

Tamarian Farms Ocala, FL

60 Acre Premium Horse Facility
Purpose Built
Day 1 Revenue Generation
7 Year Investment Term



PHOENICIAN
VENTURES

OFFERING MEMORANDUM

PHOENICIAN VENTURES | 20 BERWICK ROAD | MERION STATION, PA

Q2 2019



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EXECUTIVE SUMMARY



THE OPPORTUNITY

- Phoenician secured the Twin Oaks farm property under contract for \$3MM.
- Twin Oaks is a 60 acre premium horse facility with boarding fees significantly below market.
- The property sits in the center of “The Horse Capital of the World”, and is flanked by the 632 World Equestrian Center and Golden Ocala Country Club.
- In September 2019, Phoenician will begin filling boarding requests from a waiting list.
- Twin Oaks will be rebranded as “Tamarian Farms” and marketed as a premium equestrian training facility.
- In January 2020, the World Equestrian Center opens and is expected to drive up average boarding prices by 25 to 50 percent.
- Florida is home to over 350,000 horses with 75% located in Ocala and Marion County.





LOCATION SUMMARY



THE LOCATION

Transportation Oriented: Sitting just a half mile from interstate 27, transportation to the HITS Showgrounds is just 4 miles to the Northwest, while the new World Equestrian Center is 1.5 miles to the Southeast.

Strong Population Driver: Marion county has over 260,000 horses, and several thousand more can be brought into the area for a championship event, increasing boarding fees. The opening of WEC next year is expected to grow these numbers substantially.

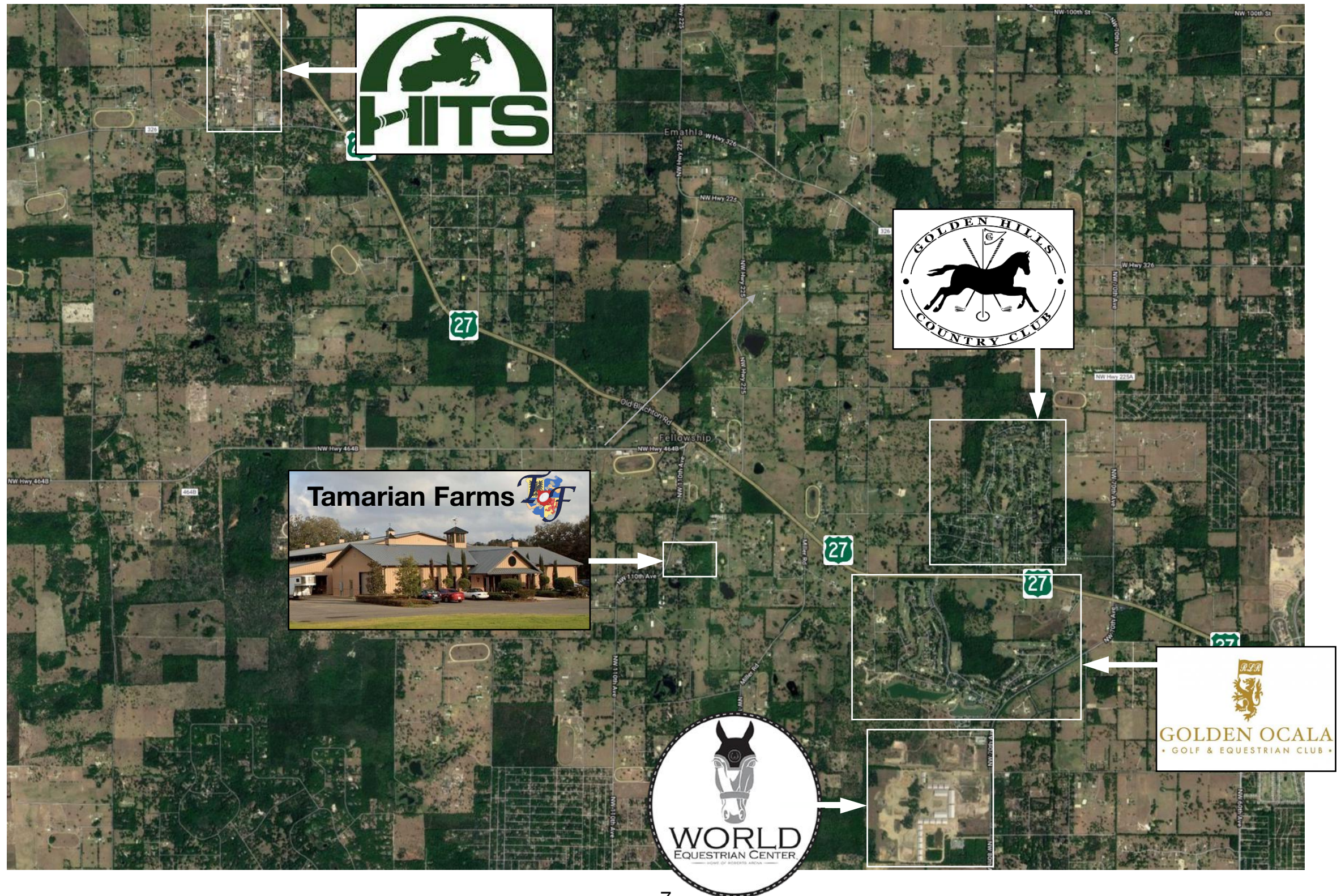
Club Access: Local clubs with quick and easy access to the farm.

- Golden Ocala Equestrian Club - 1 mile east
- Golden Hills Country Club - 1.5 miles east



GOLDEN OCALA
• GOLF & EQUESTRIAN CLUB •

THE LOCATION





PROJECT PLAN



REBRANDING

“Tamarian Farms”

The original owner of Twin Oaks invested \$5.8MM developing the property as a premium equestrian facility. Under the next owner, a quarterhorse breeder, the farm saw light use and was underutilized, but generally well maintained. Because the championship quality of the facility is unique in Ocala, the opportunity exists to rebrand the property as a premium facility and differentiate its services by concentrating on quality of equine care and luxury amenities for their owners.



Tamarian Farms

The Ultimate Spa for your Horse, the Ultimate Equine Experience for You

Our concept is centered around the love for their animal that only a devout horse lover would understand, premium care for their premium horse in a top of the line, premium facility.

The design of the facility and the care of service given to both the owner and their animal speaks to the level of luxury every owner wants to provide for their horse.

From premium equine spa services, to top quality products in the onsite tack shop and saddlery, to the exquisite care given to each horse in its stall, every aspect of the experience is fine tuned to enhance the feeling of luxury for both human and equine species.

Investors' Note:

As a service to you, Tamarian Farms has a preferred pricing schedule with year-round preferred pricing for our investors and their families.

CAPITAL REINVESTMENT / IMPROVEMENTS

To ensure the quality of the facility and to realize maximum property value at refinancing or sale, Phoenician has designed a continuous maintenance and improvement program.

All cash flows net of investor distributions will be reinvested into the property.

A total of \$1.1MM is projected to be reinvested over the lifetime of the project.

Planned Improvements

- Indoor and Outdoor Ring Upgrades
- Turf Upgrades
- Septic Remediation / Expansion
- Paddock Reclamation / Expansion
- Structural Improvements
- Fencing Upgrades
- Driveway/Parking Upgrades
- Farm Equipment Improvements
- Breeding Facility Improvements
- Office / Retail FFE Improvements

TRAINING PARTNERSHIP



Rachel Lyn Tennyson — GreyLyn Farm

Rachel is the founder of GreyLyn Farm, a 30 year old equestrian facility located in Pennsylvania. Rachel started GreyLyn when she was named the Head Instructor for the Phelps Boys School in Malvern, PA. At the Phelps School she boarded 42 horses, provided daily riding lessons, a summer day camp, and promoted and managed an annual horse show for her students. Rachel has generously offered to partner with Tamarian Farms in Ocala to provide boarding, riding and jumping lessons for children and adults, summer riding day camp and horse shows for her students and those who board horses at the property.

Tennyson has developed more than her fair share of students into regional and national champions in Hunter/Jumper competitions and is excited to move her operations to Ocala.

www.greylynfarm.com

RETAIL PARTNERSHIPS



Ocala Saddlery

Tamarian Farms has entered into a partnership with Ocala Saddlery to bring a diverse set of Equestrian products into the retail space at the farm.

We will be offering premium tack and supplies to our customers and the surrounding Ocala area.



Greyhound Cafe

Tamarian Farms is negotiating a partnership with Greyhound Cafe, an award winning vegan eatery located in Philadelphia.

We will be offering a premium vegan catering service to all of our customers and food service at all of our equestrian events.



PROPERTY OVERVIEW



PROPERTY INFORMATION



Tamarian Farms	
Address	4615 NW 110th Ave Ocala, FL 34482
Acres	60
Number of Barns	5
Number of Stalls	60
Championship Indoor	1 (33,000 SF)
Championship Outdoor	1 (43,000 SF)
Exercise Rings	2
Equine Walker	1
Residential Units	2
Equipment Garages	2
Large Office Complex	5,000 SF
Gross Residential SF	7,000 SF
Parking	35 Spaces
Fencing	Quality 4-Rail

Type	Count	Size	Monthly Boarding Fee
Deluxe Stalls	4	12' x 15'	\$3000
Premium Stalls	30	12' x 12'	\$1500
Standard Stalls	21	10' x 12'	\$1000
Quarantine Stalls	5	10' x 12'	\$950
Residential Unit 1 (4 Bedroom)	1	5500 SF	\$4000
Residential Unit 2 (3 Bedroom)	1	1500 SF	\$2200



MARKET OVERVIEW



MARKET COMPARABLES — RENT

	Tamarian Farms	Golden Ocala	Kimberden	Meadowood Farm	Castle Gate Farm
Address	4615 NW 110th Ave. Ocala, FL 34482	8300 NW 31st Lane Road Ocala, FL 34482	5400 NW 110th Ave Ocala, FL 34482	9440 County Road 326 Ocala, FL 34482	13009 S Highway 475 Ocala, FL 33480
Luxury Stalls	\$3000	N/A	N/A	N/A	N/A
Premium Stalls	\$1500	N/A	\$1625	\$1600	\$1500
Standard Stalls	\$1000	\$1400	N/A	\$950	\$1000
Dry Stalls	\$600	\$450	N/A	N/A	N/A
Quarantine Stalls	\$950	N/A	N/A	N/A	N/A

MARKET COMPARABLES — AMENITIES

	Tamarian Farms	Golden Ocala*	Kimberden	Meadowood Farm	Castle Gate Farm
Address	4615 NW 110th Ave. Ocala, FL 34482	8300 NW 31st Lane Road Ocala, FL 34482	5400 NW 110th Ave Ocala, FL 34482	9440 County Road 326 Ocala, FL 34482	13009 S Highway 475 Ocala, FL 33480
Championship Indoor Ring	1	0	0	0	0
Championship Outdoor Ring	1	1	1	1	1
Indoor Exercise Ring	2	0	0	0	0
Equine Walker	1	0	0	0	1
Quarantine Stalls	5	0	0	0	0
24/7 Barn Security	Yes	Yes	N/A	N/A	N/A
Climate Controlled Tack/Feed Rooms	Yes	Yes	Yes	N/A	N/A
Mens/Womens Locker Rooms	Yes	N/A	N/A	N/A	N/A
Washer/Dryer Service	Yes	N/A	N/A	N/A	N/A
Indoor Observation Center	Yes	N/A	N/A	N/A	N/A
Tack Available Onsite	Yes	N/A	N/A	N/A	N/A

* Available to Residents Only



FINANCIAL ANALYSIS



FINANCIAL ILLUSTRATION – 7 Year Hold ProForma

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Effective Gross Income	\$449,750	\$1,191,450	\$1,380,600	\$1,380,600	\$1,380,600	\$1,380,600	\$1,380,600
Starting Reserves	\$70,675	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	(\$366,502)	(\$750,925)	(\$814,025)	(\$812,328)	(\$810,552)	(\$808,690)	(\$806,740)
Net Operating Income	\$153,923	\$440,525	\$566,575	\$568,272	\$570,048	\$571,910	\$573,860
Debt Service	(\$83,248)	(\$121,160)	(\$121,160)	(\$121,160)	(\$121,160)	(\$121,160)	(\$121,160)
Replacement Reserves	\$0	(\$167,052)	(\$232,986)	(\$233,874)	(\$234,803)	(\$235,777)	\$0
Operating Cash Flows	\$70,675	\$152,313	\$212,429	\$213,238	\$214,085	\$214,973	\$452,700
Gross Refi/Sale Proceeds	\$0	\$0	\$0	\$0	\$0	\$0	\$5,500,000
Less Sale Costs	\$0	\$0	\$0	\$0	\$0	\$0	(\$46,039)
Less Initial Improvements	(\$70,675)	\$0	\$0	\$0	\$0	\$0	\$0
Less Loan Outstanding	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,481,501)
Less GP Promote (20%)*	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,100,000)
Less Management Fee	\$0	(\$72,917)	(\$72,917)	(\$72,917)	(\$72,917)	(\$72,917)	(\$72,917)
Total Cash Flows	\$0	\$79,396	\$139,512	\$140,321	\$141,168	\$142,056	\$3,252,243
Investor Distribution	\$0	\$79,396	\$139,512	\$140,321	\$141,168	\$142,056	\$2,710,203
Phoenician Ventures Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$542,041
Total Distributions	\$0	\$79,396	\$139,512	\$140,321	\$141,168	\$142,056	\$3,252,243

Initial Investment	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
\$250,000	\$0	\$15,879	\$27,902	\$28,064	\$28,234	\$28,411	\$542,041	\$670,531
Cash on Cash	0.0%	6.4%	11.2%	11.2%	11.3%	11.4%	216.8%	
Cumulative Return	0.0%	6.4%	17.5%	28.7%	40.0%	51.4%	268.2%	

*Waterfall:
GP Promote is 0% until avg. return to investors > 8%, then
GP Promote is 20%

** Y1 Management fee is deferred and spread over
remaining years.

Sources & Uses	Total	Per Stall
Uses		
Acquisition Costs	\$3,044,825	\$50,747
Soft Costs	\$187,675	\$3,128
Other Transaction Costs	\$17,500	\$292
Total Uses	\$3,250,000	\$54,167
Sources		
Debt & Other Financing	\$1,750,000	\$29,167
Equity	\$1,500,000	\$25,000
Total Sources	\$3,250,000	\$54,167

Exit Assumptions	
Exit Cap Rate	10.4%
Exit Year NOI	\$573,860
Gross Refi/Sale Value	\$5,500,000

Investor Returns		
Profit Analysis	Date	% Equity Returned
Investment Date	7/31/2019	0%
First Stabilized Year	12/31/2021	18%
Refi / Sale	12/31/2025	268%
Return Metrics		
Total Equity		\$1,500,000
IRR to Investors		16.89%
Multiple on Investment		2.68x

FINANCIAL ILLUSTRATION – Capital Budget

Budget	Per Stall	Total
Acquisition Cost		
Purchase Price	\$50,000	\$3,000,000
Acquisition Fees	\$747	\$44,825
Total Acquisition Cost	\$50,747	\$3,044,825
Initial Replacement Reserves	\$1,178	\$70,675
Commissions	\$1,667	\$100,000
Insurance	\$200	\$12,000
Soft Cost Contingency	\$83	\$5,000
Total Soft Costs	\$3,128	\$187,675
Senior Loan Costs	\$292	\$17,500
Total Financing Cost & Fees	\$292	\$17,500
Total Project Cost	\$54,167	\$3,250,000

Sources	%	Total
LP Equity	38.5%	\$1,250,000
GP Equity	7.7%	\$250,000
Senior Loan	53.8%	\$1,750,000
Total Sources	100%	\$3,250,000

Capital Reinvestment Sources & Uses	Total	Per Stall
Sources		
Replacement Reserves	\$1,104,493	\$18,408
Uses		
Ring Upgrades	\$170,675	\$2,845
Turf Repair/Upgrade	\$25,000	\$417
Septic Remediation	\$18,675	\$311
Paddock Reclamation	\$118,000	\$1,967
Structural Improvements	\$150,000	\$2,500
Fencing Repair/Upgrade	\$35,000	\$583
Driveway/ Parking Upgrades	\$37,000	\$617
Farm Equipment	\$150,000	\$2,500
Breeding	\$38,000	\$633
Office/Retail FFE	\$25,000	\$417
Total Uses	\$767,350	\$12,789
Reserve Contingency (31%)	\$337,143	\$5,619

FINANCIAL ILLUSTRATION – Income & Expense

	First Stabilized Year (Y3)	
Income & Expenses	Total	Per Stall
Net Potential Stall Rent	\$981,600	\$16,360
Training Income	\$139,800	\$2,330
Equine Care Income	\$108,000	\$1,800
Other Income	\$151,200	\$2,520
Effective Gross Income	\$1,380,600	\$23,010
Salary & Related	(\$358,650)	(\$5,978)
Advertising / Promotion / Commissions	(\$82,836)	(\$1,381)
Repairs & Maintenance	(\$20,709)	(\$345)
Professional Fees	(\$26,231)	(\$437)
Administrative Expenses	(\$98,792)	(\$1,647)
Utilities	(\$36,000)	(\$600)
Feed	(\$177,000)	(\$2,950)
Insurance	(\$13,806)	(\$230)
Total Expenses	(\$814,025)	(\$13,567)
Management Fee	(\$72,917)	(\$1,215)
Debt Service	(\$121,160)	(\$2,019)
Net Operating Income	\$372,498	\$9,443
Replacement Reserves	(\$232,986)	(\$3,883)
Cash Flow from Operations	\$139,512	\$5,560

<i>Cost Basis</i>	\$3,250,000	\$54,167
<i>Improvements to date</i>	\$354,703	\$5,912
<i>Return on Cost</i>	10.33%	

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