

Maximize NOI: Increase Asset Value

A well-designed package of energy investments - such as LED lighting, mechanical and HVAC upgrades, controls upgrades and solar - returns 15% to 50% cash on cash in the first year alone by improving net operating income (NOI). **Energy investment solutions typically increase property value by 2 to 4 times the cost of installation.** ABBAE provides complete design-build & construction management solutions that include full warranties (10-25 years), maintenance options and performance monitoring.

Did You Know...

Apartments qualify for incentives that can offset 30% to 90% of the cost of installing energy efficiency and renewable energy projects that reduce energy usage and utility costs. On average, apartment owners spend **\$730** per door on common area utility costs. It's possible to drive these Solar PV costs to almost \$0.

Maximize Your NOI Today

There are multiple reasons for acting now to invest in energy conservation & generation projects. Here are a few to get you started:

- Capture available utility and tax incentives before they expire.
- Decrease OPEX (operational expenditures) and increase NOI, asset values and shareholder values.
- Modernize property with newer, more capable, high efficiency equipment.
- Attract anchor tenants and improve occupancy.
- Reallocate money saved from utility expenses into investment toward other core areas.
- Capture tax incentives – such as the 30% ITC.
- Increase cash flow with five-year accelerated depreciation.
- Preserve capital with off-balance sheet financing solutions that are cash flow positive in the first month.

Incentives for Property Owners

State incentive programs such as Energy Upgrade California (EUC) offer multifamily property owners rebates on comprehensive multi-measure projects that save more energy than one single measure alone.

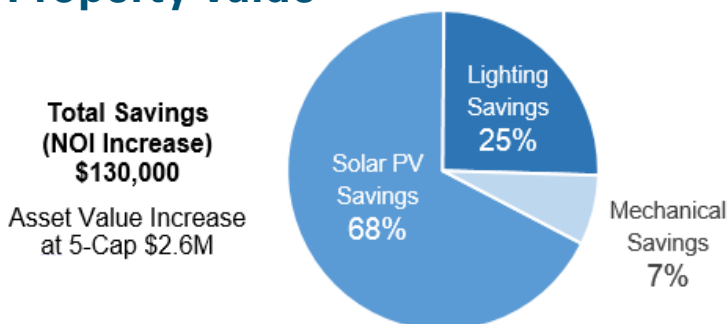
The proper combination of energy-saving technologies can drive common area electricity costs to zero. Up to 50% reduction in up-front costs can come directly from a combination of Federal, State, and Local incentives that significantly increase ROI.

Energy project incentives are starting to trend downward and future program funding levels are uncertain. Utility rates also increase each year by about 3-5% on average. The cost of waiting to implement solutions increases by the day. An investment today locks in savings and high rebates to provide a hedge against utility rate escalation.

Energy Investments Improve Sale Value By:

- ROI-driven design maximizes utility savings.
- Reduced utility expense improves net operating income (NOI).
- Higher NOI drives a property value increase.
- Energy investments multiply the capital invested at time of sale.
- Improve investor returns and shareholder value.

Energy Savings Increases Property Value





Case Study: Whole Building Retrofit (320 Units) in Fremont, CA

Project Background:

ABBAE developed and installed a combined energy efficiency and renewable energy project at a 320 unit multifamily site in Fremont, CA. ABBAE's whole-building approach led to much higher investment performance as compared to a conventional solar PV-only or lighting-only project.



Results:

The installed package of energy savings and generation solutions reduced the common area electric bill to almost zero and also reduced the gas bills. The major component of the energy efficiency package, a comprehensive LED lighting project, reduced the common area electric consumption by 26.1 % at a net project cost of zero (\$0) after utility incentives. Solar PV was installed to offset most of the remaining electric bill.



Financial Summary:

- Electricity Reduction from Lighting = 26.1 %
- Electricity Reduction from Solar PV = 62 %
- Net First Year Cost Savings = \$126,500
- Net Project Cost (including rebates) = \$796,000
- 15.9% ROI
- Property Valuation Increase = \$ 2,500,000
- 3.2x multiple on capital

Building Talent

“A diversified talent pool gives us an edge. We put together highly specialized project teams that match team member experience with project requirements.”



– Karim Allana, CEO

Staff Announcements

Charlie Fitzgerald



ABBAE is pleased to welcome Charlie Fitzgerald to our Energy and Solar Division as a Senior Associate, Energy Finance. Charlie brings over 5 years of experience in project finance, both in the US and Asia. He was most recently with Borrego Solar as a Project Finance Analyst. He received his BA in History and Masters of Regional Planning from the University of North Carolina.

Mario Romero



ABBAE is happy to welcome Mario Romero as a Construction Assistant for our Irvine office. Mario brings experience as a construction monitor at D7. He has his BA degree from Vanguard University.

Hediyeh Lavasani



ABBAE is pleased to welcome Hediyeh Lavasani to our Palo Alto Staff as an Executive Assistant. She will be supporting Karim Allana, CEO & Senior Principal. She was most recently with KAL Construction and she received her Bachelors in Architecture from California College of the Arts.

Tradeshaw Dates & Locations

Schedule an appointment with us at one of the conferences listed below - (bd@abbae.com)

ECHO Annual Seminar
Sat 6/20/2015

Santa Clara Convention Center
5001 Great America Parkway
Santa Clara, CA 95054

San Mateo County Community College
Foundation's 5th Annual Fold Tournament
Mon 8/24/2015

Stanford University Golf Course
198 Junipero Serra Boulevard
Stanford, CA 94305

Eco-Fest Sustainability Festival 2015

Being ECO-conscious doesn't have to be a drag. Promoting sustainability can be easy and fun.

In honor of Earth Day, Allana Buick and Bers (ABBAE) recently sponsored the 2015 Eco-Fest Sustainability Festival hosted by the Peralta Community Colleges in April 2015.



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