

# SOLAMAR

KISSIMMEE



## ***Confidential Forward Sale Memorandum (Flyer)***

**Opportunity to Forward Purchase a 210-unit Build-to-Rent Villa and Townhome Development in the Orlando MSA, Just Minutes from NeoCity, a 500-acre Master Planned Tech District**



# EXECUTIVE SUMMARY

Jones Lang LaSalle (“JLL”) has been engaged by AS Development (“AS” or the “Sponsor”) to secure a forward-sale buyer for the development of Solamar Kissimmee (the “Project”, or the “Property”), a 210-unit, Class A single-family-rental villa and townhome community located in Kissimmee, Florida (Orlando MSA). The Property is located minutes from NeoCity, a 500-acre master planned technology district that is currently under construction and is set to become a global center for smart sensors, photonics, nanotechnology R&D, and big data/predictive analysis.

## Investment Overview

- Highly sought-after, low-density, build-for-rent SFR-like development that is in high demand by end-users and institutional investors alike.
- Orlando MSA rents skyrocket 13.3% since the start of 2021, ranking it fourth nationally (CoStar Group - July 9<sup>th</sup>, 2021).
- Located in the Kissimmee-Orlando MSA, the strongest employment hub of Central Florida ranked #1 in Job Growth for four consecutive years (2019) according to the Bureau of Labor Statistics. The area hosts major employers in consumer goods, entertainment, technology, healthcare and distribution.
- Experienced Sponsor with significant development experience in Central Florida.
- Development broke ground May 10<sup>th</sup>, 2021. Site Work GMP dated April 26<sup>th</sup>, 2021. Vertical building construction GMP to be secured by August 2021. Final CO projected to be achieved by March 2023.

## Sponsorship Overview

- AS Development (“AS”) is a Miami-based, vertically integrated real estate company led by an executive team with over 60 years of combined experience across all stages of the development process including; site identification, acquisition, planning, design, entitlements, financial analysis, construction and disposition.
- Sponsor has collectively developed over 50 properties across asset classes and geographies, including; townhomes, select-service hotels, extended-stay properties, industrial, office, self-storage and luxury single-family residences, totaling over \$350 million in value.

## PROPERTY OVERVIEW

Location	Old Vineland Road, Kissimmee, Florida 34746
Market MSA	Kissimmee - Orlando MSA
Project Site Size	14.39 Acres
Stories	1 & 2
Number of Units	210
Unit Mix	2 BR (67%), 3 BR (33%)
Total Residential Area	233,940 SF
Average Unit Size	1,114 SF
Parking	443 spaces / 2.1 spaces per unit

## DEVELOPMENT TIMELINE

Land Acquisition	Completed
Filing for Permit	Completed
Foundation Permit	Completed
Commence Site Work Construction	May 2021
Commence Vertical Building Construction	December 2021
CO for Clubhouse and Three Initial Buildings*	August 2022
Final Construction Completion	April 2023
Stabilization	January 2024

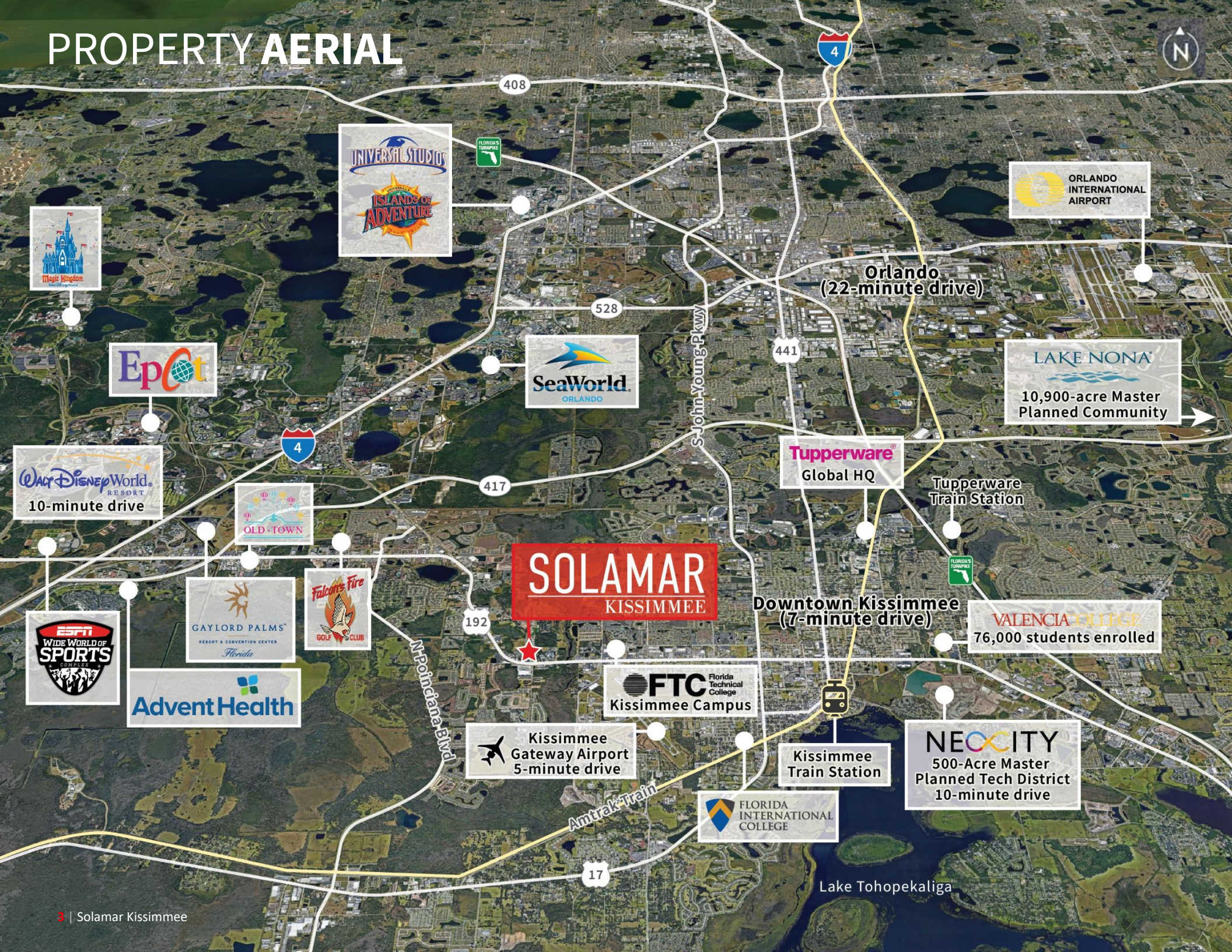
\* 24 units to be delivered per month between September 2022 & April 2023

## UNIT MIX SUMMARY

Rental Rates						
Unit Type	Units	RSF	Un-Trended	PSF	Trended	PSF
2-Bed (Flat)	70	973	\$1,750	\$1.80	\$1,912	\$1.97
2-Bed (Townhome)	70	1,052	\$1,850	\$1.76	\$2,022	\$1.92
3-Bed (Townhome)	70	1,317	\$2,250	\$1.71	\$2,459	\$1.87
Total/Average	210	1,114	\$1,950	\$1.75	\$2,131	\$1.91



# PROPERTY AERIAL





# INVESTMENT HIGHLIGHTS



## **BELOW MARKET-VALUE FORWARD ACQUISITION OPPORTUNITY WITH CASH FLOW IN PLACE BY CLOSING**

- Opportunity to acquire a Class A single-family-rental community, via a forward purchase, at significantly below 'stabilized' market-value.
- 35 buildings, containing 6-units each, are set to be delivered over 9 months, at a rate of approximately 24-units per months, starting on August 2022 and ending April 2023. This 'staggered' delivery timeline will allow Sponsor to strategically lease-up buildings as they are delivered and will significantly mitigate lease-up risk for the Forward Purchaser. The sale transaction is expected to close upon Final Project CO (April 2023), at which point the community will be at or close to stabilization – providing the Forward Purchaser a Core asset at a Value-Add purchase price.



## **ORLANDO MSA'S RENT GROWTH IS PROJECTED AT 33% OVER THE NEXT 5 YEARS**

- Orlando MSA rents are projected to grow by 33% over the next 5 years (6.6% per year), driven by a wave of in-migration, which will result in increased demand for rental housing and subsequent organic rent growth.
- Orlando MSA has consistently ranked as one of the nation's fastest growing population and employment markets, ensuring a strong and stable labor pool in a community that will remain among the nation's top growing MSA well into the future.



## **SINGLE-FAMILY-RENTALS ARE IN HIGH DEMAND BY BOTH TENANTS & INSTITUTIONAL INVESTORS – OFFERING A CLEAR PATH TO AN EXIT STRATEGY**

- Single-Family-Rental / Build-For-Rent ("SFR / BFR") has emerged as one of the most coveted asset classes for investors and tenants provided the segments strong fundamentals. Consumer demand is fueled by tenants seeking a true home-like residential experience, while institutional investors are eagerly trying to get invested in the space.
- The Forward Purchaser of Solamar Kissimmee will have immediate inputted equity upon completing the purchase, provided their below-market acquisition cost basis. Forward Purchaser will have the optionality to exit the investment to one of the many blue-chip institutional investors who have significant un-allocated 'dry-powder' ready to be deployed into stabilized SFR communities in fast growing sunbelt markets.



## **EXPERIENCED SPONSOR WITH A PROVEN DEVELOPMENT TRACK RECORD IN CENTRAL FLORIDA**

- AS Development is a Miami-based, vertically integrated real estate company led by an executive team with 60+ years of combined experience across all stages of the development process including; site identification, acquisition, planning, design, entitlements, financial analysis, construction and disposition.
- Sponsor has a unique background developing townhomes, and other property types across Central Florida – making them very well suited for the development of Solamar Kissimmee.
- Sponsor has hired Melbourne-based Certified General Contractors Inc. ('CGC'), which was founded nearly 30 years ago, and has a stellar market reputation. Sponsor has a working relationship with CGC, having successfully developed multiple projects in partnership with them.



## **STRATEGIC LOCATION STANDING TO BENEFIT FROM NEOCITY, A 500-ACRE MASTER-PLANNED TECH DISTRICT (10-MIN DRIVE FROM PROPERTY)**

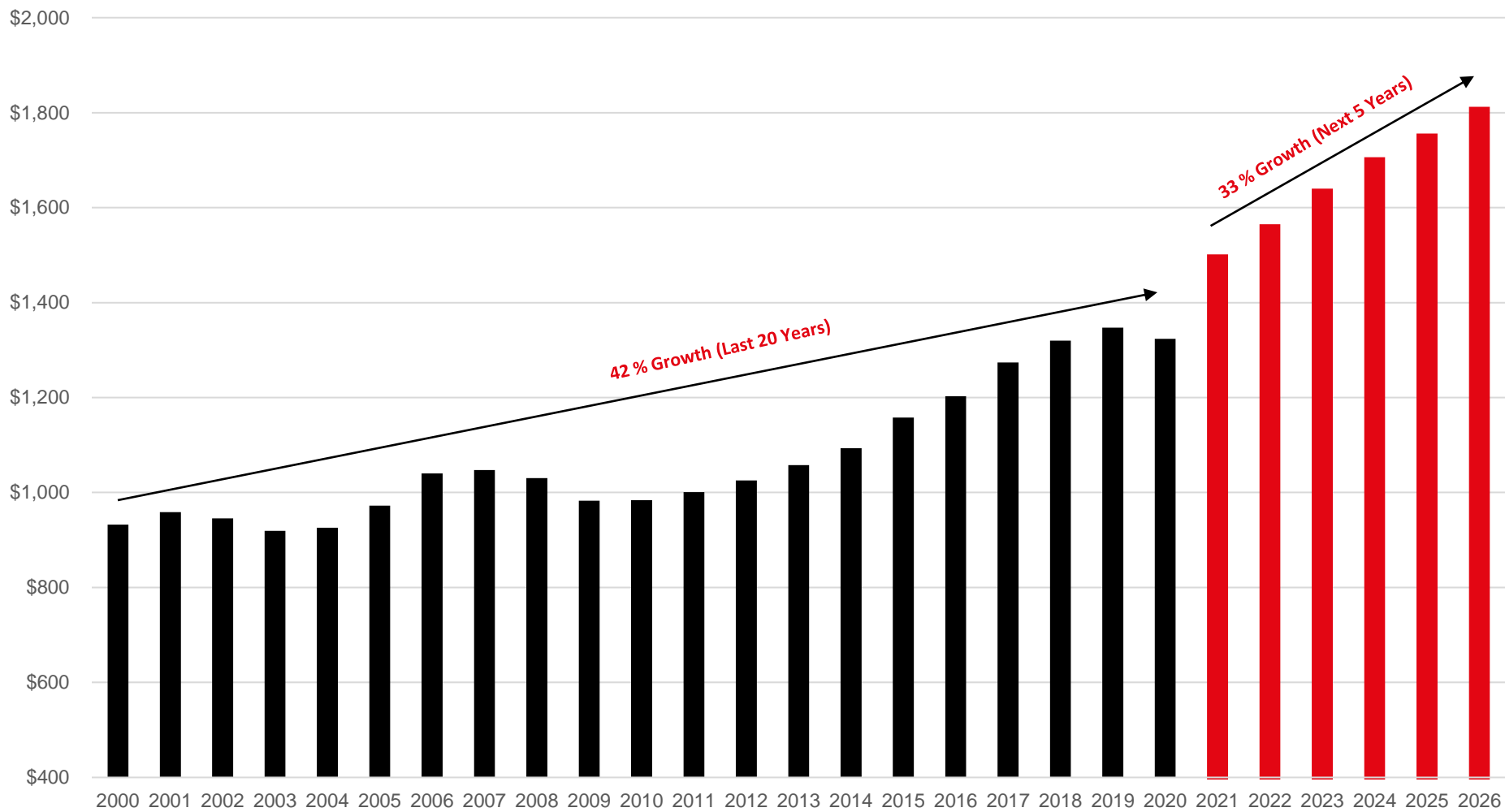
- NeoCity is a nationally recognized up-and-coming world epicenter for smart sensors, photonics and optics, and has ready-made synergies with the University of Central Florida (the nation's largest producer of aerospace engineers), University of Florida, University of South Florida, Florida International University, Florida Atlantic University, as well as Central Florida's largest concentration of Department of Defense partners and contractors.
- Solamar Kissimmee is strategically located 10-minutes drive time to NeoCity, and stands to benefit from this 500-acre master-planned tech hub.

# INVESTMENT HIGHLIGHTS

**UNITS IN SUPPLY-CONSTRAINED ORLANDO MSA ARE IN HIGH DEMAND - PROJECTED 33% RENT GROWTH (5 YEARS)**

- Orlando MSA rents are projected to grow by 33% over the next 5 years (6.6% per year), driven a wave of in-migration, which will result in increased demand for rental housing and subsequent organic rent growth.

**Orlando MSA Rent Growth (2000-2026)**



Source: CoStar & JLL Market Research

# CONCEPT DESIGN – LOOK AND FEEL





# RENDERING – TYPE A



*Preliminary rendering. Subject to change.*

# RENDERING – TYPE B





# AERIAL RENDERING



*Preliminary rendering. Subject to change.*



## Investment Advisors

### Zach Nolan

Senior Director  
JLL Capital Markets  
+1 813 387 9906  
zach.nolan@am.jll.com

### Max La Cava

Associate  
JLL Capital Markets  
+1 917 825 7346  
max.lacava@am.jll.com

### Jay Ballard

Managing Director  
JLL Capital Markets  
+1 407 745 3914  
jay.ballard@am.jll.com

### Ken Del Villar

Managing Director  
JLL Capital Markets  
+1 407 745 3921  
ken.delvillar@am.jll.com

## Debt Advisors

### Brian Gaswirth

Managing Director  
JLL Capital Markets  
+1 561 289 8920  
brian.gaswirth@am.jll.com

### Drew Jennewein

Director  
JLL Capital Markets  
+1 813 387 9907  
drew.jennewein@am.jll.com



### Miami Office

1450 Brickell Avenue, Suite 2110 | Miami, Florida 33130

[www.us.jll.com/capitalmarkets](http://www.us.jll.com/capitalmarkets)

Copyright © Jones Lang LaSalle IP, Inc. 2021

*This publication is the sole property of Jones Lang LaSalle and must not be copied, reproduced or transmitted in any form or by any means, either in whole or in part, without the prior written consent of Jones Lang LaSalle. The information contained in this publication has been obtained from sources generally regarded to be reliable. However, no representation is made, or warranty given, in respect of the accuracy of this information. We would like to be informed of any inaccuracies so that we may correct them. Jones Lang LaSalle does not accept any liability in negligence or otherwise for any loss or damage suffered by any party resulting from reliance on this publication. Jones Lang LaSalle Americas, Inc., California license # 01223413. Jones Lang LaSalle Americas, Inc. License # 19262.*

*Any opinion or estimate of value of any asset in this presentation is based upon the high-level preliminary review by JLL. It is not the same as the opinion of value in an appraisal developed by a licensed appraiser under the Uniform Standards of Professional Appraisal Practice. JLL expressly disclaims any liability for any reliance on any opinion or estimate of value in this presentation by any party.*