

# THE VUE

AT ST. ANDREWS



The Vue at St. Andrews – Case Study  
Columbia, SC  
Sale – December 2022



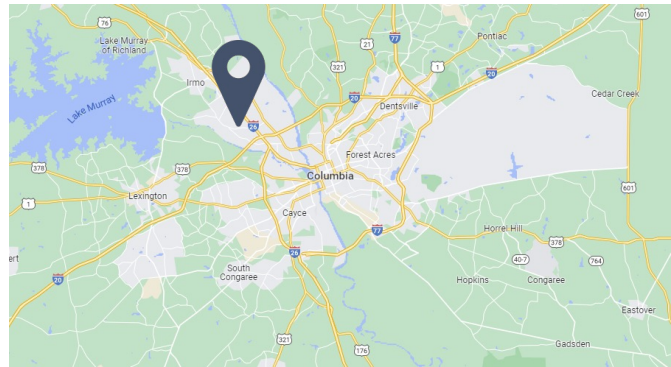
## Investment & Return Summary

<u>Investment Summary</u>		<u>Investor Return Summary</u>	<i>Actual</i>	<i>Projected</i>
Purchase Price:	\$12,550,000	Net IRR:	28.8%	16.0%
Total Capitalization:	\$14,876,908	Net Cash-on-Cash:	7.1%	7.0%
Debt Financing:	\$9,514,908	Net Equity Multiple:	1.5x	1.9x
Equity Financing:	\$5,362,000	Hold Period:	20 months	36-72 months
Sales Price	\$17,800,000			

## Investment Overview

The Vue at St. Andrews ("The Vue") is a 132-unit apartment community located in a working-class northwestern neighborhood of Columbia, South Carolina. The community is 15 minutes from downtown Columbia offering residents a suburban living experience with close proximity to the city. The Vue features 22 buildings consisting of one, two, and three-bedroom apartment and townhome-style units. Upon acquisition, the property was a class B-asset with exterior deferred maintenance, dull community amenities and out-of-date unit interiors.

EM Capital acquired the asset in April 2021 and elected to pursue an interior and exterior value-add renovation plan to increase the property's value and standing among its local competitive set. The property was also not optimally managed by its previous owner, so this left significant operations value-add opportunity



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## Value-Add Business Plan & Results

EM Capital executed a value-add business plan focused on:

- Remedying exterior deferred maintenance –repainting building exteriors, residing several buildings, repairing the roofs, repaving and restriping the parking lot, improving the community’s landscaping and installing LED lights throughout the community.
- Rebranding the property – the property was previously named Churchill at St. Andrews, so as part of our effort to revitalize the community, we pursued a full rebrand to The Vue at St. Andrews including signage, all collateral marketing material, website, and online presence.
- Improving community amenities –renovating the clubhouse/community center, adding a fitness center, improving the pool area, and adding an outdoor grilling station and playground.
- Modernizing unit interiors –modern flooring, paint, kitchen and bathroom countertops, cabinets, kitchen appliances, bathroom vanities and lighting and plumbing fixtures.
- Operational improvements –hiring a renowned third-party property management partner to execute day-to-day leasing and operational responsibilities at the property and working with property management to employ granular asset management practices to minimize downside risk.

EM Capital raised a value-add capital expenditure budget of \$992,000 which included \$332,000 and \$660,000 for exterior and interior improvements, respectively. The budget planned to renovate 88 units at approximately \$7,500 per unit, and we were able to successfully renovate 33 units prior to sale. We projected our value-add business plan would equate to an approximate \$150 premium in unit rental prices per month.

<u>Unit Type</u>	<u>Units</u>	<u>Square Feet</u>	<u>Avg. Rent (going in)</u>	<u>Avg. Rent Achieved</u>	<u>Avg. Premium Achieved</u>	<u>% Increase</u>
1x1	16	720	\$750	\$905	\$155	20.7%
2x2	40	1,008	\$861	\$1,042	\$181	21.0%
2x2 - TH	36	1,148	\$895	\$1,069	\$174	19.4%
3x2	24	1,296	\$961	\$1,098	\$137	14.3%
3x2 - TH	16	1,344	\$1,084	\$1,321	\$237	21.9%

*\*Note: TH = Townhouse-style unit*

Because of the execution and viability of the value-add business plan, The Vue sold for a gross sales price of \$17,800,000 – a 41.8% increase.

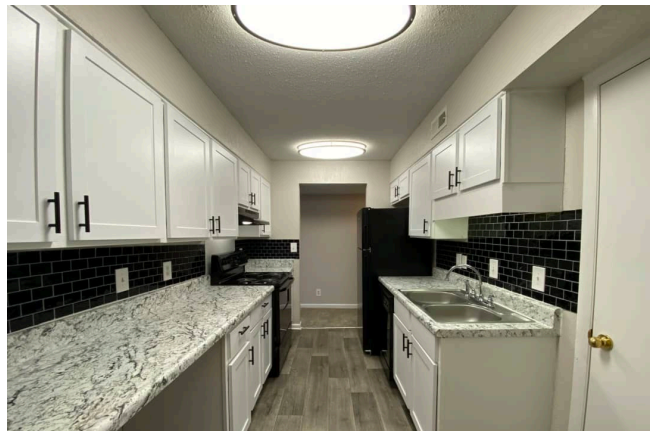


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## *Value-Add Business Plan & Results*



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