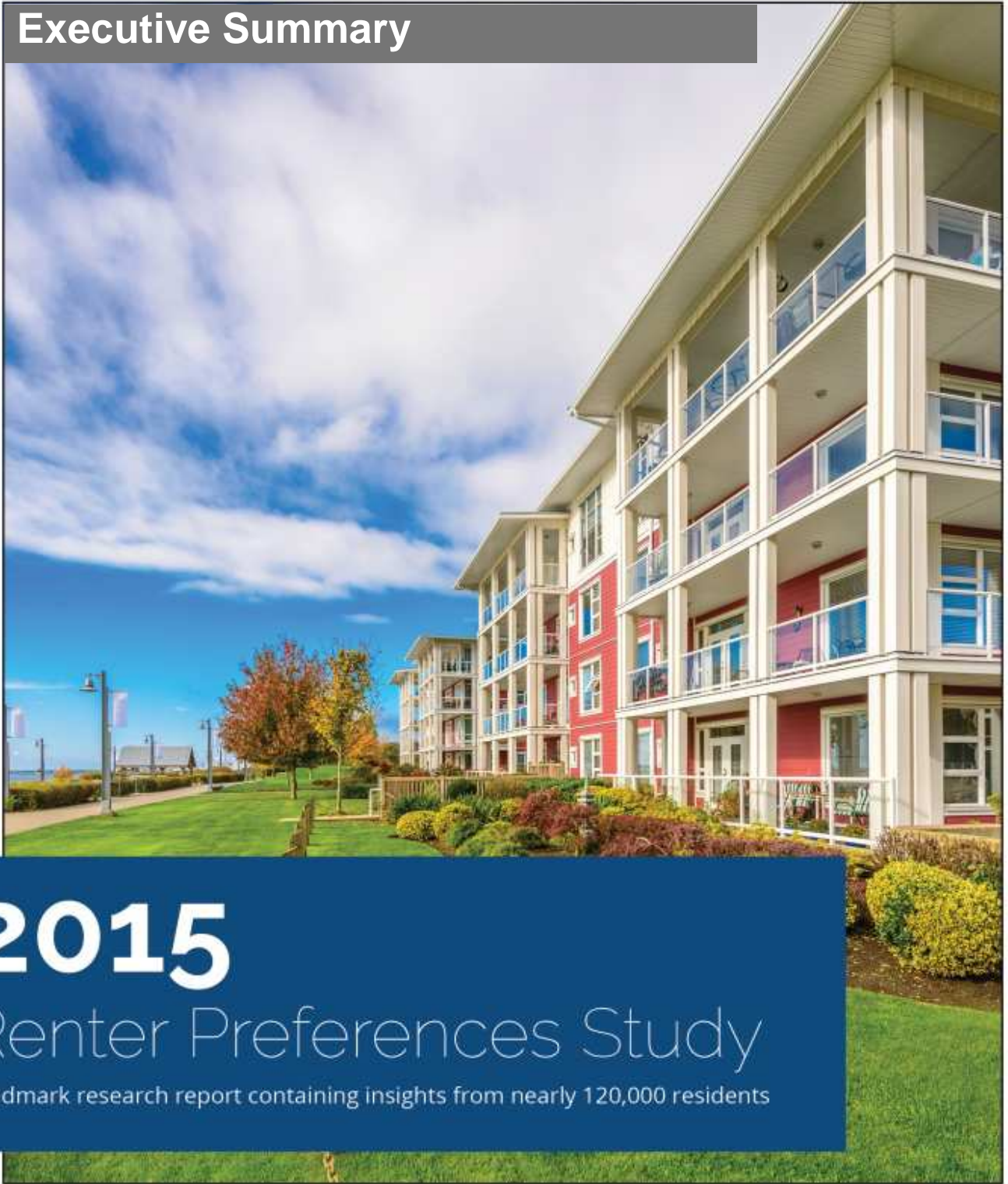


Executive Summary



2015

Renter Preferences Study

Landmark research report containing insights from nearly 120,000 residents



NATIONAL
MULTIFAMILY
HOUSING
COUNCIL

PROJECT OVERVIEW AND METHODOLOGY

In partnership with the National Multifamily Housing Council (NMHC), Kingsley Associates conducted its second landmark survey of renter preferences with participation from a selection of leading firms in the multifamily real estate industry.

Overview:

The 2015 Renter Preferences Study was conducted in August 2015 with the purpose of gathering feedback directly from residents to identify:

- Apartment Feature Preferences
- Community Amenities Preferences
- Resident "Decision to Rent" Factors
- Pricing Expectations
- Apartment Search Methods
- Lease Decision Factors
- Preferred Neighborhood Destinations
- Community Services
- Communications and Online Services
- Community Online Presence
- Community and Apartment Resident Demographics

Participating Firms:

The study included residents from twenty two industry-leading multifamily firms who own and/or operate over 1.2 million units across the United States. Invitations to the web survey were distributed via email to a sampling of residents, and responses were received from 119,266 residents at 3,280 communities. The participating firms included were:

- Alliance Residential Company
- AMLI Residential
- Avesta
- Bell Partners
- Berkshire Property Advisors
- Camden Property Trust
- Crescent Communities
- Essex Property Trust
- Gables Residential
- Greystar Real Estate Partners
- Home Properties
- Kettler Management
- Lincoln Property Company
- Monogram Residential
- Pinnacle
- The Dolben Company
- The Laramar Group
- The Marquette Companies
- The Scion Group
- Trammell Crow Residential
- Windsor Communities
- Wood Partners

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The National Multifamily Housing Council and Kingsley Associates partnered to survey over 500,000 residents across the US regarding their apartment rental experience. As a follow up to the inaugural survey initiated in 2013, the 2015 NMHC / Kingsley Renter Preferences Study shines light upon nearly 120,000 apartment residents' perspectives on preferred neighborhood destinations, methods used in the apartment search process, and interest in and pricing expectations for 69 apartment features and community amenities.

Apartment / Community Features

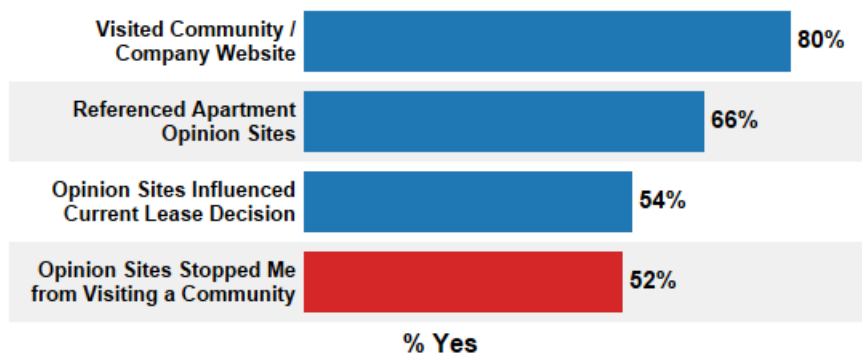
High speed internet access continues to be the apartment feature that generates the highest level of interest. While still remaining important, residents' interest in a patio / balcony has declined four spots from 2013. Residents indicate high levels of interest in walk-in closets, soundproof walls, and smart thermostats, all new to the survey in 2015.

Below is a list of the top 10 areas (out of 69 total features / amenities), sorted by percent interested (4s and 5s on a 1-5 scale). In addition to residents' interest in amenities, Kingsley Associates and NMHC also collected information on what residents expect to pay for the additional amenities.

Apartment / Community Amenity	% Interested		Pricing
	2013	2015	
High Speed Internet Access	93%	94%	\$35
Parking	--	94%	\$32
Walk-in Closet	--	89%	\$49
Soundproof Walls	--	88%	\$62
Patio or Balcony	93%	87%	\$52
Washer / Dryer in Unit	88%	87%	\$64
Microwave	85%	87%	\$21
Refrigerator With Water / Ice Dispenser	83%	85%	\$31
Garbage Disposal	88%	83%	\$17
Pool	--	83%	\$46

Apartment Search Behavior

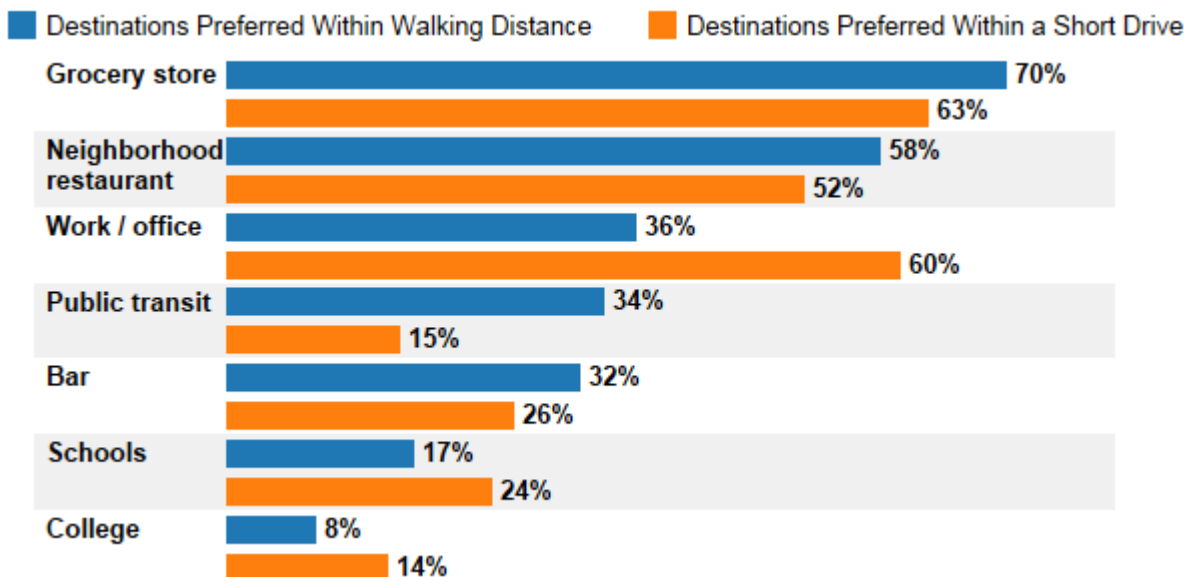
The survey included a series of questions regarding how residents search for their apartments. The study reveals that 73% of residents reference at least one internet listing site (ILS), while 80% of residents visit a specific community website. During the apartment search process, opinion sites play an influential role not only in determining which apartment communities should be visited, but also in the ultimate rental decision.



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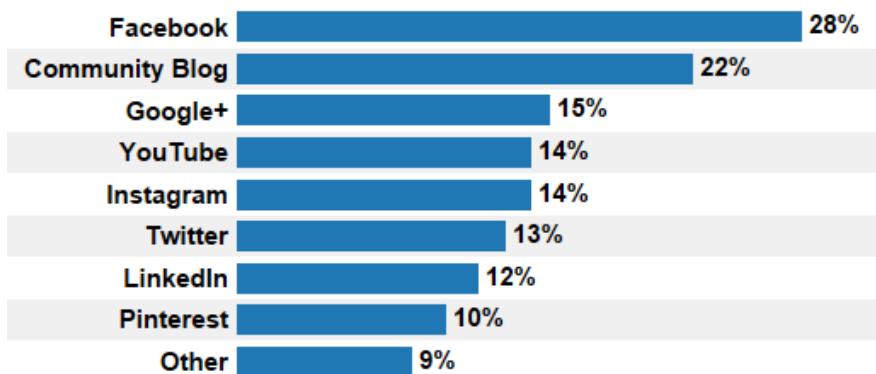
Neighborhood Destinations

Residents indicate the neighborhood features of greatest importance are proximity to local businesses, walkability of the area, and restaurants. Apartment renters have strong opinions about whether regular neighborhood destinations need to be within walking or driving distance. Residents prefer that grocery stores, restaurants, bars, and public transit be within walking range. Conversely, renters place less importance on immediate proximity to work and office destinations, but these locations must be within a short drive from the apartment.



Social Media Engagement and Importance

While thirty-six percent of residents have visited at least one of their community's social media websites, they generally place a low level of importance on social media engagement by their apartment communities. When asked how often they would check their community's Facebook page, 50% said they would never check. The chart below shows the percentage of residents indicating it is important for their community to engage on the following social media sites.



This Executive Summary highlights only a portion of the survey results. The full report includes resident responses to over 200 questions. Additional market reports (44) are available on www.NMHC.org. In the appendix included in the back of this report, survey results are broken down based on demographics, including age, property class, apartment floor plan, gender, income, and living arrangement.



Business intelligence for the real estate industry.

Gaining a competitive edge in today's multifamily industry requires superior knowledge of residents' needs and demands. After all, satisfied residents are more likely to renew their lease, recommend their community, and be loyal to a specific brand.

For over 30 years, Kingsley Associates has been the firm that apartment owners and managers turn to for measuring and benchmarking resident satisfaction and loyalty. With our advanced survey tools and industry-leading benchmarks, Kingsley Associates is uniquely positioned to be your performance-monitoring partner.

Kingsley CORE Program
Comprehensive Ongoing Resident Evaluation

Prospect		<p>Prospect survey</p> <ul style="list-style-type: none"> • Gauge effectiveness of marketing vehicles • Understand perceptions of the leasing process and the likelihood of lease execution 		<p>Move-in survey</p> <ul style="list-style-type: none"> • Pinpoint factors influencing the lease decision • Assess move-in processes • Understand the relative attractiveness of amenities and apartment features
Occupancy		<p>Annual / sampling survey</p> <ul style="list-style-type: none"> • Gauge resident satisfaction with service levels, community amenities, and apartment features • Identify the likelihood of community recommendation and lease renewal 		<p>Work order survey</p> <ul style="list-style-type: none"> • Understand resident perceptions of maintenance service levels and response times • Evaluate work quality and personnel professionalism
Retention		<p>Renewal survey</p> <ul style="list-style-type: none"> • Evaluate resident perceptions of the renewal process and community personnel • Identify the likelihood of community recommendation and lease renewal 		<p>Move-out survey</p> <ul style="list-style-type: none"> • Evaluate factors (controllable and otherwise) impacting the move-out decision • Identify ways to create lasting loyalty



Kingsley Employee Engagement Program (KEEP)

The value of an engaged workforce goes beyond the benefits of increased satisfaction and retention. Engaged employees are motivated by your company's success, serve as promoters of your product, and will put forth the discretionary effort to elevate your firm from good to great. The KEEP program objectively measures employee feedback, identifying strengths, weaknesses, and best practices.

Manage Your Online Reputation

Kingsley Associates can feed ratings and reviews to sites such as:

- Community website pages
- Facebook pages
- Apartment Guide and Rent.com
- Resident review sites (e.g., Apartment Ratings)

To learn more about Kingsley Associates and our services, please contact us:

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