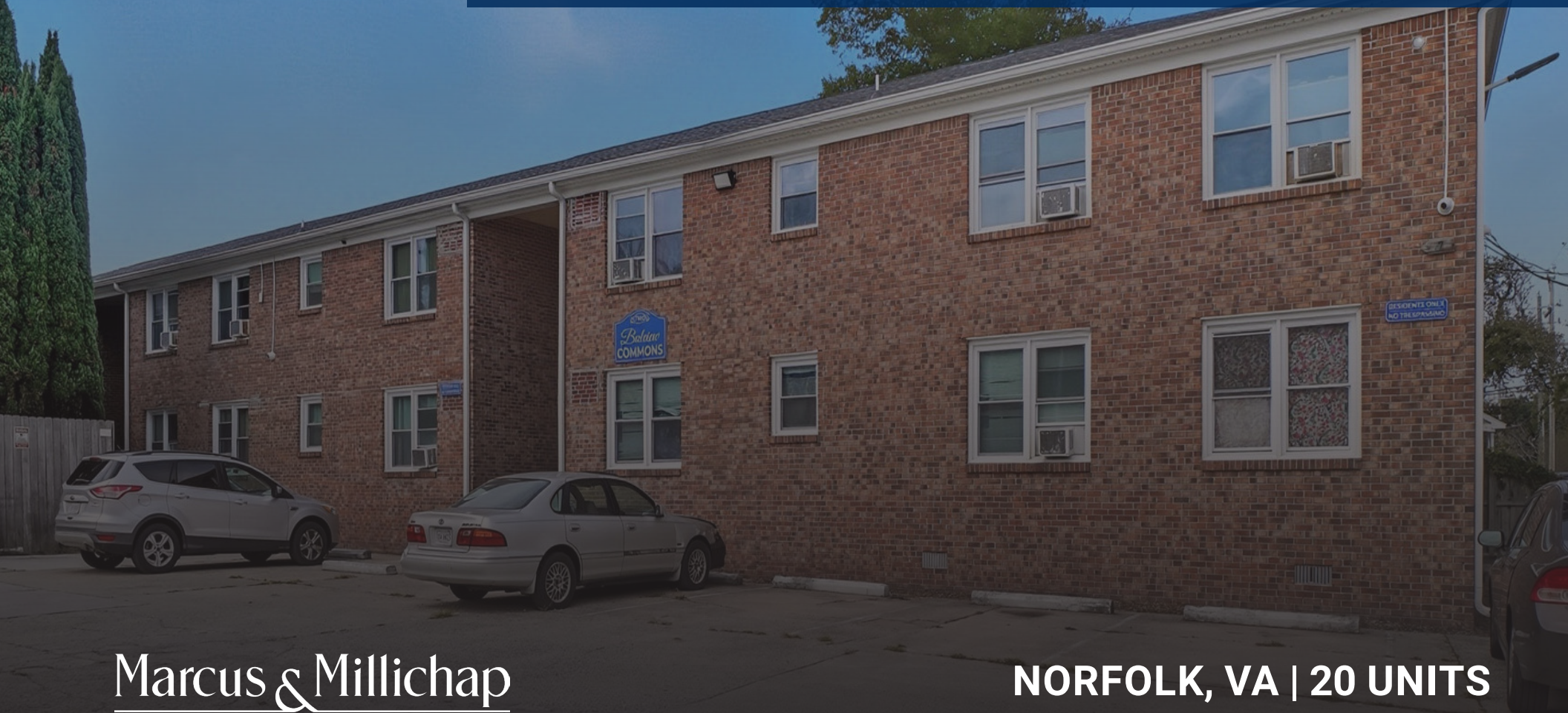


OFFERING MEMORANDUM

171-179 W BALVIEW AVENUE



Marcus & Millichap

NORFOLK, VA | 20 UNITS

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171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

THE OPPORTUNITY

171-179 W BALVIEW AVENUE

Offered Property

Marcus & Millichap is pleased to present the offering memorandum for 171-179 W Balview Avenue in Norfolk, VA.

The property consists of twenty units total. There are eight, one-bedroom and one-bathroom units and twelve, two-bedroom one-bathroom units across two, two-story buildings built in 1987 and situated on +/- 0.24 acres.

Norfolk, VA is in the heart of the Hampton Roads metropolitan area, which is home to over 1.7 million people. It’s central location within the region makes it an important economic and cultural hub, attracting a diverse population and providing a stable demand for housing. Norfolk benefits from a robust and diversified economy. It is home to major military installations, including the Naval Station Norfolk, which is the largest naval base in the world. The presence of military personnel and related industries provide a consistent demand for rental properties.

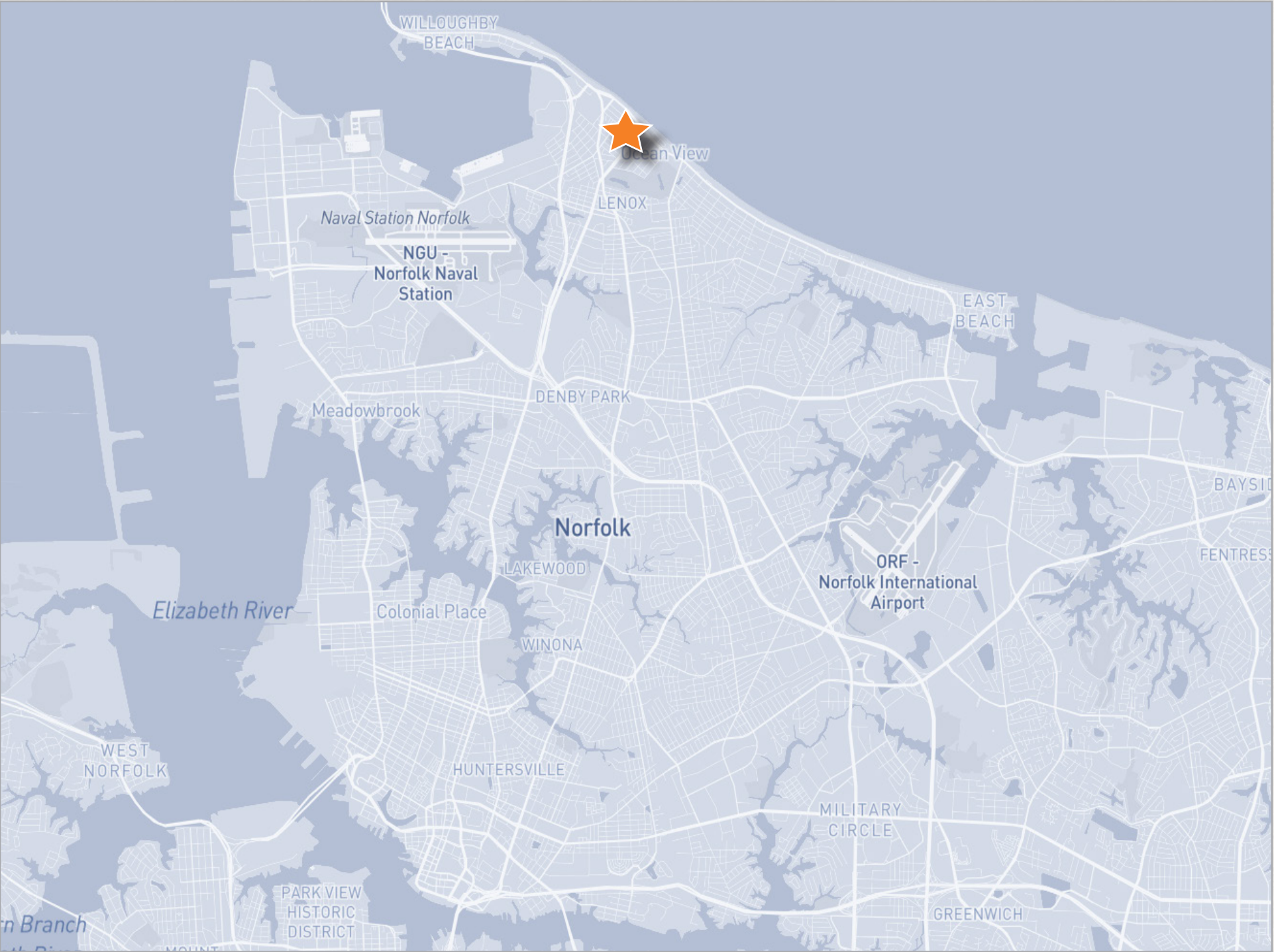


PROPERTY SUMMARY: 171-179 W BALVIEW AVENUE

# of Units	20
Year Built	1987
Price	\$2,699,000
Price/Unit	\$134,950
Total Square Feet	13,600 SF
Average Unit Size	680 SF

INVESTMENT HIGHLIGHTS

- **TRANSIT ORIENTED** Easy access to I-64, I-264, I-564, and Granby Street
- **EASY ACCESS TO NUMEROUS EMPLOYMENT CENTERS** Within 10 minutes from Norfolk International Airport, IKEA, and Simon Premium Outlet Mall



171-179 W BALVIEW AVENUE
Exterior Photos



171-179 W BALVIEW AVENUE
Interior Photos





Marcus & Millichap

171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

LOCATION ANALYSIS

171-179 W BALVIEW AVENUE

Norfolk Location Overview



171-179 W BALVIEW AVENUE

Norfolk Top Employers



171-179 W BALVIEW AVENUE

Hampton Roads *Transformation & Growth*



HRBT Expansion

\$3.9B Project

The Hampton Roads Bridge-Tunnel (HRBT) expansion project is a major infrastructure initiative aimed at improving transportation and connectivity in the Hampton Roads, particularly between the cities of Norfolk and Hampton. The project is set to be completed Spring 2027.



Atlantic Park

\$350M Project

This project, which has garnered support from the renowned entertainer Pharrell Williams, will showcase a 2.67-acre Wave garden Cove surf park designed to create waves suitable for surfers of varying skill levels. In addition to the surf park, Atlantic Park will feature novel dining establishments, immersive retail experiences, residential and office spaces, as well as cutting-edge indoor and outdoor entertainment facilities.



Rivers Casino

\$340M Project

In January 2023, the grand opening of Rivers Casino in Portsmouth marked a significant turning point for the region. Since its inception, Rivers Casino has become a vibrant hub of tourism, drawing visitors with its exciting gaming options, top-notch entertainment, and exquisite dining experiences. Notably, the casino has made a substantial contribution to the local economy by generating employment opportunities and boosting patronage at nearby hotels, restaurants, and entertainment venues.

171-179 W BALVIEW AVENUE

Hampton Roads *Naval Shipyard*

The Norfolk Naval Shipyard (NNSY) is a major United States Navy shipyard located in Portsmouth, Virginia, adjacent to Norfolk. It is one of the most significant and oldest shipyards in the United States. NNSY is primarily responsible for the maintenance, repair, and overhaul of U.S. Navy ships and submarines. It plays a crucial role in ensuring the operational readiness of the Navy's fleet, including aircraft carriers, submarines, destroyers, and other vessels. The shipyard's skilled workforce and advanced facilities are essential for keeping the Navy's assets in top condition.

NNSY is one of the largest employers in the region, providing jobs to thousands of workers, including civilian and military personnel. This significant employment opportunity contributes to the local economy by generating income and supporting local businesses and services.





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171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

FINANCIAL ANALYSIS

171-179 W BALVIEW AVENUE

Executive Pricing Summary

PRICE	
Price	\$2,699,000
Down Payment	\$809,700
Number of Units	20
Price Per Unit	\$134,950
Price Per Sqft	\$198.46
Approx. Year Built	1987

RETURNS	CURRENT	YEAR 1
CAP Rate	6.75%	7.80%
GRM	9.56	8.27
Cash-on-Cash	5.26%	8.77%
Debt Coverage Ratio	1.30	1.51

171-179 W BALVIEW AVENUE

Investment Summary

MARKET LOAN	
Interest Rate	6.25%
Amortization Period	30 Years
Months of Interest Only	0 Months
Annual Loan Constant	7.39%
Loan Term	10 Years
Loan to Value	70%
Loan Amount	\$1,889,300
Down Payment	\$809,700

INCOME	CURRENT		YEAR 1
Gross Scheduled Rent	\$282,300		\$326,400
Less: Vacancy/Deductions	6.0%	\$16,938	5.0% \$16,320
Total Effective Rental Income		\$265,362	\$310,080
Other Income		\$0	\$0
Effective Gross Income		\$265,362	\$310,080
Less: Expenses	31.4%	\$83,200	32.1% \$99,504
Net Operating Income		\$182,162	\$210,576
Cash Flow		\$182,162	\$210,576
Debt Service		\$139,593	\$139,593
Net Cash Flow After Debt Service	5.26%	\$42,569	8.77% \$70,983
Principal Reduction		\$22,139	\$23,563
Total Return	7.99%	\$64,707	11.68% \$94,546

FINANCING	1ST LOAN
Loan Amount	\$1,889,300
Loan Type	New
Interest Rate	6.25%
Amortization	30 Years
Year Due	2035

EXPENSES	CURRENT	YEAR 1
Real Estate Taxes	\$23,125	\$33,198
Insurance	\$11,000	\$11,000
Repairs & Maintenance	\$12,000	\$12,000
Contract Services	\$9,000	\$9,000
Marketing & Advertising	\$1,500	\$1,500
General & Administrative	\$3,000	\$3,000
Operating Reserves	\$5,000	\$5,000
Management Fee	\$18,575	\$24,806
Total Expenses	\$83,200	\$99,504
Expenses/Unit	\$4,160	\$4,975
Expenses/SF	\$6.12	\$7.32

171-179 W BALVIEW AVENUE

Unit Mix

UNIT TYPE	# OF UNITS	AVG SF	CURRENT			POTENTIAL		
			AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1 Bed 1 Bath	8	650	\$1,138	\$1.75	\$9,100	\$1,300	\$2.00	\$10,400
2 Bed 1 Bath	12	700	\$1,202	\$1.72	\$14,425	\$1,400	\$2.00	\$16,800
Total/Weighted Averages	20	680	\$1,176	\$1.73	\$23,525	\$1,360	\$2.00	\$27,200
Gross Annualized Rents			\$282,300		\$326,400			

171-179 W BALVIEW AVENUE

Operating Statement

INCOME	CURRENT		YEAR 1		PER UNIT
Gross Potential Rent	326,400		326,400		16,320
Loss/Gain to Lease	(44,100)	7.3%	0		0
Gross Current Rent	282,300		326,400		16,320
Physical Vacancy	(11,292)	4.0%	(13,056)	4.0%	(653)
Bad Debt	(5,646)	2.0%	(3,264)	1.0%	(163)
Total Vacancy	(\$16,938)	6.0%	(\$16,320)	5.0%	(\$816)
Economic Occupancy	94.00%		95.00%		
Effective Gross Income	\$265,362		\$310,080		\$15,504
EXPENSES	CURRENT		YEAR 1		PER UNIT
Real Estate Taxes	23,125		33,198		1,660
Insurance	11,000		11,000		550
Repairs & Maintenance	12,000		12,000		600
Contract Services	9,000		9,000		450
Marketing & Advertising	1,500		1,500		75
General & Administrative	3,000		3,000		150
Operating Reserves	5,000		5,000		250
Management Fee	18,575	7.0%	24,806	8.0%	1,240
Total Expenses	\$83,200		\$99,504		\$4,975
Expenses as % of EGI	31.4%		32.1%		
Net Operating Income	\$182,162		\$210,576		\$10,529



Marcus & Millichap

171-179 W BALVIEW AVENUE | NORFOLK, VA | 20 UNITS

MARKET COMPARABLES

171-179 W BALVIEW AVENUE

Sale Comparables

	PROPERTY	UNITS	BLDG SF	YEAR BUILT	SALES PRICE	PRICE/UNIT	PRICE/SF	SALE DATE
	★ 171-179 W Balview Avenue Norfolk, VA 23503	20	13,600 SF	1987	\$2,699,000	\$134,950	\$198.46	TBD
1	1 1250 Little Bay Avenue Norfolk, VA 23503	6	3,780 SF	1970	\$800,000	\$133,333	\$211.64	June 2025
2	2 905-911 Little Bay Avenue Norfolk, VA 23503	12	12,315 SF	1959	\$1,960,000	\$163,333	\$159.16	September 2024
3	3 9628-9632 12th Bay Street Norfolk, VA 23518	22	7,670 SF	1972	\$2,787,000	\$126,682	\$363.36	June 2024
4	4 9324 1st View Street Norfolk, VA 23503	18	9,896 SF	1969	\$1,400,000	\$77,778	\$141.47	May 2024
5	5 1314-1318 Little Bay Avenue Norfolk, VA 23503	20	13,806 SF	1979 1984	\$2,200,000	\$110,000	\$159.35	March 2024
	Averages	16	9,093 SF	-	\$1,829,400	\$122,625	\$206.20	-



171-179 W BALVIEW AVENUE

Rent Comparables

One-Bedroom

	PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★	171-179 W Balview Avenue - 20 Units Norfolk, VA 23503	1BD/1BA	8	650 SF	\$1,138	\$1.75
1	West Beach Apartments - 10 Units 219 W Ocean View Avenue Norfolk, VA 23503	1BD/1BA	10	560 SF	\$977	\$1.75
2	Beachcomber Apartments - 32 Units 251-255 W Ocean View Avenue Norfolk, VA	1BD/1BA	20	675 SF	\$918	\$1.36
3	Sea Isle West - 22 Units 237 W Ocean Avenue Norfolk, VA 23503	1BD/1BA	22	600 SF	\$746	\$1.24
4	9525 Granby Street - 14 Units Norfolk, VA 23503	1BD/1BA	8	500 SF	\$640	\$1.28
5	Elite Apartments - 51 Units 209-213 E Ocean View Avenue Norfolk, VA 23518	1BD/1BA	28	750 SF	\$1,050	\$1.40
	Averages	-	18	617 SF	\$866	\$1.41

Two-Bedroom

	PROPERTY	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★	171-179 W Balview Avenue - 20 Units Norfolk, VA 23503	2BD/1BA	12	700 SF	\$1,202	\$1.72
1	West Beach Apartments - 10 Units 219 W Ocean View Avenue Norfolk, VA 23503	-	-	-	-	-
2	Beachcomber Apartments - 32 Units 251-255 W Ocean View Avenue Norfolk, VA	-	-	-	-	-
3	Sea Isle West - 22 Units 237 W Ocean Avenue Norfolk, VA 23503	-	-	-	-	-
4	9525 Granby Street - 14 Units Norfolk, VA 23503	2BD/1BA	6	600 SF	\$686	\$1.14
5	Elite Apartments - 51 Units 209-213 E Ocean View Avenue Norfolk, VA 23518	2BD/1BA	23	900 SF	\$1,200	\$1.33
	Averages	-	15	750 SF	\$943	\$1.24

