ESG in Action at Sentinel Real Estate Corporation

Made possible by a Yardi Energy Efficiency Grant.
Sentinel Real Estate Corporation is an independently owned real estate investment management firm with a portfolio of over 25,000 apartment units and 5.5 million square feet of commercial real estate.

Since the company’s founding in 1969, Sentinel has given back to the communities and neighborhoods in which they operate, in the firm belief that their fiduciary obligations and societal responsibilities are not at odds with one another—rather, they are deeply interwoven.

Sentinel has focused in recent years on integrating the environmental, social, and governance (ESG) framework into the fabric of everything they do. The company sees this approach as the best way to fulfill their ESG responsibilities while remaining focused on delivering superior bottom-line returns for their investors.
ESG in Action

Success in meeting ESG goals relies on clear, established processes and tools for translating corporate objectives and policies into property operations.

Sentinel defines their ESG program through centralized program governance, best practices, and staff training. At the property level, they put ESG into action through asset planning and auditing, best practices applied to daily operations, capital programs, and resident outreach.

ESG best practices
The Sentinel ESG Committee reports to the company’s Executive Committee. The ESG Committee sets ESG strategy and disseminates best practices company-wide. With touchpoints to all areas of operations, the ESG Committee strives to incorporate ESG thinking into all their employees, from the corporate office team to property management team members around the country.

ESG training
Sentinel prioritizes staff training to give employees opportunities for self-improvement and career advancement.

Training includes courses that empower Sentinel employees to reflect ESG thinking, on topics such as energy and water conservation, fair housing laws, sexual harassment prevention, OSHA compliance, and cybersecurity.

Employees are also given opportunities to pursue certifications like the IREM CPM® (Certified Property Manager).
Nona Park Village Apartments
Orlando, Florida    >  302 units

IREM Certified Sustainable Property
National Green Building Standard® (NGBS) Bronze

- 87 ENERGY STAR® Score
- 30.5% year-over-year water reduction
- Water reuse in property irrigation
- Bike storage
- EV charging available
- Community garden, bocci ball, and other wellness amenities
- Use of native landscaping; replaced mulch with river rock
- On-site recycling programs
- “Model minders” to deactivate lighting when not in use in models, community restrooms, and other spaces
- LED lighting installed in individual apartments
- Programmable thermostats in enclosed common areas
- Screens on balconies as barriers, furthering integrated pest management goals
- We Connect community service program
ESG at the property

Sentinel takes concrete steps to move ESG from corporate strategy to property operations. For each residential property, ESG is incorporated into planning, management procedures, resident relations, community engagement, and other areas of operations.

Annual asset plan
Each year Sentinel property management teams coordinate with asset management teams to complete the Asset Manager ESG Checklist for each property. This checklist helps assess property performance and identify potential improvements.

Sustainability-focused capital programs include LED lighting, green renovations, HVAC upgrades, and other projects. Sentinel’s goal is to maximize impact within the parameters of each investment strategy.

Daily operations
Property management teams follow prescribed ESG practices incorporated into the Sentinel Policies and Procedures Manual. This manual directs daily operations in energy, water, waste, maintenance, cleaning, procurement, and all areas of operations so critical to sustainability performance at the property level.

Operational audits
Sentinel’s standard audit procedures and operating reviews, performed by their internal audit team, include specific ESG items.

Renovations
Sentinel asset management team members, with Capital Programs and the Sustainability Group, ensure that all planned renovations comply with the Sentinel Green Program, which details sustainable practices, materials, and equipment, where practicable and cost efficient.

Resident outreach
Sentinel property management team members encourage all new and renewing residents to pursue sustainable practices during their residency.

Residents receive a Sustainable Living Guide with green lifestyle tips and behaviors that promote energy and water efficiency. This message is reinforced over social media and through events like technology recycling days, bulk paper shredding events, and planting parties.

LED lighting in the Sentinel Real Estate Fund (SREF) portfolio
- Exterior LED lighting at 100% of SREF properties by end of 2021
- Interior LED lighting in 34% of SREF units

Example
Lofts at Lakeview Apartments in Durham, North Carolina, reduced common-area electricity expenses by $44,331, or 35%, from 2018 to 2019.

These proven results accelerated the LED retrofit program across the entire Sentinel portfolio.
The Oaks at Johns Creek
Johns Creek (Atlanta), Georgia  
264 units

IREM Certified Sustainable Property in progress
NGBS Bronze

- EV charging available
- “Model minders” to deactivate lighting when not in use in models, community restrooms, and other spaces
- LED lighting installed in individual apartments
- Programmable thermostats installed in enclosed common area
- Use of native landscaping; replaced mulch with river rock
- Trees along outer area of property are left in their natural state to provide protection from the sun for plants and to reduce irrigated landscaped areas
- Ample green space
- Water bottle refilling station
- Saltwater pool, fitness center, and other wellness amenities
- We Connect community service program
ESG tools and frameworks

Sentinel benchmarks property energy and water use with EPA’s free benchmarking tool, ENERGY STAR Portfolio Manager. To comply with all local and state benchmarking and disclosure ordinances, they seek whole-building data from the utilities. Where whole-building utility data isn’t available, property teams upload common-area utility data.

Sentinel engages Yardi, a single connected software solution for all aspects of property management, to assist with data collection and for oversight and analysis of the data. Yardi Energy Benchmarking provides clear insights into energy consumption—from the portfolio to the meter level.

The IREM Certified Sustainable Property (CSP) program has provided Sentinel with a framework for expanding their ESG efforts within their property management platform. Management teams working through the certification process find ways to improve the property’s performance, educating and energizing them with viable actions. Sentinel also sees the CSP as a platform for resident outreach.

Sentinel has participated in the GRESB benchmark since 2011, steadily increasing their funds’ scores as their ESG programs have evolved.

In 2020, Sentinel became a signatory to PRI and will report for the first time in 2021.

For more information and complete program requirements, visit irem.org/gogreen.
• EV charging available
• “Model minders” to deactivate lighting when not in use in models, community restrooms, parking garage, storage units, and other spaces
• Drip irrigation system
• Use of native landscaping; replaced mulch with river rock

• Valet recycling program
• Converted pool to salt water to reduce hazardous chemicals
• Complimentary bike and helmet rentals
• Bike storage
• Hiking/biking trail access, athletic center, and other wellness amenities
• We Connect community service program
Sentinel in the community

Sentinel sees ESG as a vehicle for doing what they've always done in their 50+-year history - engage the wider communities their properties are a part of.

Take one example from Denver, Colorado. Each year a Sentinel property there hosts four different aid drives to benefit the local community.

**January**
**Share the Warmth Drive**
Coats, blankets, and socks collected and donated to Coats for Colorado and the Parker Task Force, a non-profit organization that provides food and other services to individuals and families in need.

**July**
**Fill the Bus Drive**
Backpacks, school supplies, and class-friendly snacks for the local school district to distribute to students in need.

**October**
**We Can End Hunger Drive**
Non-perishables and canned goods for the local food bank.

**November to mid-December**
**Official Toys for Tots Donation Center**
New unwrapped toys are collected through this program run by the United States Marine Corps Reserve.

Sentinel has embraced a holistic approach to ESG, incorporating it into everything they do. They've reached into the industry for the right tools and frameworks to guide strategy, roll out best practices, and track and improve property performance.

The company plans to keep advancing their ESG program to put their goals into action across their portfolio.
This report and the IREM® Certified Sustainable Property (CSP) program are made possible by a Yardi Energy Efficiency Grant. IREM would like to thank Yardi for their support and valued partnership.

**Hi, we’re IREM**

We’re an international institute for property and asset managers, providing complete knowledge to take on real estate management’s most dynamic challenges. That means knowledge prepared for the day-to-day and the one-of-a-kind: from solving the latest tenant crisis to analyzing market conditions.

For over 85 years, our members have made us the world’s strongest voice for all things real estate management. Today, almost 20,000 leaders in commercial and residential management call this home for learning, certifications, and networking.

The IREM CSP certification is an attainable, affordable, and meaningful recognition program for existing office, medical office, multifamily, senior housing, retail, and industrial properties. The program evaluates sustainability performance in five categories: energy, water, health, recycling, and purchasing.

Learn more about IREM and the CSP program at [irem.org](http://irem.org).

**About Sentinel Real Estate Corporation**

Sentinel Real Estate Corporation is an independently owned real estate investment management firm established in 1969. The firm currently has $7.4 billion of institutional quality real estate assets under management on behalf of 105 domestic and international clients.

Sentinel maintains its global headquarters in New York City and two international corporate offices in Amsterdam, the Netherlands and Melbourne, Australia. Sentinel maintains 12 operational offices throughout the US and an additional operational office in Perth, Australia. A client servicing office is located in Munich, Germany.

Since its formation, Sentinel has acquired and managed over $18.3 billion of direct real estate investments, comprising 586 multifamily communities containing over 149,000 apartment units and 190 commercial properties containing 33.6 million square feet of space.

© 2021 by the Institute of Real Estate Management of the NATIONAL ASSOCIATION OF REALTORS®

All rights reserved. This report or any part thereof may not be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the publisher. Inquiries should be directed to Knowledge Solutions Team, Institute of Real Estate Management, 430 North Michigan Avenue, Chicago, IL 60611.