

CHATHAM ESTATES

607 Cedar Street | Cary, North Carolina 27511
±27.25-Acre Multifamily Development Opportunity



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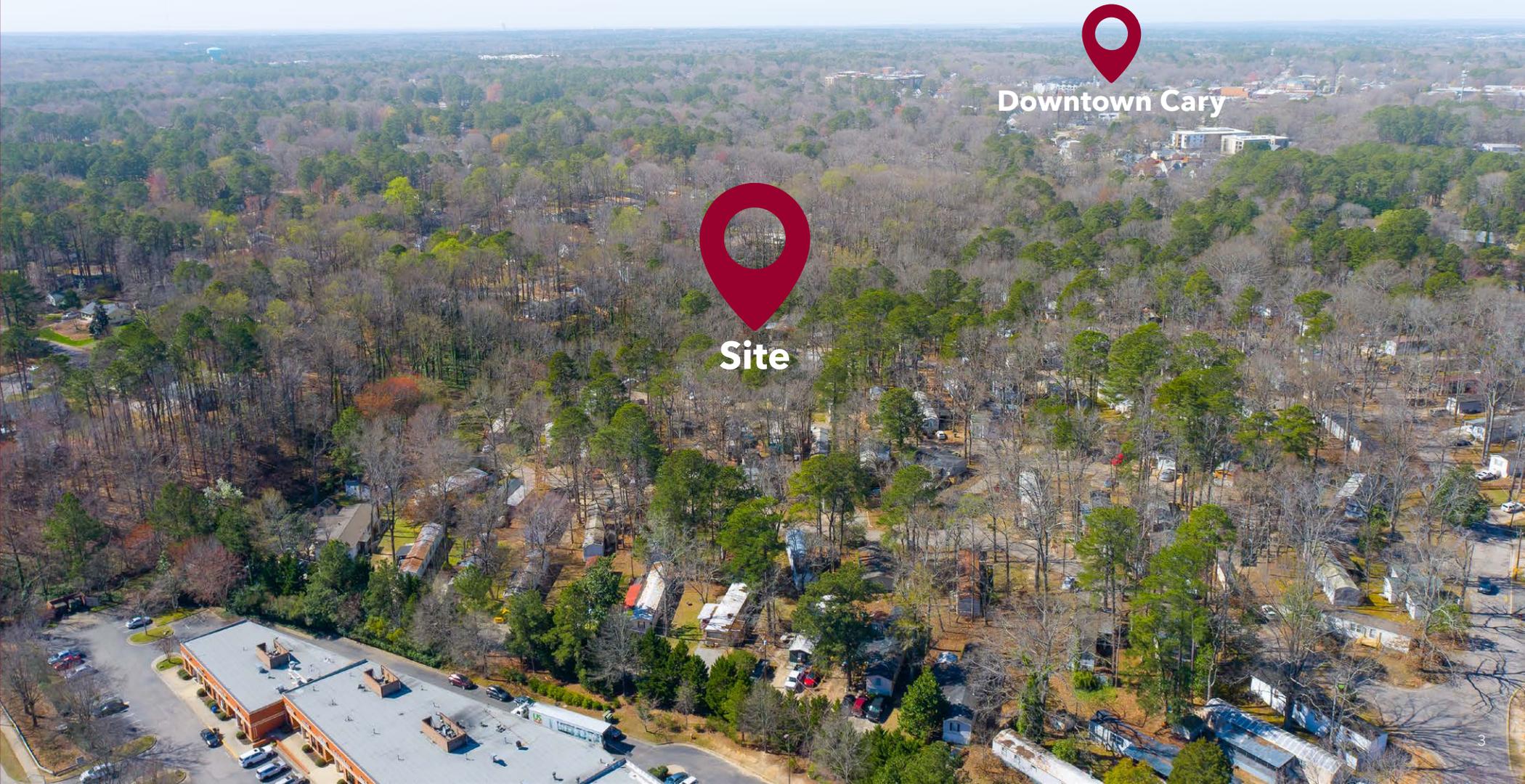
Contents

01 Executive Summary

02 Property Information

03 Market Data

04 Market Overview



Executive Summary



Offering Summary

Lee & Associates Raleigh-Durham is pleased to offer for sale a 27.25-acre land redevelopment opportunity in Cary, North Carolina, an affluent submarket in the Raleigh-Durham metro. The site is situated at the corner of East Chatham Street and Southeast Maynard Road in Downtown Cary.

The site is located minutes from Fenton, a new, high-end mixed-use center. Nearby I-40 and I-440 provide connectivity to major employment centers throughout the region, including the Weston Parkway area (9 minutes), Downtown Raleigh (15 minutes), and the Research Triangle Park (14 minutes).

Investment Highlights

- » Master plan potential across nearly 30 acres
- » Existing zoning supports **high density residential** with up to **50 units per acre**
- » Highly visible corner with multiple access points
- » Growing, affluent submarket
- » Short-term cash flow
- » Favorable landlord lease structures to allow redevelopment

Demographics

	5-mile radius	Raleigh-Durham
2022 Population	187,920	2,160,810
2010-2022 Population Growth	16.3%	27.50%
2027 Projected Population	197,262	2,289,152
Bachelor's Degree or Higher	64.5%	49.1%
Median Age	34.0	36.9
Average Household Income	\$119,738	\$113,930
Average Home Value	\$405,266	\$358,014

Property Information

Address	607 Cedar St
Acres	±27.25 acres
Municipality	Town of Cary
Wake County PINs	764923119
Zoning	Town Center
Zoning Overlay	Mixed Density Residential (MXDR)
Future Land Use	Downtown
Utilities	To site





BURT'S BEES®
Meta
Google
SMART WIRES

Apple Lilly IQVIA™
Lenovo Cisco IBM
Biogen gsk CREDIT SUISSE

Research Triangle Park
14-minute drive

RDU
10-minute drive

5 MILES

Red Hat
Advance Auto Parts
DUKE ENERGY

MetLife SAS ABB
Deutsche Bank Intel
XEROX cotton EPIC GAMES

SITE LOCATION

NC STATE

Raleigh
15-minute drive

Cary Overview

Cary is a thriving community of more than 175,000 residents in the heart of the Research Triangle region of North Carolina. In addition to Cary, the Triangle includes Raleigh, Durham, and Chapel Hill. With a population of more than 2 million, it repeatedly ranks among the top regions in the country to live, work, start a business, and find a home.

Cary's proximity to the Research Triangle Park and renowned universities - Duke University, the University of North Carolina at Chapel Hill, and NC State University - has produced a spirit of innovation and learning. With Cary's distinction as a top place to live and raise a family, the area is a magnet for top employees.

Companies Located in Cary



* Indicates US or world headquarters

Accolades and Stats

- » Cary's **population grew by 32.1%** between 2010 and 2022.
- » Cary is the **7th largest municipality** in North Carolina.
- » Named **#1 Top City with the Most Resilient Economy in the U.S.** by SmartAsset in July 2022.
- » Ranked the **#1 City for Attracting Corporate Headquarters** in the U.S. by the Boyd Company.
- » The Town hosts more than 350 events and tournaments annually at its three major sports venues, including at the nearby WakeMed Soccer Park.
- » The Town has approved \$225 million for infrastructure projects to facilitate continued growth opportunities.



Property Information

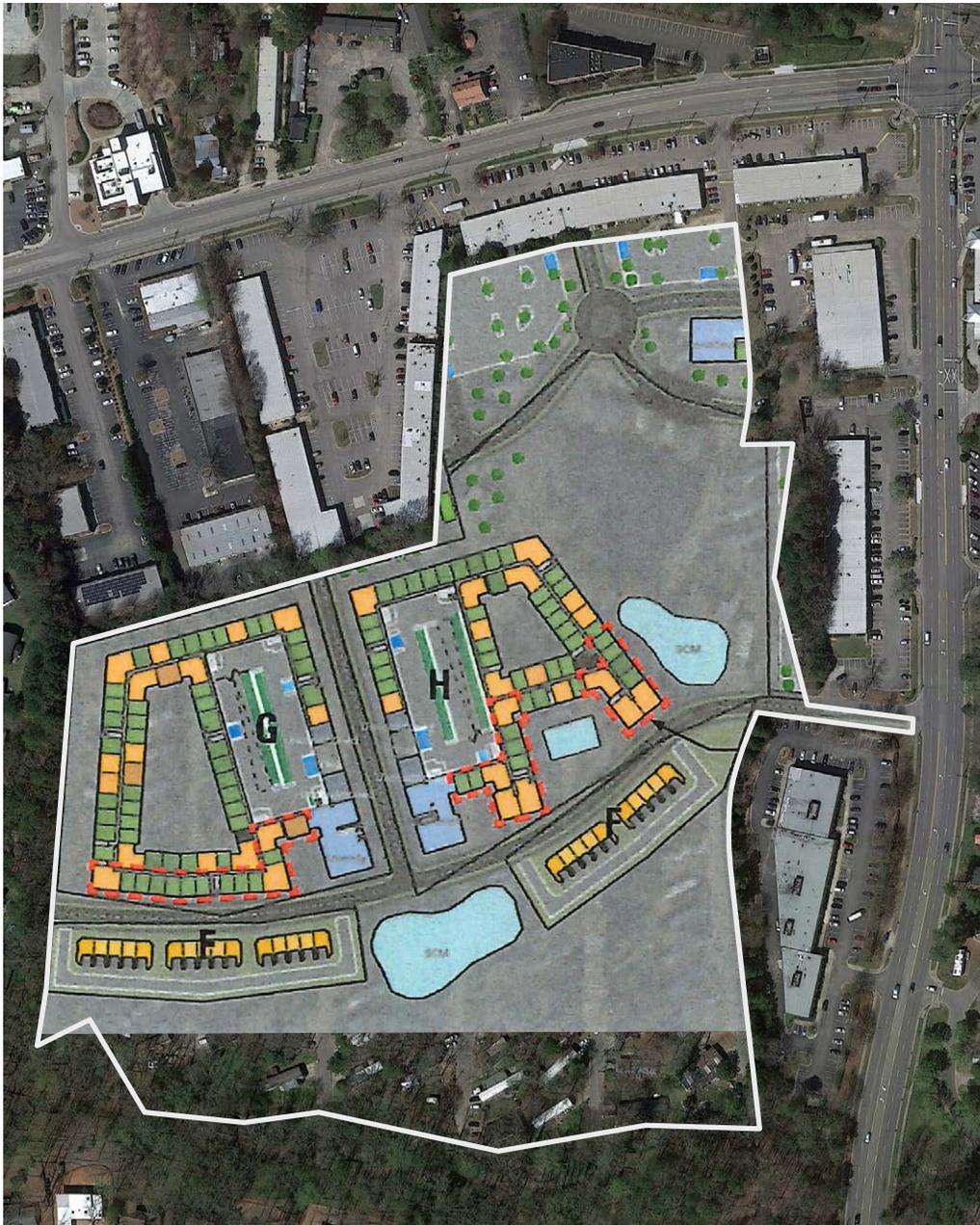


Site Data

Address	607 Cedar Street, Cary, NC 27511	Current Use	Mobile Home Park
Acres	±27.25 acres	Zoning	Town Center
Municipality	Town of Cary	Zoning Overlay	Mixed Density Residential
Wake County PINs	764923119	Future Land Use	Downtown
		Utilities	To the site



Conceptual Layout



Summary

Townhomes	25
Wrap - T.H.	30
Wrap - Units	792
Total	847

F

25 Townhomes
Self Parked

G

6 Story Resi Wrap
14 Wrap Townhomes
425 Wrap Apartments
439 Total Units

5.5 Level Parking Deck
Parking Required: 549
Parking Provided: 536

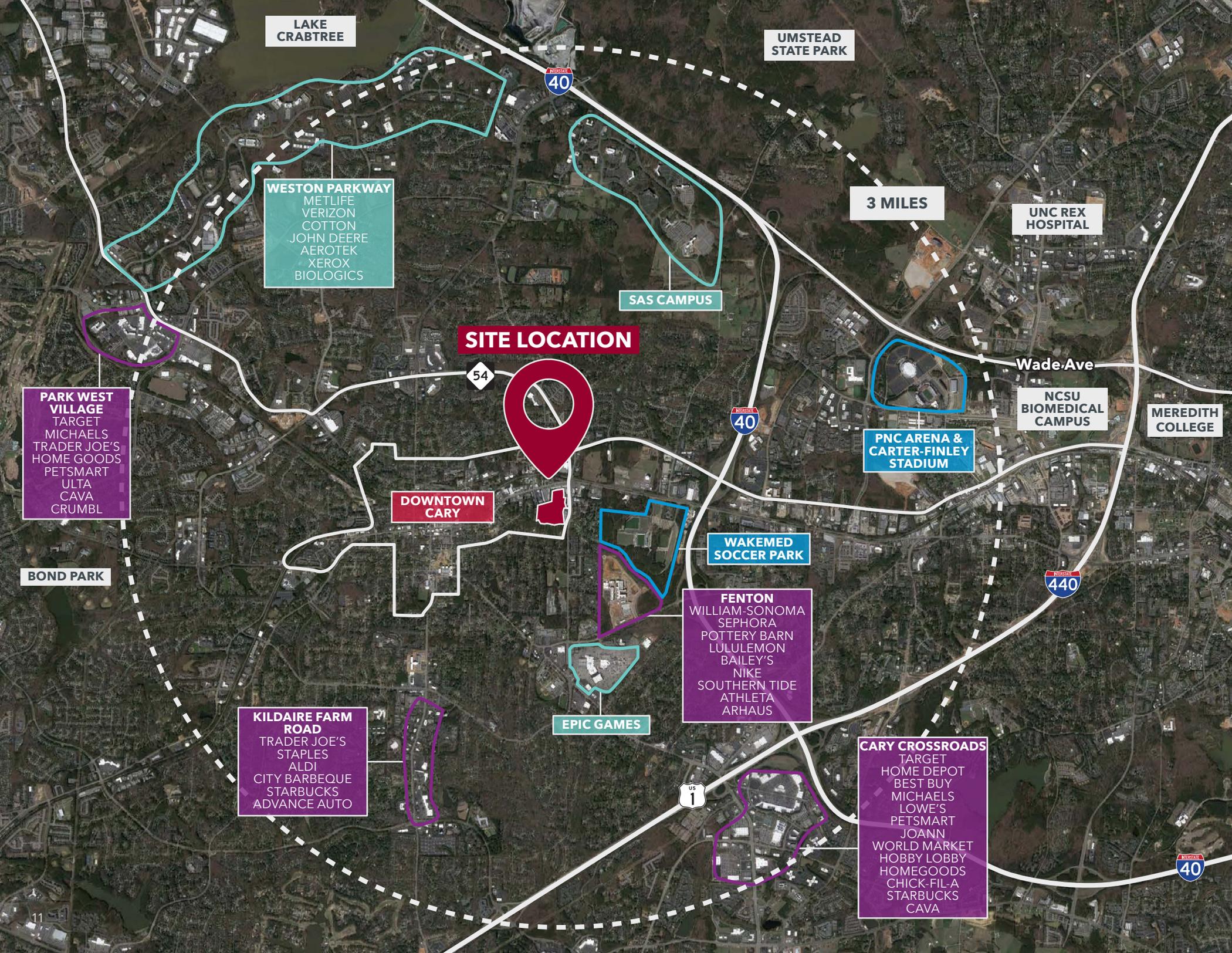
H

6 Story Resi Wrap
16 Wrap Townhomes
367 Wrap Apartments
383 Total Units

5 Level Parking Deck
Parking Required: 479
Parking Provided: 486

Assumptions

Resi Wrap
2.75 : 1 Ratio (1 BD : 2 BD)
1 BD = 810 GSF
2 BD = 1,080 GSF
1.25 Spaces / Unit



LAKE CRABTREE

UMSTEAD STATE PARK

3 MILES

WESTON PARKWAY
METLIFE
VERIZON
COTTON
JOHN DEERE
AEROTEK
XEROX
BIOLOGICS

SAS CAMPUS

UNC REX HOSPITAL

SITE LOCATION

54

Wade Ave

NCSU BIOMEDICAL CAMPUS

MEREDITH COLLEGE

PARK WEST VILLAGE
TARGET
MICHAELS
TRADER JOE'S
HOME GOODS
PETSMART
ULTA
CAVA
CRUMBL

PNC ARENA & CARTER-FINLEY STADIUM

DOWNTOWN CARY

WAKEMED SOCCER PARK

BOND PARK

FENTON
WILLIAM-SONOMA
SEPHORA
POTTERY BARN
LULULEMON
BAILEY'S
NIKE
SOUTHERN TIDE
ATHLETA
ARHAUS

EPIC GAMES

KILDAIRE FARM ROAD
TRADER JOE'S
STAPLES
ALDI
CITY BARBEQUE
STARBUCKS
ADVANCE AUTO

CARY CROSSROADS
TARGET
HOME DEPOT
BEST BUY
MICHAELS
LOWE'S
PETSMART
JOANN
WORLD MARKET
HOBBY LOBBY
HOMEGOODS
CHICK-FIL-A
STARBUCKS
CAVA

US 1

40

Financial Overview

Chatham Estates

607 Cedar Street

Net Operating Income (2022) \$422,462.86

Mobile Home Units 145 units

Acres 27.25 acres



Connectivity

Bus Rapid Transit

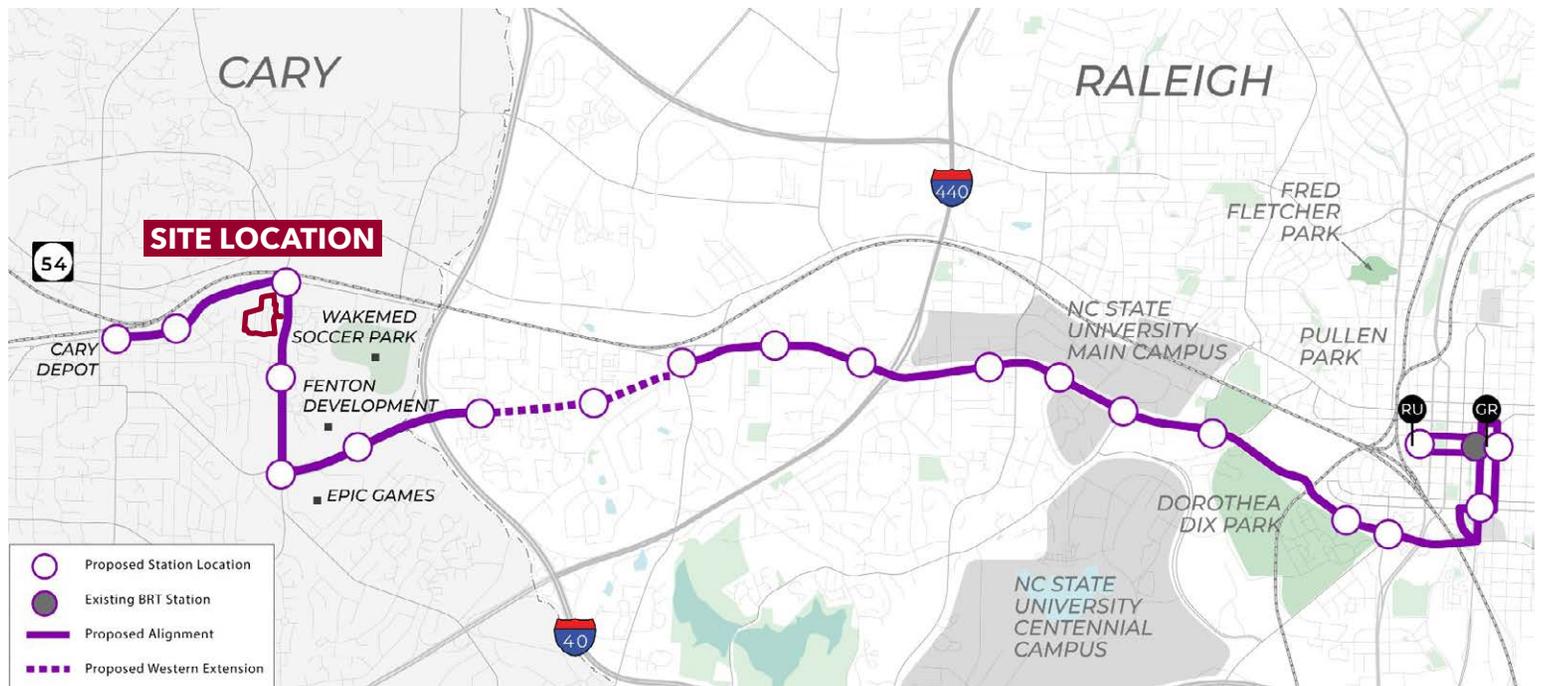
The **Wake Bus Rapid Transit (BRT) Western Corridor** project is a 12-mile-long route that will extend from downtown Raleigh to the future Multi-Modal Transit Facility in downtown Cary. The project is approved and currently in the design phase, with full service anticipated by 2030. The preliminary designs show a proposed BRT station at the Chatham Square site. **GoCary**, a town-owned public transit services, currently serves residents throughout Cary.

Multi-Modal Transit Facility

The Town of Cary is planning a new multi-modal center to accommodate a variety of existing and future transit services, including local and regional bus services, BRT, commuter rail, and Amtrak intercity passenger rail services. The feasibility study concluded in 2022; the Town of Cary is now moving forward with land acquisition and planning for design. In addition to transportation, this center could include retail, commercial, and residential space, community gathering areas, and places for public meetings.



Proposed BRT Route



Chatham Square Downtown Mixed-Use

Cary Community Plan & East Chatham Gateway

The Cary Community Plan 2040 envisions downtown as a vibrant, pedestrian-oriented downtown, rich in character. Future development emphasizes office, residential, retail, entertainment, and civic development, and supports a variety of transit methods. This community gathering place is the heart of the town, with the **highest density in the East Chatham Gateway** subarea.

The East Chatham Gateway subarea is the gateway for travelers entering downtown Cary from Raleigh and I-40. With planned transportation enhancements, the area is a prime opportunity for redevelopment.

Vision

- » Intended to accommodate the most intense patterns of development and building heights in downtown.
- » Residential choices include apartments, condominiums, and townhouses.
- » Commercial space is envisioned to spill onto sidewalks and plazas, bustling with activity.

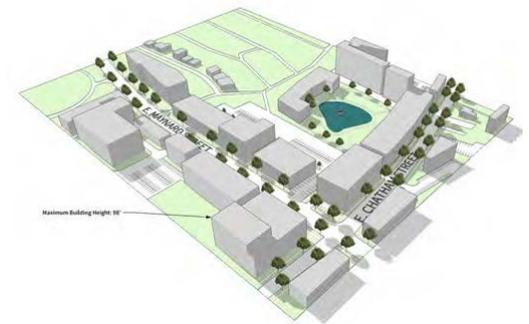
Character

- » High-density, mixed-use buildings.
- » Vertically mixed retail shops, offices, townhomes, and apartments.
- » Pedestrian connectivity and enhanced streetscaping.
- » Building heights are ideally 5-6 stories but can go higher depending on the cor suitability.
- » Along East Chatham Street, somewhat lower building heights at the street setb; upper stories set back from the build-to line.

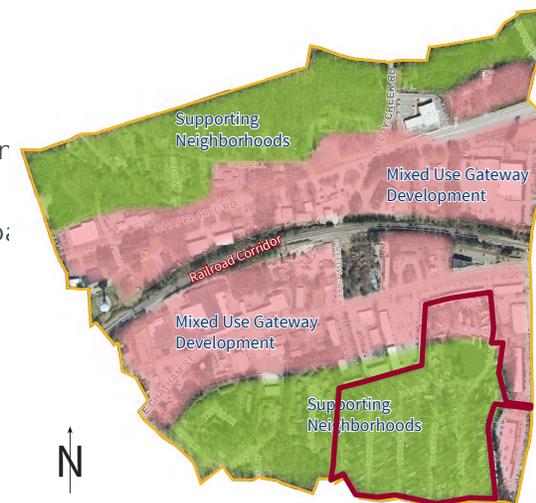


This illustration envisions a more connected and coherent built environment supporting transit-oriented development.

This conceptual image illustrates one form that redevelopment could take in the East Chatham subarea.



This map of the East Chatham Gateway highlights areas of development opportunity.



[CLICK HERE FOR MORE INFORMATION ABOUT THE TOWN OF CARY 2040 DOWNTOWN PLAN](#)

Example Character



Mixed-Use Gateway Development

Coordinated land assemblage and redevelopment to create a high-density mixed-use environment with short blocks and highly connected streets.

Supporting Neighborhoods

Redevelopment opportunities to provide complete neighborhoods with highly connected street patterns, neighborhood-serving commercial uses, trees, sidewalks, and small public spaces.



Market Data



Cary Submarket

Retail

Cary's retail sector has benefited from population growth in the second-fastest-growing large metro in the US. Demand for grocery, essential goods, and experiential retail has followed rooftops into Raleigh's suburbs. Retail vacancies were below the five-year average in 2022 Q1 and tightened slightly in the past year, with rates below the region's average. Rents surged by 5.3% YoY in the past 12 months. Construction has returned after a supply lull, making Cary a liquid investment market with heavy trading. Market pricing in Cary sits at \$268/SF, well above the region's average.

Office

Cary has the largest office inventory and asset value submarket in Raleigh, tracking market trends closely. Office vacancies currently sit at 8.2%, slightly below the peak of almost 9% in late 2021 but above historical average due to negative net absorption at the end of 2022. Market rents are \$29.00/SF, comparable to the Raleigh average, and up 3.6% YoY. Major tech and life sciences companies are attracted to Cary's proximity to the Research Triangle Park and talent pools produced by the three major universities.

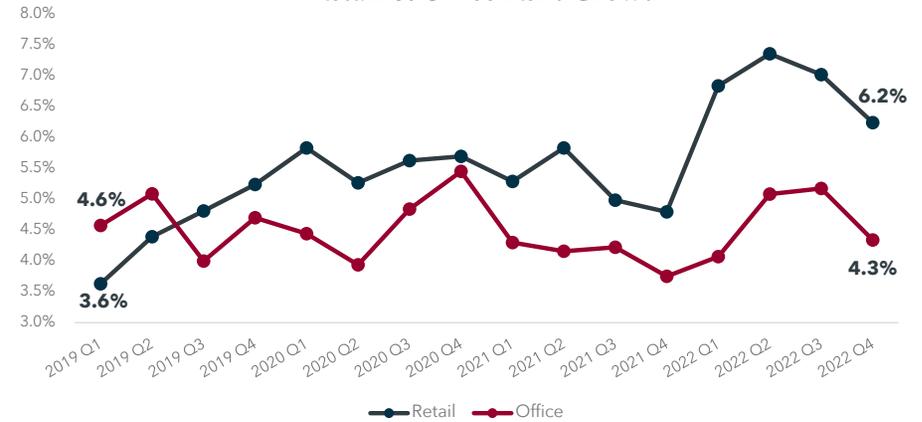
Multifamily

An established multifamily submarket, Cary has had robust investment activity with sales volume of \$646 million over the past 12 months, more than 25% of all sales volume in Raleigh. 2022 and 2021 are the highest-volume sales years on record. Central location and proximity to the Research Triangle Park continue to drive interest, despite economic uncertainty and rising interest rates. Assets in this submarket trade at about \$280,000/unit, slightly above the metro average, with some recent sales far exceeding the submarket's average price per unit.

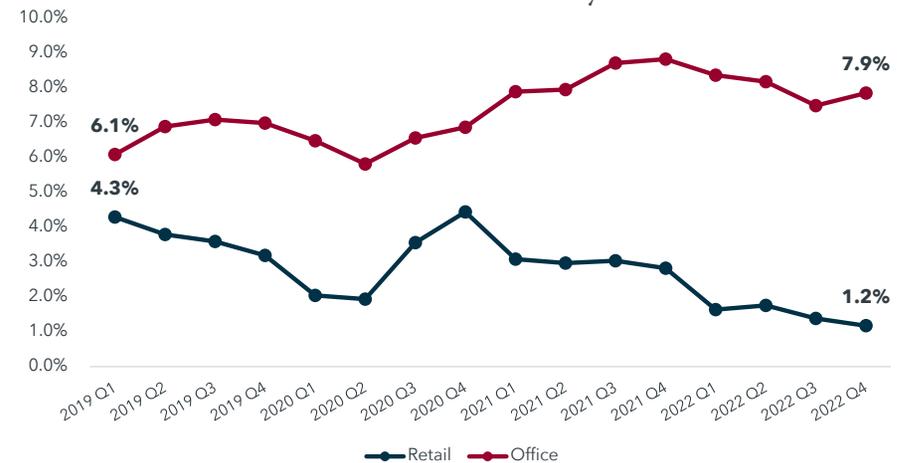
Quarterly Multifamily Data

Period	Vacancy Rate	Asking Rent/Unit	Annual Rent Growth	Inventory Units	Units Under Construction	12 Mo Absorp Units	Market Sale Price/Unit	12 Mo Sales Volume	Market Cap Rate
2022 Q4	7.8%	\$1,641	4.4%	22,788	3,409	98	\$277,156	\$788,660,913	4.1%
2022 Q3	6.7%	\$1,663	6.9%	22,660	3,537	336	\$279,309	\$856,430,084	4.1%
2022 Q2	5.3%	\$1,694	12.9%	22,507	3,265	835	\$278,157	\$1,191,920,084	4.1%
2022 Q1	5.6%	\$1,610	18.8%	22,302	2,947	1,152	\$261,998	\$1,085,096,500	4.2%

Retail & Office Rent Growth



Retail & Office Vacancy Rate



Market Overview



North Carolina's Advantages

With the largest manufacturing workforce in the Southeast, the lowest corporate income tax in the nation, and a mid-Atlantic location providing access to millions of customers, North Carolina is where businesses prosper. The state consistently ranks at the top of "Best of" lists due to its bounty of business advantages.

Home to more than 10.5 million people, North Carolina is the ninth largest in population and the fourth ranking for net migration. The state continues to attract and retain skilled talent to support business growth.

North Carolina has the second-largest state-owned highway system and major controlled-access arteries such as I-95, I-40, and I-85. Ten commercial airports, including four international airports, connect the state domestically and internationally. Two deepwater seaports and an integrated rail system ensure additional seamless connections to customers and suppliers.

Groundbreaking university research, a diverse culture, a highly skilled workforce, superior infrastructure, and low business costs continue to attract people and businesses to North Carolina. From the bustling urban centers to the miles of open space, North Carolina has something for everyone and is a step above the rest.



#1

BEST STATE FOR BUSINESS

Forbes, 2022

#1

TOP STATE BUSINESS CLIMATE

Site Selection, 2021

#3

COMPETITIVE LABOR ENVIRONMENT

Area Development, 2021

#1

STATE OF THE YEAR

Business Facilities, 2022

#3

STATE FOR COOPERATIVE AND RESPONSIVE STATE GOVERNMENT

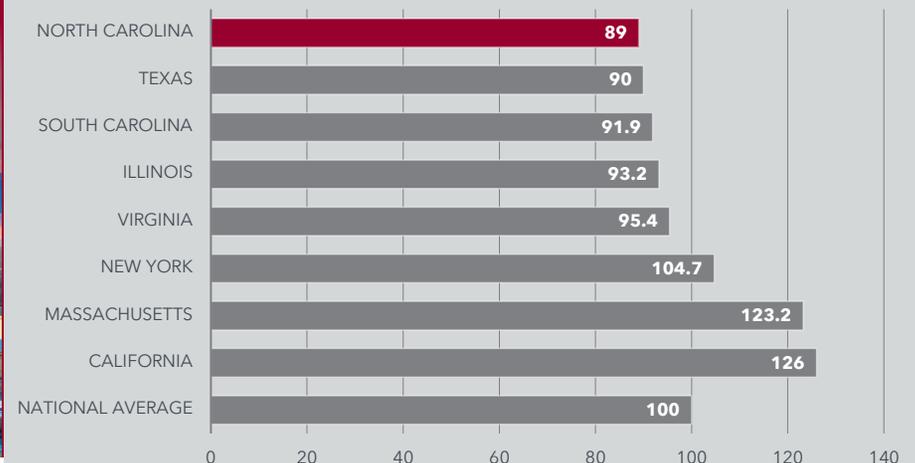
Area Development, 2021

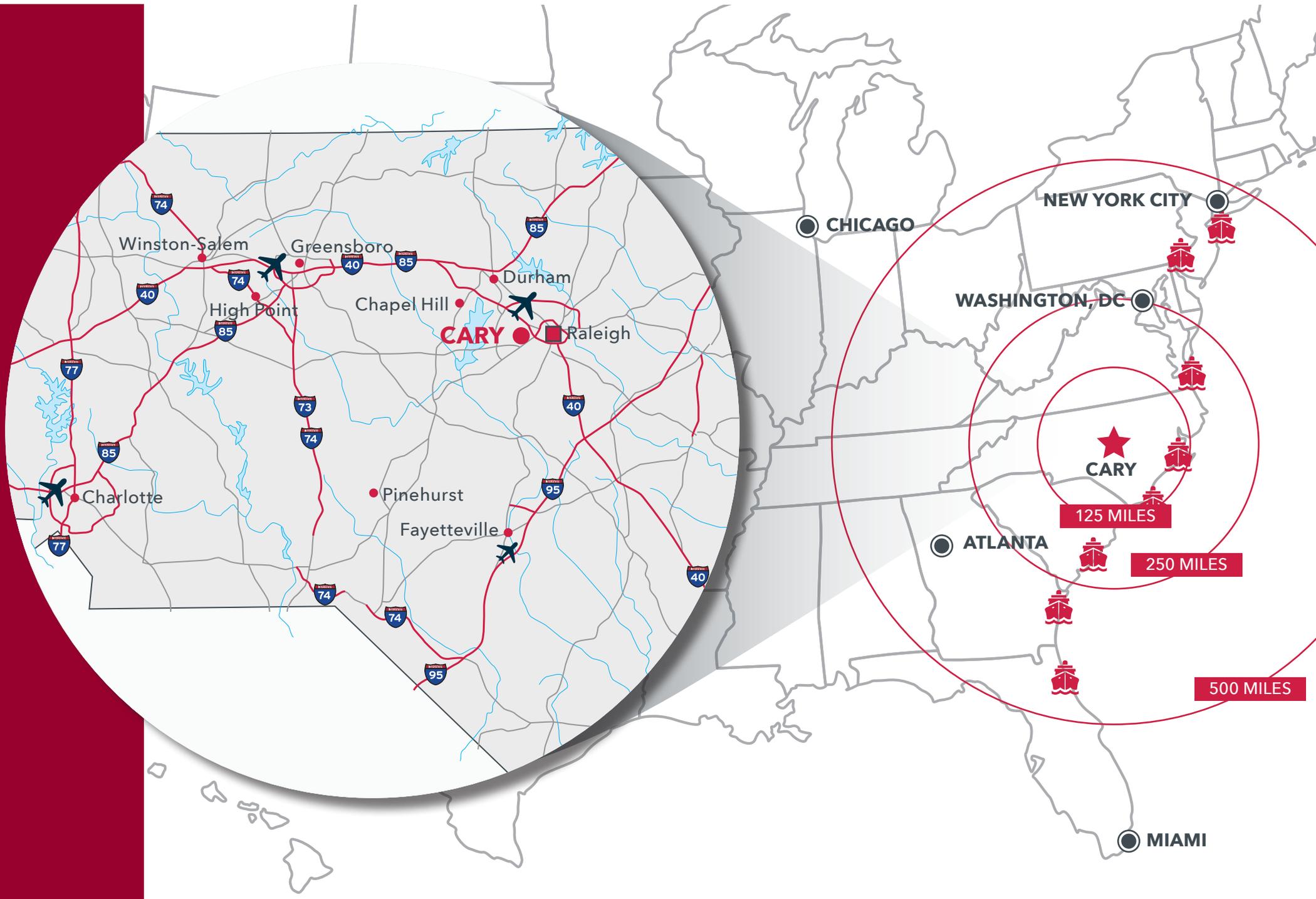
#3 & #5

LOWEST EFFECTIVE TAX RATES FOR NEW AND MATURE FIRMS

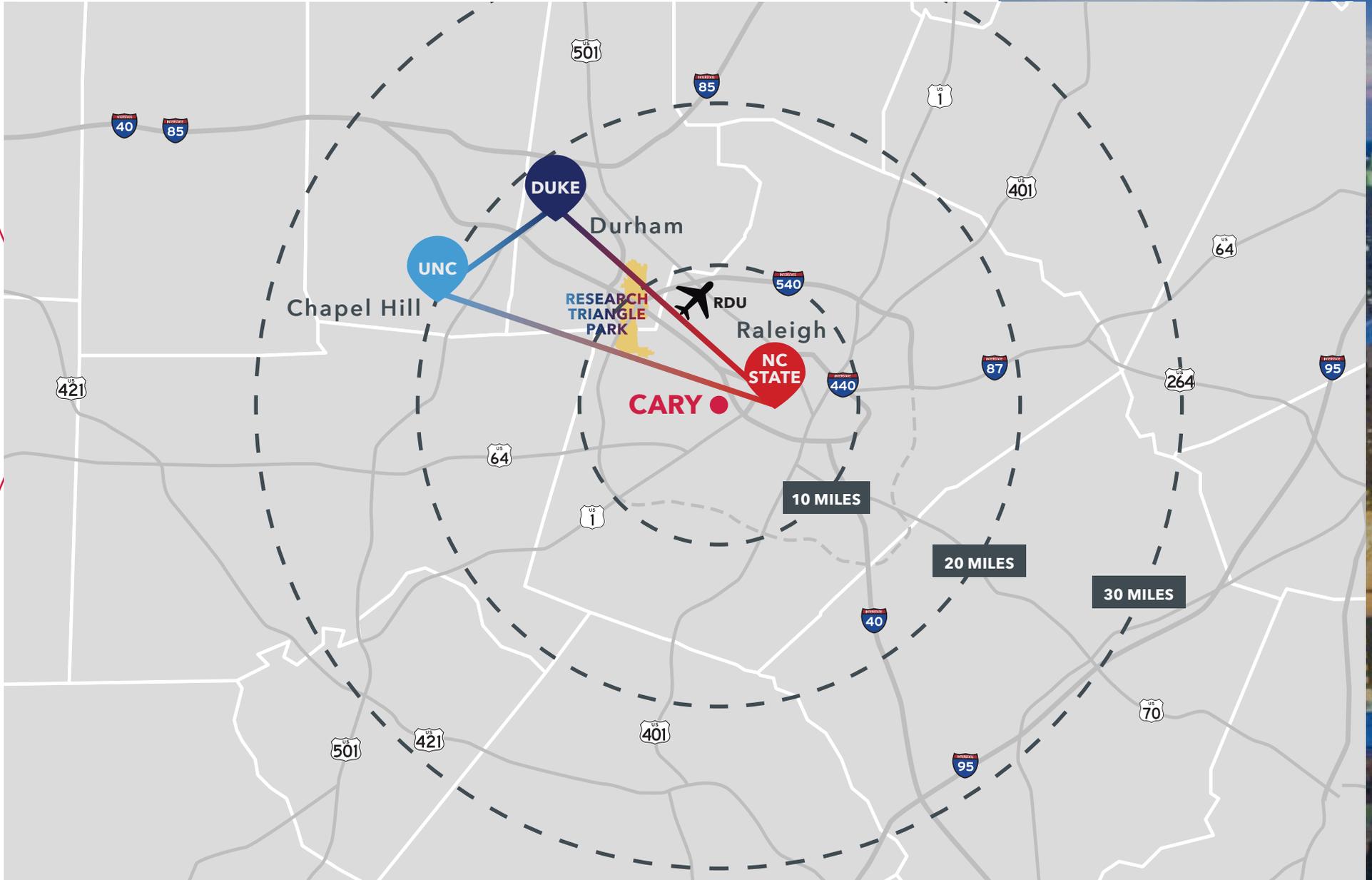
Tax Foundation and KPMG Location Matters Report, 2021

Low Cost of Living





Research Triangle Region





Demographics

	10-mile radius from site	Raleigh-Durham Metro
2010-2022 Population Growth	102.23%	27.50%
2022-2027 Annual Population Growth	1.51%	1.16%
Bachelor's Degree or Higher	54.6%	49.1%
Median Age	38.1	36.9
Average Household Income	\$148,615	\$113,930
Average Home Value	\$454,924	\$358,014

#5 Best Large Airport
in America (RDU)
J.D. Power, 2022

#6 Top Manufacturing Hub
for Large MSAs
Business Facilities, 2022

#8 Best Large Metro for
Business Climate
Business Facilities, 2022

#1 Top Metro with Highest % of Graduate
or Professional Degree Holders
WalletHub, 2022

#10 Fastest Growing Metro
in America
Business Facilities, 2022

#2 Hottest Real Estate
Market to Watch in 2023
NAR, 2022

#1 Best Place to Live
in 2022
Bankrate, 2022

#5 Top Global
Pharmaceutical Hub
Hickey & Assoc., 2022

Triangle Overview

The Research Triangle region is named for its three Tier 1 universities - Duke University, North Carolina State University, and the University of North Carolina at Chapel Hill - and the Research Triangle Park (RTP), the largest research park in the United States. The region is home to more than 2 million people and **one of the fastest growing metros in the country.**

The region's 12 colleges and universities and eight community colleges produce more than 42,000 annual graduates, supplying a skilled pipeline that meets the needs of growing industries. More than 1.1 million people are active in the labor force. With innovation, education, and a culture of collaboration, the Research Triangle Region is an idea destination for business success.



3
Tier 1
Universities

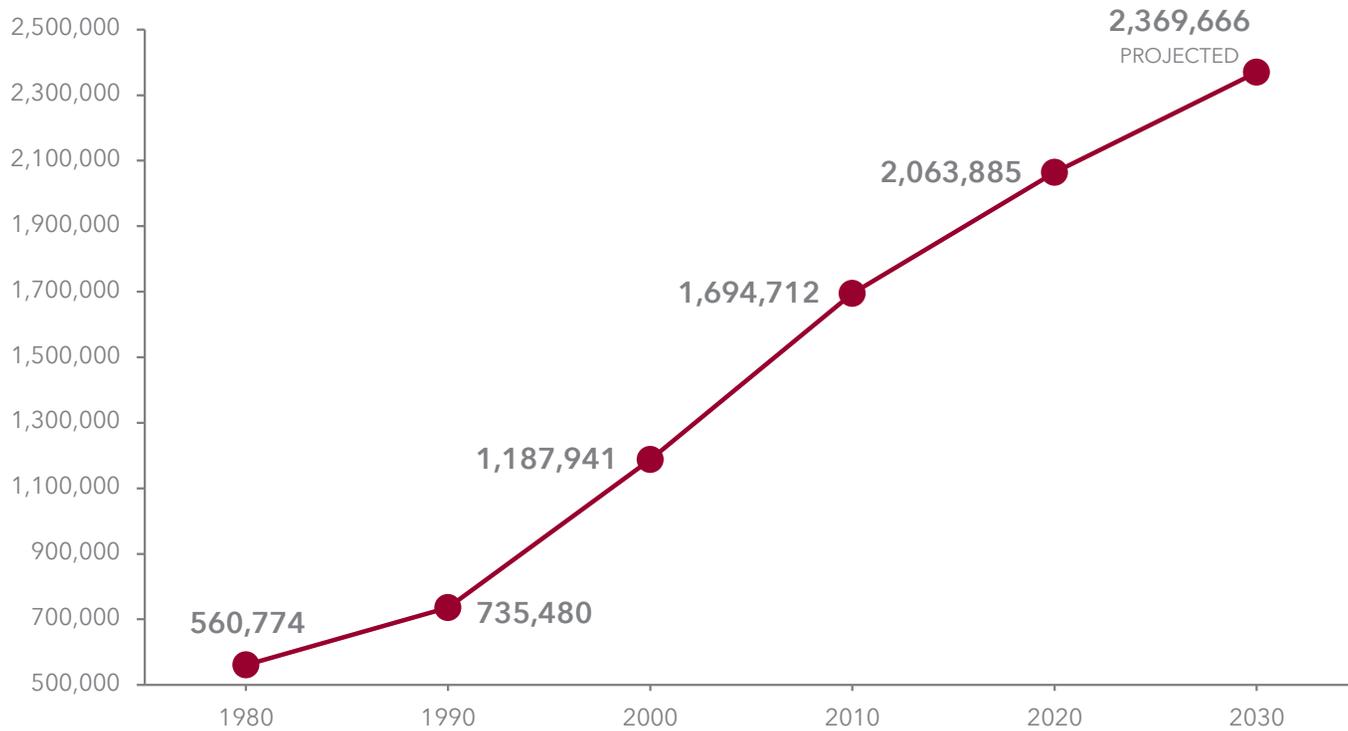
42K
Annual College
Graduates

12,780
New Jobs Announced
in 2022



Located halfway between New York City and Miami, the Research Triangle is a highly connected metro that provides businesses convenient access to suppliers and millions of customers within a day's drive. Raleigh-Durham International Airport, two Class I freight railroad companies, two deepwater ports, and major interstates get people and goods moving.

Regional Population Growth, 1980-2030



64
People Population
Growth Per Day

36.9
Median Age

63.2%
Population Between
the Ages of 18-64

With a strong quality of life and low cost of living, the Research Triangle region continues to grow by an average of 64 people per day. The region is home to top-ranked sports teams, world-class museums, bountiful recreation opportunities, and a strong cultural arts scene. Residents also enjoy convenient access to both the Appalachian Mountains and the beautiful North Carolina coast.



Talent

With three Tier 1 universities and the nation's third-largest community college system, North Carolina's exceptional education system supplies companies with a steady, skilled workforce pipeline and access to R&D resources.

There are 12 colleges and universities and 8 community colleges in the Triangle region. Together, more than 176,000 are enrolled and more than 42,000 students receive a bachelor's degree annually. With more than 47% of the population holding a bachelor's degree or higher and the second most STEM grads annually in the Southeast, the Triangle region ranks as one of the most educated cities in the United States.

The North Carolina Community College System (NCCCS) has 58 campuses across the state and more than 525,000 students enrolled. With advanced

vocational and technical programs, the NCCCS provides accessible training to support new and expanding businesses.

NCWorks is a free job screening, recruiting, and training program for new and expanding businesses. In partnership with NCCCS, the North Carolina Customized Training program offers comprehensive, customized training tailored to address the specific needs of companies.

There are seven major military installations in North Carolina, each nested in a growing network of defense companies. With about 18,000 military personnel in North Carolina projected to re-enter the civilian workforce each year, employers can draw on large numbers of exiting personnel with in-demand occupational skills.

NORTH CAROLINA STATE UNIVERSITY

Raleigh, NC



37,500+
students

#2
Public College in
North Carolina for
Value (Money)

#1
Largest university in
North Carolina

DUKE UNIVERSITY

Durham, NC



6,543
undergraduate
students

10,612
graduate &
professional students

95%
of students graduate
in four years

UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Chapel Hill, NC



19,743
undergraduate
students

11,796
graduate &
professional
students

6TH
most innovative
university in the
world (Reuters)

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

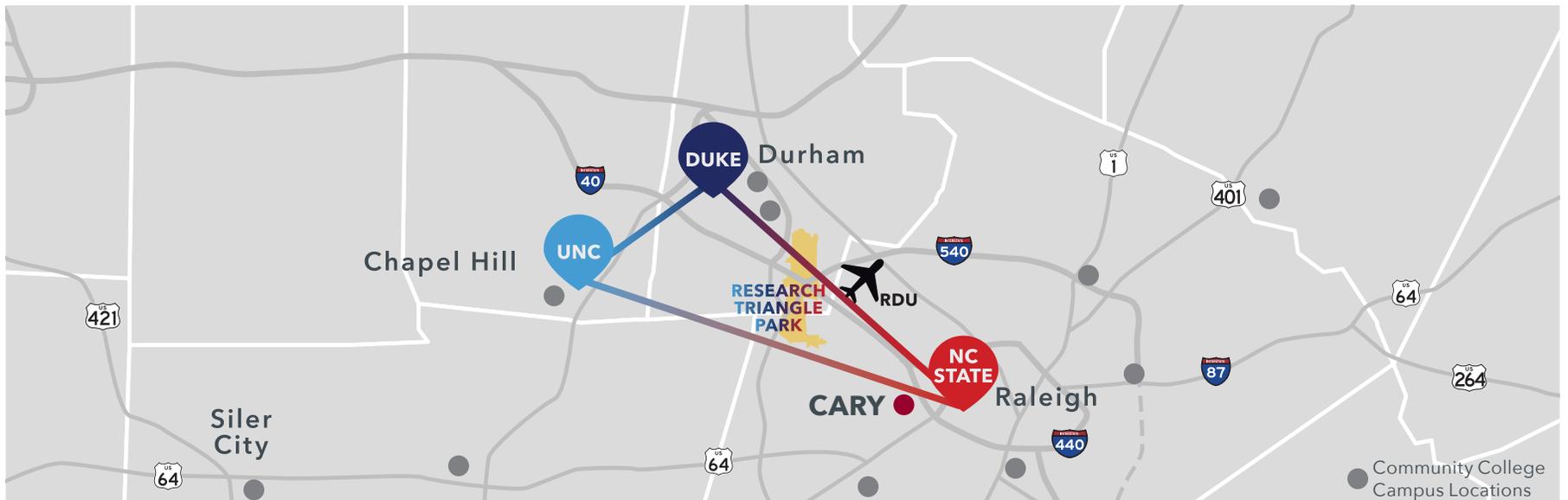
Statewide



58
colleges in NC

735,000
students enrolled

162
remote locations





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