



DEVELOPN



ZOM's joint venture with Clarion Partners is nearing completion. Moda means style, and this 285-unit, 8-story midrise in North Miami Beach is dressed to impress. Providing dramatic water views from all units, **MODA at North Bay Village** spans a spectacular 4.5-acre waterfront peninsula, overlooking Biscayne Bay. Residents will live a true resort-style life, including an onsite marina, a ¼-mile waterfront fitness trail, golf simulator and yoga studio. First units are expected to deliver Q1 2015 and final completion is scheduled in Q2.







TATE was designed with the most discerning renters in mind. Located next to Houston's vibrant Galleria District, construction is well underway on this 431-unit architecturally distinctive project. Future TATE residents can expect a highly amenitized hotel-style ex-

perience. Adjacent to a new HEB gourmet grocery in the prestigious Tanglewood neighborhood, Tate is a joint venture with a UBS affiliate. First units are expected Q3 2015 and final completion anticipated in Q1 2016.



Bel Air at Doral is located on a beautiful waterfront site adjacent to the prominent Trump Doral Country Club. With views of the renowned White Course and the challenging "Blue Monster," Bel Air promises to provide upscale resort-style living, and will boast the most expansive cutting-edge amenity package in the Doral market. First units in this 249-unit, 8-story midrise will deliver in March 2015. Preleasing will commence in January.



Jewel In Brickell

ZOM and its joint venture partner, AIG Global Real Estate, are finalizing plans to develop a 438-unit, 50-story luxury highrise at the new epicenter of the booming Brickell neighborhood of urban Miami.

Boasting phenomenal walk and transit scores of 97 and 100 respectively, the Solitair site is directly adjacent to Swire's \$1.05B Brickell City Centre project, a block from Mary Brickell Village retail complex, and a 3-minute walk to the Miami Metro Mover which provides quick, hassle-free transportation to downtown Miami.

With a striking architectural design, and sharp articulations in the balconies of the facade, **Solitair** residents will enjoy sweeping views of the Brickell Avenue and downtown Miami skylines, as well as Biscayne Bay, Miami Beach and beyond. They can also choose from an array of spacious apartment homes—each delivering design-driven, high-finish living spaces and providing a specially crafted living environment.

Solitair's chic Reception Lounge will be located on the 9th floor and the 50th floor amenity level will house a high-style resident lounge, café, game center and hospitality lounge with entertainment kitchen. An intimate rooftop pool and garden complex will top off what is sure to become a Miami masterpiece. Groundbreaking on **Solitair** is anticipated in early 2015.







Reshaping the Miami skyline (see cover photo), this 32-story iconic tower houses 462 units, in a mixed-use complex that features a Whole Foods grocery store in the ground level. Located in the heart of downtown Miami, overlooking the expansive Biscayne Bay, the building features a unique 13th floor amenity level and pool deck where residents will also enjoy a spacious open lounge area and fitness center. With close proximity to the Metromover, **Monarc at Met 3** (a joint venture with UBS) entices renters from the epicenter of Miami's Central Business District. First units are expected in Q1 2016.





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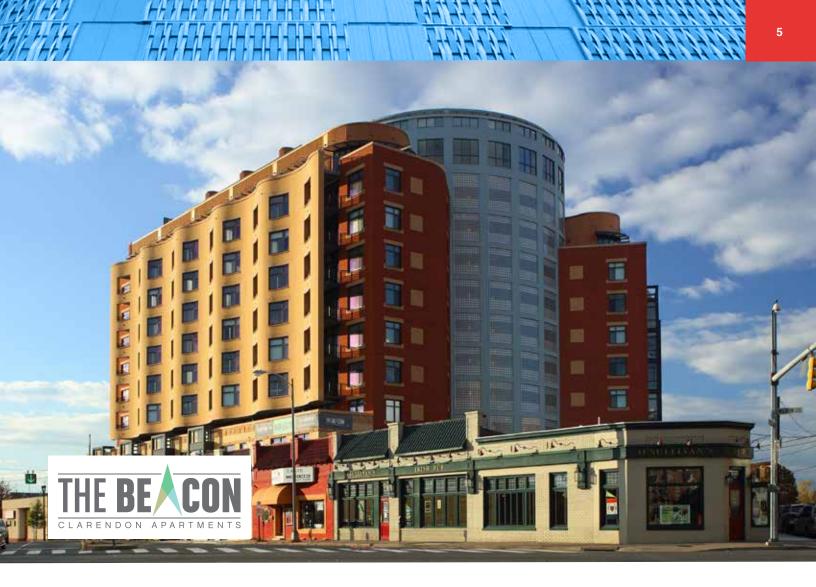


ZOM Hits The Mid-Atlantic

Unveiled in May 2014, this 191-unit mixed-use development is conveniently located one block from the Courthouse Metro Stop in the Rosslyn-Ballston Metro Corridor. **19Nineteen** is a LEED Silver project, and exceeded all expectations by achieving 83% occupancy in the first three months of operations. A joint venture with USAA Real Estate Company, the industrial loft-style building in the heart of Arlington features well-appointed apartment homes in a variety of spacious floor plans, plus 17,500 square feet of retail on the ground floor, including two upscale restaurants and a high-end fitness facility.







This LEED project, ZOM's second joint venture with USAA Real Estate, opened its doors in October 2014. **The Beacon at Clarendon West** is a 187-unit stylish highrise featuring condolevel finishes, an intimate rooftop pool and garden, as well as 17,000 square feet of retail space on the ground floor.

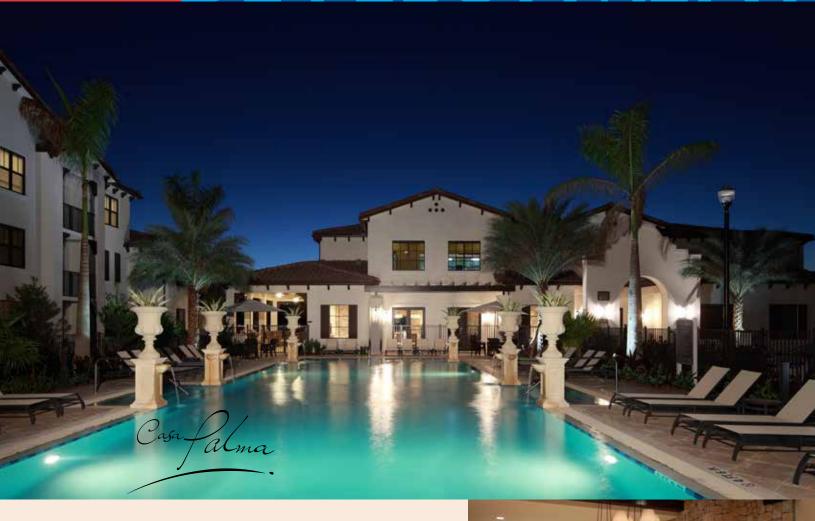
The Beacon has been well received in the Arlington market, and will stabilize in Second Quarter 2015. Prospective renters are drawn to the Beacon's commanding location, just one block from the Clarendon Metro Stop, with numerous restaurants and boutique retail within walking distance.

Located in the heart of Baltimore's Inner Harbor, Banner Hill embodies urban infill development in every sense of the term. This distinctive 6-story midrise features 349 efficient, well-appointed units in a variety of spacious, functional floor plans. Adjacent to the prestigious Federal Hill neighborhood, the site boasts a 92 walk score, with over 25 restaurants and an array of retail and entertainment venues nearby, including storied Camden Yard. Close proximity to the Camden Marc Rail Station provides daily commuter access to downtown Washington DC. ZOM is finalizing a venture with a top-tier institutional investor. Groundbreaking is scheduled for early Second Quarter 2015.





DEVELOPMENT



With its distinctive Spanish eclectic architectural-styled buildings, **Casa Palma** is located in Coconut Creek, northern Broward County, Florida, and features 350 luxury rental units on a 20-acre site. Residents enjoy spacious apartment homes with interior finishes that are a cut above the market, including wine coolers, keyless entries and NEST thermostats. Casa Palma also enjoys excellent proximity to "A" rated schools, and an array of retail, restaurant and entertainment venues. Market rents well exceed original pro forma projections.

Casa Palma will stabilize in early 2015 and is a joint venture with an affiliate of AEW Capital Management.



ZOM Florida will break ground in 2015 on two new garden-style communities in south Florida. **Delray Preserve** (188 units) will overlook the Intracoastal Waterway in Delray Beach. **Palm Aire** (404 units) will be developed on a former golf course in Pompano Beach. Each of these projects will feature one-, two-and three-bedroom apartment homes, and a grand clubhouse featuring a club room, cyber cafe and fitness center. Residents will also enjoy a resort-style pool with cabanas, a bark park and an oversized tot-lot. Interior features to include island kitchens, granite countertops, stainless steel appliances, walk-in closets and private patios on select units.

Coming to Orlando - Baldwin Harbor

ZOM Florida broke ground in December on **Baldwin Harbor**, a 483-unit luxury lakefront multifamily community in the heart of Orlando's most prestigious masterplanned community. **Baldwin Harbor** is ZOM's second joint venture with AIG Global Real Estate. The project will bring a unique product and mix to Baldwin Park, housed in two four-story architecturally distinctive residential buildings with integrated secure structured parking.

These two spectacular waterfront parcels are just steps from Baldwin Park's main street and centrally located in the metro with close proximity to an array of employment centers and retail services.

Baldwin Harbor's apartment homes are thoughtfully planned around lushly landscaped courtyards and an elaborate motor court entrance, featuring spacious and functional luxury units in a stylish and contemporary design. Cutting-edge features include USB port compatible outlets, keyless entry locks and remotely programmable NEST thermostats.

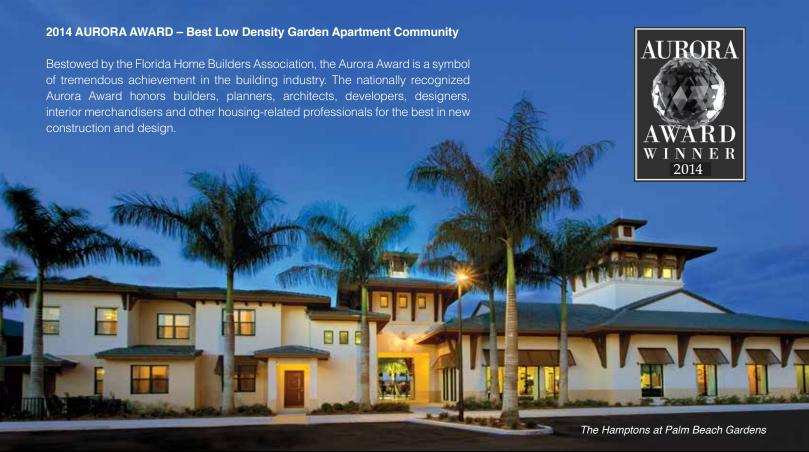
"Baldwin Harbor is such an exciting location fronting the lake and central to the urban core; the luxurious product and close pedestrian proximity to so many amenities will position Baldwin Harbor as the most desirable development in the community," said Greg West, ZOM's Chief Development Officer.

From the moment residents arrive, they will enjoy a hotel-style experience with a grand clubhouse with two private resort-style pools ideally designed for both entertainment and relaxation. First units are expected Q1 2016.









Rentals Rising continued from pg 1

> South Florida continues to be ripe for new production, and ZOM is wellpositioned there. Miami was recently named "Floridian of the Year" by Florida Trend magazine, for its robust economy and growing reputation as the hottest global gateway city. We broke ground in early 2014 on Monarc at Met 3, a 32-story highrise in downtown Miami, and plan to start in March on Solitair Brickell, a 50-story highrise adjacent to the new \$1 billion Brickell City Centre. Additional ZOM projects are planned, in the epicenter of billions of dollars of emerging retail, cultural, entertainment and hospitality "super projects," each of which is transforming Miami's urban core into a highly desirable living environment.

> We broke ground in November on Baldwin Harbor, a waterfront project near downtown Orlando. Additional groundbreakings in 2015 include two new garden-style projects in south Florida, and an urban midrise in Baltimore's trendy Inner Harbor market. Several new projects are in predevelopment, in Dallas, Miami and Tampa.

> A growing segment of our customer base is urban-centric. Walkability is the new buzzword for desirable urban residential locations, with renters wanting ease of access to work, retail, entertainment and culture. This consumer priority continues to shape our development strategy, drawing us to evaluate more city center locales, where land is scarce and prices are high. Highrise or midrise solutions are often necessary to generate acceptable project yields. To maintain affordability for most of our customers, the living units are getting smaller and more efficient. The interior finishes are higher quality, however, and more design-driven. "Smaller, but nicer" strikes a nice balance and keeps absolute rents in

check. Conversely, we also find opportunities in select submarkets for larger product, which appeals to the more affluent, less price-sensitive renter who does not want to compromise living space for urban amenities.

Our renters are also more connected to each other and their communities than ever before. We are therefore designing larger, more comfortable social settings within our buildings for people to interact. These highstyle common areas feel a lot more like hotels than traditional apartment communities. Continuing to evolve our living spaces will better ensure that we are meeting our customers' expectations and creating maximum value for our investor partners.

Investors continue to invest in well-located, high-quality apartments. Total 2014 transaction volume may surpass 2007's peak volume of \$105 billion. Cap rates for institutional apartments fell to 4.4% in Q2 2014, matching 2006's historic low. Low cap rates and strong investor demand will create opportunities to harvest gains as our projects lease up and stabilize.

ZOM's mandate is the same today as it was over 25 years ago when we entered the apartment business—to deliver well-conceived, prudently capitalized projects in leading U.S. markets. ZOM's cutting-edge designs are an enduring feature of what we build, and an essential ingredient of the value we create. We will continue to work diligently on behalf of our capital partners and shareholders to preserve and enhance the value of their invested capital.

