

## Mark N O'Neal

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**From:** Mark N O'Neal [marko@pickett-sprouse.com]  
**Sent:** Tuesday, July 15, 2014 3:06 PM  
**To:** 'larry@carrollhomesnc.com'; 'Larry Carroll'  
**Cc:** 'catlaws@yadtel.net'; 'mcarrolminnis@gmail.com'; 'Gregory T Payne'  
**Subject:** 241 St. Mary's Road

Dear Carroll Family:

Thank you for the opportunity to provide a marketing analysis for this family asset.

Greg Payne and I have summarized our thoughts on the projected selling price of your office building at 241 St. Mary's Road. This projection was made in anticipation of listing and marketing the property for sale.

Your building is approximately 2,092 SF on the main level, plus a bonus work or living space upstairs with an outside access. The commercial value of the building is driven by the ground floor space. The ground floor space is ideally laid out for one user. Parking is somewhat limited at 13 spaces, with Driveway access and turning movements potentially dangerous due to increasing Traffic levels. With Town approval, additional parking might be able to be added.

The tax value for the property is \$354,633. This is broken out as \$135,399 for the land and \$219,234 for the building based on 2,777 SF. We believe that this value is overstated and is a value comparison with building sales from the downtown district. The zoning is OI, Office and Institutional, and is isolated from other commercial uses. It is the only commercial zoning on St Mary's Road between the downtown and Highway 70.

In summary, you have an unusual commercial property. Obviously, Dr. Carroll had a very successful practice at this location for many years. However, in our present environment, there is considerable office space vacancy in Hillsborough, much of it in locations that are more desirable for most users. I am sure that has made Larry's leasing efforts difficult. The building will likely also need updating and renovations by the next owner.

Based on projected rents for this building in its current condition and the market demand limitations of the location and site, we project the selling price to be in the range of \$225,000 to \$250,000. We anticipate rent to be in the \$13-\$14/SF range, with tenants paying for utilities and cleaning. At this price, a buyer might also consider converting the building to residential use. In either case, we project that the buyer will need to make a considerable investment in the building to meet their needs.

We would recommend an asking price of \$275,000.

Thank you for your consideration. Greg and I welcome the opportunity to work with you on the marketing of this building.

Sincerely,  
Mark

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