

Central Carolina Gynecology and Aesthetics

127-129 N Steele St
Sanford, NC 27330



INTERACTIVE
MARKETING PACKAGE

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY

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Central Carolina Gynecology and Aesthetics & Donna's Hair Salon

Matthews™ Healthcare Division is pleased to bring to market the investment property at 127-129 N Steele Street to qualified investors. Central Carolina Medical Group, who is affiliated with Duke LifePoint, partnered with Advanced Care for Women, an established practice in Sanford who has been serving the community for over 30 years. Central Carolina Medical Group, LLC signed a 5 year lease with 2.0% annual increases to combat inflation.

Donna's Hair Salon has been occupying 129 N Steel Street since 2019 on a year to year lease. This presents the potential for a new owner to get the hair salon on a lease that would increase with the market, upon the leases rollover.

Central Carolina Gynecology and Aesthetics



PRICE

\$740,579



NOI

\$62,358



GLA

±5,743 SF



CAP RATE

8.42%

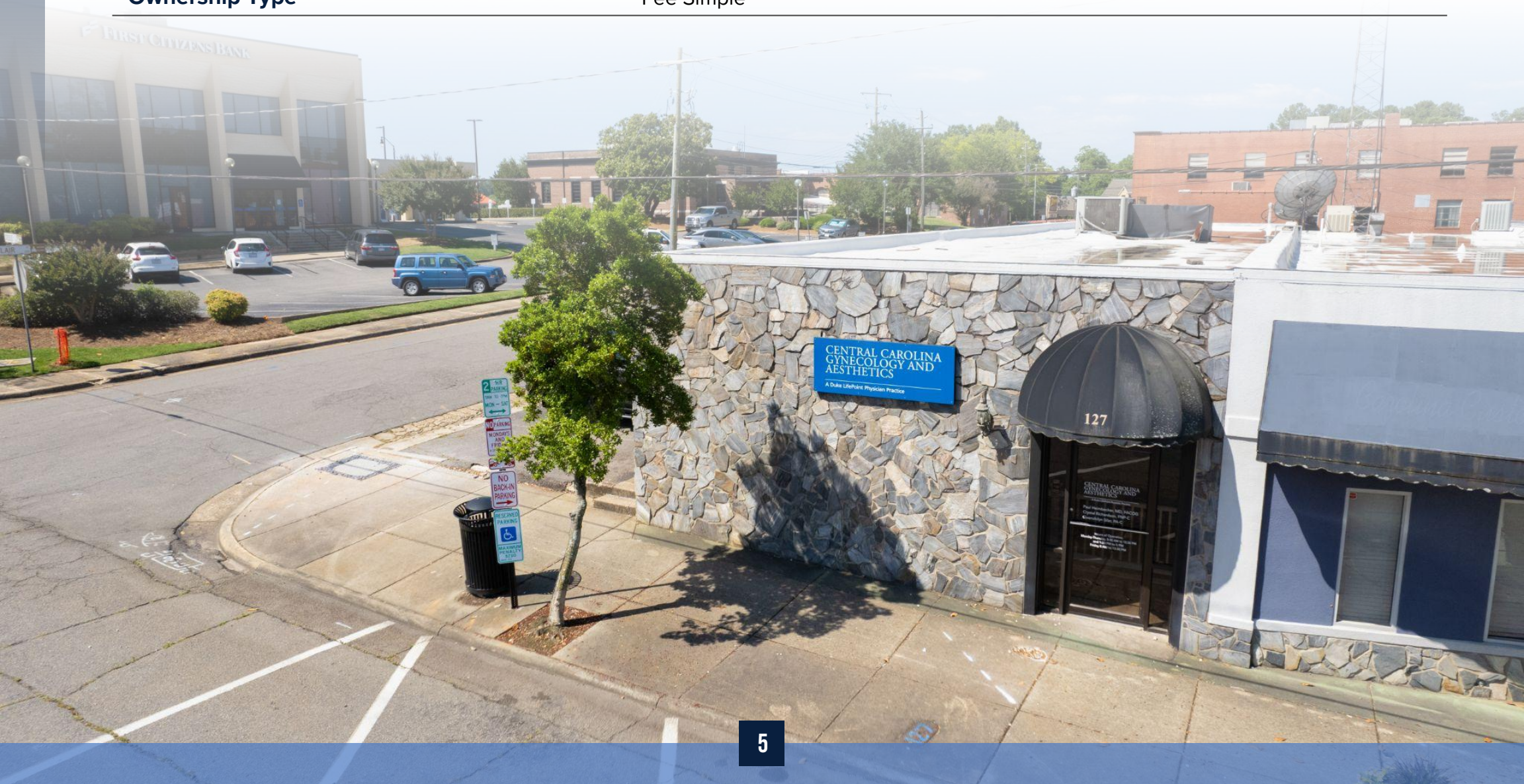


LEASE TERMS

±3.54 WALT

PROPERTY OVERVIEW

Property Name	Central Carolina Gynecology and Aesthetics/Donna's Hair Salon
Address	127-129 N Steele St Sanford, NC 27330
Property Size	±5,743 SF
Year Built	1960
Occupancy	100%
Property Type	Medical Office
Ownership Type	Fee Simple





INVESTMENT HIGHLIGHTS

Medical Office Building

Healthcare real estate has been a highly sought-after investment as it tends to be more resistant to economic downturns than other asset classes. In an uncertain economic environment, investors are turning to medical office buildings like this to ensure their investment dollars receive stable returns.

High Year 1 Return

Priced at an attractive cap rate of 8.42%, this investment allows for a potential new owner to have a high return on initial investment. This could be especially attractive to investors who are looking for a short-term investment with a high return.

Priced Below Replacement Cost

At just \$127.74 per square foot this property is priced far below replacement cost for a fully built out medical office. Medical offices require a higher cost of build out than normal offices due to increased electrical, plumbing, and structural specifications.

Central Carolina Gynecology and Aesthetics

The tenant is backed by Central Carolina Hospital, 137-bed acute care facility backed by Duke LifePoint Hospital. Central Carolina offers a range of medical, diagnostic, and surgical services. The emergency department alone sees over 38,000 patients a year. A highly valuable referral source is created from this proximity & causes an increased demand for this location.

Attractive 2% Annual Increases

The anchor tenant has 2% rental increases each year, a great hedge against inflation for a future investor.

Raleigh-Durham Proximity

The property is located less than an hour from the Research Triangle, Duke University, University of North Carolina and NC State University. The proximity to these organizations gives Sanford Dermatology access to information and technology regarding medical advancements. It also increases the likelihood of recruiting new physicians as the practice grows.

Recent Practice Partnership

Central Carolina Hospital partnered with the former Advanced Care for Women. The practice is well established in Sanford and has been serving the community for over 25 years.

Women's Health Economic Impact

The market for Obstetricians and Gynecologists is estimated at nearly 20 Billion in the US. Women's health providers are in increasingly short supply as fewer residents and medical students are moving into this space than historically average.

Sanford, NC - Industry

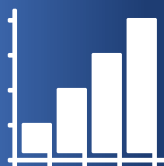
Bharat Forge, a global industrial manufacturers, identified Sanford as the newest North American facility location and has agreed to stay in NC for the next 12 years at minimum. This could lead to a \$787.1 million economic impact. Kyowa Kirin, a Japanese pharmaceutical company also announced a new factory in Sanford.

BUILDING SIZE
±5,743 SF



REMAINING LEASE TERMS
±3.56 YEARS

LEASE RATE
\$ 10.96/SF



IN-PLACE NOI
±\$62,358

INVESTMENT SUMMARY

List Price	\$740,579
Lease Rate	\$10.96
NOI	\$62,358
Cap Rate	8.42%
Price PSF	\$127.74
Rent PSF	\$12.85

FINANCIAL OVERVIEW

Income

Rental Income	\$76,974
Reimbursement Revenue	\$0
Effective Gross Revenue	\$76,694

Expenses

Real Estate Taxes	\$6,168
Insurance	\$3,448
Utilities	\$5,000
Total Operating Expenses	\$14,616
Net Operating Income	\$62,358

RENT ROLL

TENANT	LEASE TERM	TERM REMAINING	SF	% OF NRA	ANNUAL RENT	MONTHLY RENT	RENT PSF	RENTAL INCREASES	OPTIONS REMAINING	LEASE STRUCTURE
Central Carolina Physicians	5 Years	4.40	3,743	65%	\$67,374	\$5,615	\$18.00	2.0% Annually	1-2 year option	Gross
Donna's Hair Salon	Year to Year	11 Months	2,000	35%	\$9,600	\$800	\$4.80	NA	NA	Gross
Occupied Totals			5,743	100.00%	\$76,974	\$6,415	\$13.40			
Total			5,743	100.00%	\$76,974	\$6,415	\$13.40			



LEASE ABSTRACT - 127 N STEELE

Tenant Name	DLP Central Carolina Medical Group, LLC
Ownership Type	Fee Simple
Lease Guarantor	Corporate
SF Leased	3,743 SF
Occupancy	65%
Initial Term	5 Years
Rent Commencement	07/17/2023
Lease Expiration	07/31/2028
Lease Term Remaining	±3.56 Years
Base Rent	\$67,374
Rental Increases	2.0% Annually
Renewal Options	One, 2-Year Term
Expense Structure	Gross Lease
Landlord Responsibilities	Taxes, insurance, maintenance, utilities
Tenant Responsibilities	Trash removal
Termination Clause	Termination Clause tied to Physician Employment *See Agent*

***Two HVAC Units replaced June 2024 for \$18,000**

LEASE ABSTRACT -129 N STEELE

Tenant Name	Donna's Hair Salon
Ownership Type	Fee Simple
Lease Guarantor	Personal
SF Leased	±2,000 SF
Occupancy	35%
Initial Term	1 Year
Rent Commencement	05/01/2019
Lease Expiration	04/30/2025
Lease Term Remaining	±0.9 Years
Base Rent	\$9,600
Rental Increases	None
Renewal Options	Not Specified
Expense Structure	Gross Lease
Landlord Responsibilities	Taxes, insurance, maintenance,
Tenant Responsibilities	Utilities (separately metered)

Central Carolina Gynecology and Aesthetics

ABOUT

Formerly known as Advanced Care For Women, Central Carolina Gynecology and Aesthetics has been providing women's healthcare in Lee County for over 25 years, with personal and confidential care for women of all ages.

With more than 30 years of experience in health care, Dr. Heimbecker specializes in general gynecology, obstetrics and preventive health. He provides women's health services for patients of all ages, including preventive care, laser treatments, birth control, abnormal bleeding, pelvic prolapse, urinary incontinence, and infertility. He is an expert in minimally invasive surgery, including hysterectomies (vaginal and laparoscopic), bladder tacks and ablations.



Website

www.centralcarolinaphysicians.com



±3.7 MILES AWAY



Walmart Supercenter
 Harbor Freight Quality Tools Lowest Prices
 Ross Dress for Less Hobby Lobby
 Food Lion
 LIDL
 Lowe's
 TSC Tractor Supply Co
 Petco
 Bealls Live Life Local
 ALDI

RE/MAX

The Cabana Beauty, Massage & Wellness Studio

HUGGER BREWING COMPANY

OXIDE GALLERY OF FINE ART



Smoke & Barrel

Stanley's HOME CENTER Furniture & Design

UNIV SANFORD ANTIQUE MALL

BOOKS AT A STEAL

CITGO

CHATHAM ST

SANFORD MAKEPEACE APARTMENTS

TEMPLE THEATRE

Ichiban Japanese Restaurant

First Citizens Bank

LA DOLCE VITA PIZZERIA

N HORNER BLVD ± 8,500 VPD

CARTHAGE ST

KELLY'S SCHOOL OF DANCE

SUBJECT PROPERTY

SAINT CLAIR CT

The Sanford Herald

THE LAW OFFICE OF W ANDREW LELIEVER

Auto Value

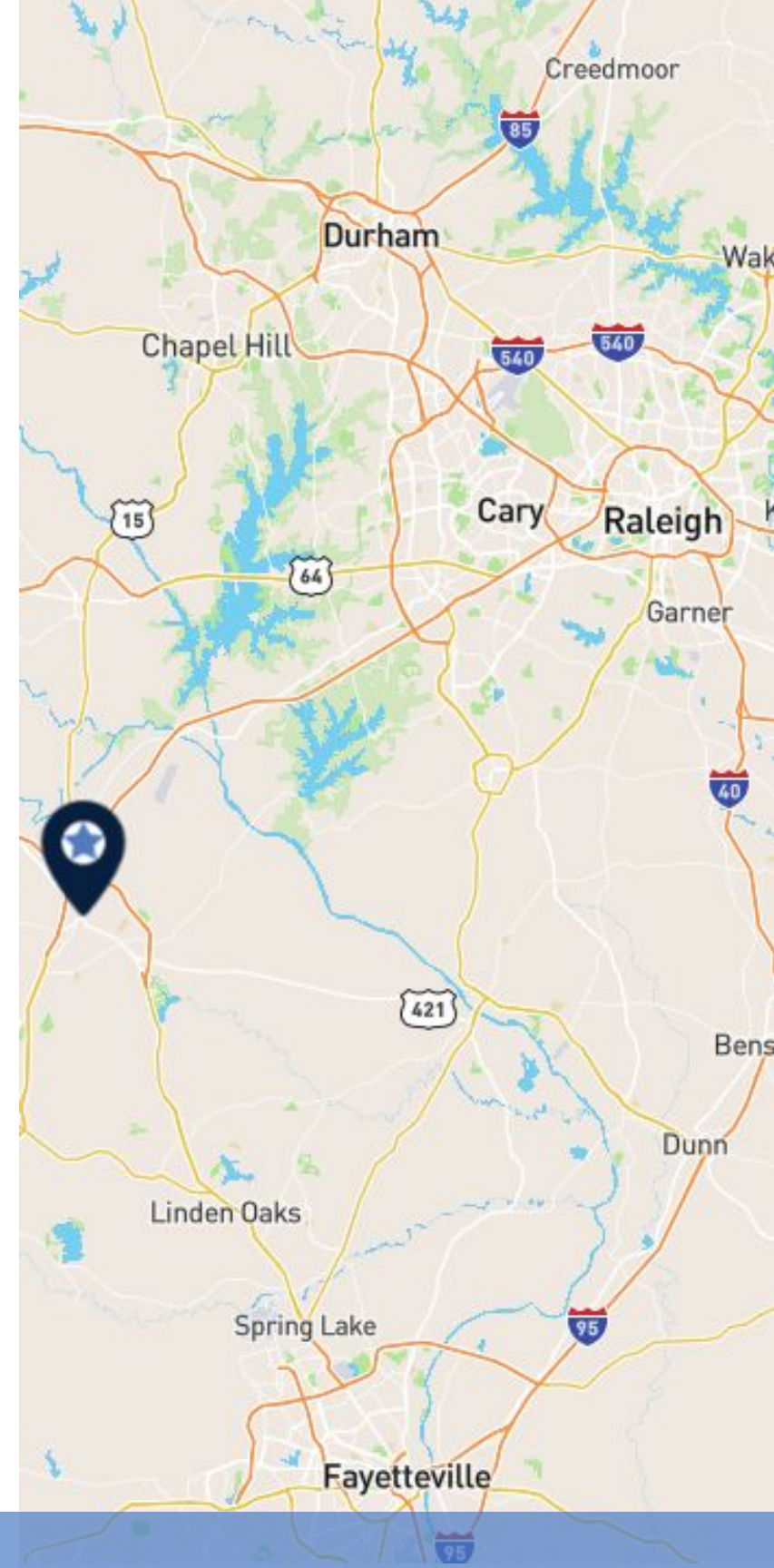
N STEELE ST

SANFORD, NC

Sanford, North Carolina, located in Lee County, serves as a charming blend of historical significance and modern development. Known as the "Brick Capital of the USA," Sanford has a rich history in brick manufacturing, contributing significantly to its local economy and architectural identity. The town's historic downtown area, with its well-preserved buildings, offers a glimpse into its past while providing contemporary amenities like shops, restaurants, and cultural attractions. Sanford's strategic location, about **40 miles southwest of Raleigh**, provides residents and visitors with convenient access to larger city amenities while maintaining a small-town feel.

Healthcare in Sanford, North Carolina, is robust and continually expanding to meet the needs of its growing population. The central healthcare facility is **Central Carolina Hospital**, which offers a range of services including emergency care, surgery, and specialized treatments. Additionally, the community benefits from a **variety of clinics and medical practices** that provide comprehensive care in areas such as primary care, pediatrics, and specialty services. The presence of Central Carolina Community College's **health sciences programs** further supports the local healthcare system by training future healthcare professionals. With ongoing investments in medical infrastructure and services, Sanford's healthcare sector is well-equipped to deliver quality care and address the diverse health needs of its residents.

DEMOGRAPHICS			
POPULATION	1-MILE	3-MILE	5-MILE
Five-Year Projection	8,502	30,943	47,055
Current Year Estimate	7,459	27,710	42,060
2020 Census	6,657	25,554	39,136
Growth Current Year-Five-Year	13.99%	11.67%	11.87%
Growth 2020-Current Year	12.06%	8.44%	7.47%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
Five-Year Projection	3,157	11,951	18,241
Current Year Estimate	2,749	10,634	16,170
2020 Census	2,446	9,883	15,012
Growth Current Year-Five-Year	14.85%	12.38%	12.80%
Growth 2020-Current Year	12.39%	7.60%	7.72%
INCOME	1-MILE	3-MILE	5-MILE
Average Household Income	\$54,667	\$77,669	\$84,742



RALEIGH, NC

Raleigh, known as the “City of Oaks”, is the capital of the state of North Carolina and the seat of Wake County in the United States. Raleigh is the second-largest city in the state of North Carolina, after Charlotte. Raleigh is home to North Carolina State University (NCSU) and is part of the Research Triangle Park (RTP) area, together with Durham (home of Duke University) and Chapel Hill (home of the University of North Carolina at Chapel Hill). The “Triangle” nickname originated after the 1959 creation of the Research Triangle Park, located in Durham and Wake counties, among the three cities and their universities.

Following the establishment of the Research Triangle Park (RTP), several tens of thousands of jobs were created in the fields of science and technology. The region and city have attracted a large influx of population, making it one of the fastest-growing communities in the United States by the early 21st century. It is a model for other nations, states, and small governments around the world.



ATTRACTIONS

Raleigh's most popular attraction is a museum that teaches visitors about the natural world. The free museum offers more than 25 permanent exhibitions, including looks at N.C.'s Mountain, Piedmont, and Coastal Plain region habitats and wildlife along with discoveries found in the sea and underground. Take the path down the skywalk and check out the Nature Research Center, a wing of the museum where visitors can watch research scientists and get inspired by the field of study.

Discover an eclectic mix of 130-plus local shops, restaurants, bars, and hotels in this outdoor shopping haven. Known for its upscale finds and friendly for the entire family, visitors will find it easy to spend a day browsing the racks of designer clothes at Gena Chandler or Vermillion, shopping for china and crystal at Quintessentials, and picking out monogrammed stationery at Paperbuzz. After (or in between) shopping stops, grab some food and a handcrafted brew at local favorites like The Cowfish, Vivace, or Yard House. The 19,700-seat venue hosts an impressive array of major sports, concert tours, and events each year. On an annual basis, PNC Arena welcomes more than 1.5 million guests and plays host to more than 150 events including major concert tours and family shows.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **127 N Steele St, Sanford, NC, 27330** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Neither owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity’s name or logo, including any commercial tenant’s name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date of this Offering Memorandum.

Net Lease Disclaimer – There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.

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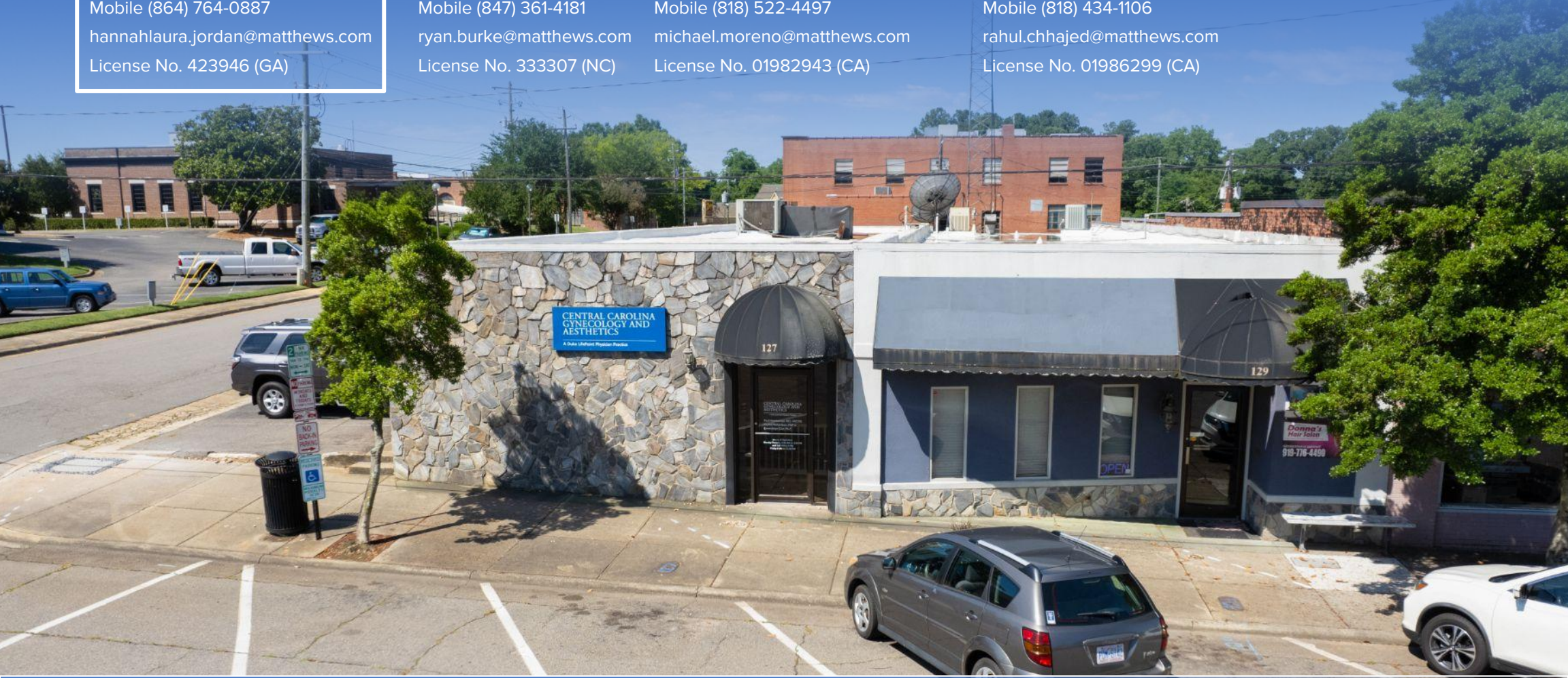
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