NET LEASE INVESTMENT OFFERING

Atlantic Union Bank

Atlantic Union Bank (Investment Grade)

450 W Main St
Covington, VA 24426

THE Boulder GROUP

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Executive Summary

The Boulder Group is pleased to exclusively market for sale a single tenant net leased Atlantic Union Bank located in Covington, Virginia. Atlantic Union Bank is currently operating on a long-term NNN lease through September 2040, with approximately 14 years of remaining term. The subject lease presents zero landlord responsibilities. Additionally, there are 1.50% annual rent escalations throughout the remaining primary term and two 5-year renewal options with 2.00% annual rent increases. The lease is backed by a corporate guarantee from Atlantic Union Bankshares Corporation (NYSE: AUB), the largest bank headquartered in Virginia. Atlantic Union Bank maintains a KBRA: A- investment grade credit rating.

The 10,234 square-foot building is positioned along W. Main Street (U.S. Route 60) in downtown Covington, the county seat of Alleghany County, Virginia. The property is placed at the center of the primary commercial and government services corridor for the Alleghany Highlands region. The subject property is less than 1 mile from I-64 Exit 16, the primary east-west interstate connecting Covington to Roanoke and the broader Virginia market. Smurfit WestRock's Covington paper mill - one of the largest bleached paperboard manufacturing facilities on the East Coast and the dominant private-sector employer in the region with approximately 900 workers - is located three blocks from the subject property, providing a large, stable workforce that directly supports branch banking demand in the trade area. LewisGale Hospital Alleghany, a 204-bed HCA Healthcare facility, is located approximately 3 miles from the subject property. within a 5-mile radius, residents earn an average household income of approximately $66,000.

Atlantic Union Bank is a full-service regional commercial bank headquartered in Richmond, Virginia, and a wholly owned subsidiary of Atlantic Union Bankshares Corporation (NYSE: AUB). Following its April 2025 acquisition of Sandy Spring Bancorp, Atlantic Union Bank became the largest bank headquartered in Virginia, operating approximately 190 branches across Virginia, Maryland, and North Carolina with approximately $37.6 billion in total assets and reporting net income of $261.8 million in fiscal year 2025. The bank carries a KBRA: A- investment grade credit rating, affirmed in October 2025 with a Stable outlook.

Investment Highlights

- **Long-Term Lease Through September 2040** - 1.50% annual escalations in the primary term, increasing to 2.00% annually during the option periods.
- **Absolute NNN lease** – zero landlord responsibilities.
- **Investment-Grade Tenant (KBRA: A-)** - A- rating from KBRA, affirmed Stable in October 2025, providing institutional-quality credit behind the lease.
- **NYSE-Listed Parent Guaranty (NYSE: AUB)** - Corporately guaranteed by Atlantic Union Bankshares Corp., Virginia's largest headquartered bank with ~$37.6B in total assets.
- **High-Performing Branch – $94M in Deposits (2025)** - Branch deposits sit well above national averages, underscoring the location's importance.
- **Largest Bank Headquartered in Virginia** - After the April 2025 Sandy Spring Bancorp acquisition, AUB operates ~190 branches across VA, MD, and NC.
- **Dominant Employer Market - Smurfit WestRock** - Smurfit WestRock's Covington paper mill, located three blocks from the subject property, employs approximately 900 workers and contributes approximately $328 million annually to the local economy, serving as the primary economic anchor for the Alleghany Highlands.
- **LewisGale Hospital Alleghany -** The subject property is within approximately 3 miles of LewisGale Hospital Alleghany, a 204-bed HCA Healthcare facility.
- **Accessible I-64 Corridor Location** - The property is situated along W. Main Street (U.S. Route 60) in downtown Covington, less than 1 mile from I-64, the primary east-west interstate connecting Covington to Roanoke (approximately 55 miles east) and the broader Mid-Atlantic region.
- **Mountain Gateway Community College** - Mountain Gateway Community College in Clifton Forge, Virginia, approximately 8 miles west, enrolls approximately 1,274 students and contributes a steady daytime workforce and consumer base to the regional trade area.
- **Established Community with Stable Demographic Base** – Residents within a 5-mile radius earn an average household income of approximately $66,000.

Property Overview

PRICE	CAP RATE	NOI
$4,928,635	6.35%	$312,968

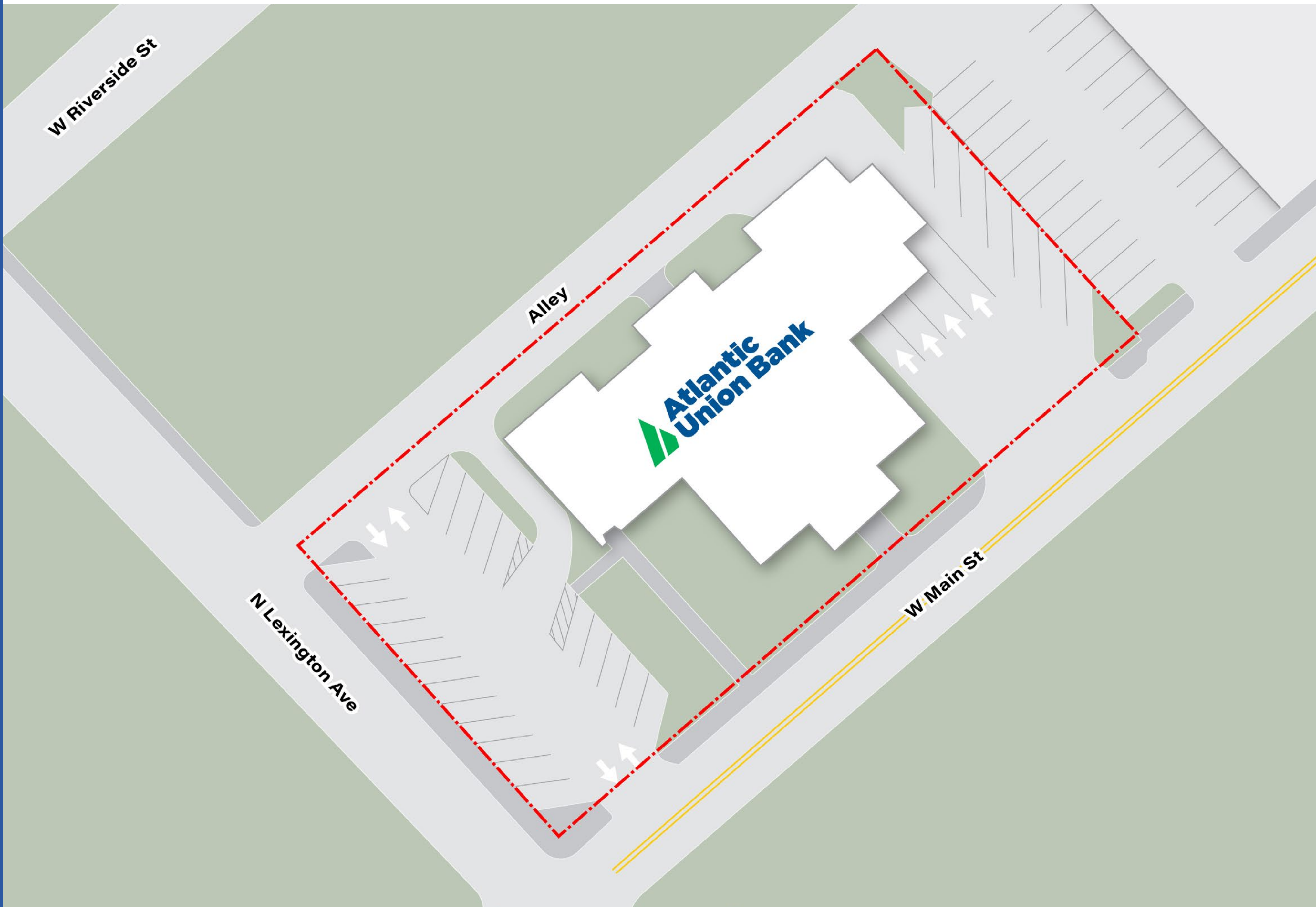
LEASE EXPIRATION:	September 30, 2040
RENTAL ESCALATIONS:	1.50% Annual
RENEWAL OPTIONS:	Two 5-Year (2.00% Annual)
TENANT:	Atlantic Union Bank
GUARANTOR:	Atlantic Union Bankshares Corporation
LEASE TYPE:	Triple Net (NNN)
LANDLORD RESPONSIBILITIES:	None
BUILDING SIZE:	10,234 SF
LAND SIZE:	1.01 Acres
YEAR BUILT:	1979
BRANCH DEPOSITS:	$94,213,000 (2025)

Photographs

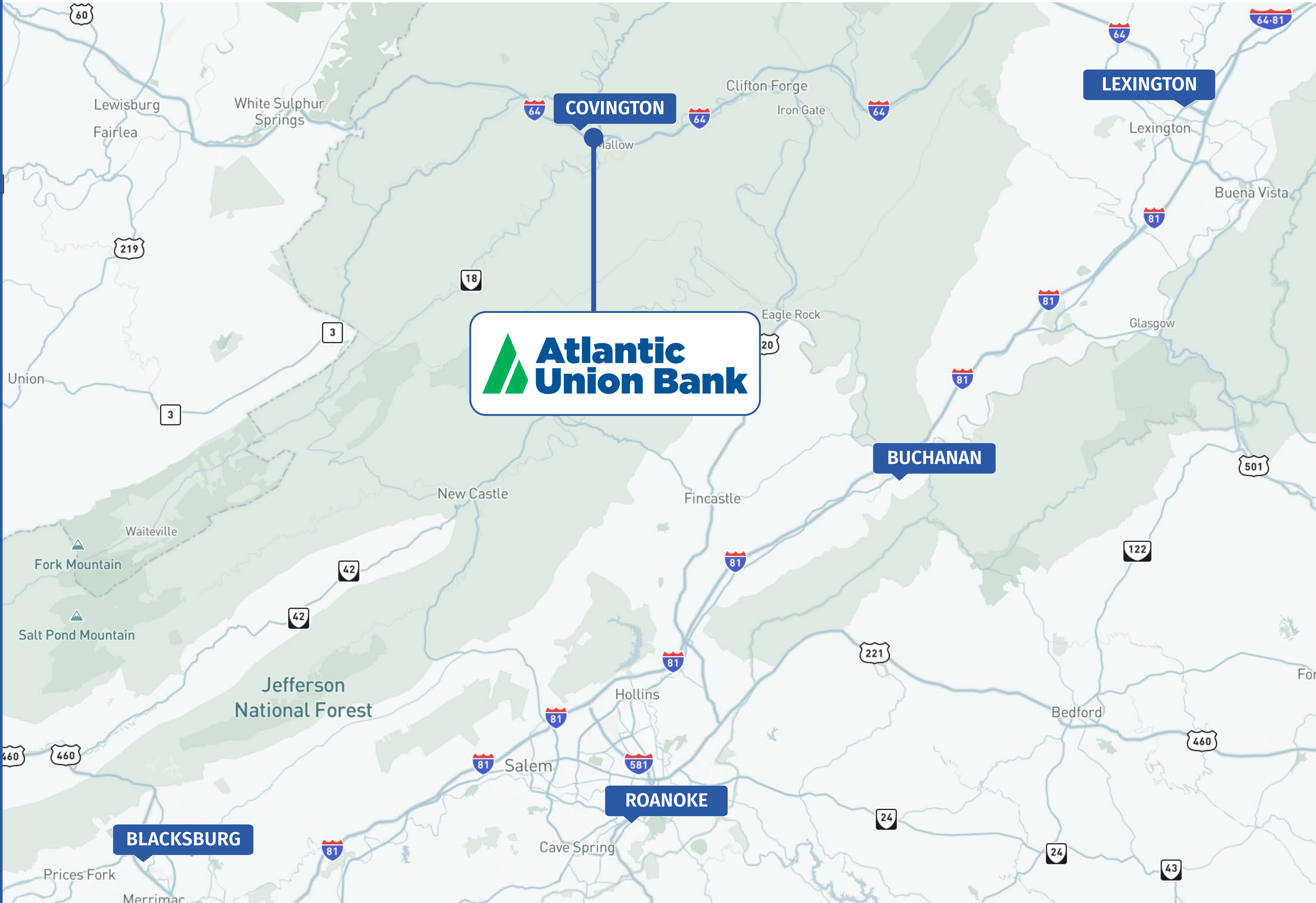
Aerial


60
COVINGTON FARM & FUEL
W Main St
S Monroe Ave/Hwy 60
COVINGTON MIDDLE SCHOOL
60
64
Interstate 64
64

Site Plan


W Riverside St
Alley
Atlantic Union Bank
N Lexington Ave
W Main St

Map


COVINGTON
LEXINGTON
BUCHANAN
ROANOKE
BLACKSBURG
Atlantic Union Bank
Lewisburg
Fairlea
White Sulphur Springs
Clifton Forge
Iron Gate
Lexington
Buena Vista
Eagle Rock
Glasgow
Union
New Castle
Fincastle
Waiteville
Fork Mountain
Salt Pond Mountain
Jefferson National Forest
Hollins
Bedford
Salem
Cave Spring
Prices Fork

Location Overview

COVINGTON, VIRGINIA

Covington, Virginia is an independent city and the county seat of Alleghany County, located in the Alleghany Highlands region of western Virginia at the intersection of I-64 and U.S. Route 60. The city serves as the administrative, commercial, and healthcare hub for Alleghany County and the surrounding communities of Clifton Forge, Low Moor, and Warm Springs, and has long been anchored by Smurfit WestRock's Covington paper mill - one of the largest bleached paperboard manufacturing operations on the East Coast - which has been a cornerstone of the local industrial economy since 1899 and currently employs approximately 900 workers with an annual economic contribution of approximately $328 million. LewisGale Hospital Alleghany, a 204-bed HCA Healthcare facility approximately 3 miles from the subject property in Low Moor, Virginia, anchors the region's healthcare infrastructure and serves patients across both Virginia and West Virginia. Mountain Gateway Community College in Clifton Forge, approximately 8 miles west of the subject property, adds an educational and workforce development presence to the regional economy with approximately 1,274 enrolled students. Covington's position along I-64 - the primary corridor connecting the Alleghany Highlands to Roanoke approximately 55 miles to the east and to the broader Mid-Atlantic market - provides reliable east-west connectivity for residents, businesses, and employers throughout the region.

Demographics

	POPULATION	HOUSEHOLDS	MEDIAN INCOME	AVERAGE INCOME
3-MILE	8,291	3,749	$49,695	$62,930
5-MILE	9,824	4,388	$51,931	$66,264
10-MILE	15,978	7,141	$53,438	$67,950

Tenant Overview

Atlantic Union Bank

ATLANTIC UNION BANK

Atlantic Union Bank is a full-service regional commercial bank headquartered in Richmond, Virginia, and a wholly owned subsidiary of Atlantic Union Bankshares Corporation (NYSE: AUB). Founded in 1902 as Union Bank and Trust Company in Bowling Green, Virginia, the institution has grown through more than 120 years of strategic acquisitions and organic expansion. The bank rebranded to Atlantic Union Bank in May 2019 to reflect its expanding Mid-Atlantic footprint. Following the completion of its acquisition of Sandy Spring Bancorp in April 2025 - which added 53 branches across Maryland and Northern Virginia - Atlantic Union Bank became the largest bank headquartered in Virginia, operating approximately 190 branches across Virginia, Maryland, and North Carolina with approximately $37.6 billion in total assets.

Atlantic Union Bank reported net income of $261.8 million for fiscal year 2025 on total revenues of approximately $1.4 billion, reflecting the fully integrated combined entity following the Sandy Spring Bancorp merger. Total assets grew to $37.6 billion as of December 31, 2025 - a nearly 60% increase from $24.6 billion at year-end 2024 - establishing Atlantic Union Bank as one of the largest regional banking franchises in the lower Mid-Atlantic. KBRA affirmed Atlantic Union Bank’s investment-grade rating of A- in October 2025 with a Stable outlook, citing sound capital ratios, a strong core deposit franchise, and a track record of disciplined acquisition integration. Atlantic Union Bankshares has announced plans to open 10 additional branches in the Raleigh and Wilmington, North Carolina markets over the next three years, further expanding its Mid-Atlantic footprint.

Company Type	Subsidiary of Atlantic Union Bankshares Corporation (NYSE: AUB)
Credit Rating	KBRA: A- (Stable)
Headquarters	Richmond, Virginia
# of Locations	Approximately 190 branches (Virginia, Maryland, North Carolina)
Revenue (FY 2025)	Approximately $1.4 billion
Net Income (FY 2025)	$261.8 million
Total Assets (FY 2025)	$37.6 billion
Market Cap	Approximately $5.3 billion
Year Founded	1902
Website	www.atlanticunionbank.com

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This Offering Memorandum has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. The Boulder Group has not made any investigation, and makes no warranty or representation.

The information contained in this Offering Memorandum has been obtained from sources we believe to be reliable; however, The Boulder Group has not verified, and will not verify, any of the information contained herein, nor has The Boulder Group conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

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