CALKAIN
AMERICA'S NET LEASE COMPANY®

EXCLUSIVE LISTING
Offering Memorandum

Sycolin Corner Retail (& Kiddie Academy) | Leesburg, VA

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Financial Summary

400-416 Sycolin Road SE | Leesburg, VA 20175

Asking Price $6,500,000 | Cap Rate 7.00%

Net Operating Income (NOI)	$455,263
Cash Flow/Month	$37,939
Rentable Square Feet	13,837+/- SF
Land Area	3.34+/- Acres
Ownership Type	Fee Simple
Lease Type	NN
Landlord Responsibilities	CapEx and Mgmt
Guarantee	Personal
Year Built	2010
Increases	3% Annually

Investment Highlights

- 100% leased and stabilized asset
- Anchored by 9,300 SF Kiddie Academy, leased through 1/2026
- Co-located with neighborhood Walgreens
- Attractive lease structures with rent growth
- Located in Loudoun County (Washington, DC MSA). Loudoun County has the highest median household income in the United States.
- Strong demographics - avg HH income $150K+ within 5 miles

Rent Schedule

Tenant Name	SF	2018 Annual Base Rent	Rent/SF	Annual Increases	Lease Commencement	Lease Expiration	Options
Kiddie Academy	9,300	$346,849	$37.30	3%	1/16/2011	1/16/2026	2 - 5yr
Sandy Nails & Spa	1,450	$53,941	$37.20	3%	1/1/2011	12/31/2020	1 - 5yr
Hunan Cafe	1,426	$51,592	$36.18	3%	11/1/2010	10/31/2020	2 - 5yr
Sycolin Cleaners	1,661	$53,027	$31.92	3%	11/14/2011	11/13/2021	1 - 5yr
Total	**13,837**	**$505,409**					

Tenant Overview

Kiddie Academy

Annual Rent	$346,849
Rentable SF	9,300 +/-
Rent Increases	3% Annually
Rent Per SF	$37.20
Lease Expiration	Jan 16, 2026
Options	2, 5 Year

Sandy Nails & Spa

Annual Rent	$53,941
Rentable SF	1,450 +/-
Rent Increases	3% Annually
Rent Per SF	$37.20
Lease Expiration	Dec 31, 2020
Options	1, 5 Year

Hunan Cafe

Annual Rent	$51,592
Rentable SF	1,426 +/-
Rent Increases	3% Annually
Rent Per SF	$36.18
Lease Expiration	Oct 31, 2020
Options	2, 5 Year

Sycolin Cleaners

Annual Rent	$53,027
Rentable SF	1,661 +/-
Rent Increases	3% Annually
Rent Per SF	$31.92
Lease Expiration	Feb 28, 2022
Options	1, 5 Year

Tenant Overview

Cash Flow Pro-Forma Sycolin Center

Mar, 2018 through Feb, 2029

For the Years Ending	Forecast Year 1 Feb-2019	Forecast Year 2 Feb-2020	Forecast Year 3 Feb-2021	Forecast Year 4 Feb-2022	Forecast Year 5 Feb-2023	Forecast Year 6 Feb-2024	Forecast Year 7 Feb-2025	Forecast Year 8 Feb-2026	Forecast Year 9 Feb-2027	Forecast Year 10 Feb-2028	Forecast Year 11 Feb-2029	Forecast Total
RENTAL REVENUE												
Potential Base Rent	505,409	520,571	531,397	541,677	552,693	564,404	576,467	573,922	561,469	562,345	562,345	6,052,698
Absorption & Turnover Vacancy	0	0	-14,961	-6,904	0	0	0	-47,820	-18,225	0	0	-87,910
Scheduled Base Rent	505,409	520,571	516,436	534,773	552,693	564,404	576,467	526,103	543,243	562,345	562,345	5,964,788
Total Rental Revenue	**505,409**	**520,571**	**516,436**	**534,773**	**552,693**	**564,404**	**576,467**	**526,103**	**543,243**	**562,345**	**562,345**	**5,964,788**
OTHER TENANT REVENUE												
Total Expense Recoveries	128,828	131,806	130,057	135,805	140,895	144,995	148,276	135,734	148,256	158,399	161,639	1,564,691
Total Other Tenant Revenue	128,828	131,806	130,057	135,805	140,895	144,995	148,276	135,734	148,256	158,399	161,639	1,564,691
Total Tenant Revenue	**634,237**	**652,377**	**646,493**	**670,577**	**693,588**	**709,400**	**724,743**	**661,837**	**691,499**	**720,744**	**723,984**	**7,529,479**
OTHER REVENUE												
Deferred Rent	-16,000	24,480	4,162	0	0	0	0	0	0	0	0	12,642
Total Other Revenue	-16,000	24,480	4,162	0	0	0	0	0	0	0	0	12,642
Potential Gross Revenue	**618,237**	**676,857**	**650,655**	**670,577**	**693,588**	**709,400**	**724,743**	**661,837**	**691,499**	**720,744**	**723,984**	**7,542,120**
VACANCY & CREDIT LOSS												
Vacancy Allowance	-30,912	-33,843	-22,484	-29,581	-34,679	-35,470	-36,237	-30,754	-23,851	-36,037	-36,199	-350,048
Total Vacancy & Credit Loss	**-30,912**	**-33,843**	**-22,484**	**-29,581**	**-34,679**	**-35,470**	**-36,237**	**-30,754**	**-23,851**	**-36,037**	**-36,199**	-350,048
Effective Gross Revenue	**587,325**	**643,014**	**628,171**	**640,996**	**658,909**	**673,930**	**688,506**	**631,082**	**667,648**	**684,706**	**687,785**	**7,192,072**
OPERATING EXPENSES												
Common Area Maintainence-SOA	32,000	32,640	33,293	33,959	34,638	35,331	36,037	36,758	37,493	38,243	39,008	389,399
Insurance	7,900	8,058	8,219	8,384	8,551	8,722	8,897	9,075	9,256	9,441	9,630	96,133
Management Fees	15,162	15,617	15,493	16,043	16,581	16,932	17,294	15,783	16,297	16,870	16,870	178,944
Real Estate Taxes	77,000	78,540	80,111	81,713	83,347	85,014	86,715	88,449	90,218	92,022	93,863	936,991
Total Operating Expenses	**132,062**	**134,855**	**137,116**	**140,098**	**143,117**	**145,999**	**148,942**	**150,064**	**153,264**	**156,577**	**159,371**	**1,601,466**
NET OPERATING INCOME	**455,263**	**508,159**	**491,055**	**500,898**	**515,792**	**527,931**	**539,563**	**481,018**	**514,384**	**528,130**	**528,414**	**5,590,606**

Site Photos


SANDY NAILS & SPA
HUNAN CAFE
CLEANERS
OPEN


CLEANERS
CLEANERS


SANDY NAILS & SPA
HUNAN CAFE
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OPEN

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Sycolin Corner Retail | Leesburg, VA
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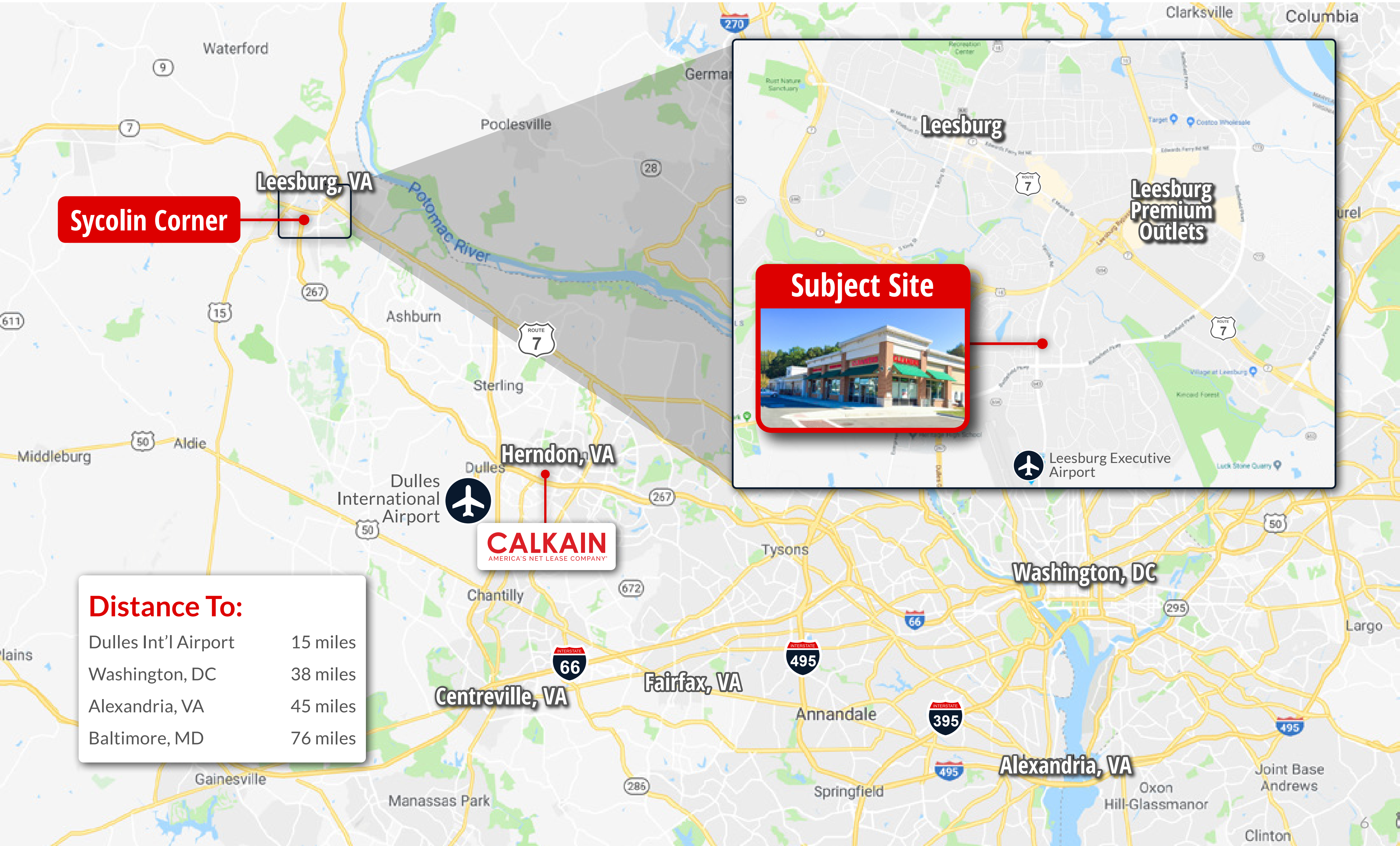
Location Overview



Distance To:

Dulles Int'l Airport	15 miles
Washington, DC	38 miles
Alexandria, VA	45 miles
Baltimore, MD	76 miles

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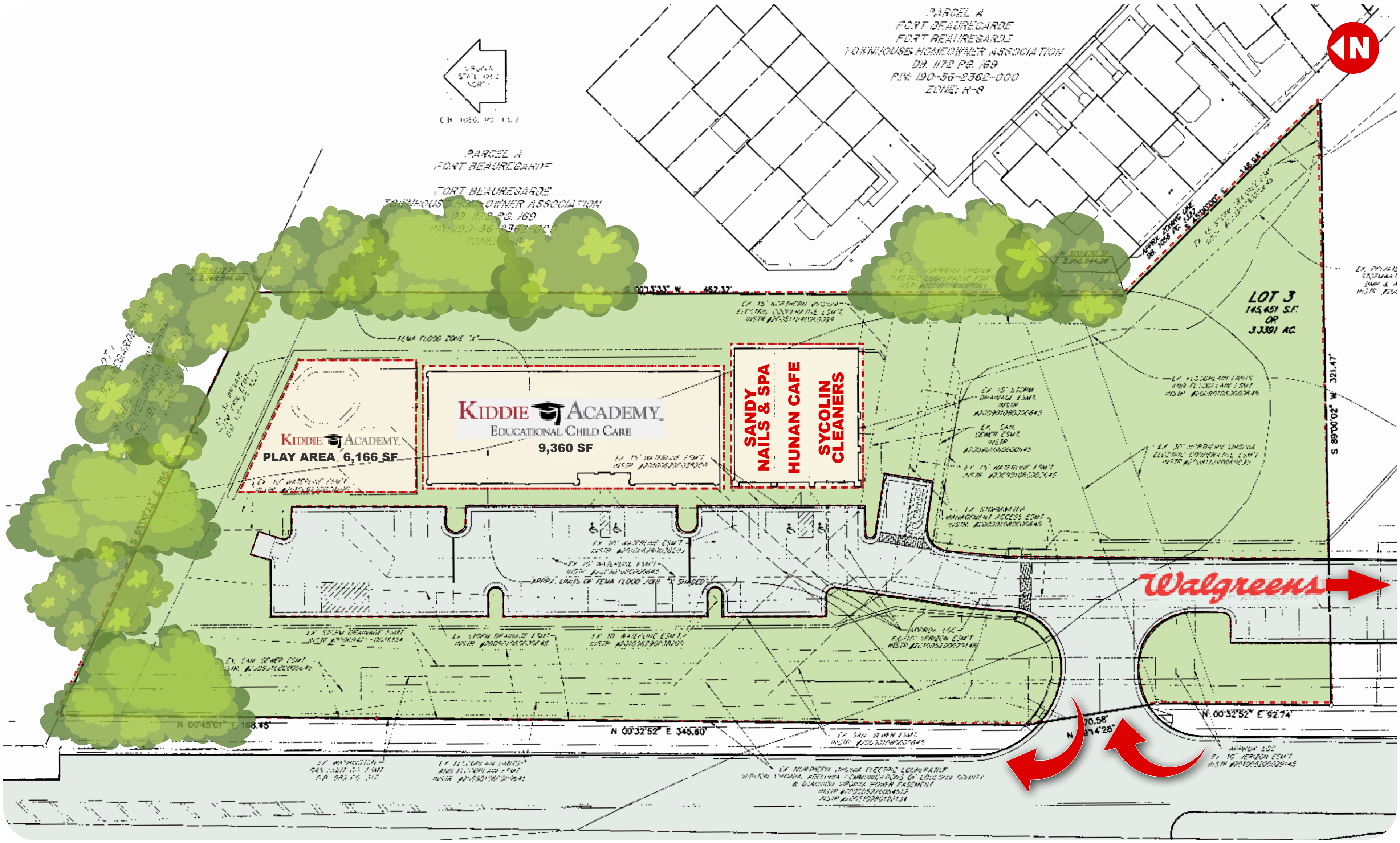
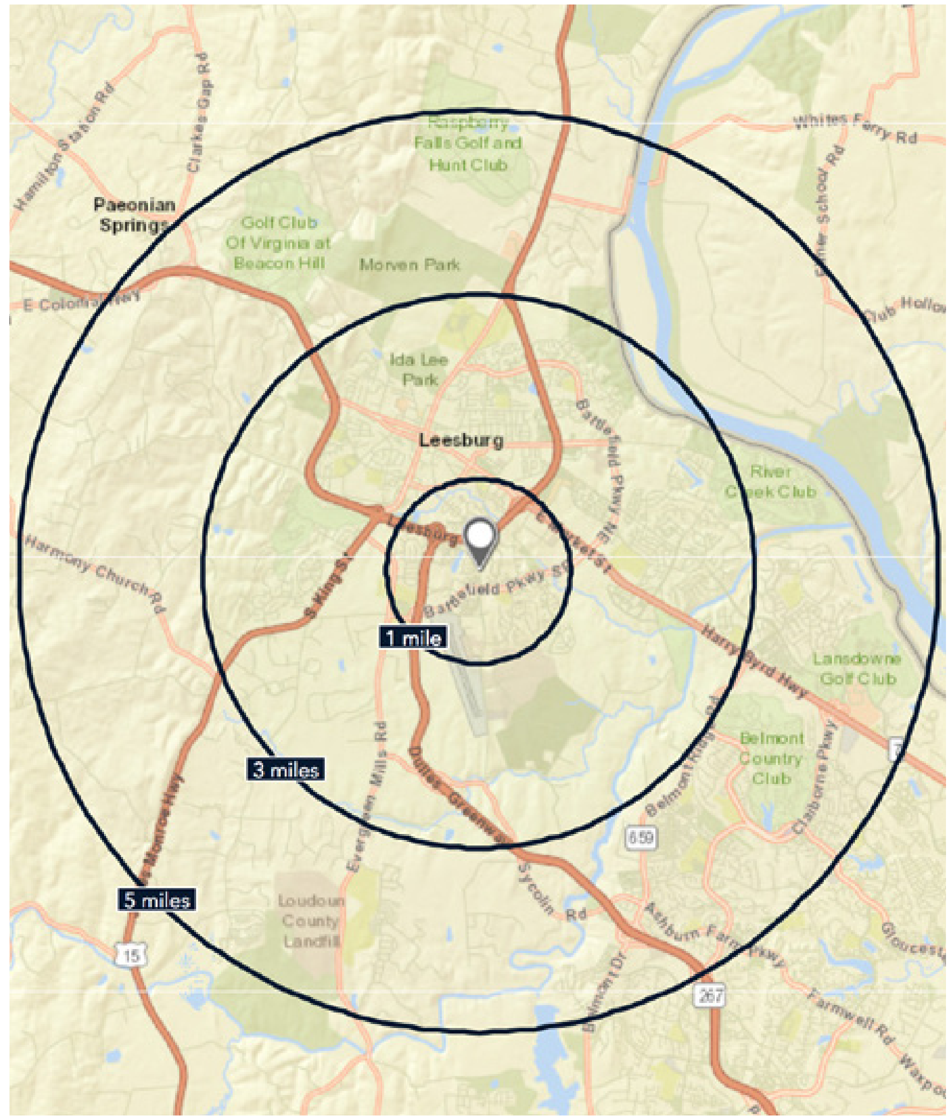
Site Plan


N
KIDDIE ACADEMY
PLAY AREA 6,166 SF
KIDDIE ACADEMY
EDUCATIONAL CHILD CARE
9,360 SF
SANDY NAILS & SPA
HUNAN CAFE
SYCOLIN CLEANERS
Walgreens
LOT 3
PARCEL A
FORT BEAUREGARDE

Demographics

Radius	1 Mile	3 Miles	5 Miles
Population			
2017 Population	11,134	56,828	106,032
2022 Population	12,775	63,889	120,586
2010-2017 Annual Rate	1.75%	1.32%	1.89%
2017-2022 Annual Rate	2.79%	2.37%	2.61%
2017 Male Population	49.3%	49.3%	49.0%
2017 Female Population	50.7%	50.7%	51.0%
2017 Median Age	34.3	34.7	35.9
Households			
2017 Total Households	4,062	18,745	35,320
2022 Total Households	4,675	21,070	40,110
2010-2017 Annual Rate	1.86%	1.31%	1.82%
2017-2022 Annual Rate	2.85%	2.37%	2.58%
2017 Average Household Size	2.68	3.00	2.98
Median Household Income			
2017 Median Household Income	$99,672	$109,762	$123,798
2022 Median Household Income	$107,605	$119,903	$138,215
2017-2022 Annual Rate	1.54%	1.78%	2.23%
Average Household Income			
2017 Average Household Income	$124,273	$133,950	$152,664
2022 Average Household Income	$142,287	$152,826	$173,349
2017-2022 Annual Rate	2.74%	2.67%	2.57%
Per Capita Income			
2017 Per Capita Income	$44,841	$44,806	$51,221
2022 Per Capita Income	$51,312	$51,034	$58,011
2017-2022 Annual Rate	2.73%	2.64%	2.52%



Demographics | 3 Mile Radius

KEY FACTS

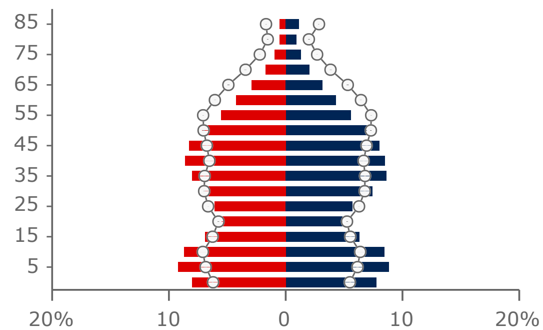
56,828
Population

34.7
Median Age

3.0
Average Household Size

$109,762
Median Household Income

AGE PYRAMID



The largest group:
2017 Males Age 5-9

The smallest group:
2017 Males Age 85+

Dots show comparison to Montgomery County

INCOME

$109,762
Median Household Income

$44,806
Per Capita Income

$283,480
Median Net Worth

BUSINESS

2,303
Total Businesses

29,232
Total Employees

EMPLOYMENT

White Collar 74%

Blue Collar 12%

Services 14%

2.9%
Unemployment Rate

BUSINESSES

19
Comms (SIC)

237
Finance/Real Estate (SIC)

48
Banks (SIC)

38
Securities Broker (SIC)

45
Insurance (SIC)

Market Overview

Leesburg, VA

Leesburg is a historic town within and the county seat of Loudoun County, Virginia. Leesburg is 33 miles west-northwest of Washington, D.C. along the base of Catoctin Mountain and adjacent to the Potomac River. Its population according to the 2014 Census is 49,496. The town is also the northwestern terminus of the Dulles Greenway, a private toll road that connects to the Dulles Toll Road at Washington Dulles International Airport.

Leesburg, like the rest of Loudoun, has undergone considerable growth and development over the last 30 years, transforming from a small, rural, piedmont town to a suburban bedroom community for commuters to the national capital. Growth in the town and its immediate area to the east (Lansdowne/Ashburn) concentrates along the Dulles Greenway and State Route 7, which roughly parallels the Potomac River between Winchester to the west and Alexandria to the east.

The Federal Aviation Administration's Washington Air Route Traffic Control Center is in Leesburg.


The historic Leesburg courthouse

Leesburg
the hometown of the 21st century

Downtown Leesburg, VA

In The News

Department of Economic Development Announces Record-Breaking Year

The Loudoun Tribune
News • Analysis • Opinion

Loudoun Economic Development Executive Director Buddy Rizer (center) speaks before the county business community at the FY17 Annual Report Reveal July 27 at Selma Mansion in Leesburg. Rizer is joined on the balcony by Supervisor Suzanne Volpe (left) and "Loudoun County Virginia: Preserving Tradition, Embracing Innovation" photographer David Galen (right) and author Dusty Smith (far right).

Fiscal year 2017 was one of tremendous growth, according to the Loudoun County Department of Economic Development.

The DED revealed some of the FY2017 report findings at an event July 27 at the Selma Mansion in Leesburg. Guests received a summary of the report as well as a book commissioned by the DED to tell Loudoun's story.

"In what other county can we be the data center capital of the world but then have the incredible beauty that we see here tonight, and the rich history we have in our county?" Supervisor Suzanne Volpe (R-Algonkian) said. "We need to cherish our heritage while being innovative."

According to the annual report, the DED worked with more than 100 businesses that moved to or expanded in the county between July 1, 2016 and June 30, 2017. Those businesses invested a combined total of $3.3 billion in Loudoun, bringing the department's three-year total to more than $7.2 billion in new, announced commercial investment. This is the largest amount of business investments in the country for counties Loudoun's size, DED Executive Director Buddy Rizer said.

This is the department's third record-breaking year in a row, following $1.6 billion in FY15 and $2.3 billion in FY16.

The companies that moved to or expanded in Loudoun in FY17 are from a wide range of industries, which include cyber security, health IT, aviation and aerospace, data centers, craft beverage producers and IT organizations of many kinds.

Over the last three years, Loudoun has attracted more than $7.2 billion in

investment and 10,000 new jobs, Rizer said. Rizer credited Loudoun's diverse economy, which encompasses the technologically advanced like data centers as well as a large rural component.

"It's that diversity in our economy that sets us up for the future and it's easy for us to take for granted the success we've had in Loudoun County but we should never take that for granted. It comes from all of our hard work," Rizer said.

Rizer also said the economic success of the county comes from inter-departmental cooperation, specifically citing the Board of Supervisors. He said the Board has made it easy to do business in Loudoun and by working to create a supportive, welcoming environment, the county has prospered. He also cited the County's Attorney's Office, Department of Planning and Zoning, County Administrator Tim Hemstreet and all county staff.

"If all of us do work together, if all of us work to create the right kind of environment, it is possible for us to go forward. It's possible for us to make the kind of economy we can be proud of in an environment that still remains very committed to what we grew up on in Loudoun County," Rizer said. "For me, when we all work together, anything can be Loudoun possible."

Sourse: www.loudountribune.com
July 28, 2017

About Calkain

Who Are We?

Calkain Companies LLC is a national commercial real estate firm that provides consulting and brokerage services to both private and institutional clientele with an expertise on triple net lease investments. We pride ourselves on being a world class leader by providing our clients a full array of commercial real estate investment brokerage and asset management solutions, including advisory, research, estate planning and wealth management.

We have built solid relationships throughout our decades of experience and innovation, implementing long-term allocation within the context of each client's particular risk tolerance and identifying how best to acquire and dispose of income producing properties for each entities' specific set of investment criterion. At Calkain, our foresight and past performance are leading the net lease investment industry.

Our History

Like most success stories, Calkain was formulated from humble beginnings. Jonathan W. Hipp, President and CEO, took the initiative to build upon his decades of experience and performance and left a large international brokerage firm to become an independent and innovative leader within the triple net lease investment community. Armed with a sole employee and a single office, the firm has grown exponentially since its infancy in 2005.

With the growth in staff, seasoned professionals have been attracted to Calkain's model of innovation, entrepreneurship and the fostering of long-lasting and meaningful relationships. Industry experts have joined Calkain in the hopes of implementing the skills they have honed in complementary aspects of real estate investment.

Through a tremendous endeavor, tireless hours have been committed to continually prove that Calkain is America's Net Lease Company®. Its countless accolades received from the world's leading business publications, including Forbes™, Fortune™ and the New York Times™ have confirmed that Calkain is a true leader in triple net lease investing services.

Client Testimonial

"USRA has worked with Calkain on numerous occasions. They have always been meticulous in their work ethic, providing superior service and extremely prompt attention to our needs. I highly recommend them.

- Jack Genende, Partner | U.S. Realty Advisors, LLC. (USRA)

$11.5 Billion
in Closed Transactions

$350 Million
in Active Listings

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