

CRES CORP

CRES CORP INTERNATIONAL, LLC
COMMERCIAL REAL ESTATE AND FINANCIAL SERVICES

Bradenton, FL

98-BED ASSISTED LIVING

50% Completed Construction



4207 SR 64 E, Bradenton, FL 34208

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Commercial Real Estate, Business & Financial Services

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CRES CORP

INTERNATIONAL™

Statement of Confidentiality and Disclaimer

CRES Corp International, LLC has agreed to assist **Victor Living Bradenton LLC**, the Owner of the Property located **4207 SR 64, Brandenton, FL 34208** with the marketing, sale/Partnership structure of said Property. No contact shall be made directly to the Owner, or any associates to Owner, by any prospective purchaser or agent of purchaser regarding said Property.

This brochure is a solicitation of interest only and is not an offer to sell the Property. The Owner expressly reserves the right, at its sole discretion, to reject any or all expression of interest to purchase the Property and expressly reserves the right, at its sole discretion, to terminate discussions with any entity at any time with or without notice. The Owner shall have no legal commitment or obligation to entity reviewing the brochure or making an offer to purchase the Property unless and until the Owner executes and delivers a signed purchase agreement on terms acceptable to the Owner, at Owners sole discretion. By submitting an offer, a prospective purchaser will be deemed to have acknowledged the foregoing and agrees to release the Owner from any liability with respect hereto.

The enclosed materials are being provided solely to facilitate the interested Party's own due diligence for which the interested Party shall be fully and solely responsible.

Neither CRES Corp International, LLC nor the Owner make any representation or warranty, expressed or implied, as to the accuracy or completeness from the information contained herein, and nothing contained herein shall be relied upon as a promise or representation as to the future performance of the Property. This brochure may include certain statements and estimates by CRES Corp International, LLC Agents/Associates with respect to the projected future performance of the Property. These assumptions may or may not be proven to be correct and there can be no assurance that such estimates will be achieved. Further, CRES Corp International, LLC disclaims any and all liability for representations or warranties, expressed or implied, contained in or omitted from this brochure, or any other written or oral communication transmitted or made available to the recipient. The recipient shall be entitled to rely solely on those representations and warranties that may be made to it in any finale, fully executed and delivered, Purchase Agreement between it and the Owner.

The information contained herein is subject to change without notice and the recipient of these materials shall not look to the Owner or CRES Corp International, LLC, nor any of their officers, employees, representatives, independent contractors or affiliates, for the accuracy or completeness thereof. Recipients of this brochure are advised and encouraged to conduct their own comprehensive review and analysis of the Property.

Prospective Purchaser understands and agrees that all dealings concerning the above opportunity will be handled through CRES Corp International, LLC.

Prospective Purchaser _____ Date _____

Print Name _____

Address _____ Phone # _____

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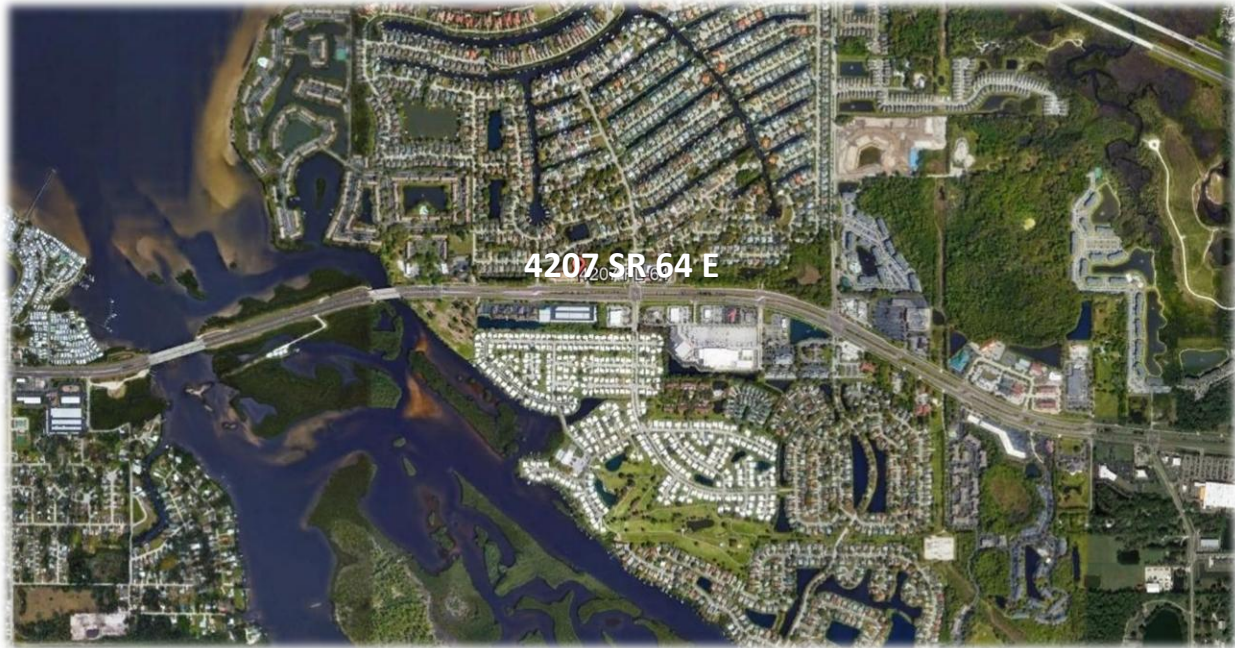
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Property Overview: Located 2 miles from Hwy 75 and only 3 miles from the Manatee Memorial Hospital, this property is the perfect location for a 98-Bed ALF. The owners are a large hotel-multifamily development company who have completed 50% of the construction and have decided to sell the property and the remainder of the construction, keeping their interest in the hotel industry.

The structure is top of the line construction that includes block construction and Spanish style roof and gutter system. Partition framing is installed, most plasterboard included. Electrical, plumbing and HVAC is short of completed.

Note: Estimated cost to complete the development may be around \$6 million, depending on the extent of the amenities offered. Construction completion is approximately a year. Full Architectural plans, renderings and budget is available upon request.

Area Competition: There are 11 ALF located within 5-miles radius from subject Property that include over 70-Beds, the largest being Inspired Living at Lakewood Ranch offering 140-Beds.

Area Hospitals: Manatee Memorial Hospital located 3 miles from the subject property.

Parcel/Folio: 11266-0130-9 - Property is currently a vacant parcel consisting of:

- 2.58-4.26acres
- Zoning – Commercial General

Price: Sellers are open to all reasonable offers.



Completed Construction: 98-Bed Assisted Living Facility

The completion of this development will be a 98-Bed ALF. The new owner may discover the structure may permit a larger number of beds. However, the current project is planned for the number indicated in this report.

This Proposed Development Project Includes:

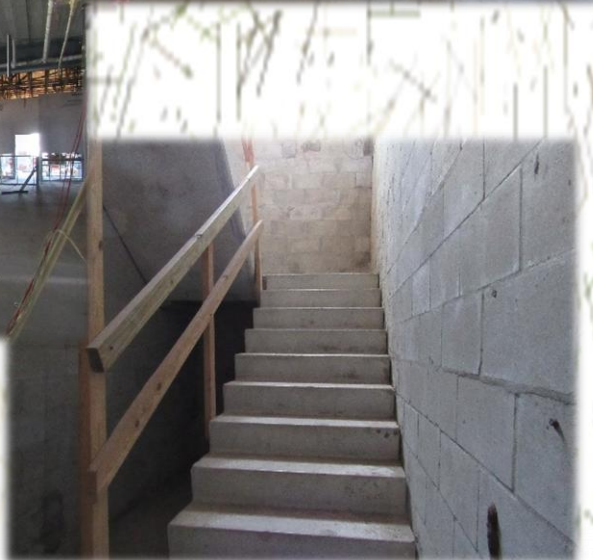
A. Assisted Living Facility

- 79-Units/98-Beds
- 2-Story 45,324/SF
- 2-Elevators (Installed)

There are currently 11 ALF's within a 5-mile radius of the Property, providing over 70 beds. There is a current demand for ALF/Memory Care beds as Florida is 20% short on supply. That number remains stagnant as the population of over 60 years old becomes greater.

The ALF per bed rate in this area averages \$3800/bed (to include care fees). This figure will be used for the purposes of this report.







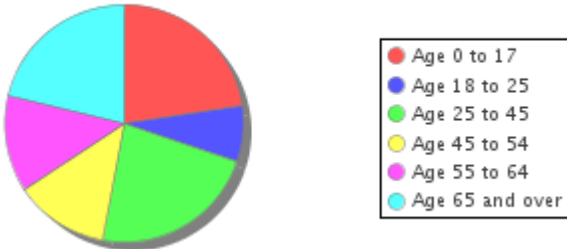
Persons
Households
Percent Children

165,936
66,951
22.84 %

Families
Persons Per Household

44,144
2.5

Age Distribution



Occupancy - Rent vs Own



Source: [2010 Census / US Census Bureau](#)

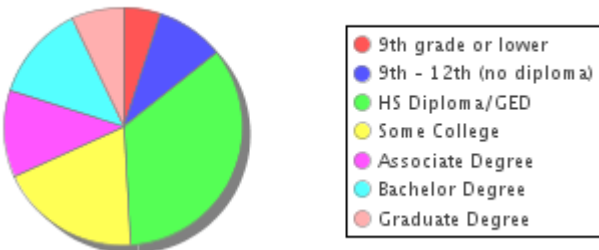
House Median Year Built
Average Home Value
Average Rent

1931
\$168,811
\$1,133

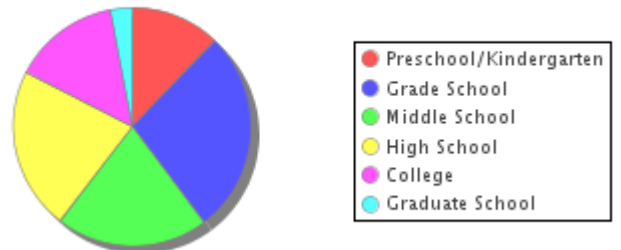
Per Capita Income
Average Household Income

\$27,036
\$52,644

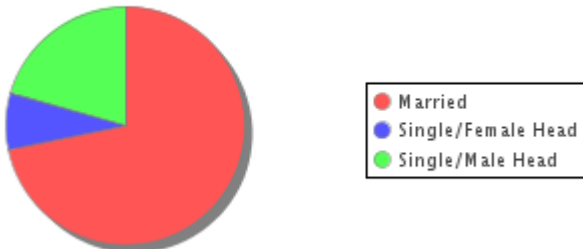
Education Attained



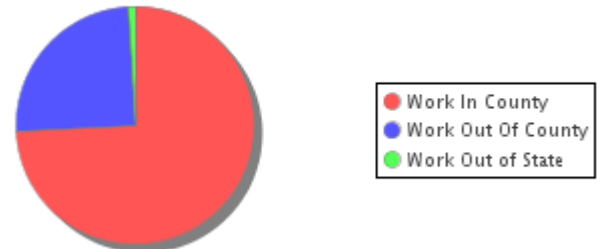
Education - Current Enrollment



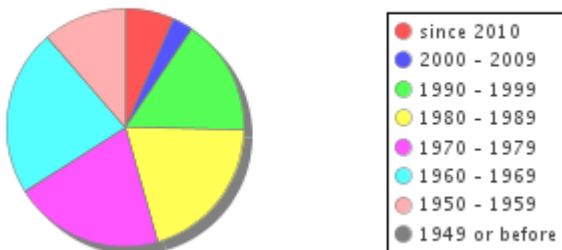
Family Type



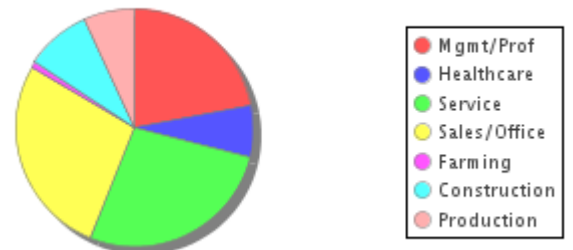
Place Of Employment



Year Built Distribution



Occupation





ALF FINANCIAL PROJECTION

ALF - Project Summary & Financial Projections

Location: 4207 Hwy 64 E, Bradenton, FL 34208 (Manatee County)

Project: Completed Development – 2-story, 98-Bed, 45,324 SF Assisted Living Facility situated on 2.58-acre lot.

Parcel/Folio: 11266-0130-9

Zoning: Commercial General

- 2.58-acres
- 45,324-SF
- 2-Stories
- 79-Units
- 50% Completed Construction
- \$6 Million Estimated Completion Costs

Land Price: \$7,500,000

The following is based on 95% Occupancy in Year 4 of Ownership and after three years of business operation, after construction completion, when the ALF would be considered to be fully seasoned.

Projected Gross Income: \$5,415,000

Projected Expenses: \$3,790,000

Projected NOI: \$1,625,000

Projected Debt Service: \$626,261*

Projected BTCF: \$998,739

Projected Cap Rate: 12.04% Cost Basis/8.0% Resale basis

Projected Cash Return: 15.13% (with equity) 19.40% (Before Taxes)

Risk Factor: Low-Medium

***Financing**

Debt Service based HUD structure loan in the amount of \$8,100,000 (Property Acquisition + \$6M Construction - 60% LTV/40% down), includes 10% Interest Only for Yr-1 converting to 6% interest rate and 25-year amortization for years 2-10. -10.



ALF FINANCIAL PROJECTION

Projections based on a purchase price of \$7.5M for the Property, plus an additional \$6M for the completion of construction within Yr-1. Yr-2 indicates 50% occupancy. Yr-3 indicates 80% occupancy. Yrs 4-10 include an expected occupancy of 95%, with a bed rate of \$4600/mo, including ALF care fees. Revenue and expenses include an escalation of 3%/an.

Rental Activity Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Rental Income	\$	\$ 2,847,000	\$ 4,555,000	\$ 5,700,000	\$ 5,871,000	\$ 6,047,130	\$ 6,228,544	\$ 6,415,400	\$ 6,607,862	\$ 6,806,098
Less: Vacancy & Credit Losses		(142,350)	(227,750)	(285,000)	(293,550)	(302,357)	(311,427)	(320,770)	(330,393)	(340,305)
Effective Gross Income	\$	\$ 2,704,650	\$ 4,327,250	\$ 5,415,000	\$ 5,577,450	\$ 5,744,774	\$ 5,917,117	\$ 6,094,630	\$ 6,277,469	\$ 6,465,793
Less: Operating Expenses	-	(1,893,255)	(3,029,000)	(3,790,000)	(3,903,700)	(4,020,811)	(4,141,435)	(4,265,678)	(4,393,649)	(4,525,458)
Net Operating Income (NOI)	\$	\$ 811,395	\$ 1,298,250	\$ 1,625,000	\$ 1,673,750	\$ 1,723,963	\$ 1,775,681	\$ 1,828,952	\$ 1,883,820	\$ 1,940,335
Less: Annual Debt Service	(729,000)	(729,000)	(626,261)	(626,261)	(626,261)	(626,261)	(626,261)	(626,261)	(626,261)	(626,261)
CASH FLOW Before Taxes	\$ (729,000)	\$ 82,395	\$ 671,989	\$ 998,739	\$ 1,047,489	\$ 1,097,702	\$ 1,149,420	\$ 1,202,691	\$ 1,257,559	\$ 1,314,074

Property Resale Analysis	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Projected Sales Price	\$	\$ 10,142,438	\$ 16,228,125	\$ 20,312,500	\$ 20,921,875	\$ 21,549,531	\$ 22,196,017	\$ 22,861,898	\$ 23,547,755	\$ 24,254,187
Less: Selling Expenses	-	(304,273)	(486,844)	(609,375)	(627,656)	(646,486)	(665,881)	(685,857)	(706,433)	(727,626)
Adjusted Projected Sales Price	\$	\$ 9,838,164	\$ 15,741,281	\$ 19,703,125	\$ 20,294,219	\$ 20,903,045	\$ 21,530,137	\$ 22,176,041	\$ 22,841,322	\$ 23,526,562
Less: Mortgage(s) Balance Payoff	(8,100,000)	(8,100,000)	(7,955,817)	(7,802,741)	(7,640,223)	(7,467,682)	(7,284,499)	(7,090,018)	(6,883,541)	(6,664,329)
SALE PROCEEDS Before Taxes	\$ (8,100,000)	\$ 1,738,164	\$ 7,785,464	\$ 11,900,384	\$ 12,653,995	\$ 13,435,363	\$ 14,245,637	\$ 15,086,023	\$ 15,957,781	\$ 16,862,232

Cash Position	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Cash Generated in Current Year	\$ (729,000)	\$ 82,395	\$ 671,989	\$ 998,739	\$ 1,047,489	\$ 1,097,702	\$ 1,149,420	\$ 1,202,691	\$ 1,257,559	\$ 1,314,074
Cash Generated in Previous Years	n/a	(729,000)	(646,605)	25,384	1,024,123	2,071,612	3,169,314	4,318,734	5,521,425	6,778,984
Cash Generated from Property Sale	(8,100,000)	1,738,164	7,785,464	11,900,384	12,653,995	13,435,363	14,245,637	15,086,023	15,957,781	16,862,232
Original Initial Investment	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)	(5,400,000)
Total Potential CASH Generated	\$ (14,229,000)	\$ (4,308,441)	\$ 2,410,848	\$ 7,524,507	\$ 9,325,607	\$ 11,204,677	\$ 13,164,371	\$ 15,207,448	\$ 17,336,765	\$ 19,555,290

Financial Measurements	FMV EOY - Debt EOY	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Debt Coverage Ratio (DCR)	-	1.11	2.07	2.59	2.67	2.75	2.84	2.92	3.01	3.10	
Loan-to-Value Ratio (LVR)	0.0%	79.9%	49.0%	38.4%	36.5%	34.7%	32.8%	31.0%	29.2%	27.5%	
Capitalization Rate Based on Cost	0.00%	6.01%	9.62%	12.04%	12.40%	12.77%	13.15%	13.55%	13.95%	14.37%	
Capitalization Rate Based on Resale Price	0.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	
Gross Rent Monthly Multiplier (GRM)	-	42.75	42.75	42.76	42.76	42.76	42.76	42.76	42.76	42.76	
Gross Rent Yearly Multiplier (GRM)	-	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	3.56	
Value of Property Using this GRM	4.00	11,388,000	18,220,000	22,800,000	23,484,000	24,188,520	24,914,176	25,661,601	26,431,449	27,224,392	
Break-Even Ratio	0.00%	92.11%	80.25%	77.48%	77.16%	76.85%	76.55%	76.25%	75.97%	75.69%	
Operating Expense Ratio	0.00%	70.00%	70.00%	69.99%	69.99%	69.99%	69.99%	69.99%	69.99%	69.99%	
Cash-on-Cash Return with Equity	-263.50%	0.00%	386.57%	65.68%	15.13%	14.85%	14.59%	14.34%	14.11%	13.90%	
Cash-on-Cash Return - Before Taxes	-13.50%	1.53%	12.44%	18.50%	19.40%	20.33%	21.29%	22.27%	23.29%	24.33%	



Commercial Real Estate Services - Financial Services – Management & Leasing Services

CRES Corp International, LLC (CCI) is a Commercial Real Estate firm offering brokerage, finance and management services.

Our unique business model brings to our property owners and investors the means to get transactions completed where all parties are satisfied.

CRES Corp International offers the **Preferred Investor Program (PIP)**, where our Clients receive the following benefits:

Property Owners

- No Exclusive Listing Agreement
- Property introduced only to Pre-Qualified Investors who:
 - Have Sufficient Funds for RE Purchases
 - Have Experience in Investing
 - Make Reasonable Offers

Investors

- Receive Information on “Off-Market” Property
- Receive information on “Pre-Listed” Property
- Minimal Competition
- Great Price on their RE Purchases

CRES Corp International specializes in the following commercial property:

- Apartments
- Hotels
- MHP/RV
- Office Buildings/Complexes
- Medical Offices & Centers
- Vacant Land (Development)

For further information contact Benny Spensieri – 813-391-1545 or benny@CRESCorpllc.com