

# AZALEA APARTMENTS

110 Nunnally Road | Anderson, SC 29625

**OFFERING MEMORANDUM**

# FURMAN

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CAPITAL ADVISORS

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**INVESTMENT**  

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**HIGHLIGHTS**

Azalea Apartments  
Anderson, SC

# INVESTMENT HIGHLIGHTS

## Executive Summary

### PROPERTY SUMMARY

Address	110 Nunnally Road Anderson, SC 29625
Total Land Size	1.32 Acres
Parcel Number	027-00-01-058
Year Built	1972
Number of Units	39
Number of Buildings	1
Average SF per Unit	612
Average Rent per Unit	\$687
Exterior	Brick
Roofing	Replaced in 2014
Air Conditioning	Individual Units
Water	Provided by Sandy Springs Water District and paid by Landlord
Sewer	Private sewer with plans to join Sandy Springs District
Trash Removal	Provided by Eco Waste services and paid by Landlord
Cable/Internet	Provided by Spectrum
Community Laundry	Machines owned by Landlord

### UNIT MIX

Unit Type	Number	Avg Size	Avg Asking Rent
1BR	38	600	\$ 685
2BR	1	1,062	\$ 750
<b>Total</b>	<b>39</b>	<b>612</b>	<b>\$ 687</b>

### SPACE FEATURES

- All Utilities Included - Power, Water, Sewer & Trash Removal
- Community Laundry Facilities
- Air Conditioning
- Refrigerator
- Range

# INVESTMENT HIGHLIGHTS

## Property Overview

- Subject property is extremely convenient to I-85 corridor, Downtown Anderson, Lake Hartwell and is a very popular housing for traveling workforce | No other market rate properties within 5.5 mile radius allows ownership to control market
- Newly achieved high rents provide roughly \$50/unit premiums on in place avg rents | 100% Occupied property indicates additional room to increase rents
- New laundry room provides additional income of roughly \$575/month
- Property is staged to move from private to public sewer relatively soon, which would decrease water, sewer costs significantly



### Recent Cap Ex

#### Current ownership invested nearly \$75K in 2021 including:

- Landscaping overhaul including replacement of large trees inhibiting visibility with smaller trees and pebbled tree enclosure
- Installed LTV flooring to replace carpeting in 21 units
- Top floor common areas flooring improved with LVT Flooring
- Replacement of Control Panel, Pump Replacement, and other sewer replacements to support the private lift station
- New Laundry Facilities in common areas
- Replaced existing water heaters with three large tankless energy efficient heaters serving the entire property
- Upgraded kitchen unit ranges, dishwashers, refrigerators as needed
- New HVAC units, replaced as needed

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**MARKET**

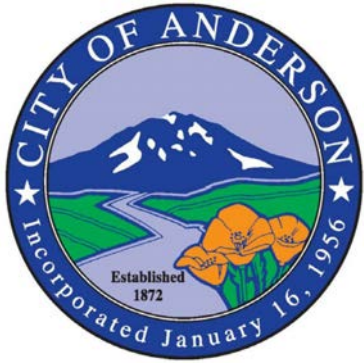
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OVERVIEW

Azalea Apartments  
Anderson, SC

# MARKET OVERVIEW

Anderson, SC



Anderson, SC is conveniently located between Atlanta and Charlotte along the I-85 corridor in Upstate South Carolina, is located only 20 minutes from Greenville, SC, 45 minutes from Spartanburg, SC, and about an hour drive from Asheville, NC.

Anderson is one of the principal cities in the Greenville-Anderson--Mauldin Metropolitan Statistical Area, which had a population of 824,112 at the 2010 census. It is further included in the larger Greenville-Spartanburg-Anderson, South Carolina Combined Statistical Area, with a total population of 1,266,995, at the 2010 census.

As the region's manufacturing hub, Anderson boasts a thriving job market, consisting of more than 200 major manufacturers and 20 international companies. Notably, medical device manufacturing company Arthrex Inc. is expanding operations to Anderson County, which will create over 1,000 new jobs over the next several years. The arrival of Arthrex in 2019 combined with expansions at Bosch and Electrolux continue to fuel robust growth.

Nestled in the foothills of the Blue Ridge Mountains, Anderson County is a shining example of how business and government can come together to create a community that is a great place to live, work, and play.





# MARKET OVERVIEW

## Anderson Employment

Manufacturing has a major presence in Anderson's economy. The city has more than 230 manufacturers including numerous international companies. The significant industries in Anderson are metal products, automotive products, plastics, consumer products, industrial machinery and textiles. In addition, the county is a major player in the plastics industry.

Anderson is the headquarters of numerous notable companies including Alpha Technology Inc., Metco Inc, Consolidated Southern Industries, Peoples Bank, Electrolux, Electric City Signs & Neon and Westwind Inc. Anderson also includes international companies from a number of countries including Germany, Canada, Ireland, France, United Kingdom, Italy and Japan.

In Anderson, the sectors providing the most jobs are healthcare, educational services, accommodation and food services, construction, textile mills and textile products, plastic goods, rubber products and the government.

About 27% of the workers are employed in management, professional and related occupations. Sales and office occupations comprise about 23% of the workforce. Approximately 18% of the labor force consists of production, transportation and material moving workers.

Noteworthy details regarding Anderson, South Carolina: Population 25 years of age and older holding a bachelor's degree: 20%. Cost of living index in 2008: 83.8 (U.S. average: 100). Average earnings in 2009: \$26,000.



## Major Employers in Upstate South Carolina



**Manufacturing**  
(11,000+ employees)



**Education Services**  
(10,095+ employees)



**Health Services**  
(10,000+ employees)



**Health Services**  
(5,000+ employees)



**Manufacturing**  
(7,120+ employees)



**State Government**  
(2,552+ employees)



**Trade, Transportation & Utilities**  
(5,000+ employees)



**ANMED HEALTH**  
**Health Services**  
(2,501-5,000+ employees)



**BILO**  
**Retail Grocery Stores**  
(2,501-5,000+ employees)



**BON SECOURS  
ST. FRANCIS HEALTH SYSTEM**  
**Health Services**  
(2,501-5,000+ employees)



**Paper Coated and  
Laminated, Packaging**  
(1,001-2,500+ employees)



**GE POWER  
Turbines**  
(3,400 employees)



**Textiles, Floor Covering, Performance  
Materials, and Specialty Chemicals  
Manufacturers**  
(5,000+ employees)



**DUKE  
ENERGY**  
**Utility Services**  
(3,300 employees)



**FLUOR**  
**Education & Health Services**  
(2,400+ employees)



# MARKET OVERVIEW

Market Analysis

## Anderson, South Carolina



### LOCATION

- Anderson is conveniently located in Upstate South Carolina, almost equidistant between New York and Miami
- Located on the I-85 corridor between Atlanta, GA and Charlotte, NC
- Twenty minutes from Greenville, SC, 45 minutes from Spartanburg, SC, and an hour from Asheville, NC



### INFRASTRUCTURE

- Located on one of the most traveled interstates in the nation: I-85
- Greenville-Spartanburg International Airport serves more than 1.9 million passengers per year by 5 major airlines
- Three hours from the Port of Charleston
- Two major rail lines – CSX and Norfolk Southern – and two short line rail service providers serve the Upstate



### HIGHER EDUCATION

- Anderson has 15 universities and colleges within 50 miles of the town
- Anderson is home to four-year institutions like - Anderson University, Clemson University, and Tri-County Technical College
- A quick 20-minute drive from Anderson is Clemson University, a public four-year institution with a total enrollment of more than 23,406 students (about 79,000 fans come to the area on home football game weekends)



### COMMERCE

- With more than 200 manufacturers in the county, including 20 international companies, Anderson has a thriving business climate.
- The top major industries in Anderson include manufacturers of automotive products, metal products, industrial machinery, plastics, and textiles.
- Anderson is home to AnMed Health System which employs over 3,400 people and has 695 beds.



### QUALITY OF LIFE

- Nicknamed “The Electric City,” the city hosts a variety of festivals and block parties in its Downtown each year.
- The county is a great place to play, with cultural activities including local theater and orchestra groups and college football nearby.
- Anderson County has over 84,000 acres of lakes with 1,500 miles of shoreline.
- The county is home to hiking trails and some of the area’s most beautiful and challenging golf courses.

# MARKET OVERVIEW



## LOCATION

- The city of Greenville is the 4<sup>th</sup> among 15 of the fastest-growing large cities in the U.S. according to population estimates by the U.S. Census Bureau.
- Centrally located along the I-85 corridor directly between two of the largest cities in the Southeast - Atlanta, Georgia and Charlotte, North Carolina.
- Located 100 miles from the capital city of Columbia and only 200 miles from the Port of Charleston SC.



## INFRASTRUCTURE

- Greenville-Spartanburg International Airport is the 2<sup>nd</sup> busiest airport in the state with 1.1 million passengers in 2020.
- 3 Interstate highways offer easy access to the North, South, Midwest, and all major markets on the Eastern Seaboard.
- Home to the Inland Port Greer connecting the Upstate to the Port of Charleston.



## HIGHER EDUCATION

- Clemson University, Furman University, Bob Jones University, North Greenville University and Limestone College-Greenville among others are all located in or around Greenville.



## COMMERCE

- Home to national and international corporations such as Fluor Corporation, Hubbell Lighting, BMW and Michelin North America.
- Other major businesses include Bausch and Lomb, the Perrigo Company of SC, Prisma Health System, Ernst and Young, IBM, Charter Communications, Dunlop Slazenger Group, Liberty Corporation Bank of America, GE Power & Water, Day & Zimmerman, Scan Source, Lockheed Martin Aircraft, Windstream, SYNEX Corporation and TD Bank.



## ACCOLADES

- The "Go" List - 2022 (*Fodor's Travel*) November 2021
- One of the South's Best 'Cities on the Rise' (*Southern Living*) March 2021
- #10 Coolest Cities with the Lowest Cost of Living in the U.S. (*Purewow*) February 2021
- #6 Best Small Cities in the US (*Condé Nast Traveler*) October 2020
- America's Best Small Cities (*BestCities.org*) March 2020
- The 50 Best U.S. Cities for Starting a Business in 2020 (*Inc.com*) December 2019
- US Travel: 25 Best Places to Visit in 2020 (*Forbes*) December 2019
- 10 Cities to Watch in 2020 (*Worth*) November 2019
- #36 Best Places to Live (*Money Magazine*) October 2019
- #22 Best Places to Live in the USA (*U.S News & World Report*) May 2019
- #10 Top 100 Best Places to Live (*Livability*) March 2019
- #7 The South's Best Cities 2019 (*Southern Living*) March 2019
- Top 19 Must-See Destinations in 2019 (*Expedia*) January 2019
- #35 Top Cities in the US with the Biggest Influx of People, The Most Work Opportunities, and the Hottest Business Growth (*Business Insider*) August 2018

# MARKET OVERVIEW

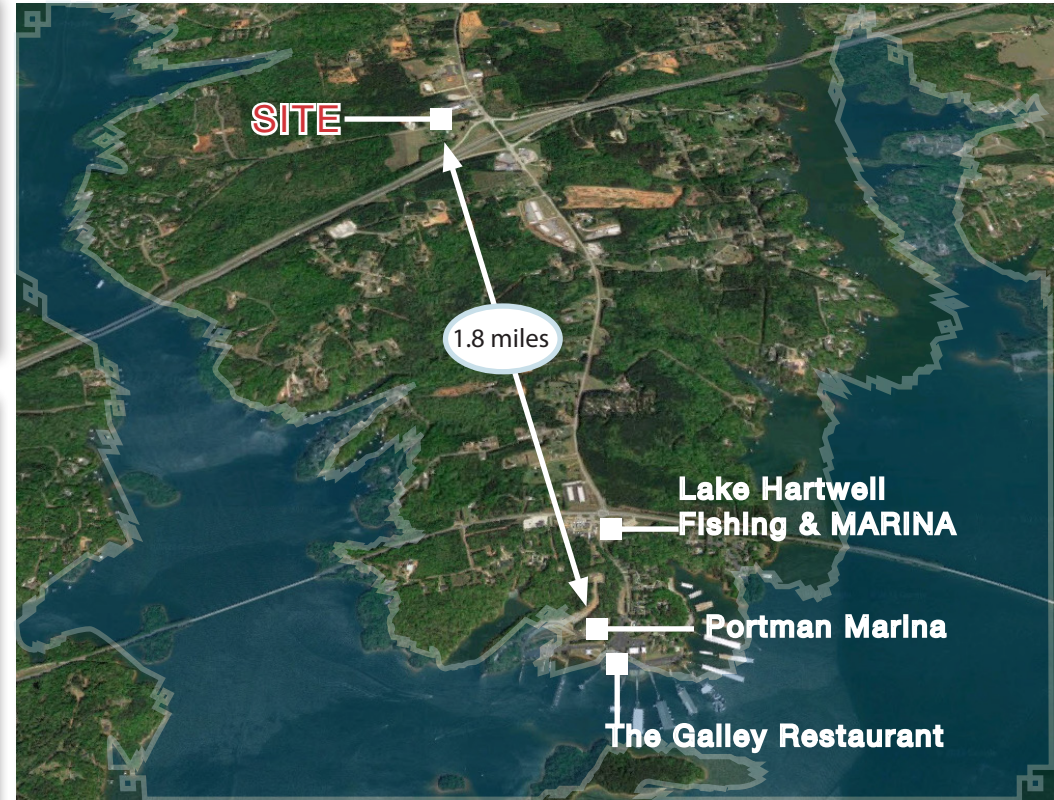
## LAKE HARTWELL

“Hartwell has 56,000 acres of water with 962 miles of shoreline, 85 recreation areas and 21 swim beaches. It is one of the most-visited lakes in the country.”

- Greenville News



**10+ MILLION  
VISITS PER YEAR**



- The Lake is a venue for a variety of sports such as tubing, water skiing, and wake boarding.
- Hike the Nature Trail and explore all of the beauty that resides at Lake Hartwell.
- Go bird watching and view the many different species at the park including hawks, owls and more.
- Boating is a huge part of the recreation side of Lake Hartwell. There are five marinas along the lake, as well as many public boat ramps. The lake also features the private Western Carolina Sailing Club that hosts an annual regatta in October to benefit Hospice of the Upstate.

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# **LOCATION**

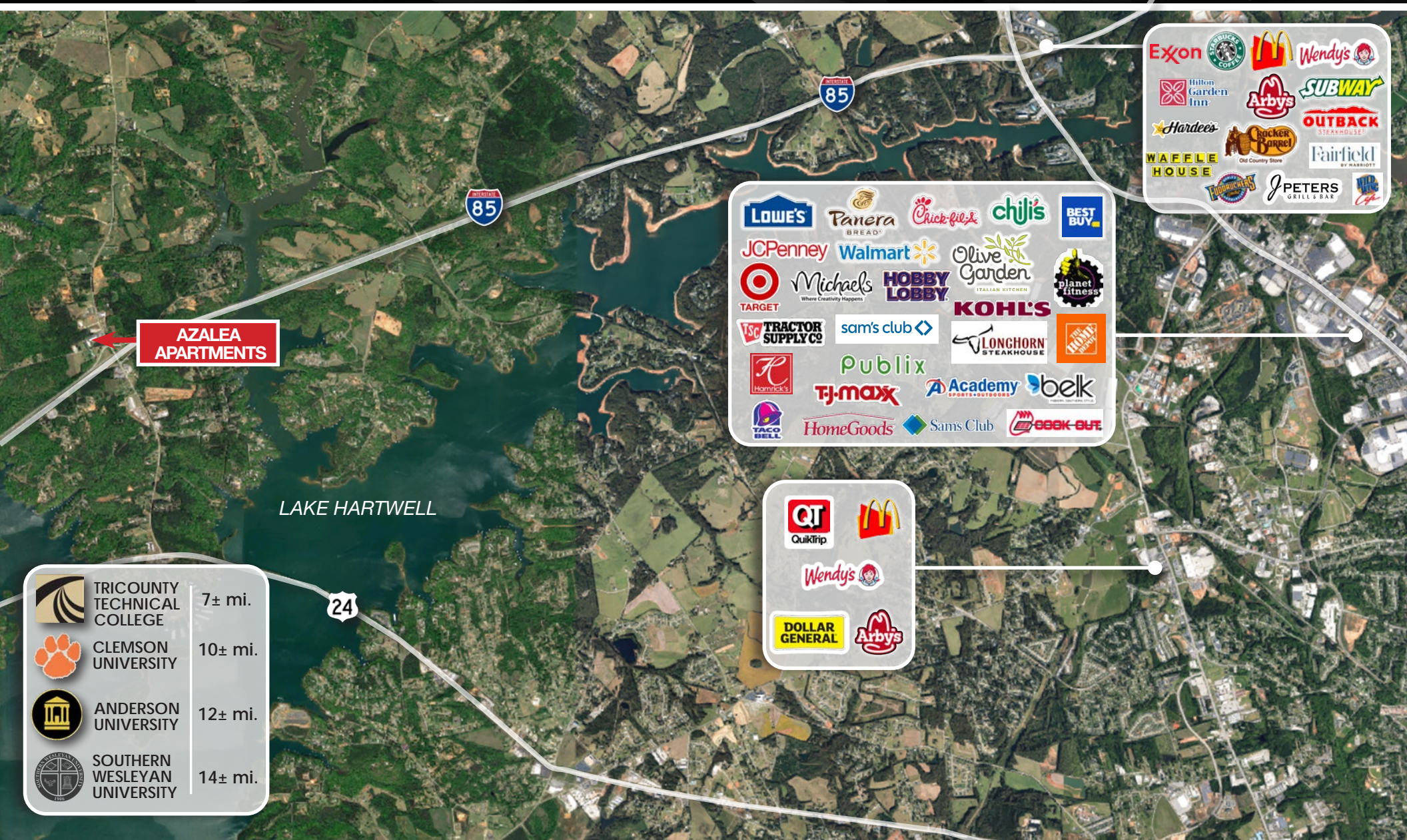
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## OVERVIEW

Azalea Apartments  
Anderson, SC

# LOCATION OVERVIEW

AERIAL MAP



**AZALEA APARTMENTS**

LAKE HARTWELL

-  TRICOUNTY TECHNICAL COLLEGE 7± mi.
-  CLEMSON UNIVERSITY 10± mi.
-  ANDERSON UNIVERSITY 12± mi.
-  SOUTHERN WESLEYAN UNIVERSITY 14± mi.

Callout box containing logos for: Lowe's, Panera Bread, Chick-fil-A, Chij's, Best Buy, JCPenney, Walmart, Olive Garden, Planet Fitness, Target, Michaels, Hobby Lobby, Kohl's, Tractor Supply Co, Sam's Club, Longhorn Steakhouse, Hormick's, Publix, TJ-Maxx, Academy Sports + Outdoors, Belk, Taco Bell, HomeGoods, Sams Club, and Book Out.

Callout box containing logos for: Exxon, Starbucks, McDonald's, Wendy's, Hilton Garden Inn, Arby's, Subway, Hardee's, Outback Steakhouse, Waffle House, Jack & Barrel, Fairfield by Marriott, and J. Peter's Grill & Bar.

Callout box containing logos for: QuikTrip, McDonald's, Wendy's, Dollar General, and Arby's.



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**PROPERTY**

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GALLERY

Azalea Apartments  
Anderson, SC

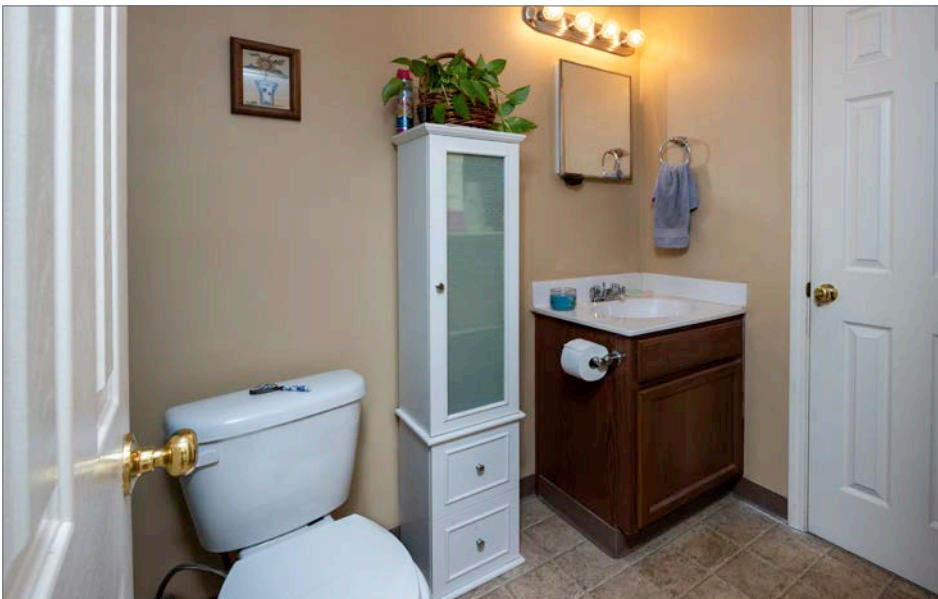
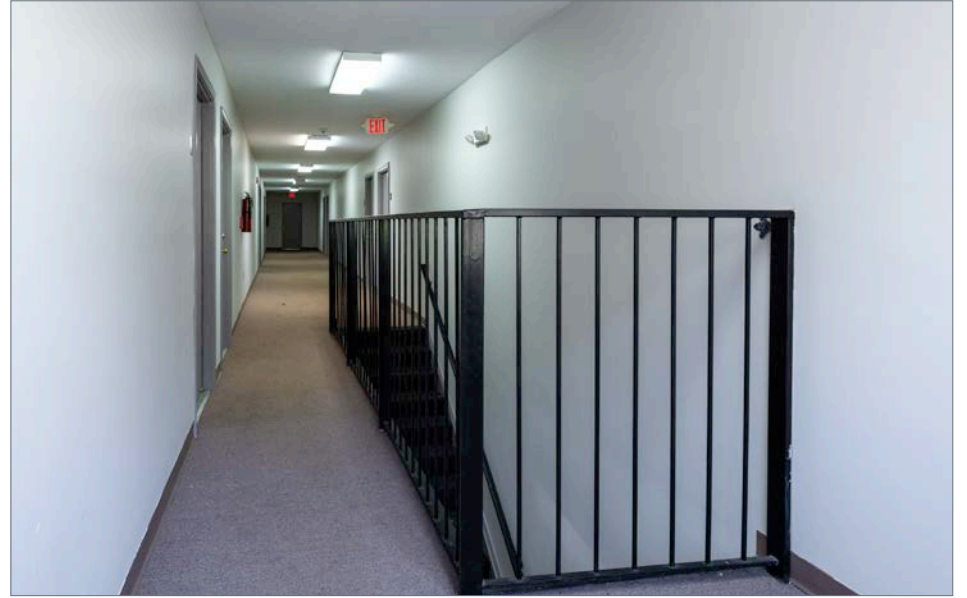
# PROPERTY GALLERY

Exterior Photos



# PROPERTY GALLERY

Interior Photos



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**DEMOGRAPHIC**  

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**TRENDS**

Azalea Apartments  
Anderson, SC

# DEMOGRAPHIC TRENDS

110 Nunnally Road | Anderson, SC 29625

## POPULATION TRENDS

5-Mile

2010	<b>15,547</b>
2021	<b>17,143</b>
2026	<b>17,981</b>



2021 Population

## HOUSEHOLD TRENDS

5-Mile

2010	<b>6,415</b>
2021	<b>7,103</b>
2026	<b>7,459</b>

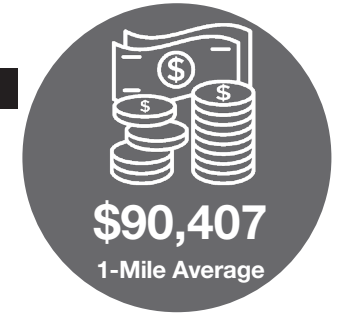


2021 Households

## AVERAGE HOUSEHOLD INCOME

2021

1-Mile	<b>\$90,407</b>
3-Miles	<b>\$87,290</b>
5-Miles	<b>\$81,805</b>



## DAYTIME EMPLOYMENT

2021

1-Mile	<b>83</b>
3-Miles	<b>1,657</b>
5-Miles	<b>4,677</b>



5-Mile Daytime Employment

## MEDIAN AGE TRENDS

2021

1-Mile	<b>47.0</b>
3-Mile	<b>46.3</b>
5-Mile	<b>45.3</b>



5-Mile Median Age Trend



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**PROPERTY**

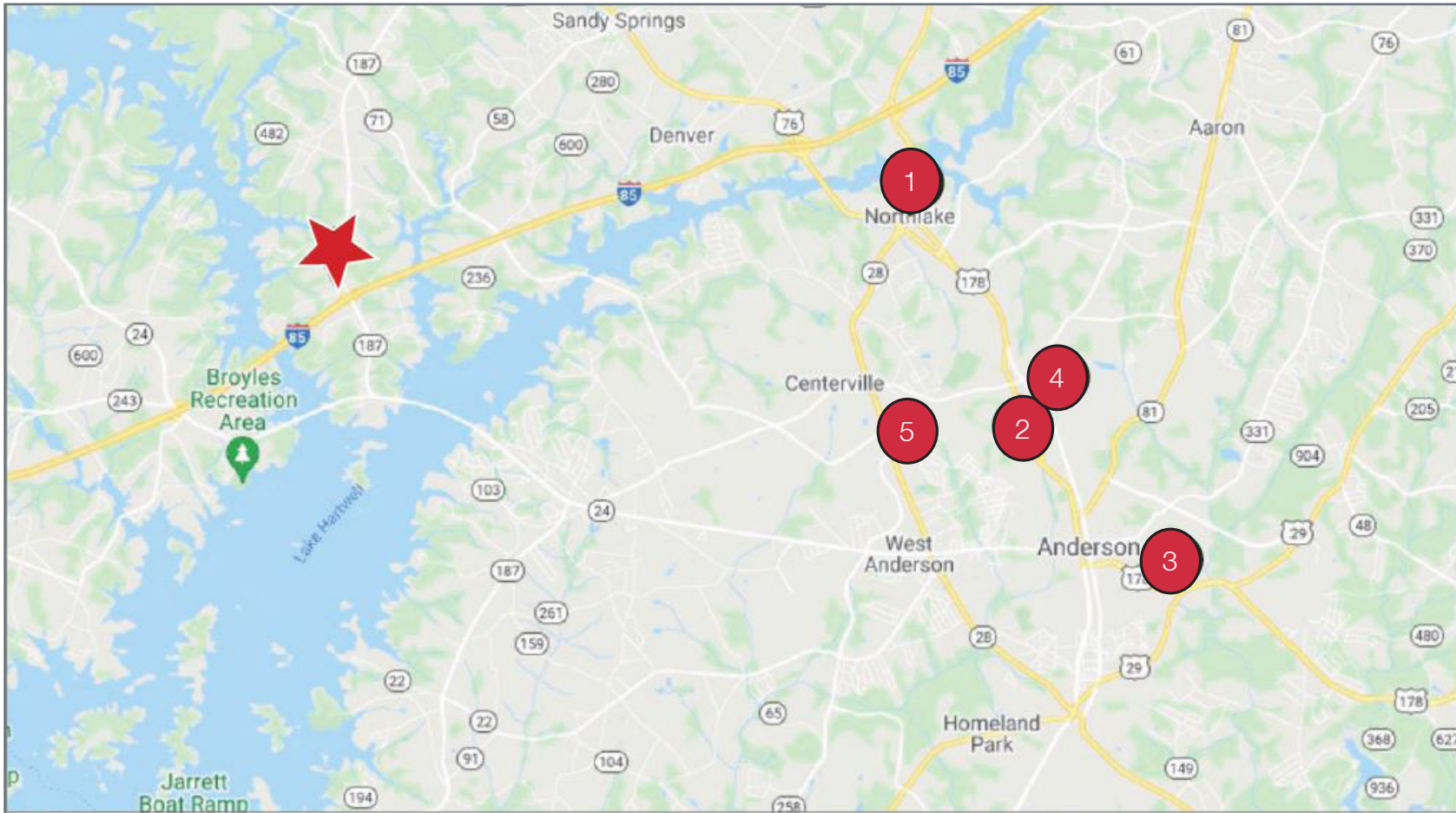
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COMPARABLE

Azalea Apartments  
Anderson, SC

# COMPARABLE

## Rent Properties



PROPERTY	TOTAL UNITS	YEAR BUILT	AVG SF	ASKING RENT	ASKING RENT/SF
 Azalea Apartments	39	1972	612	\$687	\$1.12
1 North Gate Apartments	52	1977	1,000	\$890	\$0.89
2 Edgewood Townhomes	20	1978	955	\$795	\$0.83
3 Retreat at the Park	96	1960	900	\$799	\$0.89
4 Olde Town at Bailey Court	99	1964	851	\$882	\$1.04
5 Reaves Place	32	2004	800	\$905	\$1.13

# COMPARABLE

## Rent Properties

### 1 North Gate Apartments



4115 Liberty Hwy  
Anderson, SC 29621

Year Built: 1977  
Total Units: 52  
Property Type: Low-Rise  
Total Area (SF): 66,486

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 2 Bath	52	1,000	\$890	\$0.89
<b>Total/Avg</b>	<b>52</b>	<b>1,000</b>	<b>\$890</b>	<b>\$0.89</b>

#### Unit Amenities

Breakfast Nook  
Cable Ready  
Dishwasher  
Disposal  
Kitchen  
Microwave  
Oven  
Pantry  
Range  
Refrigerator  
Storage Space  
Walk-In Closets  
Washer/Dryer Hookup

#### Site Amenities

Clubhouse  
Courtyard  
Fenced Lot  
Gated  
Grill  
Laundry Facilities  
Picnic Area  
Property Manager on Site  
Security System  
Storage Space  
Trash Pickup - Door to Door

### 2 Edgewood Townhomes



1805-1811 Edgewood Ave.  
Anderson, SC 29625

Year Built: 1978  
Total Units: 20  
Property Type: Garden  
Total Area (SF): 19,100

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
1 Bed / 1 Bath	2	550	-	-
2 Bed / 1.5 Bath	18	1,000	-	-
<b>Total/Avg</b>	<b>20</b>	<b>955</b>	<b>\$795</b>	<b>\$0.83</b>

#### Unit Amenities

Heating  
High Speed Internet Access  
Patio  
Range  
Storage Space  
Tub/Shower  
Washer/Dryer  
Yard

#### Site Amenities

Property Manager on Site



# COMPARABLE

## Rent Properties

### 3 Retreat at the Park



170 River Oak Drive  
Anderson, SC 29624

Year Built: 1960  
Total Units: 96  
Property Type: Garden  
Total Area (SF): 103,680

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 1 Bath	96	900	\$799	\$0.89
<b>Total/Avg</b>	<b>96</b>	<b>900</b>	<b>\$799</b>	<b>\$0.89</b>

#### Unit Amenities

Air Conditioning  
Balcony  
Cable Ready  
Dishwasher  
Heating  
Range  
Refrigerator  
Washer/Dryer Hookup

#### Site Amenities

Property Manager on Site

### 4 Olde Town at Bailey Court



106 Concord Ave.  
Anderson, SC 29621

Year Built: 1964  
Total Units: 99  
Property Type: Garden  
Total Area (SF): 80,000

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
1 Bed / 1 Bath	17	650	\$862	\$1.33
2 Bed / 1 Bath	51	800	\$857	\$1.07
2 Bed / 1 Bath	8	925	\$1,011	\$1.09
2 Bed / 1 Bath	21	1,100	\$900	\$0.82
3 Bed / 1 Bath	2	925	\$993	\$1.07
<b>Total/Avg</b>	<b>99</b>	<b>851</b>	<b>\$882</b>	<b>\$1.04</b>

#### Unit Amenities

Air Conditioning  
Cable Ready  
Carpet  
Ceiling Fans  
Double Vanities  
Hardwood Floors  
Heating  
High Speed Internet Access  
Kitchen  
Oven  
Range  
Refrigerator  
Walk-In Closets  
Yard

#### Site Amenities

Clubhouse  
Laundry Facilities  
Laundry Service

# COMPARABLE

## Rent Properties

### 5 Reaves Places



101-163 Reaves Place  
Anderson, SC 29625

Year Built: 2004  
Total Units: 32  
Property Type: Garden  
Total Area (SF): 25,348

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 1 Bath	32	800	\$905	\$1.13
<b>Total/Avg</b>	<b>32</b>	<b>980</b>	<b>\$905</b>	<b>\$1.13</b>

#### Unit Amenities

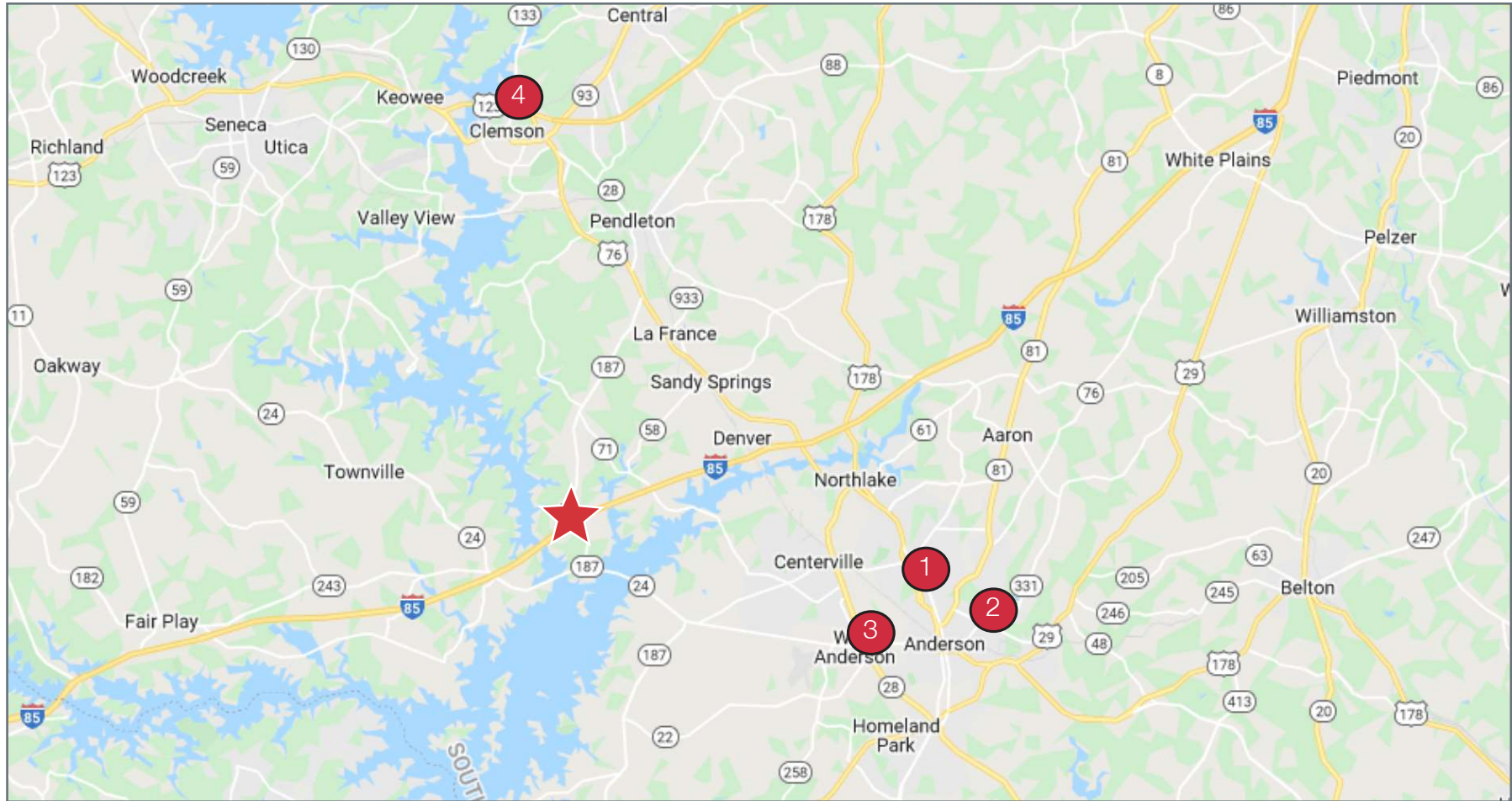
Air Conditioning  
Balcony  
Cable Ready  
Dishwasher  
Heating  
Range  
Refrigerator  
Washer/Dryer Hookup


#### Site Amenities

Property Manager on Site

# COMPARABLE

## Sale Properties



	PROPERTY	# UNITS	YEAR	ACRES	SALE DATE	SALE	PRICE/UNIT
	Azalea Apartments	39	1972	2.68	TBD	TBD	TBD
1	Olde Town at Bailey Court	99	1964	9.93	May 2021	\$8,150,000	\$81,500
2	110 Heritage Drive	16	1980	1.28	Jun 2020	\$1,215,000	\$75,938
3	Reaves Places	32	2004	2.00	Dec 2021	\$2,420,000	\$75,625
4	Carriage Arms	16	1973	1.00	Dec 2020	\$1,050,000	\$65,625

# COMPARABLE

## Sale Properties

### 1 Olde Town at Bailey Court



106 Concord Ave.  
Anderson, SC 29621

Year Built: 1964  
Total Units: 99  
Property Type: Garden  
Total Area (SF): 80,000 SF  
Sale Price: \$8,150,000  
Price/Unit: \$81,500

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
1 Bed / 1 Bath	17	650	\$862	\$1.33
2 Bed / 1 Bath	51	800	\$857	\$1.07
2 Bed / 1 Bath	8	925	\$1,022	\$1.09
2 Bed / 1 Bath	21	1,100	\$900	\$0.82
3 Bed / 1 Bath	2	925	\$993	\$1.07
<b>Total/Avg</b>	<b>99</b>	<b>851</b>	<b>\$882</b>	<b>\$1.04</b>

#### Unit Amenities

Air Conditioning  
Cable Ready  
Carpet  
Ceiling Fans  
Double Vanities  
Hardwood Floors  
Heating  
High Speed Internet Access  
Kitchen  
Oven  
Range

#### Site Amenities

Clubhouse  
Laundry Facilities  
Laundry Service

### 2 110 Heritage Drive



110 Heritage Dr.  
Anderson, SC 29621

Year Built: 1980  
Total Units: 16  
Property Type: Garden  
Total Area (SF): 15,000 SF  
Sale Price: \$1,215,000  
Price/Unit: \$75,938

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 2 Bath	16			
<b>Total/Avg</b>	<b>16</b>			

# COMPARABLE

## Sale Properties

### 3 Reaves Places



101-163 Reaves Pl.  
Anderson, SC 29625

Year Built: 2004  
Total Units: 32  
Property Type: Garden  
Total Area (SF): 25,348 SF  
Sale Price: \$2,420,000  
Price/Unit: \$75,625

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 1 Bath	32	800	\$905	\$1.13
<b>Total/Avg</b>	<b>32</b>	<b>800</b>	<b>\$905</b>	<b>\$1.13</b>

#### Space Features

Air Conditioning  
Kitchen  
Oven  
Range  
Refrigerator  
Washer/Dryer Hookup  
Wheelchair Accessible (Rooms)

### 4 Carriage Arms



201 Pickens St.  
Clemson, SC 29631

Year Built: 1973  
Total Units: 16  
Property Type: Garden  
Total Area (SF): 14,040 SF  
Sale Price: \$1,050,000  
Price/Unit: \$65,625

#### Unit Mix

Bed/Bath	Units	SF	Asking Rent	Per/SF
2 Bed / 1.5 Bath	16	875	\$1,100	\$0.80
<b>Total/Avg</b>	<b>16</b>	<b>875</b>	<b>\$1,100</b>	<b>\$0.80</b>

#### Space Features

Dishwasher  
Heating  
Kitchen  
Porch

5

**FINANCIAL**

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OVERVIEW

Azalea Apartments  
Anderson, SC

# FINANCIALS

## Pro Forma Assumptions

### Year 1 Pro Forma Assumptions

#### INCOME

**GROSS POTENTIAL RENT:** Gross potential rent is determined by asking rents at current market levels, assuming all units are renovated and achieving a premium, and is anticipated to increase by 4% annually in years 3-5.

**VACANCY LOSS:** Vacancy loss is forecast at 3.00%.

**OTHER INCOME:** Other income is based on historical operations.



#### EXPENSE

**REPAIRS & MAINTENANCE EXPENSE:** Repairs and maintenance expense is based on market and historical operations.

**UTILITIES EXPENSE:** Utilities expense is based on historical operations.

**GENERAL & ADMINISTRATIVE EXPENSE:** General & administrative expense is based on market and historical operations.

**PAYROLL:** Payroll expense is based on the current staff, wages, benefits, as well as market and historical operations.

**MANAGEMENT FEE:** Management fee is based on market and historical operations.

**INSURANCE:** Insurance is based on market and historical operations.

**TAXES:** Taxes are based on actual millage rates and a projected assessed value at point of sale. Taxes are estimates only.

# FINANCIALS

## Rent Analysis

### Azalea Apartments - Anderson, SC

#### YEAR 1 Rent Growth

	Monthly	Annually
Market Rent	\$29,705	\$356,460
Leases Under Schedule	(\$3,145)	(\$37,740)
Per Unit	(\$81)	(\$968)
<b>Gross Potential Rent</b>	<b>\$26,560</b>	<b>\$318,720</b>

Unit Type	Units	Rent	SF	Rent/SF	Monthly	Annual
1BR	38	\$760	600	\$1.27	\$28,880	\$346,560
2BR	1	\$825	1,062	\$0.78	\$825	\$9,900
<b>Total</b>	<b>39</b>	<b>\$762</b>	<b>23,862</b>	<b>\$1.24</b>	<b>\$29,705</b>	<b>\$356,460</b>

	40%		\$25		60%		\$105		Total Rent Inc.	Leases Under Sched.	Gross Pot. Rent
	Leases Expiring	Renewals	Rent Inc.	Total	New Leases	Rent Inc.					
January	4	2	\$25	\$40	2	\$252	\$292	(2,853.00)	\$26,852		
February	4	2	\$25	\$40	2	\$252	\$292	(2,561.00)	\$27,144		
March	1	0	\$25	\$10	1	\$63	\$73	(2,488.00)	\$27,217		
April	2	1	\$25	\$20	1	\$126	\$146	(2,342.00)	\$27,363		
May	2	1	\$25	\$20	1	\$126	\$146	(2,196.00)	\$27,509		
June	6	2	\$25	\$60	4	\$378	\$438	(1,758.00)	\$27,947		
July	4	2	\$25	\$40	2	\$252	\$292	(1,466.00)	\$28,239		
August	8	3	\$25	\$80	5	\$504	\$584	(882.00)	\$28,823		
September	3	1	\$25	\$30	2	\$189	\$219	(663.00)	\$29,042		
October	4	2	\$25	\$40	2	\$252	\$292	(371.00)	\$29,334		
November	0	0	\$25	\$0	0	\$0	\$0	(371.00)	\$29,334		
December	1	0	\$25	\$10	1	\$63	\$73	(298.00)	\$29,407		
<b>Total</b>	<b>39</b>							<b>(18,249.00)</b>	<b>\$338,211</b>		

#### YEAR 2 Rent Growth

	Monthly	Annually
Market Rent	\$29,705	\$356,460
Leases Under Schedule	(298)	(3,576)
<b>Gross Potential Rent</b>	<b>\$29,407</b>	<b>\$352,884</b>

Unit Type	Units	Rent	SF	Rent/SF	Monthly	Annual
1BR	38	\$760	600	\$1.27	\$28,880	\$346,560
2BR	1	\$825	1,062	\$0.78	\$825	\$9,900
<b>Total</b>	<b>39</b>	<b>\$762</b>	<b>23,862</b>	<b>\$1.24</b>	<b>\$29,705</b>	<b>\$356,460</b>

	40%		\$25		60%		\$105		Total Rent Inc.	Leases Under Sched.	Gross Pot. Rent
	Leases Expiring	Renewals	Rent Inc.	Total	New Leases	Rent Inc.					
January	4	2	\$25	\$40	2	\$252	\$292	(6.00)	\$29,699		
February	4	2	\$25	\$40	2	\$252	\$292	\$0	\$29,705		
March	1	0	\$25	\$10	1	\$63	\$73	\$0	\$29,705		
April	2	1	\$25	\$20	1	\$126	\$146	\$0	\$29,705		
May	2	1	\$25	\$20	1	\$126	\$146	\$0	\$29,705		
June	6	2	\$25	\$60	4	\$378	\$438	\$0	\$29,705		
July	4	2	\$25	\$40	2	\$252	\$292	\$0	\$29,705		
August	8	3	\$25	\$80	5	\$504	\$584	\$0	\$29,705		
September	3	1	\$25	\$30	2	\$189	\$219	\$0	\$29,705		
October	4	2	\$25	\$40	2	\$252	\$292	\$0	\$29,705		
November	0	0	\$25	\$0	0	\$0	\$0	\$0	\$29,705		
December	1	0	\$25	\$10	1	\$63	\$73	\$0	\$29,705		
<b>Total</b>	<b>39</b>							<b>(6.00)</b>	<b>\$356,454</b>		



# FINANCIALS

## Financial Summary & Proforma

### Azalea Apartments - Anderson, SC

Income	TRAILING-12 2/28/2022		T-3 INCOME/T-12 EXPENSES 2/28/2022		FCA PRO FORMA YEAR 1		EXTENDED PRO FORMA			
	TOTAL	PER UNIT	TOTAL	PER UNIT	TOTAL	PER UNIT	YEAR 2 TOTAL	YEAR 3 TOTAL	YEAR 4 TOTAL	YEAR 5 TOTAL
Market Rent	\$303,868	\$7,791	\$314,516	\$8,065	\$356,460	\$9,140	\$356,460	\$370,718	\$385,547	\$400,969
Gain/(Loss) to Lease	\$0	\$0	\$0	\$0	(\$18,249)	(\$468)	(\$6)	\$0	\$0	\$0
<b>Total Gross Potential Rent</b>	<b>\$303,868</b>	<b>\$7,791</b>	<b>\$314,516</b>	<b>\$8,065</b>	<b>\$338,211</b>	<b>\$8,672</b>	<b>\$356,454</b>	<b>\$370,718</b>	<b>\$385,547</b>	<b>\$400,969</b>
Vacancy Loss	INCOME DETAIL NOT PROVIDED		INCOME DETAIL NOT PROVIDED		(\$10,146)	3.00%	(\$10,694)	(\$11,122)	(\$11,566)	(\$12,029)
<b>Total Deductions</b>					<b>(\$10,146)</b>	<b>3.00%</b>	<b>(\$10,694)</b>	<b>(\$11,122)</b>	<b>(\$11,566)</b>	<b>(\$12,029)</b>
<b>NET RENTAL INCOME</b>	<b>\$303,868</b>	<b>\$7,791</b>	<b>\$314,516</b>	<b>\$8,065</b>	<b>\$328,065</b>	<b>\$8,412</b>	<b>\$345,760</b>	<b>\$359,597</b>	<b>\$373,981</b>	<b>\$388,940</b>
Laundry Income	\$1,150	\$29	\$4,600	\$118	\$7,200	\$185	\$7,344	\$7,491	\$7,641	\$7,794
Utility Reimbursement	INCLUDED IN RENT		INCLUDED IN RENT		\$11,700	\$300	\$12,051	\$12,413	\$12,785	\$13,168
Other Income	\$0	\$0	\$0	\$0	\$1,950	\$50	\$1,989	\$2,029	\$2,069	\$2,111
<b>Total Other Income</b>	<b>\$1,150</b>	<b>\$29</b>	<b>\$4,600</b>	<b>\$118</b>	<b>\$20,850</b>	<b>\$535</b>	<b>\$21,384</b>	<b>\$21,932</b>	<b>\$22,495</b>	<b>\$23,073</b>
<b>TOTAL OPERATING INCOME</b>	<b>\$305,018</b>	<b>\$7,821</b>	<b>\$319,116</b>	<b>\$8,182</b>	<b>\$348,915</b>	<b>\$8,947</b>	<b>\$367,144</b>	<b>\$381,529</b>	<b>\$396,476</b>	<b>\$412,013</b>
<b>Expenses</b>										
General Repairs & Maintenance	\$43,807	\$1,123	\$43,807	\$1,123	\$40,000	\$1,026	\$40,800	\$41,616	\$42,448	\$43,297
Landscaping	\$850	\$22	\$850	\$22	\$900	\$23	\$918	\$936	\$955	\$974
Pest Control	\$840	\$22	\$840	\$22	\$600	\$15	\$612	\$624	\$637	\$649
<b>Subtotal Repairs &amp; Maintenance</b>	<b>\$45,497</b>	<b>\$1,167</b>	<b>\$45,497</b>	<b>\$1,167</b>	<b>\$41,500</b>	<b>\$1,064</b>	<b>\$42,330</b>	<b>\$43,177</b>	<b>\$44,040</b>	<b>\$44,921</b>
Utilities	\$37,228	\$955	\$37,228	\$955	\$38,345	\$983	\$39,495	\$40,680	\$41,901	\$43,158
General & Administrative	\$635	\$16	\$635	\$16	\$1,000	\$26	\$1,020	\$1,040	\$1,061	\$1,082
Management Fee	\$21,124	\$542	\$21,124	\$542	\$27,913	8.00%	\$29,372	\$30,522	\$31,718	\$32,961
Insurance	\$12,548	\$322	\$12,548	\$322	\$15,000	\$385	\$15,150	\$15,302	\$15,455	\$15,609
Property Tax	\$29,499	\$756	\$29,499	\$756	\$44,910	\$1,152	\$45,359	\$45,812	\$46,270	\$46,733
<b>TOTAL EXPENSES</b>	<b>\$146,531</b>	<b>\$3,757</b>	<b>\$146,531</b>	<b>\$3,757</b>	<b>\$168,668</b>	<b>\$4,325</b>	<b>\$172,726</b>	<b>\$176,533</b>	<b>\$180,445</b>	<b>\$184,464</b>
<b>NET OPERATING INCOME</b>	<b>\$158,487</b>	<b>\$4,064</b>	<b>\$172,585</b>	<b>\$4,425</b>	<b>\$180,247</b>	<b>\$4,622</b>	<b>\$194,419</b>	<b>\$204,996</b>	<b>\$216,031</b>	<b>\$227,548</b>
<b>NOI Adjusted for Increase in Taxes</b>	<b>\$143,076</b>	<b>\$3,669</b>	<b>\$157,174</b>	<b>\$4,030</b>						

# FURMAN

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CAPITAL ADVISORS

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