

# KC'S MINI STORAGE AND CHADWICK RETAIL CENTER

688 HWY 70 OTWAY, BEAUFORT, NC 28516

## INVESTMENT OPPORTUNITY



### OFFERING SUMMARY

Sale Price:	\$4,100,000
Price / RSF:	\$92
Total # of Units	115
# of Storage Units	105
# of Retail Spaces	10
Building RSF:	44,700 +/- RSF
RSF Notation:	Per Software Reports (Buyer to Verify)
Lot Size:	5.11 Acres

### FINANCIAL ESTIMATES

EGI - Annualized 2023 w/ Adjustments	\$323,472
NOI - Annualized 2023 w/ Adjustments	\$261,265
Cap Rate - Annualized 2023 w/ Adjustments	6.37%
EGI - Forecast	\$342,387
NOI - Forecast	\$273,564
Cap Rate - Forecast	6.67%

### PROPERTY OVERVIEW

KC's Mini Storage and Chadwick Retail Center, located at 688 Hwy 70 Otway, in Beaufort, NC, is a standard unit facility offering 105 storage units with 18,000 +/- RSF and 10 retail/office spaces with another 26,700 +/- RSF for a total of 44,700 +/- RSF. An ATM, located on the property, brings in additional rental income.

There is an opportunity for expansion on the 5.11 +/- acre parcel (buyer to verify) and the seller will entertain requests to purchase an adjacent 1.03 +/- acre parcel. There is no zoning in the area, but further development of the property would need to comply with the Down East Conservation Ordinance and other requirements. Buyer to verify.

Carteret County has seen an overall population increase of 2.5% between April 1, 2020 and July 1, 2022 according to the US Census. Picturesque Beaufort, the county seat, has benefited from that growth, welcoming new families and businesses to its beautiful coastline. Its largest industry is tourism, with a strong fishing industry that sustains the popular seafood restaurants in the area.

The Beaufort, NC area is not only a great place to visit, but many are discovering that the coastal and waterfront living, agreeable climate, and diverse economy make this a great place to call home.

### INVESTMENT HIGHLIGHTS

- Multiple Office and Retail Spaces
- Tenants Include On-Site ATM and Automotive Service Center
- Room for Expansion
- Seller Will Entertain Sale of Adjacent Parcel
- New Owner Will Benefit from the Attractive Renovations Completed in May 2023
- Located at One of the Area's Busiest Intersections and Access to Harkers Island

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MIDCOAST PROPERTIES, INC.

## KC'S MINI STORAGE AND CHADWICK RETAIL CENTER 688 HWY 70 OTWAY, BEAUFORT, NC 28516

### CONFIDENTIALITY & DISCLAIMER

Midcoast Properties, Inc. is the agent of the Seller and its associated state licensees as subagents (together referred to as "Broker") represent the seller. Except as indicated herein, no other parties are or will become agent of or for the Seller in the contemplated transaction. Broker will not employ any subagents unless such agents are employed by Broker's real estate firm. Offers to buy or sell this property can only be made through the listing agent identified herein.

All materials and information received or derived from Midcoast Properties, Inc., LLC its directors, officers, agents, advisors, affiliates and/or any third party sources are provided without representation or warranty as to completeness, veracity, or accuracy, condition of the property, compliance or lack of compliance with applicable governmental requirements, developability or suitability, financial performance of the property, projected financial performance of the property for any party's intended use or any and all other matters.

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EACH PARTY SHALL CONDUCT ITS OWN INDEPENDENT INVESTIGATION AND DUE DILIGENCE.

Any party contemplating or under contract or in escrow for a transaction is urged to verify all information and to conduct their own inspections and investigations including through appropriate third party independent professionals selected by such party. All financial data should be verified by the party including by obtaining and reading applicable documents and reports and consulting appropriate independent professionals. Midcoast Properties, Inc., LLC makes no warranties and/or representations regarding the veracity, completeness, or relevance of any financial data or assumptions. Midcoast Properties, Inc., LLC does not serve as a financial advisor to any party regarding any proposed transaction. All data and assumptions regarding financial performance, including that used for financial modeling purposes, may differ from actual data or performance. Any estimates of market rents and/or projected rents that may be provided to a party do not necessarily mean that rents can be established at or increased to that level. Parties must evaluate any applicable contractual and governmental limitations as well as market conditions, vacancy factors and other issues in order to determine rents from or for the property.

Legal questions should be discussed by the party with an attorney. Tax questions should be discussed by the party with a certified public accountant or tax attorney. Title questions should be discussed by the party with a title officer or attorney. Questions regarding the condition of the property and whether the property complies with applicable governmental requirements should be discussed by the party with appropriate engineers, architects, contractors, other consultants and governmental agencies. All properties and services are marketed by Midcoast Properties, Inc., LLC in compliance with all applicable fair housing and equal opportunity laws.

### INSTRUCTIONS

ALL PROPERTY TOURS MUST BE ARRANGED AT LEAST 48 HOURS IN ADVANCE AND ONLY WITH THE PRIOR APPROVAL OF THE BROKER. WE ASK THAT YOU DO NOT DISTURB THE ON-SITE PERSONNEL. ALL INQUIRIES SHOULD BE DIRECTED TO THE LEAD BROKER DOCUMENTED.

Please sign and return the appropriate pages of the agency disclosure document found at the end of the OM.

Offers should be submitted in the form of a Letter of Intent (LOI) and should include, at a minimum, Offering Price, Earnest Money Deposit, Due Diligence Time Period, Closing Period, and any substantial conditions or terms.

The owner will only consider offers that are submitted through its exclusive listing agent, Midcoast Properties. The seller reserves the right to negotiate with any party at any time. The seller also reserves the unrestricted right to reject any or all offers.

### MIDCOAST PROPERTIES, INC.

AL #106364-0  
GA #H45199  
NC #C12481  
SC #7889

### DALE C. EISENMAN

AL #106084-0  
GA #253682  
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GA #407685  
NC #318611  
SC #119135

### KRIS KNOWLES

AL #132605-0  
GA #379664

### MARY SCHUETTE

NC #193025



## Working With Real Estate Agents Disclosure (For Buyers)

### IMPORTANT

This form is not a contract. Signing this disclosure only means you have received it.

- In a real estate sales transaction, it is important that you understand whether an agent represents you.
- Real estate agents are required to (1) review this form with you at first substantial contact - before asking for or receiving your confidential information and (2) give you a copy of it after you sign it. This is for your own protection.
- Do not share any confidential information with a real estate agent or assume that the agent is acting on your behalf until you have entered into an agreement with the agent to represent you. Otherwise, the agent can share your confidential information with others.

**Note to Agent:** Check all relationship types below that may apply to this buyer.

\_\_\_\_\_ **Buyer Agency:** If you agree, the agent who gave you this form (and the agent's firm) would represent you as a buyer agent and be loyal to you. You may begin with an oral agreement, but your agent must enter into a written buyer agency agreement with you before making a written offer or oral offer for you. The seller would either be represented by an agent affiliated with a different real estate firm or be unrepresented.

\_\_\_\_\_ **Dual Agency:** Dual agency will occur if you purchase a property listed by the firm that represents you. If you agree, the real estate firm and any agent with the same firm (company), would be permitted to represent you and the seller at the same time. A dual agent's loyalty would be divided between you and the seller, but the firm and its agents must treat you and the seller fairly and equally and cannot help you gain an advantage over the other party.\*

\_\_\_\_\_ **Designated Dual Agency:** If you agree, the real estate firm would represent both you and the seller, but the firm would designate one agent to represent you and a different agent to represent the seller. Each designated agent would be loyal only to their client.\*

*\*Any agreement between you and an agent that permits dual agency must be put in writing no later than the time you make an offer to purchase.*

  X   **Unrepresented Buyer** (Seller subagent): The agent who gave you this form may assist you in your purchase, but will not be representing you and has no loyalty to you. The agent will represent the seller. Do not share any confidential information with this agent.

**Note to Buyer:** For more information on an agent's duties and services, refer to the NC Real Estate Commission's "Questions and Answers on: Working With Real Estate Agents" brochure at [ncrec.gov](http://ncrec.gov) (Publications, Q&A Brochures) or ask an agent for a copy of it.

\_\_\_\_\_  
Buyer's Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Buyer's Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Hal H. Tanner, III

\_\_\_\_\_  
NC # 318611

\_\_\_\_\_  
Midcoast Properties, Inc.

\_\_\_\_\_  
Agent's Name

\_\_\_\_\_  
Agent's License No.

\_\_\_\_\_  
Firm Name

note, deed of trust, tax forms, and other disclosures). A seller will be asked to sign a deed conveying the property to the buyer. If a buyer has not already received and reviewed copies of the termite report, survey and repair invoice(s), he/she should do that at the closing.



**Q: What is a closing disclosure?**

**A:** A closing or settlement statement is a document that summarizes all funds received by you and the seller at closing, and all funds paid by you and the seller for various expenses of the transaction (real estate broker commissions, loan payoffs, fees for inspections, property taxes, etc.). For all closings involving federally insured loans, the Real Estate Settlement Procedures Act (RESPA) requires that this information be disclosed on a Seller Disclosure or a Buyer Disclosure form for each party.

A Closing Disclosure is a form created by the Consumer Finance Protection Bureau (CFPB) that is required for all federally insured loans. There are two Closing Disclosure forms: a Buyer/Borrower Disclosure form and a Seller Disclosure form. The Buyer/Borrower form summarizes all funds received and expenses paid on your behalf. It also contains information regarding your loan, such as the interest rate and the lending institution. The Seller Disclosure form summarizes all funds received and expenses paid by the seller.

Typically, you must pay a portion of the property taxes, the cost of all inspections, and all costs

associated with the loan, title search and closing. These costs include the appraisal fee, survey, pest inspection, lender fees, fees to establish an escrow balance for homeowner's insurance, taxes and any required private mortgage insurance, attorney fees, title insurance, and recording fees. The seller normally pays the balance due on any existing loans, his portion of the taxes, commissions to real estate brokers, fees for deed preparation, cancellation of existing liens, and revenue stamps payable to the state. In most transactions, payment of these fees is negotiable between the parties. However, if you are getting a VA or FHA loan, the lender may require the seller to pay particular closing costs, such as the pest inspection.

**Q: When will I receive the Closing Disclosure Statement?**

**A:** If you are using a lender to assist with the purchase of the home, by law, you must receive your Closing Disclosure three (3) business days prior to closing. The Closing Disclosure will come from your lender. Contact your lender (or loan officer) at least a week before closing to find out how you will receive your Closing Disclosure. Ask whether your Closing Disclosure will be sent to you via email, postal mail, or if you will have to download it from a website.

**Q: May a real estate agent sign closing documents for me?**

**A:** No, not unless you have given the agent your written authorization, preferably in the form of a limited power of attorney, to sign documents for you. However, the best policy is for you to review and sign all documents yourself. If you have a question about any document you are asked to sign, ask the closing attorney for an explanation of the document before you sign it.

**Q: The closing attorney is asking me to remit funds via wire transfer. How can I protect myself from wire transfer fraud?**

**A:** Before transferring any funds via wire transfer, contact the closing attorney's office by telephone using a publicly verified phone number and speak directly to the closing attorney or a member of his/her staff to obtain the correct wire transfer information. Do not rely upon emails, text messages, or telephone calls from persons claiming to be the closing attorney or a member of his/her staff. Such persons may be attempting to give you fraudulent wiring instructions in an effort to steal your money.



**Q: I am being asked to put something on the statement that is different than what I agreed to. Is that ok?**

**A:** Probably not. A closing/settlement statement or closing disclosure statement should reflect the agreement between the parties and match the terms set out in the purchase contract. You may be committing loan fraud if you make a false representation to a lender on the loan application or elsewhere in order to obtain a larger loan amount or a loan on more favorable terms than you are otherwise qualified for under the lender's guidelines. Loan fraud is a federal crime punishable by up to 30 years in prison and \$1 million in fines. If you are asked to do any of the following, refuse and immediately contact the North Carolina Real Estate Commission:

- create a false gift letter for down payment funds.
- make it appear you made a deposit when, in fact, you did not.
- give the seller a secret or even false or "forgivable" second mortgage.
- make payments outside of closing which are not disclosed on the closing disclosure or closing/settlement statement, such as additional fees paid to service providers, to the seller, or third parties.
- make a false statement that you will occupy the property.
- give false personal information about yourself to the lender.

**Q: If I'm a seller, when should I get my proceeds from the sale of my property?**

**A:** The closing attorney may disburse funds immediately after closing has been completed, the title has been updated, and the documents have been recorded. Often, time may not permit the closing attorney to record the documents, update title, and disburse funds, or the lender may not be able to wire the loan proceeds, all in the same day. When this happens, a "dry closing" is sometimes held with the funds being disbursed the next business day. If you are a seller, you should discuss the timing of disbursements with the closing attorney in advance so you can be aware of any possible delays. If you are a buyer, be aware that the seller may not be willing to give you possession of the property until he receives his proceeds from the sale.

**Q: What if I can't close by the time stated on the contract?**

**A:** The standard form Offer to Purchase and Contract includes a 14-day extension provision to allow the parties a short time to complete settlement. After 14 days, if there is no settlement or written agreement to extend the settlement, the delaying party will be in breach and

the other party may terminate the contract. If you are not using the standard form Offer to Purchase and Contract in your transaction, you should consult an attorney regarding the impact of a possible delay in closing.

*Related reading available from the Real Estate Commission:*

- Questions & Answers on: Earnest Money Deposits
- Questions & Answers on: Condos and Townhouses
- Questions & Answers on: Home Inspections
- Questions & Answers on: Residential Subdivisions & Planned Communities
- Questions and Answers on: Due Diligence for Residential Buyers
- Working with Real Estate Agents

*Scan the code below to access the Commission Web site from your mobile devices.*



**THE NORTH CAROLINA  
REAL ESTATE COMMISSION**

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*7,500 copies of this public document  
were printed at a cost of \$,000 per copy.  
REC 3.56 • 9/9/20*

## Questions and Answers on: REAL ESTATE CLOSINGS



A publication of the North Carolina Real Estate Commission

## Questions and Answers on: REAL ESTATE CLOSINGS

In the typical residential real estate sales transaction, a buyer offers to purchase property from a seller. After negotiating the price and terms, the buyer and seller sign an offer to purchase and contract, and the buyer gives the seller (or the seller's broker) an earnest money deposit to show good faith in the transaction. Under the standard form Offer to Purchase and Contract, the buyer may also give the seller a "due diligence fee" for the buyer's right to conduct due diligence, including any inspections, loan applications, and appraisals, for a negotiated period of time (the "due diligence period"). Prior to the expiration of the due diligence period, the buyer may terminate the contract for any reason. After the expiration of the due diligence period, the buyer's right to terminate is severely limited. For more information about due diligence, refer to the Commission's brochure, "Questions and Answers on Due Diligence for Residential Buyers," available on the Commission's website.

A real estate "closing" is the final step in the transaction. Under the standard form Offer to Purchase and Contract, "settlement" is the point at which the buyer signs final documents, pays the purchase price to the seller (usually with the proceeds from a loan), and the seller gives the buyer a deed transferring title to the property to the buyer. Also, funds are paid to an appraiser, home inspector, and/or other service providers, and to pay off banks or others who may have claims against the property. Closing is completed when the closing attorney records the deed and disburses the funds to the appropriate parties. After closing, the buyer is entitled to possession of the property including receipt of the keys. This pamphlet

focuses on questions frequently asked about residential real estate closings. The questions raised are of special concern to real estate buyers. Consequently, they are posed from the standpoint of the buyer.

### **Q: Does a "loan commitment letter" guarantee that I have a loan to buy the property?**

**A:** No. A loan commitment letter does not guarantee that the lender will make the loan. It simply means that, based upon an initial review, your credit appears sufficient to qualify you for the necessary loan amount. After issuing the letter, the lender may refuse to approve your loan if there are any changes in your employment, creditworthiness, or other changes which might affect your ability to repay the loan, or based upon further review by its underwriters. The lender reserves this right until the deed is recorded transferring the title and the loan proceeds are actually disbursed at closing. Note that the standard form Offer to Purchase and Contract does not make the ability to obtain a loan a condition of purchase. Therefore, you should determine whether necessary financing is available prior to the end of the due diligence period.



### **Q: What is title insurance?**

**A:** The lender will probably require you (the borrower) to purchase title insurance to protect its interests from potential title problems. Before issuing a title insurance policy, the title company will require the closing attorney to perform a title search to discover any problems with

the title to the property. Problems found during the title search (such as unpaid judgments, taxes, mortgages, etc. on the property) must be corrected before closing.

For a few dollars more you can also purchase your own title insurance policy to cover you from title problems with the property which may not have been discovered prior to closing. If a problem covered by your policy is discovered after closing, the title insurance company will help clear up the problem or compensate you for any losses you have sustained. Like any insurance policy, there may be exceptions in your coverage, so it is critical that you carefully read your policy and refer any questions to the closing attorney.

### **Q: What if the seller wants to give me a non-warranty, or quitclaim deed?**

**A:** The deed transfers the seller's interest in the property to you. There are many different types of deeds. The best one—the general warranty deed—contains the seller's warranty that good title is being conveyed to you. A quitclaim (or non-warranty) deed contains no warranties at all; therefore, you accept title from the seller "as is." A special warranty deed contains limited warranties from the seller. If you are given anything other than a full or general warranty deed, immediately consult with your attorney.

### **Q: What happens if the property is damaged or destroyed after I sign the purchase contract but before closing?**

**A:** Typically, the purchase contract requires that the property be in substantially the same or better condition at closing as on the date you contracted to buy it (normal wear and tear excepted). If the property is damaged or destroyed by fire or other casualty prior to closing, the risk of loss is on the seller. The buyer has the option to terminate the contract and recover any earnest money deposit.

### **Q: Who closes the transaction?**

**A:** The closing will probably be handled by an attorney chosen by you. In many transactions, the attorney may also represent the lender and the seller. The seller may hire his or her own attorney or pay your attorney to prepare the deed to give to you. Make sure you know "up front" who the attorney is representing. Others involved in the transaction may recommend or offer you financial incentives to hire a particular closing attorney, but you have the final word. Prior to closing, the seller should give the closing attorney a copy of the deed to the property. Also, if there is an outstanding mortgage on the property, the seller should give the attorney any personal information needed to obtain a loan payoff figure so any existing loan(s) can be paid off in full at closing. As the buyer, you will need to give the closing attorney a copy of your contract and contact information about your lender, any inspectors, or other persons who provided services in connection with the transaction.

Since closing involves several complex phases (examination of the title, completion and explanation of legal documents, and resolution of any possible title problems), you should carefully consider having an attorney assist you throughout the process and during the closing. Also, read each closing document so you fully understand each step of your real estate transaction.

If a non-attorney is handling your closing, that person may render only administrative services related to the transaction—not give you legal advice.



### **Q: What is a Certificate of Occupancy?**

**A:** Certificate of Occupancy is a document issued by the city or county building inspection office which certifies that a newly-constructed home or a home with an addition or significant renovations has passed a final inspection, has satisfied the terms of the building permit(s) and is safe for occupancy. The buyer of a newly-constructed, renovated or modified home should obtain a copy of the Certificate of Occupancy from the seller before closing.

### **Q: What is "prorating"?**

**A:** Certain items (real estate taxes, some utility bills, occasionally special assessments, etc.) are prorated at closing. "Prorating" occurs when you and the seller are each responsible for a portion of an expense. For example, property taxes are assessed as of January 1 but not normally payable until the end of the year. The seller is responsible for his share of the property taxes from January 1 through the closing date. You will be responsible for the remainder of the year. Review the contract carefully to be sure you know what items, if any, will be prorated at closing.

### **Q: What are special assessments?**

**A:** Local governmental units can assess property owners for certain improvements to their property such as sidewalks, sewer lines, street repairs, and drainage systems. Since these assessments run with the property, you should verify with the closing attorney before closing that there are no existing special assessments (either pending or confirmed).

### **Q: In my contract, the seller agreed to pay \$2,000 in closing costs. What costs are included?**

**A:** The term closing costs includes a variety of expenses above the purchase price of your property, such as fees for an attorney, title search, insurance,

loan origination fees, etc. The standard form Offer to Purchase and Contract states that the Seller agrees to pay an agreed amount "towards any of Buyer's Expenses associated with the purchase of the property at the discretion of Buyer and/or lender..." If the actual closing costs are less than the amount offered by the seller, then the lender may limit the seller's contribution to the actual amount of the closing costs, in which case you would not be able to receive the full \$2,000. Some lenders will allow the buyer to receive the full \$2,000 as agreed regardless of the actual closing costs.



### **Q: How can a buyer obtain protection against future liens?**

**A:** The buyer of a newly-constructed, -renovated, or -improved property should consult the closing attorney to ensure that the proper steps have been taken to prevent any subcontractors from claiming a lien against the property for work performed. While there are some laws in place to protect homeowners against a post-closing lien, it is recommended that you discuss with the closing attorney the steps that he/she undertook to protect you against future liens.

### **Q: What kinds of documents will I receive at settlement/closing?**

**A:** The buyer and seller will each receive a document that shows a settlement of the funds that will be transferred at closing (called a Closing Disclosure or a settlement statement). If you are a buyer obtaining a loan, there will be loan-related documents (promissory

*Continued*