



CALIBER EQUIPMENT, INC.

8433 Erle Road, Richmond (Mechanicsville), Virginia 23116



✓ NEW 20-YEAR ABSOLUTE-NET LEASE WITH ANNUAL INCREASES

✓ ESSENTIAL THRIVING BUSINESS

Marcus & Millichap
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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property. By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

EMPLOYEES

While Caliber has expanded beyond its home-grown roots it is still a family-run company and our employees are our most valuable asset. When you call Caliber you won't reach a message system or an automated menu- you'll reach one of us, who will assist you scheduling service for your equipment, setting up a machine rental, identifying and ordering replacement parts, or put you in touch with a salesperson who will guide you in choosing the perfect machine for your application.

CUSTOMERS

Because Caliber is a small employee driven company, we understand our customers are individuals too. We have aimed to build a buying experience that caters to each customer's needs and requirements. Some may call us old fashioned, but nothing beats a good conversation, whether that is in person or over the phone, so that we can get to know you and what you expect from us. When it comes to floor cleaning equipment there are a lot of machines and even more nuance when it comes down to cleaning materials, and the best way to figure out what you actually need is to let an expert help you.

VENDORS

As a small business that specializes in the distribution of industrial cleaning equipment, Caliber Equipment can offer you a selection from a wide range of floor scrubbers and floor sweepers from American and International manufacturers. We only represent brands that reflect our high quality and integrity standards. We are always actively seeking the newest innovative technology including robotics and environmentally green cleaning techniques. When seeking an informed choice on cleaning equipment, you will find that over two decades of experience with these products will be available to you through Caliber Equipment Inc.

EQUIPMENT

For the most part, we not only stock the cleaning equipment products displayed on our web site, but we have learned the important features and benefits that could be important to you. On-site demonstrations, video walk throughs, detailed photos, and written specifications are a standard part of our service. We only offer floor sweeper and floor scrubber machines that we personally believe in and will always stand behind, including both new and our personally refurbished floor cleaning equipment. Our refurbished machines ship with a parts and labor guarantee, and we only sell used equipment that is still supported by the vendor through parts availability.



Caliber Equipment Inc. is based in Central Virginia - USA. Our corporate headquarters is conveniently located just off of Interstate 95. We have locally based service technicians in both Northern Virginia, Central Virginia Southern Virginia, Virginia Beach, and North Carolina.

Caliber Equipment was formed in 1996 out of Richmond, VA. Steve Baker, owner and General Manager, was joined by his wife Glenda Baker soon after. Manny Lawrence, our VP of Operations, and Dave Booth, our VP of Sales rounded out the core of the Caliber Team. Since then they have grown Caliber into what it is today: A leader in the Industrial Cleaning Equipment market with over 50 employees across three states and over 20 years of specialized industry knowledge.

OWNERSHIP OVERVIEW / ACCOMPLISHMENTS

ERNEST CUTTER III

Mr. Cutter formed ARC Industries, Inc. (www.arcindustriesinc.com) in 1999 to acquire established companies in succession-planning transactions. The typical transaction has approximately \$10 million in annual revenues and is too small for most traditional private equity firms.

Prior to forming ARC Industries, Inc., Mr Cutter was an operations consultant where he advised 18 companies as either President, Chief Financial Officer or member of interim management team. Mr. Cutter is a Chartered Financial Analyst and has an accounting degree from the University of Rhode Island. He is also a speaker and panelist on the subject of acquiring and operating smaller mid-market companies.

Mr. Cutter has three children and lives in Charlotte, North Carolina with his wife, Alexa and their three children.

ACQUIRED 23 COMPANIES

Our first acquisition was in 1999, and we have subsequently acquired 23 companies with an average revenues and EBITDA of \$7 million and \$1.0 million, respectively. We are experts in acquiring smaller owner / operating companies.

ACHIEVED POSITIVE OUTCOMES FOR ALL STAKEHOLDERS

ARC Industries, Inc. has successfully fulfilled all its obligations for every portfolio company, including investors, lenders, landlords and employees. No one has lost a single dollar.

ACHIEVED EXCEPTIONAL RETURNS FOR INVESTORS

As a family office, ARC Industries, Inc. has no predetermined investment horizon. To date, we have only exited six of our investments. In each instance, it was due to a very attractive offer from a competitor.

EXPANDED INVESTOR NETWORK

In addition to its own capital, ARC Industries, Inc. has an investor network of 30 high net worth individuals and several institutional firms, which enables us to confidently close on proposed transactions and offer continued capital support to our portfolio companies.

DEVELOPED & REFINED INVESTMENT APPROACH

Our success is based on a very disciplined approach in which we only buy healthy and established companies from retiring owners. ARC Industries, Inc. is often the preferred suitor for these companies for the following reasons:

- Very successful track record with strong references
- Our ability to provide a sizable check at closing
- Our ability to partner with an appropriate replacement manager who shall oversee the business



PROPERTY DETAILS

CALIBER EQUIPMENT, INC.

8433 Erle Road
Richmond (Mechanicsville), Virginia 23116



Number of Buildings:	3
Total Square Feet:	68,800 SF
Warehouse:	54,800 SF
Mezzanine Office and Storage:	14,000 SF
Year Built / Renovated:	1980 / 2015
Construction:	Steel Frame
Lot Size:	3 Acres
Drive-In Doors:	3
Dock High Doors:	7
Sprinklers:	Yes
Parking:	Paved 40-Spaces
Roof:	Renovated 2015
Zoning:	M-2



FINANCIAL SUMMARY

Price:	\$4,138,000
CAP Rate:	7.25%
Ownership:	Fee Simple

LEASE SUMMARY

Lease Term:	20-Years
Lease Type:	Absolute-Net
Lease Commencement:	Close of Escrow
Increases:	1.5% Annually
Options to Extend:	Four, 5-Year Options

RENT SCHEDULE

Year 1	\$300,000.00	Year 11	\$348,162.24
Year 2	\$304,500.00	Year 12	\$353,384.67
Year 3	\$309,067.50	Year 13	\$358,685.44
Year 4	\$313,703.51	Year 14	\$364,065.72
Year 5	\$318,409.06	Year 15	\$369,526.71
Year 6	\$323,185.20	Year 16	\$375,069.61
Year 7	\$328,032.98	Year 17	\$380,695.65
Year 8	\$332,953.47	Year 18	\$386,406.08
Year 9	\$337,947.77	Year 19	\$392,202.17
Year 10	\$343,016.99	Year 20	\$398,085.20

Seller is in a contract position on the Real Estate and Business and is therefore not the current holder of title. Seller will obtain title on both the business and the property no later than the closing date of this subsequent transaction being marketed



CALIBER EQUIPMENT, INC.

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Richmond (Mechanicsville), VA 23116



OFFERING PRICE

\$4,138,000



CAP RATE

7.25%



NET OPERATING INCOME

\$300,000

RICHMOND OVERVIEW

Richmond is the capital city of Virginia, roughly 110 miles south of Washington, D.C. The metro consists of 102 counties and four cities. Richmond's strategic location on the James River and a well-developed intermodal transportation network provide for a growing logistics and distribution sector. Amazon recently announced plans for a fulfillment center along Interstate 95 south of Richmond. The market's educated workforce is also drawing more companies to the region and already Richmond houses more Fortune 500 firms than many larger metros.

ECONOMY

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- * Richmond's economy is diversifying from government and commerce expanding into professional industries.

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- * Nationally recognized banks and financial institutions are located in Richmond. It is home to the Federal Reserve Bank of Richmond, Capital One, Truist Financial, Wells Fargo, Bank of America and Market.

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- * Law and legal services are another major component of the metro's local economy. The city of Richmond is home to five of the largest legal firms in the world.

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- * Anchored by VCU Health System and HCA Virginia, healthcare employs roughly 13 percent of metro workers. Expansion at VCU will add buildings for outpatient care, engineering and rehabilitation in 2020.

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- * The metro is gaining prominence as a data center. Facebook and QTS are expanding their facilities in Henrico County.



METRO HIGHLIGHTS

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- * **COMMERCE CENTER** - The region is serviced by Interstates 64,85 and 95, two Class 1 railroads and Richmond International Airport, drawing distribution and logistics firms.

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- * **COMPANY HEADQUARTERS** - Seven fortune 500 firms are located in the metro including CarMax, Altria Group, Performance Food Group, Dominion Energy and Genworth Financial.

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- * **HIGHER EDUCATION** - Virginia Commonwealth University, University of Richmond, Virginia Union University Randolph-Macon College and Virginia State University are among the educational institutions that contribute to an skilled labor pool.

DEMOGRAPHICS SUMMARY

Population	<p>In 2019, the population in your selected geography is 3,858. The population has changed by 27.08% since 2000. It is estimated that the population in your area will be 4,059.00 five years from now, which represents a change of 5.21% from the current year. The current population is 48.69% male and 51.31% female. The median age of the population in your area is 44.96, compare this to the US average which is 38.08. The population density in your area is 1,227.00 people per square mile.</p>
Households	<p>There are currently 1,411 households in your selected geography. The number of households has changed by 24.98% since 2000. It is estimated that the number of households in your area will be 1,491 five years from now, which represents a change of 5.67% from the current year. The average household size in your area is 2.62 persons.</p>
Income	<p>In 2019, the median household income for your selected geography is \$85,785, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 37.64% since 2000. It is estimated that the median household income in your area will be \$100,798 five years from now, which represents a change of 17.50% from the current year.</p> <p>The current year per capita income in your area is \$40,531, compare this to the US average, which is \$33,623. The current year average household income in your area is \$110,733, compare this to the US average which is \$87,636.</p>
Race & Ethnicity	<p>The current year racial makeup of your selected area is as follows: 74.36% White, 20.26% Black, 0.02% Native American and 2.22% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.</p> <p>People of Hispanic origin make up 2.68% of the current year population in your selected area. Compare this to the US average of 18.17%.</p>
Housing	<p>The median housing value in your area was \$281,539 in 2019, compare this to the US average of \$212,058. In 2000, there were 1,040 owner occupied housing units in your area and there were 89 renter occupied housing units in your area. The median rent at the time was \$604.</p>
Employment	<p>In 2019, there are 1,507 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 71.50% of employees are employed in white-collar occupations in this geography, and 28.50% are employed in blue-collar occupations. In 2019, unemployment in this area is 2.52%. In 2000, the average time traveled to work was 24.00 minutes.</p>

POPULATION

	1-Mile	3-Mile	5-Mile
2024 Projection:	4,059	42,070	152,867
2019 Estimate:	3,858	40,539	148,380
2019 Growth:	3,596	38,012	138,408

HOUSEHOLDS

	1-Mile	3-Mile	5-Mile
2024 Projection:	1,491	16,840	61,777
2019 Estimate:	1,411	16,190	59,782
2019 Growth:	1,309	15,171	55,849

INCOME

	1-Mile	3-Mile	5-Mile
Avg Income	\$110,733	\$79,313	\$79,667
Median Income	\$85,785	\$57,868	\$58,253
Per Capita Income	\$40,531	\$31,729	\$31,935

8433 ERLE ROAD
RICHMOND (MECHANICSVILLE), VA 23116



Exclusively Listed by:

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