



VIEW VIDEO



FURMAN

CAPITAL ADVISORS



Conceptual Rendering



OPPORTUNITY ZONE

Charleston, SC

UPPER KING ST PORTFOLIO



TABLE OF CONTENTS

Investment Overview

03 Executive Summary

Asset Overview

06 Site Overview

07 Existing Retail

08 Existing Short-Term Rentals

10 Developable Land

11 Parking Overview

Zone Overview

12 Zone Overview Map

13 Opportunity Zone

15 Short-Term Rental Overlay Zone

17 Accommodations Overlay Zone

Financial Overview

19 Total Portfolio Financials

20 Existing Retail Financials

21 Existing Short-Term Rentals Financials

Market Overview

22 Upper King Street Neighborhood

23 Regional Map

24 Charleston, SC

30 Demographics

EXCLUSIVELY LISTED BY



Peter Couchell

Managing Director/Shareholder

couchell@furmancap.com

864 678 5923



Rob Schmidt

Vice President/Shareholder

rschmidt@furmancap.com

864 678 5995

FURMAN
CAPITAL ADVISORS

Furman Capital Advisors, LLC
101 E. Washington Street, Suite 400
Greenville, SC 29601 | 864.235.6855

 FurmanCapital.com



Furman Capital Advisors is pleased to offer the opportunity to purchase 100% fee simple interest in the **Upper King St Portfolio** located at the corner of King Street and Cannon Street in Charleston, SC in one of the **country's most desirable Opportunity Zones**. The offering consists of i) an existing **+/-15,960 SF income-producing mixed-use development**, and ii) a **±0.14 acre pad ready site** with a **fully permitted and approved +/-17,652 SF, 21 unit Apartment** building that could be constructed by Buyer, allowing a **Buyer to take full advantage of the tax benefits offered in an Opportunity Zone**. This offering along Upper King Street in the center of downtown Charleston is one of the most sought after retail and hospitality locations in the world.

In addition to being located in one of the country's most desirable Opportunity Zones, the property is **perfectly positioned** in the heart of Charleston's newly established **Short-Term Rental Overlay Zone** AND the **Accommodation Overlay Zone**, providing the Buyer an extremely **rare opportunity to operate commercial short-term rentals** in Downtown Charleston.

With its location in the heart of Charleston's most progressive street, the Upper King St Portfolio is positioned to be a **prominent asset for decades to come**.

Portfolio Asking Price = \$15,200,000

OFFERING AT A GLANCE

EXISTING IMPROVEMENTS

561 King St	±2,200 SF Retail Building	Charlestowne Tobacco and Wine
563 King St	±3,700 SF Retail Building	The Honey Hive
9 Cannon St	± 800 SF Retail Building	Queen Anne Spirits & Wine
11 Cannon St	± 660 SF Retail Building	Babbas Restaurant
563 King St	±5,300 SF Apartment Building	6 Short-Term Rentals
13-15 Cannon St	±3,300 SF Apartment Building	4 Short-Term Rentals

DEVELOPABLE LAND

563 King St	±0.14 Acres
	31 Parking Spaces
	Fully Permitted and Approved Apartment Development

PARKING & AMENITIES

- 15 On-site parking spaces
- 16 Off-site (dedicated) parking spaces in the adjacent city of Charleston's Midtown Garage (located across the street from the Portfolio)
- Rooftop terrace and ground patio fronting King Street used as a common area amenity or a catering venue for the short-term rentals



PORTFOLIO INFORMATION

Existing Retail

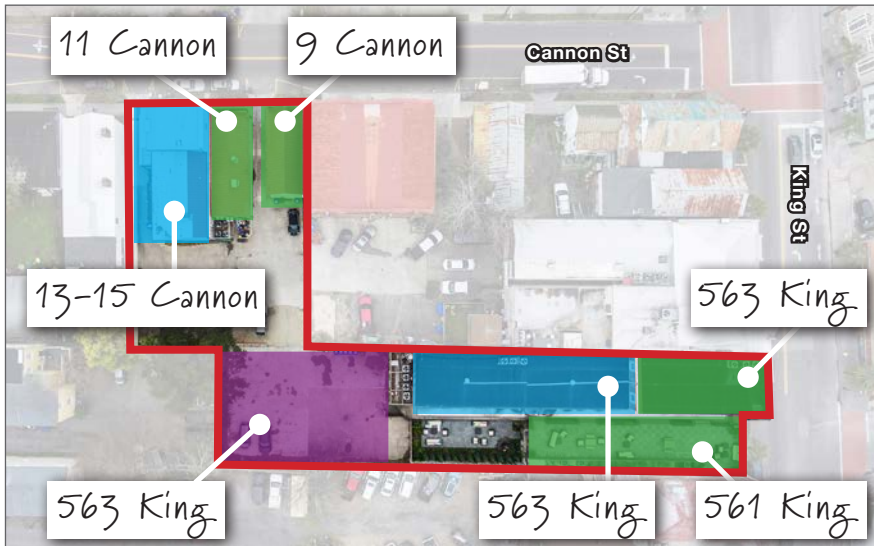
- 561 King: ±2,200 SF
- 563 King: ±3,700 SF
- 9 Cannon: ± 800 SF
- 11 Cannon: ± 660 SF

Existing Short-Term Rentals

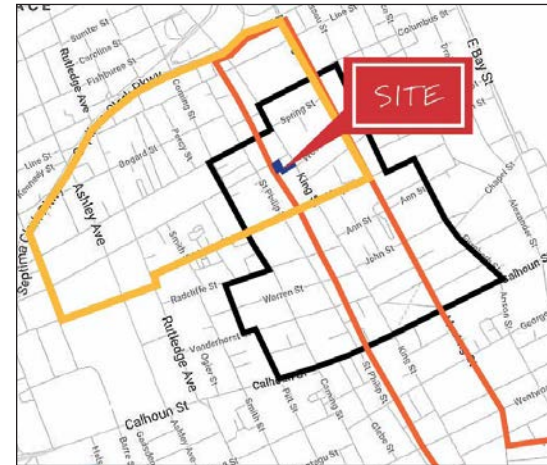
- 563 King: ±5,300 SF = (3) 2BD/1.5 BA, and (3) 2BD/1BA
- 13-15 Cannon: ±3,300 SF = (3) 2BD/2BA, and (1) 1BD/1BA

Developable Land

- 563 King: ±0.14 acres fully permitted and approved apartment development.



ZONE OVERLAY



- Opportunity Zone
- Short-Term Rental Zone
- Accommodations Zone

*See page 12 for zone descriptions

VALUATION SUMMARY

Existing Retail Revenue	\$413,331
Existing STR Revenue	\$519,499
Total Operating Expenses	\$207,458
NET OPERATING INCOME	\$725,372
CAP Rate	5.50%
Improvements Value	\$13,188,578
Developable Land Value	\$2,011,422
Asking Price	\$15,200,000



The **Upper King St Portfolio** is perfectly positioned in the heart of Charleston's high growth, **vibrant Upper King Street** area featuring Charleston's best restaurants, nightlife, and shopping. The Portfolio is walkable to everything downtown including The **College of Charleston, Medical University of South Carolina and Charleston School of Law.**

Historic downtown is a major economic engine for the Charleston region. Tourism has been the primary driver with explosive growth, into what is now a **\$9.7 billion dollar a year industry. Over 7.43 million visitors came to Charleston in 2019**, supporting 47,000+ jobs. This diversified economic base with steady growth prospects is fueling the **need for accommodations and short-term rentals.** Charleston's **population growth rate doubled the national average** in recent years as the area continues to attract new residents. The influx of high-profile manufacturers like Boeing, Mercedes and Volvo have provided a steady flow of jobs for people choosing to make Charleston their new home. The deepening of Charleston's harbor and the major expansion of the port is expected to drive even more industry in the coming years. This and much more drives Charleston's long-term need for accommodations and short-term rentals.

INVESTMENT HIGHLIGHTS

- Located in one of the country's most desirable Opportunity Zones
- Located in both the Short-Term Rental Overlay Zone and Accommodation Overlay Zone
- Irreplaceable location at the corner of King and Cannon streets in the nationally recognized Downtown Charleston market
- Ideal mixture of uses creating a true "diversification" play
- Walk Score® of 95 "Walker's Paradise"
- High barriers to entry—King Street is one of the CBD's most land-constrained artery
- Abundant parking via adjacent ±459 space City-owned Midtown Garage
- Potential to condo and resell the retail and/or apartment portions of the portfolio

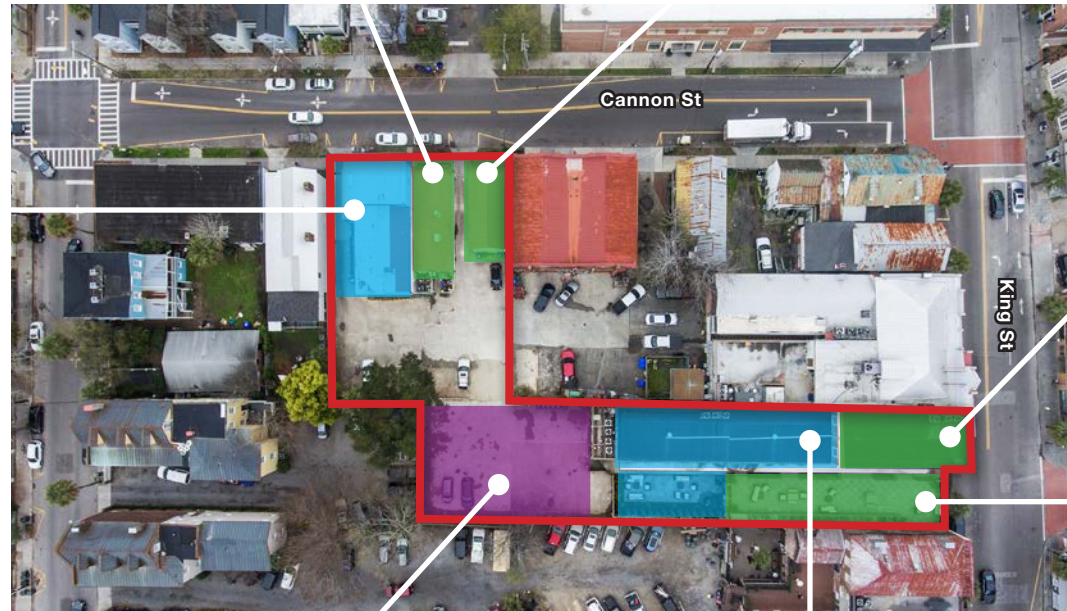





ASSET OVERVIEW

Upper King St Portfolio



SITE OVERVIEW



-  Existing Retail
-  Existing Short-Term Rentals
-  Developable Land
(Fully permitted and approved apartment development)





EXISTING RETAIL

11 Cannon Street

Tenant: Babas on Cannon

Size: #660 SF

Old world style cafe serving coffee and house-made pastries in the morning, sandwiches and salads in the afternoon, and apertivo service in the evening with wine and cocktails.

b a b a s
o n c a n n o n

babasoncannon.com



9 Cannon Street

Tenant: Queen Anne Spirits & Wine

Size: #800 SF

queenannechs.com



563 King Street

Tenant: The Honey Hive

Size: #3,700 SF

An elevated desserterie with savory offerings & a sophisticated craft cocktail program.



561 King Street

Tenant: Charlestowne Tobacco & Wine

Size: #2,200 SF

Upscale cigar and wine bar
tctwcigars.com





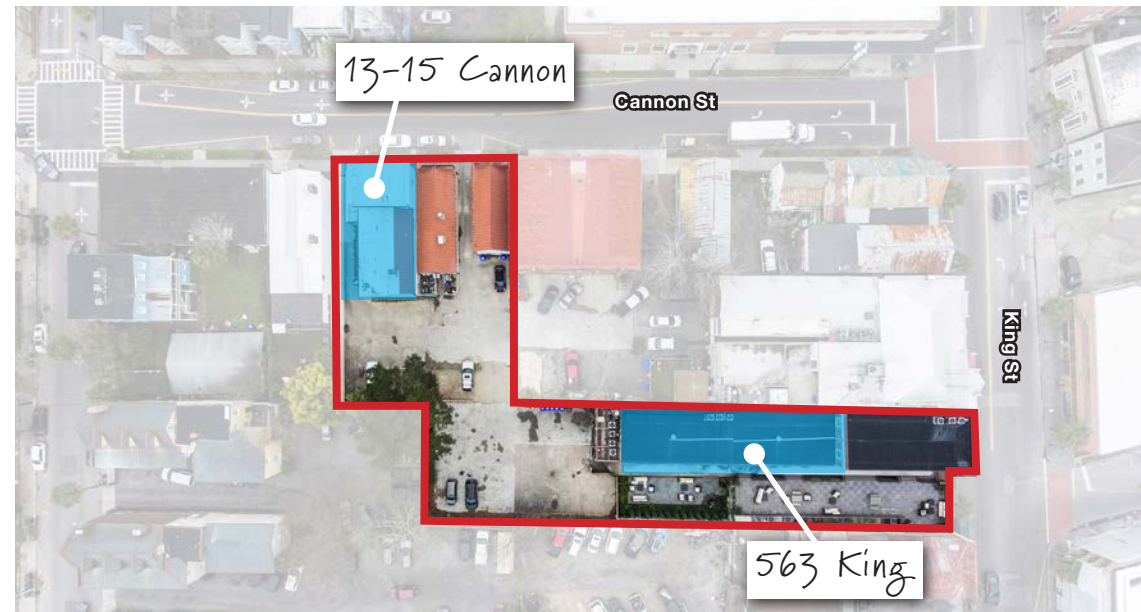
EXISTING SHORT-TERM RENTALS

563 King Street

Number of Units: 6 = (3) 2BD/1.5BA, & (3) 2BD/1BA

Size: ±5,300 SF

Located in Midtown on Upper King Street, the **six short-term rental units** sleep 4 - 6 per apartment and offers a chic vibe with a casual environment and **rooftop deck** for lounging or private catering events. These fully-furnished short-term rentals offer an authentic Charleston feel with full kitchens, high-quality linens, gourmet coffee, Wi-Fi and more. **Renovated in 2017** with new kitchens, new appliances, bathrooms, hot water heaters, HVAC units, some new plumbing and some new electrical.

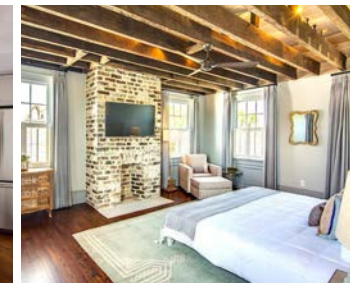
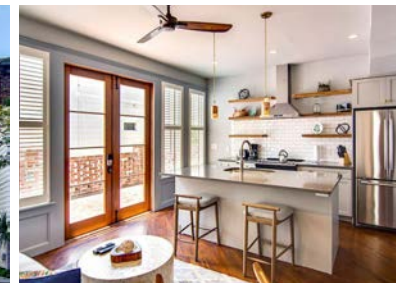


13-15 Cannon Street

Number of Units: 4 = (3) 2BD/2BA, (1) 1BD/1BA

Size: ±3,300 SF

15 Cannon completed a **total ground-up renovation in 2017** with new electrical, plumbing, structural, foundation, HVAC, kitchens, appliances, bathrooms and more. The luxury property is one large house comprised of **four short-term rental units**, each with a living room and a full kitchen, providing ample space and plenty of privacy for a large party. Combined 7 bedroom, 7 bathroom property.





EXISTING SHORT-TERM RENTALS

563 King St Outdoor Event Space

THE SPACE

Rooftop Deck = ±1,600 SF

- 150 standing
- 80 seated

Garden Patio = ±1,200 SF

- 80 standing
- 40 seated

The restored rooftop and original garden patio is the perfect setting for a classic Charleston wedding or event. The combined 2,300 SF venue can host up to 230 guests standing or 120 seated. The original brick, ivy-covered walls and lanterns adorning the entrance make for a venue that guests will never forget.



Professionally Managed and Operated by Vacasa

Vacasa unlocks the possibilities of how we enjoy vacation homes. They take care of managing their homeowners' vacation houses so they can actually enjoy their free time (and their home when they want to). Vacasa guests book vacations with peace of mind, knowing they're going to find exactly what they're looking for without any surprises.



With industry-leading technology, Vacasa helps people invest smarter—from where to buy a property, to which amenities will earn five-star reviews. It all works together to maximize revenue for their homeowners. Vacasa has professional, local caretaking teams in every market they manage, central support staff, and customer service available 24/7.

34

U.S. states plus
Canada, Belize and
Costa Rica

2 million+

Guests per year

30,000

Vacasa Homes

299,000+

5-Star Reviews on
Vacasa.com





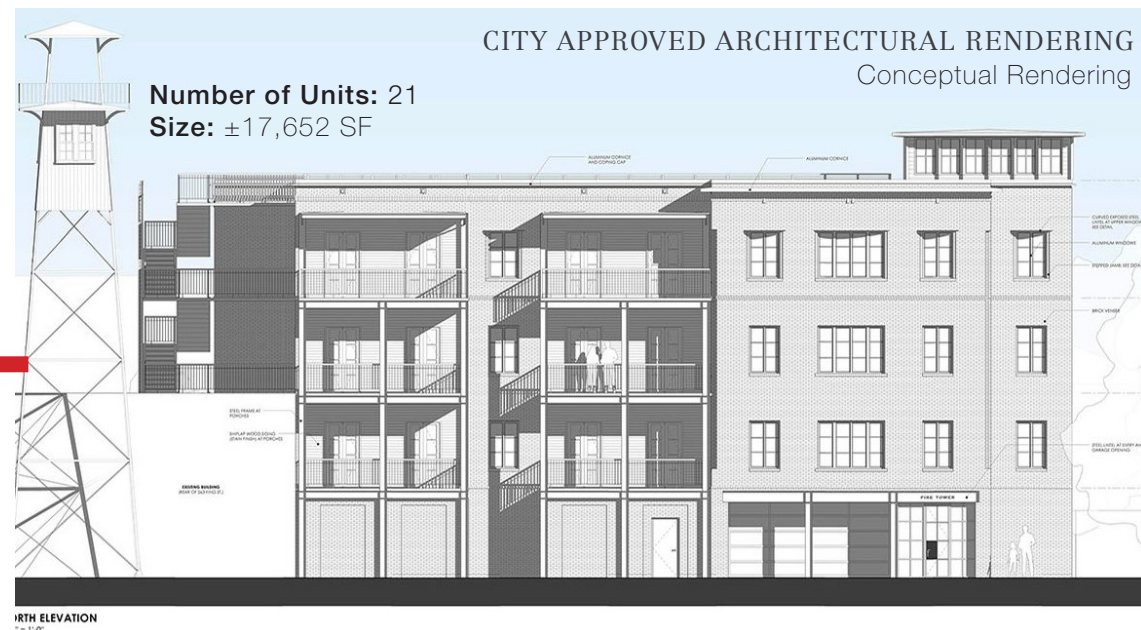
DEVELOPABLE LAND

563 King Street

Fully Permitted and Approved Apartment Development

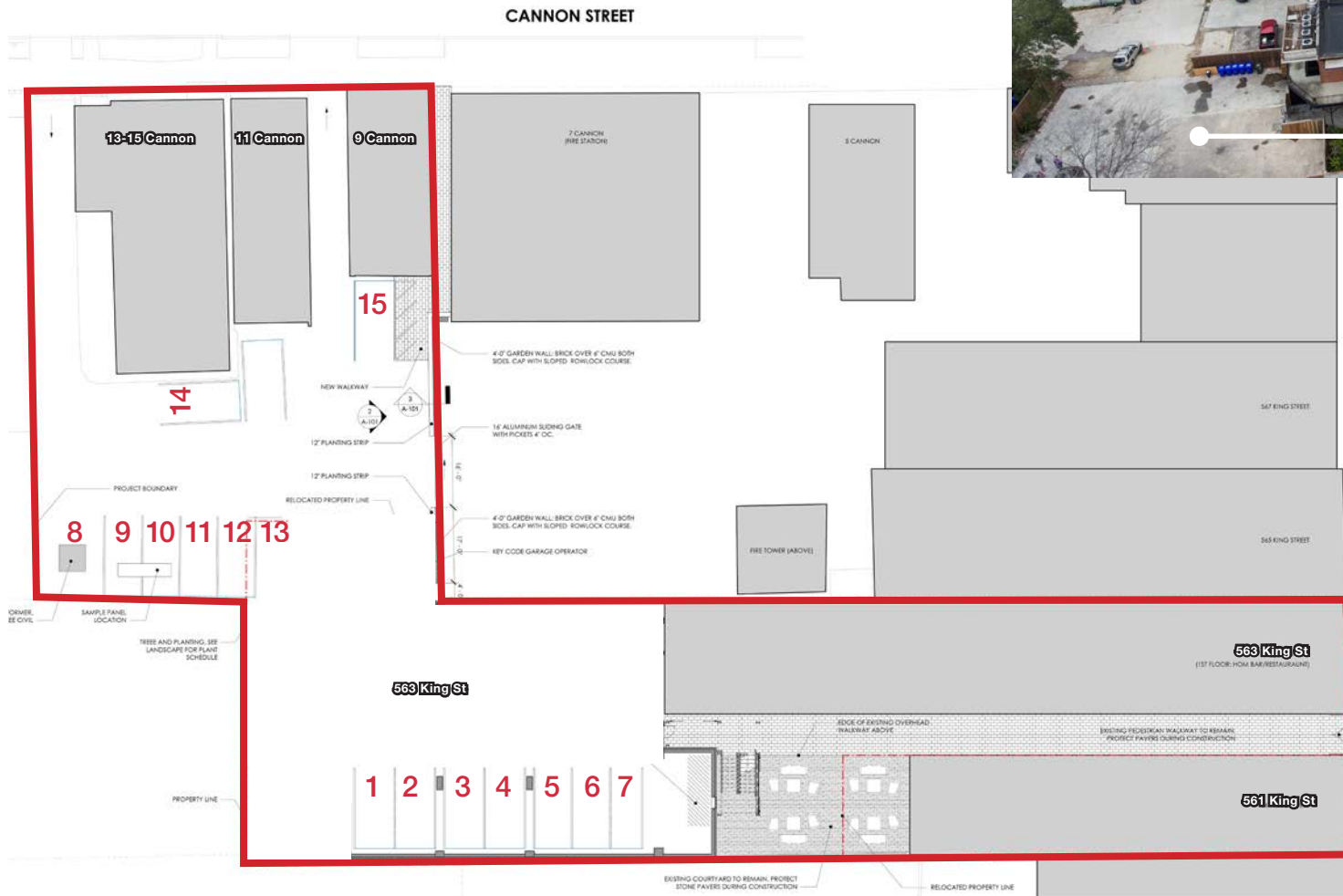
This extraordinary opportunity is being offered so the Buyer can strategically construct Apartments allowing the Buyer to take full advantage of the **Opportunity Zone tax incentives**. This offering is uniquely positioned to deliver a **permitted and approved** development package, thus minimizing much of the work and risk. The development package includes:

- Construction Ready turn-key approved permitted architectural, mechanical, electrical and engineering drawings
- Construction Ready permit construction set





PARKING OVERVIEW



Available On-Site Parking

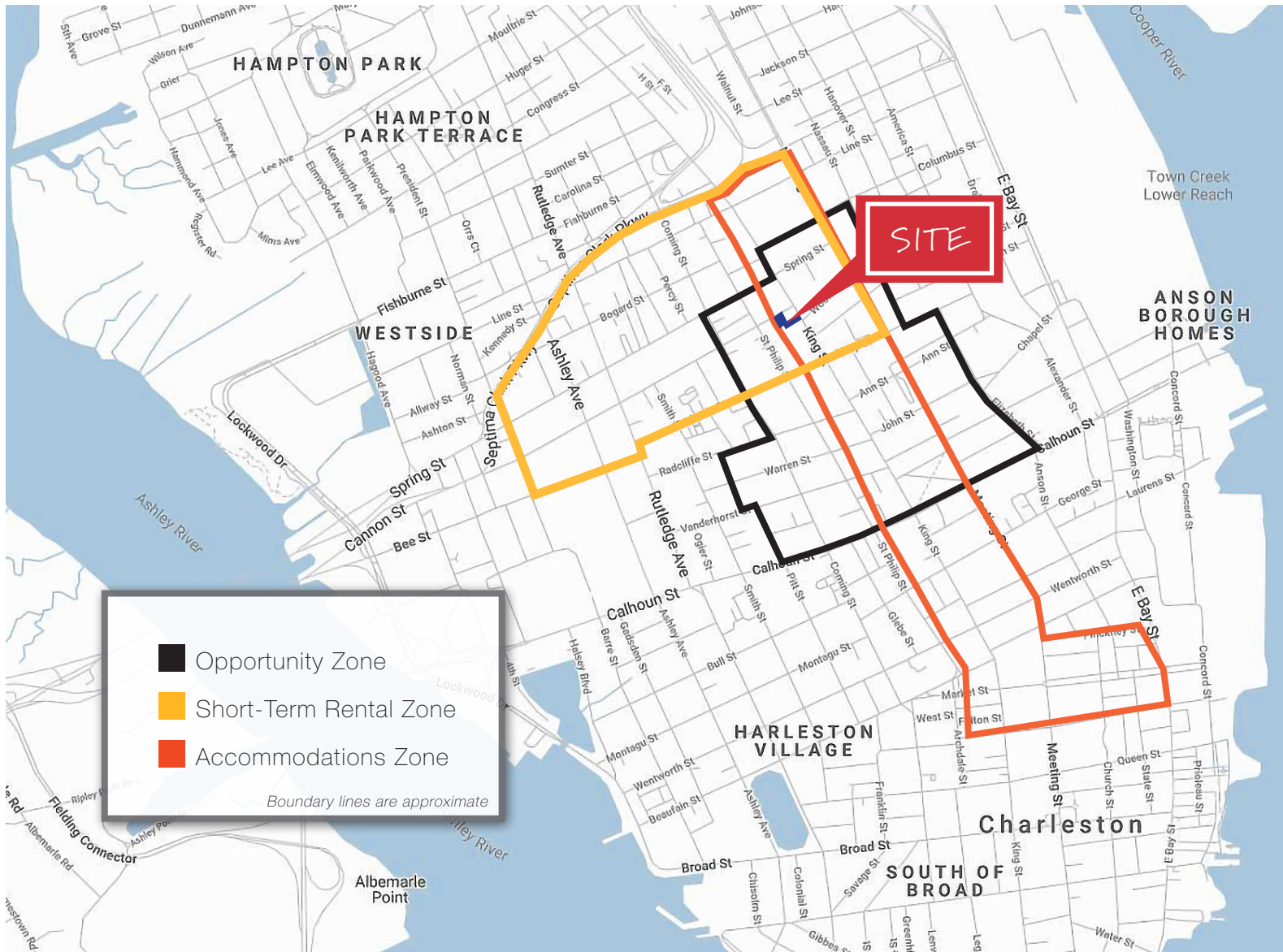
- 7 parking spaces located on the developable land.
- 8 parking spaces located directly behind the 13-15 Cannon Street buildings.

Dedicated Parking at Midtown Garage

- 16 dedicated parking spaces in the City of Charleston Midtown Garage located across the street from the Subject Property.
- Guests pay the nightly rate as designated by the city.



ZONE OVERVIEW MAP



The Upper King St Portfolio benefits from being located in the center of three very scarce and desirable zones in the City of Charleston.

Opportunity Zone: The portfolio is eligible for the benefits of being located within an Opportunity Zone.

Short-Term Rental Overlay Zone: Comprised of approximately 10% of the land area in downtown Charleston, this is the only City designated area where an owner can operate up to nine short-term rentals and is not required to live on site. Applies to 13-15 Cannon Street.

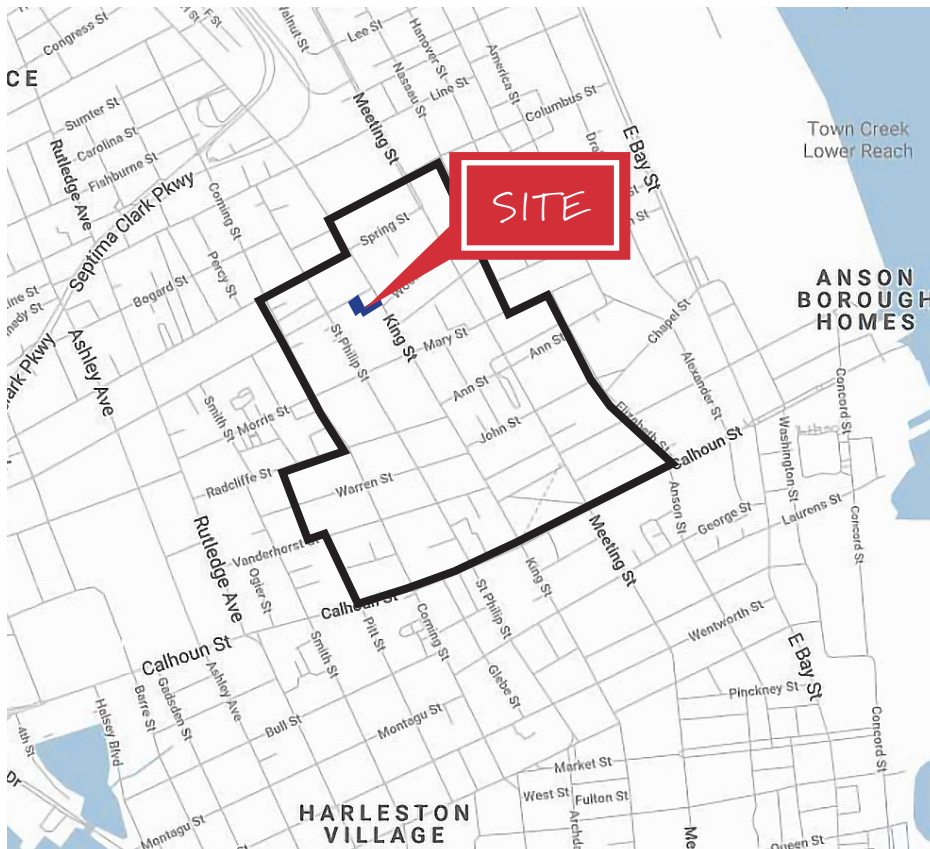
Accommodations Overlay Zone: Allows an owner to operate up to 50 “rooms”. Applies to 563 King and the developable land.



OPPORTUNITY ZONE OVERVIEW

There are a total of 135 Opportunity Zones in South Carolina, most of which are located in areas of high interest to investors and developers, such as downtown Charleston, Greenville, Myrtle Beach and Summerville. The Opportunity Zone which was created for “severely distressed” and impoverished areas includes some of the most popular tourist destinations extending along King and Meeting streets, from Marion Square to the former Piggly Wiggly at Columbia Street.

Valuable downtown Charleston land is designated an Opportunity Zone. This Opportunity Zone was able to become eligible because of the population living near the College of Charleston that is dominated by students, with ages between 18 and 24, and low household incomes enabling a “severely distressed” area.



Boundary lines are approximate

The Opportunity Zones program offers investors the following incentives for putting their capital to work in low-income communities:

TEMPORARY DEFERRAL

A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.

STEP-UP IN BASIS

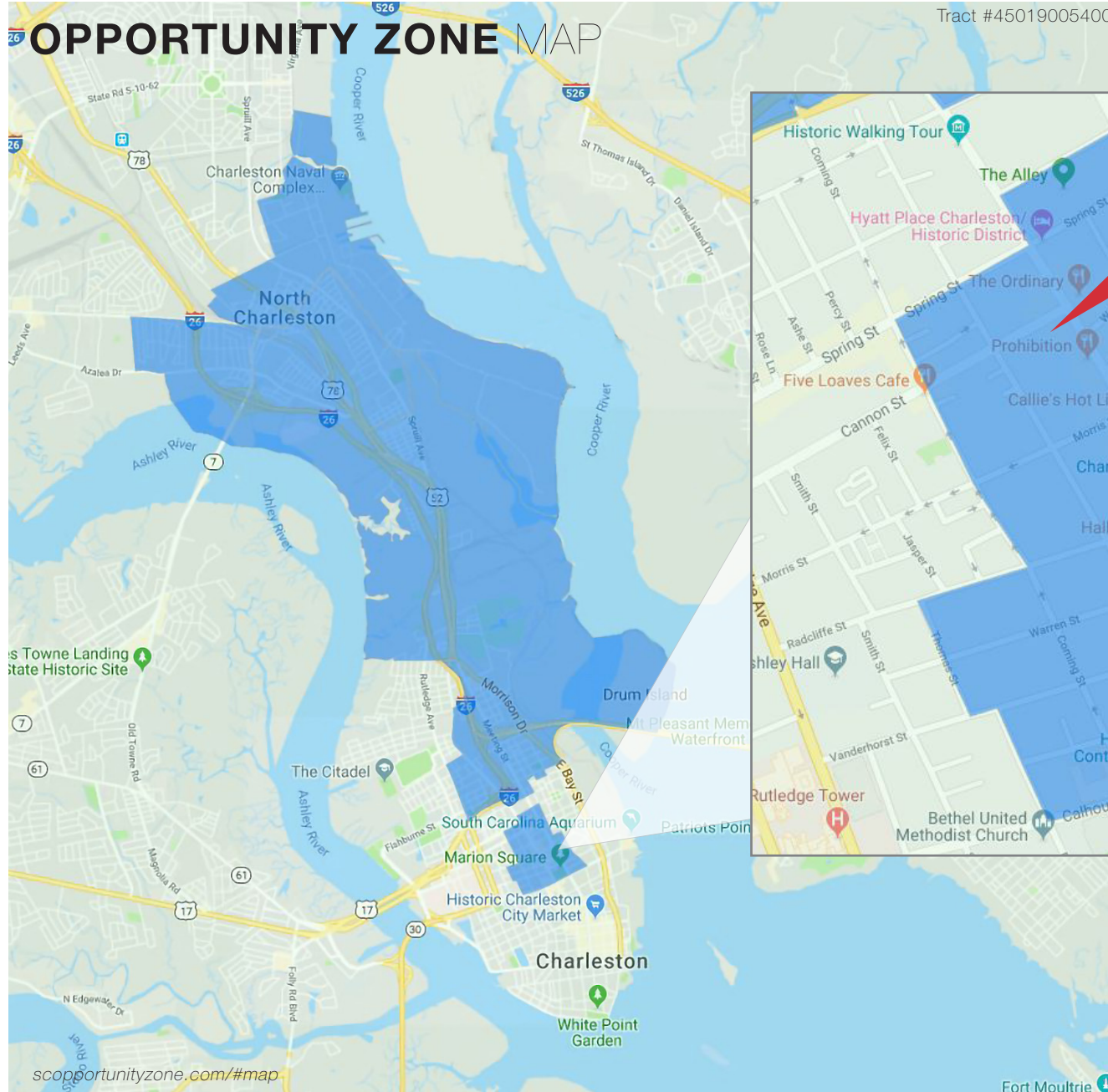
A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.

PERMANENT EXCLUSION

A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

ZONE OVERVIEW

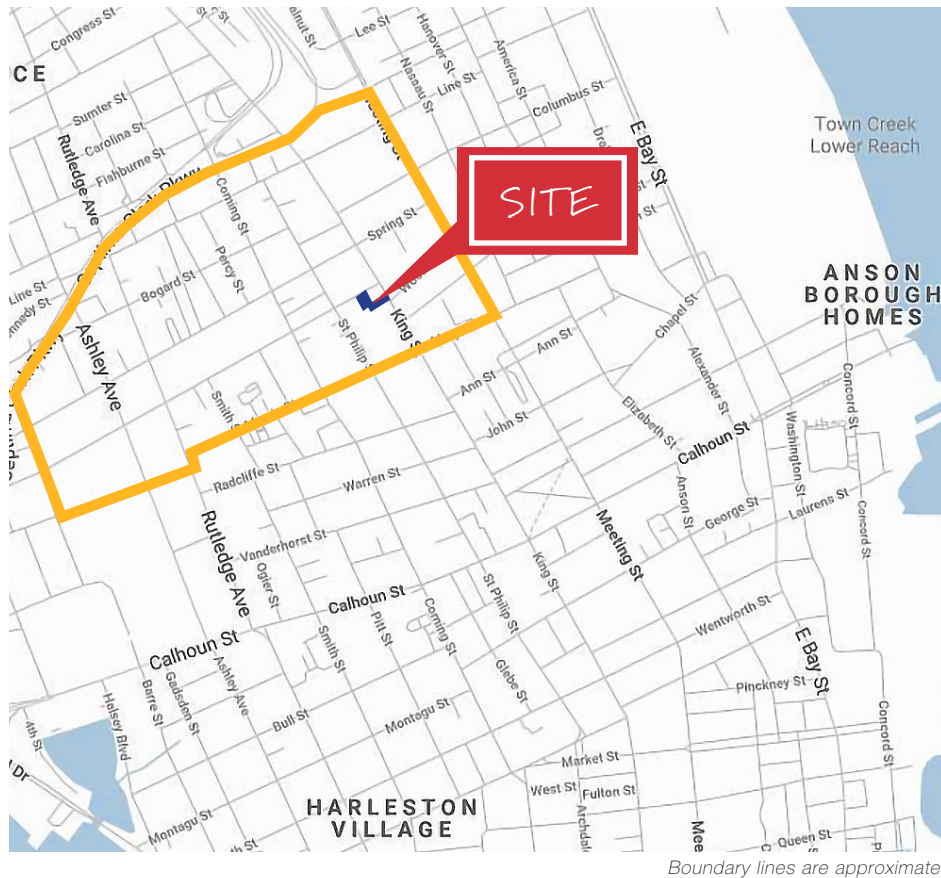
Upper King St Portfolio



The Charleston metro has two approved Opportunity Zones: Tract #45019005400 (North Charleston area) and **Tract #45019000700** (below the Crosstown to Marion Square) where the subject property is located.



SHORT-TERM RENTAL OVERLAY ZONE OVERVIEW



The Upper King St Portfolio has the unique benefit of being located in the very desirable Short-Term Rental (STR) OVERLAY ZONE within the City of Charleston. Because the City places a high value on the preservation of the character of its residential neighborhoods, the STR OVERLAY ZONE Ordinance went into effect on July 10, 2018, to regulate the Charleston short-term rental market. The Ordinance created Charleston's only STR OVERLAY ZONE, a very small area in downtown Charleston where commercial short-term rentals can be approved on commercially zoned parcels (i.e. does not have to be the property owners primary residence), thus permitting owners of commercially zoned parcels located within the STR Overlay Zone to operate commercial short-term rentals. 13-15 Cannon STR's qualify and have been approved by the City of Charleston and are currently operating as Commercial STR's.

Property Located within the STR OVERLAY ZONE

- i) Can operate up to nine STR's on any one lot
- ii) Property Owner and/or Operator is not required to live on-site

If a property is located outside of the STR OVERLAY ZONE, any owner wishing to operate an STR must adhere to strict requirements subject to annual renewal by the City of Charleston, thus greatly limiting competition for the Commercial STR's located within the STR OVERLAY ZONE.

Property located outside of the STR OVERLAY ZONE

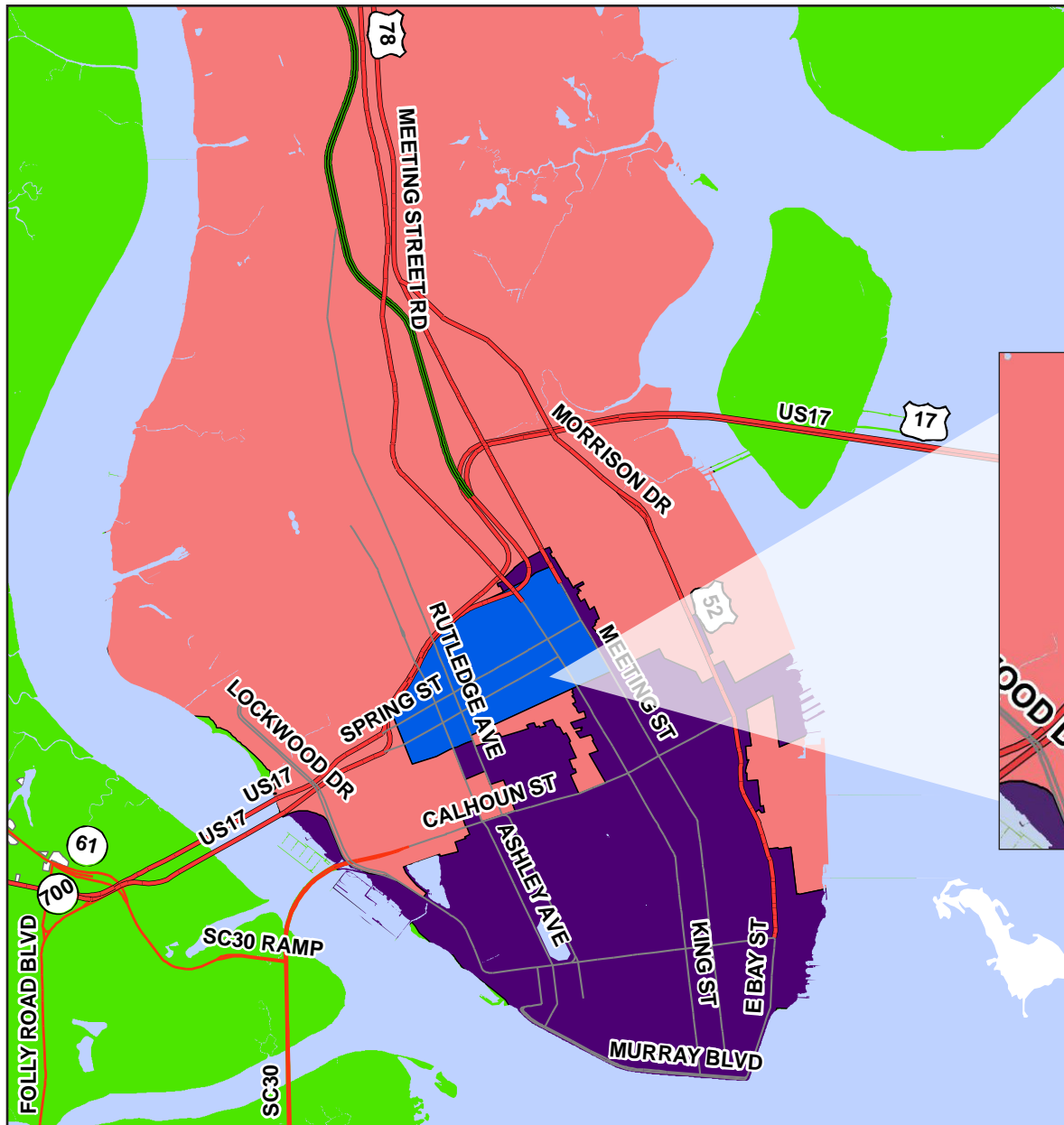
- i) Must serve as the STR owner's full-time primary residence
- ii) Meet zone/historical specific criteria based on property location
- iii) Contain an additional on-site parking space for each short-term rental unit

A short-term rental refers to any rental of a dwelling unit/bedroom as a residential accommodation for less than 30 consecutive days.

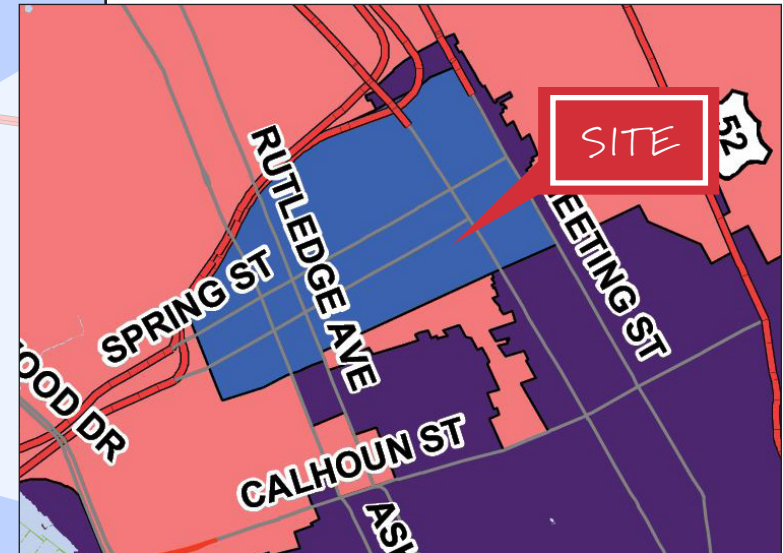
www.charleston-sc.gov/shorttermrentals

ZONE OVERVIEW

Upper King St Portfolio



SHORT-TERM RENTAL OVERLAY ZONE MAP

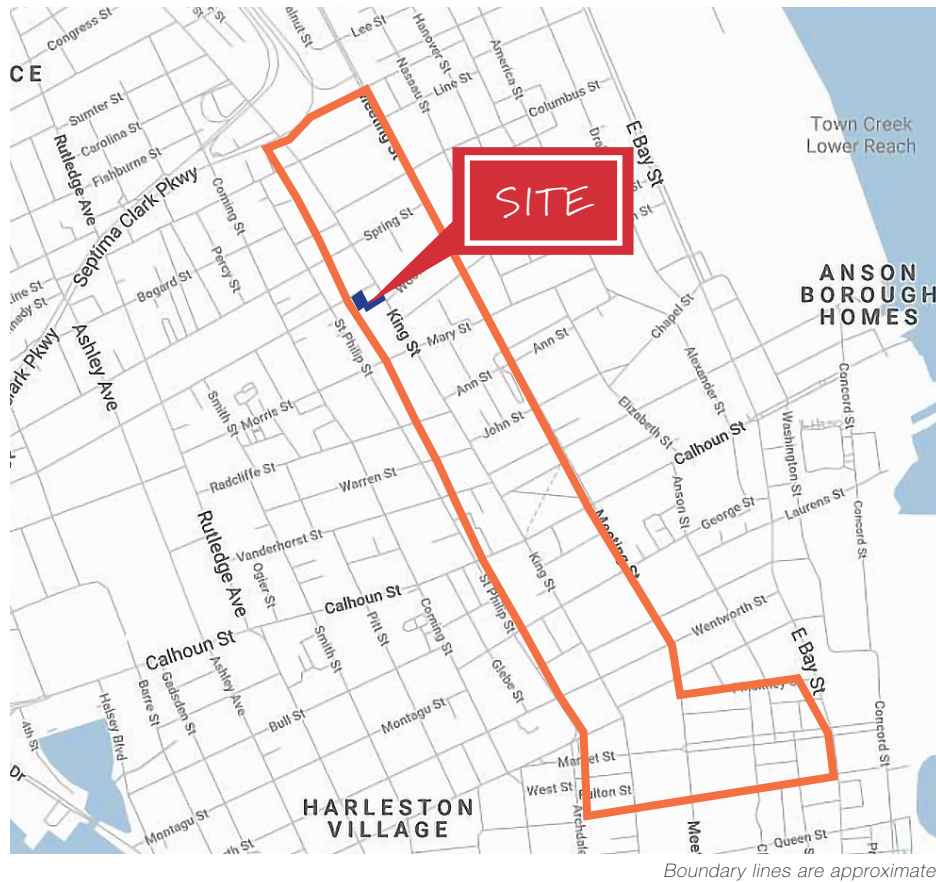


■ Short-Term Rental Overlay Zone

www.charleston-sc.gov/DocumentCenter/View/18056



ACCOMMODATIONS OVERLAY ZONE OVERVIEW



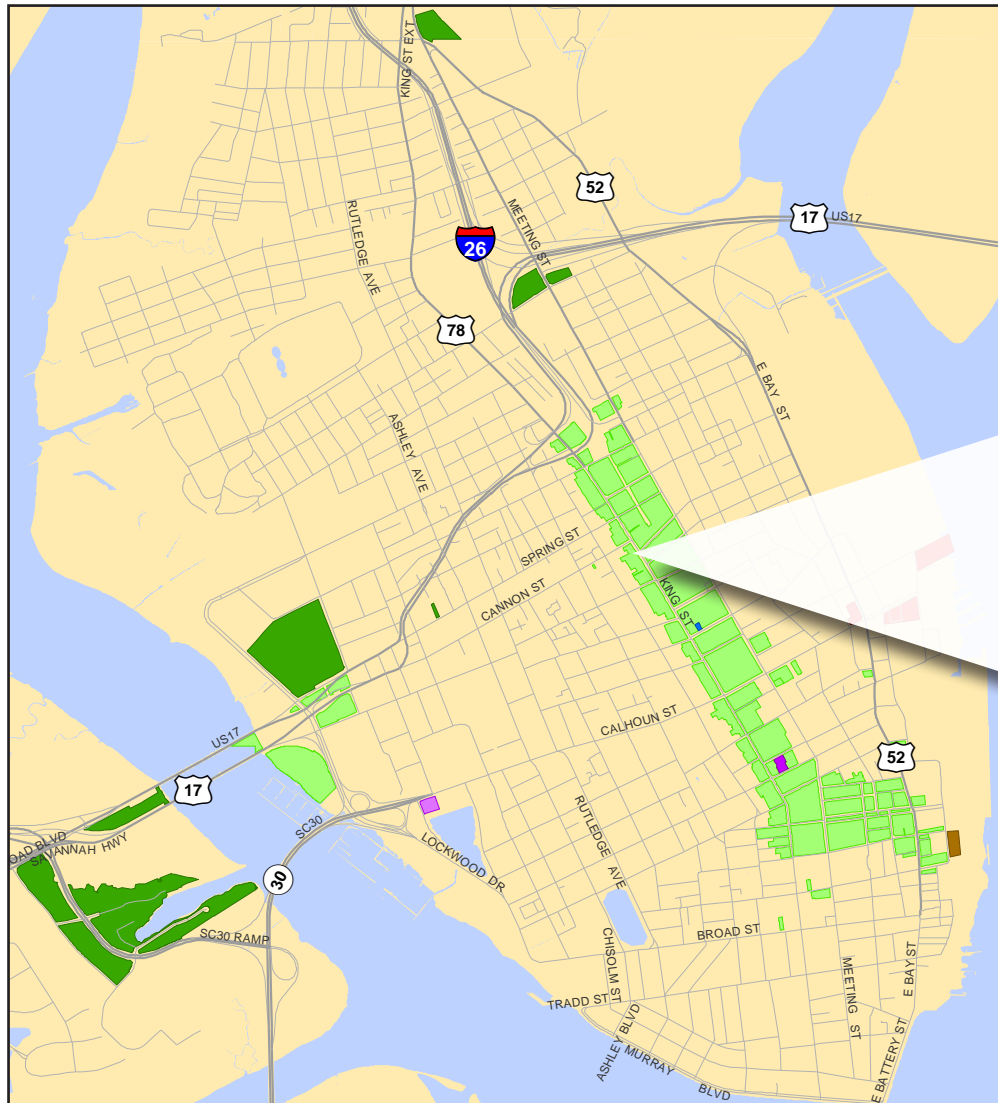
563 King Street (including the developable vacant land) has the unique benefit of being located within the Accommodations (“A”) Overlay Zone. On September 24, 2013, Charleston’s zoning ordinances were amended to restrict the geographic area where accommodation uses would be permitted by creating the A Overlay Zone, which also identifies those areas where accommodation uses are allowed. The 563 King Street parcel is located within the A Overlay Zone allowing an owner to operate up to 50-rooms on the parcel.

Accommodations Uses are defined as commercial uses to provide living or sleeping units, for remuneration, to one or more individuals where the intended and/or usual occupancy would not exceed twenty-nine (29) consecutive days, including hotels, motels, inns, bed and breakfasts, short-term rental units, rooming and boarding houses, hostels, lodging units, resort units, condominiums, cooperatives, apartments...as well as any and all similar uses where the intended and/or usual occupancy is for periods not to exceed twenty-nine (29) consecutive days.





ACCOMMODATIONS OVERLAY ZONE MAP



Accommodations Overlay Zone Map, City of Charleston



- Accommodations Overlay Zone - Allows an operation of up to 50 "rooms" giving the owner of the subject property the ability to build and operate additional short-term rentals on the 563 King Street parcel which includes the developable land.

FINANCIAL OVERVIEW

Total Portfolio Financials



TOTAL PORTFOLIO - 10 YEAR PROFORMA

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Existing Retail	\$413,331	\$422,727	\$434,754	\$447,128	\$459,858	\$472,956	\$486,432	\$500,297	\$514,563	\$529,240
Existing STR	\$519,499	\$535,084	\$551,137	\$567,671	\$584,701	\$602,242	\$620,309	\$638,919	\$658,086	\$677,829
Scheduled Gross Income	\$932,830	\$957,811	\$985,891	\$1,014,799	\$1,044,559	\$1,075,198	\$1,106,742	\$1,139,216	\$1,172,649	\$1,207,069
EXPENSES										
Taxes	\$135,000	\$138,929	\$142,973	\$147,136	\$151,422	\$155,833	\$160,374	\$165,049	\$169,861	\$174,815
Insurance	\$42,012	\$43,230	\$44,484	\$45,774	\$47,102	\$48,469	\$49,876	\$51,325	\$52,816	\$54,350
Operating Expense	\$30,446	\$31,349	\$32,280	\$33,238	\$34,224	\$35,240	\$36,286	\$37,364	\$38,473	\$39,615
Total Operating Expenses	\$207,458	\$213,508	\$219,736	\$226,148	\$232,748	\$239,542	\$246,537	\$253,737	\$261,150	\$268,781
NET OPERATING INCOME	\$725,372	\$744,303	\$766,154	\$788,651	\$811,812	\$835,656	\$860,205	\$885,479	\$911,499	\$938,288

Financial Assumptions & Notes

Retail Income	2021 actuals; revenue growth per executed Leases
STR Income	Based on 2019 actuals; assumed revenue growth of 3% annually
Expense Inflation	3% annual increase
Property Taxes	Taxes are based on the estimated point of sale

FINANCIAL OVERVIEW

Existing Retail Financials



EXISTING RETAIL - 10 YEAR PROFORMA

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Charlestowne Tobacco & Wine - 561 King	\$128,369	\$132,220	\$136,187	\$140,272	\$144,480	\$148,815	\$153,279	\$157,878	\$162,614	\$167,492
The Honey Hive - 563 King	\$137,196	\$141,312	\$145,551	\$149,918	\$154,415	\$159,048	\$163,819	\$168,734	\$173,796	\$179,010
Queen Anne Spirits & Wine - 9 Cannon	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473	\$33,122	\$33,785	\$34,461	\$35,150	\$35,853
Babas on Cannon - 11 Cannon	\$36,184	\$37,013	\$37,938	\$38,887	\$39,859	\$40,855	\$41,877	\$42,923	\$43,997	\$45,096
Total OpEx Recovery	\$81,582	\$81,582	\$83,866	\$86,215	\$88,631	\$91,116	\$93,673	\$96,302	\$99,007	\$101,789
Scheduled Gross Income	\$413,331	\$422,727	\$434,754	\$447,128	\$459,858	\$472,956	\$486,432	\$500,297	\$514,563	\$529,240
EXPENSES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Taxes	\$61,519	\$63,243	\$65,017	\$66,841	\$68,718	\$70,648	\$72,634	\$74,677	\$76,778	\$78,939
Insurance	\$20,063	\$20,623	\$21,198	\$21,790	\$22,398	\$23,024	\$23,668	\$24,330	\$25,011	\$25,712
Repairs & Maintenance	\$1,000	\$1,020	\$1,040	\$1,061	\$1,082	\$1,104	\$1,126	\$1,149	\$1,172	\$1,195
Total Operating Expenses	\$82,582	\$84,886	\$87,255	\$89,692	\$92,199	\$94,777	\$97,428	\$100,155	\$102,961	\$105,846
NET OPERATING INCOME	\$330,748	\$337,841	\$347,498	\$357,435	\$367,660	\$378,180	\$389,004	\$400,142	\$411,602	\$423,394

Financial Assumptions

Rent increases	2% annually - 9 Queen Anne Spirits & Wine; 2.5% annually - Babas; 3.0% annually - Charlestowne Tobacco & Wine - The Honey Hive
Expense Inflation	3% annually
Property Taxes	Taxes are based on the estimated point of sale

EXISTING RETAIL - RENT ROLL

TENANTS	SQ FT	LEASE START	LEASE END	BASE RENT			OPEX		TOTAL RECOV	TOTAL ANNUAL
				\$PSF	MONTH	YR	TAX	INS		
KING STREET RETAIL TENANTS										
Charlestowne Tobacco & Wine - 561 King	2,200	-	5 Years	\$58.35	\$10,697	\$128,369	\$18,265	\$5,186	\$23,451	\$151,819
The Honey Hive - 563 King	3,750	7/1/2020	6/30/2027	\$36.59	\$11,433	\$137,196	\$31,133	\$10,628	\$41,761	\$178,957
King Street Subtotal	5,950				\$22,130	\$265,565	\$49,398	\$15,814	\$65,212	\$330,777
CANNON STREET RETAIL TENANTS										
Queen Anne Spirits & Wine - 9 Cannon	800	-	5 Years	\$37.50	\$2,500	\$30,000	\$6,642	\$2,328	\$8,970	\$38,970
Babas on Cannon - 11 Cannon	660	2/1/2018	2/1/2023	\$54.82	\$3,015	\$36,184	\$5,479	\$1,921	\$7,400	\$43,584
Cannon Street Subtotal	1,460				\$5,515	\$66,184	\$12,121	\$4,249	\$16,370	\$82,554
Property Totals:	7,410				\$27,646	\$331,748	\$61,519	\$20,063	\$81,582	\$413,331

FINANCIAL OVERVIEW

Existing Short-Term Rentals Financials



EXISTING SHORT-TERM RENTALS - 10 YEAR PROFORMA

INCOME	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Net Revenue ¹	\$519,499	\$535,084	\$551,137	\$567,671	\$584,701	\$602,242	\$620,309	\$638,919	\$658,086	\$677,829
Scheduled Gross Income	\$519,499	\$535,084	\$551,137	\$567,671	\$584,701	\$602,242	\$620,309	\$638,919	\$658,086	\$677,829
EXPENSES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
Property Taxes	\$73,481	\$75,685	\$77,956	\$80,295	\$82,704	\$85,185	\$87,740	\$90,372	\$93,084	\$95,876
Insurance	\$21,949	\$22,607	\$23,286	\$23,984	\$24,704	\$25,445	\$26,208	\$26,995	\$27,804	\$28,638
SCEG	\$11,497	\$11,842	\$12,197	\$12,563	\$12,940	\$13,328	\$13,728	\$14,140	\$14,564	\$15,001
Charleston Water	\$6,600	\$6,798	\$7,002	\$7,212	\$7,428	\$7,651	\$7,881	\$8,117	\$8,361	\$8,612
Comcast	\$8,605	\$8,863	\$9,129	\$9,403	\$9,685	\$9,976	\$10,275	\$10,583	\$10,901	\$11,228
Charleston Security	\$1,244	\$1,281	\$1,320	\$1,359	\$1,400	\$1,442	\$1,485	\$1,530	\$1,576	\$1,623
Brown HVAC	\$1,500	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957
Total Operating Expenses	\$124,876	\$128,622	\$132,481	\$136,455	\$140,549	\$144,766	\$149,108	\$153,582	\$158,189	\$162,935
NET OPERATING INCOME	\$394,623	\$406,462	\$418,656	\$431,216	\$444,152	\$457,477	\$471,201	\$485,337	\$499,897	\$514,894

Financial Assumptions & Notes

Revenue Inflation	3% Annually
Expense Inflation	3% Annually
Property Taxes	Taxes are based on the estimated point of sale
Note 1: Net Revenue	Net Revenue is calculated based on 2019 actuals (net property management fees, management expenses, and concessions)

EXISTING SHORT-TERM RENTALS - 2019 ACTUALS

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	2019 Totals
Net Revenue ²	\$23,373	\$24,682	\$56,076	\$63,235	\$61,753	\$58,158	\$46,864	\$35,361	\$31,214	\$46,890	\$40,911	\$30,982	\$519,499

Note 2: Based on 2019 actuals



CHARLESTON, SC UPPER KING STREET

Over the past few years, the neighborhood of Upper King—located on Upper King Street from Calhoun to Coming streets—has been completely revitalized with galleries, home décor emporiums, bustling restaurants and nightlife options. In true Charleston fashion, new establishments celebrate the historic charm of 18th and 19th century buildings by utilizing reclaimed materials and savvy renovation methods that showcase original architectural details. Additionally, a variety of hotels are situated within walking distance, offering visitors a convenient perch for scoping out the many great culinary and shopping finds of this district.

Charleston's Upper King Street is a fresh, modern community of restaurants, bars, and shops North of the Historic District. While home to the Charleston Area Convention and Visitor's Bureau, this palm-lined section of King Street buzzing with locals, students, young professionals and tourists. Upper King is best known for its energetic nightlife and top-notch new restaurants.



MARKET OVERVIEW

Regional Map





CHARLESTON, SC TOURISM

Having been named the **number one city in the U.S.** (+ Canada), and the **number one city in the world** [according to the readers of Travel + Leisure magazine], visitors flock to Charleston by the masses.

Charleston's tourism industry brought in an **economic impact of \$9.7 billion in 2019** and nearly 20.1% of sales throughout the Greater Charleston Area come from tourism.

The Charleston International Airport has seen historic growth in the number of passengers traveling in 2019, with more than 7.43 travelers passing through the gates each day.

The attributes that make the Charleston region such a popular visitor destination contribute to a quality of life that spurs broader economic development. A thriving visitor industry helps to sustain a **world-class array of restaurants, shops, recreational, and cultural amenities** rarely found in mid-size metro areas. Local businesses benefit from endless options for client entertainment and employee recruitment.



Charleston Regional Development Alliance

Each year, the Charleston Area Convention and Visitors Bureau crunches the numbers to compare tourism stats from the past five years. From 2013 to 2017, almost every category increased, including the estimated number of visitors, the estimated economic impact, the estimated total labor earnings, lodging sales, + estimated total cost per adult.

- In 2018, the Charleston area welcomed an estimated **7.3 million visitors**.
- These visitors generated an estimated **\$2.8 billion in labor earnings**.
- Visitors spent an average of \$228 per visitor per day and generated **\$949.8 million in lodging sales**.
- **Visitors typically spend four nights** in the Lowcountry, spending an average of \$217 per adult, per day (\$826 per adult, per trip).
- Even with the surge of hotels, plus the limited available short-term rental units, average occupancy is 78%.

In 2020, Charleston was named the **#1 U.S. city** for the **eighth year in a row** by readers of Travel + Leisure magazine. Charleston also made the publication's list of the **World's Top 20 Cities**. At #18, it is the **only U.S. city to make the cut** last year.



PEOPLE



33

Residents move to Charleston area per day.



\$78,400

Average Household Income



20.7%

Population Growth Rate 2010 - 2019

REAL ESTATE



6%

Office space vacancy is the lowest it has been in the past decade.



105K

Housing units planned or under construction.



425,000

Square feet of retail space planned or under construction.

TOURISM



\$9.7B

Annual economic impact to Downtown Charleston



7.43M

Enplanements and deplanements at Charleston International Airport (2019). The busiest passenger airport in SC.



\$75K

Household income of 70% of visitors to Charleston



CHARLESTON, SC ECONOMY

Located half way between New York and Miami, Charleston made history in 2009 when The Boeing Company chose the area to host the second 787 Dreamliner final assembly facility. Fast forward to 2015, and the Charleston region landed two automotive OEMs – including Mercedes Benz (Sprinter), and Volvo Cars.

Charleston’s economy is “humming” today, driven by Boeing, the car makers, tourism, international trade in the same world-class harbor, along with advanced manufacturing, intermodal logistics, medical research & development, military and defense enterprises, and a burgeoning information technology sector. Their workforce is growing at twice the national rate, and is increasingly characterized by in-migrating younger, highly educated workers.

Alongside their renowned workforce and quality of life are all of the essential business elements, including a modern seaport that serves worldwide ports of call, great inland access via rail and interstate highway networks, an airport with numerous direct flights to major business hubs, and a pro-business philosophy that is unsurpassed.

Charleston County, SC Economic Development

35K Jobs
to be added in the Charleston Region by 2022.

20.1%
of sales throughout the Greater Charleston area come from tourism

22ND
Charleston Metro ranked 22nd in the nation for economic & job growth.

CHARLESTON, SC TOP EMPLOYERS

EMPLOYER	PRODUCT/SERVICE	EMPLOYEES
Joint Base Charleston	Area U.S. military commands	22,000
Medical University of South Carolina (MUSC)	Health care, post-secondary education, research	13,000
Roper St. Francis Healthcare	Roper and Bon Secours St Francis Hospitals	6,000
The Boeing Company	Aircraft manufacturing	5,700
Charleston County	Local government	2,600
Trident Health System	Hospital Corporation of America hospital system	2,600
College of Charleston	Post secondary education	2,000
Robert Bosch LLC	Manufactures automotive parts	1,600
Volvo Cas USA LLC	Automotive production plant	1,600
Mercedes-Benz Vans	Automotive production plant	1,600

Charleston Regional Development Alliance





CHARLESTON, SC ECONOMIC DRIVERS

Daimler Mercedes-Benz Factory

- **\$27 billion** in economic impact
- \$500 million investment

The Boeing Company

- **\$12 billion** in economic impact
- 5,700 employees
- Exclusive manufacturer of Boeing's 787-10 wide body jet

Joint Base Charleston (Military)

- **\$10.3 billion** in economic impact
- Joint Base Charleston services a total population of 90K
- The base maintains and operates \$7.8 billion of physical infrastructure in the surrounding area

Downtown Charleston (Tourism)

- **\$9.7 billion** annual economic impact
- 70% of visitors to Charleston have household incomes of \$75,000+

First American Volvo Factory

- **\$5 billion** in economic impact
- Creating 2,000 jobs and expected to employ over 4,000 by 2023
- The plant represents a \$500 million investment by Volvo

Bosch Charleston Plant

- **\$800 million** in economic impact
- Largest private employer in Dorchester County with over 2,000 on payroll
- Recent plant expansion of \$175 million

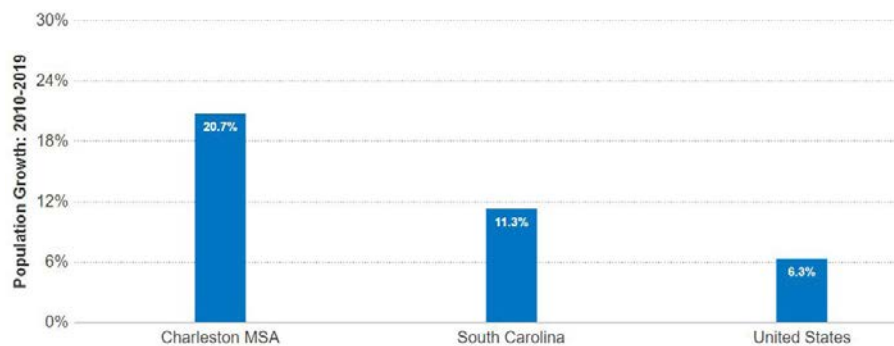




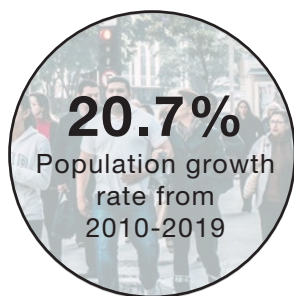
CHARLESTON, SC REGIONAL GROWTH

The Charleston region's population is **growing 3X faster than the U.S. average**, to more than 802,000. A steady stream of well-educated young talent, who come for jobs – or create their own in our business-friendly community – are helping to boost that number.

POPULATION GROWTH



Source: U.S. Census Bureau



*Charleston County, SC Economic Development / U.S. Census Bureau

CHARLESTON, SC ACCOLADES

#1 “Best Small City in the U.S.” according to Condé Nast Traveler readers, for the 10th consecutive year

#1 “Top Cities in America” by Travel and Leisure readers, for the 8th consecutive year

#1 City in America for Economic Opportunity by Yelp

4th on “America’s Biggest Boomtowns” list by MagnifyMoney

8th Top Boomtowns in America by SmartAsset 2019

#13 Best Performing Cities The 2020 Milken Institute Best-Performing Cities Index

“Best Cities for Jobs” by WalletHub 2020

“Best Place to Live” by Outside Magazine 2019

“The South’s Best City of 2020” by Southern Living Magazine

The New York Times “**#10 U.S. City Gaining Innovation Jobs**”





CHARLESTON, SC REGIONAL GROWTH

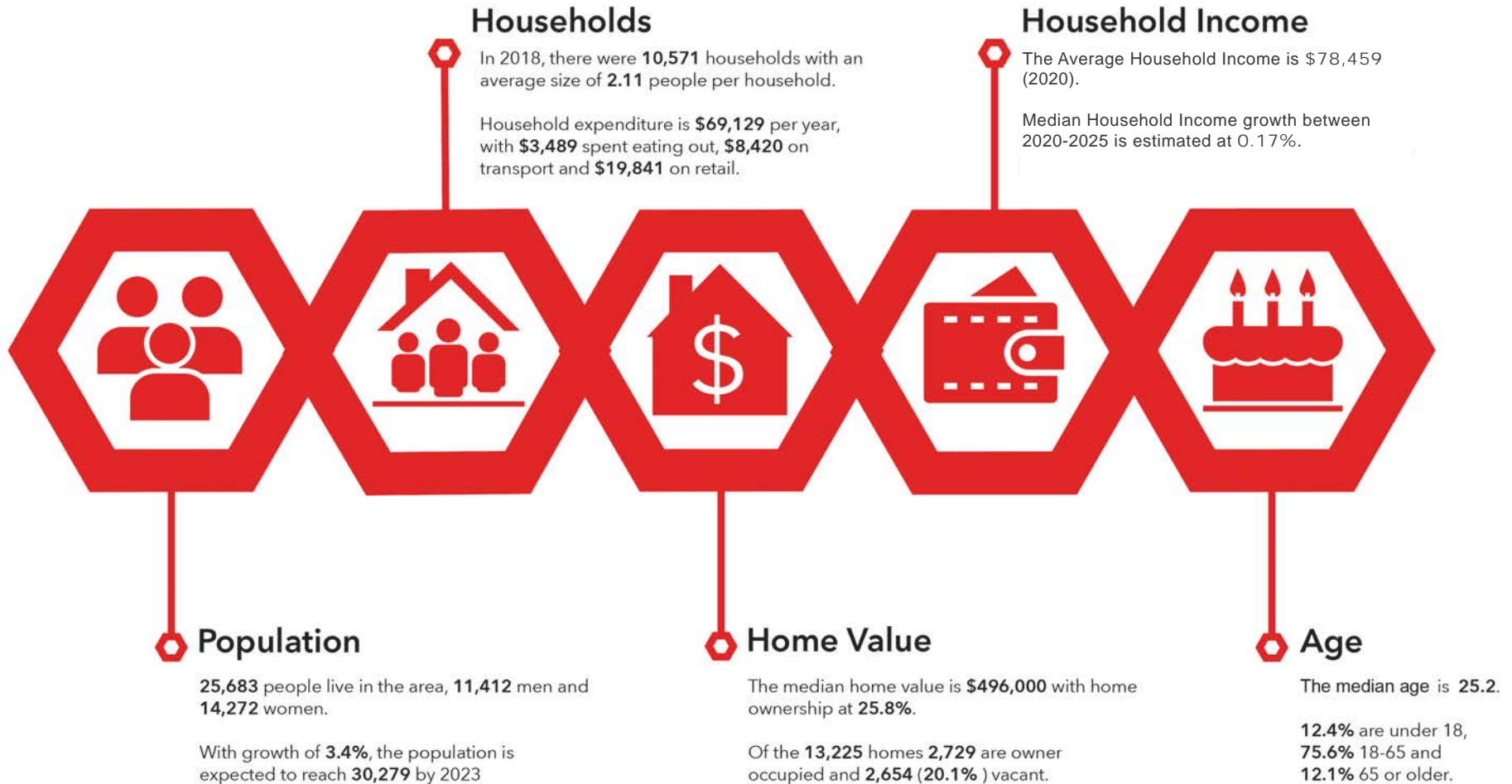
Strong Charleston regional population growth has contributed to a labor force growth rate four (4) times that of the national average. The Charleston region also enjoys one of the most experienced and educated workforce populations in the nation. Several major economic data milestones since 2010 include:

- Establishment of **six Boeing facilities and business units**; Boeing Final Assembly and delivery site for the 787 Dreamliner, Boeing Interior Responsibility Center, two Centers of Excellence – Information Technology and Engineering, Boeing Research & Technology Center and Propulsion South Carolina
- Presence of **Space and Air Warfare Systems (SPAWAR)**, along with various other Navy and Air Force commands attached to Joint Base Charleston
- Increased Port-related volume growth and the execution of a multi-year capital investment plan including harbor deepening, terminal construction and improvements. The **Port of Charleston** is the **eighth largest U.S. Container Port** by TEUs (Twenty-Foot Equivalent Units) handled in FY 2019.
- Growth of the medical sector supported by the presences of **Medical University of South Carolina (MUSC)**. MUSC is a leading research and teaching hospital in the southeast managing over \$284 million in biomedical research funding in FY 2019. MUSC research funding has supported over 800 inventors and produced 1,500 inventions disclosures. MUSC educates and trains more than 3,000 students and 700 residents in six colleges.
- Growth of the information technology / software sector has contributed significantly to local job growth. Charleston is home to more than 250 tech companies. A recent study by the South Carolina Tech council revealed that the average annual tech employment for the Charleston region is 15.5 percent. The region is ranked 13th on the **Milken Institute's list of 2020 Best-Performing Cities**.
- With additional air service from Frontier and Allegiant and the introduction of a nonstop flight to London provided British Airways, **Charleston International Airport** continues to support a thriving travel and tourism industry. Charleston welcomed 7.43 million visitors in 2019 producing \$9.7 billion in economic impact.





1-MILE RADIUS DEMOGRAPHICS





This Offering Memorandum contains select information pertaining to the business and affairs of the Upper King St Portfolio (“Property”). It has been prepared by Furman Capital Advisors (“Agent”). This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in the Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Owner or Agent. The material is based in part upon information supplied by the Owner and in part upon financial information obtained from sources it deems reliable. The Owner, nor their officers, employees, or agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Owner.

Owner and Agent expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed by all parties and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to the Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Agent or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the creation of this Offering Memorandum.



Confidentiality Agreement

This Confidentiality Agreement will confirm the mutual understandings of the Undersigned and Upper King Investments, LLC in connection with NAI Earle Furman, LLC dba Furman Capital Advisors, LLC (hereinafter referred to as “Protected Parties”) providing information regarding 561 & 563 King Street and 9, 11, 13, 15 Cannon Street, Charleston, South Carolina 29403 (hereinafter called the “Property”) to the undersigned:

1. “Information” means all data, reports, records, materials, lease expirations, lease rates or other lease information obtained from Furman Capital Advisors which is not in the public domain. Information is not meant to include information which: a) at the time of the disclosure is in the public domain; b) after disclosure becomes part of the public domain through no act or omission by the undersigned; c) as shown by written records was prior to disclosure in the possession of the undersigned; d) is rightfully received by the undersigned from third parties who were entitled to receive such information; or e) is obligated to be disclosed pursuant to applicable law, regulation or legal process.
2. The information is being furnished solely in connection with then consideration of a potential transaction involving the undersigned and shall be treated as “secret” and “confidential” and no portion of it shall be disclosed to others, except to those employees, agents, clients and customers of the undersigned whose knowledge of the information is required for use to evaluate that certain real estate as a potential acquisition and who shall assume the same obligations as the undersigned under this Agreement.
3. It is understood that the Protected Parties are the beneficiaries whose rights are being protected and may enforce the terms of this Confidentiality Agreement as if it were a party to the Agreement.
4. All information furnished shall be promptly returned or destroyed should there be no interest in that certain real estate acquisition, otherwise disposed of as directed by Furman Capital Advisors.
5. It is understood that Furman Capital Advisors makes no representations or warranty as to the completeness or accuracy as to any information.

ACCEPTED BY UNDERSIGNED:

Company: _____

Title: _____

Date: _____

Print Name: _____

E-mail: _____

Signature: _____

Authorized Representative: _____

FURMAN

CAPITAL ADVISORS

101 E. Washington Street, Suite 400 | Greenville, SC 29601



864.235.6855



FurmanCapital.com