

INVESTMENT OPPORTUNITY MEMORANDUM

2107 Kirkwood Street • High Point, NC 27262

Leased Retail Center with Value-Add Development Pads • DeLille | Field Commercial Real Estate

| | | | |
|-------------------------------------|--|--|---|
| Listing Price \$2,650,000 | All-In (+ 10,000 SF Build) \$4,150,000 | Projected Stabilized Value \$7,435,000 | Equity Value Created \$3,285,000+ |
|-------------------------------------|--|--|---|

Acquire at a 4.7% CAP. Build to an **8.4% yield on cost** — a 370 basis-point spread on \$1.5M of construction.

INVESTMENT THESIS

This offering combines immediate, stabilized cash flow with two unpriced development pads that provide a clear, executable path to forced appreciation. The purchase price reflects the existing building’s NOI only—both pads produce zero income today, meaning a buyer acquires future NOI at no incremental cost.

Developing the 10,000 SF strip pad at market NNN rents nearly triples the property’s NOI and generates over \$3.2M in equity value on \$1.5M of construction—a compelling return on capital unavailable in stabilized acquisitions at this price point.

SCENARIO ANALYSIS

| Scenario | NOI / Year | Return |
|-------------------------|------------------|---------------------|
| As-Is (in-place) | \$124,684 | 4.7% CAP |
| + 10,000 SF Strip | \$349,834 | 8.4% on cost |
| + 10K + 4,000 SF Corner | \$416,793 | 8.8% on cost |

IN-PLACE TENANTS

| Tenant | SF | Exp. | Ann. Income |
|--------------------|--------------|---------|------------------|
| Mykonos Grill | 3,589 | 3/2030 | \$93,314 |
| California Burrito | 1,560 | 6/2026* | \$27,262 |
| Raptures Salon | 1,560 | 1/2027 | \$25,022† |
| TOTAL NOI | 6,709 | | \$124,684 |

* Multiple renewal options through 2031. † TICAM recovery begins Feb 2026, organic NOI uplift

CONTACTS

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WHY THE CAP RATE UNDERSELLS THIS DEAL

- **Unpriced development optionality.** Both pads generate \$0 in income today. A buyer acquires two development sites at no cost above the stabilized purchase price.
- **Proven demand node.** Adjacent to Home Depot, Ross, IHOP, Starbucks, Verizon, and Mattress Firm. Pad tenants are slotting into an established trade area, not betting on new demand.
- **Income stabilizes the hold.** \$124,684 in current NOI covers carry during any construction period. No lease-up risk on the existing building.
- **No capital expenditure drag.** Fully renovated in 2016. All buyer capital goes toward pad development and NOI growth, not deferred maintenance.
- **Organic NOI improvement ahead.** Raptures Salon’s TICAM recovery kicks in February 2026, adding \$4,742/yr to NOI before any development begins.

DEVELOPMENT ASSUMPTIONS

| | |
|--|---------------------------------|
| Construction cost (per SF) | \$150 / SF |
| Market NNN rent (new construction) | \$22 / SF |
| 10,000 SF strip — 4 tenants | + \$220,000 base rent/yr |
| 4,000 SF corner outparcel | + \$88,000 base rent/yr |
| Total construction cost — 10K SF | \$1,500,000 |
| Total construction cost — both pads | \$2,100,000 |
| Projected value (10K SF, at 4.71% CAP) | \$7,435,000 |
| Equity value created | \$3,285,000+ |

LOCATION & CO-TENANCY

High-visibility signalized corner at Kirkwood Street & E. Parris Avenue on the North Main Street corridor. Surrounding national retailers validate the trade area and reduce pad leasing risk.

| | |
|------------|---------------------|
| Home Depot | Ross Dress for Less |
| IHOP | Starbucks |
| Verizon | Mattress Firm |
| Firestone | Panda Express |

This memorandum is provided for informational purposes only and does not constitute an offer to sell or a solicitation to buy. All figures are broker estimates; prospective investors should conduct independent due diligence. Projected values are not guaranteed.

