



Figure 43: PPS's 3Q16 results preview

PPS	3Q15	2Q16	3Q16			2016			
	Actual	Actual	Actual	DBe	Cons	Pre 3Q Guide	Post 3Q Guide	DBe	Cons
Earnings									
FFO/sh	\$0.76	\$0.82		\$0.80	\$0.81	\$3.20 - \$3.24		\$3.21	\$3.23
Operating Metrics	Actual	Actual	Actual	DBe		Pre 3Q Guide	Post 3Q Guide	DBe	
SS NOI growth, y/y	2.2%	2.4%		3.14% total		2.50% - 3.30%		2.9% total	
SS Revenue growth, y/y	2.8%	3.2%		2.90% total		3.00% - 3.30%		3.2% total	
SS Expense growth, y/y	3.8%	4.5%		2.50% total		3.30% - 3.70%		3.5% total	
Average SS Occupancy (as initially reported)	97.0%	96.2%		96.0%					
y/y ch (as initially reported)	60bp	20bp		-105bp					
Average SS Rental Rate (as initially reported)	\$1,459	\$1,483							
y/y ch (as initially reported)	2.0%	2.7%							

Note: consensus estimates are based on Thomson compiled data as of 10/14/16

- Expect SS NOI growth to accelerate to +3.1% in 3Q with slower expense growth more than offsetting a q/q decline in SS rev growth
- Looking for an update on the merger with MAA in terms of timing and any new details management can discuss
- Update on new lease rates and renewals which tracked +2.0% and +4.5%, respectively, in early August; Update on move outs due to price (10% in 2Q) and move outs to buy (19% in 2Q)
- Lease-up progress at Parkside at Wade (Raleigh) development (avg. of 34 units per month in 2Q); Update on the planned 3Q16 completion of Post Afton Oaks (Houston) and any leasing so far vs. budget
- Update on PPS's top four markets: Atlanta, DC, Dallas, and Tampa with particular focus on submarkets pressured by supply this year (Buckhead in Atlanta, Alexandria in DC, & Uptown Dallas)

Source: Deutsche Bank, company data, Thomson