

INVESTMENT OPPORTUNITY

912 INLET SQUARE DRIVE

MURRELLS INLET | SOUTH CAROLINA 29576



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912 Inlet Square Drive
Murrells Inlet | South Carolina | 29576

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EXECUTIVE SUMMARY

THE OFFERING

Flagship Healthcare Properties is pleased to present the opportunity to acquire a stabilized, 100% leased, medical office building in Murrells Inlet, South Carolina. Located less than 15 miles from Myrtle Beach, South Carolina, this 18,000 square foot, one-story medical office is leased to three tenants with Weighted Average Lease Terms of 3 years and 6 months. This property offers a Buyer a stabilized medical investment located in a growing bedroom community of Myrtle Beach.



EXECUTIVE SUMMARY



7.2%

WALT



3 Yr. 6 Months



\$5,200,000



1996

TOTAL SF



18,027 SF

KEY INVESTMENT HIGHLIGHTS

- 100% Leased Medical Office Building
- Strong tenant mix: Palmetto Primary Care, Carolina Eye Care (USEye), and General Dentistry
- Located in the growing area of Murrells Inlet, South Carolina (15 miles from Myrtle Beach airport)
- Only 2 miles from local Hospital (Tidelands Waccamaw Community Hospital in collaboration with MUSC Health)
- Stabilized Net Operating Income (2025) of \$376,250



PROPERTY DETAILS



Ownership Interest:
Fee- Simple



Tax Map Reference:
46904040005



Building Size:
18,027 SF



Land Area:
2.170 Acres



Year Built:
1996



Exterior:
Masonry, stone and glass



County:
Horry County



Zoning/Use:
Highway Commercial District (HC) / Medical Office



Nearest Major Hospital:
Tidelands Health



Parking:
97 Spaces/5.4 per 1,000 SF

LOCATION



AERIAL



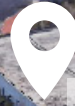
Tidelands Health



LaserLab



Southeast Medical Associates



912 INLET SQUARE DRIVE
Palmetto Primary Care



AERIAL



MARKET OVERVIEW

Murrells Inlet on South Carolina's Hammock Coast is known for its scenic beauty and fresh seafood, as well as destinations like Brookgreen Gardens, Huntington Beach State Park, and the MarshWalk.

Now it has placed 6th in a "Best Small Town in the South" contest promoted by USA Today's 10 Best Readers' Choice travel awards. An expert panel selected Murrells Inlet as a contender for the contest, which launched on March 4, and the public voted online through April 1. The judges praised Murrells Inlet for its Lowcountry charm, saying, "South of the hustle and bustle of Myrtle Beach and situated on the Hammock Coast, Murrells Inlet moves along at a slower pace. 'The seafood capital of South Carolina,' Murrells Inlet has long been a destination for fishing and water sports, as well as for dining on some of the freshest seafood at local restaurants. Garden enthusiasts will love wandering the grounds at Brookgreen Gardens, home to the largest collection of American figurative sculpture in the United States, while outdoor aficionados can hit the trails at Huntington Beach State Park."

The Hammock Coast isn't new in catching the eyes of editors and contest judges at USA Today.

Historic Georgetown won USA Today's Best Coastal Small Town contest in 2018 and was a contender for many years since. Brookgreen Gardens and Huntington Beach State Park have also been in the running for contests, too, such as "Best Botanical Gardens" or "Best State Park for RVers."

POPULATION: 39,697

POPULATION PERCENTAGE CHANGE APRIL 2020 - JULY 2023: 11.2 INCREASE



- #1** US DESTINATION FOR HOTEL REVENUE RECOVERY 2021
- #1** DESTINATION FOR JUNE DOMESTIC SEARCHES
- #1** FASTEST GROWING CITY IN US
- #3** MOST POPULAR SUMMER DESTINATION
- #3** DESTINATION FOR MAY DOMESTIC SEARCHES
- #3** TOP CITY JOB SEEKERS ARE FLOCKING TO

MARKET OVERVIEW

EMPLOYMENT

From 2021 to 2022, employment in Murrells Inlet, SC grew at a rate of 6.76%, from 4.17K employees to 4.45K employees.

The most common employment sectors for those who live in Murrells Inlet, SC, are Health Care & Social Assistance (819 people), Accommodation & Food Services (634 people), and Retail Trade (602 people). This chart shows the share breakdown of the primary industries for residents of Murrells Inlet, SC, though some of these residents may live in Murrells Inlet, SC and work somewhere else. Census data is tagged to a residential address, not a work address. As a prominent city on the United States east coast, Myrtle Beach is mostly known for its position as a vacation destination. The strongest industries in the area include hospitality, entertainment, government, healthcare, and aerospace

MYRTLE BEACH HEALTHCARE

Myrtle Beach, SC - Grand Strand Medical Center today announced that it has been named among America's 100 Best Hospitals for stroke care, spine surgery, gastrointestinal (GI) surgery and critical care according to Healthgrades, a leading resources that connects consumers, physicians and health systems.

The hospitals named to Healthgrades' list of America's 100 Best Hospitals excel in providing exceptional care and are recognized as the top 2% in the nation for consistent clinical excellence.

Sustaining a high level of care requires a hospital-wide commitment and an ongoing 'patient-first' approach. "Healthgrades applauds Grand Strand Medical Center for rising to this challenge and recognizes them as the best in the nation. It is important that consumers consider hospital quality when it comes to selecting a hospital for their specific care needs," said Dr. Brad Bowman, Chief Medical Officer for Healthgrades.

TOP EMPLOYERS MURRELLS INLET/MYRTLE BEACH

- 1 Horry County School District
- 2 Coastal Carolina University
- 3 Horry County Government
- 4 Conway Medical Center
- 5 McLeod Loris Seacoast
- 6 Grand Strand Regional Medical Center
- 7 City of Myrtle Beach
- 8 HTC
- 9 Kyocera (AVX)
- 10 Apollo Valves/Conbraco



DEMOGRAPHICS



61.6
MEDIAN AGE



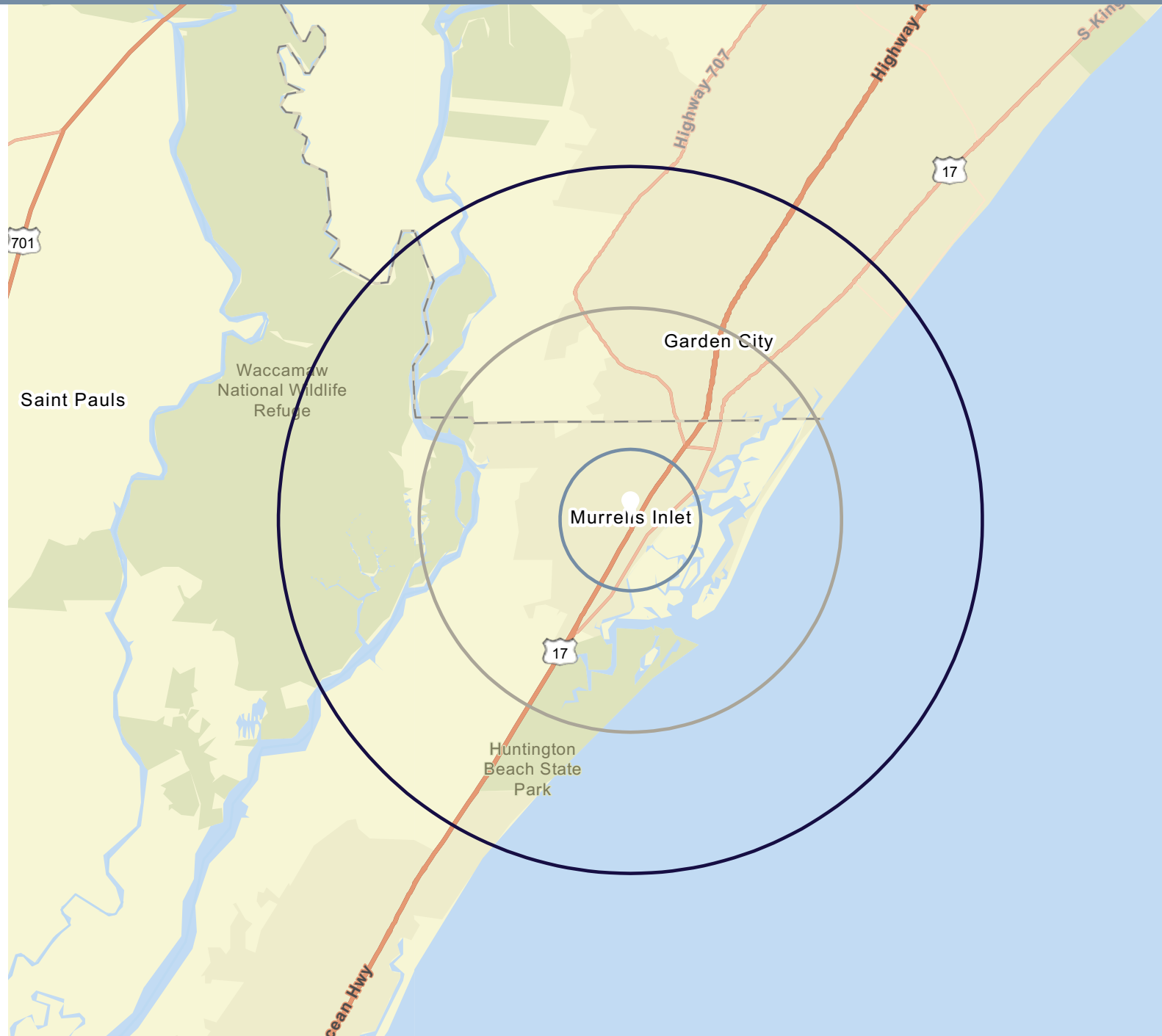
20,393
HOUSEHOLDS



\$97,808
AVG. HOUSEHOLD
INCOME



42,015
POPULATION



TENANT OVERVIEW



**PALMETTO
PRIMARY CARE
PHYSICIANS**

Palmetto Primary Care Physicians (Suite A)

LEASE EXPIRATION: 12/31/2028
TOTAL SF: 9,350 SF
PERCENT OF BUILDING: 52%
WEBSITE: <https://palmettoprimarycare.com>



Carolina Eye Care Physicians (Suite B)

LEASE EXPIRATION: 9/30/2029
TOTAL SF: 3,402 SF
PERCENT OF BUILDING: 19%
WEBSITE: <https://carolinaeyecare.com>
NOTES: A US eye company



VSM Management/Murrells Inlet Dental Group (Suite C)

LEASE EXPIRATION: 2/28/2026*
TOTAL SF: 5,275 SF
PERCENT OF BUILDING: 29%
WEBSITE: carolinadentalalliance.com
NOTES: Landlord & Tenant in discussions to renew for 10 years

RENT ROLL

Tenant Name Suite # Lease Dates	Area (SF) Building Share (%)	Annual Rent	Rent/SF	Rent Charge Dates	Rent/SF	Notes
PALMETTO PRIMARY CARE PHYSICIANS LLC Suite: A 1/1/2023-12/31/2028	9,350 SF 52%	\$202,240	\$21.63	January 2025 January 2026 January 2027 January 2028	\$22.28 \$22.95 \$23.64 \$24.35	Lease Type: NNN Options: Exclusivity for Primary Care
CAROLINA EYE CARE PHYSICIANS (US EYE CO.) Suite B 9/9/2024-9/30/2029	3,402 SF 19%	\$68,040	\$20.00	October 2025 October 2026 October 2027 October 2028	\$20.60 \$21.22 \$21.86 \$22.51	Lease Type: NNN Options: Two (2) Five (5) year renewal option
VSM MANAGEMENT LLC Suite C 10/5/2018-2/28/2026	5,275 SF 29%	\$102,423	\$19.42	November 2025	\$19.95	Lease Type: NNN Options: Two (2) Five (5) year renewal options Landlord & Tenant in discussions to renew lease for 10 years

FINANCIALS

	ACTUAL 01/23 - 12/23	2023 Annual	ACTUAL+ BUDGET 01/24-12/24	01 thru 12/2024 Actual + Budget	Budget 01/25 - 12/25	2025 Budget
Description	Annual Comparative	Per Sq Ft	Annual Comparative	YTD Per Sq Ft	Annual BUDGET	Per Sq Ft
OPERATING INCOME						
Rental Income	358,740.52	19.90	306,537.16	17.00	374,360.22	20.77
Rent Concessions	0.00	0.00	-4,158.00	-0.23	0.00	0.00
TOTAL RENTAL INCOME	358,740.52	19.90	302,379.16	16.77	374,360.22	20.77
RECOVERY INCOME						
CAM Recovery - Prior Year			1,901.49	0.11	0.00	0.00
Common Area Maintenance	199,596.72	11.07	201,423.24	11.17	242,731.33	13.46
CAM Recovery - Current Year	2,716.44	0.15	-3,631.01	-0.20	0.00	0.00
Upfitting Income	0.00	0.00	29,241.50	1.62	0.00	0.00
TOTAL RECOVERY INCOME	202,313.16	11.22	228,935.22	12.70	242,731.33	13.46
REIMBURSED EXPENSE INCOME						
Tenant Bill Back Reimbursement	499.31	0.03	50.00	0.00	0.00	0.00
TOTAL REIMBURSED EXPENSE INCOME	499.31	0.03	50.00	0.00	0.00	0.00
TOTAL INCOME	561,552.99	31.15	531,364.38	29.48	617,091.55	34.23
OPERATING EXPENSES						
CONTRACTED SERVICES						
Software Expense Contract	836.43	0.05	675.01	0.04	660.70	0.04
Exterminating Contract	526.00	0.03	446.00	0.02	541.80	0.03
HVAC Contract	3,600.00	0.20	3,345.00	0.19	3,600.00	0.20

Janitorial / Cleaning Contract	33,900.00	1.88	34,975.00	1.94	37,800.00	2.10
Landscaping Contract	6,300.00	0.35	6,397.25	0.35	6,300.00	0.35
Management Compensation Contract	12,756.24	0.71	12,979.44	0.72	12,979.44	0.72
Association Fee Expense	1,139.00	0.06	1,153.23	0.06	1,195.92	0.07
TOTAL CONTRACTED SERVICES	59,057.67	3.28	59,970.93	3.33	63,077.86	3.50
REPAIRS AND MAINTENANCE						
Electrical Repairs	0.00	0.00	559.99	0.03	1,000.00	0.06
HVAC Repairs - Non Contract	12,330.51	0.68	3,796.21	0.21	5,000.04	0.28
Landscaping - Non Contract	1,265.00	0.07	1,990.00	0.11	2,230.00	0.12
Lighting Repairs	220.00	0.01	685.00	0.04	1,500.00	0.08
Locksmithing / Keys	0.00	0.00	37.50	0.00	0.00	0.00
Parking Lot Repairs	0.00	0.00	0.00	0.00	0.00	0.00
Parking Lot Cleaning	600.00	0.03	300.00	0.02	600.00	0.03
Plumbing Repairs	4,959.38	0.28	1,739.12	0.10	1,600.00	0.09
Interior Building Repairs	1,798.00	0.10		0.00	1,798.00	0.10
Roof Repairs	2,977.54	0.17	950.00	0.05	1,850.00	0.10
Exterior Building Repairs	1,639.00	0.09	760.00	0.04	3,000.00	0.17
Fire Safety Inspections And Repairs	880.24	0.05	681.96	0.04	2,000.00	0.11
Window Cleaning	0.00	0.00	1,063.00	0.06	0.00	0.00
Electrical Supplies	0.00	0.00	25.00	0.00	0.00	0.00
Janitorial Supplies	14,840.76	0.82	15,748.86	0.87	19,464.00	1.08
Lighting Supplies	0.00	0.00	93.00	0.01	200.00	0.01
Maintenance Supplies	0.00	0.00	487.47	0.03	0.00	0.00
TOTAL REPAIRS AND MAINTENANCE	41,510.43	2.30	28,917.11	1.60	40,242.04	2.23
UTILITIES						
Electricity	17,097.99	0.95	18,206.26	1.01	20,832.00	1.16
Electricity-Outdoor	2,061.89	0.11	2,196.86	0.12	2,500.80	0.14
Trash Removal	4,581.72	0.25	3,713.71	0.21	3,367.08	0.19
Water And Sewer	2,569.29	0.14	2,406.19	0.13	2,761.56	0.15
Storm Water	1,083.22	0.06		0.00	0.00	0.00
TOTAL UTILITIES	27,394.11	1.52	26,523.02	1.47	29,461.44	1.63

TAXES AND INSURANCE						
Property Insurance	6,899.29	0.38	26,987.70	1.50	29,708.04	1.65
Property Taxes	29,281.62	1.62	33,567.21	1.86	33,454.56	1.86
TOTAL TAXES AND INSURANCE	36,180.91	2.01	60,554.91	3.36	63,162.60	3.50
MANAGEMENT FEE						
Management Fee	22,088.75	1.23	21,432.24	1.19	24,899.58	1.38
TOTAL MANAGEMENT FEE	22,088.75	1.23	21,432.24	1.19	24,899.58	1.38
BUILDING ADMINISTRATIVE COSTS						
Travel Expense	364.28	0.02	940.35	0.05	800.00	0.04
Meals	455.74	0.03	25.00	0.00	434.82	0.02
TOTAL BUILDING ADMINISTRATIVE COSTS	820.02	0.05	965.35	0.05	1,234.82	0.07
FHP MAINTENANCE REPAIRS AND SUPPLIES						
FHP Maint - Supplies	678.19	0.04	1,533.28	0.09	1,015.34	0.06
FHP Maint - Maintenance Fee	16,728.72	0.93	17,230.89	0.96	17,747.76	0.98
TOTAL FHP MAINTENANCE REPAIRS AND SUPPLIES	17,406.91	0.97	18,764.17	1.04	18,763.10	1.04
TOTAL RECOVERABLE EXPENSES	204,458.80	11.34	217,127.73	12.04	240,841.44	13.36
NET OPERATING INCOME	357,094.19	19.81	314,236.65	17.43	376,250.11	20.87