



GERDING EDLEN

**GREEN CITIES II, LP
ENVIRONMENTAL AND
COMMUNITY IMPACT
ANNUAL REPORT
2018**



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GERDING EDLEN LIVABLE PLACE INDEX™



This report provides measurable outcomes to the environment and to local communities both on a portfolio-wide and property by property basis through Gerding Edlen's Livable Place Index. Our Livable Place Index is a proprietary methodology for quantifying environmental and community impacts based on a triple bottom line approach - People, Planet, Prosperity.



PEOPLE

Sustainable, inviting spaces are ones where 20-minute living can become a reality. The concept of 20-minute living refers to properties with a rich variety of services and amenities for people to enjoy within a 20-minute walk, bike ride or transit ride. We track the livability and 20-minute living opportunities our buildings provide our residents through Walk Score, Bike Score, and Transit Score.



PLANET

We measure the environmental impacts of our properties through key performance indicators - energy, carbon, water and waste. We track energy, carbon and water by comparing actual operational data or modeled data to performance for a standard building. Waste data is tracked from monthly reports provided by the waste hauler for each property, where available.



PROSPERITY

Our projects become opportunities to bring profound and lasting economic benefits to local and regional communities. The key economic performance indicators we track include total jobs created, union construction jobs and overall fiscal impacts. During building operations, we track local, minority and women-owned vendors and affordable housing.

[More detail on the methodology for the Livable Place Index is included at the back of this report on page 20.](#)

LIVABLE PLACE INDEX™

PEOPLE

WALK SCORE®

90/100

BIKE SCORE™

79/100

TRANSIT SCORE®

86/100

PLANET

ANNUAL ENERGY SAVINGS¹

3.48 MILLION KWH SAVED

316

HOMES POWERED

ANNUAL CARBON EMISSIONS REDUCTION²

1,334 METRIC TONS CO₂ SAVED

289

CARS OFF THE ROAD

ANNUAL WATER SAVINGS³

7.1 MILLION GAL SAVED

356,078

SHOWERS SAVED

ANNUAL WASTE SAVINGS⁴

WASTE DIVERTED

452

TONS

PROSPERITY

UNION JOBS⁵

1,521

FISCAL IMPACT⁶

\$547,995,100

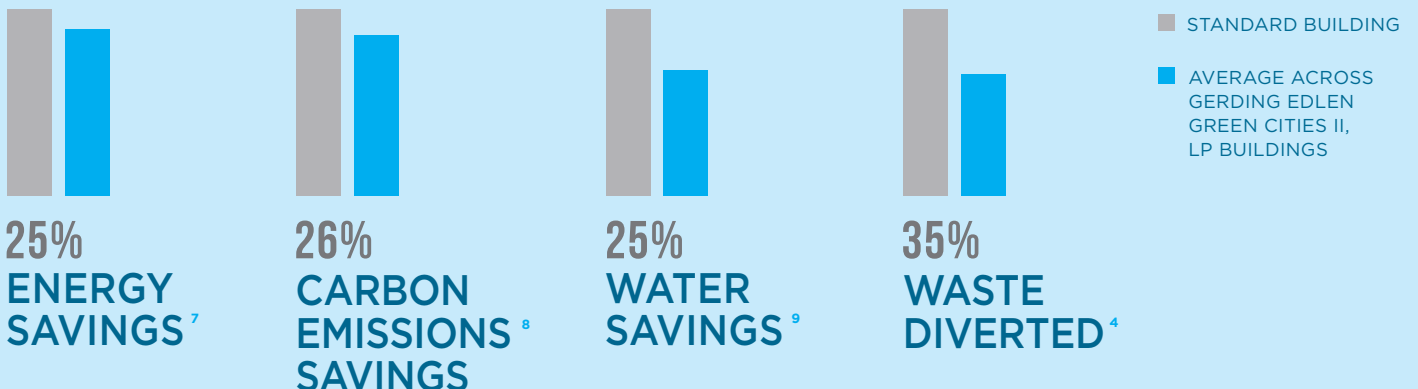
ENVIRONMENTAL IMPACT

ANNUAL ENERGY, WATER, WASTE AND CARBON EMISSIONS SAVINGS

CERTIFICATIONS

4 ENERGY STAR 4 LEED GOLD

3 CERTIFIED
1 PENDING



COMMUNITY IMPACT

COMMUNITY PARTNERSHIPS

ARTS AND CULTURE

Gerding Edlen believes that creating vibrant places for people to live includes developing everyday connections to art and culture. Art adds an element of inspiration to life and contributes to local art organizations, building community.

LOCAL BUSINESS

Gerding Edlen seeks to create opportunities for residents to connect with each other and with their community. Forming collaborations with local businesses to service our properties is an important way to foster experiences that build relationships.

Additionally, our firm's support of minority and women-owned businesses through vendor partnerships with our buildings is another way we ensure that the neighborhoods we invest in are strengthened through diversity.

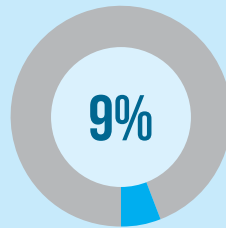
PHILANTHROPIC

Gerding Edlen is committed to building communities. Contributing to nonprofit organizations in neighborhoods surrounding each property helps build more prosperous neighborhoods.

AFFORDABLE HOUSING

2 OUT OF 4 MULTIFAMILY PROPERTIES

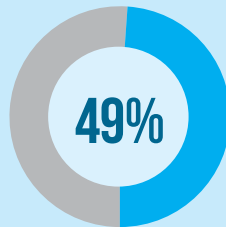
With Affordable Housing Component



AFFORDABLE HOUSING UNITS

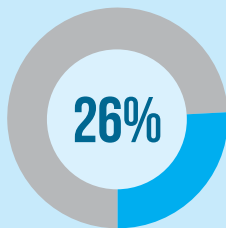
Portfolio-Wide

COMMUNITY-BASED JOBS



LOCALLY OWNED VENDORS¹⁰

for building operations



MINORITY/WOMEN OWNED VENDORS¹¹

for building operations

JONES CHICAGO

LEED GOLD CERTIFIED / ENERGY STAR CERTIFIED



POOL DECK

LOCATION: CHICAGO, IL

TYPE: RESIDENTIAL

SQUARE FOOTAGE: 169,445

UNITS: 188

PROJECT COMPLETION: 2014

PERFORMANCE

Based on 2018 performance, Jones Chicago operated 22% more efficiently than a standard building and decreased water use by nearly 5% compared to 2017.

IRRIGATION DEMANDS

Irrigation needs are met with recycled water captured from individual apartment heat pumps, reducing overall building water use.

ENERGY EFFICIENCY

High efficiency building systems include Nest Learning Thermostats™, which give residents remote control of their heating and cooling and adjust temperature automatically based on usage patterns over time.

ALTERNATIVE TRANSPORTATION

Alternative transportation options include secure bike parking, electric car charging stations and a car share service.

WASTE MANAGEMENT

Residents at Jones Chicago recycled over 13,000 lbs. of textiles throughout 2018.

COMMUNITY PARTNERSHIPS

In 2018, Jones Chicago residents donated various housewares and furnishings for Humble Design—a local organization that provides donations and decorating services to people transitioning out of homelessness. In August, a book drive in support of Turning the Page collected 38 books and 20 DVDs.



PEOPLE

WALK SCORE®: 97/100

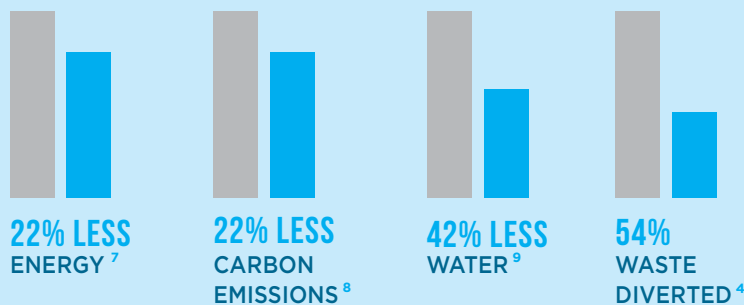
BIKE SCORE™: 87/100

TRANSIT SCORE®: 100/100



PLANET

ANNUAL ENERGY, CARBON EMISSIONS, WATER & WASTE SAVINGS



■ STANDARD BUILDING ■ JONES CHICAGO



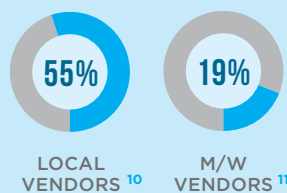
PROSPERITY

CONSTRUCTION

FISCAL IMPACT⁶
\$99,639,700

TOTAL JOBS CREATED¹²
632

OPERATIONS



XAVIER

LEED GOLD CERTIFIED / ENERGY STAR CERTIFIED



LOCATION: CHICAGO, IL

TYPE: RESIDENTIAL MIXED-USE

SQUARE FOOTAGE: 244,000

UNITS: 240

PROJECT COMPLETION: 2015

PERFORMANCE

Based on 2018 performance, Xavier operated 24% more efficiently than a standard building and used 6% less energy compared to 2017.

RECYCLED CONTENT MATERIALS

Recycled material from the bow trusses and timber joists of the previous, existing building were re-milled and used for the flooring and seating area near the leasing office, as well as at the ground floor elevator lobby.

ENERGY EFFICIENCY

Xavier features a number of high-efficiency features such as Nest Learning Thermostats™, HVAC systems and LED lighting, as well as a façade that effectively balances energy-efficiency with an abundance of natural light and views.

Electrochromatic or “dynamic” glass in the leasing office changes color and transparency over the course of the day based on ambient light levels, resulting in energy savings and reduced glare.

ARTWORK

Xavier features artwork from seven local artists and art organizations.

WASTE MANAGEMENT

In November 2018, a permanent textile donation box was implemented at Xavier. A total of 326 pounds of textiles were collected and recycled through the end of the year.

COMMUNITY PARTNERSHIPS

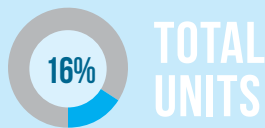
Other donation drives coordinated at Xavier in 2018 benefitted non-profit organizations including Lakeview Pantry, Humble Design and Dress for Success.



PEOPLE

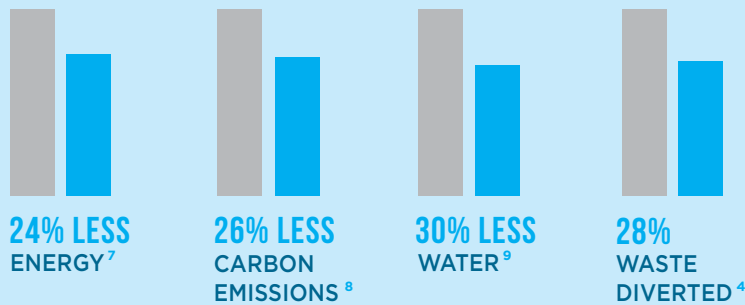
WALK SCORE[®]: 85/100
BIKE SCORE™: 85/100
TRANSIT SCORE[®]: 82/100

AFFORDABLE HOUSING



PLANET

ANNUAL ENERGY, CARBON EMISSIONS, WATER & WASTE SAVINGS



■ STANDARD BUILDING ■ XAVIER

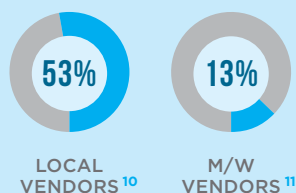


PROSPERITY

CONSTRUCTION

FISCAL IMPACT⁶
\$109,020,300
TOTAL JOBS CREATED¹²
666

OPERATIONS



TROY BOSTON

LEED GOLD CERTIFIED / ENERGY STAR CERTIFIED



LOCATION: BOSTON, MA

TYPE: RESIDENTIAL MIXED-USE

SQUARE FOOTAGE: 249,337

UNITS: 378

PROJECT COMPLETION: 2015

PERFORMANCE

Troy Boston received Energy Star certification in April 2018.

ENERGY EFFICIENCY

A co-generation system generates electricity on-site and provides the benefit of waste heat which is collected and meets over half of the heat needed for the building's hot water system.

LOCALLY SOURCED & RECYCLED CONTENT MATERIALS

The building features many sustainable materials such as rock wool and soy-based building insulation, high recycled content and low-emitting flooring, and handcrafted slider doors from local artisans in the amenity spaces.

ARTWORK

Artwork from five local artists and organizations includes a large mural that was created by ten teen artists represented by Artists for Humanity, whose mission is to empower under-served youth through employment in art and design.

Building sold in August 2018



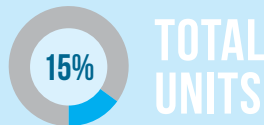
PEOPLE

WALK SCORE®: 95/100

BIKE SCORE™: 73/100

TRANSIT SCORE®: 97/100

AFFORDABLE HOUSING



PLANET

ANNUAL ENERGY, CARBON EMISSIONS, WATER & WASTE SAVINGS

Troy Boston was sold in August 2018. Annual performance data is unavailable.



PROSPERITY

CONSTRUCTION

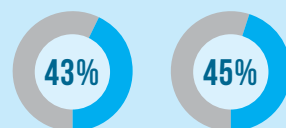
FISCAL IMPACT ⁶

\$124,716,400

TOTAL JOBS CREATED ¹²

586

OPERATIONS



Data represents vendors hired through August 2018.

THE EDDY

LEED GOLD CERTIFIED / ENERGY STAR CERTIFIED (PENDING)



LOCATION: BOSTON, MA

TYPE: RESIDENTIAL MIXED-USE

SQUARE FOOTAGE: 267,543

UNITS: 259

PROJECT COMPLETION: 2016

PERFORMANCE

Based on 2018 performance, The Eddy operated 27% more efficiently than a standard building.

ENERGY EFFICIENCY

A co-generation system generates electricity and waste heat which is collected and provides over half of the heat needed for the building's hot water system. Cost savings from this system totaled \$16,661 in 2018.

OPERATIONS EFFICIENCY

As part of ongoing performance tracking, 2018 electricity use from the building's real-time utility monitoring system was compared to actual utility bills and a significant overcharge was uncovered, resulting in a substantial credit to the building.

ALTERNATIVE TRANSPORTATION

Alternative transportation options for residents include secure bicycle parking, subsidized water taxi rides via the new boat landing at the building, and the Maverick T-Stop station, which is within walking distance and connects to the city's most central stops.

ARTWORK

The Eddy features artwork by six local artists and art organizations.

COMMUNITY PARTNERSHIPS

The monthly East Boston Open Market has been hosted in The Eddy's lobby since summer 2016 and features handcrafted items from 15 local artisans and vendors.

In 2018, the Eddy sponsored two harbor clean-up events and a neighborhood block party in LoPresti park.

[Read more on Page 17 & 18.](#)



PEOPLE

WALK SCORE®: 82/100

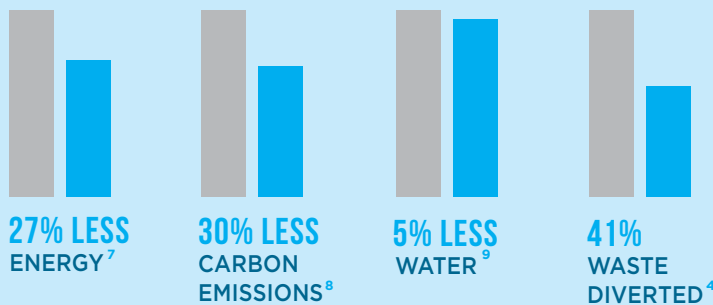
BIKE SCORE™: 71/100

TRANSIT SCORE®: 66/100



PLANET

ANNUAL ENERGY, CARBON EMISSIONS, WATER & WASTE SAVINGS



■ STANDARD BUILDING ■ THE EDDY



PROSPERITY

CONSTRUCTION

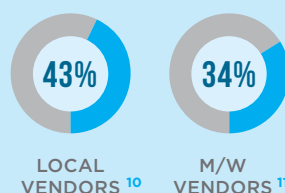
FISCAL IMPACT⁶

\$214,618,700

TOTAL JOBS CREATED¹²

874

OPERATIONS



LOCAL VENDORS¹⁰

M/W VENDORS¹¹



Gerding Edlen's Principles of Place guide us to create vibrant, inspiring and sustainable spaces where people can live, work and learn.

GERDING EDLEN PRINCIPLES OF PLACE



BUILD COMMUNITY

Understanding and respecting the elements that create a sense of place supports an environment where people can thrive.

CREATE INVITING SPACES

Engineering the transition between public and private spaces to create interaction which contributes to the social and economic vitality of communities.

MINIMIZE CARBON FOOTPRINT AND ENERGY DEPENDENCE

Reducing the environmental impact of a building and the people who live in it significantly improves the quality of life for everyone.

CONNECT PEOPLE AND BUILDINGS TO NATURE

Bringing nature into urban environments improves the quality of life for people in the community.

ENCOURAGE TRANSPORTATION ALTERNATIVES

Working to promote convenient transportation alternatives and smart growth strategies for cities creates healthy, happier, more engaged communities.

CRAFT THE FIRST 30 FEET

Designing an appealing pedestrian environment at the front door animates and engages neighborhoods.

INSPIRE COMMUNITIES WITH ART

Creating vibrant and inspiring places for people to live and work within creates everyday connections to art and culture.

MAKE 20-MINUTE LIVING REAL

Accessing all you need to live, work and play within twenty minutes improves well-being, enriches social interaction and promotes encounters with nature and other people.

INTEGRATE SCHOOLS AND NEIGHBORHOODS

Facilitating a connection between schools and the greater community encourages learning and knowledge beyond the classroom.

PRESERVE SYMBOLS THAT MATTER

Preserving distinctive buildings and historic symbols makes places that provide people with a sense of identity, history and context.





PARK & BOAT LANDING, THE EDDY

DRIVING RESULTS

Gerding Edlen's properties are designed, built and operated to reflect the values of the Firm. By following its Principles of Place and using its proprietary Livable Place Index, Gerding Edlen creates higher quality, sustainable properties that positively impact tenants' lives and the environment. Through annual evaluations of each properties' environmental and social impacts, the Firm continually furthers its commitment to People, Planet and Prosperity for investors, tenants and communities.

The following pages highlight key achievements in **building optimization**, **building operations**, **tenant engagement** and **community engagement** of Gerding Edlen Green Cities Fund II properties in 2018.

BUILDING OPTIMIZATION

Resource optimization of energy, water and waste was a key focus in the design, construction and operation of the Firm's Fund II properties. A variety of tools were used in 2018 to track, analyze and optimize each asset's performance.



TRACKING

In 2018, Gerding Edlen used its Livable Place Index to communicate the triple bottom line benefits of each asset and track energy and water use, carbon emissions and waste. Real-time, web-based monitoring systems, which monitored energy and water use throughout the year, allowed for efficient data collection. The Firm also utilized Portfolio Manager, an EPA platform that generates an annual energy score based on each property's utility bills.

ANALYSIS

In 2018, analysis of each building's individual performance was reviewed on an ongoing basis and benchmarked against energy modeling that was completed during the design and engineering phases. Operational standards and specific policies that align with Gerding Edlen's goals and objectives were followed at each property. These include standards for pest management, landscape maintenance, facility renovations and janitorial services that seek to minimize environmental impacts and conserve resources.



OPTIMIZATION

Based on analysis of each asset, Gerding Edlen evaluated performance in 2018 relative to the property's past performance, performance expectations, and/or the performance of similar buildings to see where improvements could be made. This helped ensure the assets operated efficiently, per the original design criteria, and functioned as cost-effectively as possible.



BUILDING OPERATIONS

In 2018, Gerding Edlen leveraged its management expertise in programming, education, operations and tracking at each of its Fund II properties to drive sustainable tenant practices and building operations.

PROGRAMMING

A host of tenant and community engagement programs were offered at each property throughout the year and specific programs were curated on a property-by-property basis to respond to each community's unique interests.

TRACKING

Key performance indicators of each property were measured based on the Firm's Livable Place Index, which utilizes various benchmarks to evaluate building performance and translate accomplishments into quantifiable and relatable metrics.

EDUCATION

A variety of collateral was used to communicate the environmental attributes of each property; to encourage residents to live a more sustainable lifestyle; and to report on the quantifiable outcomes of tenant and community initiatives.

OPERATIONS

Property Management teams were issued Gerding Edlen's Sustainable Operations Manual with associated operational policies and reporting requirements to ensure it adhered to the environmental objectives and community impact goals of the Firm.



PROGRAMMING	EDUCATION	OPERATIONS	TRACKING
Fitness Classes	Community Green Living Guides	Green Cleaning Supplies	Real-Time Utility Monitoring
Curated Volunteer Events	Sustainability Collateral	Green Building Maintenance Practices	Local & Minority/Women Owned Vendors
Non-profit Partnerships & Charitable Giving	Green Retail Tenant Manuals	Paperless Leasing Process	Sustainability Survey

TENANT ENGAGEMENT

In 2018, Gerding Edlen uniquely partnered with building tenants to positively impact the environment, their neighborhoods and their communities. Strategies such as web-based engagement tools were used to promote tenant involvement and strengthen collaboration at every property.



2018 ECOCHALLENGE

In October, a three-week “EcoChallenge” was implemented at all Fund II properties. The program, which was created by the Northwest Earth Institute, seeks to drive behavior change by challenging participants to complete a combination of daily actions and/or one-time challenges over the course of a three-week period. The program offers a variety of challenges within categories such as waste, food, health, community, energy, simplicity, transportation, water and nature.

Each property formed a team within the nationwide event and residents logged their sustainable actions daily in the online platform to earn points.

To kick-off the EcoChallenge, each property hosted a social event and residents were provided reusable metal straws—a one-time challenge for which they could receive immediate points. In addition, weekly resident events were hosted over the course of the EcoChallenge including documentary screenings, cooking classes, and meditation sessions. At the end of the event, the three top-scoring tenants at each property were awarded prizes.

COOL CHOICES

Cool Choices is a non-profit organization whose mission it is to inspire sustainable practices and drive behavior change through the use of an interactive, web-based game platform. In Q1, Gerding Edlen launched the Cool Choices platform at six properties, including all Fund II properties (Jones Chicago, Troy Boston, Xavier and The Eddy) making it the first program of its kind for multifamily properties. Over the course of six weeks, residents engaged with the online game platform – earning points for completing sustainable actions and interacting with other players. Residents also shared more than 100 ideas to enhance sustainability within their communities. As an example, at Jones Chicago, residents suggested adding an additional recycling bin in the mail room, which led to further reductions in paper waste at the property.

RESULTS

Savings from the Cool Choices game were equivalent to:



POWERING **3** HOMES
FOR AN ENTIRE YEAR

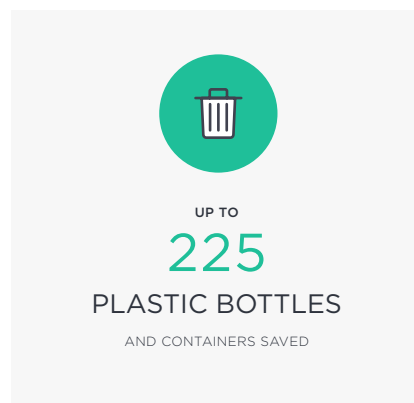
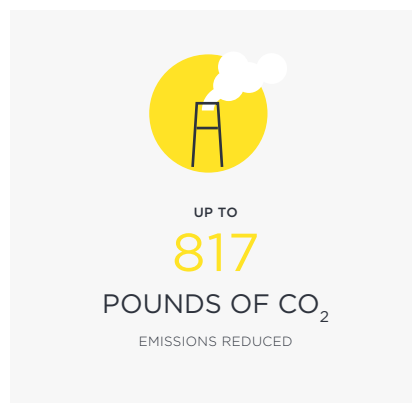
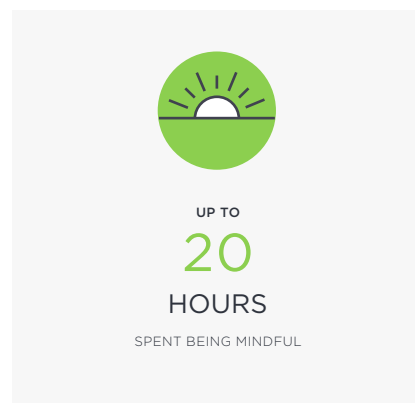
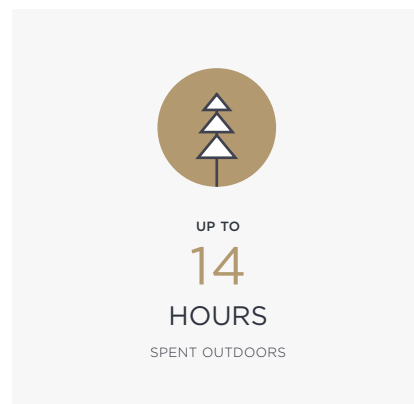
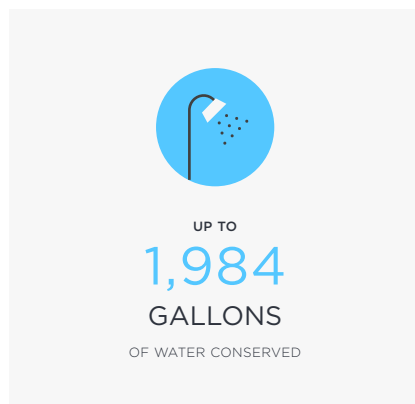
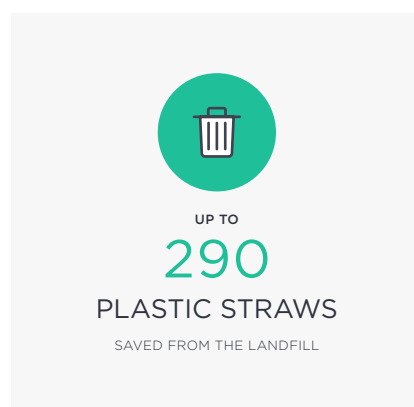
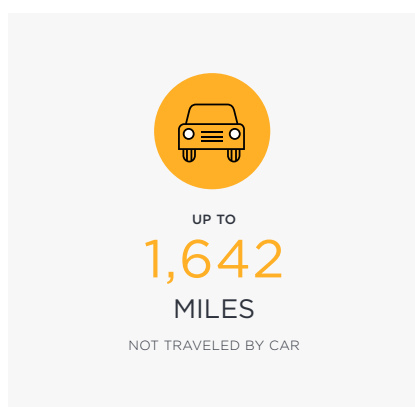


TAKING **30** CAR TRIPS
FROM LA TO NYC



2018 ECOCHALLENGE COLLECTIVE IMPACT

The statistics presented here feature the cumulative results of **Xavier, Jones Chicago**, and **The Eddy** for the 2018 EcoChallenge, which brought in 16,500 participants nationwide. The Eddy emerged as the most active property of the Fund II properties, with 54 residents participating.



TENANT ENGAGEMENT (CONT.)

Cool Choices & the EcoChallenge were just two of many tenant engagement strategies that were featured at Gerding Edlen Green Cities II properties in 2018. Below are additional highlights from this year's achievements.

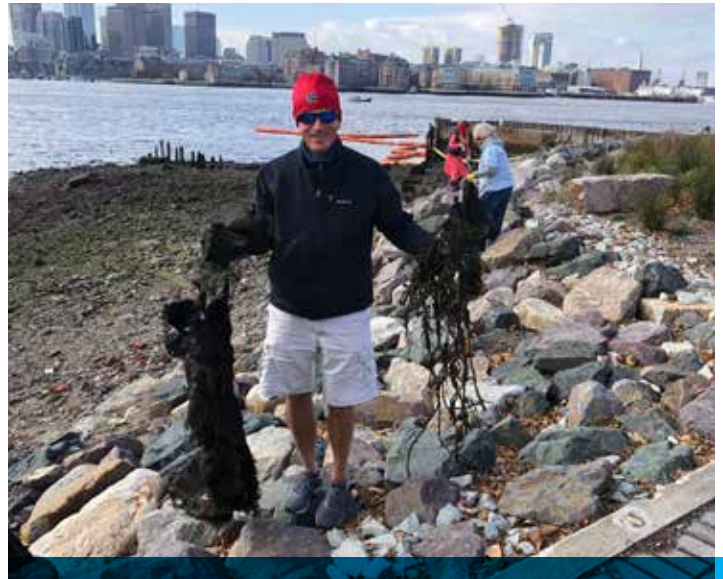


PUMPKIN CARVING AT THE EDDY

The Eddy hosted a sustainable pumpkin carving event in October to highlight and reinforce sustainable best practices during the Halloween season. Old newspapers were collected and used to cover the table during the carving event and afterward, the pumpkin scraps and newspapers were composted at a local compost facility. Communications were sent out to residents to encourage pumpkin composting post-holiday and to raise general awareness about the community compost program.

EARTH DAY AT JONES CHICAGO

To celebrate Earth Day 2018, Jones Chicago hosted a "Green Fair" at the building that featured two vendor partners, Greener Cleaner and Arcadia Power. Arcadia Power, with whom Gerding Edlen has a national partnership, shared information with residents about their Green Power Purchasing Program—the first program of its kind to give residents easy access to purchasing clean renewable energy. Greener Cleaner, an eco-friendly dry-cleaning service, hosted an information table to educate residents on their services.



SHORELINE CLEANUP AT THE EDDY

In November, The Eddy hosted a shoreline cleanup in partnership with Harborkeepers, a non-profit organization dedicated to building coastal resiliency and fostering environmental stewardship in East Boston. Eighteen residents and community members met for a sponsored breakfast at The Eddy before heading out to clean up litter and debris along the waterfront. A total of 455 pounds of trash were collected during the event.



COMMUNITY ENGAGEMENT

In 2018, the Firm's Fund II properties maintained deep connections to neighborhoods and communities through civic engagement, the arts, non-profit volunteerism and other cultural connections that enriched the tenant experience and strengthened each property's community.

Below are highlights from these achievements.



XAVIER + CITY FARM

Xavier sponsored a community garden plot for residents in partnership with City Farm—a neighboring urban farm that rents garden plots to community members and also provides produce grown at the farm to Chicago restaurants. In September, over 30 bundles of kale were harvested and offered to residents.

THE EDDY + ZUMIX

In July, the Eddy hosted a summer concert in partnership with ZUMIX—a non-profit organization that provides under-served youth access to musical education and with which The Eddy has had a long-standing partnership since the property opened in 2016. The concert was part of a neighborhood connector block party hosted by Maverick Landing Community Services, a prominent community organization in East Boston. The event brought together neighbors from the Maverick area for a fun afternoon of activities, food, music, dancing and recognition of local leaders.



JONES CHICAGO + THE ANTI-CRUELTY SOCIETY

In June, a group of residents from Jones Chicago volunteered at the Anti-Cruelty Society in Chicago, a nearby non-profit organization that provides care for animals in need, prevents animal cruelty and partners with the community to educate on animal issues. Residents received a tour of the facility, learned about the adoption process and were able to play with the pets while they crafted close to 50 toys.



FOOTNOTES

- 1** To quantify energy savings, natural gas use (therms) is converted to kilowatt/hours for a common unit of measurement. All other calculations are based on actual kilowatt/hours and therms. "Annual energy savings" conversion to "homes powered" is from several sources including the US Dept. of Energy, based on the amount of energy used by the average American home.
- 2** Carbon emissions are calculated based on actual therm and kilowatt hour use multiplied by the emissions factors for electricity and natural gas, as published by the EPA. Emissions factors for electricity are specific to each property's local utility provider. Calculations verified by an independent specialist in energy engineering. Carbon emissions converted to "cars off the road" is calculated by dividing carbon emissions by 4.6 metric tons per year, the amount of carbon emitted by the average vehicle in America as published by the EPA in 2018.
- 3** "Gallons of water" conversion to "showers saved" is calculated assuming 20 gallons for the average shower, based on multiple sources including the American Water Works Association.
- 4** Waste diverted includes data for properties where data is available. Data is reported in weight and is calculated and provided by the property's waste hauler. The baseline represents total waste generated; waste diverted represents the volume of waste recycled or composted. Recycling weights are calculated by container size, frequency of service and the relative proportion of each type of recyclable material by load based on industry averages for multifamily properties. Composted waste is calculated based on actual weight.
- 5** Total union construction jobs created during the construction or renovation of the properties in this portfolio based on the project cost as calculated by an independent consultant using IMPLAN.
- 6** Fiscal impacts include direct, indirect and induced economic impacts based on the cost of construction or renovation of the properties in this portfolio as calculated by an independent consultant using IMPLAN.
- 7** Calculations based on actual energy use for 2018 compared to the median energy use of similar buildings in a similar climate zone. In 2017, new construction properties that had transitioned into operations were compared to the original LEED baseline. This methodology change increases energy savings over last year's reported savings but makes the energy savings methodology consistent across all assets in all funds. Please refer to the Livable Place Index overview at the end of this report for more detail on the energy savings calculation methodology. Calculations verified by an independent specialist in energy engineering.
- 8** Carbon emissions are calculated based on actual therm and kilowatt hour use multiplied by the emissions factors for electricity and natural gas, as published by the EPA. Emissions factors for electricity are specific to each property's local utility provider. Carbon emissions for the "standard" building baseline are calculated based on the median energy use of a similar building in a similar climate zone. Calculations verified by an independent specialist in energy engineering.
- 9** Water savings calculated by comparing actual water use to the median water use of similar multifamily buildings, or 42 gallons/sf, as published by the EPA. Calculations verified by an independent specialist in energy engineering.
- 10** Local vendors include all property vendors for the year based in the city where the property is located which operate only within the city and its adjacent area.
- 11** Minority and woman-owned vendors represents the percentage of local businesses that are minority or women-owned. If ownership is 50%+ minority or women, it is included in this category.
- 12** Total jobs created during the construction or renovation of the properties in this portfolio based on the project cost as calculated by an independent consultant using IMPLAN.

LIVABLE PLACE INDEX™

Gerding Edlen's Livable Place Index is a proprietary methodology for quantifying environmental and community impacts based on a triple bottom line approach – People, Planet, Prosperity. The People data is based on Walkscore and these values are updated annually. Planet data represents annual savings calculations for key performance indicators – energy, carbon, water and waste. All energy, carbon and water savings calculations are performed and/or verified by an independent specialist in energy engineering. There can be no assurance that estimated returns or projections can be realized or that actual returns or results will not be inferior than those estimated herein. For buildings under construction at the time of the report or new construction properties in operation for less than one year, energy savings is derived by comparing the as-designed building to a baseline performance reflecting the national energy code, per the energy model associated with the building's LEED certification. For all commercial and multifamily properties in operation for more than one year, actual energy use is compared to a baseline performance of median buildings of similar type and in similar climate zones derived from Energy Star Portfolio Manager. The allocation of electricity and gas use in the baseline is adjusted to match the allocation of electricity and gas reflected in each property's actual consumption during the first year of stabilized operation. The current baseline reflects Portfolio Manager's update to the 2012 version of the Commercial Buildings Energy Consumption (CBECE) survey. Natural gas is converted to kilowatt hours for a common unit of measurement in calculating energy savings percentages. Carbon emissions are calculated based on actual or modeled therm and kilowatt hour use multiplied by the emissions factors for electricity and natural gas, as published by the EPA. Emissions factors for electricity are specific to each property's local utility provider. For buildings under construction at the time of the report or new construction properties in operation for less than one year, water data is taken from the water calculations associated with the building's LEED certification and adjustments are made to account for cooling tower evaporation, pool use (where applicable) and irrigation. For all commercial and multifamily properties in operation for more than one year, the baseline reflects the median annual water use of similar building types as provided by Energy Star Portfolio Manager. Waste refers to all municipal waste generated at the property during operations. Waste reductions reflect the amount of municipal waste that is recycled and/or composted. Any data used is provided by the waste hauler for each property. Prosperity data includes jobs created and fiscal impacts associated with the cost of construction or renovation for each property derived from an economic development program, IMPLAN. These values are calculated at property development or acquisition and are only modified year to year to include jobs created and fiscal impacts associated with the cost of additional renovation or tenant improvement expenditures. The results are provided by an independent consultant and are calculated using the most recent available statewide economic data. Gerding Edlen is not responsible for the accuracy of any third party information provided in this report. Information shown herein is valid as of April 2019.



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