

PPR54

Analysis/Economy

Notable Economic and Real Estate Market Events

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Demographic Trends				
Category	2002*	1982-1991	Annual Growth Rates 1992-2001	2002-2007
Population	288,644	1.0%	1.2%	0.9%
Households	107,955	1.3%	1.3%	1.1%
Median Household Income	\$45,586	4.4%	3.9%	3.3%
Apartment-Renting Households	36,362	1.7%	0.5%	1.3%

Employment Trends				
SIC Category	2002* Employment	1982-1991	Annual Growth Rates 1992-2001	2002-2007
Total Services	41,404	4.3%	3.7%	2.6%
Business Services	9,401	6.6%	6.1%	3.2%
Other Services	32,003	3.8%	3.0%	2.4%
Retail Trade	23,373	2.5%	2.0%	1.4%
Government	21,226	1.6%	1.3%	0.7%
Manufacturing	16,728	-0.6%	-0.6%	-0.4%
F.I.R.E.	7,737	2.2%	1.6%	0.9%
Wholesale Trade	6,683	1.3%	1.0%	1.0%
Trans., Comm., Util.	6,789	1.1%	1.9%	0.6%
Construction	6,481	1.4%	3.9%	0.5%
Mining	556	-6.0%	-1.6%	-0.7%
Total Employment	130,977	1.9%	1.9%	1.3%

*All units (except for dollar denominated figures) in thousands.

Current Economic Indicators						
Employment Growth 9/02	Labor Force Growth 9/02	Unemployment Rate 9/02	Employment Volatility Ratio	Net Migration (000) 2001	Cost Indices (U.S. = 100)	
					Business	Living
-0.5%	1.7%	5.6%	0.7	718.7	100	100

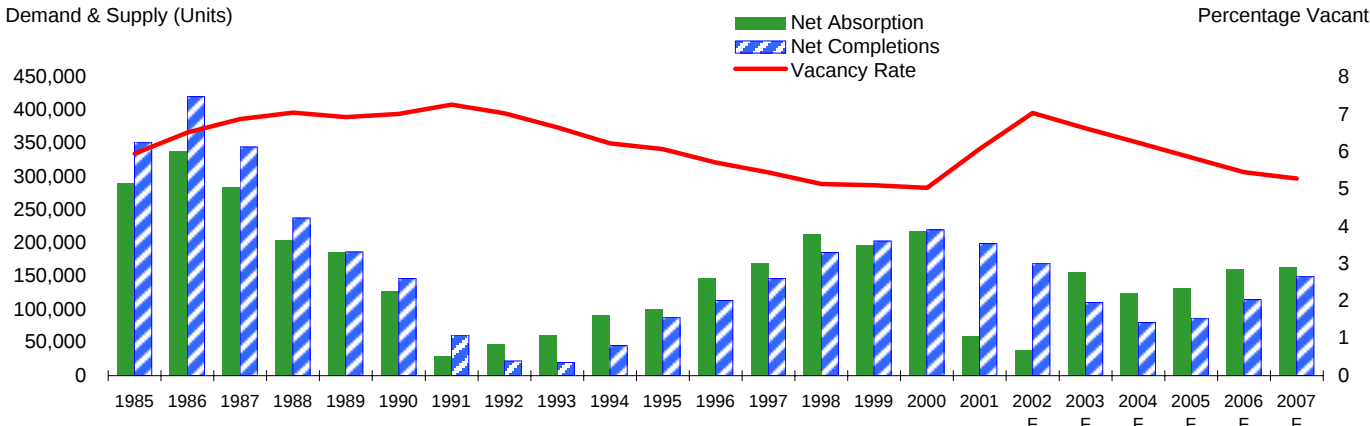
Sources: PPR; Economy.com

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Apartment

Supply, Demand, and Vacancy

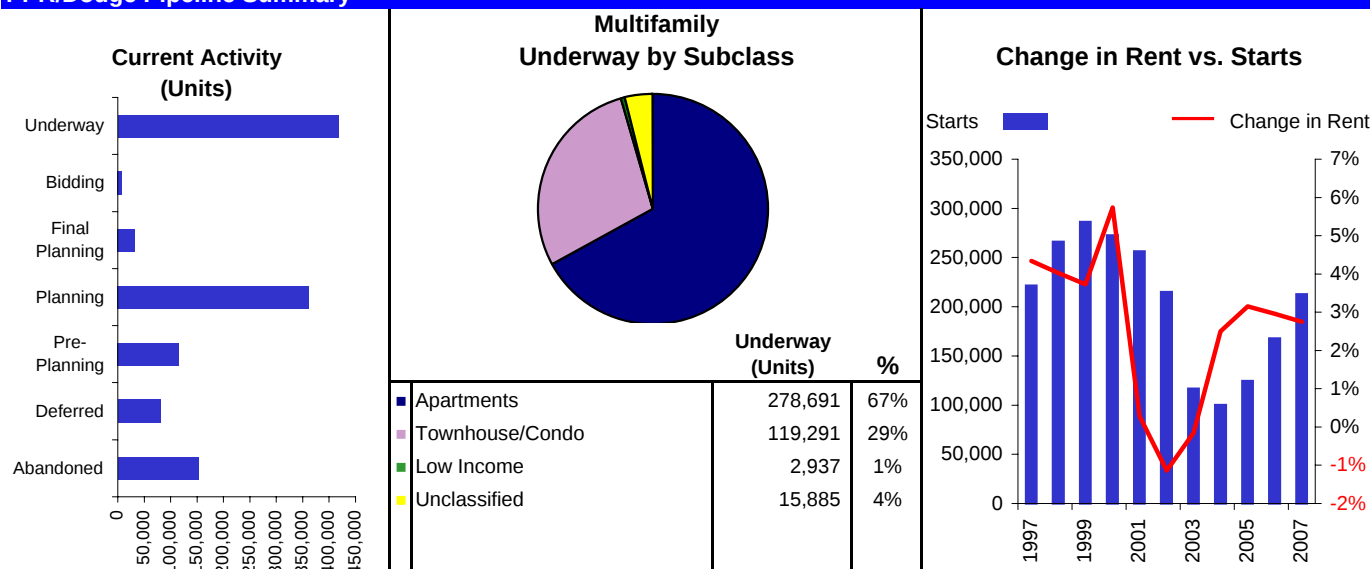
Demand & Supply (Units)



Apartment Market Statistics (Units)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Apt. Vacancy	5.4%	5.1%	5.1%	5.0%	6.1%	7.0%	6.6%	6.2%	5.8%	5.5%	5.3%
Apt. Net Absorption	168,915	212,342	196,769	217,424	59,743	37,787	155,653	124,431	131,374	160,113	163,729
% Growth	1.6%	1.9%	1.8%	1.9%	0.5%	0.3%	1.3%	1.0%	1.1%	1.3%	1.3%
Multifamily Starts	221,568	266,177	286,139	272,526	256,301	215,033	116,838	100,198	124,540	167,868	212,715
% Change	39.0%	20.1%	7.5%	-4.8%	-6.0%	-16.1%	-45.7%	-14.2%	24.3%	34.8%	26.7%
Net Apt. Completions	146,532	185,868	203,219	220,100	199,349	169,736	110,630	80,000	86,741	115,010	149,971
Apt. Inventory	11,611,668	11,797,537	12,000,756	12,220,856	12,420,205	12,589,942	12,700,572	12,780,572	12,867,314	12,982,324	13,132,295
% Growth	1.3%	1.6%	1.7%	1.8%	1.6%	1.4%	0.9%	0.6%	0.7%	0.9%	1.2%
Apt. Rent Index	100	104	108	114	114	113	113	116	119	123	126
% Change	4.3%	4.0%	3.7%	5.7%	0.3%	-1.1%	-0.2%	2.5%	3.1%	3.0%	2.8%

PPR/Dodge Pipeline Summary



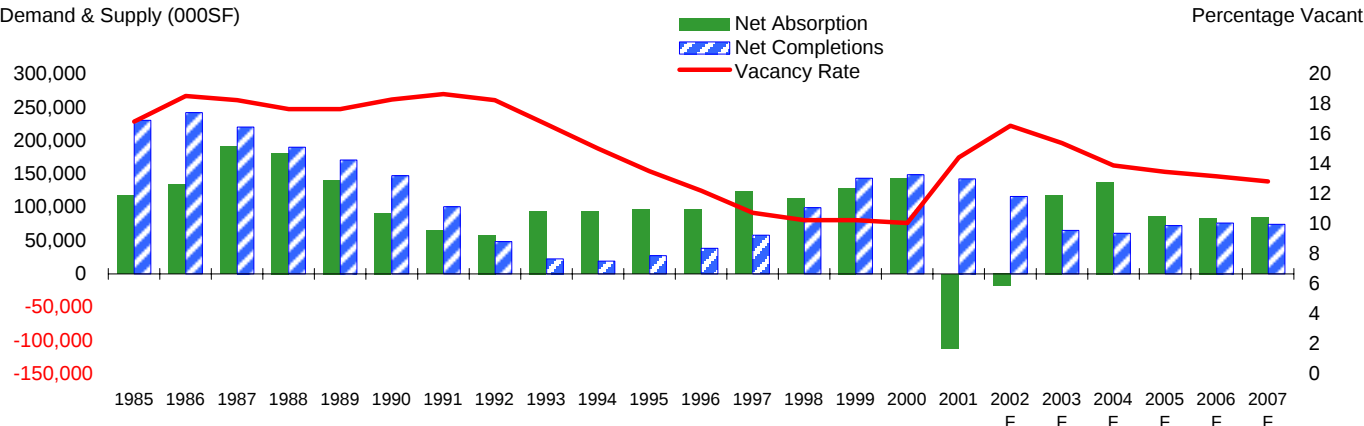
Sources: PPR; McGraw-Hill Construction - Dodge; National Real Estate Index

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Office

Supply, Demand, and Vacancy

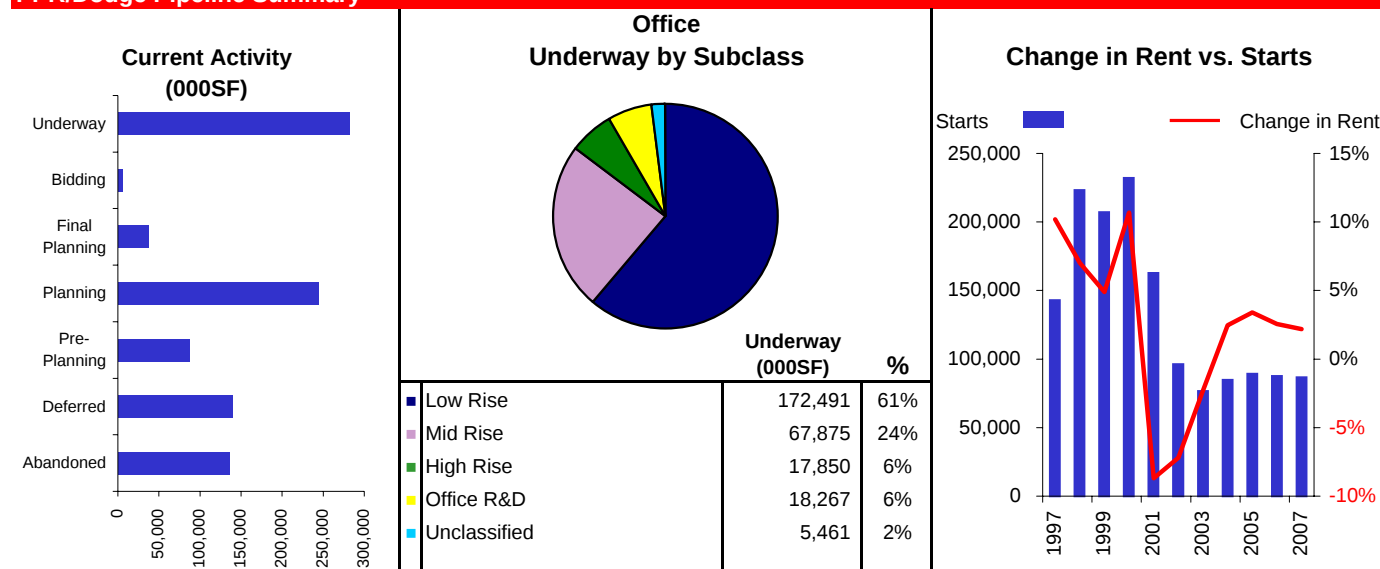
Demand & Supply (000SF)



Office Market Statistics (000SF)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Vacancy	10.7%	10.3%	10.3%	10.1%	14.4%	16.6%	15.4%	13.9%	13.5%	13.2%	12.8%
Net Absorption	123,558	113,138	129,525	143,975	-111,229	-18,014	118,842	137,773	86,613	83,930	84,845
% Growth	2.9%	2.6%	2.9%	3.1%	-2.3%	-0.4%	2.6%	2.9%	1.8%	1.7%	1.7%
Starts	142,817	223,127	207,052	232,045	162,717	96,218	76,546	84,815	89,142	87,540	86,544
% Change	54.5%	56.2%	-7.2%	12.1%	-29.9%	-40.9%	-20.4%	10.8%	5.1%	-1.8%	-1.1%
Net Completions	57,958	99,442	143,779	149,056	142,908	116,451	65,329	61,125	72,540	76,512	74,603
Inventory	4,932,063	5,031,505	5,175,284	5,324,339	5,467,247	5,583,698	5,649,027	5,710,153	5,782,693	5,859,205	5,933,808
% Growth	1.2%	2.0%	2.9%	2.9%	2.7%	2.1%	1.2%	1.1%	1.3%	1.3%	1.3%
Rent Index	100	107	112	124	113	105	103	105	109	112	114
% Change	10.2%	7.0%	4.9%	10.7%	-8.7%	-7.2%	-2.3%	2.5%	3.4%	2.6%	2.2%

PPR/Dodge Pipeline Summary



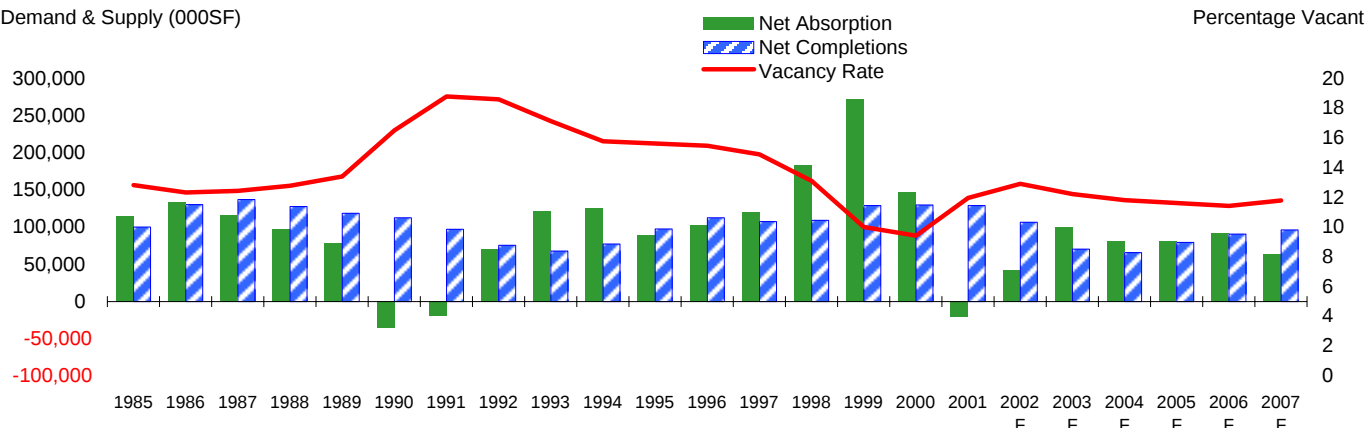
Sources: PPR; McGraw-Hill Construction - Dodge; National Real Estate Index

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Retail

Supply, Demand, and Vacancy

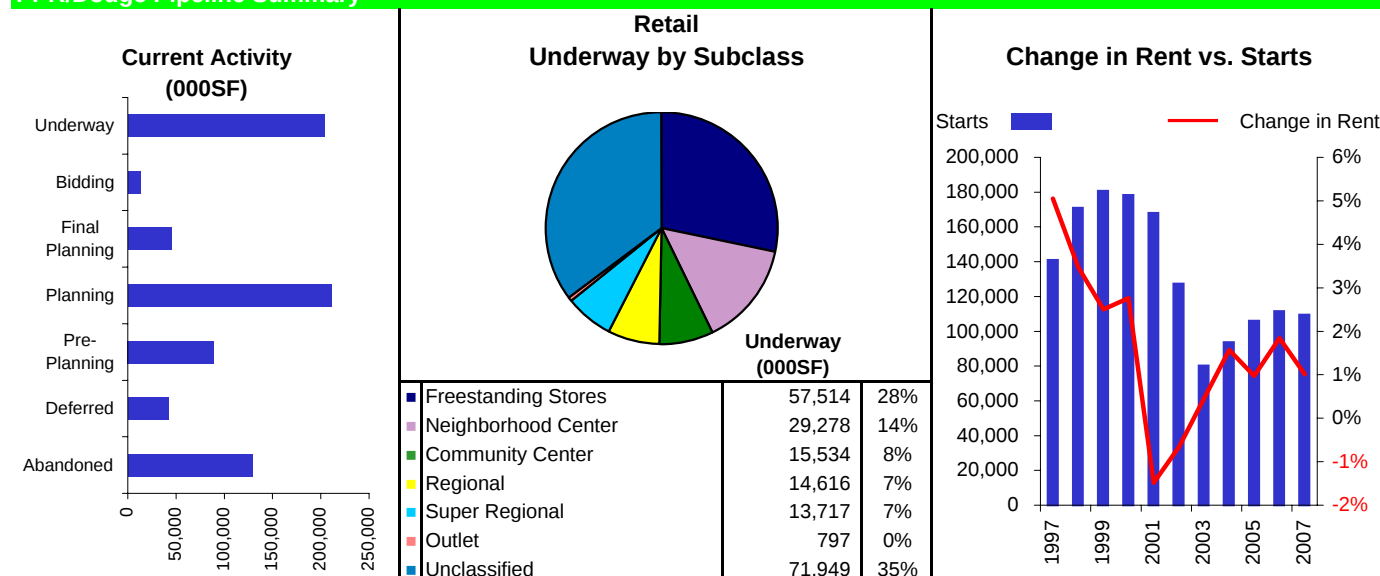
Demand & Supply (000SF)



Retail Market Statistics (000SF)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Vacancy	14.9%	13.1%	10.0%	9.4%	12.0%	12.9%	12.2%	11.8%	11.6%	11.4%	11.8%
Net Absorption	119,405	183,172	271,683	146,761	-19,720	42,147	99,943	80,528	81,081	91,511	63,476
% Growth	2.9%	4.4%	6.2%	3.2%	-0.4%	0.9%	2.1%	1.6%	1.6%	1.8%	1.2%
Starts	140,933	170,864	180,660	178,223	167,961	127,365	80,157	93,719	106,042	111,524	109,481
% Change	6.2%	21.2%	5.7%	-1.3%	-5.8%	-24.2%	-37.1%	16.9%	13.1%	5.2%	-1.8%
Net Completions	107,537	109,380	129,201	129,759	129,217	106,677	70,713	65,655	79,713	90,899	96,279
Inventory	4,899,648	5,009,028	5,138,229	5,267,988	5,397,206	5,503,882	5,574,595	5,640,251	5,719,964	5,810,862	5,907,141
% Growth	2.2%	2.2%	2.6%	2.5%	2.5%	2.0%	1.3%	1.2%	1.4%	1.6%	1.7%
Rent Index	100	103	106	109	107	107	107	109	110	112	113
% Change	5.1%	3.5%	2.5%	2.8%	-1.5%	-0.7%	0.5%	1.6%	1.0%	1.8%	1.0%

PPR/Dodge Pipeline Summary



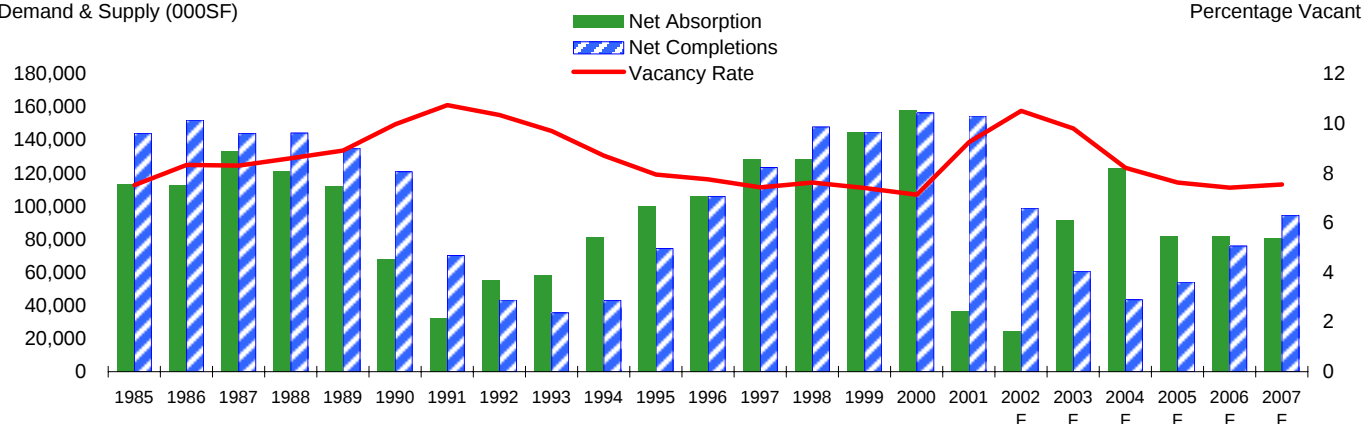
Sources: PPR; McGraw-Hill Construction - Dodge; National Real Estate Index

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Warehouse

Supply, Demand, and Vacancy

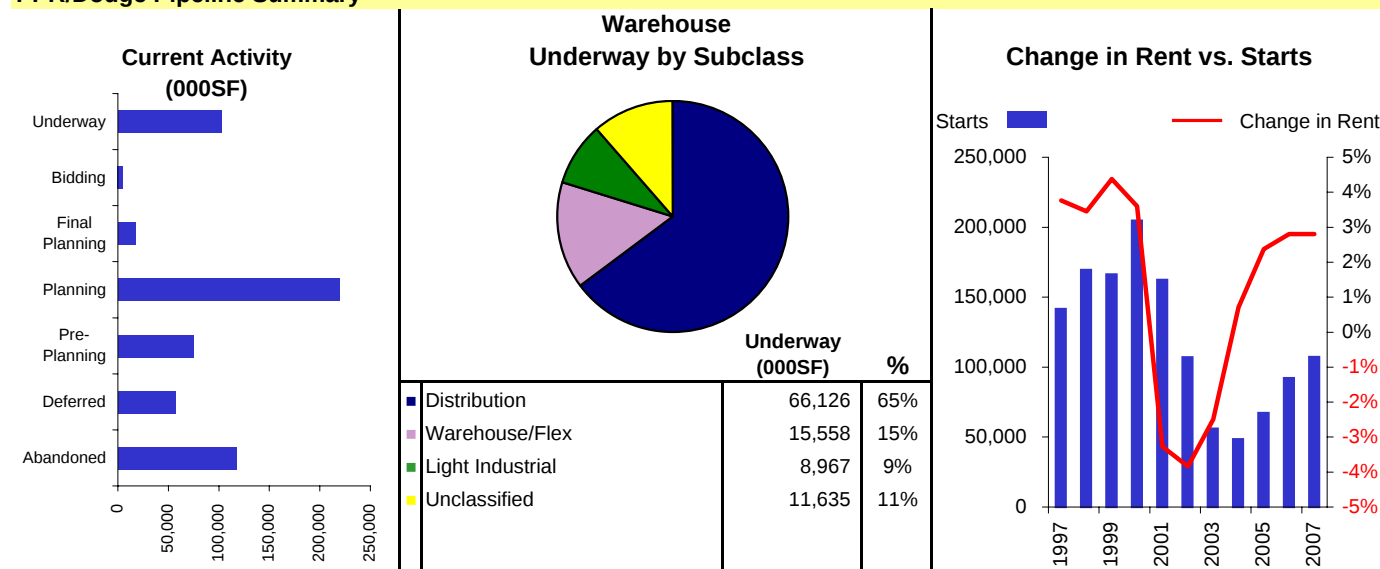
Demand & Supply (000SF)



Warehouse Market Statistics (000SF)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Vacancy	7.4%	7.6%	7.4%	7.1%	9.3%	10.5%	9.8%	8.2%	7.6%	7.4%	7.6%
Net Absorption	128,328	128,381	144,471	158,113	36,506	24,356	91,364	123,110	81,535	81,755	80,358
% Growth	3.2%	3.1%	3.4%	3.6%	0.8%	0.5%	2.0%	2.6%	1.7%	1.7%	1.6%
Starts	141,650	169,486	166,172	204,749	162,285	106,972	55,974	48,477	67,250	92,231	107,367
% Change	12.9%	19.7%	-2.0%	23.2%	-20.7%	-34.1%	-47.7%	-13.4%	38.7%	37.1%	16.4%
Net Completions	123,709	148,187	145,146	156,687	154,855	98,946	60,791	43,614	54,232	76,243	94,698
Inventory	4,470,694	4,618,880	4,764,027	4,920,714	5,075,569	5,174,515	5,235,306	5,278,920	5,333,153	5,409,396	5,504,093
% Growth	2.8%	3.3%	3.1%	3.3%	3.1%	1.9%	1.2%	0.8%	1.0%	1.4%	1.8%
Rent Index	100	103	108	112	108	104	101	102	105	108	111
% Change	3.8%	3.5%	4.4%	3.6%	-3.3%	-3.8%	-2.5%	0.7%	2.4%	2.8%	2.8%

PPR/Dodge Pipeline Summary



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