



Market Overview

2Q2010

Maricopa is 1 of 2 counties in Phoenix-Mesa-Scottsdale AZ MSA (with at least 5 communities)

Rent ranking
for counties in Phoenix-Mesa-Scottsdale AZ MSA

County	Avg Rent
1. Maricopa	\$722
2. Pinal	\$609

Occupancy ranking
for counties in Phoenix-Mesa-Scottsdale AZ MSA

County	Avg Occ.
1. Maricopa	88.7%
2. Pinal	80.0%

Rent growth % Rankings Yr. over Yr.
for counties in Phoenix-Mesa-Scottsdale AZ MSA

County	Avg Rent
1. Pinal	0.5%
2. Maricopa	-5.9%

Occupancy growth Rankings Yr. over Yr.
for counties in Phoenix-Mesa-Scottsdale AZ MSA

County	Avg Occ.
1. Maricopa	1.6%
2. Pinal	-7.0%

7/15/2010

Data source: RealFacts (415)884.2480. Data is deemed reliable but accuracy cannot be guaranteed.



Market Overview

2Q2010

Phoenix-Mesa-Scottsdale AZ MSA is 1 of 7 MSAs in Arizona

Rent ranking
for MSAs in Arizona

MSA	Avg Rent
1. Flagstaff AZ MSA	\$900
2. Prescott AZ MSA	\$871
3. Yuma AZ MSA	\$733
4. Phoenix-Mesa-Scottsdale AZ MSA	\$721
5. Sierra Vista-Douglas AZ MSA	\$687
6. Tucson AZ MSA	\$627
7. Lake Havasu City-Kingman AZ MSA	\$561

Occupancy ranking
for MSAs in Arizona

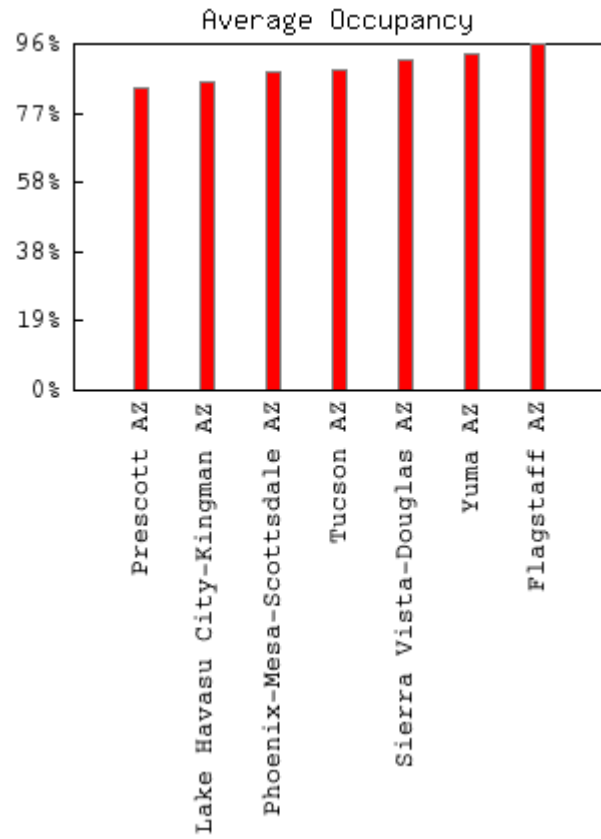
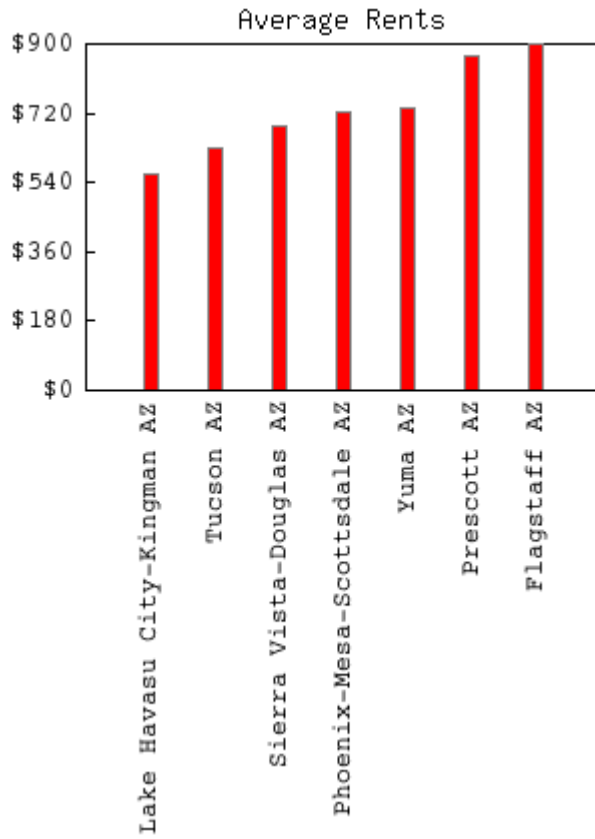
MSA	Avg Occ.
1. Flagstaff AZ MSA	96.7%
2. Yuma AZ MSA	94.1%
3. Sierra Vista-Douglas AZ MSA	92.4%
4. Tucson AZ MSA	89.5%
5. Phoenix-Mesa-Scottsdale AZ MSA	88.6%
6. Lake Havasu City-Kingman AZ MSA	86.2%
7. Prescott AZ MSA	84.4%

Rent growth % Rankings Yr. over Yr.
for MSAs in Arizona

MSA	Avg Rent
1. Flagstaff AZ MSA	3.8%
2. Sierra Vista-Douglas AZ MSA	2.8%
3. Yuma AZ MSA	-0.5%
4. Lake Havasu City-Kingman AZ MSA	-1.2%
5. Tucson AZ MSA	-2.3%
6. Prescott AZ MSA	-5.0%
7. Phoenix-Mesa-Scottsdale AZ MSA	-5.9%

Occupancy growth Rankings Yr. over Yr.
for MSAs in Arizona

MSA	Avg Occ.
1. Flagstaff AZ MSA	5.3%
2. Phoenix-Mesa-Scottsdale AZ MSA	1.5%
3. Prescott AZ MSA	1.1%
4. Tucson AZ MSA	0.6%
5. Yuma AZ MSA	-1.7%
6. Sierra Vista-Douglas AZ MSA	-2.2%
7. Lake Havasu City-Kingman AZ MSA	-8.1%



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Market Overview

Inventory Analysis

Maricopa County
2Q2010

Properties/Units	677 / 186,085	Average units per property	274
Class A	111 / 33,343	Average year built	1988
Class B	131 / 39,307	Size range (units)	100 - 1,222
Class C	435 / 113,435	Age range	1960 - 2009

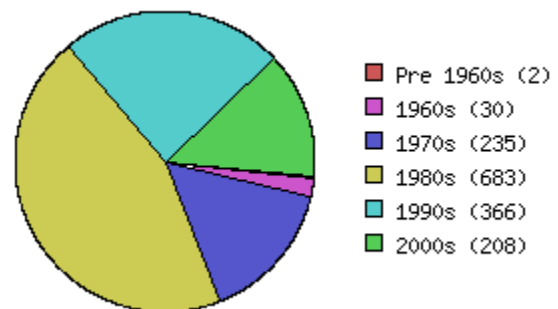
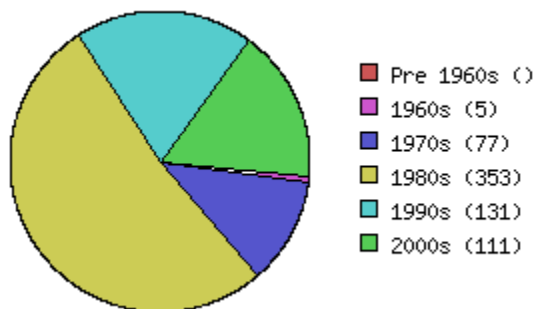
Unit Mix (all unit types appear in this report)

Totals	Units	% of Mix	Benchmark % of Mix	Average Sq. Ft.	Benchmark Avg Sq Ft	Average Rent	Benchmark Avg. Rent	Avg. Rent Sq. Ft.	Benchmark Avg. Rent Sq. Ft.
All	186,085	100.0%	100.0%	851	854	\$722	\$729	\$0.85	\$0.85
Urban Loft	173	0.1%	0.1%	936	941	\$1,095	\$1,058	\$1.17	\$1.12
studio	8,187	4.4%	4.0%	447	431	\$482	\$480	\$1.08	\$1.11
jr 1bd	869	0.5%	1.0%	563	525	\$548	\$537	\$0.97	\$1.02
1bd 1bth	78,800	42.3%	39.9%	697	688	\$629	\$633	\$0.90	\$0.92
1bd 1.5bth	606	0.3%	0.3%	1,008	949	\$835	\$878	\$0.83	\$0.93
1bd TH	530	0.3%	0.2%	835	883	\$873	\$840	\$1.05	\$0.95
2bd 1bth	16,241	8.7%	10.1%	829	841	\$656	\$676	\$0.79	\$0.80
2bd 1.5bth	1,004	0.5%	0.8%	872	921	\$685	\$731	\$0.79	\$0.79
2bd 2bth	66,463	35.7%	34.5%	1,011	1,012	\$809	\$819	\$0.80	\$0.81
2bd 2.5th	62	0.0%	0.0%	2,498	2,438	\$3,177	\$3,067	\$1.27	\$1.26
2bd TH	2,419	1.3%	1.4%	1,138	1,133	\$905	\$900	\$0.80	\$0.79
3bd 1bth	83	0.0%	0.0%	986	980	\$675	\$682	\$0.68	\$0.70
3bd 1.5bth	56	0.0%	0.0%	925	1,011	\$737	\$787	\$0.80	\$0.78
3bd 2bth	9,540	5.1%	6.9%	1,269	1,220	\$1,085	\$1,007	\$0.86	\$0.83
3bd 3bth	15	0.0%	0.1%	1,494	1,179	\$1,453	\$1,030	\$0.97	\$0.87
3bd TH	794	0.4%	0.4%	1,276	1,320	\$1,168	\$1,123	\$0.92	\$0.85
4bd	243	0.1%	0.2%	1,209	1,289	\$1,273	\$904	\$1.05	\$0.70
5bd 2bth									
5bd TH									

Age of Existing Inventory

Area: Maricopa County

Benchmark: Desert Region





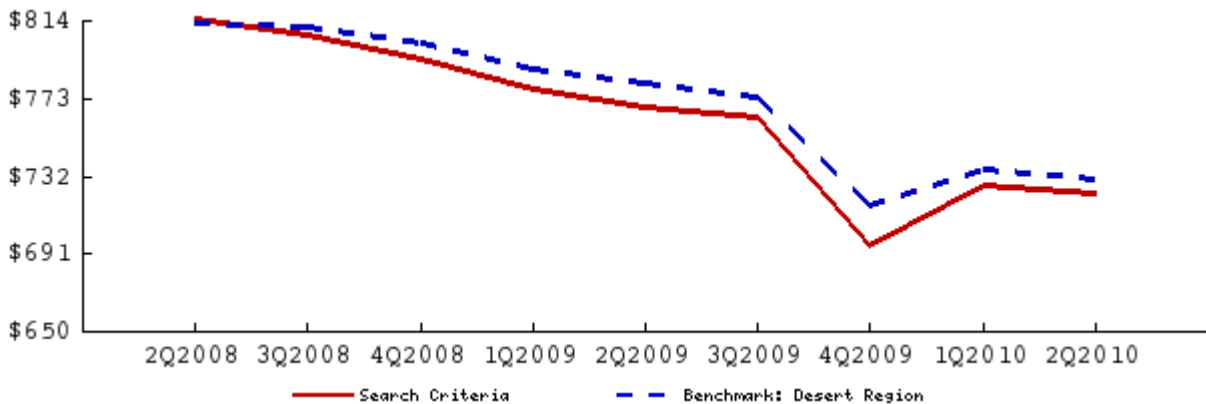
Market Overview

Rental Trends for Maricopa County

All Classes
Quarterly Trend

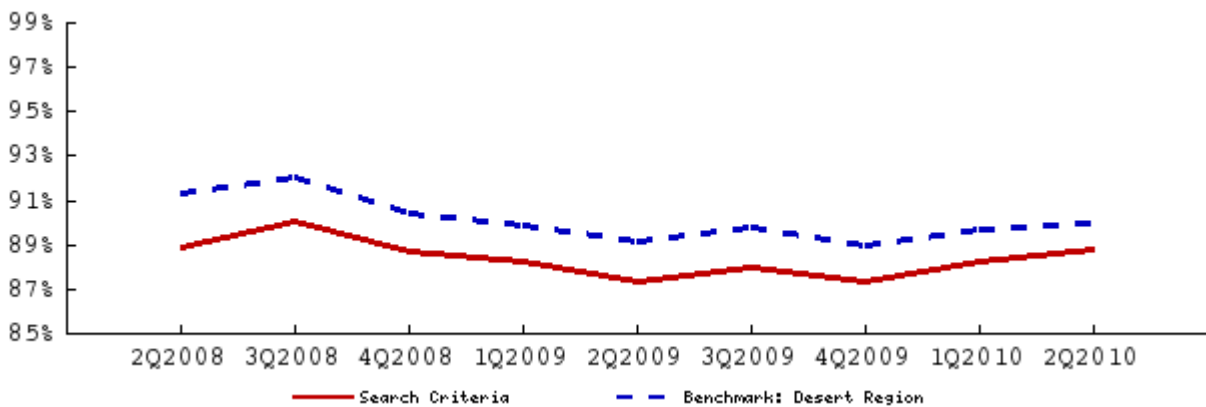
Average Asking Rent

	2Q2008	3Q2008	4Q2008	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	1 Yr. Change
AVERAGE	\$814	\$806	\$793	\$777	\$767	\$762	\$694	\$726	\$722	-5.9%
studio	\$568	\$564	\$543	\$533	\$521	\$523	\$458	\$490	\$482	-7.5%
jr 1bd	\$640	\$630	\$599	\$581	\$589	\$578	\$548	\$564	\$548	-6.9%
1bd 1bth	\$718	\$711	\$699	\$683	\$673	\$667	\$604	\$634	\$629	-6.4%
2bd 1bth	\$756	\$749	\$738	\$723	\$713	\$709	\$639	\$659	\$656	-8.1%
2bd 2bth	\$903	\$897	\$882	\$865	\$856	\$850	\$779	\$815	\$809	-5.4%
2bd TH	\$1,002	\$995	\$988	\$987	\$975	\$967	\$879	\$912	\$905	-7.2%
3bd 2bth	\$1,188	\$1,168	\$1,156	\$1,142	\$1,137	\$1,133	\$1,041	\$1,070	\$1,085	-4.6%
3bd TH	\$1,135	\$1,152	\$1,210	\$1,184	\$1,085	\$1,104	\$1,069	\$1,117	\$1,168	7.6%



Average Occupancy Rate

	2Q2008	3Q2008	4Q2008	1Q2009	2Q2009	3Q2009	4Q2009	1Q2010	2Q2010	1 Yr. Change
AVERAGE	88.8%	90.0%	88.6%	88.2%	87.3%	87.9%	87.3%	88.2%	88.7%	1.5%





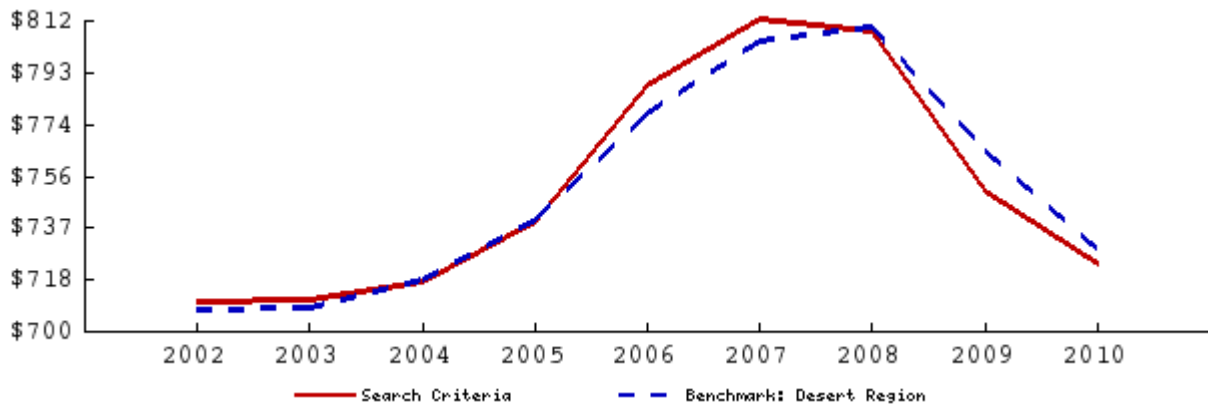
Market Overview

Rental Trends for Maricopa County

All Classes
Annual Trend

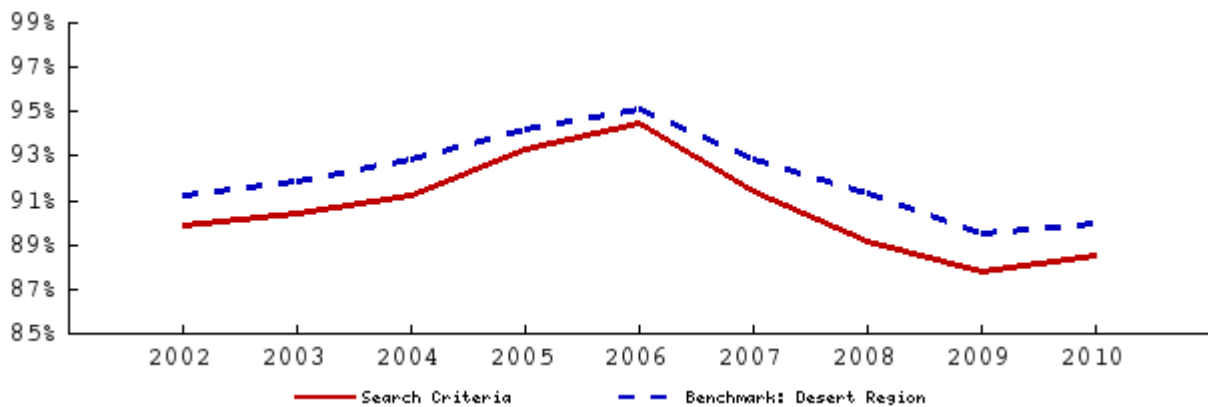
Average Asking Rent

	2002	2003	2004	2005	2006	2007	2008	2009	2010	4 Yr. Change
AVERAGE	\$710	\$711	\$717	\$739	\$788	\$812	\$808	\$750	\$724	-8.1%
studio	\$477	\$475	\$482	\$505	\$535	\$562	\$562	\$509	\$486	-9.2%
jr 1bd	\$579	\$566	\$546	\$591	\$607	\$626	\$628	\$574	\$556	-8.4%
1bd 1bth	\$622	\$624	\$630	\$650	\$694	\$717	\$713	\$657	\$632	-9.0%
2bd 1bth	\$650	\$648	\$653	\$672	\$713	\$746	\$750	\$696	\$657	-7.8%
2bd 2bth	\$793	\$792	\$799	\$823	\$877	\$904	\$897	\$837	\$812	-7.4%
2bd TH	\$859	\$859	\$871	\$883	\$943	\$979	\$995	\$952	\$908	-3.7%
3bd 2bth	\$1,057	\$1,059	\$1,058	\$1,088	\$1,150	\$1,181	\$1,177	\$1,113	\$1,078	-6.3%
3bd TH	\$1,025	\$1,039	\$993	\$1,018	\$1,098	\$1,129	\$1,170	\$1,111	\$1,143	4.1%



Average Occupancy Rate

	2002	2003	2004	2005	2006	2007	2008	2009	2010	4 Yr. Change
AVERAGE	89.8%	90.3%	91.1%	93.2%	94.4%	91.3%	89.1%	87.7%	88.4%	-6.3%





Market Overview

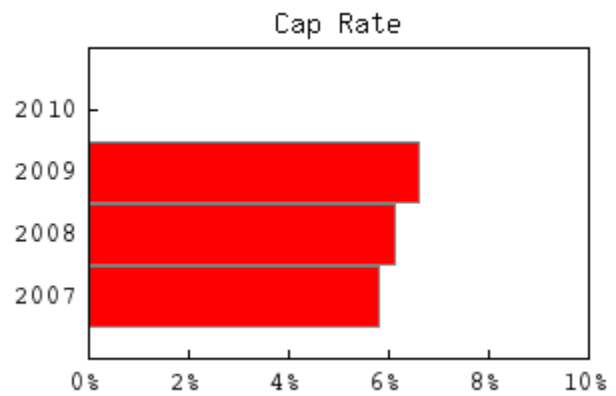
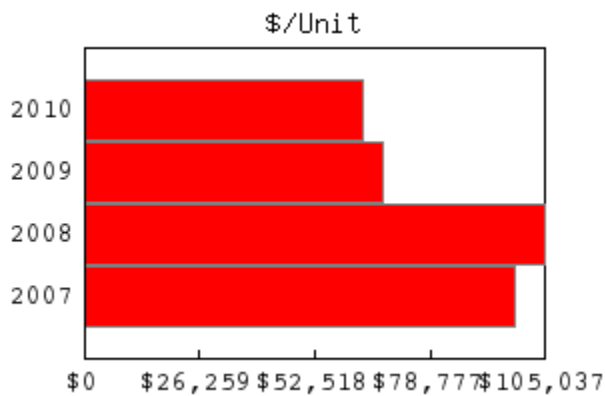
Sales Trends for Maricopa County

2007-2010 , All Classes

	2010	2009	2008	2007
Total Transactions	8	27	12	115
Total Dollar Value	\$141,131,000	\$493,992,314	\$344,627,500	\$3,291,489,364
Total Square Feet	2,055,641	6,795,083	2,886,550	27,662,959
Total Units	2,229	7,244	3,281	33,517

Median Year Built	1999	1995	1996	1985
Average Square Footage	256,955	251,669	240,545	240,547
Average Sale Price	\$17,641,375	\$18,296,011	\$28,718,958	\$28,621,646
Average Price Per Square Foot	\$68.66	\$72.70	\$119.39	\$118.99
Average CAP Rate		6.6%	6.1%	5.8%
Average GRM				5.81
Average Units	278.6	268.3	273.4	291.5
Average Price Per Unit	\$63,315	\$68,193	\$105,037	\$98,203

	2010	2009	2008	2007
Average Rent/sf (All)	\$0.88	\$0.91	\$0.98	\$0.99
Class A	\$0.98	\$0.97	\$1.02	\$1.01
Class B	\$0.88	\$0.88	\$0.95	\$0.98
Class C	\$0.85	\$0.90	\$0.97	\$0.97
Average Occupancy (All)	88%	88%	89%	91%
Class A	89%	88%	88%	90%
Class B	92%	90%	91%	91%
Class C	87%	87%	89%	91%



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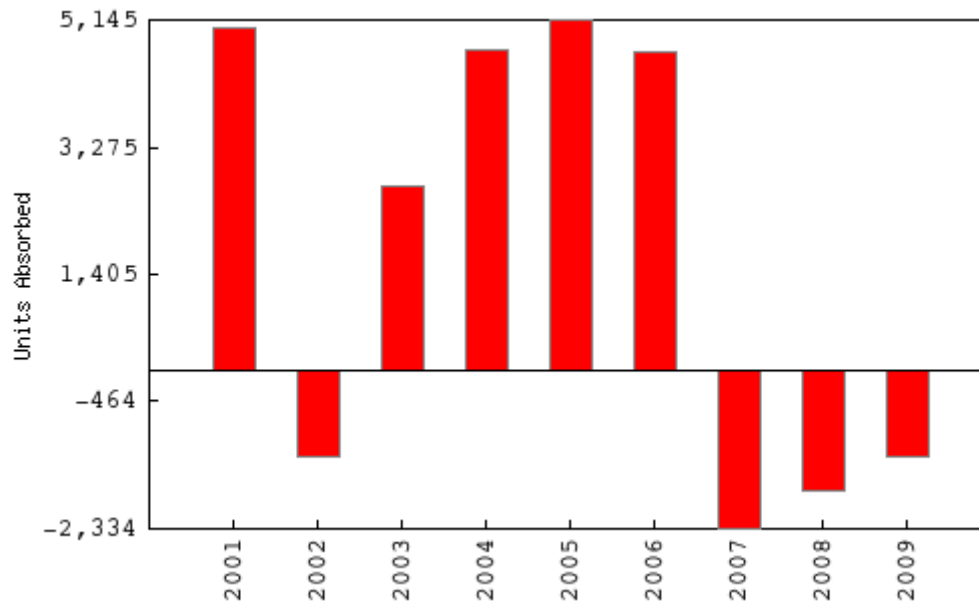
Market Overview

Absorption

Maricopa County
2Q2010

Units Absorbed

	Units Built	Total Units	Occupancy Rate	Occupied Units	Units Absorbed
2000	3422	156,164	94.5%	147,574	N/A
2001	7577	163,741	93.2%	152,606	5,032
2002	4794	168,535	89.8%	151,344	-1,262
2003	1689	170,224	90.5%	154,052	2,708
2004	3840	174,064	91.2%	158,746	4,694
2005	1785	175,849	93.2%	163,891	5,145
2006	2534	178,383	94.5%	168,571	4,680
2007	3695	182,078	91.3%	166,237	-2,334
2008	2292	184,370	89.2%	164,458	-1,779
2009	1715	186,085	87.7%	163,196	-1,262



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Market Overview

Area Analysis

Maricopa County
2Q2010

Cities with at least 5 communities

City	Communities	% of Total	Avg. Occupancy	Yr /Yr Change	Avg. Rent	Yr /Yr Change
Phoenix	286	43.1%	87.3%	0.2%	\$677	-5.6%
Mesa	91	13.7%	88.0%	1.0%	\$656	-5.1%
Glendale	69	10.4%	85.8%	1.7%	\$662	-6.4%
Tempe	62	9.3%	92.0%	1.9%	\$774	-9.3%
Scottsdale	57	8.6%	93.3%	4.4%	\$872	-4.9%
Chandler	51	7.7%	92.8%	4.5%	\$820	-3.5%
Gilbert	21	3.2%	92.4%	6.2%	\$762	-8.9%
Peoria	17	2.6%	76.9%	-7.8%	\$836	-4.6%
Avondale	10	1.5%	93.6%	6.7%	\$828	-1.5%

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