

National Apartment Market Overview

Change in Vacancy/Rent from 3rd Quarter 2008 to 4th Quarter 2009		
Annual Change in Vacancy		
Greatest Annual Change in Vacancy	46.8%	Boise, ID
Smallest Annual Change in Vacancy(decline.)	-1.2%	W. Palm Beach, FL
Average Annual Change in Vacancy	22.3%	
Median Annual Change in Vacancy	22.8%	
Annual Change in Rent		
Greatest Change in Effective Rent	10.6%	Tampa, FL
Smallest Change in Effective Rent (decline)	-11.8%	San Jose, CA
Average Change in Effective Rent	-3.0%	
Median Change in Effective Rent	-2.8%	

*Source: Marcus & Millichap Apartment Market Reports 4th Quarter 2009

National Apartment Market Overview: Research Source Commentary Highlights

- **Marcus & Millichap 2010 Apartment Outlook**

- Worst of rent declines over but Metros w/ Shadow Mkts much worse
- Low Construction (1995), demographic surge in 20-34 Age HH & formerly stalled HH's will fuel 2011 & 2012 recovery
- 2010 vacancies decline to low 7%'s but still a 3% drop in effective rents.

- **RERC Winter 2010 Real Estate Report**

- Apts. most favored type in RERC's Institutional & regional investor survey
- Expected rental growth 20 basis points > to 1.4% (3rd vs. 4th Qtr 2009)
- National Apt. vacancy increased to 8.0% in 4th Qtr. 09, Highest in 30 yrs.

- **Apartment Realty Advisors 4th Qtr. 2009 UPDATE**

- Of the 28 National Metro markets, 23 saw a decline in occupancy rate and effective rent between 3rd Qtr 2009 & 4th Qtr 2009.
- Five markets had an increase in occupancy (Austin, Orlando, Tampa, Ft. Myers/Naples) & Ft. Myers/Naples saw an increase in Effective Rent.