



3860 Oxford Station Way
Winston Salem, NC 27103



offering memorandum

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New York | Florida | California



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By accepting the Confidential Memorandum, you acknowledge and agree that: (1) all of the information contained herein and any other information you will be receiving in connection with this transaction, whether oral, written or in any other form (collectively, the "Materials"), is confidential; (2) you will not reproduce the Confidential Memorandum in whole or in part; (3) if you do not wish to pursue this matter, you will return this Confidential Memorandum to KCA as soon as practicable together with all other materials relating to the Property which you may have received from KCA; and (4) any proposed actions by you which are inconsistent in any manner with the foregoing agreements will require the prior written consent of KCA.

This Confidential Memorandum has been prepared by KCA, based upon certain information pertaining to the Property and any information obtained from KCA to assist interested parties in making their own evaluation of the Property is offered on a no representation or warranty provision other than customary warranties of title and is sold on an "as-is, where-is" basis and with all faults. The material and transaction does not purport to be all inclusive. This Confidential Memorandum contains descriptive materials, financial information and other data compiled for the convenience of parties interested in the Property. The Materials are being delivered by KCA to prospective investors with the understanding that it is not all inclusive and that it is qualified in its entirety by independent investigation by prospective investors of those matters which they deem appropriate in evaluating this offering without reliance upon KCA, the Broker or any of their respective affiliates or any of the information set out in the Materials. Neither KCA, the Broker, nor any of their respective affiliates have independently verified any of the information contained herein or in any of the Materials, and no representations or warranties as to the accuracy or completeness thereof or of any other kind whatsoever are made or intended and none should be inferred.

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This Confidential Memorandum does not constitute an offer to accept any investment proposal but is merely a solicitation of interest with respect to the investment described herein. The Confidential Memorandum does not constitute an offer of security. The investment described herein may be financed or withdrawn from the market, without prior notice. By accepting this Confidential Memorandum you agree to release KCA and hold it harmless from any kind of claim, expense, or liability arising out of your discovery or purchase of the Property. KCA reserves the right to request the return of the Materials at any time. Ownership of the Property reserves the right to negotiate with one or more prospective investors at any time.

EXECUTIVE OVERVIEW

PRICE
\$3,045,000

CAP
5.15%

NOI
\$156,768

THE INVESTMENT

- Corporately Owned and Operated NTB
- Extremely Strong Lease Guarantee by TBC Corporation and Sumitomo Corporation
- Absolute Triple Net Lease with Zero Landlord Responsibilities
- Cumulative CPI Rent Escalations Capped at 12%, every 5 Years
- Three, 5 Year Tenant Renewal Options

THE LOCATION

- Located on the areas Major Retail-Commercial Thoroughfare
- Excellent Visibility with Strong Demographics in 5-Mile Trade Area
- Just off Interstate 40 (83,000 VPD) and fronts Hanes Boulevard (19,000 VPD)
- Affluent suburban area with an average household income above \$95,000 with 3 and 5-Miles
- Absolute NNN with CPI bumps every 5 years capped at 12% | Fee Simple Ownership
- Zero Landlord Responsibilities Outparcel to Hobby Lobby Center and New Marriott Residence Inn
- Close Proximity to Hanes Mall (1.5M SF)
- Located in Piedmont Triad Area of NC and Forsyth County, expected annual growth rate 1% for next several decades

THE TENANT & GUARANTOR

- Guaranteed by TBC Corporation & Sumitomo Corporation
- **The TBC Corporation's ("TBC") Brands Group is one of the world's largest marketers of private brand tires. The TBC Retail Group includes National Tire & Battery, Tire Kingdom, Big O Tires, and Midas Together, there are more than 3,200 Locations in 41 states, Washington DC and Canada.**
- **Sumitomo Corporation is one of the largest worldwide general trading companies, and is a diversified corporation. The company was incorporated in 1919 and is a member company of the Sumitomo Group.**
- **Sumitomo showed over \$49,000,000,000 in Revenue for 2019**



Actual Property



Actual Property

SITE PLAN



LEASE ABSTRACT

Tenant Name	NTB
Property Address	3860 Oxford Station Way
City, State	Winston Salem, NC
Zip	27103
Est. Building Size	6,750 SF
Lot Size	30,928 SF
Type of Ownership	Fee Simple

LEASE OVERVIEW

Tenant Name	National Tire & Battery (NTB)
Original Lease Term	18 Years
Lease Expiration	5/31/2033
Lease Term Remaining	13
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Rental Increases	Cumulative CPI Capped at 12%
Options to Renew	Three, 5 Year Options





DRONE AERIAL



DRONE AERIAL



MARKET AERIAL

LOCATION OVERVIEW

Winston-Salem is a city in and the county seat of Forsyth County, NC. With a 2018 estimated population of 246,328 it is the second largest municipality in the Piedmont Triad region, the fifth most populous city in North Carolina, the third largest urban area in North Carolina, and the eighty-ninth most populous city in the United States. With a metropolitan population of 676,673 it is the fourth largest metropolitan area in North Carolina.

In 2012, the city was listed among the ten best places to retire in the United States by CBS MoneyWatch.[6] Winston-Salem has seen a surge in growth and revitalization in the downtown area with hotels, restaurants, and apartments under construction.

It is the location of the corporate headquarters of HanesBrands, Inc., Krispy Kreme Doughnuts, Inc., Lowes Foods Stores, ISP Sports, Reynolds American, Reynolda Manufacturing Solutions, and Blue Rhino (the nation's largest propane exchange company). PepsiCo has its Customer Service Center located in Winston-Salem.

Public and private investment of \$713 million has created the Wake Forest Innovation Quarter, an innovation district in downtown Winston-Salem which features business, education in biomedical research and engineering, information technology and digital media, as well as public gathering spaces, apartment living and community events.

Demographics

	1 mile	3 mile	5 mile
Population (1990)	5,675	38,783	86,803
Population (2000)	5,634	43,673	102,456
Population (2010)	5,544	51,959	121,537
Population (Current)	6,011	56,364	132,142
Population (5 Yr. Forecast)	6,217	58,352	136,738
Percent Growth (Current Yr./Previous Yr.)	8.08%	8.5%	8.67%
Percent Forecast (5 Yr. Forecast/Current Yr.)	3.39%	3.51%	3.46%
Average HH Income	\$59,115	\$97,119	\$96,535
Per Capita Income	\$61,041	\$121,631	\$124,331



TENANT OVERVIEW

National Tire and Battery (NTB) is an American brand of auto service centers. It was formerly owned by Sears until it was spun off in 2003. Sears created the brand in 1997 by consolidating the Tire America (TA) and National Tire Warehouse (NTW) brands, adding the “B” to include its DieHard brand of batteries. Sears originally acquired both Tire America and National Tire Warehouse in 1988 when it acquired its then parent Western Auto Supply. In 2003, Sears sold the brand, which consisted mostly of stores set apart from its name brand stores, to TBC Corporation. The TBC Retail Group® includes NTB® and Tire Kingdom® stores. Together, there are more than 600 locations in 26 states.

BF Goodrich
Tires

Continental

BRIDGESTONE
Bridgestone Americas, Inc.

COOPER
TIRES

DUNLOP
TIRES

Firestone

GOODYEAR

Hankook
PERFORMANCE TIRES

MICHELIN

NISSAN
LLANTAS DE NUEVA GENERACIÓN

PIRELLI

SUMITOMO

UNIROYAL

YOKOHAMA



TBC CORPORATION OVERVIEW



For more than 60 years, TBC Corporation (TBC), one of North America's largest marketers of automotive replacement tires through a multi-channel strategy, has been a tire company ahead of the curve. Through worldwide operations spanning wholesale, retail, and franchise, TBC provides customers best-in-class brands and automotive maintenance and repair services with the underlying mission to exceed customer expectations. TBC serves wholesale customers in the United States, Canada and Mexico through TBC Brands, NTW, TBC International, and TBC de Mexico.

Additionally, TBC responds to the needs of consumers in search of total car care at more than 3,200 franchised and company-operated tire and automotive service centers under the brands NTB®, Tire Kingdom®, Big O Tires® and Midas®.

BRANDS



TIRE BRANDS



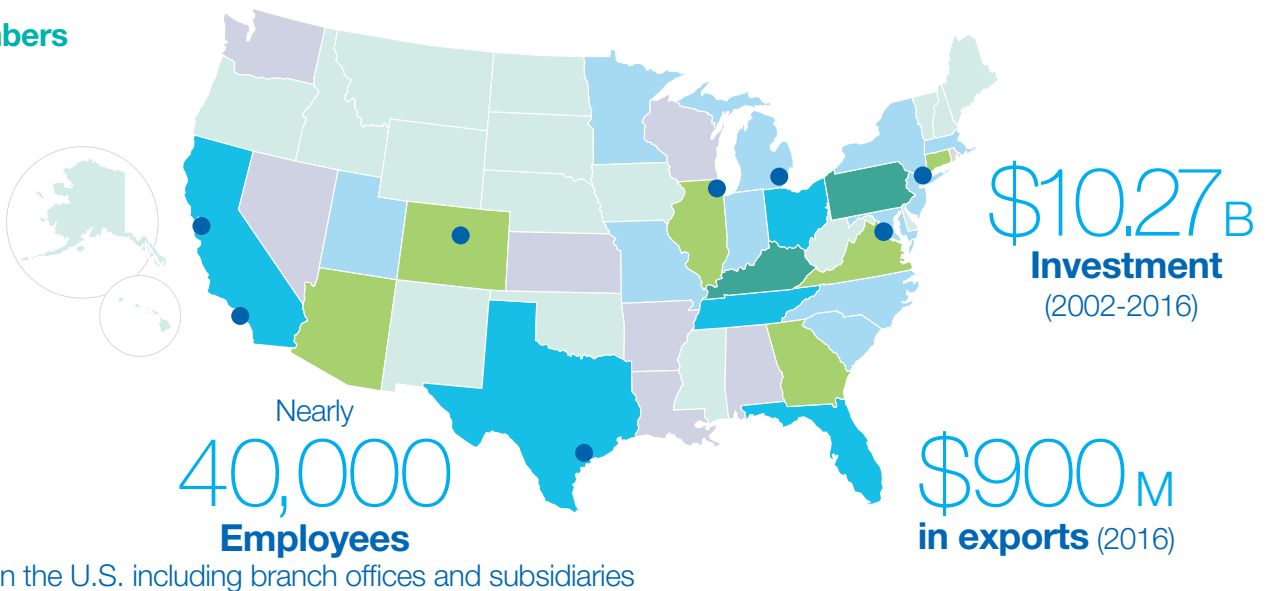
Sumitomo Corporation of Americas (SCOA) is the largest subsidiary of Sumitomo Corporation, one of the world's leading trading and investment companies. With investments across a broad range of industries, SCOA leverages **a U.S. workforce of more than 40,000 employees** to develop, produce and distribute goods and services to U.S. and international customers. While diverse, SCOA companies are respected leaders in the energy and transportation sectors, building on trusted customer relationships to bring new innovations into the marketplace.

SCOA has been **investing in America for more than 65 years**. Today, its leadership team is focused on remaining at the vanguard of U.S. manufacturing and infrastructure innovation, while remaining true to sustainable business practices and a concern for the local communities in which it operates.

By the Numbers

Employees by State

10-250
250-500
500-1,000
1,000-1,500
1,500-2,000
2,000+



Investing in the American Economy

“Over our 13 year association with Sumitomo Corporation of Americas, TBC has grown significantly—adding more than 150 company owned retail stores, 40 warehouses and over 1100 franchised retail stores. Under SCOA's ownership, TBC also acquired Midas International. This growth was made possible by SCOA's investment in TBC. Our relationship with SCOA fueled TBC's growth into new automotive services that provide consumers offerings that allow them to live, work and play safely every day.

– Erik Olsen
President & Chief Executive Officer,
TBC Corporation

“Sumitomo has provided terrific financial muscle, insight in the OCTG industry and access to a global network – all of which a small, private company would not have been able to access. This has made Howco a more potent force.

– John Ferguson
Chairman, Howco Group

“Diversified CPC is one of the oldest companies in SCOA's portfolio. One of the real benefits for us – and I think why our relationship has lasted this long – is that Sumitomo takes a long term view of things, which is important considering upturns and downturns in the market. Even more, SCOA has allowed us to reinvest profits right back into the business. As a result, we've doubled the number of people we employ, added facilities in Florida and Mississippi, and quadrupled our revenues.

– Bill Auriemma
President & CEO,
Diversified CPC International

Supporting America's Infrastructure

As a prime contractor, SCOA has supplied commuter railcars to the United States since the 1960s. SCOA has developed, managed and delivered transit systems for Chicago's Metra, Northern Indiana, Maryland Mass Transit Administration, CALTRANS, Los Angeles MTA, VRE, SMART in California, and the Illinois DOT. In addition to commuter rail, SCOA has also been the prime contractor for multiple APM systems in America's airports, including Dulles, Hartsfield-Jackson, Miami International and Tampa International.

**Developing Energy Solutions for both Public and Private Sectors**

A long-time supplier of conventional power in the U.S., SCOA today is focusing on growing its 2.5 billion renewable energy portfolio. We act not only as an investor, but a partner in several renewable power generation initiatives across the U.S. – from the early stages of project inception, through operations management. For example, SCOA partnered with Mars, Inc., to develop the 200 MW Mesquite Creek Wind Farm in La Mesa, Texas, which now generates, emissions free, 100% of the electricity needs of Mars' entire U.S. operations. SCOA was also a co-developer of Desert Sunlight - the largest solar farm in the U.S.

**Driving Mobility Forward**

SCOA is focused on the future of mobility more than ever – an area that is supported by our construction, tire, and automotive businesses.

In the construction area, SCOA's wholly-owned subsidiary, Sunstate, is the 7th largest construction equipment rental company in the U.S. With the help of SCOA's investment, Sunstate has grown from a single Arizona location to over 60 branches in 9 states, employing nearly 1,600 individuals.

Our tire business is also evolving following our partnership this year with Michelin North America, in a joint venture for 50/50 ownership of TBC. TBC is one of the nation's largest vertically integrated marketers of tires – spanning 2,400 locations throughout the U.S. The joint venture positions TBC and its brands to offer faster product and delivery service, wider amenities through retail and e-commerce, and an expanded product offering.

SCOA is also investing in the automotive market—particularly in early stage automotive technology companies. Recently, SCOA invested in Rivian, an electric vehicle manufacturer headquartered in Detroit, Michigan. Gearing up for its initial product launch in 2020, Rivian purchased and re-opened one of the largest auto-manufacturing plants in Illinois (formerly owned by Mitsubishi), bringing back good paying jobs to the surrounding community.

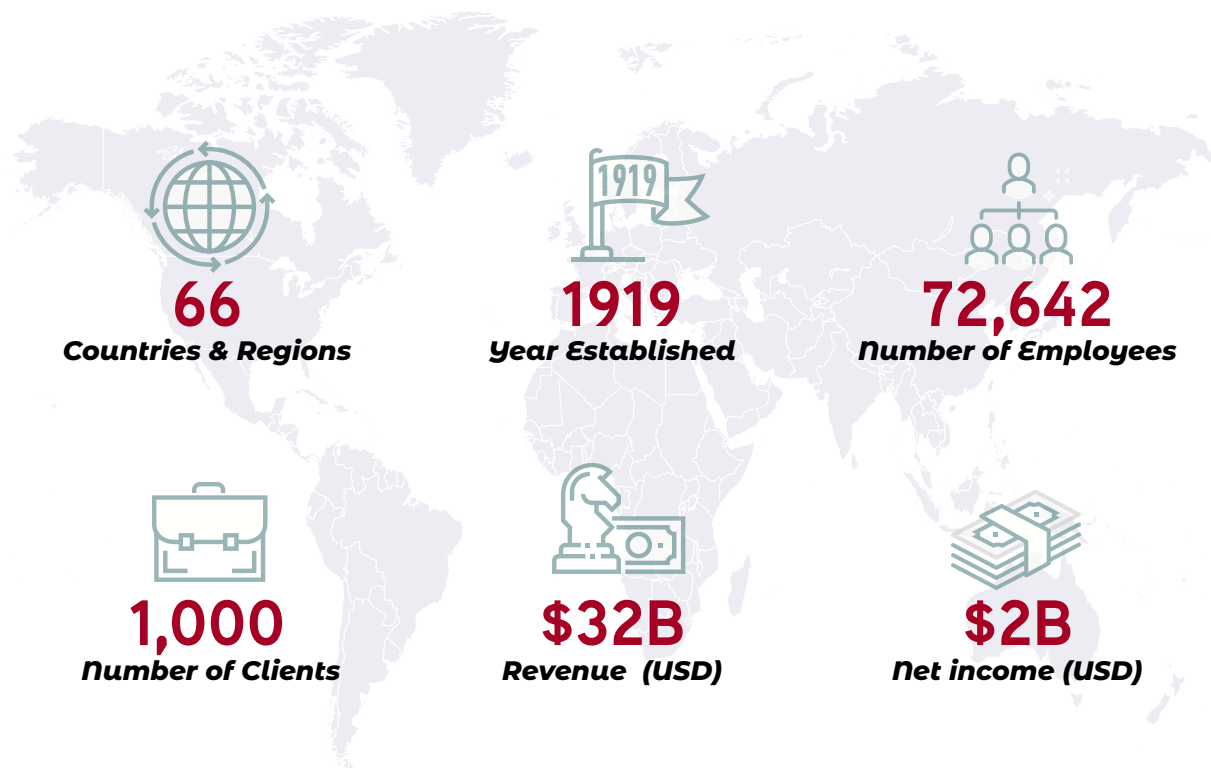




Sumitomo Corporation

Sumitomo Corporation ("SC") is a leading **Fortune 500 global trading and business investment company** with 114 locations in overseas countries/regions and 22 locations in Japan. SC conducts commodity transactions in all industries utilizing worldwide networks, provides related customers with various financing, serves as an organizer and a coordinator for various projects, and invests in companies to promote greater growth potential.

Headquarters	Tokyo, Japan
Number of Group Companies	957
Shareholder's Equity	23.5 B (USD)
Traded as	Nikkei 225 Component
Website	www.sumitomocorp.com



Fortune Global 500
*25 years

Sumitomo Corporation is ranked in the Fortune Global 500, an annual list compiled and published by US Fortune magazine, for 25 years, as one of the global companies leading the world's development.



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