Get Involved in This Session!

Use the NMHC Meetings app to take the poll. Here’s how:

1 - Get the app from your app store or use it online at http://goo.gl/NF3tHx

Tip: Search NMHC Meetings.

2 - Find this session in the schedule.

Tip: Click the “Now” button in the top right to go to sessions happening now.

3 - Click the polling button to cast your vote.

Tip: You must click “Submit” for each question to cast your vote.
The New World of Payments

<table>
<thead>
<tr>
<th>Mona Stahling</th>
<th>Bernie Avondet</th>
<th>Sam Bayoumi</th>
</tr>
</thead>
<tbody>
<tr>
<td>AvalonBay</td>
<td>Key Bank</td>
<td>Visa</td>
</tr>
</tbody>
</table>
AGENDA

• Audience Poll
• AvalonBay Results
• What Residents Want and What’s in it for me?
• Debit/Credit Card Insight
• What does the Future Look Like?
• Poll Results and Q & A
Audience Poll

Do you have a resident portal for ePayments  Yes  No
What % of payments are electronic  <25, 25 – 50, 50 – 75, >75, unknown
Do you take Credit and or debit card payments for the following (check all the apply)

<table>
<thead>
<tr>
<th>Service</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convenience Fee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security Deposit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Do you accept Credit/Debit Cards on a tablet/mobile device (i.e. Square Cash reader)  Yes  No
AvalonBay Demographics

1. Data as of September 30, 2015
2. For residents that moved into an AvalonBay community during the previous 12 months
AvalonBay Results

Payments By Type
YTD as of January 2015

- Avalon Access
  - 2011: 73.4%
  - 2012: 78.5%
  - 2013: 82.25%
  - 2014: 86.22%
  - YTD 2015: 89.3%

- Klik Checks
  - 2011: 22.7%
  - 2012: 17.5%
  - 2013: 13.39%
  - 2014: 9.78%
  - YTD 2015: 6.7%

- Payment over the Phone
  - 2011: 3.5%
  - 2012: 3.7%
  - 2013: 4.28%
  - 2014: 3.56%
  - YTD 2015: 4.0%

- Western Union Location
  - 2011: 0.3%
  - 2012: 0.3%
  - 2013: 0.08%
  - 2014: 0.04%
  - YTD 2015: 0.0%
Audience Poll
What Residents Want...What’s in it for me?

Overview

Generational payment habits are shifting, impacting rent payments as well

- Comparatively less likely to own ‘smart’ device
- Slow to shift from using paper checks
- 80% of total US population has a mobile phone

Boomers & Gen X

- 50 million renting
- 85% own a smartphone
- 90% of texts are read within 3 minutes
- 150x per day – number of times average American checks their mobile device
- Expecting electronic payment options

Gen Y & Millennials
NMHC Survey Results

Given a choice, would you prefer to pay your rent directly to the front office or via electronic means?
I prefer paying at the front office: 22.07%
I prefer paying electronically: 77.93%

Would you like to pay rent by credit card?
Yes, but I wouldn’t pay a convenience fee: 58.52%
Yes, and I would pay a convenience fee: 4.67%
No, I would not want to pay with a credit card: 36.81%
Audience Poll