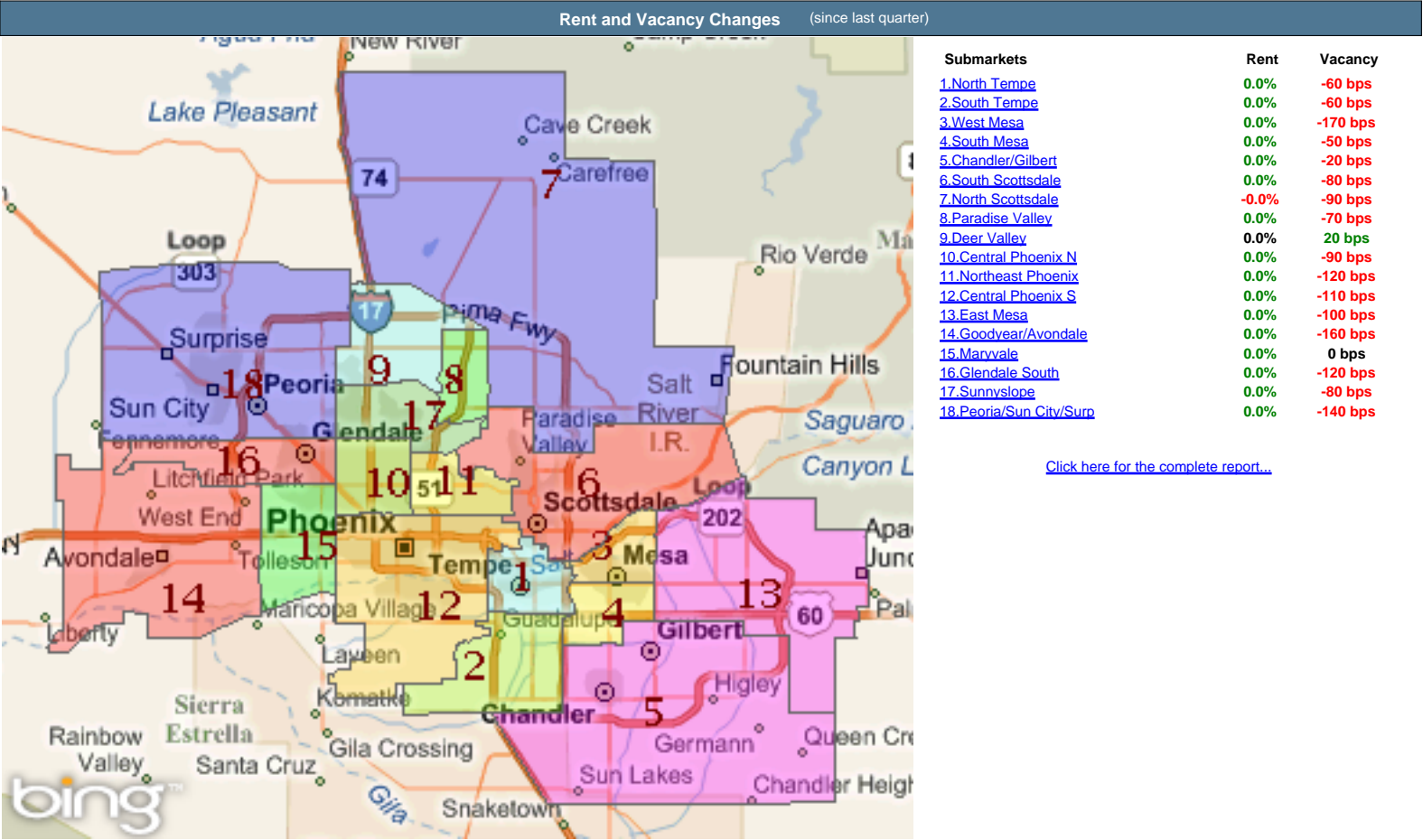


Last Updated: 27/06/2011 – Phoenix’s apartment market is turning around rapidly. After peaking at 12.3% at the end of 2009, the vacancy rate had fallen by the end of first quarter 2011, according to Reis, a five-quarter decline and a net increase in occupancy on the order of nearly 11,100 units. Asking and effective averages for first quarter 2011 were up 0.6% and 0.7%, respectively, since the end of 2010.



Changes from Previous Quarter / 5 year Forecast

Change from Previous Quarter			
Markets	Rent	Vacancy	Inventory
Phoenix	0.6%	-80 bps	0.0%
West Region	0.3%	-50 bps	0.0%
United States	0.4%	-40 bps	0.0%
Metro vs.Region	0.3%	-30 bps	0.0%
Metro vs.US	0.2%	-40 bps	0.0%

5 Year Forecast (Avg Annual Growth Rate 2011 - 2015)			
Markets	Rent	Vacancy	Inventory
Phoenix	3.1%	728 bps	0.8%
West Region	3.5%	449 bps	0.8%
United States	3.5%	515 bps	0.8%
Metro vs.Region	-0.4%	279 bps	0.0%
Metro vs.US	-0.3%	214 bps	0.0%

[Click here for more trend information...](#)

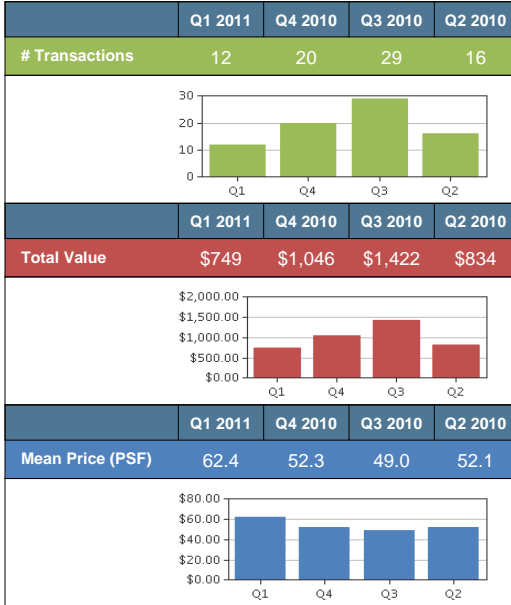
Metropolitan Apartment Rankings Q1 2011 (Based on 200 U.S. Markets)

Vacancy Change		
177.Savannah, GA	8.6%	183.Atlanta, GA 9.1%
178.Fort Wayne, IN	8.8%	184.Biloxi, MS 9.1%
179.New Orleans, LA	8.8%	185.Killeen-Fort Hood, TX 9.1%
180.Huntsville, AL	8.9%	186.Fort Myers, FL 9.3%
181.Melbourne, FL	8.9%	187.Macon, GA 9.3%
182.Phoenix, AZ	8.9%	

Rent Change		
144.Dayton, OH	0.6%	150.Providence, RI 0.6%
145.Eugene, OR	0.6%	151.Rochester, NY 0.6%
146.Houston, TX	0.6%	152.Salt Lake City, UT 0.6%
147.Lancaster, PA	0.6%	153.Toledo, OH 0.6%
148.Naples, FL	0.6%	154.Yuba, CA 0.6%
149.Phoenix, AZ	0.6%	

Capital Markets Overview

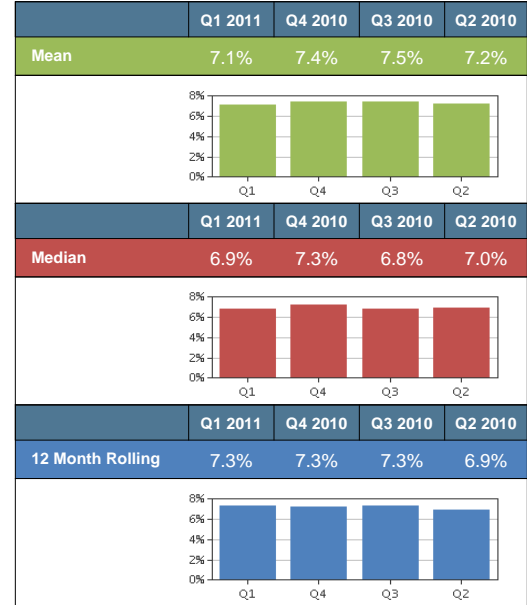
Sales Trends



Recent Sales

Submarket	Built	Price Range	Date
View All Property Sales... Address Specific Search...			

Cap Rate Trends



Most Recent Updates

Most Recent Observations

Location	Bldg ID	Class	Floors	Rent
East Mesa	A53747	A	2	\$703
South Mesa	A14867	A	2	\$686
South Mesa	A85547	BC	2	\$766
South Tempe	A14698	BC	2	\$765
North Tempe	A14555	A	2	\$670
South Tempe	A14965	BC	2	\$757
North Tempe	A84508	A	5	\$2,076
Central Phoenix S	A33246	BC	3	\$544
Central Phoenix S	A14293	BC	2	\$565
Central Phoenix S	A71213	A	3	\$1,057

[Click here for property specific rent comps...](#)

Latest New Construction Updates

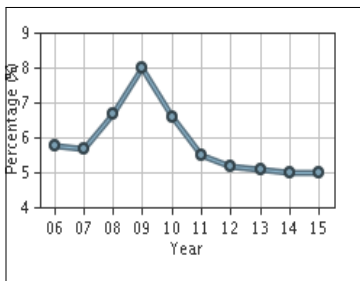
Location	Subtype	Size Range
Click here for property specific new construction comps...		

Most Recent News Stories

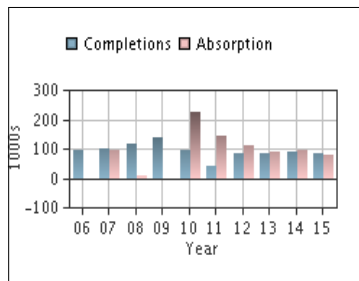
Headline	Date
Evergreen Planning 330-Unit Apartment Comple...	06/16/2011
Phoenix Apartments Sell for \$5.3 Million	06/15/2011
Charles Dunn Co. Sells Apt Community for \$4.1m	06/02/2011
Peoria Apartments Sell for \$3.2m to Mentor P...	06/01/2011
Gray Development to Build 749 Luxury Apartme...	06/01/2011
Trillium Apartments in Phoenix Sell for \$76m	05/27/2011
Apartment Vacancies Decline Across Metro Pho...	05/25/2011
Cip Real Estate Acquires 188,000-Sf Industri...	05/17/2011
Two Phoenix Apartment Complexes Sold	05/16/2011
195-Room Homewood Suites in Seattle Sells	05/13/2011

National Apartment Real Estate Trends

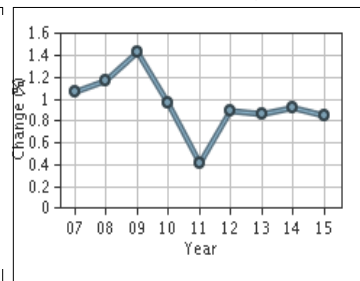
Vacancy



Supply and Demand



Inventory Change



Market Rent

