

Virginia Urology Sale Leaseback

AT PUDDLEDOCK MEDICAL OFFICE CENTER

Confidential Offering Memorandum

Representative Photo



2025 Waterside Rd, Suite 105 | Prince George VA 23875

BRAND NEW VIRGINIA UROLOGY LEASE ON A 10-YEAR LEASE

PROMINENT, EASILY-ACCESSED SITE AT A PREMIER MEDICAL OFFICE LOCATION IN COLONIAL HEIGHTS NEAR I-95 (111,093 VPD)



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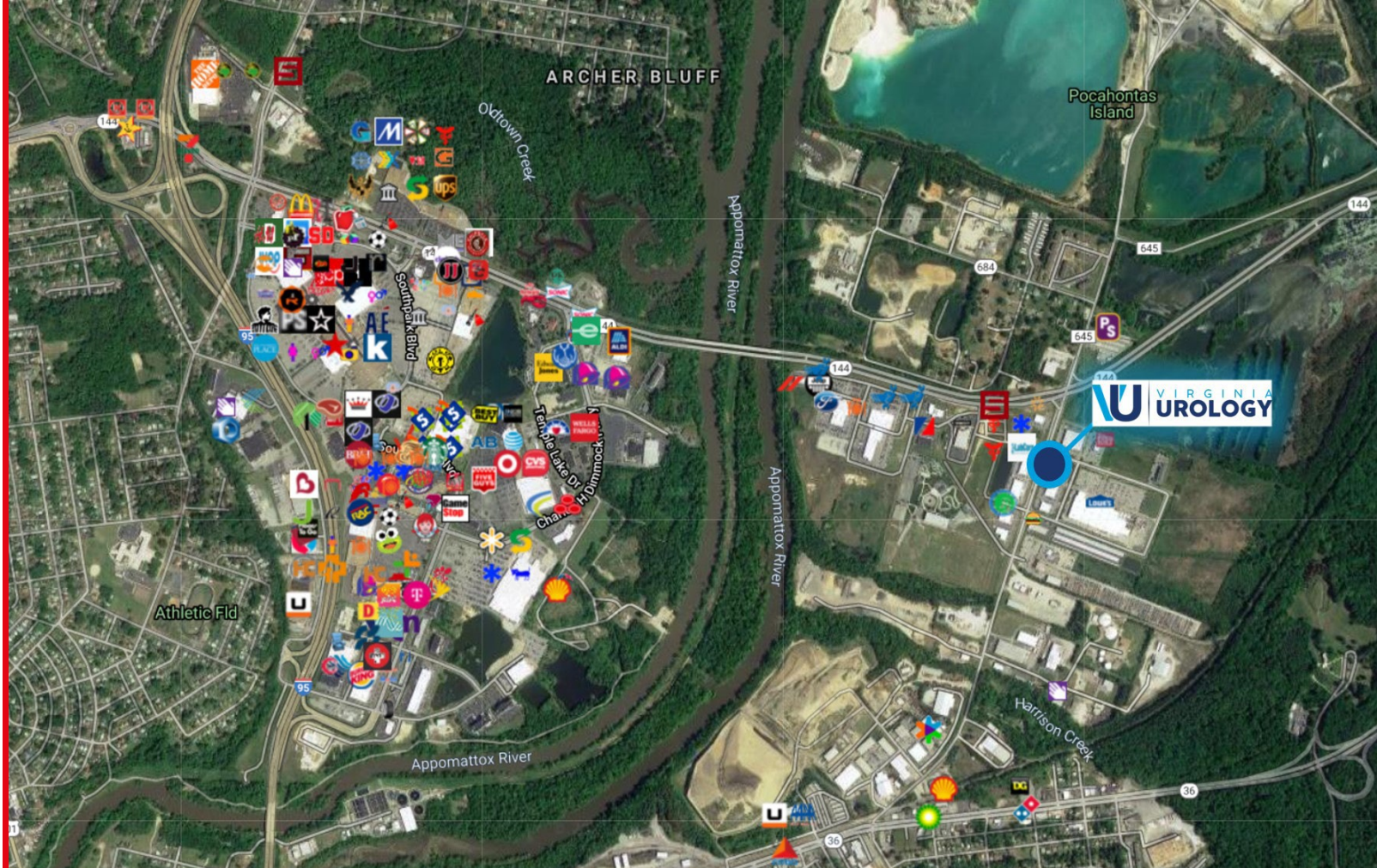
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INVESTMENT SUMMARY

2025 WATERSIDE ROAD | SUITE 105 | PRINCE GEORGE VA 23875

Investment Highlights

Jones Lang LaSalle (“JLL”) Capital Markets, Net Lease is pleased to exclusively offer a premier net lease opportunity to acquire a rare single tenant Medical Office Condominium (the “Property”) on a new 10-year Medical Office Condominium lease located at Puddledock Medical Center in Prince George, VA — the #1 state for business in 2020. The Property is only 3.4 miles from I-95 and located on Waterside Rd with traffic counts of 5,881 VPD. Virginia Urology operates 6 locations with over 65 providers.



5.5%

CAP RATE

10 YEARS

REMAINING LEASE TERM



New 10-year corporate ground lease guaranteed by Virginia Urology.



Attractive 2.25% increases every year and 2.5% increases throughout each option period.



Market rate of \$25 per square foot, NNN.



Well maintained asset that had significant renovation within the past 2 years.



Virginia Urology is one of the largest urosurgical groups in the Mid-Atlantic



Located in a growing medical office community with traffic counts of 33,872 VPD.



Features two access points for both directions of traffic—going-home and going-to-work.



Only 3.4 miles from I-95 which carries 111,093 VPD through Richmond and Virginia.



New premier medical offices, retail locations and over 35 restaurants in the surrounding area.



Near by Walmart Supercenter, Sam’s Club, Dicks Sporting Goods, Macy’s, and other retailers.



Located in 7.4 million SF Retail submarket and 550 hotel rooms in 1 mile radius.



36,504 residents earning household incomes of nearly \$64,183 in the 5-mile radius.



Richmond MSA location in the capital of Virginia—the #1 state for business in 2020 (CNBC).

\$3,386,836

Asking Price

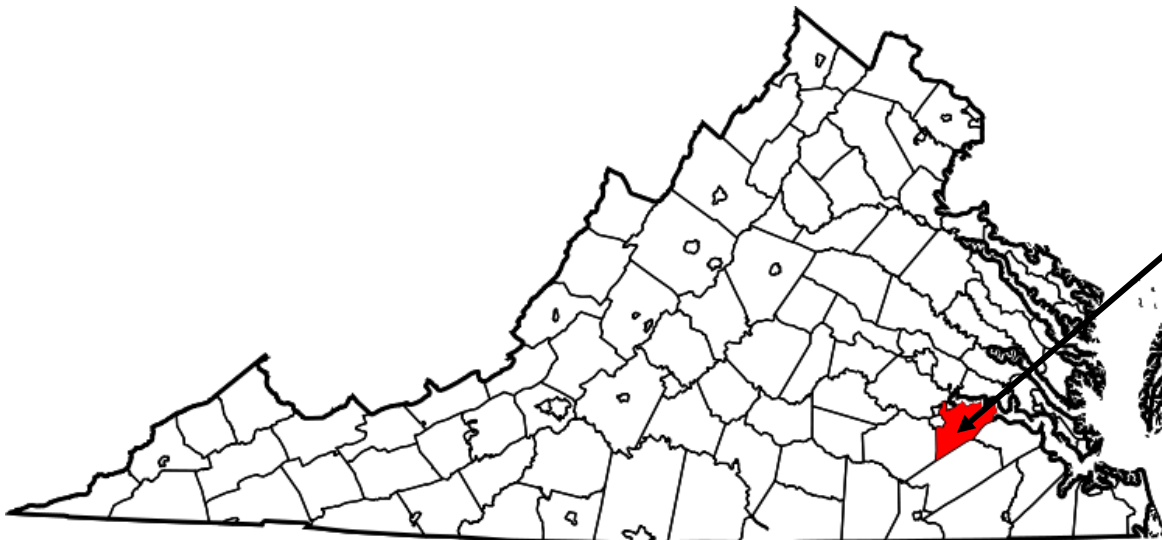
5.5%

Cap Rate

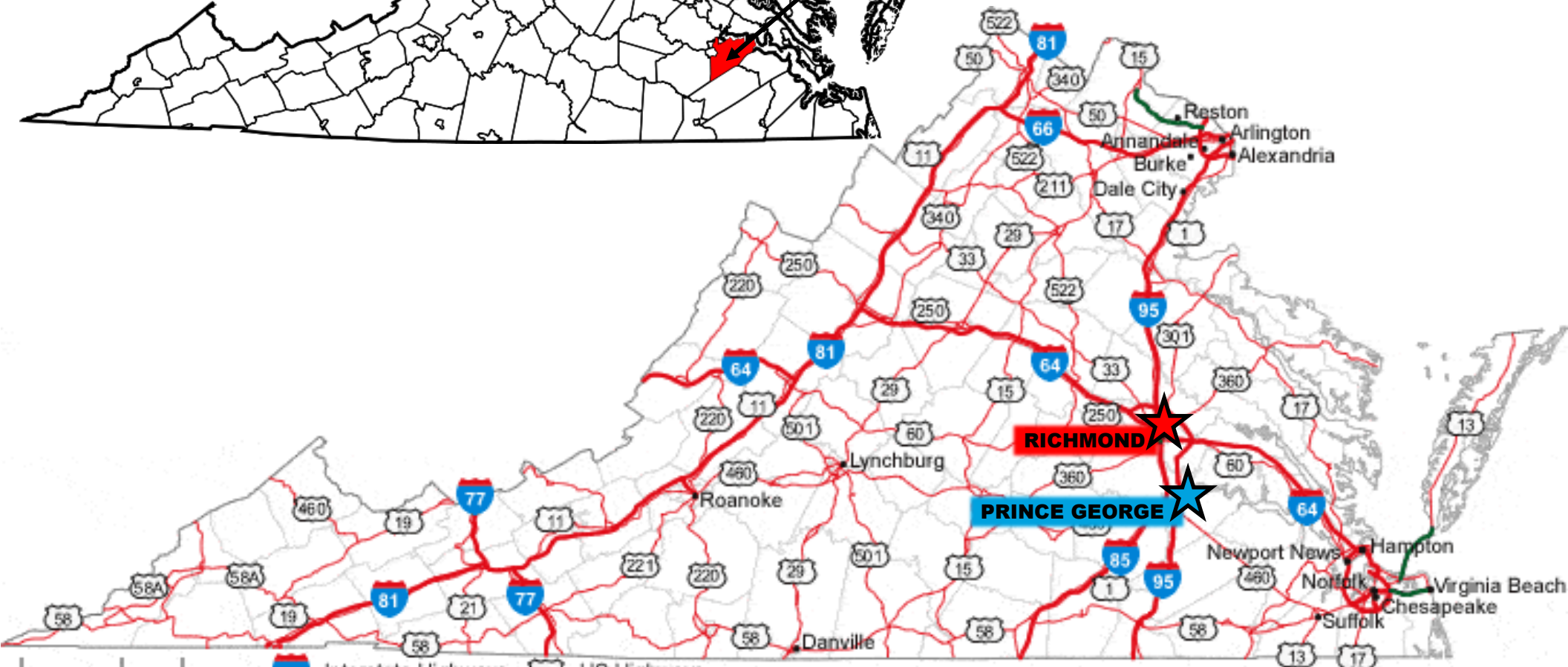
PUDDLEDOCK MEDICAL CENTER IS THE PREMIER MEDICAL OFFICE AND HAS OVER 30 MAJOR HEALTHCARE PRACTICES AND SYSTEMS INCLUDING VCU HEALTH, ORTHO VIRGINIA, VIRGINIA CANCER INSTITUTE, VIRGINIA EAR NOSE AND THROAT, VIRGINIA PHYSICIANS FOR WOMAN, VIRGINIA CARDIO VASCULAR SERVICES, PRIMARY CARE PHYSICIANS, BETTERMED AND BON SECOURS.

2025 WATERSIDE ROAD | SUITE 205 | PRINCE GEORGE, VA 23875





PRINCE GEORGE COUNTY



RICHMOND

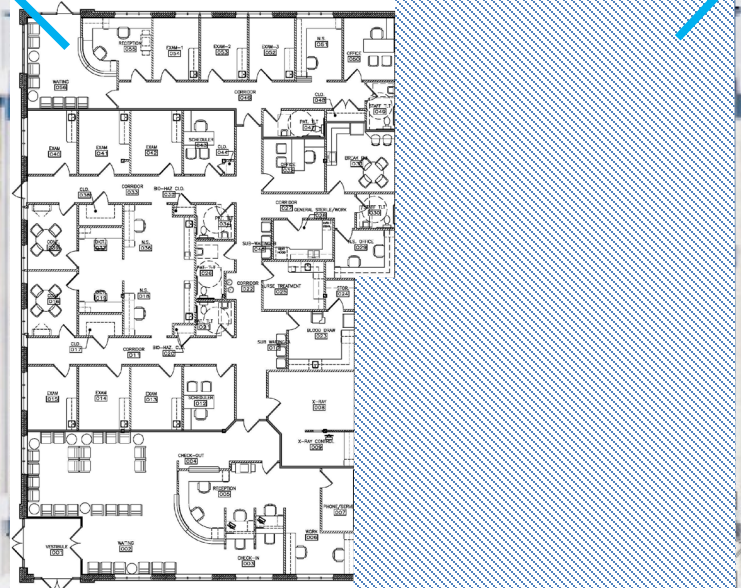
PRINCE GEORGE

© geology.com

Virginia Urology Floor Plan

**Virginia Urology
Suite 105
7,451 SF**

**Other Tenant Spaces
Suite 205
7,596 SF**





TENANT OVERVIEW

Virginia Urology

Virginia Urology (VU) has a long history of providing quality care to the Greater Richmond metro area since 1929. Their practice prides itself on its strong commitment to the community's urological needs by recruiting highly skilled physicians and using the latest technology. Virginia Urology is comprised of over 65 providers that include urologists & urogynecologists as well as physicians specializing in the urologic aspect of anesthesiology, pathology, pelvic floor physical therapy, radiation oncology, and radiology. Because VU has such diverse medical professionals, they are able to provide the latest technologies and accomplish their mission of providing the best possible care for each patient. Virginia Urology's board-certified physicians and staff are dedicated to offering care that blends state-of-the-art medical expertise with compassionate, individualized attention. The group has specialists spanning nearly every discipline within the field of urology.

VU has 6 office locations throughout Central Virginia and a licensed and accredited ambulatory surgery center. In addition to Virginia Urology's convenient locations, they have diagnostic imaging available at most of the locations. Through the use of their secure electronic medical record system patients can be seen at any of the locations by any VU physician!

VU organizes and facilitates continuing medical education seminars annually for physicians in the fields of urology, family practice, internal medicine and general practice. In addition, Virginia Urology trains urology and family practice residents from the Virginia Commonwealth University Health System.



CORPORATE OVERVIEW

Headquarters Richmond, VA

Locations 6

Employees 460

Accolades

- ★ VIRGINIA UROLOGY RECOGNIZED IN THE BECKER'S ASC REVIEW
- ★ STYLE WEEKLY 2020 MEDICAL AWARD RECIPIENT
- ★ BEST BEDSIDE MANNER AWARD FROM OURHEALTH MAGAZINE
- ★ RICHMOND MAGAZINE "TOP DOC" RECIPIENT
- ★ TOP 10 LARGEST INDEPENDENT UROLOGY PRACTICE IN U.S.



FINANCIAL ANALYSIS

Lease Abstract

\$3,386,836

5.5%

Asking Price

Cap Rate

LEASE DETAILS

Address	2025 Waterside Rd, Prince George, VA - Suite 105
Tenant	Mid Atlantic INC.
Size	7,451 SF
Year Built	2011
Annual Rent	\$186,276
Rent Increases	2.25% per annum
Lease Type	NNN
Rent Commencement	Upon Closing
Lease Expiration	10 year upon closing
Remaining Lease Term	10 Years
Remaining Options	Two (2), Five (5) Year Options w/2.5% annual escalator

RENT SCHEDULE

Description	Monthly Rent
Months 1-12	\$15,523
Months 13-24	\$15,872
Months 25-36	\$16,229
Months 37-48	\$16,594
Months 49-60	\$16,968
Months 61-72	\$17,350
Months 73-84	\$17,740
Months 85-96	\$18,139
Months 97-108	\$18,547
Months 109-120	\$18,965

1st Year Renewal Option	2.5% increases through the term
2nd Year Renewal Option	2.5% increases through the term

RESPONSIBILITY DETAIL

Insurance

Tenant maintains liability and property insurance on the premises.

Real Estate Taxes

Tenant is responsible for real estate taxes on the premises.

Repairs & Maintenance

Tenant is responsible for repairs and maintenance on the premises.

Utilities

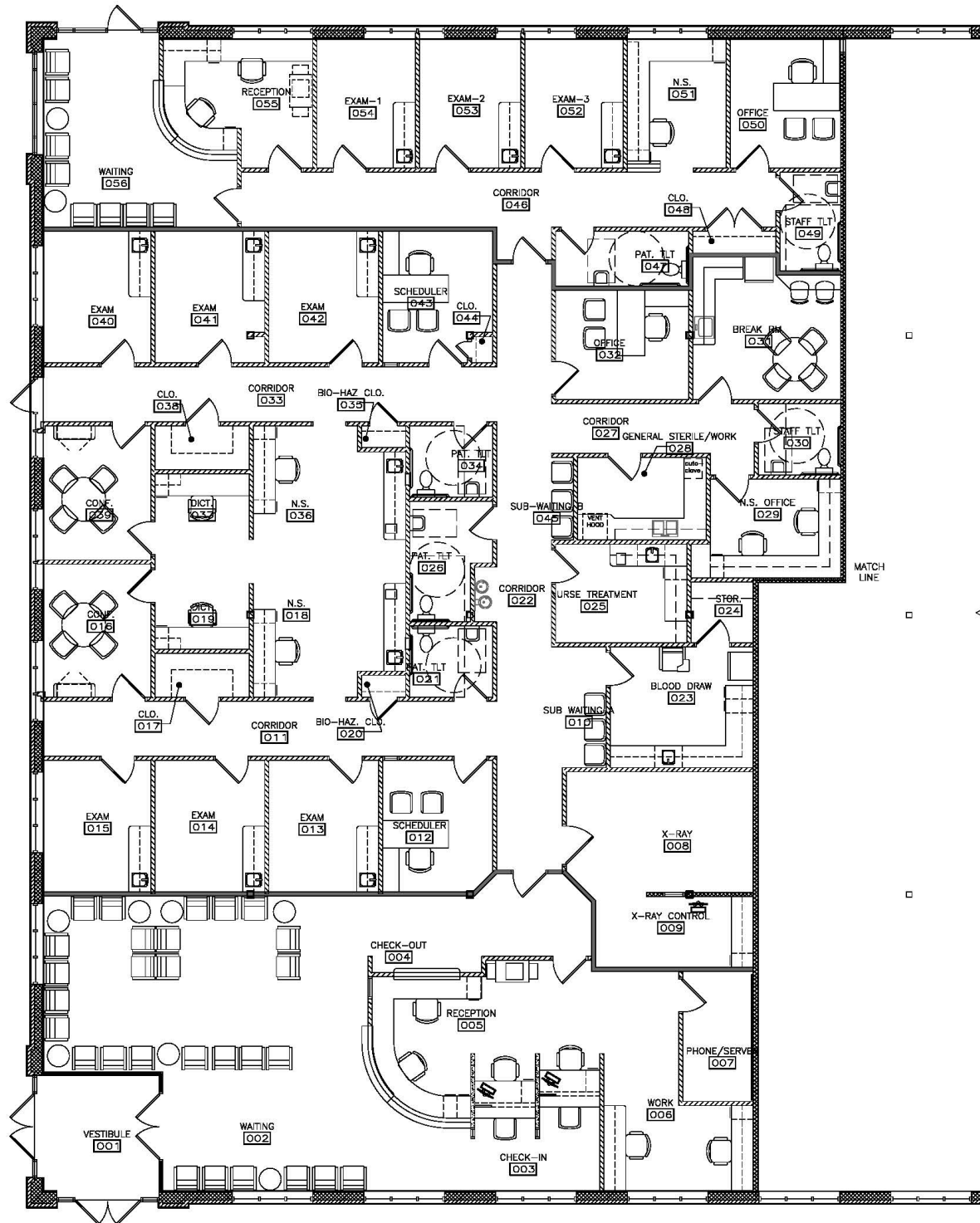
Tenant pays all charges for all utility services on the premises.

Condominium Association

The condominium association dues cover the common elements of the property including roof, structure, foundation, parking lot, exterior walls, power washing, etc. The Unit Owner is responsible. Condominium dues are reimbursed by Tenant.



*Floor plan
Suite 105
Condo Unit:
#205*





MARKET OVERVIEW

Prince George, VA

Prince George County, Virginia is a suburban community of 37,350 residents. Prince George County is centrally located in southeastern Virginia and is included in the Richmond Metropolitan Statistical Area (MSA). The County was formed in 1703 and is named for Prince George of Denmark, the husband of Anne, Queen of Great Britain.

Prince George has transitioned from an agricultural economy to a logistics, military and information economy. Fort Lee, the County's largest economic asset, continues to be a catalyst for progress. Fort Lee is the headquarters of the U.S. Army Combined Arms Support Command (CASCOM) / Sustainment Center of Excellence (SCoE), the U.S. Army Quartermaster School, the U.S. Army Ordnance School, the U.S. Army Transportation School, the Army Logistics University (ALU), Defense Contract Management Agency (DCMA), and the U.S. Defense Commissary Agency (DeCA).

As a part of the Richmond Metropolitan Statistical Area (MSA), Prince George County enjoys the benefits of a rural, suburban quality of life. Education is a source of pride in that the County boasts one of the top public school systems in the state. Quality higher education and workforce training services are readily available in the region. Our Resources section offers more information on our economy, education system and labor force or you can build a custom report with this and other information.

7.5M_{sf}

Inventory in the Prince George
RETAIL SUBMARKET

530
services

Health Care Services **WITHIN A 5-MILE**
radius of Virginia Urology

246
keys

Hotel room **WITHIN A 1-MILE**
RADIUS

\$64,183

AVERAGE HOUSEHOLD income within
a 5-mile radius of Virginia Urology

MAJOR HEALTHCARE HUBS

Prince George County, Virginia is a suburban community of 37,350 residents. Prince George County is centrally located in southeastern Virginia and is included in the Richmond Metropolitan Statistical Area (MSA).



Logistics – Prince George County provides ideal access to all major East Coast and Sunbelt markets via Interstates 85, 95, and 295. The Port of Hampton Roads is accessible via US Route 460.



Enterprise Zones – The Enterprise Zone program provides state and local incentives to businesses that invest and create jobs within Virginia's Enterprise Zones. Prince George County has 1 Enterprise Zone #16.





RICHMOND

Overview

With a population of 1.3 million people in the MSA, Richmond is the capital of the Commonwealth of Virginia and the 44th largest MSA in the U.S. by population. Located at the intersections of I-95 and I-64, approximately 100 miles south of Washington, DC, Richmond is the southernmost city on the traditional I-95 business corridor which includes Richmond, Baltimore, Washington, DC, Philadelphia, New York City, and Boston.

Nestled in the heart of Virginia, Richmond benefits from the Commonwealth's pro-business attitude. Perennially ranked in the top locations to do business and to live, work and play, Richmond has consistently been recognized by many publications as one of the country's best cities to live in. Additionally, the State of Virginia has consistently ranked in the top ten of Forbes Best States for Business (2019). This environment contributes to Richmond's robust and diversified local economy which drives a strong demand for real estate.



#1 State for **BUSINESS**
(CNBC)



#4 MOST POPULAR
Metro in Virginia
(U.S. Census Bureau)



Ranked in **TOP 100**
Best Places to Live
(Livability)



University of Richmond **#23**
National Liberal Arts College **2020**
(U.S. News)

Richmond Overview

Density of Fortune 1000 Companies – Richmond is home to numerous headquarters across a variety of industries as the region offers the 3rd lowest combined state and local sales tax rate in the Nation. The metro has 10 Fortune 1000 HQ locations and 7 Fortune 500 companies with significant operations from more than 48,700 businesses. Top Fortune 1,000 companies include Altria, Performance Food Group, and Carmax.

Diversified Economy – The Richmond economy is diverse, dynamic, and fast growing with no industry accounting for more than 14% of total employment. As of Dec-19, Richmond had an unemployment rate of 2.6%. The economy thrives as it relies on multiple industries, including fast growing sectors like healthcare, biotechnology, and transportation, and warehousing.

Transportation – Richmond is a multi-modal transportation hub with excellent local and regional accessibility. With over 55% of the nation's consumers or manufacturers located within 750 miles, Richmond provides convenient access to the region via four major interstate highways, four airports, three stations, and one shipping port.

RIC Airport – Richmond International Airport (RIC) is one of the busiest air cargo facilities in the nation, as 140 million pounds of cargo are handled annually. The airport is responsible for nearly 16,000 jobs and an annual economic impact of nearly \$2.1 billion. In 2019, passenger traffic increased 7.4% to a new record of nearly 4.4 million passengers.

Higher Education – Virginia Commonwealth University (VCU), the University of Richmond, and the University of Virginia, offers a steady stream of educated graduates to the MSA. VCU has more than 31,000 students enrolled in more than 200 programs with more than 41% of alumni remaining in Richmond.

Agriculture – Agriculture is one of Virginia's largest industries with an economic impact of \$52 billion annually and providing approximately 500,000 jobs. The industry has a profound impact on Richmond's economy – estimated at \$37 billion and accounting for nearly 10% of Virginia's total GDP.



DOMINION ENERGY HQ



RIC AIRPORT



UNIVERSITY OF VIRGINIA

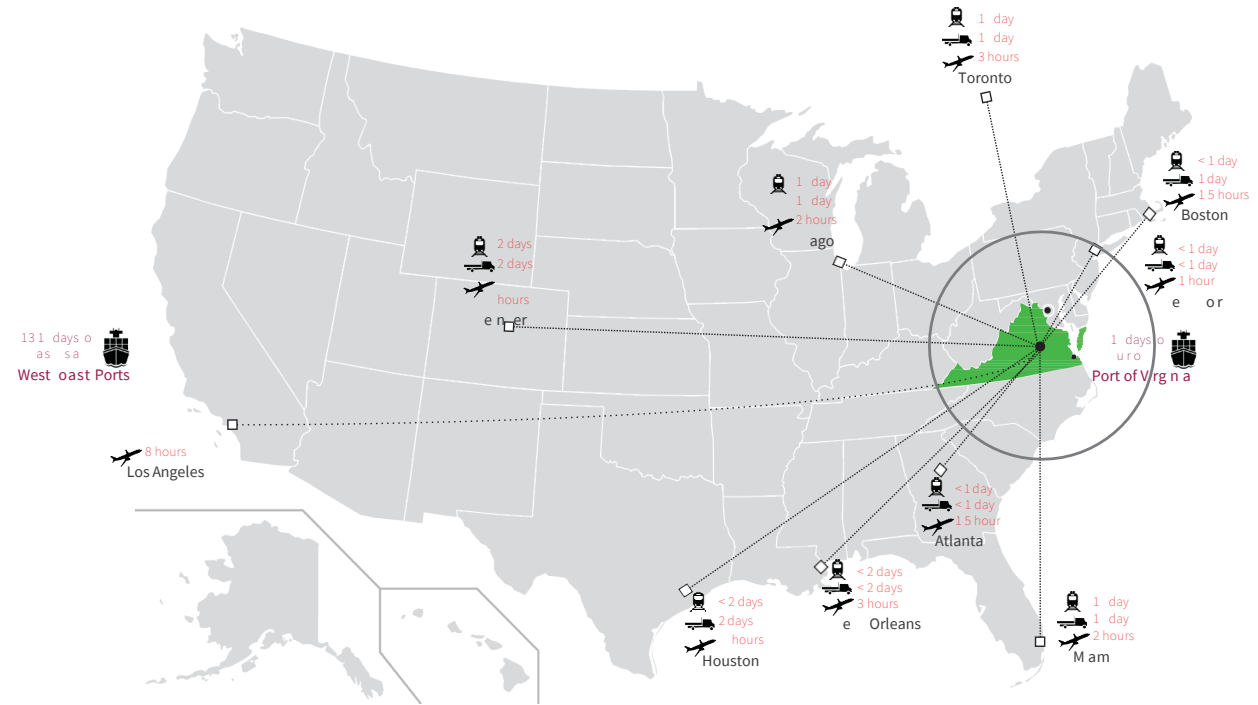
Local Area Demographics

POPULATION

	2-Mile	5-Mile	10-Mile
2020 Estimate	7,245	95,885	177,155
2026 Projection	7,231	98,327	187,391
Growth 2020 - 2025	0.1%	0.2%	0.5%

HOUSEHOLDS

	2-Mile	5-Mile	10-Mile
Average Household Income	\$65,395	\$64,183	\$76,969
Median Household Income	\$47,889	\$47,876	\$59,546



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