

3109 South Ridgewood Avenue

South Daytona, FL 32119
Volusia County, Florida

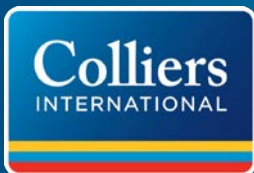
SENIOR HOUSING DEVELOPMENT OPPORTUNITY

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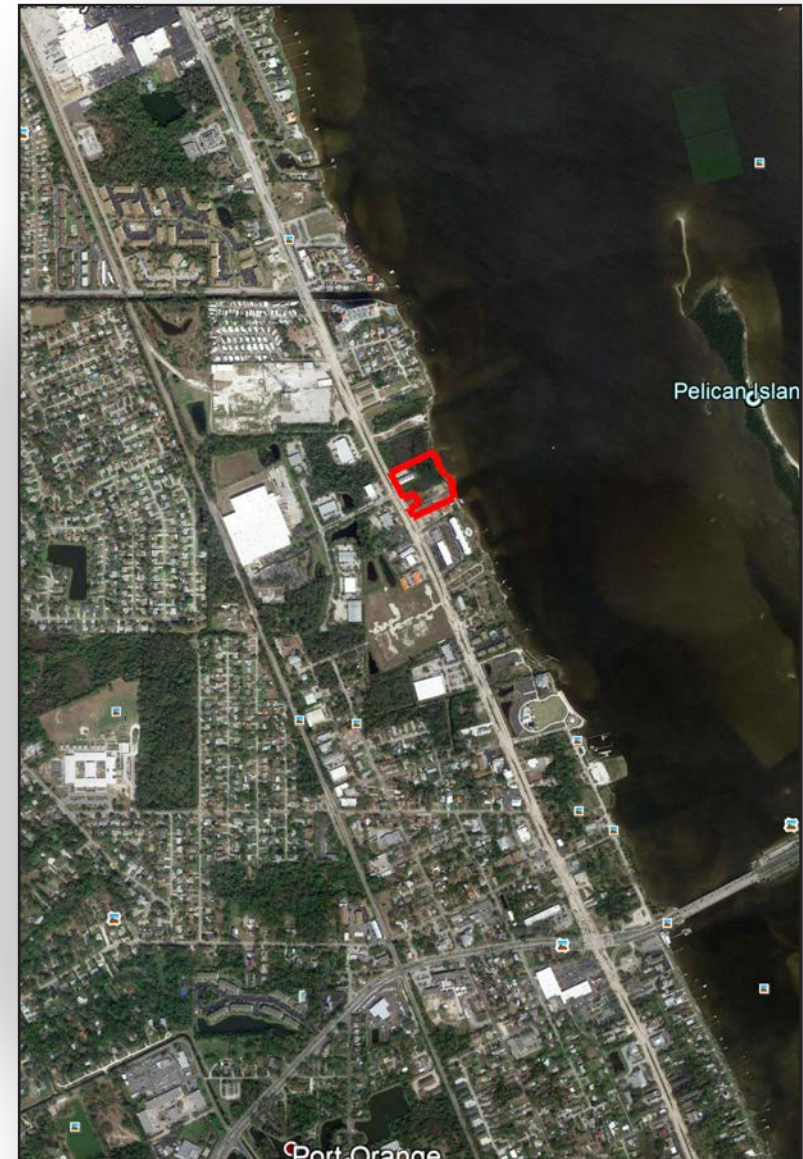
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EXECUTIVE SUMMARY

SENIOR HOUSING DEVELOPMENT OPPORTUNITY

3109 S. Ridgewood Avenue, S. Daytona, FL

- Turnkey opportunity for an upscale independent living, assisted living and memory care facility
- Zoning and entitlements completed
- Site development, engineering and building plans are conceptual for a 432,000 square foot, 12-story building, subject to final site plan submission
- 3.83 acres of development land with all public utilities and retention
- Approximately 420 feet of riverfront along the Halifax River and the rights to between 22 and 25 boat slips
- Exposure, ingress, and egress are functional for use as an independent and assisted living community
- Up to 228 units of assisted living, independent living and specialized memory care assisted living units



Property Description

Colliers International is pleased to introduce a turnkey development opportunity to the market. The Property, referred to as [3109 S. Ridgewood Avenue \(the "Property"\)](#), is comprised of 3.83 acres of undeveloped land which is located in South Daytona, Volusia County, Florida in zip code 32119. The site is proposed for future development of an assisted living, independent living and memory care facility with up to 228 total units. The proposed project will offer the finest of assisted living and memory care services to the community, to include outpatient rehabilitation, day programs and respite/short stay options.

Project Concept

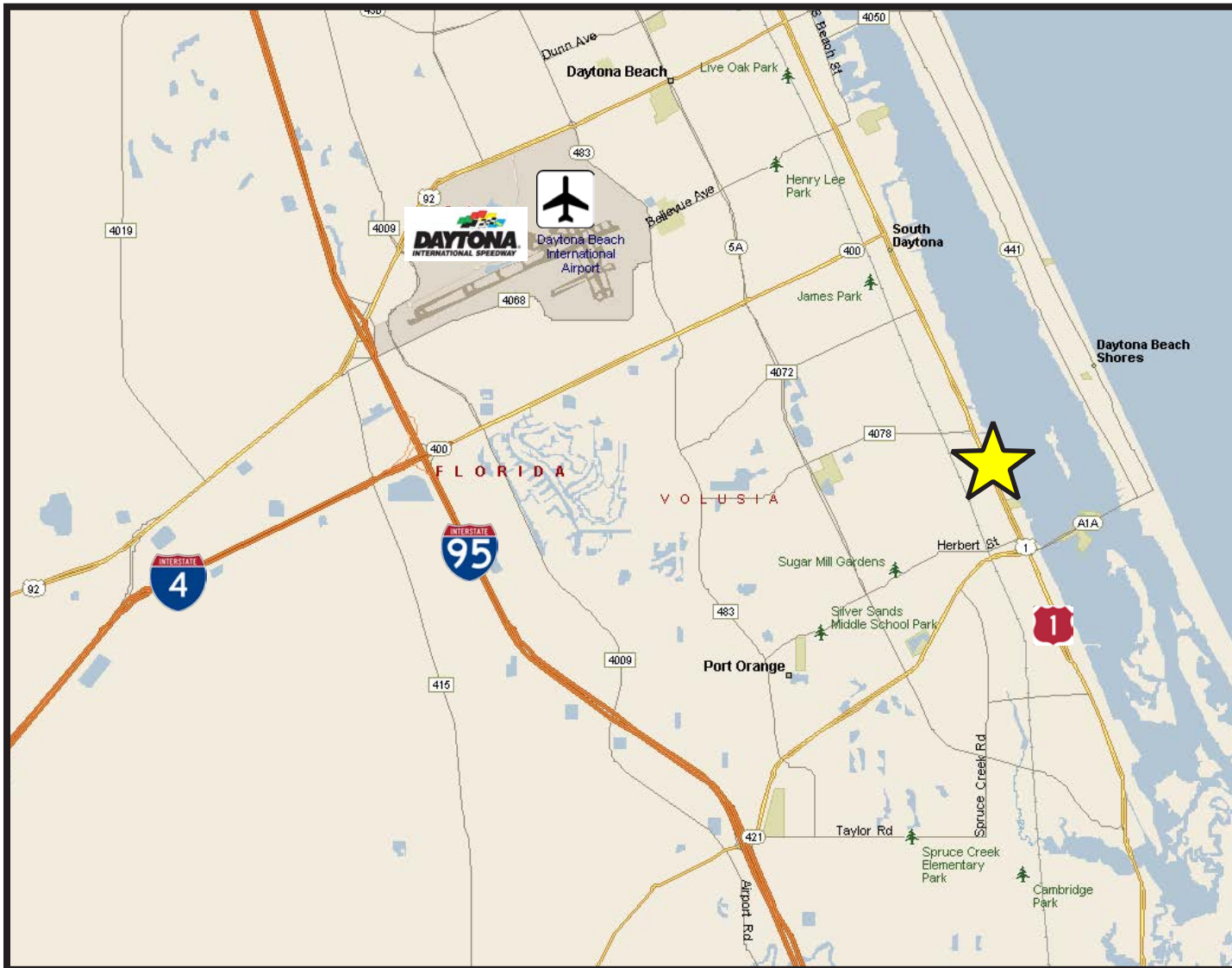
The mini village will consist of a single "L Shaped Twelve story residential tower with independent living including full amenities, added support, and memory care living units. The building will house a supporting spa, medical offices and related retail on the lower levels. There will also be an underground garage area. Several floors will be dedicated and utilized for recreational activities, rehabilitation and other amenities. The location also boasts 420 feet of deep water access to the beautiful and scenic Halifax River. The project could include boating and fishing amenities and the monthly ongoing rental of between 22 and 25 boat slips.

Property Use Rationale

- A strong demand exists for assisted living, memory care and independent living facilities in the primary market area.
- Although the beachside Daytona Beach is very much "on sale", the rest of the market is pretty hot. An upscale independent living facility with boating amenities and boat slips for rent would be a very enticing alternative for a segment of the 55+ community that is thinking ahead (or currently) about their health.
- Current inventory does not meet current demand.
- Penetration rates for a memory care specific project within the primary market area is well within industry standards for project development.
- Property can potentially achieve financial and occupancy stabilization within two years of certificate of occupancy. (These projections do not include debt service.)



Location Map | S. Daytona, Port Orange, FL



- Approximately 2 miles to I-4
- 2.5 miles to Halifax Medical Center-Port Orange
- Under 5 miles to I-95 and Daytona Beach Intl Airport
- 7 miles to Daytona Intl Speedway



Location/Market Highlights



LOCATION SUMMARY

The property at 3109 S. Ridgewood Avenue is comprised of 3.83 acres of undeveloped land which is located in South Daytona, Volusia County, Florida in zip code 32119. The property benefits from easy access to a major thoroughfares such as Interstate 95, Interstate 4, Daytona International Airport, Daytona International Speedway, major retail, hospitals and medical facilities and renowned beaches.

Our institutions of higher learning -- Embry-Riddle Aeronautical University, Stetson University, Bethune-Cookman University, Daytona State College and the University of Central Florida -- have a national reputation for excellence.

Volusia County is about an hour's drive north of Disney World and the Kennedy Space Center. It's also within a few hours' drive of other major Florida communities, such as Tampa (139 miles), Miami (253 miles), or Jacksonville (89 miles).

EMPLOYMENT

Florida Trend's list of the 350 biggest companies in Florida includes four Volusia County firms: NASCAR, Brown & Brown, International Speedway Corp. and Consolidated-Tomoka Land Co. The defense arm of Spartan, the largest producer of sonobuoys in the world is based here in Volusia County. Teledyne Oil and Gas, the world leader in subsea electrical and fiber optic interconnect systems for offshore oil and gas, defense, oceanographic and telecommunication applications is based in Daytona Beach, and Hawaiian Tropic sun care products are manufactured in Ormond Beach.

SENIORS HOUSING DURING 4th QUARTER 2017 IN VOLUSIA COUNTY, FL (Source: CoStar)

- Occupancy for seniors housing was 93.4%, slightly higher than the five-year average rate of 94.7%.
- Independent living occupancy rose to a near seven-year high on record levels of absorption amid strong inventory growth.
- Construction starts for assisted living increased after slowing in the first half the year.
- Asking rent per square foot has increased significantly since 2015 from approximately \$1.70 to nearly \$2.10 in 2016 and 2017.

Daytona/Port Orange/Ormond Beach - Recent Development

New Residential Communities

- **Latitude Margaritaville/Minto Communities** - Inspired by the music and lifestyle of legendary musician Jimmy Buffett, Latitude Margaritaville is a 55+ active adult community in Daytona Beach, Florida. With 6,900 homes with innovative floor plans, and amenities such as a state-of-the-art fitness center, aerobics studio, outdoor resort-style pool, indoor lap pool and spa, world-class options for recreation, dining, and nightlife. The Town Center is the epicenter of all activity in the community and there is also a shuttle service for residents to go to their very own private Atlantic beachfront club. Margaritaville Daytona has been named the nation's most popular active adult community of 2018 according to 55Places.com. <https://www.55places.com/blog/100-most-popular-active-adult-communities-for-2018>
- **ICI Homes**, Volusia-Flagler area's largest locally based homebuilder, acquired 1,020 acres of timberland on the south side of Granada Boulevard/State Road 40, roughly 2 1/2 miles west of Interstate 95 for a 2,500-home "full-life community" on the site, the second of two it is planning immediately next to Latitude Margaritaville.
- **Plantation Bay** - A 3,600 acre development in Ormond Beach with 1,600 homes and slated for 1,500 more in this new resort-style living community for all ages which also contains 45 holes of golf.
- **Hunter's Ridge** - is a 5,000 acre master-planned community on State Road 40 just west of I-95 in Ormond Beach with approximately 1,000 homes, and slated for 2,600 total homes along with 600,000 square feet of commercial development.
- **Halifax Plantation** - is a luxurious, active lifestyle, golf community in Ormond Beach, Florida. With over 1,000 homes, the community offers a spacious clubhouse, resort-style amenities, and elegant attached and single-family homes. It is surrounded by tall pine trees, natural vegetation and plenty of lush landscapes, and its location is convenient to many attractions around Daytona Beach.
- **Plantation Oaks** - Slated for 1,577 homes, this Ormond Beach active lifestyle community is a 55+ age-restricted manufactured housing, retirement community.



Parks, Entertainment and Retail Centers

- **Port Orange Riverwalk** - Just a quarter mile from the subject site is the \$3.6 million project bordering the Riverside Pavilion on the Halifax River which opened in November 2017. The north section includes a kayak/canoe/paddleboard launch, a new boardwalk, 12' wide trail, concession stand. The south section includes a splash pad, playground, event lawn, concession stand, and a 12 foot trailway.
- **One Daytona** - on 70 acres, north of West International Speedway Boulevard, opened in December 2017, and offers a one-of-a-kind showcase of first-to-market retail outlets and specialty shops, quick-bite and full-service restaurants, and energetic live entertainment, all set against the backdrop of the world's first motorsports stadium. The development also features multi-family residential units, Class A office space, and two hotels - Fairfield Inn & Suites by Marriott, and The DAYTONA®, a Marriott Autograph Collection® hotel.
- **Tanger Outlets** - On the east side of I-95, south of LPGA Boulevard is the 39 acre, 350,000-square-foot, \$91.3 million project, with more than 75 retail brands, which opened in November 2016. Developers have purchased more land near the outlet mall to build a power retail center to include Dave & Busters, a Hobby Lobby, as well as several restaurants and other retail stores.



Senior Housing Industry Overview

The senior housing and care industry provides accommodation, as well as an array of services and program options to seniors. The demand for these properties is primarily driven by the segment of the seniors population over the age of 75. The level of services and variety of options available to the senior housing marketplace continues to evolve as the needs, preferences and demands of seniors and their families change.

Property Types by Services Provided

The following classifications have been endorsed by the American Association of Homes and Services for the Aging (AAHSA); American Health Care Association (AHCA); American Seniors Housing Association (ASHA); Assisted Living Federation of America (ALFA); National Center for Assisted Living (NCAL); and the National Investment Center for the Seniors Housing & Care Industry, Inc. (NIC).

Senior Apartments (55+): Multifamily residential rental properties restricted to adults at least 55 years of age or older. These properties do not have central kitchen facilities and generally do not provide meals to residents, but may offer community rooms, social activities, and other amenities.

Independent Living Communities (ILC): Age-restricted multifamily rental properties with central dining facilities that provide residents, as part of their monthly fees, access to meals and other services, such as housekeeping, linen service, transportation, and social and recreational activities. Such properties do not provide, in a majority of the units, assistance with activities of daily living (ADLs), such as supervision of medication, bathing, dressing, toileting, etc. There are no licensed skilled nursing beds in the property. Active adult communities and senior apartments are often considered subsets of independent living.

Assisted Living Residences (ALR): State regulated rental properties that provide the same services as independent living communities listed above, but also provide, in a majority of the units, supportive care from trained employees to residents who are unable to live independently and require assistance with activities of daily living (ADLs) including management of medications, bathing, dressing, toileting, ambulating and eating. These properties may have some nursing beds, but the majority of units are licensed for assisted living. Many of these properties include wings or floors dedicated to residents with Alzheimer's or other forms of dementia. A property that specializes in the care of residents with Alzheimer's or other forms of dementia that is not a licensed nursing facility should be considered an assisted living property.

Nursing Care: Licensed daily rate or rental properties that are technically referred to as skilled nursing facilities (SNF) or nursing facilities (NF) where the majority of individuals require 24-hour nursing and medical care. In most cases, these properties are licensed for Medicaid and Medicare reimbursement. These properties may include a minority of assisted living and Alzheimer's/dementia units.

Continuing Care Retirement Community (CCRCs): Age-restricted properties that include a combination of independent living, assisted living and skilled nursing services (or independent living and skilled nursing) available to residents all on one campus. Resident payment plans vary and include entrance fee, condo/coop and rental programs. The majority of the units are not licensed skilled nursing beds.

Age, Health and Income Qualified Population Calculation (within 5 mile radius) Assisted Living Facilities (within a 5 mile radius of 3109 S. Ridgewood Ave., S. Daytona, Florida)

Year	2017	% of Total	2022	% of Total	% Change
Total Population	119,413	100%	124,340	100%	4.0%
65 + Population	28,688	24.02%	32,755	26.3%	14.2%

Age Group	2017	% to use			2022	% to use	
	Population	ALF	ALF Usage		Population	ALF	ALF Usage
65-74*	15,400	0.0%	-		17,726	0.0%	-
75-84	8,863	38.8%	3,439		10,613	38.8%	4,118
85+	4,425	85.0%	3,761		4,416	85.0%	3,754
Total	28,688		7,200		32,755		7,871

* 65 to 74 age group is not included in this study. The 65-74 age group indicated future residents

Health Qualified	7,200			7,871
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Average Disposable Income 75+ Age Group \$50,000				
Percent with necessary Income		32.04%		32.04%
Health & Income qualified		2,307		2,522
Living with spouse or Child	36.4%	840	51.1%	918
Single, Health and Income Qualified		1,467		1,604
Less Competitive Supply		822		822
Total Potential Qualified Population		645		782

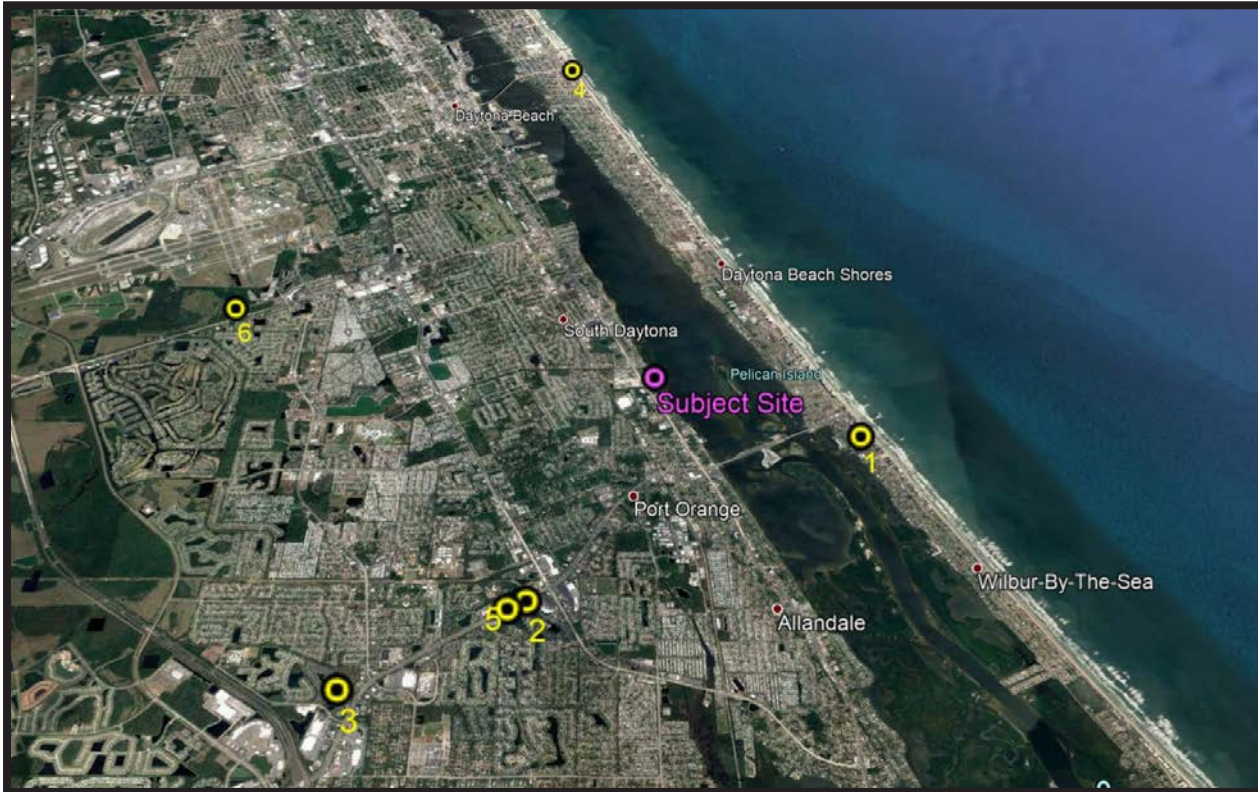
Primary Market Area (PMA)	2017	2021
Potential Bed requirement	645	822
Current Market Utilization	56.03%	51.25%

The 75+ age group within the 5 mile radius of S. Daytona indicates the number of potential seniors that would utilize an assisted living facility is 1,467 with current supply of 822 beds indicating 645 potential qualified senior residents. The assumptions & calculations point to a U/P of 56%, which is below the suggested 63% U/P

This information has been generated by sources believed to be accurate, but are not guaranteed. Percentages have been generated by personal research.

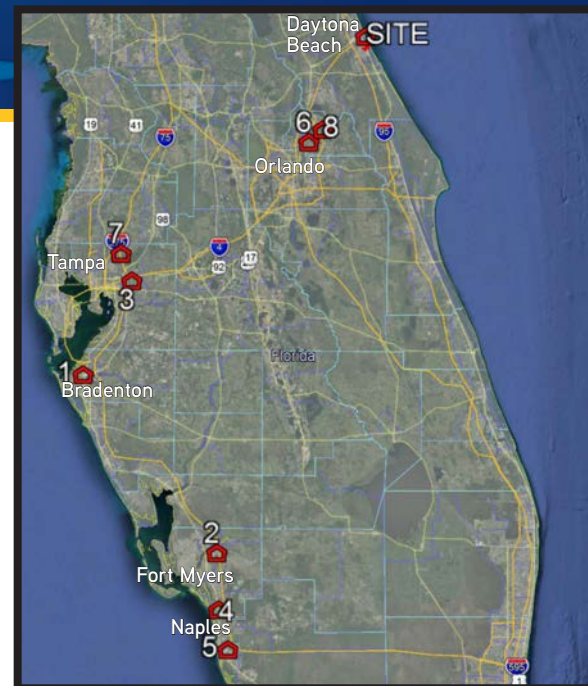
Assisted Living Facilities

(within a 5 mile radius of 3109 S. Ridgewood Ave., S. Daytona, Florida)



No.	Type	Name	Street Address	Street City	County	Lic Beds
1	ALF	HERITAGE WATERSIDE	3704 CARDINAL BLVD	DAYTONA BEACH SHORES	Volusia	126
2	ALF	COUNTRYSIDE LAKES	941 VILLAGE TRAIL	PORT ORANGE	Volusia	120
3	ALF	BROOKDALE YORKTOWNE	1675 DUNLAWTON AVENUE	PORT ORANGE	Volusia	102
4	ALF	OCEAN VIEW MANOR	624 S ATLANTIC AVENUE	DAYTONA BEACH	Volusia	85
5	ALF	BROOKDALE PORT ORANGE	955 VILLAGE TRL	PORT ORANGE	Volusia	60
6	ALF	MAGNOLIA MANOR AT DAYTONA BEACH	252 FOREST LAKE BLVD	DAYTONA BEACH	Volusia	60
Total						553

Sales Comparables



Map #	Property Name	Property Address	City	County	ZIP	Month Opened	Sale Date	Land Cost	Land Acreage	Land Cost / Acre	Land Cost/Unit	Property Status	Operator	Weighting	Notes
1	Comfort Cove Care of Bradenton	3503 14th St W	Bradenton	Manatee	34205	1/2018	7/1/2013	\$1,000,000	5.1	\$196,514	\$19,231	New Construction	Comfort Cove Care, LLC	-5%	Discount in markets -30% smaller facility +20 appreciation since 2013 +5%
2	Bright Oaks of Fort Myers	4995 Winkler Avenue Ext	Fort Myers	Lee	33966	8/2018	12/21/2014	\$1,000,000	5.5	\$181,488	\$6,623	New Construction	Bright Oaks Group	-10%	Discount in markets -15%, appreciation since 2014 +5%
3	Tessera of Brandon	1320 Oakfield Dr	Brandon	Hillsborough	33511	2/2018	6/21/2015	\$900,000	3.4	\$265,487	\$6,522	New Construction	Brandon Care, LLC		
4	All Seasons Naples	15450 Tamiami Trail N	Naples	Collier	34110	1/2018	2/20/2013	\$1,800,000	5.0	\$363,636	\$20,225	New Construction	Beztak Corporation	-15%	Discount in Market -25%, similar model/size +10%
5	Bright Oaks of Naples	4519 Tamiami Trail E	Naples	Collier	34112	1/2018	12/21/2014	\$1,000,000	3.0	\$331,126	\$12,048	New Construction			
6	Allegro at Casselberry	2701 Howell Branch Rd	Winter Park	Seminole	32792	1/2018	8/31/2015	\$2,950,000	17.0	\$173,939	\$38,312	New Construction	Allegro Management Company	-20%	Discount in markets -20%
7	Promise Pointe at Tampa Oaks	7320 E Fletcher Avenue	Tampa	Hillsborough	33637	1/2018	11/8/2014	\$1,675,400	3.3	\$509,240	\$14,443	New Construction	Tampa Oaks Senior Living, LLC		
8	The Watermark at Vistawilla	1519 E State Rd 434	Winter Springs	Seminole	32708	2/2018	1/31/2016	\$1,500,000	3.5	\$431,034	\$16,854	New Construction	Watermark Retirement Communities		

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