OFFERING MEMORANDUM

1107-1113
Paola Street

Multi-Tenant Flex Industrial Asset with
In-Place Income & Near Term Upside

MULTI-TENANT FLEX INDUSTRIAL

BRYANT
CAPITAL ADVISORS

THE FIRM

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WHAT'S INSIDE

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BRYANT
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Offering Summary

Bryant Capital Advisors is pleased to present the exclusive offering of 1107–1113 Paola Street, a multi-building flex/industrial asset located in Statesville, NC, totaling approximately 31,956 rentable SF across five units.

The property is currently leased to five tenants under NNN structures, generating approximately $154,686 in annual base rent. The staggered lease expirations and contractual rent escalations provide ownership with multiple opportunities to capture rent growth over the hold period while maintaining a diversified income stream.

Originally constructed in 1952, the asset features functional industrial characteristics including 18-foot clear heights and multiple drive-in doors, supporting a variety of office, service, contractor, and light industrial users. The multi-tenant configuration limits reliance on any single occupant while providing flexibility to accommodate future leasing demand.

Situated on approximately 0.81 acres with proximity to downtown Statesville and direct access to Interstate 77 and Interstate 40, the property benefits from strong regional connectivity within an active small-bay industrial corridor.

The investment is defined by its combination of durable in-place cash flow and embedded rent growth, with projected NOI increasing from approximately $154,686 in-place to $233,241 by Year 5 through contractual escalations, rollover, mark-to-market leasing, and improved expense recoveries.

Key **Deal Points**

- 31,956 SF **multi-tenant flex** asset with **in-place income**
- **100% occupied, 5-unit configuration** supports **diversified tenancy**
- **18' clear heights** with **drive-in loading** for flexible industrial use
- Proximate to **I-77 and I-40** supporting **regional access** and **tenant demand**

1107-1113 PAOLA ST, STATESVILLE, NC 28677

31,956 Total SF

1952 Year Built

100% Occupied

0.81 Acres

5 Units

LI Zoning

1

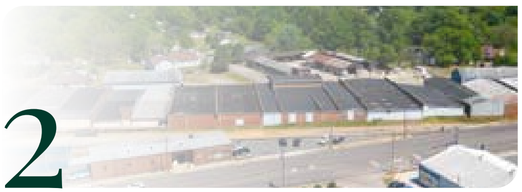
INVESTMENT **HIGHLIGHTS**

Investment **Highlights**

1

NEAR-TERM LEASING UPSIDE AND RENT GROWTH

The asset offers a defined path to NOI growth through contractual rent escalations, tenant rollover, and mark-to-market leasing. Current annual base rent totals approximately $154,686, with projected adjusted rental income increasing to approximately $244,232 by Year 5. As the rent roll matures and expense recoveries improve, NOI is projected to grow to approximately $233,241, creating meaningful upside while maintaining in-place cash flow.



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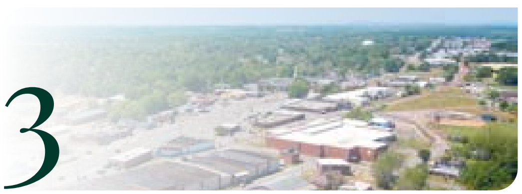
FUNCTIONAL MULTI-TENANT DESIGN

The property features a five-unit layout with 18-foot clear heights and four drive-in doors, supporting a range of light industrial and warehouse users. This configuration enables tenant diversification and flexible leasing strategies. The design accommodates both single-user occupancy and multi-tenant operations depending on ownership strategy.



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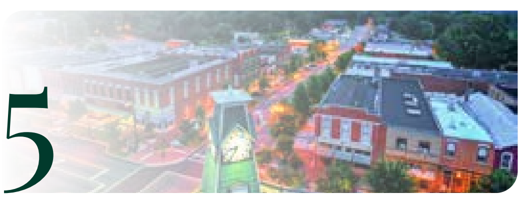
GROWING DEMAND FOR INDUSTRIAL SPACE IN STATESVILLE

Statesville's industrial market has low vacancy rates and rising demand as businesses seek affordable, well-connected locations. With Charlotte's market becoming more competitive, companies are turning to Statesville as a cost-effective alternative. This strong demand creates a stable environment for users and investors.

4

ESTABLISHED INDUSTRIAL LEASING DYNAMICS

Statesville benefits from its affordable rates, central location, and diversified industrial tenant base, contributing to long term income durability and reduced rollover exposure. The asset benefits from sustained leasing demand for small- and mid-bay industrial product, which continues to outperform bulk distribution space across the greater Charlotte region.



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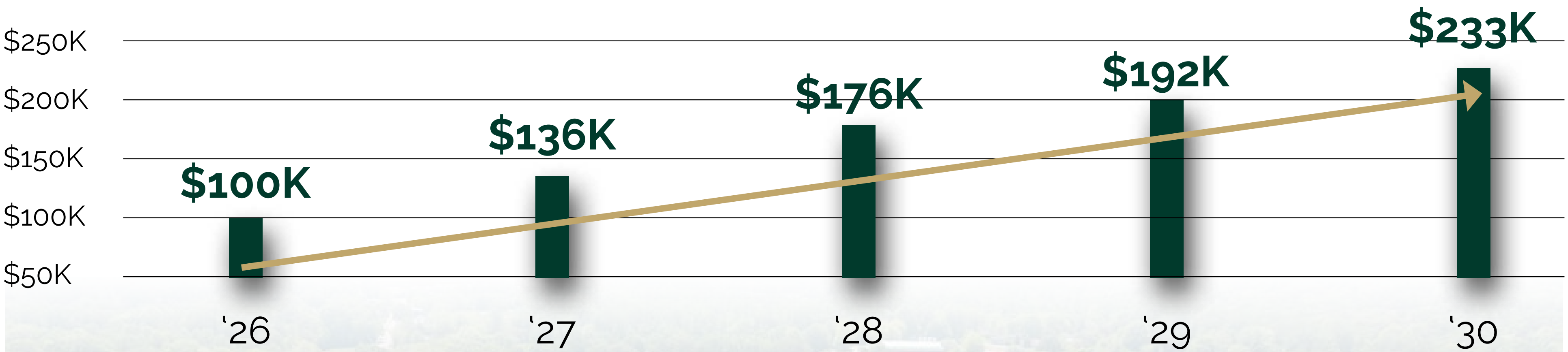
STRONG REGIONAL ECONOMIC GROWTH DRIVING INVESTMENT POTENTIAL

Statesville is growing steadily due to infrastructure investments, business-friendly policies, and a skilled workforce. Its appeal to industrial users makes this a solid long-term investment. Lower business costs than larger metro areas further enhance its attractiveness.

1. Near-Term Leasing Upside and Rent Growth

The asset offers a defined path to NOI growth through contractual rent escalations, tenant rollover, and mark-to-market leasing. Current annual base rent totals approximately $154,686, with projected adjusted rental income increasing to approximately $244,232 by Year 5. As the rent roll matures and expense recoveries improve, NOI is projected to grow to approximately $233,241, creating meaningful upside while maintaining in-place cash flow.

PROJECTED NOI GROWTH



2. **Functional Multi-Tenant Design**

The property features a five-unit layout with 18-foot clear heights and 4 drive-in doors, supporting a range of light industrial and warehouse users. This configuration enables tenant diversification and flexible leasing strategies. The design accommodates both single-user occupancy and multi-tenant operations depending on ownership strategy.

3. Growing Demand for Industrial Space in Statesville

Statesville's industrial market has low vacancy rates and rising demand as businesses seek affordable, well-connected locations. With Charlotte's market becoming more competitive, companies are turning to Statesville as a cost-effective alternative. This strong demand creates a stable environment for users and investors.

The city's manufacturing sector is thriving, with Statesville Regional Development reporting that many of the area's top 10 employers are in advanced manufacturing, including **Doosan Portable Power, Kewaunee Scientific, and Pratt Industries.**

STATESVILLE **INDUSTRIAL MARKET**

Statesville's industrial real estate market continues to see increasing demand, driven by the arrival of new businesses and the expansion of existing ones.

Low industrial vacancy rates indicate a competitive leasing environment, fueled by strong interest from logistics providers, manufacturers, and suppliers seeking space along major transportation routes.

This growth is supported by a highly skilled workforce and extensive workforce development programs that help train new professionals entering the industry.

Compared to larger industrial markets such as Charlotte, Mooresville, and Greensboro, Statesville offers more affordable lease rates and land costs, making it an appealing choice for businesses looking to establish or expand.

Additionally, industrial rents have remained steady, with continued demand sustaining strong leasing activity.

4. Established Industrial Leasing Dynamics

Statesville benefits from its affordable rates, central location, and diversified industrial tenant base, contributing to long term income durability and reduced rollover exposure.

The asset benefits from sustained leasing demand for small- and mid-bay industrial product, which continues to outperform bulk distribution space across the greater Charlotte region.

35M
Industrial SF Delivered Since 2022

30-35%
Below Market on Lease Expirations

GREATER CHARLOTTE MSA

Charlotte's industrial market's vacancy holding at 10.0% in Q1 2025—near decade highs and 400+ basis points above recent lows. Over 35M SF has been delivered since 2022, primarily in large distribution centers, with another 7.8M SF underway.

INDUSTRIAL LEASING MARKET

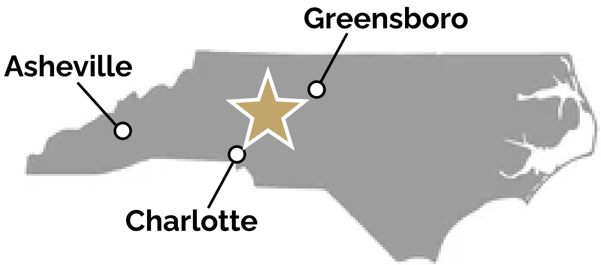
Leasing has rebounded thanks to manufacturers and distributors. Smaller infill spaces continue to see tight availability and strong landlord leverage. Infill and small-bay properties outperforming bulk distribution.

RENT GROWTH TRENDS

Annual rent growth has slowed to 5.6%, with many expiring leases still 30–35% below market, offering upside for owners. While long-term demand remains healthy rent growth remains at 3% annually through 2026.

5. Strong Regional Economic Growth Driving Investment Potential

BOOMING REGIONAL ECONOMY



Statesville is growing steadily due to infrastructure investments, business-friendly policies, and a skilled workforce. Its appeal to industrial users makes this a solid long-term investment. Lower business costs than larger metro areas further enhance its attractiveness. Statesville is strategically positioned in the Charlotte metro region. Located at the crossroads of I-40 and I-77, Statesville offers direct access to major Southeastern markets, including Charlotte (45 minutes south), Greensboro (one hour east), and Asheville (two hours west).

This connectivity makes it an attractive location for logistics, manufacturing, and distribution businesses seeking efficiency in transportation and supply chain operations. The region has experienced significant economic growth in recent years, driven by a strong labor market, business- friendly policies, and substantial investments in infrastructure. With a lower cost of doing business than nearby metropolitan areas, the city has drawn interest from expanding companies looking for cost-effective locations while maintaining accessibility to key economic centers.

STATESVILLE, NC
20-MILE RADIUS DEMOGRAPHICS

303K Total Population

$101K Avg. Household Income

$397K Avg. Home Value

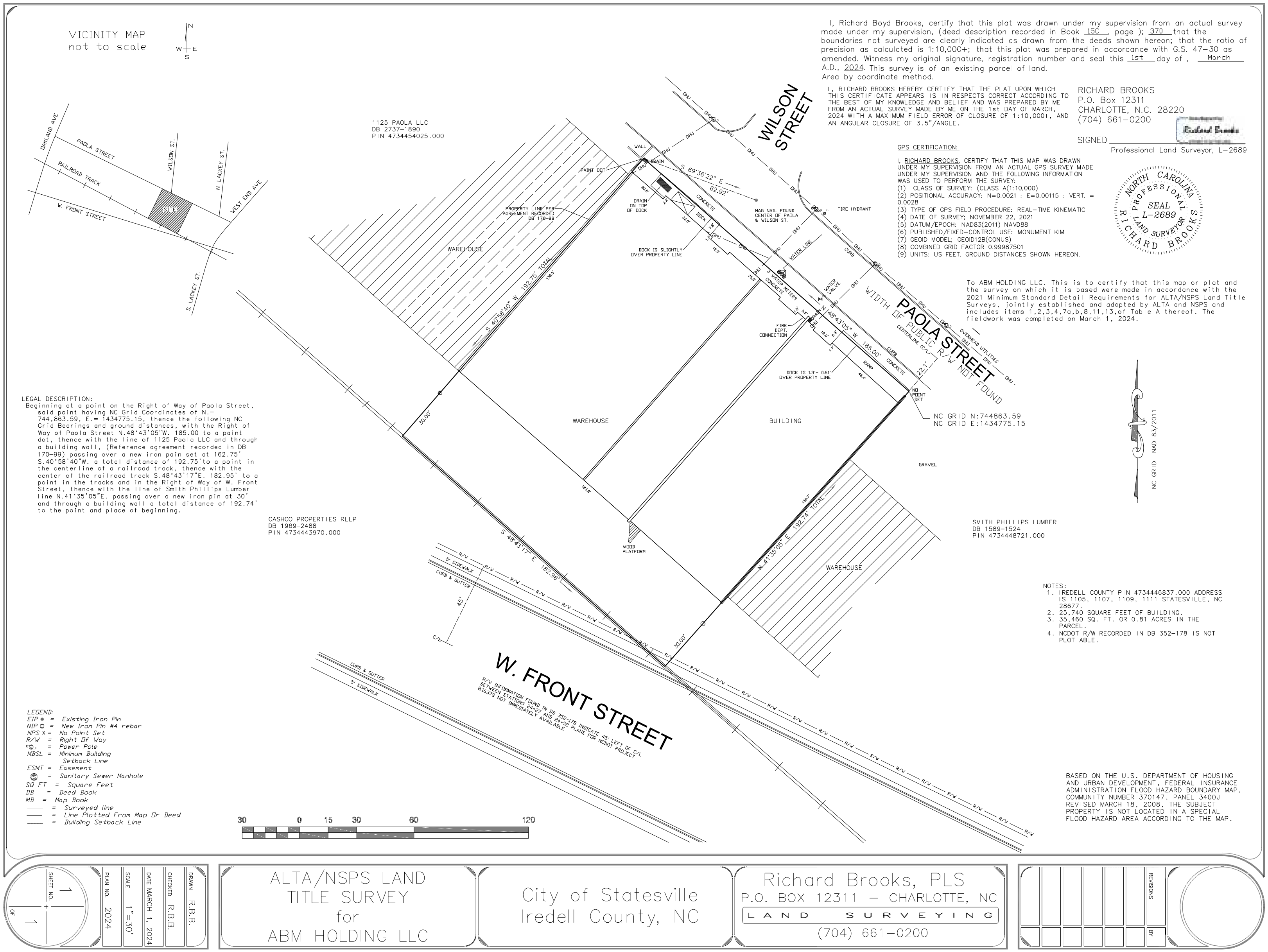
2

PROPERTY **SUMMARY**

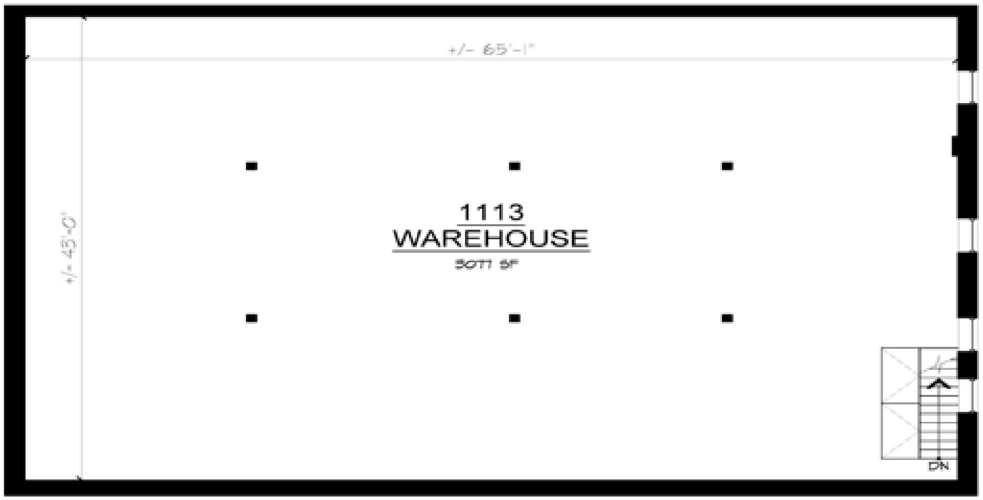
PROPERTY **SUMMARY**

PROPERTY DETAILS	
Address	1107-1113 Paola Rd
County	Iredell
Zoning	LI
Acreage	0.81 Acres
SF	31,956
Units	5
Year Built	1952

Site Plan **(Survey)**

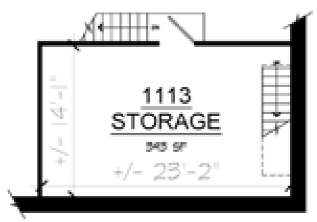


Unit 1113-A **Floor Plan**



SECOND FLOOR PLAN - SPACE 1113-A

FIRST FLOOR PLAN - SPACE 1113-A
SCALE: 1/8"=1'-0"



15 A2 MEZZANINE PLAN - SPACE 1113-A
SCALE: 1/4"=1'-0"

1113-A

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MARKET **OVERVIEW**

STATESVILLE ECONOMIC ANNOUNCEMENTS

RMC Advanced Technologies
$21M investment | 34 jobs

Water Tech, Inc
$14M facility

Dura Supreme Cabinetry
300K SF manufacturing plant | 200 jobs

EPOC Enviro
$4.1M investment | 226 jobs

Sherwin-Williams
800K SF distribution center & manufacturing facility

BOOMING INDUSTRIAL MARKET GROWTH

Statesville is strategically positioned in the Charlotte metro region. Located at the crossroads of I-40 and I-77, Statesville offers direct access to major Southeastern markets, including Charlotte (45 minutes south), Greensboro (one hour east), and Asheville (two hours west). With a lower cost of doing business than nearby metropolitan areas, the city has drawn interest from expanding companies looking for cost-effective locations while maintaining accessibility to key economic centers.

TOP STATESVILLE EMPLOYERS

- **Manufacturing:** Denso Corporation, Doosan Bobcat, Nelson Global Products, Kewaunee Scientific Corporation, Quanex, Pratt Industries, Sherwin Williams.
- **Healthcare:** Piedmont HealthCare, Iredell Memorial Hospital.
- **Education:** Iredell-Statesville Schools, Mitchell Community College.
- **Logistics & Retail:** Walmart, Cheney Brothers, UPS.
- **Other Key Employers:** City of Statesville, Team Penske (nearby in Mooresville), Engage2Excel

Area **Demographics**

Statesville benefits from strong regional demographics and a strategic location at the intersection of Interstates 40 and 77, providing direct access to major Southeast markets.

STATESVILLE

20-MILE RADIUS DEMOGRAPHICS

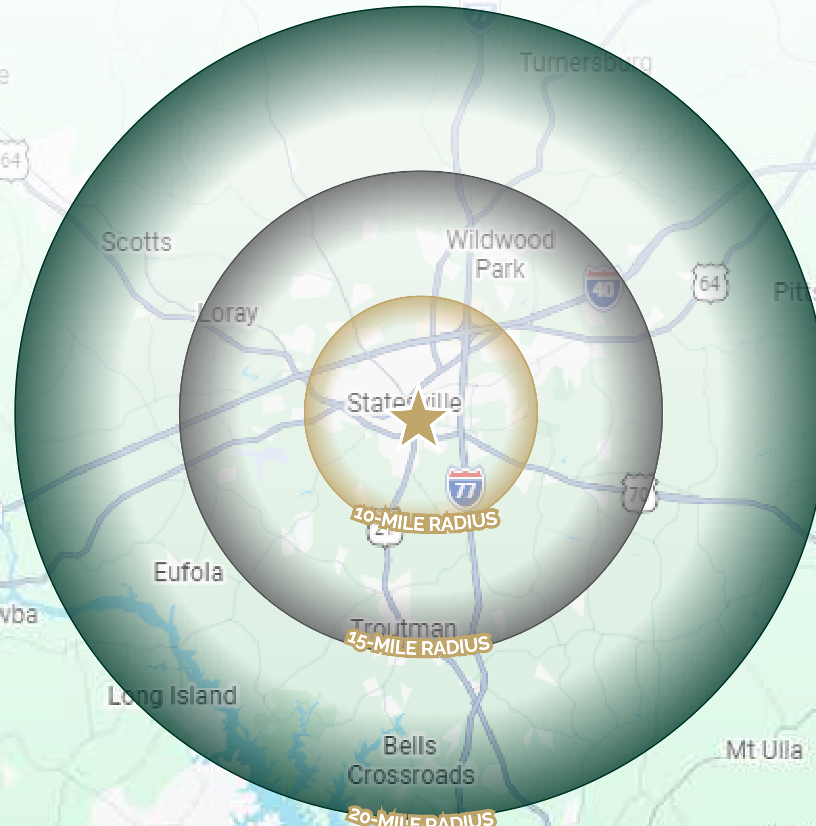
303K
Total Population

120K
Total Households

$101K
Avg. Household Income

$397K
Avg. Home Value

POPULATION	10 MILE RADIUS	15 MILE RADIUS	20 MILE RADIUS
Total Population	85,893	154,801	303,127
Median Age	42	42	42
HOUSEHOLDS & INCOME			
Total Households	34,304	61,321	119,853
# of Persons per HH	2.5	2.5	2.5
Average HH Income	$80,540	$92,690	$101,226
Average Home Value	$337,795	$383,032	$397,102



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FINANCIAL **ANALYSIS**

Proforma
Rent Roll

CONTRACT RENT ROLL

Tenant	Building-Unit #	% of S. F.	% of Rent	Lease Type	Remaining Term	Lease Start	Lease End (Assumes Options Activated)	PF Lease End	SF	In-Place Rent Rate /PSF (FS)	In-Place Monthly Base Rent (FS)	In-Place Annual Base Rent (FS)	Annual Escalations	Renewal Options
Asher Homes and Docks, LLC	1107 Paola St	29%	29%	NNN	1.85	Jun-25	Jun-28	Jun-28	9,116	$5.00	$3,800	$45,600	5.0%	None
Efincia Construction LLC	1109 Paola St	14%	22%	NNN	0.51	Mar-26	Feb-27	Feb-27	4,435	$7.50	$2,772	$33,264	5.0%	None
Cairn Studio LTD	1111 Paola St	25%	28%	NNN	0.68	May-24	Apr-27	Apr-27	7,871	$5.47	$3,590	$43,080	0.0%	None
Samson Supply LLC	1113-B Paola St	18%	7%	NNN	3.51	Mar-25	Feb-30	Feb-30	5,778	$1.96	$945	$11,340	5.0%	None
Seller Master Lease	1113-A Paola St	15%	14%	NNN	1.19	Nov-26	Nov-27	Nov-27	4,756	$4.50	$1,784	$21,402	3.0%	None
Averages	-	**20%**	**20%**	-	**WALT**	-	-	-	**6,391**	**$4.84**	**$2,789**	**$30,937**	-	-
Totals	-	**100%**	**100%**	-	**1.3**	-	-	-	**31,956**	**Pro Forma**	**$12,891**	**$154,686**	-	-

**Pro Forma Start Date: November 1, 2026*
**Underwriting assumes that seller will backstop the vacant suitesat $4.50/sf NNN for 1 year beginning on the date of closing*

PRO FORMA RENT ROLL

Tenant	Building-Unit #	% of S. F.	Pro Forma Market Rent Rate/PSF	Pro Forma Market Monthly Base Rent	Pro Forma Market Annual Base Rent	Pro Forma In=Place Rent Annual Variance ($)	Pro Forma In=Place Rent Annual Variance (%)
Asher Homes and Docks, LLC	1107 Paola St	9,116	$7	$4,938	$59,254	$13,654	29.9%
Efincia Construction LLC	1109 Paola St	4,435	$8	$2,776	$33,307	$43	0.1%
Cairn Studio LTD	1111 Paola St	7,871	$7	$4,263	$51,162	$8,082	18.8%
Samson Supply LLC	1113-B Paola St	5,778	$7	$3,130	$37,557	$26,217	231.2%
Seller Master Lease	1113-A Paola St	4,756	$8	$2,976	$35,718	$14,316	66.9%
Averages			**$6.79**	**$3,852.81**	**$46,233.71**	**$12,762.42**	**65%**

Cash Flow
Projections

	In-Place Analysis Year 0	Nov-26 Year 1	Nov-27 Year 2	Nov-28 Year 3	Nov-29 Year 4	Nov-30 Year 5
Potential Gross Rental Income	154,686	158,755	186,734	202,870	227,814	244,232
Absorption & Turnover Vacancy	-	(42,234)	(38,738)	(10,477)	(20,520)	-
Adjusted Rental Income	**154,686**	**116,521**	**147,995**	**192,393**	**207,295**	**244,232**
Vacancy Allowance	-	(7,144)	(8,403)	(9,129)	(10,252)	(10,990)
Other Income	-	-	-	-	-	-
Effective Rental Income	**154,686**	**109,377**	**139,592**	**183,264**	**197,043**	**233,241**
Operating Expenses						
Common Area Maintenance (CAM)	(32,000)	(32,000)	(32,640)	(33,293)	(33,959)	(34,638)
Real Estate Taxes	(4,080)	(4,080)	(4,161)	(4,245)	(4,329)	(4,416)
Property Insurance	(6,762)	(6,762)	(6,897)	(7,035)	(7,176)	(7,319)
Management Fee (% of EGR)	(6,187)	(4,375)	(5,584)	(7,331)	(7,882)	(9,330)
Gross Operating Expenses	**(49,029)**	**(47,217)**	**(49,282)**	**(51,903)**	**(53,346)**	**(55,703)**
Cost Recovery (Expense Reimbursements)	49,029	38,010	45,586	44,377	48,545	55,703
% of Expenses Reimbursed	100%	81%	93%	86%	91%	100%
NET Operating Expenses	**0**	**(9,207)**	**(3,696)**	**(7,526)**	**(4,801)**	**0**
Net Operating Income	**154,686**	**100,170**	**135,896**	**175,738**	**192,242**	**233,241**

Foot Notes: Below are assumptions utilized in the 5-year cash flow analysis.

Stabilized Vacancy Allowance is assumed to be 4.5%
Downtime of 6 Months is assumed for current and speculative tenants on rollover.
Pro Forma assumes Expense Growth of 2.0% year over year.
Management Fee of 4.0% of EGR.

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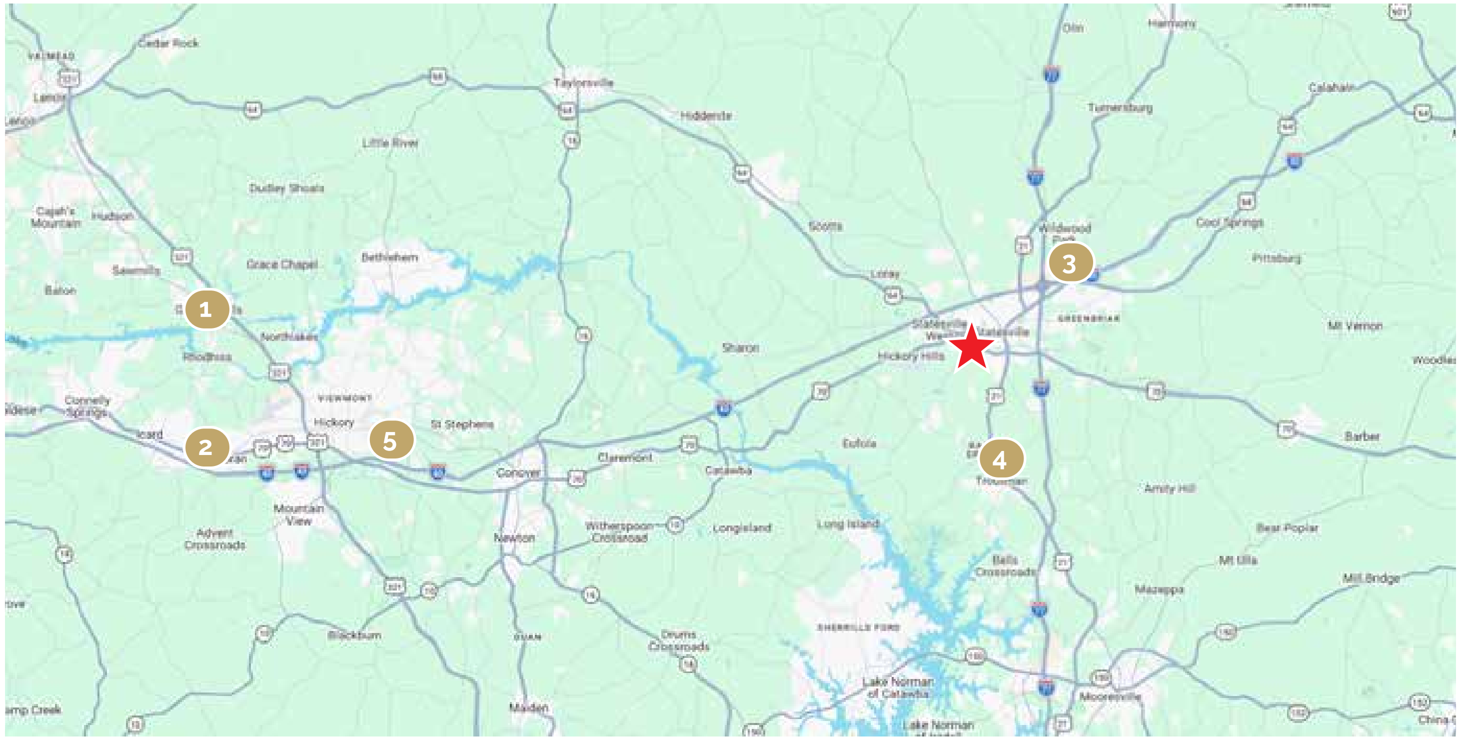
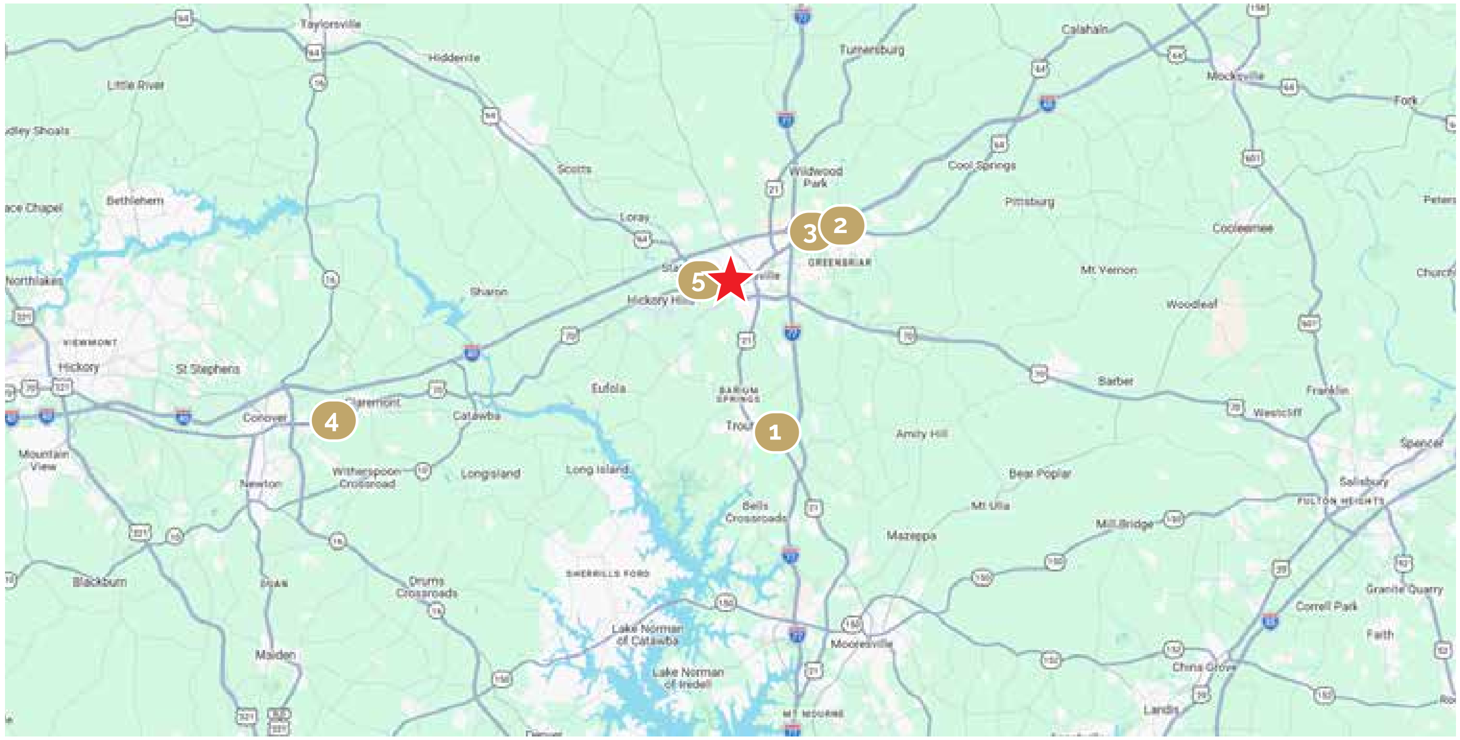
COMPARABLE **SUMMARY**

Sale **Comparables**



	Property Address	Year Built	Property Type	Size	Sale Date	Sale Price	Price/SF	Cap Rate	% Leased
1	5 Madison Ave, Granite Falls, NC	1998	Industrial	18,962	Nov-25	$2,000,000	$103	User	100%
2	8658 Huffman Ave, Connelly Springs, NC	1995	Industrial	18,000	Sep-25	$1,500,000	$82	7.70%	100%
3	166 Commerce Blvd, Statesville, NC	1987	Industrial	15,000	May-25	$1,500,000	$100	User	100%
4	130 Rimmer Farm Rd, Troutman, NC	2003	Industrial	50,000	Nov-24	$4,250,000	$85	User	100%
5	461 19th St SE, Hickory, NC	1983	Industrial	24,162	Jan-24	$1,450,000	$60	7.54%	100%
	Averages	-	-	**25,225**		**$2,140,000**	**$86**	-	-

Lease **Comparables**



	Property Address	Signed Date	Leased SF	Lease Term	Lease Rate $/PSF	Lease Type	Building Type
1	344 Field Dr. Troutman, NC	Mar-26	15,000	4	$6.40	NNN	Industrial
2	2472 Davie Avenue - Statesville, NC	Jan-26	19,400	7	$7.50	NNN	Industrial
3	2460 Davie Avenue Statesville, NC	Sep-25	13,400	3	$6.00	NNN	Industrial
4	2020 Conover Blvd E, Conover, NC	Jan-25	10,000	1	$8.50	NNN	Industrial
5	600 Park Dr Statesville, NC	May-24	12,000	5	$6.50	NNN	Industrial
	Averages	**-**	**13,960**	**4.0**	**$6.98**	**-**	**-**

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Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Bryant Capital Advisors in compliance with all applicable fair housing and equal opportunity laws.

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Independent by Design. *Institutional* in Execution.

BRYANT CAPITAL ADVISORS

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