

PLUS

Avanath Raises GRESB Performance Scores, Achieves Four- and Five-Star Sustainability Ratings on Three Funds and Perfect Social ESG Score in 2024

Avanath has received scores from GRESB – an independent organization that provides validated ESG performance data and peer benchmarks for investors and managers in real estate and infrastructure – showing notable sustainability progress in 2024 as compared to the previous year.

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GRESB®

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Avanath has received scores from GRESB – an independent organization that provides validated ESG performance data and peer benchmarks for investors and managers in real estate and infrastructure – showing notable sustainability progress in 2024 as compared to the previous year.

The company raised its annual GRESB performance scores and achieved four- and five-star sustainability ratings on three funds while achieving a perfect ESG score for the Social pillar in 2024.

Out of 100 possible points, Avanath's Fund III received a GRESB performance score of 87 in 2024, an increase of seven points from 2023's score of 80. Our Renaissance Fund received a GRESB performance score of 85 in 2024, rising five points over its score of 80 in 2023, while our Fund IV GRESB performance score rose five points from 84 in 2023 to 89 in 2024.

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Avanath also achieved an official rating of four stars for the Renaissance Fund in 2024, as compared to three stars in 2023, and five stars for Fund III and for Fund IV – increases of two stars and one star, respectively. In addition, in 2024 all three funds received an ESG score of 18 out of 18 in the social category and 19 out of 20 in the governance category.

"One of our sustainability goals has been to create an ESG platform where the entire industry would look to Avanath as a leader," says David Natt, Senior Vice President, Sustainability for Avanath. "Our recent achievements demonstrate our progress toward this goal. I remain extremely optimistic and excited as we embark on the next phase of our ESG Strategy to reduce our portfolio-wide carbon emissions to meet the challenges created by the 2015 Paris Environmental Treaty. Avanath remains at the forefront of the industry as we begin to execute our electrification and solar strategy to meet these carbon-reduction challenges."

Avanath believes that sustainability policies can positively affect and expand opportunities for our residents, our employees, the

environment, and the communities we serve. Launched in 2020, *+Amplify* is Avanath's comprehensive ESG framework for Environmental and Social Responsibility and guides our operations. It is the foundation of our commitment to continue a wide range of social programs for our residents, reduce the environmental impact of our assets, and deliver value to our investors. As a leader in the affordable housing industry, we believe prioritizing social equality, responsible investing, and a healthy environment supports greater prosperity for all.

2024 GRESB SCORES

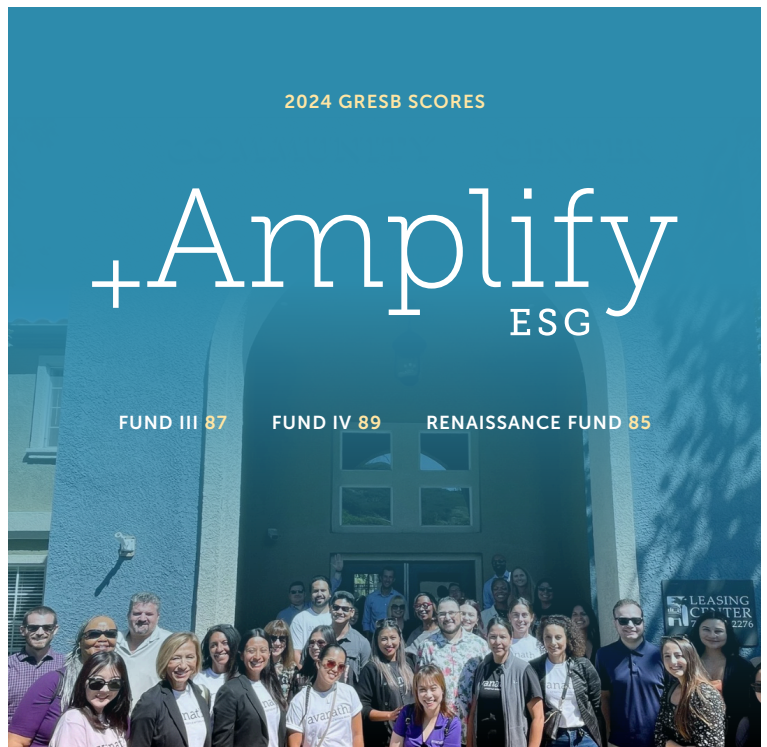
+Amplify

ESG

FUND III 87

FUND IV 89

RENAISSANCE FUND 85



Avanath's Scotland Yard Multifamily Community Receives \$8.5M Grant from HUD Program to Support Energy Efficiency and Climate Resilience Renovations



Scotland Yard, a 156-unit affordable housing community in Chicago, Illinois, owned by Avanath, has received an \$8.5 million grant from the U.S. Department of Housing and Urban Development (HUD) under its Green and Resilient Retrofit Program (GRRP), which supports significant energy efficiency and climate resilience renovations to more than 3,500 homes.

According to HUD, the department is awarding nearly \$279 million under GRRP to modernize properties across 23 states and territories with sustainability upgrades. The funding is being used for insulation, energy-efficient windows and doors, heat-resistant roofs, energy-efficient heating and cooling, resilience measures and other improvements.

Scotland Yard was one of 43 properties that received a GRRP grant during the fourth round of awards in October 2024. As of that round, GRRP funding had been awarded to 225 properties and more than 25,940 rental homes, to make them greener, healthier, and safer for low-income households, seniors, and persons with disabilities.

The grant allows Avanath to expedite critical energy-saving upgrades at Scotland Yard that will boost efficiency, reduce costs, and have a positive impact on the environment, says David Natt, Senior Vice President, Sustainability for Avanath.

"Achieving this award speaks to Avanath's strengths as an owner and operator in the U.S. affordable housing space and our deep commitment to ESG throughout our portfolio," says David. "This is a great opportunity for Scotland Yard, and it enables Avanath

to further demonstrate our ability to perform quality sustainability improvements at our properties that benefit our residents, our investors, and the environment."

GRRP, which is funded through the Inflation Reduction Act, provides direct loans and grants to fund projects that improve energy or water efficiency; enhance indoor air quality or sustainability; implement the use of zero-emission electricity generation, low-emission building materials or processes, energy storage, or building electrification strategies; or address climate resilience, at eligible HUD-assisted multifamily properties. GRRP also provides funding to support benchmarking at assisted properties.

GRRP is the first HUD program to simultaneously invest in energy efficiency, renewable energy generation, climate resilience, and low-embodied-carbon materials in HUD-assisted multifamily housing. All investments under the GRRP are being made in affordable housing communities serving low-income families, directly benefiting HUD-assisted housing.

Applying Technology to Deliver Seamless Service and a Personalized Customer Experience



Today, every company is dependent on technology to help it run smoothly and reach its business objectives. There is certainly no lack of tech products available – even in the real estate industry, which



has traditionally been slow to embrace this advancement. The question is, what should companies look for in technology and how can they apply it to meet their own unique needs?

At Avanath, our approach to technology makes it one of our seven Core Proficiencies. We have honed our philosophy on digital applications

such that we are investing our resources only in products that generate efficiencies for us. In fact, according to Scott Gordy, Vice President, Applications, “The purpose of technology is to save time and money – the right technology always does this because time is money. This boosts production, and any process that increases production increases our company’s value.”

Technology must also help team members do their jobs with the least amount of effort going into mindless tasks. If we want to remain a leading innovative company in the affordable housing industry, we must provide the space for innovation during the workday.

To ensure our team focuses on meaningful work, Avanath leverages technology to automate repetitive tasks. “We aim to eliminate manual processes, like scanning checks, allowing our associates to prioritize connecting with residents,” Scott adds.

This philosophy extends to resident interactions. For example, Avanath educates residents on tools like Esusu’s credit-reporting program, helping them improve credit scores without risk. “By offering solutions that save time and build trust, we empower

residents and foster stronger communities,” says Kat Flowers, Vice President, Education and Program Development at Avanath.

A major differentiator for Avanath in the affordable housing sector is that the firm leverages technology to provide seamless service and deliver a personalized customer experience for every resident. “We formulate business strategies based on real-time data analytics,” explains Scott. “Daily, we are removing barriers and creating bridges to invite others into the conversation.”

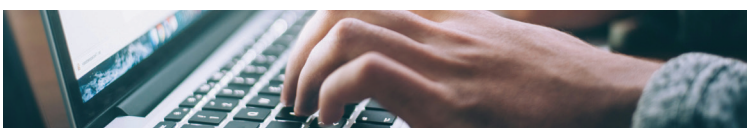
From a corporate perspective, technology’s purpose is more about simplifying team members’ everyday tasks so that they can focus on the biggest potential stumbling block in front of them. With the right bandwidth, we can turn stumbling blocks into stepping stones to take the business to the next level.

From data analytics for strategic planning to beta testing emerging technologies, Avanath stays ahead by carefully evaluating new tools.

“Not all new technology is beneficial,” cautions Scott. “We ensure any tool we adopt delivers clear value to our company.”

Lastly, learning all we can about technology for the affordable housing industry is a best practice for Avanath. Much of this is done through attending tech and industry conferences, meeting with our tech vendors’ competitors a few times a year, reading key tech publications, and even talking to our peers and competitors to share what we know. All these strategies help move our company, our

stakeholders, and our industry forward and help prepare us for the future.



Eleven Avanath Communities Receive WYL's Resident Trusted Living Certification



Eleven Avanath multifamily communities recently received WYL's Resident Trusted Living Certification from Whose Your Landlord (WYL), an organization that features resident reviews in over 350 U.S. cities and review standards to help promote safety and belonging for every resident.

In 2024, WYL began a six-month survey with significant players in the multifamily sector exploring the benefits of a standardized scoring system to measure resident experience and living conditions in the housing market. Alongside 17 esteemed apartment owners, developers, and property managers, Avanath recently participated in this survey, whose goal was to understand the advantages of a standardized scoring system designed to evaluate resident experiences and living conditions, enabling us to enhance the quality of life for our residents.

"WYL's study highlights the measures Avanath was already taking toward resident satisfaction," says Kat Flowers, Vice President, Education and Program Development at Avanath. "Avanath's involvement highlights our commitment to resident satisfaction and provides an excellent opportunity for both our company and the industry as a whole. By leading the way in establishing industry standards for resident experiences, our engagement enhances our reputation, supports our fundraising efforts, and strengthens our brand identity."

Notably, 11 of Avanath's participating communities achieved WYL's Resident Trusted Living Certification. This represents 44% of the total number of communities in the survey that received the recognition.

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The insights gained from this study emphasize the importance of enhancing resident experience and living conditions," notes Flowers. "I am genuinely excited about the transformative potential this initiative holds for our operations and eagerly anticipate the positive outcomes it will bring to our residents."

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- Woodcreek Terrace**
Roseville, California
- Sutter Terrace**
Roseville, California
- Sierra Creek**
Antelope, California
- Victoria Park at Edgewater**
Edgewater, Maryland
- Brooke Commons**
Orlando, Florida
- Hurley Creek Senior**
Sacramento, California

- Whitney Ranch**
Rocklin, California
- Renwick Square**
Elk Grove, California
- Country Wood**
Naperville, Illinois
- Geneva Pointe**
Elk Grove, California
- Saxon Trace**
Orange City, Florida

Avanath's overall performance results from the survey were impressive. Out of a maximum score of 5, we achieved the following:

RESIDENT TRUST INDEX:
4.3

MANAGEMENT:
4.25

RENTAL UNIT/COMMUNITY:
4.0

LIVING EXPERIENCE:
4.1



OCBJ Names Avanath CEO & Chairman Among OC500 2024

Orange County Business Journal (OCBJ) has named Daryl J. Carter, Avanath's CEO & Chairman, among its OC500 for 2024. The list is a yearly compendium of the 500 most influential people in Orange County in a variety of categories. Daryl received the honor in the Real Estate category.

View announcement at
<https://shorturl.at/zggNZ>
or scan QR code



Real Estate Veteran Troy S. Jenkins Joins Avanath's Investor Relations Division

Avanath has added 30-year real estate investment industry veteran Troy S. Jenkins to its Investor Relations division. As Senior Director, Investor Relations, Troy will lead capital-raising initiatives for Avanath's affordable housing, development, and debt funds while fostering relationships with institutional investors and consultants.

Over his three-decade career, Troy has built an extensive network of leading global institutional investors, including pension funds, insurance companies, and endowments. He most recently led U.S. operations and spearheaded the development of investment strategies and capital-raising efforts as Principal and Director at Avison Young Investment Management.

"As we expand our investment platforms and pursue new development and debt opportunities, the Avanath team, our partners, and our investors are poised to benefit from Troy's expertise in micro-market analysis, innovative thinking, and comprehensive perspective," says Daryl J. Carter, CEO & Chairman at Avanath.