

CONFIDENTIAL OFFERING MEMORANDUM

METAL WORKS OF HIGH POINT, INC.



TWO-PROPERTY INDUSTRIAL PORTFOLIO

SALE/LEASEBACK INVESTMENT OPPORTUNITY

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CAPITAL ADVISORS

FURMAN

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About Furman Capital Advisors

Founded as the Investment Services Division of NAI Earle Furman, Furman Capital Advisors specializes in real estate acquisitions, dispositions, portfolio management and loan workouts of various investment property types throughout the southeastern United States. The Furman Capital Advisors team provides clients with a full range of financial services including comprehensive financial modeling, due diligence analysis, real estate valuations, loan sourcing and more. By leveraging the team's unique combination of real estate and finance experience that has proven beneficial to its clients, Furman Capital Advisors adds value by analyzing and structuring transactions to best meet the client's financial objectives in an ever-changing market. For more information, visit www.FurmanCapital.com

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DEMOGRAPHIC SUMMARY

DISCLAIMER & DISCLOSURE

This Offering Memorandum contains select information pertaining to the business and affairs of the properties being offered for sale and owned by 3-4 Holdings, LLC ("Property"). It has been prepared by Furman Capital Advisors ("Agent"). This Offering Memorandum may not be all-inclusive of contain all of the information a prospective purchaser may desire. The information contained in the 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 Owner or Agent. The material is based in part upon information supplied by the Owner and in part upon financial information obtained from sources it deems reliable. The Owner, nor their officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence. Owner and Agent 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 by all parties 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 the 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 Seller or Agent or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause 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 creation of this Offering Memorandum.

THE OFFERING

INVESTMENT SUMMARY

Furman Capital Advisors, as exclusive agent to Seller, is pleased to present the opportunity to acquire the industrial Sale/Leaseback **Metal Works of High Point, Inc. Portfolio** located in High Point, NC. The Property consist of two locations: 918 W. Martin Luther King Dr., High Point, North Carolina 27262, and 1245 Hickory Chapel Rd., North Carolina 27260 (the "Property"). Metal Works of High Point, Inc. will enter in to a new seven-year NNN lease upon closing with a combined rental rate of \$5.80 for 92,941 SF and annual increases of 2.5%. The company was founded in 1992 and is a financially strong metal components manufacturer in the heart of the **Furniture Capital of the World**, High Point, NC. The property is strategically located minutes from the Piedmont Triad International Airport and in the Triad Region of North Carolina which has a population of 1.7 million. This area has experienced an extraordinary level of economic development activity including recent investments from Toyota Motors' EV battery plant at the Greensboro-Randolph County Megaspine and Boom Supersonic's production facility for their supersonic passenger plane at PTI Airport.

PROPERTY SUMMARY

Address	918 W. Martin Luther King Jr. Dr. High Point, NC 27262	
Ownership	Fee Simple	
Property Type	Industrial	
Building Size	55,891 SF	Office: 9,668 SF
Year Built	1930 / 1975 / 2014	
Parcel Size	4.10 AC	
Dock Doors	5	
Drive-In Doors	6	
Sprinkler		
Power		
Zoning	GB	



PROPERTY SUMMARY

Address	1245 Hickory Chapel Rd., High Point, NC 27260	
Ownership	Fee Simple	
Property Type	Industrial	
Building Size	37,050 SF	Office: 1,800 SF
Year Built	1974	
Parcel Size	6.02 AC	
Dock Doors	4	
Drive-In Doors	2	
Sprinkler	Wet	
Power	1200 Amps / 3 Phase	
Zoning	LI	



INVESTMENT HIGHLIGHTS

KEY VALUE DRIVERS



SALE/LEASEBACK INVESTMENT:

Metal Works of High Point Inc., a family owned and financially strong company, will sign two new co-terminus leases upon closing. The company was founded in 1992 as a spin-off division from the Alma Desk Company of High Point, NC



ADDITIONAL LAND:

An investor can look at the possibility of repurposing the addition unused land of approximately 6 acres at Hickory Chapel Rd. and 1 acre at Martin Luther King Dr. for IOS (Industrial Outdoor Storage). This could provide additional income for the NOI with little capex required.



RECENT CAPITAL EXPENDITURES:

MWHP acquired the property at 1245 Hickory Chapel RD. in the June of 2022 and invested extensively in deferred maintenance items including a new TPO roof and replacing 40% of the roof decking. They have also upfitted the interior and installed a multi-million-dollar powder coating line for business expansion.



NNN LEASE STRUCTURE:

The proposed NNN lease structure provides minimal landlord responsibilities and defers growing operational costs to the tenant.



ANNUAL INCREASES:

The two leases will have annual increase that provide investors with a growing income stream and a hedge against inflation.



HIGH GROWTH MARKET:

The Triad Region of North Carolina has seen an unprecedented increase in overall investment, due to job growth and recent announcements from major companies such as Toyota, Boom Supersonic and Wolfspeed. North Carolina was ranked by CNBC as the No. 1 state to do business in 2022 2023 with the 3rd highest YOY increase in population.



METAL WORKS
OF HIGH POINT



Since 1992, Metal Works of High Point has provided turnkey contract metal fabrication solutions for clients in the appliance, telecommunications, transportation, material handling, contract furniture, and other industries. As a second-generation family-owned and operated business, their work is personal to them, and they take pride in offering high-quality custom components with a focus on honesty, respect, and top-notch customer care.

- **Laser Cutting Services**
- **CNC Forming**
- **Manual and Robotic Welding**
- **Machining and Multi-Axis Lathe**
- **Powder Coating/Metal Finishing**

Their expert team brings hundreds of years of combined experience to a facility featuring state-of-the-art equipment and software, allowing us to deliver precise, high-quality products.

PROPOSED LEASEBACK

TERMS

918 W. MARTIN LUTHER KING JR DR. HIGH POINT, NC 27262

1245 HICKORY CHAPEL RD. HIGH POINT, NC 27260

Term	7 years	7 years
Lease Type	Triple Net	Triple Net
Rent/SF	\$4.65	\$7.50
Monthly Rent	\$21,658	\$23,156
Annual Rent	\$259,893	\$277,875
Rent Increases	2.50% Annually	2.50% Annually
Property Taxes	Tenant Reimburses	Tenant Reimburses
Property Insurance	Tenant Reimburses	Tenant Reimburses
Common Area Maintenance	Tenant Responsible	Tenant Responsible
Parking Lot	Tenant Responsible	Tenant Responsible
HVAC	Tenant Maintains;	Tenant Maintains;
	Landlord Replaces	Landlord Replaces
Roof & Structure	Landlord Responsible;	Landlord Responsible;

VALUATION OVERVIEW

RENT ROLL

PROPOSED RENT ROLL

ADDRESS	Size (SF)	Lease Commencement	Lease Expiration	Rent/SF	Monthly Rent	Annual Rent	Increases	Lease Structure	Landlord Responsibilities
1245 Hickory Chapel Rd. High Point, NC 27260	37,050	1/1/2024	12/31/2030	\$7.50	\$23,156.25	\$277,875.00	2.50% Annually	NNN	Roof & Structure
918 W. Martin Luther King Jr Dr. High Point, NC 27262	55,891	1/1/2024	12/31/2030	\$4.65	\$21,657.76	\$259,893.15	2.50% Annually	NNN	Roof & Structure
Total:	92,941				\$44,814.01	\$537,768.15			

PRO FORMA

INCOME	PSF	Annual
Gross Rental Income	\$5.79	\$537,768
Expense Reimbursement	\$1.02	\$94,856
Scheduled Gross Income	\$6.81	\$632,624

OPERATING EXPENSES

OPERATING EXPENSES	PSF	Annual
Property Taxes		
1245 Hickory Chapel Rd.	\$0.15	\$14,231
918 W. Martin Luther King Dr.	\$0.17	\$15,567
Insurance	\$0.20	\$18,588
CAM	\$0.50	\$46,471
Total Operating Expenses	\$1.02	\$94,856
Net Operating Income		\$537,768

RENT SCHEDULE

TERM	Monthly	Annual	Rent/SF
1/1/24 - 12/31/24	\$44,814.01	\$537,768.15	\$5.79
1/1/25 - 12/31/25	\$45,934.36	\$551,212.35	\$5.93
1/1/26 - 12/31/26	\$47,082.72	\$564,992.66	\$6.08
1/1/27 - 12/31/27	\$48,259.79	\$579,117.48	\$6.23
1/1/28 - 12/31/28	\$49,466.28	\$593,595.42	\$6.39
1/1/29 - 12/31/29	\$50,702.94	\$608,435.30	\$6.55
1/1/30 - 12/31/30	\$51,970.52	\$623,646.18	\$6.71

COMPARABLES OVERVIEW

COMPARABLE SALES



PROPERTY	200 KAPP ST.	4795 COMMERCIAL PLAZA ST.	3503 HOLTS CHAPEL RD.	1814 IVY ST. & 331 E 17TH ST.
City	Winston-Salem, NC	Winston-Salem, NC	Greensboro, NC	Winston-Salem, NC
Built/Renovated	1985	1965	1977	1954/1985
Size (SF)	57,646	46,261	28,130	151,035
Occupancy	100%	100%	100%	100%
Clear		18'	15'-17'	15'-16'
Date	8/21/2023	6/29/2023	5/31/2023	3/23/2023
Price	\$3,000,000	\$4,400,000	\$1,950,000	\$10,176,000
Price PSF	\$52.04	\$93	\$69	\$67.38
Cap Rate		7.79%		



PROPERTY	3610 & 3620 REED ST.	8717, 8719, 8735, W. MARKET ST.	300 CASSELL ST.	4810 CLOVER RD.
City	Winston-Salem, NC	Greensboro, NC	Winston-Salem, NC	Greensboro, NC
Built/Renovated	1982	1981	1967	1965
Size (SF)	40,000	88,754	40,000	66,535
Occupancy	100%	100%	100%	100%
Clear	13-19'	22'	16.5'	14'-22'
Date	11/8/2022	7/13/2022	4/12/2022	10/8/2021
Price	\$3,175,000	\$7,750,000	\$5,275,000	\$4,438,581
Price PSF	\$79.38	\$87	\$132	\$67
Cap Rate			7.41%	6.37%

Average \$/SF:	\$70.46
Average Cap Rate:	7.19%

PROPERTY OVERVIEW

MARKET MAP



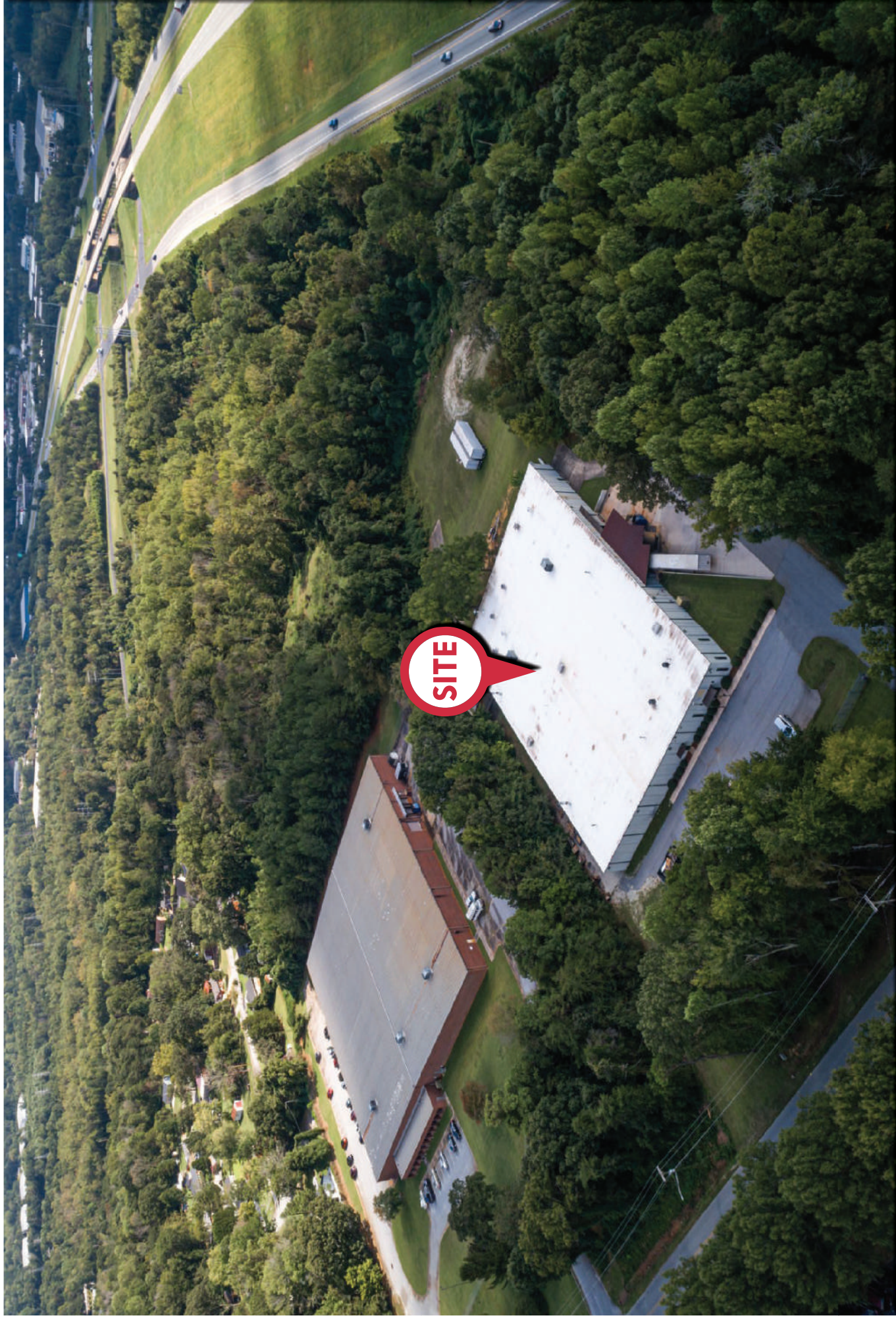
PROPERTY OVERVIEW

PROPERTY AERIAL PHOTO | 918 W. MARTIN LUTHER KING JR. DR., HIGHPOINT, NC



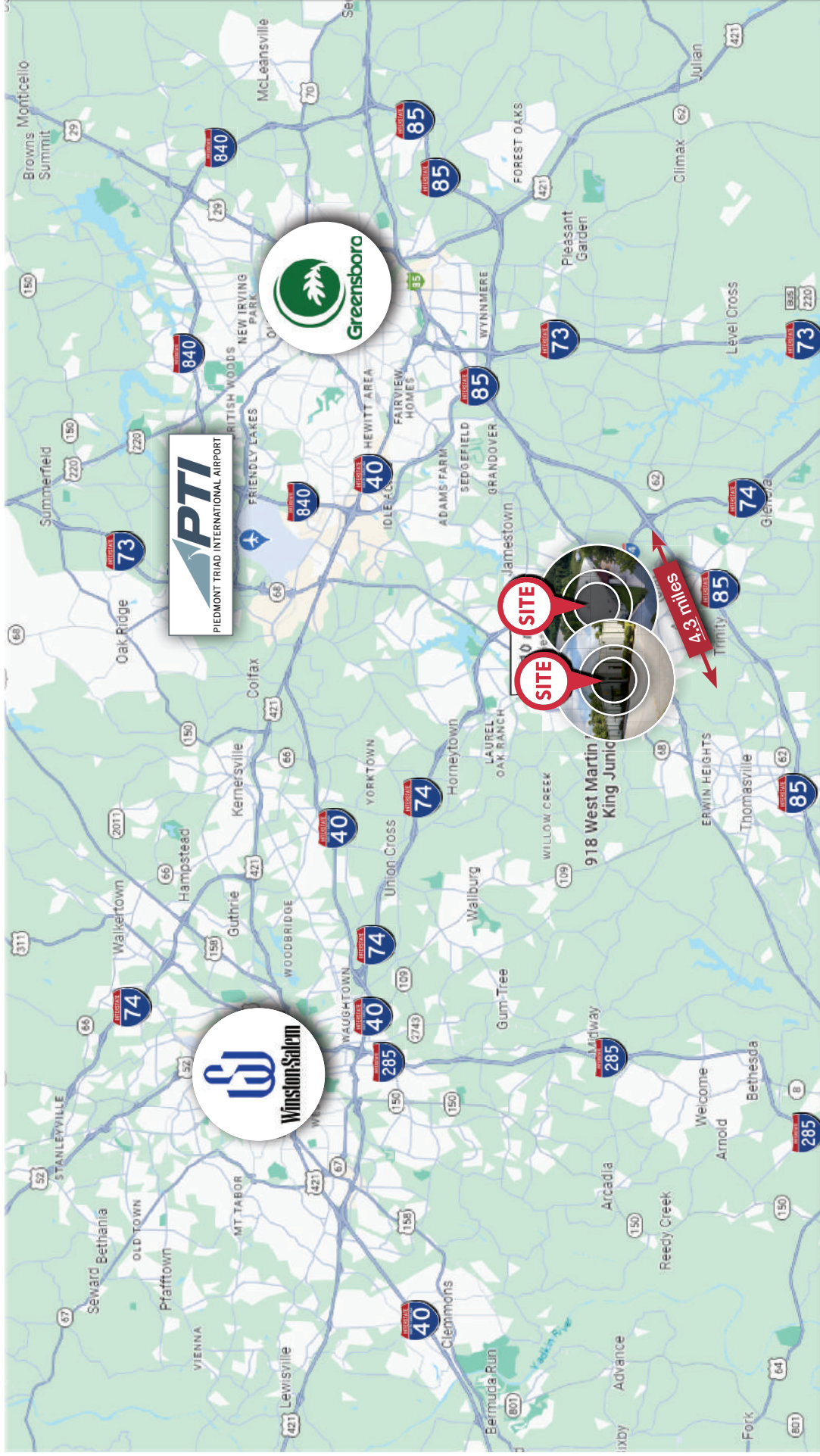
PROPERTY OVERVIEW

PROPERTY AERIAL PHOTO | 1245 HICKORY CHAPEL RD., HIGHPOINT, NC



PROPERTY OVERVIEW

SITE MAP

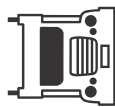


AIRPORTS



- Piedmont Triad: 15 miles (PTI)
- Raleigh/Durham: 79 miles (RDU)
- Charlotte Douglas: 103 miles (CLT)

US INTERSTATES



- I-85: 4.83 miles
- I-74: 2 miles

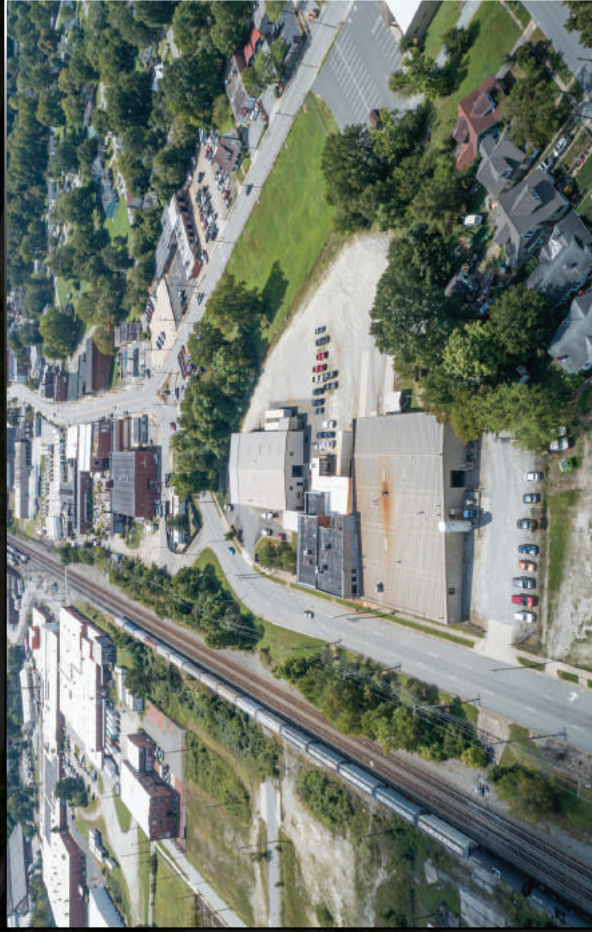
SURROUNDING CITIES



- Winston Salem, NC: 20.7 miles
- Burlington, NC: 37.1 miles
- Durham, NC: 68.2 miles
- Charlotte, NC: 76.1 miles
- Raleigh, NC: 91.1 miles
- Fayetteville, NC: 104 miles

PROPERTY EXTERIOR PHOTOS

918 W. MARTIN LUTHER KING JR DR. | HIGHPOINT, NC



PROPERTY INTERIOR PHOTOS

918 W. MARTIN LUTHER KING JR DR. | HIGHPOINT, NC



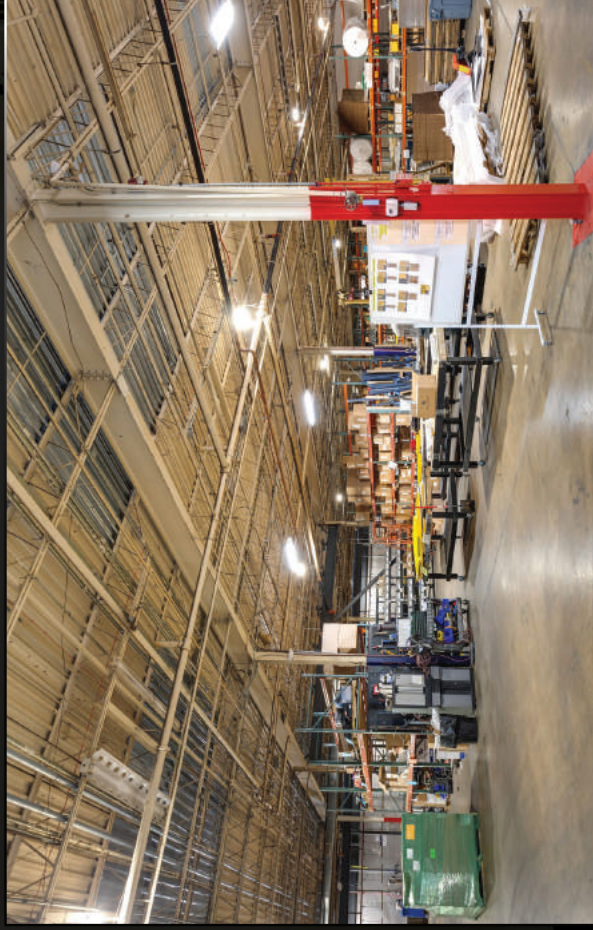
PROPERTY EXTERIOR PHOTOS

1245 HICKORY CHAPEL RD. | HIGHPOINT, NC



PROPERTY INTERIOR PHOTOS

1245 HICKORY CHAPEL RD. | HIGHPOINT, NC



ECONOMIC DEVELOPMENT



Location	PTI Airport, Greensboro NC
Jobs	1,761
Product Type	Overture Supersonic Jetliner
Total Investment	\$500 Million



Location	Greensboro- Raleigh Megastite, NC
Jobs	2,100 Employees
Product Type	Electric Vehicle Batteries
Total Investment	\$3.5 Billion

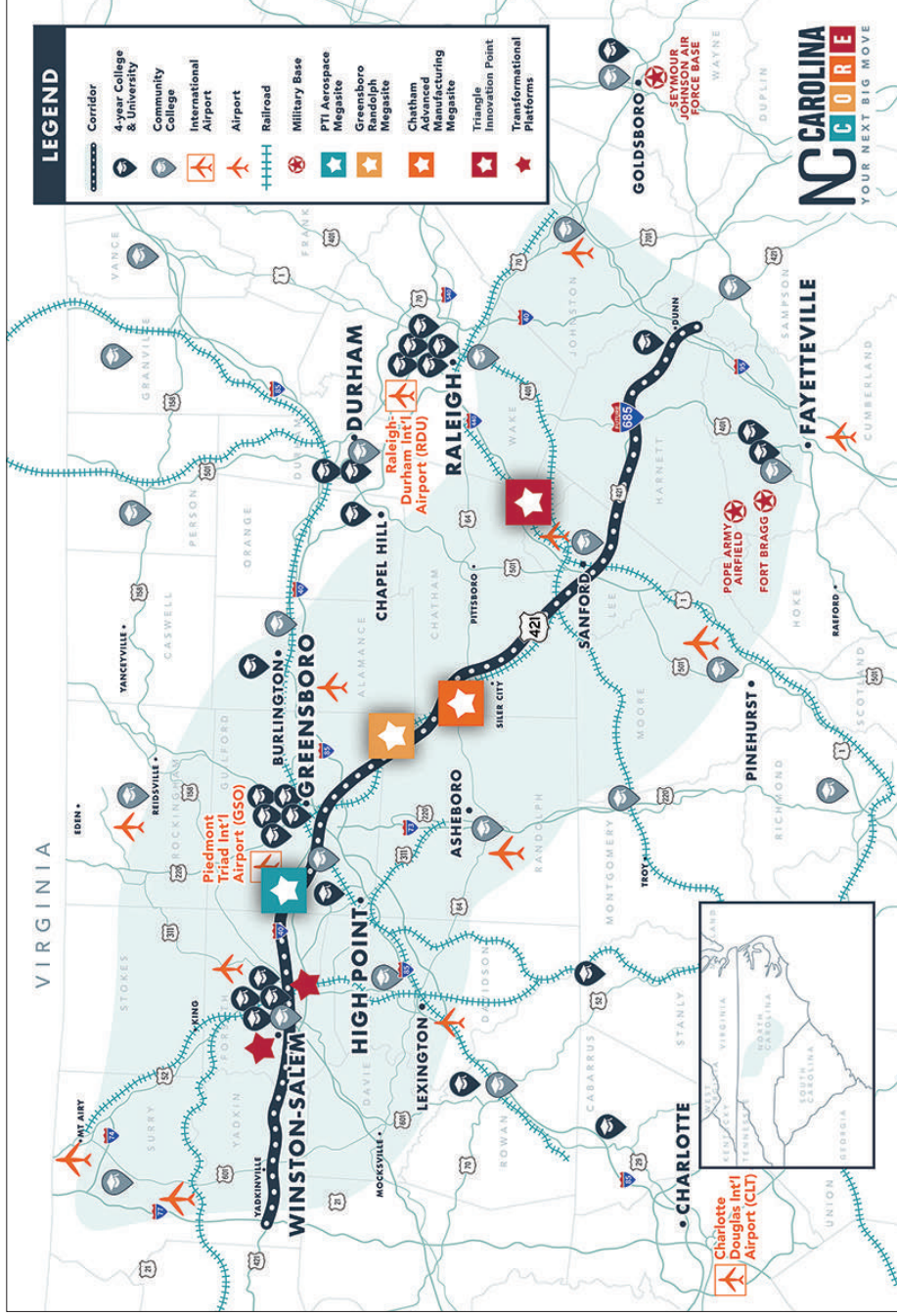
TOYOTA



Location	Chatham Advanced Manufacturing Site near Siler City, NC
Jobs	1,805 Employees
Product Type	Semiconductors
Total Investment	\$5 Billion



Location	Chatham County, NC
Jobs	7,500
Product Type	Electric Vehicles
Total Investment	\$4 Billion



North Carolina receives 2022 Prosperity Cup for the second year in a row for Economic Development success based on capital investment project activity

North Carolina is America's best state for business, according to a 2022 ranking by CNBC

MARKET OVERVIEW

MARKET ANALYSIS

PIEDMONT TRIAD OVERVIEW

The Piedmont Triad is located in the southeastern US, in the central part of North Carolina. We are located halfway between New York and Florida and halfway between Washington DC and Atlanta GA . We are a 12 county region with 63 municipalities serving 1.7 million people in total.

The Piedmont is the area lying between the Atlantic Ocean and the Appalachian Mountains. The Triad is named for the three largest cities in the region: Greensboro, Winston-Salem, and High Point. The region boasts excellent transportation and educational facilities, making the Piedmont Triad a hub for commerce along the mid Atlantic region. There are approximately 900,000 jobs in the Piedmont Triad.

Among the 12,000 miles of roadways in the region are Interstates 40 and 85 which bisect the region east to west and Interstate 77 running north/south. Two new interstates, I-73 and I-74, are already completed in most areas and under construction in others. Piedmont Triad International Airport is located in the center of the region and 8 additional airports handle both commuter and corporate aircraft.

There are 13 colleges and universities in the region with a total enrollment exceeding 60,000. In addition, 9 technical and community colleges serve an additional 50,000 students. The region's economy has historically been tied to textiles, furniture, and tobacco, but new growth industries are emerging rapidly, including distribution, logistics, bio-technology, and aviation & aerospace.

Source: <https://www.pttrc.org/about/about-the-region>

TALENTED WORKFORCE



800,000+

Regional Labor Force

110,000+

College Students

66%

of the population has attended College/ University

MAJOR EMPLOYERS

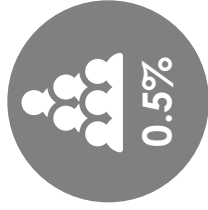
Company	Description
Ralph Lauren	Apparel & Brand Management
Bank of America	Financial Services
Volvo Group	Volvo Mack Trucks HQ
AT&T	Communications
United Parcel Services	Package, Freight & Logistics
Truist	Financial Services
Honda Aircraft Company	Global HQ & Manufacturing
Qorvo	Microchips & Circuits
LabCorp	Health Care
Lincoln Financial Group	Financial Services
Proctor & Gamble	Consumer Products
TE Connectivity	Automotive Electronic
VF Corporation	Apparel
Cone Health	Healthcare Provider



DEMOGRAPHIC SUMMARY

POPULATION GROWTH 5-Mile

2010	155,191
2023	168,177
2028	170,435



2010-2023 Population Growth
(5-Mile)

HOUSEHOLD GROWTH 5-Mile

2010	39,361
2023	41,829
2028	42,348



2010-2023 HH Growth
(5-Mile)

AVERAGE HOUSEHOLD INCOME 2023

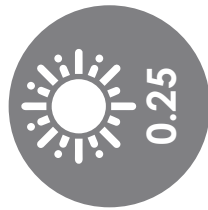
2-Mile	\$51,130
5-Miles	\$60,009
10-Miles	\$72,570



2023-2028 Annual Rate
(5-Mile)

DAYTIME POPULATION 2023

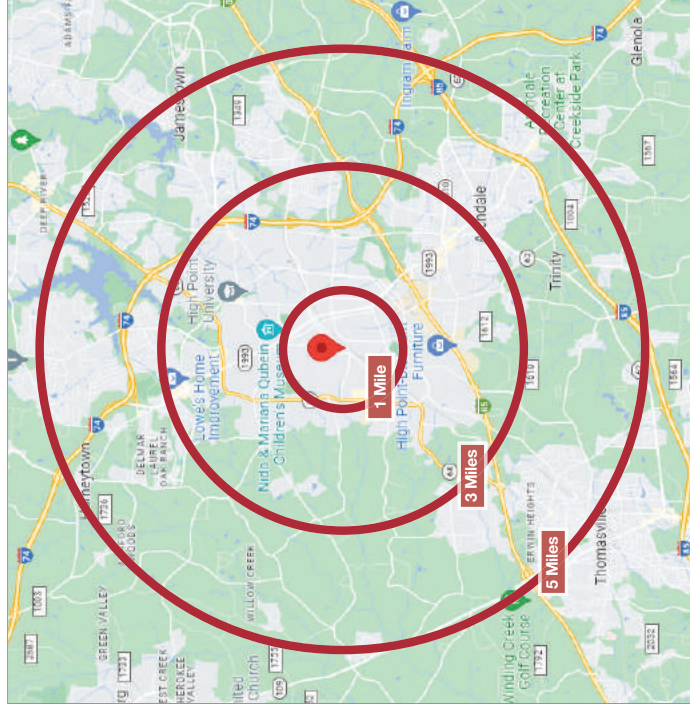
2-Mile	31,310
5-Miles	107,377
10-Miles	247,438



2023-2028 Population
Growth (5-Mile)

POPULATION BY AGE 2023

25-24	14,307
35-44	13,018
45-54	13,018



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