



KRISPY KREME & VERIZON

WINSTON-SALEM, NORTH CAROLINA

YURAS
AICALE
FORSYTH
CROWLE | Leased Investment Team

OFFERING MEMORANDUM

\$3,913,000 | 6.70% CAP RATE

- » 100% Leased Two-Tenant Retail Center
 - » Corporate Leases to Strong National Tenants
 - » Recent Lease Extensions
- » Highly Visible Location in Primary Retail Corridor
 - » Excellent Visibility and Access to 29,000 Vehicles Per Day on University Parkway
 - » Immediate Access to U.S. Highway 52 – 52,000 AADT
- » Central Location with Strong Customer Base
 - » Near Large Schools and Major Employers
- » Well-Positioned Asset with Rare Drive-Thru Component

ACTUAL SITE



Cushman and Wakefield Inc. LIC. # 00616335

This property is listed in conjunction with North Carolina-licensed real estate broker New South Properties.

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**YURAS
AICALE
FORSYTH
CROWLE**

Leased Investment Team

Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

www.YAFteam.com

INVESTMENT SUMMARY

ADDRESS	5914 University Parkway, Winston-Salem, North Carolina
PRICE	\$3,913,000
CAP RATE	6.70% return
NOI	\$262,285
OCCUPANCY	100%
YEAR BUILT	2009
BUILDING SF	7,000 SF
PARCEL SIZE	1.07 acres (46,590 SF)
TENANTS	Krispy Kreme and Verizon Wireless

ACTUAL SITE



100% LEASED TWO-TENANT RETAIL CENTER

- » Recent lease extensions from Krispy Kreme and Verizon, demonstrating long-term commitment to the location
- » Established retail center with successful operation history

WELL-POSITIONED ASSET WITH STRONG CORPORATE TENANTS

- » Verizon is 16th on the Fortune 500 and has annual revenue of \$131 billion
- » Krispy Kreme is based in Winston-Salem and has a loyal customer base
- » Krispy Kreme has a rare drive-thru component and is perfectly positioned to capture commuter traffic along U.S. Highway 52
- » Verizon location out-positions other area cellular competitors

HIGH-TRAFFIC LOCATION IN DENSE RETAIL CORRIDOR

- » Excellent visibility and access to 29,000 vehicles per day on University Parkway
- » Immediate access to U.S. Highway 52, a busy transportation corridor with a traffic volume of 52,000 vehicles per day near the property
- » Prominently located in one of Winston-Salem's primary retail corridors
- » Near major retailers including, Lowe's Foods, Walmart Supercenter, Sam's Club, Lowe's, Home Depot, McDonald's, Chick-fil-A, and many others

STRONG CUSTOMER BASE IN SURROUNDING AREA

- » Close to several major employers, including Hanesbrands (2,500 employees) and B/E Aerospace (1,500 employees)
- » A number of schools are located in the area, including North Forsyth High School, which has a total enrollment of 1,212 students
- » Surrounded by residential neighborhoods, with nearly 83,000 people living within a five-mile radius

RENT ROLL

TENANT NAME	SQUARE FEET	% OF PROPERTY	LEASE TERM		CURRENT RENTAL RATES					FUTURE RENTAL RATES					RECOVERY TYPE
			START	TERM	START	MONTHLY	PSF	ANNUAL	PSF	DATE	MONTHLY	PSF	ANNUAL	PSF	
Krispy Kreme	2,500	35.71%	Apr-09	Mar-24	Current	\$6,302	\$2.52	\$75,625	\$30.25	Options - 3 Options at 5 Years					NNN
										Apr-24	\$6,933	\$2.77	\$83,200	\$33.28	
										Apr-29	\$7,627	\$3.05	\$91,525	\$36.61	
										Apr-34	\$8,390	\$3.36	\$100,678	\$40.27	
Verizon Wireless	4,500	64.29%	Feb-09	Jan-24	Current	\$15,555	\$3.46	\$186,660	\$41.48	Options - 1 Option at 5 Years					NNN
										Feb-24	TBD	TBD	TBD	TBD	
TOTALS/AVERAGES	7,000					\$21,857	\$3.12	\$262,285	\$37.47						
Occupied SF	7,000	100.0%													
Available	0	0.0%													
Total SF	7,000	100.0%													



DOWNTOWN
WINSTON-SALEM
(7 miles)

Wake Forest™
Baptist Medical Center
(873 students and 12,873 employees)

Burlington
coat factory
Office DEPOT

Walmart
Neighborhood Market

PEPSI
(1,034 employees)

Walgreens

TARGET

**DISCOUNT
TIRE**

North Forsyth
High School
(1,212 students)

**THE GRAND
THEATRE**

ALDI

LOWE'S

**THE HOME
DEPOT**

STEAK 'N
SHAKE
FAMOUS FOR
STEAKBURGERS

Applebee's
GRILL & BAR

Wendy's

Pine Ridge Plaza
Harris Teeter
CiCi's PIZZA
BURGER KING

Reynolda Manor
Lowes FOODS
PET SUPPLIES
"PLUS"
PIZZA
PAPA JOHN'S
DOLLAR TREE
the judgement free zone
planet fitness

BURGER KING

verizon
Krispy Kreme
DOUGHNUTS

North Summit Square Shopping Center
Sam's CLUB
Lowes FOODS
SUBWAY
Aaron's

COOK OUT

TACO BELL

Arby's

Bojangles
a chicken 'n biscuits

University Parkway
(29,000 AADT)

52 / U.S. Highway 52
(52,000 AADT)



Julian Gibson
Elementary School
(683 students)

Northwest
Middle School
(950 students)

INDUSTRIAL REGION



52 | U.S. Highway 52
(52,000 AADT)



University Parkway
(29,000 AADT)





INDUSTRIAL REGION



52 / U.S. Highway 52
(52,000 AADT)



University Parkway
(29,000 AADT)





HANES
Brands Inc
(2,500 employees)


B/E
AEROSPACE
(1,300 employees)

Maple Chase Golf
& Country Club



North Summit Square Shopping Center
   



INDUSTRIAL REGION



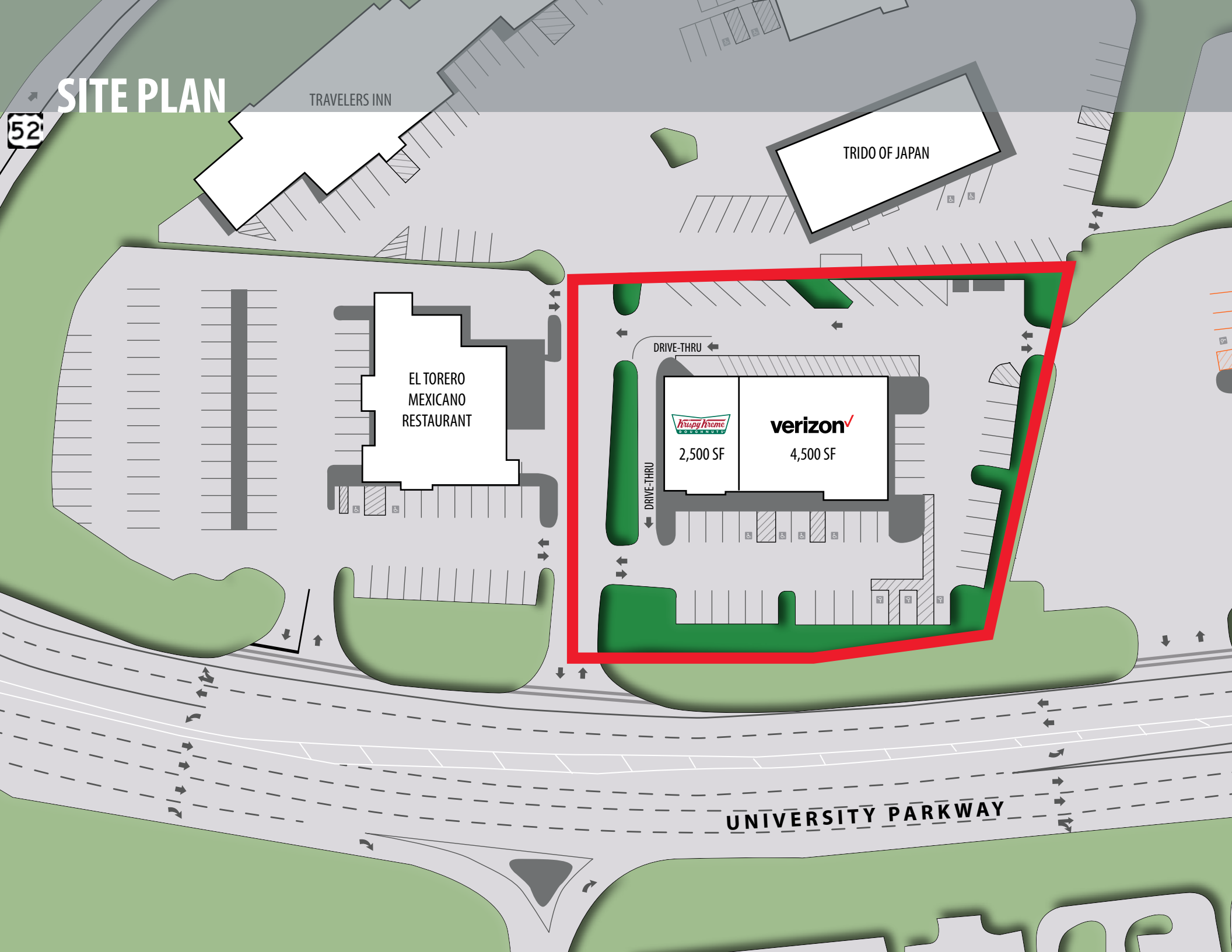
University Parkway (29,000 AADT)



52 / U.S. Highway 52
(52,000 AADT)



SITE PLAN



TRAVELERS INN

TRIDO OF JAPAN

EL TORERO
MEXICANO
RESTAURANT

DRIVE-THRU

Krispy Kreme
2,500 SF

verizon
4,500 SF

DRIVE-THRU

UNIVERSITY PARKWAY

TENANT SUMMARIES



Verizon Wireless (officially named Cellco Partnership and commonly shortened to Verizon) is a multi-national telecommunications conglomerate which is one of the world’s leading providers of communications, information, and entertainment products. Verizon Wireless is the largest telecommunications provider in the U.S., with 154 million subscribers as of Q3 2018. The company powers the nation’s largest and most reliable 4G LTE network, which currently covers about 98% of the population in the U.S. Verizon Wireless services include broadband data and video, corporate networking solutions, data center and cloud services, security and managed network services, and local and long-distance voice services.

For more information, please visit www.verizonwireless.com.

LOCATIONS	1,600+	OWNERSHIP	Verizon Communications (NYSE: “VZ”)
REVENUE	\$131B	EMPLOYEES	114,500+

LEASE ABSTRACT

TENANT	Cellco Partnership d/b/a Verizon Wireless	
ADDRESS	5914 University Parkway, Winston-Salem, North Carolina	
RENT COMMENCEMENT	February 1, 2009	
LEASE EXPIRATION	January 31, 2024	
RENEWAL OPTIONS	One (1) five (5) year option	
RENTAL INCREASES	YEAR Current-Jan. 2024 Feb. 2024-Jan. 2029 (Option 1)	NOI \$186,660 TBD
COMMON AREA COSTS	Tenant is responsible for its share of Common Area Costs, which shall not increase more than 3% per year.	
REAL ESTATE TAXES	Tenant is responsible for its prorated share of taxes.	
INSURANCE	Tenant is responsible for insurance.	
REPAIR & MAINTENANCE	Tenant is responsible for all nonstructural maintenance and repairs.	
MAINTENANCE BY LANDLORD	Landlord will maintain and repair the portions of the Premises not the responsibility of Tenant.	
RIGHT OF FIRST REFUSAL	None	

TENANT SUMMARIES



Krispy Kreme Doughnuts, Inc. is an American doughnut company and coffeehouse chain founded in 1937 and headquartered in Winston-Salem, North Carolina. Krispy Kreme sells a variety of freshly made doughnuts, as well as hand-crafted espresso-based specialty coffee drinks and brewed coffee. The company is best known for its famous Original Glazed Doughnut, a glazed, yeast-raised doughnut that is Krispy Kreme’s most popular and best-selling product. In the United States, the company’s products are sold in Krispy Kreme stores, as well as through grocery stores, convenience stores, Walmart, Target, and Shaw’s stores. Krispy Kreme doughnuts can be found in approximately 12,000 grocery, convenience, and mass merchant stores in the U.S. The company has nearly 1,400 retail shops in 34 countries.

Krispy Kreme is owned by JAB Holding Company, a Luxembourg-based conglomerate that includes investments of companies operating in the arenas of consumer goods, forestry, coffee, luxury fashion, and fast food, among others. JAB’s portfolio is comprised of stakes in several companies, including Peet’s Coffee, Panera Bread, Coty, Pret A Manger, Einstein Noah Restaurant Group, and Keurig Dr. Pepper, amongst others.

For more information, please visit www.krispykreme.com.

OWNERSHIP	JAB Holding Company	LOCATIONS	1,400
HEADQUARTERS	Winston-Salem, NC	FOUNDED	1937

LEASE ABSTRACT

TENANT	Krispy Kreme Doughnut Corporation	
ADDRESS	5914 University Parkway, Winston-Salem, North Carolina	
RENT COMMENCEMENT	April 1, 2009	
LEASE EXPIRATION	March 31, 2024	
RENEWAL OPTIONS	Three (3) five (5) year options	
RENTAL INCREASES	YEAR Current-Mar. 2024 Apr. 2024-Mar. 2029 (Option 1) Apr. 2029-Mar. 2034 (Option 2) Apr. 2034-Mar. 2039 (Option 3)	NOI \$75,625 \$83,200 \$91,525 \$100,678
COMMON AREA COSTS	Tenant is responsible for its share of Common Area Costs, which shall not increase more than 3% per year.	
REAL ESTATE TAXES	Tenant is responsible for its prorated share of taxes.	
INSURANCE	Tenant is responsible for insurance.	
REPAIR & MAINTENANCE	Tenant is responsible for all nonstructural maintenance and repairs.	
MAINTENANCE BY LANDLORD	Landlord will maintain and repair the portions of the Premises not the responsibility of Tenant.	
RIGHT OF FIRST REFUSAL	None	

PROPERTY OVERVIEW

LOCATION

The property is conveniently located on University Parkway, with excellent visibility and access to 29,000 vehicles per day. The property enjoys immediate access to U.S. Highway 52, a busy transportation corridor with a traffic volume of 52,000 vehicles per day near the property. Prominently located in one of Winston-Salem's primary retail corridors, the property is surrounded by large shopping centers and major national tenants. The property is directly across from North Summit Square Shopping Center, anchored by Sam's Club, Lowes Foods, and Lowe's. The property is also within walking distance of Oak Summit Shopping Center, anchored by Walmart Supercenter and featuring Anytime Fitness, Dollar Tree, Hibbett Sports, Marshalls, Chick-fil-A, PetSmart, and more. Other notable retailers near the property include Home Depot, Big Lots, Aldi, Sheetz, Walgreens, CVS, Aaron's, McDonald's, and many others.

The property benefits from a strong customer base in the surrounding area. Several major employers are located nearby, including Hanesbrands (2,500 employees) and B/E Aerospace (1,500 employees). A number of schools are located in the area, including North Forsyth High School, which has a total enrollment of 1,212 students. Additionally, the property is surrounded by residential neighborhoods, with nearly 83,000 people living within a five-mile radius.

ACCESS

Access from University Parkway and multiple points of access thru the property via cross access with adjacent properties

TRAFFIC COUNTS

University Parkway:	29,000 AADT
U.S. Highway 52:	52,000 AADT

PARKING

45 parking stalls, including seven (7) handicap stalls

BUILDING SF

7,000 SF

YEAR BUILT

2009

NEAREST AIRPORT

Piedmont Triad International Airport (GSO)



ACTUAL SITE



45
PARKING
STALLS



2009
YEAR
BUILT



29K
TRAFFIC
COUNT (AADT)



**NEAREST
AIRPORT**
PIEDMONT TRIAD
INTERNATIONAL
AIRPORT

AREA OVERVIEW

Situated in North Carolina's Piedmont Triad region between the Blue Ridge Mountains and the Atlantic Ocean, Winston-Salem is the county seat of Forsyth County. With a 2019 estimated population of nearly 250,000, Winston-Salem is the second largest municipality in the Piedmont Triad region and the fifth most populous city in North Carolina. The city is home to the corporate headquarters of BB&T Bank, Hanesbrands Inc., Reynolds America (parent of R.J. Reynolds Tobacco Company), Lowes Foods Stores, Krispy Kreme Doughnuts, Blue Rhino, and others. Although traditionally associated with the textile and tobacco industries, Winston-Salem is transforming itself to be a leader in the nanotech, high-tech and bio-tech fields. Medical research is a fast-growing local industry, and Wake Forest Baptist Medical Center is the largest employer in Winston-Salem. Public and private investment of \$713 million has created the Wake Forest Innovation Quarter, an innovation district in downtown Winston-Salem focused on research, business, and education in biomedical science, information technology, digital media, clinical services, and advanced materials.

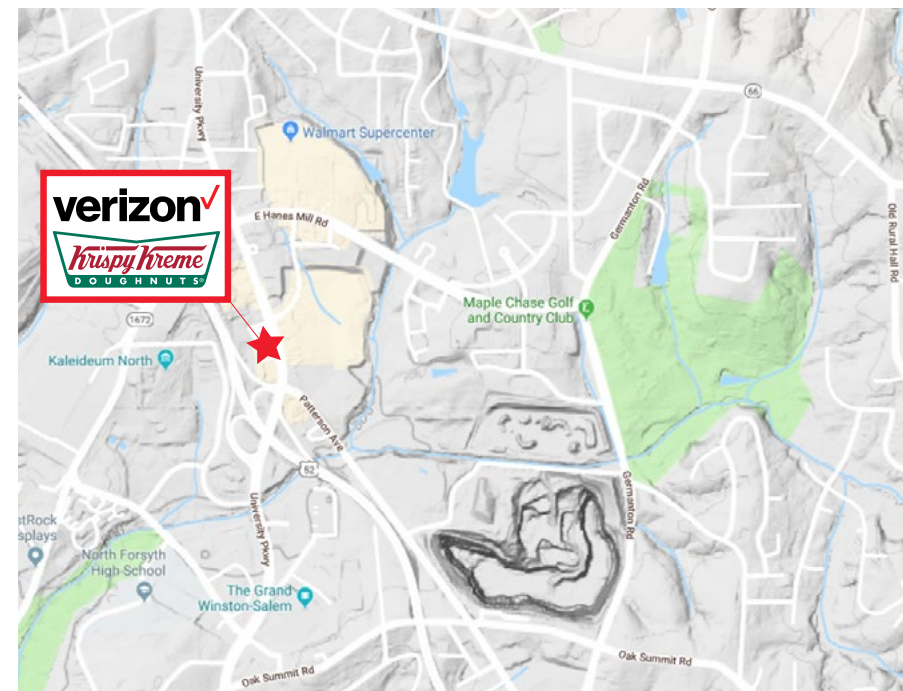
Winston-Salem is the principal city of the Winston-Salem Metropolitan Statistical Area (MSA), which is also included in the Piedmont Triad. The Piedmont Triad, with a population of over 1.7 million, is a region of North Carolina that consists of the area surrounding the three major cities of Greensboro, Winston-Salem, and High Point. The Piedmont Triad is connected by Interstates 40, 85, 73, and 74 and is served by the Piedmont Triad International Airport, which is the third busiest airport in North Carolina. There are more than 20 colleges and universities in the Piedmont Triad, with a total enrollment exceeding 60,000. In addition, nine 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, biotechnology, and aviation and aerospace.

- » With a metropolitan population of 676,673, the Winston-Salem MSA is the fourth largest metropolitan area in North Carolina.
- » Wake Forest Innovation Quarter, operated by Wake Forest Baptist Medical Center, is home to academic groups, private companies and other organizations located on more than 330 acres in downtown Winston-Salem. Its tenants include departments from five academic institutions—Wake Forest School of Medicine, Wake Forest University, Forsyth Technical Community College, Winston-Salem State University, and UNC School of the Arts—as well as private businesses and other organizations. The Wake Forest Innovation Quarter consists of over 1.9 million square feet of office, laboratory, and educational space and holds more than 170 companies, over 3,700 workers, 1,800 students seeking a college degree, and more than 8,000 workforce trainees.
- » Hanes Mall, located in Winston-Salem, is the largest shopping mall in the region. Hanes Mall serves a trade area with a population of 909,218 and is visited by more than 20 million shoppers each year.

MAJOR EMPLOYERS IN WINSTON-SALEM

EMPLOYEES

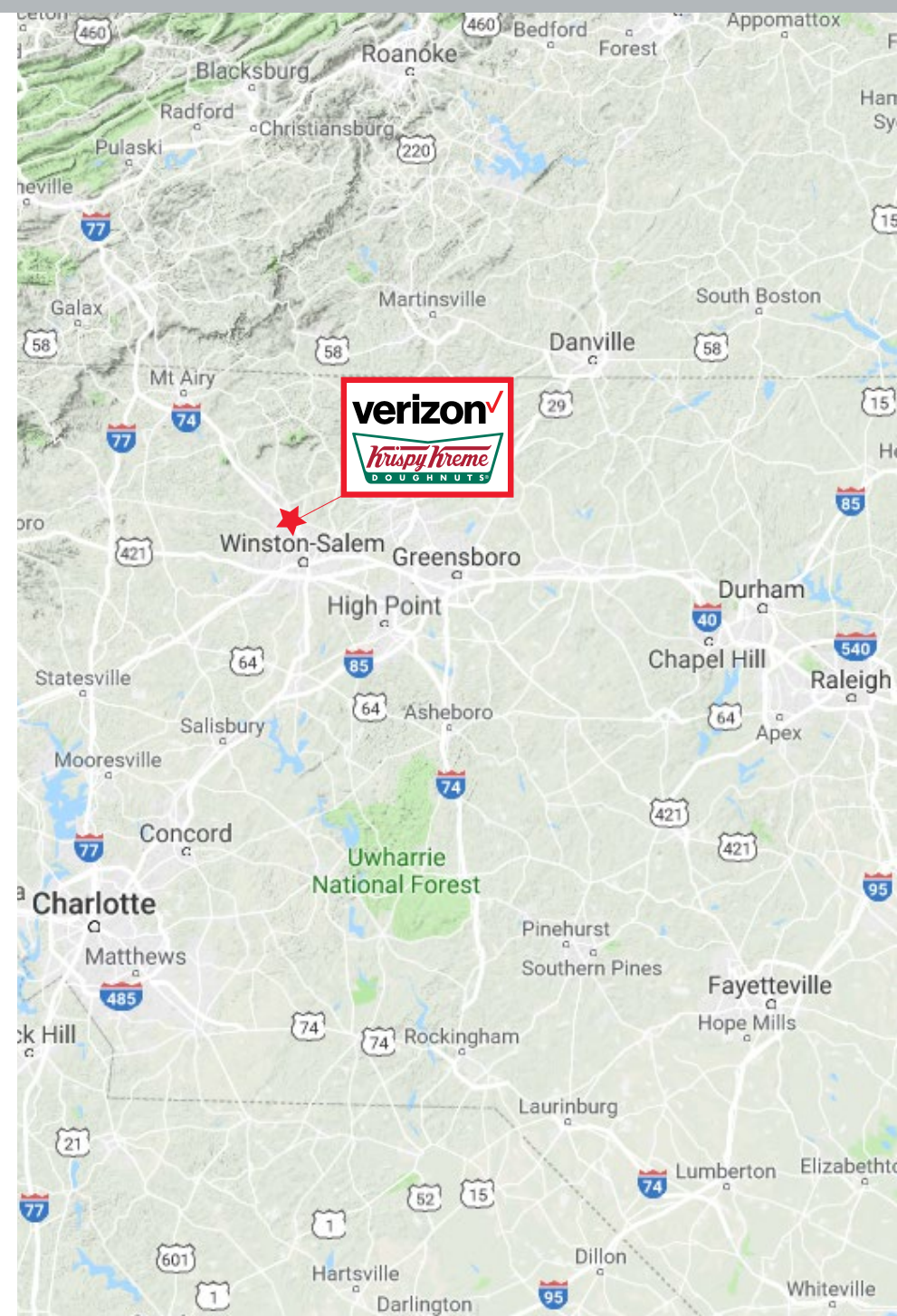
WAKE FOREST BAPTIST HEALTH	12,873
NOVANT HEALTH, INC.	8,145
WINSTON-SALEM/FORSYTH COUNTY SCHOOL SYSTEM	6,860
REYNOLDS AMERICAN, INC.	3,000
WAKE FOREST UNIVERSITY	2,784
WELLS FARGO	2,745
HANESBRANDS, INC.	2,500
CITY OF WINSTON-SALEM	2,420
FORSYTH COUNTY	2,275
BB&T	2,134



DEMOGRAPHIC PROFILE

2018 SUMMARY	1 Mile	3 Miles	5 Miles
Population	2,996	35,645	82,905
Households	1,096	14,333	32,231
Families	643	8,251	19,741
Average Household Size	2.44	2.44	2.43
Owner Occupied Housing Units	434	6,150	17,221
Renter Occupied Housing Units	662	8,183	15,010
Median Age	38.0	34.2	36.0
Average Household Income	\$47,115	\$53,606	\$63,971

2023 ESTIMATE	1 Mile	3 Miles	5 Miles
Population	3,100	37,225	85,826
Households	1,129	14,891	33,282
Families	660	8,549	20,342
Average Household Size	2.46	2.45	2.44
Owner Occupied Housing Units	471	6,568	18,277
Renter Occupied Housing Units	658	8,323	15,005
Median Age	38.6	34.8	37.0
Average Household Income	\$53,029	\$60,771	\$71,686



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