

GREGORY HUNT BUILDERS, LLC

LITTLE RIVER, SOUTH CAROLINA
219 STRAND INDUSTRIAL DRIVE
LITTLE RIVER, SC 29566-8145
(843) 222-6005

November 2, 2021

**SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577**

**RE: Oasis (Building 1) 704 York Street, Myrtle Beach, SC 29577
Subject: Field Observations**

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was originally built around 1966, and consists of 7,696 SF. The property is a two-story structure with a combination of brick veneer and siding. Single slope modified roof system, exterior covered stairs and corridors.

The following observations were noted;

- **Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.**
- **Access to the "office/stairwell/rooms" are non-compliant with current A.D.A. requirements.**
- **Door and window glazing does not meet current design and impact requirements. (TYPICAL)**
- **The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)**
- **Emergency stairwells do not meet current code or egress requirements. (illumination, handrailing, riser height, tread width, fire-rating). (TYPICAL)**
- **Electrical panels are nonconforming and do not meet accessibility requirements.**
- **The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)**
- **An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.**

- SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$1.5 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However; should you have any questions, please feel free to contact me.

Respectfully submitted,

Gregory Hunt
Gregory Hunt Builders, LLC

Horry County Land Records Info
Year Built: 1966
Finished Area: 7,696 SF
Tax Value of Land: \$173,880.00
Tax Value of Improvements: \$269,560.00

GREGORY HUNT BUILDERS, LLC

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November 2, 2021

**SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577**

**RE: Oasis (Building 2) 700 York Street, Myrtle Beach, SC 29577
Subject: Field Observations**

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was originally built around 1960, and consists of 5,248 SF. The property is a single-story structure with a combination of brick veneer and siding. Single slope modified roof system; over-framed with a shingle covered hip roof at the south end of the building.

The following observations were noted;

- **Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.**
- **Access to the rooms is non-compliant with current A.D.A. requirements.**
- **Porches do not have required railing, or minimum landing space at entry doors.**
- **Door and window glazing does not meet current design and impact requirements. (TYPICAL)**
- **The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)**
- **Electrical panels are nonconforming and do not meet accessibility requirements.**
- **The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)**
- **Guest rooms are "back-to-back" without a proper fire-rated separating wall.**
- **The roof does not have adequate slope and is holding water.**
- **An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.**

- SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$1.1 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However; should you have any questions, please feel free to contact me.

Respectfully submitted,

Gregory Hunt
Gregory Hunt Builders, LLC

Horry County Land Records Info
Year Built: 1960
Finished Area: 5,248 SF
Tax Value of Land: \$147,000.00
Tax Value of Improvements: \$396,600.00

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LITTLE RIVER, SOUTH CAROLINA
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November 2, 2021

SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577

RE: The Sea Palms 313 7th Ave North, Myrtle Beach, SC 29577
Subject: Field Observations

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was built in 1940 and consists of 5,620 SF. The property is a two-story structure constructed of cast-in-place concrete, concrete masonry units, and wood framing.

The following observations were noted;

- Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.
- Access to the rooms and stairs are non-compliant with current A.D.A. requirements.
- Door and window glazing does not meet current design and impact requirements. (TYPICAL)
- The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)
- Emergency stairwells do not meet current code or egress requirements. (Illumination, handrailing, riser height, tread width, fire-rating). (TYPICAL)
- The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)
- Elevated wood deck does not have positive drainage and shows signs of severe deterioration.
- Exterior storage units have been roofed with a layer of waterproofing membrane in lieu of a permanent roofing system.
- Guest laundry area does not provide adequate access at top of landing.

- An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.
- SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$1 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However; should you have any questions, please feel free to contact me.

Respectfully submitted,

Gregory Hunt
Gregory Hunt Builders, LLC

Horry County Land Records Info
Year Built: 1940
Finished Area: 5,620 SF
Tax Value of Land: \$102,600.00
Tax Value of Improvements: \$210,292.00

GREGORY HUNT BUILDERS, LLC

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November 2, 2021

**SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577**

**RE: FOUNTAINBLEAU INN, 701 Flagg St, Myrtle Beach, SC 29577
Subject: Field Observations**

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was built in 1979 and consists of 14,299 SF. The property is a three-story structure constructed of cast-in-place concrete and concrete masonry units. Interior wood frame partitions have been installed in various locations throughout the building.

The following observations were noted;

- **Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.**
- **Access to the "office/store/stairwell/rooms" are non-compliant with current A.D.A. requirements.**
- **Entrance/exit door does not meet emergency egress requirements in several locations. (Incorrect swing and hardware)**
- **Door and window glazing does not meet current design and impact requirements. (TYPICAL)**
- **The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)**
- **Exterior egress corridors do not meet minimum width requirements. (TYPICAL)**
- **The existing fire sprinkler system is nonconforming. (TYPICAL)**
- **Emergency stairwells do not meet current code or egress requirements. (Illumination, handrailing, riser height, tread width, fire-rating). (TYPICAL)**
- **Concrete balcony railing shows visible signs of structural failure. Cracks, spalling, and delamination from the substrate can be observed. (TYPICAL)**

- The NE corner of the building's brick veneer is absent. It appears that a steel angle iron has been attached to stabilize the remaining veneer. However; the absence of veneer on the end wall has created an unstable condition along the roof line. It would also appear the weathertightness of the roof has been compromised at this location.
- The basement does not have sufficient egress. Stairs are non-conforming. Exterior egress has been blocked by machinery, piping, and modifications to the exit.
- Electrical panels are nonconforming and do not meet accessibility requirements.
- Basement ceiling height and clearance is nonconforming.
- Laundry equipment, and hot water heaters located in the basement are not vented, wired, or positioned in accordance with code.
- Laundry equipment drains into an open sump in the basement.
- The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)
- An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.
- SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$3.5 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However; should you have any questions, please feel free to contact me.

Respectfully submitted,

Gregory Hunt
Gregory Hunt Builders, LLC

Horry County Land Records Info
Year Built: 1979
Finished Area: 14,299 SF
Tax Value of Land: \$206,360.00
Tax Value of Improvements: \$674,500.00

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November 2, 2021

**SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577**

**RE: The Oasis Motel 308 7th Ave North, Myrtle Beach, SC 29577
Subject: Field Observations**

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was built in 1972 and consists of 6,240 SF. The property is a four-story structure constructed of cast-in-place concrete and concrete masonry units. Exterior cantilevered stairwells (2 each) are located at the rear of the structure.

The following observations were noted;

- Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.**
- Access to the rooms and stairs are non-compliant with current A.D.A. requirements.**
- Door and window glazing does not meet current design and impact requirements. (TYPICAL)**
- The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)**
- Emergency stairwells do not meet current code or egress requirements. (Illumination, handrailing, riser height, tread width, fire-rating). (TYPICAL)**
- Concrete balconies and stairwells show visible signs of structural failure. Cracks, spalling, and delamination from the substrate can be observed. (TYPICAL)**
- The first intermediate stair landing does not provide minimum height clearance from the ground level. (TYPICAL BOTH STAIRS)**
- Electrical panels are nonconforming and do not meet accessibility requirements.**
- The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)**
- Retaining wall along the property line requires handrail protection.**

- An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.
- SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$1.25 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However, should you have any questions, please feel free to contact me.

Respectfully submitted,

Gregory Hunt
Gregory Hunt Builders, LLC

Horry County Land Records Info
Year Built: 1979
Finished Area: 6,240 SF
Tax Value of Land: \$147,000.00
Tax Value of Improvements: \$253,100.00

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November 2, 2021

SPE Seventh Avenue Myrtle Beach, LLC
c/o Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, South Carolina 29577

RE: The Sea Nymph 601 6th Ave North, Myrtle Beach, SC 29577
Subject: Field Observations

Gentlemen,

A walkthrough was conducted last Friday, October 29, 2021, to offer an opinion as to the condition of the property, in respect to current building codes, and other requirements that would factor into the purchase, and subsequent ownership of the above referenced property.

According to public records, it was built in 1967 and consists of 6,970 SF. The property is a two-story structure constructed of cast-in-place concrete, concrete masonry units, and wood framing with brick veneer and wood siding.

The following observations were noted;

- Parking lot does not meet current zoning requirements for the City of Myrtle Beach, SC. This includes missing wheel stops, landscape and irrigation.
- Access to the rooms and stairs are non-compliant with current A.D.A. requirements.
- Door and window glazing does not meet current design and impact requirements. (TYPICAL)
- The building is climate-controlled utilizing packaged terminal air conditioners. Almost all of these units are in a state of disrepair and need replacing. (TYPICAL)
- Emergency stairwells do not meet current code or egress requirements. (Illumination, handrailing, riser height, tread width, fire-rating). (TYPICAL)
- The guest rooms do not meet current ADA, Fire, or egress standards. (TYPICAL)
- Electrical room does not meet egress requirements.
- Unprotected storage area is located underneath the emergency stairwell exit.
- An asbestos survey will be required prior to any demolition. This includes selective demolition required to perform the renovations required to achieve code compliance. If asbestos is detected, an abatement plan and procedure will be required.

- **SCDHEC minimal requirements related to gates and fencing around the swimming pool are not in place.**

The above information is not intended to be an exhaustive list, but simply a narrative in which both general and obvious issues were observed. A licensed designer, and/or engineer would need to perform a more thorough survey to properly summarize the existing conditions and to what extent remedial efforts would be necessary to bring the structure into compliance with current code. It is in my opinion, that the cost of renovations to this project would exceed the 50% value of the existing structure. Therefore, the renovations required would have to include the "upgrade" of all nonconforming items before the City would issue a new business license to operate at this location.

I suggest a preliminary construction cost estimate in the amount of \$1.25 million related to the "design/build" for the above referenced project. This takes into account the existing building footprint and square footage, along with "like kind" finishes. It does NOT take into consideration any upgrades, or asbestos remediation, if required.

I trust you will find the above to be both self-explanatory, and sufficient for your needs. However; should you have any questions, please feel free to contact me.

Respectfully submitted,

**Gregory Hunt
Gregory Hunt Builders, LLC**

**Horry County Land Records Info
Year Built: 1967
Finished Area: 6,970 SF
Tax Value of Land: \$500,300.00
Tax Value of Improvements: \$327,700.00**