



## NOVARE ONCE AGAIN ON THE TAMPA SKYLINE

Novare Group continues to make its mark on the skyline of downtown Tampa. Together with local partner intowngroup, Novare recently started construction on its next project, Element, a 34-story high-rise condominium located at 808 North Franklin Street. The development will comprise 395 residences, as well as approximately 15,500 square feet of street-level retail space. This is the second development in Tampa for Novare, following SkyPoint, a 380-unit high-rise community that is under construction at the intersection of Ashley Drive and Polk Street, just southwest of the Element site.

Element and SkyPoint will anchor an emerging Arts District in downtown Tampa. The neighborhood has a long list of amenities that are already in place, opening soon or in development. Plans are materializing for a newly-designed Riverwalk, which will pass through Riverfront Park, and a redesigned Ashley Drive gateway to downtown from I-275. New restaurants have opened in the neighborhood, and new residences are nearing completion in the area. Retail, recreation and living opportunities are all coming to this unique urban neighborhood, complementing its long-standing cultural institutions, such as the Tampa Bay Performing Arts Center, Tampa Theater and the Tampa Museum of Art.

SkyPoint, which is 99% under contract, topped out in December 2006, and construction is expected to be complete in late spring 2007. The increased residential presence that SkyPoint's homeowners will bring to downtown Tampa, as well as the street-level retail space in the development, will further enhance the vibrancy of the Arts District and spur momentum toward the 24-hour downtown environment that Tampa's leaders have long advocated.

Construction of Element began in December, and a formal groundbreaking ceremony will take place in February. The sales center will open in early March. Element is designed by the architectural firm Rule, Joy, Trammell + Rubio, and the general contractor is Manhattan Construction Company. Construction is expected to be completed in late 2008. More information can be found at the Element website, [www.elementofyou.com](http://www.elementofyou.com)

Dear Friends,

As the fourth quarter of 2006 drew to a close, we finished out our second year as Novare Group Holdings with a flurry of activity. In the Buckhead area of Atlanta, we took profits on one parcel of land and completed a key assemblage of nine acres of land at the corner of Peachtree and Pharr Roads in Buckhead Village. These latter parcels, which took two years to assemble from a number of sellers, position us to benefit from the continuing revitalization of Buckhead as the premier retail, residential and office submarket in Atlanta. And in January we completed our purchase of the land and residential development rights around the Roxy Theater in the center of the Buckhead Village.

We started construction on our second Tampa project, Element, and closed on a third site, on which we plan to develop a TWELVE Hotels and Residences Tampa. TWELVE Tampa will complete with a planned TWELVE Charlotte to be our first TWELVE Hotel and Residences project outside of Atlanta.

Brisk sales continue at Encore in Nashville, where at this writing we are more than 65% under contract. Sales at Encore have outpaced our first Nashville project, Viridian, which was 100% sold when it was delivered in October.

In Tampa, Nashville, Atlanta and our other markets of Charlotte and Austin, we are looking to do more than simply provide our customers with urban condominium homes—we want to create for them great urban experiences. The urban experience encompasses all aspects of life in the city, from the walk down the sidewalk to a café, to a great afternoon of shopping or a ball game, to a night at the theatre or symphony. Our residential developments create enormous energy and opportunity in our markets, and to capitalize on these opportunities, as well as to serve our customers, we will expand our focus on retail, office, hospitality and other income-producing assets in 2007. Our initiatives with Starbucks at TWELVE Atlantic Station and with Concentrics Hospitality in all of our TWELVE Hotel restaurants are part of this strategy, which also includes a greater focus on who else is in the retail assets at the base of our buildings.

With clear goals and objectives, a sharp focus on results, an outstanding group of colleagues at Novare, and most importantly your continued good support, we look forward to a great 2007.

Sincerely,



Jim Borders

NOVARE  
SERVES UP  
STARBUCKS



A familiar logo will soon be seen on 17th Street in Midtown Atlanta's Atlantic Station®. Novare recently reached an agreement with Starbucks to open a store in a portion of the retail space at TWELVE® Atlantic Station, where Starbucks coffee is already stocked in the kitchen of every hotel suite. The store will be owned and operated by Novare Group under license from Starbucks. "Establishing partnerships with national and regional retail entities is part of our strategy for creating a great urban experience for our customers, residents and hotel guests," said George Mori, Novare's Senior Vice President of Retail, who led the effort to obtain the current partnership. "Starbucks is the type of high-quality, branded retail provider we were looking for, and certainly one that is in demand by our customers." Fans can grab a latté, cappuccino or any other favorite Starbucks product at the new location beginning in February.



Jim Jacoby, left, presents the REIAC award to Jim Borders, center, while Jerry Monash, president of REIAC, looks on.

## REIAC NAMES JIM BORDERS TO HALL OF DISTINCTION

The Southeast Chapter of the Real Estate Investment Advisory Council (REIAC) recently honored Novare Group President and CEO Jim Borders as the 2006 inductee into its Hall of Distinction. Created to recognize the people and commercial real estate projects that have made the most dramatic impact on Metro Atlanta, the Hall of Distinction is a collaborative effort between REIAC and Georgia State University's Real Estate Department. The award was presented by Atlantic Station® developer Jim Jacoby, who was the inaugural inductee into the Hall of Distinction in 2005.

In an acceptance speech entitled, "Creating the Great Urban Experience," Borders recounted the history of Novare, as well as the evolution of Atlanta's intown condominium market from small adaptive-reuse lofts in the early 1990s to the high-rise condominiums currently under construction. "It is a great honor to be recognized by both REIAC, of which I am a member, and Georgia State University, which has done so much to restore the great urban experience in downtown Atlanta," said Borders during his remarks.

The Hall of Distinction award also carries with it the creation of an oil painting of Borders, which will hang alongside that of Jacoby in Georgia State University's J. Mack Robinson College of Business.

Founded in 1990, the Real Estate Investment Advisory Council is a national organization that provides a forum for the exchange of ideas among people who conduct commercial real estate transactions. Members are individuals at the senior level of well-established real estate investment entities who demonstrate the requisite experience, competence, and ethics within their respective fields and, additionally, have a desire to utilize their skills in a manner that will improve the community and the profession.

# NOVARE AND CONCENTRICS HOSPITALITY ANNOUNCE OFFICIAL PARTNERSHIP

Novare Group and Concentrics Hospitality, an Atlanta-based restaurant concept development and management company, have formed an official partnership to develop unique chef-inspired restaurants in all TWELVE® Hotels and Residences throughout the Southeast.

The relationship between the two companies began with the creation of the popular Lobby at TWELVE restaurant, located at TWELVE Atlantic Station, which has garnered a number of awards and press coverage, including Atlanta Magazine's Best New Hotel Dining award for 2007 and inclusion in the Access Atlanta (Atlanta Journal-Constitution) Top 50 Restaurants in Atlanta list.

As part of the relationship, Concentrics Hospitality will design, develop and manage one-of-a-kind restaurants for all new TWELVE Hotels and Residences, including announced projects in Charlotte, Tampa and the under-construction TWELVE Centennial Park, which is scheduled to open in Atlanta this summer. As TWELVE Hotels expands into additional Southeastern markets, Concentrics Hospitality will bring its innovative restaurant concepts to those communities.

"TWELVE Hotels and Residences and Concentrics Hospitality offer guests a unique experience," said Jim Veil, President, TWELVE Hotels and Residences. "Our tremendous success at TWELVE Atlantic Station and Lobby at TWELVE confirms we've made the right choice in a development partner."

Concentrics Hospitality was founded and is owned by Bob Amick, a long-time Atlanta restaurateur, and partners Mary Reynolds and Todd Rushing. "We are very selective with our partnerships, but Novare Group and TWELVE Hotels made perfect sense for us," said Amick. "They are focused on guests and providing the best possible experiences, and we are extremely pleased to be able to help them do that in all of their TWELVE Hotels."

Details about specific restaurant concepts and featured chefs for upcoming TWELVE Hotels will be announced as the developments near completion.



Joe Boillat and David Payseur of Novare Events, Doreatha Evans and Zaynah Grant of the Gideons after-school program and Julie Harlan of Novare Group admire the gifts donated by Novare employees for 14 Gideons families



Lobby at TWELVE, Concentrics Hospitality's and TWELVE Hotels & Residences' first restaurant collaboration, is one of Atlanta's most sought-after dining spots

# NOVARE EMPLOYEES REACH DEEP AND WIDE DURING THE HOLIDAYS

Novare Group supports numerous arts, cultural, humanitarian and civic efforts in Atlanta and other Novare markets, but it also encourages its employees to make hands-on contributions. During the 2006 holiday season, 45 Novare employees took the opportunity to help others in their community by volunteering at Atlanta's Santa Village, and in a company-wide effort, 14 local families received help from Novare employees in making Christmas special for their children.

The Santa Village is a project of the Empty Stocking Fund, a local cause that has been helping Atlanta-area families through donation and volunteerism since 1927. The Santa Village is fashioned like a retail store, allowing parents and relatives to shop for their children without cost, choosing items from a wide selection of popular toys and other gifts. Novare volunteers help by working one of three jobs: taking gift orders as families shop for presents; compiling the

orders with games, books, clothing and toys; or staffing the check-out area, where they bag each family's toys. Volunteering at The Santa Village has become an annual tradition at Novare.

Last spring the company held its annual Volunteer Day at Charles L. Gideons Elementary School, where employees performed various landscaping, painting and building projects, as well as revitalizing the children's playground, hallways and classrooms. Gideons was in Novare's heart again this holiday season as employees "adopted" 14 families selected from the Gideons after-school program, which is operated by Hands On Atlanta. The after-school staff identified families and compiled lists of appropriate gifts for every child. Following the shopping efforts, a large Novare Events utility truck was required to deliver all the toys, games, clothes and bikes to the school.

# DEVELOPMENT UPDATES

The sales center for **360** in Austin will open in February.

205 units are under contract at **Encore** in Nashville.

Move-ins are scheduled to begin at **SkyPoint** in Tampa in April.

Peachtree Road pedestrians and drivers alike can clearly see **Gallery** in Buckhead starting to take shape. Construction has reached the 18th floor.

Construction has reached the 25th floor at **Avenue** in Charlotte.

Work has begun on the sales center for **ViewPoint** in Midtown Atlanta. The sales center is located in a retail space at Spire, and it is expected to open at the end of March.



ViewPoint



SkyPoint



Avenue



360



TWELVE® Centennial Park®



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