

**Environmental Policy**

*As of June 15, 2020*

Preferred Apartment Communities, Inc. (PAC) is committed to implementing environmentally sustainable best practices at our properties and corporate office and to assist our residents, tenants, and communities in their efforts to address environmental concerns. By operating and investing in multifamily housing, grocery-anchored retail, and office buildings, we aim to be thoughtful and responsible partners to enable our tenants and residents to reduce their environmental footprint. Our goal is to ensure our properties and corporate office are operated in an environmentally prudent fashion through an approach that focuses on maximizing utility efficiencies, mitigating climate change risks, and reducing waste streams, while ensuring an effective use of energy, water and non-renewable resources. We also recognize that we have a role to play in communicating good environmental practices to all our associates, vendors, tenants, associates, and stockholders.

In order to accomplish our environmental policy objectives, we strive to:

- Develop and implement portfolio level energy management software to quantify past and current utility consumption;
- Establish short and long term goals and programs that meaningfully reduce energy, water, waste and greenhouse gas emissions;
- Promote recycling and use of recycled materials;
- Promote use of green cleaning products, sustainable cleaning equipment, and other environmentally-friendly cleanliness practices;
- Develop lighting retrofits that reduce energy consumption;
- Support tenant and resident endeavors to achieve environmental objectives;
- Develop and implement an energy use management and measurement program (EMS);
- Enhance and encourage our vendors and supplies to actively minimize their impact on the environment;
- Analyze our portfolio for risks associated with climate change and stronger storm cycles, and determine resiliency strategies to mitigate these risks; and

- Provide an environmentally sound workplace for our associates and establish standards that promote the use of environmentally friendly processes and materials that complement and enhance existing safety standards.

