Apartment 2001—2009

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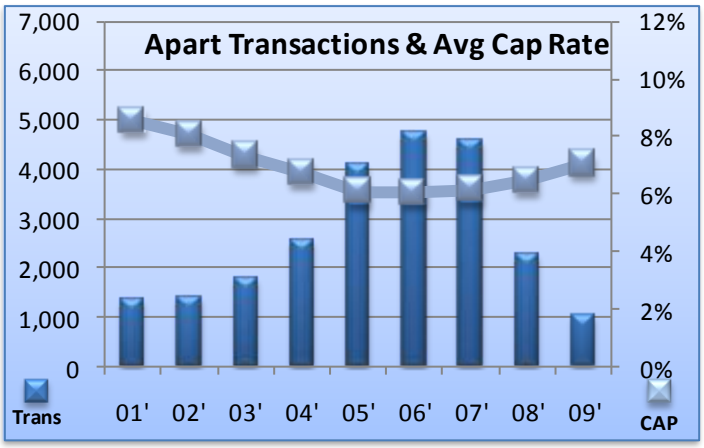
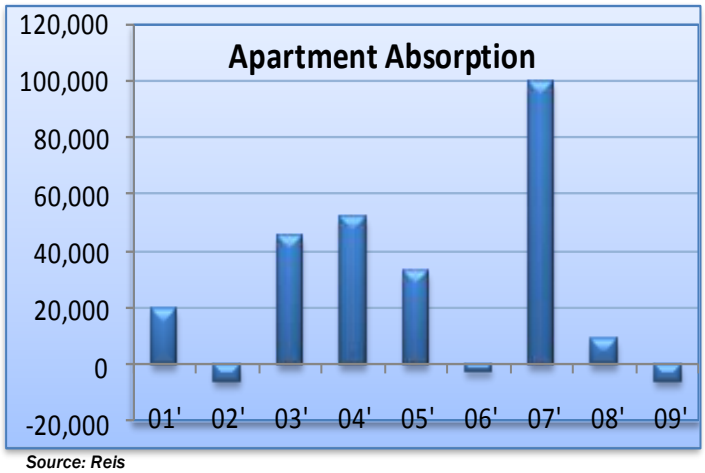
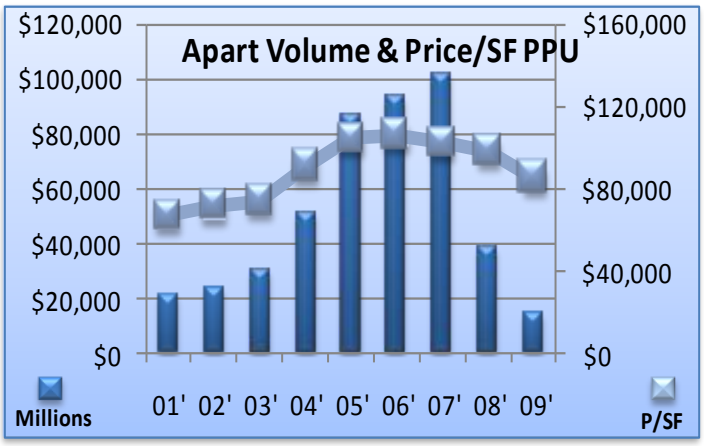


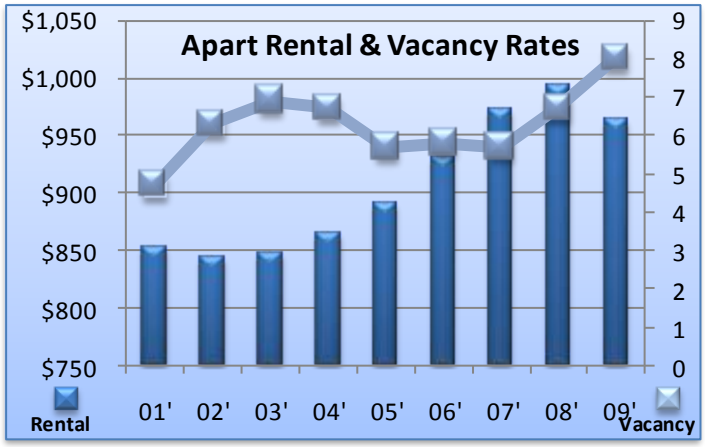
Source: Real Capital Analytics



Source: Reis



Source: Real Capital Analytics



Source: Reis

Significant Transactions: Garden

Name	City, ST	Units	Price	$/Unit	Buyer	Year
Empirian Village	Greenbelt, MD	2,877	$275,000,000	$95,586	Empire Equity Group	2008
Jefferson at Bay Mdws	San Mateo, CA	575	$220,000,000	$383	Archstone	2006
Palazzo East	Los Angeles, CA	610	$199,000,000	$327	AIMCO	2005
The Avant	Annandale, VA	1,065	$198,000,000	$186	Stellar Management	2007
The Park Kiely	San Jose, CA	948	$190,000,000	$201,248	Laramar Group	2008

Significant Transactions: High / Mid Rise

PeterCooper & StuyTown	New York, NY	11,232	$5,400,000,000	$481	Tishman Speyer	2006
Trump Place	New York, NY	12,330	$809,000,000	$658	Equity Residential	2005
Villas Parkmerced	San Francisco, CA	3,486	$675,000,000	$194	Stellar Mgmt	2005
Manhattan House	New York, NY	587	$623,000,000	$1,061	Richard Kalikow	2005
Presidential Towers	Chicago, IL	2,346	$475,000,000	$202	Waterton Associates LLC	2007

Source: Real Capital Analytics

View next page for a breakdown of the Apartment Sector by year

Apartment Breakdown

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2001	• The majority of apartment investment was outside the nation's ten largest metropolitan areas. This was most likely due to the fear that 9/11 brought about. Approximately 60% of volume was evenly divided between secondary and tertiary cities.
2002	• The wave of movement outside of major areas slowed down, as the fear from 9/11 subsided. Apartment investors focused on the major markets. Volume in all secondary and tertiary markets fell 6% between 2001 and 2002.
2003	• Garden apartments and single tenant properties were the favorites among investors this year.
2004	• Sales volume more than doubled in virtually every major market on the East and West coasts, but was flat in Dallas, Denver, Houston, and many Midwest markets.
2005	• Sales of apartment properties increased by over 70% nationally in 2005. Secondary and tertiary markets were winners as investors searched for yields and were forced to look at new markets and smaller cities. Condo conversions became the hot item.
2006	• Condo conversion dropped to just $9 billion in 2006 from $30 billion in 2005. Phoenix retained the title as the top garden apartment market.
2007	• Tishman Speyer purchased Archstone-Smith Trust's 359 apartment complexes with nearly 88,000 apartments, including those under construction. Without this transaction, sales of significant apartment properties would be well below levels achieved in 2005 and 2006.
2008	• During the Credit Crunch, the mantra was that the apartment sector was better off than any of the other property types. In 2008, apartments declined the second least in dollar volume. Failed condo conversions started to flood the market.
2009	• Based on number of properties sold, the percentage of distressed sales was much greater in the apartment sector, nearly twice that average for all property types. Vacancy rates were at record highs, while rents continued to decline.