

25 Years in Commercial Real Estate



Front Entrance

PREMIER LOCATION

The Venetian, located in the "Gateway" of the city of Venice, Florida (just over 20 miles from Sarasota) is situated within the Capri Isles master planned golf course community. The property is adjacent to the 11th fairway of the Capri Isles 18 hole par 72 golf course. This part of Venice is home to several bordering golf courses including Sawgrass Golf Course and Waterford Golf and County Club. It is surrounded in an environment without congestion by vehicular or commercial traffic, yet conveniently located only minutes from boutique shopping, restaurants and the gulf-side beach. This prestigious location is primarily accessed through the famous Tamiami Trail US 41, and is just west of Interstate 75, two of Florida's main north/south thoroughfares and minutes to downtown Venice and Venice Beach.



Lakeview of Property

PROPERTY PROFILE

Address:	1050 Capri Isles Boulevard
Year Completed:	1983
Property Type:	Garden Apartments
Site:	15 acre lot
Rentable Sq Ft:	158,116 sq ft
Occupancy:	92%
Number of Units:	180

OFFERING SUMMARY

- \$17,591,193 Total Offering with 56.85% LTV (loan to value)
- \$400,000 for Capital Improvements Reserves
- \$200,000 in Working Capital Reserves
- \$7,591,193 in Equity Interest
- \$215,000 Minimum Investment
- 6.54% Year 1 Forecasted Cash Flow (10 Year Average, 7.739%)
- Cement Block Construction with Strap Down Roofing
- Highest Insurance Rating

PROPERTY AMENITIES

- Lakeside Resort-Style Swimming Pool
- Two Lighted Tennis Courts
- Well-Appointed Clubhouse w/Kitchen
- Car Care Center
- Laundry Facility
- Barbeque Grill and Picnic Area
- Playground
- Two-Acre Scenic Lake
- Covered Parking Available

APARTMENT FEATURES

- Fully Equipped Kitchens
- Dual Sink W/Disposal and Dishwasher
- Kitchen Pantries
- Large Screened Patios or Balconies
- Private Entryways
- Ceramic Tile Bath Enclosure *
- Full-Size Washer/Dryer Connections *
- Separate Storage *
- Lakeviews *
- Golf Course Views *

**select units*

Clubhouse Interior



Typical Living Space

PROPERTY SUMMARY

The Venetian, currently 94.0% occupied as of June 2007, is tailored to offer residents attractive living area and prime location at a reasonable price. The property features consist of a well-appointed clubhouse, lighted tennis courts, picnic area with grill, resort-style pool, children's playground, car wash, laundry facility and available covered parking. The property has maintained a strong historical track record and offers attractive upside benefiting from population growth, low unemployment, good economic forecasts and healthy overall apartment occupancy rates in Sarasota County (94.4% as of 1st Quarter 2007).



Pool Overlooking Lake



Building N



Building J



Typical Exterior

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MARKET

The City of Venice is located in Southwest Florida on the Gulf of Mexico, midway between Tampa and Ft. Myers. Venice is known for its beaches, prehistoric sharks' teeth, scenic parks and Northern Italian Renaissance architectural style. It is one of the earliest planned cities in the country, planned by John Nolen for the Brotherhood of Locomotive Engineers in the 1920's. The city takes pride in its many parades, art festivals, nationally award-winning community theater, and preserved natural environments. Venice is located within Sarasota County and the Sarasota Metropolitan Statistical area (the "MSA").

The MSA's strong population growth, buoyed by healthy in-migration, has been largely responsible for the area's success in recent years. Sarasota, together with its neighbors to the north and south, Manatee County and Charlotte County, form the seventh largest market in Florida. This market is also Florida's third-fastest growing major market. With more than 600,000 residents, the Sarasota/Manatee/Charlotte area is one of the largest, most affluent markets in Florida. The apartment market appears positioned to capture a notable portion of this demand, as many of the households who want and can afford single-family homes likely have already taken advantage. Additionally, as there are only three other comparable properties in the vicinity, Venetian at Capri Isles faces limited competition.

POPULATION AND HOUSEHOLD GROWTH

U.S. Census figures report that the Sarasota MSA's population grew more than 20% from 1990 to 2000, significantly outpacing the national average of 13%. The population is projected to reach more than 746,000 by 2011. From 2006 to 2011, the number of households in the MSA is predicted to grow by 11.2%, more than doubling the national estimate, which is just 5.0%.



Aerial View of Property

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STRATEGY FOR PROPERTY

The John Hicks Company believes the Venetian is well poised for a value-added upside strategy. The property is ideally located adjacent the 11th fairway of the Capri Island Golf Course, surrounded by well maintained condominiums and single family homes, and conveniently minutes from boutique shopping, restaurants and the gulf-side beach. Furthermore, the company believes the current condition of the property through age and prior ownership, though good, is not consistent with the surrounding area nor demand of this prime location. Planned renovations call for \$400,000 set



Fairway View of Property

aside in reserves for full repainting of the property, modernization of kitchen lighting and significantly improving the appearance through new colorful well-maintained landscaping. The Company believes that these improvements will significantly increase the street appearance and demand for the Venetian creating opportunity to increase rents and the overall value of the property. The renovations are planned to be implemented immediately and accompanying rental increases following shortly thereafter as rental leases turnover. Additionally, the company believes there are potential income sources such as view premiums, covered parking fees, and location premiums not being fully extracted due to previous inefficient management. Overall, the high growth area of Sarasota County, the "Gateway" area of Venice, FL and located in the midst of a master planned golf community with high end condominiums and single family housing makes The Venetian an attractive opportunity to create value through institutional management and marketing, and by adding strategically significant improvements to the current condition of the property.

THE JOHN HICKS COMPANY - EXPERIENCE, RELATIONSHIPS AND VALUE

The John Hicks Company brings over 25 years of institutional level experience. Along with this experience comes institutional level relationships, research, due diligence, asset class, invaluable insight into management decisions, value added opportunities and years of commercial real estate knowledge. The John Hicks Company provides institutional leadership with low cost fees creating tremendous value for investors.

INVESTOR RETURNS

Assumed Investment of \$215,000

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total	Net Proceeds
For the Years Ending	Oct-08	Oct-09	Oct-10	Oct-11	Oct-12	Oct-13	Oct-14	Oct-15	Oct-16	Oct-17		
Cash on Cash Return	6.54%	6.57%	6.88%	6.39%	7.27%	8.19%	9.15%	10.57%	11.34%	12.29%	85.19%	\$183,159
Loan Principle Reduction	0.00%	0.00%	0.00%	1.40%	1.49%	1.60%	1.70%	1.82%	1.90%	1.37%	11.28%	
Return to Investor	6.54%	6.57%	6.88%	7.79%	8.76%	9.79%	10.85%	12.39%	13.24%	13.66%	96.47%	
Net Proceeds from Sale												\$441,519
Total Return:												\$624,678
Return of Capital												\$215,000
Total Return:												\$409,678
Average Annualized Return												19.05%
Internal Rate of Return												13.43%

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