

# avanath+

## AVANATH ACQUIRES 265-UNIT MIXED-USE, MIXED-INCOME MULTIFAMILY COMMUNITY IN CHICAGO, ILLINOIS

Avanath has acquired Lincoln Park Plaza, a 256-unit mixed-use, mixed-income multifamily community with ground-floor retail, located in the Lakeview submarket of Chicago, Illinois.

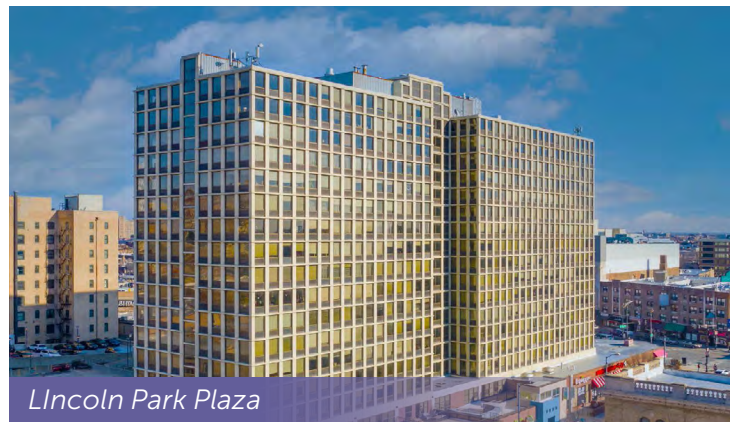
"With limited new construction and skyrocketing housing costs, Redfin has named Chicago as one of the top home-price markets in the country for 2023, increasing demand for affordable housing in the city," says Daryl Carter, Avanath's Founder, Chairman and CEO. "Because Lincoln Park Plaza features 147 affordable units protected by a renewable HAP contract that provides Section 8 rental subsidy to 57% of the total residential units, this transaction enables us to continue offering attractive and affordable apartment homes to qualified Chicago residents in a high-rent area."

Lincoln Park Plaza represents Avanath's sixth acquisition in Illinois, our fourth in Chicago, and our second mixed-income, mixed-use asset in the city.

"This acquisition allows Avanath to expand our Chicago portfolio to a total of 557 units and our portfolio in the state of Illinois to 1,319 units, while leveraging operational efficiencies in the market," says John R. Williams, President and CIO at Avanath. "We have identified an opportunity to own and manage a community that is consistently above 97% occupied, performed well throughout the COVID-19 pandemic, and has a lengthy interest list of prospective residents, in addition to providing attainable housing to renters in this trendy downtown Chicago enclave."

Built in 1981, Lincoln Park Plaza consists of a 17-story building with 190,950 square feet of residential space and 26,287 square feet of retail space. With a high Walk Score rating of 96, the community provides a plethora of dining, entertainment, and retail options within walking distance and convenient access to jobs and public transportation.

In-unit amenities include new cabinets and granite countertops, along with stainless-steel fixtures and finishes. Common amenities include a bike room, laundry room, fitness center, business center, and several ground-floor restaurant and retail tenants. The property also features a three-story parking garage consisting of 198 parking spaces and access to Zipcar via the rideshare platform's app.



In line with our commitment to ESG, Avanath will upgrade the property with a high-efficiency boiler system, install LED lights and low-flow faucet aerators, showerheads and toilets, and upgrade appliances with Energy Star-rated substitutes; establish social services, residential activities, and other appropriate social programs; and operate the property in a transparent manner governed by leadership-approved policies and procedures. In addition, Avanath's Compliance Team will ensure that Lincoln Park Plaza operates within the guidelines created by the various affordable governmental agencies.

Lincoln Park Plaza is located at 600 West Diversey Parkway, in Chicago, Illinois.

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A message from the chairman

## CRYSTALLIZING OUR STRATEGY FOR THE FUTURE

*by Daryl J. Carter, Founder, Chairman & CEO*

More than 300 Avanath community team members, corporate employees, and partners recently gathered for our 2023 Leadership Conference in Costa Mesa, California. This annual event serves as a way for us to come together, share new knowledge and experiences, and grow to be the best we can be to serve our residents and the greater community.

Attendees (both in-person and virtual) heard from several Avanath leaders, including myself and Executive Vice President of Property Management Carly Stevenson, through a series of candid chats and insightful presentations.

In addition to providing updates on everything from our investment portfolio to ESG platform to procurement strategies to operations, we celebrated successes and shared empowering personal experiences.

The event also included a peek at new initiatives to look forward to at Avanath, such as the innovative DREAM platform, Spirit Week (put on by our Cultural Engagement Panel), the Avanath Store, and even a fresh new look and vision for this newsletter.

Avanath's mission has always been to provide hardworking families higher-quality, well-maintained, and safe value rental housing—a base for their pursuit of the American Dream. We invest not only in brick and mortar but also in on-site services, amenities and activities that add value to properties and bring our residents' desired Lifestyles Within Reach. In defining our strengths, we are creating a property management strategy that is both effective and adaptable.

All of our team members, our trusted, long-term partners, and our valued investors make us better. We especially recognize the role that property management teams play in being the face of Avanath to our residents and local communities.

We're excited to have you all with us on this united journey forward.



## AVANATH NAMED ENERGY STAR® PARTNER OF THE YEAR

Avanath has been named Partner of the Year for Energy Management by ENERGY STAR®. Our company is the only owner and operator of affordable housing to receive this designation.

This award distinguishes corporate energy management programs and is the highest level of U.S. Environmental Protection Agency (EPA) recognition that a firm can achieve. Partners must perform at a superior level of energy management, demonstrate best practices across the organization, prove organization-wide energy savings, participate actively, and communicate the benefits of ENERGY STAR®.

The partnership reflects Avanath's deep commitment to conserving energy at our affordable and workforce housing communities across the country. This commitment is part of our ongoing efforts toward sustainability as outlined by our environmental, social, and corporate governance (ESG) policies.

In 2020, we created the +Amplify framework for ESG policies, and we are dedicated to continually expanding and enhancing this platform. +Amplify focuses on setting key targets to reduce our communities' environmental impact, demonstrate our progress through robust ESG metrics, document our best practices, and continue to deliver affordable lifestyles within reach for our residents.

When we established this framework, we quickly enlisted our team to prioritize energy efficiency. Using ENERGY STAR® tools to improve the energy efficiency of our buildings, we developed seasonal checklists that guide community managers to identify and eliminate energy waste, achieved ENERGY STAR® certification for 12 properties, and developed a training program.



Through this platform, we have also engaged a specialized solar energy consulting firm to help us develop a portfolio-wide on-site solar strategy. By installing photovoltaic energy systems at our properties, we will be able to generate clean power and bring down energy costs for ourselves and our residents. Technologies that help us with sourcing green power and developing the solar energy program across our portfolio, including ENERGY STAR® Portfolio Manager®, Yardi, and Tableau, are integral to the +Amplify program.

Avanath is also the first affordable owner and operator to have its entire portfolio achieve the International WELL Building Institute's WELL Health & Safety Certification. We understand that holistic ESG initiatives can not only elevate the lives of residents and the communities in which they live but also improve property performance.

Through our team's efforts, we experience first-hand each and every day how the implementation of these policies correlates with high occupancy, resident retention, and enhanced value at our multifamily communities.



## IN THE NEWS: AVANATH IS ONE OF THE BEST PLACES TO WORK IN CRE!



GlobeSt, a leading publication for professionals in commercial real estate, recently named Avanath one of the Best Places to Work in the industry.

Our firm was recognized for its leadership and management teams that comprise diverse leaders with unique backgrounds, prioritization of employee growth and development, and promotion of a healthy work/life balance.

To read the article, visit the following link: <https://rb.gy/beicq>

## REGIONAL SPOTLIGHT:

## AMID RISING RENTAL RATES AND INFLATION, AVANATH MAKES MEANINGFUL AFFORDABLE HOUSING INVESTMENTS IN SACRAMENTO, CALIFORNIA

*Rivers Senior*

Accessibility to affordable housing has become increasingly challenging in the Sacramento market. The area has been hit especially hard with rent increases over the last few years, with the average rental rate rising by 12% between August 2021 and mid-year 2022. These jumps have widened the gap between market-rate and affordable rents considerably, increasing the potential for high-quality, budget-friendly apartments in this market.

In fact, demand for attainable housing is increasing throughout Northern California as the region is a hub for technology and other high-paying industries, driving market-rate apartments out of reach for many lower-income families and seniors. Our firm's goal is to provide housing that less-affluent renters can afford in markets like these, particularly as inflation continues to rise.

"As we expand affordable housing options in cities where demand is robust and supply is lacking, we view Sacramento as an ideal investment target," says John R. Williams, President and CIO at Avanath.

To that end, Avanath recently expanded its presence in Northern California by acquiring Rivers Senior, a 120-unit affordable senior housing community located in West Sacramento, California. The property represents Avanath's 19th acquisition in Northern California and its 13th in the Greater Sacramento area.

"By drawing upon our deep and longstanding relationships in the Sacramento market, we were able to complete this transaction and bring our total number of units under management in the Greater Sacramento

area to 1,974. This allows us to leverage economies of scale while expanding the availability of high-quality affordable apartment homes with excellent amenities and services to the people who need them most."

Prior to this acquisition, Avanath already held a sizeable affordable housing portfolio in Sacramento. In August 2022, the firm expanded its presence in the market by acquiring six multifamily communities in the Sacramento metropolitan area. The portfolio consisted of four family and two senior affordable communities totaling 1,032 units. The family properties include Anton Arcade, Norden Terrace, The Ridge, and Whitney Ranch, while the senior properties include Corsair Park Senior and Hurley Creek Senior.

The portfolio greatly deepened our affordable investment and property management footprint in this market, according to Williams.

"We saw these communities as excellent additions to our holdings in Sacramento, allowing us to create a more powerful impact for lower-income families and older individuals in the area," notes Williams. "With a larger Sacramento portfolio, we are also able to better develop economies of scale and more seamlessly manage our assets in this market."

While we still have more work to do to preserve affordability in markets like Sacramento where rental rates are historically high, this is Avanath's mission as a company. We will continue to strive toward the goal of providing high-quality apartment homes that people of all income levels can afford, supported by life-enhancing social impact programs and services that benefit our residents and the surrounding community.

*Anton NorCal*IN CASE YOU MISSED IT  
AVANATH MOVES UP IN THE AHF 50

Avanath is proud to be ranked among the country's Top Affordable Housing Owners on Affordable Housing Finance's definitive annual list, the AHF 50.

This marks our firm's highest spot on the list to date, a testament to how our team has been able to grow in scale and enhance our capabilities to provide quality affordable housing and Lifestyle Within Reach to residents in underserved areas throughout the country. To read the article, visit the following link: <https://t.ly/UWKMr>

**TOP 50**  
owners