

ENVIRONMENTAL:

Environmental factors are important to consider at the local and global level. We carefully consider our materials and weigh their emissions, durability, recyclability, and cost in determining which are suitable. We will continue to implement these considerations through internal review.

ENERGY EFFICIENCY:

Beitel Group aims to increase energy efficiency in our buildings through a careful consideration of building materials and energy suppliers. We continually work to research energy saving devices and opportunities for our communities and implement when feasible.

Examples of our practices:

- Implementation of Light Emitting Diodes (LEDs) as a replacement for older incandescent or CFL bulbs.
 - LEDs are significantly more efficient than other bulbs and produce little to no heat. This means they combine efficiency and practicality, saving tenants money and reducing overall energy consumption.
 - It is estimated by the US Department of Energy, the adoption of LED lighting over incandescent by 2027 can prevent the construction of 40 new power plants, generate more than \$265 billion in energy savings, and reduce lighting electricity demands by 33 percent.
- Perform scheduled preventative maintenance on mechanical systems such as HVACs to ensure they are operating effectively.
- Evaluate insulation levels and implement cost effective solutions where feasible.
- Researching and reviewing local energy suppliers and evaluating their energy production.
- Researching opportunities for on-site renewable energy products such as solar panels.

As we move forward, we will continue to pursue opportunities to decrease energy consumption and work to implement them in our investment strategy.

WATER CONSUMPTION:

Beitel group considers water consumption throughout the investment process and works to cut waste by installing and maintaining efficient appliances and arming residents with applicable information.

Examples of our practices:

- Installing water efficient toilets which are EPA WaterSense Certified. These toilets meet rigorous criteria for both efficiency and performance. These toilets are also ADA compliant.
- Research efficient aerators and showerheads for implementation in residences.

- Review potential water recycling programs and irrigation systems.
- Conduct regular maintenance on water distribution systems and other water systems.

Beitel group works to reduce water consumption where feasible and ensure safety by regularly testing water for metallic or other toxic contaminants. As we move forward, we intend to continue to implement these practices.

INDOOR AIR QUALITY (IAQ):

An important aspect overlooked in many real estate environmental reports is the IAQ. Beitel Group is committed to ensuring the highest standard of indoor air quality by installing only rigorously tested materials which meet or exceed guidelines for volatile organic compounds (VOCs) and other indoor pollutants.

Examples of our practices:

- Installing vinyl planks which achieve zero formaldehyde emission and contain no phthalates.
 - These planks are certified by SCS Global services, an international leader in 3rd party certification and validation for environmental, sustainability, and food safety.
 - Certified by the U.S Green Building Council, an organization which aims to create an environmentally and socially responsible future.
 - These planks are also antimicrobial and hypoallergenic
- Use of low odor and zero VOC paint products which are LEED certified and meet standards set forth by the California Department of Public Health (CDPH).
- Encourage a smokefree environment for our residents.

ECOSYSTEM:

Beitel Group partners with third party vendors to identify upgrades and retrofits which can improve energy efficiency, water consumption and quality, and indoor air quality. One of the vendors Beitel group partners with is ECOSYSTEM™. This organization was found in 1993 and employs professionals with a diverse background to identify simple and cost-effective measures that improve the overall standards of our residences. We intend to continue this relationship while searching for other experts to optimize our ESG efforts.

The table below provides a case study for the impact ECOSYSTEM had on previous properties and facilitates our partnership for future investments to reduce consumption and cost.

SUSTAINIBLE LIVING GUIDE:

We also believe arming our residents with information regarding these topics is important to cultivating community and responsibility. Our firm has developed a “Sustainable Living Guide” which is available on the website and gives simple tips and tricks to reducing consumption.