OFFERING MEMORANDUM

FAIRLAWN APARTMENTS

Marcus & Millichap

FAIRLAWN, VA | 17 UNITS

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THE OPPORTUNITY

FAIRLAWN APARTMENTS | FAIRLAWN, VA | 17 UNITS

FAIRLAWN APARTMENTS

Offered Property

The Uzun Group of Marcus & Millichap is pleased to present the offering memorandum for Fairlawn Apartments located at 7576 Old Peppers Ferry Loop in Fairlawn, VA 24141.

The property consists of seventeen units total. There are fifteen, one-bedroom and one-bathroom units and two, two-bedroom and one-bathroom units built in 1940 and situated on +/- 0.55 ac.

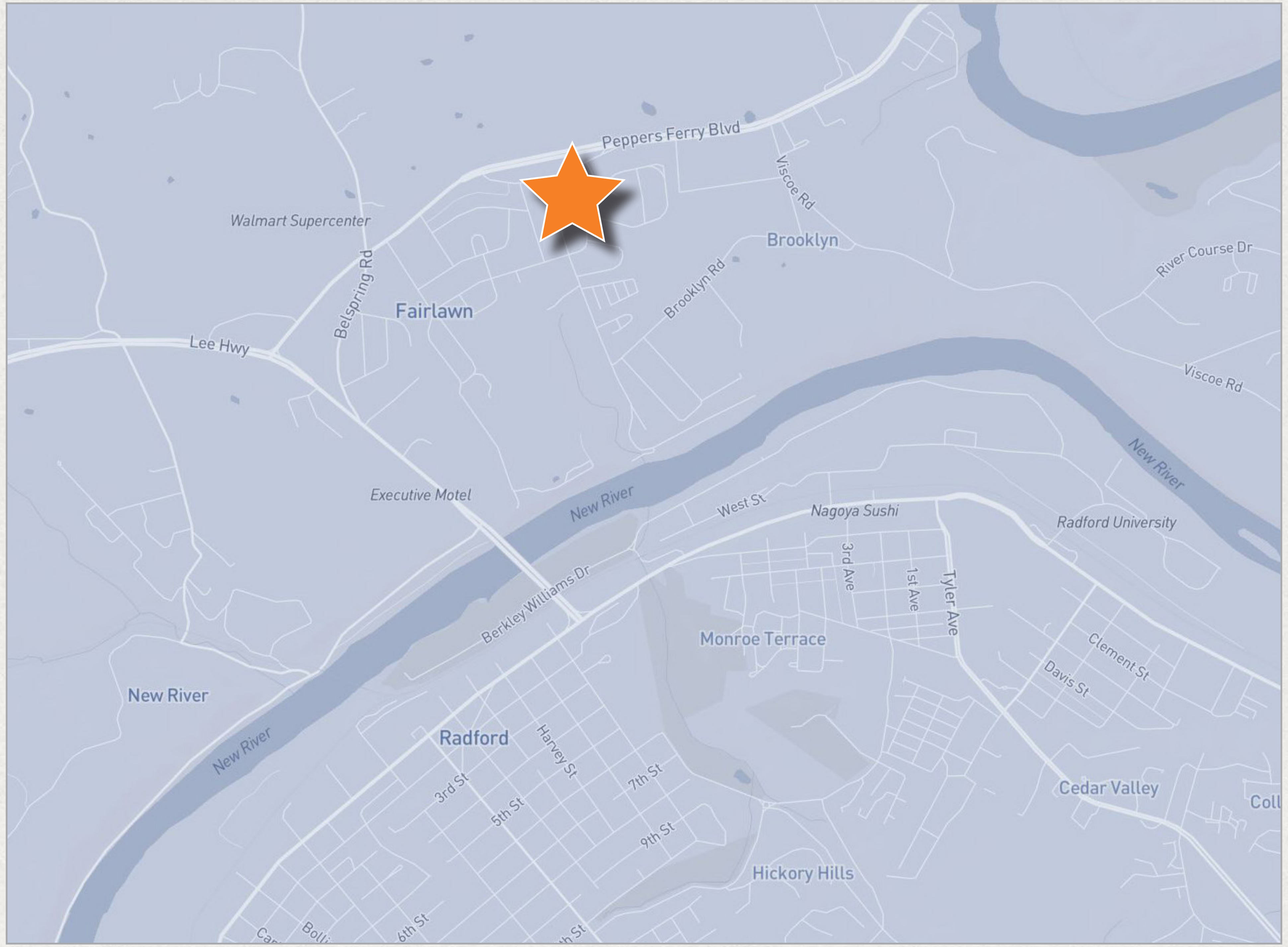
Fairlawn and Radford, VA offer strong multifamily investment potential with steady rental demand driven by Radford University, affordable entry pricing, and cap rates near 8%. Investors benefit from value-add opportunities, stable regional employers, and geographic accessibility, though smaller market growth and liquidity should be considered.

PROPERTY SUMMARY: FAIRLAWN APARTMENTS

# of Units	17
Year Built	1940
Price	$875,000
Price/Unit	$51,471
Total Square Feet	8,050 SF
Average Unit Size	474 SF

INVESTMENT HIGHLIGHTS

- **TRANSIT ORIENTED** Easy access to I-81 and US Route 11, Providing Direct Access to Blacksburg and Radford
- **EASY ACCESS TO NUMEROUS EMPLOYMENT CENTERS** Within 10 minutes of Radford University, Carilion Medical Center, Goodwill Industries and Many Other Major Employers



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FAIRLAWN APARTMENTS | FAIRLAWN, VA | 17 UNITS

LOCATION ANALYSIS

Radford *Location Overview*

Radford *Top Employers*

RADFORD UNIVERSITY

CARILION NEW RIVER VALLEY MEDICAL CENTER

THERMASTEEL ADVANCED PANEL SYSTEMS

KOLLMORGEN

RADVA CORPORATION

goodwill

MOOG

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FAIRLAWN APARTMENTS | FAIRLAWN, VA | 17 UNITS

FINANCIAL ANALYSIS

Executive Pricing Summary

PRICE	
Price	$875,000
Down Payment	$262,500
Number of Units	17
Price Per Unit	$51,471
Price Per Sqft	$108.70
Approx. Year Built	1940

RETURNS	CURRENT	YEAR 1
CAP Rate	6.46%	8.29%
GRM	7.35	6.01
Cash-on-Cash	3.84%	9.95%
Debt Coverage Ratio	1.22	1.56

Investment Summary

MARKET LOAN	
Interest Rate	6.50%
Amortization Period	30 Years
Months of Interest Only	0 Months
Annual Loan Constant	7.58%
Loan Term	10 Years
Loan to Value	70%
Loan Amount	$612,500
Down Payment	$262,500

INCOME		CURRENT		YEAR 1
Gross Scheduled Rent		$119,100		$145,500
Less:Vacancy/Deductions	5.0%	$5,955	5.0%	$7,275
Total Effective Rental Income		$113,145		$138,225
Other Income		$0		$0
Effective Gross Income		$113,145		$138,225
Less: Expenses	50.0%	$56,611	47.5%	$65,654
Net Operating Income		$56,534		$72,572
Cash Flow		$56,534		$72,572
Debt Service		$46,457		$46,457
Net Cash Flow After Debt Service	3.84%	$10,077	9.95%	$26,115
Principal Reduction		$6,846		$7,305
Total Expenses	6.45%	$16,923	12.73%	$33,419

FINANCING	1ST LOAN
Loan Amount	$612,500
Loan Type	New
Interest Rate	6.50%
Amortization	30 Years
Year Due	2035

EXPENSES	CURRENT	YEAR 1
Real Estate Taxes	$5,580	$6,125
Insurance	$3,885	$6,800
Utilities - Electric	$360	$360
Utilities - Water & Sewer	$15,600	$15,600
Repairs & Maintenance	$9,464	$12,750
Contract Services	$7,650	$7,650
Marketing & Advertising	$1,275	$1,275
General & Administrative	$2,550	$2,550
Operating Reserves	$4,250	$4,250
Management Fee	$5,997	$8,294
Total Expenses	$56,611	$65,654
Expenses/Unit	$3,330	$3,862
Expenses/SF	$7.03	$8.16

FAIRLAWN APARTMENTS

Unit Mix

			CURRENT			POTENTIAL		
UNIT TYPE	# OF UNITS	AVG SF	AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1BD/1BA	15	450	$578	$1.29	$8,675	$695	$1.54	$10,425
2BD/1BA	2	650	$625	$0.96	$1,250	$850	$1.31	$1,700
Total/Weighted Averages	**17**	**474**	**$584**	**$1.23**	**$9,925**	**$713**	**$1.51**	**$12,125**
Gross Annualized Rents			**$119,100**			**$145,500**		

FAIRLAWN APARTMENTS

Operating Statement

INCOME	CURRENT		YEAR 1		PER UNIT
Gross Potential Rent	145,500		145,500		8,559
Loss/Gain to Lease	(26,400)	18.1%	0		0
Gross Current Rent	119,100		145,500		8,559
Physical Vacancy	(4,764)	4.0%	(5,820)	4.0%	(342)
Bad Debt	(1,191)	1.0%	(1,455)	1.0%	(86)
Total Vacancy	($5,955)	5.0%	($7,275)	5.0%	($428)
Economic Occupancy	95.00%		95.00%		
Effective Gross Income	$113,145		$138,225		$8,131
EXPENSES	**CURRENT**		**YEAR 1**		**PER UNIT**
Real Estate Taxes	5,580		6,125		360
Insurance	3,885		6,800		400
Utilities - Electric	360		360		21
Utilities - Water & Sewer	15,600		15,600		918
Repairs & Maintenance	9,464		12,750		750
Contract Services	7,650		7,650		450
Marketing & Advertising	1,275		1,275		75
General & Administrative	2,550		2,550		150
Operating Reserves	4,250		4,250		250
Management Fee	5,997	5.3%	8,294	6.0%	488
Total Expenses	$56,611		$65,654		$3,862
Expenses as % of EGI	50.0%		47.5%		
Net Operating Income	$56,534		$72,572		$4,269

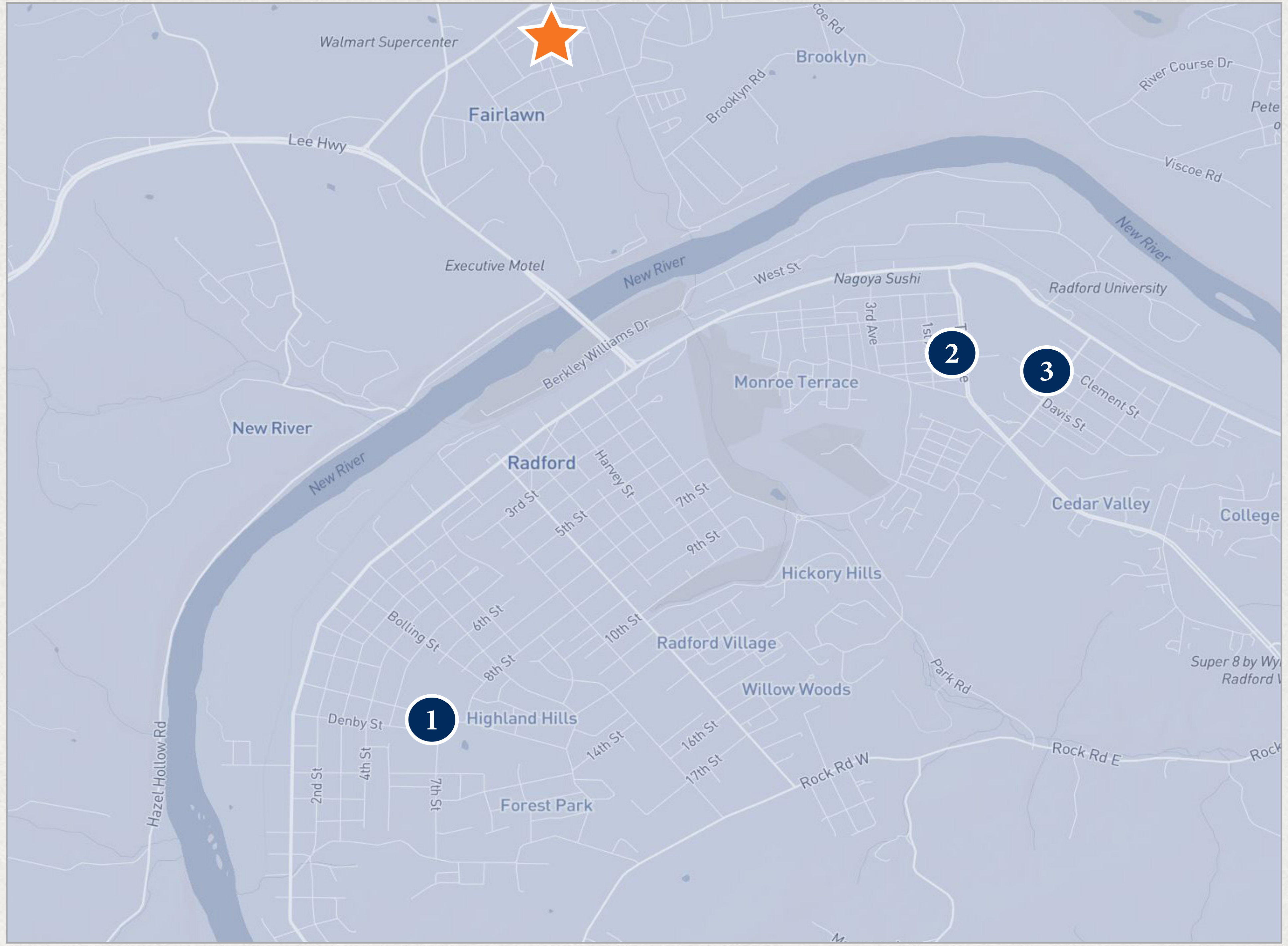
FAIRLAWN APARTMENTS | FAIRLAWN, VA | 17 UNITS

MARKET COMPARABLES

FAIRLAWN APARTMENTS

Sale Comparables

	PROPERTY	UNITS	GBA	YEAR BUILT	SALES PRICE	PRICE/UNIT	PRICE/SF	SALE DATE
★	**Fairlawn Apartments** 7576 Old Peppers Ferry Loop Fairlawn, VA 24141	17	8,050 SF	1940	$875,000	$51,471	$108.70	TBD
1	**608 Pendleton Street** Radford, VA 24141	6	6,000 SF	1955	$522,500	$87,083	$141.67	July 2022
2	**516-526 N Tyler Street** Radford, VA 24141	6	12,500 SF	2006	$1,300,000	$216,667	$104.00	March 2024
3	**612 Fairfax Street** Radford, VA 24141	4	7,500 SF	1970	$612,000	$153,000	$81.60	January 2024
	Averages	**5**	**8,667 SF**	**-**	**$81,500**	**$152,250**	**$109.09**	**-**



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FAIRLAWN APARTMENTS

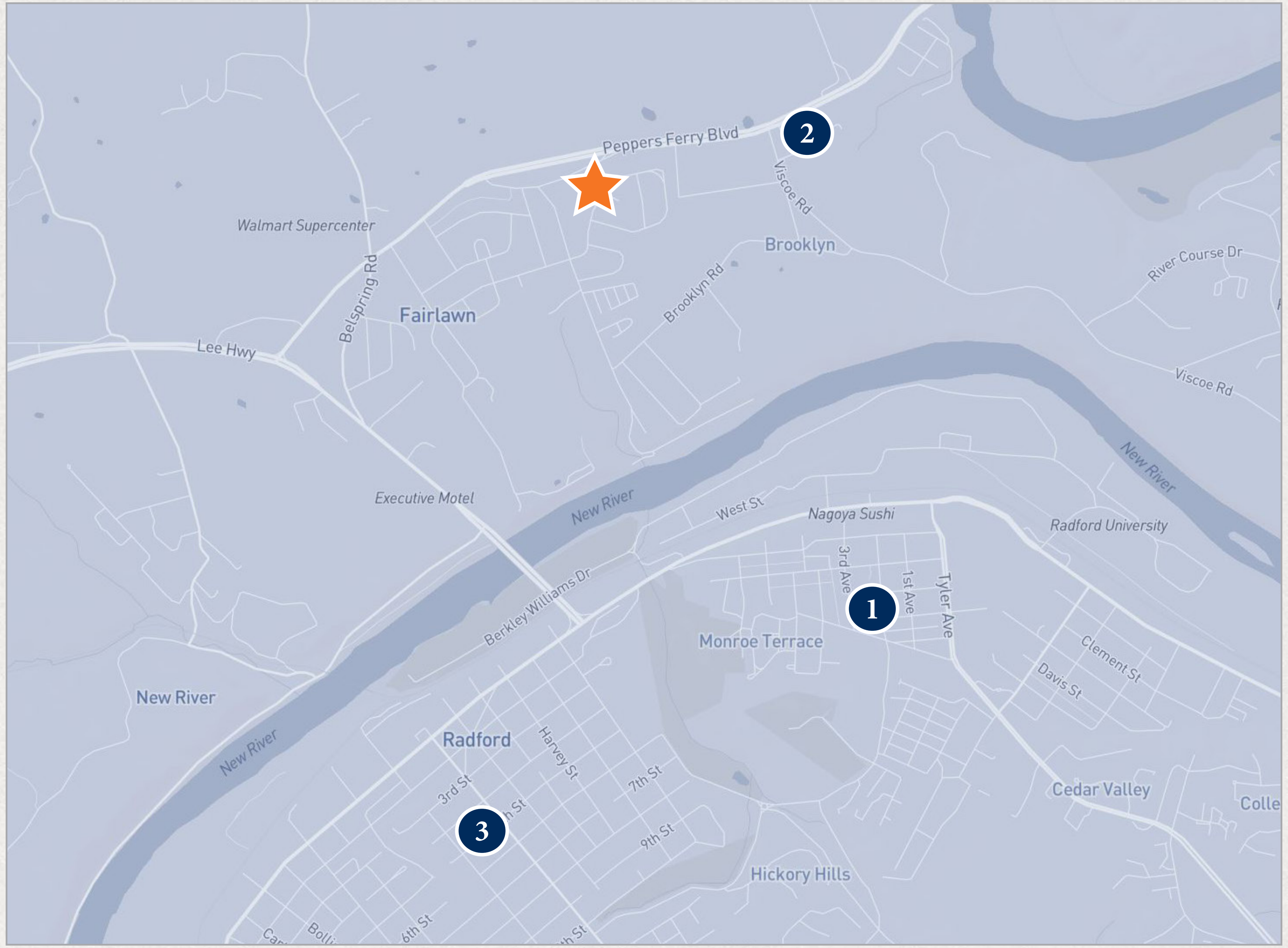
Rent Comparables

ONE-BEDROOM

	PROPERTY	YR. BUILT	NO. UNITS	AVG. SF	RENT	RENT PER SF
★	**Fairlawn Apartments - 17 Units** 7576 Old Peppers Ferry Loop Fairlawn, VA 24141	**1940**	**15**	**450 SF**	**$578**	**$1.29**
1	**Redcoat Manor Apartments - 36 Units** 1201-1207 Clement Street Radford, VA 24141	1982	6	347 SF	$571	$1.65
2	**The Landings -18 Units** 6875 Sunset Terrace Lane Radford, VA 24141	1963	-	-	-	-
3	**Georgetown Townhomes- 12 Units** 600 5th Street Radford, VA 24141	1963 | 2018	-	-	-	-
	Averages	**-**	**6**	**347 SF**	**$571**	**$1.65**

ONE-BEDROOM

	PROPERTY	YR. BUILT	NO. UNITS	AVG. SF	RENT	RENT PER SF
★	**Fairlawn Apartments - 17 Units** 7576 Old Peppers Ferry Loop Fairlawn, VA 24141	**1940**	**2**	**650 SF**	**$625**	**$0.96**
1	**Redcoat Manor Apartments - 36 Units** 1201-1207 Clement Street Radford, VA 24141	1982	30	695 SF	$772	$1.11
2	**The Landings - 18 Units** 6875 Sunset Terrace Lane Radford, VA 24141	1963	14	718 SF	$544	$0.76
3	**Georgetown Townhomes- 12 Units** 600 5th Street Radford, VA 24141	1963 | 2018	12	700 SF	$892	$1.27
	Averages	**-**	**19**	**704 SF**	**$736**	**$1.05**



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