

### **Preserve Apartments Property Exemption timeline/explanation**

April 23, 2025	County Provides Mil value
May 13, 2025	Town Passes First Reading of Budget
May 30, 2025	County Assessor Notified of Property Tax Exemptions
June 11, 2025	Town Passes 2 <sup>nd</sup> and Final Reading of Budget
Oct/Nov 2025	County sends property tax bills
March 2, 2026	Chris notifies us about shortfall
March 3, 2026	County responds that they are not having a shortfall
March 9, 2026	O'Brien post on Preserve tax payments discovered
March 10, 2026	Emails from Beaufort County, SCDOR on exemption list
March 13, 2026	Hearing request sent to Ways and Means Chair for hearing

The timeline above gives you an indication of how determining millage works and how it has been basically undermined by the timeline for property tax exemptions issued by the South Carolina Department of Revenue and a lack of communication from Beaufort County to the Town. Had the Town been made aware of the exemption given to the Preserve Apartments by SCDOR when the report was issued on May 30, 2025, we would have had an opportunity to address how to remedy the shortfall created by the loss of \$349,867 for the Preserve Apartments and approximately \$30,000 for the Midtown Apartments. The information was never relayed to Town staff.

Staff was working to identify the shortfall the first part of March and had reached out to Beaufort County finance staff. It is apparent that they had no idea about the specifics of the exemption list(see email to County finance staff); however, the assessor's office had the list in its possession as early as May 30, 2025(attached to this document). The list was not shared with other County finance staff, the Town, or the Beaufort County School District, which lost \$726,123 from this single property tax exemption provided to the Preserve Apartments. Beaufort County Government lost approximately \$259,000 and another \$13,000 for green space. Only by scanning a Nextdoor Social Media Post did we find what could conceivably have been causing the shortfall.

The impact to the Town was a loss of approximately 6% of our anticipated property tax revenue, or roughly 4.5 mils. That is a significantly larger impact than either the County or School District due to the sheer size of their respective budgets.

What followed is/was an attempt by the Town to address how this happened and how to potentially remedy the situation. Once it was determined that the Preserve had received the exemption, the Town requested the application and process for the exemption from SCDOR (we were required to file a freedom information request), and then the Town asked the Ways and Means Chair Bruce Bannister on March 10th to call a subcommittee hearing to discuss a bill that had been contemplated the previous year, S.125. The Town made the request acting on advice from Representative Shannon Erickson. We do not have a formal response currently, nor an anticipated date for a hearing. The bill was drafted to address what is a glaring loophole in the SC code that provided the exemption. From what we understand, the City of Rock Hill first identified the issue; however, the bill was not passed and apparently was not perceived as a serious issue for municipalities/school districts/counties.

I am including the application documents, background information on the applicant Sundance Bay LLC (a Utah-based private equity investment firm with \$4 billion in assets), how they are structured, and finally the status of the bill as it is written. From what we are being told, despite an amendment that would close the loophole, any LLC that had been given the exemption, would be allowed to keep it in perpetuity, not once having to resubmit any supporting documents to justify the exemption.

As to the property tax exemption, a law firm identified a loophole that allows for the creation of an LLC that purports to provide low to moderate income housing. They merely need to stand it up, identify the corporate structure, and with as little as .1% of a management or portion of the parent LLC, then they are eligible for a complete property tax exemption for the applicant property (provided in the attachments is the organizational structure and percentages of ownership used in the Preserve Apartment application).

The Town had a firefighter call the Preserve Apartments, indicate his annual salary, and ask for an affordable unit. He was told \$1,450 for a single bedroom unit. He reiterated that he was inquiring about the affordable units per their website (attached), and he was told that is what they had. If you review the application submitted on behalf of the Preserve Apartments, you will not they included all the buildings and all the units. At his quoted salary, \$48,000 per year, the cost of the apartment represented almost 38% of his annual salary, well above the standard of what is deemed affordable.

As a reminder, the law firm requested all 40 buildings be considered for the property tax exemption. The Preserve Apartments sold for \$92,000,000 most recently at almost \$300,000 per unit.

In summary, unless the bill is amended the Preserve Apartments will have a property tax exemption in perpetuity. Also, if S.125 does not pass, there is nothing cities, towns, school districts, or counties can do to prevent other private equity firms or apartment complexes, including those from out of state, to exploit a glaring loophole by establishing LLCs that supposedly provided low to moderate income without verifiable thresholds to truly deserve exempt status.

It will fall to local taxpayers to bear the burden of providing schooling, police protection, fire protection, and an array of other public services to very well-financed out of state private equity interests through increased property taxes and/or the reduction of essential services.



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**Re: Town of Port Royal Tax Revenue GL Report as of 01.31.26**

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From Van Willis <vwillis@portroyal.org>

Date Mon 3/2/2026 12:54 PM

To Chris Canaday <ccanaday@portroyal.org>

Cc Brooke Plank-Buccola <bplank-buccola@portroyal.org>

1 attachment (355 KB)

TOWN OF PORT ROYAL GL REPORT AS OF 01.31.26.pdf;

Something is way off then  
Sent from my iPhone

On Mar 2, 2026, at 12:27 PM, Chris Canaday <ccanaday@portroyal.org> wrote:

Just letting ya'll know that after the December and January payments from the County, which are the two biggest, we are still short around \$800k of hitting our budget number.

Chris Canaday, CGFO  
Finance Manager  
Town of Port Royal  
P.O. Drawer 9  
Port Royal, SC 29935  
(843)986-2202 - office  
(843)986-2210 - fax

**From:** Thomas, Chrisella <cthomas@bcgov.net>

**Sent:** Monday, February 23, 2026 4:44 PM

**To:** Van Willis <vwillis@portroyal.org>; Chris Canaday <ccanaday@portroyal.org>

**Cc:** Ward, Tanya <tward@bcgov.net>; Coffey, Courtney <courtney.coffey@bcgov.net>; Owsley Grinnell, Lisa <lisa.owsleygrinnell@bcgov.net>; Harriott, Pinky <pharriott@bcgov.net>

**Subject:** Town of Port Royal Tax Revenue GL Report as of 01.31.26

**CAUTION: This email originated from outside the Town of Port Royal's email system. Maintain caution when opening external links/attachments**

Good afternoon,

Please find attached the GL report for Town of Port Royal showing Tax Collections Revenue through January 31,2026.

Funds were wired.

Have a good day.

*Thank you.*

*Chrisella Thomas*

*Revenue Accountant*

*Beaufort County Treasurer's Office*

*Telephone: (843) 255-2592*

*[cthomas@bcgov.net](mailto:cthomas@bcgov.net)*

*Own Everything. Evolve with a Purpose. Serve with Passion*



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**RE: Values**

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**From** Harriott, Pinky <pharriott@bcgov.net>

**Date** Tue 3/3/2026 8:33 AM

**To** Van Willis <vwillis@portroyal.org>; Moore, Michael <michael.moore@bcgov.net>

**CAUTION: This email originated from outside the Town of Port Royal's email system. Maintain caution when opening external links/attachments**

No, not on my side. I'm at 97% for ad volarem tax collections already. But you are correct, you do need to check with them. Maybe they are just a little late transferring the municipalities.

Have a good one! 🤔

Thanks,

**Pinky Harriott, CGFO**  
**Chief Financial Officer**  
Beaufort County, SC  
O: 843-255-2297  
C: 843-812-9634

**From:** Van Willis <vwillis@portroyal.org>

**Sent:** Monday, March 2, 2026 4:49 PM

**To:** Harriott, Pinky <pharriott@bcgov.net>; Moore, Michael <michael.moore@bcgov.net>

**Subject:** Fwd: Values

[EXTERNAL EMAIL] Please report any suspicious attachments, links, or requests for sensitive information to the Beaufort County IT Division at [helpdesk@bcgov.net](mailto:helpdesk@bcgov.net) or to 843-255-7000.

I know this might be a question for the treasurer, but our collections are not where they were last year at this time. Are y'all experiencing the same thing?

Sent from my iPhone

Begin forwarded message:

**From:** Chris Canaday <[ccanaday@portroyal.org](mailto:ccanaday@portroyal.org)>

**Date:** March 2, 2026 at 4:22:40 PM EST

**To:** Van Willis <[vwillis@portroyal.org](mailto:vwillis@portroyal.org)>, Brooke Plank-Buccola <[bplank-buccola@portroyal.org](mailto:bplank-buccola@portroyal.org)>

**Subject:** FW: Values

See below from April of 2025.

**From:** Van Willis <[vwillis@portroyal.org](mailto:vwillis@portroyal.org)>  
**Sent:** Wednesday, April 23, 2025 1:05 PM  
**To:** Chris Canaday <[ccanaday@portroyal.org](mailto:ccanaday@portroyal.org)>  
**Subject:** Fwd: Values

At 74 mils, they puts us at around 5.8 million in taxes.  
Sent from my iPhone

Begin forwarded message:

**From:** "Harriott, Pinky" <[pharriott@bcgov.net](mailto:pharriott@bcgov.net)>  
**Date:** April 23, 2025 at 11:50:52 AM EDT  
**To:** "Sanders, Ebony" <[ebonys@bcgov.net](mailto:ebonys@bcgov.net)>, Van Willis <[vwillis@portroyal.org](mailto:vwillis@portroyal.org)>  
**Subject:** RE: Values

**CAUTION: This email originated from outside the Town of Port Royal's email system. Maintain caution when opening external links/attachments**

Hi Van,

Hope you are doing well. Your estimated mil value for FY26 is \$78,769. I used the same number from the Assessor and the Auditor for personal property.

Let me know if you need anything else.

Thanks,

**Pinky Harriott, CGFO**  
**Chief Financial Officer**  
Beaufort County, SC  
O: 843-255-2297  
C: 843-812-9634

**From:** Sanders, Ebony <[ebonys@bcgov.net](mailto:ebonys@bcgov.net)>  
**Sent:** Wednesday, April 23, 2025 11:36 AM  
**To:** Van Willis <[vwillis@portroyal.org](mailto:vwillis@portroyal.org)>  
**Cc:** Harriott, Pinky <[pharriott@bcgov.net](mailto:pharriott@bcgov.net)>  
**Subject:** RE: Values

The real property valuation data is attached. Ms. Harriott can help you with mill values.



**Ebony Sanders**  
Beaufort County Assessor  
  
Phone: 843-255-2400  
Fax: 843-255-9404  
Email: [ebonys@bcgov.net](mailto:ebonys@bcgov.net)

**From:** Van Willis <[ywillis@portroyal.org](mailto:ywillis@portroyal.org)>  
**Sent:** Wednesday, April 23, 2025 10:00 AM  
**To:** Sanders, Ebony <[ebonys@bcgov.net](mailto:ebonys@bcgov.net)>  
**Subject:** Values

[EXTERNAL EMAIL] Please report any suspicious attachments, links, or requests for sensitive information to the Beaufort County IT Division at [helpdesk@bcgov.net](mailto:helpdesk@bcgov.net) or to 843-255-7000.

We are wrapping up the expense side of our budget, and we are now projecting revenue. Does your office have any preliminary numbers we can review?

Thanks.



	Beaufort County Assessor's Office 100 Ribaut Road Post Office Box 1228 Beaufort, SC 29901  <a href="http://www.beaufortcountysc.gov">www.beaufortcountysc.gov</a>
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**From:** Van Willis <[ywillis@portroyal.org](mailto:ywillis@portroyal.org)>  
**Sent:** Wednesday, April 23, 2025 10:45 AM  
**To:** Sanders, Ebony <[ebonys@bcgov.net](mailto:ebonys@bcgov.net)>  
**Cc:** Harriott, Pinky <[pharriott@bcgov.net](mailto:pharriott@bcgov.net)>  
**Subject:** RE: Values

[EXTERNAL EMAIL] Please report any suspicious attachments, links, or requests for sensitive information to the Beaufort County IT Division at [helpdesk@bcgov.net](mailto:helpdesk@bcgov.net) or to 843-255-7000.

I will actually take both if possible.

**From:** Sanders, Ebony <[ebonys@bcgov.net](mailto:ebonys@bcgov.net)>  
**Sent:** Wednesday, April 23, 2025 10:39 AM  
**To:** Van Willis <[ywillis@portroyal.org](mailto:ywillis@portroyal.org)>  
**Cc:** Harriott, Pinky <[pharriott@bcgov.net](mailto:pharriott@bcgov.net)>  
**Subject:** RE: Values

**CAUTION: This email originated from outside the Town of Port Royal's email system. Maintain caution when opening external links/attachments**

Are you asking for the value of a mill, or are you seeking the raw real property value projections? It is my understanding that the value of a mill has already been calculated by the BC CFO, Ms. Harriott. Additionally, real property valuation projections are ready and available; just let me know what you need.

<image001.png>	<p><b>Ebony Sanders</b>          Beaufort County Assessor</p> <p><b>Phone:</b> 843-255-2400  <b>Fax:</b> 843-255-9404  <b>Email:</b> <a href="mailto:ebonys@bcgov.net">ebonys@bcgov.net</a></p> <p>Beaufort County Assessor's Office          100 Ribaut Road          Post Office Box 1228          Beaufort, SC 29901</p> <p><a href="http://www.beaufortcountysc.gov">www.beaufortcountysc.gov</a></p>
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# South Carolina Department of Revenue

## Property Exempt Approved Listing

Exemption Status: Approved

County: Beaufort

Type: Supplemental - EL0007

Generated On: 5/30/2025 9:39:23 PM  
Page Total: 29

SID SFX SEQ	OWNER	SC CD SECTION	ID NUMBER (TMS) ACQUIRED DATE	LOCATION ADDRESS	GRANTED	TYPE	ACRES	%EXEM	
Real Property									
7871608-001-007	BAUER GEORGE	B1A (Disabled veterans)	R3000280000190000	41 BERMUDA DOWNS SAINT HELENA ISLAND SC 29920-6661	2024	LAND BUILDING	0.51	100 % 100 %	
717959-000-001	BROWN JASON	B1A (Disabled veterans)	R112 033 000 0092 0000	449 COQUINAS LN BEAUFORT SC 29906-6686	2025	LAND BUILDING	0.09	100 % 100 %	
10448366-000-001	CARDOZA GARRETT	B1A (Disabled veterans)	R51000700011400000	59 HAMMOCK OAKS CIR HILTON HEAD ISLAND SC 29926-4424	2025	LAND BUILDING	0.13	100 % 100 %	

V.D. B. AS

Real Property

SID SFX SEQ      OWNER      SC CD SECTION      ID NUMBER (TMS) ACQUIRED DATE      LOCATION ADDRESS      GRANTED      TYPE      ACRES      %EXEM

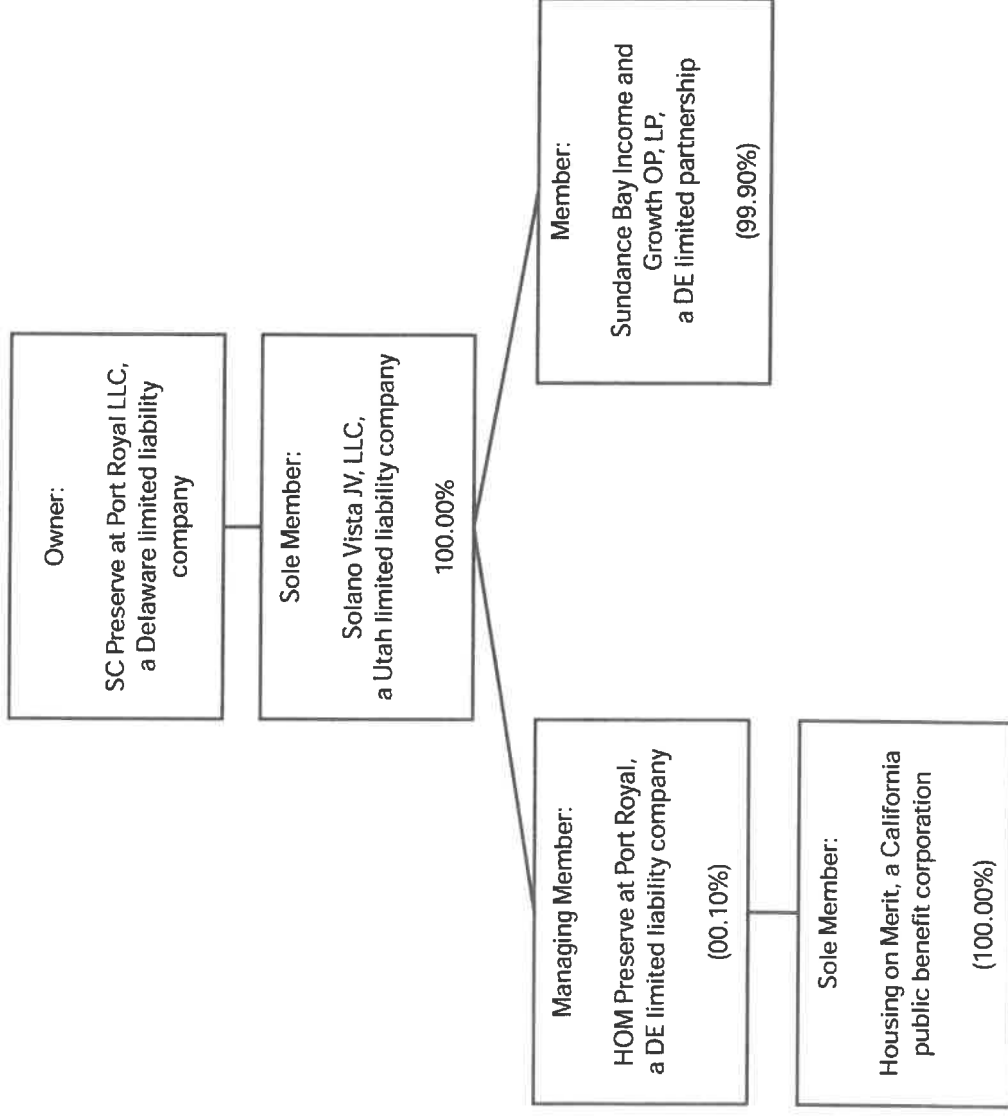
7710253-000-001      PIERCE CONECIA      B1A (Disabled veterans)      R11003400002090000      55 BATTERY CREEK CLUB DR BEAUFORT SC 29902-6901      2024      LAND BUILDING      0.02      100 %  
100 %

2644096-000-003      ROBILLARD GISELLE      B1D (Property held in trust for disabled veterans, law enforcement, and firefighters)      R61402800011650000      25 HARBORAGE CT BLUFFTON SC 29910-9576      2025      LAND BUILDING      0.3      100 %  
100 %

3507367-000-001      SC PRESERVE AT PORT ROYAL LLCB1E      R11008000033A0000      2600 PRESERVE AVE W PORT ROYAL SC 29935-2537      2025      LAND BUILDING      21.89      100 %  
100 %

8984336-000-001      SCHRODER-STANLEY      B1A (Disabled veterans)      60004000A0426000000      45 TIMBER LN HILTON HEAD ISLAND SC 29926-1082      2022      LAND BUILDING      1.00 %  
100 %

2205932-000-001      SHELL POINTE LP      B1E      R11203400001570000      285 MIDTOWN DR BEAUFORT SC 29906-5204      2025      LAND BUILDING      6.33      100 %  
100 %



## Exemption Application

### Instructions

**SID:** 3507367

**Date:**  
3/17/2026

### Instructions

---

- There are no Property Tax Exemptions under 12-37-220 for a recipient of Social Security Disability.
- If you are 65 or older and are applying for Homestead Exemption, please contact your local county auditor's office. The SCDOR does not process Applications for Homestead Exemption.
- If you are applying for an exemption for family cemeteries, select Organization for the first question below.

### Application Information

What application type are you requesting?

Organization

What type of property are you requesting exemption(s) for?

Real Property

**Instructions**

**SID:** 3507367

**Date:**

3/17/2026

**All organizations applying for an exemption are required to provide copies of the following:**

- Recorded deed
- IRS exempt Determination Letter, if applicable
- Stamped South Carolina Articles of Incorporation and bylaws, if applicable
- One of the following:
  - South Carolina vehicle registration card
  - South Carolina bill of sale
  - South Carolina issued title
- If the property is a mobile home, one of the following:
  - Title
  - Bond for title
  - Bill of sale

**Real Property**

What type of exemption are you requesting?

Nonprofit housing corporations or solely owned instr

12-37-220(B)(11)(E) - **Nonprofit housing corporation or solely owned instrumentalities of these corporations** should also provide copies of the following:

- Proof that corporation meets safe harbor provisions of IRS Revenue Procedure 96-32.

Please refer to the paper application for the full list by clicking [here](#).

What year are you requesting this exemption for?

2025

What date was the property acquired?

06-Dec-2021

What type of property is the exemption being requested for?

Land and Building

What is the Tax Map Number?

R110-008-000-033A-0000

Deed Book

4091

Deed Page

2898-2911

How many buildings are being requested for this exemption?

40

How many acres are being requested for this exemption?

21.89

Location Address

**Instructions**

**SID:** 3507367

**Date:**  
3/17/2026

**Enter the physical address of the real property:**

Country

USA

Street 1

1 PRESERVE AVE W

Street 2

City

PORT ROYAL

State

SOUTH CAROLINA

Zip Code

29935-1682

Unit Type

Unit

County

BEAUFORT



**Instructions**

**SID:** 3507367

**Date:**  
3/17/2026

**Answer the questions below:**

---

Explain the use of the property, land, and buildings:

The property is used as an affordable multi-family housing development. Please see attached memorandum.

- 
- Click here if any other individuals, associations, or corporations occupy or use any part of the claimed exemption that is listed on this application.

Explain circumstances and provide the square footage occupied by another entity or individual and the total square footage of the parcel:

The property is used as an affordable multi-family housing development. Please see attached memorandum.

- 
- Click here if any rent is received for this property or any portion of this property.

Indicate from whom, the amount, and frequency:

The property is used as an affordable multi-family housing development. Please see attached memorandum.

- 
- Click here if you lease or rent any property for which you are requesting an exemption.

Indicate from whom:

The property is used as an affordable multi-family housing development. Please see attached memorandum.

---

[Click here if you file an Individual Income Tax return with the SCDOR.](#)

**Instructions**

**SID:** 3507367

**Date:**  
3/17/2026

**All organizations applying for an exemption are required to provide copies of the following:**

- Recorded deed
- IRS exempt Determination Letter, if applicable
- Stamped South Carolina Articles of Incorporation and bylaws, if applicable
- One of the following:
  - South Carolina vehicle registration card
  - South Carolina bill of sale
  - South Carolina issued title
- If the property is a mobile home, one of the following:
  - Title
  - Bond for title
  - Bill of sale

**Personal Property**

**Select the exemption type and fill out the information below.**

What type of exemption are you requesting?

---

What year are you requesting this exemption for?

---

What type of property is the exemption being requested for?

---

Vehicle Removal

**List below any vehicles to be removed:**

**Instructions**

**SID:** 3507367

**Date:**  
3/17/2026

**Enter the location address of the personal property:**

Do not include leased equipment in the asset listing because it does not qualify for the exemption, unless assets are leased by a charitable, not-for profit or governmental hospital.

Country

USA

Street

Street 2

City

State

Zip Code

Unit Type

Unit

County

[Click Here to Verify Address](#)

Address must be verified before continuing

**Make sure the information below is correct before clicking next.**

### Real Property Summary

Real property exemption type

Nonprofit housing corporations or solely owned instr

12-37-220(B)(11)(E) - **Nonprofit housing corporation or solely owned instrumentalities of these corporations** should also provide copies of the following:

- Proof that corporation meets safe harbor provisions of IRS Revenue Procedure 96-32.

Please refer to the paper application for the full list by clicking [here](#).



### Sundance Bay

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Sundance Bay is a real estate private equity firm that specializes in debt, multifamily equity, and net lease investments in middle markets throughout the Mountain West and Sunbelt regions. Since 2012, Sundance Bay has managed private and institutional capital in a series of vehicles utilizing a disciplined investment approach, fiduciary mindset, and aligned organizational structure. Sundance Bay is a privately held and SEC-registered investment adviser.

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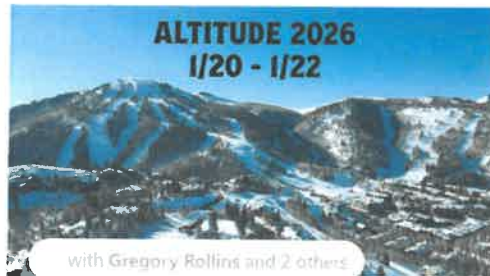
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Sundance Bay 3,922 followers 3mo ·

We're excited to be hosting, along with our co-hosts Dauntless Capital Partners and Weatherford Capital, the 4th iteration of ALTITUDE 2026 ...more

We're pleased to announce Structured Finance has announced a mezzanine loan to facilitate



25 · 2 reposts

29 · 3 reposts



**OUR MANAGEMENT TEAM PERSONALLY INVESTS IN EACH PROJECT:**



SUNDANCE BAY (<https://sundancebay.com>)

**150<sup>+</sup>**

**YEARS COMBINED TEAM EXPERIENCE**

\*AS OF 6/1/2024

**\$4B<sup>+</sup>**

**COMBINED ACQUISITION AND DEVELOPMENT EXPERIENCE**

\*AS OF 6/1/2024

**\$55M<sup>+</sup>**

**IN PERSONAL INVESTMENTS FROM PARTNERS**

\*FROM PERSONAL BANK ACCOUNTS, NOT PROJECT FEES. AS OF 6/1/2024



# Affordable Apartments at Preserve at Port Royal

Thank you for your interest in applying to live here at Preserve at Port Royal. We are an Equal Housing Opportunity provider and seek to process all applicants in a fair and consistent manner. The details surrounding the Affordable Housing qualifications are below. Please call our office to speak to our expert leasing team that can explain the details and availability. Our team of experts is here to help guide you through every step of the application process.

**Preserve at Port Royal** is proud to provide quality apartment homes under the **Safe Harbor guidelines** of South Carolina's affordable housing program. If your annual household income is between **\$38,600 and \$88,100** you may qualify for affordable pricing on homes designed to foster comfort, community, and inclusivity for all.

Please contact us at **843.806.4575** or [click here](#) for additional information.

## Income Limits – State Program

Household Size	50%	80%
1	\$38,600	\$61,700
2	\$44,100	\$70,500
3	\$49,600	\$79,300
4	\$55,100	\$88,100

### CONTACT

Preserve at Port Royal  
1 Preserve Ave W  
Port Royal, SC 29935  
p: (843) 806-4575

### OFFICE HOURS

Monday - Friday: 10:00 am - 6:00 pm  
Saturday: 10:00 am - 5:00 pm  
Sunday: Closed

### SOCIAL

# Affordable Housing



> Schedule a Tour Residents



Contact us (843) 806-4575

[Amenities](#) [Photos & Tour](#) [Affordable](#) [Floor Plans](#) [Contact](#) [Residents](#) [Apply](#)



## Affordable Apartments at Preserve at Port Royal

Thank you for your interest in applying to live here at Preserve at Port Royal. We are an Equal Housing Opportunity provider and seek to process all applicants in a fair and consistent manner. The details surrounding the Affordable Housing qualifications are below. Please call our office to speak to our expert leasing team that can explain the details and availability. Our team of experts is here to help guide you through every step of the application process.

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Please contact us at 843.806.4575 or click here for additional information.

### Income Limits -- State Program

Household Size	50%	80%
1	\$38,600	\$61,700
2	\$44,100	\$70,500
3	\$49,600	\$79,300
4	\$55,100	\$88,100

Chat with us  
 Book a tour  
 Call us

#### CONTACT

Preserve at Port Royal  
1 Preserve Ave W  
Port Royal, SC 29935

#### OFFICE HOURS

Monday - Friday: 10:00 am - 6:00 pm  
Saturday: 10:00 am - 5:00 pm

#### SOCIAL

