

VESTCOR Family Foundation

12th Annual Vestcor 5K Bridges Run

This year's annual Vestcor 5K Bridges Run took place July 21 in downtown Jacksonville at Hemming Plaza. More than 900 racers registered for the charity run, our largest number ever. As a result, more than \$30,000 was distributed to nonprofit organizations including the American Diabetes Association of Jacksonville, North Florida School, Volunteer Jacksonville, Inc.-Reading Program and Wolfson's Children's Hospital.



Following the run, participants and their cheering sections enjoyed a post-race block party featuring live music, food, and drinks. Without the dedication of all of our volunteers, as well

as employees of our sponsors who helped, we would not be able to make the 12th annual run a success. These volunteers and sponsors make it possible for us to help ensure the success of the nonprofit organizations that are critical to the quality of life we all enjoy in our community.

We look forward to seeing you back next year!

Packing for a Cause

The Vestcor Family Foundation teamed up with WRH Realty Group to create the Inaugural Backpack Giveaway, a project to equip Vestcor's young residents with school supplies as they prepared to go back to school. Vestcor and WRH employees donated all of the supplies and stuffed the backpacks. All local affordable properties benefited from the giveaway (Azalea Ridge, Camri Green,



Courtney Manor, Gregory Cove, Holly Cove, Kendall Court, Leigh Meadows, Lindsey Terrace, Mayfair Village, Ryan Oaks and Thomas Chase). A total of 175 backpacks were distributed to the various properties through a random drawing. The number of backpacks going to each property was based upon total number of children at each property. A drawing took place the week before school started and children received their backpacks in time for the first day of school.

Photo: Jessica Quiett (WRH), Jessica Combs (Vestcor), Esmin Master (Vestcor) and Tammy Burgett (Courtney Manor manager) conduct the drawing for the backpack giveaway.

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.

Mission Statement

Our mission is to maximize the return on our investments and provide exceptional general contracting services.

Taking Time To Give Back!

Vestcor has always tried to give back to our community and help those in need. So when our chairman, John Rood, learned that a friend and business partner, Ricardo Quinonez of PQH Architects had broken his hand, we decided to step in and help.

Ricardo and his wife had purchased a small farm in Mandarin that they wanted to turn into a school for children with special needs. They desired to do most of the work themselves, including building a paddock for the horses to graze. But with Ricardo's arm in a cast, it became difficult.

It might have been difficult for Ricardo, but not for the Vestcor crew that took action. Headed by John Rood, the crew consisted of Tom Deluca, Tom Schacht, Steve Moore, Steve Frick, Dan Russell, Michael Sandoval, Ronnie Stalvey and Zach Andry.

The mission was to build a rail fence to enclose a 100' x 100' paddock area. Starting after work in the rain, and with a lot of determination, they finished the job by nightfall with time to spare then all enjoyed some pizza and cold beverages.

Fall 2007

VESTCOR Revue

INVESTMENT • DEVELOPMENT • CONSTRUCTION • SALES

New Opportunities in a Changing Real Estate Market



I hope everyone had a great summer! I ended my last message in The Vestcor Revue talking about the many opportunities in the real estate market.

The first area we are actively engaged in is the development of new mid priced apartment communities. We will start development of 216 mid priced units in a few months. We are also looking at additional development sites in Texas, North Carolina and South Carolina and expect to have two more projects of this type underway by the end of 2007.

We have also entered the student apartment community market and will start building 192 apartment homes by December of this year off of Kernan Road in Jacksonville. The loft-style *The Flats at Kernan* will be located just east of the University of North Florida. We are very excited about this community as the demand for exciting multifamily communities for the student market is in high demand. We are looking at additional opportunities like this and expect to break ground on two new communities in 2008.

We also continue to look for unique sites for condominium development and expect to break ground on one new community in 2008.

After several years without a new affordable rental community start, we will now be applying for a state allocation of tax credits for a new project to start in late 2008.

In addition to the new projects underway, we are pleased with the pace of our condominium sales at *The Cottages at Winding Creek* and *The Cottages at Stoney Creek*. From a low of four sales per month, we are now exceeding 28 sales per month and are well on our way towards selling out these communities. Robert Howard and the entire sales team should be applauded for their hard work.

The training and development courses conducted over the last several months have been well received, and this is critical for the company to continue to adapt and grow in a changing real estate environment. We have dedicated several sessions to reading and discussing Stephen R. Covey's "The 7 Habits of Highly Effective People." This is one of my favorite books and I have enjoyed sharing it with the staff. In addition, we recently hosted world-renowned sales and marketing consultant Charles J. Clark III, who spent two days with the company talking about "The Power of Personality Selling and Personality Marketing" and also shared ideas on how to better work and/or sell to various personality types.

As you can see we have had an exciting summer and we have an even more exciting fall ahead of us!

Ambassador John Darrell Rood (Ret.)

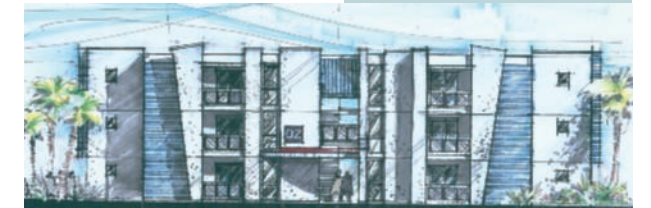
Highlights

The Carling Adds Commercial Tenant

Home Ownership Rebate Program

New Models Open

The 12th Annual 5K Bridges Run



the FLATS
— at KERNAN —

You Beat Move!

VESTCOR Development Corporation

The Carling Welcomes New Commercial Tenant



The Carling Hotel was built in 1926 by the Dinker Hotel Company of Atlanta. Built at a cost of \$2 million, the hotel was one of the finest of the times and set a new standard for luxury hotel accommodations.

Today, The Carling has been restored to its original grandeur by The Vestcor Companies. It is listed on the National Register of Historic Places and features 100 apartment homes, 15,000 square feet of commercial space and a 227-space parking garage.

In June of 2007, Fiorentino & Hewett, LLC, a governmental relations and business development company, became the third tenant to lease commercial space at The Carling. Fiorentino & Hewett, LLC also partnered with John Finotti and launched a new public relations firm by the name of Access Public Relations that is headquartered at The Carling.

Among the other tenants at The Carling are the Shugar Shack and Don's Barber Shop, which occupy the first floor. The building still has vacancy and is leasing for \$18.00 per square foot.

With property features including nearby entertainment venues, close proximity to various businesses and a location two blocks from the Riverfront and one block from Hemming Plaza, The Carling is prime commercial space.

We believe in the new motto for The Carling: "You know what it was. Experience what it has become."

Residents Benefit from Home Ownership Rebate Programs

All residents living in a Vestcor affordable community are eligible to qualify for financial assistance in the purchase of a new home. To receive this benefit, a tenant must reside at the property for a minimum of two years and comply with the terms of the lease. If all qualifications are met, the resident is entitled to down payment assistance equal to 5% of all timely rental payments.

One couple that had resided at Holly Cove Apartments since 1996 has recently purchased a home and received over \$3,300 in down payment assistance. A total of 19 additional rebates have been distributed so far this year totalling over \$23,000. "We are very excited that a number of loyal Vestcor residents are taking advantage of the Home Ownership Program," said Steve Frick, president of Vestcor Development Corporation. "This program provides a tangible reward to long-term residents who have worked hard to realize the American dream of homeownership. It also encourages fiscal responsibility with regard to on-time rental payments. Thus, the program results in a win-win situation for both the residents and Vestcor."



Vestcor's Joint Venture Into Senior Housing

Vestcor partnered with ARD Development on a new senior housing development in Jacksonville. Led by Todd Borck, ARD Development is an experienced developer of tax credit and bond financed housing communities. Steve Frick, president of Vestcor Development Corporation, views this partnership "as a unique opportunity to unite the strengths of both companies to maximize success for this most needed senior housing development."

Madison Manor Apartments, located at 7400 Hogan Road, completed construction on its 160-unit apartment homes in May 2007 and is realizing a successful lease-up. Built four stories high with elevator access to each floor, this development uniquely offers on-site amenities and services including a beauty salon, shuffleboard, library, billiards, arts and crafts rooms, and a fitness center in addition to laundry rooms and resident lounges on each floor.

JDR Construction

The Cottages at Stoney Creek celebrated a Top Out event which was held this summer. The party was a great success with approximately 300 of our subcontractors celebrating our first project in Nassau County. The project is 75% sold out and our first units have been delivered. Our team of Ron Stalvey, Susan Mattox, Larry Barnes, Allison Jeffries, Jim McFauls and Oscar Castano, have once again exceeded expectations!

The Royal Palm project in Bradenton, Florida, consisting of 220 units, was completed in June 2007. The project team of John Bush, Heather Weiss, Peter Cangioli and Mike Harrinbine worked closely with Manatee County introducing them to Tunnel Form construction.



The Cottages at Stoney Creek Top Out

VESTCOR Communities



Above: The Cottages at Stoney Creek

Left photo: Grand Prize Winner Nancy Gauthier with Sam Schneider, John Rood, Will Morgan and Robert Howard.

Right photo: John Rood with grand prize winner Diane Haddock.

The Villages at Lake Pointe is excited to announce the arrival of our first 16 residents at our 140-unit condominium community located in Orlando.

Models Now Open! In September, Jimmy Buffett's "Margaritaville" made brief stops in northeast Florida at **The Cottages at Winding Creek** in St. Augustine and **The Cottages at Stoney Creek** in Fernandina Beach. To celebrate the grand openings, JDR Realty organized model home tours with an island theme for Realtors, along with current and prospective homeowners. Upon arrival, guests were treated to a "Margaritaville" reception that included a grand prize drawing of a trip for two Las Vegas to see Jimmy Buffett in concert at the spectacular MGM Grand Hotel and Casino. JDR Realty congratulates Nancy Gauthier of Watson Realty Palm Coast and Diane Haddock of Amelia Realty in Fernandina Beach as the grand prize winners!

