



CONBRACO INDUSTRIES INDUSTRIAL BUILDING

701 MATTHEWS-MINT HILL ROAD
MATTHEWS, NC 28105

John McDermott, Executive Director

SVN Chicago Commercial

IL. Broker License # 475.172622

312.626.3030

john.mcdermott@svn.com

North Carolina Broker: BCRS, Inc.

Sub-Agent:

Ian Bertolina, President

Bertolina CRESI

1850 East 3rd St. Charlotte, N.C. 28204

704.333.9881

ib@bertolinacresi.com





PROPERTY INFORMATION

- Property Summary
- Complete Highlights
- Additional Photos
- Additional Photos
- Additional Photos
- Additional Photos

3

DEMOGRAPHICS

- Demographics Map

27

LOCATION INFORMATION

- Location Overview
- Regional Map
- Location Maps
- Retailer Map
- Aerial Map
- Site Plan

11

FINANCIAL ANALYSIS

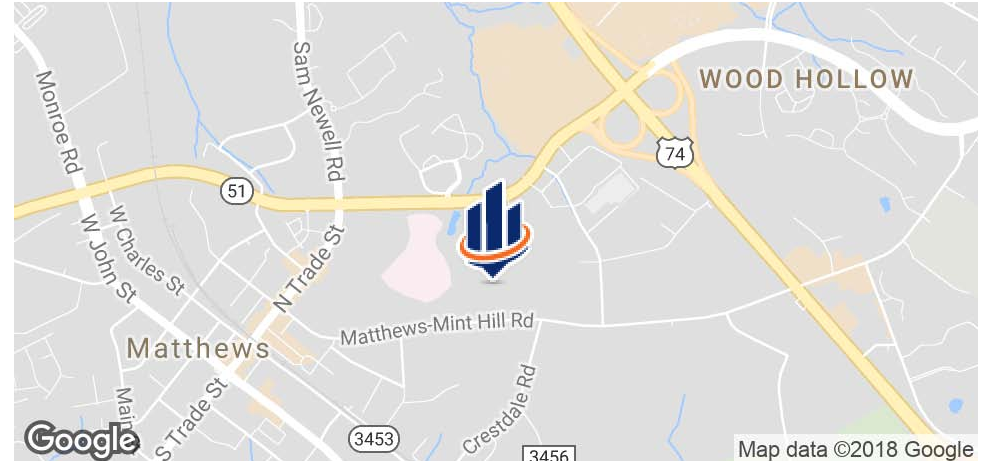
- Financial Summary
- Income & Expenses
- Rent Roll
- Tenant Diagram
- Tenant Profiles
- Tenant Profiles
- Tenant Profiles
- Tenant Profiles

18

1 PROPERTY INFORMATION

701 Matthews-Mint Hill Road
Matthews, NC 28105

Property Summary



OFFERING SUMMARY

Sale Price:	\$7,500,000
Cap Rate:	8.00%
NOI:	\$599,875
Lot Size:	10.81 Acres
Year Built:	1960/1999
Building Size:	158,678 SF
Renovated:	1999
Zoning:	I-L; Light Industrial
Market:	Charlotte MSA
Submarket:	CrownPoint Matthews Industrial
Price / SF:	\$47.27

PROPERTY OVERVIEW

This multi-tenant industrial investment provides a flexible format for a multitude of diverse tenant uses from office to light manufacturing, distribution and warehousing and even physical training. Anchored by long term credit tenancy, the project offers excellent cash flow at a very low price per foot. Substantial physical enhancements and capital improvements help demonstrate the pride of ownership of the asset and helps to retain its high occupancy.

PROPERTY HIGHLIGHTS

- 158,678 gross square feet [144,691 net rentable]
- 10.81 acres of land ideally located in the Matthews Industrial Sub-Market
- Adjacent to the Novant Health Matthews Medical Center
- Across from Harris Teeter's Corporate Offices
- Excellent condition
- Attractive in appearance
- Strong 3 year maintenance, repair, replacement and capital improvement campaign [\$705,377] provides buyer with an excellent industrial investment

Complete Highlights

SALE HIGHLIGHTS

- 158,678 gross square feet [144,691 net rentable]
- 10.81 acres of land ideally located in the Mathews Industrial Sub-Market
- Adjacent to the Novant Health Mathews Medical Center
- Across from Harris Teeter's Corporate Offices
- Excellent condition
- Attractive in appearance
- Strong 3 year maintenance, repair, replacement and capital improvement campaign [\$705,377] provides buyer with an excellent industrial investment
- Strong environmental indemnification

INVESTMENT HIGHLIGHTS

- Year built 1960 to 1989; offices renovated 1999
- 100% of the building is Sprinklered
- 7 dock high doors
- 3 drive in doors
- Ceiling heights varying 12' 10" to 21'3"
- Parking 150+
- Floor thickness varies from 4"-12"
- Electric 480/277 - 3 phases 6,000 amps
- Building has Gas service
- Power is Duke Energy
- Gas is Piedmont Natural Gas
- Water and Sewer is the City of Charlotte
- Property has been fully occupied for the last 12 years



Conbraco Industries, Inc.
Summary of Environmental Issues

Conbraco Industries, Inc. previously owned the building at 701 Matthews-Mint Hill Road (the “Property”). The Property previously included a foundry operation. The foundry process uses sand to make molds for bronze castings. During the process, a small portion of the lead in the bronze leaches into the sand. Once the castings are completed the sand used to make the molds is shaken back into loose sand. Since the sand has low levels of lead, it is considered an environmentally sensitive material.

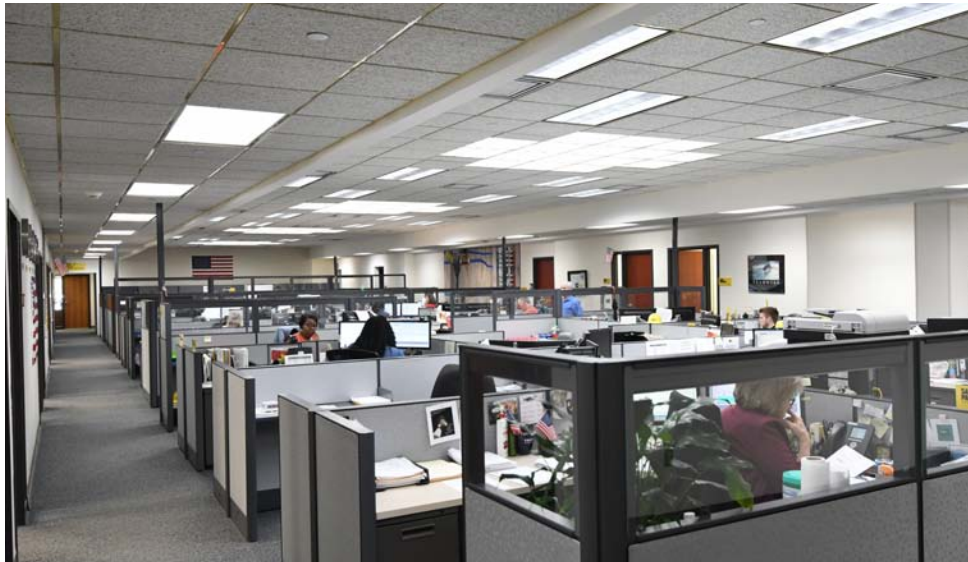
In 1987, Conbraco, along with many of the bronze foundries in the US, began using a process to thermally treat these sands which was thought to reduce the level of the lead content, allowing the sands to be disposed of in a non-hazardous manner. These sands were disposed in approximately numerous sites as fill dirt. One of those locations was the Conbraco property at 701 Matthews-Mint Hill Road.

The foundry sands are located in various areas around the Property; under areas of the parking lot, under sections of the building foundation and enclosed within cinder block walls. In August 2004, Conbraco submitted a Facility Risk Management Action Plan to the EPA which was accepted. This Plan proposed that the sand under the foundation and in the walls of the building posed no threat and that the walls where the sand is contained be labeled so that, if they are ever disturbed, the sand would be properly disposed. The Plan was accepted. This labeling is in place and has had no effect on our ability to lease the property.

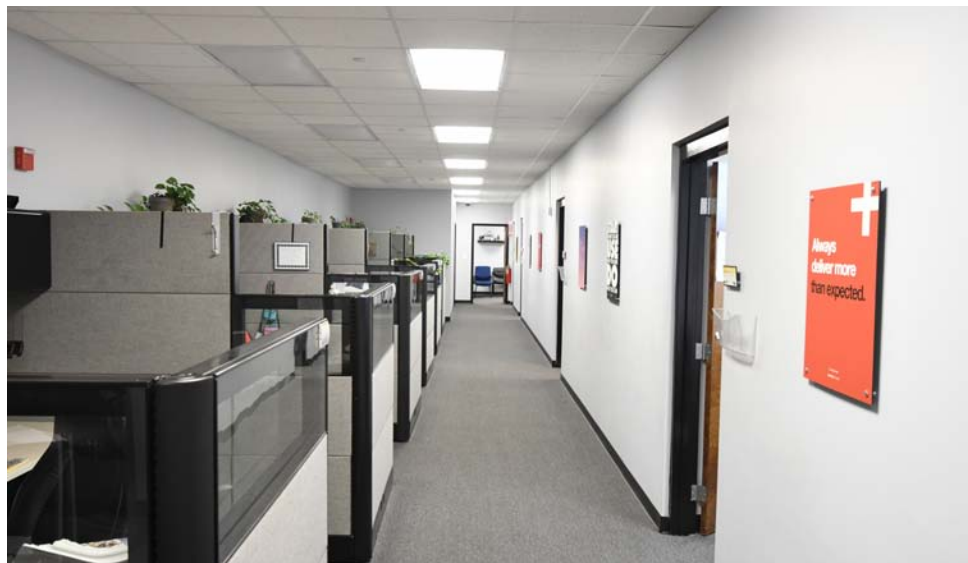
Also in August 2004 Conbraco submitted a Phase I Closure Plan with the EPA which proposed that Conbraco conduct sampling at various locations around the property to ascertain the lead levels to determine if any excavation and removal would be required. To date, Conbraco has not received a response from the EPA nor the North Carolina Department of Natural Resources (“DENR”) regarding the Phase I Closure Plan. Presumably, this is because it is not considered a high priority by either the EPA or DENR. Several years ago a representative of the EPA met with Conbraco management to discuss the property. The tone and nature of the conversation was extremely positive, and the representative indicated a favorable response to the efforts on the part of Conbraco to invest in and re-characterize the use of the property. Hopefully, this will lead to a favorable response to the Closure Plan and any response required after the sampling is conducted.

Conbraco sold the building to the current owners in 2008. As a part of that sale, Conbraco has indemnified the current owners with respect to any environmental issues existing on the property at the time of the sale. That indemnification will transfer to any future owners of the Property.

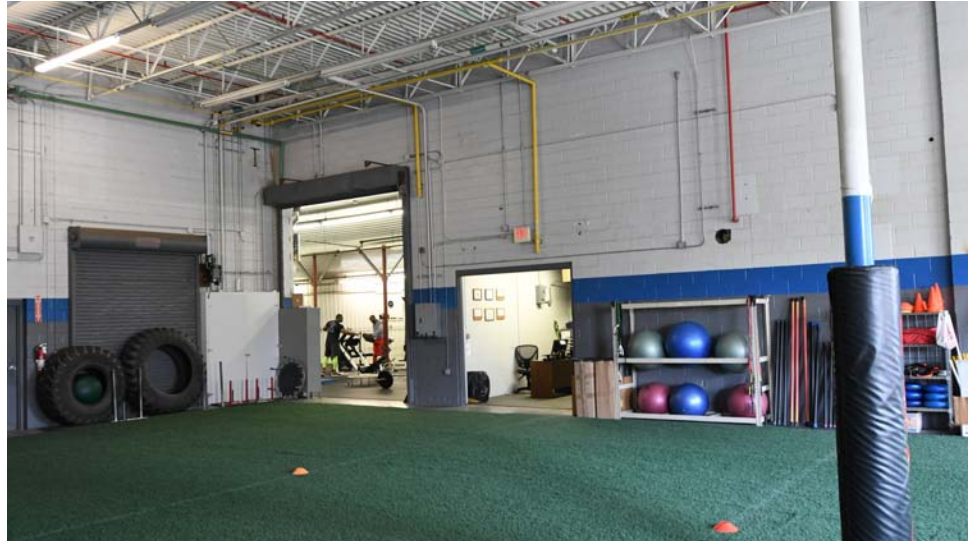
Additional Photos



Additional Photos



Additional Photos



Additional Photos



Additional Photos



2 LOCATION INFORMATION

701 Matthews-Mint Hill Road
Matthews, NC 28105

Location Overview



LOCATION OVERVIEW

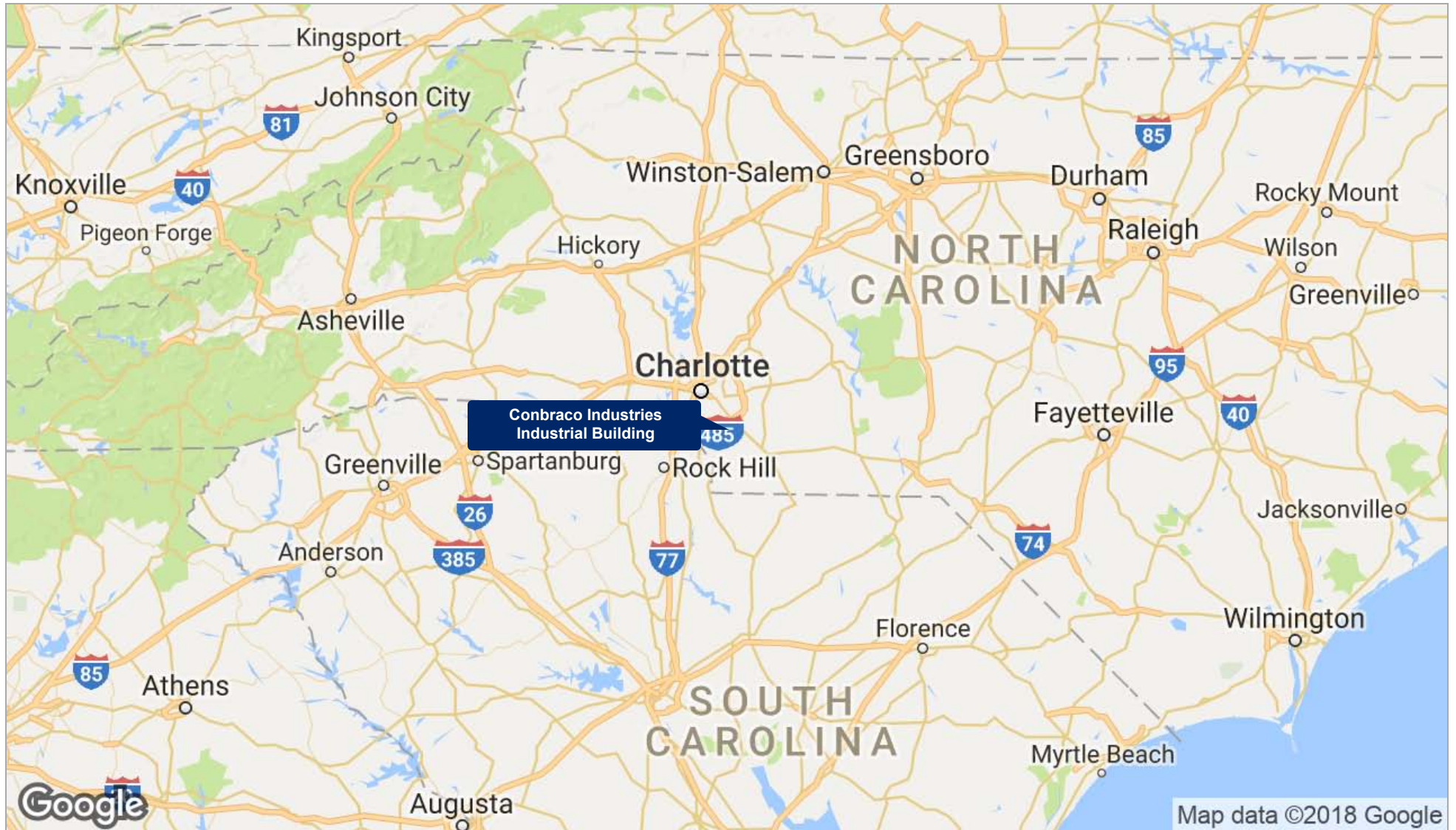
The subject property is located within the dynamic Charlotte, North Carolina MSA and benefits greatly from its proximity to Highway 74 [Independence Pointe Parkway] to the east, Highway 16 to the West, I-485 to the south and Highway 51 [Mathews Township Parkway] to the north. The property is immediately adjacent to the Novant Health Mathews Medical Center which services the Mathews Community and beyond.

Today, Mathews's population has grown to over 30,000 citizens. Keeping pace with development in the area, Mathews's city limits now encompass 17 square miles. There are hotels, restaurants, shopping centers, recreational facilities and a hospital. In 1996, the National Register of Historic Places listed 10 downtown buildings in Mathews. Known as Mathews Commercial District, they comprise a small, but remarkably intact, collection of structures dating from the late 19th to the early 20th century.

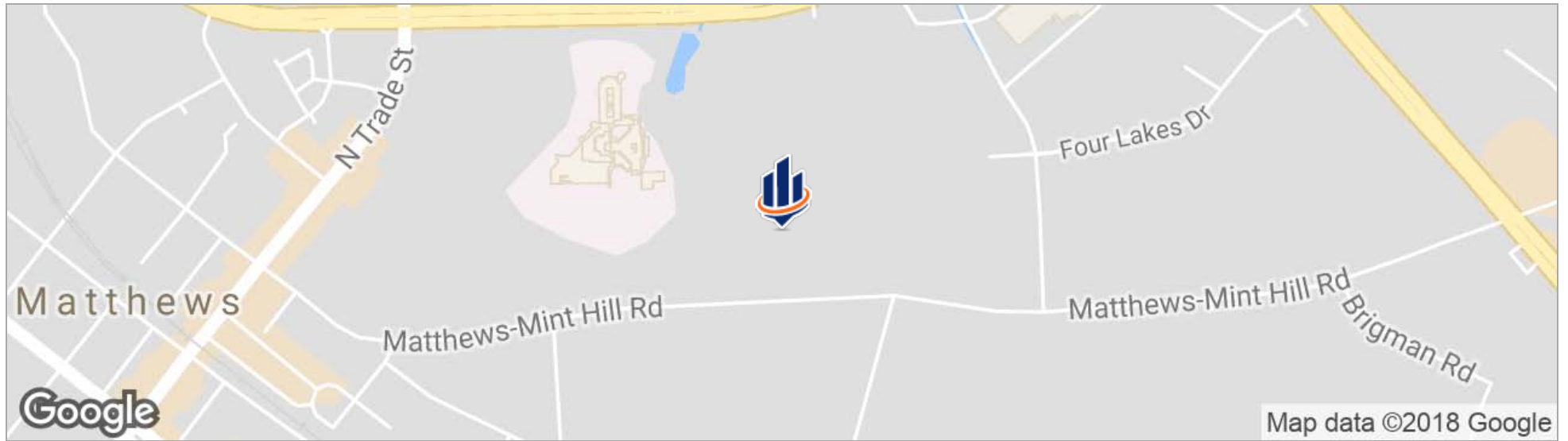
On Oct. 2, 2000, the ground breaking ceremony for the new Mathews Town Hall and Library took place with Mayor Lee Myers, town council members and Mecklenburg County library officials turning the first shovels of land. A partnership was established between the Town and the PLCMC [Public Library of Charlotte and Mecklenburg County] to work together to build the new library. A Library Furnishings Committee was established to raise the \$150,000 [Mathews's portion] necessary to furnish the new facility. On Sept. 30, 2001, the new Mathews Town Hall and Library was dedicated. On March 8, 2015, Mathews celebrated its 136th year as a town. Mathews has grown from 191 citizens in 1880 to a population of more than 30,000.

Just 1 mile from Conbraco is the Sportsplex which first debuted in 2013 featuring five multi-purpose fields, playground equipment and shelter. This facility will serve as host to a variety of weekend tournaments - soccer, rugby, lacrosse, football, field hockey, etc. It is also available for weekday practices and league play for local teams and organizations. Work started in June 2015 on the second phase of the project, with plans to add six more fields and a championship field hosting up to 2,700 spectators, walking trails, additional shelters, and more. Construction of the second phase was completed in 2017. The Sportsplex is located at 2425 Sports Parkway Mathews, NC 28105.

Regional Map



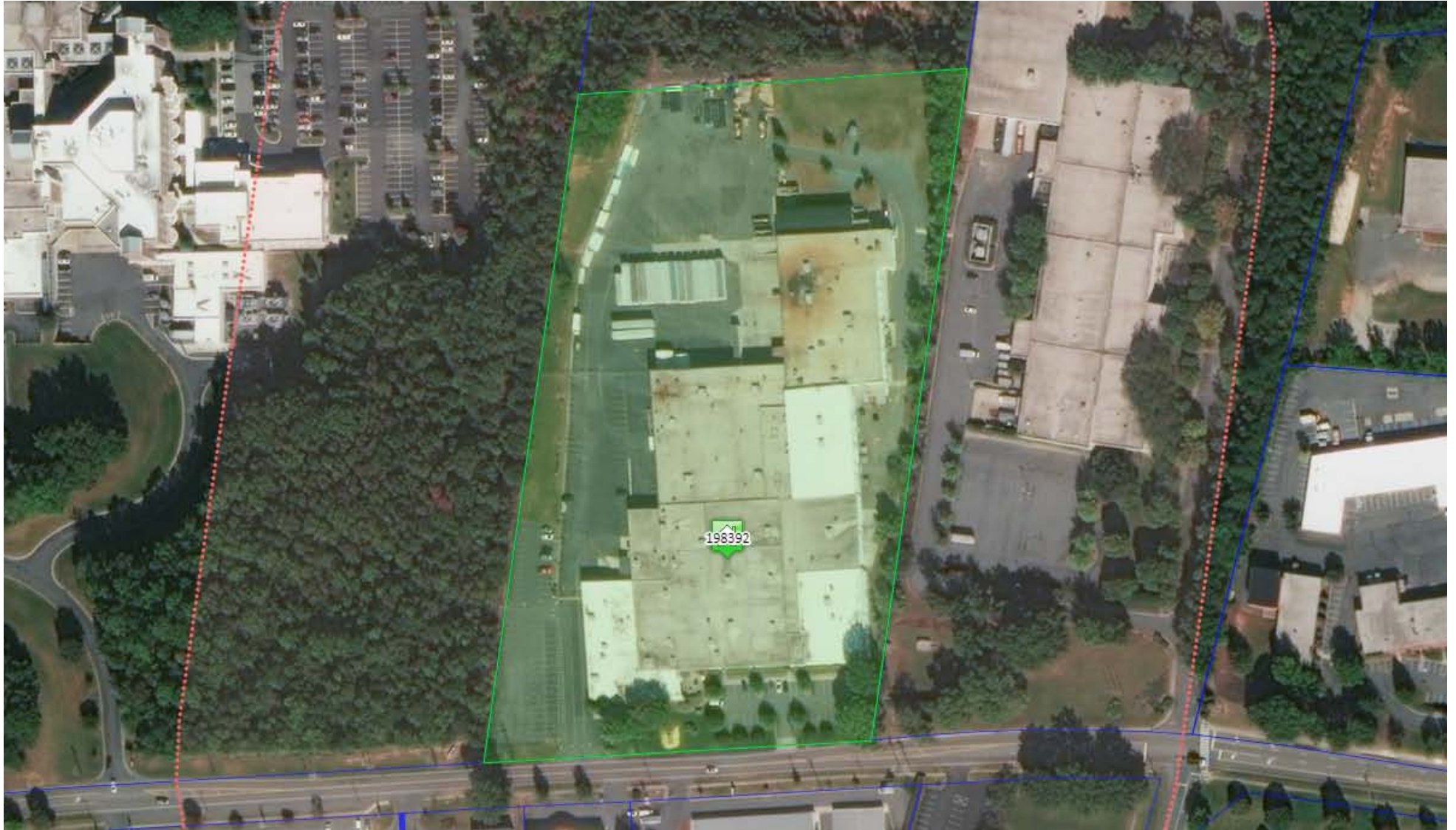
Location Maps



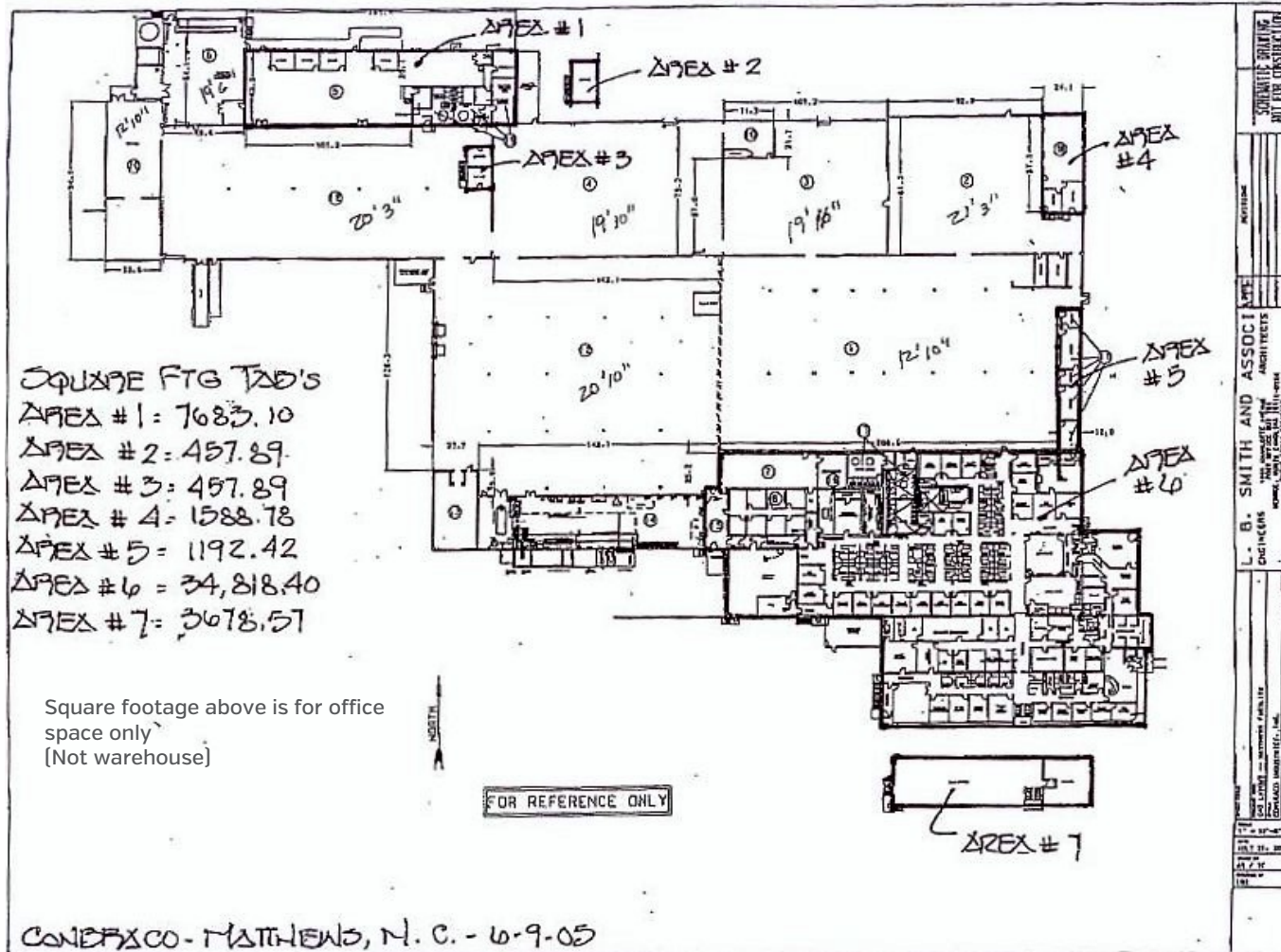
Retailer Map



Aerial Map



Site Plan



3 FINANCIAL ANALYSIS

701 Matthews-Mint Hill Road
Matthews, NC 28105

Financial Summary

INVESTMENT OVERVIEW

Price	\$7,500,000
Price per SF	\$47.27
CAP Rate	8.00%
Cash-on-Cash Return (yr 1)	7.9 %
Total Return (yr 1)	\$430,392
Debt Coverage Ratio	2.165

Offering Details

OPERATING DATA

Gross Scheduled Income	\$686,229
Other Income	\$171,708
Total Scheduled Income	\$857,937
Vacancy Cost	\$0
Gross Income	\$857,937
Operating Expenses	\$258,062
Net Operating Income	\$599,875 8.0%

BUDGET 2018

FINANCING DATA

Down Payment	\$4,061,470 [54%]
Loan Amount	\$3,438,530
Debt Service	\$277,104
Debt Service Monthly	\$23,092
Principal Reduction (yr 1)	\$107,621
Cash Flow / Cash on Cash Return (%)	\$322,771 [7.9%]
Total Return Before Taxes (%)	\$430,392 [10.6%]

Sale Details

Income & Expenses

INCOME SUMMARY	2017	PER SF	BUDGET 2018	PER SF
Gross Scheduled Income	\$597,238	\$3.76	\$686,229	\$4.32
TICAM Recapture	\$69,610	\$0.44	\$171,708	\$1.08
Gross Income	\$666,848	\$4.20	\$857,937	\$5.41
EXPENSE SUMMARY	2017	PER SF	BUDGET 2018	PER SF
Property Taxes	\$70,609	\$0.44	\$69,235	\$0.44
Insurance	\$13,925	\$0.09	\$17,300	\$0.11
Property Management	\$21,297	\$0.13	\$27,527	\$0.17
Repairs & Maintenance	\$17,182 [1]	\$0.11	\$120,000	\$0.76
Utilities*	\$26,702	\$0.17	\$24,000*	\$0.15
Gross Expenses	\$149,715	\$0.94	\$258,062	\$1.62
Net Operating Income	\$517,133	\$3.26	\$599,875	\$3.78

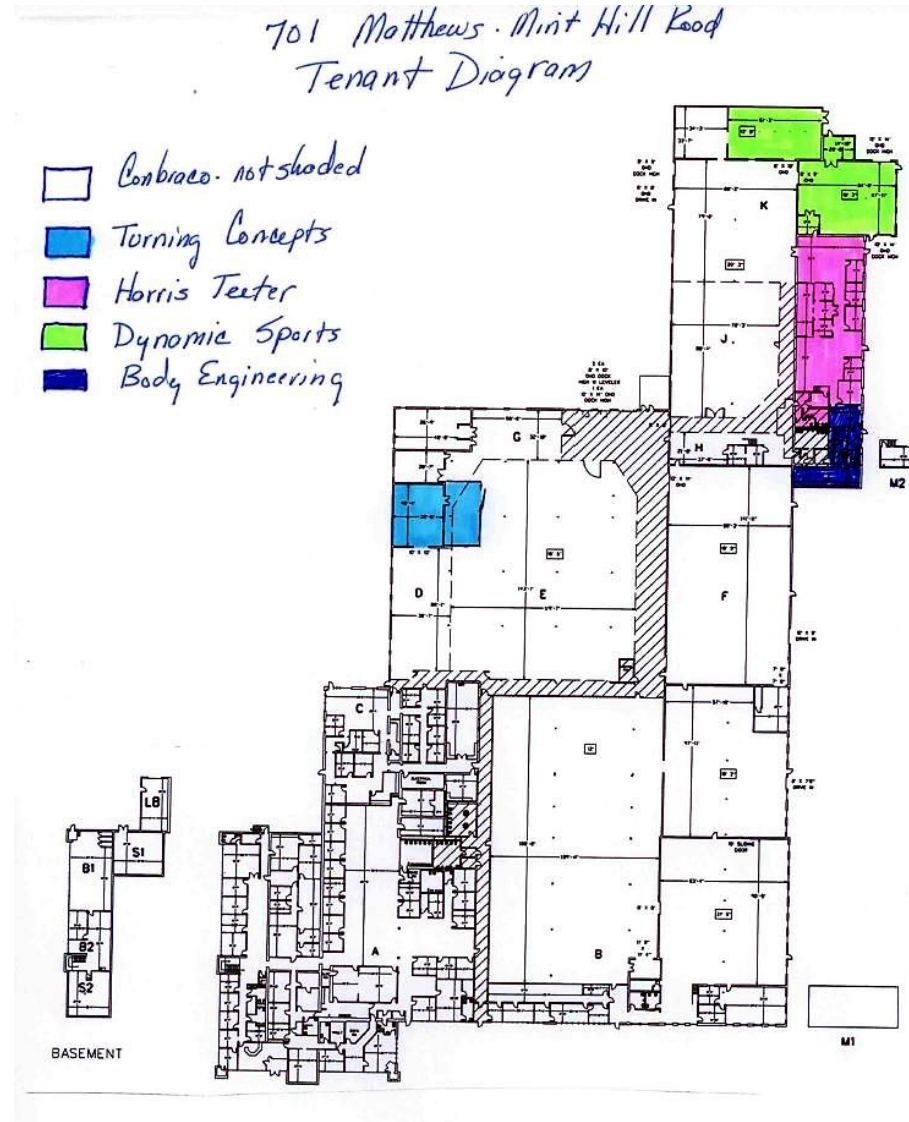
[1] Repairs and maintenance does not include \$294,797 of capital improvements in 2017 for the replacement of 12 HVAC Units

* Each tenant pays their own on a pro-rata basis; approximately \$2,000 per month is for common area and full service tenants.

Rent Roll

TENANT NAME	UNIT SIZE [SF]	LEASE START	LEASE END	ANNUAL RENT	% OF BUILDING	PRICE PER SF/YR	COMMENTS
Dynamic Sports Performance	4,686	07/01/2015	06/30/2020	\$18,744	2.95	\$4.00	Tenant has been in building since 2003.
Harris Teeter	4,683		07/31/2021	\$32,781	2.95	\$7.00	Three renewal options of 2 years each.
Body Engineering	1,184	11/01/2006	06/30/2018	\$12,000	0.75	\$10.14	Lease for original space states approximately 1,200 sq. ft. The actual measurement was 1,184.
Conbraco Industries, Inc.	131,795	07/01/2008	06/30/2024	\$610,104	83.16	\$4.63	Tenant was the original building owner had has occupied this property since 1958
Turning Concepts	2,342	05/01/2018	04/30/2023	\$12,600	1.48	\$5.38	Recently relocated within the building; new 5 year lease with annual escalations
Common Area	13,987				8.81		
Totals/Averages	158,678			\$686,229	100%	\$4.29	

Tenant Diagram



Tenant Profiles



OVERVIEW

Company:	Aalberts Industries N.V.
Founded:	1975
Total Revenue:	\$2.69B
Net Income:	\$204.50M
Operating Income:	\$301.80M
Free Cash Flow:	\$215.80M
Headquarters:	Langbroek, Netherlands
Website:	www.aalberts.com

TENANT HIGHLIGHTS

- 148 Business Locations in 22 Countries
- Businesses: Installation Technology, Material Technology, Climate Technology and Industrial Technology
- Company founded by Jan Aalberts in 1975



AALBERTS INDUSTRIES N.V.

Aalberts Industries NV is a technology company, which engages in the development of industrial products and systems. It operates through the following segments: Installation Technology, Material Technology, Climate technology, and Industrial Technology. The Installation Technology segment develops and manufactures integrated piping systems and plastic connection systems to distribute and control water or gas in heating, cooling, [drinking] water, gas and sprinkler systems in residential, commercial and industrial buildings and industrial installations. The Material Technology segment offers a combination of heat and surface treatment technology and manufacturing expertise making use of a global network of locations with excellent local knowledge and service. The Climate Technology segment produces hydronic and air flow control systems and treatment solutions for heating, cooling, ventilation, and drinking water. The Industrial Technology segment engineers and manufactures solutions for specific niche applications to regulate and control gasses and liquids under often severe and critical conditions and co-develops and integrates specialised manufacturing technologies. Aalberts acquired Conbraco Industries, Inc. in 2010.

Tenant Profiles



OVERVIEW

Company:	Dynamic Sports Performance
Founded:	2003
Headquarters:	Matthews, NC
Website:	www.dsp4athletes.com

DYNAMIC SPORTS PERFORMANCE

Sport Performance training for youth ages 6-18 years old. The only facility in the Charlotte-area with youth certified trainers. The benefits of Dynamic Sports Performance are: increased speed & agility, strength & power, injury prevention, instruction on proper weight lifting technique, a platform for a lifelong healthy lifestyle and building confidence & overall coordination. Coming Spring 2018 - T.A.C. Course - is a new, thrilling sport in which every participant enters a high-energy competition to see who can claim they are the total athlete.

TENANT HIGHLIGHTS

- Sports Performance Training Like no Other
- DSP Warehouse
- T.A.C. Course

Tenant Profiles



OVERVIEW

Company:	The Kroger Co.
Founded:	1883
Total Revenue:	\$122.7B
Net Income:	\$1.9B
Net Cash:	\$3.68B
Gross Operating Profit:	\$24.56B
Headquarters:	Cincinnati, OH
Website:	www.thekrogerco.com

TENANT HIGHLIGHTS

- 2,800 Stores in 35 states under two dozen banners
- Kroger operates more than 2,255 in-store pharmacies
- Kroger has installed fuel centers in more than 1,445 locations

HARRIS TEETER SUBSIDIARY OF THE KROGER CO.

Harris Teeter, a wholly-owned subsidiary of The Kroger Co. [NYSE: KR], was co-founded in 1960 by North Carolina grocers W.T. Harris and Willis Teeter. Harris Teeter operates over 230 stores and 14 fuel centers in seven states and the District of Columbia. In addition to its retail stores, Harris Teeter also owns grocery, frozen food, and perishable distribution centers in Greensboro, NC and Indian Trail, NC, as well as a dairy in High Point, NC. Harris Teeter is headquartered in Matthews, NC and has approximately 30,000 associates.

In 2014, Kroger finalized its merger with Harris Teeter, a regional chain of more than 200 stores. This merger brought to Kroger an exceptional brand and complementary base of stores in high-growth markets, primarily in the Mid-Atlantic region and the District of Columbia. Later that year, Kroger merged with Vitacost.com, one of the largest pure e-commerce companies in the nutrition and healthy living market. The company's e-commerce platform accelerated Kroger's entry into the e-commerce space by several years, bringing the ability to serve customers through ship-to-home orders, and expanding Kroger's reach into all 50 states and internationally. Then in late 2015, Kroger merged with Roundy's in Wisconsin, adding Pick 'N Save, Metro Market and Mariano's stores in Wisconsin and Illinois to the Kroger family.

Tenant Profiles



OVERVIEW

Company:	Turning Concepts
Founded:	1996
Total Revenue:	\$2,100,000
Headquarters:	Matthews, NC
Website:	www.turning

TURNING CONCEPTS

Distributor of repair & generic replacement parts, attachments & tooling including CNC, screw machine & multi-spindle screw machine tooling. Products include ball slotting, cross drilling, polygon-generating, slide thread rolling, thread & spline milling attachments including thread rolling & insertable quick change form tools, spade drills quick change pre sets, tool holders & work holding products. Attachments are available for stainless steel & hardened materials. Spindle rebuilding & repair services are also available. Generic replacement parts, attachments & tooling are available for American & European machines. Capabilities include same day shipping of inventory parts. Applications to turning industry.

TENANT HIGHLIGHTS

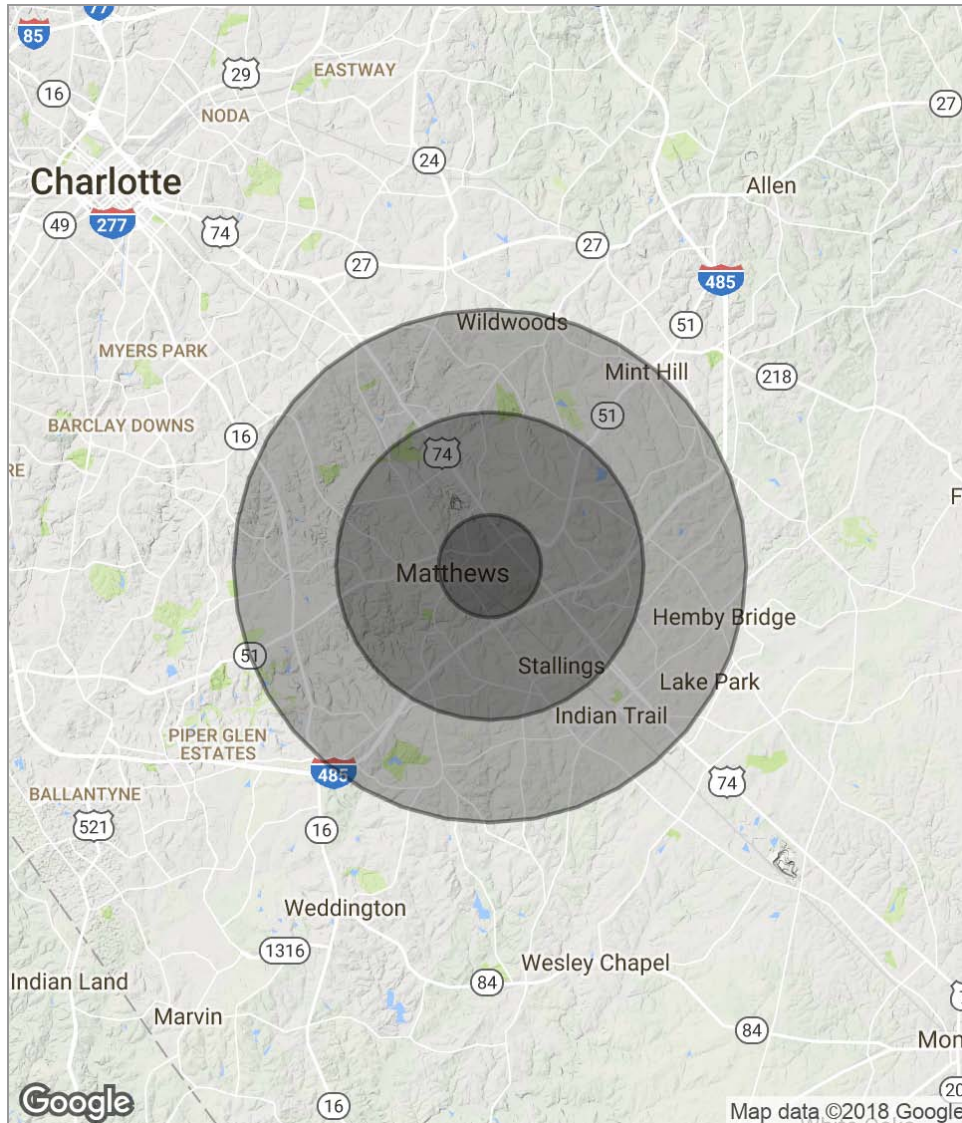
- Leading Distributor of LMT Threading Products
- Regrinding & Recoating of Tools
- In-House Machine Repair Service

4

DEMOGRAPHICS

701 Matthews-Mint Hill Road
Matthews, NC 28105

Demographics Map



POPULATION

	1 MILE	3 MILES	5 MILES
Total population	5,039	47,166	141,935
Median age	35.3	38.0	36.6
Median age [male]	35.4	37.7	35.9
Median age [Female]	35.4	38.6	37.2

HOUSEHOLDS & INCOME

	1 MILE	3 MILES	5 MILES
Total households	2,134	18,526	54,659
# of persons per HH	2.4	2.5	2.6
Average HH income	\$69,878	\$85,391	\$84,030
Average house value	\$219,181	\$251,844	\$255,128

* Demographic data derived from 2010 US Census



Bertolina CRESI
1850 East 3rd Street
Charlotte, NC 28204
704.333.9881



940 West Adams Street, Suite 200
Chicago, IL 60607
312.626.3030
svnchicago.com