

Offering Memorandum

Oceanside Tower

2 28th Street
Newport News, VA 23607

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**COMMONWEALTH
COMMERCIAL**
Comprehensive Property Solutions



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EXECUTIVE SUMMARY

Commonwealth Commercial Partners has been exclusively retained to market for sale the Oceanside Tower, a **134-unit high-rise** multifamily community located in the heart of **Downtown Newport News, Virginia**. The property presents a compelling repositioning opportunity in a waterfront setting, with direct access to major employment centers and ongoing public and private revitalization initiatives.

Waterfront Location

The Oceanside Tower is prominently positioned along the James River in the Downtown corridor of Newport News, offering sweeping waterfront views and exceptional long-term locational appeal. The property benefits from close proximity to Huntington Ingalls Industries—the **largest industrial employer in Virginia**—and Brooks Crossing, a growing mixed-use development and innovation hub. With immediate access to US-60 and regional interstates, the site is both scenic and accessible, laying the groundwork for a successful lease-up and long-term tenant retention.

Value-Add Opportunity

Oceanside Tower presents a significant value-add opportunity for investors seeking to reposition a high-rise multifamily asset in a prime waterfront location. **Currently 100% vacant**, the property is being offered in "as is, where is" condition following a city issued condemnation related to an electrical system fire. The asset is well-located along the James River, near major employment centers and redevelopment initiatives. Given the strong multifamily demand in the region and constrained supply pipeline, Oceanside Tower offers a **clear path to stabilization** and long-term value creation following remediation and lease-up.



PROPERTY DETAIL



15
TOTAL STORIES



134
TOTAL UNITS



1973/2020
YEAR BUILT/RENOVATED

ASSET BACKGROUND

Oceanside Tower is a 134-unit high-rise apartment building prominently located along the James River in Downtown Newport News. Originally constructed in 1973, the property has historically served as a market rate multifamily community with direct access to major employment and civic centers. In 2020, select renovations were completed, including updates to unit interiors and common areas.

In 2022, the City of Newport News issued an initial condemnation order related to elevator functionality, which was subsequently resolved following corrective action by ownership. In 2023, the City of Newport News issued a second condemnation order due to deficiencies in the building's electrical systems. The property is currently 100% vacant and is being offered in **as is, where is** condition. To restore occupancy, the building will require remediation of the electrical systems, and evaluation of other mechanical systems. The scope of required work is outlined in the available Property Condition Report.

Once operational, Oceanside Tower offers a unique opportunity to reposition a high-rise asset in a supply-constrained market supported by strong long-term rental demand and direct proximity to major employers and infrastructure investments.



PROPERTY OVERVIEW



OCEANSIDE TOWER
2 28th Street
Newport News, VA 23607

PROPERTY	
Parcel Size	1.10 Acres
Parcel ID#	310040124
Gross Building Area	150,832 GBA
Building Construction	Steel and Masonry Frame with Masonry Brick and Stucco Exterior Walls
Roof	Flat TPO
HVAC (Guest Rooms)	Combination of Boilers & Chillers with Air Handlers, Ductless Mini-Splits, and Thru-Wall Units
Year Built/Renovated	1973/2020
Parking	137-Space Pedestal Parking Deck
Zoning	C-3 (Regional Business District)



UNIT MIX	
5	Studios
73	1BR
37	2BR
19	3BR



RENOVATION DETAILS

In 2020, ownership purportedly invested approximately \$3 million into capital improvements throughout the property. Upgrades included modernizing a significant number of unit interiors with new flooring, cabinetry, fixtures, and appliances. Common areas and corridors were refreshed, and enhancements were made to elevators, building access controls, and select plumbing and mechanical systems.

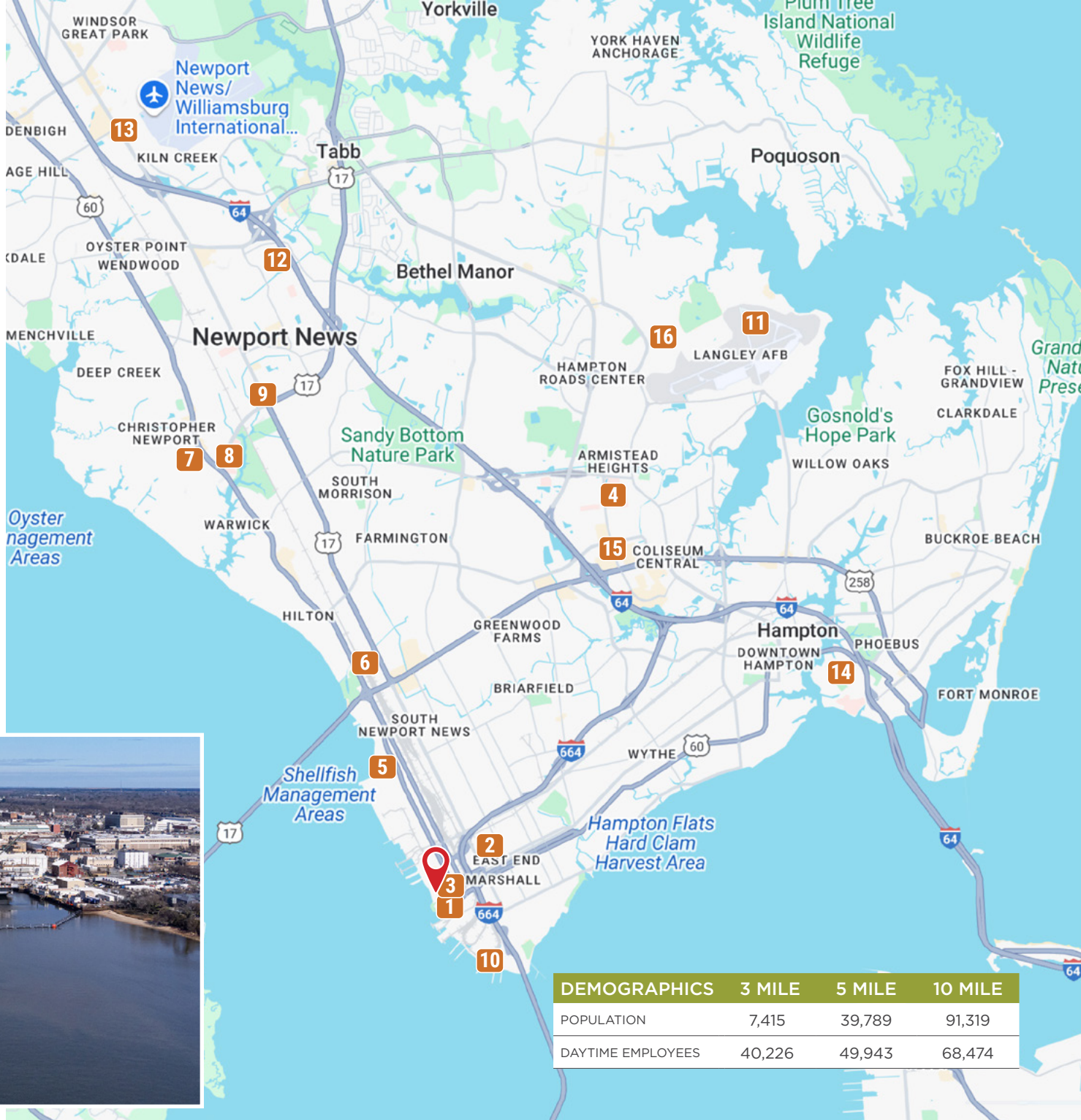
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LOCATION MAP

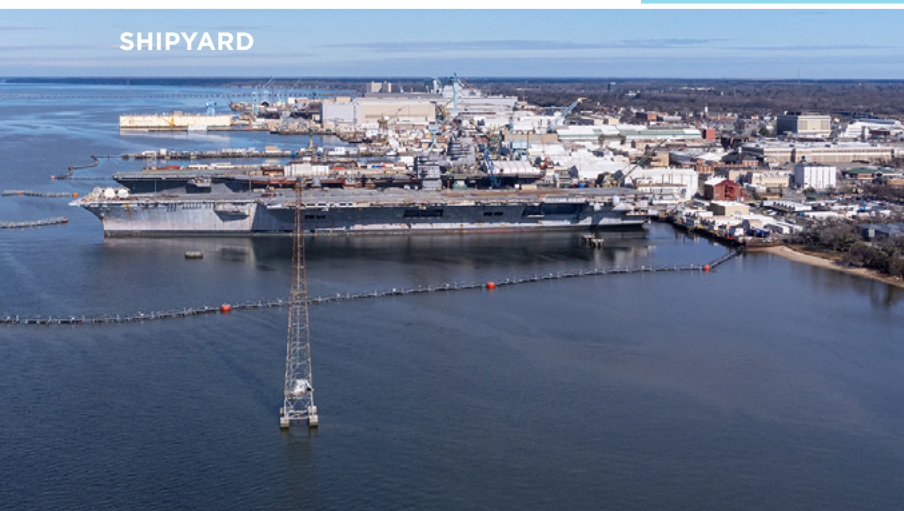


Subject Property

1. Huntington Ingalls Industries
2. Brooks Crossing Innovation & Opportunity Center
3. Newport News City Courthouse
4. Sentara Healthcare
5. Shipyard Commerce Center
6. Amtrak Station
7. Christopher Newport University
8. Riverside Regional Medical Center
9. Jefferson Avenue Commercial Corridor
10. Seafood Industrial Park
11. Langley Air Force Base
12. Canon
13. Ferguson
14. Hampton University
15. Peninsula Town Center
16. NASA



SHIPYARD



DEMOGRAPHICS	3 MILE	5 MILE	10 MILE
POPULATION	7,415	39,789	91,319
DAYTIME EMPLOYEES	40,226	49,943	68,474

MARKET OVERVIEW

NEWPORT NEWS SNAPSHOT

DOWNTOWN NEWPORT NEWS HAS A LONG HISTORY AS A HEADQUARTERS FOR INDUSTRY AND IS HOME TO RESIDENTS, RESTAURANTS, AND RETAILERS ALIKE. The City's vision, Downtown Reimagined, is becoming a reality. Developers are transforming historic warehouses and department stores into modern apartments suited for city dwellers. As home to HII's Newport News Shipbuilding (NNS), the General Assembly recently approved a \$40 million commitment to further support Navy Housing and Downtown revitalization.

MAJOR EMPLOYERS

Downtown is home to numerous major employers. From the headquarters of HII and Newport News Shipbuilding to City Hall and the Port of Virginia's Newport News Marine Terminal, Downtown's daytime population swells daily.

44,000
Number of People
Employed by HII

HII (formerly Huntington Ingalls Industries)

Newport News Shipbuilding

Dominion Terminals Associates

Newport News Marine Terminal

City Hall & Courts

S23 Holdings

Kinder Morgan

Canon

Ferguson

Air Force

Jefferson Lab

Virginia Advanced Shipbuilding Carrier
Integration Center (VASIC)



source: newportnewschoice.com/seafood-market
source: NEWPORTNEWSVA.COM

ECONOMIC/INDUSTRIAL DEVELOPMENT AUTHORITY ANNUAL REPORT



THE SEAFOOD INDUSTRIAL PARK is an important part of the Newport News economy, and this project will reinforce its value as a key economic asset, while also complementing and cementing the transformation occurring within the community, serving as a new attraction to the neighborhood and an amenity for residents.



- › Construction of a 7,600-square-foot market facility
- › Public eating area, vendor stalls, retail seafood sales, a commercial kitchen, over 3,100 square feet of outdoor seating areas, and a boardwalk overlooking the harbor
- › A pier for recreational boats visiting the market

MARKET OVERVIEW

NEWPORT NEWS SNAPSHOT

SHIPYARD



Victory Landing Park - Located in downtown Newport News, this 5.44-acre park gives a beautiful view of the James River.

NEWPORT NEWS
CIRCUIT
COURT

VICTORY
LANDING
PARK



Downtown Newport News expands to make way for projected growth at shipyard.



NEWPORT NEWS -
Accessible by air, train, car, or even aircraft carrier, Newport News's central location gives businesses and residents a rich offering of experiences.

MARKET OVERVIEW

HAMPTON ROADS MSA SNAPSHOT

NORFOLK SERVES AS THE BUSINESS AND FINANCIAL CENTER OF THE HAMPTON ROADS REGION OF VIRGINIA.

Shipbuilding and shipping are a vital part of Norfolk’s economy, with the city’s 45-foot-deep channel allowing it to accommodate very large ships. As a major seaport through which millions of tons of cargo pass each year, it handles such commodities as tobacco, cotton, timber, coal, truck crops, and grain.

With an ideal harbor and waterways, the city is the site of the Naval Base Norfolk, the largest naval base in the United States and the world. It also serves as home to the headquarters of the Fifth Naval District of the Atlantic Fleet and the Second Fleet, and it houses the district headquarters of the Coast Guard. In addition to the thousands of U.S. Navy personnel stationed in Norfolk, many local citizens also work in naval operations. The city is second only to San Diego, California, in the number of retired navy men and women who reside there.

NORFOLK’S ECONOMIC INDICATORS ARE STRONG:
Strong job growth and low unemployment make Norfolk attractive to businesses.

Major Industries: **Advanced Manufacturing, Business, Management, and Professional Services, Information Technology, Healthcare, Life Sciences, and Biotechnology, Insurance, Offshore Wind, Maritime, Transportation and Logistics**

Gross Metro Product: **\$106.4 B***

Job Growth (2019): **0.4%***

Unemployment Rates +	NOR	USA
2022	3.3%	3.3%
2023	3.3%	3.5%

USA Today called Norfolk one of the Top 10 booming downtown, recognizing a decades-long housing, retail and financial boom in norfolk

USA Today

*From <https://www.forbes.com/places/va/virginia-beach/>
+From https://www.bls.gov/regions/mid-atlantic/summary/blssummary_virginiabeach.pdf
#From <https://www.city-data.com/us-cities/The-South/Norfolk-Economy.html>



NORFOLK’S LOW COST OF LIVING & VIBRANT WORKFORCE CREATE ABUNDANT OPPORTUNITIES FOR BUSINESSES TO FLOURISH:

Metro Population: **1,700,000***

Median Household Income: **\$65,682***

Average Hourly Wage+	VAB	USA
All Occupations	\$27.12	\$29.76
Management Analysts	\$47.32	\$50.32
Ship Engineers	\$43.13	\$48.55
Logisticians	\$37.21	\$39.05
Sailors and marine oilers	\$23.44	\$25.65

Median Home Price: **\$237,000***

Cost of Living: **4% below nat’l avg***

NORFOLK’S CULTURAL AND SOCIAL ASSETS ARE ABUNDANT:

High education levels attract and produce a vibrant workforce

High School Attainment	91.5%
College Attainment	32.1%
Graduate Degrees	12.5%
Top Higher Education	Old Dominion University, Christopher Newport University, Hampton University, Norfolk State University, Virginia Wesleyan University, Regent University

CULTURAL ATTRACTIONS ENRICH THE QUALITY OF LIFE FOR EVERYONE:

Top Museums: **Hampton Roads Naval Museum, MacArthur Memorial, Nauticus, Chrysler Museum of Art, Hermitage Museum and Gardens**

Top Theaters: **The NorVa, Virginia State Company at The Wells Theatre, Attucks Theatre**

MARKET OVERVIEW

HAMPTON ROADS MSA SNAPSHOT



Nationally recognized for excellence in academics, social mobility and military friendliness, ODU is located in Norfolk, Virginia. The main campus of Old Dominion University sits on 337 acres adjacent to Norfolk's historic waterfront.

A Best National University

– U.S. News and World Report

Military-Friendly School: Gold Ranking

– MilitaryFriendly.com

Most Diverse Medical School in Virginia

– U.S. News and World Report

\$3.8 billion

ECONOMIC IMPACT IN VIRGINIA

175,303

GLOBAL ALUMNI NETWORK

5,997

GRADUATE STUDENTS

17,746

UNDERGRADUATE STUDENTS

23,743

TOTAL STUDENTS

8th

Largest Employer in Virginia

Named America's Best In-State Employers 2024

by Forbes and Statista

2024 Healthiest Employers in Virginia

ODU is the only higher education institution ranked in the state.

source: <https://www.odu.edu/about/facts-and-figures>

source: <https://www.flyorfl.com/where-we-fly/?nonstop-destina->

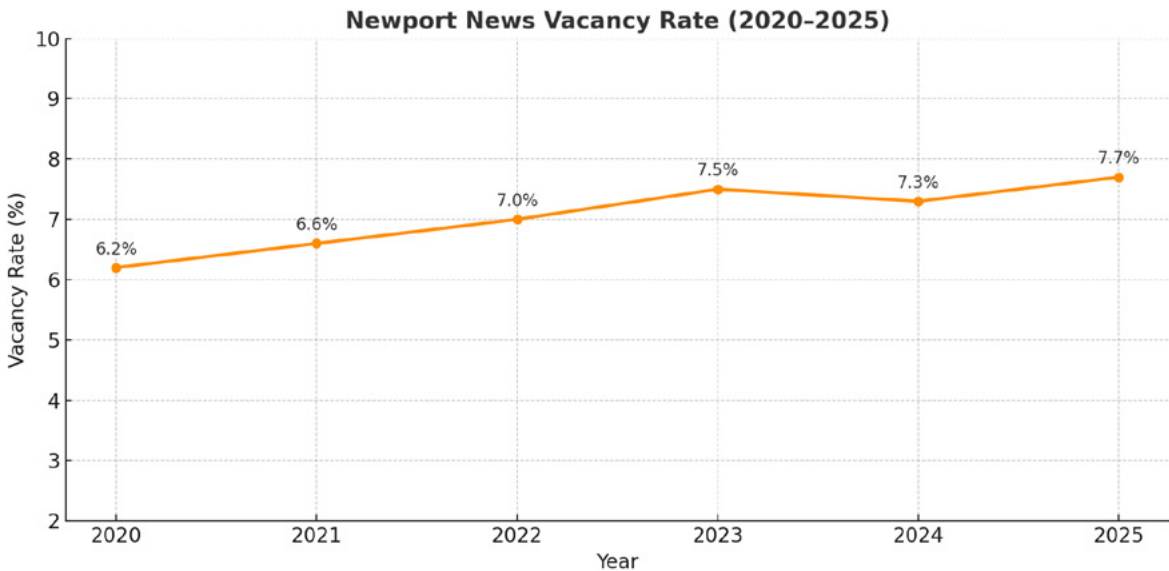
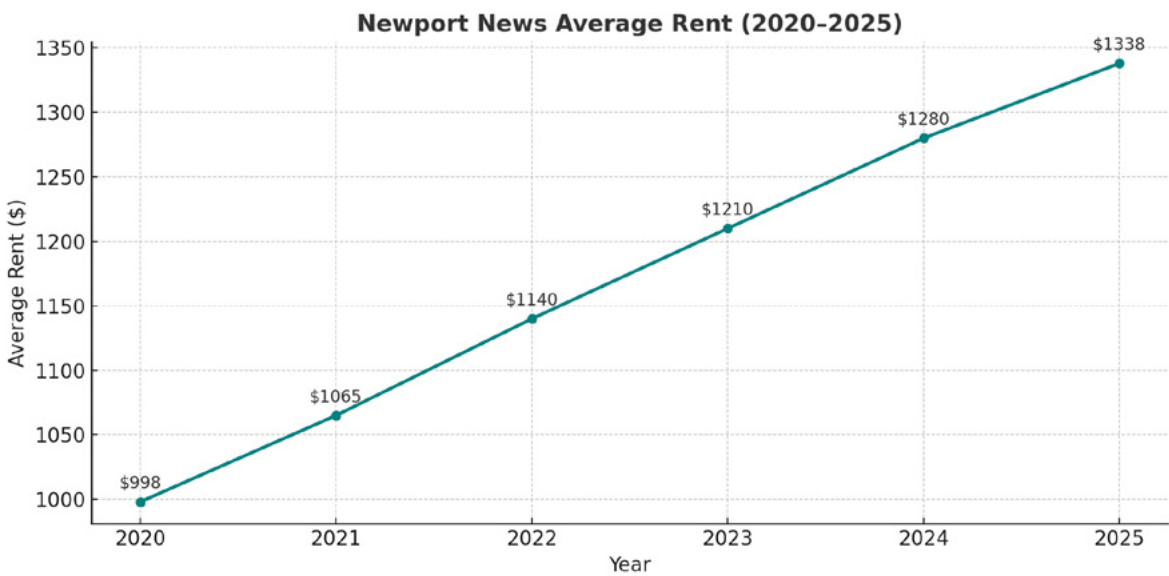


ODU has 18 varsity sports, 16 are a part of NCAA Division 1.

MARKET OVERVIEW

NEWPORT NEWS MULTIFAMILY MARKET

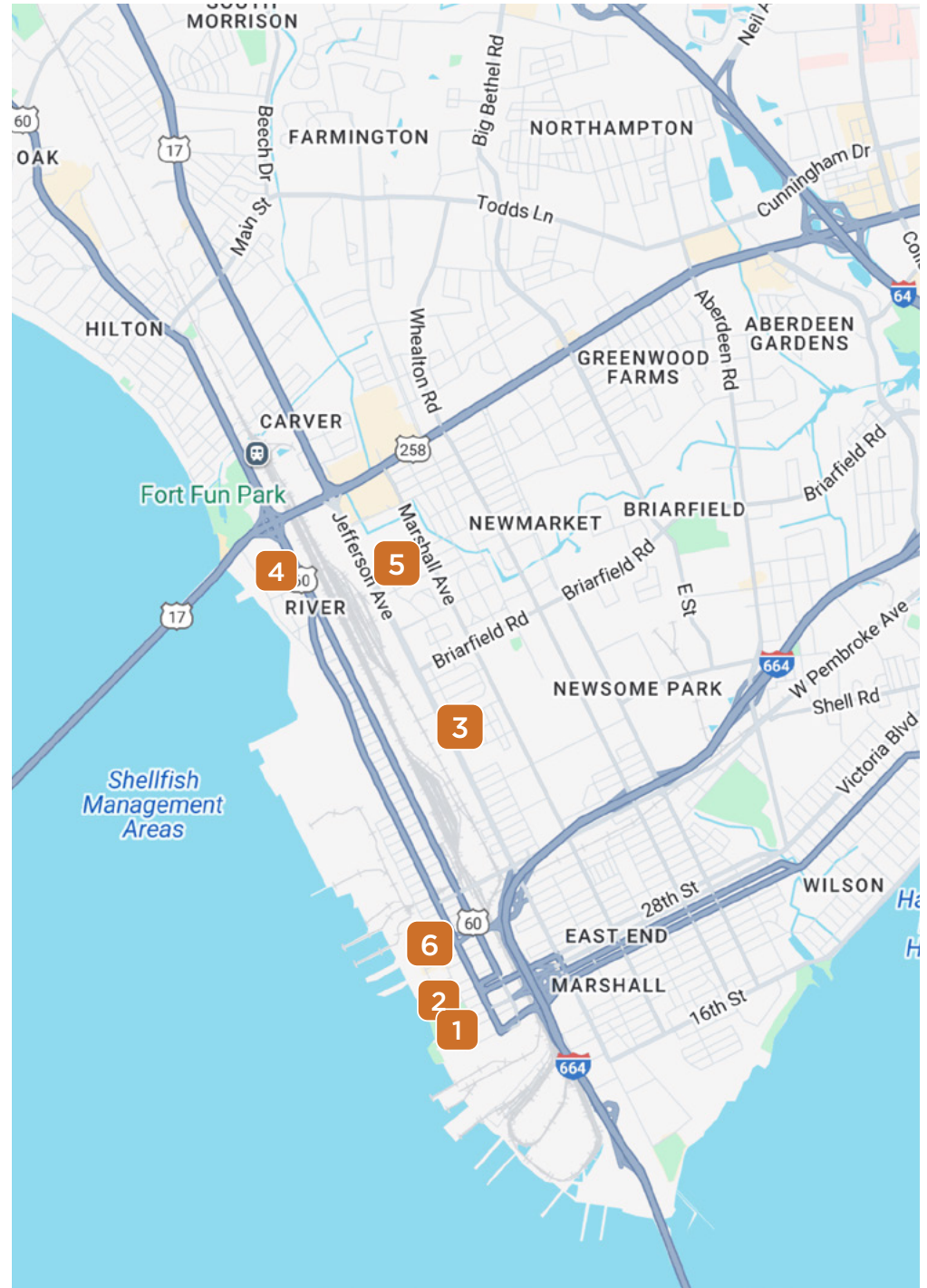
THE HAMPTON ROADS MULTIFAMILY MARKET HAS EXHIBITED CONSISTENT RENT GROWTH AND RESILIENT OCCUPANCY ACROSS BOTH THE BROADER MSA AND THE NEWPORT NEWS SUBMARKET. Over the past five years, average market rents in Newport News have grown at a 6.0% annual rate, closely tracking the 6.1% growth observed across the Norfolk MSA. As of Q1 2025, average effective rents reached \$1,338 in Newport News and \$1,548 in the Norfolk market. Current vacancy in Newport News stands at 7.7%, mirroring regional averages. What distinguishes Newport News—particularly Downtown—is the absence of new supply. While Norfolk underwent a 10% expansion in apartment inventory over the past five years, resulting in elevated vacancies, that wave has now been fully absorbed. Today, only 1,549 units are under construction across the entire MSA, the lowest level in more than a decade. Within Downtown Newport News, there are no active developments under construction or in final planning, and inventory has remained unchanged since 2020. With minimal new deliveries projected and strong regional employment anchors in place, the Newport News submarket—especially its riverfront core—offers a compelling setup for lease-up success. Tightening supply fundamentals, paired with constrained development pipelines and continued renter demand, position this area for long-term rent growth and occupancy stability.



COMPARABLE PROPERTY OVERVIEW



Property Name	Address	Avg Unit Size (SF)	Year Built	Avg Market Rent
1. Oceanside Tower	2 28th Street	897 SF	1973	-
2. River Park Tower	2601 West Avenue	710 SF	1986	\$1,545
3. Cottage Grove	614 Peninsula Drive	530 SF	1948	\$1,158
4. Huntington on the James	312 73rd Street	800 SF	1944	\$1,200
5. Riverlands	45 Riverlands Drive	880 SF	1987	\$1,320
6. Liberty Apartments	3201 Washington Ave	880 SF	2013	\$1,623



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