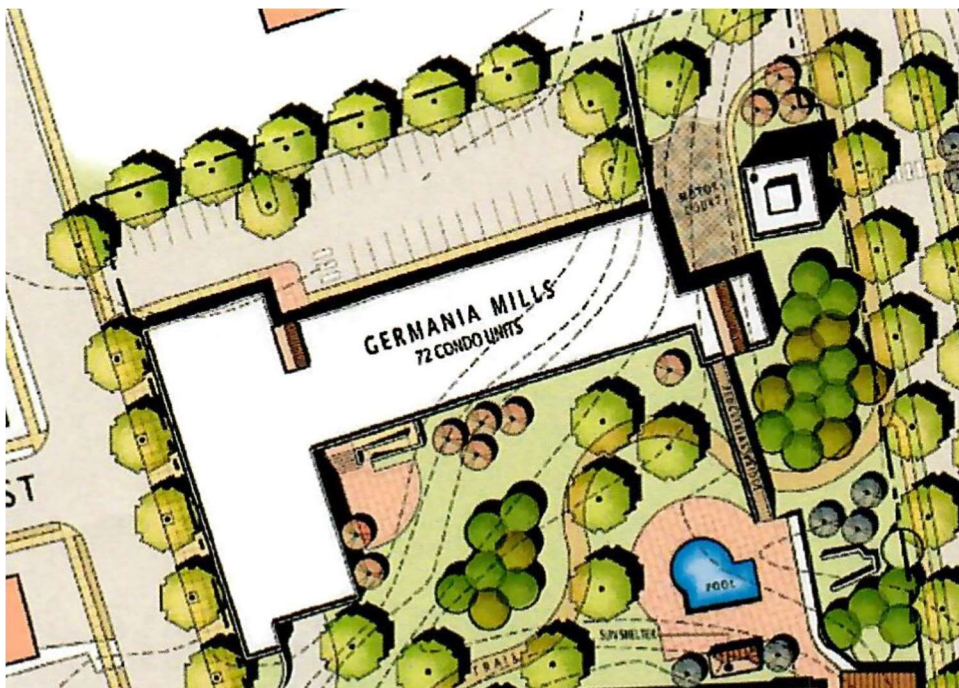


GERMANIA MILL in the MILL DISTRICT

1821 and 1901 Princess Anne Street; Fredericksburg, Virginia
(a Mixed-Use Development Project)



(Conceptual Renderings and Site Plan)

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(a Mixed-Use Development Project)

Offered By: [Note that this offering is being brought to market unpriced.]



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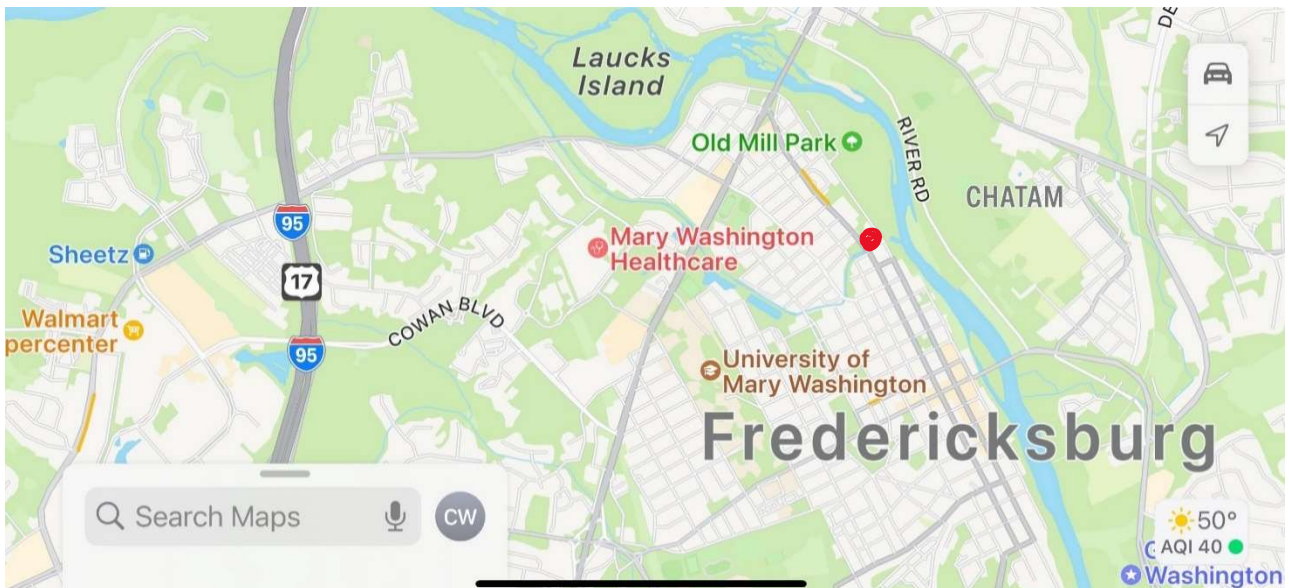
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I. Location (see red dot along the Rappahannock River)



II. Introduction / Executive Summary

Germania Mill in the Mill District is a mixed-use project to be developed and built on an assemblage comprised of four parcels of land containing approximately **1.35 acres**. The site is located on the Princess Anne Street Corridor seven blocks from the downtown core of Fredericksburg, 12 blocks from the Fredericksburg VRE/Amtrak train station, and mid-way between William Street/Business Route 3 and the Route 1 Corridor. Having views of the historic Rappahannock River, the site is also bordered on two sides by the multi-use Heritage Trail, a trail linking downtown Fredericksburg and Central Park, and forming a loop with the Canal Trail. One of the parcels is improved with an historic grain tower, built in the early 1900's, with a height of approximately 80 feet and a footprint of approximately 40 by 40 feet.

The approved residential density of the site is **70 units**, which can consist of either apartments and/or condominiums. Note that the total entitlement is 90 units, of which 70 units have been allocated by the owner/seller to the subject site. An amendment to the City Uniform Development Ordinance (UDO) is currently pending that may provide for bonus density. Initial conceptual site-planning and architectural drawings are available for the project.

Downtown Fredericksburg is currently undergoing its most significant transformation since Civil War Reconstruction, with pending and recently-completed public and private projects including:

- (i) Chatham Bridge (recently completed)
- (ii) Riverfront City Park (3.63 acres, recently completed with a budget of over \$6 million and additional improvements pending)
- (iii) William Square (84 apartment units recently completed, a 100-room hotel to be completed in the second quarter of 2024, and over 50,000 SF of commercial space)
- (iv) Liberty Place (43,000-SF commercial building; completed 2021)
- (v) Beannery/Frederick Street Lofts (18 condominium and townhome units, completed in 2021/2022)
- (vi) Janney-Marshall Building (12 apartments; recently completed)
- (vii) Riverview on Sophia Townhomes (13 townhomes, recently completed)
- (viii) Highlander Park Townhomes (91 townhomes, nearing sell-out)
- (ix) One Hanover (24 apartments/condominiums with 15,000-SF of retail, recently completed)

Capitalizing on its existing entitlements, views of the Rappahannock River, and centralized location on the Princess Anne Corridor, the primary gateway into downtown Fredericksburg, this development opportunity will continue this transformation and become known as a landmark project throughout the Fredericksburg Region and beyond.

III. Greater Fredericksburg MSA

Located on the Interstate 95 Corridor approximately 50 miles south of both Washington DC and sixth largest US metropolitan area surrounding the nation's capital, and 50 miles to the north of the Virginia State capital in Richmond, the Greater Fredericksburg area offers residents ideal accessibility to both of these cities via I-95. Comprised of four counties, the Fredericksburg metropolitan area has been designated as Virginia's fastest growing region for five consecutive years and is projected to maintain this designation for years to come. Greater Fredericksburg is home to a highly skilled and expanding workforce of more than one million residing within a 40-mile commute. The region is home to the nationally ranked University of Mary Washington and two esteemed community colleges, supplying a highly skilled and educated talent pool to the region's target industries of distribution and logistics, advanced manufacturing, and cybersecurity and technology.

IV. City of Fredericksburg

Situated along the Rappahannock River approximately two miles east of I-95, the City of Fredericksburg has a population of approximately 30,000 and is home to the University of Mary Washington (UMW), a nationally ranked institution founded in 1908. With its strategic positioning relative to both the nation's and Commonwealth capital and central location on I-95, Fredericksburg has attracted affluent demographics as shown by the \$423,000 median home sale price in 2023, approximately 10% above the national average. Fredericksburg and the UMW have been the recipients of multiple accolades in recent years to include being designated the Number 5 small town in the South and the second ranked city in the United States for seniors. Considered one of the outstanding liberal arts institutions in Virginia, UMW is the number one source of economic impact in Fredericksburg and the number two employer in the City. Having an enrollment of over 4,300 undergraduate and graduate students and 1,000 faculty members, UMW was founded in 1908 and acts as the major economic driver in the City of Fredericksburg. Additionally, Mary Washington Healthcare System is based in Fredericksburg and is the largest employer in the region with over 2,000 local employees.

V. Market Area Analysis

The City of Fredericksburg is located on the I-95 corridor in central Virginia midway between Washington, D.C., and the state capital, Richmond. The Rappahannock River borders the city on its northern side. The Fredericksburg Region is part of the Washington-Arlington-Alexandria Metropolitan Statistical Area (MSA), one of the nation's most stable markets. The Fredericksburg Region has been one of the fastest growing regions in both the state and the nation for the past thirty years. The area has highway, rail and water-based transportation available for industry and commerce and is located between three military bases, Quantico, Dahlgren and AP Hill. Numerous high-tech firms serve these bases, as well as many agencies of the federal and state government.

UMW's main campus is located in the center of Fredericksburg, along with Eagle Village, a mixed-use development near the university that contains a mix of retail, commercial and residential space. Mary Washington Hospital, the region's Level II trauma center, adjoins the Eagle Village development. The hospital campus, with an assortment of health care professional offices and services, drives significant transient corporate business and visiting friends and family. Military and government facilities in the region are another source of transient corporate clientele, including Marine Corps Base Quantico, the Dahlgren Naval Surface Warfare Center, and Fort A.P. Hill.

Celebrate Virginia is developing at the city's western edge and includes The Fredericksburg Expo and Conference Center, several new apartment complexes, several national brand hotels, and a Wegman's grocery store. The FredNats Ballpark, a stadium built for the City's minor league baseball team, is also located in Celebrate Virginia. Construction on the stadium was completed in Spring 2021 and the ballpark opened in May of that same year.

The City of Fredericksburg has approved the Uniform Development Ordinance ("UDO"), which is assisting developers achieve maximum density for infill parcels. The William/Amelia Street Corridor has become the center for redevelopment in the City of Fredericksburg's Downtown district, although several opportunities exist surrounding the downtown area.

The City benefits from low vacancy rates for apartments, retail and office space, especially in the high-demand downtown area. Downtown Fredericksburg draws activity from the surrounding counties of Spotsylvania and Stafford. The historic downtown area is a strong tourist draw and attracts many thousands of visitors annually. Restaurants stay busy throughout much of the week due to business provided by the local population and tourists. Although the COVID-19 pandemic impacted the area due to a decline in tourism and pandemic-related restrictions and closures in 2020, investment in the downtown area has more than rebounded and is expected to increase as the economy continues to recover.

Largely due to density incentives provided by the UDO, the trend in the downtown area has been to develop mixed-use properties with retail on the main floor and residential spaces on the upper levels. With a scarcity of vacant land available, parcels with older buildings are often purchased and redeveloped with newer buildings with multiple levels. Prices being paid for land with historic buildings are relatively high. Due to the lack of supply, several new mixed-use properties are planned and under construction.

During the past many years, the City has begun encouraging redevelopment and rehabilitation. The passage of the City's UDO has invigorated interest among developers in a variety of mixed-use projects that will provide both commercial and residential living opportunities. Continued population growth is expected to continue to keep demand at pace with new supply as it enters the market. In the immediate future, large mixed-use developments that are under construction will increase supply. Continued significant population growth in the area is fully expected, and demand is sufficiently strong to absorb new residential units and commercial space as existing supply is at full and stable occupancy.

VI. Parcel Summary

Parcel	Ice House	BP Station	Grain Tower 1 (~1900)	Grain Tower 2	TOTALS (4)
GPIN	7779-98-5465	7779-98-5248	7779-98-6571	7779-98-7406	--
Address	1901 P/A St	1821 P/A St	Caroline	1820 Caroline	--
Tax Map	23 A LAB	23 A TRC	23 P4	23 P2	--
Area (Acres)	0.6473	0.3926	0.1701	0.1439	1.3539
Zoning	PD-MU	PD-MU	CM	CM	--
Assessment	\$432,400	\$399,100	\$10,000	\$8,500	\$850,000

VII. Parcel Map

