

AXIS AT PERIMETER – METRO ATLANTA

By Joe Bousquin ■ Contributing Editor, *Broadband Properties*

The Axis at Perimeter, a luxury mid-rise apartment community in the Atlanta suburb of Dunwoody developed by the Lane Company, leverages a fiber-to-the-node network to provide residents with AT&T U-verse services. Our thanks to Lane's Scott Templeton and AT&T's Lin Atkinson for their assistance in preparing this feature.

The Atlanta-based Lane Company is serious about technology amenities for the 21,000 apartments in its 120 communities. Scott Templeton, vice president of Business Services, is in charge of putting the right amenities and services in place to entice residents to sign leases, including technology amenities such as high-speed Internet connectivity, highly interactive video programming and take-it-with-you telephony.

Templeton's job was especially challenging when he helped bring Axis at Perimeter, a 312-unit luxury mid-rise located in Metro Atlanta's Perimeter Center, out of the ground.

"Fortunately, I wasn't on the investment calls," Templeton says. "When we were in the planning stages with that product, the market was just starting to bend. It hadn't quite broken yet, but it was definitely beginning to bend." In fact, the market broke just as the property was about to go live, in February 2009.

Luckily for Lane and its investors, Templeton is very good at his job. Even though Axis at Perimeter opened in one of the most challenging environments on record for the apartment industry, the community achieved lease-up in just under a year and boasts a healthy 93 percent occupancy rate today.

A primary reason for that accomplishment, according to Templeton, was one of the technology amenities Lane picked as a must-have for the community: AT&T's U-verse offering.

"Through a lot of market research and internal dialogues at our company, we determined that the AT&T U-verse product was going to give us the best competitive advantage in the market,"

Templeton says. "It turned out to be absolutely that."

With U-verse at the property, residents now have access to Internet speeds up to 24 Mbps in their apartments and can log on to any of 20,000 AT&T Wi-Fi hot spots nationally as part of their subscriptions. Video services include AT&T's Total Home DVR; on-demand programming across TV, PC and iPhone screens; and interactive apps on all those devices. Residents can bundle in VoIP telephony and mobile phone service for a quadruple-play package that puts all their communication and entertainment charges on one bill.

Templeton says that kind of functionality and flexibility leads prospects to ask

About the Author

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Date services started being delivered:
February 2009

TECHNOLOGY

The following answers were provided by AT&T's Lin Atkinson, general manager of national accounts, AT&T Connected Communities.

How does fiber get to the property? AT&T provides Axis at Perimeter with fiber GigE circuits from the local AT&T central office to a video-ready access device (VRAD) located on an easement in close proximity to the Axis at Perimeter apartment building.

How are signals distributed inside the property? From the VRAD, the development provided access via conduits into the property's main telecommunications room, which is located in the parking garage of the Axis at Perimeter. The VDSL signal is transported through these conduits over copper cables to the main telecommunications room. Copper riser cabling carries the signals to the telecommunications closets (IDFs)

for the service by name when they walk into the Axis leasing office. When they do, the community's leasing agents know they already have a leg up on the competition in the Perimeter submarket.

"The fact that we have U-verse alone has gotten prospects to sign leases," Templeton says. "It's a great product, and residents in that market seek it out. It's made a big difference."

Because Lane wanted its residents to have options at the community, it invited a cable provider onto the property as well, and residents can also subscribe to cable services. However, Templeton said, U-verse was the first choice of a majority of its residents and helped the company lease so many of its units that Lane is now looking to retrofit other properties in its existing portfolio with the U-verse offering.

"We take great pride in running apartments that are the best, most desirable places to live in all of our markets," Templeton says. "That includes providing top-tier amenities and services. AT&T U-verse, by tying all of residents' telecommunications needs together in their homes, is clearly in that group. It really helped us hit a home run on this one."

VITAL STATS

Property Description: The Axis at Perimeter offers style, contemporary living and convenience. Located in the heart of the Perimeter Center area, within walking distance of upscale shopping and fine dining and only minutes from the heart of Atlanta,

Axis offers modern features and exquisite amenities. Amenities include a private tanning room, a resort-style pool with cabana areas, an outdoor living room with fire pit, an espresso bar with free Wi-Fi and telecommunications services provided by AT&T U-verse.

U-verse helped Lane lease so many units that Lane is now looking to retrofit other properties in its portfolio with the U-verse offering.

Greenfield or retrofit? Greenfield

Number of residential/commercial units:
312 residential rental units

High-rise/mid-rise/garden style?: Mid-rise

Percent of units occupied: 93 percent leased

located on every other floor. The riser cables are terminated using standard AT&T demarcation terminals (Cat 5-rated 66-block with prewired connectors) in the IDFs, where they connect to Cat 5E home-run cables leading into each living unit.

**PROPERTY OF THE MONTH HIGHLIGHTS:
AXIS AT PERIMETER**

- *New luxury apartment building in metro Atlanta.*
- *Residents have choice of cable service or AT&T U-verse.*
- *Owner has exclusive marketing agreement with AT&T U-verse.*
- *Availability of U-verse services helped achieve lease-up within 10 months of opening.*
- *Vendors include Alcatel-Lucent, Cisco, 2Wire.*

At Axis at Perimeter, the espresso bar has free Wi-Fi and the resident lounge has two 52-inch HDTVs playing U-verse TV programming. A full-service business center is also located on the property.

What access technology is used? AT&T deployed fiber-to-the-node (FTTN) technology at Axis at Perimeter and delivers a VDSL signal to each living unit via an easement-located VRAD. The VRAD, an Alcatel-Lucent 7330, is connected to an Alcatel-Lucent 7450 Ethernet service switch in the AT&T central office and also to the Atlanta video headend office.

What type of gear is used in the customer premises? Cisco set-top boxes and 2Wire HomePortal 3800 Series residential gateways with integrated VDSL modems.

How did you deal with wiring and plug access within the units? The residential gateway quickly connects to the existing wiring plug in Axis at Perimeter's structured wiring system. No additional wiring was required, as the existing structured wiring system provides coax and CAT 5 to all video outlets in the apartments.

How was space allocated to providers inside the building? Space allocation in the telecom closets was determined by combining the requirements of each provider as well as those that might serve the building at some point in the future. Each provider was given the necessary space to accommodate its equipment and distribution cabling. All closets were designed to be shared by multiple providers.

SERVICES

The following answers were provided by Lane's Scott Templeton.

Does the building have triple-play services? Yes, the building offers triple-play services to all residential units.

Can residents subscribe to IPTV? AT&T's U-verse Video is available.

Are there technology amenities beyond the triple play? There is an espresso bar

area with free Wi-Fi. There are also two 52-inch HDTVs in the resident lounge where residents can enjoy programming of their choice. On the weekends, they can do so over an omelet breakfast prepared by an on-site chef. A full-service business center is also located on the property.

Who is the wireless service provider? All wireless services and routers are provided by AT&T.

Do residents have a choice of service providers? Yes, residents have a choice between AT&T and cable services.

If residents have an issue or a technical challenge, whom do they call? Each provider offers support and technical assistance to its subscribers.

BUSINESS

Who owns the network? Does the property owner have "skin in the game"? Who paid for what? The Lane Company paid for the internal wiring, supplied the telecom room locations and entered into an exclusive marketing agreement with AT&T as a provider.

That agreement is the "skin we have in the game" – the faith we put

in AT&T to deliver services at a level that's unparalleled among our competitors. If they hadn't, we could not have rented our apartment homes, which is our business.

Are services automatically included in the rent? If not, what was the initial take rate? No, the services are selected by the subscribers. The majority of Axis residents selected the U-verse product.

Who handles billing and collection? Services are contracted between residents and AT&T.

How are the services marketed and by whom? Services are marketed through an exclusive marketing agreement between Lane and AT&T. All services offered are on display in the leasing office and community center. Lane leasing agents provide each prospective resident with marketing materials supplied by AT&T, and a dedicated AT&T representative is assigned to the property.

What has the return been on this implementation, in dollars or otherwise? The staff and property have benefitted tremendously because when prospective residents walk in and ask if AT&T U-verse is available at the property, we can smile and answer "yes." This alone has closed many leases for us.

ON-SITE EXPERIENCE/ LESSONS LEARNED

What was the biggest challenge? For the property, it was getting the compli-





mentary services operational on the common-area televisions, which were already secured and flush-mounted onto the walls. The AT&T team and Lane on-site staff were able to work together to implement a solution and provide common-area programming for residents.

What was the biggest success? The biggest success was beating the competition in the market, based on a high-quality product delivered by Lane, AT&T and all our business partners. We leased the asset to stabilization in record time – about 10 months – in

tough market conditions, and we currently have 93 percent occupancy.

What would you say to owners who want to deploy a similar network? What issues should they consider before they get started? It's important at the beginning to fully coordinate all plans and designs with your construction group and the service provider. Doing so ensures that no one is surprised and that everyone's expectations and timelines are met.

How did the vendor interact with residents during installation? Were there any guidelines or requests from the owner over limiting residents' pain points during installation? AT&T was instrumental in making sure the common-area services were installed, operational and secure. We do know many residents moved into Axis at Perimeter based on AT&T's offering all three services there, especially the U-verse TV application. **BBP**

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