

VESTCOR revue



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Chairman's Message

The multifamily industry had a great 2013 and looks strong for 2014. Rents are increasing while occupancy in many of our communities has reached 100 percent. Even more exciting is how well our areas of focus, student housing and senior affordable housing, are doing. We are confident this trend will continue as both product types face limited supply and growing demand.

We capitalized on these opportunities with renewed focus on our development pipeline. 2013 was our most productive year ever with eight new projects in various stages of development. It's nice to be back in a growth mode!

While growing the company is exciting, it is important not to lose sight of the lessons learned over the last five years. To me, the lessons I won't forget are as follows:

- Stay close to your core competencies. Vestcor has always done well with multifamily rental communities. We know the business, and we are committed to keeping multifamily rental real estate our area of focus.
- Take care of your existing portfolio. To maintain strong cash flow you must pay attention to your communities. This means building a strong team, proper maintenance, and constantly looking for ways to improve operations.
- Remember those that stood with you when times were not as good. Our business partners, lenders, investors and employees.
- Be cautious on your assumptions as the past does not always predict the future. We use conservative assumptions and as a result often pass on projects that we may have pursued in the past. But, in the end we will have a stronger foundation on which to build the company.

I hope you enjoy the articles highlighting our tremendous team, our new projects, our charitable activities and of course our very important existing investment portfolio! Thank you for your support and friendship.

Ambassador John Darrell Rood (Ret.)

VISIT OUR WEBSITE

For more information on Vestcor and to keep current in between issues of the Revue, please visit our website at

www.vestcor.com



Kimberly Pointe Staff with their \$100 bonuses

100% Occupancy Program

We encourage the property management team at our communities to believe that they can reach 100% occupancy. We reward each team member with \$100 each time the property hits 100%. This past quarter, the following properties achieved 100% occupancy: Ryan Oaks, Camri Green, Kimberly Pointe, Matthew Ridge and Marcis Pointe.

Keep up the great work Alexis, Michelle, Sandra, Rebecca and Bianca!



John Rood with the Matthew Ridge staff



John Rood, Steve Moore, Steve Frick & Cynthia Haines with the Ryan Oaks Staff



Steve Frick with the Marcis Pointe staff

Vestcor's Breaking New Ground with Florida P

Vestcor Communities was awarded the contract by Florida Polytechnic University to build its first student residence hall. Located in Lakeland, Florida Polytechnic is the newest member of the Florida State University System specializing in STEM programs, specifically technology and engineering, in an applied learning environment.

The residence hall will have 219 bedrooms, most in four bedrooms/two bath units with a kitchenette. The spacious floor plans come fully furnished including a 42" Smart TV. The residence hall will have amenities designed to meet students' needs academically and socially, including an ultra modern community center, study lounge with conference room, computer center with printers, snack lounge and much more.

The structure of this public private partnership is a paradigm shift from the traditional on campus housing

between a private developer and public University. While we work as partners, the community is being built with all private money and there is not a master lease from the university.

Our experience in providing off-campus student housing gives us a unique perspective for the development of this on-campus residence hall. We have incorporated certain amenities that have proven valuable in off-campus housing, including washer and dryers in each unit, resident lounges and an active resident life program.

Construction is well under-way and will be complete for the inaugural class in August 2014. Summit Contractors began construction in mid December and the project is rapidly progressing with the completion of the roof in April.



Polytechnic



Student Property Highlight: The Flats at Kernan

The Flats at Kernan, a 480-bed student housing community developed in 2009, is located within walking distance to University of North Florida's campus in Jacksonville. With the opening of new on-campus dormitories at UNF, The Flats at Kernan had to overcome the challenge of leasing with freshman now required to live on campus.

During lease-up, the management team was given a goal to reach 97% by the fall and would be rewarded with a cruise to the Bahamas for succeeding. Not only did the team meet this goal, but they exceeded it – Kernan is now 100% occupied. Great job!

While the leasing staff played an instrumental part in this effort, they could not have done it without the maintenance staff, Tony Atwell and Dave Fisher. The high level of resident satisfaction is due in part to Tony and Dave's positive attitudes and eagerness to help solve any issues that arise. When surveyed, the students referenced Tony and Dave as being one of the best parts of The Flats and we want to thank them for their exceptional service over the last five years.



Left to Right: Omar, Halie, Kaitlyn, Stephanie, Tashana and Sean



Will & Andy presenting Tony & Dave with extra spending cash for their hard work

Noah's Landing Resident Approved for Home of Her Own

Angelica Herrera, a four year resident of Noah's Landing, was awarded \$1,600 from Noah's Landing for down payment on a home of her own through our Homeownership Rebate Program. The Homeownership Rebate Program gives residents the opportunity to qualify for financial assistance in the purchase of their new home if the resident lives on the property for two years and complies with the terms of the lease. Ms. Herrera said "we have been very fortunate for my children to grow up in this great community; their school is right next door, which, as a single mother was very convenient for us. Our neighbors are great and there are plenty of children in our community which is great too! But there was something missing in our lives and that was having a place of our own."

Angelica, we hope you and your family are enjoying your new home!



Valued Property Managers

John Rood and Cynthia Haines thanked Linda Massey for her twenty years of service. Linda started at Art Museum and also worked at Schooner Bay and Spanish Oaks. She then moved to Thomas Chase where she has served as the manager for almost 10 years!



Virginia Alexander

Virginia Alexander, the Property Manager at Gregory Cove Apartments, first started working on a Vestcor Community in 2000 as the Housekeeper at Courtney Manor Apartments. Virginia worked her way up to leasing agent and eventually to manager at Gregory Cove where she has worked for the last year.

The managers at our properties play an instrumental role in the property's success, so we want to thank Linda, Virginia and the rest of our managers for their hard work and dedication.



L-R: Cynthia Haines, Linda Massey and John Rood

Mark Your Calendar – Vestcor 5K Bridges Run



The 19th annual Vestcor 5K Run will take place on Saturday, August 9th at 7:30 pm. Participants will start and finish at The Landing, pass by The Carling and 11 East Forsyth and continue over the Main Street and Acosta Bridges before crossing the finish line. After the race, runners can enjoy dinner, drinks, live music, giveaways and much more.

Using the proceeds from the 2013 race, the Vestcor Family Foundation has been able to donate to Shands Hospital, Wolfson's Children's Hospital, St. Jude's Hospital, Take Stock in Children, Tiger Academy, Museum of Contemporary Art, Cystic Fibrosis Foundation, Epilepsy Foundation and many other worthwhile local charities.

Vestcor & WRH Bowling Outing

The Vestcor Companies challenged WRH Realty Services to a friendly bowling tournament in the fall. WRH has been our partner for over 10 years, managing the Florida affordable and market rate properties. As a token of our appreciation, we introduced the employees to our favorite bowling spot, Latitude 30. Everyone enjoyed drinks and appetizers as they watched Vestcor defeat WRH by an average score of 111 to 90. WRH, thank you for your valued partnership and better luck next time!



STATEMENT OF VALUES

We stand for strong, ethical behavior, integrity, preservation of the entrepreneurial spirit, a team approach and exceptional quality in products and services.

We take personal pride in our real estate portfolio and all the services we offer.

We recognize that our greatest assets are our employees. We employ talented, committed professionals and provide for their development through training and education.

We enhance our communities through involvement in charities and public service.