

Suncrest Corporate Center - Multi-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
www.goodmanrealestate.com

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Suncrest Corporate Center - Multi-Tenant Office Building

Morgantown, West Virginia

The Property - Investment Summary

Property	Suncrest Corporate Center
Address	430 Drummond Street Morgantown, WV 26505
Traffic Counts	34,556 ADT
Tenants	<ul style="list-style-type: none">• Wells Fargo Advisors (NYSE: WFC)• Mid-Atlantic Technology, Research & Innovation Center (MATRIC)• Milan Puskar Trust
Location	West Virginia University Campus
Property Type	Multi-Tenant Office - Class A
Market	Morgantown-Fairmont CSA
Population	194,918
Rentable Area	12,000 Square Feet
Number of Floors	2 Floors
Lot Size	1.34 acres
Parking	Surface Parking: 40+ Spaces
Roof	Asphalt Shingle
Building Structure	Class A - Brick Building
Average Base Rent	\$21.67 Per Square Foot
Net Operating Income	\$175,950.77
Cap Rate	8%
Pricing	\$2,199,000



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The Property - Property Description

Investment Highlights

- Trophy Office Building Located at Entrance to West Virginia University
- Excellent Visibility at Signalized Intersection with Over 34,000 Vehicles Per Day
- Walking Distance to West Virginia University (Directly Across Street), with Total Enrollment of 31,500 Students and 7,654 Employees
- 100% Occupied With Strong Tenant History
- Generational Quality Location - Class A, Multi-Tenant Office Building (12,000 SF)
- Attractive and Modern Office Building Located at Gateway to West Virginia University
- All Brick Structure with Elevator Access

Property Description

For sale to qualified investors is the 100% fee-simple interest in a rare and exciting opportunity to own the Suncrest Corporate Center in the heart of Morgantown, West Virginia. The property is a modern, multi-tenant, Class A office building located directly across the street from West Virginia University, WVU Medicine and the Ruby Memorial Hospital. With its WVU-shaped corner hedges, this building is a focal point in Morgantown and the WVU campus. Additionally, the all-brick building is situated at a heavily trafficked signalized intersection with over 34,556 vehicles per day. Notable office tenants surrounding the property include West Virginia University, Monongalia County Health Department, United Bank, 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. Acquisition of this asset allows an investor to benefit from a trophy office location featuring a local landmark in the WVU shrubbery, while bordering the largest public and private employers in the state.



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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Morgantown, West Virginia

The Property - Property Photos



Suncrest Corporate Center - Multi-Tenant Office Building

Morgantown, West Virginia

Performance & Tenancy - NOI Budget

INCOME

Occupancy: 100%

Base Rental Income

Space Tenant	Size (SF)	Annual Rent	PSF
1 Wells Fargo	6,000	\$132,000.00	\$22.00
2 MATRIC	3,332	\$76,635.96	\$23.00
3 Puskar Trust	2,668	\$53,360.04	\$20.00
Total	12,000	\$261,996.00	\$21.67

Reimbursed Expenses

	2016 Actual
Wells Fargo CAM Recovery	\$11,508.31
Puskar Trust CAM Recovery	\$10,453.36
Total	\$21,961.67

Gross Rent (In-place)	\$261,996.00
Effective Gross Income	\$283,957.67

OPERATING EXPENSES

	2016 Actual*
Alarm and Security	\$1,383.04
B & O Tax	\$2,643.00
Cleaning Contract	\$14,240.91
Electric	\$13,557.31
Elevator	\$3,757.20
Fire Service Fee	\$431.53
Grounds Service	\$12,926.76
HVAC Maintenance	\$415.52
Insurance	\$4,050.00
Maintenance and Repairs	\$7,636.21
Pest Control	\$636.00
Real Estate Taxes	\$20,115.48
Snow Removal	\$10,070.00
Water	\$1,152.03
Trash Removal	\$2,207.14
Window Cleaning	\$1,886.80
Management (4%)	\$10,897.97
Total	\$108,006.90

	Total Operating Expenses	\$108,006.90
	Net Operating Income (NOI)	\$175,950.77
	Price at 8% Cap Rate	\$2,199,384.57

*adjustment made to management fees and personnel

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Morgantown, West Virginia

Performance & Tenancy - Rent Roll

Tenant Name	Square		Lease Term		Rental Rates			Recovery	
	Feet	Pro-rata	Begin	End	Begin	Annually	PSF	Type	Comments/Options
Wells Fargo Advisors	6,000	50%	Sept-2008	Aug-2018	Current	\$132,000	\$22.00	Modified Gross	<p>Tenant is leasing the building on a modified gross basis and reimburses Landlord for all real estate taxes, insurance premium and common area maintenance over an annual expense stop of \$8.50 per square foot.</p> <p>Options: Two 3-year options. Rent during the option periods shall be fixed at an annual rent equal to Fair Market Rent. Tenant must give Landlord written notice 180 days prior to the expiration of current lease.</p>
MATRIC	3,332	27.7%	Sept-2010	Dec-2017	Current	\$76,635.96	\$23.00	Gross	<p>Options: One 3-year option. Tenant must give Landlord written notice 180 days prior to the expiration of current lease.</p>
Milan Puskar Trust	2,668	22.3%	Feb-2013	Jan-2018	Current	\$53,360.04	\$20.00	Modified Gross	<p>Tenant is leasing the building on a modified gross basis and reimburses Landlord for all real estate taxes, insurance premium and common area maintenance over an annual expense stop of \$6.50 per square foot.</p> <p>Options: Two 5-year options. Rent during the option period shall be equal to the cumulative increase of the Consumer Price Index during the original term of the lease multiplied by the rental rate of the original lease. Tenant must give Landlord written notice 180 days prior to the expiration of current lease.</p>

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Performance & Tenancy - Tenant Information



Wells Fargo Advisors is a subsidiary of Well Fargo (NYSE: WFC), located in St. Louis, Missouri. The subsidiary was formerly known as Wachovia Securities until May 1, 2009, when it legally changed names following the Wells Fargo acquisition of Wachovia Corporation. Currently, Wells Fargo Advisors is the second largest brokerage firm in the United States with \$1.5 trillion retail client assets under management. They are regarded as one of the nation's premier financial services firms with more than 15,000 Financial Advisors in all 50 states. Driven by a strong commitment to service, they help their clients succeed financially with investment planning and advice to help obtain their life needs and financial goals. A few of the many services they offer include: advisory services, asset management, brokerage services, estate planning strategies, portfolio analysis and retirement planning.



MATRIC (Mid-Atlantic Technology, Research & Innovation Center) is a not-for-profit market driven research company based in South Charleston, West Virginia. In 2001, the Dow Chemical Company acquired Union Carbide and moved much of its research and development to areas such as Michigan and Texas, resulting in more than 150 doctorate level researchers and approximately 900 other degree staff members released following the merger. Under the creative leadership of Dr. George Keller and other business leaders, this concern generated a vision for MATRIC, a multi-disciplinary available in the geographical area. From its inception in 2003, MATRIC's purpose has been to extend the history of innovation that occurred in West Virginia's Chemical Valley. Today, MATRIC is a strategic innovation partner to industry, employing nearly 100 people in two offices in South Charleston and Morgantown, West Virginia, and serving customers on six continents.

Milan Puskar
TRUST

The Milan Puskar Trust is the sole owner of Metaxxa, LLC (the Suncrest Corporate Center) and utilizes office space at this location to manage the business affairs of the Trust.

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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

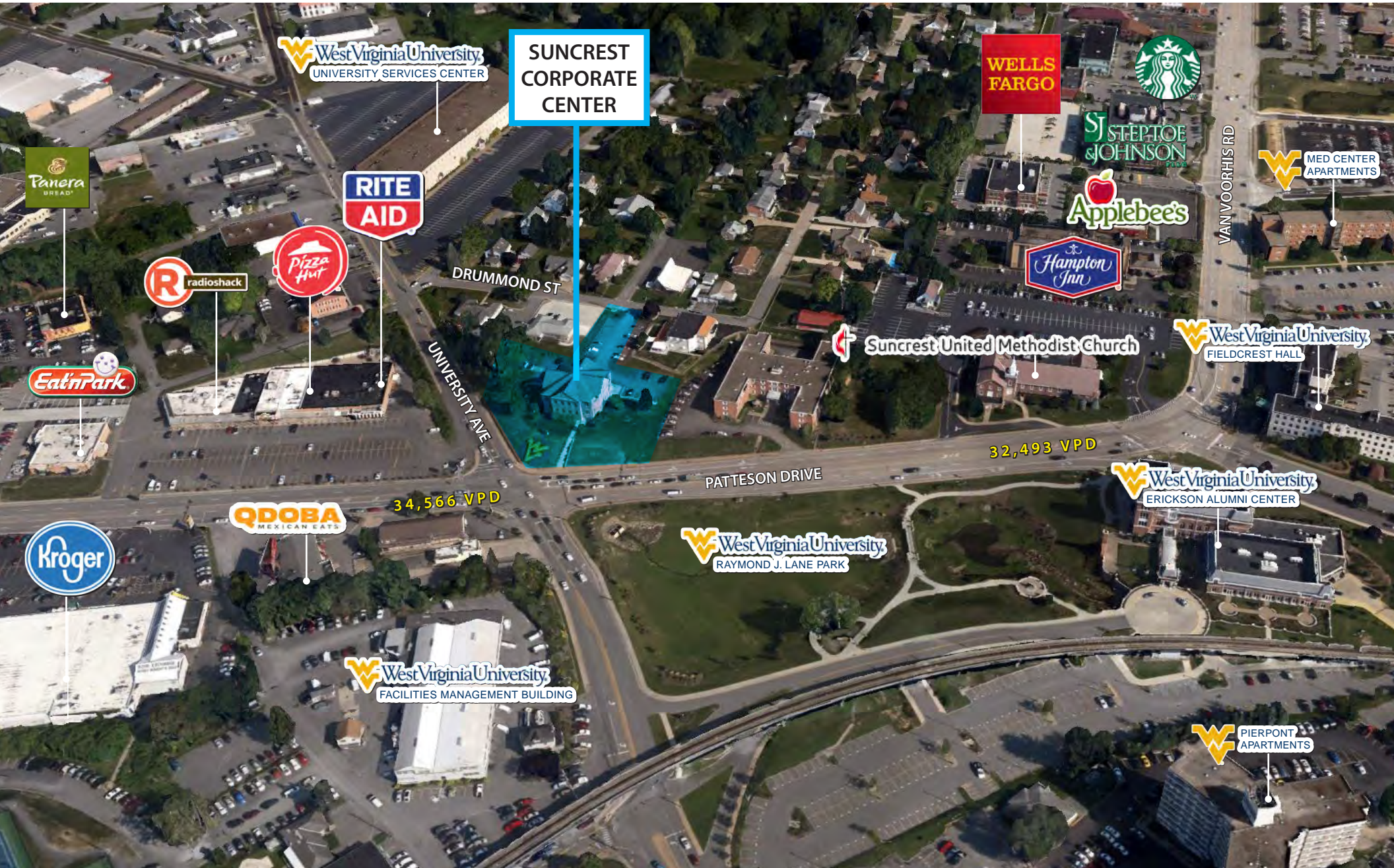


- WVU ranks nationally for prestigious scholarships, including: 25 Rhodes Scholars, 22 Truman Scholars, 42 Goldwater Scholars, 5 USA Today All-USA College Academic First Team Members
- 85% of full-time instructional faculty hold the highest academic degree in their field
- WVU Medicine is West Virginia's 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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Morgantown, West Virginia

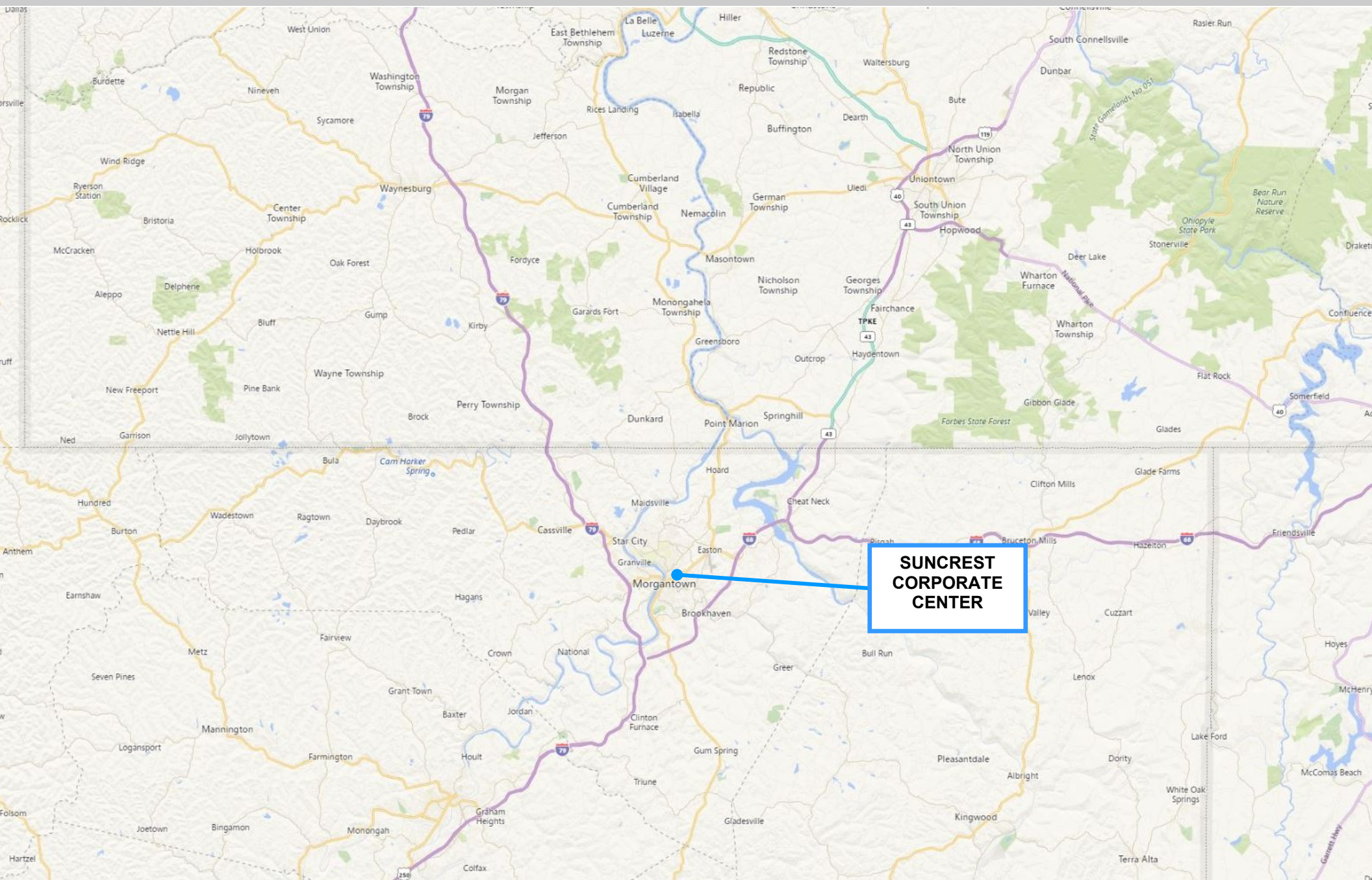
Market Overview - Market Aerial



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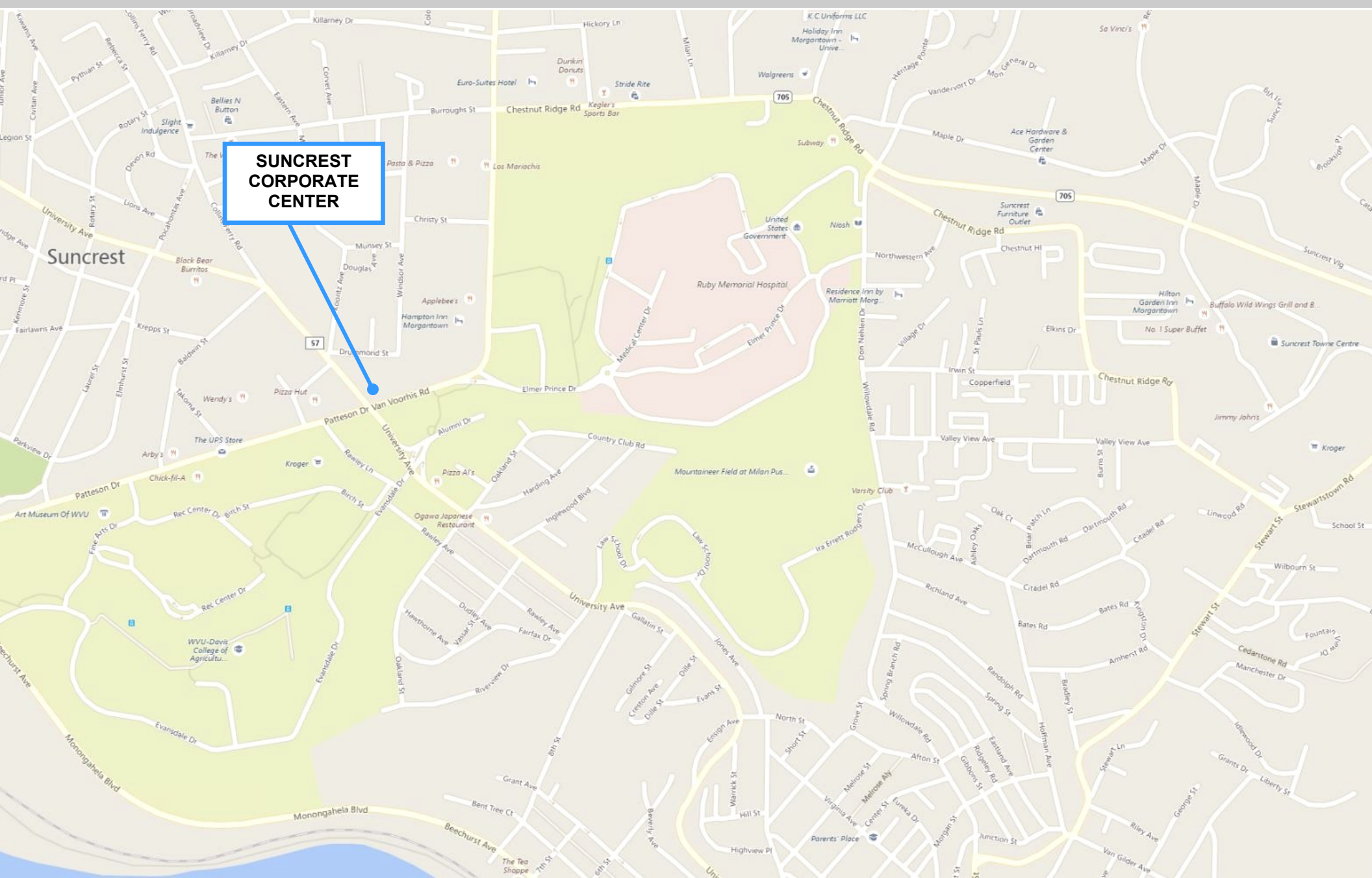
Market Overview - Regional Map



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Market Overview - Local Map



Suncrest Corporate Center - Multi-Tenant Office Building

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