

SHERWIN-WILLIAMS

1828 N CROATAN HIGHWAY, KILL DEVIL HILLS, NORTH CAROLINA



OFFERING MEMORANDUM

**THE POINTE
GOLF CLUB**

**HOLLY RIDGE
GOLF COURSE**



KITTY HAWK

KILL DEVIL HILLS



**COLINGTON HARBOUR
YACHT & RACQUET CLUB**

**WRIGHT BROTHERS
NATIONAL MEMORIAL**
[400,000 ANNUAL VISITORS]

**FIRST FLIGHT ELEMENTARY
SCHOOL, MIDDLE SCHOOL
& HIGH SCHOOL**

NAGS HEAD



ROANOKE ISLAND



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Executive Summary

1828 N Croatan Highway, Kill Devil Hills, NC 27948

FINANCIAL SUMMARY

| | |
|---------------|--------------------|
| Price | \$3,275,000 |
| Cap Rate | 6.15% |
| Building Size | 4,000 SF |
| Net Cash Flow | 6.15% \$201,425 |
| Year Built | 2024 |
| Lot Size | 0.72 Acres |

LEASE SUMMARY

| | |
|---|------------------------------|
| Lease Type | Double-Net (NN) Lease |
| Tenant | Sherwin-Williams |
| Guarantor | The Sherwin-Williams Company |
| Lease Commencement Date | April 5, 2024 |
| Lease Expiration Date | April 30, 2034 |
| Lease Term | 10 Years |
| Rental Increases | 8% in Each Option Period |
| Renewal Options | 8, 5 Year Options |
| Right of First Refusal | None |
| Roof, Structure, Parking Lot, HVAC Repairs and Replacement | Landlord Responsible |

ANNUALIZED OPERATING DATA

| Lease Years | Annual Rent | Cap Rate |
|---------------------------------|--------------|----------|
| Current – 4/30/2034 | \$201,425.00 | 6.15% |
| Renewal Options | Annual Rent | Cap Rate |
| Option 1 (5/1/2034 – 4/30/2039) | \$217,539.00 | 6.64% |
| Option 2 (5/1/2039 – 4/30/2044) | \$234,942.12 | 7.17% |
| Option 3 (5/1/2044 – 4/30/2049) | \$253,737.49 | 7.75% |
| Option 4 (5/1/2049 – 4/30/2054) | \$274,036.49 | 8.37% |
| Option 5 (5/1/2054 – 4/30/2059) | \$295,959.41 | 9.04% |
| Option 6 (5/1/2059 – 4/30/2064) | \$319,636.16 | 9.76% |
| Option 7 (5/1/2064 – 4/30/2069) | \$345,207.05 | 10.54% |
| Option 8 (5/1/2069 – 4/30/2074) | \$372,823.62 | 11.38% |

| | |
|-----------------------------|------------------------|
| Base Rent | \$201,425 |
| Net Operating Income | \$201,425 |
| Total Return | 6.15% \$201,425 |



SHERWIN-WILLIAMS®

**KILL DEVIL
HILLS BEACH**

**WRIGHT BROTHERS
NATIONAL MEMORIAL**
[400,000 ANNUAL VISITORS]

**Lowe's
Publix**

**Professor Hacker's
LOST TREASURE
GOLF**

FOOD LION
belk
MODERN. SOUTHERN. BY.EL.
DUCK DONUTS
RACK ROOM SHOES
LL Flooring™
LUMBER LIQUIDATORS

**H&R
BLOCK**

**RC
THEATRES**
DON'T JUST WATCH A MOVIE.
EXPERIENCE IT.

K

enterprise

Speedway

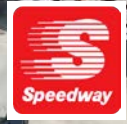
32,000 CPD
CROATAN HWY

SHERWIN-WILLIAMS





32,000 CPD
CROATAN HWY



Property Description



INVESTMENT HIGHLIGHTS

- » New 10-Year Lease with Corporate Guaranty by Sherwin-Williams (NASDAQ: SHW)
- » 8% Rental Increases Occurring in Each of 8, 5 Year Renewal Options
- » **Sherwin-Williams 2023 Revenue was Over \$23 Billion & 2023 EBITDA Increased by 17.5% to \$4.24 Billion**
- » Brand New High-Quality 2024 Construction
- » **Situated in the Heart of North Carolina’s Outer Banks, a Popular Tourist Destination**
- » Located Across from Target and Adjacent to Dare Centre - Tenants Include Belk, Food Lion, and Rack Room Shoes
- » **Excellent Visibility Along Croatan Highway (32,000+ Cars per Day)**
- » Growing Trade Area with 30,324 Residents in a 10-Mile Radius
- » **Average Household Income Exceeds \$96,000 in the Surrounding Area**



DEMOGRAPHICS

1-mile

5-miles

10-miles

Population

| | | | |
|--------------------|-------|--------|--------|
| 2028 Projection | 4,382 | 17,244 | 31,640 |
| 2023 Estimate | 4,258 | 16,767 | 30,324 |
| Growth 2023 - 2028 | 2.91% | 2.85% | 4.34% |

Households

| | | | |
|--------------------|-------|-------|--------|
| 2028 Projection | 1,868 | 7,555 | 13,607 |
| 2023 Estimate | 1,810 | 7,317 | 12,997 |
| Growth 2023 - 2028 | 3.22% | 3.26% | 4.69% |

Income

| | | | |
|------------------------------------|----------|----------|----------|
| 2023 Est. Average Household Income | \$76,957 | \$92,520 | \$96,820 |
| 2023 Est. Median Household Income | \$61,146 | \$65,203 | \$67,181 |

Tenant Overview



 **4,770+**
Locations  **CLEVELAND, OH**
Headquarters

 **1866**
Founded  **NASDAQ: SHW**
Stock Symbol

 **SHERWIN-WILLIAMS.COM**
Website

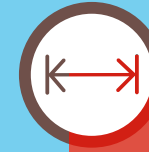
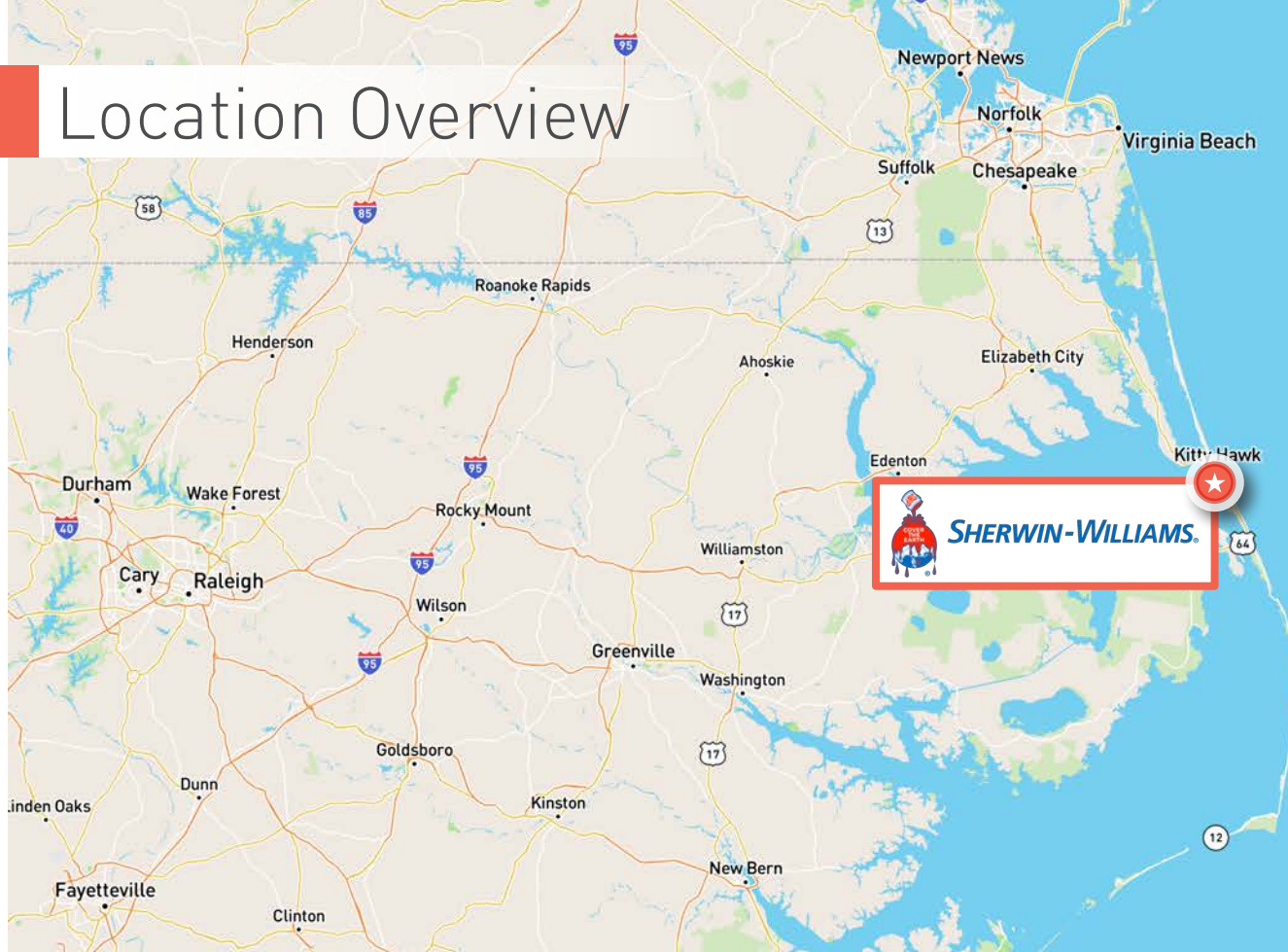
The Sherwin-Williams Company was founded by Henry Sherwin and Edward Williams in 1866. A Fortune 500 company in the general building materials industry, Sherwin-Williams is a global leader in the manufacture, development, distribution and sale of paint, coatings and related products to professional, industrial, commercial and retail customers primarily in North and South America and Europe.

The Company manufactures products under well-known brands such as Sherwin-Williams®, Dutch Boy®, HGTV HOME® by Sherwin-Williams, Krylon®, Minwax®, Thompson's® Water Seal® and many more. With global headquarters in Cleveland, Ohio, Sherwin-Williams® branded products are sold exclusively through more than 4,770 company operated stores and facilities, while the Company's other brands are sold through leading mass merchandisers, home centers, independent paint dealers, hardware stores, automotive retailers and industrial distributors.

Property Photos



Location Overview



1 Mile
to Wright Brothers
National Memorial

14 Miles
to Roanoke Island

75 Miles
to Norfolk, Virginia

201 Miles
to Raleigh, North
Carolina

Kill Devil Hills is a town in Dare County, North Carolina, home to an estimated 7,600 residents. It is the most populous settlement in both Dare County and on the Outer Banks of North Carolina. The town was founded and developed on the site of the Wright Brothers' first controlled, powered airplane flights, which was commemorated by the Wright Brothers National Memorial.

Kill Devil Hills is the oldest official town on the Outer Banks and is one of the most popular destinations in the area. The town is bordered by miles of attractions, activities, shops, restaurants, and ocean.

NORTH CAROLINA OUTER BANKS

The Outer Banks are a 200-mile string of barrier islands and spits off the coast of North Carolina and southeastern Virginia. A major tourist destination, the Outer Banks are known for their wide expanse of open beachfront and the Cape Hatteras National Seashore. The Outer Banks are home to charming seaside villages and a mix of towns rich in history. With more than five million visitors each year to the Outer Banks, tourism is a major sector in the local economy. Due to a booming tourism industry, vacation rentals continue to be a significant driver of the Outer Banks real estate market.

[exclusively listed by]

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investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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