

United Bank - Single Tenant Office Building Morgantown, West Virginia



Exclusive Offering By:

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In Cooperation With:
First Charleston Corporation LLC
WV License #WV0014075

Offering Memorandum

Goodman Real Estate Services Group LLC
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United Bank - Single Tenant Office Building

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The Property - Investment Summary

Property	United Bank Net Lease
Tenant	United Bank (NASDAQ: UBSI)
Branch Deposits	\$405,033,000 (www.fdic.gov - 2016)
Address	990 Elmer Prince Drive Morgantown, WV 26505
Deal Type	Single Tenant Office Lease
Lease Type	Triple-Net
Market	Morgantown-Fairmont CSA
Population	194,918
Major Anchor	West Virginia University Campus
Rentable Area	25,053 Square Feet
Number of Floors	3 Floors
Lot Size	1.21 Acres
Parking	Surface Parking: 70+ Spaces
Building Class	Class A
Average Base Rent	\$19.19 Per Square Foot
Net Operating Income	\$480,738.53
Cap Rate	7.75%
Pricing	\$6,203,000



United Bank - Single Tenant Office Building

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The Property - Property Description

Investment Highlights

- Extremely High Bank Deposits - \$405 Million Annually per FDIC
- Strong Corporate United Bank (NASDAQ: UBSI) Guaranty with Over 145 Branch Locations
- Highest Bank Branch Deposits in the County
- Walking Distance to West Virginia University (Directly Across Street), with Total Enrollment of 31,500 Students and 7,654 Employees
- Generational-Quality Trophy Location with Long-Term Tenant History
- Attractive and Modern Office Building Located Adjacent to West Virginia University

Property Description

For sale to qualified investors is the 100% fee-simple interest in a rare and exciting opportunity to own the United Bank building bordering West Virginia University campus. According to the Federal Deposit Insurance Corporation (FDIC), this United Bank location has annual deposits over \$405 million, resulting in the largest branch office in Morgantown and Monongalia County. This size of deposits is over 11 times the national average deposits for a bank branch. The property is a triple-net, single-tenant, Class A office building located within walking distance of West Virginia University, WVU Medicine and the Ruby Memorial Hospital. The all-glass building is equipped with a 24 hour ATM, 5-lane drive thru, and 3 floors of office and customer banking relations. Notable office tenants surrounding the property include West Virginia University, Monongalia County Health Department, WVU Medicine, WVU College of Law, Mylan Pharmaceuticals, Wells Fargo Mortgage, National Energy Technology Lab, U.S. Social Security Administration, Center For Disease Control, and many others. This is a generational-quality asset not often seen for sale on the open market bordered by one of the largest public universities in the United States, and as such provides the investor with an incredible buying opportunity.



Morgantown, WV

Morgantown is a city and the county seat of Monongalia County, West Virginia, situated along the Monongahela River and close to the Pennsylvania border in the north-central part of West Virginia. Morgantown is part of the Morgantown-Fairmont CSA with a current estimated population of 194,918. The city is best known as the home of West Virginia University and the Morgantown Personal Rapid Transit system. West Virginia University is a public land-grant university that was founded in 1867, comprises 913 acres of the city, with total enrollment of 31,500 students. WVU is the driving economic force behind Morgantown and has an operating budget of approximately \$980 million with \$150 million annually in sponsored contracts and research grants. The downtown area is connected to the university by the Morgantown Personal Rapid Transit (WVU PRT). From 1975 to present, the PRT operates continuously with 98.5% reliability. Morgantown has shown continued population growth for the last 20 years and has consistently seen some of the lowest unemployment rates in the state.

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The Property - Property Photos



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The Property - Property Photos



United Bank - Single Tenant Office Building

Morgantown, West Virginia

Performance & Tenancy - NOI Budget

INCOME

Occupancy: 100%

Base Rental Income

Space Tenant	Size (SF)	Annual Rent	PSF
1 United Bank	6,464	\$146,550.72	\$22.67
2 United Bank	9,075	\$163,147.82	\$17.98
3 United Bank	9,514	\$171,039.99	\$17.98
Total	25,053	\$480,738.53	\$19.19

Reimbursed Expenses

2016 Actual

Common Area Maintenance	\$165,114.63
Property Taxes	\$30,406.15
Insurance	\$9,009.00
Management	\$27,410.73
Total	\$231,940.51

Gross Rent (In-place)	\$480,738.53
Effective Gross Income	\$712,679.04

OPERATING EXPENSES

2016 Actual*

Alarm & Security	\$1,996.36
B&O Tax	\$6,476.82
Electric	\$88,380.26
Elevator	\$8,177.84
Fire Service Fee	\$1,819.25
Gas	\$585.73
Grounds Maintenance	\$7,460.75
HVAC Maintenance and Repairs	\$11,844.78
Insurance	\$9,009.00
Lighting Repairs	\$1,577.85
General Maintenance & Repairs	\$13,701.62
Pest Control	\$757.90
Real Estate Taxes	\$30,406.15
Roof Repairs	\$2,028.86
Snow Removal	\$7,043.70
Trash Removal	\$4,969.31
Water	\$3,120.80
Window Cleaning	\$5,172.80
Management (4%)	\$27,410.73
Total	\$231,940.51

*adjustment made to management fees and personnel

Total Operating Expenses	\$231,940.51
Net Operating Income (NOI)	\$480,738.53
Price at 7.75% Cap Rate	\$6,203,077.81

United Bank - Single Tenant Office Building

Morgantown, West Virginia

Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery		Comments/Options
	Feet	Pro-rata	Begin	End	Begin	Annually	Avg PSF	Type		
United Bank	25,053	100%	3-1-2007	7-31-2019	Current	\$480,738.53	\$19.19	NNN	Tenant is leasing the building on a triple-net basis and reimburses landlord for all out-of-pocket costs.	

Breakdown of Current Rent:

First Floor: \$146,550.72 Annually (6,464 SF - \$22.67 PSF)

Second Floor: \$163,147.82 Annually (9,057 SF - \$17.98 PSF)

Third Floor: \$171,039.99 Annually (9,514 SF - \$17.98 PSF)

Options: Five 5-year options. Rent shall be adjusted every 3 years following the same schedule as the original term, by multiplying the fixed rent in the immediately preceding year by the percentage increase of the Consumer Price Index, as reported by the Wall Street Journal. Tenant must give Landlord written notice 180 days prior to expiration.





WWW.BANKWITHUNITED.COM

United Bankshares, Inc. (NASDAQ:UBSI) is a United States bank holding company that operates regional banks as United Bank, with headquarters in Washington D.C. and Charleston, West Virginia. United Bank has 145 branches and conducts business in West Virginia, Virginia, Washington D.C., Maryland, Ohio and Pennsylvania, while having over 1,900 employees. Their services include commercial banking, credit card services, trust services, mortgage banking, investment banking, and investment advisory services. Since 1839, United Bank is committed to providing each business relationship with an unmatched level of service. They offer competitive products, services, rates, and technology, resulting in long-term relationships with their clients. United Bank is backed by a history of safe, sound and secure banking practices that have allowed them to continue world-class service through decades of changing economic environments. Because of this, their shareholders, employees, customers and communities can rely on them for many years to come.

United Bank - Single Tenant Office Building

Morgantown, West Virginia

Market Overview - Morgantown Market Overview

Morgantown Market Highlights

- *Forbes* named Morgantown, West Virginia, as one of the "Top 10 Best Places for Business and Careers"
- Morgantown is part of the Morgantown-Fairmont Combined Statistical Area with a current estimated population of 194,918
- WVU Medicine is West Virginia University's affiliated health system with 8 hospitals, 3 institutes and more than 800 physicians and specialists. WVU provides comprehensive healthcare services to all of West Virginia, Southwest Ohio, Western Maryland and Southwest Pennsylvania



- Morgantown was rated "No. 1 Small City in America" by BizJournal.com
- Employment in Morgantown is expected to grow annually by 1.4%; especially in education, health services, professional and business services, construction and consumer-oriented services
- According to the Bureau of Labor Statistics (BLS), the unemployment rate for Morgantown in February 2017 is 3.9%, well below the National Average of almost 5%

Top Employers

Company	# Of Employees
• West Virginia University	7,654
• WVU Medicine	6,000
• Monongalia County Board of Education	1,800
• Monongalia General Hospital	1,200
• Morgantown Energy Technology Center	750
• Mylan Pharmaceuticals	600
• US Center for Disease Control	536
• TeleTech	343
• Greer Industries	320



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Morgantown, West Virginia

Market Overview - West Virginia University Overview

About West Virginia University

- West Virginia University currently offers more than 190 degree programs from 15 colleges and schools and the majority of its more than 31,500 students attend classes at the university's main campuses in Morgantown
- The West Virginia University system spans the entire state, including 518 buildings on 15,880 acres. The Morgantown campus has 245 buildings (11 on the National Register of Historic Places) on 1,892 acres
- *Business Insider* named Morgantown the ninth best college town in America



- WVU is geographically located within easy traveling distance from Washington D.C. to the East, Pittsburg, Pennsylvania, to the North, and Cleveland and Columbus, Ohio, to the Northwest
- WVU Medicine-West Virginia University Hospitals ranked sixth among academic medical centers

- Students who attend the Morgantown WVU campus come from 107 nations, all 50 states and all 55 West Virginia counties
- WVU is a member of the Big 12 Conference and competes in 17 intercollegiate varsity sports, including; football, basketball, soccer, baseball, cross country, wrestling, swimming and golf



- WVU ranks nationally for prestigious scholarships, including: 25 Rhodes Scholars, 22 Truman Scholars, 42 Goldwater Scholars, 5 USA Today All-USA College Academic First Team Members
- 85% of full-time instructional faculty hold the highest academic degree in their field
- WVU Medicine is West Virginia's largest healthcare provider and second largest employer. WVU Medicine includes dozens of medical offices and a diverse network of affiliated organizations
- *Forbes Magazine* gave the second-ranking to WVU for "Best College Town for Jobs"

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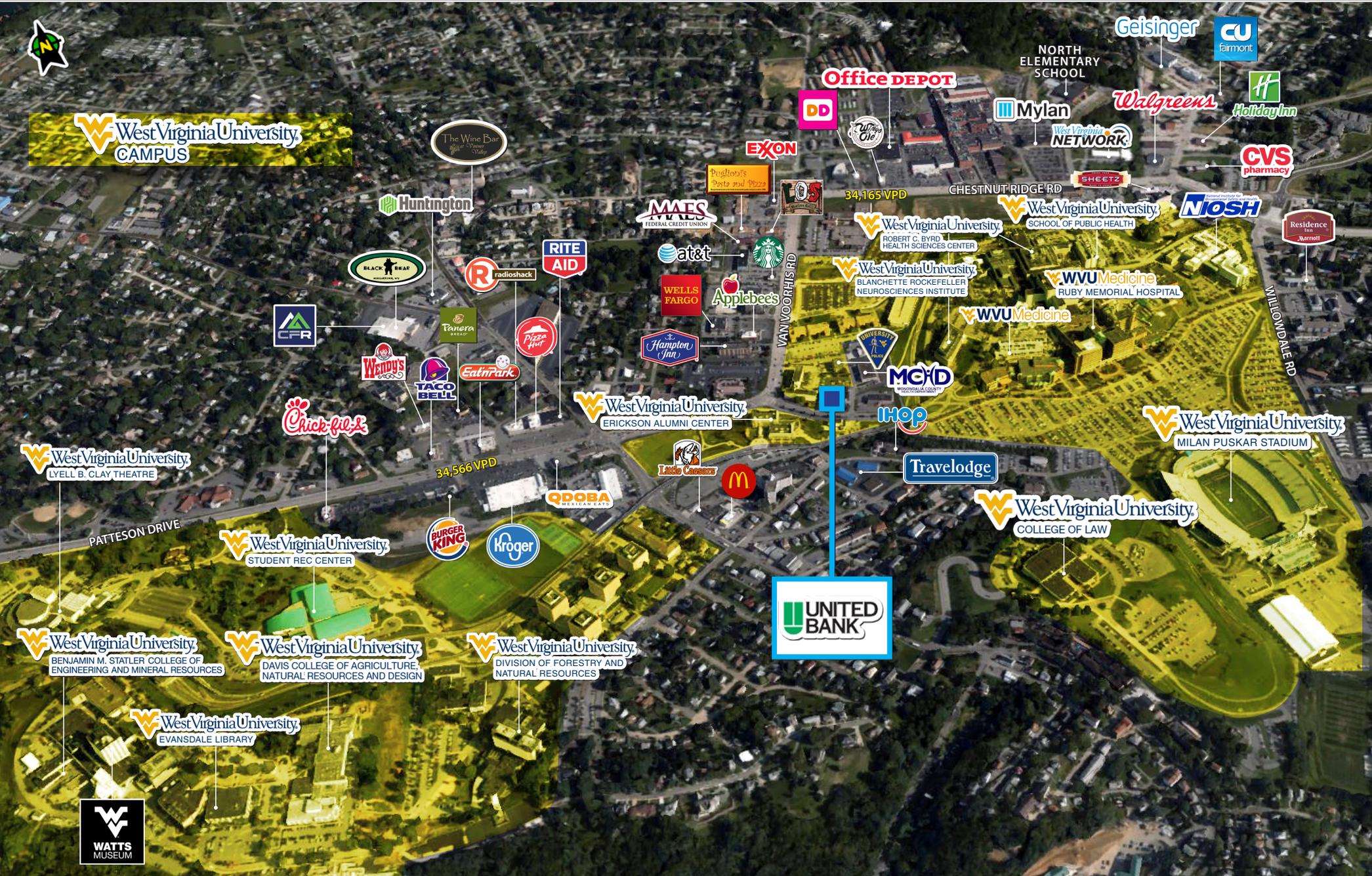
Market Overview - Market Aerial



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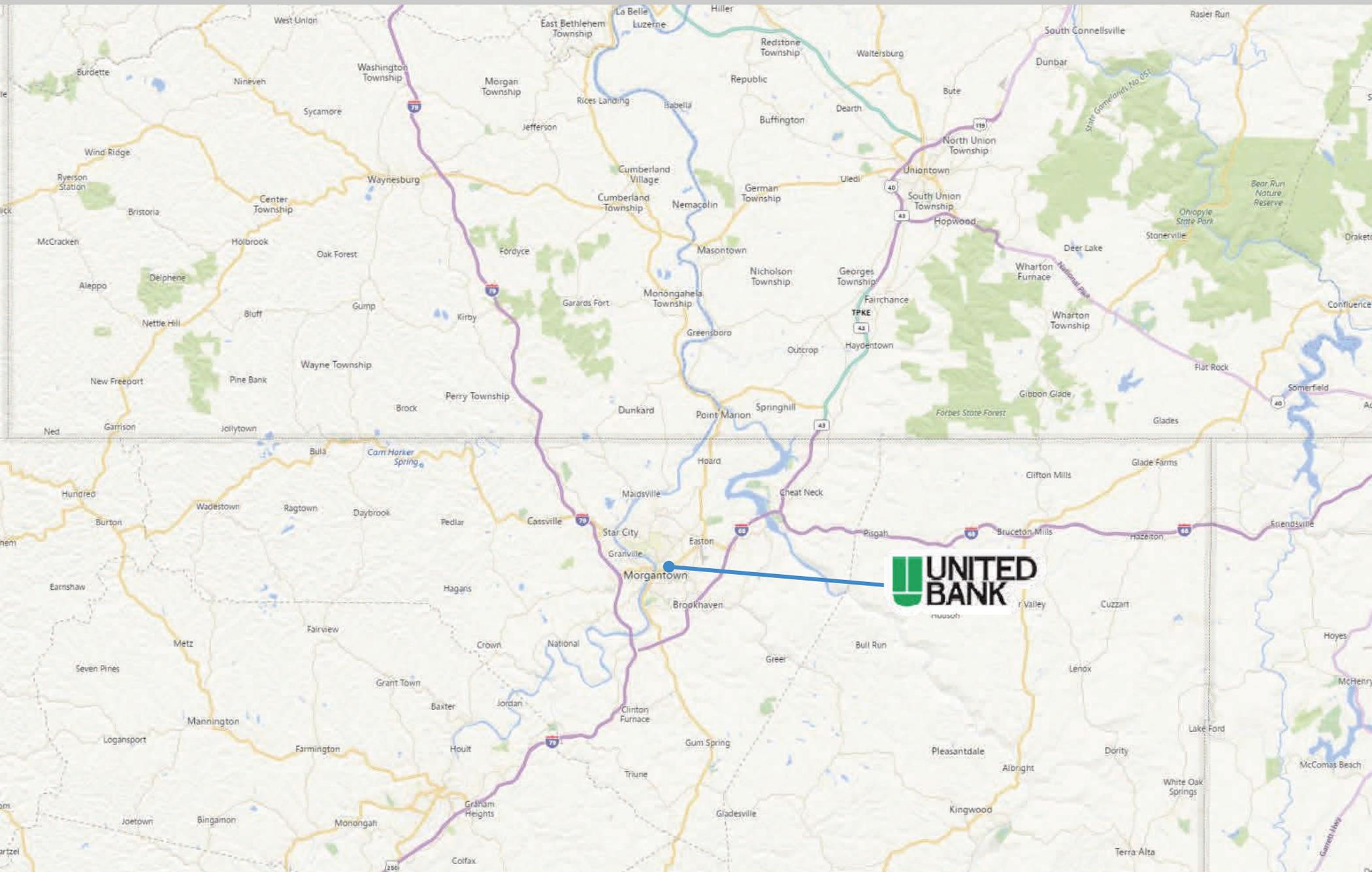
Market Overview - Market Aerial



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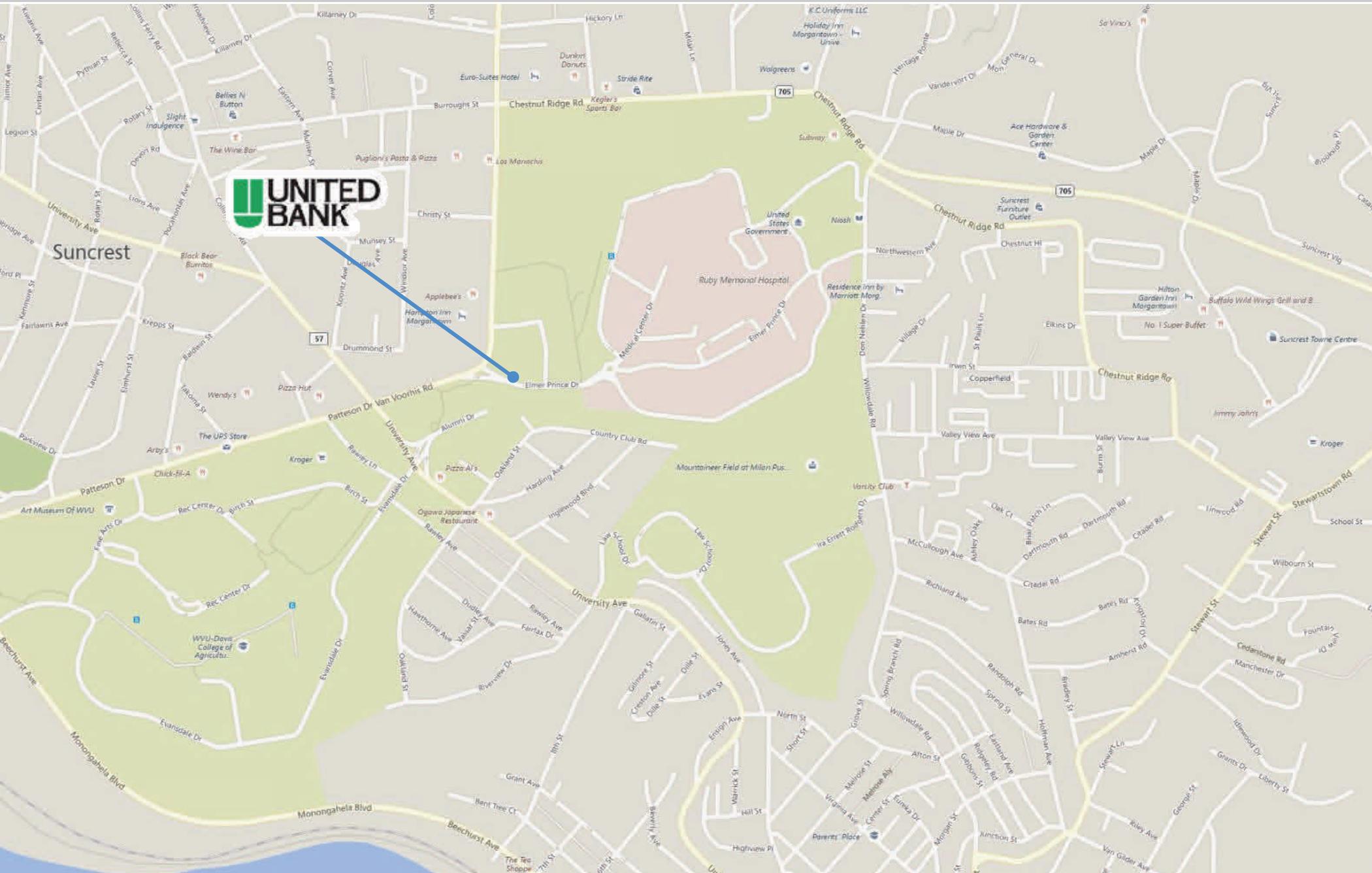
Market Overview - Regional Map



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Morgantown, West Virginia

Market Overview - Local Map



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Morgantown, West Virginia

Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
Population				
2016 Estimated Population	15,396	58,233	77,223	91,599
2021 Projected Population	16,186	61,287	81,678	97,131
2010 Census Population	14,041	53,758	71,076	84,086
2000 Census Population	9,787	44,419	57,696	69,652
Projected Annual Growth 2016-2021	5.13%	5.25%	5.77%	6.04%
Historical Annual Growth 2000-2016	57.31%	31.10%	33.84%	31.51%
Households				
2016 Estimated Households	6,703	25,376	32,768	38,509
2021 Projected Households	7,129	26,863	34,829	40,993
2010 Census Households	5,958	23,196	29,896	35,096
2000 Census Households	4,944	19,205	24,541	29,255
Projected Annual Growth 2016-2021	6.36%	5.86%	6.29%	6.45%
Historical Annual Growth 2000-2016	35.58%	32.13%	33.53%	31.63%
Age (2016)				
Est. Population Under 10 Years	7.5%	9.1%	10.0%	10.1%
Est. Population 10-19	13.8%	11.5%	11.4%	11.7%
Est. Population 20-30	45.1%	37.1%	31.1%	27.9%
Est. Population 30-44	16.9%	19.5%	20.4%	19.9%
Est. Population 45-59	7.1%	10.4%	13.0%	14.5%
Est. Population 60-74	6.2%	8.8%	10.3%	11.6%
Est. Population 75 Years or Over	3.4%	3.7%	3.8%	4.2%
Income (2016)				
Est. HH Inc \$200,000 or more	4.0%	3.6%	3.5%	4.0%
Est. HH Inc \$150,000 to \$199,999	3.3%	4.2%	4.8%	5.1%
Est. HH Inc \$100,000 to \$149,999	9.9%	10.5%	11.8%	12.4%
Est. HH Inc \$75,000 to \$99,999	9.5%	10.3%	10.7%	11.4%
Est. HH Inc \$50,000 to \$74,999	15.9%	15.9%	16.6%	16.7%
Est. HH Inc \$35,000 to \$49,999	12.8%	13.0%	12.7%	12.3%
Est. HH Inc \$25,000 to \$34,999	10.5%	9.7%	9.5%	9.3%
Est. HH Inc \$15,000 to \$24,999	12.3%	11.5%	11.1%	10.7%
Est. HH Inc Under \$15,000	21.8%	21.4%	19.3%	18.0%
Est. Average Household Income	\$62,939	\$62,627	\$65,417	\$69,008
Est. Median Household Income	\$41,521	\$43,216	\$46,852	\$49,574
Est. Per Capita Income	\$27,400	\$27,291	\$27,759	\$29,011

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Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
Education (2016)				
Est Pop Age 25+ by Educ Attain.	7,058	31,107	44,484	54,517
Less than 9th grade	2.3%	2.9%	2.8%	2.8%
Some High School, no diploma	2.5%	4.2%	4.9%	5.5%
High School Graduate (or GED)	16.7%	24.7%	27.0%	28.0%
Some College, no degree	14.5%	17.5%	17.7%	17.6%
Associate Degree	4.9%	4.3%	4.6%	4.5%
Bachelor's Degree	29.2%	23.9%	22.5%	21.7%
Graduate Degree	29.9%	22.5%	20.6%	19.8%
Housing (2016)				
Est. Total Housing Units	7,112	27,394	35,265	41,515
Est. Owner-Occupied	29.1%	37.0%	43.8%	48.2%
Est. Renter-Occupied	65.1%	55.6%	49.1%	44.6%
Est. Vacant Housing Units	5.8%	7.4%	7.1%	7.2%
Homes Built by Year (ACS)				
Homes Built 2005 Or Later	1.6%	1.9%	2.1%	2.4%
Homes Built 2000 To 2004	20.9%	19.1%	19.9%	19.3%
Homes Built 1990 To 1999	15.6%	12.8%	14.4%	15.1%
Homes Built 1980 To 1989	13.1%	10.1%	11.6%	11.9%
Homes Built 1970 To 1979	14.8%	13.0%	13.8%	14.1%
Homes Built 1960 To 1969	10.8%	10.5%	9.6%	9.0%
Homes Built 1950 To 1959	9.4%	9.2%	8.1%	7.9%
Homes Built 1940 To 1949	5.1%	6.9%	5.9%	5.7%
Homes Built 1939 Or Earlier	8.7%	16.5%	14.6%	14.5%
Housing (2016)				
Home Value \$1,000,000 or more	1%	0%	0%	1%
Home Value \$500,000 to \$999,999	5%	3%	3%	4%
Home Value \$400,000 to \$499,999	5%	3%	3%	4%
Home Value \$300,000 to \$399,999	11%	8%	8%	9%
Home Value \$200,000 to \$299,999	28%	23%	22%	22%
Home Value \$150,000 to \$199,999	26%	23%	21%	19%
Home Value \$100,000 to \$149,999	12%	17%	17%	17%
Home Value \$70,000 to \$99,999	5%	8%	7%	8%
Home Value \$50,000 to \$69,999	2%	3%	4%	4%
Home Value \$25,000 to \$49,999	2%	3%	4%	4%
Home Value Under \$25,000	3%	8%	10%	10%
Median Housing Unit Value	\$198,291	\$171,902	\$169,016	\$169,626

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Market Overview - Demographics

	1 mi	3 mi	5 mi	7 mi
Labor Force (2016)				
Est Pop Age 16+ by Employ. Status	13,865	50,819	66,145	77,874
Labor Force	56.3%	57.9%	59.2%	59.9%
In Armed Forces	0.0%	0.1%	0.1%	0.1%
Civilian, Employed	51.9%	53.8%	55.3%	56.2%
Civilian, Unemployed	4.4%	4.1%	3.9%	3.7%
Not in Labor Force	43.7%	42.1%	40.8%	40.1%
Occupation (2016)				
Agr, forest, fish & hunt., min and const.	4.4%	5.7%	6.7%	7.7%
Manufacturing	6.9%	5.4%	6.3%	6.8%
Wholesale & retail trade	9.4%	12.4%	12.7%	12.6%
Transp. and warehousing, and utilities	1.3%	1.7%	2.3%	2.7%
Information	2.1%	2.3%	2.0%	2.0%
Fin, ins., real estate, rental & leasing	2.2%	2.9%	3.2%	3.2%
Prof, sci, manag, admin, & waste ms	11.8%	10.4%	10.1%	9.7%
Educational, health and social services	45.1%	38.5%	36.7%	36.5%
Arts, enter., rec., accom. & food services	12.5%	15.1%	13.4%	12.1%
Other services (except pub admin.)	1.8%	2.7%	3.2%	3.3%
Public Administration	2.4%	3.0%	3.3%	3.4%
Travel Time (ACS)				
14 Minutes or Less	56.0%	45.9%	40.6%	36.2%
15 to 29 Minutes	34.9%	38.3%	42.1%	44.5%
30 to 59 Minutes	7.5%	12.0%	13.5%	15.1%
60 Or More Minutes	1.7%	3.8%	3.9%	4.2%
Weekly Per Capita Consumer Expenditures				
Market Basket	\$51.45	\$50.71	\$50.71	\$50.97
Apparel and services	\$13.28	\$13.04	\$13.16	\$13.34
Transportation	\$67.47	\$66.35	\$67.24	\$68.23
Health Care	\$25.13	\$25.63	\$26.54	\$27.28
Entertainment	\$19.80	\$19.77	\$20.14	\$20.51