

Providence Management Company Completes Sale of The Belmont Apartments

Investment Achieved a 28% Internal Rate of Return and a 2.8x Equity Multiple

November 7, 2017

FOR IMMEDIATE RELEASE

GLENVIEW, IL., November 7, 2017 -- Providence Management Company, LLC, a multifamily owner operator, announced the completion of the sale of The Belmont Apartments located in Montgomery, Alabama. The sale resulted in a 28% Internal Rate of Return and 2.8 times total cash distributions relative to the total equity invested in the asset (the “equity multiple”).

The Belmont Apartments, a 468-unit community located in Montgomery, Alabama, was purchased in 2012 by a venture formed and led by Providence to acquire and renovate the property out of foreclosure. During its ownership, Providence substantially renovated 26% of the apartment units which allowed it to increase property revenue by 22%. The renovation of the property included upgrading units with new flooring, cabinet doors and hardware, countertop resurfacing, washers and dryers, and replacing light fixtures. Impactful exterior renovations, such as landscape upgrading, were also performed at the property.

"The successful sale of The Belmont Apartments is another success story in our 31-year history, earning a 28% internal rate of return primarily due to our time-tested multifamily renovation program which was once again able to provide renters with an affordable, renovated home in a sought-after location. The success of our investment in The Belmont Apartments is a clear example of the ongoing divergence between the growing number of workforce renters seeking reasonably priced quality rental housing and the acute lack of new construction of affordable market-rate apartments. We believe the ongoing supply and demand imbalance indicates that the investment opportunity to renovate existing apartment stock will continue into the foreseeable future." said Alan Pollack, Providence's Chairman.

ABOUT PROVIDENCE MANAGEMENT COMPANY, LLC:

Providence Management Company, LLC (“PMC”) and its’ affiliates have been an active owner, operator, manager, and asset manager of multifamily residential communities since 1986. PMC consists of a motivated group of professionals dedicated to searching for, identifying, acquiring and operating multifamily properties in select markets. PMC seeks to create additional value and provide superior risk adjusted returns by improving assets, through renovation, management, repositioning, and increased operational efficiencies. To learn more please visit <https://www.provman.com>, follow us Facebook and on Twitter @ProvidenceMgmtC.

Providence Management Company, LLC

1247 Waukegan Road, Suite 200

Glenview, IL 60025

P: 847-904-2000

F: 847-904-2089

E: info@provman.com

Media Contacts

Karen Phillips

P: 847-904-2008

E: kphillips@provman.com