

FALL HILL OFFICE BUILDING

1701 FALL HILL AVE & 412 & 414 PELHAM ST
FREDERICKSBURG, VA 22401



HQ OFFICE OWNER/INVESTOR OPPORTUNITY WITH REDEVELOPMENT
POTENTIAL | PRIME CITY OF FREDERICKSBURG LOCATION

EXECUTIVE SUMMARY

Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale 1701 Fall Hill Ave (the "Property"), a 48,235 SF three story office building located in the heart of Fredericksburg, Virginia that served as the corporate headquarters for Quarles Petroleum for over 23 years. The Property will be delivered with 19.5% of the GLA vacant and an additional 70.1% of the GLA will expire by August 2023. Ideally suited for an owner-occupant, the Property benefits from immediate large block availability combined with in-place tenant and additional parking revenue that offer an opportunity to offset operating costs. Inclusive in the sale are two additional parcels, an occupied free standing 1,000 SF single-tenant commercial property adjacent to the Fall Hill building and a ±0.56 acre parcel that offers additional parking for both buildings. Flexible T4 Zoning can accommodate a variety of uses by right, providing multiple value add and exit strategies.

Fredericksburg, which is located equidistant from Washington D.C. and Richmond, VA on the I-95 corridor, is ideally situated to capture the rapidly expanding outward growth of Washington D.C - the sixth largest metropolitan area in the United States. The city of Fredericksburg offers 2.8+ MSF of office space with a vacancy rate of 3.1% and a historical occupancy rate of over 90% for 17 consecutive years. According to data compiled by the University of Virginia's Weldon Cooper Center for Public Service, the city of Fredericksburg is poised to be one of the top areas of population growth in the country by 2030 and has been named Virginia's fastest growing region for the past five consecutive years.

DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
2022 Daytime Population	18,853	67,558	119,803
Average Household Income	\$116,866	\$120,766	\$122,842
Median Home Value	\$438,564	\$362,635	\$347,047
Median Age	31	35.6	36.7
% With Bachelors Degree	27.1%	25.2%	24.1%
% With Graduate Degree	27.1%	18.6%	16.9%
% W/ Graduate Degree	16.7%	19.1%	16.3%

PROPERTY

1701 Fall Hill Ave Fredericksburg, VA 22401
414 Pelham St Fredericksburg, VA 22401
412 Pelham St Fredericksburg, VA 22401

GLA

1701 Fall Hill Ave: 48,235 SF
414 Pelham St: 1,000 SF
412 Pelham St: N/A

OCCUPANCY

80.47%*

YEAR BUILT

1701 Fall Hill Ave: 1975
414 Pelham St: 1939
412 Pelham St: N/A

SITE SIZE

1701 Fall Hill Ave: ±4.160** acres
414 Pelham St: ±0.242 acres
412 Pelham St: ±0.565 acres

PARKING

1701 Fall Hill Ave: 229 spaces
414 Pelham St: 0 spaces
412 Pelham St: 49 spaces

**Occupancy rate represents in-place tenants as of 4/1/2023, excluding all MTM tenants*

***Acreage reflects a ±0.26 acre reduction in parcel size that is projected to be complete by EOY 2022*





INVESTMENT HIGHLIGHTS



SUPERIOR MARKET FUNDAMENTALS

- 3.1% current vacancy rate in the City of Fredericksburg Office Market
- 17 consecutive years of occupancy above 90%
- Average asking rent of \$23.85, a 14% increase from 2016
- 2.8+ MSF of office inventory in the City of Fredericksburg market



POTENTIAL REDEVELOPMENT OPPORTUNITY

- Rare large scale site within Fredericksburg City Limits
- Significant parking in otherwise supply constrained market may allow for phased development opportunities by-right
- Flexible T4 Zoning accommodates a variety of attractive uses



ONE OF THE NATION'S FASTEST GROWING AREAS

- Fredericksburg has been designated as Virginia's fastest growing region for five consecutive years
- The City of Fredericksburg is expected to experience a 67.5% population growth by 2030 according to the University of Virginia's Weldon Cooper Center for Public Service
- The region offers a highly educated workforce, diverse economic clusters, and a lower cost of doing business



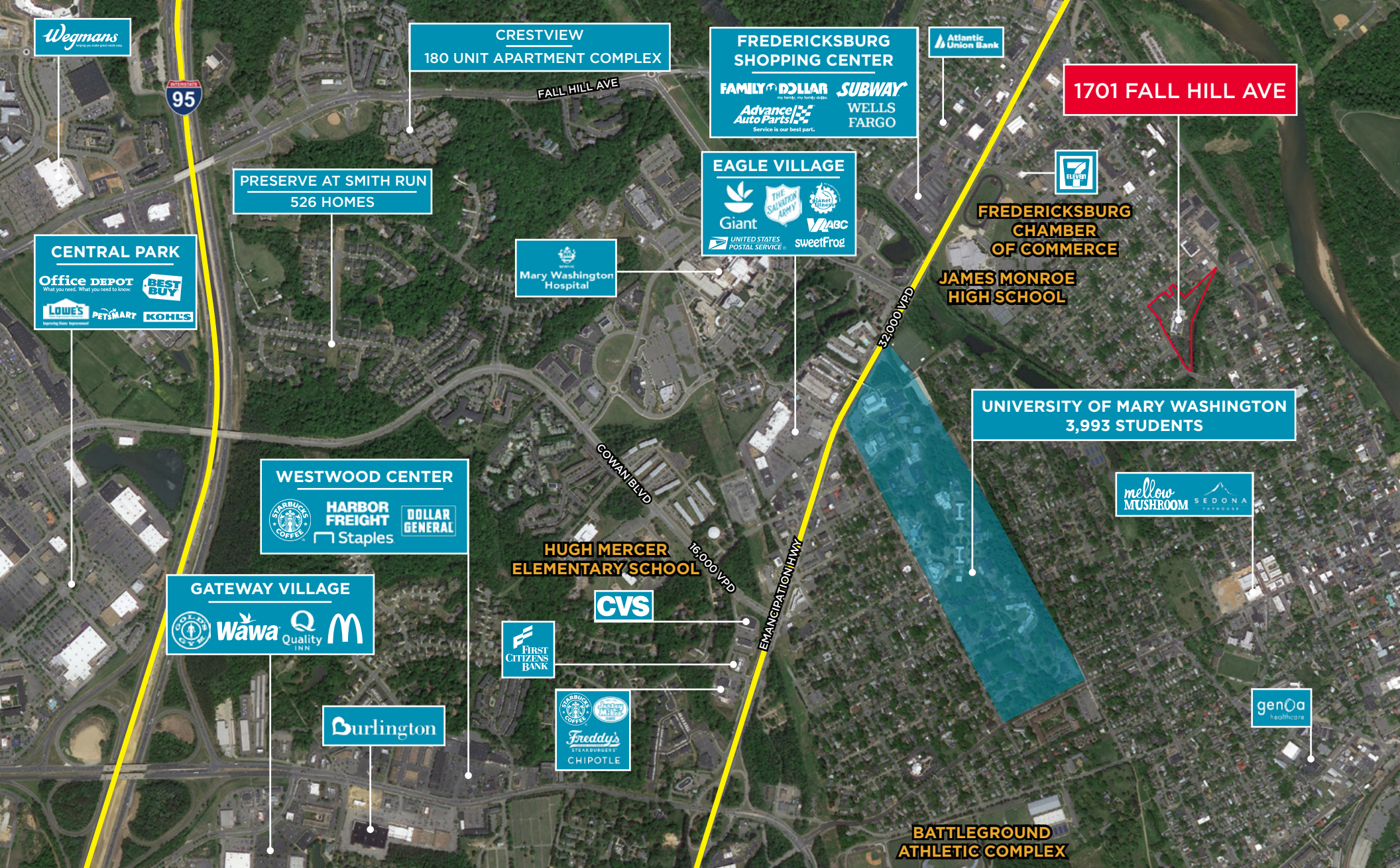
STRATEGIC LOCATION FOR FUTURE GROWTH

- Superior I-95 connectivity allows Fredericksburg to capture rapid outward growth of Washington D.C. and Richmond markets
- More than 60% of the nation's population lives within 750 miles of the Greater Fredericksburg region
- Freight rail service is provided by CSX Transportation, offering a wide range of reliable and efficient shipping options
- Home to the nationally ranked University of Mary Washington and two esteemed community colleges



HIGHLY DESIRABLE OFFICE ASSET WITH ROLLING TENANT EXPIRATION

- Well suited for an owner-occupant with 19.5% of the GLA being delivered vacant and an additional 70.1% of the GLA expiring by August 2023.
- Less than 1% of the GLA has options extending past 2025
- Additional upside exists through the disposition of 1,000 SF single tenant building adjacent to office



TRANSACTION GUIDELINES

Cushman & Wakefield | Thalhimer has been chosen to exclusively market the subject property located at 1701 Fall Hill Ave, Fredericksburg, VA to qualified investors. The prospective purchaser will be chosen by the Seller under the advisement of Cushman & Wakefield | Thalhimer. Factors considered in the selection include but are not limited to i) price, ii) security of closing, iii) buyer financials, and iv) industry reputation.

OFFERING MEMORANDUM DISTRIBUTED

Following the distribution of marketing materials, Cushman & Wakefield | Thalhimer will be available to answer questions regarding the offering information.

SITE PLAN

414 Pelham St
±0.242 acres

412 Pelham St
±0.565 acres

±0.26 acre
parcel reduction

1701 Fall Hill Ave
±4.160* acres

Fredericksburg ENT:
16 Leased MTM
Parking Spaces

**Acreage reflects a ±0.26 acre reduction in
parcel size that is projected to be complete
by EOY 2022*



INVESTMENT ADVISORS

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**CUSHMAN &
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