ONE SOUTH COMMERCIAL

FOR SALE | HOFHEIMER BLDG IN SCOTT’S ADDITION

2816-2818 W BROAD ST
RICHMOND, VA 23230

$2,700,000
PID: N0001586026
0.17 AC Parcel
14,400 Building SF
2.5 Stories
1928/2015 Built/Renovated
Opportunity Zone Location
TOD-1 Transit Oriented Zoning
Communication:
One South Commercial is the exclusive representative of Seller in its disposition of the 2816-18 W Broad St. All communications regarding the property should be directed to the One South Commercial listing team.

Property Tours:
Prospective purchasers should contact the listing team regarding property tours. Please provide at least 72 hours advance notice when requesting a tour date out of consideration for current residents.

Offers:
Offers should be submitted via email to the listing team in the form of a non-binding letter of intent and should include: 1) Purchase Price; 2) Earnest Money Deposit; 3) Due Diligence and Closing Periods.

Disclaimer:
This offering memorandum is intended as a reference for prospective purchasers in the evaluation of the property and its suitability for investment. Neither One South Commercial nor Seller make any representations or warranties with respect to the accuracy or completeness of the materials contained in the offering memorandum. Prospective purchasers should evaluate the property independently and rely solely on such independent evaluation in determining whether to purchase the property. The offering memorandum, pricing, and terms therein are subject to change or withdrawal at the discretion of Seller and One South Commercial, as Seller’s exclusive representative.
One South Commercial is pleased to present for sale the historic Hofheimer Building in Richmond’s Scott’s Addition. The Hofheimer Building was built in 1928 and was restored in 2015. It is an iconic property that was recognized by the National Trust for Historic Preservation as one of the leading development projects in the revitalization of Scott’s Addition. According to the Department of Historic Resources it is the only example of “Exotic Revival-style” architecture in Scott’s Addition.

Award-winning chef Peter Chang operates his 7th restaurant on the ground floor and the remainder of the building is leased to the Hofheimer Event Venue and The HofGarden, a beer garden and restaurant.

While currently configured as 4 leasable commercial spaces, the potential of this building is further enhanced by its location along Richmond’s busiest commercial corridor – W Broad St. The development-friendly TOD-1 Transit Oriented zoning allows for a number of commercial uses in the building including office, retail, and coffee shop. The space would also be well-suited for a creative workspace, or lifestyle center. This potential also includes further renovation to include multifamily development. Architectural drawings have been created that show the conversion of the second level into four 3bed/3bath units.

Redevelopment in Scott’s Addition in recent years has transformed this formerly industrial area into one of the most exciting mixed-use neighborhoods in Richmond with distinctive adaptively repurposed multifamily apartments, entertainment venues, and popular commercial uses. Some of Richmond’s highest rated restaurants are also here including Longoven which was named as one of the best new restaurants in the country by Bon Appetit in 2019.

Combined with great accessibility from GRTC’s Pulse Rapid Transit on Broad Street, the Hofheimer Building is a great opportunity for an investor looking for flexible options in one of Richmond’s fastest developing areas.
Ground Floor - 2 Suites
5,702 Leaseable Sq. Ft.
SECOND FLOOR PLAN (CURRENT)

2nd Floor - 2 Suites
6,346 Leaseable Sq. Ft.
ROOF FLOOR PLAN (CURRENT)

Rooftop Deck - Restaurant
Scott’s Addition is a 152-acre historic neighborhood near downtown Richmond. Named for U.S. Army general and politician Winfield Scott, the neighborhood was part of an estate inheritance Scott received in 1818. The area was largely uninhabited until the early 20th Century when small homes and businesses were developed. In the 1950’s, the area saw a growth in construction of larger commercial and industrial buildings in addition to the previous development. Most of the existing buildings and the architectural character of Scott’s Addition can be traced to one of these two major phases of development. Over a century after it was first developed, the area was designated as a National Historic District in 2005 and contains 288 contributing buildings and structures.

During the mid-2000’s, Scott’s Addition saw a wave of development involving adaptive rehabilitation of former industrial buildings and warehouses into multifamily residential properties. Restaurant, entertainment, creative, and other uses soon followed. In 2017, Scott’s Addition was rezoned by the City of Richmond from its outdated industrial regulations to the B-7 Mixed Use and TOD-1 Transit Oriented districts to further promote development by maximizing the potential of under-utilized parcels and supporting new forms of development that are walkable, dense, and mixed use. This rezoning took place in conjunction with the construction of Richmond’s first Bus Rapid Transit line, The Pulse, that runs along Broad Street with a station servicing Scott’s Addition. The area is now home an impressive collection of businesses including architecture firms, nationally recognized restaurants and breweries, marketing agencies, movie theaters, a bowling alley, and a shuffleboard bar. Together with the many new multifamily residential developments that are under construction, Scott’s Addition is one of the fastest growing mixed-use neighborhoods in the Mid-Atlantic region.

Longoven was named one of the best new restaurants in the country by Bon Appétit in 2019.

Blue Bee Cider is one of 13 breweries/distilleries in Scott’s Addition.
SCOTT’S ADDITION AMENITIES

MULTIFAMILY PROPERTIES
1. The Nest (Under Const)
2. The Summit (Under Const)
3. 3018 W Marshall St
4. Scott’s Collection 1 (Proposed)
5. Scott’s Collection 2 (Proposed)
6. Scott’s Collection 3 (Proposed)
7. 3122 W Clay
8. Courtyard Lofts
9. 2906 W Clay
10. McTavish Flats
11. The Preserve
12. Osprey Lofts
13. 1601 Roseneath (Proposed)
14. Scott’s Edge
15. The Altamont
16. Ambience Lofts
17. The Lots
18. Symbol Apartments

RESTAURANTS/BREWERIES
19. Lemon of India
20. McLean’s
21. Blanchard’s Coffee
22. Lunch/Supper
23. Perch
24. Three Notch’d Brewing
25. Blue Bee Cider
26. Black Heath Meadery
27. Longoven
28. The Veil Brewing
29. Wood & Iron Gameday
30. Circuit Arcade Bar
31. Lucky AF
32. Strangeways Brewing
33. Ardent Craft Ales
34. ZZQ Texas BBQ
35. Buskey Cider
36. Fat Dragon
37. Moore St Cafe
38. Boulevard Burger
39. Pobyttey Sandwich
40. Urban Farmhouse
41. Isley Brewing
42. Brenner Pass
43. Stellas Grocery
44. Tazza Kitchen
45. Starr Hill Beer Hall
46. The Dairy Bar
47. Brambly Park Winery

ENTERTAINMENT/POINTS OF INTEREST
48. Tang & Biscuit
49. Richmond Fencing Club
50. The Diamond
51. Movieland and Criterion Cinemas
52. River City Roll Bowling
53. Redskins Spring Training
54. Children’s Museum of Richmond
55. Science Museum of VA
56. WTVR-TV
In July 2017, the Richmond City Council approved the Pulse Corridor Plan envisioning the future of development along its new Bus Rapid Transit line on East and West Broad Street. The Plan’s main purpose was to support a walkable urban environment around the Pulse stations through the adoption of principles, goals, and recommendations.

A major component of these recommendations was to permit development that includes medium density buildings ranging from 2 to 10 stories in height with primary uses being a mix between commercial at the street level along Broad Street and residential above or to the rear of the commercial component. This recommendation resulted in the rezoning of this portion of W Broad Street to the TOD-1 Transit Oriented Nodal District in September 2017.
The intent of the TOD-1 district is to encourage dense, walkable transit-oriented development and to promote enhancement of character along principal corridors, at key gateways, and at nodes of high activity located near transit service, bicycle infrastructure, and pedestrian-friendly streetscapes.

The district encourages redevelopment and place-making, including adaptive reuse of underutilized buildings, to create a high-quality urban realm. The district regulations are intended to improve streetscape character by providing continuity of building setbacks, to enhance public safety by encouraging an active pedestrian environment consistent with the mixed-use character of the district by providing for windows in building façades along street frontages, and to promote an environment that is safe for walking and biking.

OVERVIEW OF REGULATIONS

- Requires POD for new construction or addition where site includes vehicular circulation or more than 10 dwelling units
- Permitted uses:
  - Art galleries
  - Banks
  - Breweries
  - Catering businesses
  - Dwelling units (greater of 1/3 or 1,000 sf shall be for other principal uses permitted in the district)
  - Offices
  - Personal services
  - Recreation and Entertainment
  - Restaurants
  - Retail Shops
  - Permitted subject to CUP: Night clubs
- Yards: 10'-15' required only for dwelling units on ground floor
- Usable Open Space: Ratio of at least .10 for new buildings devoted in part or whole to dwelling units
- Parking: Not permitted between building and primary street frontage; No parking required for 1-16 dwelling units; 1 per 2 units over 16
- Height: Minimum 2 stories; Max 12 stories
- Windows: Non-dwelling ground floor at least 60%; Dwellings ground floor & all uses above ground floor at least 30%

POTENTIAL FUTURE SECTION AT W BROAD ST AND TILDEN ST
Richmond is one of the oldest and most historic cities in the United States. As the site of numerous seminal events in the nation’s history, Richmond has been a center for politics, trade, and commerce for over three centuries. Today, the metro area is home to more than 1.3 million residents and headquarters to ten Fortune 1000 companies including Altria Group, Carmax, Performance Food Group, and Dominion Energy.

In addition to its role as a business hub, Richmond serves a critical role as the center of health care, research, and education in the Mid-Atlantic region. Four universities are located within the metro area including Virginia Commonwealth University -- the largest university in Virginia -- and the VCU Health System both located in Downtown.

Richmond is comprised of neighborhoods that are both unique and significant. The Fan District is the largest intact residential neighborhood featuring Victorian architecture in the United States. Church Hill overlooks the James River where similarities to the London suburb gave Richmond its name,. The neighborhood is also home to St. John’s Church where Patrick Henry gave the speech that changed the course of the country.

Naturally, visitors come to Richmond for its history, but they also flock to the area for many other attractions. The Virginia Museum of Fine Arts, Capitol Square, the City’s famous restaurants and breweries, and a host of other attractions draw over 7 million people to the region annually. Maymont Park and the natural areas of the James River also offer delights specifically for nature lovers. More and more people are becoming aware of all that the Richmond Metro Area has to offer. Unsurprisingly, the New York Times lists Richmond as one of “52 Places to Go in 2020”.
RICHMOND MSA

POPULATION: 1.31M
MEDIAN PROPERTY VALUE: $246,100
MEDIAN HOUSEHOLD INCOME: $67,703
MEDIAN AGE: 38.8
NUMBER OF EMPLOYEES: 696,500
MED HH INCOME GROWTH (1 YR): 0.10%

MEDIAN HH INCOME:
$42,356 (2017 VALUE)
2.84% (1 YEAR GROWTH)

PROPERTY VALUE:
$209,200 (2017 MEDIAN)
$199,300 (2016 MEDIAN)
Throughout its long history, Richmond has been a center for economic development with wide ranging impacts for the region and beyond. Its economy is based on a business-friendly setting and infrastructure that make the area attractive to both large and small businesses and organizations.

**KEY INDUSTRIES**

Seven Fortune 500 companies call Metro Richmond home including the Altria Group, Carmax, Owens and Minor, and Genworth Financial. These and other companies represent diverse industries including creative, high-tech, health care, traditional manufacturing, and financial services.

Adweek’s “Agency of the Year”, the Martin Agency, is located in Richmond along with many other leading design, architecture, and creative companies. In addition, VCU is one of the top creative and design universities in the country.

VCU Health Systems is the leading healthcare provider and research centers in the region. However, they are not alone in representing this sector. HCA Healthcare and Bon Secours Health Systems also have a major presence in the area. In addition, the VA Bio+Tech Park is home to over 70 companies on the cutting edge of this critical field.

To complement these high tech companies, traditional manufacturing, and financial services are also well-represented in Metro Richmond. WestRock, NewMarket, Universal Corporation, and others produce chemicals, plastics, packaging, and tobacco products that are globally exported. And in a role it has played for centuries, Richmond is the hub for financial services. Today, the Fifth District Federal Reserve Bank, BB&T, SunTrust, Wells Fargo, and numerous other financial service firms are located in the central business district.

**EMPLOYMENT**

Due to the strong local economy, Richmond is enjoying steady growth in employment opportunities. In December 2019, Metro Richmond's employment increased 2% over the year to 696,500. This increase is significantly higher than the national growth of 1.4% over the same period. The increase in job growth in Metro Richmond represents almost 10 consecutive years of gains in the area. Education and health services had the largest employment gain from December 2018 to December 2019, adding 5,400 jobs. The recent advance represents a 5.4-percent rate of job growth over the year in the local area, double the nationwide advance of 2.7 percent for this industry.

Similarly the unemployment rate in Metro Richmond stands at 2.9% and much lower than the already historically low national rate of 3.8%
DEMOGRAPHICS

DEMOGRAPHICS (WITHIN 5 MILES)

269,922
POPULATION

$75,248
AVG HOUSEHOLD INCOME

11.33%
POPULATION GROWTH PAST 10 YEARS

DISTANCE FROM PROPERTY

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<th></th>
<th>1 MILE</th>
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<tbody>
<tr>
<td>Population:</td>
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<tr>
<td>2025 Projection</td>
<td>18,171</td>
<td>115,727</td>
<td>281,841</td>
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<td>2020 Estimate</td>
<td>17,315</td>
<td>110,848</td>
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<td>2010 Census</td>
<td>15,796</td>
<td>102,277</td>
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<td>Growth 2020-2025</td>
<td>4.94%</td>
<td>4.40%</td>
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<td>Growth 2010-2020</td>
<td>9.62%</td>
<td>8.38%</td>
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<td>Households:</td>
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<td>2025 Projection</td>
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<td>2020 Estimate</td>
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<td>Owner Occupied</td>
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<td>Renter Occupied</td>
<td>6,476</td>
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<td>Growth 2020 - 2025</td>
<td>4.45%</td>
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<td>6.95%</td>
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<td>18,885</td>
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<td>Management of Companies</td>
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<td>16</td>
<td>79</td>
<td>232</td>
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<td>58,268</td>
<td>63,720</td>
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<td>156</td>
<td>8,171</td>
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<td>Utilities</td>
<td>1,494</td>
<td>3,208</td>
<td>4,248</td>
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EMPLOYEES

2020 Avg Household Income | $94,286 | $85,830 | $75,248 |
2020 Med Household Income | $67,302 | $58,343 | $51,264 |
2020 Households by Inc:
<$25,000 | 1,256 | 10,994 | 28,617 |
$25,000 - $50,000 | 2,253 | 11,400 | 28,634 |
$50,000 - $75,000 | 1,757 | 7,865 | 18,650 |
$75,000 - $100,000 | 1,290 | 5,760 | 13,123 |
$100,000 - $125,000 | 780 | 4,103 | 9,452 |
$125,000 - $150,000 | 657 | 2,689 | 5,393 |
$150,000 - $200,000 | 626 | 2,937 | 5,189 |
$200,000+ | 940 | 4,602 | 7,471 |
ONE SOUTH COMMERCIAL TEAM

One South Commercial is a CoStar PowerBroker in the Richmond, VA investment sales market with more than $200M in sales in 2018-19. Our reputation among those with local knowledge as the premier investment sales shop in the City of Richmond is built on a wide network of relationships with principals all over the world who trust us and our ability to effectively analyze the economics of any deal and represent them honestly.

JUSTIN SLEDD | 804.307.4060 | justin.sledd@onesouthcommercial.com

Justin is a seasoned commercial real estate expert with over a decade worth of experience. Having a widespread knowledge of the Richmond real estate market, Justin is comfortable handling many types of transactions, but his primary practice areas are multifamily and investment sales.

Justin possesses a commanding knowledge of Richmond’s rental market, providing his clients with in-depth analysis of the competitive landscape and value add solutions. Justin is a Richmond native and graduate of Virginia Commonwealth University.

TOM ROSMAN | 804.539.3017 | tom.rosman@onesouthcommercial.com

Tom Rosman has been brokering investment real estate since the early 1990’s in the Richmond, VA, metro area. He has brought hundreds of transactions to a successful conclusion, including large apartment complexes, apartment buildings in historic neighborhoods, office buildings, retail properties, mixed use buildings, and numerous historic adaptive reuse properties.

Tom was one of the first brokers to recognize the transformative changes occurring in many of Richmond’s most architecturally significant but ignored neighborhoods. As one of the Founding Partners at One South, Tom heads up the commercial and investment sales for One South Commercial.