



28 Watson Way
Fredericksburg, VA



Actual Property

offering memorandum

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Broker of Record: Income Properties of Raleigh, Inc

New York | Florida | California



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This Confidential Memorandum has been prepared by Kentwood Capital Advisors ("KCA") and is being furnished to you solely for the purpose of your review of the commercial property located at 28 Watson Way | Fredericksburg, VA (the "Property"). The material contained in this Offering Memorandum shall be used for the purposes of evaluating the Property for acquisition and shall not be used for any purpose or made available to any other person without the express written consent of Kentwood Capital Advisors ("Broker").

By accepting the Confidential Memorandum, you acknowledge and agree that: (1) all of the information contained herein and any other information you will be receiving in connection with this transaction, whether oral, written or in any other form (collectively, the "Materials"), is confidential; (2) you will not reproduce the Confidential Memorandum in whole or in part; (3) if you do not wish to pursue this matter, you will return this Confidential Memorandum to KCA as soon as practicable together with all other materials relating to the Property which you may have received from KCA; and (4) any proposed actions by you which are inconsistent in any manner with the foregoing agreements will require the prior written consent of KCA.

This Confidential Memorandum has been prepared by KCA, based upon certain information pertaining to the Property and any information obtained from KCA to assist interested parties in making their own evaluation of the Property is offered on a no representation or warranty provision other than customary warranties of title and is sold on an "as-is, where-is" basis and with all faults. The material and transaction does not purport to be all inclusive. This Confidential Memorandum contains descriptive materials, financial information and other data compiled for the convenience of parties interested in the Property. The Materials are being delivered by KCA to prospective investors with the understanding that it is not all inclusive and that it is qualified in its entirety by independent investigation by prospective investors of those matters which they deem appropriate in evaluating this offering without reliance upon KCA, the Broker or any of their respective affiliates or any of the information set out in the Materials. Neither KCA, the Broker, nor any of their respective affiliates have independently verified any of the information contained herein or in any of the Materials, and no representations or warranties as to the accuracy or completeness thereof or of any other kind whatsoever are made or intended and none should be inferred.

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This Confidential Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. The Confidential Memorandum does not constitute an offer of security. The investment described herein may be financed or withdrawn from the market, without prior notice. By accepting this Confidential Memorandum you agree to release KCA and hold it harmless from any kind of claim, expense, or liability arising out of your discovery or purchase of the Property. KCA reserves the right to request the return of the Materials at any time. Ownership of the Property reserves the right to negotiate with one or more prospective investors at any time.

EXECUTIVE OVERVIEW

PRICE
\$3,675,600

CAP
5.00%

NOI
\$183,780

THE INVESTMENT

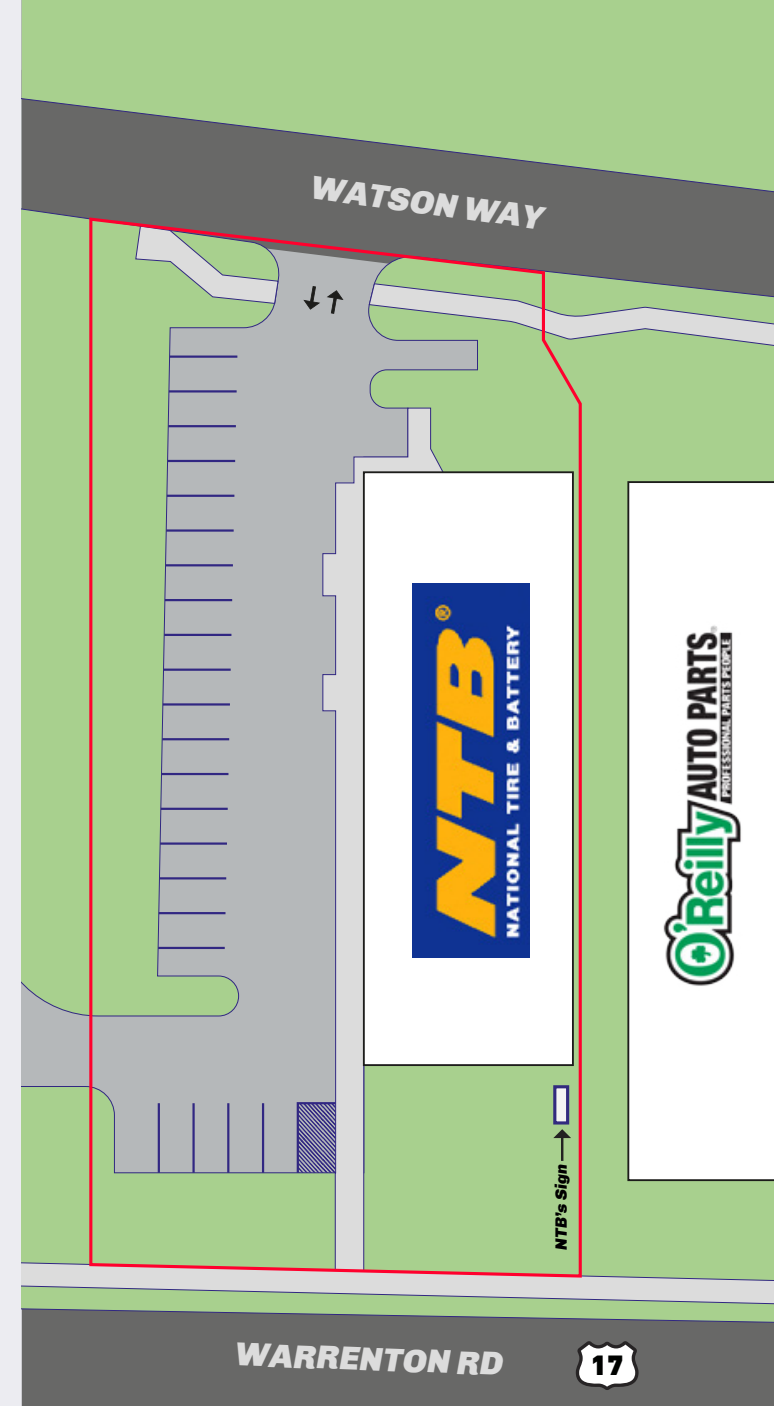
- Corporately Owned and Operated NTB with 19 Years Remaining
- Extremely Strong Lease Guarantee by TBC Corporation and Sumitomo Corporation
- Absolute Triple Net Lease with Zero Landlord Responsibilities
- Cumulative CPI Rent Escalations Capped at 12%, every 5 Years
- Three, 5 Year Tenant Renewal Options

THE LOCATION

- Huge Growth Market with over 19% Year over Year population increase
- Located on the areas Major Retail-Commercial Corridor
- Excellent Visibility with Strong Demographics in 3-Mile Trade Area
- Just off Interstate 95 (150,000 VPD) and fronts Warrenton Road (50,000 VPD)
- Highly Affluent suburban area with an average household income above \$100,000 with 3 and 5-Miles
- Absolute NNN with CPI bumps every 5 years capped at 12% | Fee Simple Ownership
- Zero Landlord Responsibilities Outparcel to Lowe's Home Improvement Center
- Half a mile from the 44 Acre GEICO Headquarters with over 2,800 Employees commuting daily

THE TENANT & GUARANTOR

- Guaranteed by TBC Corporation & Sumitomo Corporation
- **The TBC Corporation's ("TBC") Brands Group is one of the world's largest marketers of private brand tires. The TBC Retail Group includes National Tire & Battery, Tire Kingdom, Big O Tires, and Midas Together, there are more than 3,200 Locations in 41 states, Washington DC and Canada.**
- **Sumitomo Corporation is one of the largest worldwide general trading companies, and is a diversified corporation. The company was incorporated in 1919 and is a member company of the Sumitomo Group.**
- **Sumitomo showed over \$49,000,000,000 in Revenue for 2019**

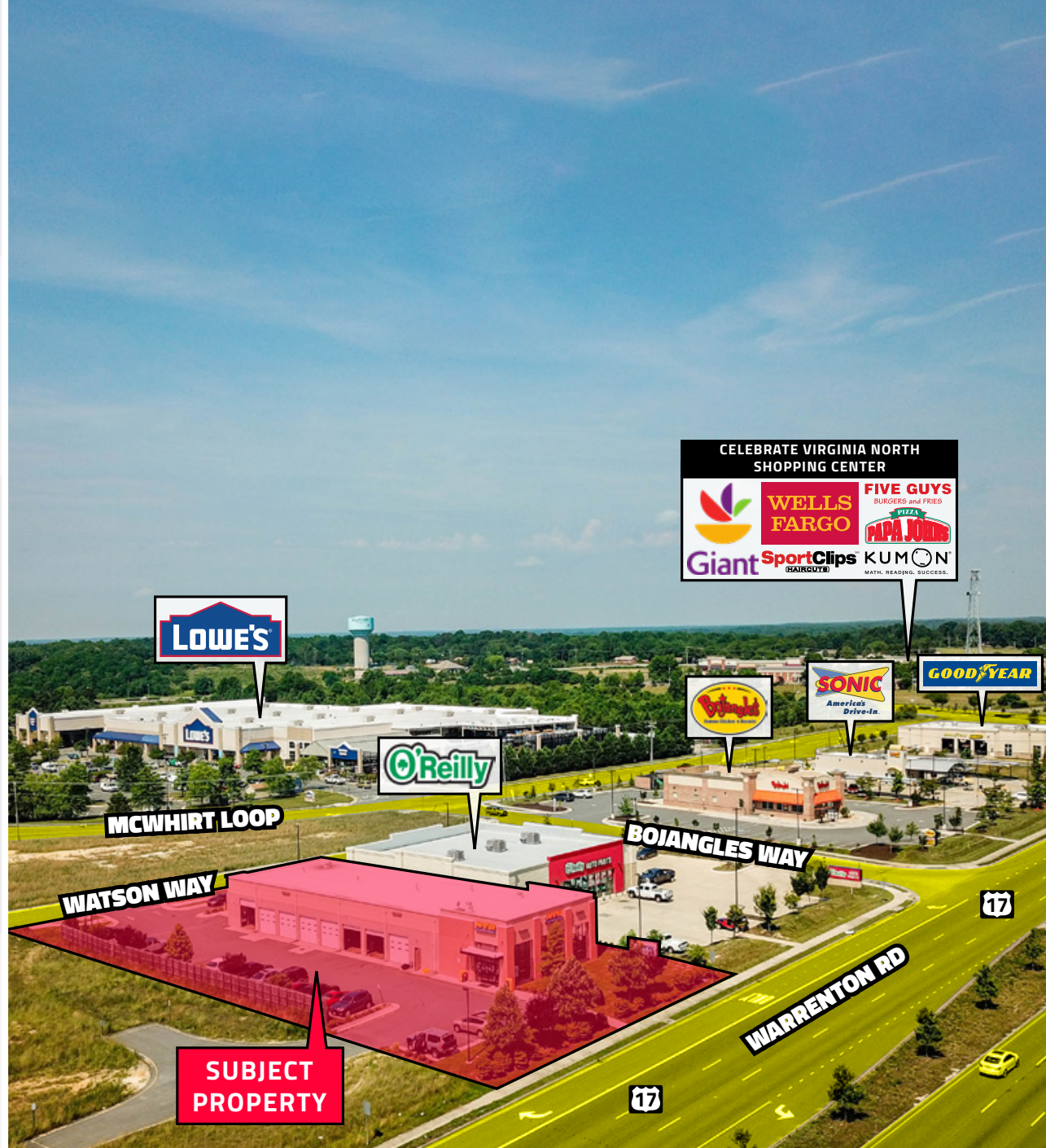


LEASE ABSTRACT

Tenant Name	NTB
Property Address	28 Watson Way
City, State	Fredericksburg, VA
Est. Building Size	6922 SF
Lot Size	0.70 AC
Type of Ownership	Fee Simple

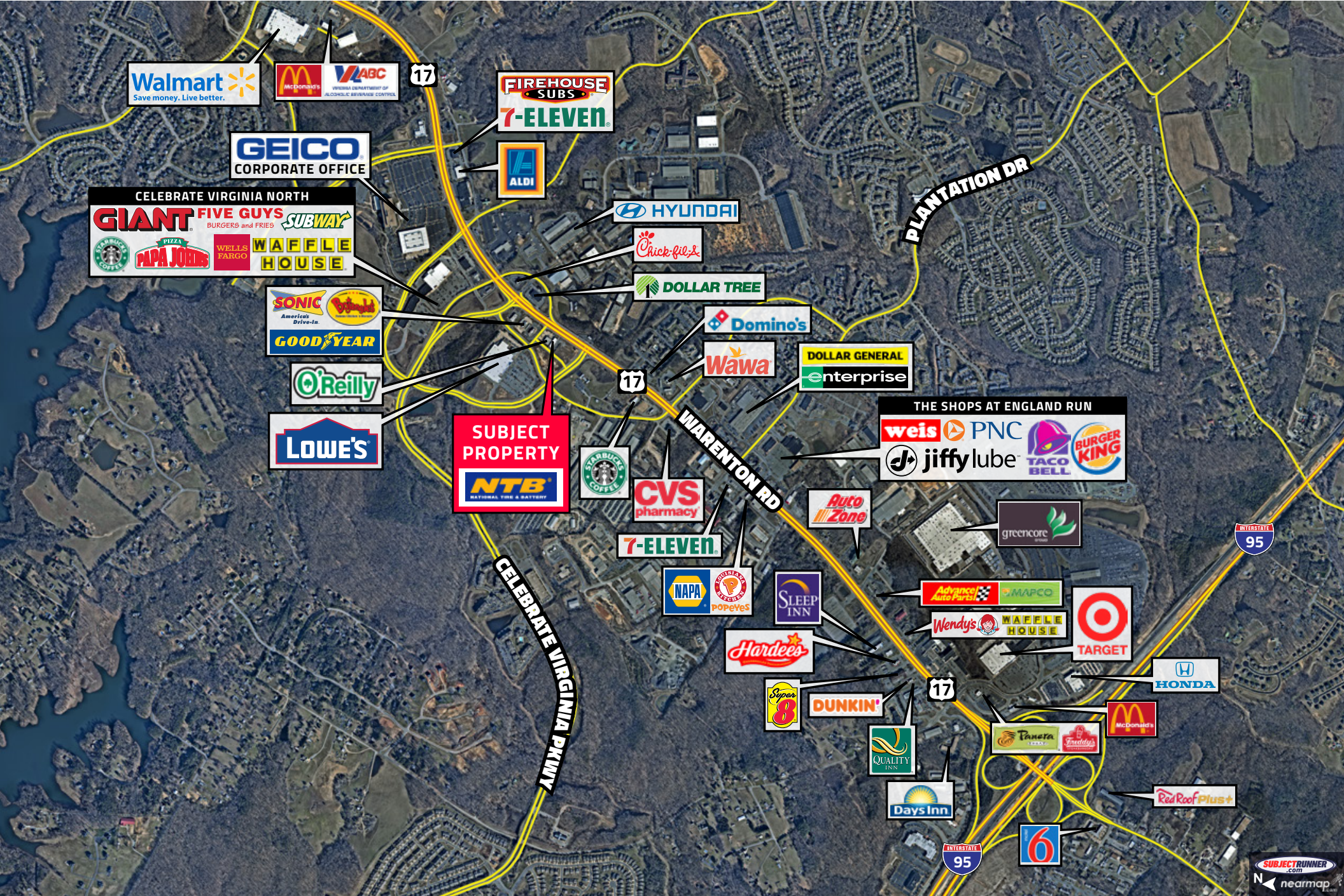
LEASE OVERVIEW

Tenant Name	National Tire & Battery (NTB)
Original Lease Term	25 Years
Lease Expiration	7/31/2039
Lease Term Remaining	19
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	Cumulative CPI Capped at 12%
Options to Renew	Three, 5 Year Options





DRONE AERIAL



MARKET AERIAL



CLOSEUP AERIAL

LOCATION OVERVIEW

Fredericksburg is an independent city located 53 miles south of Washington, D.C. and 58 miles north of Richmond. The city population was estimated at 29,036 in 2019.

A charming small, historic city with an enviable quality of life, Fredericksburg is surprisingly accessible to major markets in the Mid-Atlantic. The city is part of the Washington Metropolitan Area, one of the nation's most vibrant, stable markets.

Although Fredericksburg's population numbers are only approximately 27,500 it is the hub of a region with 300,000-plus residents. Many businesses locate in Fredericksburg to serve the region, and many people settle in this city because of the its enviable quality of life, yet accessibility to major markets on the East Coast, including Washington, Baltimore, Richmond and Hampton Roads.

Fredericksburg is home to several major retail and commercial centers including Central Park (as of 2004, the second-largest mall on the East Coast) and the Spotsylvania Towne Centre, located in Spotsylvania County adjacent to the city. Major employers include the University of Mary Washington, Mary Washington Healthcare, and GEICO. Many Fredericksburg-area residents commute to work by car, bus, and rail to Washington D.C. and Richmond, as well as

<u>Demographics</u>	1 mile	3 mile	5 mile
Population (2000)	856	9,243	36,636
Population (2010)	4,076	18,788	52,366
Population (Current)	5,015	23,703	60,924
Population (2021 Projection)	5,641	26,335	66,356
Percent Growth (YOY)	23.05%	26.16%	16.34%
Households	1,770	8,346	21,999
Average HH Income	\$77,188	\$91,923	\$89,963



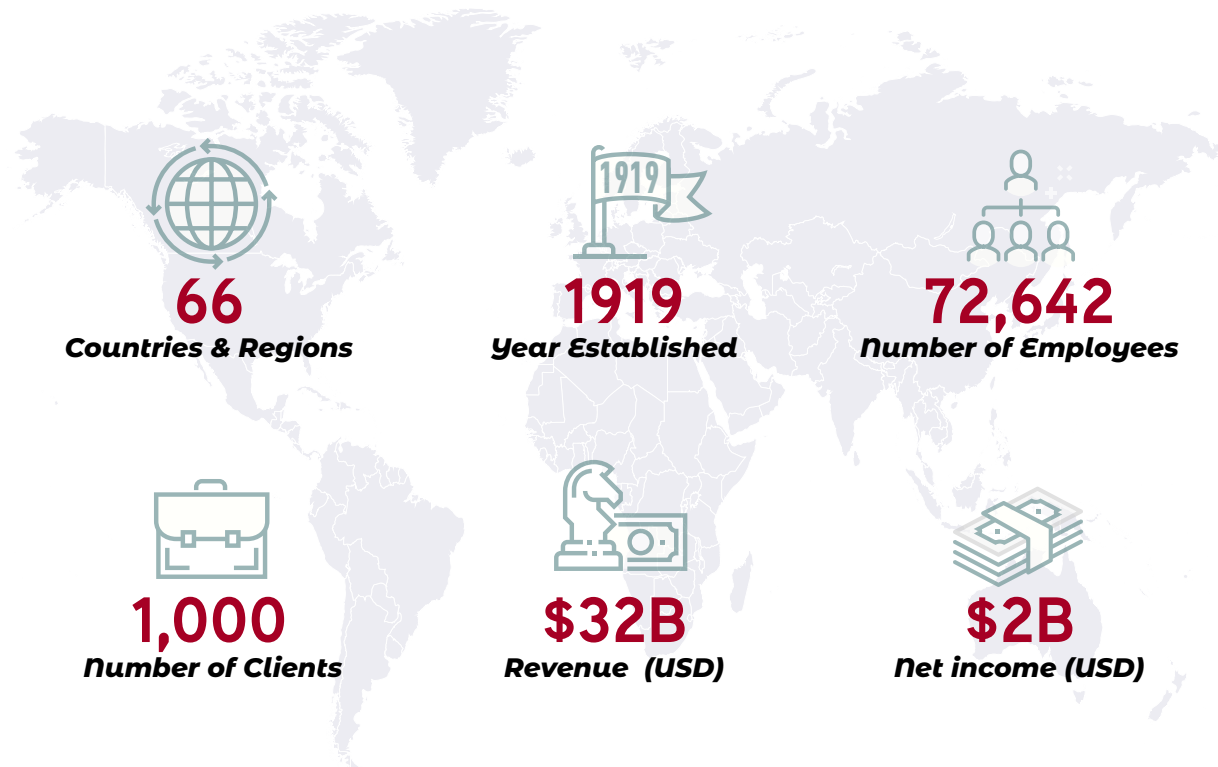
SUMITOMO CORPORATION OVERVIEW (LEASE GUARANTOR)



Sumitomo Corporation

Sumitomo Corporation ("SC") is a leading **Fortune 500 global trading and business investment company** with 114 locations in overseas countries/regions and 22 locations in Japan. SC conducts commodity transactions in all industries utilizing worldwide networks, provides related customers with various financing, serves as an organizer and a coordinator for various projects, and invests in companies to promote greater growth potential.

Headquarters	Tokyo, Japan
Number of Group Companies	957
Shareholder's Equity	23.5 B (USD)
Traded as	Nikkei 225 Component
Website	www.sumitomocorp.com



Fortune Global 500
*25 years

Sumitomo Corporation is ranked in the Fortune Global 500, an annual list compiled and published by US Fortune magazine, for 25 years, as one of the global companies leading the world's development.

TENANT OVERVIEW

National Tire and Battery (NTB) is an American brand of auto service centers. It was formerly owned by Sears until it was spun off in 2003. Sears created the brand in 1997 by consolidating the Tire America (TA) and National Tire Warehouse (NTW) brands, adding the “B” to include its DieHard brand of batteries. Sears originally acquired both Tire America and National Tire Warehouse in 1988 when it acquired its then parent Western Auto Supply. In 2003, Sears sold the brand, which consisted mostly of stores set apart from its name brand stores, to TBC Corporation. The TBC Retail Group® includes NTB® and Tire Kingdom® stores. Together, there are more than 600 locations in 26 states.

BF Goodrich
Tires

Continental

BRIDGESTONE
Bridgestone Americas, Inc.

COOPER
TIRES

DUNLOP
TIRES

Firestone

GOODYEAR

Hankook
PERFORMANCE TIRES

MICHELIN

NISSAN
LLANTAS DE NUEVA GENERACIÓN

PIRELLI

SUMITOMO

UNIROYAL

YOKOHAMA



TBC CORPORATION OVERVIEW



For more than 60 years, TBC Corporation (TBC), one of North America's largest marketers of automotive replacement tires through a multi-channel strategy, has been a tire company ahead of the curve. Through worldwide operations spanning wholesale, retail, and franchise, TBC provides customers best-in-class brands and automotive maintenance and repair services with the underlying mission to exceed customer expectations. TBC serves wholesale customers in the United States, Canada and Mexico through TBC Brands, NTW, TBC International, and TBC de Mexico.

Additionally, TBC responds to the needs of consumers in search of total car care at more than 3,200 franchised and company-operated tire and automotive service centers under the brands NTB®, Tire Kingdom®, Big O Tires® and Midas®.

BRANDS



TIRE BRANDS





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