

# NET LEASED INVESTMENT OPPORTUNITY

1420 N. PARHAM ROAD | RICHMOND, VA



NET LEASED OUTPARCEL PART OF 2M SF INFILL MIXED USE REDEVELOPMENT



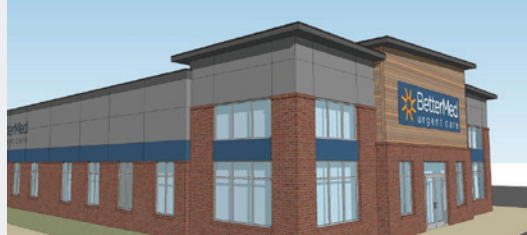
# EXECUTIVE SUMMARY



Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale a retail investment opportunity currently under construction as a part of the 2,000,000 square foot mixed-use Regency redevelopment in the affluent West End of Richmond, Virginia. The offering includes a brand new Panera Bread (JAB Holdings subsidiary | Moody's: Baa1) and a to-be-signed lease with a PenFed Realty retail strip as well as a freestanding BetterMed Urgent Care location. The planned redevelopment calls for 1,000 apartment units and over 850,000 square feet of retail, office, hotel and entertainment space, which will transform the site into the area's dominant mixed-use destination.

Conveniently located less than two miles from Interstate 64, the assets benefit from a central location between the MSA's downtown business district and affluent West End neighborhoods. Weighted average lease term among all tenants is 14.0 years with 10% rent escalations every five years providing future ownership passive, secure and increasing cash flow. The Property is located within a designated Opportunity Zone and the assets have not yet been placed into service. Investors are encouraged to speak with their tax advisor to determine if the benefits associated with this program can be applied on this transaction.

The offering is available to be acquired together or separately.



## COMBINED

### RENTABLE SF

11,792 SF

### ACREAGE

±1.60 acres

### TENANTS

<i>Panera Bread</i>	4,500 SF
<i>PenFed Realty<sup>1</sup></i>	2,054 SF
<i>BetterMed</i>	5,238 SF

### LEASE STRUCTURES

<i>Panera Bread</i>	Fixed CAM & Taxes
<i>PenFed Realty</i>	Triple Net + 15% Admin
<i>BetterMed</i>	Triple Net

### PLANNED IN SERVICE DATE

May 2019

### LEASE TERMS

<i>Panera Bread</i>	15 years, with 10% escalations every five years
<i>PenFed Realty</i>	7 years, with 2.0% escalations every year
<i>BetterMed</i>	15 years, with 10% escalations every five years

### ASKING PRICE

**\$7,760,719**

### NOI

\$446,241

### CAP RATE

5.75%



## PANERA BREAD & PENFED REALTY

### RENTABLE SF

6,554 SF

### TENANTS

*Panera Bread*

*PenFed Realty*

### EST. COMMENCEMENT DATE

*Panera Bread* May 15, 2019

*PenFed Realty* July 1, 2019

### EST. LEASE EXPIRATION

*Panera Bread* May 31, 2034

*PenFed Realty* June 30, 2029

### ASKING PRICE

**\$4,311,636**

### NOI

\$237,140

### CAP RATE

5.50%

## BETTERMED

### RENTABLE SF

5,238 SF

### TENANT

*BetterMed*

### EST. COMMENCEMENT DATE

May 1, 2019

### EST. LEASE EXPIRATION

April 30, 2034

### ASKING PRICE

**\$3,485,000**

### NOI

\$209,101

### CAP RATE

6.00%



## INVESTMENT HIGHLIGHTS



### IDEALLY LOCATED 2 MSF LIVE-WORK-PLAY MIXED USE REDEVELOPMENT

- The Regency redevelopment is a planned 2 MSF mixed-use residential, retail and entertainment destination surrounded by dense retail and residential development
- Convenient location along primary interior corridor Parham Road, less than two miles from Interstate 64 and equidistant between Richmond's CBD and affluent West End
- Current plans include over 1,000 residential units and 850,000 SF of retail, hotel, entertainment, fitness, office and medical uses



### ESTABLISHED RETAIL TRADE AREA WITH PROVEN MARKET FUNDAMENTALS

- Panera is a high performing relocation with a strong 10 year operating history in the immediate trade area
- Regency retail submarket rents are approximately \$1.80 higher than the Richmond market average
- Surrounding retailers include Fresh Market, Kroger, Walmart, TJMaxx, Aldi, Petco and BJ's



### STRONG TENANT MIX FEATURING NATIONAL CREDIT WITH LONG TERM LEASES

- Newly constructed, institutional-quality assets with a service oriented, e-commerce resistant tenant base
- National and credit tenant base with Panera Bread, PenFed Realty, and BetterMed Urgent Care. Tenants have a combined weighted average remaining lease term of 14 years



### OPPORTUNITY ZONE

- The Property is located in a designated Opportunity Zone which may allow for capital gains tax benefits to qualifying investors
- Investors are encouraged to speak with their tax advisor to determine if acquiring the assets before they are put into service will qualify for taking advantage of the tax benefit





SITE PLAN









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**THALHIMER**

OWNER/AGENT