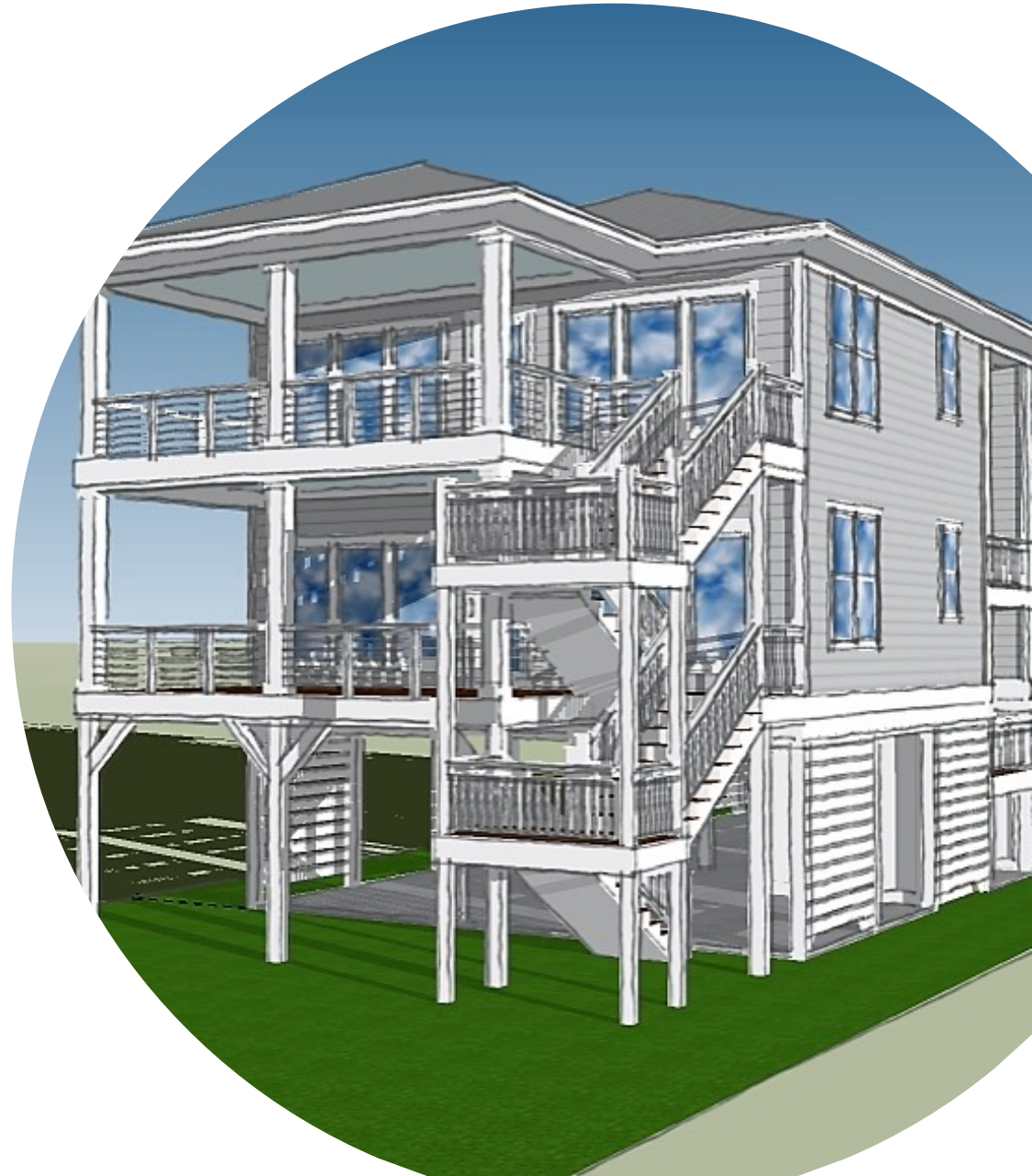




605 Duplex Information

July 2020



Street view For Proposed Duplex

'Over-under' design
4 Bedrooms (each)
3.5 Bathrooms (each)



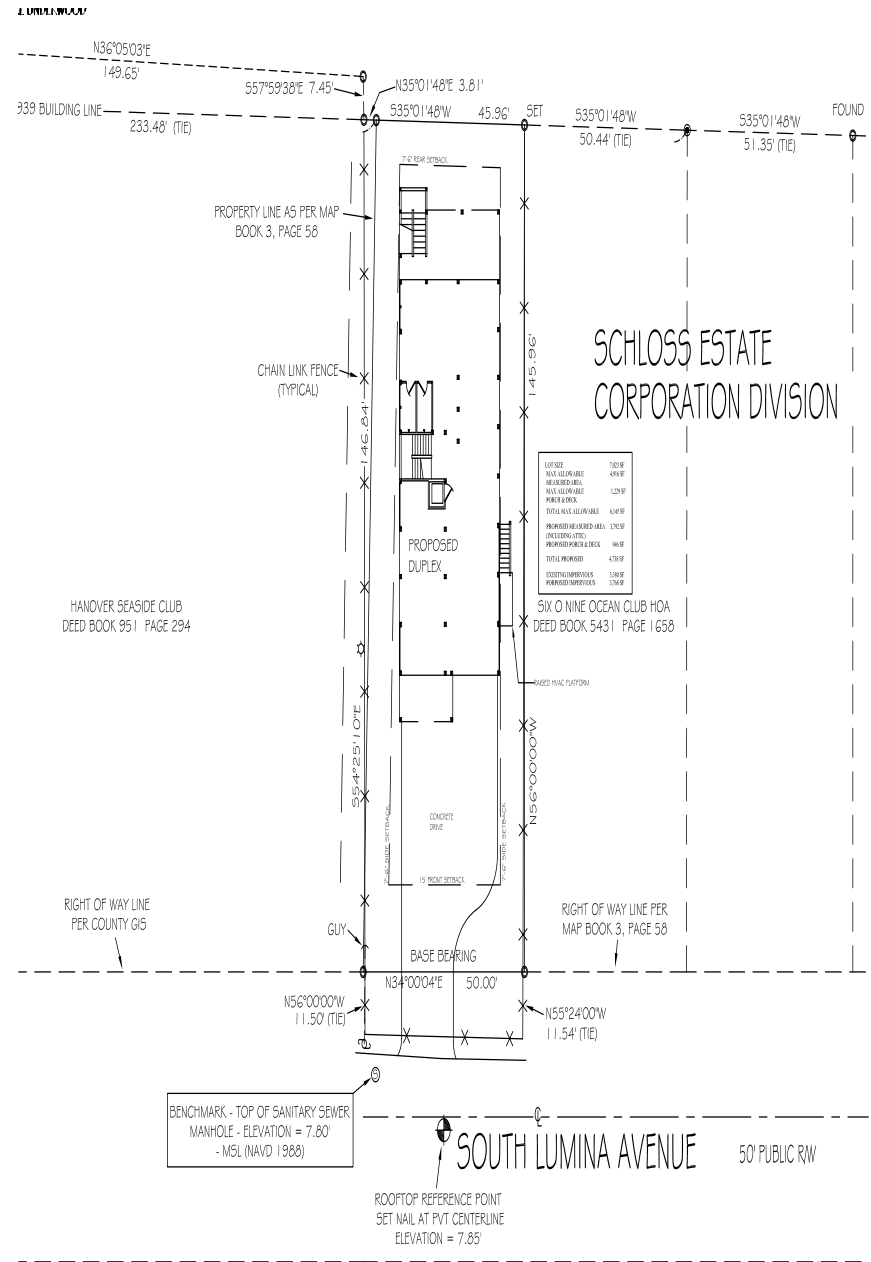


View from Seaside Club

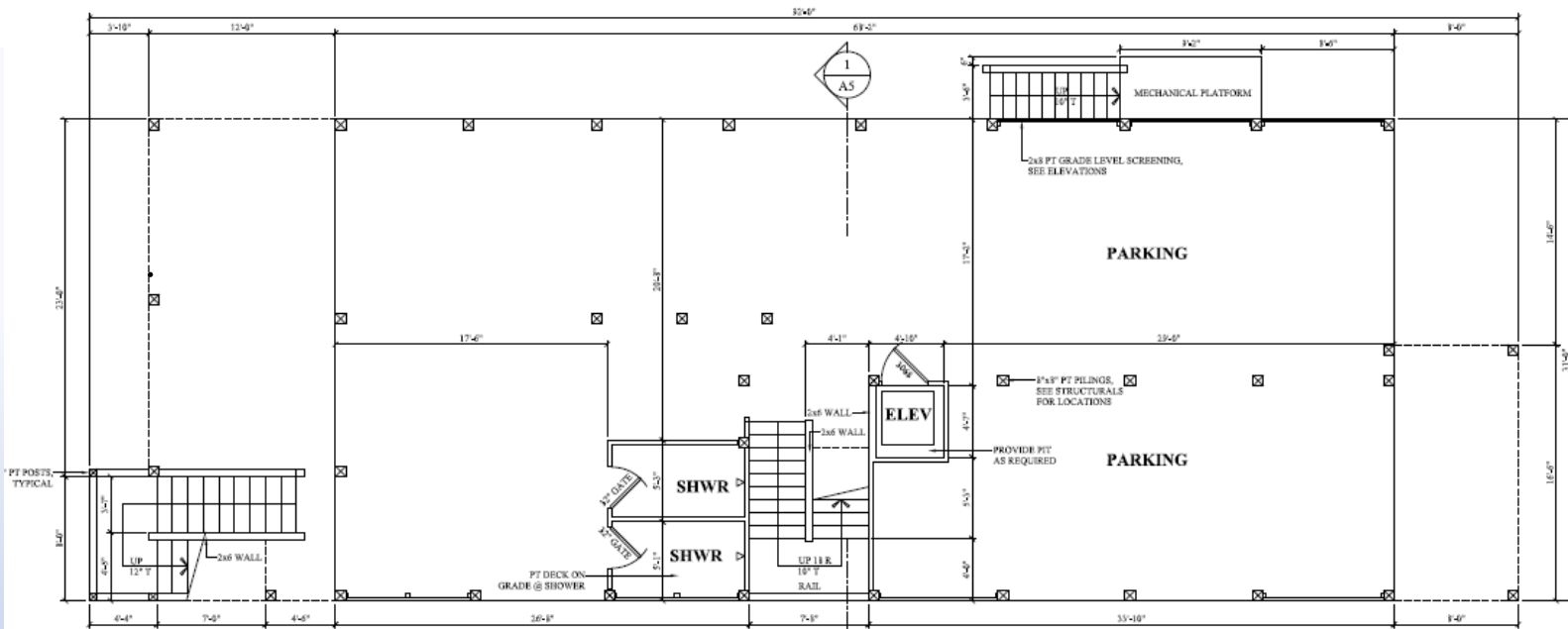
View from the
Ocean . .



Survey with Duplex Footprint

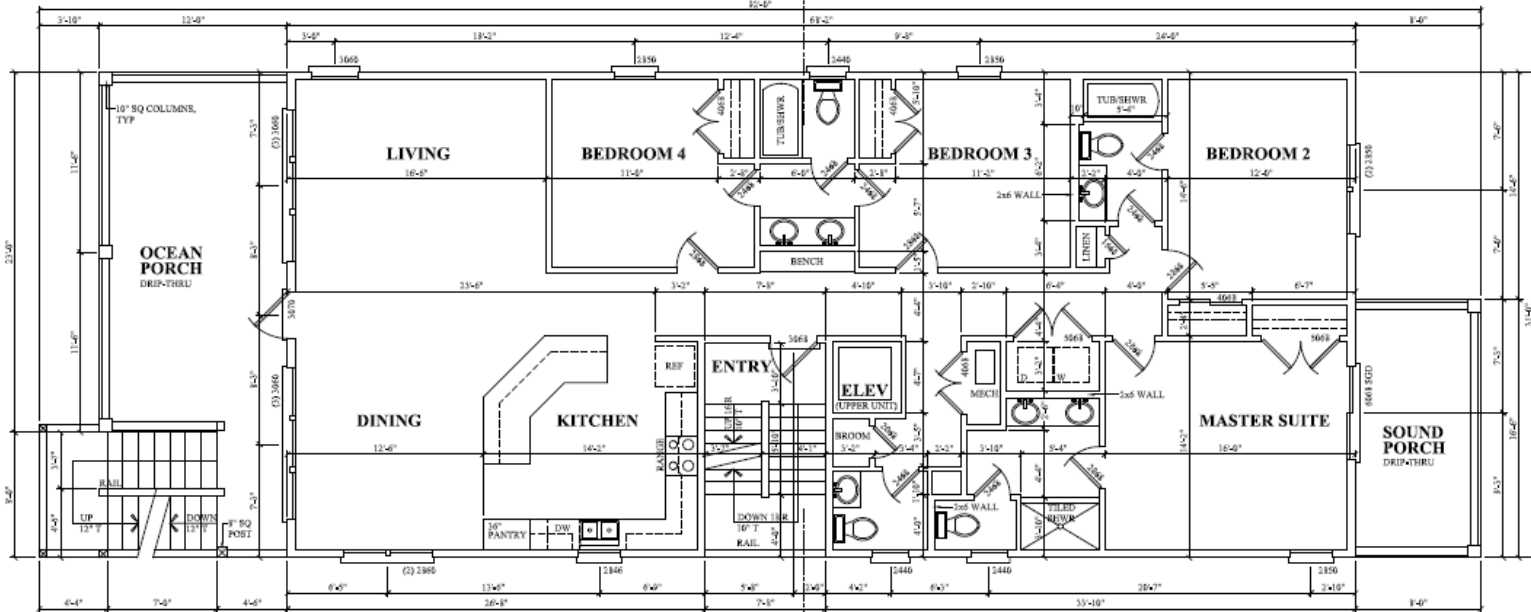


Ground and 1st Floor – Elevator will stop on both floors (with security)



AREA CALCULATIONS (PER BID)	
FIRST FLOOR HEATED	2077.27
SECOND FLOOR HEATED	1491.37
TOTAL HEATED AREA	3568.64
GROUND FLOOR COVERED PORCH	2115.27
	4683.91

ABBREVIATIONS	
AFF	ABOVE FINISHED FLOOR
AO	ARCHED OPENING
AHU	AIR HANDLING UNIT
CATH	CATHEDRAL
CLG	CEILING
CONT	CONTINUOUS
DIA	DIAMETER
DBL	DOUBLE
DO	DOUBLE OVEN
DW	DISHWASHER
ELEV	ELEVATOR
FB	FLUSH BEAM, sized by other
FR	FRENCH
GWB	GYPSUM WALL BOARD
HT	HEIGHT
JST	JOIST
MO	MASONRY OPENING
OC	ON CENTER
PT	PRESSURE TREATED
PDS	PLENUM STAIR
QTR	QUARTER
R	RISK
REF	REFRIGERATOR
RO	ROUGH OPENING
SQ	SQUARE
SHWR	SHOWER
T	TREAD
T&G	TONGUE AND GROOVE
UND	UNLESS NOTED OTHERWISE
W	WITH
WWW	WELDED WIRE MESH



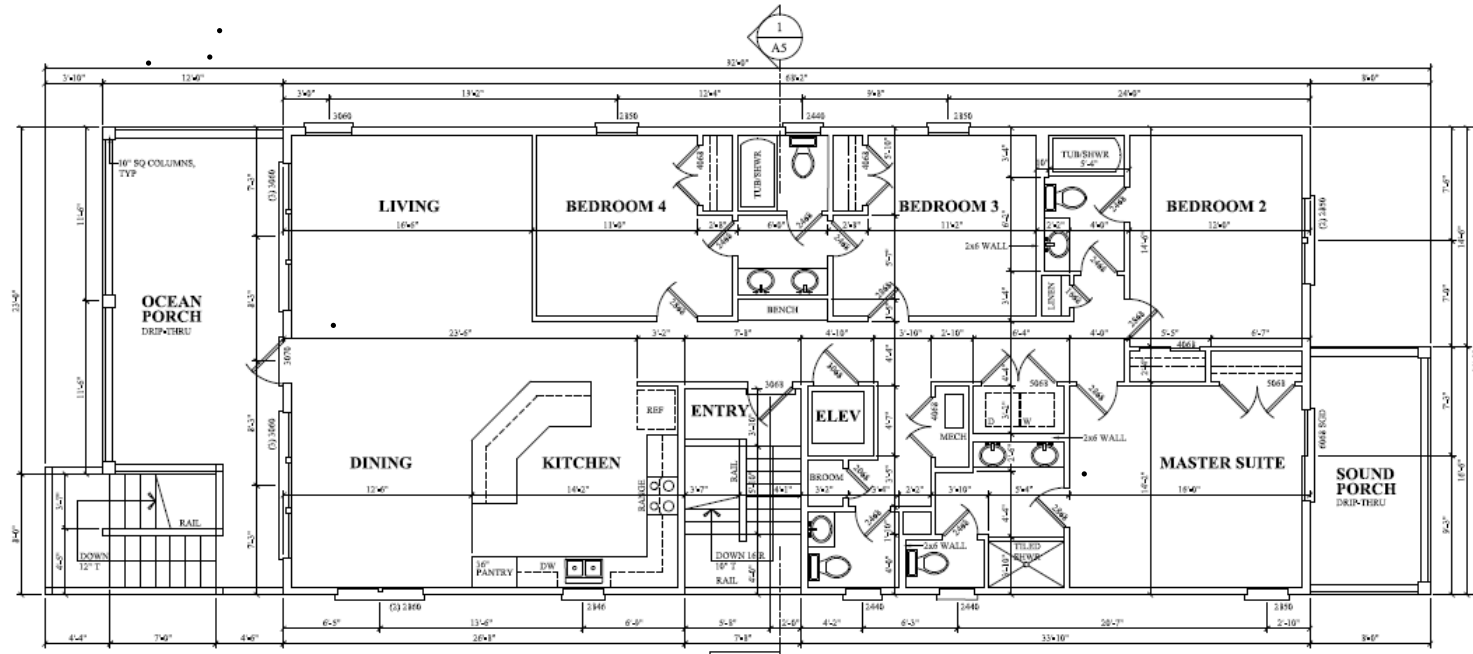
Duplex for the
Hanover Seaside Club
605 South Lumina
Wrightsville Beach, North Carolina

Revisions	date	description

SULLIVAN
DESIGN COMPANY
9 1 0 • 8 8 6 • 1 2 2 3
www.sullivancompany.com

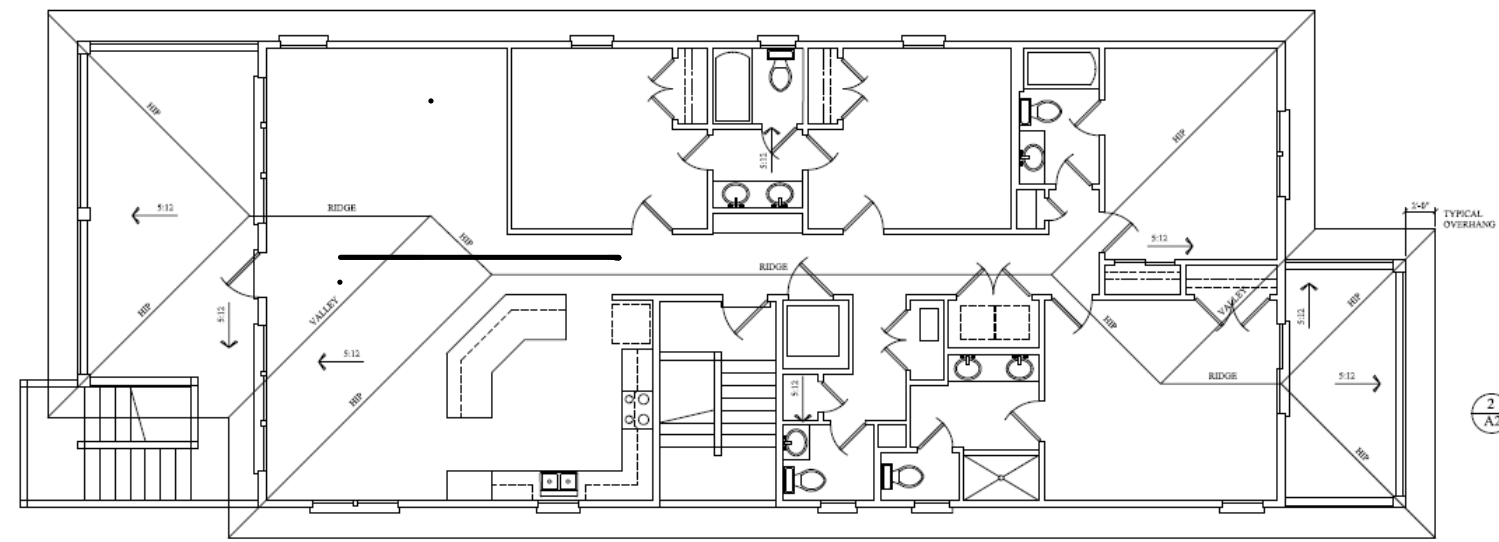
drawn by: SRS
date: 9/21/20
checked by: SRS
file name: 6055Lumina2
sheet number:
A1
copyright 2020
Sullivan Design Co.
All rights reserved.

Second Floor and Roof Plans



1 SECOND FLOOR PLAN
1/4"=4'

- NOTES:
 1) 3/4" 1/2" PLATE HT
 2) SEE ELEVATIONS FOR WINDOW HEIGHTS
 3) DIMENSIONS ARE TO FRAMING
 4) PROVIDE (C) STUDS BETWEEN INDIVIDUAL WINDOW UNITS WHERE MULTIPLE UNITS ARE INDICATED
 5) DOOR & WINDOW SIZE CLARIFICATION EXAMPLE:
 2461 = 2'-4" x 6'-6" (NOMINAL SIZE)
 6) EXTERIOR WALLS ARE 246
 7) CONTRACTOR TO VERIFY ELEVATOR R.O. PRIOR TO CONSTRUCTION



2 ROOF PLAN
1/4"=4'

PRE-ENGINEERED ROOF TRUSSES W/
 SIZING & LAYOUT BY MANUFACTURER

1
 A5
 1
 A2
 Duplex for the
Hanover Seaside Club
 605 South Lamma
 Wrightsville Beach, North Carolina
 Revisions
 date description
 9 1 0 5 8 8 1 2 3
 www.sullivancompany.com
 Sullivan Design Company
 drawn by : SRS
 date 9/21/20
 checked by : SRS
 file name : 605SULM42
 sheet number :
A2
 9/21/2020
 11:15 AM
 11/15/2020

Sullivan Design Co. does not warrant the accuracy of the information provided on these plans. We are not responsible for any errors or omissions. The contractor is responsible for verifying all dimensions and elevations. The contractor is responsible for obtaining all necessary permits and for complying with all applicable codes and regulations. The contractor is responsible for providing all necessary materials and labor. The contractor is responsible for the quality of the workmanship. The contractor is responsible for the safety of the construction site. The contractor is responsible for the completion of the project. The contractor is responsible for the satisfaction of the client.

Financial Impact

Rental Income Estimate (Conservative)

	Lower Level	Upper Level	Occupancy estimate
Spring	\$12,090	\$13,550	38%
Summer	\$72,355	\$81,095	95%
Fall	\$10,181	\$11,411	32%
Winter	\$13,753	\$15,414	22%
TOTAL	\$108,379	\$121,470	47%

Expense Estimate

• Property Management	\$45,970	(20% of revenue on each unit)
• Property Tax	\$20,475	(\$3M value at .6825 tax rate)
• Insurance	\$25,000	
• Utilities	\$15,000	
• Maintenance	\$ 3,000	
• Contingency	\$ 4,500	
• Cleaning Fees	\$10,000	(typically charged to customer)
• Annual Debt Service	\$58,452	(25-year mortgage at 3.0%)
• Total Expenses	\$182,397	

First Year Income
(based on conservative rental estimate)

\$47,452 (gross income)

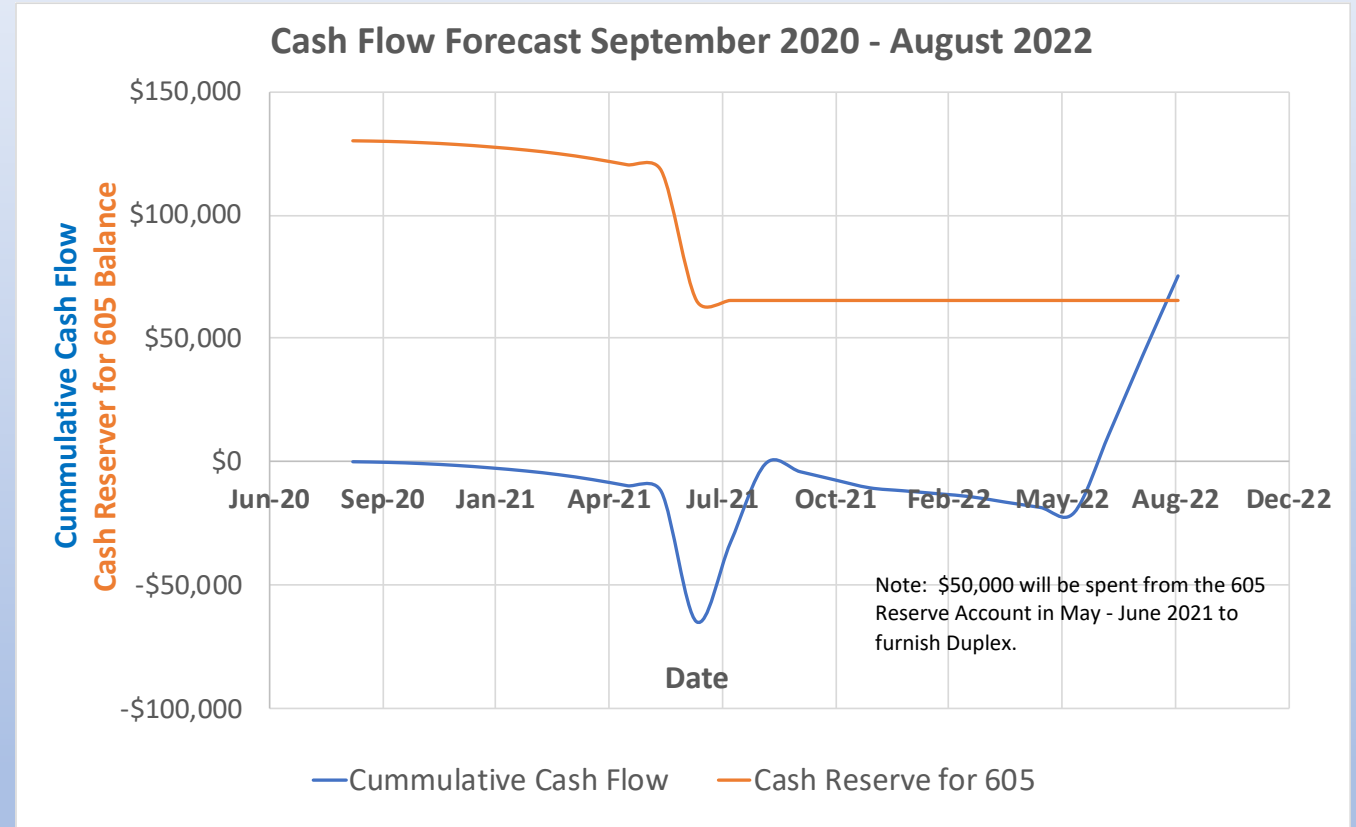
\$37,962 (net after taxes)

-- see next slide for full summary

Financial Impact Summary

• Annual Rental Income	\$ 229,849
• Basis of Estimate – Information provided by Seascape Vacation Rentals (47% overall occupancy).	
• Annual Expense	\$ 182,397
• Basis of Estimate - Expense estimate includes Property Management Fees, Insurance, Property Taxes, Maintenance, Utilities, Cleaning Fees, Contingency, and Debt Service.	
• Income before Tax and Depreciation	\$ 47,452
• Net Income before depreciation, after Tax	\$ 37,962

Cash Flow Forecast



Advantages to Club Members

- No rezoning required for property
- Provides attractive rental property on the beach
- Control look of adjacent property to HSC
- Revenue is cash flow positive. Insurance money covers all costs until units can be rented.
- Amenity for events like weddings (lodging next to wedding venue)
- Available for member use

Questions regarding the loan

- What are our current finances? Has the pandemic affected our finances?
 - Net income was \$38K as of April 30, 2020
 - Net income was \$30,866 as of June 30, 2020
- What is the interest rate?
 - 2.99% - 25-year loan
- Is the land at 605 the only collateral or could the Club be at risk?
 - Just 605
- Does the \$1.1 million include the furnishings?
 - Insurance money should pay for the furnishings

General questions regarding construction

- What is the timeline for construction?
 - ~ 8 – 9 months.
 - Begin September 1; targeted end date May 1, 2021
 - Deliver furniture, kitchen supplies and decorate in May
 - Target date to begin rentals is July, 2021

Questions regarding rental

- Will we rent to students during the off-season?
 - The plan is to have weekly rentals year-round.
- Will there be “first dibs” for Club Members to rent?
 - Yes, we can set dates for Club members to reserve an apartment.
- Will Club members get a discount?
 - The 605 Committee’s estimates were based on full rental price.