, the 17-mile Chesapeake Bay Bridge-Tunnel, links Hampton Roads to Virginia's Eastern Shore for quick access to the Northeast. Amtrak provides passenger service to Richmond, Washington DC, and beyond via Norfolk and Newport News. Norfolk Southern and CSX long-haul freight rail lines are complemented by short-haul lines to serve area ports and industrial facilities featuring double-stacked container service to Midwest markets.

### Key Infrastructure Improvements

\$5.5 billion in roadway infrastructure projects currently underway, including:

- Interstate 64 lane expansion (recently completed)
- Hampton Roads Bridge Tunnel expansion from four to eight lanes (estimated completion 2025)
- 55' depth and channel widening dredging project (estimated completion 2024)

### Air Transportation

Three passenger airports serve the Hampton Roads Region – Norfolk International Airport (ORF), Richmond International Airport (RIC) and Newport News/Williamsburg International Airport (PHF). Nine major airlines offer over 200 flights per day through these airports, serving over six million passengers in 2021.

## HAMPTON ROADS REGIONAL PRIORITY PROJECTS





## VIRGINIA BEACH RETAIL SUBMARKET

**\$30.00** PSF NNN  
SMALL SHOP MARKET RENTS

**38.7%** RENT PREMIUM  
COMPARED TO HAMPTON ROADS MSA

**7.6%** RENT GROWTH  
SINCE 2017

**225K SF** NEW SUPPLY  
THIS DECADE

**94%** HISTORICAL  
OCCUPANCY THIS DECADE

## HAMPTON ROADS RETAIL SUBMARKET

**5.2%** CURRENT VACANCY RATE

**\$14.98** PSF NNN  
ASKING RENTS

**8.3%** INCREASE SINCE 2017

**6.2** MSF  
POSITIVE NET ABSORPTION THIS DECADE

**95%**  
HISTORICAL OCCUPANCY THIS DECADE

The Virginia Beach retail market is the one of the strongest retail submarkets in the Hampton Roads MSA as evidenced by its \$5.75 PSF (39%) rent premium and 94% historical occupancy this decade.





# LEASE ABSTRACT



# EXISTING LEASE ABSTRACT

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TERM	5 years remaining with lease expiration of October 8, 2027		
LEASED AREA	2,546 SF		
TENANT	Howard A. Mendelsohn, DDS, P.C.		
RENT SCHEDULE	PSF	ANNUAL FIXED RENT	MONTHLY INSTALLMENTS
10/9/22 – 10/8/23	\$32.50	\$82,745.00	\$6,895.42
10/9/23 – 10/8/24	\$33.48	\$85,240.08	\$7,103.34
10/9/24 – 10/8/25	\$34.18	\$87,022.28	\$7,251.86
10/9/25 – 10/8/26	\$34.62	\$88,142.52	\$7,345.21
10/9/26 – 10/8/27	\$34.86	\$88,753.56	\$7,396.13
USE	Tenant shall use the premises as a dental office and for no other use or purpose.		
REPAIRS & MAINTENANCE	Landlord is responsible for exterior and structural portions of the premises. Tenant responsible for all interior elements and all HVAC and building systems.		
UTILITIES	Tenant responsible for all electric, gas, water and sewer		
HOLDOVER	150% of rent		
SIGNAGE	Tenant allowed 1/3 of monument		
OPTIONS	No remaining options		

## NOTES

### LEASE EXECUTION

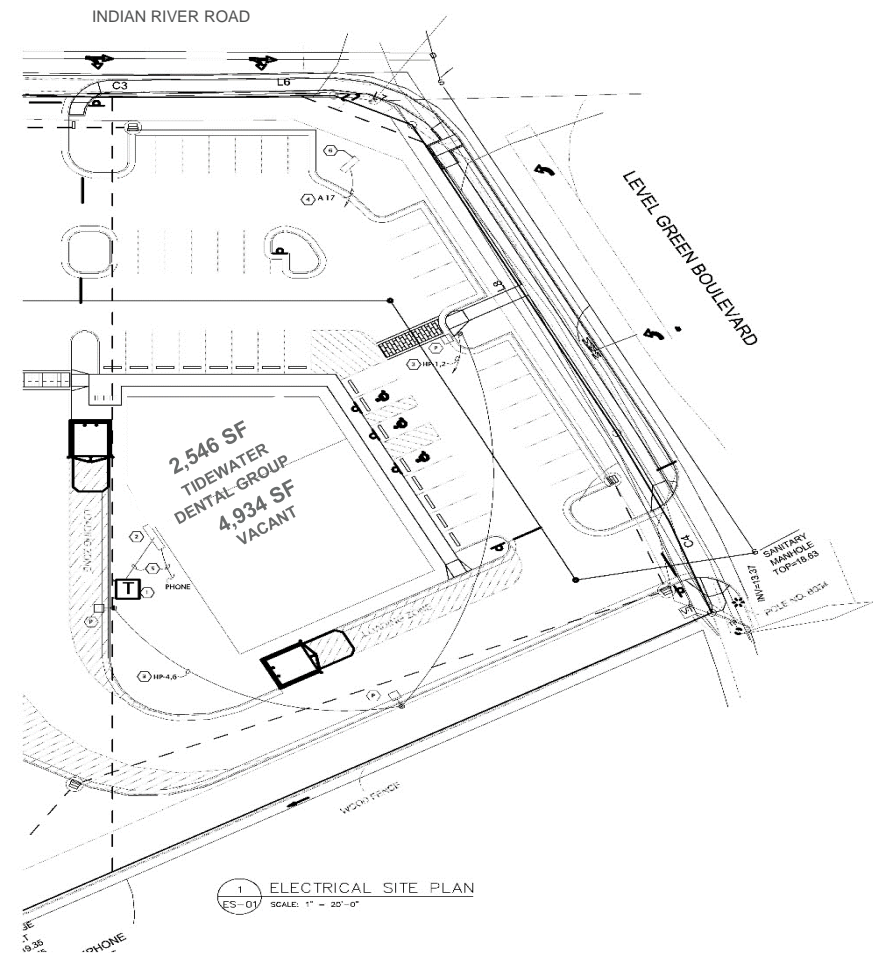
Original lease was executed January 25, 2012 and was amended September 1, 2022.

### OPERATING EXPENSES

Operating expenses are paid by Landlord except Tenant shall be directly responsible for all electrical, water, sewer, and phone and internet.

### REAL ESTATE TAXES

Property taxes in the City of Virginia Beach are collected on a semi-annual basis. The City of Virginia Beach requires real estate assessments to occur annually with an effective date of July 1st. Property taxes are modeled according to 2022 assessed value. The current real estate tax rate is \$.99 per \$100 of value.







## **BROKER**

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