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AVENUE LIVING SEES OPPORTUNITY FOR RESIDENTIAL RENTAL GROWTH IN EDMONTON MARKET

Edmonton is becoming an ideal residential rental market for Avenue Living as it aligns with the company's strategy of providing quality, safe, affordable places to live for the large workforce housing demographic and is backed by a strong, reliable team.

Avenue Living owns and operates just under 10,000 units across 19 markets in Alberta, Saskatchewan and Manitoba, and has gained a foothold in the Edmonton market in recent years. Today it owns 1,440 units in 62 complexes throughout the city. The portfolio is poised for significant expansion in the next year, on the back of acquiring more than 200 units within the market during 2019.

Trent Schaber, Regional Vice President of Avenue Living Communities, said Edmonton is a key growth market for Avenue Living. There is a multitude of inventory of residential units in Edmonton that fall under the company's target assets.

"COVID-19 has had an impact across this entire industry and has created caution around new acquisitions. But we continue to drive forward. We continue to look for opportunities given the variety of available assets in the Edmonton market," said Schaber.

"Edmonton is a major market for us. More people are choosing to stay with us than ever before, and that's a big win for us here," added Schaber.

The opportunity for growth in Edmonton also comes in part from the company's platform, encompassing in-house experts across multiple fields that support the business. With a strong team as their base, Avenue Living can rely on their employees for the day-to-day and focus on the company's overarching strategic goals and acquisitions for this market.

"The Edmonton team is no doubt a strong, reliable crew," adds Schaber.

Employees are joining the team coming from other diverse companies and look forward to furthering their careers with Avenue Living. They are building their experience with the company and in turn adding to the value of the platform. These fundamentals ultimately lead to enhanced brand awareness, a heightened call volume into the call center, new leases being signed, strong collections, increased renewals, and attaining the company's vision of being the clear choice for where to call home.

"We've built a stable, outgoing sales team. Combine that with the strength and experience of our portfolio managers and field operations, and one can see why Edmonton is becoming an ideal market for growth. Our maintenance staff are responsible for providing exceptional daily customer experiences for our current residents and are consistently working to maintain the quality of our properties. Due to the work of our entire team, we continue to see opportunity in Edmonton," said Schaber.

Geographically in Edmonton, Avenue Living's holdings are north of the North Saskatchewan River in the downtown core and spread from east to west across the city.

Schaber said there is an abundance of quality, residential rental inventory on the market that is well-priced, giving Avenue Living an opportunity to further expand its portfolio in the capital city.

"In Edmonton, I believe there is a large collection of what we would characterize as small asset holders – the mom-and-pop operations and B and C class assets. And many of those holders, who own between one to ten buildings, are looking to liquidate or to sell," he said. "And we have the ability to go in and acquire these assets at this time".

Avenue Living is also embarking on a major renovation for the unique Capital Towers apartment building in downtown Edmonton. The 12-storey building with 179 units will undergo a \$7 million capital improvement project within the next year.

"Due to Capital Towers' current visibility in the community, overall asset reputation, and the scope of work that will be need to be executed, the project is going to have a significant impact to our brand in Edmonton. Not only will the brand of the building itself be re-envisioned, but so will the brand of the company – Avenue Living Communities – throughout Edmonton. It's the largest single renovation project that Avenue Living has ever undertaken on one of the assets that we own," explained Schaber.

Schaber adds that the project will include interior and exterior work, full renovations of units and common areas, and replacing all the mechanical components.

"We are taking the building as it stands today and executing a significant rebrand, physically and in reputation, and relaunching the new Capital Towers in spring of 2021," said Schaber.