

# CLASS A OFFICE OPPORTUNITY

468 Viking Drive, Virginia Beach, VA

33,420 SF FOR SALE | GATEWAY EXECUTIVE CENTER



John P. Duffy, Jr., CCIM, SIOR  
Vice President  
[john.duffy@thalhimer.com](mailto:john.duffy@thalhimer.com)  
757 213 4141

Virginia Beach Town Center  
222 Central Park Avenue Suite 1500  
Virginia Beach, VA 23462



**CUSHMAN &  
WAKEFIELD**

**THALHIMER**

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The terms and conditions stated in this section will relate to all of the sections of the package as if stated independently therein. If, after reviewing this package, you have no further interest in purchasing the Property at this time, kindly return this brochure to the Broker at your earliest possible convenience.



An aerial photograph of a coastal area, likely a bay or estuary, with a city and surrounding rural areas. A prominent red banner is overlaid on the top left, and two white diagonal stripes run from the top right towards the bottom left.

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# CLASS A OFFICE OPPORTUNITY

## 468 Viking Drive, Virginia Beach, VA








### EXECUTIVE SUMMARY

Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale Gateway Executive Center (the "Property"), a 100% leased, 33,420 square foot office building located in the highly desirable Lynnhaven submarket of Virginia Beach. The building was constructed in 1986 and offers a rare opportunity to acquire an asset with a diverse, in-place tenant roster with no vacancy. It went from a single tenant building to 8 or 9 tenants with each space built out to a high standard.

Sitting on ±5.47 acres, the Property is located near multiple restaurants, banks and shopping. Lynnhaven Mall, which is an enclosed super-regional shopping mall and the largest mall in Hampton Roads, has over 120 premier stores and is located within 1 mile of the Property.

The highly diversified tenant roster boasts 3.1 years of weighted average lease term with most of the tenant's firm until 2027. Originally occupied by Northrup Grumman, the property was converted to a multi-tenant building that offers investors an opportunity to acquire a well positioned asset with stable income, no deferred maintenance and excellent tenants.

#### AREA DEMOGRAPHICS

							
	Average Population	Daytime Population	Median HHI	Average HHI	Home Value	Median Age	College Education
1 MILE	9,083	21,874	\$69,223	\$89,365	\$298,982	34.4	59.2%
3 MILE	100,621	106,824	\$73,615	\$96,373	\$316,407	34.9	69.3%
5 MILE	237,118	240,952	\$79,397	\$108,097	\$366,489	36.7	71.9%

PROPERTY	468 Viking Drive Virginia Beach, Virginia
TOTAL GLA	33,420 SF
OCCUPANCY	100%
STORIES	2
YEAR BUILT	1986
SITE SIZE	5.47 Acres
ZONING	I-1
UTILITIES	Electric - Dominion Power Water/Sewer - City of VB Telephone - Verizon/Cox Gas - Virginia Natural Gas
WTD. AVG. RENT	\$20.05 PSF
PARKING	115 Total Spaces (3.44 Per 1,000 SF)
Sales Price	Contact Agent







Victor's

403

PROPERTY

# CLASS A OFFICE OPPORTUNITY

## 468 Viking Drive, Virginia Beach, VA

### PROPERTY PROFILE

#### BUILDING INFORMATION

ADDRESS	468 Viking Drive, Virginia Beach, VA 23452
TOTAL SF	33,420 SF
SITE SIZE	5.47 Acres
G-PIN (Parcel ID)	14973050820000
YEAR BUILT	1986; 2020 Renovation
ZONING	I1
STORIES	Two (2)
PARKING	115 surface spaces (3.44 per 1,000 SF)

#### BUILDING SYSTEMS

HVAC	Two (2) RTU's and boiler system
ELECTRICAL	1,600 amp, 480/277 volt, 3-phase
LIGHTING	Primarily LED fixtures
LIFE SAFETY	Fully equipped with a wet sprinkler system, hard-wired smoke detectors, portable fire extinguishers
ELEVATOR	One (1) electric hydraulic passenger elevator
SECURITY	24/7 fob security system
ELECTRIC	Dominion Power
WATER/ SEWER	City of Virginia Beach

#### CONSTRUCTION

FOUNDATION	Reinforced-concrete slab on compacted fill
EXTERIOR	Brick, glass, and masonry components
INTERIOR	Entire inside of building has been fully renovated; Interior walls consist of textured/painted sheetrock, wall covering and wood paneling; floors are commercial carpeting over concrete and polished tile; raised ceilings consist predominantly of suspended acoustical tile
GROUNDS	Professionally landscaped, irrigation with front and back walkways
LOBBY & COMMON AREAS	Two-story atrium lobby consisting of polished tile floor with accents; Renovated in 2020; common area restrooms on both floors renovated in 2020
ROOF	New 2024 rubber membrane





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PROPERTY OVERVIEW

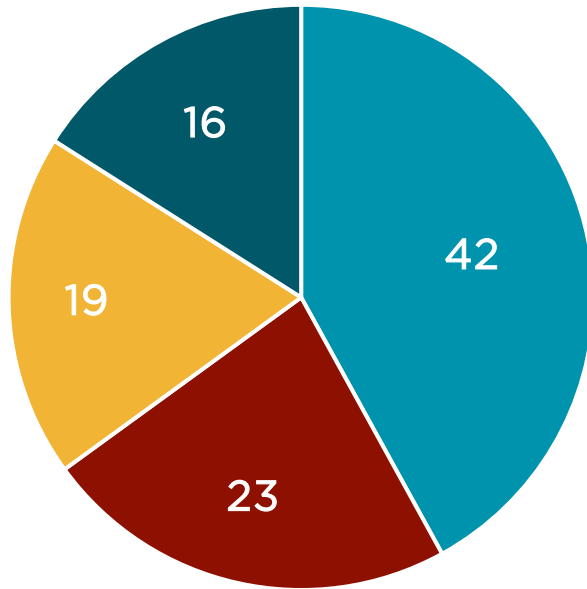




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## TENANCY HIGHLIGHTS



- Defense Contractor
- Financial
- Law Firms
- Other

**3.1** YEARS

WEIGHTED AVERAGE LEASE TERM

**\$20.05**

WEIGHTED AVERAGE RENT

NO TENANT OCCUPIES MORE THAN

**28%** OF GLA

FINANCIAL FIRMS, DEFENSE CONTRACTOR MAKEUP

**60.6%** OF NOI

REMAINING **39.4%** OF NOI LEASED TO  
LAW FIRMS AND HEALTHCARE

**100%** OF GLA

OCCUPIED BY NEW LEASES FROM 2020 AND LATER

	TENANT TYPE	# OF TENANTS	SQUARE FEET	% OF GLA	% OF REVENUE
	Defense Contractor	2	13,944	42%	40.6%
	Financial	2	7,576	23%	19.5%
	Law	2	6,123	19%	18.7%
	Other	3	5,777	16%	21.1%

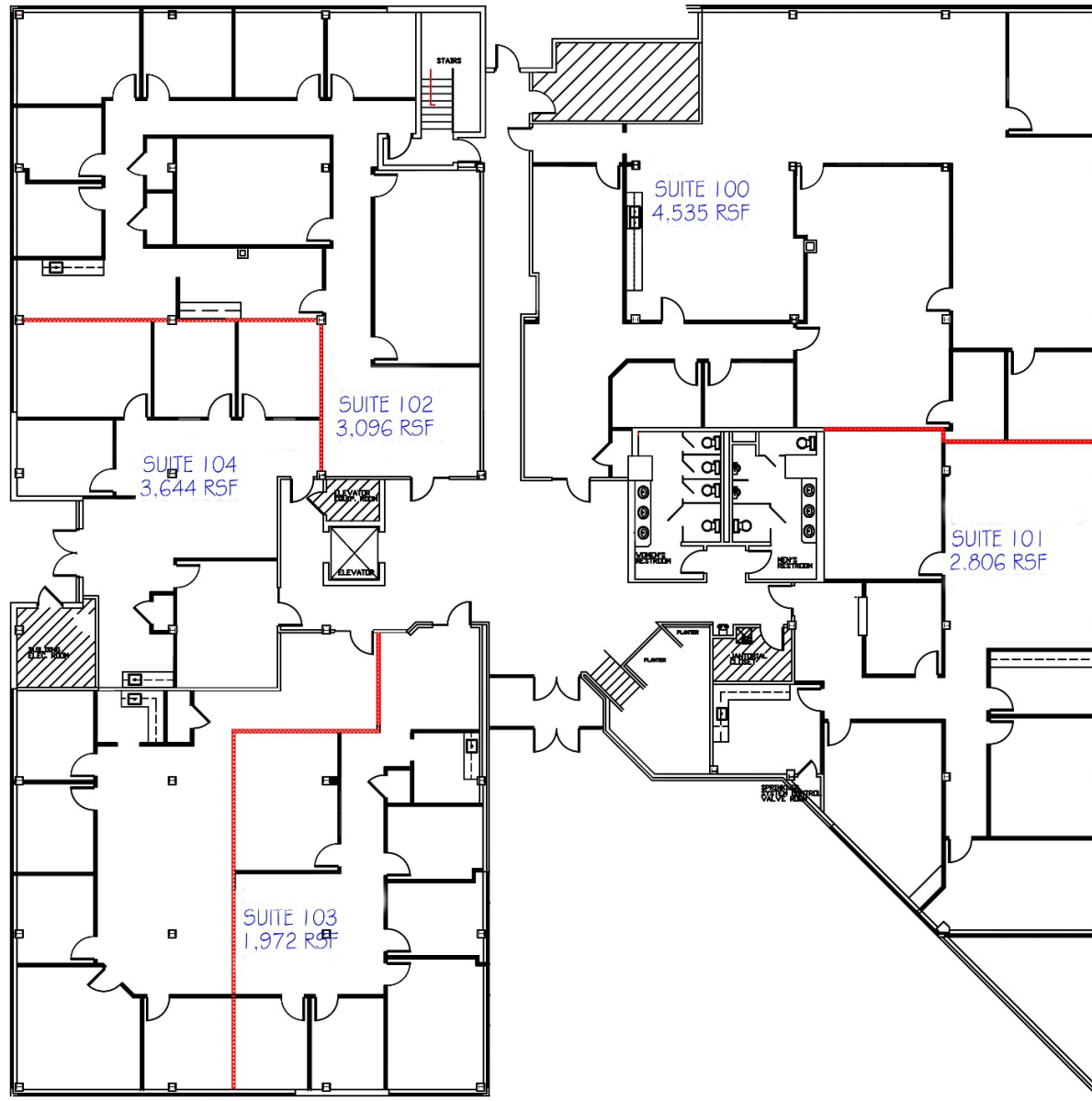


# CLASS A OFFICE OPPORTUNITY

468 Viking Drive, Virginia Beach, VA

FLOOR PLAN

1<sup>ST</sup> FLOOR



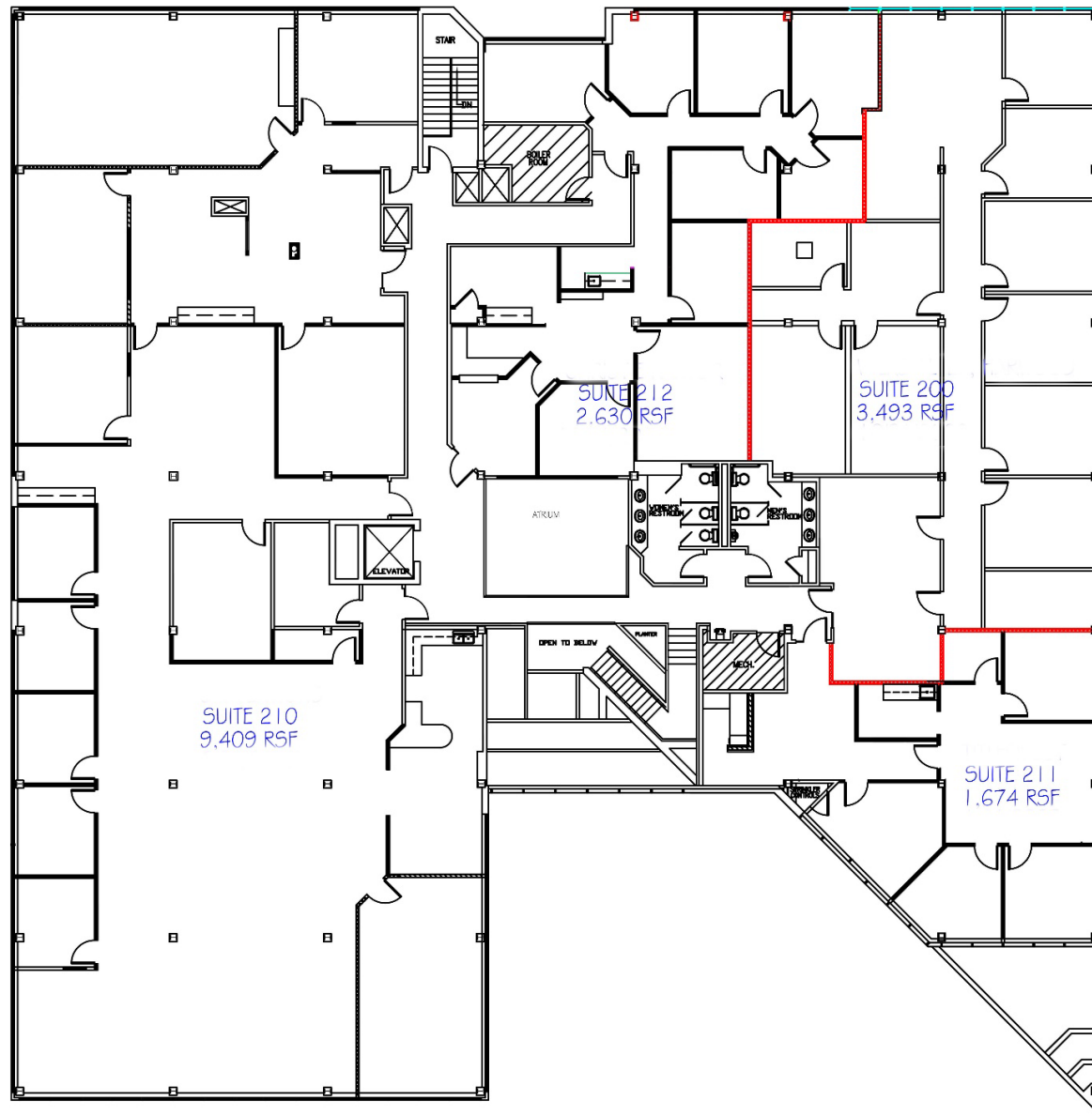


# CLASS A OFFICE OPPORTUNITY

468 Viking Drive, Virginia Beach, VA

FLOOR PLAN

2<sup>ND</sup> FLOOR







MARKET



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## LOCATION OVERVIEW

### HAMPTON ROADS, VIRGINIA

#### Virginia Beach

Virginia Beach is the largest city in Hampton Roads. Although it is mainly known for its boardwalk and oceanfront, the city offers much more than just the beach, including the Sportsplex, parks, museums, a variety of restaurants and shops, and a live music venue. Many people are also drawn to the city for the military and the Oceana Naval Air Station. Virginia Beach is an excellent mix between city life, because there is always something to do, and the suburbs, because it's an ideal location to raise a family.

#### Transportation

The industries and people of Hampton Roads are well served by its roadway transportation network. First among them is Interstate 64, which links the area with Richmond and the Midwest as well as with Interstate 95, the east coast's primary arterial. The Hampton Roads Beltway is a loop of I-64 and I-664 that links the Virginia Peninsula north of the harbor with Southside Hampton Roads through two bridge-tunnels. A third bridge-tunnel, the 17-mile Chesapeake Bay Bridge-Tunnel, links Hampton Roads to Virginia's Eastern Shore for quick access to the Northeast. Amtrak provides passenger service to Richmond, Washington DC, and beyond via Norfolk and Newport News. Norfolk Southern and CSX long-haul freight rail lines are complemented by short-haul lines to serve area ports and industrial facilities featuring double-stacked container service to Midwest markets.

#### Key Infrastructure Improvements

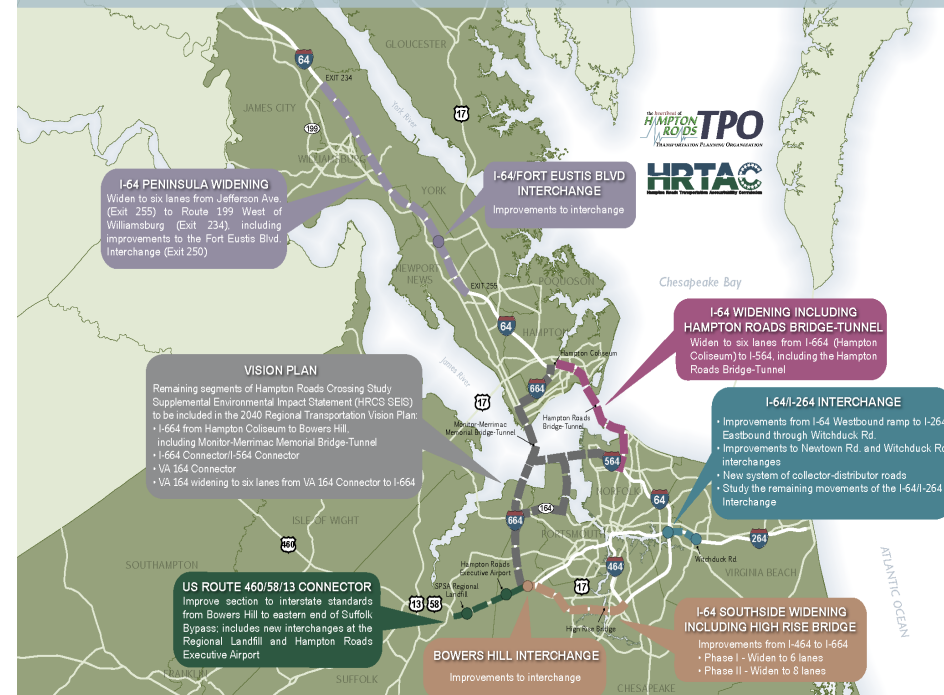
\$5.5 billion in roadway infrastructure projects currently underway, including:

- Interstate 64 lane expansion (recently completed)
- Hampton Roads Bridge Tunnel expansion from four to eight lanes (estimated completion 2025)
- 55' depth and channel widening dredging project (estimated completion 2024)

#### Air Transportation

Three passenger airports serve the Hampton Roads Region – Norfolk International Airport (ORF), Richmond International Airport (RIC) and Newport News/Williamsburg International Airport (PHF). Nine major airlines offer over 200 flights per day through these airports, serving over six million passengers in 2021.

### HAMPTON ROADS REGIONAL PRIORITY PROJECTS





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## LOCATION OVERVIEW

### LYNNHAVEN BUSINESS DISTRICT

The subject property is located in the Lynnhaven Business District, which attracts companies seeking easy access to transportation and the large employment pool from numerous surrounding residential communities. Designated by the City of Virginia Beach as a "Strategic Growth Area," the Lynnhaven Business District is receiving pinpointed, forward-thinking infrastructure investment aimed at fostering a distinct identity and attracting businesses to the area. Interstate 264 acts as a regional connector between downtown Norfolk and the Virginia Beach oceanfront, while commercial thoroughfares Lynnhaven Parkway, Virginia Beach Boulevard, and London Bridge Road serve the submarket.

Less than 2 miles southeast of the subject along Lynnhaven Parkway is the 1.3 million SF Lynnhaven Mall. Renovated in 2015, this super regional mall offers a shopping and dining destination with over 130 stores and entertainment destinations, including Macy's, JCPenney, Dillard's, Barnes and Noble and AMC Theatres. The Oceana Naval Air Station is also located within the submarket east of the property. Known for being the only U.S. Navy Master Jet Base on the East Coast, Oceana boasts seventeen strike fighter squadrons of F/A-18 Hornets and FA/-18 Super Hornets.

The Lynnhaven office submarket has a vacancy rate of 11.6%. This vacancy rate is 0.3% higher than it was this time last year. There was 3,900 SF of positive absorption and 10,000 SF of net deliveries. Rents have increased by 1.4% in the past 12 months and are currently around \$21.00/SF. Nothing is under construction in the Lynnhaven office submarket. In the past year, one sale has taken place for approximately \$1.4 million. Vacancy is 9.0% in 4 & 5 Star buildings, and there has been 1,700 SF of negative absorption in this asset class over the past year. Within 3 Star buildings, vacancy is 13.1% and there has been 840 SF of negative absorption. Currently, 6.6% of 1 & 2 Star space is vacant, and 6,500 SF has been absorbed in this space type over the past 12 months. Current vacancy is higher than its trailing three-year average of 9.0%, which is higher than the 8.0% trailing three-year average of the Norfolk market as a whole. The submarket is approximately 10,000 SF larger than it was three years ago, which is solely the result of construction as there have been no demolitions. Rents have increased by 8.0% over the past three years. Meanwhile, average rents increased by 8.4% in the wider Norfolk market.

The total Lynnhaven office submarket comprises 1.9 million SF of inventory.



VIRGINIA BEACH  
SUBMARKET CLASS A  
OFFICE MARKET  
STATISTICS: *At-A-Glance*

INVENTORY  
3.9 MSF

NO. BUILDINGS  
49

VACANCY RATE  
11.6%

ASKING RATE  
\$21.00 SF



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## MARKET OVERVIEW

### LYNNHAVEN OFFICE SUBMARKET

**\$21.00** PSF FULL SERVICE  
AVERAGE MARKET RENTS

**22%** RENT GROWTH  
SINCE 2014

**105K SF** NEW SUPPLY  
THIS DECADE

**90%** HISTORICAL  
OCCUPANCY THIS DECADE

### HAMPTON ROADS OFFICE SUBMARKET

**7.8%** CURRENT VACANCY RATE

**\$21.67** PSF  
ASKING RENTS

**1.5%** INCREASE SINCE 2023

**3.2** MSF  
POSITIVE NET ABSORPTION THIS DECADE

**91%**  
HISTORICAL OCCUPANCY THIS DECADE

The Lynnhaven office market is one of the strongest office submarkets in the Hampton Roads MSA as evidenced by its \$21.00 PSF average rental rate and 90% historical occupancy this decade.