

VESTCOR revue



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- The Flats at Carrs Hill, Athens



Chairman's Message

As I look back at the last five years and the challenges we overcame, I cannot help but feel a tremendous sense of pride in our team. We worked together, did not look for excuses and incorporated new, more efficient, ways of conducting our business. Today, as a result of everyone's hard work, we have a profitable portfolio and are again developing successful multifamily communities.

I am grateful for such a committed group of people and as they say in the movie, *The Replacements*, "It's been an honor to share the field of battle with you."

Unlike *The Replacements*, our work is not done. We will continue to work together to ensure our investments maximize the returns to our investors and look for new opportunities where our expertise is best utilized.

We finished 2012 with the strongest net operating income in our portfolio's history. 2013 will be even better. We are finishing our fourth student housing community at the University of Georgia, with two student housing communities on the drawing board. Last year's senior housing community, Marcis Pointe, is now 100 percent occupied, and we are focused on several new projects that will start this year. We have an exciting year ahead of us.

As you will read inside, our team expanded with Paula and Andy, two smart and very capable individuals who are already making an impact.

Our residents are the lifeblood of our business, and I hope you enjoy reading about a few of our long-term residents. We commit to treat our residents like we would like to be treated, and I feel this commitment has paid off. Our average resident retention has increased to over two years, which is a testament to the great work being done by the management team.

Thank you for your interest and support! We have a great team and we look forward to an outstanding 2013.

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

5K Bridges Run

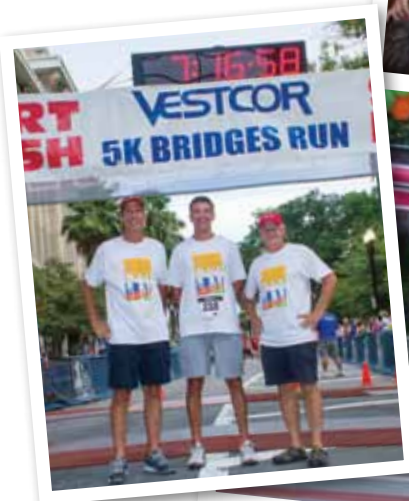
VESTCOR FAMILY FOUNDATION

The Vestcor 5K Bridges Run celebrated its 17th anniversary Saturday, July 28th in Hemming Plaza. With more than 800 runners, we raised over \$35,000 for local charities. Some examples of past charities The Vestcor Family Foundation has supported include Shands Trauma One, Children's Miracle Network, Leukemia & Lymphoma Society and Brooks Rehabilitation.

Volunteers from Vestcor and WRH Realty Services provided support for everything from registration to cleanup. The event featured live music, and pizza and beer were served to the participants.

We would like to thank our volunteers, employees and sponsors for making this run a success. Without your commitment, the foundation would not be able to support these deserving charities.

5K Bridges Run first place winner, Paul Nielsen, 26, Orlando, FL, crosses the finish line.



Students Win Cruise for Job Well Done

VESTCOR COMMUNITIES

by Will Morgan, President, Vestcor Communities

The student leasing staff at our newest Charlotte student housing community, The Flats at Campus Pointe, was given the challenge to fully lease the property before move-in day on August 18th. Through hard work, dedication, teamwork and lots of follow-up, they were able to achieve their goal just in the nick of time, while also leasing The Flats at Mallard Creek to 100%. A combined total of 563 12-month leases were signed for the 2012-2013 school year without a single rent concession!

For their efforts the team was rewarded with a cruise aboard the Carnival Fantasy to the Bahamas over Labor Day Weekend. They had an amazing trip and were able to stop in 3 ports along the way. The trip was a great way for the staff to bond, hopefully leading to continued success at both Flats properties in the upcoming year.

From left to right: Brittany Slagle, Summer Cathey, Whitney Long, Logan Hodge, Kendra Walker, Julian Abbott, Chelsea Epps, Cali Greer, Greg Perkins



The Flats at Campus Pointe: Luxury Student Housing Development by Vestcor

VESTCOR COMMUNITIES

by Will Morgan, President, Vestcor Communities

Vestcor Communities has recently completed The Flats at Campus Pointe, a 183-bed student housing community for the University of North Carolina in Charlotte. It was fully leased by move-in day, August 18th (see story at left), complementing The Flats at Mallard Creek, Vestcor's first student housing community in the area, which has been fully occupied since it was built in 2010. Much of the success of "The Flats" concept is due to the lower density mix of studios, 2 bedroom and 3 bedroom floorplans in comparison to other off-campus options consisting of 4 bedroom, 4 bath units.

Interior Amenities The Flats at Campus Pointe floor plans are designed to include spacious yet efficient living spaces, including a living and dining area and a fully equipped kitchen. Each bedroom features a private bathroom and walk-in closet. A separate laundry room, equipped with washer and dryer, is provided in each unit. As a convenience to the residents and their parents, electrical service, water/sewer, cable and internet access are included at no additional charge, but with a utility cap to promote energy conservation. The internet service, which is one of the most important features for most students, is a state-of-the-art fiber optic system that delivers speed and dependability that are unmatched by most other multifamily communities. In addition, all units come fully furnished, including a 42" widescreen Smart TV.

Resort-Style Living The community offers a variety of resort style amenities. These include a spacious pool and sun deck, yoga studio and first-class fitness facility. An ultra-modern community center including an internet café, computer lab and conference room is available for residents and their guests to enjoy.

Location Campus Pointe is ideally located adjacent to the UNCC Outdoor Recreational Facility which hosts most intramural leagues for students. Only a short distance from Mallard Creek, they both are within 1/3 of a mile to campus, making the daily commute a walk or bike ride away. As an added convenience, they each offer private shuttles operating on a regular schedule throughout the day.

University of North Carolina - Charlotte UNCC is a vibrant and growing university, with enrollment steadily climbing over the last 5 years, announcing its record breaking 2012 freshman class of 3,600 students. The excitement is building as the university gears up for its first football season and the construction of a new stadium. Kickoff is scheduled for August 31, 2013 against Campbell University.

"The Flats" Concept Now that The Flats at Campus Pointe has been completed for the 2012-2013 school year, and Carrs Hill/Athens (see the following page) is on its heels, Vestcor Communities is looking for new student housing sites throughout the southeast to expand our portfolio.





The Flats at Carrs Hill, Athens, GA

VESTCOR COMMUNITIES

by Will Morgan, President, Vestcor Communities

Vestcor Communities has broken ground on its latest student housing development, The Flats at Carrs Hill, a 316-bed student housing community in Athens, GA. Within walking distance to class at The University of Georgia, the Flats at Carrs Hill will offer residents an extensive amenity package and fantastic views overlooking campus and the Oconee River. The property is currently being pre-leased for its summer launch in 2013.

All unit floor plans are designed in the typical "Flats" style with common living and dining areas, private bedrooms and baths. As with Vestcor's other student housing communities, our unit mix consists primarily of two and three bedroom units with a few one bedroom studios available.

The Flats at Carrs Hill offers a variety of first class amenities including an ultra-modern community center, state-of-the-art fitness facility, indoor sports court ideal for volleyball and basketball, a resort-style pool and an expansive 10,000 square foot sun deck overlooking the Oconee River Greenway complete with an outdoor summer kitchen and bocci ball court. The top floor in this unique five story building includes a lounge and entertainment area, with full views of Sanford Stadium in the distance.

Construction will be completed in May, 2013.

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.

Vestcor...Your Best Move

VESTCOR DEVELOPMENT

by Steve Frick, President, Vestcor Development

At Vestcor Companies, we take pride in our real estate portfolio and the services we offer. Central to our vision are the residents in our communities and their quality of life. Recently we decided to interview a few of our long time residents in order to discover the primary reason they have stayed in our communities so long, and the single event they enjoyed the most. Their answers both surprised us and warmed our hearts.



Mr. Despeaux

Mr. Despeaux, from Azalea Ridge Apartments in Jacksonville, Florida has lived in the same unit since 1988. Our longest standing resident across the entire portfolio, Mr. Despeaux (dubbed the "Mayor") says he remains because the rent he pays for the size space is great! In addition, he is conveniently located near downtown, shopping and the beaches. When asked what single aspect of his tenure stands out the most, he answered, "The friendly staff and that his dog, Baby, won citizen of the month in 2006. They even put her picture in the newsletter!"

Mary Ann Falvo moved to Madalyn Landing 13 years ago and enjoys "get togethers" like the pool parties, Thanksgiving dinner, and other events with free food and entertainment. The 24-hour emergency maintenance is important to her, but she says the number one reason she stays, "It's clean and I feel protected by the staff – it's my palace."

Silvia Estrada also moved to Madalyn in 1999. She enjoys both the comfort of the amenities and the staff. The one event she remembers is the holiday party where she won the raffle!



Liselotte Keith

Takita Embry, an 8-year resident of Camri Green, stays because she is fond of the community manager, has no problems there, and loves the pool as well as the quick response she gets from maintenance. She attends the special events, but one thing that stands out to her is the office decorations! She loves coming in to see what they do each month.

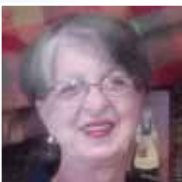
Liselotte Keith moved to Camri Green in 2006, and says she always wanted to live there and watched closely during construction. Knowing management and maintenance responds quickly to her needs is what she likes best.



Ruby Crumity

Ruby Crumity, a four-year resident of Logan Heights, has everything she needs there. She loves living near the lake and finds looking at the water peaceful.

Sarah Evans, a resident of seven years, enjoys the clubhouse and laundry facilities at Holly Cove. She loves the resident functions, socializing with neighbors, and the kids' parties. The girls in the office are always helpful and efficient and make all the events fun!



Louise Huddleston

Louise Huddleston appreciates the office and maintenance staff, but also feels safe and cared for at Courtney Manor. A resident of five years, she likes the different speakers that visit and community events like bingo and potluck.

Cindy Ashton at Noah's Landing in Naples, Florida, a resident of six years, finds the staff and the quick response from maintenance very impressive. She cites both the fitness center and the computer lab as her favorite amenities, but her favorite event was the back to school gathering.



Sarah Evans, third from right, with the Holly Cove staff

Marcis Pointe

VESTCOR DEVELOPMENT

by Steve Frick, President, Vestcor Development

Vestcor is proud to have been a part of the development team for Marcis Pointe. Marcis Pointe is the premier affordable community for active seniors in Jacksonville.

Residents at Marcis Pointe are surrounded by nature in a safe and secure environment, while being conveniently located near two central highways, healthcare and shopping.

Elegant and full of amenities, this community offers a pool with handicap entrance, fitness center, theatre, salon as well as community activities, outdoor gardening and more. Marcis Pointe reflects the personal pride we take in our communities and the quality of life we offer to our residents.

Due to the tremendous success of Marcis Pointe, Vestcor is looking for more affordable senior communities to expand our portfolio.



Beautiful pool area



Movie Theater

Welcome Andy & Paula!

Vestcor recently welcomed Andy Fink and Paula Kukulhan to our family. Andy joins the Vestcor Communities team working in the asset management and development areas on the student communities. Paula joins the Vestcor Development team as the Senior Asset Manager for the affordable communities in Florida and Texas.

After graduating from the University of Missouri with a degree in finance, Andy worked in real estate asset management as well as the health care industry. He recently earned his Master of Science in Real Estate from the University of Florida.

Paula Kukulhan has spent 20 years in the housing, finance, and real estate industry including acquisitions, and both wholesale and retail lending. Prior to joining Vestcor, Paula worked in asset management at Wells Fargo Bank. With a Bachelors Degree in Business Administration from the University of Florida, Paula is currently working on her MBA from the University of North Florida with a concentration in Economics and Geography.



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The Vestcor Revue is produced by the Vestcor Companies Marketing Department. Graphic design services provided by SKR Advertising & Design, Inc. For questions or comments, please contact Holly Rood, Marketing Manager, 904-288-7731