

Multifamily Property For Sale:

1307 County Home Rd
Conover, NC 28613

LISTED BY:

BECKY CALL – NC & SC BROKER

RE/MAX COMMERCIAL

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Offering Summary

PROPERTY INFO

Sales Price: \$3,995,000

Number of Units: 30

Lot Size: 2.63 acres

Building Size: 34,200 sq ft

Unit Mix

12 Units:

- 1,150 sq ft
- 3 bed, 1.5 bath
- Townhouse style
- Current rents: \$1,350

12 Units:

- 950 sq ft
- 2 bed, 1.5 bath
- Townhouse style
- Current rents: \$1,150

6 Units:

- 750 sq ft
- 1 bed, 1 bath
- Garden style
- Current rents: \$950



Property Highlights

Your next investment opportunity! The owners of this multifamily property have renovated units to varying degrees as the units have come available.

Renovation highlights include:

- New flooring
- New kitchen cabinets
- New HVAC units
- New hot water heaters
- Energy efficient windows
- LED lighting

Property Addition:

- On-sight laundry
- New washers/dryers in 2024

Office on Property

- There is an office on the property not currently being utilized that could produce additional income

Location Highlights

LOCATION. LOCATION. LOCATION!

Conover sits in the **Hickory–Lenoir–Morganton MSA**, which is undergoing a **manufacturing and logistics resurgence**.

Direct access to **I-40, US-70, and NC-16** easily connects Conover to Hickory (~10 min), Charlotte (~45 min), and Winston-Salem (~1 hour).

Positioned along the **NC Freight Rail Corridor** & close to regional airports makes it ideal for logistics, workforce housing, and tenant accessibility.

Companies like Apple, Corning, and Prysmian Group are fueling regional growth, bringing **high-paying blue and white-collar jobs** within a 30-minute commute.

Conover is nestled between **Charlotte** and the **Research Triangle**, both of which anchor North Carolina's **tech and data economy**.

Specifically:

Apple's \$1B data center in nearby Maiden, NC (just 15 mins from Conover)

Google's \$600M data facility in Lenoir (35 mins from Conover)

Facebook (Meta) and others have shown long-term interest in this energy-stable region for data operations

These data centers came for the **cheap land, robust electrical grid, and fiber infrastructure** that runs along this region's **rail and highway corridors**.

Location Highlights — con'd

LOCATION. LOCATION. LOCATION!

Industrial-Tech Convergence

This area blends:

- **Legacy manufacturing infrastructure**
- A growing **logistics sector**
- Newer investments in **tech-enabled manufacturing**, like robotics, AI-driven warehousing, and precision machining
- The fiber and power infrastructure left behind (or built anew) by data center expansion has made this corridor ripe for **tech-adjacent commercial and multifamily growth** — hence, a kind of “data meets industrial” corridor.

Conover is **strategically positioned in a fiber-rich, infrastructure-heavy corridor** that supports **tech, logistics, and scalable housing demand**.

Rental Market Comps

Data for market rent comparables has been pulled from apartments.com

Unit Type	Low Range	High Range
1 BR / 1 BA	\$843	\$1,300
2 BR / 1.5 BA	\$850	\$1,500
3 BR / 1.5 BA	\$1,300	\$1,700+

**Note: High end prices are typically units that have high end finishes and include in unit washer and dryers.*

Desktop Appraisal Highlights

LISTING AGENT PAID TO HAVE A DESKTOP APPRAISAL DONE BY A LICENSED APPRAISER. THE FOLLOWING INFORMATION IS FROM THE APPRAISAL.



SUMMARY:

The property analyzed is functionally a multi-family residential property. The appraiser therefore considered properties that can function as a multi-family residential property either currently or with limited updates, which ranged significantly in pricing. The lower priced sales were typically older, or at the end of their useful lives. Higher priced sales reflected properties that were newer construction, located in superior locations or had more units and larger square footage. Because the property overall appears to be in average condition, is larger in size compared to other properties and will continue its existing use, a value near the upper end of the range is considered reasonably reflective of the expectations of a typical market participant.

MARKET ADJUSTMENTS

The appraiser analyzed the market to determine if time adjustments are warranted. He reviewed national and regional data to determine that both the national multi-family use market and the regional multi-family use market are increasing with specific year over year changes of positive 5.27%, respectively from 2024 to 2025. He determined that adjustments are warranted for market conditions and were applied.

INCOME APPROACH

In the Income Capitalization Approach, the present value of the future benefits of property ownership is measured. A property's income streams and resale value upon reversion may be capitalized into a current, lump-sum value.

Income-producing properties, inherently designed and acquired for investment purposes, prioritize earning potential, including an income stream and return on investment, as pivotal factors influencing their value. Consequently, forecasting income and selecting appropriate rates are crucial components of the valuation process. The development of the income approach involves a sequence of analyses: Income Analysis, Vacancy Analysis, Expense Analysis, and Rate Analysis.

INCOME APPROACH CON'T

The specific data that an appraiser investigates in the income capitalization approach might include the property's gross income expectancy, the expected reduction in gross income caused by vacancy and collection loss, the anticipated annual operating expenses, the pattern and duration of the property's income stream, and the anticipated resale value or the value of other real property interest reversions. After income and expenses are estimated, the income stream or streams are capitalized by applying an appropriate rate or factor or converted into present value through discounting. In discounted cash flow analysis, the quantity, variability, timing, and duration of a set of periodic incomes and the quantity and timing of the reversion are specified and discounted to a present value at a specified yield rate. The rates used for capitalization or discounting are derived from acceptable rates of return for similar properties.

MARKET RENT COMPARABLES

Address	Beds	Baths	Half Baths	Monthly Rate	Condition
2240 15th Avenue NE #102	2	1	1	\$1,600	Good
1572 Oak Leaf Drive	3	1	1	\$1,425	Superior
1570 Oak Leaf Drive	2	1	1	\$1,395	Superior
1613 Oak Leaf Drive NW	2	2	1	\$1,350	Good
1094 22nd Street NE #202	2	1	0	\$1,295	Good
4581 County Home Road #2	2	1	1	\$1,275	Superior
1316 14th Street NE	2	1	1	\$1,195	Average
2079 N Whisnant Avenue	2	1	0	\$1,150	Average
300 21st Street SE	2	1	0	\$1,150	Good
1316 14th Street NE	2	1	1	\$1,150	Average
1520 N Main Avenue	2	1	1	\$1,100	Good
206 W 15th Street #4	2	1	1	\$1,100	Good
802 Spencer Road	2	1	0	\$1,100	Good
1222 14th Street NE	2	1	1	\$1,095	Average
1326 N Frye Avenue #F	2	1	0	\$1,050	Good
1520 N Main Avenue #19	2	1	1	\$1,000	Good
206 W 15th Street #1	2	1	1	\$1,000	Good
283 15th Street SE	2	1	0	\$995	Good
1849 Mount Olive Church Road	2	1	0	\$950	Average
1482 14th Avenue NE	2	1	0	\$950	Average
1057 19th Street NE	2	1	1	\$900	Average
2104 N Stewart Avenue #A	2	1	0	\$900	Good
601 S Dale Avenue #A	2	1	1	\$900	Average
1004 20th Street NE	3	2	1	\$1,650	Superior
1619 Oak Leaf Drive	2	2	1	\$1,395	Good
4887 County Home Road	2	1	1	\$995	Average
1779 Noah Path #B	2	1	0	\$825	Average

MARKET RENT COMPARABLES

Summary of Market Rental Data						
Unit Type	Bedrooms	Bathrooms	Total Units	Avg Unit Size	Indicated Market Rent	Market Rent per SF
1 Bed 1 Bath	1	1	6	750	\$ 900.00	\$ 1.20
2 bed 1.1 Bath	2	1.1	12	950	\$ 1,175.00	\$ 1.24
3 Bed 1.1 Bath	3	1.1	12	1050	\$ 1,400.00	\$ 1.33

Potential Gross Rental Income				
Unit Type	Total Units	Avg Unit Size	Avg Rent per Unit	Total Potential Rent
1 Bed 1 Bath	6	750	\$ 900.00	\$ 64,800.00
2 bed 1.1 Bath	12	950	\$ 1,175.00	\$ 169,200.00
3 Bed 1.1 Bath	12	1050	\$ 1,400.00	\$ 201,600.00
Total			\$	435,600.00

Rent Analysis

ANALYSIS OF CURRENT RENT:

The appraiser was provided with current rental information which was analyzed.


The current potential gross income according to the property owners is \$369,900.00.

ANALYSIS OF MARKET RENT:

The appraiser analyzed market rent and reconciled this market rent. The data can be found below:

RENT RECONCILIATION:

Due to the subject property underperforming as per the market data, the appraiser will use the market data for the income approach.



OPERATING EXPENSE RATIO

An Operating Expense Ratio (OER), sometimes referred to as an Operating Expense Multiplier (OEM), is a metric used to analyze the relationship between a property's operating expenses and its gross income. In the context of the income capitalization approach for a multi-family property appraisal, the OER provides a quick way to compare the efficiency of a property's management and the reasonableness of reported expenses against market norms. By calculating the OER (operating expenses divided by effective gross income), appraisers can benchmark the subject property's expenses to similar properties in the market, helping to identify if expenses are unusually high or low. This is relevant because accurate operating expenses are critical in determining the net operating income (NOI), which directly affects the value conclusion derived from the income cap approach. If the OER is outside the typical range, it may signal a need for further investigation or adjustment in the appraisal analysis.

OPERATING EXPENSE RATIO – CON'T

The appraiser extracted current operating expenses from the profit and loss

statement provided by the property owner to determine that the actual operating expense

ratio be 33.88%. The appraiser then reconciled that with market data to conclude an OER

of 35.69%.

Operating Expense Ratio			
Actual OEM	33.88%	50%	16.9400%
Hickory CoStar	38.50%	20%	7.70000%
Hickory Report	36.20%	20%	7.24000%
Charlotte CoStar	45.17%	5%	2.25850%
Charlotte Report	30.90%	5%	1.54500%
	OEM	100%	35.68350%

CAP RATE

Weighted Average of Overall Cap Rate		
Local Market Sold Cap Rate	6.18%	30%
Charlotte Reported Cap Rate	5.30%	20%
Hickory Reported Cap Rate	6.60%	30%
National Reported Cap Rate	6.10%	20%
Reconciled Overall Cap Rate	6.1140%	100%

This cap rate was determined by market research, historical analysis, and other research vehicles that have been performed over the last several years. They are also derived and quantified due to a combination of interviews with other real estate appraisers, realtors, and other real estate professionals, but more importantly from the appraiser's formal real estate education, geographical competency, and overall real estate experience. See below the weighted average of the overall cap rate:

INCOME APPROACH RECONCILIATION

The appraiser determined to use market rents with a modified operating expense ratio to determine a credible reconciled income approach value.

The as-is leased fee market value indication of the income approach is **\$4,219,394.67.**

Stabalized Net Operating Income Schedule			
		Per Unit	Total % of EGI
Potential Gross Income		\$ 14,520.00	\$ 435,600.00 108.60%
Vacancy and Collection Loss	7.92%	\$ 1,149.98	\$ 34,499.52 8.60%
Effective Gross Income		\$ 13,370.02	\$ 401,100.48 100%
Operating Expenses		\$ 4,770.89	\$ 143,126.69 35.68%
Stabalized Net Operating Income		\$ 8,599.13	\$ 257,973.79 64.32%

Direct Capitalization Conclusions	
Stabalized Net Operating Income	\$ 257,973.79
Divided by Overall Capitalization Rate	6.11%
As-Is Leased Fee Market Value Indication	\$ 4,219,394.67

Final Value

In arriving at the final opinion of value for the subject property, primary consideration was given to the income capitalization approach, which was weighted at 75% in the overall analysis. This reflects the fact that multi-family properties are primarily purchased and valued based on their ability to generate stable income streams, and investor decisions in this market segment are typically driven by income-based metrics. The sales comparison approach was also considered and weighted at 25%, providing valuable market context and support for the value conclusion, but less weight was assigned due to the limited availability of truly comparable sales and the inherent adjustments required for differences in location, size, and income characteristics. Based on the analyses and the greater reliability of the income approach for this property type, the final value conclusion was determined by placing 75% weight on the income approach and 25% on the sales comparison approach.

VALUE CONCLUSION:

Reconciliation			
Approach to Value		Value	Weight %
Cost Approach		Not Developed	
Sales Comparison Approach		\$ 3,341,366.00	25%
Income Capitalization		\$ 4,219,394.67	75%
Reconciled Market Value		\$ 3,999,887.50	
Rounded		\$ 3,999,887.50	

\$4,000,000.00

THANK YOU!

Thank you for taking the time to read through this package, and for your consideration of 1307 County Home Rd. Please let me know if you have any questions.

