

Marcus & Millichap
OFFERING MEMORANDUM



M&T BANK

7485 RICHMOND HIGHWAY, ALEXANDRIA, VA 22306

OFFERING SUMMARY

PRICE	\$1,878,787
NOI	\$155,000
CAP RATE	8.25%
PRICE/SF	\$854
LEASE TYPE	Absolute NNN Ground Lease
GROSS LEASABLE AREA	2,200 SF
YEAR BUILT	2005
LOT SIZE	1 ACRE

LEASE SUMMARY

PROPERTY ADDRESS	7485 Richmond Hwy Alexandria, VA 22306
PROPERTY SUBTYPE	Net Leased Bank
TENANT	M&T Bank Corporation
LEASE COMMENCEMENT	November 12, 2006
LEASE EXPIRATION	November 30, 2023
RENEWAL OPTIONS	Four 5-Year
TERM REMAINING	2+ Years
RENTAL INCREASES	10% Every 5 Years
LANDLORD RESPONSIBILITY	None
TENANT RESPONSIBILITY	Property Taxes, Insurance, and CAM

M&T Bank



INVESTMENT HIGHLIGHTS

- Corporate Guarantee | S&P A- Rating | Investment Grade Credit
- Absolute NNN Ground Lease with No Landlord Responsibilities
- Tenant recently extended Lease showing commitment to the location
- High Visibility location on Richmond Hwy | 50,000+ Vehicles Per Day
- Four 5-Year Options with 10% Rental Increases
- Affluent Community | \$119,000 Household Income in a 1-Mile Radius
- Dense Population | Over 115,000 People in a 3-Mile Radius

INVESTMENT OVERVIEW

The subject property presents an M&T Bank [Ground Lease] opportunity situated on the very highly trafficked Richmond Hwy in Alexandria, VA. Subject to a 15-Year absolute net ground lease set to expire in November 2021, the tenant and landlord recently negotiated a 2-Year extension to November 2023 for a reduction in rent. There are structured rent increases of 10 percent in the Option Periods with the first coming on 12/01/2023. This location has three drive-through lanes and the branch benefits from its visibility and easy ingress and egress off Richmond Hwy. The building itself is 2,200 square feet with 24 parking spaces, and sits on a 1-acre parcel. M&T is the main outparcel in Mount Vernon Square and is directly across the street from multiple car dealerships (Mazda, Honda and Subaru). M&T Bank Corporation had over \$68 billion in assets as of December 2010, and is one of the 20 largest commercial bank holding companies headquartered in the United States. It is currently a Fortune 500 Company, and Standard and Poor's rated A- (Investment Grade).



M&T Bank

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	CAP RATE
Current – 11/30/2021	\$199,650	\$16,637	10.6%
12/1/2021 – 11/30/2023	\$155,000	\$12,916	8.25%
*12/01/2023 – 11/30/2028	\$170,500	\$14,208	9.08%
*12/01/2028 – 11/30/2033	\$187,550	\$15,629	9.98%
*12/01/2033 – 11/30/2038	\$206,305	\$17,192	10.98%
* 12/01/2038 – 11/30/2043	\$226,935	\$18,911	12.07%



M&T Bank

M&T Bank Corporation is an American bank holding company headquartered in Buffalo, New York. M&T is ranked 462nd on the Fortune 500. Until May 1998, it was named First Empire State Corporation. M&T Bank has been profitable in every quarter since 1976 and other than Northern Trust, M&T was the only bank in the S&P 500 Index not to lower its dividend during the financial crisis of 2007 – 2008.

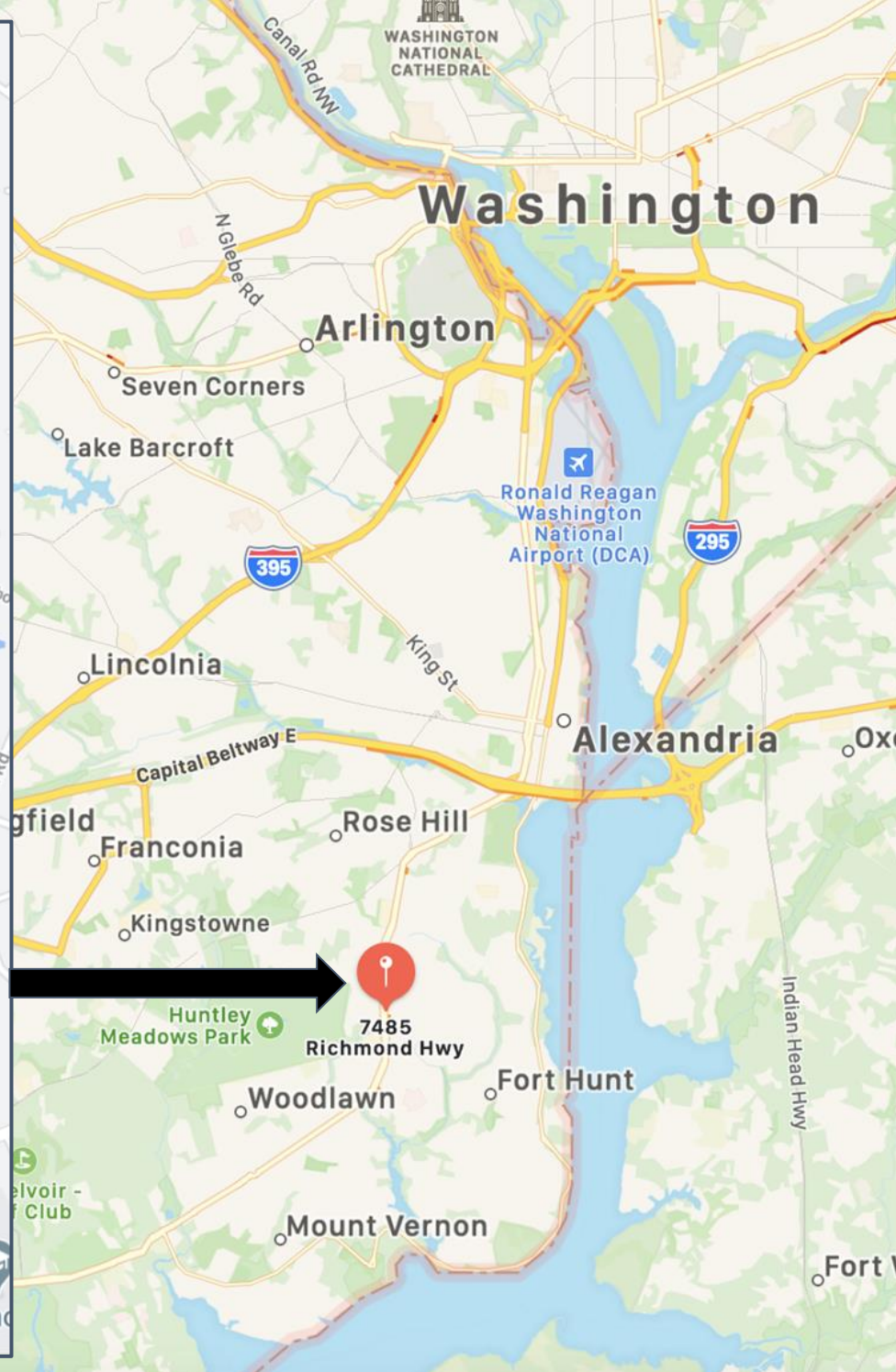
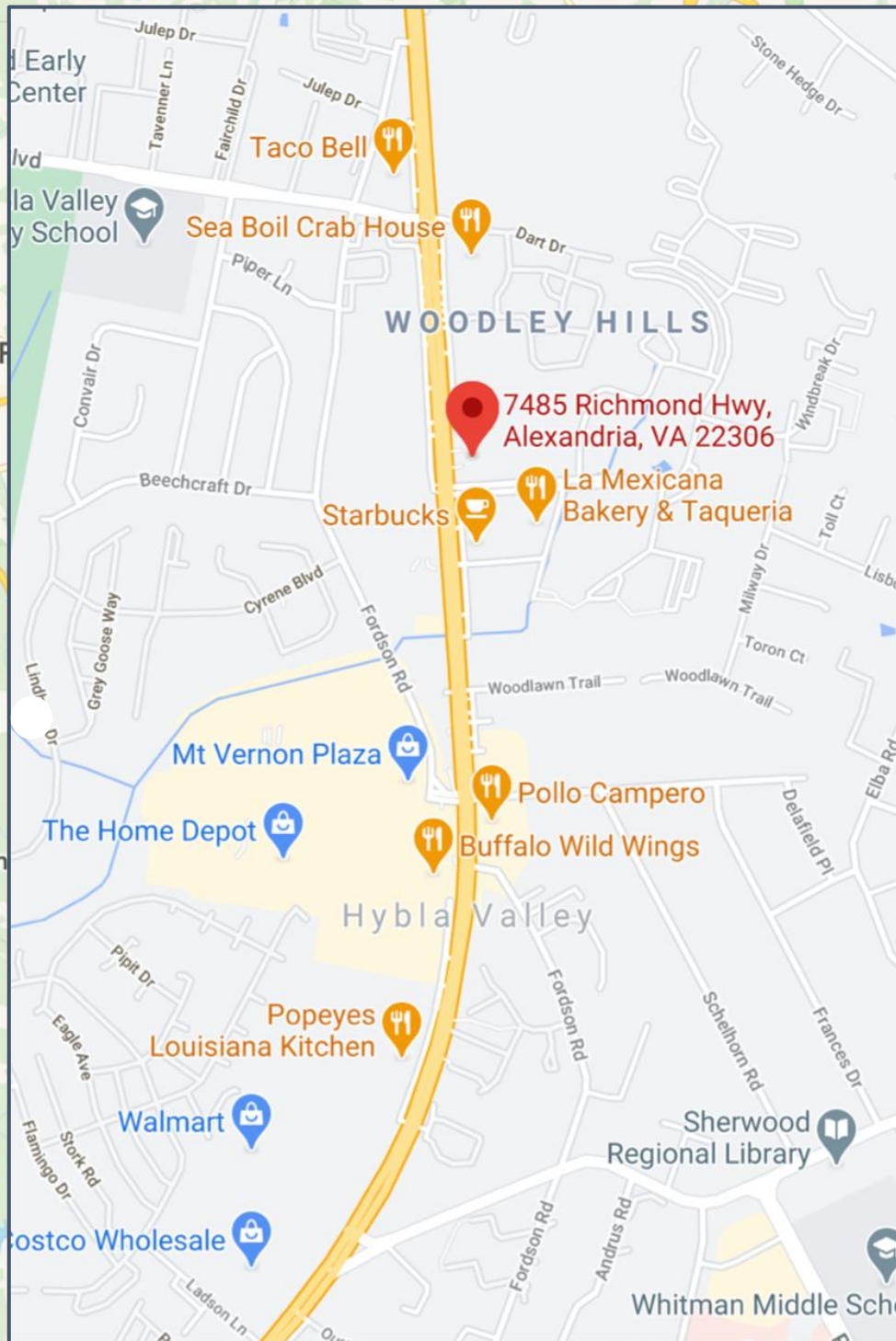
The bank owns the Buffalo Savings Bank building in downtown Buffalo. M&T Bank also sponsors M&T Bank Stadium, home of the Baltimore Ravens. M&T Bank is the official bank of the Buffalo Bills in New York and of their home Bills Stadium in Orchard Park, New York. Wilmington Trust is a subsidiary of M&T Bank Corporation, offering global corporate and institutional services, private banking, investment management, and fiduciary services.

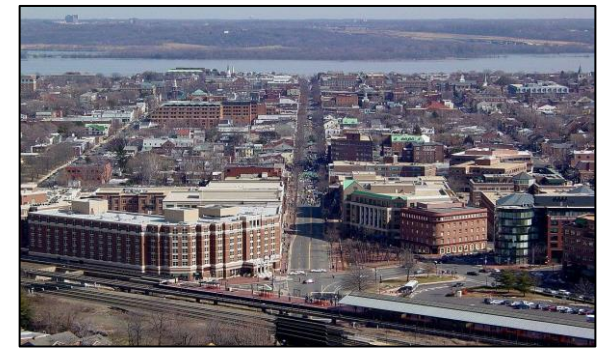
M&T Bank is considered one of the country's most highly regarded regional banks. Founded more than 150 years ago in Western New York where we are still headquartered. Their parent company, M&T Bank Corporation, had over \$68 billion in assets as of December 2010, and is one of the 20 largest commercial bank holding companies headquartered in the U.S. Customers are able to bank at over 700 branches throughout New York, Maryland, Pennsylvania, Washington, D.C., Virginia, West Virginia, New Jersey, and Delaware and be served by friendly and professional staff.

In addition, customers have access to a sizable ATM network of more than 1,600 locations as well as state-of-the-art telephone and Web Banking. M&T Bank is recognized for its financial strength and sound management. This strength, along with their entrepreneurial philosophy, has made it possible for them to pursue a course of well managed growth.



7485 RICHMOND HIGHWAY, ALEXANDRIA, VA 22306





ALEXANDRIA is an independent city in the Commonwealth of Virginia in the United States. As of 2010, the population was 139,988, and in 2020, the population was estimated to be at 159,200.^[6] The city's estimated population has grown by 1% percent annually since 2010 on average. Located along the western bank of the Potomac River, Alexandria is approximately 7 miles (11 km) south of downtown Washington, D.C.

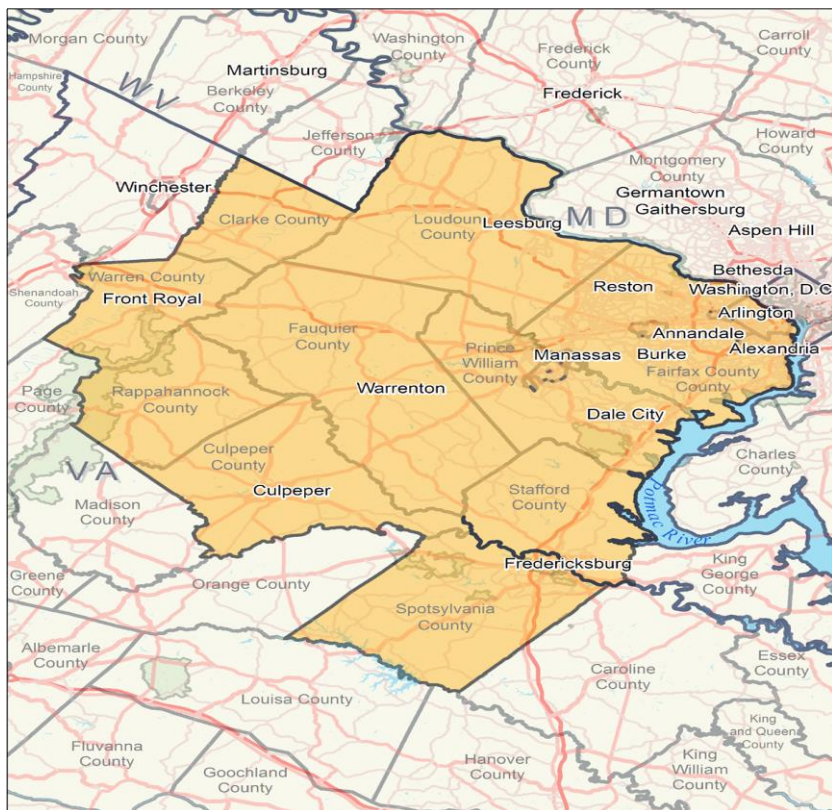
Like the rest of Northern Virginia, as well as Central Maryland, modern Alexandria has been influenced by its proximity to the U.S. capital. It is largely populated by professionals working in the federal civil service, in the U.S. military, or for one of the many private companies which contract to provide services to the federal government. One of Alexandria's largest employers is the U.S. Department of Defense. Another is the Institute for Defense Analyses. In 2005, the United States Patent and Trademark Office moved to Alexandria, and in 2017, so did the headquarters of the National Science Foundation.

The historic center of Alexandria is known as Old Town. With its concentration of boutiques, restaurants, antique shops and theaters, it is a major draw for all who live in Alexandria as well for visitors. Like Old Town, many Alexandria neighborhoods are compact and walkable. It is the 7th largest and highest-income independent city in Virginia.

A large portion of adjacent Fairfax County, mostly south but also west of the city, has Alexandria mailing addresses. However, this area is under the jurisdiction of Fairfax County's government and separate from the independent city. The city is therefore sometimes referred to as the "City of Alexandria" to avoid confusion (see the "Neighborhoods" paragraph below). Additionally, neighboring Arlington County was formerly named "Alexandria County" before it was renamed by the Virginia General Assembly in 1920 to reduce confusion with the city.

SUBURBAN VIRGINIA OVERVIEW

The Suburban Virginia region surrounds the western and southern portions of Washington, D.C. The region extends from the southeastern boundary of the District west to Clarke County and south to Spotsylvania. Northern Virginia has a significantly larger job base than either Washington, D.C., or the Maryland portion of its suburbs, and it is the highest-income region of Virginia, having five of the 20 highest-income counties in the nation. The local job base will further expand as Amazon has reaffirmed plans to create 25,000 jobs at its HQ2 in Arlington.



METRO HIGHLIGHTS

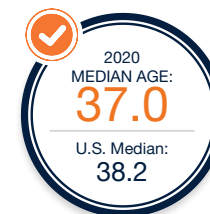
EDUCATIONAL ATTAINMENT Approximately 54 percent of residents age 25 and older hold a bachelor's degree, while 25 percent also have a graduate or professional degree.

HOMEOWNERSHIP Higher-income households compared with the U.S. allow more people to own a house, resulting in a 66 percent rate of homeownership.

FEDERAL GOVERNMENT PRESENCE Many major U.S. government offices, scientific research and learning facilities, and business campuses are based locally.

ECONOMY

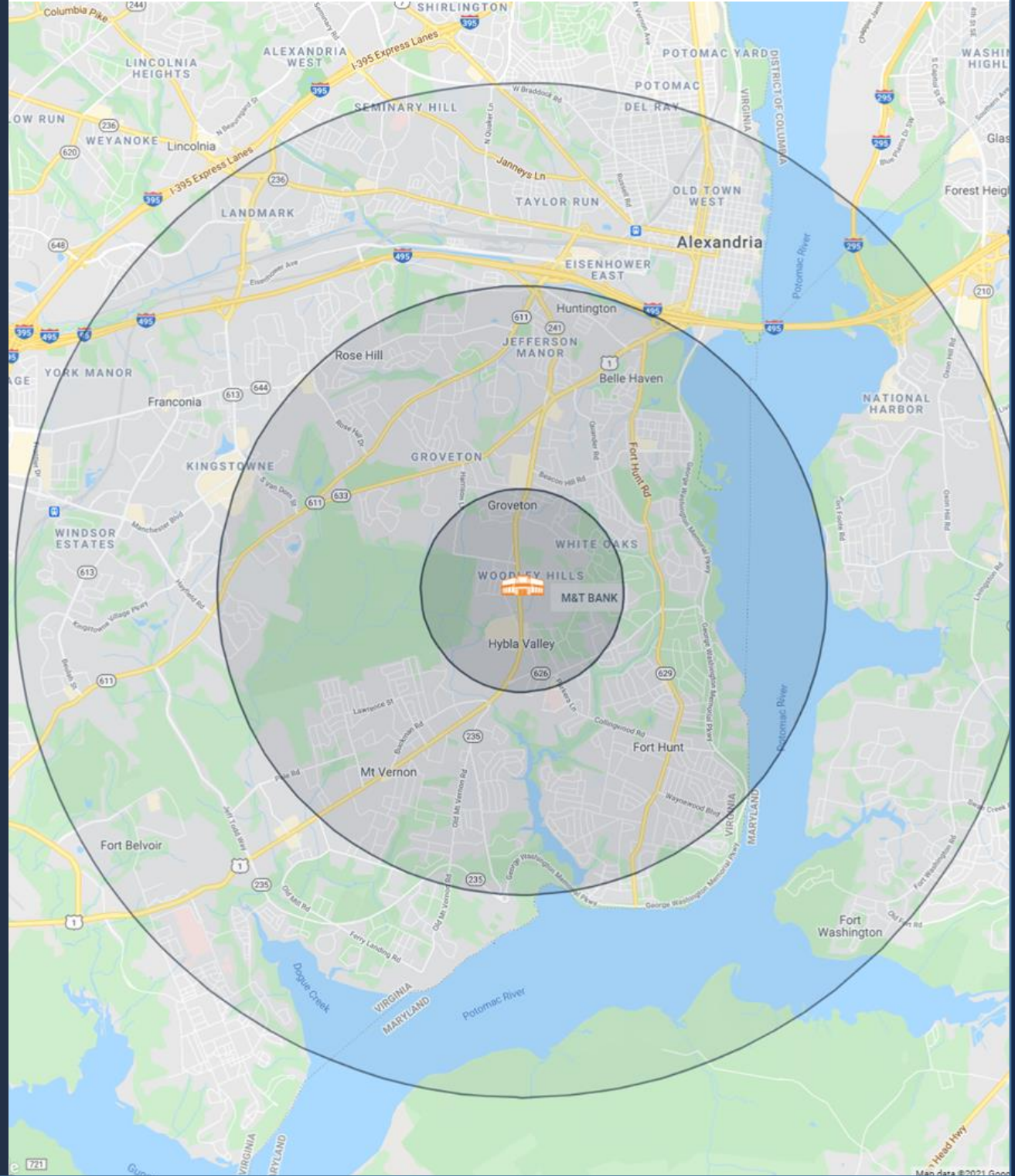
- Federal agencies with major operations in the area include the Central Intelligence Agency, the Pentagon, Drug Enforcement Administration and Defense Advanced Research Projects Agency.
- While a hub for government activity, the region is also home to educational institutions including George Mason University in Fairfax County.
- Various Fortune 500 companies representing a variety of industries are here, including Northrop Grumman, Hilton Worldwide Holdings, Freddie Mac, Capital One, AES, NVR and DXC Technology.
- The metro has one of the largest concentrations of data centers in the nation. Roughly 170 data centers provide more than 10 million square feet of space.



* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

	1 Miles	3 Miles	5 Miles
POPULATION			
2025 Projection	19,491	116,480	281,241
2020 Estimate	19,435	113,640	278,120
2010 Census	18,602	107,783	261,639
2000 Census	16,640	99,118	235,468
INCOME			
Average	\$112,869	\$147,159	\$152,940
Median	\$68,187	\$101,955	\$110,518
Per Capita	\$40,767	\$56,059	\$64,235
HOUSEHOLDS			
2025 Projection	7,022	43,654	118,451
2020 Estimate	7,006	43,243	116,610
2010 Census	6,688	40,862	108,718
2000 Census	6,338	39,222	99,195
HOUSING			
2020	\$377,445	\$478,805	\$512,026
EMPLOYMENT			
2020 Daytime Population	14,083	82,158	301,193
2020 Unemployment	3.19%	2.80%	2.60%
2020 Median Time Traveled	39	37	37
RACE & ETHNICITY			
White	39.79%	55.84%	55.62%
Native American	0.08%	0.06%	0.08%
African American	28.53%	20.07%	23.52%
Asian/Pacific Islander	9.05%	8.28%	8.82%



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