

A two-story white brick apartment building at dusk. The building features a balcony on the second floor with a black metal railing and a staircase leading up to it. The windows and doors are illuminated from within, casting a warm glow. The sky is a deep blue with some light clouds. The building is set on a paved area with a sidewalk in the foreground.

OFFERING MEMORANDUM  
**37 LABROOK DRIVE**

Marcus & Millichap

**18 UNITS | RICHMOND, VA**

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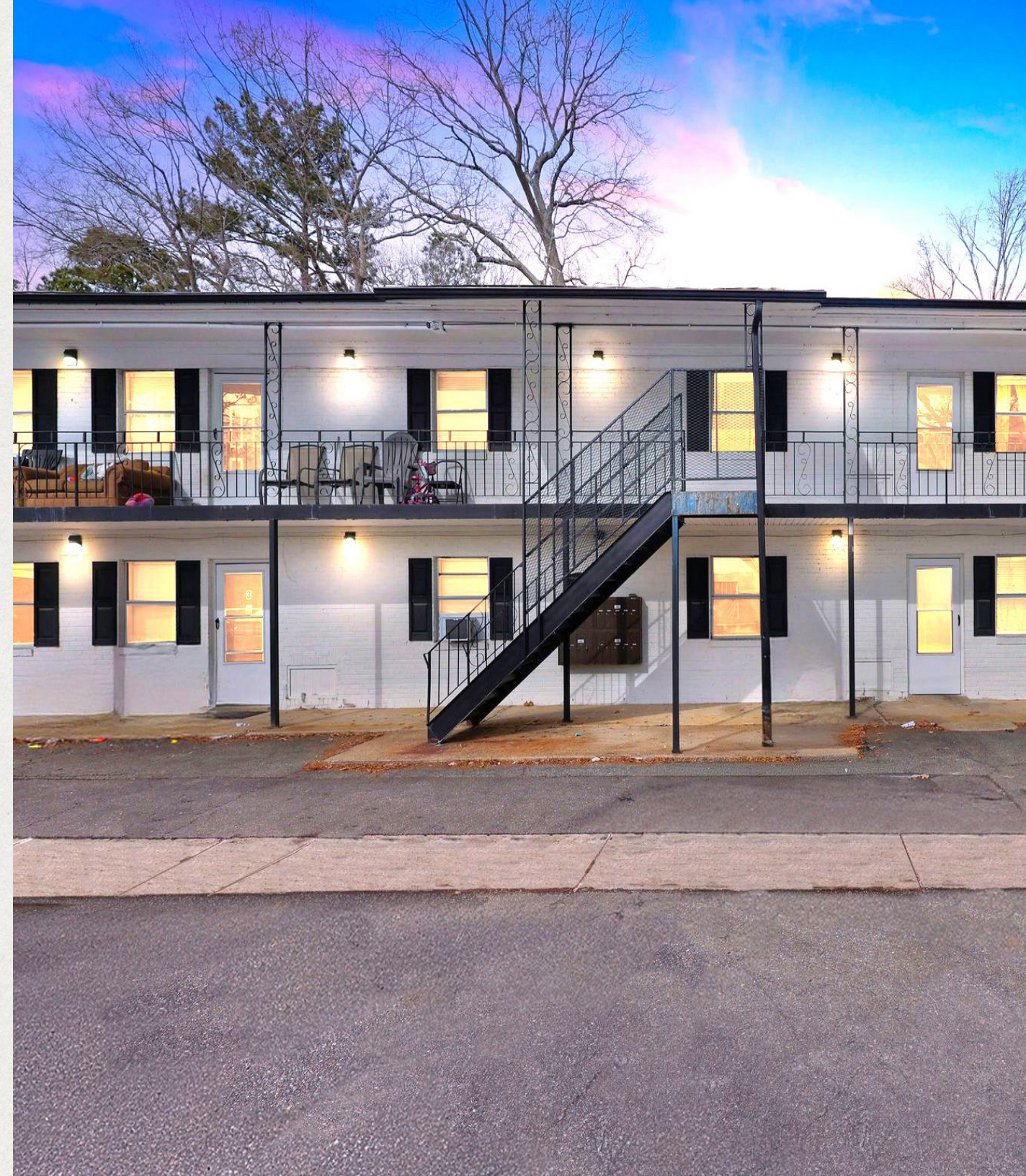
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37 LABROOK DRIVE | RICHMOND, VA | 18 UNITS

THE OPPORTUNITY

37 LABROOK DRIVE

# Offered Property

Marcus & Millichap is pleased to present the offering memorandum for 37 Labrook Drive in Richmond, VA.

The property consists of eighteen units total. There are seventeen, one-bedroom one-bathroom units and one, two-bedroom one-bathroom units. The property was built in 1974 and is situated on 1.44 acres.

Richmond stands out as an exceptional locale for multifamily real estate investment due to a combination of economic stability, strategic location, and a thriving cultural scene. The city’s robust economy, fueled by diverse industries such as finance, manufacturing, and healthcare, provides a steady foundation for sustained property value appreciation. Richmond’s strategic position along major transportation routes enhances its appeal, facilitating easy access for residents and contributing to the city’s growth.



### INVESTMENT HIGHLIGHTS

- **RECENT RENOVATIONS** Exterior & Interior: New Flooring, Fresh Paint, Updated Kitchens & Bathrooms
- **UPSIDE IN LOSS-TO-LEASE** With Proven Average Mark to Market of \$394 for 1BD/1BA & Opportunity to Increase Top-Line by Renovating Remaining 5 Classic Units
- **VIRGINIA COMMONWEALTH UNIVERSITY** 29,417 Students, 2,338 Full-Time Faculty, 214 Degree Program
- **CLOSE PROXIMITY TO** Downtown Richmond Area Attractions, Springling at District 60 & Chesterfield Towne Center

### PROPERTY SUMMARY: 37 LABROOK DRIVE

# of Units	18
Year Built	1974
Price	\$2,200,000
Price/Unit	\$122,222
Total Square Feet	12,360 SF
Average Unit Size	687 SF



37 LABROOK DRIVE

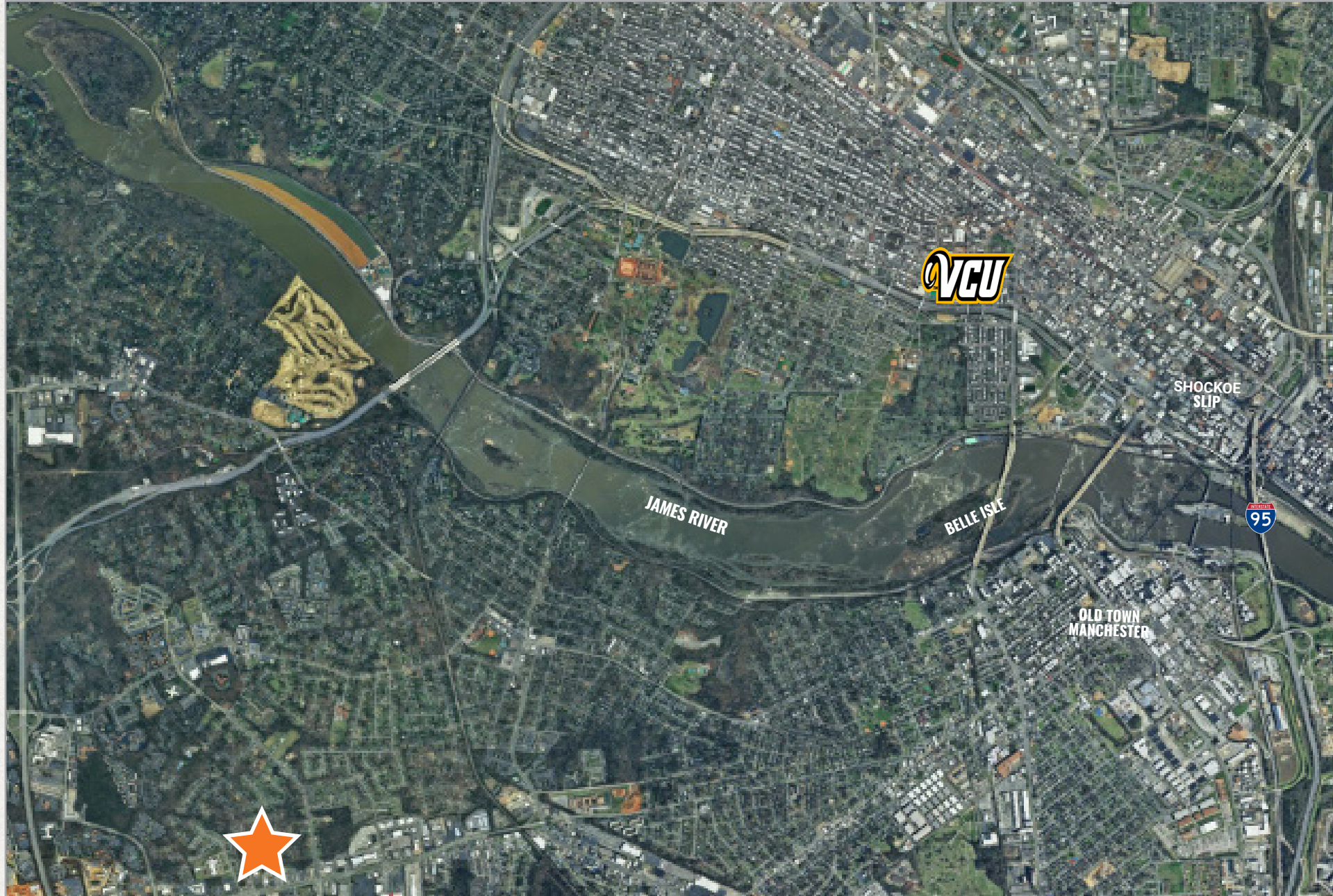
# Interior Photos





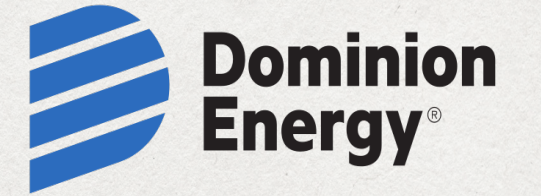
37 LABROOK DRIVE

## Richmond Location Overview



37 LABROOK DRIVE

## Richmond Top Employer



37 LABROOK DRIVE

# Richmond Transformation & Growth



## Diamond District

**\$2.44B Redevelopment**

Transforming 66.7 acres of underutilized public land along the I-95 East Coast corridor into a vibrant mixed-use, mixed-income urban hub with a central focus on a regional baseball stadium.



## City Center

**\$1.4B Redevelopment**

Represents a significant effort to revitalize and rejuvenate a key area of Richmond's downtown, breathing new life into the city center.



## Mayo Island Park

**\$17M Redevelopment**

Mayo Island Park will transform an industrial island into protected riverfront green space with trails, river access, and restoration, expanding Richmond's James River Park System. ~2026 Completion



## The Lakes Surf Park

**\$300M Project**

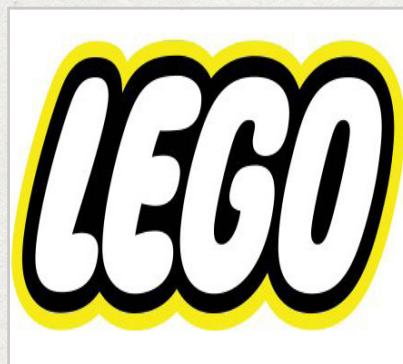
Richmond is soon to be home to the world's premier surf park utilizing cutting-edge artificial wave technology!



## CoStar Campus

**\$460M Expansion Project**

CoStar is to build a two-building complex to create a corporate campus that's expected to bring 2,000 new jobs to the banks of the James River.



## LEGO Toy Factory

**\$1B Project**

LEGO will feature a carbon-neutral design and will employ more than 1,760 people, according to a news release.

37 LABROOK DRIVE

# Richmond VCU Economic Impact

Virginia Commonwealth University is a broad access and public university that has significant, wide-reaching economic and social impacts on the City of Richmond and the Commonwealth of Virginia. The university generates nearly \$9.5 billion in economic activity and supports 58,000 jobs in Virginia.



## Impact on Virginia

**\$9.5B Total Economic Impact**

**58,000 JOBS**

## Impact on the Richmond Region

**\$6.3B Total Economic Impact**

**44,000 JOBS**

## Impact on the City of Richmond

**\$3.9B Total Economic Impact**

**33,000 JOBS**



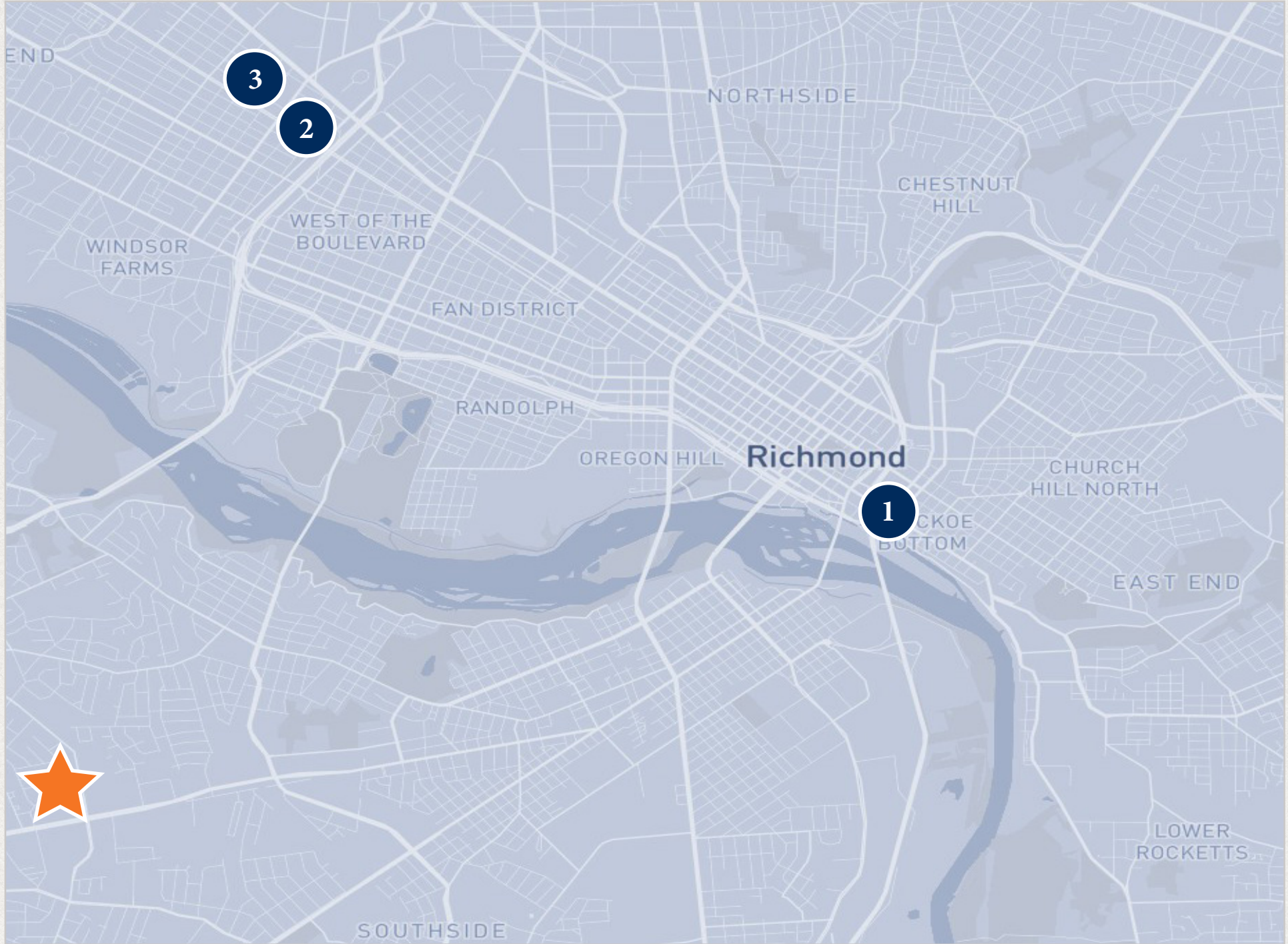
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MARKET COMPARABLES

37 LABROOK DRIVE

# Sale Comparables

	PROPERTY	UNITS	BLDG SF	YEAR BUILT	PRICE	PRICE/UNIT	PRICE/SF	SALE DATE
★	<b>37 Labrook Drive</b> Richmond, VA 23225	18	12,360 SF	1974	\$2,200,000	\$122,222	\$177.99	-
1	<b>Anson Richards House</b> 1710 E Franklin Street Richmond, VA 23223	17	14,212 SF	1842   2016	\$2,925,000	\$172,059	\$205.81	July 2025
2	<b>3901-3903 Cutshaw Avenue</b> Richmond, VA 23230	8	7,672 SF	1948   2020	\$2,050,000	\$256,250	\$267.21	June 2025
3	<b>4411 Cutshaw Avenue</b> Richmond, VA 23230	12	9,768 SF	1936	\$2,100,000	\$175,000	\$214.99	December 2024
	<b>Averages</b>	12	10,551 SF	-	\$2,358,333	\$201,103	\$229.34	-



37 LABROOK DRIVE

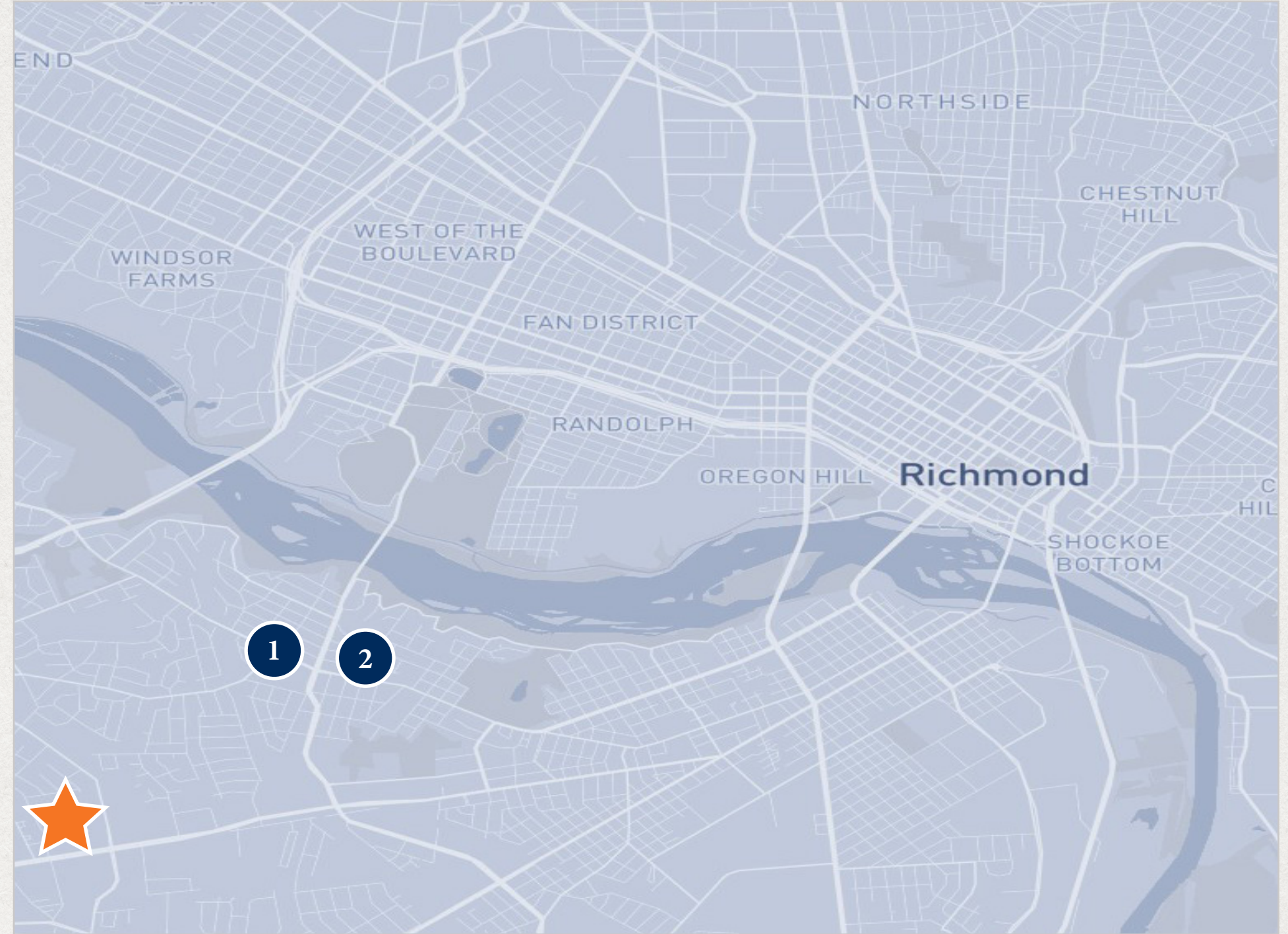
# Rent Comparables

## One-Bedroom

	PROPERTY	YEAR BUILT	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★	<b>37 Labrook Drive - 18 Units</b> Richmond, VA 23225	1974	1BD/1BA	17	680 SF	\$1,330	\$1.96
1	<b>The Westover - 10 Units</b> 5047 Forest Hill Avenue Richmond, VA 23225	1953	1BD/1BA	10	616 SF	\$1,480	\$2.40
2	<b>Parkside Apartments - 16 Units</b> 4509 Forest Hill Avenue Richmond, VA 23225	-	-	-	-	-	-
	<b>Averages</b>	-	-	10	616 SF	\$1,480	\$2.40

## Two-Bedroom

	PROPERTY	YEAR BUILT	UNIT TYPE	UNITS	SF	RENT	RENT/SF
★	<b>37 Labrook Drive - 18 Units</b> Richmond, VA 23225	1974	2BD/1BA	1	800 SF	\$1,821	\$2.28
1	<b>The Westover - 10 Units</b> 5047 Forest Hill Avenue Richmond, VA 23225	-	-	-	-	-	-
2	<b>Parkside Apartments - 16 Units</b> 4509 Forest Hill Avenue Richmond, VA 23225	1975	2BD/1.5BA	12	725 SF	\$1,473	\$2.02
	<b>Averages</b>	-	-	12	725 SF	\$1,475	\$2.02



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37 LABROOK DRIVE | RICHMOND, VA | 18 UNITS

FINANCIAL ANALYSIS

37 LABROOK DRIVE

## Executive Pricing Summary

<b>PRICE</b>	
Price	\$2,200,000
Down Payment	\$660,000
Number of Units	18
Price Per Unit	\$122,222
Price Per Sqft	\$177.99
Approx. Year Built	1974

<b>RETURNS</b>	<b>CURRENT</b>	<b>YEAR 1</b>
Cap Rate	8.09%	10.61%
GRM	7.50	5.90
Cash-on-Cash	11.79%	20.20%
Debt Coverage Ratio	1.78	2.33

37 LABROOK DRIVE

## Investment Summary

<b>MARKET LOAN</b>	
Interest Rate	6.50%
Amortization Period	30 Years
Interest Only	36 Months
Annual Loan Constant	7.58%
Loan Term	10 Years
Loan to Value	70%
Loan Amount	\$1,540,000
Down Payment	\$660,000

<b>FINANCIAL SUMMARY</b>	<b>CURRENT</b>		<b>YEAR 1</b>
Gross Scheduled Rent		\$293,256	\$372,872
Less: Vacancy/Deductions	8.8%	\$25,660	9.0% \$33,558
Total Effective Rental Income		\$267,596	\$339,313
Other Income		\$5,436	\$5,436
Effective Gross Income		\$273,032	\$344,749
Less: Expenses	34.8%	\$95,094	32.3% \$111,315
Net Operating Income		\$177,938	\$233,434
Cash Flow		\$177,938	\$233,434
Debt Service		\$100,100	\$100,100
Net Cash Flow After Debt Service	11.79%	\$77,838	20.20% \$133,334
Principal Reduction		\$0	\$0
Total Return	11.79%	\$77,838	20.20% \$133,334

37 LABROOK DRIVE  
**Unit Mix**

UNIT TYPE	# OF UNITS	AVG SF	RENTAL RANGE	CURRENT			POTENTIAL		
				AVG RENT	AVG RENT/SF	MONTHLY INCOME	AVG RENT	AVG RENT/SF	MONTHLY INCOME
1 Bed 1 Bath	17	680	\$975 - \$1,700	\$1,330	\$1.96	\$22,617	\$1,700	\$2.50	\$28,900
2 Bed 1 Bath	1	800	\$1,821-\$1,821	\$1,821	\$2.28	\$1,821	\$1,865	\$2.33	\$1,865
<b>Total/Weighted Averages</b>	<b>18</b>	<b>687</b>		<b>\$1,358</b>	<b>\$1.98</b>	<b>\$24,438</b>	<b>\$1,709</b>	<b>\$2.49</b>	<b>\$30,765</b>
<b>Gross Annualized Rents</b>				<b>\$293,256</b>			<b>\$369,180</b>		

37 LABROOK DRIVE  
**Operating Statement**

INCOME	CURRENT		YEAR 1		PER UNIT
Gross Potential Rent	369,180		372,872		20,715
Loss/Gain to Lease	(75,924)	20.6%	0		0
<b>Gross Current Rent</b>	<b>293,256</b>		<b>372,872</b>		<b>20,715</b>
Physical Vacancy	0	0.0%	(22,372)	6.0%	(1,243)
Bad Debt	(25,660)	8.8%	(11,186)	3.0%	(621)
<b>Total Vacancy</b>	<b>(\$25,660)</b>	<b>8.8%</b>	<b>(\$33,558)</b>	<b>9.0%</b>	<b>(\$1,864)</b>
Economic Occupancy	91.25%		91.00%		
<b>Effective Rental Income</b>	<b>267,596</b>		<b>339,313</b>		<b>18,851</b>
All Other Income	5,436		5,436		302
<b>Total Other Income</b>	<b>\$5,436</b>		<b>\$5,436</b>		<b>\$302</b>
<b>Effective Gross Income</b>	<b>\$273,032</b>		<b>\$344,749</b>		<b>\$19,153</b>
EXPENSES	CURRENT		YEAR 1		PER UNIT
Real Estate Taxes	9,204		26,400		1,467
Insurance	10,800		10,800		600
Utilities - Electric	7,524		7,524		418
Utilities - Water & Sewer	6,907		6,907		384
Utilities - Internet	1,954		1,954		109
Repairs & Maintenance	11,319		13,500		750
Contract Services	13,694		8,100		450
Marketing & Advertising	4,649		1,350		75
General & Administrative	2,700		2,700		150
Operating Reserves	4,500		4,500		250
Management Fee	21,843	8.0%	27,580	8.0%	1,532
<b>Total Expenses</b>	<b>\$95,094</b>		<b>\$111,315</b>		<b>\$6,184</b>
<b>Expenses as % of EGI</b>	<b>34.8%</b>		<b>32.3%</b>		
<b>Net Operating Income</b>	<b>\$177,938</b>		<b>\$233,434</b>		<b>\$12,969</b>

