



MULTIFAMILY OFFERING

192 Units | Portsmouth, VA



Cushman & Wakefield's Mid-Atlantic Advisory Group is pleased to present The Connelly ("The Property"), a premier value-add opportunity with proven upside in the outperforming Hampton Roads MSA.

- **PROVEN VALUE ADD UPSIDE**

The Connelly presents proven value-add upside with premiums of \$150 being achieved on renovated units, demonstrating the significant demand for higher quality unit interiors. Additionally, all units at The Connelly already contain in-unit washer and dryers. Current ownership has renovated only 39 of the 192 total units (20%). Enhancing the renovation scope on the remaining classic units to include new countertops, LVP flooring, higher-end appliances and updated cabinets would allow for new ownership to achieve increased premiums. A higher end renovation could garner premiums of \$200 based on rental levels at the competitive set, generating an even higher return.

- **NO LOCAL DEVELOPMENT PIPELINE**

Within a 5-mile radius of each The Connelly, there are no traditional multifamily units under construction within a 5-mile radius. With construction facing headwinds in labor and materials, proposed projects will face further delays increasing the scarcity in the development pipeline. This scarcity premium will allow for outsized rent growth and property performance, positioning The Connelly to create excess returns for a new investor.

- **OUTSTANDING LOCAL DEMOGRAPHICS**

The Connelly has some of the best demographics in the Hampton Roads MSA. The three-mile radius surrounding the properties has seen 14.6% population growth since 2010, has a median household income of \$85,946, and 67% of residents are employed in white-collar professions, all of which outpace the broader MSA. Additionally, 38% of residents within a three-mile radius of the properties have a bachelor's degree or higher, which are higher than the MSA, and the median home value is \$356,106. These desirable local demographics create consistent demand for apartments like The Connelly.

- **PLETHORA OF RETAIL AMENITIES**

The Connelly is in close proximity to a few major retail hotspots including Chesapeake Square (858K SF), Harbour View East, (475K SF), Harbour View Market Place (180K SF), and Poplar Hill Plaza (102K SF). These malls and shopping centers contain big-name retailers like Macy's, Dillard's, JC Penney, Target, Harris Teeter, Walmart, T.J. Maxx, and others. In total, there is nearly 3.1M SF of retail amenities within 3 miles of The Connelly.

- **STRONG REGIONAL EMPLOYMENT AND ECONOMIC GROWTH**

The Connelly has easy access to Interstate 464 and US Route 460, a major east-west highway that connects with Lynchburg and Roanoke. Residents are less than a 15-minute drive from the Norfolk Naval Shipyard, one of the region's largest employers, the Greenbrier District with its sizable residential and retail development, and The Port of Virginia Norfolk International Terminal is proximate as well. Furthermore, residents are within 30 minutes of Tidewater Community College and Norfolk State University, two of the region's largest higher education institutions and major employers. Additionally, the new \$62MM VA North Battlefield Outpatient Clinic is set to open early this year, which will provide medical care to over 120,000 military veterans and bring significant economic growth to the area.

- **HEALTHY HAMPTON ROADS APARTMENT MARKET**

The Hampton Roads apartment market has been an outperformer in the Mid-Atlantic and continues to put forth strong fundamentals in the form of rent growth and low vacancy rates. Since 2015, rents in the Hampton Roads MSA have grown by 4.1% year over year with sub 4% vacancy. Rents in the Portsmouth submarket grew by 4.6% over that time and are projected to grow by about 2.5% per year through 2030, which is better than almost every submarket throughout the broader Mid-Atlantic.

- **SIGNIFICANT CAPITAL REINVESTED:**

In addition to renovating the units, ownership has completed several capital projects to enhance the property. New amenities have been added, including the transformation of the original tennis courts into an outdoor game/lounge/grilling area and the addition of a dog park. Other improvements include replastering the pools and converting the fitness center into a unit. Completed deferred maintenance tasks at the property include repairing gutters and downspouts, cleaning the ventilation system, painting the exterior, repairing sidewalks, installing a fire avert safety system, and fixing the boilers. New ownership will benefit from the capital improvements at the property enhancing appeal from investors.

- **LOCAL ECONOMIC EXPANSION: PORT 460**

Expanding the region's industrial footprint is the Port 460 development, a major project set to deliver 5 million square feet of industrial space across 500 acres. Designed to attract industries such as advanced manufacturing, life sciences, logistics, and port-related warehousing, the development is currently in its first phase of construction. It's expected to generate approximately 2,600 construction jobs and create 9,000 long-term positions. To support the project, the Governor of Suffolk recently announced a \$30 million budget allocation aimed at upgrading local infrastructure. With substantial long-term job creation and backing from the Governor of Suffolk, this project will strengthen the area's economic foundation, positioning properties like The Connelly for long-term success.



192
RESIDENTIAL UNITS



149,694
RESIDENTIAL SF



\$1,457
AVERAGE MKT RENT
\$1.87
PSF



1972
YEAR BUILT



Portsmouth, VA
3802 TOWNE POINT RD, 23703





All Units Contain Washer & Dryer



Proven Value-Add Upside



Limited Local Development Pipeline



Outstanding Local Demographics



Plethora of Retail Amenities



Strong Regional Employment and Economic Growth



Healthy Hampton Roads Apartment Market



Significant Capital Reinvested



Local Economic Expansion: Port 460

SALES

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