Century 21 COMMERCIAL®

CAPSTONE COMMERCIAL GROUP

Confidential Offering Memorandum

Gastonia, NC

Table of Contents

Disclaimer Statement

WORKING WITH REAL ESTATE AGENTS

When buying or selling real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the seller. In others, the seller and buyer may each have agents. And sometimes the same agents work for both the buyer and the seller. It is important for you to know whether an agent is working for you as **your** agent or simply working **with** you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide buyers and sellers, and it will help explain how real estate agents are paid.

SELLERS

Seller's Agent

If you are selling real estate, you may want to "list" your property for sale with a real estate firm. If so, you will sign a "listing agreement" authorizing the firm and its agents to represent you in your dealings with buyers as your *seller's agent*. You may also be asked to allow agents from other firms to help find a buyer for your property.

Be sure to read and understand the listing agreement before you sign it. Your agent must give you a copy of the listing agreement after you sign it.

Duties to Seller: The listing firm and its agents must promote your best interests be loyal to you follow your lawful instructions provide you with all material facts that could influence your decisions use reasonable skill, care and diligence, and account for all monies they handle for you. Once you have signed the listing agreement, the firm and its agents may not give any confidential information about you to prospective buyers or their agents without your permission so long as they represent you. But **until you sign the listing agreement, you should avoid telling the listing agent anything you would *not* want a buyer to know**.

Services and Compensation: To help you sell your property, the listing firm and its agents will offer to perform a number of services for you. These may include helping you price your property advertising and marketing your property giving you all required property disclosure forms for you to complete negotiating for you the best possible price and terms • reviewing all written offers with you and otherwise promoting your interests.

For representing you and helping you sell your property, you will pay the listing firm a sales commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the buyer.

Dual Agent

You may even permit the listing firm and its agents to represent you **and** a buyer at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as a *buyer's agent* with someone who wants to purchase your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to amend your listing agreement to permit the agent to act as agent for both you and the buyer.

It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction.

BUYERS

When buying real estate, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a **buyer's agent**). You may be willing for them to represent both you and the seller at the same time (as a **dual agent**). Or you may agree to let them represent only the seller (**seller's agent** or **subagent**). Some agents will offer you a choice of these services. Others may not.

Buyer's Agent

Duties to Buyer: If the real estate firm and its agents represent you, they must promote your best interests be loyal to you follow your lawful instructions provide you with all material facts that could influence your decisions use reasonable skill, care and diligence, and account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your *buyer's agent*, they may not give any confidential information about you to sellers or their agents without your permission so long as they represent you. But **until you make this agreement with your buyer's agent, you should avoid telling the agent anything you would *not* want a seller to know**.

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent and assist you for a time as a *buyer's agent* without a written agreement. But if you decide to make an offer to purchase a particular property, the agent must obtain a written agency agreement before writing the offer. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential.

Be sure to read and understand any agency agreement before you sign it. Once you sign it, the agent must give you a copy of it.

Services and Compensation: Whether you have a written or unwritten agreement, a *buyer's agent* will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property and • other-wise promote your best interests. If you have a **written** agency agreement, the agent can also help you prepare and submit a written offer to the seller.

A *buyer's agent* can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the seller or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your *buyer's agent* is spelled out in a buyer agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

Dual Agent

You may permit an agent or firm to represent you **and** the seller at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your *buyer's agent* or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your (written or oral) buyer agency agreement, your *buyer's agent* will ask you to amend the buyer agency agreement or sign a separate agreement or document permitting him or her to act as agent for both you and the seller. It may be difficult for a *dual agent* to advance the interests of both the buyer and seller. Nevertheless, a *dual agent* must treat buyers and sellers fairly and equally. Although the *dual agent* owes them the same duties, buyers and sellers can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

Some firms also offer a form of dual agency called "designated agency" where one agent in the firm represents the seller and another agent represents the buyer. This option (when available) may allow each "designated agent" to more fully represent each party.

If you choose the "dual agency" option, remember that since a *dual agent's* loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

Seller's Agent Working With a Buyer

If the real estate agent or firm that you contact does not offer *buyer agency* or you do not want them to act as your *buyer agent*, you can still work with the firm and its agents. However, they will be acting as the *seller's agent* (or "subagent"). The agent can still help you find and purchase property and provide many of the same services as a *buyer's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the seller - not you - and therefore must try to obtain for the seller the best possible price and terms for the seller's property. Furthermore, a *seller's agent* is required to give the seller any information about you (even personal, financial or confidential information) that would help the seller in the sale of his or her property. Agents must tell you *in writing* if they are *sellers' agents* before you say anything that can help the seller. But **until you are sure that an agent is not a *seller's agent*, you should avoid saying anything you do *not* want a seller to know.** *Sellers' agents* are compensated by the sellers.

(Note: This brochure is for informational purposes only and does not constitute a contract for service)

The North Carolina Real Estate Commission

P.O. Box 17100 • Raleigh, North Carolina 27619-7100

919/875-3700 • Web Site: www.ncrec.state.nc.us

A Vertically Integrated Commercial Real Estate Firm with 13 years of Industry Experience

Century 21 Capstone Commercial Group is an expansion of the Capstone Family of Companies. In addition to our brokerage services, Capstone Multifamily Group is a well established property management group that began in 2003. These two entities are under the umbrella of MACC Venture Partners, a private equity commercial Real Estate firm that has deep penetration in commercial real estate holdings in the greater Southeast.

macc Venture Partners LLC.

Private Equity Commercial Real Estate

- Capital Preservation and Appreciation
- Quality Assets
- Undervalued Opportunities
- Flexible Portfolio
- Private Equity
- Fund Management

www.maccvp.com

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CAPSTONE COMMERCIAL GROUP

- Commercial Real Estate
- Multifamily Real Estate
- Disposition and Acquisition

www.c21capstone.com

CAPSTONE MULTI-FAMILY GROUP

- Management of Income Producing Assets
- Transparent and Cost-Based Expensing
- Flexible Accounting & Planning Services
- Web-Based Portals
- An Orderly Bidding System
- Total Maintenance Control
- Flexibility of Management

www.livewithcapstone.com

761 Miller Street	
Price: $515,000	
Number of Units	8
Unit Types	Garden Apartments
Year Constructed	1989
Buildings	1 building
Acreage	±0.68 AC

Unit Mix	
Unit Type	No. Units
3 Bed 1 Bath	8

Less than 2 miles from Booming downtown Belmont

Executive Summary

Century 21 Capstone Commercial Group is pleased to offer the exclusive listing of 761 Miller Street in Gastonia, NC for sale. Current ownership has spent significant capital to rehabilitate this 8-unit apartment property. Exterior upgrades include new roofs, windows, doors and siding. The interior was taken down to the studs and new cabinets, countertops, appliances, flooring, and fixtures including wall mounted HVAC systems were added. The current ownership has spent an estimated hundred-thousand dollars in renovations and upgrades to the property. Currently rents are below market value the buyer will benefit from an increase in rental rates.

The property is also located within one mile of the Loray Mill and the planned (FUSE) Franklin Urban Sports and Entertainment development in Gastonia potentially breaking ground in 2018.

Loray Mill was once one of the largest textile mills in the southeast and starting in 2012 was converted into apartments and included retail to help revitalize the area. FUSE aims to help revitalize the area through a development that will contain a new baseball stadium which will house Gastonia's Summer league baseball team. In addition, surrounding the stadium will be retail shopping, dining, and apartments.

Unit	Market Rent	100% Rented	Loss to Lease	Rent Charges	Misc Charges	Credits	Total Charged
761-A	$695.00	$645.00		$645.00		0	$645.00
761-B	$695.00	$645.00		$645.00	$-	0	$645.00
761-C	$695.00	$645.00		$645.00	$272.25	0	$917.75
761-D	$695.00	$645.00		$645.00	$-	0	$645.00
761-E	$695.00	$645.00	VACANT		$-	0	$-
761-F	$695.00	$645.00	$20.00	$625.00	$219.75	0	$844.75
761-G	$695.00	$645.00		$645.00		0	$695.00
761-H	$695.00	$645.00		$645.00	$50.00	0	$645.00
Total	$5,560.00	$4,515.00		$4,495.00	$542.00		$5,037.00

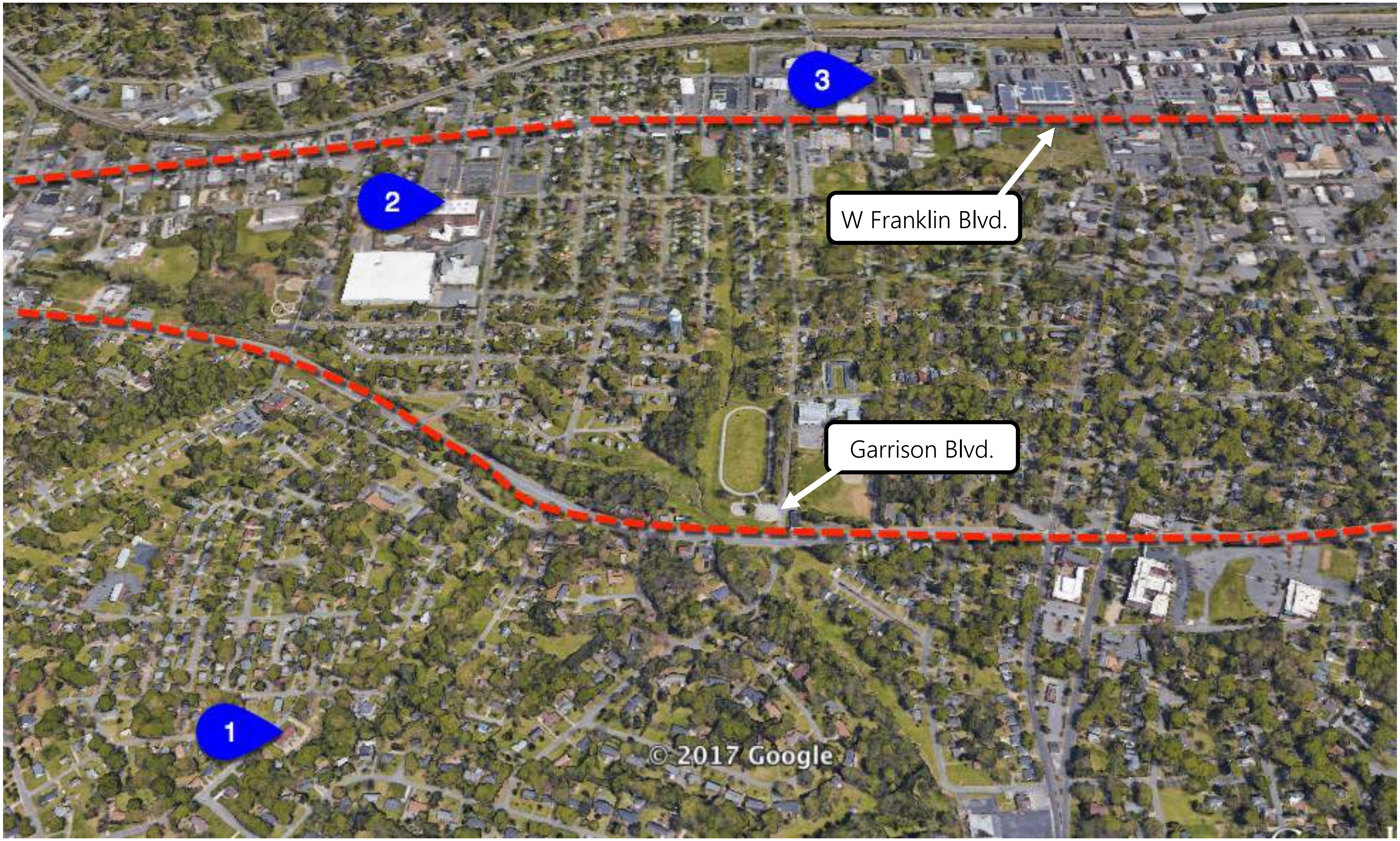
Market	Charlotte
Submarket	37 - Gastonia - south, 38 - Gastonia - north
Group By	Property Asset Class
Rent Period	May,2017
Property Completion Year	Between '1984' And '1994'

			Rental Rate		
Property Asset Class	**Unit Count**	**Avg SqFt**	**High**	**Low**	**Average**
Upper Mid-Range	144	934	$1,054	$832	$948
Low Mid-Range	847	959	$936	$537	$773
Workforce - Upper	423	768	$907	$619	$706
	Total Unit Count	**Overall Avg SqFt**	**Overall High**	**Overall Low**	**Overall Average**
	1,414	**899**	**$1,054**	**$537**	**$771**

Rental data from Yardi Matrix

The Franklin Urban Sports & Entertainment (Fuse) Redevelopment of the Franklin Urban Corridor will promote economic development between Downtown Gastonia and Loray Village. Fuse plans to construct a multi-purpose facility for sports, concerts and other forms of entertainment that will serve as a destination and a stimulus for private sector development. This will provide the opportunity for new residential and commercial development that returns vitality and a climate of investment to Gastonia's center city. The new development is planned to break ground in2018.

1. Miller Street Property
2. Loray Mill
3. FUSE Development



Major Employers in Gaston County	
Employer	No. of Employees
Gaston County Schools	1,000+
Caromont Healthcare	1,000+
Freightliner	1,000+,
Wal-mart Associates	1,000+,
County of Gaston	1,000+,
FKA Wix Filtration Group	1,000+,
American & Efird, Inc	1,000+
Pharr Yarns, Inc	500-999
City of Gastonia	500-999
Dole Fresh Foods	500-999
Gaston College	500-999

Gaston has over 4,000 Diverse Businesses

Gaston County offers businesses superior value through economical real estate, dedicated workers, transportation advantages, and an excellent quality of life. The County has over 4,000 businesses and government entities, with the largest employment numbers in the following sectors:

- Services
- Retail Trade
- Construction
- Manufacturing
- Finance, Insurance, Real Estate

"To consistently maintain our position as an industry leader in the Commercial Real Estate markets of the greater Southeast and Internationally by successfully developing, enhancing, and integrating our client relationships, dedication and work ethic, industry knowledge and business ingenuity, creative problem solving abilities, and profitability in all that we do."

- Continually provide excellent representation to our clients, colleagues, and affiliates.
- Superior dedication to continual education
- Thorough and valuable industry knowledge through experience and market research
- Unmatched intelligence, ingenuity, and capability through shared resources
- Access to the best commercial software and technology and well as marketing tools
- Ethical and truthful behavior in all aspects of serving our clients

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OAEM9162016V1.0

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