

Johns Hopkins University - Carey Business School

Development of Garden Apartments

at Maiden Choice Lane, Catonsville, Maryland 21228

A Practicum Thesis submitted to Johns Hopkins University in conformity with the requirements for the degree of Master of Science in Real Estate.

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Contents

Executive Summary..... 4

Site Analysis 5

 Site Description 5

 Current Ownership..... 7

 Surrounding Uses..... 7

 Topography 8

 Environmental..... 8

 Flood Plain..... 9

 Site Access..... 9

 Vicinity Access 10

 Basic Services 10

 Location Attributes 11

 Senior Living 11

 Medical Facilities..... 11

 University of Maryland, Baltimore County 11

 Nearby Amenities..... 12

 Zoning 12

 Dwelling Units 13

 Initial Impression..... 14

Market Analysis..... 15

 Urban Growth Model..... 15

 Market Area Delineation..... 15

 Demand..... 17

 Method of calculating demand..... 17

 UMBC – Forecasted Growth 18

 Supply Analysis..... 19

 UMBC Housing 20

 Proposed Projects 21

 Total Estimated Supply - 2014 21

 Interaction of Supply & Demand 22

 Demographics 22

Absorption Rate	22
Employment.....	22
Development Team.....	23
Design Team.....	23
Business Team.....	23
Building Team	23
Development Program.....	23
Unit Mix.....	23
Common Area Factor	25
Project Schedule	25
Construction.....	25
Parking	27
Financial Analysis	28
Inflation.....	28
Expenses	29
Capital Asset Pricing Model	30
Risk Free Rate and Time Premium	30
Beta	30
Expected Return of the Market	31
Discount Rate	31
Adjustments to the Discount Rate.....	31
Financing	32
Valuation	33
Recommendations	33
References:	34
Appendix A – Demographic Data	
Appendix B – Market Data	
Appendix C – Construction Data	
Appendix D – Financial Data	

Executive Summary

While some of the areas surrounding the subject property have seen growth and redevelopment, the Catonsville area of Baltimore County, Maryland has seen little change over the past several decades. Although a few apartment communities have undergone renovations recently, no new communities have been developed for the market area in over 20 years. Several new for-sale residential developments have come on the market during this same period of time.

Perceiving an opportunity to capture some of the apartment rental market share by offering a new product in a possibly stagnant market, the subject property was analyzed for the purpose of developing market rate garden style rental apartment building. During the due diligence period, the following information regarding the subject property and market area was gathered.

Summary of Findings

- Subject Property: Unnumbered property between 620 & 716 Maiden Choice Lane
- Size: 7.603 acres; 1.687 buildable
- Zoning: 6.062 acres DR5.5; 1.541 acres OR-1
- Disposition: Currently owned by Maiden Choice Associates; offered for sale at beginning of due diligence period for \$ 499,792
- Market Area:
 - Primary 50,049 households, 11,694 rental units
 - Secondary 63,709 households, 19,517 rental units
 - Combined 113,758 households, 31,211 rental units
- 2014 Demand (est.) 1,068 units
- Project Description: 3-story, stick built walk up apartment building, 48 units
- Holding Period: 22 years (2 development, 20 operation)
- Project Cost:

Land	\$ 450,000
Construction	5,006,060
Total	\$ 5,356,060
- Stabilized NOI: \$488,135
- Discount Rate: 11.03%; 12.28% terminal cap rate
- Unleveraged NPV: (\$1,572,589)

Development Recommendation:

Based on an analysis of current market, development of the subject property on Maiden Choice Lane as garden-style apartment is not recommended. Although a small, yet sufficient, amount of unmet demand is estimated for 2014, rental rates are not high enough to justify construction. A similar project may prove viable on a property with less complicated site improvements, however the proposed development will not work on the subject property.

Site Analysis

Site Description

The subject property is a 7.603 acre parcel of raw land located in the Catonsville neighborhood of Baltimore County, Maryland. A majority of the site is densely forested. The site has a varied topography; however, there are three substantially flat areas that would require minimal grading and are ideal for building. Other sections of the property have very steep grades; construction in these areas is likely cost-prohibitive.

This image shows the east side of the property, from the parking lot of the adjacent medical office buildings.



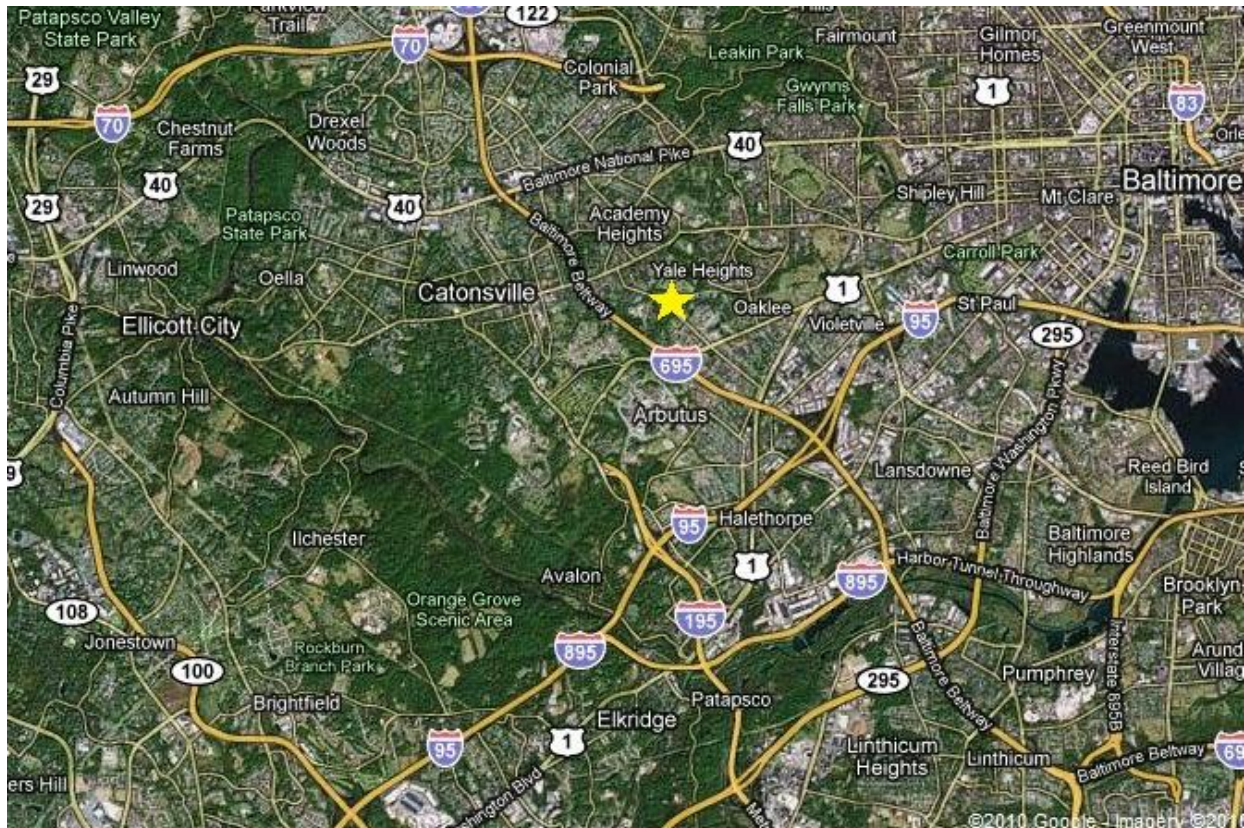
The site is located just inside the Baltimore Beltway on Maiden Choice Lane. Maiden Choice Lane forms the northern property boundary of the subject site.

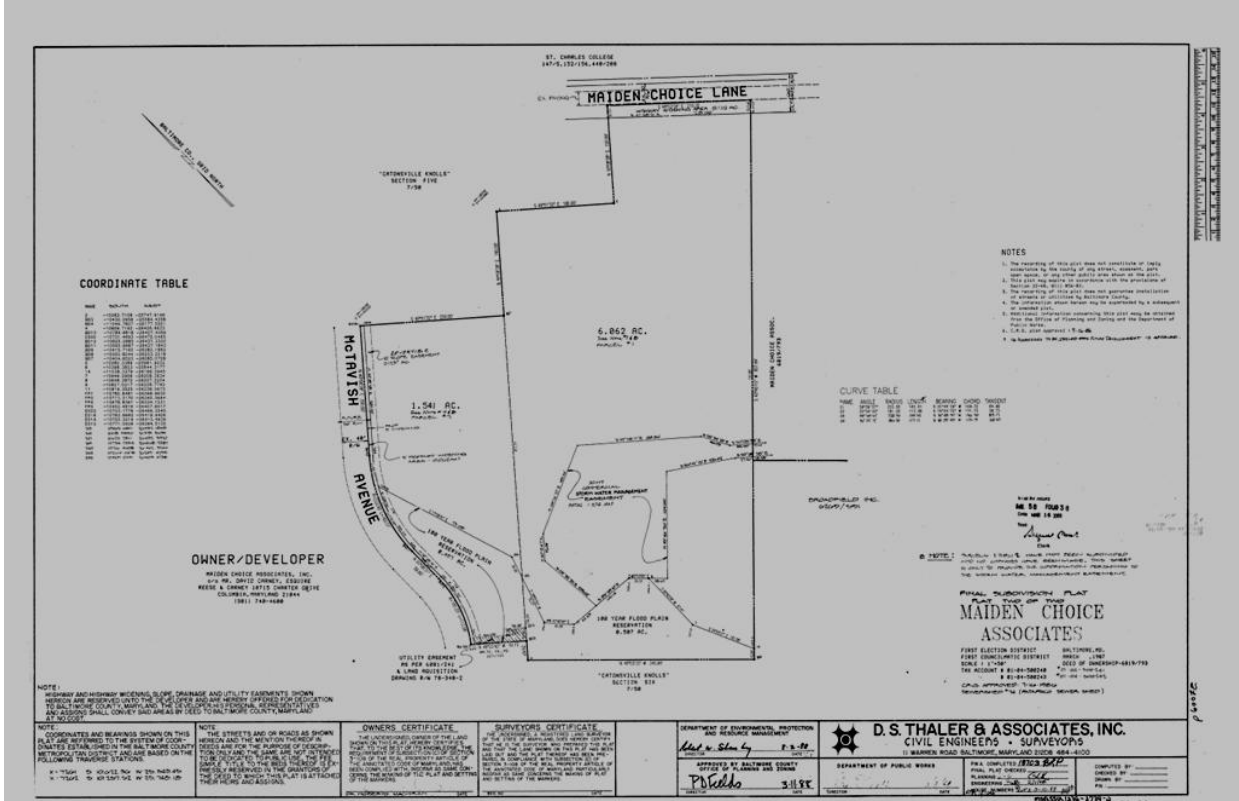
Maiden Choice Lane is a two-lane road approximately 1.75 miles long. The major intersection along Maiden Choice Lane is Wilkens Avenue, approximately 0.4 miles south of the site. Heading north of the site 0.6 miles, Maiden Choice Lane continues on as South Paradise Avenue. Approximately 0.8 miles north of the site, S. Paradise Avenue intersects with Frederick Road. Both Frederick Road and Wilkens Avenue are exits off the Baltimore Beltway. This image shows the subject property from Maiden Choice Lane facing south.



There is an existing Storm Water Management pond located on the site. The pond was constructed to service the adjacent medical buildings. The pond currently has surplus capacity for approximately 90,000 square feet of additional paved or otherwise impervious surfaces.

Below are a satellite view of the subject property and an engineered drawing of the site.





Current Ownership

The subject property is currently owned by Maiden Choice Associates, a Maryland general partnership. The property, along with the adjoining parcel of land to the east, was purchased in 1983 from the Dominican Sisters of the Perpetual Rosary. On the adjoining parcel is a building that was originally used by the Dominican Sisters as a convent. It is currently used as medical office space. Combined, the total area of the two parcels is approximately 14 acres.

At the onset of the due diligence period for this practicum, the subject property was offered for sale at a price of \$499,792. During the course of the investigation, the property was delisted. When consulted, the owner’s agent stated that property was delisted only when modifications and improvements to the storm water management facility were completed. The owner still intends to the sell the property. It should also be noted that the subject property was originally offered for sale on June 10, 2009 at a price of \$864,972.

Surrounding Uses

To the east of the site are three office buildings. The central building was originally used as a convent by the previous owners, the Dominican Sisters of the Perpetual Rosary. The convent was converted into medical office space.

There are also two newer structures on the site. Both of the new buildings are 3-story office condominium buildings; both buildings are also used primarily for medical office space.

To the west and northwest of the site is a small cluster of detached single family homes. To the south of the site are two residential communities. A townhouse community sits to the southeast of the site. A community of detached single family homes sits to the southwest of the site. These two developments to the south of the subject property, coupled with the mature tree growth on the site, serve as an excellent noise buffer from the Baltimore Beltway.

A portion of the site abuts McTavish Avenue to the northwest. McTavish Avenue is a very small county road used to access several residential homes. The road is a two lane undivided road with on-street parking. It originates at Maiden Choice Lane and runs approximately southwest 350' where it dead ends.

Topography

The topography of the site plays considerably into its development potential. The reason this site has not been developed, while all of the surrounding land has, is likely due to the challenges created by the topography.

Within the site are three streams, two of which impede access to the bulk of the land. To access from the north or the west would require considerable grading, earth retention, and the construction of a bridge or culvert.

Steep slopes are also prevalent throughout the site. Areas in the southern and western quadrant of the site provide considerable impediments as a result.

Factoring in these constraints, two potential building sites have been identified. At the north end of the subject site, there is approximately 33,000 square feet of potentially buildable land. This area sits on Maiden Choice Lane and measures 220' x 150'. The demarcation line between the DR5.5 and OR-1 zones runs right through this area.

To the south of this site is a stream that divides this first site from the second, and more appealing of the two sites. Along the western edge of the subject site is an area 150' x 270', about 40,500 square feet. This is the area that will be targeted for potential development.

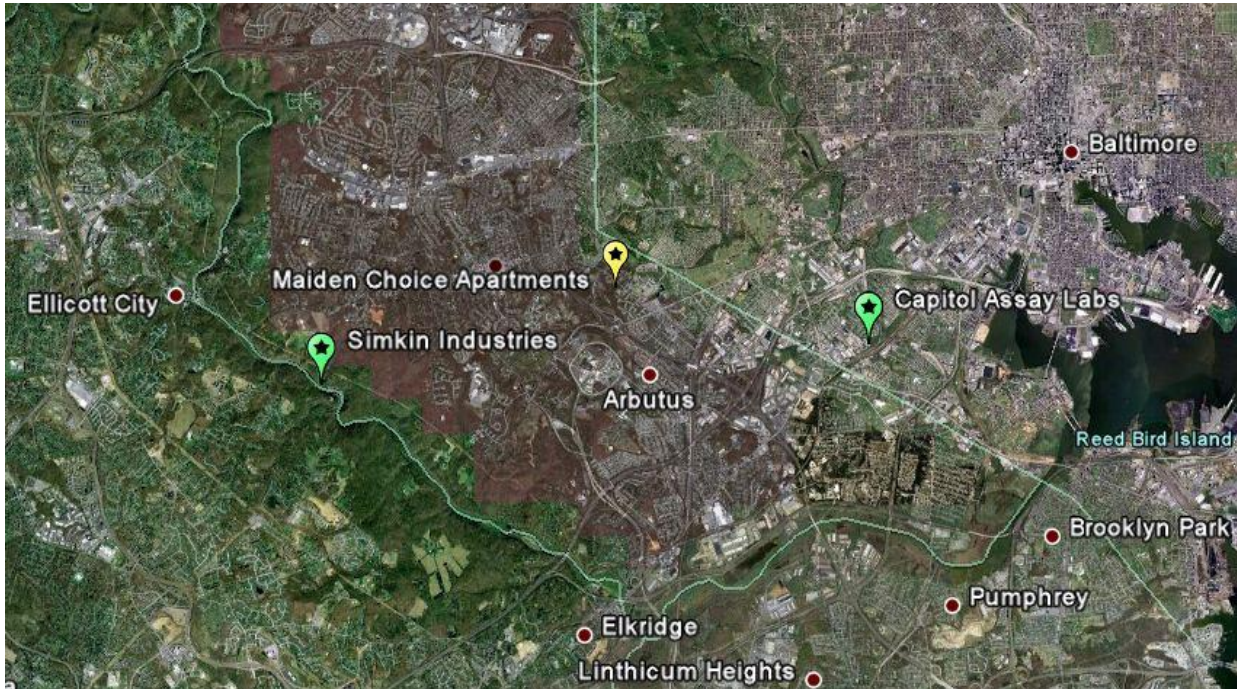
This second building site will be the focus of the practicum.

Environmental

An important consideration with the purchase of any property is the possibility of hazardous environmental conditions. An investigation into the presence of caustic building materials such as asbestos and lead paint is not necessary because the subject property is raw land.

An analysis of the Environmental Protection Agencies list of Superfund Sites revealed that there are none in the immediate vicinity, although there are two Superfund Sites within the market area.

Approximately 4.5 miles away, near the Patapsco River, is the site of Simkin Industries. Approximately 4 miles away, on the other side of Interstate 95 is the Capitol Assay Site. The following map provides the location of two Superfund sites.



Based on the distance between either of the Superfund site and the subject property, neither Superfund is of concern to the proposed development.

Flood Plain

The subject property is not in or near any flood plain.

Site Access

There are three potential means of access to the subject site: Maiden Choice Lane, McTavish Avenue, or through the adjacent medical office site to the east.

Accessing via Maiden Choice Lane would add considerable predevelopment and construction costs to the project. There is a streambed that runs along the site and feeds into the storm water management pond. In order to access the site via Maiden Choice Lane, a bridge or culvert would be required to span this streambed.

Similarly, accessing via McTavish Avenue would require substantial site development efforts. Another stream is located along the west side of the site and would need to be crossed in order to access from McTavish Avenue. Furthermore, this area of the site has areas of prohibitively steep slopes.

Alternatively, access to the site can be provided through the adjacent medical office park to the east of the site. Maiden Choice Associates granted an easement for vehicular access to the subject site by means of traveling across their adjacent site. Although the proposed development would not have a private entrance, the cost offset to the project would be sizable.

Although all of the specifics regarding the easement are not known, an assumption can be made based on previous concept plans submitted to Baltimore County for the subject property. Prior submissions have included development programs that require equal or greater amount of parking on the subject property with access being provided through the adjacent property. For the purposes of this practicum, it is assumed that the easement permits a sufficient increase of traffic for access to the proposed development. There is no risk of overburdening the easement, and therefore no risk of voiding the easement.

Vicinity Access

The ease to which major traffic conduits can be accessed is a key strength of the site. 1 mile from the subject property is the on-ramp to the Baltimore Beltway, either via Wilkens Avenue to the south or Frederick Road to the north. Interstate 95 is only another mile from the site. Wilkens Avenue and Frederick Road also provide for direct access to downtown Baltimore. Commuters are only 5 miles for the Central Business District. From the property line, it is a short walk to an MTA commuter bus line. From there, commuters can easily connect with the Light Rail and MARC service.

Basic Services

Basic municipal service levels are of paramount concern to any proposed development. In 1967, Baltimore County created the Urban Rural Demarcation Line (URDL). The purpose of the URDL is to establish an outside perimeter for the construction of public sewer and water infrastructure. The subject property is located within the perimeter of the (URDL), and is therefore eligible to connect to the public water and sewer infrastructure.

In addition to having access, it is essential that new development not place an extraordinary burden on the existing infrastructure, nor should a new development further compound the problems of areas that suffer from an already over-utilized infrastructure. Baltimore County can place building moratoria on areas where the level of services provided is deficient or of concern. According to the 2009 Baltimore County Basic Services Map set, the subject property is not located in any areas subject to development moratorium due to insufficient water or sewer capacity.

Similarly, Baltimore County can prevent development of projects that unnecessarily burden motor vehicle traffic. Northwest of the site are two intersections listed as failing on the 2009 County Basic Services Traffic Map.

The intersection of Frederick Road and Bloomsbury Road, approximately 1.6 miles from the subject site, received an 'F'. The intersection of Frederick Road and South Rolling Road, 2.5 miles from the site,

received a 'D'. The sphere of impact on traffic and congestion created by these two failing intersections does not permeate down to the subject property.

Eric Tombs of the Maryland State Highway Administration has been contacted to ascertain if any modifications or improvements to either of these intersections are currently planned. At this point, Mr. Tombs has not been able to identify any proposed work to these intersections.

Copies of the Basic Service Maps are available in Appendix C.

Location Attributes

Within a 2 mile radius are three elements that are significant to the analysis of the subject property.

Senior Living

Located on Maiden Choice Lane are three senior living communities.

Park View at Catonsville is a community managed by The Shelter Group. The community is located to the north of the site on Maiden Choice Lane. It offers apartment living with minimal services to middle income senior citizens.

St. Martin's Home is a community managed by The Little Sisters of the Poor. The community is located directly across Maiden Choice Lane from the subject site. It offers both apartment living and private rooms to 240 needy senior citizens.

Charlestown, an Erickson community, is by far the largest of the three senior living communities in the area. Charlestown, located 0.2 miles south of the site on the opposite side of Maiden Choice Lane, occupies approximately 110 acres. A wide variety of services and amenities are offered to Charlestown residents, including on-campus medical, dining, banking, and recreational facilities.

Medical Facilities

The subject site is within close proximity to two major medical institutions. About 2 miles north on Wilkens Avenue is St. Agnes Hospital, a 300+ bed, full service teaching hospital. St. Agnes is in the midst of a \$176 million Campus Revitalization Project.

2 miles to the south of the subject site is the Spring Grove Hospital Center. Spring Grove is a 449-bed State owned facility that provides a variety of mental health services.

University of Maryland, Baltimore County

Approximately 1.4 miles from the site is the University of Maryland, Baltimore County, or UMBC. UMBC is an accredited university and member of the University System of Maryland. Offering undergraduate, graduate, and doctoral studies, total enrollment for the fall 2009 semester was 12,870. The university is situated on 530 suburban acres.

UMBC is an honors university offering programs for undergraduate, graduate, and doctoral students. The university offers 42 undergraduate majors, 41 minors, 33 master's degree programs, and 24 doctoral degree programs.

Nearby Amenities

At the intersection of Maiden Choice Lane and Wilkens Avenue is the Wilkens Beltway Plaza, a community shopping center owned by Kimco Realty. The center, with a gross leasable area of about 80,000 SF, is anchored by a 55,000 SF Giant grocery store. Other tenants include service, retail, and professional uses.

Below is a list of the other tenants in the Wilkens Beltway Plaza.

- Advanced Correction Chiropractic
- The Baltimore Endoscopy Association
- Betty Brite Cleansers
- Dr. Nalini Bhargava
- China Kitchen
- Digestive Disease Associates
- Erickson Retirement Community
- Dr. Moges Gebremariam
- Drs. Giardina & Glubo
- H&R Block
- Hair Cutter
- Ledo Pizza
- M&T Bank
- Maryland Marketing
- Medstar Physicians Partners
- Nicholas Molinaro, D.D.S.
- Queen Nails
- Quest Diagnostics
- RadioShack
- Dr. Adrian Sanchez
- Subway
- Thomas W. Jones, M.D.
- Unlimited Solutions
- Wilkens Liquors

Kimco reported a total of 23,749 square feet of space across 11 suites currently available in the Wilkens Beltway Plaza.

Zoning

The subject property is currently split zoned; 6.062 acres are zoned DR5.5, the remaining 1.541 acres of land zoned OR-1.

DR5.5 is a residential classification in the Baltimore County Zoning Regulation. By rights, the DR5.5 classification permits development up to 5.5 density units per acre. Design constraints stipulated by the DR5.5 classification include a floor-area ratio of 0.50, maximum building height of 50 feet, and various building setback requirements.

The OR-1 classification is based on DR5.5, with two key differences. First, the design constraints for OR-1 are identical to DR5.5 except for a maximum building height of 60 feet. Second, in addition to the residential uses, Class A and B office space is permitted under OR-1.

The map below shows the Baltimore County Zoning Map. In black overlay is a rough outline of the subject property.



Baltimore County approaches zoning changes two different ways. Major changes in zoning are addressed once every four years. The next instance of this comprehensive rezoning process is in 2012. Requests for major changes are submitted in the beginning of the year. The entire process, from initial submission to final decision, typically takes 9 to 12 months.

The county also has a procedure that allows for minor zoning changes. This process is available to developers in the interim between comprehensive zoning years. Although it depends on the specifics of the requested change to zoning, the process for a minor change typically takes from 6 to 12 months to complete.

Dwelling Units

Under the Baltimore County Zoning Regulation, the number of residential units available for development is a function of the proposed unit type. The following chart summarizes how Baltimore County allocates dwelling units.

Residential Unit Type	Dwelling Units
Studio	0.50
1 Bedroom	0.75
2 Bedrooms	1.00
3+ Bedrooms	1.50

By rights, the 7.603 acre subject property is entitled to a total of 41.8 dwelling units. The potential unit mix for residential development ranges from (83) studios to (27) 3+ bedroom apartments.

Initial Impression

When considering the subject property for potential development, a quick survey of the site, the surrounding land uses, and the existing entitlements resulted in three observations. First, the topography of the site is a constraining factor, and probably the primary reason the site has not yet been developed. Second, UMBC will play a considerable role in this, or any future development in the area. Third, the site is split zoned between DR5.5 and OR-1, with approximately 80% of the area currently zoned DR5.5.

Taking into account these observations, as well as the current economic climate and real estate market, a multifamily rental housing development is the proposed use for the subject property, and will be the focus of this practicum.

Although the OR-1 land use may be more valuable on a per square foot basis than DR5.5, the cost and risks associated with rezoning of the entire property were the deciding factors for moving ahead with the analysis for a residential land use.

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Market Analysis

Urban Growth Model

The sector model is the most suited to describe the urban growth pattern that influences the market area for the subject property.

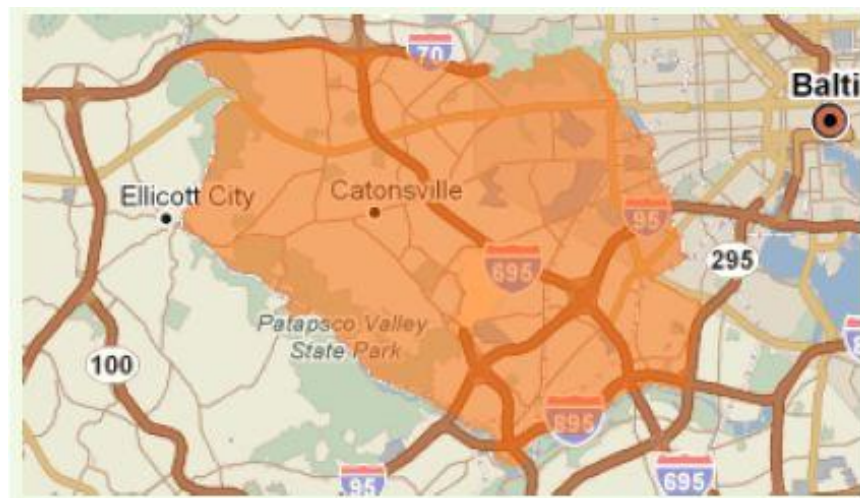
Market Area Delineation

Baltimore City can be divided into 5 very recognizable sectors: north, northeast, northwest, southeast, and southwest. These sectors are carved out by the major transportation thoroughfares radiating from the center of the city. Socio-economic trends have also developed along these sectors.

The market area for the subject property is patterned based on the existence of these sectors, and their continued permeation out into the surrounding counties. Working from this idea, primary and secondary market areas are established.

Maps and demographic data were obtained through the Policy Map online geographic information system. The boundary lines for the primary and secondary market areas were established by census tracts that fell within the market areas.

The primary market area, shown below, is bound to the north by Interstate 70, to the west by the Patapsco River, to the south by I-895, and to the east by Gwynn's Falls Park. The Patapsco River also serves as the boundary line between Baltimore and Howard Counties.



The combined primary and secondary market areas are shown in the map below. The application of the sector model of urban growth is far more evident in the secondary market area than it is in the primary. Here the southwest sector is far better defined. The market area originates in Baltimore City and radiates out south and west. It continues out to the point where it can be said certainly that the market area borders on, or even encroaches on, another unique market.



For example, along the eastern border of the market area, there are two very identifiable factors that insist on the boundary. Within the city, there is an east / west dichotomy that exists. South of the city limits, in Baltimore and Anne Arundel Counties, the east side of those areas is situated on the Chesapeake Bay and Patapsco River.

Residents chose to live there due to the proximity to the water. Many of the residents are involved in recreational water sports activities or are professional watermen who make their living harvesting crabs, oysters, etc.

Similarly to the south and west of the market area, another psychographic factor comes into play. Along the Patapsco River there is a very minimal presence of people. For being so close to Baltimore city, it becomes very rural. The people who chose to live there do so for many reasons.

Finally, to the north, there is a strong division created by Interstate 70. While the neighborhoods to the north and south of I-70 are similar, as it was mentioned earlier, Baltimore has developed in sectors. To the north of I-70, particularly outside the Beltway, there are different demographic features and considerations that should be made for people living there.

Residents in Baltimore City and the surrounding counties identify with, and choose to reside in, a particular sector. The movements of residents to better housing options tend to remain within the chosen sector.

Demand

The following chart summarizes the data relevant for the calculation of demand in the primary and secondary market.

	Primary	Secondary	Combined
Population – '09	129,367	161,435	290,802
Households – '09	50,049	63,709	113,758
Home Ownership – '09	32,477	36,846	69,323
Homeownership Rate – '09	0.649	0.578	0.609
Rental Units – '09	11,694	19,517	31,211
Average Household Size – '09	2.58	2.53	2.56
Population – '14 (est.)	128,880	167,959	296,839
Households – '14 (est.)	49,861	66,284	116,120

Method of calculating demand

With the market area delineated, data regarding population size, household formation, and homeownership rate (housing tenure) were gathered from the U.S. Census and Claritas, Inc., by way of Policy Map.

By dividing the population in 2009 by the number of households in 2009, an average household size for each market area is calculated.

$$\begin{aligned} 2009 \text{ Population} \div 2009 \text{ Households} &= \text{Average Household Size} \\ 129,367 \div 50,049 &= 2.58 && \text{(Primary)} \\ 161,435 \div 63,709 &= 2.53 && \text{(Secondary)} \\ 290,802 \div 113,758 &= 2.56 && \text{(Combined)} \end{aligned}$$

The forecasted 2014 population is divided by the average household size to determine the 2014 forecasted number of household for the market area.

$$\begin{aligned} 2014 \text{ Population} \div \text{Average Household Size} &= 2014 \text{ Households} \\ 128,880 \div 2.58 &= 49,953 && \text{(Primary)} \\ 167,959 \div 2.53 &= 66,387 && \text{(Secondary)} \\ 296,839 \div 2.56 &= 115,952 && \text{(Combined)} \end{aligned}$$

The 2009 homeownership rate is applied to the 2014 forecasted number of households to determine the 2014 forecasted number of households to own their own home.

$$\begin{aligned} 2014 \text{ Households} \times 2009 \text{ Homeownership Rate} &= 2014 \text{ Homeowners} \\ 49,953 \times 0.649 &= 32,419 && \text{(Primary)} \\ 66,387 \times 0.578 &= 38,371 && \text{(Secondary)} \\ 115,952 \times 0.609 &= 70,614 && \text{(Combined)} \end{aligned}$$

Deducting the 2014 forecasted number of households to own their own home from the 2014 forecasted total number of households results in the 2014 forecasted number of households to rent their home.

$$\begin{aligned} 2014 \text{ Households} - 2014 \text{ Homeowners} &= 2014 \text{ Renters} \\ 49,953 - 32,419 &= 17,534 && \text{(Primary)} \\ 66,387 - 38,371 &= 28,016 && \text{(Secondary)} \\ 115,952 - 70,614 &= 45,338 && \text{(Combined)} \end{aligned}$$

The same operation is performed to determine the total number of household in 2009 that rent their homes.

$$\begin{aligned} 2009 \text{ Households} - 2009 \text{ Homeowners} &= 2009 \text{ Renters} \\ 50,049 - 32,477 &= 17,572 && \text{(Primary)} \\ 63,709 - 36,846 &= 26,863 && \text{(Secondary)} \\ 113,758 - 69,323 &= 44,435 && \text{(Combined)} \end{aligned}$$

The difference between the forecasted number of households that will rent their homes and the current number of households that will rent their homes is the forecasted new demand for rental housing.

$$\begin{aligned} 2014 \text{ Renters} - 2009 \text{ Renters} &= 2014 \text{ New Demand} \\ 17,534 - 17,572 &= (38) && \text{(Primary)} \\ 28,016 - 26,863 &= 1,153 && \text{(Secondary)} \\ 45,338 - 44,435 &= 903 && \text{(Combined)} \end{aligned}$$

Using this analysis, the forecasted new demand to enter the market area between now and 2014 is between 903 and 1,115. One problem that exists with this method of analysis is the apparent disconnect in results, depending on whether Primary and Secondary market information is combined before or after the calculations are preformed. For the purposes of this practicum 1,009, the average of the two figures, will be used for further analysis.

Despite this disconnect, forecasted demand was calculated using this method because it relies on only two assumptions, that the average household size and the rate of homeownership will both remain constant over the next five years.

UMBC – Forecasted Growth

Conversations with members of the UMBC staff generated a substantial amount of information.

John Wichser, Associate Director of Facilities for Residential Life, was able to shed a great deal of light on the relationship between supply and demand for housing on campus. The following information was gleaned from conversation with Mr. Wichser.

- Demand for on-campus has remained at constant levels over the past several years, even during the recession.
- At the beginning of each semester, the waitlist for on-campus housing is typically 200-250 students deep.
- The university intends to increase total enrollment from 12,870 to 17,000 over the next several years.
- This summer the university is breaking ground on a new 200 bed addition to one of the residential facilities.
- 75% of the freshmen class is guaranteed on-campus housing.

Katie Boone, Director of Residential Life, confirmed a projected growth of 2%. Based on current enrollment, this project has enrollment growing at approximately 250 students per year.

Assuming the university's projected growth rate is accurate, the waitlist for campus housing will increase by 5 students per year, to 275 by 2014.

Supply Analysis

Data regarding the total number of competitive rental units in the market area was provided by Claritas, Inc., through Policy Map. According to the data, there are 11,694 units in small and large apartment buildings in the primary market area, and 19,517 units in the secondary market area, for a total of 31,211 units.

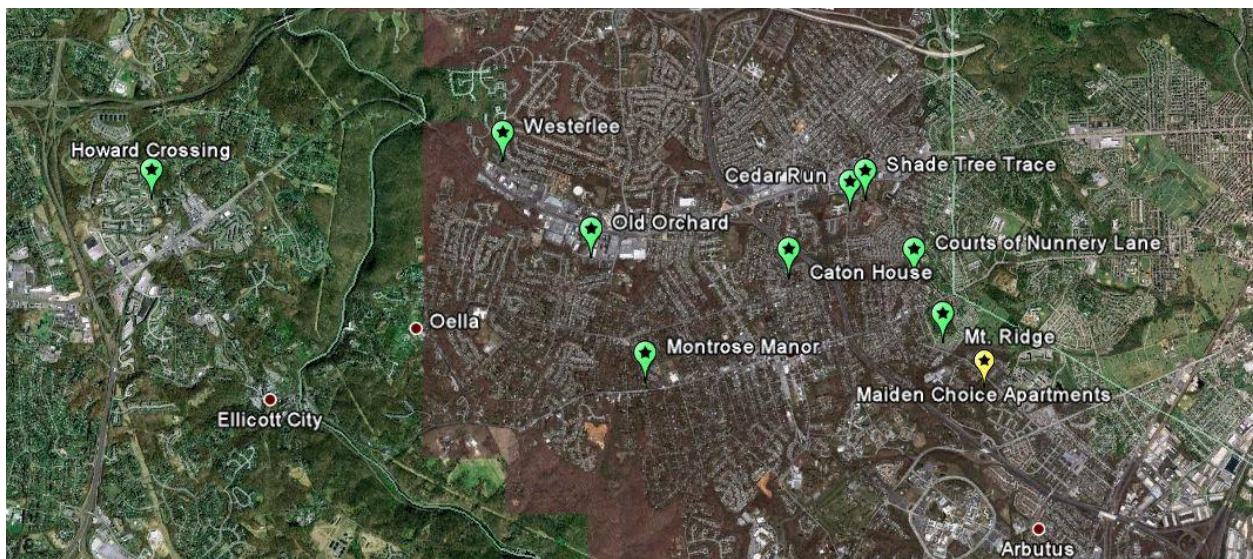
A survey of existing properties in the primary and secondary market areas was conducted. A total of nine properties in the immediate vicinity provided information that is useful for this practicum. The object of the survey was to collect information on unit size and mix, current rental rates, rent concessions, and amenities.

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The following chart summarizes the information regarding unit size.

	Unit Size (SF)		
	Eff.	1 BR	2 BR
Howard Crossing		755	922
Montrose Manor		700	1,035
Old Orchard		760	925
Caton House		1,000	1,200
Shade Tree Trace		738	950
Courts of Nunnery Lane			650
Westerlee		950	1,014
Cedar Run	347	659	742
Mount Ridge		677	865
Average	347	780	923

This image shows the location of the comparable properties, relative to the subject property.



The entirety of the information gathered from the market survey is included in Appendix B – Market Data.

UMBC Housing

UMBC offers three housing options for students; dormitories, suites and apartments. The following chart provides a breakdown of the university owned or affiliated housing facilities.

Community	Housing Style	Year Built	Capacity
Chesapeake	Dorm	1971	309
Patapsco	Dorm	1972	340
Potomac	Dorm	1992	350
Susquehanna	Dorm	1970	309
Erickson	Suites	2000	447
Harbor	Suites	2002	511
Hillside	Apt.	1987	328
Terrace	Apt.	1983	309
West Hill	Apt.	1980	284
Walker Avenue	Apt.	2003	582
			3,769

One important note regarding the existing housing supply is that the Walker Avenue Apartments are not university owned but rather a public/private partnership. The property is owned by the Maryland Economic Development Corporation (MEDCO) and managed and operated by Capstone Management.

Proposed Projects

An important consideration when testing the supply and demand for a project is proposed competitive projects. Dennis Wertz of the Baltimore County Office of Planning identified only two new multi-family projects in the area.

The first project, Gonzalez at St. Agnes, is a single apartment building consisting of 16 two-bedroom market rate rental units. It is located at 1301 St. Agnes Lane. This project is currently in the planning and approval phase.

The second project, Patapsco Overlook, is an age restricted planned unit development consisting of 80 condo units across 5 buildings. The project is limited to people 55 and older. The project is being built by J. Kirby Development. Construction of the project is currently underway. However, because the project is age restricted, it will not be factored into the supply analysis.

Conversations with representatives from the Howard County and Anne Arundel County Planning Departments revealed that no multi-family rental projects have been submitted recently, nor are any currently in the approval and review process.

The University of Maryland, Baltimore County is breaking ground the summer of 2010 on a 250 bed expansion to their Patapsco dormitory. UMBC is planning a second dorm expansion; however the university will not break ground on that project for another 5 years.

Total Estimated Supply - 2014

Combining the existing rental supply of 31,211 units in the primary and secondary market areas, 3,769 units currently available to UMBC students, 16 units expected to be completed at the 1301 St. Agnes Lane project, and 200 new units for UMBC students, the estimated supply of rental housing in the

primary and secondary market areas is expected to reach 35,196 units by 2014. Of that total, 31,227 will be market rate units and 3,969 will be reserved for UMBC students.

Interaction of Supply & Demand

For the purposes of this analysis, two assumptions will be made. First, the existing apartment rental market is in equilibrium. Second, any student waitlisted for university housing will seek rental housing in the primary or secondary market.

By 2014, demand for rental apartments in the market area is expected to increase by 1,009 units, while only 16 new units are expected to be available. Furthermore, growth at UMBC will add increase the waitlist for campus housing to 275 units while only adding 200.

By 2014, a total of demand for rental apartments will exceed supply by 1,068 units.

Demographics

Appendix A contains the Policy Map reports which include demographic information for the primary and secondary market areas, as well as Baltimore City and the surrounding counties.

Absorption Rate

The issue of unit absorption for the subject project is difficult to ascertain due to the fact that no new products have entered the market are in over 25 years. For the purposes of this analysis, it will be assumed that units will be leased at a rate of 6 per month. It will take the project 8 months to reach a stabilized level of occupancy.

Employment

Within a few miles of the site are several major employment centers for the area.

A short distance west on Wilkens Avenue is the University of Maryland, Baltimore County. UMBC employs 739 faculty and 1,128 staff. With the proposed 2% annual growth for the university, these employment figures should increase accordingly.

A few miles east on Wilkens Avenue is St. Agnes Hospital. St. Agnes employs 800 physicians and 5,364 staff. The hospital is currently undergoing a facelift and expansion. A new patient tower is currently under construction. The expansion, however, is not expected to add a significant number of jobs; the hospital has not added any services or capacity, they have merely switch for 2 to 1 patient room.

Development Team

Design Team

The responsibilities of the design team include:

- Identify appropriate building program based on project requirements
- Develop appropriate building & site design
- Prepare construction documents and drawings
- Coordinate permitting and approval process
- Assist with IFB distribution and bid review
- Monitor and inspect contractor's performance
- Review and Approve contractor payment requests
- Generate "Certificate of Substantial Completion"

The design team will be led by the project architect. Other members of the design team include civil, electrical, landscape, mechanical, and structural engineers.

Business Team

The Members of the business team will include the project accountant, lenders, marketing and leasing agent, property management, and legal counsel. The business team will be tasked with the efficient operation of the subject property.

Building Team

The building team will be led by the general contractor. The primary responsibility of the building team is the safe construction of the project as contractually agreed upon.

Development Program

Unit Mix

Several important lessons regarding unit mix and demand for different types of spaces was gleaned from the market analysis. During conversation with leasing agents for the various competitive properties, they disclosed that the unit types highest in demand, and most common, are 1-bedroom / 1-bath and 2-bedrooms / 2-baths. Only one of the developments surveyed, the Courts of Nunnery Lane, did not offer 1-bedroom units.

Of the developments surveyed, none had any units with 3 bedrooms. Efficiency or studio apartments were only available at one of the developments surveyed, Cedar Run at the Timbers.

Regarding the rental rates for the various unit types, one trend exists. As expected, the cost for rental apartments, on a per square foot basis, increases as the amount of space leased in a transaction

decreases. Simply put, a smaller apartment leases for more, per square foot, than a larger apartment. The following table summarizes the observations of each of the nine properties surveyed.

	Unit Size (SF)			Monthly Rent (\$ / SF)		
	Eff.	1 BR	2 BR	Eff.	1 BR	2 BR
Howard Crossing		755	922		1.21	1.33
Montrose Manor		700	1,035		1.66	1.36
Old Orchard		760	925		1.45	1.22
Caton House		1,000	1,200		1.05	1.00
Shade Tree Trace		738	950		1.31	1.21
Courts of Nunnery Lane			650			1.11
Westerlee		950	1,014		1.14	1.18
Cedar Run	347	659	742	2.07	1.34	1.33
Mount Ridge		677	865		1.15	1.07
Average	347	780	923	\$ 2.07	\$ 1.29	\$ 1.20

Based on the information gleaned from the survey, three apartment types will be offered: Studios, 1-bedroom / 1-bathroom, and 2-bedroom / 2-bathroom. All of the products in the area were at least 26 years old, and as a result, are slightly out of date as it relates to consumer demand. For the subject development, each unit type will be sized about 10% larger to be more in line with current consumer demand.

Of the apartments surveyed, only 4 managers were willing to discuss the unit mix of their properties.

The challenge when coming up with the correct unit mix is balancing the tradeoffs between the various unit types. Ultimately, a decision must be made as far as what is more important, dollars per square foot or dollars per transaction. Dollar amount per transaction can also be thought of as dollars per lease signed. Unfortunately, the two metrics seem to be inversely correlated. Studio apartments bring in the highest dollar amount per square foot, but the lowest dollar amount per transaction.

The decided upon unit mix for the project is described in this following chart.

Unit Type	Quantity	Size (SF)	Extension
Studio	6	380	2,280
1 Bedroom / 1 Bathroom	14	860	12,040
2 Bedroom / 2 Bathroom	28	1,015	28,420
Total	48 Units		42,740 SF

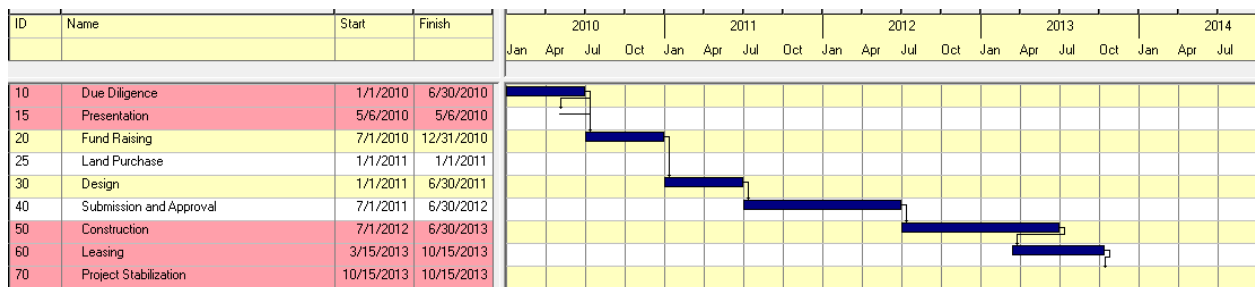
Common Area Factor

In any multitenant building, additional building area must be constructed for circulation, common areas, maintenance, and administrative uses. Based on observations and measurements taken of other similar buildings in the market area, a ratio of 0.18 SF of common area / 1 SF of rentable area is applicable for this analysis.

Applying the ratio of 0.18 SF of common area / 1 SF of rentable area to the above calculated total rentable apartment area of 42,740 SF, an additional 7,693 SF of leasing office, maintenance, trash, storage, and circulation area will be included in the total building area. The gross building area for the subject project is 50,433 SF.

Project Schedule

A vital part of forecasting is the accurate projection of a project schedule. The nature of this, or any, development of raw land involves a large number of variables. Fortunately for this project, no rezoning or variances will be necessary, as this is frequently a source for risk in a project. The following Gantt chart summarizes the major milestones in the development schedule for the proposed project.



Construction

As with any piece of raw land, development of the subject property will require certain site improvements prior to constructing of any building. For the purposes of this discussion on construction, unless stated otherwise, the term “site” refers only to the area on the east side of the property that will be built upon.

The first order of business is clearing and grubbing the site of vegetation. Because a majority of the entire property will not be developed, a majority of the mature vegetation will remain intact, preserving one of the site’s few strengths. Following the necessary clearing & grubbing, the site will be rough graded to approximate finished elevations.

Based on an initial examination of engineered drawings showing topography, a minimal amount of soil will have to be cut prior to the reaching approximate finished elevations. What soil is disturbed can remain on-site and may be used for backfill, although it may need to stock piled on the portion of the property accessed via Maiden Choice Lane. This will require minimal hauling fees, far less than if the soil had to be disposed of off-site.

Sewer, water, gas, electric, telephone, and internet connections will be made through the adjacent office park to the east and carried up above the finished foundation elevation. All pipe and conduit for exterior site fixtures will also be placed at this time. Following the completion of all underground utility work, the curb & gutter and sidewalks will be formed and poured. All other site concrete work, such as light pole bases, will also be poured at this point.

Once the building envelope is contained by curb and gutter, topsoil and grass seed can be placed on any disturbed area. Engineered fill will be placed and compacted in the areas to the paved, followed by the base course of asphalt. The surface course of asphalt and line striping will not be placed until after the building is fully constructed; all of the truck and heavy equipment traffic would surely damage the surface course if it was put down any sooner.

Due to the topography of the subject property there are several issues that will need to be addressed in beyond standard site improvements. While the building site is substantially flat, immediately to the west and south are fairly steep slopes that are cause for concern. Engineered retaining walls will be needed to preserve the integrity of the building site.

The levels of finishes and amenities available in the market area, especially the primary market, are significantly below luxury. And although a few of the properties surveyed had been renovated during the past decade, many properties are close to 60 years old. The newest development found within the market area was built in 1986. Consideration of what comparable properties are offering to tenants certainly was factored into the design of the building. Moderate level finishes were selected to separate the subject property from the existing competitive properties, while being realistic what the potential tenant is looking for and can afford.

Utilizing Reed Construction Data's online database CostWorks, an estimate for the design and construction was prepared. Assuming the final product is a 3-story walk up, garden style apartment, stick built wrapped with simulated brick panels would have hard cost of \$3,758,590; additional charges for Architect and Engineer's Fees of \$375,879 and General Contractor Overhead and Profit of \$871,591 bring the total cost for construction to \$5,006,060. With a total building area of 50,433 square feet, the cost for the completed project is \$99.26 per square foot, a reasonable figure.

Parking

Due to the minimal amount of buildable land on the site, parking will be a significant constraint for the project. Parking regulations are described in the Baltimore County Zoning Regulation.

Unit Type	Quantity	Spot / Unit	Extension
Studio	6	1.25	7.5
1 Bedroom / 1 Bathroom	14	1.5	21
2 Bedroom / 2 Bathroom	28	1.5	42
Total	48 Units		70.5

The zoning code allows for the use of “small car” spaces when more than 50 parking spaces are provided and the “small car” spaces are clearly marked to indicate the intended use. The subject properties requirement of 71 parking spots allows for the use of “small car” parking spots.

When “small car” spots are utilized, a maximum of 40% of the parking spots can be designated as such. “Angled” parking, rather than “parallel”, will be used for the development. The following chart quantifies the parking area requirements for the proposed development.

	Dimensions	Area / Space (SF)	Quantity	Total Area (SF)
Standard Space	8 ½ x 18	153	43	6,579
Small Space	7 ½ x 16	120	28	3,360
Total			71	9,939

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Financial Analysis

Inflation

The Consumer Price Index for All Urban Consumers, generated by the Bureau of Labor Statistics, was used to determine the general inflation rate for this analysis. The most current publication of the Consumer Price Index, dated April 14, 2010, was used.

The CPI for March 2010 (217.631) and March 2002(178.8) were compared to establish an average annual rate of inflation over the past 8 years of 2.487%. This will serve as the global inflation rate unless stated otherwise.

The NAA *Survey of Operating Income & Expenses in Rental Apartment Properties* was analyzed from 2004 – 2009 in an effort to identify a realistic growth rate for rents. Over the 6 year period, rents increased by an average of 8.59% per year. This figure is considered to be inaccurate as it presents an unrealistically high expectation of the growth in the rental market. Consequently, rental rates will increase at the global inflation rate.

Individual inflation rates were also calculated for four specific expenses: utilities, management fees, repairs & maintenance, and insurance. The individual inflation rates were calculated by averaging the year over year percentage changes in each of their respective categories from 2002 to 2009 as stated in the CPI.

In some cases, the Consumer Price Index does not have inflation rates for these specific expenses, in other cases it does. When there was not a matching line item in the CPI for an expense, another expenditure category with an expected to have a high correlation to the expense was used for this analysis. “Household energy” was used in lieu of utilities, “household operations” for management fees, “repair of household items” for repairs & maintenance, and “tenant and household insurance” for insurance.

The remaining expenses, “salaries & personnel”, “taxes”, and “administrative” will increase at the global inflation rate. The cost of construction will also increase at this same rate. The following chart provides a detailed look at the basis for the escalation rates for market rent and specific expenses. The blue lines represent the Index values, the white lines represent the year over year percentage change.

	2002	2003	2004	2005	2006	2007	2008	2009	Average
Rent of Primary Residence	202.5	207.9	213.9	220.5	230	239.102	247.278	248.999	
		2.67%	2.89%	3.09%	4.31%	3.96%	3.42%	0.70%	3.00%
Insurance	112.3	114.3	118.7	116.1	117.1	117.003	120.019	123.812	
		1.78%	3.85%	-2.19%	0.86%	-0.08%	2.58%	3.16%	1.42%
Utilities	144.2	153.6	165.7	191.6	192.6	203.006	215.184	208.76	
		6.52%	7.88%	15.63%	0.52%	5.40%	6.00%	-2.99%	5.57%
Management Fees	119.9	122.6	127	133.3	139.1	142.100	150.689	150.172	
		2.25%	3.59%	4.96%	4.35%	2.16%	6.04%	-0.34%	3.29%
Repairs & Maintenance	128.6	133	142.2	151.9	158.4	165.089	173.193	178.83	
		3.42%	6.92%	6.82%	4.28%	4.22%	4.91%	3.25%	4.83%

Expenses

The National Apartment Association publishes an annual *Survey of Operating Income & Expenses in Rental Apartment Properties*. In addition to a detailed narrative regarding the current trends and conditions in the marketplace, the *Survey* also provides numerous charts detailing the results of the nationwide survey. Surveys for the Baltimore / Towson MSA from 2004 – 2009 were used to establish an average annual cost per square foot for each of the expense items. The following chart summarizes the expense items used in this analysis.

National Apartment Association	
	Average (\$ / SF / Year)
Operating Expenses	1.23
Salaries & Personnel	0.24
Insurance	0.99
Taxes	0.39
Utilities	0.43
Management Fees	0.27
Administrative	0.27
Marketing	0.19
Contract Services	0.43
Repairs and Maintenance	0.54
Capital Expenditures	1.65

Capital Asset Pricing Model

After projected cash flows have been determined for an investment, they must be discounted back to determine their present value. The discount rate used to establish the present value of these cash flows is derived from current market conditions using the Capital Asset Pricing Model.

The Capital Asset Pricing Model equation is:

$$\text{Expected Return} = R_{FR} + B(R_M - R_{FR})$$

where R_{FR} is equal to the sum of the risk free rate and the time premium, B is the beta of a publicly traded company used as proxy for the specific investment, and R_M is the expected return of the market. The resulting discount rate is adjusted to reflect risk markers specific to the subject property (Groppelli, 99).

Risk Free Rate and Time Premium

Two assumptions will be made regarding the risk free rate and the time premium for the purpose of this analysis. First, it is assumed that the risk free rate is equal to the yield on a 90 Day United States Treasury. Second, it is assumed for a given investment horizon, the time premium is equal to the yield of the long-term United States Treasury with the same maturity, less the risk free rate. As of April 23, 2010, the United State Treasury website stated the 20 year Treasury yield as 4.51%. Note that the risk free rate has already been factored into the pricing of the 20 year Treasury.

$$\text{Expected Return} = 4.51 + B(R_M - 4.51)$$

Beta

When valuing an individual asset, it is necessary to select a publicly traded company to serve as a proxy. The proxy provides information regarding the correlation of the expected return on the asset with the expected return of the market. During the selection of a company to serve as a proxy, it is imperative that the company selected provide the best possible representation of the characteristics of the asset. Similarities in size, scope, and geography are crucial when selecting a proxy; however, finding a publicly traded company that specializes in the product type and geography matching the subject property can prove to be challenging.

Home Properties, Inc. is a publicly traded REIT that owns, operates, develops, acquires, and rehabilitates apartment properties in Maryland, Virginia, Pennsylvania, Florida, Illinois, Massachusetts, Maine, New Jersey, New York, Ohio, and Washington, D.C. Of the 108 properties listed on the Home Properties website, 33 are located in Maryland.

Home Properties, Inc. was selected to serve as a proxy for the subject property because of its concentration on properties similar in profile to the subject property. Although it has geographical exposure outside of the market area, Home Properties, Inc. was selected for two main reasons.

First, of the publicly traded REITs surveyed, Home Properties has the highest percentage of properties in Maryland; other REITs with presence in Maryland had significantly less exposure, based on their percentage of properties located in Maryland.

Second, of the REITs surveyed, Home Properties, Inc. has the highest concentration of properties in the Mid-Atlantic and Northeast. 94% of Home Properties' holdings are located within these two regions.

A Beta of 1.29 was reported for Home Properties, Inc. by Google Finance on April 26, 2010.

$$\text{Expected Return} = 4.51 + 1.29(R_M - 4.51)$$

Expected Return of the Market

The expected return of the market is based on the internal rate of return of a broad-based stock market index, with dividends reinvested. For the purposes of this practicum, the Standard and Poor's 500 Index was used. An average annual return of 8.40% was calculated for the S&P 500, based on the Monthly Adjusted Closing Prices between January 3, 1950 and April 1, 2010.

$$\text{Expected Return} = 4.51 + 1.29(8.40 - 4.51)$$

Discount Rate

After determining the risk free rate, time premium, expected return of the market, and appropriate beta, the discount rate for an investment can be calculated. Using the CAPM equation, the base discount rate for the subject property is 9.53%.

Adjustments to the Discount Rate

There are several issues that require adjustments be made to the discount rate in order to accurately account for the risk inherent to the subject property. These can be issues specific to the subject property, or dissimilarities between the subject property and the proxy.

Home Properties, Inc. is a portfolio of 108 assets across 10 states and the District of Columbia; its shares are traded openly on the New York Stock Exchange. The proposed investment is a single apartment building in Baltimore County. The discount rate for the subject property should be increased 50 basis points to reflect the illiquidity of the single asset, relative to shares of Home Properties.

As is the case with any project, the further it is from stabilization, the greater the risk associated with future cash flows. Home Properties' portfolio consists almost entirely of complete and stabilized properties, whereas the subject property is the development of raw land. The discount rate should be increased 50 basis points to account for the risk of a proposed verses stabilized project.

The climate in today's financial markets is a significant risk for this, or any new projects. While the attitude toward commercial lending has improved over the past 18 months, securing financing is and will continue to be a challenge for new projects. Accordingly, 25 basis points should be added to the discount rate.

Home Properties, Inc. has the benefit of diversification within their portfolio. Specifically, Home Properties has exposure to a variety of markets, not just Baltimore, and a variety of product sub-types, such as townhouses and high-rise apartment buildings. The discount rate for the subject property should be increased 25 basis points further to reflect the additional risk of the subject property, relative to the proxy.

Taking into account the stated adjustments, the resulting adjusted discount rate for the subject property is 11.03%. A higher reversion rate of 12.28% will be used to account for the uncertainty of market conditions at the end of the investment hold period.

Financing

The subject property is being evaluated on an all cash basis; an investment needs to be financially viable on its own merits, absent the positive benefits of leverage. However, for the purpose of this practicum, a discussion of financing is in order.

A survey of commercial lenders located in the Baltimore area was conducted to test the present climate for commercial lending on multifamily projects. Lenders for two strata of banks were surveyed: small local banks, and medium sized regional banks.

Several similarities exist among all the bankers surveyed. First, underwriting standards on loans have tightened significantly. Debt service coverage ratios have increased. Personal guarantees are expected for any new loan; non-recourse loans are almost nonexistent.

Second, most of the lenders surveyed are content, if not apprehensive, regarding their current level of exposure to commercial real estate. It is not uncommon for the value of commercial properties to have fallen below mortgage balances, completely wiping out any equity position in property. Many of the lenders expressed concerns that owners in this situation who are unable to infuse capital into their projects may be unable to secure refinancing in the coming months. Lenders, especially at the local level, are very hesitant to offer financing for any new projects.

Opinions differed among the lenders on what the current lending environment was like. The local bankers, for example, did not know of anyone lending for the purchase of raw land, whereas the regional bankers were open to the idea, assuming the project was fundamentally sound. There were also differences regarding underwriting requirements, such as required debt service coverage and loan to value ratios.

Differences also existed regarding the terms of loans at the various stages of development. Interest rates are predominately tied to LIBOR; local bankers, however, are more open to the idea of lending against Prime.

Several commonalities and trends, regarding loan terms, exist among all the lenders surveyed. For the purposes of this practicum, the following loan terms will be assumed.

	Raw Land	Construction	Permanent
Loan to Value	55%	65%	70%
Term	2 years	2 Years, (2) 6 Month Options	10 Year Term w/ 30 Year Amortization
Rate	LIBOR + 400 bps	LIBOR + 350 bps, 6% Floor	LIBOR + 300 bps, 5.5% Floor
Debt Service Coverage Ratio			1.20

Valuation

Based on the projected cash flows, and the preceding analysis of risk, a net present value can be determined. Assuming a 22 year hold period, an 11.03% required rate of return, and a terminal cap rate of 12.28%, the net present value of the investment is -\$1,572,589.

The supporting discounted cash flow spreadsheets are attached in Appendix D.

Recommendations

Although development for residential apartment use is not recommended for the subject property, four proposed recommendations exist for the current property owners. First, the property can be analyzed for possible office use to see if that development program is financially viable. Second, the owner can hold the property and wait for rental rates to surpass construction costs. Third, the owner can land bank the subject property, and incorporate it into another development, allowing for greater density on a second site. Finally, the owner can grant a permanent forest easement for the land to Baltimore County or the State of Maryland. This would allow the owner to take a tax deduction equal to the value of the unused development rights for the subject property.

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National Association of Home Builders. <http://www.nahb.org/>

Reed Construction Data. <http://www.reedconstructiondata.com/rsmeans/models/apartment/>

St. Agnes Hospital. <http://www.stagnes.org/>

United States Census Bureau. <http://www.census.gov/>

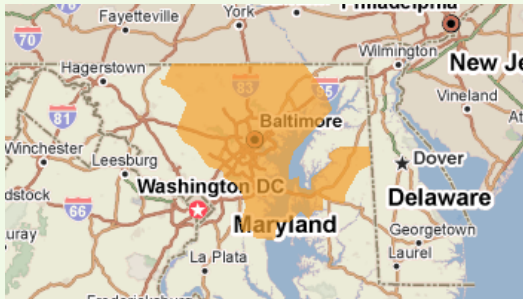
University of Maryland, Baltimore County. <http://www.umbc.edu/>

Appendix A – Demographic Data

- TRF Policy Map – *Community Profile Report*: Baltimore / Towson Metropolitan Statistical Area
- TRF Policy Map – *Community Profile Report*: Primary Market Area
- TRF Policy Map – *Community Profile Report*: Secondary Market Area
- TRF Policy Map – *Community Profile Report*: Primary & Secondary Market Areas



Current Report: Community Profile Report of Metro Area: Baltimore-Towson, MD Metropolitan Statistical Area



Date: May 3, 2010

Proposed Location:

This location, **Baltimore-Towson, MD Metropolitan Statistical Area** (Metro Area), is located in **Baltimore City County**, in the state of **Maryland**.

It is located within or touches the following census tract(s): *The number contained in the report area exceeds 100. When this happens, they are not shown in the report.*

Similarly, it is located within or touches the following zip code(s): *The number contained in the report area exceeds 100. When this happens, they are not shown in the report.*

Data presented in this report summarize the Metro Areas that this area covers. See Endnotes for a full explanation of how the data are calculated.

(-) This Area is Served by (or touches):

School District(s): Frederick County Public Schools, Baltimore County Public Schools, Montgomery County Public Schools, Prince George's County Public Schools, Harford County Public Schools, Carroll County Public Schools, Anne Arundel County Public Schools, Queen Annes County Public Schools, Cecil County Public Schools, Caroline County Public Schools, Talbot County Public Schools, Kent County Public Schools, Howard County Public Schools, Calvert County Public Schools, Baltimore City Public School System

Congressional District(s): Maryland District 1 (Frank M. Kratovil, Jr.), Maryland District 2 (Dutch Ruppersberger), Maryland District 3 (John P. Sarbanes), Maryland District 4 (Donna F. Edwards), Maryland District 5 (Steny H. Hoyer), Maryland District 6 (Roscoe Bartlett), Maryland District 7 (Elijah Cummings)

Senators: Benjamin L. Cardin (MD), Barbara A. Mikulski (MD)

State Senate District(s): Maryland State Senate District 004, Maryland State Senate District 005, Maryland State Senate District 006, Maryland State Senate District 007, Maryland State Senate District 008, Maryland State Senate District 009, Maryland State Senate District 010, Maryland State Senate District 011, Maryland State Senate District 012, Maryland State Senate District 013, Maryland State Senate District 014, Maryland State Senate District 021, Maryland State Senate District 023, Maryland State Senate District 027, Maryland State Senate District 030, Maryland State Senate District 031, Maryland State Senate District 032, Maryland State Senate District 033, Maryland State Senate District 034, Maryland State Senate District 035, Maryland State Senate District 036, Maryland State Senate District 037, Maryland State Senate District 040, Maryland State Senate District 041, Maryland State Senate District 042, Maryland State Senate District 043, Maryland State Senate District 044, Maryland State Senate District 045, Maryland State Senate District 046

State House District(s): Maryland State House District 006, Maryland State House District 007, Maryland State House District 008, Maryland State House District 010, Maryland State House District 011, Maryland State House District 013, Maryland State House District 014, Maryland State House District 021, Maryland State House District 030, Maryland State House District 031, Maryland State House District 032, Maryland State House District 036, Maryland State House District 040, Maryland State House District 041, Maryland State House District 042, Maryland State House District 043, Maryland State House District 044, Maryland State House District 045, Maryland State House District 046, Maryland State House District 04A, Maryland State House District 04B, Maryland State House District 05A, Maryland State House District 05B, Maryland State House District 09A, Maryland State House District 09B, Maryland State House District 12A, Maryland State House District 12B, Maryland State House District 23A, Maryland State House District 23B, Maryland State House District 27A, Maryland State House District 27B, Maryland State House District 33A, Maryland State House District 33B,

(-) Population Trends:

As of 2009, this area was home to an estimated **2,684,167** people. Population is projected to be **2,757,661** by 2014.

Population	2000	2009	2014	Projected Change 2009 to 2014 (%)
Area	N/A	2,684,167	2,757,661	2.74%
Counties (Baltimore)	754,292	793,827	815,904	2.78%
Counties (Anne Arundel)	489,656	514,826	528,483	2.65%
Counties (Harford)	218,590	242,946	255,711	5.25%
Counties (Queen Anne's)	40,563	47,654	51,532	8.14%
Counties (Carroll)	150,897	171,677	182,383	6.24%
Counties (Howard)	247,842	277,926	294,264	5.88%
Counties (Baltimore City)	651,154	635,311	629,384	-0.93%
State (Maryland)	5,296,486	5,662,381	5,860,415	3.5%

(-) Racial Characteristics:

Of the people living in this area in 2009, **63.85%** are White, **28.84%** are African American, **3.3%** are Hispanic, **3.87%** are Asian, **0.05%** are either Native Hawaiian or Pacific Islander, **0.3%** are American Indian or Alaskan Native, **1.06%** are of "some other race" and **2.03%** are of two or more races. In the table below, the percentage of the population that each segment represents in the report area is compared to the percent it represents in the state.

Between 2009 and 2014, the White population is expected to change by **-0.55%**, the African American population by **5.92%**, and Asian population by **20.07%**. The number of Hispanics will change by **24.63%**.

Race	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
White	N/A	1,713,720	1,704,252	63.85%	60.41%
African American	N/A	774,139	819,997	28.84%	29.07%
Asian	N/A	103,758	124,580	3.87%	5.02%
Native Hawaiian or Pacific Islander	N/A	1,416	1,642	0.05%	0.06%
American Indian or Alaskan Native	N/A	8,085	8,732	0.3%	0.32%
Some Other Race	N/A	28,437	34,484	1.06%	2.65%
Two or More Races	N/A	54,612	63,974	2.03%	2.48%

Ethnicity	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
Hispanic	N/A	88,493	110,285	3.3%	6.6%

(-) Age Distribution:

In the report area in 2009, **12.55%** of the population is over the age of 65. **63.59%** are of working age (18-64). **23.86%** are under 18, and **6.49%** are under 5 years old.

Age	Number of People in Age Group	Percent of People in Age Group	Percent of People in Age Group (Maryland)
Under 5	174,275	6.49%	6.66%
Under 18	640,405	23.86%	24.1%
Working Age (18-64)	1,706,892	63.59%	63.69%
Aging (65+)	336,870	12.55%	12.21%

(-) Incomes:

The median household income for the study area was **\$64,510**, compared to a state median of **\$68,668**, as estimated for 2009 by Claritas.

The number of households divided by income categories is shown in the Annual Income Category table. In 2009, **38.75%** of households in the study area had an annual income of less than \$50,000, compared to **35.53%** of people in the state.

2009 Annual Income Category	Number of Households	Percent of Households
Metro Area (Baltimore-Towson, MD Metropolitan Statistical Area)		
Less than \$25,000	178,639	17.35%
Less than \$50,000	398,896	38.75%
Less than \$75,000	594,030	57.71%
Less than \$150,000	911,801	88.58%
\$150,000 or more	117,570	11.42%
County (Baltimore)		
Less than \$25,000	48,664	15.35%
Less than \$50,000	124,560	39.28%
Less than \$75,000	191,439	60.37%
Less than \$150,000	287,886	90.79%
\$150,000 or more	29,199	9.21%
County (Anne Arundel)		
Less than \$25,000	17,938	9.34%
Less than \$50,000	50,273	26.18%
Less than \$75,000	86,844	45.23%
Less than \$150,000	160,946	83.82%
\$150,000 or more	31,072	16.18%
County (Harford)		
Less than \$25,000	9,730	10.69%
Less than \$50,000	27,451	30.16%
Less than \$75,000	46,818	51.44%
Less than \$150,000	81,459	89.5%
\$150,000 or more	9,556	10.5%
County (Queen Anne's)		
Less than \$25,000	2,401	13.12%
Less than \$50,000	5,537	30.25%
Less than \$75,000	8,890	48.57%
Less than \$150,000	15,818	86.41%

\$150,000 or more	2,487	13.59%
County (Carroll)		
Less than \$25,000	6,015	9.93%
Less than \$50,000	16,080	26.56%
Less than \$75,000	27,603	45.59%
Less than \$150,000	52,398	86.54%
\$150,000 or more	8,152	13.46%
County (Howard)		
Less than \$25,000	6,486	6.42%
Less than \$50,000	18,957	18.76%
Less than \$75,000	34,539	34.18%
Less than \$150,000	74,465	73.68%
\$150,000 or more	26,598	26.32%
County (Baltimore City)		
Less than \$25,000	87,405	35.06%
Less than \$50,000	156,038	62.58%
Less than \$75,000	197,897	79.37%
Less than \$150,000	238,829	95.79%
\$150,000 or more	10,506	4.21%
State (Maryland)		
Less than \$25,000	320,303	15.05%
Less than \$50,000	756,162	35.53%
Less than \$75,000	1,164,462	54.71%
Less than \$150,000	1,852,270	87.02%
\$150,000 or more	276,260	12.98%

According to Claritas estimates, the median income for a family in 2009 was **\$79,233**, compared to the state median family income of **\$82,923**.

(-) Immigration:

Data from the U.S. Census Bureau in 2000 indicate that **146,128** people or **N/A** of the population living in this area were "foreign born". Census defines foreign born as anyone who is not a U.S. citizen at birth. At this time, more recent estimates do not exist for the report area, but this area is located in Maryland, which, according to the Department of Homeland Security, was home to **27,062** people who were granted Legal Permanent Residence status in 2008. Those LPRs, or "green cards", represent **2.44%** of green cards issued in the nation that year.

(-) Households and Families:

The composition of the **1,029,371** households who reside in the study area is shown in the table below. Households refer to the person or group of people living in any one housing unit. Families, though, are groups of related people who live together. Generally, households that do not contain a family are made up of unrelated people living together (eg, roommates) or people living alone. While it is possible for two families to share a household, the difference between the number of households and the number of families in an area shows, approximately, the number of non-family households in a place.

2009 Household Composition	Number of Households	Percent of Households
Metro Area (Baltimore-Towson, MD Metropolitan Statistical Area)		

Households	1,029,371	--
Married with Children	243,654	23.67%
Single with Children	130,078	12.64%
Single Female with Children	102,187	9.93%
Other Households	553,452	53.77%
County (Baltimore)		
Households	317,085	--
Married with Children	71,093	22.42%
Single with Children	34,605	10.91%
Single Female with Children	26,554	8.37%
Other Households	184,833	58.29%
County (Anne Arundel)		
Households	192,018	--
Married with Children	53,936	28.09%
Single with Children	19,891	10.36%
Single Female with Children	14,508	7.56%
Other Households	103,683	54%
County (Harford)		
Households	91,015	--
Married with Children	29,069	31.94%
Single with Children	8,692	9.55%
Single Female with Children	6,278	6.9%
Other Households	46,976	51.61%
County (Queen Anne's)		
Households	18,305	--
Married with Children	5,006	27.35%
Single with Children	1,726	9.43%
Single Female with Children	1,221	6.67%
Other Households	10,352	56.55%
County (Carroll)		
Households	60,550	--
Married with Children	20,892	34.5%
Single with Children	4,828	7.97%
Single Female with Children	3,306	5.46%
Other Households	31,524	52.06%
County (Howard)		
Households	101,063	--
Married with Children	34,104	33.75%
Single with Children	8,624	8.53%
Single Female with Children	6,509	6.44%
Other Households	51,826	51.28%
County (Baltimore City)		
Households	249,335	--

Married with Children	29,554	11.85%
Single with Children	51,712	20.74%
Single Female with Children	43,811	17.57%
Other Households	124,258	49.84%
State (Maryland)		
Households	2,128,530	--
Married with Children	536,766	25.22%
Single with Children	260,960	12.26%
Single Female with Children	202,442	9.51%
Other Households	1,128,362	53.01%

The average size of a household in this area was **2.54** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore)**, **2.6 (Anne Arundel)**, **2.65 (Harford)**, **2.57 (Queen Anne's)**, **2.77 (Carroll)**, **2.71 (Howard)**, **2.44 (Baltimore City)** and **2.59 (Maryland)** respectively.

2009 Family Counts	Number of Families
Metro Area (Baltimore-Towson, MD Metropolitan Statistical Area)	
Families	695,098
County (Baltimore)	
Families	210,002
County (Anne Arundel)	
Families	138,845
County (Harford)	
Families	69,007
County (Queen Anne's)	
Families	13,795
County (Carroll)	
Families	47,393
County (Howard)	
Families	73,842
County (Baltimore City)	
Families	142,214
State (Maryland)	
Families	1,466,953

(-) Housing Type:

The type of housing available in this area, as estimated for 2009 by Claritas, is described in the table below. Single family homes include all one-unit structures, both attached and detached. Townhouses or duplexes include one-unit attached homes, as well as housing units with two units. Units in small apartment building are buildings with 3 to 49 units; large apartment buildings include buildings with 50 units or more. Other types of housing include vans, boats, recreational vehicles, or other units.

2009 Housing Stock	Number of Units	Percent of Units
Metro Area (Baltimore-Towson, MD Metropolitan Statistical Area)		
Single family detached homes	505,804	45.54%
Single family attached homes	312,989	28.18%

2-unit homes and duplexes	30,558	2.75%
Units in small apartment buildings	201,535	18.14%
Units in large apartment buildings	44,691	4.02%
Mobile homes or manufactured housing	14,892	1.34%
Other types	297	0.03%
County (Baltimore)		
Single family detached homes	156,303	47.24%
Single family attached homes	80,229	24.25%
2-unit homes and duplexes	5,214	1.58%
Units in small apartment buildings	73,887	22.33%
Units in large apartment buildings	12,440	3.76%
Mobile homes or manufactured housing	2,727	0.82%
Other types	51	0.02%
County (Anne Arundel)		
Single family detached homes	127,911	62.98%
Single family attached homes	36,804	18.12%
2-unit homes and duplexes	2,417	1.19%
Units in small apartment buildings	28,663	14.11%
Units in large apartment buildings	2,767	1.36%
Mobile homes or manufactured housing	4,445	2.19%
Other types	100	0.05%
County (Harford)		
Single family detached homes	59,271	61.33%
Single family attached homes	17,828	18.45%
2-unit homes and duplexes	891	0.92%
Units in small apartment buildings	13,852	14.33%
Units in large apartment buildings	1,052	1.09%
Mobile homes or manufactured housing	3,721	3.85%
Other types	20	0.02%
County (Queen Anne's)		
Single family detached homes	16,550	82.69%
Single family attached homes	1,153	5.76%
2-unit homes and duplexes	279	1.39%
Units in small apartment buildings	1,027	5.13%
Units in large apartment buildings	21	0.1%
Mobile homes or manufactured housing	979	4.89%
Other types	5	0.02%
County (Carroll)		
Single family detached homes	48,976	78.32%
Single family attached homes	5,445	8.71%
2-unit homes and duplexes	1,881	3.01%
Units in small apartment buildings	4,842	7.74%
Units in large apartment buildings	572	0.91%

Mobile homes or manufactured housing	800	1.28%
Other types	16	0.03%
County (Howard)		
Single family detached homes	57,634	54.73%
Single family attached homes	21,742	20.65%
2-unit homes and duplexes	462	0.44%
Units in small apartment buildings	20,300	19.28%
Units in large apartment buildings	3,050	2.9%
Mobile homes or manufactured housing	2,069	1.96%
Other types	46	0.04%
County (Baltimore City)		
Single family detached homes	39,159	13.4%
Single family attached homes	149,788	51.24%
2-unit homes and duplexes	19,414	6.64%
Units in small apartment buildings	58,964	20.17%
Units in large apartment buildings	24,789	8.48%
Mobile homes or manufactured housing	151	0.05%
Other types	59	0.02%
State (Maryland)		
Single family detached homes	1,214,946	52.21%
Single family attached homes	476,602	20.48%
2-unit homes and duplexes	47,263	2.03%
Units in small apartment buildings	420,856	18.09%
Units in large apartment buildings	119,004	5.11%
Mobile homes or manufactured housing	47,428	2.04%
Other types	905	0.04%

(-) Tenure:

Across the area, an estimated **67.8%** or **697,895** households owned their home in 2009. By 2014, **722,948** households are projected to own their homes. The average size of a household in this area was **2.54** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore)**, **2.6 (Anne Arundel)**, **2.65 (Harford)**, **2.57 (Queen Anne's)**, **2.77 (Carroll)**, **2.71 (Howard)**, **2.44 (Baltimore City)** and **2.59 (Maryland)** respectively.

(-) Vacancy:

There were **1,110,766** housing units found in the study area in 2009, according to Claritas projections. In 2000, the Census showed **N/A** of housing units to be in the category "other vacant," compared to **1.76%** in the state. This way of counting vacant properties excludes units that are vacant because they are for sale or for rent. Also excluded are seasonal use properties. This vacancy category is a typical indicator of neighborhood distress.

The US Postal Service tracks vacancy rates on a quarterly basis, showing vacancy trends over the short term. In the third quarter of 2009, the vacancy rate in this area **ranged from 0.45% to 7.54% .**

USPS Vacancy Rates	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Metro Area (Baltimore-Towson, MD Metropolitan Statistical Area)							

Number Vacant	37,735	36,806	36,538	37,616	38,524	39,811	39,129
Percent Vacant	Ranged From 0.45% to 8.13%	Ranged From 0.42% to 7.71%	Ranged From 0.4% to 7.54%	Ranged From 0.4% to 7.67%	Ranged From 0.37% to 7.77%	Ranged From 0.38% to 7.86%	Ranged From 0.45% to 7.54%

(-) Employment:

The following table shows the number of people who were employed, unemployed, in the labor force, and the unemployment rate for the market in which the report area is located, according to the Bureau of Labor Statistics.

2000-2008 Employment	2000	2001	2002	2003	2004	2005	2006	2007	2008
City (Baltimore)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
City (Annapolis)									
Employed	19,898	19,926	19,978	19,845	19,936	19,921	20,441	20,600	20,470
Unemployed	733	845	966	938	913	723	690	638	791
In Labor Force	20,631	20,771	20,944	20,783	20,849	20,644	21,131	21,238	21,261
Unemployment Rate	3.6	4.1	4.6	4.5	4.4	3.5	3.3	3	3.7
County (Baltimore)									
Employed	394,250	393,571	394,097	392,630	394,508	402,357	412,293	414,138	411,531
Unemployed	15,191	17,155	19,127	19,542	18,453	17,959	16,522	15,428	19,506
In Labor Force	409,441	410,726	413,224	412,172	412,961	420,316	428,815	429,566	431,037
Unemployment Rate	3.7	4.2	4.6	4.7	4.5	4.3	3.9	3.6	4.5
County (Anne Arundel)									
Employed	260,150	260,513	261,203	259,463	260,652	265,477	270,756	272,932	271,214
Unemployed	8,118	9,355	10,694	10,386	10,109	9,678	9,121	8,586	10,889
In Labor Force	268,268	269,868	271,897	269,849	270,761	275,155	279,877	281,518	282,103
Unemployment Rate	3	3.5	3.9	3.8	3.7	3.5	3.3	3	3.9
County (Harford)									
Employed	116,298	116,817	118,346	119,216	120,722	124,414	128,421	127,980	127,175
Unemployed	3,910	4,528	5,268	5,428	5,098	5,103	4,711	4,493	5,599
In Labor Force	120,208	121,345	123,614	124,644	125,820	129,517	133,132	132,473	132,774
Unemployment Rate	3.3	3.7	4.3	4.4	4.1	3.9	3.5	3.4	4.2
County (Queen Anne's)									
Employed	22,065	22,217	22,781	23,202	23,560	24,222	25,122	25,363	25,203
Unemployed	698	793	860	923	879	878	854	825	1,097
In Labor Force	22,763	23,010	23,641	24,125	24,439	25,100	25,976	26,188	26,300
Unemployment Rate	3.1	3.4	3.6	3.8	3.6	3.5	3.3	3.2	4.2
County (Carroll)									
Employed	81,665	82,517	84,353	85,408	86,830	89,085	92,067	91,726	91,149
Unemployed	2,505	2,757	3,160	3,238	3,144	3,048	2,939	2,815	3,556
In Labor Force	84,170	85,274	87,513	88,646	89,974	92,133	95,006	94,541	94,705
Unemployment Rate	3	3.2	3.6	3.7	3.5	3.3	3.1	3	3.8

County (Howard)									
Employed	141,360	143,217	144,629	145,021	146,193	149,792	154,946	156,016	155,034
Unemployed	3,648	4,494	5,211	5,061	4,929	4,770	4,446	4,115	5,021
In Labor Force	145,008	147,711	149,840	150,082	151,122	154,562	159,392	160,131	160,055
Unemployment Rate	2.5	3	3.5	3.4	3.3	3.1	2.8	2.6	3.1
County (Baltimore City)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
State (Maryland)									
Employed	2,711,382	2,712,268	2,733,103	2,741,325	2,761,583	2,810,748	2,871,176	2,882,447	2,867,178
Unemployed	100,275	114,779	128,318	128,702	123,657	121,198	112,761	105,251	130,531
In Labor Force	2,811,657	2,827,047	2,861,421	2,870,027	2,885,240	2,931,946	2,983,937	2,987,698	2,997,709
Unemployment Rate	3.6	4.1	4.5	4.5	4.3	4.1	3.8	3.5	4.4

The following Cities that are within or contain the report area have no data available: **Eldersburg, Ellicott City, Columbia, Edgemere, Edgewood, Dundalk, Bel Air North, Bel Air South, Severna Park, Towson, Lake Shore, Fallston, Catonsville, Severn, Arnold, Glen Burnie, Pikesville, Odenton, Aberdeen Proving Ground, Essex, Parole, Cockeysville, North Laurel, Randallstown, Kingsville, Owings Mills, Woodlawn, Jarrettsville, Middle River, Burtonsville, Elkridge, Shady Side, Pasadena, Ashton-Sandy Spring, Lutherville-Timonium, Joppatowne, Rosedale, Carney, Perry Hall, Chester, Milford Mill, Aberdeen, Fort Meade, Arbutus, Westminster, South Gate, Bowleys Quarters, Stevensville, Havre de Grace, Hampton, Lochearn, Perryman, Crownsville, Rossville, White Marsh, Reisterstown, Grasonville, Crofton, Savage-Guilford, Selby-on-the-Bay, Mayo, Deale, Pleasant Hills, Parkville, Jessup, Linthicum, West Laurel, Lansdowne-Baltimore Highlands, Mount Airy, Ferndale, Laurel, Owings, Londontowne, Mays Chapel, Green Haven, Riviera Beach, Garrison, Overlea, Brooklyn Park, Taneytown, Bel Air, Riva, Hampstead, Pumphrey, Maryland City, Kent Narrows, Cape St. Claire, Kingstown, Riverside, Manchester, Herald Harbor, Centreville, Hillsmere Shores, Arden-on-the-Severn, Sykesville, Naval Academy, Union Bridge, New Windsor, Church Hill, Queenstown, Sudlersville, Barclay, Queen Anne, Templeville, Highland Beach**

In this area in 2009, Claritas estimates that people were employed in the following industries:

Employment by Industry	People Employed	Percent Employed in this Industry	Percent Employed in this Industry in Maryland
Accommodation and Food Services Industry Employment	68,316	5.1%	5.13%
Administrative and Support and Waste Management Services Industries Employment	44,976	3.36%	3.36%
Agriculture, Forestry, Fishing and Hunting Industry Employment	5,234	0.39%	0.63%
Arts, Entertainment, and Recreation Industries Employment	20,619	1.54%	1.58%
Educational Service Industry Employment	124,539	9.31%	9.03%
Finance, Insurance, Real Estate and Rental and Leasing Industries Employment	103,565	7.74%	7.17%
Health Care and Social Assistance Industry Employment	165,738	12.38%	11.51%
Information Industry Employment	46,232	3.45%	3.96%

Manufacturing Industry Employment	112,114	8.38%	7.29%
Management of Companies and Enterprises Industry Employment	605	0.05%	0.04%
Other Services Industry Employment	67,677	5.06%	5.54%
Professional, Scientific, and Technical Services Industry Employment	105,257	7.86%	9.05%
Public Administration Employment	125,313	9.36%	10.59%
Retail Trade Industry Employment	145,011	10.84%	10.48%
Construction Industry Employment	90,230	6.74%	6.98%
Transportation and Warehousing, and Utilities Industries Employment	66,870	5%	4.86%
Wholesale Trade Industry Employment	46,001	3.44%	2.79%

(-) Crime:

The crime rates per 100,000 persons in the Census Place and county in which the study area is located, as reported by the FBI's Uniform Crime Reports, are as follows. Data was reported by the FBI for selected Census Places and counties, so data may be unavailable for your study area.

Crime Rates per 100,000 persons	2005	2006	2007	2008
City (Annapolis)				
Aggravated Assault	668.62	725.29	682.9	474.33
Burglary	4,115.86	4,876.51	4,366.19	3,941.88
Motor Vehicle Thefts	411.04	502.76	534.8	378.92
Murder	10.96	19.23	21.94	21.81
Rape	30.14	35.72	13.71	21.81
Robbery	509.69	634.63	510.12	354.39
City (Aberdeen)				
Aggravated Assault	N/A	404.35	493.41	457.31
Burglary	N/A	5,089.24	4,687.39	4,194.36
Motor Vehicle Thefts	N/A	432.24	260.8	264.38
Murder	N/A	6.97	N/A	N/A
Rape	N/A	13.94	28.19	28.58
Robbery	N/A	285.83	289	221.51
City (Westminster)				
Aggravated Assault	463.38	600.79	587.71	566.49
Burglary	4,209.99	3,964.07	3,886.67	3,668.18
Motor Vehicle Thefts	214.74	157.22	210.69	106.57
Murder	5.65	5.61	N/A	N/A
Rape	N/A	N/A	N/A	N/A
Robbery	96.07	140.37	66.53	44.87
City (Havre de Grace)				
Aggravated Assault	521.68	478.31	397.33	337.04
Burglary	3,882.66	3,692.2	2,868.72	3,408.66
Motor Vehicle Thefts	162.49	184.61	158.93	99.58
Murder	N/A	N/A	N/A	15.32

Rape	N/A	N/A	7.95	22.98
Robbery	196.7	142.65	71.52	114.9
City (Laurel)				
Aggravated Assault	414.94	292.98	362.22	378.3
Burglary	4,352.13	4,561.44	4,206.28	4,285.85
Motor Vehicle Thefts	1,301.4	964.57	1,000.63	991.88
Murder	9.43	N/A	4.53	9.23
Rape	42.44	4.51	22.64	27.68
Robbery	447.94	338.05	362.22	313.71
City (Taneytown)				
Aggravated Assault	73.23	54.86	18.07	109.87
Burglary	1,885.76	2,450.62	2,132.66	2,160.78
Motor Vehicle Thefts	36.62	73.15	72.29	18.31
Murder	N/A	N/A	N/A	N/A
Rape	N/A	N/A	18.07	N/A
Robbery	N/A	18.29	18.07	18.31
City (Bel Air)				
Aggravated Assault	542.33	537.8	684.93	434.69
Burglary	5,142.11	4,421.87	3,722.45	5,155.68
Motor Vehicle Thefts	230.99	298.78	208.46	232.51
Murder	N/A	9.96	N/A	N/A
Rape	10.04	N/A	39.71	20.22
Robbery	120.52	189.22	138.97	272.95
City (Hampstead)				
Aggravated Assault	36.64	91.47	18.07	72.65
Burglary	1,612.31	1,408.71	2,402.89	2,252.09
Motor Vehicle Thefts	128.25	146.36	72.27	72.65
Murder	N/A	N/A	N/A	N/A
Rape	N/A	N/A	N/A	18.16
Robbery	N/A	18.29	N/A	36.32
City (Manchester)				
Aggravated Assault	505.05	224.28	N/A	139.98
Burglary	1,571.27	1,233.53	1,413.13	1,063.83
Motor Vehicle Thefts	56.12	224.28	110.83	83.99
Murder	N/A	N/A	N/A	N/A
Rape	N/A	28.03	N/A	N/A
Robbery	N/A	N/A	27.71	N/A
City (Centreville)				
Aggravated Assault	117.51	299.96	64.54	28.2
Burglary	4,700.35	3,149.61	2,000.65	1,466.44
Motor Vehicle Thefts	391.7	37.5	64.54	N/A
Murder	N/A	N/A	N/A	N/A
Rape	78.34	N/A	N/A	N/A

Robbery	78.34	N/A	N/A	N/A
County (Baltimore)				
Aggravated Assault	N/A	437.04	433.7	383.21
Burglary	N/A	2,939.24	2,998.6	3,061.23
Motor Vehicle Thefts	N/A	439.32	429.24	373.31
Murder	N/A	4.44	4.58	3.94
Rape	N/A	18.14	19.22	19.3
Robbery	N/A	265.14	227.48	219.67
County (Anne Arundel)				
Aggravated Assault	465.61	447.61	452.61	425.12
Burglary	3,007.15	3,052.45	3,287.72	3,466.92
Motor Vehicle Thefts	297.4	322.87	328.04	309.31
Murder	3.71	5.66	4.53	4.3
Rape	17.17	21.47	17.71	21.32
Robbery	168.8	184.08	179.08	158.47
County (Harford)				
Aggravated Assault	261.18	241.34	273.04	233.23
Burglary	1,917.54	1,801.48	1,873.83	1,999.48
Motor Vehicle Thefts	151.23	182.15	192.33	167.25
Murder	0.84	3.75	3.29	2.49
Rape	12.64	15.01	20.59	27.39
Robbery	81.3	84.2	87.31	101.68
County (Queen Anne's)				
Aggravated Assault	90.27	247.06	252.66	280.76
Burglary	1,941.83	2,059.6	1,918.51	1,903.61
Motor Vehicle Thefts	105.68	100.58	104.92	119.11
Murder	2.2	N/A	N/A	2.13
Rape	33.02	8.75	12.85	31.9
Robbery	33.02	24.05	38.54	27.65
County (Carroll)				
Aggravated Assault	198.9	173.37	168.18	174.94
Burglary	1,557.12	1,525.42	1,523.48	1,625.51
Motor Vehicle Thefts	101.54	75.15	77.4	72.79
Murder	1.19	0.59	0.58	0.59
Rape	17.32	14.2	18.04	12.33
Robbery	21.5	33.14	22.11	23.48
County (Howard)				
Aggravated Assault	113.85	110.29	110.36	147.7
Burglary	2,468.29	2,407.15	2,443.34	2,809.29
Motor Vehicle Thefts	202.4	242.79	201.36	194.27
Murder	1.49	1.85	1.83	1.46
Rape	15.63	15.54	13.16	13.1
Robbery	97.85	103.26	90.26	94.22

County (Baltimore City)				
Aggravated Assault	N/A	N/A	N/A	899.69
Burglary	N/A	N/A	N/A	4,102.28
Motor Vehicle Thefts	N/A	N/A	N/A	874.79
Murder	N/A	N/A	N/A	37.03
Rape	N/A	N/A	N/A	21.59
Robbery	N/A	N/A	N/A	639.98

The following Cities that are within or contain the report area have no data available: **Baltimore, Eldersburg, Ellicott City, Columbia, Edgemere, Edgewood, Dundalk, Bel Air North, Bel Air South, Severna Park, Towson, Lake Shore, Fallston, Catonsville, Severn, Arnold, Glen Burnie, Pikesville, Odenton, Aberdeen Proving Ground, Essex, Parole, Cockeysville, North Laurel, Randallstown, Kingsville, Owings Mills, Woodlawn, Jarrettsville, Middle River, Burtonsville, Elkridge, Shady Side, Pasadena, Ashton-Sandy Spring, Lutherville-Timonium, Joppatowne, Rosedale, Carney, Perry Hall, Chester, Milford Mill, Fort Meade, Arbutus, South Gate, Bowleys Quarters, Stevensville, Hampton, Lochearn, Perryman, Crownsville, Rossville, White Marsh, Reisterstown, Grasonville, Crofton, Savage-Guilford, Selby-on-the-Bay, Mayo, Deale, Pleasant Hills, Parkville, Jessup, Linthicum, West Laurel, Lansdowne-Baltimore Highlands, Mount Airy, Ferndale, Owings, Londontowne, Mays Chapel, Green Haven, Riviera Beach, Garrison, Overlea, Brooklyn Park, Riva, Pumphrey, Maryland City, Kent Narrows, Cape St. Claire, Kingstown, Riverside, Herald Harbor, Hillsmere Shores, Arden-on-the-Severn, Sykesville, Naval Academy, Union Bridge, New Windsor, Church Hill, Queenstown, Sudlersville, Barclay, Queen Anne, Templeville, Highland Beach**

(-) Endnotes:

Calculations presented here were performed by staff at The Reinvestment Fund and are based on public and proprietary data sources that have been licensed for use in PolicyMap.

Depending on the type of size of the area selected for this report, the above values capture data for the block groups, tracts, counties, etc, in which at least 50% of their areas are contained. If this report is run for a zip code, some data will be unavailable, as zip code values for some topics are not available through the Census.

The source of data on rental units, gross rent, cost burden, and vacancy are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Metro Areas: **Baltimore-Towson, MD Metropolitan Statistical Area**. Estimates and projections of tenure, incomes, household composition, and housing stock are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Metro Areas:

Baltimore-Towson, MD Metropolitan Statistical Area. For more information on demographic data in PolicyMap, see the related entries for [Census](#) and [Claritas](#) in our Data Directory.

The source of data on population trends, racial characteristics, age distribution, incomes, foreign born population, households, housing type, tenure, and employment are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Metro Areas: **Baltimore-Towson, MD Metropolitan Statistical Area**. Estimates and projections of all of these topics, except foreign born population, are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Metro Areas: **Baltimore-Towson, MD Metropolitan Statistical Area**. Data on legal permanent residents is from the Department of Homeland Security, and, for all areas, describes the state in which that area is located. For more information on demographic data in PolicyMap, see the related entries for [Census](#), [Claritas](#), and [Department of Homeland Security Immigration Yearbook](#) in our Data Directory.

The source of crime data in the tables presented here is Federal Bureau of Investigation's Uniform Crime Reporting

(UCR) Program, which compiles standardized incident reports from local law enforcement agencies in order to produce reliable, uniform, and national crime data. The UCR Program collects data on known offenses and persons arrested by law enforcement agencies. For details on this dataset, see the related entry for [FBI Uniform Crime Reports](#) in the Data Directory. Crime data in this report is not summed or aggregated, but rather listed for each of the complete areas within the study area for which crime is reported.

For the separate Employment and Crime Sections in this report, only locations for which data are available are included in the tables. If the section does not include information, no data was available for any of the locations or component parts of the area you requested for this report.

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Community Profile Report by Pre-defined Location for **Baltimore-Towson, MD Metropolitan Statistical Area** (Metro Area)
05/03/2010
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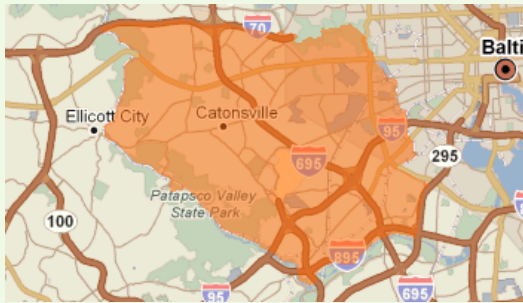


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Current Report: Community Profile Report of Custom Region: Primary



Date: April 24, 2010

Proposed Area:

This area is located in **Anne Arundel*** County, **Howard*** County, **Baltimore City*** County, and **Baltimore** County, in the state of **Maryland**.

It is located within or touches the following census tract(s): **601101, 750600, 602100, 750500, 400400, 601201, 430400, 602700, 401503, 401501, 602800, 400500, 401504, 602600, 430600, 430300, 602900, 401102, 280301, 750300, 401101, 401400, 250103, 250206, 210200, 250205, 401505, 430700, 401602, 400100, 280403, 200600, 430200, 280401, 400800, 150900, 430101, 430900, 430800, 401000, 160802, 200701, 400701, 401301, 200800, 250303, 400900, 400600, 160700, 250101, 200200, 400200, 280404, 401601, 250102, 400702, 200500, 401302, 160600, 280402, 160801, 200400, 200702**.

Similarly, it is located within or touches the following zip code(s): **21043, 21228, 21244, 21075, 21227, 21207, 21090, 21230, 21229, 21216, 21223, 21250**.

Data presented in this report summarize the Zip Codes that this area covers. See Endnotes for a full explanation of how the data are calculated.

(-) This Area is Served by (or touches):

School District(s): Baltimore County Public Schools, Anne Arundel County Public Schools, Howard County Public Schools, Baltimore City Public School System

Congressional District(s): Maryland District 2 (Dutch Ruppersberger), Maryland District 3 (John P. Sarbanes), Maryland District 7 (Elijah Cummings)

Senators: Benjamin L. Cardin (MD), Barbara A. Mikulski (MD)

State Senate District(s): Maryland State Senate District 009, Maryland State Senate District 010, Maryland State Senate District 012, Maryland State Senate District 032, Maryland State Senate District 040, Maryland State Senate District 041, Maryland State Senate District 044, Maryland State Senate District 046

State House District(s): Maryland State House District 010, Maryland State House District 032, Maryland State House District 040, Maryland State House District 041, Maryland State House District 044, Maryland State House District 046, Maryland State House District 09A, Maryland State House District 12A

(-) Population Trends:

As of 2009, this area was home to an estimated **129,367** people. Population is projected to be **128,880** by 2014.

Population	2000	2009	2014	Projected Change 2009 to 2014 (%)
Area	N/A	129,367	128,880	-0.38%
Counties (Baltimore)	754,292	793,827	815,904	2.78%
Counties (Anne Arundel)	489,656	514,826	528,483	2.65%
Counties (Howard)	247,842	277,926	294,264	5.88%
Counties (Baltimore City)	651,154	635,311	629,384	-0.93%
State (Maryland)	5,296,486	5,662,381	5,860,415	3.5%

(-) Racial Characteristics:

Of the people living in this area in 2009, **51.21%** are White, **41.03%** are African American, **2.92%** are Hispanic, **4.4%** are Asian, **0.06%** are either Native Hawaiian or Pacific Islander, **0.27%** are American Indian or Alaskan Native, **1.01%** are of "some other race" and **2.03%** are of two or more races. In the table below, the percentage of the population that each segment represents in the report area is compared to the percent it represents in the state.

Between 2009 and 2014, the White population is expected to change by **-6.7%**, the African American population by **4.6%**, and Asian population by **14.03%**. The number of Hispanics will change by **21.83%**.

Race	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
White	N/A	66,246	61,809	51.21%	60.41%
African American	N/A	53,082	55,523	41.03%	29.07%
Asian	N/A	5,689	6,487	4.4%	5.02%
Native Hawaiian or Pacific Islander	N/A	79	95	0.06%	0.06%
American Indian or Alaskan Native	N/A	344	377	0.27%	0.32%
Some Other Race	N/A	1,302	1,544	1.01%	2.65%
Two or More Races	N/A	2,625	3,045	2.03%	2.48%

Ethnicity	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
Hispanic	N/A	3,780	4,605	2.92%	6.6%

(-) Age Distribution:

In the report area in 2009, **15.11%** of the population is over the age of 65. **61.63%** are of working age (18-64). **23.26%** are under 18, and **6.66%** are under 5 years old.

Age	Number of People in Age Group	Percent of People in Age Group	Percent of People in Age Group (Maryland)
Under 5	8,614	6.66%	6.66%
Under 18	30,092	23.26%	24.1%
Working Age (18-64)	79,733	61.63%	63.69%
Aging (65+)	19,542	15.11%	12.21%

(-) Incomes:

The median household income for the study area **n/a**, compared to a state median of **\$68,668**, as estimated for 2009 by Claritas.

The number of households divided by income categories is shown in the Annual Income Category table. In 2009, **47.41%** of households in the study area had an annual income of less than \$50,000, compared to **35.53%** of people in the state.

2009 Annual Income Category	Number of Households	Percent of Households
Primary		
Less than \$25,000	10,818	21.61%
Less than \$50,000	23,729	47.41%
Less than \$75,000	34,139	68.21%
Less than \$150,000	47,437	94.78%

\$150,000 or more	2,612	5.22%
County (Baltimore)		
Less than \$25,000	48,664	15.35%
Less than \$50,000	124,560	39.28%
Less than \$75,000	191,439	60.37%
Less than \$150,000	287,886	90.79%
\$150,000 or more	29,199	9.21%
County (Anne Arundel)		
Less than \$25,000	17,938	9.34%
Less than \$50,000	50,273	26.18%
Less than \$75,000	86,844	45.23%
Less than \$150,000	160,946	83.82%
\$150,000 or more	31,072	16.18%
County (Howard)		
Less than \$25,000	6,486	6.42%
Less than \$50,000	18,957	18.76%
Less than \$75,000	34,539	34.18%
Less than \$150,000	74,465	73.68%
\$150,000 or more	26,598	26.32%
County (Baltimore City)		
Less than \$25,000	87,405	35.06%
Less than \$50,000	156,038	62.58%
Less than \$75,000	197,897	79.37%
Less than \$150,000	238,829	95.79%
\$150,000 or more	10,506	4.21%
State (Maryland)		
Less than \$25,000	320,303	15.05%
Less than \$50,000	756,162	35.53%
Less than \$75,000	1,164,462	54.71%
Less than \$150,000	1,852,270	87.02%
\$150,000 or more	276,260	12.98%

According to Claritas estimates, the median income for a family in 2009 **n/a**, compared to the state median family income of **\$82,923**.

(-) Immigration:

Data from the U.S. Census Bureau in 2000 indicate that **N/A** people or **N/A** of the population living in this area were "foreign born". Census defines foreign born as anyone who is not a U.S. citizen at birth. At this time, more recent estimates do not exist for the report area, but this area is located in Maryland, which, according to the Department of Homeland Security, was home to **27,062** people who were granted Legal Permanent Residence status in 2008. Those LPRs, or "green cards", represent **2.44%** of green cards issued in the nation that year.

(-) Households and Families:

The composition of the **50,049** households who reside in the study area is shown in the table below. Households refer to the person or group of people living in any one housing unit. Families, though, are groups of related people

who live together. Generally, households that do not contain a family are made up of unrelated people living together (eg, roommates) or people living alone. While it is possible for two families to share a household, the difference between the number of households and the number of families in an area shows, approximately, the number of non-family households in a place.

2009 Household Composition	Number of Households	Percent of Households
Primary		
Households	50,049	--
Married with Children	9,511	19%
Single with Children	7,593	15.17%
Single Female with Children	6,173	12.33%
Other Households	26,772	53.49%
County (Baltimore)		
Households	317,085	--
Married with Children	71,093	22.42%
Single with Children	34,605	10.91%
Single Female with Children	26,554	8.37%
Other Households	184,833	58.29%
County (Anne Arundel)		
Households	192,018	--
Married with Children	53,936	28.09%
Single with Children	19,891	10.36%
Single Female with Children	14,508	7.56%
Other Households	103,683	54%
County (Howard)		
Households	101,063	--
Married with Children	34,104	33.75%
Single with Children	8,624	8.53%
Single Female with Children	6,509	6.44%
Other Households	51,826	51.28%
County (Baltimore City)		
Households	249,335	--
Married with Children	29,554	11.85%
Single with Children	51,712	20.74%
Single Female with Children	43,811	17.57%
Other Households	124,258	49.84%
State (Maryland)		
Households	2,128,530	--
Married with Children	536,766	25.22%
Single with Children	260,960	12.26%
Single Female with Children	202,442	9.51%
Other Households	1,128,362	53.01%

The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore), 2.6 (Anne Arundel), 2.71 (Howard), 2.44 (Baltimore City)** and **2.59**

(Maryland) respectively.

2009 Family Counts	Number of Families
Primary	
Families	32,252
County (Baltimore)	
Families	210,002
County (Anne Arundel)	
Families	138,845
County (Howard)	
Families	73,842
County (Baltimore City)	
Families	142,214
State (Maryland)	
Families	1,466,953

(-) Housing Type:

The type of housing available in this area, as estimated for 2009 by Claritas, is described in the table below. Single family homes include all one-unit structures, both attached and detached. Townhouses or duplexes include one-unit attached homes, as well as housing units with two units. Units in small apartment building are buildings with 3 to 49 units; large apartment buildings include buildings with 50 units or more. Other types of housing include vans, boats, recreational vehicles, or other units.

2009 Housing Stock	Number of Units	Percent of Units
Primary		
Single family detached homes	19,284	36.77%
Single family attached homes	19,228	36.67%
2-unit homes and duplexes	2,127	4.06%
Units in small apartment buildings	9,029	17.22%
Units in large apartment buildings	2,665	5.08%
Mobile homes or manufactured housing	96	0.18%
Other types	10	0.02%
County (Baltimore)		
Single family detached homes	156,303	47.24%
Single family attached homes	80,229	24.25%
2-unit homes and duplexes	5,214	1.58%
Units in small apartment buildings	73,887	22.33%
Units in large apartment buildings	12,440	3.76%
Mobile homes or manufactured housing	2,727	0.82%
Other types	51	0.02%
County (Anne Arundel)		
Single family detached homes	127,911	62.98%
Single family attached homes	36,804	18.12%
2-unit homes and duplexes	2,417	1.19%
Units in small apartment buildings	28,663	14.11%

Units in large apartment buildings	2,767	1.36%
Mobile homes or manufactured housing	4,445	2.19%
Other types	100	0.05%
County (Howard)		
Single family detached homes	57,634	54.73%
Single family attached homes	21,742	20.65%
2-unit homes and duplexes	462	0.44%
Units in small apartment buildings	20,300	19.28%
Units in large apartment buildings	3,050	2.9%
Mobile homes or manufactured housing	2,069	1.96%
Other types	46	0.04%
County (Baltimore City)		
Single family detached homes	39,159	13.4%
Single family attached homes	149,788	51.24%
2-unit homes and duplexes	19,414	6.64%
Units in small apartment buildings	58,964	20.17%
Units in large apartment buildings	24,789	8.48%
Mobile homes or manufactured housing	151	0.05%
Other types	59	0.02%
State (Maryland)		
Single family detached homes	1,214,946	52.21%
Single family attached homes	476,602	20.48%
2-unit homes and duplexes	47,263	2.03%
Units in small apartment buildings	420,856	18.09%
Units in large apartment buildings	119,004	5.11%
Mobile homes or manufactured housing	47,428	2.04%
Other types	905	0.04%

(-) Tenure:

Across the area, an estimated **64.89%** or **32,477** households owned their home in 2009. By 2014, **32,423** households are projected to own their homes. The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore), 2.6 (Anne Arundel), 2.71 (Howard), 2.44 (Baltimore City) and 2.59 (Maryland)** respectively.

(-) Vacancy:

There were **52,439** housing units found in the study area in 2009, according to Claritas projections. In 2000, the Census showed **N/A** of housing units to be in the category "other vacant," compared to **1.76%** in the state. This way of counting vacant properties excludes units that are vacant because they are for sale or for rent. Also excluded are seasonal use properties. This vacancy category is a typical indicator of neighborhood distress.

The US Postal Service tracks vacancy rates on a quarterly basis, showing vacancy trends over the short term. In the third quarter of 2009, the vacancy rate in this area **ranged from 0% to 9.33%**.

USPS Vacancy Rates	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Primary							

Number Vacant	1,405	1,514	1,497	1,459	1,637	1,703	1,721
Percent Vacant	Ranged From 0% to 11.54%	Ranged From 0% to 10.14%	Ranged From 0% to 9.68%	Ranged From 0% to 9%	Ranged From 0% to 9.64%	Ranged From 0% to 9.49%	Ranged From 0% to 9.33%
County (Baltimore)							
Number Vacant	5,384	5,592	5,484	5,925	6,181	6,502	6,872
Percent Vacant	1.42%	1.47%	1.44%	1.55%	1.62%	1.7%	1.79%
County (Anne Arundel)							
Number Vacant	2,640	2,764	2,900	2,993	3,008	3,459	3,387
Percent Vacant	1.13%	1.18%	1.23%	1.27%	1.27%	1.46%	1.42%
County (Howard)							
Number Vacant	1,127	1,120	1,113	1,190	1,257	1,349	1,354
Percent Vacant	0.93%	0.92%	0.9%	0.97%	1.01%	1.09%	1.08%
County (Baltimore City)							
Number Vacant	26,887	25,510	25,157	25,526	26,041	26,290	25,373
Percent Vacant	8.13%	7.71%	7.54%	7.67%	7.77%	7.86%	7.54%

(-) Employment:

The following table shows the number of people who were employed, unemployed, in the labor force, and the unemployment rate for the market in which the report area is located, according to the Bureau of Labor Statistics.

2000-2008 Employment	2000	2001	2002	2003	2004	2005	2006	2007	2008
City (Baltimore)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
County (Baltimore)									
Employed	394,250	393,571	394,097	392,630	394,508	402,357	412,293	414,138	411,531
Unemployed	15,191	17,155	19,127	19,542	18,453	17,959	16,522	15,428	19,506
In Labor Force	409,441	410,726	413,224	412,172	412,961	420,316	428,815	429,566	431,037
Unemployment Rate	3.7	4.2	4.6	4.7	4.5	4.3	3.9	3.6	4.5
County (Anne Arundel)									
Employed	260,150	260,513	261,203	259,463	260,652	265,477	270,756	272,932	271,214
Unemployed	8,118	9,355	10,694	10,386	10,109	9,678	9,121	8,586	10,889

In Labor Force	268,268	269,868	271,897	269,849	270,761	275,155	279,877	281,518	282,103
Unemployment Rate	3	3.5	3.9	3.8	3.7	3.5	3.3	3	3.9
County (Howard)									
Employed	141,360	143,217	144,629	145,021	146,193	149,792	154,946	156,016	155,034
Unemployed	3,648	4,494	5,211	5,061	4,929	4,770	4,446	4,115	5,021
In Labor Force	145,008	147,711	149,840	150,082	151,122	154,562	159,392	160,131	160,055
Unemployment Rate	2.5	3	3.5	3.4	3.3	3.1	2.8	2.6	3.1
County (Baltimore City)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
State (Maryland)									
Employed	2,711,382	2,712,268	2,733,103	2,741,325	2,761,583	2,810,748	2,871,176	2,882,447	2,867,178
Unemployed	100,275	114,779	128,318	128,702	123,657	121,198	112,761	105,251	130,531
In Labor Force	2,811,657	2,827,047	2,861,421	2,870,027	2,885,240	2,931,946	2,983,937	2,987,698	2,997,709
Unemployment Rate	3.6	4.1	4.5	4.5	4.3	4.1	3.8	3.5	4.4

The following Cities that are within or contain the report area have no data available: **Catonsville, Woodlawn, Arbutus, Lansdowne-Baltimore Highlands**

In this area in 2009, Claritas estimates that people were employed in the following industries:

Employment by Industry	People Employed	Percent Employed in this Industry	Percent Employed in this Industry in Maryland
Accommodation and Food Services Industry Employment	3,291	5.41%	5.13%
Administrative and Support and Waste Management Services Industries Employment	2,188	3.6%	3.36%
Agriculture, Forestry, Fishing and Hunting Industry Employment	85	0.14%	0.63%
Arts, Entertainment, and Recreation Industries Employment	941	1.55%	1.58%
Educational Service Industry Employment	6,309	10.37%	9.03%
Finance, Insurance, Real Estate and Rental and Leasing Industries Employment	4,660	7.66%	7.17%
Health Care and Social Assistance Industry Employment	8,053	13.24%	11.51%
Information Industry Employment	1,981	3.26%	3.96%
Manufacturing Industry Employment	4,992	8.21%	7.29%
Management of Companies and Enterprises Industry Employment	37	0.06%	0.04%
Other Services Industry Employment	3,136	5.16%	5.54%
Professional, Scientific, and Technical Services Industry Employment	3,688	6.06%	9.05%
Public Administration Employment	5,831	9.59%	10.59%
Retail Trade Industry Employment	5,951	9.79%	10.48%

Construction Industry Employment	3,236	5.32%	6.98%
Transportation and Warehousing, and Utilities Industries Employment	3,999	6.58%	4.86%
Wholesale Trade Industry Employment	2,437	4.01%	2.79%

(-) Crime:

The crime rates per 100,000 persons in the Census Place and county in which the study area is located, as reported by the FBI's Uniform Crime Reports, are as follows. Data was reported by the FBI for selected Census Places and counties, so data may be unavailable for your study area.

Crime Rates per 100,000 persons	2005	2006	2007
County (Baltimore)			
Aggravated Assault	N/A	437.04	433.7
Burglary	N/A	2,939.24	2,998.6
Motor Vehicle Thefts	N/A	439.32	429.24
Murder	N/A	4.44	4.58
Rape	N/A	18.14	19.22
Robbery	N/A	265.14	227.48
County (Anne Arundel)			
Aggravated Assault	465.61	447.61	452.61
Burglary	3,007.15	3,052.45	3,287.72
Motor Vehicle Thefts	297.4	322.87	328.04
Murder	3.71	5.66	4.53
Rape	17.17	21.47	17.71
Robbery	168.8	184.08	179.08
County (Howard)			
Aggravated Assault	113.85	110.29	110.36
Burglary	2,468.29	2,407.15	2,443.34
Motor Vehicle Thefts	202.4	242.79	201.36
Murder	1.49	1.85	1.83
Rape	15.63	15.54	13.16
Robbery	97.85	103.26	90.26

The following Cities that are within or contain the report area have no data available: **Baltimore, Catonsville, Woodlawn, Arbutus, Lansdowne-Baltimore Highlands**

The following Counties that are within or contain the report area have no data available: **Baltimore City**

(-) Endnotes:

Calculations presented here were performed by staff at The Reinvestment Fund and are based on public and proprietary data sources that have been licensed for use in PolicyMap.

Depending on the type of size of the area selected for this report, the above values capture data for the block groups, tracts, counties, etc, in which at least 50% of their areas are contained. If this report is run for a zip code, some data will be unavailable, as zip code values for some topics are not available through the Census.

The source of data on rental units, gross rent, cost burden, and vacancy are from the 2000 decennial U.S. Census,

Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21228, 21227, 21229, 21250**. Estimates and projections of tenure, incomes, household composition, and housing stock are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21228, 21227, 21229, 21250**. For more information on demographic data in PolicyMap, see the related entries for [Census](#) and [Claritas](#) in our Data Directory.

The source of data on population trends, racial characteristics, age distribution, incomes, foreign born population, households, housing type, tenure, and employment are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21228, 21227, 21229, 21250**. Estimates and projections of all of these topics, except foreign born population, are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21228, 21227, 21229, 21250**. Data on legal permanent residents is from the Department of Homeland Security, and, for all areas, describes the state in which that area is located. For more information on demographic data in PolicyMap, see the related entries for [Census](#), [Claritas](#), and [Department of Homeland Security Immigration Yearbook](#) in our Data Directory.

The source of crime data in the tables presented here is Federal Bureau of Investigation's Uniform Crime Reporting (UCR) Program, which compiles standardized incident reports from local law enforcement agencies in order to produce reliable, uniform, and national crime data. The UCR Program collects data on known offenses and persons arrested by law enforcement agencies. For details on this dataset, see the related entry for [FBI Uniform Crime Reports](#) in the Data Directory. Crime data in this report is not summed or aggregated, but rather listed for each of the complete areas within the study area for which crime is reported.

For the separate Employment and Crime Sections in this report, only locations for which data are available are included in the tables. If the section does not include information, no data was available for any of the locations or component parts of the area you requested for this report.

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Community Profile Report by Custom Region: Primary for area in **Baltimore County, Maryland**
04/24/2010
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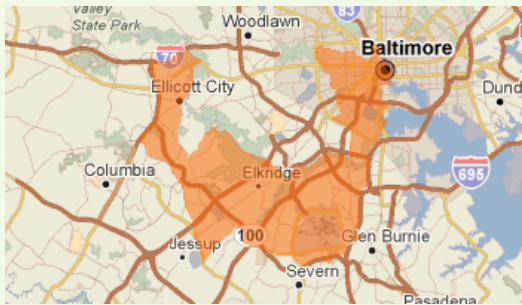


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Current Report: Community Profile Report of Custom Region: Secondary Market



Date: April 25, 2010

Proposed Area:

This area is located in **Baltimore*** County, **Anne Arundel*** County, **Baltimore City*** County, and **Howard** County, in the state of **Maryland**.

It is located within or touches the following census tract(s): **740102, 601101, 750700, 601202, 250600, 606901, 750600, 602100, 750500, 602200, 400400, 601201, 601102, 740202, 602302, 602700, 401503, 602800, 740103, 400500, 401504, 602306, 740201, 750801, 602600, 430600, 430300, 606605, 602900, 750201, 606601, 750300, 750400, 430102, 750804, 401400, 750900, 250206, 750202, 210200, 250205, 750803, 240400, 730401, 230300, 200600, 430200, 210100, 150900, 430101, 220100, 250301, 250207, 250203, 160802, 250401, 040100, 160500, 250303, 160700, 150600, 200200, 250204, 750102, 250302, 240200, 110200, 140100, 200500, 050100, 030200, 160600, 120500, 040200, 150200, 160400, 150300, 140200, 140300, 200400, 190100, 160100, 170200, 190300, 160200, 150100, 180100, 230100, 110100, 170300, 180300, 190200, 170100, 200100, 160300, 200300, 180200, 230200, 240300**.

Similarly, it is located within or touches the following zip code(s): **21042, 21043, 21144, 21228, 21244, 21075, 21076, 21044, 21061, 21227, 20794, 21045, 21090, 21225, 21230, 21229, 21240, 21216, 21223, 21217, 21202, 21201, 21077**.

Data presented in this report summarize the Zip Codes that this area covers. See Endnotes for a full explanation of how the data are calculated.

(-) This Area is Served by (or touches):

School District(s): Baltimore County Public Schools, Anne Arundel County Public Schools, Howard County Public Schools, Baltimore City Public School System

Congressional District(s): Maryland District 2 (Dutch Ruppersberger), Maryland District 3 (John P. Sarbanes), Maryland District 7 (Elijah Cummings)

Senators: Benjamin L. Cardin (MD), Barbara A. Mikulski (MD)

State Senate District(s): Maryland State Senate District 009, Maryland State Senate District 010, Maryland State Senate District 012, Maryland State Senate District 013, Maryland State Senate District 031, Maryland State Senate District 032, Maryland State Senate District 040, Maryland State Senate District 041, Maryland State Senate District 044, Maryland State Senate District 046

State House District(s): Maryland State House District 010, Maryland State House District 013, Maryland State House District 031, Maryland State House District 032, Maryland State House District 040, Maryland State House District 041, Maryland State House District 044, Maryland State House District 046, Maryland State House District 09A, Maryland State House District 12A, Maryland State House District 12B

(-) Population Trends:

As of 2009, this area was home to an estimated **161,435** people. Population is projected to be **167,959** by 2014.

Population	2000	2009	2014	Projected Change 2009 to 2014 (%)
Area	N/A	161,435	167,959	4.04%
Counties (Baltimore)	754,292	793,827	815,904	2.78%
Counties (Anne Arundel)	489,656	514,826	528,483	2.65%

Counties (Howard)	247,842	277,926	294,264	5.88%
Counties (Baltimore City)	651,154	635,311	629,384	-0.93%
State (Maryland)	5,296,486	5,662,381	5,860,415	3.5%

(-) Racial Characteristics:

Of the people living in this area in 2009, **57.35%** are White, **31.23%** are African American, **3.18%** are Hispanic, **7.85%** are Asian, **0.06%** are either Native Hawaiian or Pacific Islander, **0.28%** are American Indian or Alaskan Native, **0.98%** are of "some other race" and **2.25%** are of two or more races. In the table below, the percentage of the population that each segment represents in the report area is compared to the percent it represents in the state.

Between 2009 and 2014, the White population is expected to change by **-0.52%**, the African American population by **4.67%**, and Asian population by **27.83%**. The number of Hispanics will change by **29.13%**.

Race	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
White	N/A	92,577	92,099	57.35%	60.41%
African American	N/A	50,422	52,777	31.23%	29.07%
Asian	N/A	12,679	16,207	7.85%	5.02%
Native Hawaiian or Pacific Islander	N/A	96	109	0.06%	0.06%
American Indian or Alaskan Native	N/A	452	482	0.28%	0.32%
Some Other Race	N/A	1,584	1,987	0.98%	2.65%
Two or More Races	N/A	3,625	4,298	2.25%	2.48%

Ethnicity	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
Hispanic	N/A	5,135	6,631	3.18%	6.6%

(-) Age Distribution:

In the report area in 2009, **10.69%** of the population is over the age of 65. **64.53%** are of working age (18-64). **24.78%** are under 18, and **7.01%** are under 5 years old.

Age	Number of People in Age Group	Percent of People in Age Group	Percent of People in Age Group (Maryland)
Under 5	11,316	7.01%	6.66%
Under 18	40,008	24.78%	24.1%
Working Age (18-64)	104,175	64.53%	63.69%
Aging (65+)	17,252	10.69%	12.21%

(-) Incomes:

The median household income for the study area **n/a**, compared to a state median of **\$68,668**, as estimated for 2009 by Claritas.

The number of households divided by income categories is shown in the Annual Income Category table. In 2009, **44.68%** of households in the study area had an annual income of less than \$50,000, compared to **35.53%** of people in the state.

2009 Annual Income Category	Number of Households	Percent of Households

Secondary Market		
Less than \$25,000	15,450	24.25%
Less than \$50,000	28,464	44.68%
Less than \$75,000	38,608	60.6%
Less than \$150,000	56,105	88.06%
\$150,000 or more	7,604	11.94%
County (Baltimore)		
Less than \$25,000	48,664	15.35%
Less than \$50,000	124,560	39.28%
Less than \$75,000	191,439	60.37%
Less than \$150,000	287,886	90.79%
\$150,000 or more	29,199	9.21%
County (Anne Arundel)		
Less than \$25,000	17,938	9.34%
Less than \$50,000	50,273	26.18%
Less than \$75,000	86,844	45.23%
Less than \$150,000	160,946	83.82%
\$150,000 or more	31,072	16.18%
County (Howard)		
Less than \$25,000	6,486	6.42%
Less than \$50,000	18,957	18.76%
Less than \$75,000	34,539	34.18%
Less than \$150,000	74,465	73.68%
\$150,000 or more	26,598	26.32%
County (Baltimore City)		
Less than \$25,000	87,405	35.06%
Less than \$50,000	156,038	62.58%
Less than \$75,000	197,897	79.37%
Less than \$150,000	238,829	95.79%
\$150,000 or more	10,506	4.21%
State (Maryland)		
Less than \$25,000	320,303	15.05%
Less than \$50,000	756,162	35.53%
Less than \$75,000	1,164,462	54.71%
Less than \$150,000	1,852,270	87.02%
\$150,000 or more	276,260	12.98%

According to Claritas estimates, the median income for a family in 2009 **n/a**, compared to the state median family income of **\$82,923**.

(-) Immigration:

Data from the U.S. Census Bureau in 2000 indicate that **N/A** people or **N/A** of the population living in this area were "foreign born". Census defines foreign born as anyone who is not a U.S. citizen at birth. At this time, more recent estimates do not exist for the report area, but this area is located in Maryland, which, according to the Department

of Homeland Security, was home to **27,062** people who were granted Legal Permanent Residence status in 2008. Those LPRs, or "green cards", represent **2.44%** of green cards issued in the nation that year.

(-) Households and Families:

The composition of the **63,709** households who reside in the study area is shown in the table below. Households refer to the person or group of people living in any one housing unit. Families, though, are groups of related people who live together. Generally, households that do not contain a family are made up of unrelated people living together (eg, roommates) or people living alone. While it is possible for two families to share a household, the difference between the number of households and the number of families in an area shows, approximately, the number of non-family households in a place.

2009 Household Composition	Number of Households	Percent of Households
Secondary Market		
Households	63,709	--
Married with Children	13,024	20.44%
Single with Children	9,010	14.14%
Single Female with Children	7,200	11.3%
Other Households	34,475	54.11%
County (Baltimore)		
Households	317,085	--
Married with Children	71,093	22.42%
Single with Children	34,605	10.91%
Single Female with Children	26,554	8.37%
Other Households	184,833	58.29%
County (Anne Arundel)		
Households	192,018	--
Married with Children	53,936	28.09%
Single with Children	19,891	10.36%
Single Female with Children	14,508	7.56%
Other Households	103,683	54%
County (Howard)		
Households	101,063	--
Married with Children	34,104	33.75%
Single with Children	8,624	8.53%
Single Female with Children	6,509	6.44%
Other Households	51,826	51.28%
County (Baltimore City)		
Households	249,335	--
Married with Children	29,554	11.85%
Single with Children	51,712	20.74%
Single Female with Children	43,811	17.57%
Other Households	124,258	49.84%
State (Maryland)		
Households	2,128,530	--
Married with Children	536,766	25.22%

Single with Children	260,960	12.26%
Single Female with Children	202,442	9.51%
Other Households	1,128,362	53.01%

The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore)**, **2.6 (Anne Arundel)**, **2.71 (Howard)**, **2.44 (Baltimore City)** and **2.59 (Maryland)** respectively.

2009 Family Counts	Number of Families
Secondary Market	
Families	38,206
County (Baltimore)	
Families	210,002
County (Anne Arundel)	
Families	138,845
County (Howard)	
Families	73,842
County (Baltimore City)	
Families	142,214
State (Maryland)	
Families	1,466,953

(-) Housing Type:

The type of housing available in this area, as estimated for 2009 by Claritas, is described in the table below. Single family homes include all one-unit structures, both attached and detached. Townhouses or duplexes include one-unit attached homes, as well as housing units with two units. Units in small apartment buildings are buildings with 3 to 49 units; large apartment buildings include buildings with 50 units or more. Other types of housing include vans, boats, recreational vehicles, or other units.

2009 Housing Stock	Number of Units	Percent of Units
Secondary Market		
Single family detached homes	19,517	26.99%
Single family attached homes	28,789	39.82%
2-unit homes and duplexes	2,491	3.45%
Units in small apartment buildings	13,184	18.23%
Units in large apartment buildings	6,333	8.76%
Mobile homes or manufactured housing	1,960	2.71%
Other types	29	0.04%
County (Baltimore)		
Single family detached homes	156,303	47.24%
Single family attached homes	80,229	24.25%
2-unit homes and duplexes	5,214	1.58%
Units in small apartment buildings	73,887	22.33%
Units in large apartment buildings	12,440	3.76%
Mobile homes or manufactured housing	2,727	0.82%
Other types	51	0.02%

County (Anne Arundel)		
Single family detached homes	127,911	62.98%
Single family attached homes	36,804	18.12%
2-unit homes and duplexes	2,417	1.19%
Units in small apartment buildings	28,663	14.11%
Units in large apartment buildings	2,767	1.36%
Mobile homes or manufactured housing	4,445	2.19%
Other types	100	0.05%
County (Howard)		
Single family detached homes	57,634	54.73%
Single family attached homes	21,742	20.65%
2-unit homes and duplexes	462	0.44%
Units in small apartment buildings	20,300	19.28%
Units in large apartment buildings	3,050	2.9%
Mobile homes or manufactured housing	2,069	1.96%
Other types	46	0.04%
County (Baltimore City)		
Single family detached homes	39,159	13.4%
Single family attached homes	149,788	51.24%
2-unit homes and duplexes	19,414	6.64%
Units in small apartment buildings	58,964	20.17%
Units in large apartment buildings	24,789	8.48%
Mobile homes or manufactured housing	151	0.05%
Other types	59	0.02%
State (Maryland)		
Single family detached homes	1,214,946	52.21%
Single family attached homes	476,602	20.48%
2-unit homes and duplexes	47,263	2.03%
Units in small apartment buildings	420,856	18.09%
Units in large apartment buildings	119,004	5.11%
Mobile homes or manufactured housing	47,428	2.04%
Other types	905	0.04%

(-) **Tenure:**

Across the area, an estimated **57.83%** or **36,846** households owned their home in 2009. By 2014, **38,651** households are projected to own their homes. The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore)**, **2.6 (Anne Arundel)**, **2.71 (Howard)**, **2.44 (Baltimore City)** and **2.59 (Maryland)** respectively.

(-) **Vacancy:**

There were **72,303** housing units found in the study area in 2009, according to Claritas projections. In 2000, the Census showed **N/A** of housing units to be in the category "other vacant," compared to **1.76%** in the state. This way of counting vacant properties excludes units that are vacant because they are for sale or for rent. Also excluded are seasonal use properties. This vacancy category is a typical indicator of neighborhood distress.

The US Postal Service tracks vacancy rates on a quarterly basis, showing vacancy trends over the short term. In the third quarter of 2009, the vacancy rate in this area **ranged from 0% to 22.68%**.

USPS Vacancy Rates	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Secondary Market							
Number Vacant	6,327	5,795	5,772	6,067	6,030	6,139	6,203
Percent Vacant	Ranged From 0% to 44.82%	Ranged From 0% to 24.69%	Ranged From 0% to 24.04%	Ranged From 0% to 25.53%	Ranged From 0% to 23.46%	Ranged From 0% to 23.51%	Ranged From 0% to 22.68%
County (Baltimore)							
Number Vacant	5,384	5,592	5,484	5,925	6,181	6,502	6,872
Percent Vacant	1.42%	1.47%	1.44%	1.55%	1.62%	1.7%	1.79%
County (Anne Arundel)							
Number Vacant	2,640	2,764	2,900	2,993	3,008	3,459	3,387
Percent Vacant	1.13%	1.18%	1.23%	1.27%	1.27%	1.46%	1.42%
County (Howard)							
Number Vacant	1,127	1,120	1,113	1,190	1,257	1,349	1,354
Percent Vacant	0.93%	0.92%	0.9%	0.97%	1.01%	1.09%	1.08%
County (Baltimore City)							
Number Vacant	26,887	25,510	25,157	25,526	26,041	26,290	25,373
Percent Vacant	8.13%	7.71%	7.54%	7.67%	7.77%	7.86%	7.54%

(-) Employment:

The following table shows the number of people who were employed, unemployed, in the labor force, and the unemployment rate for the market in which the report area is located, according to the Bureau of Labor Statistics.

2000-2008 Employment	2000	2001	2002	2003	2004	2005	2006	2007	2008
City (Baltimore)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
County (Baltimore)									
Employed	394,250	393,571	394,097	392,630	394,508	402,357	412,293	414,138	411,531
Unemployed	15,191	17,155	19,127	19,542	18,453	17,959	16,522	15,428	19,506

In Labor Force	409,441	410,726	413,224	412,172	412,961	420,316	428,815	429,566	431,037
Unemployment Rate	3.7	4.2	4.6	4.7	4.5	4.3	3.9	3.6	4.5
County (Anne Arundel)									
Employed	260,150	260,513	261,203	259,463	260,652	265,477	270,756	272,932	271,214
Unemployed	8,118	9,355	10,694	10,386	10,109	9,678	9,121	8,586	10,889
In Labor Force	268,268	269,868	271,897	269,849	270,761	275,155	279,877	281,518	282,103
Unemployment Rate	3	3.5	3.9	3.8	3.7	3.5	3.3	3	3.9
County (Howard)									
Employed	141,360	143,217	144,629	145,021	146,193	149,792	154,946	156,016	155,034
Unemployed	3,648	4,494	5,211	5,061	4,929	4,770	4,446	4,115	5,021
In Labor Force	145,008	147,711	149,840	150,082	151,122	154,562	159,392	160,131	160,055
Unemployment Rate	2.5	3	3.5	3.4	3.3	3.1	2.8	2.6	3.1
County (Baltimore City)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
State (Maryland)									
Employed	2,711,382	2,712,268	2,733,103	2,741,325	2,761,583	2,810,748	2,871,176	2,882,447	2,867,178
Unemployed	100,275	114,779	128,318	128,702	123,657	121,198	112,761	105,251	130,531
In Labor Force	2,811,657	2,827,047	2,861,421	2,870,027	2,885,240	2,931,946	2,983,937	2,987,698	2,997,709
Unemployment Rate	3.6	4.1	4.5	4.5	4.3	4.1	3.8	3.5	4.4

The following Cities that are within or contain the report area have no data available: **Ellicott City, Severn, Elkridge, Jessup, Linthicum, Lansdowne-Baltimore Highlands, Ferndale, Pumphrey**

In this area in 2009, Claritas estimates that people were employed in the following industries:

Employment by Industry	People Employed	Percent Employed in this Industry	Percent Employed in this Industry in Maryland
Accommodation and Food Services Industry Employment	4,095	5.35%	5.13%
Administrative and Support and Waste Management Services Industries Employment	2,984	3.9%	3.36%
Agriculture, Forestry, Fishing and Hunting Industry Employment	138	0.18%	0.63%
Arts, Entertainment, and Recreation Industries Employment	1,321	1.73%	1.58%
Educational Service Industry Employment	6,685	8.74%	9.03%
Finance, Insurance, Real Estate and Rental and Leasing Industries Employment	5,764	7.54%	7.17%
Health Care and Social Assistance Industry Employment	8,786	11.49%	11.51%
Information Industry Employment	2,983	3.9%	3.96%
Manufacturing Industry Employment	6,559	8.57%	7.29%
Management of Companies and Enterprises			

Industry Employment	34	0.04%	0.04%
Other Services Industry Employment	4,031	5.27%	5.54%
Professional, Scientific, and Technical Services Industry Employment	7,178	9.38%	9.05%
Public Administration Employment	6,609	8.64%	10.59%
Retail Trade Industry Employment	7,966	10.41%	10.48%
Construction Industry Employment	4,566	5.97%	6.98%
Transportation and Warehousing, and Utilities Industries Employment	3,830	5.01%	4.86%
Wholesale Trade Industry Employment	2,966	3.88%	2.79%

(-) Crime:

The crime rates per 100,000 persons in the Census Place and county in which the study area is located, as reported by the FBI's Uniform Crime Reports, are as follows. Data was reported by the FBI for selected Census Places and counties, so data may be unavailable for your study area.

Crime Rates per 100,000 persons	2005	2006	2007
County (Baltimore)			
Aggravated Assault	N/A	437.04	433.7
Burglary	N/A	2,939.24	2,998.6
Motor Vehicle Thefts	N/A	439.32	429.24
Murder	N/A	4.44	4.58
Rape	N/A	18.14	19.22
Robbery	N/A	265.14	227.48
County (Anne Arundel)			
Aggravated Assault	465.61	447.61	452.61
Burglary	3,007.15	3,052.45	3,287.72
Motor Vehicle Thefts	297.4	322.87	328.04
Murder	3.71	5.66	4.53
Rape	17.17	21.47	17.71
Robbery	168.8	184.08	179.08
County (Howard)			
Aggravated Assault	113.85	110.29	110.36
Burglary	2,468.29	2,407.15	2,443.34
Motor Vehicle Thefts	202.4	242.79	201.36
Murder	1.49	1.85	1.83
Rape	15.63	15.54	13.16
Robbery	97.85	103.26	90.26

The following Cities that are within or contain the report area have no data available: **Baltimore, Ellicott City, Severn, Elkridge, Jessup, Linthicum, Lansdowne-Baltimore Highlands, Ferndale, Pumphrey**

The following Counties that are within or contain the report area have no data available: **Baltimore City**

(-) Endnotes:

Calculations presented here were performed by staff at The Reinvestment Fund and are based on public and proprietary data sources that have been licensed for use in PolicyMap.

Depending on the type of size of the area selected for this report, the above values capture data for the block groups, tracts, counties, etc, in which at least 50% of their areas are contained. If this report is run for a zip code, some data will be unavailable, as zip code values for some topics are not available through the Census.

The source of data on rental units, gross rent, cost burden, and vacancy are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21043, 21075, 21076, 21090, 21230, 21240, 21223, 21201**. Estimates and projections of tenure, incomes, household composition, and housing stock are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21043, 21075, 21076, 21090, 21230, 21240, 21223, 21201**. For more information on demographic data in PolicyMap, see the related entries for [Census](#) and [Claritas](#) in our Data Directory.

The source of data on population trends, racial characteristics, age distribution, incomes, foreign born population, households, housing type, tenure, and employment are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21043, 21075, 21076, 21090, 21230, 21240, 21223, 21201**. Estimates and projections of all of these topics, except foreign born population, are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21043, 21075, 21076, 21090, 21230, 21240, 21223, 21201**. Data on legal permanent residents is from the Department of Homeland Security, and, for all areas, describes the state in which that area is located. For more information on demographic data in PolicyMap, see the related entries for [Census](#), [Claritas](#), and [Department of Homeland Security Immigration Yearbook](#) in our Data Directory.

The source of crime data in the tables presented here is Federal Bureau of Investigation's Uniform Crime Reporting (UCR) Program, which compiles standardized incident reports from local law enforcement agencies in order to produce reliable, uniform, and national crime data. The UCR Program collects data on known offenses and persons arrested by law enforcement agencies. For details on this dataset, see the related entry for [FBI Uniform Crime Reports](#) in the Data Directory. Crime data in this report is not summed or aggregated, but rather listed for each of the complete areas within the study area for which crime is reported.

For the separate Employment and Crime Sections in this report, only locations for which data are available are included in the tables. If the section does not include information, no data was available for any of the locations or component parts of the area you requested for this report.

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Community Profile Report by Custom Region: Secondary Market for area in **Howard County, Maryland**
04/25/2010
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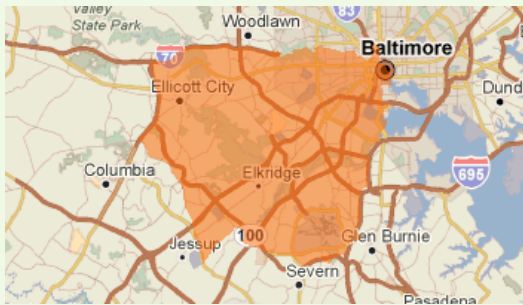


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Current Report: Community Profile Report of Custom Region: Primary & Secondary



Date: April 24, 2010

Proposed Area:

This area is located in **Anne Arundel*** County, **Howard*** County, **Baltimore City*** County, and **Baltimore County**, in the state of **Maryland**.

It is located within or touches the following census tract(s): *The number contained in the report area exceeds 100. When this happens, they are not shown in the report.*

Similarly, it is located within or touches the following zip code(s): **21042, 21043, 21144, 21228, 21244, 21075, 21076, 21044, 21061, 21227, 20794, 21207, 21045, 21090, 21225, 21230, 21229, 21240, 21216, 21223, 21217, 21202, 21201, 21250, 21077.**

Data presented in this report summarize the Zip Codes that this area covers. See Endnotes for a full explanation of how the data are calculated.

(-) This Area is Served by (or touches):

School District(s): Baltimore County Public Schools, Anne Arundel County Public Schools, Howard County Public Schools, Baltimore City Public School System

Congressional District(s): Maryland District 2 (Dutch Ruppersberger), Maryland District 3 (John P. Sarbanes), Maryland District 7 (Elijah Cummings)

Senators: Benjamin L. Cardin (MD), Barbara A. Mikulski (MD)

State Senate District(s): Maryland State Senate District 009, Maryland State Senate District 010, Maryland State Senate District 012, Maryland State Senate District 013, Maryland State Senate District 031, Maryland State Senate District 032, Maryland State Senate District 040, Maryland State Senate District 041, Maryland State Senate District 044, Maryland State Senate District 046

State House District(s): Maryland State House District 010, Maryland State House District 013, Maryland State House District 031, Maryland State House District 032, Maryland State House District 040, Maryland State House District 041, Maryland State House District 044, Maryland State House District 046, Maryland State House District 09A, Maryland State House District 12A, Maryland State House District 12B

(-) Population Trends:

As of 2009, this area was home to an estimated **290,802** people. Population is projected to be **296,839** by 2014.

Population	2000	2009	2014	Projected Change 2009 to 2014 (%)
Area	N/A	290,802	296,839	2.08%
Counties (Baltimore)	754,292	793,827	815,904	2.78%
Counties (Anne Arundel)	489,656	514,826	528,483	2.65%
Counties (Howard)	247,842	277,926	294,264	5.88%
Counties (Baltimore City)	651,154	635,311	629,384	-0.93%
State (Maryland)	5,296,486	5,662,381	5,860,415	3.5%

(-) Racial Characteristics:

Of the people living in this area in 2009, **54.62%** are White, **35.59%** are African American, **3.07%** are Hispanic,

6.32% are Asian, 0.06% are either Native Hawaiian or Pacific Islander, 0.27% are American Indian or Alaskan Native, 0.99% are of "some other race" and 2.15% are of two or more races. In the table below, the percentage of the population that each segment represents in the report area is compared to the percent it represents in the state.

Between 2009 and 2014, the White population is expected to change by -3.09%, the African American population by 4.63%, and Asian population by 23.55%. The number of Hispanics will change by 26.03%.

Race	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
White	N/A	158,823	153,908	54.62%	60.41%
African American	N/A	103,504	108,300	35.59%	29.07%
Asian	N/A	18,368	22,694	6.32%	5.02%
Native Hawaiian or Pacific Islander	N/A	175	204	0.06%	0.06%
American Indian or Alaskan Native	N/A	796	859	0.27%	0.32%
Some Other Race	N/A	2,886	3,531	0.99%	2.65%
Two or More Races	N/A	6,250	7,343	2.15%	2.48%

Ethnicity	2000	2009	2014	Percent of Total Population in 2009	Percent of State Population in 2009 (Maryland)
Hispanic	N/A	8,915	11,236	3.07%	6.6%

(-) Age Distribution:

In the report area in 2009, 12.65% of the population is over the age of 65. 63.24% are of working age (18-64). 24.11% are under 18, and 6.85% are under 5 years old.

Age	Number of People in Age Group	Percent of People in Age Group	Percent of People in Age Group (Maryland)
Under 5	19,930	6.85%	6.66%
Under 18	70,100	24.11%	24.1%
Working Age (18-64)	183,908	63.24%	63.69%
Aging (65+)	36,794	12.65%	12.21%

(-) Incomes:

The median household income for the study area n/a, compared to a state median of \$68,668, as estimated for 2009 by Claritas.

The number of households divided by income categories is shown in the Annual Income Category table. In 2009, 45.88% of households in the study area had an annual income of less than \$50,000, compared to 35.53% of people in the state.

2009 Annual Income Category	Number of Households	Percent of Households
Primary & Secondary		
Less than \$25,000	26,268	23.09%
Less than \$50,000	52,193	45.88%
Less than \$75,000	72,747	63.95%
Less than \$150,000	103,542	91.02%

\$150,000 or more	10,216	8.98%
County (Baltimore)		
Less than \$25,000	48,664	15.35%
Less than \$50,000	124,560	39.28%
Less than \$75,000	191,439	60.37%
Less than \$150,000	287,886	90.79%
\$150,000 or more	29,199	9.21%
County (Anne Arundel)		
Less than \$25,000	17,938	9.34%
Less than \$50,000	50,273	26.18%
Less than \$75,000	86,844	45.23%
Less than \$150,000	160,946	83.82%
\$150,000 or more	31,072	16.18%
County (Howard)		
Less than \$25,000	6,486	6.42%
Less than \$50,000	18,957	18.76%
Less than \$75,000	34,539	34.18%
Less than \$150,000	74,465	73.68%
\$150,000 or more	26,598	26.32%
County (Baltimore City)		
Less than \$25,000	87,405	35.06%
Less than \$50,000	156,038	62.58%
Less than \$75,000	197,897	79.37%
Less than \$150,000	238,829	95.79%
\$150,000 or more	10,506	4.21%
State (Maryland)		
Less than \$25,000	320,303	15.05%
Less than \$50,000	756,162	35.53%
Less than \$75,000	1,164,462	54.71%
Less than \$150,000	1,852,270	87.02%
\$150,000 or more	276,260	12.98%

According to Claritas estimates, the median income for a family in 2009 **n/a**, compared to the state median family income of **\$82,923**.

(-) Immigration:

Data from the U.S. Census Bureau in 2000 indicate that **N/A** people or **N/A** of the population living in this area were "foreign born". Census defines foreign born as anyone who is not a U.S. citizen at birth. At this time, more recent estimates do not exist for the report area, but this area is located in Maryland, which, according to the Department of Homeland Security, was home to **27,062** people who were granted Legal Permanent Residence status in 2008. Those LPRs, or "green cards", represent **2.44%** of green cards issued in the nation that year.

(-) Households and Families:

The composition of the **113,758** households who reside in the study area is shown in the table below. Households refer to the person or group of people living in any one housing unit. Families, though, are groups of related people

who live together. Generally, households that do not contain a family are made up of unrelated people living together (eg, roommates) or people living alone. While it is possible for two families to share a household, the difference between the number of households and the number of families in an area shows, approximately, the number of non-family households in a place.

2009 Household Composition	Number of Households	Percent of Households
Primary & Secondary		
Households	113,758	--
Married with Children	22,535	19.81%
Single with Children	16,603	14.6%
Single Female with Children	13,373	11.76%
Other Households	61,247	53.84%
County (Baltimore)		
Households	317,085	--
Married with Children	71,093	22.42%
Single with Children	34,605	10.91%
Single Female with Children	26,554	8.37%
Other Households	184,833	58.29%
County (Anne Arundel)		
Households	192,018	--
Married with Children	53,936	28.09%
Single with Children	19,891	10.36%
Single Female with Children	14,508	7.56%
Other Households	103,683	54%
County (Howard)		
Households	101,063	--
Married with Children	34,104	33.75%
Single with Children	8,624	8.53%
Single Female with Children	6,509	6.44%
Other Households	51,826	51.28%
County (Baltimore City)		
Households	249,335	--
Married with Children	29,554	11.85%
Single with Children	51,712	20.74%
Single Female with Children	43,811	17.57%
Other Households	124,258	49.84%
State (Maryland)		
Households	2,128,530	--
Married with Children	536,766	25.22%
Single with Children	260,960	12.26%
Single Female with Children	202,442	9.51%
Other Households	1,128,362	53.01%

The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore), 2.6 (Anne Arundel), 2.71 (Howard), 2.44 (Baltimore City)** and **2.59**

(Maryland) respectively.

2009 Family Counts	Number of Families
Primary & Secondary	
Families	70,458
County (Baltimore)	
Families	210,002
County (Anne Arundel)	
Families	138,845
County (Howard)	
Families	73,842
County (Baltimore City)	
Families	142,214
State (Maryland)	
Families	1,466,953

(-) Housing Type:

The type of housing available in this area, as estimated for 2009 by Claritas, is described in the table below. Single family homes include all one-unit structures, both attached and detached. Townhouses or duplexes include one-unit attached homes, as well as housing units with two units. Units in small apartment building are buildings with 3 to 49 units; large apartment buildings include buildings with 50 units or more. Other types of housing include vans, boats, recreational vehicles, or other units.

2009 Housing Stock	Number of Units	Percent of Units
Primary & Secondary		
Single family detached homes	38,801	31.11%
Single family attached homes	48,017	38.49%
2-unit homes and duplexes	4,618	3.7%
Units in small apartment buildings	22,213	17.81%
Units in large apartment buildings	8,998	7.21%
Mobile homes or manufactured housing	2,056	1.65%
Other types	39	0.03%
County (Baltimore)		
Single family detached homes	156,303	47.24%
Single family attached homes	80,229	24.25%
2-unit homes and duplexes	5,214	1.58%
Units in small apartment buildings	73,887	22.33%
Units in large apartment buildings	12,440	3.76%
Mobile homes or manufactured housing	2,727	0.82%
Other types	51	0.02%
County (Anne Arundel)		
Single family detached homes	127,911	62.98%
Single family attached homes	36,804	18.12%
2-unit homes and duplexes	2,417	1.19%
Units in small apartment buildings	28,663	14.11%

Units in large apartment buildings	2,767	1.36%
Mobile homes or manufactured housing	4,445	2.19%
Other types	100	0.05%
County (Howard)		
Single family detached homes	57,634	54.73%
Single family attached homes	21,742	20.65%
2-unit homes and duplexes	462	0.44%
Units in small apartment buildings	20,300	19.28%
Units in large apartment buildings	3,050	2.9%
Mobile homes or manufactured housing	2,069	1.96%
Other types	46	0.04%
County (Baltimore City)		
Single family detached homes	39,159	13.4%
Single family attached homes	149,788	51.24%
2-unit homes and duplexes	19,414	6.64%
Units in small apartment buildings	58,964	20.17%
Units in large apartment buildings	24,789	8.48%
Mobile homes or manufactured housing	151	0.05%
Other types	59	0.02%
State (Maryland)		
Single family detached homes	1,214,946	52.21%
Single family attached homes	476,602	20.48%
2-unit homes and duplexes	47,263	2.03%
Units in small apartment buildings	420,856	18.09%
Units in large apartment buildings	119,004	5.11%
Mobile homes or manufactured housing	47,428	2.04%
Other types	905	0.04%

(-) **Tenure:**

Across the area, an estimated **60.94%** or **69,323** households owned their home in 2009. By 2014, **71,074** households are projected to own their homes. The average size of a household in this area **n/a** in 2009, as compared to the average household size for the county and the state, **2.44 (Baltimore), 2.6 (Anne Arundel), 2.71 (Howard), 2.44 (Baltimore City) and 2.59 (Maryland)** respectively.

(-) **Vacancy:**

There were **124,742** housing units found in the study area in 2009, according to Claritas projections. In 2000, the Census showed **N/A** of housing units to be in the category "other vacant," compared to **1.76%** in the state. This way of counting vacant properties excludes units that are vacant because they are for sale or for rent. Also excluded are seasonal use properties. This vacancy category is a typical indicator of neighborhood distress.

The US Postal Service tracks vacancy rates on a quarterly basis, showing vacancy trends over the short term. In the third quarter of 2009, the vacancy rate in this area **ranged from 0% to 22.68%**.

USPS Vacancy Rates	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Primary &							

Secondary								
Number Vacant	7,758	7,330	7,287	7,546	7,688	7,860	7,940	
Percent Vacant	Ranged From 0% to 44.82%	Ranged From 0% to 24.69%	Ranged From 0% to 24.04%	Ranged From 0% to 25.53%	Ranged From 0% to 23.46%	Ranged From 0% to 23.51%	Ranged From 0% to 22.68%	
County (Baltimore)								
Number Vacant	5,384	5,592	5,484	5,925	6,181	6,502	6,872	
Percent Vacant	1.42%	1.47%	1.44%	1.55%	1.62%	1.7%	1.79%	
County (Anne Arundel)								
Number Vacant	2,640	2,764	2,900	2,993	3,008	3,459	3,387	
Percent Vacant	1.13%	1.18%	1.23%	1.27%	1.27%	1.46%	1.42%	
County (Howard)								
Number Vacant	1,127	1,120	1,113	1,190	1,257	1,349	1,354	
Percent Vacant	0.93%	0.92%	0.9%	0.97%	1.01%	1.09%	1.08%	
County (Baltimore City)								
Number Vacant	26,887	25,510	25,157	25,526	26,041	26,290	25,373	
Percent Vacant	8.13%	7.71%	7.54%	7.67%	7.77%	7.86%	7.54%	

(-) Employment:

The following table shows the number of people who were employed, unemployed, in the labor force, and the unemployment rate for the market in which the report area is located, according to the Bureau of Labor Statistics.

2000-2008 Employment	2000	2001	2002	2003	2004	2005	2006	2007	2008
City (Baltimore)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
County (Baltimore)									
Employed	394,250	393,571	394,097	392,630	394,508	402,357	412,293	414,138	411,531
Unemployed	15,191	17,155	19,127	19,542	18,453	17,959	16,522	15,428	19,506
In Labor Force	409,441	410,726	413,224	412,172	412,961	420,316	428,815	429,566	431,037
Unemployment Rate	3.7	4.2	4.6	4.7	4.5	4.3	3.9	3.6	4.5
County (Anne Arundel)									
Employed	260,150	260,513	261,203	259,463	260,652	265,477	270,756	272,932	271,214
Unemployed	8,118	9,355	10,694	10,386	10,109	9,678	9,121	8,586	10,889

In Labor Force	268,268	269,868	271,897	269,849	270,761	275,155	279,877	281,518	282,103
Unemployment Rate	3	3.5	3.9	3.8	3.7	3.5	3.3	3	3.9
County (Howard)									
Employed	141,360	143,217	144,629	145,021	146,193	149,792	154,946	156,016	155,034
Unemployed	3,648	4,494	5,211	5,061	4,929	4,770	4,446	4,115	5,021
In Labor Force	145,008	147,711	149,840	150,082	151,122	154,562	159,392	160,131	160,055
Unemployment Rate	2.5	3	3.5	3.4	3.3	3.1	2.8	2.6	3.1
County (Baltimore City)									
Employed	264,187	260,268	254,830	254,275	253,230	254,196	258,232	261,355	259,710
Unemployed	16,599	18,517	19,573	20,293	19,799	18,839	17,213	15,538	18,798
In Labor Force	280,786	278,785	274,403	274,568	273,029	273,035	275,445	276,893	278,508
Unemployment Rate	5.9	6.6	7.1	7.4	7.3	6.9	6.2	5.6	6.7
State (Maryland)									
Employed	2,711,382	2,712,268	2,733,103	2,741,325	2,761,583	2,810,748	2,871,176	2,882,447	2,867,178
Unemployed	100,275	114,779	128,318	128,702	123,657	121,198	112,761	105,251	130,531
In Labor Force	2,811,657	2,827,047	2,861,421	2,870,027	2,885,240	2,931,946	2,983,937	2,987,698	2,997,709
Unemployment Rate	3.6	4.1	4.5	4.5	4.3	4.1	3.8	3.5	4.4

The following Cities that are within or contain the report area have no data available: **Ellicott City, Catonsville, Severn, Woodlawn, Elkridge, Arbutus, Jessup, Linthicum, Lansdowne-Baltimore Highlands, Ferndale, Pumphrey**

In this area in 2009, Claritas estimates that people were employed in the following industries:

Employment by Industry	People Employed	Percent Employed in this Industry	Percent Employed in this Industry in Maryland
Accommodation and Food Services Industry Employment	7,386	5.38%	5.13%
Administrative and Support and Waste Management Services Industries Employment	5,172	3.77%	3.36%
Agriculture, Forestry, Fishing and Hunting Industry Employment	223	0.16%	0.63%
Arts, Entertainment, and Recreation Industries Employment	2,262	1.65%	1.58%
Educational Service Industry Employment	12,994	9.46%	9.03%
Finance, Insurance, Real Estate and Rental and Leasing Industries Employment	10,424	7.59%	7.17%
Health Care and Social Assistance Industry Employment	16,839	12.26%	11.51%
Information Industry Employment	4,964	3.62%	3.96%
Manufacturing Industry Employment	11,551	8.41%	7.29%
Management of Companies and Enterprises Industry Employment	71	0.05%	0.04%
Other Services Industry Employment	7,167	5.22%	5.54%
Professional, Scientific, and Technical Services Industry Employment	10,866	7.91%	9.05%
Public Administration Employment	12,440	9.06%	10.59%

Retail Trade Industry Employment	13,917	10.14%	10.48%
Construction Industry Employment	7,802	5.68%	6.98%
Transportation and Warehousing, and Utilities Industries Employment	7,829	5.7%	4.86%
Wholesale Trade Industry Employment	5,403	3.93%	2.79%

(-) Crime:

The crime rates per 100,000 persons in the Census Place and county in which the study area is located, as reported by the FBI's Uniform Crime Reports, are as follows. Data was reported by the FBI for selected Census Places and counties, so data may be unavailable for your study area.

Crime Rates per 100,000 persons	2005	2006	2007
County (Baltimore)			
Aggravated Assault	N/A	437.04	433.7
Burglary	N/A	2,939.24	2,998.6
Motor Vehicle Thefts	N/A	439.32	429.24
Murder	N/A	4.44	4.58
Rape	N/A	18.14	19.22
Robbery	N/A	265.14	227.48
County (Anne Arundel)			
Aggravated Assault	465.61	447.61	452.61
Burglary	3,007.15	3,052.45	3,287.72
Motor Vehicle Thefts	297.4	322.87	328.04
Murder	3.71	5.66	4.53
Rape	17.17	21.47	17.71
Robbery	168.8	184.08	179.08
County (Howard)			
Aggravated Assault	113.85	110.29	110.36
Burglary	2,468.29	2,407.15	2,443.34
Motor Vehicle Thefts	202.4	242.79	201.36
Murder	1.49	1.85	1.83
Rape	15.63	15.54	13.16
Robbery	97.85	103.26	90.26

The following Cities that are within or contain the report area have no data available: **Baltimore, Ellicott City, Catonsville, Severn, Woodlawn, Elkridge, Arbutus, Jessup, Linthicum, Lansdowne-Baltimore Highlands, Ferndale, Pumphrey**

The following Counties that are within or contain the report area have no data available: **Baltimore City**

(-) Endnotes:

Calculations presented here were performed by staff at The Reinvestment Fund and are based on public and proprietary data sources that have been licensed for use in PolicyMap.

Depending on the type of size of the area selected for this report, the above values capture data for the block groups, tracts, counties, etc, in which at least 50% of their areas are contained. If this report is run for a zip code,

some data will be unavailable, as zip code values for some topics are not available through the Census.

The source of data on rental units, gross rent, cost burden, and vacancy are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21043, 21228, 21075, 21076, 21227, 21090, 21230, 21229, 21240, 21223, 21201, 21250** . Estimates and projections of tenure, incomes, household composition, and housing stock are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21043, 21228, 21075, 21076, 21227, 21090, 21230, 21229, 21240, 21223, 21201, 21250** . For more information on demographic data in PolicyMap, see the related entries for [Census](#) and [Claritas](#) in our Data Directory.

The source of data on population trends, racial characteristics, age distribution, incomes, foreign born population, households, housing type, tenure, and employment are from the 2000 decennial U.S. Census, Summary File 3. For custom areas, such as radii, custom regions, school districts, and political districts, Census data was calculated by summing the following component Zip Codes: **21043, 21228, 21075, 21076, 21227, 21090, 21230, 21229, 21240, 21223, 21201, 21250** . Estimates and projections of all of these topics, except foreign born population, are provided by Claritas, Inc. for 2009 and 2014. For custom areas, such as radii, custom regions, school districts, and political districts, Claritas data was calculated by summing the following component Zip Codes: **21043, 21228, 21075, 21076, 21227, 21090, 21230, 21229, 21240, 21223, 21201, 21250** . Data on legal permanent residents is from the Department of Homeland Security, and, for all areas, describes the state in which that area is located. For more information on demographic data in PolicyMap, see the related entries for [Census](#), [Claritas](#), and [Department of Homeland Security Immigration Yearbook](#) in our Data Directory.

The source of crime data in the tables presented here is Federal Bureau of Investigation's Uniform Crime Reporting (UCR) Program, which compiles standardized incident reports from local law enforcement agencies in order to produce reliable, uniform, and national crime data. The UCR Program collects data on known offenses and persons arrested by law enforcement agencies. For details on this dataset, see the related entry for [FBI Uniform Crime Reports](#) in the Data Directory. Crime data in this report is not summed or aggregated, but rather listed for each of the complete areas within the study area for which crime is reported.

For the separate Employment and Crime Sections in this report, only locations for which data are available are included in the tables. If the section does not include information, no data was available for any of the locations or component parts of the area you requested for this report.

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Community Profile Report by Custom Region: Primary & Secondary for area in **Baltimore County, Maryland**
04/24/2010
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Appendix B – Market Data

- National Apartment Association – *Survey of Operating Income & Expenses in Rental Apartment Properties: Executive Summary*; excerpts from 2009 – 2004 surveys.
- Comparable Property Survey Reports, Summary of Findings, and Rental Rate Adjustment Matrix



2009 Survey of Operating Income & Expenses in Rental Apartment Properties

EXECUTIVE SUMMARY

BY CHRISTOPHER LEE

REGIONS USED IN SURVEY

Region I	CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, PR, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, ND, NE, NM, SD, UT, WY
Region VI	AK, AZ, CA, HI, ID, NV, OR, WA

EXECUTIVE SUMMARY TABLE OF CONTENTS

Market Rent Properties Summary	63
Metro Area Market Rent Summary.....	67
Subsidized Properties Summary.....	68
Glossary of Terms.....	69

A full survey report and individual market data will be available at www.naahq.org/09ies by Oct. 1.

Challenging Times Require Bottom-Line Focus

In a transformational year of bailouts, stimulus programs, deficit spending and financial industry restructuring, in addition to a dramatic decline of home and stock ownership and values, rising unemployment and bankruptcies, the U.S. apartment industry continues to face many short-term challenges. In the face of a prolonged recession, rising cost of living, tax increases, declining rents and a significant decline in both transactional volume and asset values, the apartment industry is placing an even greater emphasis on operational basics and performance metrics.

The turmoil created by economic uncertainty has raised the bar within the apartment industry for increased focus on operations. Asset and property management skills and experience are now more of a priority than ever before, as the apartment industry focuses on offensive and defensive actions to control the financial bottom line of property and portfolio operations.

These findings are just a few of the many conclusions drawn from the recently completed National Apartment Association's 2009 Survey of Operating Income & Expenses. This NAA-sponsored survey of nearly 900,000 apartment units nationwide, conducted by Los Angeles-based CEL & Associates Inc., concluded that the quality and dedication of leadership and onsite talent within the apartment industry does matter.

The 2009 survey results reveal that apartment operators are successfully balancing a commitment to providing high-quality living environments with the need to be financially diligent in

managing and controlling often unexpected increases in operating costs. Within the apartment industry, the experience, knowledge and dedication of onsite personnel is paying big dividends for residents and owners alike.

NAA has completed its Survey of Operating Income & Expenses in Rental Apartment Properties for 2009, based on annual data for 2008.

Major findings in this survey of the professionally managed rental apartment industry reflect the uncertainties of the current economy, as demonstrated by net operating income in the "market rent" segment of the rental apartment market declining by 2.7 percentage points to 53.9 percent and a higher economic loss rate of 12.42 percent from 10.11 percent in 2007. Total operating expenses increased by 0.9 percentage points, or 2.3 percent. The economic state of subsidized properties in the survey also experienced variable results over 2007.

A total of 3,619 properties containing 898,523 units are represented in this year's report. Data was reported for 3,107 market rent properties containing 822,991 units and 512 subsidized properties containing 75,532 units. Forms with partial data or apparent problems that could not be resolved were not included.

The report presents data from stratifications of garden and mid-rise/high-rise properties, further segmented by individually metered and master-metered utilities. Survey data is presented in three forms: dollars per unit, dollars per square foot of rentable

All Market Rent Properties

OPERATING INCOME & EXPENSE DATA

INDIVIDUAL METERED PROPERTIES

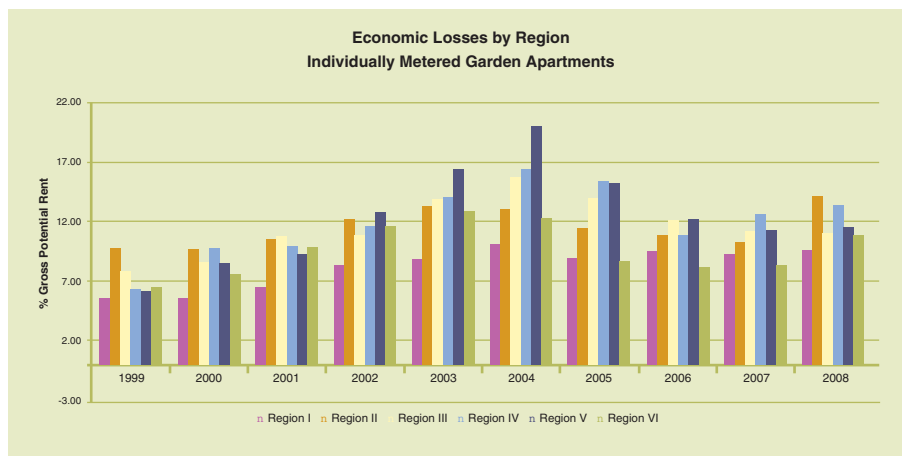
	Total			Garden			Mid & Hi Rise		
Number of Properties	2670			2492			178		
Number of Units	712,640			671,556			41,084		
Avg. No. of Units/Property	267			269			231		
Avg. No. of Square Feet/Unit	906			909			868		
Turnover rate in %	55%			55%			50%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	10,653	11.75	100.0%	10,367	11.41	100.0%	15,330	17.67	100.0%
Rent Revenue Collected	9,349	10.31	87.8%	9,080	9.99	87.6%	13,758	15.86	89.7%
Losses to Vacancy	802	0.88	7.5%	785	0.86	7.6%	1,071	1.23	7.0%
Collection Losses	93	0.10	0.9%	94	0.10	0.9%	72	0.08	0.5%
Losses to Concessions	409	0.45	3.8%	407	0.45	3.9%	429	0.49	2.8%
Other Revenue	696	0.77	6.5%	691	0.76	6.7%	779	0.90	5.1%
Total Revenue	10,045	11.08	94.3%	9,771	10.75	94.3%	14,536	16.76	94.8%
Operating Expenses									
Salaries and Personnel	1,094	1.21	10.3%	1,078	1.19	10.4%	1,362	1.57	8.9%
Insurance	237	0.26	2.2%	234	0.26	2.3%	286	0.33	1.9%
Taxes	1,037	1.14	9.7%	1,007	1.11	9.7%	1,530	1.76	10.0%
Utilities	456	0.50	4.3%	451	0.50	4.4%	535	0.62	3.5%
Management Fees	296	0.33	2.8%	289	0.32	2.8%	413	0.48	2.7%
Administrative	245	0.27	2.3%	238	0.26	2.3%	362	0.42	2.4%
Marketing	180	0.20	1.7%	175	0.19	1.7%	255	0.29	1.7%
Contract Services	291	0.32	2.7%	284	0.31	2.7%	403	0.46	2.6%
Repair and Maintenance	442	0.49	4.1%	428	0.47	4.1%	658	0.76	4.3%
Total Operating Expenses	4,279	4.72	40.2%	4,185	4.61	40.4%	5,805	6.69	37.9%
Net Operating Income	5,767	6.36	54.1%	5,585	6.15	53.9%	8,731	10.06	57.0%
Capital Expenditures	889	0.98	8.3%	901	0.99	8.7%	716	0.82	4.7%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	437			326			111		
Number of Units	110,351			82,595			27,756		
Avg. No. of Units/Property	253			253			250		
Avg. No. of Square Feet/Unit	905			939			803		
Turnover rate in %	46%			47%			45%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	13,532	14.95	100.0%	12,375	13.18	100.0%	16,975	21.15	100.0%
Rent Revenue Collected	12,037	13.30	88.9%	10,957	11.67	88.5%	15,249	19.00	89.8%
Losses to Vacancy	1,011	1.12	7.5%	935	1.00	7.6%	1,234	1.54	7.3%
Collection Losses	116	0.13	0.9%	120	0.13	1.0%	106	0.13	0.6%
Losses to Concessions	368	0.41	2.7%	363	0.39	2.9%	386	0.48	2.3%
Other Revenue	1,011	1.12	7.5%	886	0.94	7.2%	1,383	1.72	8.1%
Total Revenue	13,048	14.41	96.4%	11,843	12.62	95.7%	16,632	20.72	98.0%
Operating Expenses									
Salaries and Personnel	1,336	1.48	9.9%	1,254	1.34	10.1%	1,578	1.97	9.3%
Insurance	308	0.34	2.3%	265	0.28	2.1%	437	0.54	2.6%
Taxes	1,128	1.25	8.3%	915	0.97	7.4%	1,761	2.19	10.4%
Utilities	1,299	1.44	9.6%	1,301	1.39	10.5%	1,292	1.61	7.6%
Management Fees	473	0.52	3.5%	418	0.45	3.4%	637	0.79	3.8%
Administrative	402	0.44	3.0%	362	0.39	2.9%	519	0.65	3.1%
Marketing	210	0.23	1.6%	192	0.20	1.6%	264	0.33	1.6%
Contract Services	516	0.57	3.8%	436	0.46	3.5%	755	0.94	4.4%
Repair and Maintenance	565	0.62	4.2%	546	0.58	4.4%	620	0.77	3.6%
Total Operating Expenses	6,237	6.89	46.1%	5,691	6.06	46.0%	7,862	9.80	46.3%
Net Operating Income	6,811	7.52	50.3%	6,153	6.55	49.7%	8,769	10.93	51.7%
Capital Expenditures	1,085	1.20	8.0%	1,024	1.09	8.3%	1,254	1.56	7.4%

Source: National Apartment Association 2009 Survey of Operating Income & Expenses in Rental Apartment Communities

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floor area and as a percentage of gross potential rent (GPR).

Responses from garden properties with individually metered utilities represent 85.9 percent of the market rent properties and 70.5 percent of the subsidized properties. Therefore, the analysis is focused primarily on the garden properties with individually metered utilities.

The market rent segment generally has greater units per property and greater floor area per unit than the subsidized segment. The average size of individually metered market rent garden properties is 269 units (143 units in subsidized). Rentable floor area averaged 909 square feet for market rent apartments and 875 square feet for the subsidized units.

The complete report (available online Oct. 1 at www.naaHQ.org/09ies) contains detailed data summarized for six geographic regions and metropolitan areas. Seventy-seven metropolitan areas met the separate reporting requirements for market rent properties. Sufficient numbers of subsidized properties were submitted for 20 metropolitan areas.

This report also includes results for all “other” properties at the state level with a minimum of six properties located in metro areas that did not meet requirements for separate reporting. Non-metro area reporting also is included at the state level. Tables for market rent properties are provided for 12 states and for subsidized properties in 16 states.

Market Rent Properties

Economic Losses. A standard measure of the health of the rental housing market is economic losses, defined as the differ-

ence between Gross Potential Rent (GPR) and rent revenue collected, expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollected rents and the value of rent concessions.

The economic loss rate in the survey for market rent individually metered garden properties increased to 12.42 percent in the data for 2008, the highest in the past four years of reporting, compared to 10.11 percent in 2007, 10.20 in 2006 and 11.87 percent in 2005. Economic losses overall reported in the survey increased over levels not seen since prior to 2005.

Net Operating Income (NOI) and Revenues. NOI is a key measurement for evaluating the health of a property and the rental housing market. It is defined by the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits. NOI in the survey also reflected the current downward pressure on rental apartment market economics in 2008.

NOI measured as a percent of GPR for 2008 was 53.9 percent, declining 2.7 percentage points from 56.6 percent in 2007 (56.9 percent in 2006, 53.9 percent in 2005 and 52.2 percent in 2004). The NAA survey’s historical peak was 58.9 percent in 1999. Regionally, NOIs in 2008 ranged from a high of 59.4 percent in the Northeast (Region I) and Pacific (Region VI) states to a low of 48.5 percent in the Southwest states (Region IV), which has usually experienced the lowest NOI percentage among the regions.

Average NOIs for the last three survey data years of individually metered garden properties are presented in the table on p. 65.

Gross Potential Rent (GPR). GPR in the survey data tables

Economic Loss Rates By Region
Individually Metered Garden Properties

	2008	2007	2006	2005	2004	2003	2002	2001
All	12.42%	10.11%	10.20%	11.87%	13.99%	13.35%	11.39%	9.69%
Region I	9.49%	9.16%	9.46%	8.87%	10.02%	8.79%	8.21%	6.36%
Region II	14.07%	10.09%	10.84%	11.35%	12.89%	13.31%	12.10%	10.44%
Region III	10.93%	11.11%	12.02%	13.87%	15.54%	13.84%	10.85%	10.64%
Region IV	13.34%	12.55%	10.77%	15.39%	16.23%	13.98%	11.53%	9.90%
Region V	11.45%	11.22%	12.12%	15.14%	19.99%	16.33%	12.75%	9.16%
Region VI	10.82%	8.26%	8.09%	8.57%	12.15%	13.21%	11.54%	9.79%

All Subsidized Properties

OPERATING INCOME & EXPENSE DATA, INDIVIDUAL METERED PROPERTIES

INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	361			303			58		
Number of Units	51,986			43,227			8,759		
Avg. No. of Units/Property	144			143			151		
Avg. No. of Square Feet/Unit	841			875			713		
Turnover rate in %	32%			34%			27%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	9,649	11.38	100.0%	9,432	10.78	100.0%	10,720	15.03	100.0%
Rent Revenue Collected	8,881	10.48	92.0%	8,606	9.83	91.2%	10,239	14.35	95.5%
Losses to Vacancy	481	0.57	5.0%	514	0.59	5.4%	317	0.44	3.0%
Collection Losses	110	0.13	1.1%	128	0.15	1.4%	24	0.03	0.2%
Losses to Concessions	177	0.21	1.8%	184	0.21	2.0%	140	0.20	1.3%
Other Revenue	319	0.38	3.3%	314	0.36	3.3%	345	0.48	3.2%
Total Revenue	9,200	10.85	95.3%	8,920	10.19	94.6%	10,584	14.84	98.7%
Operating Expenses									
Salaries and Personnel	1,230	1.45	12.7%	1,214	1.39	12.9%	1,311	1.84	12.2%
Insurance	280	0.33	2.9%	270	0.31	2.9%	328	0.46	3.1%
Taxes	642	0.76	6.7%	623	0.71	6.6%	740	1.04	6.9%
Utilities	537	0.63	5.6%	511	0.58	5.4%	665	0.93	6.2%
Management Fees	473	0.56	4.9%	456	0.52	4.8%	558	0.78	5.2%
Administrative	410	0.48	4.3%	405	0.46	4.3%	436	0.61	4.1%
Marketing	98	0.12	1.0%	98	0.11	1.0%	98	0.14	0.9%
Contract Services	468	0.55	4.8%	468	0.53	5.0%	465	0.65	4.3%
Repair and Maintenance	368	0.43	3.8%	396	0.45	4.2%	230	0.32	2.1%
Total Operating Expenses	4,506	5.32	46.7%	4,441	5.07	47.1%	4,830	6.77	45.1%
Net Operating Income	4,694	5.54	48.6%	4,479	5.12	47.5%	5,754	8.07	53.7%
Capital Expenditures	683	0.81	7.1%	710	0.81	7.5%	562	0.79	5.2%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	151			73			78		
Number of Units	23,546			9,959			13,587		
Avg. No. of Units/Property	156			136			174		
Avg. No. of Square Feet/Unit	723			818			661		
Turnover rate in %	21%			24%			18%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	10,016	13.85	100.0%	9,142	11.18	100.0%	10,656	16.13	100.0%
Rent Revenue Collected	9,388	12.98	93.7%	8,204	10.03	89.7%	10,256	15.52	96.2%
Losses to Vacancy	421	0.58	4.2%	591	0.72	6.5%	297	0.45	2.8%
Collection Losses	114	0.16	1.1%	204	0.25	2.2%	49	0.07	0.5%
Losses to Concessions	93	0.13	0.9%	144	0.18	1.6%	55	0.08	0.5%
Other Revenue	307	0.42	3.1%	342	0.42	3.7%	281	0.43	2.6%
Total Revenue	9,695	13.40	96.8%	8,546	10.45	93.5%	10,537	15.95	98.9%
Operating Expenses									
Salaries and Personnel	1,329	1.84	13.3%	1,374	1.68	15.0%	1,297	1.96	12.2%
Insurance	360	0.50	3.6%	330	0.40	3.6%	382	0.58	3.6%
Taxes	653	0.90	6.5%	508	0.62	5.6%	759	1.15	7.1%
Utilities	1,369	1.89	13.7%	1,234	1.51	13.5%	1,467	2.22	13.8%
Management Fees	546	0.75	5.4%	480	0.59	5.2%	594	0.90	5.6%
Administrative	491	0.68	4.9%	506	0.62	5.5%	479	0.73	4.5%
Marketing	52	0.07	0.5%	75	0.09	0.8%	36	0.05	0.3%
Contract Services	635	0.88	6.3%	643	0.79	7.0%	629	0.95	5.9%
Repair and Maintenance	344	0.48	3.4%	443	0.54	4.8%	272	0.41	2.6%
Total Operating Expenses	5,780	7.99	57.7%	5,594	6.84	61.2%	5,916	8.95	55.5%
Net Operating Income	3,915	5.41	39.1%	2,952	3.61	32.3%	4,622	6.99	43.4%
Capital Expenditures	902	1.25	9.0%	812	0.99	8.9%	963	1.46	9.0%

Source: National Apartment Association 2009 Survey of Operating Income & Expenses in Rental Apartment Communities

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NOI By Region for Past Three Survey Data Years Individually Metered Garden Properties

	Dollars per Unit			Dollars per Square Foot			% of GPR		
	2008	2007	2006	2008	2007	2006	2008	2007	2006
All	\$5,585	\$6,011	\$5,644	\$6.15	\$6.60	\$6.36	53.9%	56.6%	56.9%
Region I	\$7,367	\$7,542	\$7,577	\$8.22	\$8.37	\$8.46	59.4%	59.3%	61.4%
Region II	\$5,119	\$5,547	\$5,111	\$5.22	\$5.66	\$5.48	52.4%	55.8%	55.7%
Region III	\$4,860	\$4,535	\$4,783	\$5.13	\$4.83	\$5.55	49.9%	49.6%	53.0%
Region IV	\$4,569	\$4,570	\$4,118	\$5.41	\$5.40	\$4.91	48.5%	49.7%	50.0%
Region V	\$5,406	\$5,780	\$5,113	\$6.22	\$6.54	\$5.73	58.0%	59.1%	57.1%
Region VI	\$7,552	\$8,153	\$7,993	\$8.96	\$9.37	\$9.18	59.4%	62.7%	62.6%

is defined on a “look-back” fiscal year basis. It is the sum of total rents of all occupied units at 2008 lease rates and all vacant units at 2008 market rents.

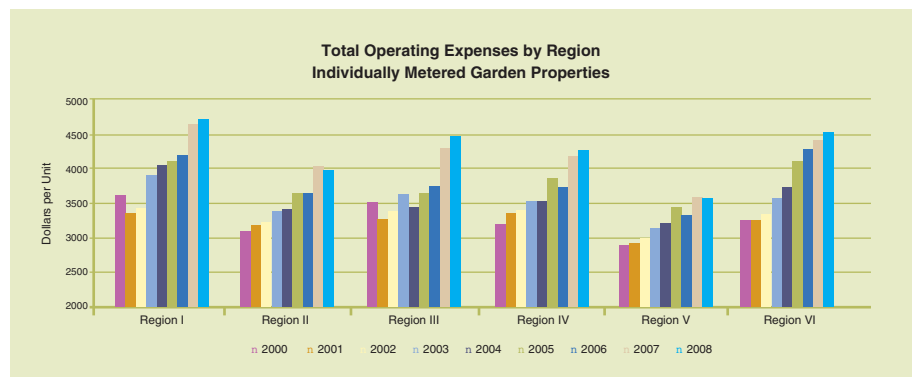
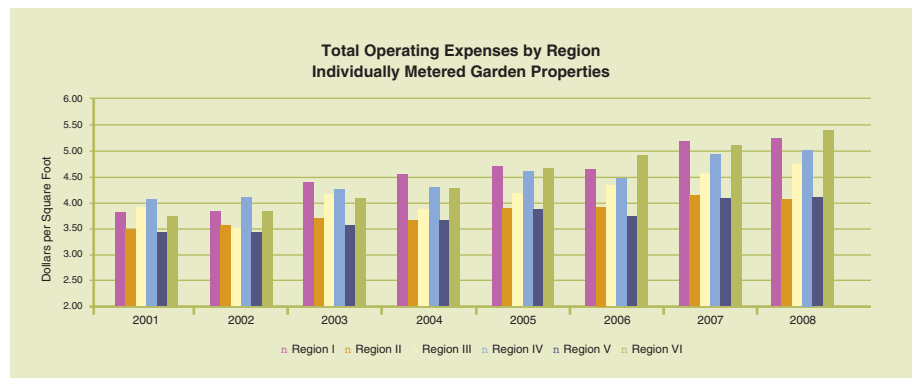
Average annual GPR decreased by 2.4 percent in 2008 for garden properties with individually metered utilities. Average GPR was \$10,367 per unit (\$864 monthly) in this year’s survey versus \$10,624 per unit (\$885 monthly) in the previous year’s survey (2007). On a per square foot basis, GPR was \$11.41 (\$0.95 per month) versus \$11.67 (\$0.97 per month) in 2007.

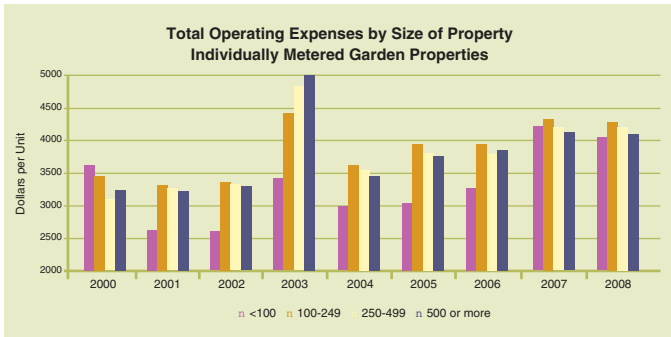
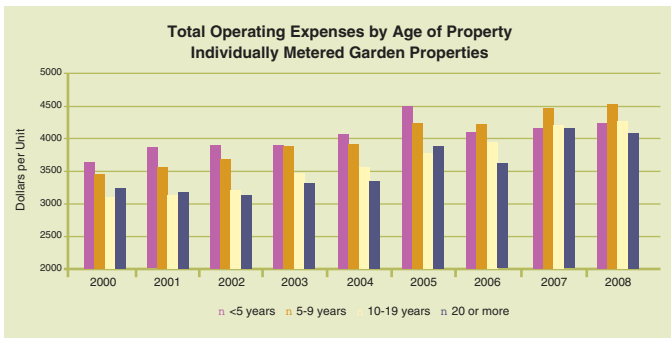
Median annual GPR for individually metered garden properties in the survey is \$9,700 (\$808 per month) versus \$9,639 (\$803 per month) in 2007 and \$8,751 (\$729 per month) in 2006.

Rent Revenue Collected. Annual rent revenue collected averaged \$9,080 per individually metered garden property unit, down 4.9 percent from \$9,550 in last year’s survey. Measured on a per square-foot basis, rent revenue averaged \$9.99 per square foot versus \$10.49 in 2007 and \$10.04 in 2006.

Revenue Losses. Revenue losses averaged 12.42 percent of GPR in 2008 versus 10.11 percent in 2007, 10.20 percent in 2006 and 11.87 percent in 2005. Revenue losses were reported in three categories: those from vacancies, collections and concessions. Vacancy losses for individually metered market rent garden properties averaged 7.6 percent of GPR in the current survey (\$785 per unit, \$0.86 per square foot) versus 6.9 percent of GPR (\$732 per unit, \$0.80 per square foot) in 2007. Collection losses averaged 0.9 percent of GPR (\$94 per unit, \$0.10 per square foot) in comparison to 0.6 percent of GPR (\$64 per unit, \$0.07 per square foot) from 2007. Losses from rent concessions increased, averaging 3.9 percent of GPR (\$407 per unit in the property, \$0.45 per square foot) in 2008 versus 2.6 percent of GPR (\$278 per unit in the property, \$0.31 per square foot) last year.

Other Revenue Collected. The trend of multifamily housing owners and service providers creating and offering additional revenue sources is reflected in a continued increase of 0.5 percent-





age points or 8.1 percent as a percent of GPR this year. Other revenue collected from operating sources includes receipts from onsite laundries, cable, TV/Internet service, telephone systems, parking fees

and other charges for services and amenities. These other operating revenues averaged \$691 per unit (\$0.76 per square foot) in 2008 versus \$658 per unit (\$0.72 per square foot) in 2007 for individually metered garden properties reported in the survey. Median other operating revenues were \$608 per unit.

Total Operating Expenses. Total operating expenses, as a percent of GPR, increased by 0.9 percentage points or 2.3 percent in 2008, because of the decline in overall GPR. The total operating expenses represented 40.4 percent of GPR versus 39.5 percent in 2007. Total operating expenses for individually metered garden properties in the survey averaged \$4,185 per unit (\$4.61 per square foot) versus \$4,196 per unit (\$4.61 per square foot) in 2007.

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of any reimbursements from residents), management fees, general and administration, marketing, contract services and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

There continues to be variation in the trends among individual categories of operating costs, some of which may be derived from variations in accounting policy regarding expense classification that the survey cannot further delineate. Average

property-related insurance costs decreased 12.0 percent in 2008 to \$234 per unit (\$0.26 per square foot) from \$266 per unit (\$0.29 per square foot) in 2007. Administrative costs rose 1.3 percent to \$238 from \$235 per unit in 2007. Management fees decreased 15.0 percent to \$289 per unit (2.8 percent of GPR) from \$340 per unit (3.2 percent of GPR) a year earlier. Marketing costs increased 1.7 percent to \$175 per unit or 1.7 percent of GPR from \$172 per unit or 1.6 percent of GPR in 2007. Maintenance costs increased again at 3.4 percent to \$428 per unit from \$414 per unit in the 2007 survey. Contract services costs increased 7.2 percent to an average of \$284 per unit in 2008 from \$265 in 2007.

The overall turnover rate declined again from last year. As previous homeowners continued the migration back to apartment units, the overall turnover rate declined to 55 percent of total units among the individually metered garden apartment properties reported in the survey for 2008 from 59 percent in 2007 and 62 percent in 2006. This equals a new low turnover rate over the history of this survey, which has been in the range of 59 percent to 69 percent. The previous lows occurred in the data for 2007 and 1995 and the high during the recession year 1990.

All regional turnover rates declined last year: Northeast (Region I), 52 percent to 42 percent; Southeast (Region II), 59 percent

to 58 percent; North Midwest (Region III), 52 percent to 50 percent; Southwest (Region IV), 61 percent to 60 percent; Mountain/South Midwest States (Region V), 60 percent to 58 percent and in the Pacific (Region VI), 62 percent to 52 percent.

Age of Property. Operating expenses as a percentage of GPR and dollars per square foot basis expectedly rose in individually metered garden properties in the report as they age. Operating expenses are 38.9 percent of GPR (\$4.41 per square foot) in properties less than 5 years old and rise to 42.5 percent of GPR (\$4.76 per square foot) for properties 20 or more years old. As operating expenses decrease over the span of years, capital expenditures increase as the building ages. For example, operating expenses were \$4,231 per unit for those 5 to 9 years old and decreased to \$4,071 per unit for properties 20 or more years old, while capital expenditures ranged from \$270 to \$1,006, respectively, by age of property.

The highest average NOI as a percentage of GPR occurred in properties 10 to 19 years old at 56.5 percent. Measured in terms of dollars per unit, the low was \$5,027 per unit in properties that are 20 or more years old and the high was \$6,801 for properties 5 to 9 years old.

Economic losses continue to be the highest among the newest properties. Properties less than 5 years old reported the highest ratio of economic losses at 17 percent of GPR, while the lowest was in those that are 20 or more years old at 12 percent.

Age of property groupings again show distinct differences in the individual cost components of operating costs. The largest difference is in real estate and related property taxes and fees, varying from a high (average) of \$1,334 per unit (\$1.34 per square foot) in those properties five to nine years old, to a low of \$820 (\$0.96 per square foot) for those aged 20 or more years.

Expectedly, capital expenditures were significantly lower for the newest properties. They averaged \$270 per unit (\$0.28 per square foot) for properties less than five years old, compared to the highest average reported for properties 20 or more years old at \$1,006 per unit (\$1.18 per square foot).

Size of Property. Economies of scale in apartment property size are evident if operating costs decline as the size of properties increases. Economies of scale did appear when total operating costs were measured on a percentage of gross potential rent basis, dropping from 43.7 percent of GPR in properties of less than 100 units, to 40.3 percent in those containing 500 or more units. The survey results, however, did not show similar economies of scale on a per unit basis. Operating costs, across property sizes, ranged from \$4,024 to \$4,261 per unit.

Economic losses varied based on property size. Losses were highest with properties with 500 or more units at 13.1 percent of GPR and the lowest for properties with fewer than 100 units at 8.9 percent.

Metro-Area Operating Income & Expenses

Detailed tables in the full report are presented for the 77 metropolitan areas where a total of six or more garden communities of all types were reported in the survey. This is the only section of the report with metropolitan area data for garden, mid-rise and high-rise building properties, and is further segmented into those with utilities that are individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

Following are highlights of the metropolitan area data, focusing on garden properties with individually metered utilities unless otherwise noted.

- NOIs on a dollar-per-unit basis ranged from \$12,179 (\$13.19 per square foot) in the San Jose-Sunnyvale-Santa Clara metro area to a low of \$2,013 (\$2.43 per square foot) in the Augusta-Richmond County, Ga.-S.C. metro area. The New York-Northern New Jersey-Long Island metro area had the highest NOI measured as a percent of GPR at 68.6 percent and Augusta-Richmond County, Ga.-SC had the lowest at 39 percent.

- GPR averages were the highest in the San Jose-Sunnyvale-Santa Clara, Calif., metro area at \$19,272 per unit (\$20.87 per square foot). A low of \$5,156 per unit (\$6.22 per square foot) was tabulated for properties reported from Augusta-Richmond County, Ga.-S.C.

- Economic losses were lowest in the Des Moines, Iowa, metro area at 2.07 percent of GPR and Salt Lake City at 4.31 percent.

Both, however, have small numbers of reported individually metered garden properties. Metro areas with the highest economic losses were Birmingham, Ala., at 18.63 percent, and Wilmington, N.C., at 17.43 percent.

- Total operating costs' highs and lows vary among metro areas based on which measure is selected. Properties reporting from the Boston metro area had the highest operating costs based on a per unit basis at \$7,048 (\$7.35 per square foot), followed by Ventura, Calif., at \$6,528 per unit (\$7.50 per square foot). A low of \$2,862 per unit (\$2.93 per square foot) was reported in the Jackson, Tenn., metro area.

- Real estate taxes remained high in many metro areas in 2008. The San Jose-Sunnyvale-Santa Clara, Calif., metro area had the highest real estate taxes per unit at \$2,083; Miami, Fla., was second at \$2,073 per unit followed by the New York-Northern New Jersey-Long Island metro area at \$1,878 per unit. The lowest average was for properties located in Colorado Springs, Colo., and

Wilmington, N.C., metro areas at \$245 and \$307, respectively.

- Insurance costs on a per unit basis were the highest among the following areas, including several hurricane prone metro areas: They were at \$544 per unit (\$0.52 per square foot) in Fort Lauderdale, Fla.; \$525 (\$0.79 per square foot) in the New York-Northern New Jersey-Long Island metro area; and \$492 (\$0.58 per square foot) in Deltona-Daytona Beach, Fla. They were lowest in the Tucson, Ariz., and Des Moines metro areas at \$103 per unit (\$0.13 per square foot and \$0.12 per square foot, respectively).

- Salaries and personnel costs were the lowest in the Jackson, Miss., metro area at \$680 per unit (\$0.63 per square foot) and Des Moines, at \$661 (\$0.78 per square foot). Boston had the highest average at \$2,322 per unit (\$2.42 per square foot) followed by \$1,391 in the Philadelphia-Camden metro area (\$1.52 per square foot).

- Dayton, Ohio, and Jackson, Miss., had the largest units among the metro areas reported separately in this report with an average of 1,089 and 1,088 square feet of floor area per unit, respectively. Properties reporting located in the Salt Lake City and New York metros had the lowest averaging at 675 and 663 square feet per unit, respectively.

Subsidized Properties Income & Expenses

Operating Income & Expenses Summary. Data was received for 512 subsidized properties containing 75,532 units. Garden properties with individually metered utilities represent the largest subgroup of properties reporting, and analysis herein will be limited to this sector. Data tables are presented for 20 metropolitan areas in the full report that met the minimum for separate reporting. Subsidized garden apartment properties with individually metered utilities in the survey tend to have fewer units and less floor area than market rent units. Responding properties contained an average of 143 units versus 269 units for market rent properties of the same type. These subsidized properties had an average of 875 square feet of floor area versus 909 square feet for the market rent properties.

Revenues. GPR averaged \$9,432 per unit (\$10.78 per square foot) annually in this year's survey versus \$8,556 per unit (\$9.77 per square foot) in 2007 and \$9,070 per unit (\$10.62 per square foot) in 2006. Rental revenues averaged \$8,606 (\$9.83 per square foot) versus \$7,867 (\$8.98 per square foot) in 2007 and \$8,475 per unit (\$9.92 per square foot) in 2006. Other operating revenues averaged \$314 per unit (\$0.36 per square foot) in 2008 versus \$320 per unit (\$0.36 per square foot) in 2007 and \$341 per unit (\$0.40 per square foot) for 2006.

Operating Expenses. Operating expenses in subsidized properties were higher than those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$4,441 (\$5.07 per square foot) in 2008 versus the \$4,339 (\$4.95 per square foot) in 2007 and \$3,974 per unit (\$4.65 per square foot) reported for responding properties in 2006.

Net Operating Income. Subsidized properties reported in the survey had lower levels of NOI than the market rent properties in all three measures. NOI for subsidized properties in the survey averaged 47.5 percent of GPR versus 53.9 percent for the market rent properties. Other comparisons of subsidized to market rent were \$4,479 versus \$5,585 on a dollars-per-unit basis, and \$5.12

versus \$6.15 on a per-square foot-of-floor-area basis, respectively.

Economic Losses. Economic losses tend to be lower in subsidized properties with their lower rents and relatively tight supply. An 8.8 percent average rate was calculated for the subsidized individually metered garden properties versus 12.42 percent for market rent units. The economic loss ratio in subsidized properties increased over last year's 8.1 percent and 6.56 percent in 2006.

Turnover Rates. Occupants of subsidized apartments have lower incomes and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 34 percent versus 55 percent for market rent units.

Metrics (Garden, Individually Metered Properties)

To provide a better understanding of apartment operations, CEL has provided additional analysis in the form of ratios (metrics), which provide benchmarks of the relationship between key operating variables from survey participants.

In the table below, several operating metrics are presented, stratified by number of units per community.

These include measures of the relationship between payroll (staffing) and revenue (top line) and income (NOI), shown as Revenue (or Income) dollars per dollar of payroll, or Payroll as a percent of Revenue or NOI, and the number of units supported by each full-time (and total) employee.

These metrics should be used as a point of reference and guidelines for readers of this survey report, and not necessarily as a target or requirement to assure efficiency or operational policy.

Summary

Calendar year 2009, despite its challenges, provides an opportunity within the apartment industry to do more with less. It is clear that many apartment firms, leaders and onsite personnel have and continue to demonstrate the managerial and service qualities of which the apartment industry can be proud.

It also is clear that economic conditions in 2009 will not likely improve dramatically. The hidden value during these difficult times is the opportunity for industry professionals to fine-tune property and portfolio operating policy and procedures, which are capable of building an even stronger financial management platform as markets recover.

The NAA survey results in 2009 continue to demonstrate that many in the apartment industry know how to protect, add and create value, and are proving their skills in operations management.

Beyond financial results, the real "bottom line" for the multi-family housing industry is creating and maintaining a welcoming environment for approximately 35 million apartment residents—a deliverable requiring the range of diverse skills, creative talents and experience within the apartment industry.

Glossary of Terms

Administrative. Total monies spent on general and administrative items such as answering service, donations, mileage reimbursement, bank charges, legal/eviction charges, postage, telephone/fax/Internet charges, office supplies, resident functions, uniforms, credit reports, permits, membership dues, subscriptions, data processing, etc.

Capital Expenditures. Total monies spent on non-recurring capital expenditures such as asphalt/parking, concrete/masonry, water heaters, range/cook top/ovens, dishwashers, glass, blinds/draperies, sidewalks/curbing, vinyl, pool, new carpet, washers/dryers, club amenities, fitness equipment, etc. A zero on the line meant there were no capital expenditures.

Contract Services. Total monies spent on all contract services such as landscaping, security, snow removal, trash removal, exterminator and other services provided on a contract basis.

GPR Residential. Total rents of all occupied units at 2008 lease rates and all vacant units at 2008 market rents (or fiscal year end).

Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. Includes property hazard and liability and real property insurance and does not include payroll insurance.

Maintenance. Total monies spent on general maintenance, maintenance supplies and uniforms, minor painting/carpeting repairs, plumbing supplies and repairs, security gate repairs, keys/locks, minor roof/window repairs, HVAC repairs, cleaning supplies, etc. Non-recurring capital expense not included.

Management Fees. Total fees paid to the management agent/company by the owner.

Marketing. Total monies spent on media advertising, including locator fees, apartment guides, signage, newsletter, Internet, marketing gifts/incentives (not rent concessions), model expense, promotions, etc.

Apartment Operations Metrics
Individually Metered Garden Properties

	Properties	Units	Revenue / Payroll	Net Operating Income / Payroll	# Units / Full-time Employees	# Units / Total Employees	Payroll / Revenue	Payroll / Net Operating Income
Less Than 100 Units	224	16,290	\$8.45	\$4.63	32.4	23.5	11.8%	21.6%
100 to 199 Units	590	88,841	\$8.40	\$4.68	38.7	33.5	11.9%	21.4%
200 to 299 Units	828	201,888	\$8.91	\$5.08	42.5	38.7	11.2%	19.7%
300 to 399 Units	470	159,538	\$9.14	\$5.21	45.1	42.4	10.9%	19.2%
400 to 499 Units	216	94,886	\$9.99	\$5.95	47.4	44.5	10.0%	16.8%
500 or More Units	164	110,113	\$9.18	\$5.22	46.0	43.4	10.9%	19.2%
Total	2,492	671,556	\$9.07	\$5.18	43.4	39.5	11.0%	19.3%

Thank You To Our Participating Companies

NAA sends a special note of appreciation to the 373 firms who donated their time to accumulate the data necessary to make this survey valuable. The following companies and their officers provided more than 20 properties for the 2009 Survey of Operating Income & Expenses in Rental Apartment Properties.

AEW Capital Management
AIMCO
Alco Management Inc.
Alliance Communities
Alliance Residential/Westcorp
Ambling Management Company
AMCAL
AMLI Management Company
Archon Residential
Babcock & Brown Residential
Bell Partners Inc.
Camden
Colonial Properties Trust
Dial Equities Inc.
Drucker & Falk
Dunlap & Magee Property Management
First Choice Management Group
Gables Residential
Greystar Real Estate Partners LLC

Humphrey Management Company
JCM Partners
Legacy Partners
Makowsky Ringel Greenberg
Mid-America Apartment Communities
Milestone Management
Nevins Adams Lewbel Schell
Post Apartment Homes L.P.
PRG Real Estate Management Inc.
Shelter Properties LLC
Simpson Housing LLLP
The Dolben Company Inc.
UDR
Venterra Realty
Village Green Management
Waterton Residential
Western National Property Management
William C. Smith & Company

Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable square feet of floor space in residential units only. Area reported includes only finished space inside four perimeter walls of each unit. Common areas are excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Does not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Payroll Costs. Gross salaries and wages paid to employees assigned to the property. Including payroll taxes, group health/life/disability insurance, 401(k), bonuses, leasing commissions, value of employee apartment allowance, workers' compensation, retirement contributions, overtime and other cash benefits.

Rent-Controlled Property. A property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Revenue Losses to Collections. Amount of residential rents not received due to collection losses.

Revenue Losses to Concessions. Amounts of gross potential residential rents not received due to concessions.

Revenue Losses to Vacancies. Amount of rental income for residential units not collected because of vacancies and other use of units, such as models and offices.

Subsidized Property. A property has controlled rents through a government-subsidized program. If subsidized, the program was listed (i.e., Section 236, Section 8).


Taxes. Total real estate and personal property taxes only. Does not include payroll or rendering fees related to property taxes or income taxes.

Tax-Exempt Bond or Housing-Credit Property. A property that has received tax-exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum of all expense categories must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of the property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and water/sewer utilities to individual units in subject property are: Master Metered, Owner Pays; Master Metered, Resident Pays (RUBS); Individual or Submetered, Resident Pays. 

Christopher Lee, President & Chief Executive Officer of CEL & Associates Inc., is a Special Advisor to NAA. Special thanks to Janet Gora, Director, CEL & Associates Inc., as project manager; and Chanal Thomas of NAA for handling survey logistics and paper responses.

**BALTIMORE-TOWSON, MD METROPOLITAN AREA MARKET RENT PROPERTIES
OPERATING INCOME & EXPENSE DATA**

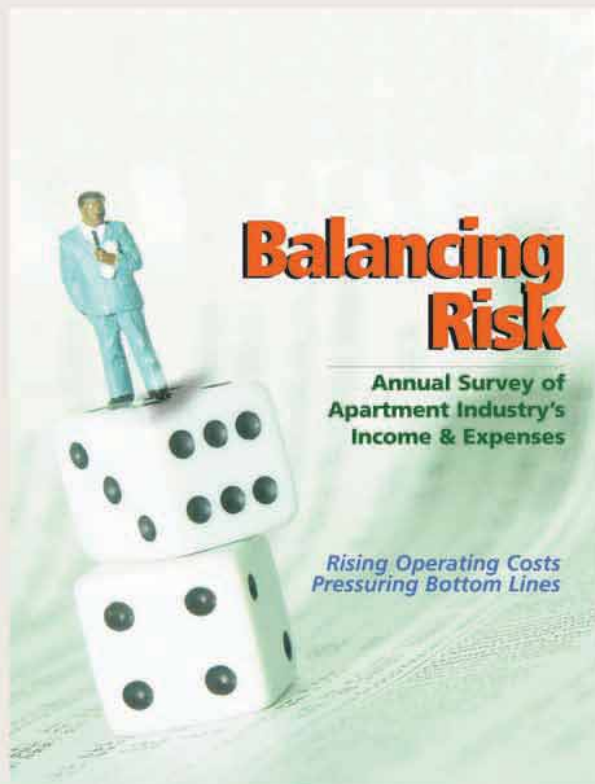
INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	63			31			32		
Number of Units	12,803			8,601			4,202		
Avg. No. of Units/Property	203			277			131		
Avg. No. of Square Feet/Unit	916			986			780		
Turnover rate in %	30%			34%			24%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	13,694	14.95	100.0%	14,327	14.53	100.0%	12,400	15.91	100.0%
Rent Revenue Collected	12,537	13.68	91.6%	13,127	13.31	91.6%	11,331	14.54	91.4%
Losses to Vacancy	784	0.86	5.7%	756	0.77	5.3%	842	1.08	6.8%
Collection Losses	90	0.10	0.7%	103	0.10	0.7%	65	0.08	0.5%
Losses to Concessions	282	0.31	2.1%	341	0.35	2.4%	162	0.21	1.3%
Other Revenue	918	1.00	6.7%	1,121	1.14	7.8%	502	0.64	4.1%
Total Revenue	13,456	14.69	98.3%	14,248	14.45	99.5%	11,834	15.18	95.4%
Operating Expenses									
Salaries and Personnel	1,242	1.36	9.1%	1,192	1.21	8.3%	1,345	1.72	10.8%
Insurance	221	0.24	1.6%	230	0.23	1.6%	202	0.26	1.6%
Taxes	1,141	1.25	8.3%	1,273	1.29	8.9%	872	1.12	7.0%
Utilities	493	0.54	3.6%	426	0.43	3.0%	628	0.81	5.1%
Management Fees	479	0.52	3.5%	432	0.44	3.0%	575	0.74	4.6%
Administrative	311	0.34	2.3%	257	0.26	1.8%	420	0.54	3.4%
Marketing	179	0.20	1.3%	183	0.19	1.3%	171	0.22	1.4%
Contract Services	478	0.52	3.5%	491	0.50	3.4%	450	0.58	3.6%
Repair and Maintenance	581	0.63	4.2%	608	0.62	4.2%	525	0.67	4.2%
Total Operating Expenses	5,124	5.59	37.4%	5,092	5.16	35.5%	5,188	6.65	41.8%
Net Operating Income	8,332	9.09	60.8%	9,156	9.28	63.9%	6,646	8.53	53.6%
Capital Expenditures	1,034	1.13	7.6%	1,199	1.22	8.4%	673	0.86	5.4%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	12			7			5		
Number of Units	3,109			1,593			1,516		
Avg. No. of Units/Property	259			228			303		
Avg. No. of Square Feet/Unit	749			942			546		
Turnover rate in %	40%			39%			45%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	12,418	16.59	100.0%	13,253	14.07	100.0%	11,541	21.15	100.0%
Rent Revenue Collected	11,242	15.01	90.5%	12,126	12.87	91.5%	10,313	18.90	89.4%
Losses to Vacancy	746	1.00	6.0%	780	0.83	5.9%	710	1.30	6.2%
Collection Losses	265	0.35	2.1%	266	0.28	2.0%	263	0.48	2.3%
Losses to Concessions	165	0.22	1.3%	80	0.08	0.6%	255	0.47	2.2%
Other Revenue	876	1.17	7.1%	921	0.98	6.9%	829	1.52	7.2%
Total Revenue	12,118	16.18	97.6%	13,047	13.85	98.4%	11,142	20.42	96.5%
Operating Expenses									
Salaries and Personnel	1,237	1.65	10.0%	1,431	1.52	10.8%	1,032	1.89	8.9%
Insurance	221	0.30	1.8%	298	0.32	2.2%	141	0.26	1.2%
Taxes	1,012	1.35	8.2%	821	0.87	6.2%	1,214	2.22	10.5%
Utilities	1,572	2.10	12.7%	1,852	1.97	14.0%	1,278	2.34	11.1%
Management Fees	541	0.72	4.4%	582	0.62	4.4%	497	0.91	4.3%
Administrative	377	0.50	3.0%	373	0.40	2.8%	381	0.70	3.3%
Marketing	144	0.19	1.2%	151	0.16	1.1%	137	0.25	1.2%
Contract Services	571	0.76	4.6%	454	0.48	3.4%	694	1.27	6.0%
Repair and Maintenance	793	1.06	6.4%	918	0.97	6.9%	661	1.21	5.7%
Total Operating Expenses	6,467	8.64	52.1%	6,879	7.30	51.9%	6,034	11.06	52.3%
Net Operating Income	5,651	7.55	45.5%	6,168	6.55	46.5%	5,108	9.36	44.3%
Capital Expenditures	556	0.74	4.5%	761	0.81	5.7%	340	0.62	3.0%

Source : National Apartment Association 2009 Survey of Operating Income & Expenses in Rental Apartment Communities
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2008 Survey of Operating Income & Expenses in Rental Apartment Properties

EXECUTIVE SUMMARY

BY CHRISTOPHER LEE

REGIONS USED IN SURVEY

Region I	CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, PR, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, ND, NE, NM, SD, UT, WY
Region VI	AK, AZ, CA, HI, ID, NV, OR, WA

EXECUTIVE SUMMARY TABLE OF CONTENTS

Market Rent Properties Summary
Metro Area Market Rent Detailed Income and Expense Data
Subsidized Property Detailed Income and Expense Data
Glossary of Terms

A full survey report and individual market data will be available at www.naaHQ.org/08ies by Oct. 1.

In a year of corporate repositioning, restructuring and re-engineering to successfully meet the economic, market and operating challenges in a recessionary-like environment, the U.S. apartment industry is, by most measures, performing at an exceptional level.

During a time of rental housing supply-demand imbalance in many markets, the turmoil created by the collapse of the sub-prime loan industry, anemic job growth and rising energy and day-to-day living expenses, the apartment industry has responded in a proactive and professional manner.

In a year where renters are moving away from availability to affordability, the apartment industry has responded with a return to the basics.

These findings are just a few of the many conclusions reached from the recently completed National Apartment Association's 2008 Survey of Operating Income & Expenses. This NAA-sponsored survey, conducted by Los Angeles-based CEL & Associates Inc., of more than 900,000 apartment units nationwide concluded that the quality and dedication of leadership and onsite talent within the apartment industry does matter.

The 2008 survey results reveal that apartment operators are successfully balancing a commitment to providing high-quality living environments with the need to be financially diligent in managing and controlling often unexpected increases in operat-

ing costs. Within the apartment industry, the experience, knowledge and dedication of onsite personnel is paying big dividends for residents and owners alike.

NAA has completed its Survey of Operating Income & Expenses in Rental Apartment Properties for 2008, based on annual data for 2007.

Major findings in this survey of the professionally managed rental apartment industry reflect the uncertainties of the current economy, as demonstrated by net operating income in the "market rent" segment of the rental apartment market declining slightly by 0.3 percentage points to 56.6 percent and a lower economic loss rate of 10.11 from 10.20. Total operating expenses increased by 1.2 percentage points or 3.1 percent. The economic state of subsidized properties in the survey also experienced variable results over 2006.

A total of 3,691 properties containing 915,993 units are represented in this year's NAA report. Data was reported for 3,243 "market rent" properties containing 856,256 units and 448 "subsidized properties" containing 59,737 units. Forms with partial data or apparent problems that could not be resolved were not used.

The report presents data from four types of properties. Garden and mid-rise/high-rise properties are segmented by individually metered and master metered utilities. Survey data is presented in three forms: dollars per unit, dollars per square foot of rentable floor area, and as a percentage of gross potential rent (GPR).

All Market Rent Properties

OPERATING INCOME & EXPENSE DATA

INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	2,771			2,611			160		
Number of Units	736,192			699,081			37,111		
Avg. No. of Units/Property	266			268			232		
Avg. No. of Square Feet/Unit	909			911			884		
Turnover rate in %	59%			59%			58%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	10,891	11.98	100.0%	10,624	11.67	100.0%	15,923	18.02	100.0%
Rent Revenue Collected	9,798	10.77	90.0%	9,550	10.49	89.9%	14,458	16.36	90.8%
Losses to Vacancy	748	0.82	6.9%	732	0.80	6.9%	1,055	1.19	6.6%
Collection Losses	64	0.07	0.6%	64	0.07	0.6%	54	0.06	0.3%
Losses to Concessions	282	0.31	2.6%	278	0.31	2.6%	355	0.40	2.2%
Other Revenue	676	0.74	6.2%	658	0.72	6.2%	1,031	1.17	6.5%
Total Revenue	10,474	11.52	96.2%	10,208	11.21	96.1%	15,490	17.53	97.3%
Operating Expenses									
Salaries and Personnel	1,082	1.19	9.9%	1,071	1.18	10.1%	1,274	1.44	8.0%
Insurance	268	0.29	2.5%	266	0.29	2.5%	294	0.33	1.8%
Taxes	1,046	1.15	9.6%	1,012	1.11	9.5%	1,681	1.90	10.6%
Utilities	425	0.47	3.9%	421	0.46	4.0%	505	0.57	3.2%
Management Fees	350	0.39	3.2%	340	0.37	3.2%	546	0.62	3.4%
Administrative	239	0.26	2.2%	235	0.26	2.2%	315	0.36	2.0%
Marketing	176	0.19	1.6%	172	0.19	1.6%	246	0.28	1.5%
Contract Services	270	0.30	2.5%	265	0.29	2.5%	354	0.40	2.2%
Repair and Maintenance	422	0.46	3.9%	414	0.45	3.9%	569	0.64	3.6%
Total Operating Expenses	4,276	4.70	39.3%	4,196	4.61	39.5%	5,785	6.55	36.3%
<i>Net Operating Income</i>	6,198	6.82	56.9%	6,011	6.60	56.6%	9,704	10.98	60.9%
<i>Capital Expenditures</i>	996	1.10	9.1%	993	1.09	9.3%	1,055	1.19	6.6%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	472			357			115		
Number of Units	120,064			88,867			31,197		
Avg. No. of Units/Property	254			249			271		
Avg. No. of Square Feet/Unit	942			961			890		
Turnover rate in %	49%			51%			44%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	14,252	15.13	100.0%	12,574	13.09	100.0%	19,031	21.39	100.0%
Rent Revenue Collected	12,750	13.53	89.5%	11,255	11.71	89.5%	17,008	19.12	89.4%
Losses to Vacancy	1,084	1.15	7.6%	939	0.98	7.5%	1,495	1.68	7.9%
Collection Losses	102	0.11	0.7%	100	0.10	0.8%	108	0.12	0.6%
Losses to Concessions	316	0.34	2.2%	279	0.29	2.2%	421	0.47	2.2%
Other Revenue	887	0.94	6.2%	793	0.83	6.3%	1,155	1.30	6.1%
Total Revenue	13,637	14.48	95.7%	12,048	12.54	95.8%	18,163	20.42	95.4%
Operating Expenses									
Salaries and Personnel	1,389	1.47	9.7%	1,292	1.35	10.3%	1,665	1.87	8.7%
Insurance	347	0.37	2.4%	315	0.33	2.5%	441	0.50	2.3%
Taxes	1,178	1.25	8.3%	967	1.01	7.7%	1,780	2.00	9.4%
Utilities	1,368	1.45	9.6%	1,311	1.36	10.4%	1,529	1.72	8.0%
Management Fees	527	0.56	3.7%	481	0.50	3.8%	659	0.74	3.5%
Administrative	410	0.43	2.9%	367	0.38	2.9%	530	0.60	2.8%
Marketing	241	0.26	1.7%	228	0.24	1.8%	279	0.31	1.5%
Contract Services	466	0.49	3.3%	422	0.44	3.4%	590	0.66	3.1%
Repair and Maintenance	609	0.65	4.3%	564	0.59	4.5%	736	0.83	3.9%
Total Operating Expenses	6,534	6.94	45.9%	5,947	6.19	47.3%	8,209	9.23	43.1%
<i>Net Operating Income</i>	7,103	7.54	49.8%	6,102	6.35	48.5%	9,954	11.19	52.3%
<i>Capital Expenditures</i>	1,598	1.70	11.2%	1,385	1.44	11.0%	2,156	2.42	11.3%

Source: National Apartment Association 2008 Survey of Operating Income & Expenses in Rental Apartment Communities

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Responses from garden properties with individually metered utilities represent 80 percent of the market rent properties and 55 percent of the subsidized properties. Therefore, the analysis is focused primarily on the garden properties with individually metered utilities.

The market rent segment generally has greater units per property and greater floor area per unit. The average size of individually metered market rent garden properties is 268 units (129 units in subsidized). Rentable floor area averaged 911 square feet for market rent apartments and 876 square feet for the subsidized units.

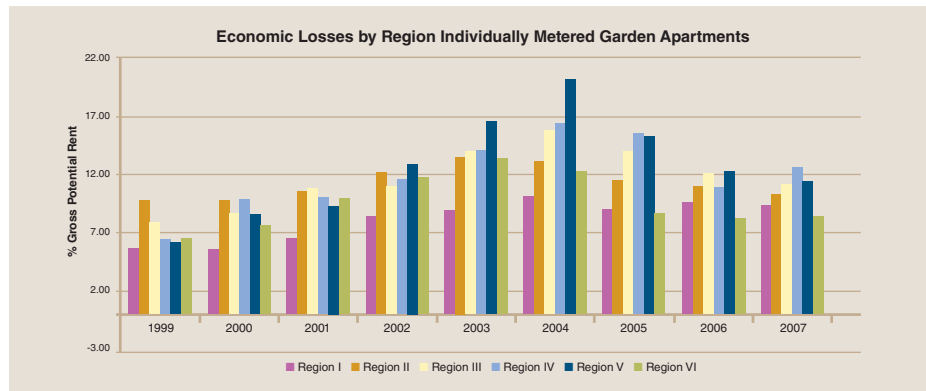
The complete report (available online Oct. 1 at www.naahq.org/08ies) contains detailed data summarized for six geographic regions and for metropolitan areas. Sixty-nine metropolitan areas met the separate reporting requirements for market rent properties. Sufficient numbers of subsidized properties were submitted for seven metropolitan areas.

This report also includes results for all “other” properties at the state level with a minimum of six properties located in metro areas that did not meet requirements for separate reporting. Non-metro area reporting is also included at the state level. Tables for market rent properties are provided for 16 states and for subsidized properties in 11 states.

Market Rent Properties

Economic Losses. A standard measure of the health of the rental housing market is economic losses, defined as the difference between Gross Potential Rent (GPR) and rent revenue collected, expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollected rents and the value of rent concessions.

The economic loss rate in the survey for market rent individually metered garden properties declined slightly to 10.11 percent



in the data for 2007, compared to 10.20 percent in 2006 and 11.87 percent in 2005. Economic losses overall reported in the survey are at their lowest level since 2001.

Net Operating Income (NOI) and Revenues. NOI is a key measurement for evaluating the health of a property and the rental housing market. It is defined by the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits.

NOI in the survey also reflected the current downward pressure on rental apartment market economics in 2007. NOI measured as a percent of GPR for 2007 was 56.6 percent, declining 0.3 percentage points from 56.9 percent in 2006, (53.9 percent in 2005 and 52.2 percent recorded in 2004). The NAA survey’s historical peak was 58.9 percent in 1999. Regionally, NOIs in 2007 ranged from a high of 62.7 percent in the Pacific states (Region VI) to a low of 49.6 percent in the North Midwest (Region III). The Southwest states (Region IV) historically have experienced the lowest NOI (%) among the regions.

Average NOIs for last three survey data years of individually metered garden properties are presented in the table below.

Gross Potential Rent (GPR). GPR in the survey data tables is defined on a “look-back” fiscal year basis. It is the sum of total rents of all occupied units at 2007 lease rates and all vacant units at 2007 market rents.

Average annual GPR increased by 7.1 percent in 2007 for garden properties with individually metered utilities. Average GPR was \$10,624 per unit (\$885 monthly) in this year’s survey versus \$9,921 per unit (\$827 monthly) in the previous survey. On a per square foot basis, GPR was \$11.67 (\$0.97 per month) versus \$11.18 (\$0.93 per month).

Median annual GPR for individually metered garden properties in the survey is \$9,639 (\$803 per month) versus \$8,751 (\$729 per

	2007	2006	2005	2004	2003	2002	2001
All	10.11	10.20%	11.87%	13.99%	13.35%	11.39%	9.69%
Region I	9.16	9.46%	8.87%	10.02%	8.79%	8.21%	6.36%
Region II	10.09	10.84%	11.35%	12.89%	13.31%	12.10%	10.44%
Region III	11.11	12.02%	13.87%	15.54%	13.84%	10.85%	10.64%
Region IV	12.55	10.77%	15.39%	16.23%	13.98%	11.53%	9.90%
Region V	11.22	12.12%	15.14%	19.99%	16.33%	12.75%	9.16%
Region VI	8.26	8.09%	8.57%	12.15%	13.21%	11.54%	9.79%

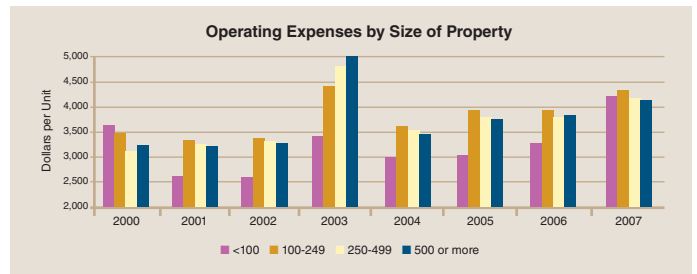
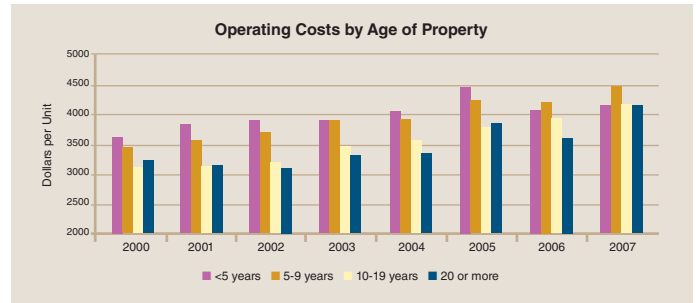
	Dollars per Unit			Dollars per Sq. Ft.			% of GPR		
	2007	2006	2005	2007	2006	2005	2007	2006	2005
All	\$6,011	\$5,644	\$5,098	\$6.60	\$6.36	\$5.73	56.6%	56.9%	53.9%
Region I	\$7,542	\$7,577	\$7,317	\$8.37	\$8.46	\$8.38	59.3%	61.4%	61.4%
Region II	\$5,547	\$5,111	\$4,763	\$5.66	\$5.48	\$5.07	55.8%	55.7%	53.7%
Region III	\$4,535	\$4,783	\$4,038	\$4.83	\$5.55	\$4.65	49.6%	53.0%	48.5%
Region IV	\$4,570	\$4,118	\$3,643	\$5.40	\$4.91	\$4.35	49.7%	50.0%	44.2%
Region V	\$5,780	\$5,113	\$4,812	\$6.54	\$5.73	\$5.47	59.1%	57.1%	53.4%
Region VI	\$8,153	\$7,993	\$7,780	\$9.37	\$9.18	\$8.78	62.7%	62.6%	63.4%

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of any reimbursements from residents), management fees, general and administration, marketing, contract services and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

There continues to be variation in the trends among individual categories of operating costs. Average property-related insurance costs increased 13.9 percent in 2007 to \$266 per unit (\$0.29 per square foot) from \$220 per unit (\$0.25 per square foot) in 2006. Administrative costs rose 16.6 percent to \$235 from \$189 per unit in 2006. Management fees increased 3.3 percent to \$340 per unit (3.2 percent of GPR) from \$309 per unit (3.1 percent of GPR) a year earlier. Marketing costs increased to \$172 per unit from \$160 a year earlier, remaining at 1.6 percent of GPR. Maintenance costs increased 8.2 percent to \$414 per unit from \$359 per unit in the 2006 survey, effectively offsetting a portion of the decline of contract services costs of 19.4 percent to an average of \$265 per unit in 2007 from \$303 in 2006.

The overall turnover rate declined from last year. As previous homeowners migrate back to apartment units, the overall turnover rate declined to 59 percent of total units among the individually metered garden apartment properties reported in the survey for 2007 from 62 percent in 2006. This equals the lowest turnover rate over the history of this survey, which has been in the range of 59 percent to 69 percent. The previous low occurred in the data for 1995 and the high during the recession year 1990.

With the exception of the Pacific (Region VI), which remained



the same at 62 percent, the balance of the regional turnover rates declined last year: Northeast (Region I), 55 percent to 52 percent; Southeast (Region II), 64 percent to 59 percent; North Midwest (Region III), 56 percent to 52 percent; Southwest (Region IV), 63 percent to 61 percent; and in the Mountain/South Midwest States (Region V), 62 percent to 60 percent.

Age of Property. Operating expenses as a percentage of GPR and dollars per square foot basis expectedly rose in individually me-

tered garden properties in the report as they age. Operating expenses were 36.5 percent of GPR (\$4.15 per square foot) in properties less than 5 years old and rise to 42.1 percent of GPR (\$4.82 per square foot) for properties 20 or more years old. As operating expenses decrease over the span of years, capital expenditures increase as the building ages. For example, operating expenses were \$4,457 per unit for those 5 to 9 years old and decreased to \$4,138 per unit for properties 20 or more years old, while capital expenditures increased from \$539 to \$1,076, respectively.

Average NOI as a percentage of GPR continues to decline in those properties that are 20 or more years old, the lowest reported at 54.2 percent. The highest NOI as a percentage of GPR occurred in properties 10 to 19 years old at 59.8 percent. Measured in terms of dollars per unit, the low was \$5,332 per unit in properties that are 20 or more years old and the high was \$7,314 for properties 5 to 9 years old.

Economic losses continue to be the highest among the newest properties. Properties less than 5 years old reported the highest ratio of economic losses at 13.04 percent of GPR, while the lowest was in those that are 10 to 19 years old at 9.22 percent.

Age of property groupings again show distinct differences in the individual cost components of operating costs. The largest difference is in real estate and related property taxes and fees, varying from a high (average) of \$1,354 per unit (\$1.35 per square foot) in those properties five to nine years old, to a low of \$843 (\$0.98 per square foot) for those aged 20 or more years.

Expectedly, capital expenditures were significantly lower for the newest properties. They averaged \$243 per unit (\$0.24 per square foot) for those properties less than five years old, compared to the highest average reported for properties 20 or more years old at \$1,076 per unit (\$1.25 per square foot).

Size of Property. Economies of scale in apartment property size are evident if operating costs decline as the size of properties increases. Economies of scale did appear when total operating costs were measured on a percentage of gross potential rent basis, dropping from 42.6 percent of GPR in properties of less than 100 units, to a low of 39.7 percent in those containing 500 or more units. The survey results, however, did not show similar economies of scale on a per unit basis. The lowest operating costs were similar across a range of sizes (from \$4,106 to \$4,192 per unit), with the exception of properties with 100 to 249 units at \$4,301 per unit.

Economic losses varied based on property size. Losses were highest with properties with 500 or more units at 11.09 percent of GPR and the lowest for properties with fewer than 100 units at 8.85 percent.

Metro Area Detailed Operating Income & Expenses Data

Detailed tables in the report are presented for the 69 metropolitan areas where a total of six or more Garden communities of all types were reported in the survey. This is the only section of the report with metropolitan area data for garden, mid-rise and high-rise building properties, and is further segmented into those with utilities that are individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

The following are some highlights of the metropolitan area data, focusing on garden properties with individually metered

utilities unless otherwise noted.

- NOIs on a dollar-per-unit basis ranged from \$12,500 (\$14.01 per square foot) in the Los Angeles-Long Beach-Glendale metro area to a low of \$3,223 (\$3.72 per square foot) in the Indianapolis metro area. The Jackson, Miss., metro area had the highest NOI measured as a percent of GPR at 73.2 percent and Detroit had the lowest at 42 percent.

- GPR averages were the highest in the Los Angeles-Long Beach-Glendale metro area at \$18,899 per unit (\$21.18 per square foot). A low of \$5,816 per unit (\$6.71 per square foot) was tabulated for properties reported from Augusta-Richmond County, Ga.-S.C..

- Economic losses were lowest in the Midland, Texas, metro area at 3.38 percent of GPR and Salt Lake City at 4.41 percent. Both, however, have small numbers of reported individually metered garden properties. Metro areas with the highest economic losses were Boston at 16.38 percent and Colorado Springs, Colo., at 18.32 percent.

- Total operating costs' highs and lows vary among metro areas based on which measure is selected. Properties reporting from the San Jose-Sunnyvale-Santa Clara, Calif., metro area had the highest operating costs based on a per unit basis and per square foot basis at \$6,102 (\$6.79 per square foot), followed by Miami-Miami Beach-Kendall, Fla., at \$5,954 per unit (\$5.78 per square foot). A low of \$1,567 per unit (\$1.81 per square foot) was reported in the Augusta-Richmond County, Ga.-S.C. metro area.

- Real estate taxes remained high in many metro areas in 2007. The Miami-Miami Beach-Kendall, Fla., metro area had the highest real estate taxes per unit at \$2,129; San Jose-Sunnyvale-

Operating Expenses by Age and Size of Property

INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin.	Mrktg.	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend
Age of Property											
<i>Dollars Per Unit</i>											
Less than 5 years	\$1,032	\$258	\$1,149	\$442	\$352	\$231	\$205	\$233	\$252	\$4,154	\$243
5 to 9 years	\$1,087	\$271	\$1,354	\$418	\$331	\$215	\$192	\$235	\$355	\$4,457	\$539
10 to 19 years	\$1,072	\$252	\$1,150	\$389	\$322	\$188	\$162	\$254	\$386	\$4,176	\$896
20 or more years	\$1,071	\$272	\$843	\$429	\$352	\$262	\$170	\$285	\$455	\$4,138	\$1,076
<i>Dollars Per Square Feet</i>											
Less than 5 years	\$1.03	\$0.26	\$1.15	\$0.44	\$0.35	\$0.23	\$0.20	\$0.23	\$0.25	\$4.15	\$0.24
5 to 9 years	\$1.09	\$0.27	\$1.35	\$0.42	\$0.33	\$0.21	\$0.19	\$0.24	\$0.35	\$4.46	\$0.54
10 to 19 years	\$1.12	\$0.26	\$1.20	\$0.40	\$0.34	\$0.20	\$0.17	\$0.26	\$0.40	\$4.35	\$0.93
20 or more years	\$1.25	\$0.32	\$0.98	\$0.50	\$0.41	\$0.30	\$0.20	\$0.33	\$0.53	\$4.82	\$1.25
<i>Percent of Gross Potential Rent</i>											
Less than 5 years	9.1%	2.3%	10.1%	3.9%	3.1%	2.0%	1.8%	2.0%	2.2%	36.5%	2.1%
5 to 9 years	8.9%	2.2%	11.0%	3.4%	2.7%	1.7%	1.6%	1.9%	2.9%	36.3%	4.4%
10 to 19 years	9.5%	2.2%	10.2%	3.4%	2.9%	1.7%	1.4%	2.2%	3.4%	36.9%	7.9%
20 or more years	10.9%	2.8%	8.6%	4.4%	3.6%	2.7%	1.7%	2.9%	4.6%	42.1%	10.9%
<i>Percent of Total Operating Costs</i>											
Less than 5 years	24.9%	6.2%	27.7%	10.6%	8.5%	5.6%	4.9%	5.6%	6.1%	100.0%	
5 to 9 years	24.4%	6.1%	30.4%	9.4%	7.4%	4.8%	4.3%	5.3%	8.0%	100.0%	
10 to 19 years	25.7%	6.0%	27.5%	9.3%	7.7%	4.5%	3.9%	6.1%	9.3%	100.0%	
20 or more years	25.9%	6.6%	20.4%	10.4%	8.5%	6.3%	4.1%	6.9%	11.0%	100.0%	
Size of Property											
<i>Dollars Per Unit</i>											
Less than 100 units	\$982	\$241	\$693	\$547	\$451	\$315	\$152	\$260	\$550	\$4,192	\$773
100 to 249 units	\$1,120	\$266	\$926	\$443	\$356	\$261	\$186	\$290	\$453	\$4,301	\$979
250 to 499 units	\$1,058	\$270	\$1,070	\$410	\$325	\$222	\$170	\$251	\$388	\$4,167	\$965
500 or more units	\$1,039	\$257	\$1,015	\$395	\$345	\$222	\$154	\$270	\$409	\$4,106	\$1,151
<i>Dollars Per Square Feet</i>											
Less than 100 units	\$1.11	\$0.27	\$0.78	\$0.62	\$0.51	\$0.35	\$0.17	\$0.29	\$0.62	\$4.72	\$0.87
100 to 249 units	\$1.24	\$0.29	\$1.02	\$0.49	\$0.39	\$0.29	\$0.21	\$0.32	\$0.50	\$4.74	\$1.08
250 to 499 units	\$1.15	\$0.29	\$1.16	\$0.45	\$0.35	\$0.24	\$0.18	\$0.27	\$0.42	\$4.52	\$1.05
500 or more units	\$1.17	\$0.29	\$1.15	\$0.45	\$0.39	\$0.25	\$0.17	\$0.31	\$0.46	\$4.64	\$1.30
<i>Percent of Gross Potential Rent</i>											
Less than 100 units	10.0%	2.5%	7.0%	5.6%	4.6%	3.2%	1.5%	2.6%	5.6%	42.6%	7.9%
100 to 249 units	10.6%	2.5%	8.8%	4.2%	3.4%	2.5%	1.8%	2.7%	4.3%	40.8%	9.3%
250 to 499 units	9.8%	2.5%	9.9%	3.8%	3.0%	2.1%	1.6%	2.3%	3.6%	38.6%	8.9%
500 or more units	10.0%	2.5%	9.8%	3.8%	3.3%	2.1%	1.5%	2.6%	4.0%	39.7%	11.1%
<i>Percent of Total Operating Costs</i>											
Less than 100 units	23.4%	5.8%	16.5%	13.1%	10.8%	7.5%	3.6%	6.2%	13.1%	100.0%	
100 to 249 units	26.0%	6.2%	21.5%	10.3%	8.3%	6.1%	4.3%	6.7%	10.5%	100.0%	
250 to 499 units	25.4%	6.5%	25.7%	9.8%	7.8%	5.3%	4.1%	6.0%	9.3%	100.0%	
500 or more units	25.3%	6.3%	24.7%	9.6%	8.4%	5.4%	3.8%	6.6%	10.0%	100.0%	

All Subsidized Properties

OPERATING INCOME & EXPENSE DATA, INDIVIDUAL METERED PROPERTIES

INDIVIDUAL METERED PROPERTIES

	Total	Garden	Mid & Hi Rise
Number of Properties	312	244	68
Number of Units	40,944	31,362	9,582
Avg. No. of Units/Property	131	129	141
Avg. No. of Square Feet/Unit	834	876	702
Turnover rate in %	29%	33%	17%

	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	8,396	10.06	100.0%	8,556	9.77	100.0%	7,871	11.21	100.0%
Rent Revenue Collected	7,809	9.36	93.0%	7,867	8.98	91.9%	7,619	10.85	96.8%
Losses to Vacancy	393	0.47	4.7%	460	0.52	5.4%	174	0.25	2.2%
Collection Losses	94	0.11	1.1%	104	0.12	1.2%	59	0.08	0.8%
Losses to Concessions	100	0.12	1.2%	125	0.14	1.5%	19	0.03	0.2%
Other Revenue	295	0.35	3.5%	320	0.36	3.7%	214	0.30	2.7%
Total Revenue	8,104	9.71	96.5%	8,187	9.34	95.7%	7,833	11.15	99.5%

Operating Expenses

Salaries and Personnel	1,146	1.37	13.7%	1,175	1.34	13.7%	1,051	1.50	13.4%
Insurance	321	0.38	3.8%	299	0.34	3.5%	391	0.56	5.0%
Taxes	593	0.71	7.1%	583	0.67	6.8%	626	0.89	8.0%
Utilities	513	0.61	6.1%	481	0.55	5.6%	616	0.88	7.8%
Management Fees	491	0.59	5.8%	486	0.56	5.7%	506	0.72	6.4%
Administrative	438	0.53	5.2%	451	0.51	5.3%	397	0.57	5.0%
Marketing	64	0.08	0.8%	76	0.09	0.9%	23	0.03	0.3%
Contract Services	409	0.49	4.9%	429	0.49	5.0%	347	0.49	4.4%
Repair and Maintenance	327	0.39	3.9%	357	0.41	4.2%	229	0.33	2.9%
Total Operating Expenses	4,303	5.16	51.3%	4,339	4.95	50.7%	4,187	5.96	53.2%
Net Operating Income	3,801	4.56	45.3%	3,848	4.39	45.0%	3,646	5.19	46.3%
Capital Expenditures	764	0.92	9.1%	799	0.91	9.3%	652	0.93	8.3%

MASTER METERED PROPERTIES

	Total	Garden	Mid & Hi Rise
Properties	136	68	68
Number of Units	18,793	7,762	11,031
Avg. No. of Units/Property	138	114	162
Avg. No. of Square Feet/Unit	773	862	706
Turnover rate in %	17%	25%	12%

	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	9,983	12.92	100.0%	8,555	9.92	100.0%	10,988	15.55	100.0%
Rent Revenue Collected	9,498	12.29	95.1%	7,903	9.17	92.4%	10,621	15.03	96.7%
Losses to Vacancy	329	0.43	3.3%	435	0.50	5.1%	254	0.36	2.3%
Collection Losses	115	0.15	1.2%	133	0.15	1.6%	102	0.14	0.9%
Losses to Concessions	41	0.05	0.4%	84	0.10	1.0%	11	0.02	0.1%
Other Revenue	289	0.37	2.9%	297	0.34	3.5%	283	0.40	2.6%
Total Revenue	9,787	12.67	98.0%	8,200	9.51	95.9%	10,904	15.44	99.2%

Operating Expenses

Salaries and Personnel	1,396	1.81	14.0%	1,358	1.57	15.9%	1,423	2.01	12.9%
Insurance	350	0.45	3.5%	314	0.36	3.7%	376	0.53	3.4%
Taxes	743	0.96	7.4%	476	0.55	5.6%	930	1.32	8.5%
Utilities	1,509	1.95	15.1%	1,274	1.48	14.9%	1,675	2.37	15.2%
Management Fees	569	0.74	5.7%	506	0.59	5.9%	613	0.87	5.6%
Administrative	514	0.67	5.2%	459	0.53	5.4%	553	0.78	5.0%
Marketing	46	0.06	0.5%	58	0.07	0.7%	37	0.05	0.3%
Contract Services	612	0.79	6.1%	501	0.58	5.9%	690	0.98	6.3%
Repair and Maintenance	377	0.49	3.8%	424	0.49	5.0%	343	0.49	3.1%
Total Operating Expenses	6,116	7.91	61.3%	5,370	6.23	62.8%	6,640	9.40	60.4%
Net Operating Income	3,672	4.75	36.8%	2,831	3.28	33.1%	4,264	6.04	38.8%
Capital Expenditures	975	1.26	9.8%	758	0.88	8.9%	1,128	1.60	10.3%

Source: National Apartment Association 2008 Survey of Operating Income & Expenses in Rental Apartment Communities

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Santa Clara, Calif., was second at \$1,979 per unit followed by New York at \$1,869 per unit. The lowest average was for properties located in Colorado Springs, Colo., and Salt Lake City metro areas at \$354 and \$346, respectively.

- Insurance costs on a per unit basis were the highest among several hurricane-prone metro areas. They were at \$641 per unit (\$0.20 per square foot) in Charleston-North Charleston, S.C., \$558 (\$0.62 per square foot) in San Jose-Sunnyvale-Santa Clara, Calif., and \$486 (\$.52 per square foot) in Palm Bay-Melbourne-Titusville,

Fla. They were lowest in Augusta-Richmond County, Ga.-S.C., at \$99 per unit (\$0.11 per square foot) and Hartford-West Hartford-East Hartford, Conn., at \$46 per unit (\$0.05 per square foot).

- Salaries and personnel costs were the lowest in the Jackson, Miss., metro area at \$732 per unit (\$.66 per square foot) and Dayton, Ohio, at \$771 (\$0.81 per square foot). Oakland-Fremont-Haywood, Calif., had the highest average at \$1,380 per unit (\$1.68 per square foot) followed by the \$1,357 in San Jose-Sunnyvale-Santa Clara, Calif. (\$1.51 per square foot).

- Columbus, Ohio, and West Palm Beach, Fla., had the largest units among the metro areas reported separately in this report with an average of 1,078 and 1,050 square feet of floor area per unit, respectively. Properties reporting located in the Salt Lake City and New York metros had the lowest averaging at 739 and 720 square feet per unit, respectively.

Subsidized Properties Income & Expenses Summary

Operating Income & Expenses

Summary. Data was received for 448 subsidized properties containing 59,737 units. Garden properties with individually metered utilities represent the largest subgroup of properties reporting, and analysis herein will be limited to this sector. Data tables are presented for seven metropolitan areas that met the minimum for separate reporting.

Subsidized garden apartment properties with individually metered utilities in the survey tend to have fewer units and less floor area than market rent units. Responding properties contained an average of 129 units versus 268 units for market rent properties of the same type. These subsidized properties had an average of 876 square feet of floor area versus 911 square feet for the market rent properties.

Revenues. GPR averaged \$8,556 per unit (\$9.77 per square foot) annually in this year's survey versus \$9,070 per unit (\$10.62 per square foot) in 2006. Rental revenues averaged \$7,867 (\$8.98 per square foot) versus \$8,475 per unit (\$9.92 per square foot). Other operating revenues averaged \$320 per unit (\$0.36 per square foot) in 2007 versus \$341 per unit (\$0.40 per square foot) for 2006.

Operating Expenses. Operating expenses in subsidized properties were higher than those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$3,848 (\$4.39 per square foot) in 2007 versus the \$3,974 per unit (\$4.65 per square foot) reported for responding properties in 2006.

Net Operating Income. Subsidized properties reported in the survey had lower levels of NOI than the market rent properties in all three measures. NOI for subsidized properties in the survey averaged

45.0 percent of GPR versus 56.6 percent for the market rent properties. The other comparisons were \$3,848 versus \$6,011 on a dollars-per-unit basis, and \$4.39 versus \$6.60 on a per-square-foot-of-floor-area basis.

Economic Losses. Economic losses tended to be lower in subsidized properties with their lower rents and relatively tight supply. An 8.1 percent average rate was calculated for the subsidized individually metered garden properties versus 10.11 percent for market rent units. The economic loss ratio in subsidized properties increased over last year's 6.56 percent.

Turnover Rates. Occupants of subsidized apartments have lower income and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 33 percent versus 59 percent for market rent units.

Summary. The current year, 2008, is indeed a year of challenge and opportunity. The NAA survey results indicate that by doing more with less, achieving or exceeding stakeholder expectations and by managing during difficult times, the apartment industry has a great deal of which to be proud.

Creating a welcoming living environment for approximately 35 million Americans who rent can be a daunting task. However, the NAA survey results are in and it appears that the apartment industry is up to the challenge and is setting operating performance benchmarks other industries would be proud to achieve.

Glossary of Terms

Administrative. Total monies spent on general and administrative items such as answering service, donations, mileage reimbursement, bank charges, legal/eviction charges, postage,

telephone/fax/Internet charges, office supplies, resident functions, uniforms, credit reports, permits, membership dues, subscriptions, data processing, etc.

Capital Expenditures. Total monies spent on non-recurring capital expenditures such as asphalt/parking, concrete/masonry, water heaters, range/cook top/ovens, dishwashers, glass, blinds/draperies, sidewalks/curbing, vinyl, pool, new carpet, washers/dryers, club amenities, fitness equipment, etc. A zero on the line meant there were no capital expenditures.

Contract Services. Total monies spent on all contract services such as landscaping, security, snow removal, trash removal, exterminator and other services provided on a contract basis.

GPR Residential. Total rents of all occupied units at 2007 lease rates and all vacant units at 2007 market rents (or fiscal year end).

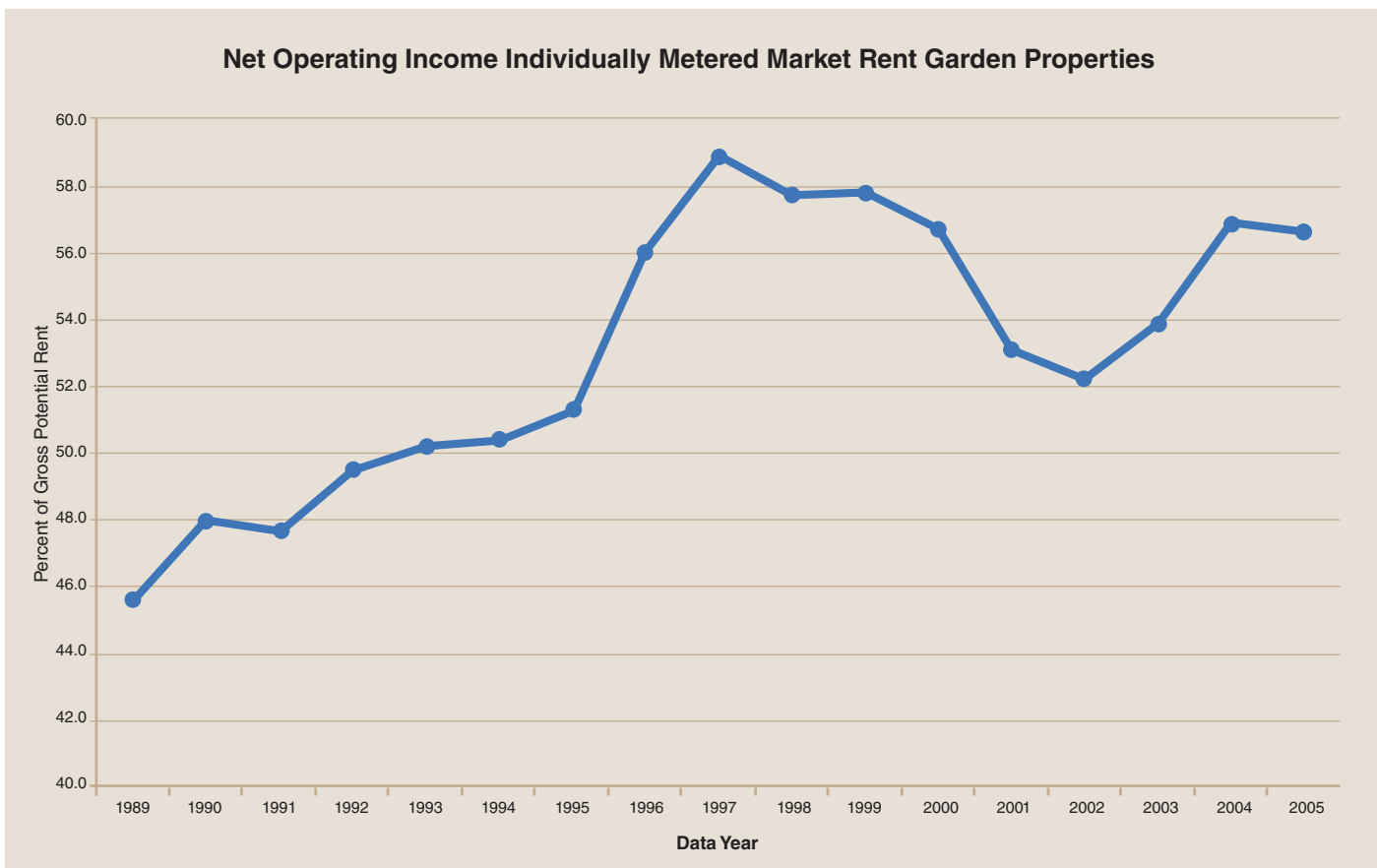
Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. Includes property hazard and liability and real property insurance and does not include payroll insurance.

Maintenance. Total monies spent on general maintenance, maintenance supplies and uniforms, minor painting/carpeting repairs, plumbing supplies and repairs, security gate repairs, keys/locks, minor roof/window repairs, HVAC repairs, cleaning supplies, etc. Non-recurring capital expense not included.

Management Fees. Total fees paid to the management agent/company by the owner.

Marketing. Total monies spent on media advertising, including locator fees, apartment guides, signage, newsletter, Internet, marketing gifts/incentives (not rent concessions), model expense, promotions, etc.



Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable square feet of floor space in residential units only. Area reported includes only finished space inside four perimeter walls of each unit. Common areas are excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Does not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Payroll Costs. Gross salaries and wages paid to employees assigned to the property. Include payroll taxes, group health/life/disability insurance, 401(k), bonuses, leasing commissions, value of employee apartment allowance, workers' compensation, retirement contributions, overtime, and other cash benefits.

Rent-Controlled Property. A property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Revenue Losses to Collections. Amount of residential rents not received due to collection losses.

Revenue Losses to Concessions. Amounts of gross potential residential rents not received due to concessions.

Revenue Losses to Vacancies. Amount of rental income for residential units not collected because of vacancies and other use of units, such as models and offices.

Subsidized Property. A property has controlled rents through a government-subsidized program. If subsidized, the program was listed (i.e., Section 236, Section 8).

Taxes. Total real estate and personal property taxes only. Does not include payroll or rendering fees related to property taxes or income taxes.

Tax-Exempt Bond or Housing-Credit Property. A property that has received tax-exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum of all expense categories must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and water/sewer utilities to individual units in subject property are: Master Metered, Owner Pays; Master Metered, Resident Pays (RUBS); Individual or Submetered, Resident Pays.

Thank You to Our Participating Companies

A special note of appreciation goes to the 359 firms who donated their time to accumulate the data necessary to make this survey valuable. The following companies and their officers provided more than 20 properties for the 2008 Survey of Income and Expenses in Rental Apartment Properties:

- AIMCO
- Equity Residential
- Greystar Real Estate Partners LLC
- UDR
- Mid-America Apartment Communities
- Western National Property Management
- JPI Management Services
- Camden
- Drucker and Falk
- Village Green Companies
- Milestone Management
- Alliance Residential Management
- MV Residential Property Management Inc.
- AMLI
- William C. Smith & Co.
- Alco Management Inc.
- Simpson Housing LLP
- 1st Choice Management Group
- JCM Partners
- Babcock & Brown Residential
- AEW Capital Management
- Nevins Adams Lewbel Schell
- Gables Residential
- Dunlap & Magee Property Management
- Education Realty Trust Inc.
- Alliance Communities
- PRG Real Estate Management Inc.
- Venterra Realty
- Post Apartment Homes L.P.
- The JBG Companies
- Konover Residential Corporation
- Lane Company
- The Dolben Companies
- MG Properties

Apartment Operations Metrics (Individually Metered Garden Properties)

	Properties	Units	Revenue / Payroll	Net Operating Income / Payroll	# Units / Full-time Employees	# Units / Total Employees	Payroll / Revenue	Payroll / Net Operating Income
Less Than 100 Units	235	16,162	\$9.64	\$5.37	32.9	24.8	10.4%	18.6%
100 to 199 Units	650	98,272	\$9.10	\$5.28	38.3	34.3	11.0%	18.9%
200 to 299 Units	827	202,324	\$9.39	\$5.48	40.7	38.5	10.7%	18.2%
300 to 399 Units	490	166,814	\$9.66	\$5.74	42.8	41.1	10.3%	17.4%
400 to 499 Units	248	109,160	\$10.01	\$6.06	43.8	42.4	10.0%	16.5%
500 or More Units	161	106,349	\$9.52	\$5.56	44.8	43.3	10.5%	18.0%
Total	2,611	699,081	\$9.53	\$5.61	41.7	39.1	10.5%	17.8%

Metrics (Garden, Ind. Metered Properties)

To provide a better understanding of apartment operations, CEL has provided additional analysis in the form of ratios (metrics) which provide benchmarks of the relationship between key operating variables from survey participants.

In the table above, several operating metrics are presented, stratified by number of units per community.

These include measures of the relationship between payroll (staffing) and revenue (top line) and income (NOI), shown as Revenue (or Income) dollars per dollar of payroll, or Payroll as a percent of Revenue or NOI, and the number of units supported by each full time (and total) employee.

Industry Designations

Positions	Designations
Apartment Manager	CAM, ARM, CPM
Assistant Manager	CAM, ARM,
Maintenance Manager	CAMT, CAMT II
Maintenance Technician	CAMT, CAMT II
Leasing Consultant	NALP

These metrics should be used a point of reference and guidelines for readers of this survey report, and not necessarily a target or requirement to assure efficiency or operational policy.

Industry Designations By Position (All Respondents with one or more designations)

Apartment Manager - CAM

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	57	4,006	70	41	71.9%
100 to 199 Units	113	16,756	148	88	77.9%
200 to 299 Units	129	31,196	242	100	77.5%
300 to 399 Units	62	21,219	342	47	75.8%
400 to 499 Units	24	10,502	438	19	79.2%
500 or More Units	17	11,870	698	13	76.5%
	402	95,549	238	308	76.6%

Apartment Manager - ARM

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	45	3,175	71	12	26.7%
100 to 199 Units	78	11,266	144	26	33.3%
200 to 299 Units	77	18,860	245	31	40.3%
300 to 399 Units	43	14,873	346	19	44.2%
400 to 499 Units	18	7,611	423	6	33.3%
500 or More Units	8	5,776	722	4	50.0%
	269	61,561	229	98	36.4%

Apartment Manager - CPM

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	41	2,859	70	6	14.6%
100 to 199 Units	72	10,353	144	7	9.7%
200 to 299 Units	64	15,607	244	3	4.7%
300 to 399 Units	36	12,498	347	5	13.9%
400 to 499 Units	16	6,871	429	2	12.5%
500 or More Units	8	5,776	722	1	12.5%
	237	53964	228	24	10.1%

Assistant Manager - CAM

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	43	3,011	70	3	7.0%
100 to 199 Units	78	11,358	146	18	23.1%
200 to 299 Units	76	18,351	241	14	18.4%
300 to 399 Units	40	13,925	348	13	32.5%
400 to 499 Units	15	6,471	431	5	33.3%
500 or More Units	9	5,488	610	7	77.8%
	261	58,604	225	60	23.0%

Assistant Manager - ARM

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	41	2,859	70	2	4.9%
100 to 199 Units	68	9,716	143	5	7.4%
200 to 299 Units	64	15,585	244	6	9.4%
300 to 399 Units	34	11,840	348	2	5.9%
400 to 499 Units	15	6,392	426	2	13.3%
500 or More Units	7	4,643	663	1	14.3%
	229	51,035	223	18	7.9%

Industry Designations By Position (All Respondents with one or more designations)

Maintenance Manager - CAMT

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	46	3,267	71	11	23.9%
100 to 199 Units	87	12,459	143	34	39.1%
200 to 299 Units	89	21,588	243	44	49.4%
300 to 399 Units	45	15,490	344	16	35.6%
400 to 499 Units	16	6,961	435	7	43.8%
500 or More Units	14	9,627	688	7	50.0%
	297	69,392	234	119	40.1%

Maintenance Manager - CAMT II

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	42	2,949	70	1	2.4%
100 to 199 Units	68	9,673	142	3	4.4%
200 to 299 Units	64	15,585	244	4	6.3%
300 to 399 Units	35	12,228	349	2	5.7%
400 to 499 Units	15	6,471	431	1	6.7%
500 or More Units	8	5,776	722	0	0.0%
	232	52,682	227	11	4.7%

Maintenance Technician - CAMT

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	46	3,223	70	9	19.6%
100 to 199 Units	80	11,521	144	30	37.5%
200 to 299 Units	78	18,881	242	29	37.2%
300 to 399 Units	45	15,475	344	38	84.4%
400 to 499 Units	17	7,319	431	22	129.4%
500 or More Units	12	8,310	693	23	191.7%
	278	64,729	233	151	54.3%

Maintenance Technician - CAMT II

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	40	2,799	70	0	0.0%
100 to 199 Units	69	9,773	142	3	4.3%
200 to 299 Units	64	15,585	244	2	3.1%
300 to 399 Units	34	11,840	348	0	0.0%
400 to 499 Units	14	5,946	425	0	0.0%
500 or More Units	8	5,776	722	0	0.0%
	229	51,719	226	5	2.2%

Leasing Consultant - NALP

	PROPERTIES	UNITS	UNITS/PROPERTY	TOTAL	TOTAL/PROPERTY
Less Than 100 Units	44	3,115	71	11	25.0%
100 to 199 Units	84	12,087	144	40	47.6%
200 to 299 Units	98	23,938	244	65	66.3%
300 to 399 Units	50	17,179	344	48	96.0%
400 to 499 Units	18	7,850	436	17	94.4%
500 or More Units	15	10,227	682	18	120.0%
	309	74,396	241	199	64.4%

Leasing (Percent of Traffic Originated Online - All Respondents)

	Total Properties	Total Units	Units/Property Average	% Traffic Average
Less Than 100 Units	275	19,630	71	12%
100 to 199 Units	401	59,118	147	19%
200 to 299 Units	415	100,955	243	22%
300 to 399 Units	216	73,808	342	21%
400 to 499 Units	106	46,472	438	20%
500 or More Units	83	55,135	664	18%

Rental Payments Permitted Online (All Respondents)

	Total Properties	Total Units	Units/Property Average	% Online Permitted Average
Less Than 100 Units	351	24,121	69	10.3%
100 to 199 Units	521	76,913	148	22.1%
200 to 299 Units	540	131,281	243	38.0%
300 to 399 Units	293	100,094	342	43.0%
400 to 499 Units	141	62,057	440	51.1%
500 or More Units	98	64,282	656	50.0%

Additional Tables (All Respondents)

Following is summary information related to additional questions included on the survey that are related to apartment operations and leasing, and the extent of employees with industry designations/certifications. These tables include:

Certifications: Percentage of employees with specific designations in key positions—stratified by number of units per community.

The tabulation is for those respondents who reported one or more designation for the five positions. Results demonstrate that size of property has less to do with certification and designation for employees than the position (level) and the nature of the certification itself, showing strong levels of Certified Apartment Managers (CAM), ARM designations for Apartment Managers, Certified Apartment Maintenance Technicians (CAMT) and National Apartment Leasing Professional (NALP). These results likely are a result of job requirements at hiring or promotion.

Internet Based Traffic: Statistics by community size reflecting the extent to which leasing traffic was generated from internet information. Traffic originated directly from the Internet primarily ranged from approximately 18 to 22 percent across community sizes, indicating that traditional methods of leasing traffic—print advertising, signage and referral—remain a staple to apartment marketing.

Online Rental Payment: Statistics by property type indicate a low percentage of renters who are paying their rent online, in part a function of availability. But, the percentage rises as the community size increases.

Method of Payment: Statistics presenting the average percentage of payments by cash, credit card, check and other. Payment by check continues to dominate as the preferred payment method.

Christopher Lee, President & Chief Executive Officer of CEL & Associates Inc., is NAA's Consulting Economist. Special thanks to Janet Gora, Director, CEL & Associates Inc., as project manager and Chanal Thomas of NAA for helping with this survey, involving logistics and paper responses.

Method of Rent Payment (All Respondents)

	Total Properties	Total Units	Units / Properties Average	Cash	Credit Card	Check	Other
Less Than 100 Units	291	20,637	71	2.4%	1.3%	74.7%	21.5%
100 to 199 Units	439	65,116	148	0.9%	2.7%	78.1%	18.3%
200 to 299 Units	458	111,381	243	0.4%	3.4%	84.0%	12.3%
300 to 399 Units	244	83,675	343	1.2%	3.9%	86.5%	8.3%
400 to 499 Units	123	53,972	439	0.1%	3.5%	85.3%	11.1%
500 or More Units	81	53,620	662	0.4%	1.5%	82.4%	15.6%

A full survey report and individual market data will be available at www.naahq.org/08ies by Oct. 1.

Net Operating Income and Economic Vacancy Rates

BY REGION AND METROPOLITAN AREA

MARKET RENT GARDEN PROPERTIES – INDIVIDUALLY METERED, DOLLARS PER SQUARE FOOT

	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue	Total Rent Revenue Collected	Vacancies	Revenue Losses to Collections	Concessions	Total Other Revenue	Total Revenue Collected	Total Operating Expenses	Net Operating Income NOI	Economic Losses as a % of GPR	Turnover Rate
TOTAL MARKET RENT	2,611	699,081	911	11.67	10.49	0.80	0.07	0.31	0.72	11.21	4.61	6.60	10.11%	59%
REGION I	271	72,747	901	14.11	12.82	0.92	0.08	0.29	0.71	13.53	5.16	8.37	9.16%	52%
BALTIMORE-TOWSON, MD	39	10,870	969	14.74	13.12	1.16	0.05	0.41	0.70	13.81	5.24	8.57	11.00%	55%
BOSTON-CAMBRIDGE-QUINCY, MA-NH	20	4,952	864	15.31	12.80	1.80	0.11	0.60	0.61	13.41	5.72	7.69	16.38%	53%
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	6	1,105	945	12.89	12.02	0.82	0.00	0.05	0.58	12.60	5.26	7.34	6.74%	59%
NEW YORK, NY	6	2,188	720	19.16	17.98	0.86	0.16	0.15	1.45	19.43	7.24	12.19	6.13%	48%
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	12	3,302	867	13.80	12.57	0.94	0.06	0.23	0.73	13.31	5.35	7.96	8.88%	47%
RICHMOND, VA	33	8,087	893	10.69	9.75	0.49	0.10	0.35	0.66	10.40	4.26	6.14	8.81%	52%
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	36	10,425	900	11.53	10.47	0.81	0.11	0.14	0.69	11.16	4.41	6.75	9.15%	57%
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	76	23,641	880	16.10	14.82	0.94	0.07	0.27	0.70	15.52	5.47	10.05	7.92%	50%
OTHER REGION I	43	8,177	965	12.81	11.86	0.67	0.07	0.21	0.75	12.61	5.12	7.49	7.37%	52%
REGION II	789	223,871	979	10.15	9.12	0.72	0.07	0.23	0.66	9.79	4.12	5.66	10.09%	59%
ATLANTA-SANDY SPRINGS-MARIETTA, GA	152	50,216	1,016	9.49	8.38	0.72	0.08	0.31	0.61	8.99	3.88	5.11	11.67%	56%
AUGUSTA-RICHMOND COUNTY, GA-SC	6	1,236	867	6.71	6.31	0.31	0.02	0.08	0.33	6.64	1.81	4.84	5.94%	57%
CHARLESTON-NORTH CHARLESTON, SC	24	4,691	861	10.39	8.93	1.08	0.10	0.28	0.71	9.65	4.88	4.77	14.02%	72%
CHARLOTTE-GASTONIA-CONCORD, NC-SC	39	9,086	976	9.77	9.05	0.54	0.07	0.11	0.81	9.86	3.58	6.28	7.38%	59%
DELTONA-DAYTONA BEACH-OSMOND BEACH, FL	9	1,468	856	10.63	9.04	1.23	0.06	0.29	0.80	9.84	5.14	4.70	14.94%	57%
FAYETTEVILLE, NC	6	1,212	1,083	7.17	6.20	0.62	0.03	0.32	0.64	6.85	3.11	3.74	13.52%	41%
FORT LAUDERDALE-POMPANO BEACH-DEERFIELD BEACH, FL	13	4,881	980	13.83	12.70	0.87	0.08	0.18	0.80	13.51	5.33	8.18	8.17%	62%
GREENSBORO-HIGH POINT, NC	25	5,343	959	9.62	8.81	0.57	0.17	0.71	0.92	5.73	3.73	5.79	8.46%	47%
GREENVILLE-SPARTANBURG-ANDERSON, SC	14	3,127	983	7.57	6.97	0.36	0.10	0.13	0.53	7.50	3.16	4.34	7.86%	57%
JACKSON, MS	6	1,712	1,102	8.08	7.62	0.34	0.06	0.06	0.45	8.08	2.16	5.91	5.63%	60%
JACKSONVILLE, FL	38	13,342	936	10.36	9.28	0.85	0.07	0.16	0.66	9.94	4.51	5.43	10.42%	64%
KNOXVILLE, TN	14	2,802	1,034	7.38	7.00	0.33	0.01	0.04	0.35	7.35	4.06	3.29	5.14%	57%
LEXINGTON-FAYETTE, KY	9	2,723	972	8.82	8.20	0.45	0.04	0.12	0.72	8.92	3.87	5.05	7.03%	51%
LOUISVILLE, KY-IN	7	1,914	875	11.78	10.60	0.78	0.07	0.33	0.90	11.50	4.92	6.58	9.99%	71%
MEMPHIS, TN-MS-AR	21	6,243	969	8.17	7.25	0.47	0.20	0.26	0.44	7.69	3.76	3.94	11.26%	37%
MIAMI-MIAMI BEACH-KENDALL, FL	26	7,999	1,030	14.77	13.68	0.87	0.07	0.16	0.86	14.53	5.78	8.75	7.41%	60%
NASHVILLE, TN	35	10,349	951	9.39	8.50	0.68	0.05	0.15	0.58	9.08	4.00	5.08	9.44%	60%
ORLANDO, FL	72	22,307	997	11.09	9.86	0.92	0.06	0.24	0.69	10.55	4.24	6.31	11.03%	61%
PALM BAY-MELBOURNE-TITUSVILLE, FL	9	1,708	938	10.35	8.78	1.11	0.08	0.39	0.71	9.48	4.90	4.59	15.25%	69%
RALEIGH-DURHAM, NC	90	21,263	965	9.24	8.24	0.56	0.05	0.39	0.50	8.74	3.67	5.07	10.84%	53%
TAMPA-ST. PETERSBURG-CLEARWATER, FL	62	20,735	923	11.23	10.28	0.72	0.06	0.17	0.92	11.19	4.61	6.58	8.44%	66%
WEST PALM BEACH, FL	28	8,830	1,050	12.32	11.09	0.92	0.07	0.24	0.63	11.73	4.82	6.90	9.98%	63%
OTHER REGION II	84	20,684	976	9.37	8.46	0.64	0.09	0.17	0.68	9.13	3.81	5.32	9.72%	56%
REGION III	253	66,082	939	9.74	8.66	0.70	0.09	0.29	0.72	9.38	4.55	4.83	11.11%	52%
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	38	12,136	945	12.21	11.08	0.73	0.08	0.32	0.77	11.85	4.99	6.86	9.23%	51%
CINCINNATI-MIDDLETON, OH-KY-IN	35	8,062	982	10.11	8.92	0.76	0.07	0.35	0.96	9.88	4.43	5.45	11.73%	54%
COLUMBUS, OH	18	3,914	1,078	8.89	7.76	0.63	0.19	0.31	0.46	8.23	4.08	4.15	12.72%	55%
DAYTON, OH	21	3,669	955	8.49	7.44	0.65	0.07	0.33	0.47	7.91	3.30	4.62	12.33%	46%
DETROIT-WARREN-LIVONIA, MI	35	8,916	916	10.35	9.14	0.85	0.08	0.28	0.51	9.65	5.30	4.34	11.70%	48%
INDIANAPOLIS, IN	40	13,048	866	8.65	7.55	0.75	0.15	0.19	0.83	8.38	4.66	3.72	12.68%	54%
LANSING-EAST LANSING, MI	9	2,579	971	7.88	7.16	0.44	0.06	0.22	0.81	7.97	3.84	4.13	9.18%	54%
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	10	3,357	993	12.09	10.37	0.79	0.04	0.89	0.95	11.32	5.33	5.99	14.21%	64%
OTHER REGION III	47	10,401	927	7.78	7.09	0.53	0.06	0.10	0.61	7.70	3.94	3.76	8.81%	54%
REGION IV	519	144,449	846	10.87	10.21	0.80	0.07	0.50	0.80	10.31	4.91	5.40	12.55%	61%
AUSTIN-ROUND ROCK, TX	85	24,977	863	11.53	9.57	0.72	0.03	0.51	0.87	11.14	5.16	5.98	10.94%	62%
DALLAS-PLANO-IRVING, TX	127	37,904	857	10.91	9.56	0.76	0.08	0.51	0.72	10.29	4.79	5.50	12.32%	60%
FORT WORTH-ARLINGTON, TX	54	14,798	804	10.05	8.81	0.84	0.10	0.31	0.83	9.64	4.01	4.63	12.33%	66%
HOUSTON-BAYTOWN-SUGARLAND, TX	151	43,414	860	11.24	9.72	0.88	0.08	0.56	0.79	10.51	5.05	5.47	13.51%	60%
MIDLAND, TX	6	1,405	829	8.42	8.14	0.24	-0.01	0.05	0.88	9.02	3.88	5.14	3.38%	48%
SAN ANTONIO, TX	51	12,402	794	10.63	8.98	0.93	0.06	0.66	1.05	10.03	5.00	5.03	15.54%	59%
TULSA, OK	10	2,188	865	10.01	9.13	0.67	0.01	0.20	0.39	9.52	3.79	5.72	8.78%	69%
WACO, TX	7	1,250	815	10.13	9.31	0.69	0.02	0.11	0.63	9.94	4.35	5.59	8.13%	89%
OTHER REGION IV	28	6,111	821	8.66	7.56	0.68	0.05	0.37	0.70	8.26	4.01	4.24	12.70%	69%
REGION V	166	47,431	884	11.07	9.82	0.69	0.05	0.50	0.78	10.60	4.06	6.54	11.22%	60%
ALBUQUERQUE, NM	15	4,922	832	10.26	9.58	0.56	0.02	0.10	0.67	10.26	3.93	6.33	6.60%	61%
COLORADO SPRINGS, CO	11	2,316	907	9.46	7.73	0.84	0.06	0.83	0.71	8.44	3.94	4.50	18.32%	65%
DENVER-AURORA-BOULDER, CO	96	27,294	905	11.63	10.26	0.69	0.04	0.64	0.77	11.03	4.06	6.97	11.80%	64%
KANSAS CITY, MO-KS	8	2,628	945	10.40	9.22	0.81	0.02	0.36	0.87	10.09	3.93	6.16	11.36%	58%
SALT LAKE CITY, UT	8	3,277	739	10.37	9.91	0.35	0.04	0.06	1.16	11.08	4.54	6.54	4.41%	63%
ST. LOUIS, MO-IL	15	4,220	875	10.18	8.62	0.97	0.19	0.40	0.75	9.37	4.31	5.06	15.33%	47%
OTHER REGION V	13	2,774	881	10.71	9.92	0.59	0.05	0.15	0.65	10.57	3.71	6.87	7.31%	36%
REGION VI	613	144,501	870	14.95	13.71	0.98	0.06	0.20	0.74	14.45	5.08	9.37	8.26%	62%
FLAGSTAFF, AZ	6	1,331	664	13.43	10.82	1.68	0.53	0.40	1.31	12.13	5.32	6.81	19.43%	91%
LAS VEGAS-PARADISE, NV	26	8,502	816	12.90	11.27	1.26	0.09	0.27	0.98	12.25	4.58	7.67	12.58%	53%
LOS ANGELES-LONG BEACH-GLENDALE, CA	48	9,953	892	21.18	19.70	1.29	0.03	0.15	0.69	20.39	6.38	14.01	6.98%	61%
OAKLAND-FREEMONT-HAYWOOD, CA	19	4,251	823	18.57	17.50	0.91	0.04	0.12	0.62	18.11	6.24	11.88	5.77%	57%
PHOENIX-MESA-SCOTTSDALE, AZ	105	28,753	907	11.02	9.73	0.98	0.03	0.28	0.70	10.43	3.95	6.48	11.69%	66%
PORTLAND-VANCOUVER-BEAVERTON, OR-WA	26	7,365	981	10.24	9.59	0.57	0.03	0.06	0.63	10.21	3.79	6.42	6.42%	63%
RIVERSIDE-SAN BERNARDINO-ONTARIO, CA	18	4,734	847	15.86	13.95	1.47	0.10	0.34	0.76	14.71	5.40	9.31	12.01%	79%
SACRAMENTO-ARDEN ARCADE-ROSEVILLE, CA	25	6,047	801	11.75	10.49	0.77	0.15	0.34	0.46</					

2007 Survey of Operating Income & Expenses in Rental Apartment Properties

EXECUTIVE SUMMARY



2007 Survey of Operating Income & Expenses in Rental Apartment Properties

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2007 Survey of Operating Income & Expenses in Rental Apartment Properties

ACKNOWLEDGEMENTS

The 2007 Survey of Operating Income & Expenses in Rental Apartment Communities, the most successful survey in its 19 year history, further enhanced the National Apartment Association's (NAA) success in producing valuable information to its members and the apartment industry. The survey provides executives and professionals in the apartment and related industries with financial information needed to conduct their daily operations that can be used as a tool to support their strategic and business planning.

I thank Mark Ingrao, who acted as NAA's staff coordinator for the survey; Roland D. Freeman, a past NAA President, of Capital Consultants Realty Services, and Robert J. Sheehan II, NAA's Consulting Economist and President of Regis J Sheehan & Associates, who jointly promoted responses, processed and analyzed the data, and wrote the report; Chanal Thomas, NAA's Government Affairs Coordinator, who developed the survey mailing list and received paper responses; Robert J. Sheehan III, of Regis J Sheehan & Associates, for his work in developing the computer programming for tabulation of the results; Paul R. Bergeron III, Kerry A. Sullivan and Kate Pierce, who edited the report; Norman Grandstaff, of Ideas Communicated, who designed the report; and RE Data, the firm responsible for data input.

A special note of appreciation goes to all those firms who donated their time in accumulating the data necessary to make this survey a success. My sincere thanks is directed to those companies and their officers who contributed data for 20 or more of their properties for the 2007 survey (listed in order of number of property submissions).

- Equity Residential • AIMCO • UDR, Inc • Simpson Property Group LP • Alco Management, Inc • Alliance Residential • Mid-America Apartment Communities • Western National Property Management • Avalon Bay Communities • Milestone Management • Lincoln Property Company • AMLI Residential Properties Trust • Tarragon Corporation • Village Green Companies Gables Residential Services Inc. • Corcoran Management Co. Inc. • JCM Partners • Babcock and Brown Residential • Camden Property Trust • Greystar Management • The Dolben Companies • Baron Property Services • Konover • AEW Capital Management • Freeman Webb Company Realtors • Post Properties
- Capstone Management • HAI Management • Marquette Management • McDougal Companies • MG Properties

Dave Watkins, CAPS
2007 NAA's Chairman of the Board



2007 Survey of Operating Income & Expenses in Rental Apartment Properties

EXECUTIVE SUMMARY

BY ROBERT J. SHEEHAN and ROLAND FREEMAN, CAPS, CRE, CPM

REGIONS USED IN SURVEY

Region I	CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, NE, ND, NM, SD, UT, WY
Region VI	AZ, CA, ID, NV, OR, WA

EXECUTIVE SUMMARY TABLE OF CONTENTS

Market Rent Properties Summary	26
Metro Area Market Rent Detailed Income and Expenses Data	32
Subsidized Property Detailed Income and Expenses Data	40
Glossary of Terms	40

NAA has completed its Survey of Operating Income & Expenses in Rental Apartment Properties for 2007, based on data supplied by NAA members for 2006. For a second consecutive year, major findings in this survey of the professionally managed rental apartment industry show a distinct improvement of the economics in the market rent segment of the rental apartment market with NOI rising and a lower economic losses rate. Adding to the improvement in apartment economics was the small 0.7 percent rise in total operating expenses. The economic state of subsidized properties in the survey also improved.

A total of 4,058 properties containing 937,568 units are represented in this report, marking the highest participation rate in the survey's 19-year history. Data was reported for 3,465 market rent properties containing 850,155 units and 593 subsidized properties containing 87,413. Forms with partial data

or apparent problems that could not be resolved and therefore were not used totaled 268 properties with 64,588 units.

The report presents data from four types of properties. Garden and mid-rise/high-rise structures are segmented into individually metered and master metered utilities properties. Data is presented in three forms: dollars per unit, dollars per square feet of rentable floor area and as a percentage of gross potential rent (GPR).

Responses from garden properties with individually metered utilities dominate the survey, representing 80 percent of the market rent properties and 49 percent of the subsidized properties. The analysis is, therefore, centered on the garden properties with individually metered utilities.

Market rent properties tend to have more units and greater floor area per unit. Average sizes of the individually metered market rent garden properties are 247 units, and 142 units in

All Market Rent Properties

OPERATING INCOME & EXPENSE DATA

INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	2890			2764			126		
Number of Units	714,549			683,723			30,826		
Avg. No. of Units/Property	247			247			245		
Avg. No. of Square Feet/Unit	887			887			885		
Turnover rate in %	62%			62%			60%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	10,141	11.43	100.0%	9,921	11.18	100.0%	15,032	16.98	100.0%
Rent Revenue Collected	9,119	10.28	89.9%	8,909	10.04	89.8%	13,769	15.55	91.6%
Losses to Vacancy	659	0.74	6.5%	652	0.73	6.6%	814	0.92	5.4%
Collection Losses	72	0.08	0.7%	72	0.08	0.7%	74	0.08	0.5%
Losses to Concessions	291	0.33	2.9%	288	0.32	2.9%	375	0.42	2.5%
Other Revenue	543	0.61	5.4%	537	0.61	5.4%	685	0.77	4.6%
Total Revenue	9,663	10.89	95.3%	9,447	10.65	95.2%	14,454	16.33	96.2%
Operating Expenses									
Salaries and Personnel	1,040	1.17	10.3%	1,025	1.16	10.3%	1,376	1.55	9.2%
Insurance	222	0.25	2.2%	220	0.25	2.2%	282	0.32	1.9%
Taxes	950	1.07	9.4%	925	1.04	9.3%	1,507	1.70	10.0%
Utilities	317	0.36	3.1%	313	0.35	3.2%	409	0.46	2.7%
Management Fees	315	0.36	3.1%	309	0.35	3.1%	451	0.51	3.0%
Administrative	192	0.22	1.9%	189	0.21	1.9%	265	0.30	1.8%
Marketing	164	0.18	1.6%	160	0.18	1.6%	261	0.30	1.7%
Contract Services	308	0.35	3.0%	303	0.34	3.1%	419	0.47	2.8%
Repair and Maintenance	362	0.41	3.6%	359	0.40	3.6%	420	0.47	2.8%
Total Operating Expenses	3,871	4.36	38.2%	3,802	4.29	38.3%	5,389	6.09	35.9%
Net Operating Income	5,792	6.53	57.1%	5,644	6.36	56.9%	9,065	10.24	60.3%
Capital Expenditures	1,101	1.24	10.9%	1,108	1.25	11.2%	948	1.07	6.3%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	575			448			127		
Number of Units	135606			106780			28826		
Avg. No. of Units/Property	236			238			227		
Avg. No. of Square Feet/Unit	891			889			898		
Turnover rate in %	57%			58%			51%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	12,709	14.26	100.0%	11,101	12.48	100.0%	18,670	20.79	100.0%
Rent Revenue Collected	11,453	12.85	90.1%	9,874	11.10	89.0%	17,302	19.26	92.7%
Losses to Vacancy	804	0.90	6.3%	764	0.86	6.9%	952	1.06	5.1%
Collection Losses	108	0.12	0.8%	116	0.13	1.0%	77	0.09	0.4%
Losses to Concessions	345	0.39	2.7%	346	0.39	3.1%	339	0.38	1.8%
Other Revenue	777	0.87	6.1%	667	0.75	6.0%	1,185	1.32	6.3%
Total Revenue	12,230	13.72	96.2%	10,541	11.85	95.0%	18,487	20.58	99.0%
Operating Expenses									
Salaries and Personnel	1,290	1.45	10.2%	1,193	1.34	10.7%	1,652	1.84	8.8%
Insurance	326	0.37	2.6%	287	0.32	2.6%	468	0.52	2.5%
Taxes	1,082	1.21	8.5%	877	0.99	7.9%	1,839	2.05	9.8%
Utilities	1,204	1.35	9.5%	1,139	1.28	10.3%	1,444	1.61	7.7%
Management Fees	423	0.47	3.3%	384	0.43	3.5%	567	0.63	3.0%
Administrative	266	0.30	2.1%	234	0.26	2.1%	385	0.43	2.1%
Marketing	197	0.22	1.6%	184	0.21	1.7%	248	0.28	1.3%
Contract Services	452	0.51	3.6%	386	0.43	3.5%	694	0.77	3.7%
Repair and Maintenance	468	0.52	3.7%	452	0.51	4.1%	528	0.59	2.8%
Total Operating Expenses	5,708	6.40	44.9%	5,136	5.78	46.3%	7,824	8.71	41.9%
Net Operating Income	6,523	7.32	51.3%	5,405	6.08	48.7%	10,663	11.87	57.1%
Capital Expenditures	1,481	1.66	11.7%	1,419	1.60	12.8%	1,711	1.90	9.2%

Source: National Apartment Association 2007 Survey of Operating Income & Expenses in Rental Apartment Communities

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subsidized units. Rentable floor area averaged 887 square feet for market rent apartments and 854 square feet for the subsidized units.

The complete report contains detailed data summarized for six geographic regions and for metropolitan areas with at least 10 properties reported. Seventy-eight metropolitan areas met the separate reporting requirement for market rent properties.

	2006	2005	2004	2003	2002	2001
All	10.20%	11.87%	13.99%	13.35%	11.39%	9.69%
Region I	9.46%	8.87%	10.02%	8.79%	8.21%	6.36%
Region II	10.84%	11.35%	12.89%	13.31%	12.10%	10.44%
Region III	12.02%	13.87%	15.54%	13.84%	10.85%	10.64%
Region IV	10.77%	15.39%	16.23%	13.98%	11.53%	9.90%
Region V	12.12%	15.14%	19.99%	16.33%	12.75%	9.16%
Region VI	8.09%	8.57%	12.15%	13.21%	11.54%	9.79%

Sufficient numbers of subsidized properties were submitted for 16 metropolitan areas.

This report also includes tables for the “other” properties in states with at least eight properties located in metro areas that did not meet requirements for separate reporting and in non-metro areas. Tables for market rent properties are given for 13 states and subsidized properties in 18 states.

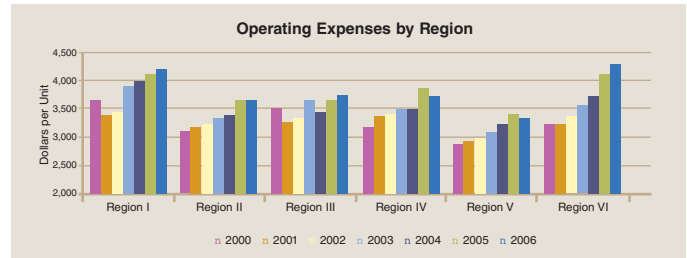
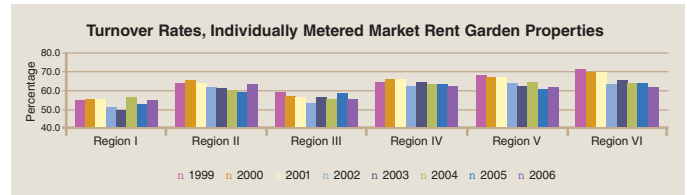
Market Rent Properties

Economic Losses. A measure of the health of the rental housing market is economic losses. They are defined as the difference between rent revenue collected and GPR expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollected rents and the values of rent concessions.

The economic loss rate in the survey for market rent individually metered garden properties improved significantly with a drop to 10.20 percent in the data for 2006 from 11.87 percent in the data for 2005 and 13.99 percent for 2004. Economic losses in 2006 were at their lowest level since 2001.

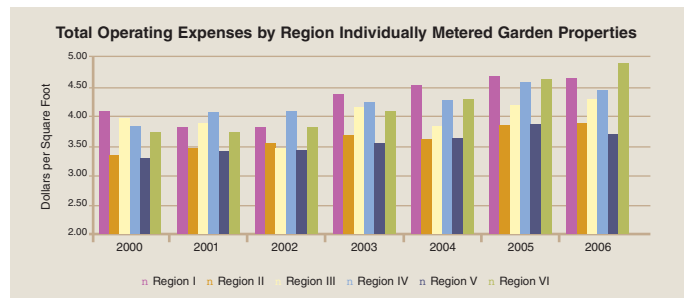
Net Operating Income and Revenues (NOI). NOI is another important measurement for evaluating the health of a property and the rental housing market. It is simply the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits.

NOI in the survey also revealed the further strengthening of the rental apartment market last year. NOI measured in percent of GPR terms in the data for 2006 rose to 56.9 percent



from 53.9 percent in 2005 and 52.2 percent recorded in 2004. Last year’s level is still well below the survey’s historical peak of 58.9 percent in 1999. Regionally, NOIs in 2005 ranged from a high of 63.4 percent in the Pacific states (Region VI) to a low of 44.2 percent in the Southwest (Region IV). The Southwest states historically have had the lowest NOI among the regions.

Average NOIs for the last three survey data years of individ-



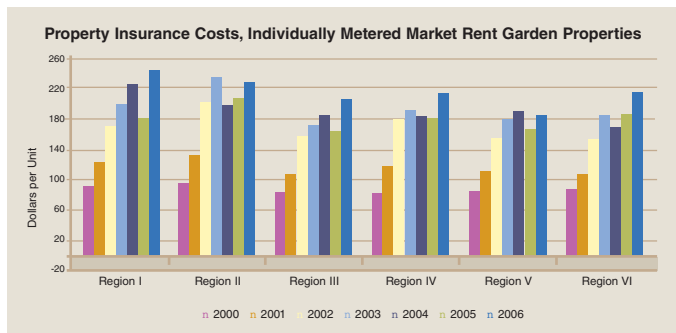
ually metered garden properties are listed in the table at the bottom of the page.

Gross Potential Rent (GPR). GPR in the survey data tables is defined here on a post-fiscal year basis. It is the sum of rent revenue collected and revenue losses, including those from vacancies, collections and concessions.

A 5 percent increase was recorded in average GPR for garden properties with individually metered utilities in the 2006 data from a year earlier. Average GPR was \$9,921 per unit (\$827 monthly) in this year’s survey versus \$9,450 per unit (\$788 monthly) in the previous survey. Translated into per square foot of floor area, they were \$11.18 (\$0.93 per month) versus \$10.63 (\$0.89 per month).

Median GPR in the current survey is \$8,751 (\$729 per

	DOLLARS PER UNIT			DOLLARS PER SQUARE FEET			% OF GPR		
	2006	2005	2004	2006	2005	2004	2006	2005	2004
All	\$5,644	\$5,098	\$4,647	\$6.36	\$5.73	\$5.27	56.9%	53.9%	52.2%
Region I	\$7,577	\$7,317	\$6,868	\$8.46	\$8.38	\$7.72	61.4%	61.4%	60.2%
Region II	\$5,111	\$4,763	\$4,420	\$5.48	\$5.07	\$4.75	55.7%	53.7%	52.5%
Region III	\$4,783	\$4,038	\$3,975	\$5.55	\$4.65	\$4.48	53.0%	48.5%	48.7%
Region IV	\$4,118	\$3,643	\$3,450	\$4.91	\$4.35	\$4.21	50.0%	44.2%	44.4%
Region V	\$5,113	\$4,812	\$4,708	\$5.73	\$5.47	\$5.35	57.1%	53.4%	51.7%
Region VI	\$7,993	\$7,780	\$6,355	\$9.18	\$8.78	\$7.30	62.6%	63.4%	58.7%



month) versus \$8,459 (\$705 per month a year ago). The range in 2006 went from a high of \$35,942 (\$2,995 per month) to \$3,672 (\$306 per month) versus \$40,923 (\$3,410 per month) to \$3,600 (\$300 per month) in the 2005 data.

Rent Revenue Collected. Rent revenue collected averaged \$7,902 per individually metered garden property unit annually in the survey, up 3.3 percent from the \$7,652 in last year’s survey. Measured on a per-square-foot basis, rent revenue averaged \$10.04 per square foot versus \$8.64, in the 2005 data.

Revenue Losses. Revenue losses dropped to an average of 10.22 percent of GPR in 2006 versus 11.87 percent in 2005 and 13.99 percent of GPR for 2004 data. Data for revenue losses were reported in three categories: those caused by vacancies, collections and concessions. All three measures of revenue losses improved markedly. Vacancy losses for individually metered market rent garden properties averaged 6.8 percent of GPR in the current survey (\$652 per unit, \$0.76 per square foot) versus 7.1 percent of GPR (\$674 per unit, \$0.76 per square foot) a year ago. Collection losses averaged 0.7 percent of GPR (\$70 per unit, \$0.08 per square foot) in comparison to 0.7 percent of GPR (\$70 per unit, \$0.08 per square foot) for 2005 data. And losses from rent concessions averaged 2.9 percent of GPR (\$288 per unit in the property, \$0.32 per square foot) versus 4 percent of GPR (\$377 per unit in the property, \$0.42 per square foot).

Other Revenue Collected. Other revenue collected from operating sources includes receipts from onsite laundries, cable, telephone systems, parking fees and other charges for services and amenities. These other operating revenues averaged \$537 per unit (\$0.61 per square foot) for individually metered garden properties reported in the survey, versus the \$545 per unit (\$0.61 per square foot) a year earlier. Other non-rent operating revenues ranged from none to \$6,850 per unit. Median other operating revenues were \$470 per unit.

Total Operating Expenses. An increase of only 0.7 percent was recorded in total operating expenses last year. Total operating expenses for individually metered garden properties in the survey averaged \$3,802 per unit (\$4.29 per square foot) versus \$3,776 per unit (\$4.25 per square foot) in 2005 and \$3,507 per unit (\$3.98 per square foot) in 2004. The total represented 38.3 percent of GPR versus 40 percent a year earlier.

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of

any reimbursements from residents), management fees, administration, marketing, contract services and repair and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

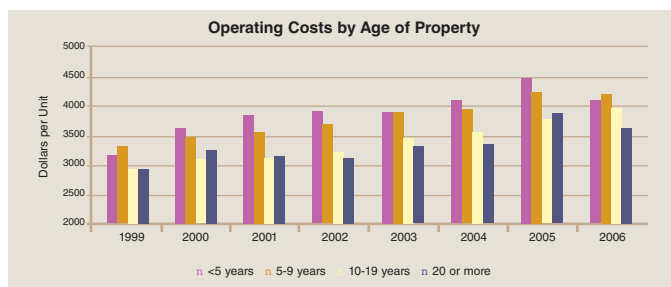
Changes in individual categories of operating costs were mixed. Three categories had large increases. Average property-related insurance costs jumped 15.2 percent in 2006 to \$220 per unit (\$0.21 per square foot) from \$191 per unit (\$0.21 per square foot). Administrative cost rose 12.5 percent to \$189 per unit from \$168 in 2005. Management fees increased 12.4 percent to \$309 per unit (3.1 percent of GPR) from \$275 per unit (2.9 percent of GPR) a year earlier. They were largely offset by declines in three other categories. Marketing costs declined 8 percent to \$160 per unit from \$174 a year earlier. Repair and maintenance costs declined 5.8 percent to \$359 per unit from \$381 per unit in the 2005 survey. And contract services costs declined 3.8 percent to an average of \$303 per unit last year from \$315 in 2005.

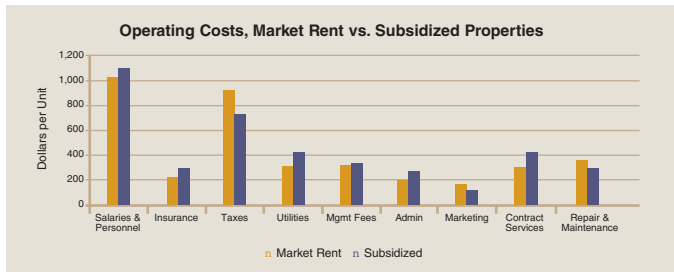
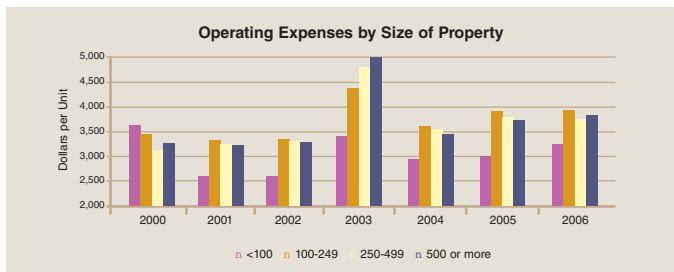
The overall turnover rate increased slightly last year. It increased to 62 percent of total units among the individually metered garden apartment properties reported in the survey for 2006 from 61 percent in 2005. Turnover rates have been in the range of 59 percent to 69 percent over the history of this survey. The low occurred in the data for 1995 and the high during the recession year 1990.

Increases in the turnover rates last year occurred in the Northeast (Region I) 55 percent versus 53 percent, Southeast (Region II), 64 percent versus 60 percent and the Mountain/South Midwest States (Region V) 62 percent versus 61 percent. They declined in the North Midwest (Region III) to 56 percent versus 59 percent, the Southwest (Region IV) 63 percent versus 64 percent and the Pacific (Region VI) at 62 percent from 65 percent.

Age of Property. Operating expenses on a percentage of GPR and dollars per square foot basis tend to rise in individually metered garden properties in the report as they age. They were 34.8 percent of GPR (\$4.17 per square foot) in properties less than five years old and rose to 40.2 percent of GPR (\$4.33 per square foot) for properties 20 or more years old. Higher rents in newer properties produce a reverse pattern in operating expenses measured in dollars per unit. They increased from \$3,611 per unit for properties 20 or more years old to \$4,206 per unit for those five to nine years old.

Average NOI in terms of percentages of GPR was the lowest for the oldest properties reported at 55 percent for those that were 20 or more years old. The highest NOI in percentage of





GPR terms occurred in properties 10 to 19 years old at 59.5 percent. Measured in terms of dollars per unit, the low was \$4,940 per unit in properties that were 20 or more years old and the high was \$6,664 for properties five to nine years old.

Economic losses continue to be the highest among the newest properties. Properties less than five years old reported the highest ratio of economic losses at 14.31 percent of GPR and the lowest in those that are 10 to 19 years old at 9.34 percent.

Age of properties groupings show some distinct differences in the individual cost components of operating costs. The largest difference is in real estate and related property taxes and fees. They varied from a high average of \$1,242 per unit (\$1.24 per square foot) in those properties five to nine years old to a low of \$769 (\$0.92 per square foot) for those aged 20 or more years.

Capital expenditures were significantly lower for the newest properties. They averaged \$282 per unit (\$0.29 per square foot) for those properties less than five years old. The highest average was reported for properties 20 or more years old at \$1,191 per unit (\$1.43 per square foot).

Size of Property. Presence of scale economies in apartment properties is evident if operating costs were to decline as the size of properties increases. Economies of scale did appear when total operating costs were measured on a percentage of gross potential rent basis.

They drop from 42 percent of GPR in properties with less than 100 units to a low of 36 percent in those containing 500 or more units. The survey results, however, did not show scale economies on a cost per unit basis. The lowest operating costs, at \$3,253 per unit, were in the smallest properties—those with fewer than 100 units.

The highest operating costs occurred in properties with 100 to 249 units at \$3,914 per unit. Economic losses did not vary widely based on property size. They were highest with properties with 100 to 249 units at 10.34 percent of GPR and the lowest for properties with fewer than 100 units at 10.1 percent.

Metro Area Detailed Operating Income and Expenses Data

Detailed tables in the report are presented for the 78 metropolitan areas for which a total of 10 properties of all types were reported in the survey. This is the only section of the report with metropolitan area data for garden, mid-rise and high-rise building properties and further segmented into those with utilities that were either individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

Following are some highlights of the metropolitan area data. They are limited to garden properties with individually metered utilities in metropolitan areas with at least 10 properties of this type reported, unless otherwise noted.

- NOIs on a dollar-per-unit basis ranged from \$11,535 (\$12.07 per square foot) in the New York metro area to a low of \$2,884 (\$4.11 per square foot) in the Charleston, S.C., metro area. The San Francisco-San Mateo-Redwood City metro area, however, had the highest NOI on a per square foot basis at \$13.09. Northern New Jersey metro area had the high NOI measured in percentage of GPR terms at 64.7 percent and Lubbock, Texas, the low at 33.6 percent.

- GPR averages were the highest in the Los Angeles-Long Beach-Glendale metro area at \$17,129 per unit (\$19.29 per square foot). A low of \$6,039 per unit (\$7.71 per square foot) was tabulated for properties reported from Dayton, Ohio.

- Economic losses were lowest in the Sarasota-Bradenton-Venice, Fla., metro area at 4.98 percent of GPR and Fort Lauderdale-Pompano Beach-Deerfield Beach, Fla., at 5.12 percent. Both, however, have small numbers of individually metered garden properties reported. Metro areas with the highest economic losses were Lubbock, Texas, at 22.68 percent and Cleveland-Elyria-Mentor, Ohio, at 17.49 percent.

- Total operating costs' highs and lows vary among metro areas based on which measure is selected. Properties reporting from the San Francisco-San Mateo-Redwood City metro area had the highest operating costs based on a per unit basis and for dollars per square foot of floor area at \$7,422 (\$7.76 per square foot) followed by New Haven-Milford, Conn., at \$5,773 per unit (\$7.14 per square foot). A low of \$2,673 per unit (\$3.27 per square foot) was reported in the Salt Lake City metro areas. Properties reporting in the Greensboro-High Point, N.C., metro area also had a \$3.27 per square foot average operating expenses.

- Real estate taxes increased significantly in many metro areas last year and affected the rankings for this category of costs. The New York metro area had the highest real estate taxes per unit in dollar terms at 3,815; Boynton Beach, Fla., moved to near the top of the list at \$1,755 per unit followed by Chicago at \$1,693 per unit. The lowest averages were for properties located in the Louisville and Lexington, Ky., metro areas at \$363 and \$406, respectively.

- Insurance costs on a per unit basis were the highest in three hurricane-prone metro areas. They were at \$448 (\$0.46

Operating Expenses by Age and Size of Property

INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin.	Mrktg.	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend
Age of Property											
<i>Dollars Per Unit</i>											
Less than 5 years old	\$1,307	\$318	\$1,605	\$1,022	\$441	\$326	\$170	\$548	\$346	\$6,081	\$216
5 to 9 years old	\$1,050	\$211	\$1,242	\$287	\$338	\$191	\$188	\$336	\$363	\$4,206	\$932
10 to 19 years	\$1,044	\$204	\$1,087	\$278	\$314	\$168	\$163	\$304	\$388	\$3,949	\$1,117
20 or more years	\$1,003	\$227	\$769	\$333	\$300	\$191	\$147	\$292	\$349	\$3,611	\$1,191
<i>Dollars Per Square Foot</i>											
Less than 5 years old	\$1.18	\$0.29	\$1.46	\$0.93	\$0.40	\$0.30	\$0.15	\$0.50	\$0.31	\$5.51	\$0.20
5 to 9 years old	\$1.04	\$0.21	\$1.24	\$0.29	\$0.34	\$0.19	\$0.19	\$0.33	\$0.36	\$4.19	\$0.93
10 to 19 years	\$1.11	\$0.22	\$1.15	\$0.29	\$0.33	\$0.18	\$0.17	\$0.32	\$0.41	\$4.19	\$1.19
20 or more years	\$1.20	\$0.27	\$0.92	\$0.40	\$0.36	\$0.23	\$0.18	\$0.35	\$0.42	\$4.33	\$1.43
<i>Percent of Gross Potential Rent</i>											
Less than 5 years old	8.1%	2.0%	10.0%	6.4%	2.7%	2.0%	1.1%	3.4%	2.2%	37.9%	1.3%
5 to 9 years old	9.2%	1.8%	10.8%	2.5%	3.0%	1.7%	1.6%	2.9%	3.2%	36.8%	8.1%
10 to 19 years	9.6%	1.9%	10.0%	2.6%	2.9%	1.5%	1.5%	2.8%	3.6%	36.4%	10.3%
20 or more years	11.2%	2.5%	8.6%	3.7%	3.3%	2.1%	1.6%	3.3%	3.9%	40.2%	13.3%
<i>Percent of Total Operating Costs</i>											
Less than 5 years old	21.5%	5.2%	26.4%	16.8%	7.2%	5.4%	2.8%	9.0%	5.7%	100.0%	
5 to 9 years old	25.0%	5.0%	29.5%	6.8%	8.0%	4.5%	4.5%	8.0%	8.6%	100.0%	
10 to 19 years	26.4%	5.2%	27.5%	7.0%	8.0%	4.2%	4.1%	7.7%	9.8%	100.0%	
20 or more years	27.8%	6.3%	21.3%	9.2%	8.3%	5.3%	4.1%	8.1%	9.7%	100.0%	
Size of Property											
<i>Dollars Per Unit</i>											
Less than 100 units	\$967	\$164	\$608	\$268	\$310	\$170	\$122	\$311	\$332	\$3,253	\$1,097
100 to 249 units	\$1,091	\$230	\$864	\$329	\$314	\$221	\$174	\$320	\$371	\$3,914	\$1,262
250 to 499 units	\$996	\$216	\$964	\$305	\$304	\$176	\$163	\$289	\$358	\$3,770	\$1,081
More than 500 units	\$997	\$228	\$978	\$322	\$319	\$185	\$141	\$307	\$352	\$3,828	\$965
<i>Dollars Per Square Foot</i>											
Less than 100 units	\$1.38	\$0.23	\$0.87	\$0.38	\$0.44	\$0.24	\$0.17	\$0.45	\$0.48	\$4.65	\$1.57
100 to 249 units	\$1.22	\$0.26	\$0.97	\$0.37	\$0.35	\$0.25	\$0.19	\$0.36	\$0.42	\$4.39	\$1.42
250 to 499 units	\$1.10	\$0.24	\$1.06	\$0.34	\$0.33	\$0.19	\$0.18	\$0.32	\$0.39	\$4.15	\$1.19
More than 500 units	\$1.13	\$0.26	\$1.11	\$0.37	\$0.36	\$0.21	\$0.16	\$0.35	\$0.40	\$4.35	\$1.10
<i>Percent of Gross Potential Rent</i>											
Less than 100 units	12.5%	2.1%	7.9%	3.5%	4.0%	2.2%	1.6%	4.0%	4.3%	42.0%	14.2%
100 to 249 units	11.1%	2.3%	8.8%	3.4%	3.2%	2.3%	1.8%	3.3%	3.8%	40.0%	12.9%
250 to 499 units	10.1%	2.2%	9.8%	3.1%	3.1%	1.8%	1.7%	2.9%	3.6%	38.2%	11.0%
More than 500 units	9.4%	2.1%	9.2%	3.0%	3.0%	1.7%	1.3%	2.9%	3.3%	36.0%	9.1%
<i>Percent of Total Operating Costs</i>											
Less than 100 units	29.7%	5.0%	18.7%	8.2%	9.5%	5.2%	3.8%	9.6%	10.2%	100.0%	
100 to 249 units	27.9%	5.9%	22.1%	8.4%	8.0%	5.7%	4.4%	8.2%	9.5%	100.0%	
250 to 499 units	26.4%	5.7%	25.6%	8.1%	8.1%	4.7%	4.3%	7.7%	9.5%	100.0%	
More than 500 units	26.0%	6.0%	25.6%	8.4%	8.3%	4.8%	3.7%	8.0%	9.2%	100.0%	

Source: National Apartment Association 2007 Survey of Operating Income & Expenses in Rental Apartment Communities

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per square foot) in Virginia Beach-Norfolk-Newport News, and \$371 (\$0.32 per square foot) in West Palm Beach-Boca Raton-Boynton Beach, Fla., and \$363 (\$0.39 per square foot) in Baton Rouge, La. They were lowest in Hartford-East Hartford, CT at

\$100 per unit (\$0.10 per square foot) and Minneapolis-St. Paul at \$114 per unit (\$0.12 per square foot).

- Salaries and personnel costs were the lowest in the Bloomington, Ind., metro area at \$686 per unit (\$1.00 per square foot)

Revenues and NOI by Age and Size of Property

INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

AGE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential			
	Less than 5 Years	5 to 9 years	10 to 19 years	20 years or more	Less than 5 Years	5 to 9 years	10 to 19 years	20 years or more	Less than 5 Years	5 to 9 years	10 to 19 years	20 years or more
No. of Properties	69	330	538	1748	69	330	538	1748	69	330	538	1748
No. of Units	17,524	99,819	155,426	393,686	17,524	99,819	155,426	393,686	17,524	99,819	155,426	393,686
Avg. No. of Units/Property	254	302	289	225	254	302	289	225	254	302	289	225
Avg. No. of Square Feet/Unit	976	1,005	941	834	976	1,005	941	834	976	1,005	941	834
Turnover Rate in %	57%	64%	63%	61%	57%	64%	63%	61%	57%	64%	63%	61%
Gross Potential Rent	\$11,683	\$11,445	\$10,845	\$8,984	\$11.97	\$11.39	\$11.52	\$10.77	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	\$10,011	\$10,281	\$9,832	\$8,037	\$10.26	\$10.23	\$10.44	\$9.63	85.7%	89.8%	90.7%	89.5%
Losses to Vacancies	\$991	\$736	\$648	\$620	\$1.02	\$0.73	\$0.69	\$0.74	8.5%	6.4%	6.0%	6.9%
Losses to Collections	\$74	\$56	\$63	\$79	\$0.08	\$0.06	\$0.07	\$0.09	0.6%	0.5%	0.6%	0.9%
Losses to Concessions	\$607	\$372	\$302	\$248	\$0.62	\$0.37	\$0.32	\$0.30	5.2%	3.2%	2.8%	2.8%
Other Revenue Collected	\$530	\$590	\$573	\$514	\$0.54	\$0.59	\$0.61	\$0.62	4.5%	5.2%	5.3%	5.7%
Total Revenue Collected	\$10,541	\$10,870	\$10,404	\$8,551	\$10.80	\$10.82	\$11.05	\$10.25	90.2%	95.0%	95.9%	95.2%
Total Operating Expenses	\$4,069	\$4,206	\$3,949	\$3,611	\$4.17	\$4.19	\$4.19	\$4.33	34.8%	36.8%	36.4%	40.2%
Net Operating Income	\$6,472	\$6,664	\$6,455	\$4,940	\$6.63	\$6.63	\$6.86	\$5.92	55.4%	58.2%	59.5%	55.0%
Economic Vacancy Rates (%)	14.31%	10.17%	9.34%	10.54%	14.31%	10.17%	9.34%	10.54%	14.31%	10.17%	9.34%	10.54%

SIZE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential			
	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units
No. of Properties	505	1000	1026	154	505	1000	1026	154	505	1000	1026	154
No. of Units	34,535	178,116	345,963	107,840	34,535	178,116	345,963	107,840	34,535	178,116	345,963	107,840
Avg. No. of Units/Property	68	178	337	700	68	178	337	700	68	178	337	700
Avg. No. of Square Feet/Unit	699	892	909	880	699	892	909	880	699	892	909	880
Turnover Rate in %	62%	61%	63%	58%	62%	61%	63%	58%	62%	61%	63%	58%
Gross Potential Rent	\$7,736	\$9,793	\$9,864	\$10,621	\$11.07	\$10.98	\$10.86	\$12.07	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	\$6,955	\$8,780	\$8,850	\$9,532	\$9.95	\$9.85	\$9.74	\$10.83	89.9%	89.7%	89.7%	89.7%
Losses to Vacancies	\$539	\$629	\$653	\$733	\$0.77	\$0.71	\$0.72	\$0.83	7.0%	6.4%	6.6%	6.9%
Losses to Collections	\$73	\$80	\$68	\$70	\$0.10	\$0.09	\$0.07	\$0.08	0.9%	0.8%	0.7%	0.7%
Losses to Concessions	\$169	\$303	\$293	\$287	\$0.24	\$0.34	\$0.32	\$0.33	2.2%	3.1%	3.0%	2.7%
Other Revenue Collected	\$407	\$540	\$551	\$547	\$0.58	\$0.61	\$0.61	\$0.62	5.3%	5.5%	5.6%	5.1%
Total Revenue Collected	\$7,362	\$9,319	\$9,401	\$10,079	\$10.53	\$10.45	\$10.35	\$11.46	95.2%	95.2%	95.3%	94.9%
Total Operating Expenses	\$3,253	\$3,914	\$3,770	\$3,828	\$4.65	\$4.39	\$4.15	\$4.35	42.0%	40.0%	38.2%	36.0%
Net Operating Income	\$4,109	\$5,405	\$5,630	\$6,250	\$5.88	\$6.06	\$6.20	\$7.10	53.1%	55.2%	57.1%	58.8%
Economic Vacancy Rates (%)	10.10%	10.34%	10.28%	10.26%	10.10%	10.34%	10.28%	10.26%	10.10%	10.34%	10.28%	10.26%

Source: National Apartment Association 2007 Survey of Operating Income & Expenses in Rental Apartment Communities

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and Chattanooga, Tenn., at \$814 (\$0.83 per square foot). New Haven Oakland-Fremont-Haywood, Calif., had the highest average at \$1,444 per unit (\$1.65 per square foot) followed by the \$1,430 in San Francisco-San Mateo-Redwood City (\$1.59 per square foot).

- West Palm Beach-Boca Raton-Boynton Beach, Fla., had the largest units among the metro areas reported separately in this report with an average of 1,025 square feet of floor area per unit. Properties reporting located in the Toledo, Ohio, metro had the low average at 665 square feet per unit.

- Metropolitan areas with the most garden properties

reporting that were individually metered were Atlanta (170), Dallas (144) and Houston (139).

Subsidized Properties Income & Expense Summary

Operating Income & Expense Summary. Data were received for 593 subsidized properties containing 87,413 units. Garden properties with individually metered utilities represent the largest subgroup of properties reporting, and analysis here will be limited to them. Data tables are presented for 16 metropolitan areas that met the 10-property minimum for separate reporting.

Economic Losses Rates – NOI – Turnover, Metropolitan Areas

MARKET RENT GARDEN PROPERTIES – INDIVIDUALLY METERED

	2007 Survey						2006 Survey					
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Turnover Rate	Net Operating Income NOI (1)	Economic Losses as a % of GPR	Economic Losses as a % of GPR	Net Operating Income NOI (1)	Turnover Rate	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
TOTAL MARKET RENT	2,764	683,723	887	62%	56.9%	10.20%	11.87%	53.9%	61%	2,609	667,951	889
REGION I	250	61,399	896	55%	61.4%	9.46%	8.87%	61.4%	53%	195	43,996	873
BALTIMORE-TOWSON, MD	40	9,331	904	54%	63.6%	7.76%	7.32%	59.5%	35%	40	8,242	787
BOSTON-CAMBRIDGE-QUINCY, MA-NH	18	4,841	892	47%	55.7%	17.31%	11.97%	57.7%	63%	12	2,869	918
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	7	1,728	973	61%	39.9%	16.08%	10.28%	52.4%	48%	3	825	1,027
NEW HAVEN-MILFORD, CT	14	1,720	808	72%	51.1%	10.73%	10.02%	53.2%	55%	16	2,294	781
NEW YORK, NY	6	1,192	956	54%	59.1%	5.69%	7.17%	58.7%	52%	6	1,829	849
NORTHERN NEW JERSEY MSA'S	9	3,051	837	46%	64.7%	6.84%	6.20%	65.3%	55%	3	1,250	947
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	6	1,260	855	50%	62.1%	8.63%	8.94%	55.9%	51%	4	776	781
PITTSBURGH, PA	13	1,557	815	55%	53.9%	11.65%	11.79%	57.1%	47%	11	1,258	810
PROVIDENCE-FALL RIVER-WARWICK, RI	5	984	903	56%	59.7%	12.13%	N/A	N/A	N/A	N/A	N/A	N/A
RICHMOND, VA	23	7,311	912	58%	56.8%	12.96%	11.78%	56.6%	56%	16	5,194	846
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	14	4,580	980	59%	67.2%	7.41%	6.17%	67.9%	64%	10	2,703	954
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	62	17,556	870	55%	66.8%	7.37%	8.56%	65.0%	56%	45	12,549	895
OTHER	33	6,288	926	57%	53.7%	8.88%	9.70%	63.9%	59%	29	4,207	972
REGION II	932	224,985	933	64%	55.7%	10.84%	11.35%	53.7%	60%	936	235,517	939
ATLANTA-SANDY SPRINGS-MARIETTA, GA	170	47,258	995	61%	53.2%	13.72%	14.87%	51.9%	61%	196	57,586	1,013
AUGUSTA-RICHMOND COUNTY, GA-SC	11	1,719	701	68%	45.5%	14.14%	N/A	N/A	N/A	N/A	N/A	N/A
CHARLESTON-NORTH CHARLESTON SC	13	2,745	860	74%	57.7%	8.93%	N/A	N/A	N/A	N/A	N/A	N/A
CHARLOTTE-GASTONIA-CONCORD, NC-SC	48	12,491	931	61%	58.3%	10.59%	10.79%	55.0%	60%	52	12,304	962
CHATTANOOGA, TN-GA	10	2,167	876	58%	50.3%	10.25%	13.37%	61.5%	46%	10	1,670	979
COLUMBIA, SC	20	5,217	887	66%	53.6%	11.75%	10.61%	49.9%	67%	17	4,981	806
DELTONA-DAYTONA BEACH-OSMOND BEACH, FL	12	1,195	743	68%	49.5%	16.68%	11.04%	50.7%	65%	12	1,196	743
FT. LAUDERDALE-POMPANO BEACH-DEERFIELD BEACH, FL	8	2,604	978	53%	62.8%	5.12%	10.97%	56.3%	59%	29	6,323	938
GREENSBORO-HIGH POINT, NC	21	4,518	914	64%	59.5%	10.45%	14.06%	47.3%	59%	16	3,496	949
GREENVILLE, SC	22	4,075	966	65%	51.1%	12.55%	9.99%	54.6%	58%	50	14,050	923
JACKSONVILLE, FL MSA	57	16,154	934	68%	57.9%	9.27%	7.34%	65.8%	57%	10	3,749	865
KNOXVILLE, TN	13	2,270	908	57%	52.2%	6.88%	10.20%	64.9%	59%	10	1,684	923
LEXINGTON-FAYETTE, KY	16	2,687	823	64%	54.5%	13.47%	13.33%	51.7%	55%	18	3,327	834
LOUISVILLE, KY-IN	19	2,940	839	68%	55.9%	9.38%	18.03%	50.5%	59%	17	2,620	801
MACON, GA	15	1,819	880	76%	50.6%	12.44%	10.48%	48.1%	57%	15	1,983	925
MEMPHIS, TN-MS-AR	20	7,329	929	61%	52.3%	16.06%	15.49%	40.1%	51%	48	14,020	933
MIAMI-MIAMI BEACH-KENDALL, FL MD	35	8,592	931	59%	59.1%	6.66%	6.02%	58.4%	60%	29	6,909	953
NASHVILLE, TN	47	14,043	904	63%	56.9%	10.44%	11.29%	54.4%	64%	37	11,228	861
ORLANDO, FL	61	15,538	942	67%	58.5%	8.49%	7.27%	58.6%	65%	69	18,539	954
PALM BAY-MELBOURNE-TITUSVILLE, FL	8	1,257	806	64%	55.8%	7.23%	N/A	N/A	N/A	N/A	N/A	N/A
PENSACOLA-FERRY PASS-BRENT, FL	15	1,941	829	73%	64.8%	5.76%	N/A	N/A	N/A	N/A	N/A	N/A
RALEIGH-DURHAM, NC MSA's	57	15,118	930	58%	53.7%	12.12%	13.57%	50.3%	58%	50	13,968	921
SARASOTA-BRADENTON-VENICE, FL	9	1,451	839	64%	63.1%	4.98%	7.14%	58.0%	63%	51	14,031	891
SAVANNAH, GA	14	2,083	894	72%	53.4%	12.55%	11.72%	55.5%	74%	10	1,423	863
TAMPA-ST. PETERSBURG-CLEARWATER, FL	66	17,930	888	62%	55.8%	8.54%	8.02%	57.7%	70%	12	2,429	780
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	40	8,996	1,025	71%	55.3%	9.71%	7.28%	59.1%	64%	31	7,171	1,038
OTHER	105	20,848	919	70%	56.4%	11.28%	9.89%	52.9%	59%	126	26,667	905
REGION III	373	76,123	861	56%	53.0%	12.02%	13.87%	48.5%	59%	307	54,898	869
BLOOMINGTON, IN	10	1,080	682	65%	45.2%	12.80%	13.00%	64.6%	70%	6	623	660
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	56	19,588	921	51%	56.0%	10.82%	13.08%	53.0%	59%	33	11,423	976
CINCINNATI-MIDDLETON, OH-KY-IN	30	6,178	957	57%	53.6%	13.62%	13.54%	47.3%	51%	23	3,883	1,086
CLEVELAND-ELYRIA-MENTOR, OH	13	1,633	760	61%	47.6%	17.49%	14.03%	54.0%	61%	10	832	591
COLUMBUS, OH	63	10,330	772	59%	49.4%	13.35%	14.43%	47.2%	61%	52	6,410	750
DAYTON, OH	19	2,202	787	60%	47.4%	11.49%	12.81%	50.1%	67%	17	1,407	669
DETROIT-WARREN-LIVONIA, MI	32	5,724	881	55%	57.3%	11.04%	14.05%	46.1%	50%	39	4,715	774
INDIANAPOLIS, IN	64	13,191	804	55%	50.8%	12.73%	12.81%	47.7%	62%	55	11,550	799
LANSING-EAST LANSING, MI	8	1,671	929	71%	55.0%	12.85%	N/A	N/A	N/A	N/A	N/A	N/A
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,754	974	59%	49.5%	14.89%	14.60%	51.6%	59%	13	2,782	994
TOLEDO, OH	10	1,011	665	66%	53.0%	10.76%	N/A	N/A	N/A	N/A	N/A	N/A
OTHER	55	10,761	869	59%	50.9%	10.90%	15.97%	41.1%	59%	59	11,273	890
REGION IV	517	141,633	838	63%	50.0%	10.77%	15.39%	44.2%	64%	612	174,901	837
AUSTIN-ROUND ROCK, TX	62	17,549	847	66%	51.3%	9.36%	12.32%	44.8%	64%	84	23,214	842
BATON ROUGE, LA	13	2,211	930	51%	54.4%	10.03%	N/A	N/A	N/A	N/A	N/A	N/A
DALLAS-PLANO-IRVING, TX	144	45,914	843	61%	50.6%	10.65%	17.46%	44.0%	62%	219	67,026	851
FT. WORTH-ARLINGTON, TX	53	15,122	845	70%	47.8%	10.25%	15.33%	44.4%	68%	76	21,770	828
HOUSTON-BAYTOWN-SUGARLAND, TX	139	38,583	837	62%	49.0%	11.51%	14.81%	43.5%	62%	119	36,595	830
LITTLE ROCK-NORTH LITTLE ROCK, AR	11	2,199	852	50%	56.3%	9.74%	9.79%	49.1%	57%	18	3,899	877
LUBBOCK, TX	14	2,623	798	58%	33.8%	22.88%	N/A	N/A	N/A	N/A	N/A	N/A
OKLAHOMA CITY, OK	11	2,715	783	62%	53.9%	7.39%	N/A	N/A	N/A	N/A	N/A	N/A
SAN ANTONIO, TX	25	5,935	804	70%	52.5%	9.96%	14.45%	42.2%	71%	48	12,095	787
TULSA, OK	12	2,735	786	73%	55.4%	8.56%	11.53%	51.2%	73%	14	3,709	79
OTHER	33	6,047	826	62%	49.3%	11.82%	13.50%	45.8%	65%	34	6,593	845
REGION V	184	48,203	893	62%	57.1%	12.12%	15.14%	53.4%	61%	145	44,284	880
ALBUQUERQUE, NM	11	2,726	920	56%	57.5%	7.66%	9.03%	56.0%	67%	11	2,364	862
COLORADO SPRINGS, CO	15	3,235	907	63%	53.4%	17.08%	21.91%	47.0%	73%	7	1,606	851
DENVER-AURORA & BOULDER, CO MSA's	82	24,270	891	62%	57.7%	13.02%	16.03%	54.4%	64%	74	23,177	903
KANSAS CITY, MO-KS	16	4,211	920	57%	59.2%	9.47%	10.13%	58.0%	59%	13	4,488	914
ST. LOUIS, MO-IL	12	4,461	945	64%	53.5%	12.48%	9.34%	51.3%	48%	8	3,003	767
SALT LAKE CITY, UT	11	3,786	818	69%	63.5%	8.98%	17.36%	50.9%	61%	16	6,263	869
OTHER	37	5,514	871	62%	53.9%	9.76%	14.41%	44.8%	47%	16	3,383	821
REGION VI	508	131,380	871	62%	62.6%	8.09%	8.57%	63.4%	65%	414	114,355	886
LAS VEGAS-PARADISE, NV	10	2,341	906	71%	46.2%	17.36%	N/A	N/A	N/A	N/A	N/A	N/A
LOS ANGELES-LONG BEACH-GLENDALE, CA	47	11,599	888	53%	66.5%	5.82%	6.74%	66.7%	60%	40	9,752	849
OAKLAND-FREEMONT-HAYWOOD, CA MSA	21	5,105	883	60%	63.3%	6.92%	6.37%	63.6%	60%	23	5,758	853
PHOENIX-MESA-SCOTTSDALE, AZ	77	21,876	900	68%	60.2%	9.16%	11.23%	59.1%	67%	79	24,112	909
PORTLAND-VANCOUVER-BEAVERTON, OR-WA	30	8,919	959	66%	58.9%	8.42%	9.19%	58.6%	69%	28	7,959	966
RIVERSIDE-SAN BERNARDINO-ONTARIO, CA	13	3,679	799	58%	61.0%	11.29%	9.83%	59.9%	65%	18	5,284	808
SACRAMENTO-ARDEN ARCADE-ROSEVILLE, CA	34	8,714	841	67%	63.9%	7.48%	8.69%	62.7%	66%	11	3,084	902
SAN DIEGO-CARLSBAD-SAN MARCOS, CA	15	3,842	824	61%	53.1%	11.16%	7.58%	66.8%	66%	38	10,816	869
SAN FRANCISCO-SAN MATEO-REDWOOD CITY, CA	28	9,640	789	53%	63.9%	8.18%	8.00%	64.3%	59%	19	4,992	885
SAN JOSE-SUNNYVALE-SANTA CLARA, CA	15	3,483	869	56%	64.2%	6.53%	7.17%	63.7%	63%	8	1,964	887
SANTA ANA-ANAHEIM-IRVINE, CA	111	28,200	856	57%	64.5%	8.20%	8.45%	66.6%	61%	56	17,173	878
SEATTLE-TACOMA-BELLEVUE, WA	65	15,814	924	70%	60.7%	8.13%	8.70%	60.7%	69%	64	16,425	914
STOCKTON, CA	10	1,48										

Gross Potential Rent, by Region & Metropolitan Area

GARDEN INDIVIDUALLY METERED PROPERTIES

	2007							2006						
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue				Gross Potential Rent Revenue				Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
				\$'s per Unit		\$'s Per Sq. Foot		\$'s per Unit		\$'s Per Sq. Foot				
				Annual	Monthly	Annual	Monthly	Monthly	Annual	Monthly	Annual			
TOTAL MARKET RENT	2,764	683,723	887	\$9,921	\$827	\$11.18	\$0.93	\$0.89	\$10.63	\$788	\$9,450	2,609	667,951	889
REGION I	250	61,399	896	\$12,349	\$1,029	\$13.78	\$1.15	\$1.14	\$13.65	\$993	\$11,914	195	43,996	873
BALTIMORE-TOWSON, MD	40	9,331	904	\$12,546	\$1,045	\$13.89	\$1.16	\$1.07	\$12.90	\$846	\$10,153	40	8,242	787
BOSTON-CAMBRIDGE-QUINCY, MA-NH	18	4,841	892	\$16,098	\$1,342	\$18.04	\$1.50	\$1.34	\$16.10	\$1,232	\$14,783	12	2,869	918
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	7	1,728	973	\$9,760	\$813	\$10.03	\$0.84	\$0.86	\$10.28	\$880	\$10,564	3	825	1,027
NEW HAVEN-MILFORD, CT	14	1,720	808	\$13,451	\$1,121	\$16.65	\$1.39	\$1.19	\$14.29	\$929	\$11,153	16	2,294	781
NEW YORK, NY	6	1,192	956	\$19,516	\$1,626	\$20.42	\$1.70	\$1.66	\$19.97	\$1,414	\$16,964	6	1,829	849
NORTHERN NEW JERSEY MSA'S	9	3,051	837	\$15,146	\$1,262	\$18.09	\$1.51	\$1.66	\$19.87	\$1,569	\$18,824	3	1,250	947
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	6	1,260	855	\$12,562	\$1,047	\$14.70	\$1.22	\$1.38	\$16.60	\$1,080	\$12,960	4	776	781
PITTSBURGH, PA	13	1,557	815	\$8,231	\$686	\$10.09	\$0.84	\$1.00	\$12.01	\$811	\$9,730	11	1,258	810
PROVIDENCE-FALL RIVER-WARWICK, RI	5	984	903	\$12,407	\$1,034	\$13.74	\$1.14	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RICHMOND, VA	23	7,311	912	\$9,237	\$770	\$10.13	\$0.84	\$0.82	\$9.80	\$691	\$8,289	16	5,194	846
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	14	4,580	980	\$10,854	\$905	\$11.07	\$0.92	\$0.97	\$11.62	\$924	\$11,090	10	2,703	954
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-WV	62	17,556	870	\$13,937	\$1,111	\$15.33	\$1.28	\$1.22	\$14.70	\$1,096	\$13,154	45	12,549	895
OTHER	33	6,288	926	\$9,783	\$815	\$10.57	\$0.88	\$1.00	\$11.95	\$967	\$11,607	29	4,207	972
REGION II	932	224,985	933	\$9,174	\$764	\$9.83	\$0.82	\$0.79	\$9.44	\$739	\$8,864	936	235,517	939
ATLANTA-SANDY SPRINGS-MARIETTA, GA	170	47,258	995	\$9,551	\$796	\$9.60	\$0.80	\$0.79	\$9.48	\$801	\$9,607	196	57,586	1,013
AUGUSTA-RICHMOND COUNTY, GA-SC	11	1,719	701	\$6,332	\$528	\$9.03	\$0.75	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CHARLESTON-NORTH CHARLESTON SC	13	2,745	860	\$9,076	\$756	\$10.55	\$0.88	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CHARLOTTE-GASTONIA-CONCORD, NC-SC	48	12,491	931	\$8,735	\$728	\$9.38	\$0.78	\$0.72	\$8.67	\$696	\$8,346	52	12,304	962
CHATTANOOGA, TN-GA	10	2,167	876	\$6,849	\$571	\$7.82	\$0.65	\$0.62	\$7.38	\$602	\$7,225	10	1,670	979
COLUMBIA, SC	20	5,217	887	\$7,767	\$647	\$8.75	\$0.73	\$0.71	\$8.52	\$572	\$6,870	17	4,981	806
DELTONA-DAYTONA BEACH-OSMOND BEACH, FL	12	1,195	743	\$8,082	\$673	\$10.87	\$0.91	\$0.89	\$10.71	\$663	\$7,959	12	1,196	743
FT. LAUDERDALE-POMPANO BEACH-DEERFIELD BEACH, FL	8	2,604	978	\$11,267	\$939	\$11.53	\$0.96	\$0.68	\$8.21	\$642	\$7,702	29	6,323	938
GREENSBORO-HIGH POINT, NC	21	4,518	914	\$7,923	\$660	\$8.67	\$0.72	\$0.67	\$8.01	\$634	\$7,605	16	3,496	949
GREENVILLE, SC	22	4,075	966	\$7,568	\$631	\$7.83	\$0.65	\$0.81	\$9.69	\$746	\$8,948	50	14,050	923
JACKSONVILLE, FL MSA	57	16,154	934	\$9,438	\$787	\$10.11	\$0.84	\$1.10	\$13.16	\$948	\$11,381	10	3,749	865
KNOXVILLE, TN	13	2,270	908	\$6,736	\$561	\$7.42	\$0.62	\$0.67	\$8.09	\$623	\$7,471	10	1,684	923
LEXINGTON-FAYETTE, KY	16	2,687	823	\$7,797	\$650	\$9.48	\$0.79	\$0.77	\$9.28	\$645	\$7,739	18	3,327	834
LOUISVILLE, KY-IN	19	2,940	839	\$7,730	\$644	\$9.21	\$0.77	\$0.82	\$9.88	\$660	\$7,915	17	2,620	801
MACON, GA	15	1,819	880	\$7,139	\$595	\$8.11	\$0.68	\$0.66	\$7.94	\$612	\$7,342	15	1,983	925
MEMPHIS, TN-MS-AR	20	7,329	929	\$8,515	\$710	\$9.16	\$0.76	\$0.65	\$7.86	\$611	\$7,329	48	14,020	933
MIAMI-MIAMI BEACH-KENDALL, FL MD	35	8,592	931	\$12,057	\$1,005	\$12.94	\$1.08	\$1.04	\$12.45	\$989	\$11,862	29	6,909	953
NASHVILLE, TN	47	14,043	904	\$8,308	\$692	\$9.19	\$0.77	\$0.82	\$9.79	\$703	\$8,434	37	11,228	861
ORLANDO, FL	61	15,538	942	\$9,955	\$830	\$10.57	\$0.88	\$0.79	\$9.48	\$754	\$9,042	69	18,539	954
PALM BAY-MELBOURNE-TITUSVILLE, FL	8	1,257	806	\$8,407	\$701	\$10.43	\$0.87	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PENSACOLA-FERRY PASS-BRENT, FL	15	1,941	829	\$8,242	\$687	\$9.94	\$0.83	N/A	N/A	N/A	N/A	N/A	N/A	N/A
RALEIGH-DURHAM, NC MSA'S	57	15,118	930	\$8,417	\$701	\$9.05	\$0.75	\$0.73	\$8.77	\$673	\$8,081	50	13,968	921
SARASOTA-BRADENTON-VENICE, FL	9	1,451	839	\$9,135	\$761	\$10.89	\$0.91	\$0.85	\$10.24	\$760	\$9,115	51	14,031	891
SAVANNAH, GA	14	2,083	894	\$7,297	\$608	\$8.16	\$0.68	\$0.81	\$9.76	\$702	\$8,426	10	1,423	863
TAMPA-ST. PETERSBURG-CLEARWATER, FL	66	17,930	888	\$9,041	\$753	\$10.18	\$0.85	\$0.98	\$11.72	\$762	\$9,143	12	2,429	780
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	40	8,996	1,025	\$13,981	\$1,165	\$13.64	\$1.14	\$1.00	\$12.00	\$1,038	\$12,453	31	7,171	1,038
OTHER	105	20,848	919	\$8,380	\$698	\$9.11	\$0.76	\$0.72	\$8.61	\$649	\$7,786	126	26,667	905
REGION III	373	76,123	861	\$9,020	\$752	\$10.47	\$0.87	\$0.80	\$9.59	\$694	\$8,329	307	54,898	869
BLOOMINGTON, IN	10	1,080	682	\$6,504	\$542	\$9.54	\$0.79	\$0.80	\$9.59	\$527	\$6,325	6	623	660
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	56	19,588	921	\$11,399	\$950	\$12.37	\$1.03	\$1.01	\$12.16	\$989	\$11,868	33	11,423	976
CINCINNATI-MIDDLETOWN, OH-KY-IN	30	6,178	957	\$8,901	\$742	\$9.30	\$0.78	\$0.64	\$7.62	\$690	\$8,279	23	3,882	1,086
CLEVELAND-LYRIA-MENTOR, OH	13	1,633	760	\$8,920	\$743	\$11.74	\$0.98	\$0.93	\$11.15	\$549	\$6,586	10	833	591
COLUMBUS, OH	63	10,330	772	\$7,551	\$629	\$9.78	\$0.82	\$0.76	\$9.13	\$571	\$6,852	52	6,410	750
DAYTON, OH	19	2,202	787	\$6,919	\$577	\$8.79	\$0.73	\$0.80	\$9.60	\$535	\$6,417	17	1,407	669
DETROIT-WARREN-LIVONIA, MI	32	5,724	881	\$10,889	\$907	\$12.36	\$1.03	\$0.92	\$11.07	\$714	\$8,567	39	4,715	774
INDIANAPOLIS, IN	64	13,191	804	\$7,041	\$587	\$8.76	\$0.73	\$0.73	\$8.73	\$581	\$6,970	55	11,550	799
LANSING-EAST LANSING, MI	8	1,671	929	\$11,599	\$967	\$12.48	\$1.04	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,754	974	\$10,552	\$879	\$10.83	\$0.90	\$0.91	\$10.97	\$909	\$10,904	13	2,782	994
TOLEDO, OH	10	1,011	665	\$6,615	\$551	\$9.95	\$0.83	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OTHER	55	10,761	869	\$7,728	\$644	\$8.89	\$0.74	\$0.63	\$7.57	\$561	\$6,738	59	11,273	890
REGION IV	517	141,633	898	\$8,234	\$686	\$9.82	\$0.82	\$0.82	\$9.84	\$686	\$8,236	612	174,901	837
AUSTIN-ROUND ROCK, TX	62	17,549	847	\$9,384	\$782	\$11.08	\$0.92	\$0.85	\$10.26	\$720	\$8,642	84	23,214	842
BATON ROUGE, LA	13	2,211	930	\$8,811	\$734	\$9.47	\$0.79	N/A	N/A	N/A	N/A	N/A	N/A	N/A
DALLAS-PLANO-IRVING, TX	144	45,914	843	\$8,248	\$687	\$9.79	\$0.82	\$0.87	\$10.44	\$740	\$8,880	219	67,026	851
FT. WORTH-ARLINGTON, TX	53	15,122	845	\$8,016	\$668	\$9.48	\$0.79	\$0.79	\$9.50	\$656	\$7,872	76	21,770	828
HOUSTON-BAYTOWN-SUGARLAND, TX	139	38,583	837	\$8,272	\$689	\$9.88	\$0.82	\$0.78	\$9.30	\$643	\$7,720	119	36,595	830
LITTLE ROCK-NORTH LITTLE ROCK, AR	11	2,199	852	\$8,204	\$684	\$9.62	\$0.80	\$0.73	\$8.75	\$640	\$7,676	18	3,899	877
LUBBOCK, TX	14	2,623	798	\$7,071	\$589	\$8.86	\$0.74	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OKLAHOMA CITY, OK	11	2,715	783	\$6,039	\$503	\$7.71	\$0.64	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SAN ANTONIO, TX	25	5,935	804	\$7,996	\$666	\$9.95	\$0.83	\$0.78	\$9.38	\$615	\$7,381	48	12,095	787
TULSA, OK	12	2,735	786	\$6,857	\$571	\$8.72	\$0.73	\$0.79	\$9.49	\$628	\$7,538	14	3,709	794
OTHER	33	6,047	826	\$7,235	\$603	\$8.75	\$0.73	\$0.65	\$7.81	\$550	\$6,605	34	6,593	845
REGION V	184	48,203	893	\$8,952	\$746	\$10.02	\$0.84	\$0.85	\$10.24	\$751	\$9,009	145	44,284	880
ALBUQUERQUE, NM	11	2,726	920	\$8,433	\$703	\$9.17	\$0.76	\$0.78	\$9.34	\$671	\$8,052	11	2,364	862
COLORADO SPRINGS, CO	15	3,235	907	\$9,910	\$826	\$10.92	\$0.91	\$0.92	\$11.06	\$785	\$9,417	7	1,606	851
DENVER-AURORA & BOULDER, CO MSA'S	82	24,270	891	\$9,594	\$799	\$10.77	\$0.90	\$0.93	\$11.16	\$840	\$10,086	74	23,177	903
KANSAS CITY, MO-KS	16	4,211	920	\$8,294	\$691	\$9.02	\$0.75	\$0.73	\$8.81	\$672	\$8,059	13	4,488	914
ST. LOUIS, MO-IL	12	4,461	945	\$8,739	\$728	\$9.25	\$0.77	\$0.82	\$9.84	\$713	\$8,554	16	6,263	869
SALT LAKE CITY, UT	11	3,786	818	\$7,577	\$631	\$9.26	\$0.77	\$0.71	\$8.58	\$548	\$6,579	8	3,003	767
OTHER	37	5,514	871	\$7,439	\$620									

Subsidized garden apartment properties with individually metered utilities in the survey tend to have fewer units and less floor area than market rent units. They contained an average of 142 units versus 247 units for market rent properties of the same type. These subsidized properties had an average of 854 square feet of floor area versus 887 square feet for the market rent properties.

Revenues. GPR averaged \$9,070 per unit (\$10.62 per square foot) annually in this year's survey versus \$8,642 per unit (\$10.27 per square foot) a year earlier. Rental revenues averaged \$8,475 (\$9.92 per square foot) versus \$7,847 per unit (\$9.33 per square foot). Other operating revenues averaged \$341 per unit (\$0.40 per square foot) in 2006 versus \$323 per unit (\$0.36 per square foot) for 2005.

Operating Expenses. Operating expenses in subsidized properties were higher than those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$3,974 (\$4.65 per square foot) in 2006 versus the \$4,230 per unit (\$4.17 per square foot) reported for responding properties in 2005.

Net Operating Income. Subsidized properties reported in the survey had lower levels of NOI than the market rent properties in all three measures. NOI for subsidized properties in the survey averaged 53.4 percent of GPR versus 56.9 percent for the market rent properties. The other comparisons were \$4,841 versus \$5,644 on a dollars-per-unit basis, and \$6.36 versus \$6.08 on a per-square-foot-of-floor-area basis.

Economic Losses. Economic losses tended to be lower in subsidized properties with their lower rents and relatively tight supply. A 6.56 percent average rate was calculated for the subsidized individually metered garden properties versus 10.20 percent for market rent units. The economic loss ratio in subsidized properties was under the 9.17 percent recorded a year earlier.

Turnover Rates. Occupants of subsidized apartments have lower income and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 44 percent versus 62 percent for market rent units.

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Note: Metropolitan rankings of income and expenses categories on a per-unit versus square-footage basis can appear to be divergent. This can occur due to small samples of properties reporting, especially in those with very large or very small average-sized properties.

Glossary of Terms

Administrative. This includes the total office expenses (i.e., telephone, computers, forms, office rental and furniture).

Capital Expenditures. Non-recurring capital expenditures. Improvements not included as an expense item in operating expenses (i.e., renovations, appliance replacements, etc.). A zero on the line meant there were no capital expenditures.

Contract Services. Total landscape maintenance, exter-

minating, trash removal, security, snow removal and other service costs typically provided on contract basis.

GPR Residential. Total rents of all occupied units at 2006 lease rates and all vacant units at 2006 street/market rents (or fiscal year end).

Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. Includes property hazard and liability and real property insurance and does not include payroll insurance.

Marketing. Total media advertising, collateral materials, locator fees, model expense, promotions, etc.

Management Fees. Total fees paid to managing agent from owner.

Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable square feet of floor space in residential units only. Area reported includes only finished space inside four perimeter walls of each unit. Common areas are excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Does not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Rent Controlled Property. A property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Repair and Maintenance. Total of all general maintenance and repairs, cleaning, decorating, painting, plumbing, electrical, HVAC, etc. Non-recurring capital expense not included.

Revenue Losses to Collections. Amount of residential rents not received because of collection losses.

Revenue Losses to Concessions. Amounts of gross potential residential rents not received because of concessions.

Revenue Losses to Vacancies. Amount of rental income for residential units not collected because of vacancies and other use of units, such as models and offices.

Salary and Personnel Costs. Gross salaries and wages paid to onsite employees. Includes value of employee apartment allowances, payroll taxes, group health/life insurance, workers' compensation, bonuses and lease commissions, employer 401(k) and/or retirement contributions and other cash benefits.

Subsidized Property. A property has controlled rents through a government-subsidized program. If subsidized, the program was listed (i.e., Section 236, Section 8).

Operating Expenses by Region and Metropolitan Area

MARKET RENT GARDEN PROPERTIES - INDIVIDUALLY METERED

DOLLARS PER UNIT

	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin.	Mktg.	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend
TOTAL MARKET RENT	2,764	683,723	887	\$1,025	\$220	\$925	\$313	\$309	\$189	\$160	\$303	\$359	\$3,802	\$1,108
REGION I	250	61,399	896	\$1,043	\$246	\$1,011	\$313	\$409	\$250	\$144	\$370	\$373	\$4,158	\$1,782
BALTIMORE-TOWSON, MD	40	9,331	904	\$1,018	\$229	\$906	\$267	\$446	\$277	\$159	\$420	\$408	\$4,130	\$1,358
BOSTON-CAMBRIDGE-QUINCY, MA-NH	18	4,841	892	\$1,180	\$205	\$970	\$337	\$491	\$235	\$205	\$657	\$471	\$4,753	\$1,135
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	7	1,728	973	\$1,131	\$101	\$1,006	\$216	\$366	\$1,071	\$188	\$329	\$349	\$4,757	\$4,835
NEW HAVEN-MILFORD, CT	14	1,720	808	\$1,586	\$311	\$1,185	\$564	\$548	\$308	\$288	\$549	\$434	\$5,773	\$7,287
NEW YORK, NY	6	1,192	956	\$1,284	\$264	\$3,815	\$353	\$316	\$342	\$75	\$594	\$379	\$7,422	\$623
NORTHERN NEW JERSEY MSA'S	9	3,051	837	\$858	\$353	\$1,818	\$381	\$548	\$207	\$139	\$594	\$273	\$5,081	\$1,358
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	6	1,260	855	\$1,157	\$249	\$1,037	\$470	\$402	\$254	\$168	\$338	\$274	\$4,347	\$2,673
PITTSBURGH, PA	13	1,557	815	\$991	\$263	\$962	\$260	\$286	\$223	\$103	\$338	\$247	\$3,617	\$1,114
PROVIDENCE-FALL RIVER-WARWICK, RI	5	984	903	\$892	\$132	\$1,050	\$326	\$480	\$131	\$199	\$451	\$330	\$3,991	\$959
RICHMOND, VA	23	7,311	912	\$987	\$266	\$594	\$255	\$281	\$228	\$138	\$221	\$350	\$3,320	\$1,622
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	14	4,580	980	\$933	\$448	\$787	\$334	\$302	\$234	\$101	\$243	\$260	\$3,640	\$2,077
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	62	17,556	870	\$1,027	\$206	\$1,033	\$286	\$451	\$200	\$118	\$286	\$373	\$3,979	\$1,525
OTHER	33	6,288	926	\$1,052	\$220	\$814	\$385	\$342	\$186	\$148	\$441	\$451	\$4,040	\$1,795
REGION II	932	224,985	933	\$989	\$230	\$826	\$302	\$270	\$180	\$148	\$307	\$376	\$3,627	\$1,253
ATLANTA-SANDY SPRINGS-MARIETTA, GA	170	47,258	995	\$1,076	\$187	\$815	\$287	\$267	\$169	\$180	\$275	\$399	\$3,651	\$927
AUGUSTA-RICHMOND COUNTY, GA-SC	11	1,719	701	\$878	\$193	\$416	\$344	\$182	\$168	\$139	\$273	\$331	\$2,925	\$719
CHARLESTON-NORTH CHARLESTON SC	13	2,745	860	\$1,074	\$302	\$666	\$316	\$278	\$231	\$198	\$273	\$346	\$3,683	\$1,070
CHARLOTTE-GASTONIA-CONCORD, NC-SC	48	12,491	931	\$1,029	\$171	\$671	\$285	\$220	\$163	\$139	\$275	\$351	\$3,305	\$915
CHATTANOOGA, TN-GA	10	2,167	876	\$952	\$217	\$648	\$383	\$146	\$150	\$117	\$287	\$306	\$3,206	\$735
COLUMBIA, SC	20	5,217	887	\$942	\$201	\$635	\$411	\$221	\$191	\$124	\$185	\$344	\$3,255	\$1,103
DELTONA-DAYTONA BEACH-OSMOND BEACH, FL	12	1,195	743	\$829	\$190	\$737	\$348	\$194	\$158	\$106	\$328	\$302	\$3,192	\$1,955
FT. LAUDERDALE-POMPANO BEACH-DEERFIELD BEACH, FL	8	2,604	978	\$1,009	\$337	\$1,315	\$367	\$450	\$140	\$99	\$390	\$292	\$4,399	\$986
GREENSBORO-HIGH POINT, NC	21	4,518	914	\$905	\$131	\$493	\$352	\$83	\$169	\$144	\$328	\$387	\$2,992	\$680
GREENVILLE, SC	22	4,075	966	\$1,020	\$203	\$613	\$333	\$158	\$173	\$135	\$328	\$327	\$3,289	\$620
JACKSONVILLE, FL MSA	57	16,154	934	\$943	\$273	\$824	\$302	\$278	\$162	\$157	\$352	\$390	\$3,680	\$2,181
KNOXVILLE, TN	13	2,270	908	\$984	\$192	\$473	\$329	\$232	\$283	\$88	\$251	\$331	\$3,162	\$775
LEXINGTON-FAYETTE, KY	16	2,687	823	\$1,042	\$186	\$404	\$255	\$174	\$134	\$167	\$319	\$331	\$3,012	\$865
LOUISVILLE, KY-IN	19	2,940	839	\$1,078	\$186	\$394	\$255	\$189	\$275	\$135	\$296	\$490	\$3,314	\$644
MACON, GA	15	1,819	880	\$1,074	\$188	\$464	\$301	\$172	\$214	\$121	\$256	\$375	\$3,165	\$582
MEMPHIS, TN-MS-AR	20	7,329	929	\$918	\$216	\$847	\$312	\$123	\$151	\$140	\$361	\$349	\$3,416	\$822
MIAMI-MIAMI BEACH-KENDALL, FL MD	35	8,592	931	\$1,000	\$323	\$1,500	\$326	\$368	\$323	\$135	\$355	\$462	\$4,793	\$1,010
NASHVILLE, TN	47	14,043	904	\$902	\$189	\$745	\$282	\$258	\$168	\$123	\$259	\$326	\$3,254	\$1,195
ORLANDO, FL	61	15,538	942	\$972	\$235	\$914	\$314	\$347	\$193	\$156	\$352	\$368	\$3,852	\$1,850
PALM BAY-MELBOURNE-TITUSVILLE, FL	8	1,257	806	\$931	\$291	\$734	\$336	\$249	\$178	\$139	\$294	\$451	\$3,602	\$1,256
PENSACOLA-FERRY PASS-BRENT, FL	15	1,941	829	\$863	\$202	\$629	\$344	\$163	\$139	\$85	\$314	\$382	\$3,121	\$2,291
RALEIGH-DURHAM, NC MSA'S	57	15,118	930	\$1,019	\$160	\$649	\$566	\$244	\$178	\$157	\$267	\$321	\$3,250	\$1,183
SARASOTA-BRADENTON-VENICE, FL	9	1,451	839	\$849	\$283	\$818	\$228	\$322	\$146	\$107	\$393	\$347	\$3,494	\$864
SAVANNAH, GA	14	2,083	894	\$819	\$263	\$556	\$216	\$208	\$282	\$116	\$308	\$197	\$2,965	\$944
TAMPA-ST. PETERSBURG-CLEARWATER, FL	66	17,930	888	\$870	\$287	\$993	\$286	\$426	\$169	\$119	\$313	\$312	\$3,775	\$1,349
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	40	8,996	1,025	\$1,225	\$371	\$1,834	\$384	\$460	\$215	\$215	\$443	\$567	\$5,712	\$2,269
OTHER	105	20,848	919	\$922	\$284	\$613	\$305	\$186	\$158	\$118	\$314	\$404	\$3,303	\$1,465
REGION III	373	76,123	861	\$931	\$207	\$1,085	\$273	\$320	\$160	\$156	\$290	\$289	\$3,710	\$772
BLOOMINGTON, IN	10	1,080	682	\$685	\$216	\$656	\$228	\$229	\$118	\$165	\$266	\$441	\$3,004	\$458
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	56	19,588	921	\$996	\$215	\$1,720	\$256	\$394	\$145	\$173	\$325	\$348	\$4,522	\$679
CINCINNATI-MIDDLETON, OH-KY-IN	30	6,178	957	\$888	\$233	\$810	\$275	\$274	\$195	\$176	\$324	\$235	\$3,410	\$605
CLEVELAND-ELYRIA-MENTOR, OH	13	1,633	760	\$1,047	\$117	\$966	\$249	\$309	\$148	\$146	\$301	\$273	\$3,556	\$1,096
COLUMBUS, OH	63	10,330	772	\$867	\$202	\$822	\$243	\$269	\$157	\$128	\$215	\$275	\$3,179	\$1,073
DAYTON, OH	19	2,202	787	\$769	\$131	\$743	\$222	\$239	\$139	\$119	\$278	\$495	\$3,134	\$612
DETROIT-WARREN-LIVONIA, MI	32	5,724	881	\$925	\$306	\$1,194	\$191	\$389	\$224	\$180	\$382	\$295	\$4,086	\$1,109
INDIANAPOLIS, IN	64	13,191	804	\$858	\$197	\$729	\$281	\$276	\$149	\$121	\$295	\$197	\$3,104	\$512
LANSING-EAST LANSING, MI	8	1,671	929	\$1,118	\$222	\$1,226	\$404	\$355	\$218	\$234	\$424	\$306	\$4,507	\$896
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,754	974	\$1,095	\$114	\$1,094	\$382	\$382	\$141	\$219	\$279	\$480	\$4,280	\$830
TOLEDO, OH	10	1,011	665	\$867	\$124	\$684	\$233	\$218	\$99	\$151	\$235	\$185	\$2,796	\$1,285
OTHER	55	10,761	869	\$965	\$196	\$862	\$318	\$293	\$163	\$148	\$303	\$239	\$3,488	\$821
REGION IV	517	141,633	838	\$948	\$216	\$1,043	\$356	\$246	\$176	\$166	\$232	\$336	\$3,719	\$959
AUSTIN-ROUND ROCK, TX	62	17,549	847	\$1,024	\$202	\$1,572	\$285	\$229	\$153	\$242	\$244	\$347	\$4,297	\$995
BATON ROUGE, LA	13	2,211	930	\$882	\$363	\$442	\$418	\$365	\$198	\$107	\$335	\$469	\$3,579	\$3,037
DALLAS-PLANO-IRVING, TX	144	45,914	843	\$940	\$186	\$1,045	\$394	\$246	\$170	\$147	\$240	\$330	\$3,697	\$878
FT. WORTH-ARLINGTON, TX	53	15,122	845	\$968	\$178	\$1,106	\$373	\$257	\$205	\$142	\$252	\$358	\$3,837	\$1,284
HOUSTON-BAYTOWN-SUGARLAND, TX	139	38,583	837	\$936	\$265	\$1,063	\$370	\$239	\$187	\$176	\$211	\$297	\$3,745	\$988
LITTLE ROCK-NORTH LITTLE ROCK, AR	11	2,199	852	\$1,028	\$187	\$561	\$357	\$179	\$160	\$133	\$244	\$326	\$3,176	\$1,586
LUBBOCK, TX	14	2,623	798	\$745	\$251	\$737	\$183	\$235	\$138	\$117	\$106	\$723	\$3,237	\$261
OKLAHOMA CITY, OK	11	2,715	783	\$1,010	\$221	\$352	\$199	\$178	\$160	\$140	\$204	\$282	\$2,746	\$299
SAN ANTONIO, TX	25	5,935	804	\$928	\$198	\$791	\$304	\$309	\$212	\$219	\$244	\$296	\$3,501	\$823
TULSA, OK	12	2,735	786	\$910	\$150	\$414	\$266	\$277	\$119	\$121	\$214	\$348	\$2,819	\$570
OTHER	33	6,047	826	\$904	\$248	\$570	\$362	\$261	\$158	\$117	\$255	\$391	\$3,267	\$398
REGION V	184	48,203	893	\$1,042	\$187	\$563	\$278	\$287	\$204	\$195	\$235	\$326	\$3,317	\$658
ALBUQUERQUE, NM	11	2,726	920	\$1,074	\$165	\$414	\$437	\$302	\$139	\$159	\$290	\$349	\$3,330	\$434
COLORADO SPRINGS, CO	15	3,235	907	\$1,143	\$360	\$420	\$323	\$309	\$195	\$290	\$184	\$296	\$3,520	\$544
DENVER-AURORA & BOULDER, CO MSA'S	82	24,270	891	\$1,117	\$163	\$581	\$261	\$313	\$196	\$216	\$228	\$312	\$3,388	\$739
KANSAS CITY, MO-KS	16	4,211	920	\$934	\$188	\$723	\$235	\$256	\$143	\$167	\$254	\$406	\$3,307	\$348
ST. LOUIS, MO-IL	12	4,461	945	\$1,015	\$222	\$700	\$316	\$185	\$388	\$113	\$208	\$418	\$3,565	\$692
SALT LAKE CITY, UT	11	3,786	818	\$824	\$164	\$345	\$250	\$278	\$168	\$191	\$236	\$220	\$2,676	\$665
OTHER	37	5,514	871	\$885	\$191	\$561	\$273	\$266	\$193	\$152	\$274	\$330	\$3,126	\$682
REGION VI	508	131,380	871	\$1,209	\$215	\$967	\$321	\$401	\$201	\$169	\$374	\$401	\$4,258	\$1,065
LAS VEGAS-PARADISE, NV	10	2,341	906	\$1,130	\$198	\$577	\$452	\$246	\$204	\$148	\$224	\$443	\$3,622	\$597
LOS ANGELES-LONG BEACH-GLENDALE, CA	4													

Taxes. Total real estate and personal property taxes only. Payroll or rendering fees related to property taxes were not included.

Tax Exempt Bond or Housing Credit Property. A property that has received tax-exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum of all expense categories must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and

water/sewer utilities to individual units in subject property are: Master Metered, Owner Pays; Master Metered, Resident Pays (RUBS); Individual or Submetered, Resident Pays. ■

Robert J. Sheehan, Regis J. Sheehan & Associates, McLean, Va., is NAA's Consulting Economist. Roland Freeman, CAPS, CRE, CPM, of Capital Consultants Realty Services, Inc., Dallas, was NAA Chairman of the Board in 1984. We would also like to thank Robert J. Sheehan III, Programmer and Data Editor and ReData, the Data Entry Firm involving paper responses for helping with this survey.

• • •

Robert J. Sheehan has compiled all but two of 19 I&E Surveys that NAA has published. This is his final survey, as he is retiring at the end of 2007, marking 25 years with NAA as Consulting Economist.

Thank You to Our Participating Companies

A special note of appreciation goes to the 511 firms who donated their time to accumulate the data necessary to make this survey valuable. The following companies and their officers provided more than 20 properties for the 2007 Survey of Income and Expenses in Rental Apartment Properties:

- Equity Residential
- AIMCO
- UDR Inc.
- Simpson Property Group LP
- Alco Management Inc.
- Alliance Residential Company
- Mid-America Apartment Communities Inc.
- Western National Property Management
- AvalonBay Communities
- Milestone Management
- Lincoln Property Company
- AMLI Residential Property Trust
- Tarragon Corporation
- Village Green Companies
- Gables Residential Services Inc.
- Corcoran Management Co. Inc.
- JCM Partners
- Babcock and Brown Residential
- Camden Property Trust
- Greystar Management
- The Dolben Company Inc.
- Baron Property Services
- Konover
- AEW Capital Management
- Freeman Webb Company Realtors
- Post Properties
- Capstone Management
- HAI Management
- Marquette Management
- McDougal Companies
- MG Properties

Net Operating Income and Economic Vacancy Rates

BY REGION AND METROPOLITAN AREA

MARKET RENT GARDEN PROPERTIES – INDIVIDUALLY METERED, DOLLARS PER SQUARE FOOT

	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue	Total Rent Revenue Collected	Revenue Losses to			Total Other Revenue	Total Revenue Collected	Total Operating Expenses	Net Operating Income NOI	Economic Vacancy as a %	Turnover Rate
						Vacancies	Collections	Concessions						
TOTAL MARKET RENT	2,764	683,723	887	\$11.18	\$10.04	\$0.73	\$0.08	\$0.32	\$0.61	\$10.65	\$4.29	\$6.36	10.20%	62%
REGION I	250	61,399	896	\$13.78	\$12.48	\$0.84	\$0.13	\$0.34	\$0.62	\$13.10	\$4.64	\$8.46	9.46%	55%
BALTIMORE-TOWSON, MD	40	9,331	904	\$13.89	\$12.81	\$0.72	\$0.12	\$0.23	\$0.60	\$13.41	\$4.57	\$8.84	7.76%	54%
BOSTON-CAMBRIDGE-QUINCY, MA-NH	18	4,841	892	\$18.04	\$14.92	\$1.56	\$0.34	\$1.22	\$0.46	\$15.38	\$5.33	\$10.05	17.31%	47%
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	7	1,728	973	\$10.03	\$8.42	\$1.21	\$0.10	\$0.30	\$0.47	\$8.89	\$4.89	\$4.00	16.08%	61%
NEW HAVEN-MILFORD, CT	14	1,720	808	\$16.65	\$14.86	\$1.25	\$0.12	\$0.42	\$0.79	\$15.65	\$7.14	\$8.51	10.73%	72%
NEW YORK, NY	6	1,192	956	\$20.42	\$19.26	\$0.63	\$0.21	\$0.32	\$0.58	\$19.83	\$7.76	\$12.07	5.69%	54%
NORTHERN NEW JERSEY MSA'S	9	3,051	837	\$18.09	\$16.85	\$0.82	\$0.09	\$0.33	\$0.91	\$17.77	\$6.07	\$11.70	6.84%	46%
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	6	1,260	855	\$14.70	\$13.43	\$0.83	\$0.08	\$0.36	\$0.78	\$14.21	\$5.09	\$9.12	8.63%	50%
PITTSBURGH, PA	13	1,557	815	\$10.09	\$8.92	\$0.81	\$0.02	\$0.35	\$0.96	\$9.88	\$4.44	\$5.44	11.65%	55%
PROVIDENCE-FALL RIVER-WARWICK, RI	5	984	903	\$13.74	\$12.07	\$0.95	\$0.11	\$0.61	\$0.55	\$12.62	\$4.42	\$8.21	12.13%	56%
RICHMOND, VA	23	7,311	912	\$10.13	\$8.81	\$0.96	\$0.14	\$0.21	\$0.58	\$9.39	\$3.64	\$5.75	12.96%	58%
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	14	4,580	980	\$11.07	\$10.25	\$0.52	\$0.08	\$0.21	\$0.90	\$11.15	\$3.71	\$7.44	7.41%	59%
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	62	17,556	870	\$15.33	\$14.20	\$0.51	\$0.11	\$0.27	\$0.61	\$14.81	\$4.57	\$10.23	7.37%	55%
OTHER	33	6,288	926	\$10.57	\$9.63	\$0.67	\$0.08	\$0.18	\$0.41	\$10.04	\$4.37	\$5.68	8.88%	57%
REGION II	932	224,985	933	\$9.83	\$8.77	\$0.64	\$0.08	\$0.34	\$0.60	\$9.37	\$3.89	\$5.48	10.84%	64%
ATLANTA-SANDY SPRINGS-MARIETTA, GA	170	47,258	995	\$9.60	\$8.28	\$0.70	\$0.09	\$0.53	\$0.50	\$8.78	\$3.67	\$5.11	13.72%	61%
AUGUSTA-RICHMOND COUNTY, GA-SC	11	1,719	701	\$9.03	\$7.76	\$0.82	\$0.05	\$0.40	\$0.53	\$8.29	\$4.17	\$4.11	14.14%	68%
CHARLESTON-NORTH CHARLESTON SC	13	2,745	860	\$10.55	\$9.61	\$0.68	\$0.07	\$0.20	\$0.76	\$10.37	\$4.28	\$6.09	8.93%	74%
CHARLOTTE-GASTONIA-CONCORD, NC-SC	48	12,491	931	\$9.38	\$8.39	\$0.55	\$0.08	\$0.37	\$0.63	\$9.02	\$3.55	\$5.47	10.59%	61%
CHATTAHOOGA, TN-GA	10	2,167	876	\$7.82	\$7.02	\$0.42	\$0.04	\$0.34	\$0.58	\$7.59	\$3.66	\$3.93	10.25%	58%
COLUMBIA, SC	20	5,217	887	\$8.75	\$7.72	\$0.62	\$0.07	\$0.34	\$0.64	\$8.36	\$3.67	\$4.69	11.75%	66%
DELTONA-DAYTONA BEACH-OSMOND BEACH, FL	12	1,195	743	\$10.87	\$9.06	\$1.48	\$0.07	\$0.27	\$0.62	\$9.68	\$4.29	\$5.38	16.68%	68%
FT. LAUDERDALE-POMPANO BEACH-DEERFIELD BEACH, FL	8	2,604	978	\$11.53	\$10.94	\$0.41	\$0.06	\$0.11	\$0.80	\$11.74	\$4.50	\$7.24	5.12%	53%
GREENSBORO-HIGH POINT, NC	21	4,518	914	\$8.67	\$7.76	\$0.54	\$0.09	\$0.28	\$0.67	\$8.43	\$3.27	\$5.16	10.45%	64%
GREENVILLE, SC	22	4,075	966	\$7.83	\$6.85	\$0.51	\$0.10	\$0.37	\$0.55	\$7.40	\$3.40	\$4.00	12.55%	65%
JACKSONVILLE, FL MSA	57	16,154	934	\$10.11	\$9.17	\$0.56	\$0.12	\$0.25	\$0.63	\$9.80	\$3.94	\$5.85	9.27%	68%
KNOXVILLE, TN	13	2,270	908	\$7.42	\$6.91	\$0.39	\$0.03	\$0.09	\$0.45	\$7.36	\$3.48	\$3.88	6.88%	57%
LEXINGTON-FAYETTE, KY	16	2,687	823	\$9.48	\$8.20	\$0.82	\$0.06	\$0.40	\$0.63	\$8.83	\$3.66	\$5.17	13.47%	64%
LOUISVILLE, KY-IN	19	2,940	839	\$9.21	\$8.35	\$0.61	\$0.08	\$0.17	\$0.75	\$9.10	\$3.95	\$5.15	9.38%	68%
MACON, GA	15	1,819	880	\$8.11	\$7.11	\$0.59	\$0.08	\$0.34	\$0.60	\$7.70	\$3.60	\$4.11	12.44%	76%
MEMPHIS, TN-MS-AR	20	7,329	929	\$9.16	\$7.69	\$0.69	\$0.13	\$0.65	\$0.77	\$8.46	\$3.67	\$4.79	16.06%	61%
MIAMI-MIAMI BEACH-KENDALL, FL MD	35	8,592	931	\$12.94	\$12.08	\$0.52	\$0.10	\$0.25	\$0.71	\$12.79	\$5.15	\$7.65	6.66%	59%
NASHVILLE, TN	47	14,043	904	\$9.19	\$8.23	\$0.53	\$0.06	\$0.37	\$0.59	\$8.83	\$3.60	\$5.23	10.44%	63%
ORLANDO, FL	61	15,538	942	\$10.57	\$9.67	\$0.67	\$0.07	\$0.16	\$0.60	\$10.26	\$4.09	\$6.18	8.49%	67%
PALM BAY-MELBOURNE-TITUSVILLE, FL	8	1,257	806	\$10.43	\$9.68	\$0.49	\$0.06	\$0.21	\$0.61	\$10.29	\$4.47	\$5.82	7.23%	64%
PENSACOLA-FERRY PASS-BRENT, FL	15	1,941	829	\$9.94	\$9.37	\$0.31	\$0.04	\$0.23	\$0.84	\$10.21	\$3.77	\$6.45	5.76%	73%
RALEIGH-DURHAM, NC MSA'S	57	15,118	930	\$9.05	\$7.95	\$0.61	\$0.07	\$0.42	\$0.41	\$8.36	\$3.50	\$4.86	12.12%	58%
SARASOTA-BRADENTON-VENICE, FL	9	1,451	839	\$10.89	\$10.35	\$0.39	\$0.07	\$0.09	\$0.69	\$11.04	\$4.17	\$6.87	4.98%	64%
SAVANNAH, GA	14	2,083	894	\$8.16	\$7.14	\$0.71	\$0.08	\$0.24	\$0.53	\$7.67	\$3.32	\$4.36	12.55%	72%
TAMPA-ST. PETERSBURG-CLEARWATER, FL	66	17,930	888	\$10.18	\$9.31	\$0.66	\$0.07	\$0.13	\$0.62	\$9.93	\$4.25	\$5.68	8.54%	62%
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	40	8,996	1,025	\$13.64	\$12.32	\$0.99	\$0.10	\$0.23	\$0.80	\$13.12	\$5.57	\$7.55	9.71%	71%
OTHER	105	20,848	919	\$9.11	\$8.09	\$0.63	\$0.07	\$0.33	\$0.65	\$8.74	\$3.59	\$5.14	11.28%	70%
REGION III	373	76,123	861	\$10.47	\$9.21	\$0.77	\$0.09	\$0.40	\$0.65	\$9.86	\$4.31	\$5.55	12.02%	56%
BLOOMINGTON, IN	10	1,080	682	\$9.54	\$8.31	\$0.72	\$0.12	\$0.39	\$0.40	\$8.71	\$4.40	\$4.31	12.80%	65%
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	56	19,588	921	\$12.37	\$11.03	\$0.74	\$0.09	\$0.51	\$0.80	\$11.83	\$4.91	\$6.93	10.82%	51%
CINCINNATI-MIDDLETON, OH-KY-IN	30	6,178	957	\$9.30	\$8.04	\$0.87	\$0.08	\$0.32	\$0.52	\$8.55	\$4.66	\$4.99	13.62%	57%
CLEVELAND-ELYRIA-MENTOR, OH	13	1,633	760	\$11.74	\$9.68	\$0.84	\$0.09	\$1.12	\$0.57	\$10.26	\$3.68	\$6.58	17.49%	61%
COLUMBUS, OH	63	10,330	772	\$9.78	\$8.48	\$0.83	\$0.08	\$0.40	\$0.47	\$8.95	\$4.12	\$4.83	13.35%	59%
DAYTON, OH	19	2,202	787	\$8.79	\$7.78	\$0.69	\$0.09	\$0.23	\$0.37	\$8.15	\$3.98	\$4.17	11.49%	60%
DETROIT-WARREN-LIVONIA, MI	32	5,724	881	\$12.36	\$10.99	\$0.88	\$0.10	\$0.39	\$0.72	\$11.71	\$4.64	\$7.08	11.04%	55%
INDIANAPOLIS, IN	64	13,191	804	\$8.76	\$7.65	\$0.71	\$0.14	\$0.27	\$0.67	\$8.32	\$3.86	\$4.45	12.73%	55%
LANSING-EAST LANSING, MI	8	1,671	929	\$12.48	\$10.88	\$1.03	\$0.08	\$0.49	\$0.83	\$11.71	\$4.85	\$6.86	12.85%	71%
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,754	974	\$10.83	\$9.22	\$0.93	\$0.04	\$0.65	\$0.54	\$9.76	\$4.39	\$5.36	14.89%	59%
TOLEDO, OH	10	1,011	665	\$9.95	\$8.88	\$0.69	\$0.07	\$0.31	\$0.59	\$9.47	\$4.20	\$5.27	10.76%	66%
OTHER	55	10,761	869	\$8.89	\$7.92	\$0.63	\$0.06	\$0.28	\$0.61	\$8.53	\$4.01	\$4.52	10.90%	59%
REGION IV	517	141,633	838	\$9.82	\$8.77	\$0.73	\$0.07	\$0.26	\$0.58	\$9.35	\$4.44	\$4.91	10.77%	63%
AUSTIN-ROUND ROCK, TX	62	17,549	847	\$11.08	\$10.05	\$0.68	\$0.03	\$0.33	\$0.72	\$10.77	\$5.08	\$5.69	9.36%	66%
BATON ROUGE, LA	13	2,211	930	\$9.47	\$8.52	\$0.53	\$0.15	\$0.27	\$0.48	\$9.00	\$3.85	\$5.15	10.03%	51%
DALLAS-PLANO-IRVING, TX	144	45,914	843	\$9.79	\$8.75	\$0.71	\$0.07	\$0.26	\$0.59	\$9.34	\$4.39	\$4.95	10.65%	61%
FT. WORTH-ARLINGTON, TX	53	15,122	845	\$9.48	\$8.51	\$0.68	\$0.07	\$0.22	\$0.56	\$9.08	\$4.54	\$4.54	10.25%	70%
HOUSTON-BAYTOWN-SUGARLAND, TX	139	38,583	837	\$9.88	\$8.74	\$0.80	\$0.08	\$0.25	\$0.57	\$9.32	\$4.47	\$4.84	11.51%	62%
LITTLE ROCK-NORTH LITTLE ROCK, AR	11	2,199	852	\$9.62	\$8.69	\$0.54	\$0.05	\$0.34	\$0.45	\$9.14	\$3.73	\$5.41	9.74%	50%
LUBBOCK, TX	14	2,623	798	\$8.86	\$8.44	\$2.03	\$0.00	\$0.00	\$0.21	\$7.05	\$4.06	\$2.99	22.88%	58%
OKLAHOMA CITY, OK	11	2,715	783	\$7.71	\$7.15	\$0.42	\$0.04	\$0.10	\$0.52	\$7.67	\$3.51	\$4.16	7.39%	62%
SAN ANTONIO, TX	25	5,935	804	\$9.95	\$8.96	\$0.61	\$0.08	\$0.31	\$0.62	\$8.58	\$4.36	\$5.22	9.96%	70%
TULSA, OK	12	2,735	786	\$8.72	\$7.97	\$0.57	\$0.06	\$0.12	\$0.45	\$8.42	\$3.58	\$4.83	8.56%	73%
OTHER	33	6,047	826	\$8.75	\$7.72	\$0.69	\$0.05	\$0.29	\$0.55	\$8.27	\$3.95	\$4.31	11.82%	62%
REGION V	184	48,203	893	\$10.02	\$8.81	\$0.76	\$0.06	\$0.39	\$0.63	\$9.44	\$3.71	\$5.73	12.12%	62%
ALBUQUERQUE, NM	11	2,726	920	\$9.17	\$8.47	\$0.60	\$0.03	\$0.07	\$0.43	\$8.90	\$3.62	\$5.27	7.66%	56%
COLORADO SPRINGS, CO	15	3,235	907	\$10.92	\$9.06	\$1.04	\$0.05	\$0.78	\$0.65	\$9.71	\$3.88	\$5.83	17.08%	63%
DENVER-AURORA & BOULDER, CO MSA'S	82	24,270	891	\$10.77	\$9.37	\$0.83	\$0.06	\$0.51	\$0.65	\$10.02	\$3.80	\$6.21	13.02%	62%
KANSAS CITY, MO-KS	16	4,211	920	\$9.02	\$8.16	\$0.63	\$0.06	\$0.16	\$0.77	\$8.93	\$3.59	\$5.33	9.47%	57%
ST. LOUIS, MO-IL	12	4,461	945	\$9.25	\$8.09	\$0.87	\$0.07	\$0.22	\$0.62	\$8.72	\$3.77	\$4.94	12.48%	64%
SALT LAKE CITY, UT	11	3,786	818	\$9.26	\$8									

2006 Survey of Operating Income and Expenses in Rental Apartment Communities

EXECUTIVE SUMMARY

2006 Survey of Operating Income and Expenses in Rental Apartment Communities

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2006 Survey of Operating Income and Expenses in Rental Apartment Communities

ACKNOWLEDGEMENTS

The 2006 Survey of Operating Income and Expenses in Rental Apartment Communities further adds to National Apartment Association's (NAA) success in producing information valuable to its members and the apartment industry. The survey provides executives and professionals in the apartment and related industries with financial information needed to conduct their daily operations that can be used as a tool to support their strategic and business planning. NAA remains committed to improving the survey and presents more valuable revenue related data in this year's report.

I thank Barbara Vassallo, who acted as NAA's staff coordinator for the survey; Roland D. Freeman, a Past NAA President, of Capital Consultants Realty Services, and Robert J. Sheehan II, NAA's Consulting Economist, who jointly assisted in promoting responses, processing and analyzing the data, and wrote the report; Robert J. Sheehan III, of Regis J Sheehan & Associates, for his work in developing the computer programming for tabulation of the results; Paul R. Bergeron III, Jeanine Gajewski and Kate Pierce, who edited the report; Norman Grandstaff of Ideas Communicated, who designed the report; and RE Data, the firm responsible for data input.

A special note of appreciation goes to those firms

who donated their time in accumulating the data necessary to make this survey a success. I am especially grateful to those companies and their officers who contributed data for 20 or more of their properties for the 2006 survey (listed in order of number of submissions).

• Equity Residential • AIMCO • United Dominion Realty Trust • Alliance Residential • Simpson Property Group LP • Mid-America Apartment Communities • Westdale Asset Management • AvalonBay • AMLI Residential Properties Trust • Lincoln Property Group • BRE Properties • Gables Residential Services Inc. • Milestone Management/ Walden Management Company • Forest City Management • Gables Residential Services • Tarragon Corporation • LEDIC Management Group • Post Properties • Camden Property Trust • Shelter Group/UBS • Village Green • ALCO Management • Sares-Regis Group • ZOM Management • HAI Management • Centrum Management & Keystone Management Group • Sawyer Realty • Jupiter • BNP Residential Properties

Joe Sharp, CAPS
2006 NAA President



2006 Survey of Operating Income and Expenses in Rental Apartment Communities

EXECUTIVE SUMMARY

BY ROBERT J. SHEEHAN and ROLAND FREEMAN, CAPS, CRE, CPM

REGIONS USED IN SURVEY

Region I	CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, NE, ND, NM, SD, UT, WY
Region VI	AZ, CA, ID, NV, OR, WA

EXECUTIVE SUMMARY TABLE OF CONTENTS

Market Rent Properties Summary	4
Metro Area Market Rent Detailed Income and Expense Data	10
Subsidized Property Detailed Income and Expense Data	10
Glossary of Terms	12

To view a full survey report or individual market data visit www.naahq.org/06ies.

NAA has completed its Survey of Operating Income and Expenses in Rental Apartment Communities for 2006, based on data for 2005. Major findings in this survey of the professionally managed rental apartment industry show a distinct improvement of the economics in the market rent segment of the rental apartment market with NOI rising and the economic losses rate falling.

A total of 3,730 properties containing 933,550 units are represented in this report. Reporting of the data comprises 3,335 market rent properties containing 855,639 units and 405 subsidized properties containing 77,861. Forms with partial data or apparent problems that could not be resolved and used were received for 221 more properties with 45,784 units.

The report presents data from four types of properties. Garden and mid-rise/high-rise structures are segmented into individually metered and master metered utilities properties.

Responses from garden properties with individually metered utilities dominate the survey, representing 78 percent of the market rent properties and 43 percent of the subsidized properties. The analysis is, therefore, centered on the garden properties with individually metered utilities.

Average sizes of the individually metered market rent garden properties are 256 units, and 216 units in subsidized units. Rentable floor area averaged 889 square feet for market rent

apartments and 887 square feet for the subsidized units.

The complete report (available online at www.naahq.org/06ies) contains detailed data summarized for six geographic regions and for metropolitan areas with at least 10 properties reported. Seventy metropolitan areas met the separate reporting requirement for market rent properties. Sufficient numbers of subsidized properties were submitted for 14 metropolitan areas.

This report also includes tables for the "other" properties in states with at least eight properties located in metro areas that did not meet requirements for separate reporting and in non-metro areas. Tables for market rent properties are given for 16 states. Data is presented in three forms: dollars per unit, dollars per square feet of rentable floor area and as a percentage of gross potential rent (GPR).

Market Rent Properties

Economic Losses. A measure of the health of the rental housing market is economic losses. They are defined as the difference between rent revenue collected and GPR expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollected rents and the values of rent concessions. The economic loss rate in the survey for market rent individually metered garden properties improved significantly with a drop to 11.87 percent in the data for 2005 versus 13.99 percent for 2004. The decline in the economic loss rate last year was the first since 2000.

All Market Rent Properties

OPERATING INCOME & EXPENSE DATA

INDIVIDUAL METERED PROPERTIES									
	Total			Garden			Mid & Hi Rise		
Number of Properties	2,768			2,609			159		
Number of Units	705,897			667,951			37,946		
Avg. No. of Units/Property	255			256			239		
Avg. No. of Square Feet/Unit	889			889			893		
Turnover rate in %	61%			61%			58%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	9,593	10.78	100.0%	9,450	10.63	100.0%	12,099	13.54	100.0%
Rent Revenue Collected	8,461	9.51	88.2%	8,329	9.37	88.1%	10,785	12.07	89.1%
Losses to Vacancy	681	0.77	7.1%	674	0.76	7.1%	792	0.89	6.5%
Collection Losses	70	0.08	0.7%	70	0.08	0.7%	70	0.08	0.6%
Losses to Concessions	381	0.43	4.0%	377	0.42	4.0%	452	0.51	3.7%
Other Revenue	549	0.62	5.7%	545	0.61	5.8%	607	0.68	5.0%
Total Revenue	9,009	10.13	93.9%	8,874	9.98	93.9%	11,392	12.75	94.2%
Operating Expenses									
Salaries and Personnel	1,006	1.13	10.5%	992	1.12	10.5%	1,244	1.39	10.3%
Insurance	191	0.21	2.0%	191	0.21	2.0%	193	0.22	1.6%
Taxes	933	1.05	9.7%	919	1.03	9.7%	1,168	1.31	9.7%
Utilities	362	0.41	3.8%	360	0.40	3.8%	404	0.45	3.3%
Management Fees	277	0.31	2.9%	275	0.31	2.9%	325	0.36	2.7%
Administrative	171	0.19	1.8%	168	0.19	1.8%	215	0.24	1.8%
Marketing	178	0.20	1.9%	174	0.20	1.8%	249	0.28	2.1%
Contract Services	315	0.35	3.3%	315	0.35	3.3%	310	0.35	2.6%
Repair and Maintenance	382	0.43	4.0%	381	0.43	4.0%	400	0.45	3.3%
Total Operating Expenses	3,815	4.29	39.8%	3,776	4.25	40.0%	4,509	5.05	37.3%
Net Operating Income	5,194	5.84	54.1%	5,098	5.73	53.9%	6,883	7.71	56.9%
Capital Expenditures	1,414	1.59	14.7%	1,440	1.62	15.2%	948	1.06	7.8%

MASTER METERED PROPERTIES									
	Total			Garden			Mid & Hi Rise		
Number of Properties	587			482			105		
Number of Units	149,742			125,488			24,254		
Avg. No. of Units/Property	255			260			231		
Avg. No. of Square Feet/Unit	904			900			921		
Turnover rate in %	53%			54%			50%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	11,418	12.64	100.0%	10,202	11.33	100.0%	17,710	19.22	100.0%
Rent Revenue Collected	9,977	11.04	87.4%	8,841	9.82	86.7%	15,852	17.20	89.5%
Losses to Vacancy	853	0.94	7.5%	808	0.90	7.9%	1,085	1.18	6.1%
Collection Losses	99	0.11	0.9%	101	0.11	1.0%	89	0.10	0.5%
Losses to Concessions	489	0.54	4.3%	451	0.50	4.4%	683	0.74	3.9%
Other Revenue	608	0.67	5.3%	534	0.59	5.2%	993	1.08	5.6%
Total Revenue	10,585	11.72	92.7%	9,375	10.42	91.9%	16,846	18.28	95.1%
Operating Expenses									
Salaries and Personnel	1,182	1.31	10.4%	1,094	1.22	10.7%	1,636	1.78	9.2%
Insurance	251	0.28	2.2%	240	0.27	2.4%	303	0.33	1.7%
Taxes	1,002	1.11	8.8%	879	0.98	8.6%	1,639	1.78	9.3%
Utilities	1,069	1.18	9.4%	1,018	1.13	10.0%	1,329	1.44	7.5%
Management Fees	367	0.41	3.2%	340	0.38	3.3%	508	0.55	2.9%
Administrative	230	0.25	2.0%	213	0.24	2.1%	317	0.34	1.8%
Marketing	201	0.22	1.8%	191	0.21	1.9%	250	0.27	1.4%
Contract Services	415	0.46	3.6%	393	0.44	3.9%	529	0.57	3.0%
Repair and Maintenance	529	0.59	4.6%	503	0.56	4.9%	661	0.72	3.7%
Total Operating Expenses	5,244	5.80	45.9%	4,871	5.41	47.8%	7,173	7.78	40.5%
Net Operating Income	5,341	5.91	46.8%	4,504	5.00	44.1%	9,673	10.50	54.6%
Capital Expenditures	3,467	3.84	30.4%	3,319	3.69	32.5%	4,233	4.59	23.9%

Source: National Apartment Association 2006 Survey of Operating Income & Expenses in Rental Apartment Communities

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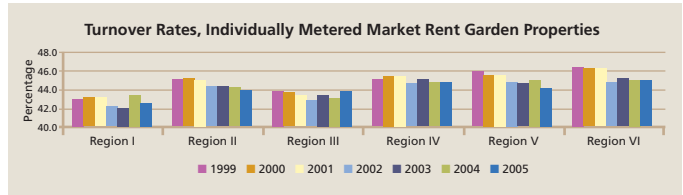
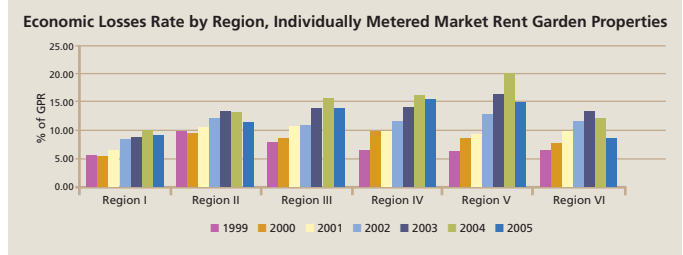
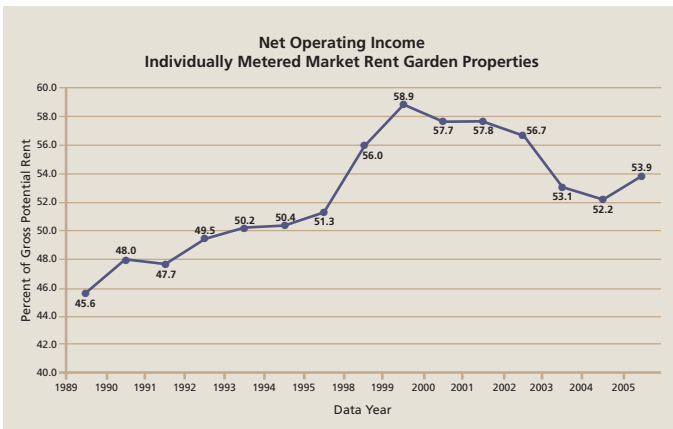
Economic losses rates by region for individually metered garden properties were:

	2005	2004	2003	2002	2001
All	11.87%	13.99%	13.35%	11.39%	9.69%
Region I	8.87%	10.02%	8.79%	8.21%	6.36%
Region II	11.35%	12.89%	13.31%	12.10%	10.44%
Region III	13.87%	15.54%	13.84%	10.85%	10.64%
Region IV	15.39%	16.23%	13.98%	11.53%	9.90%
Region V	15.14%	19.99%	16.33%	12.75%	9.16%
Region VI	8.57%	12.15%	13.21%	11.54%	9.79%

Net Operating Income and Revenues (NOI). NOI is another important measurement for evaluating the health of a property and the rental housing market. It is simply the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits. NOI in the survey also revealed the strengthening of the rental apartment market with an increase in NOI measured in percent of GPR terms in the data for 2005 to 53.9 percent from the 52.2 percent recorded in 2004. And it was the first time in five years that NOI rose. Last year's level is still well below the survey's historical peak of 58.9 percent in 1999. Regionally, NOIs in 2005 ranged from a high of 63.4 percent in the Pacific states (Region VI) to a low of 44.2 percent in the Southwest (Region IV). The Southwest states historically have had the lowest NOI among the regions. Average NOIs for last three survey data years of individually metered garden properties were:

	Dollars per Unit			Dollars per Sq. Ft.			% of GPR		
	2005	2004	2003	2005	2004	2003	2005	2004	2003
All	\$5,098	\$4,647	\$4,627	\$5.73	\$5.27	\$5.31	53.9%	52.2%	53.1%
Region I	\$7,317	\$6,868	\$6,607	\$8.38	\$7.72	\$7.48	61.4%	60.2%	60.9%
Region II	\$4,763	\$4,420	\$4,401	\$5.07	\$4.75	\$4.82	53.7%	52.5%	52.7%
Region III	\$4,038	\$3,975	\$4,193	\$4.65	\$4.48	\$4.84	48.5%	48.7%	50.0%
Region IV	\$3,643	\$3,450	\$3,780	\$4.35	\$4.21	\$4.61	44.2%	44.4%	47.7%
Region V	\$4,812	\$4,708	\$4,745	\$5.47	\$5.35	\$5.43	53.4%	51.7%	55.6%
Region VI	\$7,780	\$6,355	\$6,073	\$8.78	\$7.30	\$6.98	63.4%	58.7%	58.7%

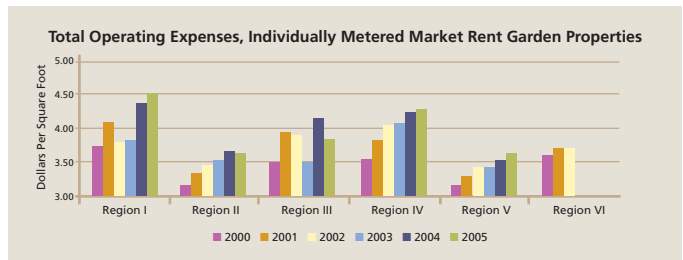
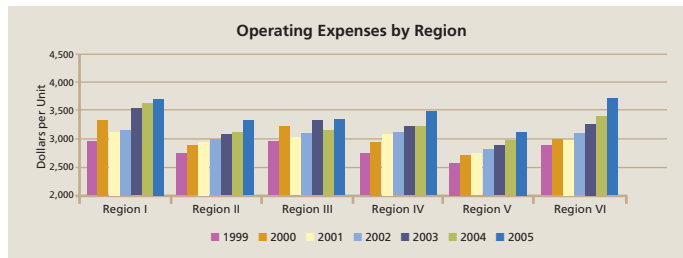
Gross Potential Rent (GPR). GPR in the survey data tables is defined here on a post fiscal year basis. It is the sum of rent revenue collected and revenue losses, including those from vacancies, collections and concessions. A 6.2 percent increase was recorded in average GPR for garden properties with individually metered utilities in the 2005 data from a year earlier. Aver-

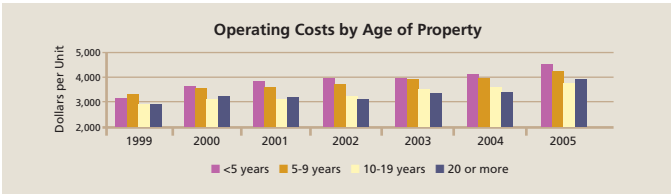
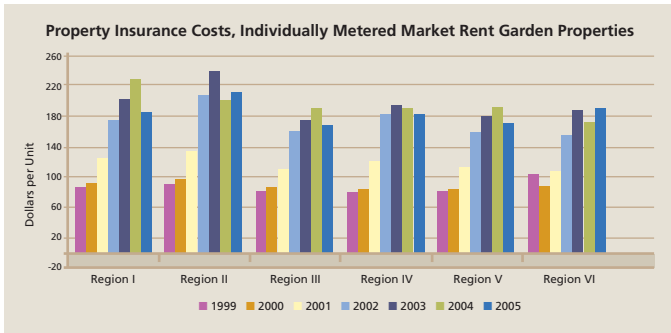


age GPR was \$9,450 per unit (\$788 monthly) in this year's survey versus \$8,896 per unit (\$741 monthly) in the previous survey. Translated into per square foot of floor area, they were \$10.63 (\$0.89 per month) versus \$10.09 (\$0.84 per month). Median GPR in the current survey is \$8,459 (\$705 per month) versus \$7,944 (\$662 per month a year ago). The range in 2005 went from a high of \$40,923 (\$3,410 per month) to \$3,600 (\$300 per month) versus \$39,952 (\$3,329 per month) to \$3,932 (\$328 per month) in the 2004 data.

Rent Revenue Collected. Rent revenue collected averaged \$7,652 per individually metered garden property unit annually in the survey, up 1.2 percent from the \$7,555 in last year's survey. Measured on a per-square-foot basis, rent revenue averaged \$8.68 per square foot, the same amount reported in the 2004 data.

Revenue Losses. Revenue losses dropped to 11.87 percent of GPR in 2005 data versus 13.99 percent of GPR for 2004 data. Data for revenue losses were reported in three categories: those caused by vacancies, collections and concessions. All three measures of revenue losses improved markedly. Vacancy losses for individually metered market rent garden properties averaged 7.1 percent of GPR in the current survey (\$674 per unit, \$0.76 per square foot) versus 8.7 percent of GPR (\$776 per unit, \$0.88 per square foot) a year ago. Collection losses averaged 0.7 percent of GPR (\$70 per unit, \$0.08 per square foot) in comparison to 0.9





percent of GPR (\$76 per unit, \$0.09 per square foot) for 2004 data. And losses from rent concessions averaged 4.0 percent of GPR (\$377 per unit in the property, \$0.42 per square foot) versus 4.4 percent of GPR (\$339 per unit in the property, \$0.39 per square foot).

Other Revenue Collected. Other revenue collected from operating sources includes receipts from onsite laundries, cable, telephone systems, parking fees and other charges for services and amenities. These other operating revenues averaged \$545 per unit (\$0.61 per square foot) for individually metered garden properties reported in the survey, up from the \$502 per unit (\$0.57 per square foot) a year earlier. Other non-rent operating revenues ranged from none to \$9,374 per unit. Median other operating revenues were \$434 per unit.

Total Operating Expenses. Total operating expenses last year rose at the highest rate in the history of the survey. Total operating expenses for individually metered garden properties in the survey averaged \$3,776 per unit (\$4.25 per square foot) up 7.6 percent from the \$3,507 per unit (\$3.98 per square foot) in 2004. The total represented 40 percent of GPR versus 39.4 percent a year earlier.

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of any reimbursements from residents), management fees, administration, marketing, contract services and repair and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

Almost all categories of operating costs increased markedly. The two largest increases were in repair and maintenance costs and real estate taxes. Repair and maintenance costs rose 23.3 percent to \$381 per unit in the 2005 survey from \$309 per unit in 2004 (4 percent of GPR versus 4.4 percent a year earlier). Real estate and related taxes increased 10.3 percent to \$919 from \$883 a year earlier. Property related insurance costs stabilized after falling a year ago. They dropped to \$191 per unit (\$0.21 per square foot) from \$192 per unit (\$0.22 per square foot). Management fees declined 1.1 percent to \$275 per unit from \$278.

Turnover Rates. Turnover rates declined slightly to 61 per-

cent of total units among the individually metered garden apartment properties reported in the survey for 2005 from 62 percent in 2004. The range in turnover rates has been from 59 percent to 69 percent over the history of this survey. The low occurred in the data for 1995 and the high during the recession year of 1990. Decreases in the turnover rates last year occurred in the Northeast (Region I) 53 percent versus 57 percent, Southeast (Region II), 60 percent versus 61 percent and the Mountain/South Midwest States (Region V) 61 percent versus 65 percent. They increased in the North Midwest (Region III) to 59 percent versus 56 percent. No changes were recorded in the Pacific (Region VI) at 65 percent and the Southwest (Region IV) at 64 percent.

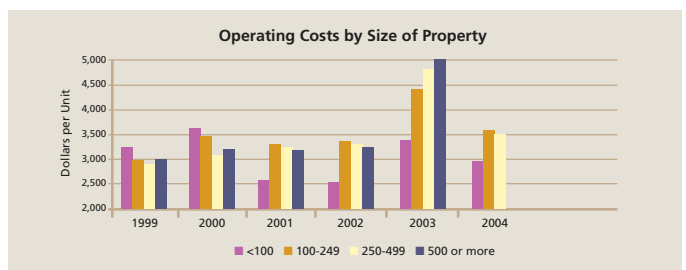
Age of Property. Operating expenses on a percentage of GPR basis rise as properties age. They were 36.8 percent of GPR in properties less than five years old and rose to 43.0 percent for properties 20 or more years old. Significantly higher rents in newer properties produce a reverse pattern in operating expenses measured in dollars per unit and per square foot. They increased from \$3,575 per unit for properties 20 or more years old to \$4,469 per unit for those less than five years old. GPR per unit increased from a low of \$8,321 per unit (\$9.39 per square foot) in the oldest property category to \$11,773 per unit (\$11.93 per square foot) in the newest group.

Average NOI in terms of percentages of GPR was the lowest for the oldest properties reported at 50 percent for those that were 20 or more years old. The other three categories of age properties had NOIs of approximately 57 percent. Measured in terms of dollars per unit, NOIs rose with age. The low was \$4,160 per unit in properties that were 20 or more years old and the high was \$6,913 for properties less than five years old. Spreads in rent levels account for most of the pattern of dollar levels per unit in NOIs.

Economic losses continue to be the highest among the newest properties. Properties less than five years old reported the highest ratio of economic losses at 15.55 percent of GPR and the lowest in those that are 10 to 19 years old at 12.63 percent.

Age of properties groupings show some distinct differences in the individual cost components of operating costs. The largest difference is in real estate and related property taxes and fees. They varied from a high average of \$1,482 per unit (\$1.54 per square foot) in those properties less than five years old to a low of \$827 (\$0.94 per square foot) for those aged 20 or more years.

Capital expenditures were significantly lower for the newest properties. They averaged \$469 per unit (\$0.49 per square foot) for those properties less than five years old. The highest average was reported for properties 20 or more years old at \$3,835 per unit (\$4.34 per square foot).



Operating Expenses by Age and Size of Property

INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin.	Mrktg.	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend.
Age of Property											
<i>Dollars Per Unit</i>											
Less than 5 years old	\$1,052	\$225	\$1,287	\$358	\$344	\$220	\$331	\$322	\$329	\$4,469	\$432
5 to 9 years old	\$1,055	\$210	\$1,281	\$325	\$286	\$190	\$198	\$346	\$342	\$4,232	\$503
10 to 19 years	\$1,012	\$179	\$973	\$322	\$278	\$150	\$165	\$309	\$388	\$3,777	\$1,143
20 or more years	\$959	\$188	\$738	\$395	\$266	\$168	\$161	\$307	\$393	\$3,575	\$1,975
<i>Dollars Per Square Foot</i>											
Less than 5 years old	\$1.00	\$0.21	\$1.22	\$0.34	\$0.33	\$0.21	\$0.31	\$0.31	\$0.31	\$4.24	\$0.41
5 to 9 years old	\$1.06	\$0.21	\$1.28	\$0.33	\$0.29	\$0.19	\$0.20	\$0.35	\$0.34	\$4.24	\$0.50
10 to 19 years	\$1.11	\$0.20	\$1.07	\$0.35	\$0.31	\$0.17	\$0.18	\$0.34	\$0.43	\$4.16	\$1.26
20 or more years	\$1.15	\$0.23	\$0.89	\$0.48	\$0.32	\$0.20	\$0.19	\$0.37	\$0.47	\$4.30	\$2.38
<i>Percent of Gross Potential Rent</i>											
Less than 5 years old	8.7%	1.9%	10.6%	3.0%	2.8%	1.8%	2.7%	2.7%	2.7%	36.8%	0.0%
5 to 9 years old	9.3%	1.8%	11.3%	2.9%	2.5%	1.7%	1.7%	3.0%	3.0%	37.2%	4.4%
10 to 19 years	10.1%	1.8%	9.7%	3.2%	2.8%	1.5%	1.6%	3.1%	3.9%	37.6%	11.4%
20 or more years	11.5%	2.3%	8.9%	4.7%	3.2%	2.0%	1.9%	3.7%	4.7%	43.0%	23.7%
<i>Percent of Total Operating Costs</i>											
Less than 5 years old	23.5%	5.0%	28.8%	8.0%	7.7%	4.9%	7.4%	7.2%	7.4%	100.0%	
5 to 9 years old	24.9%	5.0%	30.3%	7.7%	6.8%	4.5%	4.7%	8.2%	8.1%	100.0%	
10 to 19 years	26.8%	4.7%	25.8%	8.5%	7.4%	4.0%	4.4%	8.2%	10.3%	100.0%	
20 or more years	26.8%	5.3%	20.6%	11.0%	7.4%	4.7%	4.5%	8.6%	11.0%	100.0%	
Size of Property											
<i>Dollars Per Unit</i>											
Less than 100 units	\$919	\$151	\$580	\$208	\$277	\$153	\$121	\$293	\$318	\$3,021	\$951
100 to 249 units	\$1,056	\$202	\$871	\$382	\$284	\$195	\$186	\$329	\$411	\$3,916	\$1,546
250 to 499 units	\$984	\$191	\$951	\$361	\$275	\$160	\$178	\$309	\$375	\$3,784	\$1,384
More than 500 units	\$944	\$184	\$975	\$369	\$261	\$160	\$157	\$316	\$368	\$3,733	\$1,550
<i>Dollars Per Square Foot</i>											
Less than 100 units	\$1.28	\$0.21	\$0.81	\$0.29	\$0.39	\$0.21	\$0.17	\$0.41	\$0.45	\$4.22	\$1.33
100 to 249 units	\$1.19	\$0.23	\$0.98	\$0.43	\$0.32	\$0.22	\$0.21	\$0.37	\$0.46	\$4.40	\$1.74
250 to 499 units	\$1.08	\$0.21	\$1.05	\$0.40	\$0.30	\$0.18	\$0.20	\$0.34	\$0.41	\$4.16	\$1.52
More than 500 units	\$1.09	\$0.21	\$1.12	\$0.43	\$0.30	\$0.18	\$0.18	\$0.36	\$0.42	\$4.30	\$1.79
<i>Percent of Gross Potential Rent</i>											
Less than 100 units	12.9%	2.1%	8.2%	2.9%	3.9%	2.2%	1.7%	4.1%	4.5%	42.5%	13.4%
100 to 249 units	11.1%	2.1%	9.1%	4.0%	3.0%	2.0%	1.9%	3.4%	4.3%	41.0%	16.2%
250 to 499 units	10.2%	2.0%	9.9%	3.8%	2.9%	1.7%	1.9%	3.2%	3.9%	39.3%	14.4%
More than 500 units	9.9%	1.9%	10.3%	3.9%	2.7%	1.7%	1.6%	3.3%	3.9%	39.3%	16.3%
<i>Percent of Total Operating Costs</i>											
Less than 100 units	30.4%	5.0%	19.2%	6.9%	9.2%	5.1%	4.0%	9.7%	10.5%	100.0%	
100 to 249 units	27.0%	5.1%	22.3%	9.8%	7.3%	5.0%	4.7%	8.4%	10.5%	100.0%	
250 to 499 units	26.0%	5.0%	25.1%	9.5%	7.3%	4.2%	4.7%	8.2%	9.9%	100.0%	
More than 500 units	25.3%	4.9%	26.1%	9.9%	7.0%	4.3%	4.2%	8.5%	9.9%	100.0%	

Source: National Apartment Association 2006 Survey of Operating Income & Expenses in Rental Apartment Communities

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Size of Property. Presence of scale economies in apartment properties would be evident if operating costs were to decline as the size of properties increases. Economies of scale did appear when total operating costs were measured on a percentage of gross potential rent basis. They drop from 42.5 percent of GPR in properties with less than 100 units to a low of 39.3 percent in those containing 500 or more units. The survey results, however, did not show scale economies on a cost per unit basis. The lowest

operating costs, at \$3,021 per unit, were in the smallest properties—those with fewer than 100 units. The highest operating costs occurred in properties with 100 to 249 units at \$3,916 per unit.

Economic losses did not vary widely based on property size. They were highest with properties with 500 or more units at 12.51 percent of GPR and the lowest for properties with fewer than 100 units at 11.25 percent.

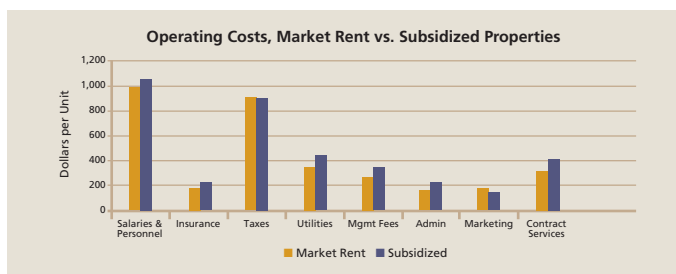
Revenues and NOI by Age and Size of Property INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

AGE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years
No. of Properties	85	367	700	1501	85	367	700	1501	85	367	700	1501
No. of Units	24,026	115,408	193,921	344,082	24,026	115,408	193,921	344,082	24,026	115,408	193,921	344,082
Avg. No. of Units/Property	283	314	277	229	283	314	277	229	283	314	277	229
Avg. No. of Square Feet/Unit	1,054	998	908	831	1,054	998	908	831	1,054	998	908	831
Turnover Rate in %	60%	64%	62%	60%	60%	64%	62%	60%	60%	64%	62%	60%
Gross Potential Rent	\$12,136	\$11,370	\$10,039	\$8,321	\$11.52	\$11.39	\$11.05	\$10.02	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	\$10,249	\$10,096	\$8,972	\$7,262	\$9.73	\$10.11	\$9.88	\$8.74	84.4%	88.8%	89.4%	87.3%
Losses to Vacancies	\$957	\$744	\$656	\$645	\$0.91	\$0.75	\$0.72	\$0.78	7.9%	6.5%	6.5%	7.8%
Losses to Collections	\$87	\$53	\$65	\$78	\$0.08	\$0.05	\$0.07	\$0.09	0.7%	0.5%	0.6%	0.9%
Losses to Concessions	\$844	\$478	\$346	\$336	\$0.80	\$0.48	\$0.38	\$0.40	7.0%	4.2%	3.4%	4.0%
Other Revenue Collected	\$1,134	\$640	\$539	\$473	\$1.08	\$0.64	\$0.59	\$0.57	9.3%	5.6%	5.4%	5.7%
Total Revenue Collected	\$11,382	\$10,735	\$9,512	\$7,735	\$10.80	\$10.75	\$10.47	\$9.31	93.8%	94.4%	94.7%	93.0%
Total Operating Expenses	\$4,469	\$4,232	\$3,777	\$3,575	\$4.24	\$4.24	\$4.16	\$4.30	36.8%	37.2%	37.6%	43.0%
Net Operating Income	\$6,913	\$6,503	\$5,735	\$4,160	\$6.56	\$6.51	\$6.31	\$5.01	57.0%	57.2%	57.1%	50.0%
Economic Vacancy Rates (%)	15.55%	11.21%	10.63%	12.73%	15.55%	11.21%	10.63%	12.73%	15.55%	11.21%	10.63%	12.73%

SIZE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units
No. of Properties	437	983	1081	152	437	1007	988	131	437	1007	988	131
No. of Units	30,604	176,622	369,125	101,086	30,300	179,419	329,686	89,113	30,300	179,419	329,686	89,113
Avg. No. of Units/Property	70	180	341	665	69	178	334	680	69	178	334	680
Avg. No. of Square Feet/Unit	715	889	910	867	682	891	897	873	682	891	897	873
Turnover Rate in %	63%	62%	62%	60%	65%	62%	62%	58%	65%	62%	62%	58%
Gross Potential Rent	\$7,108	\$9,544	\$9,617	\$9,502	\$9.94	\$10.73	\$10.95	\$10.23	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	\$6,309	\$8,440	\$8,468	\$8,313	\$8.82	\$9.49	\$9.58	\$8.76	88.7%	88.4%	88.1%	87.5%
Losses to Vacancies	\$527	\$653	\$676	\$762	\$0.74	\$0.73	\$0.88	\$0.95	7.4%	6.8%	7.0%	8.0%
Losses to Collections	\$79	\$82	\$68	\$57	\$0.11	\$0.09	\$0.07	\$0.09	1.1%	0.9%	0.7%	0.6%
Losses to Concessions	\$194	\$369	\$405	\$370	\$0.27	\$0.42	\$0.43	\$0.44	2.7%	3.9%	4.2%	3.9%
Other Revenue Collected	\$411	\$533	\$584	\$455	\$0.57	\$0.60	\$0.52	\$0.54	5.8%	5.6%	6.1%	4.8%
Total Revenue Collected	\$6,720	\$8,973	\$9,053	\$8,768	\$9.39	\$10.09	\$10.11	\$9.30	94.5%	94.0%	94.1%	92.3%
Total Operating Expenses	\$3,021	\$3,916	\$3,784	\$3,733	\$4.22	\$4.40	\$4.30	\$3.94	42.5%	41.0%	39.3%	39.3%
Net Operating Income	\$3,699	\$5,057	\$5,268	\$5,035	\$5.17	\$5.69	\$5.79	\$5.80	52.0%	53.0%	54.8%	53.0%
Economic Vacancy Rates (%)	11.25%	11.57%	11.94%	12.51%	11.25%	11.57%	12.51%	14.41%	11.25%	11.57%	11.94%	12.51%

Source: National Apartment Association 2006 Survey of Operating Income & Expenses in Rental Apartment Communities
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Individually Versus Master Metered Utilities. Comparisons of individually versus master metered utilities market rent garden properties for selected data was done for the first time in this year's survey. It provides another perspective of the data. Tabulations were done for all properties, regions and 18 metro areas



that had reporting of at least eight master metered garden properties.

Master metered properties overall and in most regions and metro areas fared less well economically than individually metered properties. Master metered garden properties had a 13.3 percent economic losses rate versus 11.9 percent for those that are individually metered. The comparison for NOI was 44.1 percent of GPR versus 53.9 percent. The relative dollars per unit and per square foot showed the same relative patterns. These results occurred despite the fact that the master metered properties had higher rents. Significantly higher operating costs in almost all categories were the reason that NOI was lower for master metered properties. The utility costs were the most pronounced among the individual categories with an \$1,018 aver-

age for master metered properties versus \$360 for individually metered properties.

Training Budgets. Training budget data was collected this year as the special survey topic. The question asked for training budget amounts for each property. Data were submitted for 994 properties by 166 firms. Another 101 firms reported that they did not have training budgets. One respondent reported that the firm budgeted \$275 per associate for training, but did not give the number of employees at each community.

Two series of tabulations were done with the data. One involved calculating ranges, medians and averages for all properties reporting and for individually metered garden properties. The second gives the same basic calculations for six groupings of numbers of units in the properties. There was not enough reporting of numbers of personnel working on properties to do calculations of budgets per employee.

Reporting properties showed a wide range of amounts of training budgets. The range was \$7 to \$19,805 per property, with a median of \$1,276 and an average of \$2,221. The average on a per unit basis was \$8.89, and the median was \$5.46. The training budgets averaged 0.09 percent and had a median of 0.06 percent. Training budgets tended to increase, as would be expected, on a per property basis as the size grouping rose, and the reverse occurred on a per unit basis.

Metro Area Detailed Operating Income and Expense Data

Detailed tables in the report are presented for the 70 metropolitan areas for which a total of 10 properties of all types were reported in the survey. This is the only section of the report with metropolitan area data for garden, mid-rise and high-rise building properties and further segmented into those with utilities that were either individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

Following are some highlights of the metropolitan area data. They are limited to garden properties with individually metered utilities in metropolitan areas with at least 10 properties of this type reported, unless otherwise noted.

- NOIs on a dollar-per-unit basis ranged from \$11,131 (\$12.58 per square foot) in San Francisco-San Mateo-Redwood City metro area to a low of \$2,941 (\$3.15 per square foot) in the Memphis metro area. The Los Angeles-Long Beach-Glendale metro area, however, had the highest NOI on a per square foot basis at \$12.88. Virginia Beach-Norfolk-Newport News had the high NOI when measured in percentage of GPR terms at 67.9 percent and Memphis, the low at 40.1 percent.

- GPR averages were the highest in the San Francisco-San Mateo-Redwood City metro area at \$17,307 per unit (\$19.56 per square foot). A low of \$6,417 per unit (\$8.50 per square foot) was tabulated for properties reported from Dayton, Ohio.

- Economic losses were lowest in Norfolk-Virginia Beach-Newport News metro area at 5.46 percent and Savannah, Ga., at 6.76 percent. Both, however, have small numbers of individually metered garden properties reported. Metro areas with the highest economic losses were Colorado Springs at 25.26 percent and Denver-Boulder at 21.44 percent.

- Total operating costs highs and lows vary among metro areas based on which measure is selected. Properties reporting from San Francisco-San Mateo-Redwood City metro area had the highest operating costs based on a per unit basis at \$5,073 (\$5.73 per square foot) followed by Boston-Cambridge-Quincy at \$5,005 per unit (\$5.45 per square foot). The highs measured on a square foot basis were New Haven-Milford at \$5.89 and Los Angeles-Long Beach-Glendale at \$5.83. A low of \$2,566 per unit (\$4.34 per square foot) in Cleveland-Elyria-Mentor and Dayton at \$2,762 per unit (\$4.13 per square foot). Measured on a square foot basis, the lows were \$3.22 in Cincinnati-Middleton and Greensboro-Winston-Salem-High Point.

- Real estate taxes increased significantly in many metro areas last year and did have an impact on the rankings for this category of costs. West Palm Beach-Boca Raton-Boynton Beach moved to the top of the list at \$1,755 per unit followed by Chicago at \$1,693 per unit. (Chicago was also second in the data for 2004.) The lowest averages were for properties located in the Louisville and Lexington, Ky., metro areas at \$363 and \$406, respectively.

- Insurance costs on a per unit basis were the highest at \$369 (\$0.43 per square foot) in Cape Coral-Fort Myers, Fla., and \$303 (\$0.29 per square foot) in Sarasota-Bradenton-Venice, Fla. This is not surprising because these two metros are located in hurricane-prone areas. They were the lowest in Cleveland-Elyria-Mentor at \$92 per unit (\$0.16 per square foot) and Minneapolis-St. Paul at \$122 per unit (\$0.12 per square foot).

- Salaries and personnel costs were the lowest in the Sarasota-Bradenton-Venice metro area at \$805 per unit (\$1.03 per square foot) and Chattanooga, Tenn., at \$814 (\$0.83 per square foot) Oakland-Fremont-Haywood, Calif., had the highest average at \$1,444 per unit (\$1.65 per square foot) followed by the \$1,430 in San Francisco-San Mateo-Redwood City (\$1.59 per square foot).

- Cincinnati had the largest units among the metro areas reported separately in this report with an average of 1,086 square feet of floor area per unit. West Palm Beach-Boca Raton-Boynton Beach had the second-largest average size units at 1,038 square feet. Properties reporting from Cleveland had the low average at 591 square feet per unit.

- Metropolitan areas with the most garden properties reporting that were individually metered were Dallas (219), Atlanta (196) and Houston (119).

Subsidized Properties Income and Expense Summary

Operating Income and Expense Summary. Data were received for 405 subsidized properties containing 77,861 units. Garden properties with individually metered utilities represent the largest subgroup of properties reporting, and analysis here will be limited to them. (Analysis of other subsidized properties can be found at www.naahq.org/06ies.) Data tables are presented for 23 metropolitan areas that met the 10-property minimum for separate reporting.

Subsidized garden apartment properties with individually metered utilities tend to have fewer units and less floor area than market rent units. They contained an average of 216 units versus 256 units for market rent properties of the same type. These subsidized properties had an average of 887 square feet of floor area

Economic Vacancy Rates – NOI – Turnover METROPOLITAN AREAS INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

	2006 Survey						2005 Survey					
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Turnover Rate	Net Operating Income NOI (1)	Economic Losses as a %	Economic Losses as a %	Net Operating Income NOI (1)	Turnover Rate	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
TOTAL MARKET RENT	2,609	667,951	889	61%	53.9%	11.87%	13.99%	52.2%	62%	2,563	628,518	882
REGION I	195	43,996	873	53%	61.4%	8.87%	10.03%	60.2%	57%	198	48,788	890
BALTIMORE-TOWSON, MD	40	8,242	787	35%	59.5%	7.32%	9.55%	60.6%	57%	29	6,265	854
BOSTON-CAMBRIDGE-QUINCY, MA-NH	12	2,869	918	63%	57.7%	11.97%	12.83%	55.9%	55%	11	3,030	951
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	3	825	1,027	48%	52.4%	10.28%	10.55%	59.5%	54%	9	1,794	951
NEW HAVEN-MILFORD, CT	16	2,294	781	55%	53.2%	10.02%	8.46%	55.7%	50%	12	1,480	694
NEW YORK, NY	6	1,829	849	52%	58.7%	7.17%	N/A	N/A	N/A	N/A	N/A	N/A
NORTHERN NEW JERSEY MSA'S	3	1,250	947	55%	65.3%	6.20%	10.32%	62.5%	52%	8	3,168	725
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	4	776	781	51%	55.9%	8.94%	10.58%	62.5%	48%	3	748	831
PITTSBURGH, PA	11	1,258	810	47%	57.1%	11.79%	9.26%	57.0%	49%	9	833	754
RICHMOND, VA	16	5,194	846	56%	56.6%	11.78%	10.63%	53.5%	60%	22	7,012	902
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	10	2,703	954	64%	67.9%	6.17%	5.46%	66.0%	63%	13	4,446	980
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	45	12,549	895	56%	65.0%	8.56%	10.11%	62.8%	57%	52	14,508	893
OTHER	29	4,207	972	59%	63.9%	9.70%	10.72%	57.9%	62%	21	3,596	975
REGION II	936	235,517	939	60%	53.7%	11.35%	12.99%	52.5%	61%	883	211,866	931
ATLANTA-SANDY SPRINGS-MARIETTA, GA	196	57,586	1,013	61%	51.9%	14.87%	16.79%	49.7%	61%	140	37,651	1,000
CAPE CORAL-FORT MYERS, FL	10	1,993	861	67%	55.9%	6.04%	N/A	N/A	N/A	N/A	N/A	N/A
CHARLOTTE-GASTONIO-CONCORD, NC-SC	52	12,304	962	60%	55.0%	10.79%	13.16%	50.5%	63%	47	12,724	947
CHATTANOOGA, TN-GA	10	1,670	979	46%	61.5%	13.37%	N/A	N/A	N/A	N/A	N/A	N/A
COLUMBIA, SC	17	4,981	806	67%	49.9%	10.61%	14.92%	47.6%	67%	21	5,636	940
DAYTONA, FL	12	1,196	743	65%	50.7%	11.04%	8.42%	56.1%	63%	12	1,196	743
FT. LAUDERDALE-POMPA BEACH-DEERFIELD BEACH, FL	10	3,749	865	57%	65.8%	7.34%	9.97%	57.6%	59%	9	3,315	937
GREENSBORO-WINSTON-SALEM-HIGH POINT, NC	29	6,323	938	59%	56.3%	10.97%	12.88%	51.9%	57%	42	9,119	924
GREENVILLE, SC	16	3,496	949	59%	47.3%	14.06%	12.03%	50.2%	63%	24	5,579	907
JACKSONVILLE, FL MSA	50	14,050	923	58%	54.6%	9.99%	11.46%	55.8%	60%	58	15,446	917
KNOXVILLE, TN	10	1,684	923	59%	64.9%	10.20%	16.66%	40.0%	59%	11	2,049	919
LEXINGTON-FAYETTE, KY	18	3,327	834	55%	51.7%	13.33%	15.06%	51.7%	51%	16	2,313	816
LOUISVILLE, KY-IN	17	2,620	801	59%	50.5%	18.03%	18.18%	51.0%	59%	17	2,996	830
MACON, GA	15	1,983	925	57%	48.1%	10.48%	9.48%	51.5%	55%	14	1,850	918
MEMPHIS, TN-AR	48	14,020	933	51%	40.1%	15.49%	17.52%	39.9%	39%	22	8,669	877
MIAMI-MIAMI BEACH-KENDALL, FL	29	6,909	953	60%	58.4%	6.02%	9.16%	56.7%	58%	33	7,117	941
NASHVILLE, TN	37	11,228	861	64%	54.4%	11.29%	11.27%	57.0%	65%	33	10,303	914
ORLANDO, FL	69	18,539	954	65%	58.6%	7.27%	11.35%	55.2%	67%	67	17,373	950
RALEIGH-DURHAM, NC MSA's	50	13,968	921	58%	50.3%	13.57%	15.13%	49.7%	61%	51	13,560	924
SARASOTA-BRADENTON-VENICE, FL	12	2,429	780	70%	57.7%	8.02%	11.63%	54.5%	66%	10	1,924	932
SAVANNAH, GA	10	1,423	863	74%	55.5%	11.72%	6.76%	61.8%	75%	9	1,348	860
TALLAHASSEE, FL	11	2,170	841	68%	51.8%	14.56%	N/A	N/A	N/A	N/A	N/A	N/A
TAMPA-ST. PETERSBURG-CLEARWATER, FL	51	14,031	891	63%	58.0%	7.14%	10.36%	55.6%	64%	61	16,121	883
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	31	7,171	1,038	64%	59.1%	7.28%	11.26%	57.5%	64%	26	5,472	957
OTHER	126	26,667	905	59%	52.9%	9.89%	11.80%	51.3%	55%	95	17,707	922
REGION III	307	54,898	869	59%	48.5%	13.87%	15.64%	48.7%	56%	364	65,461	886
BLOOMINGTON, IN	6	623	660	70%	64.6%	13.00%	N/A	N/A	N/A	N/A	N/A	N/A
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	33	11,423	976	59%	53.0%	13.08%	13.65%	54.5%	54%	27	8,972	915
CINCINNATI-MIDDLETON, OH-KY-IN	23	3,883	1,086	51%	47.3%	13.54%	15.73%	47.8%	49%	39	6,897	1,087
CLEVELAND-ELYRIA-MENTOR, OH	10	832	591	61%	54.0%	14.03%	14.67%	53.6%	60%	12	802	591
COLUMBUS, OH	52	6,410	750	61%	47.2%	14.43%	14.78%	47.8%	59%	64	8,651	838
DAYTON, OH	17	1,407	669	67%	50.1%	12.81%	11.30%	54.1%	56%	24	2,766	765
DETROIT-WARREN-LIVONIA, MI	39	4,715	774	50%	46.1%	14.05%	15.65%	49.2%	54%	40	6,799	817
INDIANAPOLIS, IN	55	11,550	799	62%	47.7%	12.81%	17.07%	48.5%	56%	63	12,197	837
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,782	994	59%	51.6%	14.60%	18.08%	45.5%	62%	17	3,819	1,047
OTHER	59	11,273	890	59%	41.1%	15.97%	16.62%	43.1%	58%	59	11,728	877
REGION IV	612	174,901	837	64%	44.2%	15.39%	16.23%	44.4%	64%	575	159,414	820
AUSTIN-ROUND ROCK, TX	84	23,214	842	64%	44.8%	12.32%	15.05%	46.8%	67%	66	17,977	835
DALLAS-PLANO-IRVING, TX	219	67,026	851	62%	44.0%	17.46%	16.68%	43.3%	62%	178	51,084	824
FT. WORTH-ARLINGTON, TX	76	21,770	828	68%	44.4%	15.33%	16.15%	42.5%	69%	80	21,985	805
HOUSTON-BAYTOWN-SUGARLAND, TX	119	36,595	830	62%	43.5%	14.81%	17.64%	43.9%	63%	145	42,685	821
LITTLE ROCK-NORTH LITTLE ROCK, AR	18	3,899	877	57%	49.1%	9.79%	11.21%	53.0%	45%	9	2,048	897
SAN ANTONIO, TX	48	12,095	787	71%	42.2%	14.45%	13.54%	48.4%	66%	25	6,411	777
TULSA, OK	14	3,709	794	73%	51.2%	11.53%	12.02%	50.5%	73%	13	3,772	715
OTHER	34	6,593	845	65%	45.8%	13.50%	13.33%	44.7%	66%	36	7,814	844
REGION V	145	44,284	880	61%	53.4%	15.14%	19.99%	51.7%	65%	167	42,281	880
ALBUQUERQUE, NM	11	2,364	862	67%	56.0%	9.03%	N/A	N/A	N/A	N/A	N/A	N/A
COLORADO SPRINGS, CO	7	1,606	851	73%	47.0%	21.91%	25.26%	46.1%	76%	16	3,276	853
DENVER-AURORA-BOULDER, CO	74	23,177	903	64%	54.4%	16.03%	21.44%	52.7%	65%	85	22,357	873
KANSAS CITY, MO-KS	13	4,488	914	59%	58.0%	10.13%	16.59%	55.5%	55%	10	2,866	953
SALT LAKE CITY	8	3,003	767	48%	51.3%	9.34%	N/A	N/A	N/A	N/A	N/A	N/A
ST. LOUIS, MO-IL	16	6,263	869	61%	50.9%	17.36%	16.27%	50.4%	66%	15	4,217	902
OTHER	16	3,383	821	47%	44.8%	14.41%	16.08%	50.3%	63%	41	9,565	876
REGION VI	414	114,355	886	65%	63.4%	8.57%	12.15%	58.7%	65%	376	100,708	870
LOS ANGELES-LONG BEACH-GLENDALE, CA	40	9,752	849	60%	66.7%	6.74%	8.20%	64.8%	63%	30	7,890	867
OAKLAND-FREEMONT-HAYWOOD, CA MSA	23	5,758	853	60%	63.6%	6.37%	N/A	N/A	N/A	N/A	N/A	N/A
PHOENIX-MESA	79	24,112	909	67%	59.1%	11.23%	17.34%	51.2%	71%	101	28,384	872
PORTLAND-VANCOUVER-BEAVERTON, OR-WA	28	7,959	966	69%	58.6%	9.19%	12.86%	53.3%	72%	20	5,991	962
RIVERSIDE-SAN BERNARDINO-ONTARIO, CA	18	5,284	808	65%	59.9%	9.83%	6.93%	65.1%	62%	12	3,404	785
SACRAMENTO-ARDEN ARCADE-ROSEVILLE, CA	11	3,084	902	66%	62.7%	8.69%	N/A	N/A	N/A	N/A	N/A	N/A
SAN DIEGO-CARLSBAD-SAN MARCOS, CA	38	10,816	869	66%	66.8%	7.58%	7.65%	66.1%	58%	25	6,456	894
SAN FRANCISCO-SAN MATEO-REDWOOD CITY, CA	19	4,992	885	59%	64.3%	8.00%	10.77%	61.3%	59%	37	9,247	844
SAN JOSE-SUNNYVALE-SANTA CLARA, CA	8	1,964	887	63%	63.7%	7.17%	N/A	N/A	N/A	N/A	N/A	N/A
SANTA ANA-ANAHEIM-IRVINE, CA	56	17,173	878	61%	66.6%	8.45%	8.75%	64.8%	57%	48	14,499	890
SEATTLE-TACOMA-BELLEVUE, WA	64	16,425	914	69%	60.7%	8.70%	16.43%	53.1%	72%	51	11,774	878
OTHER	30	7,036	832	64%	61.3%	9.41%	10.05%	60.8%	70%	20	3,834	931

Source: National Apartment Association 2006 Survey of Operating Income & Expenses in Rental Apartment Communities
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versus 889 square feet for the market rent properties.

Revenues. GPR averaged \$8,642 per unit (\$10.27 per square foot) annually in this year's survey versus \$8,642 per unit (\$10.27 per square foot) a year earlier. Rental revenues averaged \$10,140 (\$11.43 per square foot) versus \$7,847 per unit (\$9.33 per square foot). Other operating revenues averaged \$323 per unit (\$0.36 per square foot) in 2005 versus \$489 per unit (\$0.58 per square foot) for 2004. Much of the difference can be attributed to a significant change in the properties reported in this year's survey from a year ago.

Operating Expenses. Operating expenses in subsidized properties were close to those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$4,230 (\$4.17 per square foot) in 2005 versus the \$3,510 per unit (\$4.17 per square foot) reported for responding properties in 2004.

Net Operating Income. Subsidized properties reported in the survey had higher levels of NOI than the market rent properties in all three measures. NOI for subsidized properties in the survey averaged 56.4 percent of GPR versus 53.9 percent for the market rent properties. The other comparisons were \$6,233 versus \$5,098 on a dollars-per-unit basis, and \$7.03 versus \$5.73 on a per-square-foot-of-floor-area basis.

Economic Losses. Economic losses tended to be lower in subsidized properties with their lower rents and relatively tight supply. An 8.29 percent average rate was calculated for the subsidized individually metered garden properties versus 11.87 percent for market rent units. The economic loss ratio in subsidized properties was under the 9.17 percent recorded a year earlier. Again, note that differences in the sample of subsidized properties reporting this year probably account for most of the differences from last year.

Turnover Rates. Occupants of subsidized apartments have lower income and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 44 percent versus 61 percent for market rent units.

Glossary of Terms

Administrative. This includes the total office expenses (i.e., telephone, computers, forms, office rental and furniture).

Capital Expenditures. Non-recurring capital expenditures. Improvements not included as an expense item in operating expenses (i.e., renovations, appliance replacements, etc.). A zero on the line meant there were no capital expenditures.

Contract Services. Total landscape maintenance, exterminating, trash removal, security, snow removal and other service costs typically provided on contract basis.

GPR Commercial. Total potential rents for all commercial space if area would have been 100 percent occupied.

GPR Residential. Total rents of all occupied units at 2005 lease rates and all vacant units at 2005 street/market rents (or fiscal year end).

Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. Includes property hazard and liability and real property insurance and does not include payroll insurance.

Marketing. Total media advertising, collateral materials, locator fees, model expense, promotions, etc.

Management Fees. Total fees paid to managing agent from owner.

Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable square feet of floor space in residential units only. Area reported includes only finished space inside four perimeter walls of each unit. Common areas are excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Does not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Rent Controlled Property. A property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Repair and Maintenance. Total of all general maintenance and repairs, cleaning, decorating, painting, plumbing, electrical, HVAC, etc. Nonrecurring capital expense not included.

Revenue Losses to Collections. Amount of residential rents not received because of collection losses.

Revenue Losses to Concessions. Amounts of gross potential residential rents not received because of concessions.

Revenue Losses to Vacancies. Amount of rental income for residential units not collected because of vacancies and other use of units, such as models and offices.

Salary and Personnel Costs. Gross salaries and wages paid to employees onsite. Includes value of employee apartment allowances, payroll taxes, group health/life insurance, workers' compensation, bonuses and lease commissions, employer 401(k) and/or retirement contributions and other cash benefits.

Subsidized Property. A property has controlled rents through a government-subsidized program. If subsidized, the program was listed (i.e., Section 236, Section 8).

Taxes. Total real estate and personal property taxes only. Payroll or rendering fees related to property taxes were not included.

Tax Exempt Bond or Housing Credit Property. A property that has received tax-exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum of all expense categories must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and water/sewer utilities to individual units in subject property are: Master Metered, Owner Pays; Master Metered, Resident Pays (RUBS); Individual or Submetered, Resident Pays. ■

Net Operating Income and Economic Losses Rates

BY REGION AND METROPOLITAN AREA

INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

DOLLARS PER SQUARE FOOT

	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue	Total Rent Revenue Collected	REVENUE LOSSES TO			Other Revenue	Total Revenue Collected	Total Operating Expenses	Net Operating Income NOI	Operating Losses as a %	Economic Turnover Rate
						Vacancies	Collections	Concessions						
TOTAL MARKET RENT	2,609	667,951	889	\$10.63	\$9.37	\$0.76	\$0.08	\$0.42	\$0.61	\$9.98	\$4.25	\$5.73	11.87%	61%
REGION I	195	43,996	873	\$13.65	\$12.44	\$0.82	\$0.09	\$0.30	\$0.62	\$13.06	\$4.68	\$8.38	8.87%	53%
BALTIMORE-TOWSON, MD	40	8,242	787	\$12.90	\$11.95	\$0.64	\$0.09	\$0.22	\$0.52	\$12.47	\$4.79	\$7.68	7.32%	35%
BOSTON-CAMBRIDGE-QUINCY, MA-NH	12	2,869	918	\$16.10	\$14.17	\$1.25	\$0.11	\$0.57	\$0.56	\$14.74	\$5.45	\$9.29	11.97%	63%
HARTFORD-WEST HARTFORD-EAST HARTFORD, CT	3	825	1,027	\$10.28	\$9.23	\$0.80	\$0.05	\$0.20	\$0.61	\$9.83	\$4.45	\$5.38	10.28%	48%
NEW HAVEN-MILFORD, CT	16	2,294	781	\$14.29	\$12.85	\$1.00	\$0.07	\$0.36	\$0.63	\$13.48	\$5.89	\$7.60	10.02%	55%
NEW YORK, NY	6	1,829	849	\$19.97	\$18.54	\$0.80	\$0.16	\$0.47	\$0.74	\$19.28	\$7.55	\$11.73	7.17%	52%
NORTHERN NEW JERSEY MSA'S	3	1,250	947	\$19.87	\$18.64	\$0.98	\$0.04	\$0.21	\$0.71	\$19.35	\$6.37	\$12.98	6.20%	55%
PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD	4	776	781	\$16.60	\$15.11	\$1.04	\$0.04	\$0.41	\$0.55	\$15.66	\$6.39	\$9.28	8.94%	51%
PITTSBURGH, PA	11	1,258	810	\$12.01	\$10.60	\$0.92	\$0.03	\$0.47	\$0.68	\$11.28	\$4.42	\$6.86	11.79%	47%
RICHMOND, VA	16	5,194	846	\$9.80	\$8.65	\$0.81	\$0.11	\$0.24	\$0.66	\$9.31	\$3.76	\$5.55	11.78%	56%
VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC	10	2,703	954	\$11.62	\$10.91	\$0.52	\$0.11	\$0.08	\$0.82	\$11.73	\$3.84	\$7.90	6.17%	64%
WASHINGTON-ARLINGTON-ALEXANDRIA, DC-MD-VA-WV	45	12,549	895	\$14.70	\$13.44	\$0.85	\$0.10	\$0.31	\$0.51	\$13.95	\$4.39	\$9.56	8.56%	56%
OTHER	29	4,207	972	\$11.95	\$10.79	\$0.74	\$0.07	\$0.35	\$0.89	\$11.68	\$4.04	\$7.64	9.70%	59%
REGION II	936	235,517	939	\$9.44	\$8.37	\$0.62	\$0.08	\$0.38	\$0.56	\$8.93	\$3.86	\$5.07	11.35%	60%
ATLANTA-SANDY SPRINGS-MARIETTA, GA	196	57,586	1,013	\$9.48	\$8.07	\$0.69	\$0.08	\$0.64	\$0.48	\$8.55	\$3.63	\$4.92	14.87%	61%
CAPE CORAL-FORT MYERS, FL	10	1,993	861	\$11.14	\$10.46	\$0.38	\$0.05	\$0.25	\$0.85	\$11.31	\$5.08	\$6.23	6.04%	67%
CHARLOTTE-GASTONIA-CONCORD, NC-SC	52	12,304	962	\$8.67	\$7.74	\$0.50	\$0.08	\$0.35	\$0.52	\$8.26	\$3.48	\$4.77	10.79%	60%
CHATTANOOGA, TN-GA	10	1,670	979	\$7.38	\$6.40	\$0.59	\$0.04	\$0.36	\$1.60	\$7.99	\$3.45	\$4.54	13.37%	46%
COLUMBIA, SC	17	4,981	806	\$8.52	\$7.62	\$0.59	\$0.06	\$0.26	\$0.75	\$8.36	\$4.11	\$4.25	10.61%	67%
DAYTONA, FL	12	1,196	743	\$10.71	\$9.53	\$0.80	\$0.05	\$0.33	\$0.63	\$10.16	\$4.72	\$5.44	11.04%	65%
FT. LAUDERDALE-POMPA BEACH-DEERFIELD BEACH, FL	10	3,749	865	\$13.16	\$12.19	\$0.67	\$0.07	\$0.22	\$2.03	\$14.23	\$5.56	\$8.66	7.34%	57%
GREENSBORO-WINSTON-SALEM-HIGH POINT, NC	29	6,323	938	\$8.21	\$7.31	\$0.62	\$0.08	\$0.20	\$0.53	\$7.84	\$3.22	\$4.62	10.97%	59%
GREENVILLE, SC	16	3,496	949	\$8.01	\$6.89	\$0.68	\$0.10	\$0.35	\$0.65	\$7.53	\$3.74	\$3.79	14.06%	59%
JACKSONVILLE, FL MSA	50	14,050	923	\$9.69	\$8.72	\$0.64	\$0.08	\$0.24	\$0.46	\$9.19	\$3.89	\$5.29	9.99%	58%
KNOXVILLE, TN	10	1,684	923	\$8.09	\$7.27	\$0.61	\$0.04	\$0.17	\$1.49	\$8.76	\$3.51	\$5.25	10.20%	59%
LEXINGTON-FAYETTE, KY	18	3,327	834	\$9.28	\$8.05	\$0.77	\$0.05	\$0.42	\$0.44	\$8.49	\$3.69	\$4.80	13.33%	55%
LOUISVILLE, KY-IN	17	2,620	801	\$9.88	\$8.10	\$1.44	\$0.08	\$0.27	\$0.64	\$8.74	\$3.76	\$4.98	18.03%	59%
MACON, GA	15	1,983	925	\$7.94	\$7.11	\$0.50	\$0.07	\$0.26	\$0.28	\$7.39	\$3.56	\$3.82	10.48%	57%
MEMPHIS, TN-AR	48	14,020	933	\$7.86	\$6.64	\$0.71	\$0.20	\$0.31	\$0.49	\$7.13	\$3.97	\$3.15	15.49%	51%
MIAMI-MIAMI BEACH-KENDALL, FL	29	6,909	953	\$12.45	\$11.70	\$0.52	\$0.07	\$0.16	\$0.66	\$12.37	\$5.09	\$7.27	6.02%	60%
NASHVILLE, TN	37	11,228	861	\$9.79	\$8.68	\$0.59	\$0.07	\$0.44	\$0.48	\$9.16	\$3.83	\$5.33	11.29%	64%
ORLANDO, FL	69	18,539	954	\$9.48	\$8.79	\$0.43	\$0.05	\$0.21	\$0.58	\$9.37	\$3.81	\$5.55	7.27%	65%
RALEIGH-DURHAM, NC MSA'S	50	13,968	921	\$8.77	\$7.58	\$0.67	\$0.08	\$0.44	\$0.43	\$8.01	\$3.60	\$4.41	13.57%	58%
SARASOTA-BRADENTON-VENICE, FL	12	2,429	780	\$11.72	\$10.78	\$0.52	\$0.10	\$0.32	\$0.66	\$11.44	\$4.68	\$6.76	8.02%	70%
SAVANNAH, GA	10	1,423	863	\$9.76	\$8.61	\$0.87	\$0.08	\$0.20	\$0.65	\$9.27	\$3.85	\$5.42	11.72%	74%
TALLAHASSEE, FL	11	2,170	841	\$11.22	\$9.58	\$0.91	\$0.03	\$0.68	\$0.64	\$10.22	\$4.41	\$5.81	14.56%	68%
TAMPA-ST. PETERSBURG-CLEARWATER, FL	51	14,031	891	\$10.24	\$9.50	\$0.48	\$0.05	\$0.19	\$0.74	\$10.25	\$4.32	\$5.93	7.14%	63%
WEST PALM BEACH-BOCA RATON-BOYNTON BEACH, FL	31	7,171	1,038	\$12.00	\$11.12	\$0.65	\$0.07	\$0.15	\$0.69	\$11.81	\$4.72	\$7.09	7.28%	64%
OTHER	126	26,667	905	\$8.61	\$7.75	\$0.51	\$0.07	\$0.27	\$0.43	\$8.19	\$3.64	\$4.55	9.89%	59%
REGION III	307	54,898	869	\$9.59	\$8.26	\$0.80	\$0.08	\$0.46	\$0.57	\$8.82	\$4.18	\$4.65	13.87%	59%
BLOOMINGTON, IN	6	623	660	\$9.59	\$8.34	\$0.79	\$0.11	\$0.34	\$1.99	\$10.33	\$4.14	\$6.19	13.00%	70%
CHICAGO-NAPERVILLE-JOLIET, IL-IN-WI	33	11,423	976	\$12.16	\$10.57	\$0.82	\$0.08	\$0.69	\$0.73	\$11.30	\$4.86	\$6.44	13.08%	59%
CINCINNATI-MIDDLETON, OH-KY-IN	23	3,883	1,086	\$7.62	\$6.59	\$0.50	\$0.09	\$0.44	\$0.24	\$6.83	\$3.22	\$3.61	13.54%	51%
CLEVELAND-ELYRIA-MENTOR, OH	10	832	591	\$11.15	\$9.59	\$1.14	\$0.11	\$0.31	\$0.78	\$10.36	\$4.34	\$6.02	14.03%	61%
COLUMBUS, OH	52	6,410	750	\$9.13	\$7.81	\$0.90	\$0.08	\$0.34	\$0.52	\$8.33	\$4.02	\$4.31	14.43%	61%
DAYTON, OH	17	1,407	669	\$9.60	\$8.37	\$0.87	\$0.06	\$0.30	\$0.57	\$8.94	\$4.13	\$4.81	12.81%	67%
DETROIT-WARREN-LIVONIA, MI	39	4,715	774	\$11.07	\$9.51	\$0.89	\$0.10	\$0.56	\$0.59	\$10.11	\$5.00	\$5.10	14.05%	50%
INDIANAPOLIS, IN	55	11,550	798	\$8.73	\$7.61	\$0.81	\$0.08	\$0.23	\$0.61	\$8.21	\$4.05	\$4.16	12.81%	62%
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI	13	2,782	994	\$10.97	\$9.37	\$0.84	\$0.04	\$0.72	\$0.54	\$9.91	\$4.25	\$5.65	14.60%	59%
OTHER	59	11,273	890	\$7.57	\$6.36	\$0.75	\$0.07	\$0.39	\$0.43	\$6.79	\$3.68	\$3.11	15.97%	59%
REGION IV	612	174,901	837	\$9.84	\$8.32	\$0.86	\$0.08	\$0.57	\$0.61	\$8.93	\$4.58	\$4.35	15.39%	64%
AUSTIN-ROUND ROCK, TX	84	23,214	842	\$10.26	\$9.00	\$0.69	\$0.05	\$0.52	\$0.66	\$9.66	\$5.06	\$4.60	12.32%	64%
DALLAS-PLANO-IRVING, TX	219	67,026	851	\$10.44	\$8.61	\$0.96	\$0.09	\$0.77	\$0.66	\$9.28	\$4.69	\$4.59	17.46%	62%
FT. WORTH-ARLINGTON, TX	76	21,770	828	\$9.50	\$8.04	\$0.84	\$0.11	\$0.51	\$0.68	\$8.73	\$4.50	\$4.22	15.33%	68%
HOUSTON-BAYTOWN-SUGARLAND, TX	119	36,595	830	\$9.30	\$7.93	\$0.87	\$0.09	\$0.42	\$0.48	\$8.41	\$4.36	\$4.04	14.81%	62%
LITTLE ROCK-NORTH LITTLE ROCK, AR	18	3,899	877	\$8.75	\$7.90	\$0.55	\$0.13	\$0.18	\$0.33	\$8.23	\$3.93	\$4.30	9.79%	57%
SAN ANTONIO, TX	48	12,095	787	\$9.38	\$8.02	\$0.82	\$0.08	\$0.45	\$0.70	\$8.72	\$4.76	\$3.96	14.45%	71%
TULSA, OK	14	3,709	794	\$9.49	\$8.40	\$0.84	\$0.03	\$0.23	\$0.38	\$8.78	\$3.92	\$4.86	11.53%	73%
OTHER	34	6,593	845	\$7.81	\$6.76	\$0.70	\$0.07	\$0.28	\$0.44	\$7.19	\$3.61	\$3.58	13.50%	65%
REGION V	145	44,284	880	\$10.24	\$8.69	\$0.94	\$0.07	\$0.54	\$0.64	\$9.32	\$3.86	\$5.47	15.14%	61%
ALBUQUERQUE, NM	11	2,364	862	\$9.34	\$8.50	\$0.62	\$0.03	\$0.19	\$0.52	\$9.02	\$3.79	\$5.23	9.03%	67%
COLORADO SPRINGS, CO	7	1,606	851	\$11.06	\$8.64	\$1.12	\$0.08	\$1.23	\$0.86	\$9.50	\$4.30	\$5.20	21.91%	73%
DENVER-AURORA-BOULDER, CO	74	23,177	903	\$11.16	\$9.37	\$1.02	\$0.07	\$0.70	\$0.67	\$10.04	\$3.96	\$6.08	16.03%	64%
KANSAS CITY, MO-KS	13	4,488	914	\$8.81	\$7.92	\$0.61	\$0.07	\$0.21	\$0.69	\$8.61	\$3.49	\$5.12	10.13%	59%
SALT LAKE CITY	8	3,003	767	\$8.58	\$7.78	\$0.55	\$0.05	\$0.20	\$0.62	\$8.39	\$3.99	\$4.40	9.34%	48%
ST. LOUIS, MO-IL	16	6,263	869	\$9.84	\$8.13	\$1.25	\$0.09	\$0.37	\$0.65	\$8.79	\$3.78	\$5.01	17.36%	61%
OTHER	16	3,383	821	\$7.74	\$6.63	\$0.74	\$0.04	\$0.34	\$0.32	\$6.95	\$3.48	\$3.47	14.41%	47%
REGION VI	414	114,355	886	\$13.85	\$12.66	\$0.81	\$0.07	\$0.31	\$0.74	\$13.41	\$4.63	\$8.78	8.57%	65%
LOS ANGELES-LONG BEACH-GLENDALE, CA	40	9,752	849	\$19.33	\$18.03	\$0.97	\$0.11	\$0.23	\$0.69	\$18.72	\$5.83	\$12.88	6.74%	60%
OAKLAND-FREMONT-HAYWOOD, CA MSA	23	5,758	853	\$17.51	\$16.39	\$0.79	\$0.08	\$0.25	\$0.52	\$16.91	\$5.78	\$11.14	6.37%	60%
PHOENIX-MESA	79	24,112	909	\$9.70	\$8.62	\$0.62	\$0.04	\$0.42	\$0.76	\$9.37	\$3.64	\$5.73	11.23%	67%
PORTLAND-VANCOUVER-BEAVERTON, OR-WA	28</													



2005

**Survey
of
Income
and
Expenses**



**in Rental
Apartment
Communities**

2005 Survey of Income and Expenses in Rental Apartment Communities

2005

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ACKNOWLEDGEMENTS

The 2005 *Survey of Operating Income and Expenses in Rental Apartment Communities* further adds to National Apartment Association's (NAA) success in producing information valuable to its members and the apartment industry. The survey provides executives and professionals in the apartment and related industries with financial information needed to conduct their daily operations that can be used as a tool to support their strategic and business planning. NAA remains committed to improving the survey and presents more valuable revenue related data in this year's report.

I thank Barbara Vassallo, who acted as NAA's staff coordinator for the survey; Roland D. Freeman, a Past NAA President, of Capital Consultants Realty Services, and Robert J. Sheehan II, NAA's Consulting Economist, who jointly assisted in promoting responses, processing and analyzing the data, and wrote the report; Robert J. Sheehan III, of Regis J Sheehan & Associates, for his work in developing the computer programming for tabulation of the results; Paul R. Bergeron III, Rachel F. Goldberg and Jeanine Gajewski, who edited the report; Norman Grandstaff of Ideas Communicated, who designed the report; and RE Data, the firm responsible for data input.

A special note of appreciation goes to those firms who donated their time in accumulating the data necessary to make this survey a success. I am especially grateful to those companies and their officers who contributed data for 20 or more of their properties for the 2005 survey (listed in order of number of submissions).

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Tom Day, CAPS
2005 NAA President

2005 Survey of Income and Expenses in Rental Apartment Communities

Executive Summary

BY ROBERT J. SHEEHAN and ROLAND FREEMAN, CAPS, CRE, CPM

NAA has completed its Survey of Operating Income and Expenses in Rental Apartment Communities for 2005, based on data for 2004. Major findings in this survey of the professionally managed rental apartment industry show more softening in the market rent segment of the rental apartment market, although the market showed signs of improvement in the second half of 2004.

A total of 3,807 properties containing 873,532 units are represented in this report. Reporting of the data is composed of 3,093 market rent properties containing 767,337 units and 714 subsidized properties containing 106,195 units. Forms with partial data or apparent problems that could not be resolved and used were received for 265 more properties with 34,052 units.

The report presents data from four types of properties. Garden and mid-rise/high-rise structures are segmented into individually metered and master metered utilities properties.

Responses from garden properties with individually metered utilities dominate the survey, representing 83 percent of the market rent properties and 46 percent of the subsidized properties. The analysis is, therefore, centered on the garden properties with individually metered utilities.

Average sizes of the market rent garden individually metered properties are 245 units, and 158 units in subsidized units. Rentable floor



area averaged 882 square feet for market rent apartments and 841 square feet for the subsidized units.

The complete report (available online at www.naahq.org/05ies) contains detailed data summarized for six geographic regions and for metropolitan areas with at least 10 properties reported. Seventy-two metropolitan areas met the separate reporting requirement for market rent properties. Sufficient numbers of subsidized properties were submitted for 24 metropolitan areas.

This report also includes tables for the “other” properties in states with at least eight properties located in metro areas that did not meet requirements for separate reporting and in non-metro areas. Tables for market rent properties are given for 13 states, and among subsidized properties there are tables for 15 states. Data is presented in three forms: dollars per unit, dollars per square feet of rentable floor area and as a percentage of gross potential rent (GPR).

Market Rent Properties

Economic Losses. A sluggish labor market until recently produced weakness in the rental apartment since 2000. One measure of the weakness is economic losses. They are defined as the difference between rent revenue collected and GPR expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollect-

Market Rent Properties Summary	43
Metro Area Detailed Income and Expense Data	50
Subsidized Properties Detailed Income and Expense Data	50
Glossary of Terms	51

To view a full survey report or individual market data visit www.naahq.org/05ies.

Regions Used in Survey

Region I	CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, NE, ND, NM, SD, UT, WY
Region VI	AZ, CA, ID, NV, OR, WA

**ALL MARKET RENT PROPERTIES
OPERATING INCOME & EXPENSE DATA**

INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	2636			2563			73		
Number of Units	645955			628518			17437		
Avg. No. of Units/Property	245			245			239		
Avg. No. of Square Feet/Unit	882			882			874		
Turnover rate in %	62%			62%			54%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	9005	10.22	100.0%	8896	10.09	100.0%	12936	14.79	100.0%
Rent Revenue Collected	7747	8.79	86.0%	7652	8.68	86.0%	11201	12.81	86.6%
Losses to Vacancy	783	0.89	8.7%	776	0.88	8.7%	1058	1.21	8.2%
Collection Losses	76	0.09	0.8%	76	0.09	0.9%	68	0.08	0.5%
Losses to Concessions	399	0.45	4.4%	393	0.45	4.4%	610	0.70	4.7%
Other Revenue	507	0.58	5.6%	502	0.57	5.6%	689	0.79	5.3%
Total Revenue	8255	9.36	91.7%	8154	9.25	91.7%	11890	13.60	91.9%
Operating Expenses									
Salaries and Personnel	952	1.08	10.6%	944	1.07	10.6%	1228	1.40	9.5%
Insurance	193	0.22	2.1%	192	0.22	2.2%	225	0.26	1.7%
Taxes	844	0.96	9.4%	833	0.94	9.4%	1223	1.40	9.5%
Utilities	341	0.39	3.8%	339	0.38	3.8%	413	0.47	3.2%
Management Fees	282	0.32	3.1%	278	0.32	3.1%	434	0.50	3.4%
Administrative	158	0.18	1.8%	155	0.18	1.7%	277	0.32	2.1%
Marketing	165	0.19	1.8%	163	0.19	1.8%	231	0.26	1.8%
Contract Services	296	0.34	3.3%	294	0.33	3.3%	383	0.44	3.0%
Repair and Maintenance	312	0.35	3.5%	309	0.35	3.5%	442	0.51	3.4%
Total Operating Expenses	3543	4.02	39.3%	3507	3.98	39.4%	4856	5.55	37.5%
Net Operating Income	4711	5.34	52.3%	4647	5.27	52.2%	7034	8.04	54.4%
Capital Expenditures	701	0.79	7.8%	701	0.79	7.9%	691	0.79	5.3%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	457			348			109		
Number of Units	121382			89046			32336		
Avg. No. of Units/Property	266			256			297		
Avg. No. of Square Feet/Unit	903			902			905		
Turnover rate in %	49%			51%			45%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	12019	13.31	100.0%	10616	11.77	100.0%	15883	17.55	100.0%
Rent Revenue Collected	10652	11.80	88.6%	9244	10.25	87.1%	14528	16.05	91.5%
Losses to Vacancy	890	0.99	7.4%	880	0.98	8.3%	919	1.02	5.8%
Collection Losses	100	0.11	0.8%	106	0.12	1.0%	84	0.09	0.5%
Losses to Concessions	375	0.41	3.1%	388	0.43	3.7%	337	0.37	2.1%
Other Revenue	580	0.64	4.8%	479	0.53	4.5%	857	0.95	5.4%
Total Revenue	11232	12.44	93.4%	9723	10.78	91.6%	15385	17.00	96.9%
Operating Expenses									
Salaries and Personnel	1138	1.26	9.5%	1096	1.22	10.3%	1255	1.39	7.9%
Insurance	233	0.26	1.9%	235	0.26	2.2%	230	0.25	1.4%
Taxes	919	1.02	7.6%	778	0.86	7.3%	1309	1.45	8.2%
Utilities	1059	1.17	8.8%	1026	1.14	9.7%	1150	1.27	7.2%
Management Fees	411	0.46	3.4%	353	0.39	3.3%	570	0.63	3.6%
Administrative	244	0.27	2.0%	216	0.24	2.0%	320	0.35	2.0%
Marketing	168	0.19	1.4%	158	0.18	1.5%	193	0.21	1.2%
Contract Services	414	0.46	3.4%	362	0.40	3.4%	559	0.62	3.5%
Repair and Maintenance	467	0.52	3.9%	420	0.47	4.0%	598	0.66	3.8%
Total Operating Expenses	5054	5.60	42.0%	4644	5.15	43.7%	6183	6.83	38.9%
Net Operating Income	6178	6.84	51.4%	5079	5.63	47.8%	9202	10.17	57.9%
Capital Expenditures	1009	1.12	8.4%	786	0.87	7.4%	1625	1.80	10.2%

Source : National Apartment Association 2005 Survey of Operating Income & Expenses in Rental Apartment Communities

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ed rents and the values of rent concessions. The economic loss rate in the survey averaged 13.99 percent, up from 13.35 percent in 2003, and 11.39 percent in 2002. The 2004 level is 5.25 percentage points higher than the 8.74 percent rate recorded in 2000.

Economic loss rates rose markedly in four of the six NAA regions. The lowest economic loss rate was recorded, as it has been in every one of the NAA surveys, in the Northeast (Region I) at 10.02 percent. A high of 19.99 percent was calculated for properties in the Mountain/South Midwest (Region V). Declines in economic losses occurred in the Southeast (Region II) and the Pacific states (Region VI).

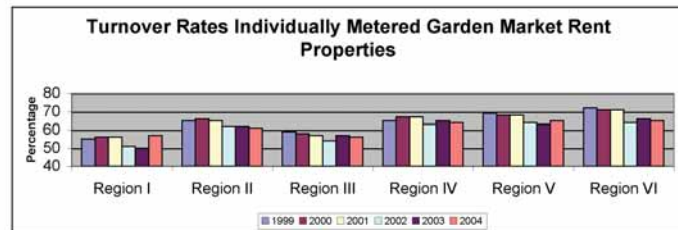
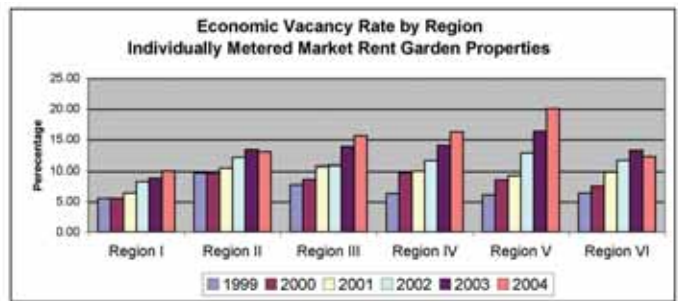
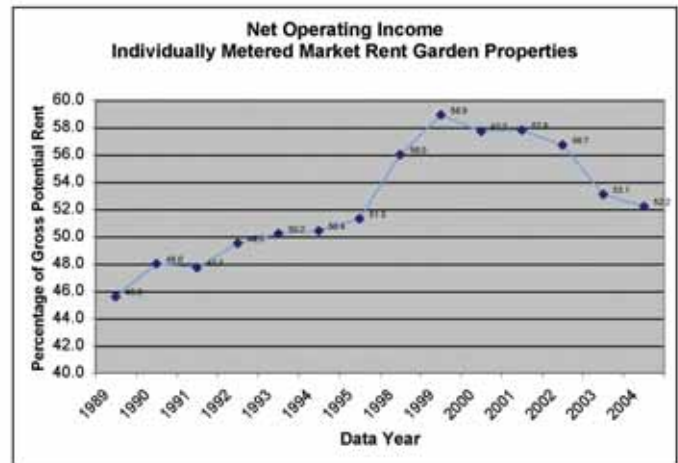
Economic vacancy rates for all of the regions were:

	2004	2003	2002	2001
All	13.99%	13.35%	11.39%	9.69%
Region I	10.02%	8.79%	8.21%	6.36%
Region II	12.89%	13.31%	12.10%	10.44%
Region III	15.54%	13.84%	10.85%	10.64%
Region IV	16.23%	13.98%	11.53%	9.90%
Region V	19.99%	16.33%	12.75%	9.16%
Region VI	12.15%	13.21%	11.54%	9.79%

Net Operating Income and Revenues (NOI). NOI is an important measurement to use for evaluating the health of a property. It is simply the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits. NOI in the survey also revealed the softer rental apartment market with its decline for the fifth straight year in the survey for 2004 data. NOI measured in percent of GPR terms fell to 52.2 percent from the survey historical peak of 58.9 percent in 1999. Regionally NOI's in 2004 ranged from a high of 60.2 percent in the Northeast states (Region I) to a low of 44.4 percent in the Southwest (Region IV). The Southwest states historically have had the lowest NOI among the regions. Average NOI's for all regions for the last two surveys are as follows:

	per unit		per sq. ft.		% of GPR	
	2004	2003	2004	2003	2004	2003
All	\$4,647	\$4,627	\$5.27	\$5.31	52.2%	53.1%
Region I	\$6,868	\$6,607	\$7.72	\$7.48	60.2%	60.9%
Region II	\$4,420	\$4,401	\$4.75	\$4.82	52.5%	52.7%
Region III	\$3,975	\$4,193	\$4.48	\$4.84	48.7%	50.0%
Region IV	\$3,450	\$3,780	\$4.21	\$4.61	44.4%	47.7%
Region V	\$4,708	\$4,745	\$5.35	\$5.43	51.7%	55.6%
Region VI	\$6,355	\$6,073	\$7.30	\$6.98	58.7%	58.7%

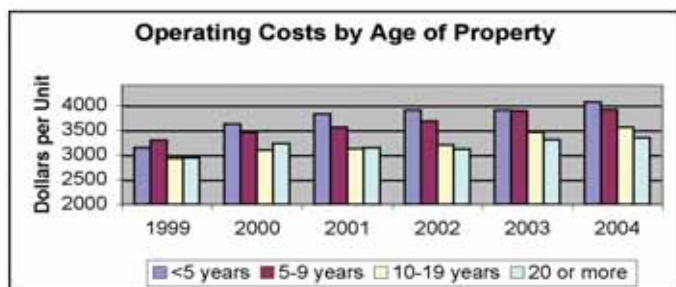
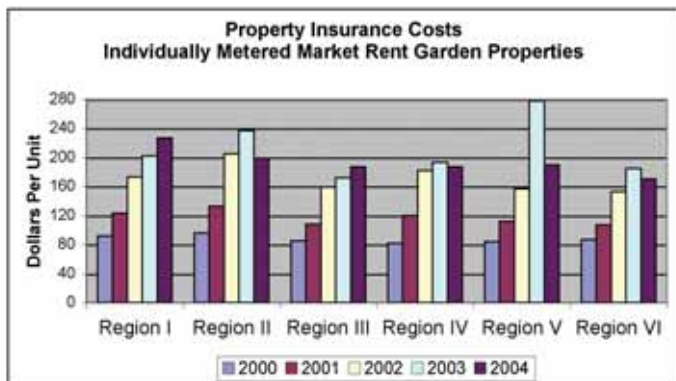
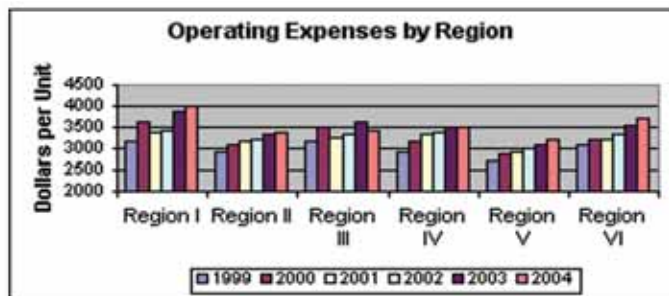
Gross Potential Rent (GPR). GPR in the survey data tables is defined here on a post fiscal year basis. It is the sum of rent revenue collected and revenue losses, including those from vacancies, collections and concessions. A 2 percent increase was recorded in average GPR in the 2004 data over the 2003 data. Average GPR for individually metered garden apartments was \$8,896 per unit (\$741 monthly) in this year's survey versus \$8,719 per unit (\$727 monthly) in the previous survey. Translat-



ed into per square foot of floor area, they were \$10.09 (\$0.84 per month) versus \$10.02 (\$0.84 per month). Median GPR in the current survey is \$7,947 (\$662 per month) versus \$7,631 (\$636 per month) a year ago. The range in 2004 went from \$39,952 (\$3,329 per month) to \$3,932 (\$328 per month) versus \$24,381 (\$2,031 per month) to \$3,294 (\$275 per month) in the 2003 data.

Rent Revenue Collected. Rent revenue collected averaged \$7,652 per individually metered garden property unit annually in the survey up 1.2 percent from the \$7,555 in last year's survey. Measured on a per-square-foot basis, rent revenue averaged \$8.68 per square foot, the same amount reported in the 2003 data.

Revenue Losses. Revenue losses rose to 13.99 percent of GPR in 2004 data versus 3.35 percent of GPR for 2003 data. Data for revenue losses were reported in three categories: those due to vacancies, collections and concessions. All three measures of revenue losses increased markedly. Vacancy losses for individually metered market rent garden properties averaged 8.7 percent of GPR in the current survey (\$776 per unit, \$0.88 per square foot) versus 8.3 percent of GPR (\$725 per unit, \$0.83 per



square foot) a year ago. Collection losses averaged 0.9 percent of GPR (\$76 per unit, \$0.09 per square foot) in comparison to 1.3 percent of GPR (\$114 per unit, \$0.13 per square foot) for 2003 data. And losses from rent concessions averaged 4.4 percent of GPR (\$339 per unit in the property, \$0.39 per square foot) versus 3 percent of GPR (\$339 per unit in the property, \$0.45 per square foot).

Other Revenue Collected. Other revenue collected from operating sources includes receipts from onsite laundries, cable, telephone systems, parking fees and other charges for services and amenities. These other operating revenues averaged \$5.02 per unit (\$0.57 per square foot) for individually metered garden properties reported in the survey down from the \$540 per unit (\$0.62 per square foot) a year earlier. Other non-rent operating revenues ranged from none to \$3,872 per unit. Median other operating revenues were \$451 per unit.

Total Operating Expenses. Rental apartment managers were able to control operating expenses more effectively last year. Total operating expenses for individually metered garden properties in the survey averaged \$3,507 per unit (\$3.98 per square foot) up about 1 percent from the \$3,468 per unit (\$3.98 per square foot) in 2003. The totals represented 39.4 percent of GPR

versus 39.8 percent a year earlier.

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of any reimbursements from residents), management fees, administration, marketing, contract services, and repair and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

The two largest increases were in salaries and personnel and marketing costs. Salaries and personnel costs rose 11 percent to \$944 per unit from \$848 per unit (10.6 percent of GPR versus 9.7 percent a year earlier). Marketing costs rose 7 percent to \$163 from \$152 a year earlier. Insurance costs moderated after two years of sharp increases. They dropped 5 percent to \$192 per unit (\$0.22 per square foot) from \$203 per unit (\$0.23 per square foot). Administration costs declined 3 percent.

Turnover Rates. Turnover rates were unchanged at 62 percent of total units among the individually metered garden apartment properties reported in the survey. The range in turnover rates has been from 59 percent to 69 percent over the history of this survey. The low occurred in the data for 1995 and the high during the recession year of 1990. Increases last year in the turnover rates occurred in the Northeast (Region I) and the Mountain/South Midwest States (Region V). They declined slightly in the other four regions. The only significant change was in the Northeast (Region I) where the turnover rate rose to 57 percent from 50 percent.

Age of Property. Operating expenses on a percentage of GPR basis rise as properties age. They were 34.5 percent of GPR in properties less than five years old and rose to 43.5 percent for properties 20 or more years old. Significantly higher rents in newer properties produce a reverse pattern in operating expenses measured in dollars per unit and per square foot. They increased from \$3,345 per unit for properties 20 or more years old to \$4,060 per unit for those less than five years old. GPR per unit increased from a low of \$7,943 per unit (\$9.39 per square foot) in the oldest property category to \$11,773 per unit (\$11.93 per square foot) in the newest group.

Average NOI in terms of percentages of GPR was the lowest for the oldest properties reported at 49.3 percent for those that were 20 or more years old. The highest occurred in properties 10 to 19 years old at 55.6 percent, followed by 54.1 percent for those five to nine years old and 53.2 percent for those less than five years old. NOI in dollars per unit terms increases from a low in the oldest properties to a high in the newest properties. Spreads in GPR account for most of the differences in the dollar terms of NOIs by age of property.

Economic losses were the highest among the newest properties. Properties less than five years reported the highest ratio of economic losses at 17.01 percent and those 10 to 19 years old have the lowest losses at 12.14 percent.

There are some distinct differences in the individual cost components of operating costs by age of properties. The largest difference is in real estate and related property taxes and fees.

**OPERATING EXPENSES BY AGE AND SIZE OF PROPERTY
INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES**

	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin.	Mrktg.	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend.
Age of Property											
<i>Dollars Per Unit</i>											
Less than 5 years old	1005	212	1138	338	315	209	265	305	276	4060	222
5 to 9 years old	993	204	1155	320	296	160	187	294	300	3909	565
10 to 19 years	958	178	892	311	291	135	155	310	326	3556	666
20 or more years	920	197	703	360	263	161	155	283	303	3345	668

<i>Dollars Per Square Foot</i>											
Less than 5 years old	1.02	0.21	1.15	0.34	0.32	0.21	0.27	0.31	0.28	4.11	0.23
5 to 9 years old	0.99	0.20	1.15	0.32	0.29	0.16	0.19	0.29	0.30	3.90	0.56
10 to 19 years	1.09	0.20	1.01	0.35	0.33	0.15	0.18	0.35	0.37	4.03	0.99
20 or more years	1.09	0.23	0.83	0.43	0.31	0.19	0.18	0.33	0.36	3.95	0.79

<i>Percent of Gross Potential Rent</i>											
Less than 5 years old	8.5%	1.8%	9.7%	2.9%	2.7%	1.8%	2.3%	2.6%	2.3%	34.5%	1.9%
5 to 9 years old	11.0%	1.9%	10.8%	3.0%	2.8%	1.5%	1.7%	2.8%	2.8%	36.5%	5.3%
10 to 19 years	10.1%	1.9%	9.4%	3.3%	3.1%	1.4%	1.6%	3.3%	3.4%	37.6%	9.2%
20 or more years	11.6%	2.5%	8.9%	4.5%	3.3%	2.0%	2.0%	3.6%	3.8%	42.1%	8.4%

<i>Percent of Total Operating Costs</i>											
Less than 5 years old	24.8%	5.2%	28.0%	8.3%	7.8%	5.1%	6.5%	7.5%	6.8%	100.0%	
5 to 9 years old	25.4%	5.2%	29.5%	8.2%	7.6%	4.1%	4.8%	7.5%	7.7%	100.0%	
10 to 19 years	26.9%	5.0%	25.1%	8.7%	8.2%	3.8%	4.4%	8.7%	9.2%	100.0%	
20 or more years	27.5%	5.9%	21.0%	10.8%	7.9%	4.8%	4.6%	8.5%	9.1%	100.0%	

Size of Property											
<i>Dollars Per Unit</i>											
Less than 100 units	866	141	555	246	258	137	140	293	320	2955	1052
100 to 249 units	994	199	786	357	290	176	174	305	322	3602	712
250 to 499 units	937	195	873	338	277	147	165	288	302	3523	685
More than 500 units	897	183	875	341	265	145	143	293	303	3444	616

<i>Dollars Per Square Foot</i>											
Less than 100 units	1.27	0.21	0.81	0.36	0.38	0.20	0.20	0.43	0.47	4.33	1.54
100 to 249 units	1.12	0.22	0.88	0.40	0.33	0.20	0.20	0.34	0.36	4.04	0.80
250 to 499 units	1.04	0.22	0.97	0.38	0.31	0.16	0.18	0.32	0.34	3.93	0.65
More than 500 units	1.03	0.21	1.00	0.39	0.30	0.17	0.16	0.34	0.35	3.94	0.71

<i>Percent of Gross Potential Rent</i>											
Less than 100 units	12.7%	2.1%	8.1%	3.6%	3.8%	2.0%	2.0%	4.3%	4.7%	43.3%	15.4%
100 to 249 units	11.2%	2.2%	8.9%	4.0%	3.3%	2.0%	2.0%	3.4%	3.6%	40.6%	8.0%
250 to 499 units	10.3%	2.1%	9.6%	3.7%	3.0%	1.6%	1.8%	3.2%	3.3%	38.8%	7.5%
More than 500 units	10.0%	2.0%	9.8%	3.8%	3.0%	1.6%	1.6%	3.3%	3.4%	38.5%	6.9%

<i>Percent of Total Operating Costs</i>											
Less than 100 units	29.3%	4.8%	18.8%	8.3%	8.7%	4.6%	4.7%	9.9%	10.8%	100.0%	
100 to 249 units	27.6%	5.5%	21.8%	9.9%	8.1%	4.9%	4.8%	8.5%	8.9%	100.0%	
250 to 499 units	26.6%	5.5%	24.8%	9.6%	7.9%	4.2%	4.7%	8.2%	8.6%	100.0%	
More than 500 units	26.0%	5.3%	25.4%	9.9%	7.7%	4.2%	4.2%	8.5%	8.8%	100.0%	

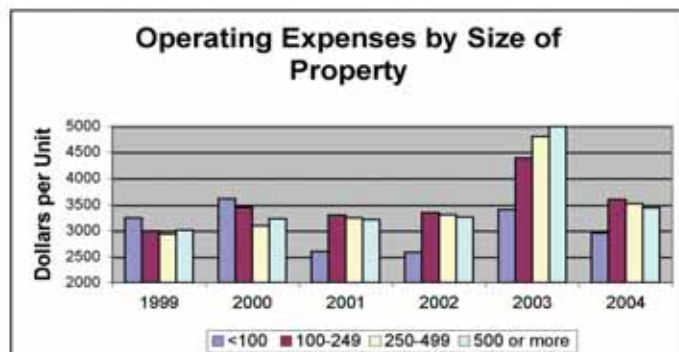
Source: National Apartment Association 2004 Survey of Operating Income & Expenses in Rental Apartment Communities
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They varied from a high average of \$1,155 per unit (\$1.15 per square foot) in those properties less than five years old to a low of \$703 (\$0.83 per square foot) for those aged 20 or more years.

Repair and maintenance costs were the lowest in the newest properties, as one would expect. A low average of \$276 per unit (\$0.28 per square foot) was reported for properties less than five years old. A high of \$325 per unit (\$0.37 per square foot) occurred for those 20 or more years old.

Capital expenditures were significantly lower for the newest properties. They averaged \$222 per unit (\$0.23 per square foot) for those properties less than five years old. The highest average was reported for properties 20 or more years old at \$668 per unit (\$0.79 per square foot).

Size of Property. Presence of scale economies in apart-



ment properties would be evident if operating costs were to decline as the size of properties increases. Economies of scale did

REVENUES AND NOI BY AGE AND SIZE OF PROPERTY
INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES

AGE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years
No. of Properties	97	245	787	1221	97	245	787	1221	97	245	787	1221
No. of Units	26649	72701	196984	275938	26649	72701	196984	275938	26649	72701	196984	275938
Avg. No. of Units/Property	275	297	250	226	275	297	250	226	275	297	250	226
Avg. No. of Square Feet/Unit	987	1003	883	842	987	1003	883	842	987	1003	883	842
Turnover Rate in %	61%	63%	64%	60%	61%	63%	64%	60%	61%	63%	64%	60%
Gross Potential Rent	11773	10697	9449	7943	11.93	10.66	10.70	9.39	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	9770	9128	8302	6773	9.90	9.10	9.40	8.01	83.0%	85.3%	87.6%	85.3%
Losses to Vacancies	1049	877	717	766	1.06	0.87	0.81	0.91	8.9%	8.2%	7.6%	9.6%
Losses to Collections	80	75	75	76	0.08	0.08	0.09	0.09	0.7%	0.7%	0.8%	1.0%
Losses to Concessions	874	617	354	329	0.89	0.62	0.40	0.39	7.4%	5.8%	3.8%	4.1%
Other Revenue Collected	553	563	500	486	0.56	0.56	0.57	0.57	4.7%	5.3%	5.3%	6.1%
Total Revenue Collected	10322	9690	8803	7259	10.46	9.66	9.97	8.58	87.7%	90.6%	93.2%	91.4%
Total Operating Expenses	4060	3909	3556	3345	4.11	3.90	4.03	3.95	34.5%	36.5%	37.6%	42.1%
Net Operating Income	6262	5782	5247	3913	6.34	5.76	5.94	4.63	53.2%	54.0%	55.6%	49.3%
Economic Losses Rates (%)	17.01%	14.67%	12.14%	14.73%	17.01%	14.67%	12.14%	14.73%	17.01%	14.67%	12.14%	14.73%

SIZE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units
No. of Properties	437	1007	988	131	437	1007	988	131	437	1007	988	131
No. of Units	30300	179419	329686	89113	30300	179419	329686	89113	30300	179419	329686	89113
Avg. No. of Units/Property	69	178	334	680	69	178	334	680	69	178	334	680
Avg. No. of Square Feet/Unit	682	891	897	873	682	891	897	873	682	891	897	873
Turnover Rate in %	65%	62%	62%	58%	65%	62%	62%	58%	65%	62%	62%	58%
Gross Potential Rent	6830	8871	9088	8937	10.01	9.95	10.13	10.23	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	5949	7627	7822	7650	8.72	8.56	8.72	8.76	87.1%	86.0%	86.1%	85.6%
Losses to Vacancies	594	759	787	829	0.87	0.85	0.88	0.95	8.7%	8.6%	8.7%	9.3%
Losses to Collections	71	79	75	75	0.10	0.09	0.08	0.09	1.0%	0.9%	0.8%	0.8%
Losses to Concessions	217	407	405	384	0.32	0.46	0.45	0.44	3.2%	4.6%	4.5%	4.3%
Other Revenue Collected	385	494	525	473	0.56	0.55	0.59	0.54	5.6%	5.6%	5.8%	5.3%
Total Revenue Collected	6334	8121	8347	8123	9.28	9.11	9.30	9.30	92.7%	91.6%	91.8%	90.9%
Total Operating Expenses	2955	3602	3523	3444	4.33	4.04	3.93	3.94	43.3%	40.6%	38.8%	38.5%
Net Operating Income	3379	4519	4825	4679	4.95	5.07	5.38	5.36	49.5%	50.9%	53.1%	52.4%
Economic Losses Rates (%)	12.90%	14.02%	13.93%	14.40%	12.90%	14.02%	13.93%	14.40%	12.90%	14.02%	13.93%	14.40%

Source : National Apartment Association 2005 Survey of Operating Income & Expenses in Rental Apartment Communities
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appear when total operating costs were measured on a percentage of gross potential rent basis. They drop from 43.3 percent of GPR in properties with less than 100 units to a low of 38.5 percent in those containing 500 or more units. The survey results, however, did not show scale economies on a cost per unit basis. The lowest operating costs, at \$2,955 dollars per unit, were in the smallest properties—those with less than 100 units. The highest operating costs occurred in properties with 100 to 249 units at \$3,602 per unit.

Economic losses did not vary widely based on property size. They were highest with properties with 250 to 499 units at 13.73 percent of GPR and the lowest for properties with less than 100 units. Properties with 100 to 249 units had a 13.14 percent economic loss ratio and those with 500 or more units reported a 12.87 percent average.

Detailed Marketing Expenditures. Magazine advertising dominates the specific designated categories of marketing expenditures in the responses to the special question in this year's survey. Respondents were asked to give breakdown of mar-

keting expenditures. The specific expenditures identified in the question were magazines, newspapers, Web, mail and radio/television. The "other" category includes additional forms of marketing and related expenditures. Detailed marketing data was submitted for about half of the market rent garden and mid-high rise properties respectively.

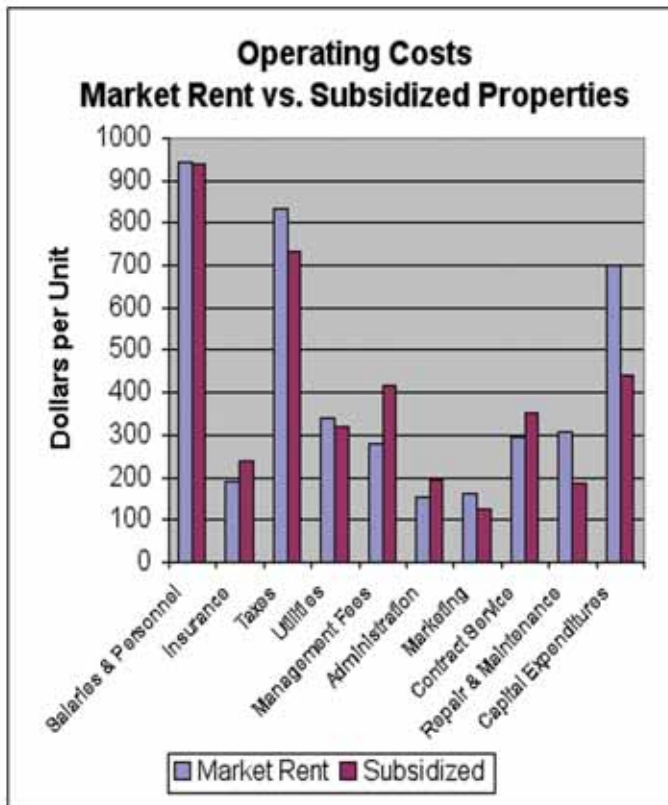
Advertising in magazines averaged \$82 per unit—29 percent of total marketing costs (TMC)—in market rent garden properties reporting the detail in the survey. Web advertising was second with a \$17 per unit average, followed by newspaper at \$10 and mail at \$1. Advertising through radio and television averaged less than \$1 per unit. "Other" marketing costs averaged \$95 per unit (53 percent of TMC). Several respondents noted that marketing through special events was a major component of the "other" category expenditures in their communities.

Total marketing coast were higher in the mid- high-rise properties responding to the special question at \$248 per unit (33 percent of TMC). Magazine advertising also accounted for the highest expenditures, but the \$72 per unit average represented a

ECONOMIC VACANCY RATES - NOI - TURNOVER
METROPOLITAN AREAS
MARKET RENT GARDEN PROPERTIES - INDIVIDUALLY METERED

	2005 Survey						2004 Survey					
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Turnover Rate	Net Operating Income NOI (%)	Economic Losses as a %	Economic Losses as a %	Net Operating Income NOI (%)	Turnover Rate	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
All Properties	2563	628518	882	62%	52.2%	13.99%	13.35%	53.1%	62%	2564	609569	871
REGION I	198	48788	890	57%	60.2%	10.03%	8.79%	60.9%	50%	175	40490	883
BALTIMORE, MD MSA	29	6265	854	57%	60.6%	9.55%	9.11%	58.0%	50%	19	3625	868
BOSTON, MA-NH MSA	11	3030	951	55%	55.9%	12.83%	11.21%	60.1%	52%	10	2093	896
HARTFORD, CT MSA	9	1794	951	54%	59.5%	10.55%	6.63%	54.2%	51%	14	1737	979
NEW HAVEN, CT MSA	12	1480	694	50%	55.7%	8.46%	8.39%	61.4%	50%	8	1387	895
NORF. VA BEACH-NEWPT NEWS, VA-NC MSA	13	4446	980	63%	66.0%	5.46%	5.08%	63.5%	52%	12	3812	993
NORTHERN NEW JERSEY MSA's	8	3168	725	52%	62.5%	10.32%	N/A	N/A	N/A	N/A	N/A	N/A
PHILADELPHIA, PA-NJ MSA	3	748	831	48%	62.5%	10.58%	9.43%	55.2%	39%	6	1572	842
PITTSBURGH, PA MSA	9	833	754	49%	57.0%	9.26%	9.19%	48.7%	54%	13	1914	782
PROVIDENCE, RI MSA	7	1716	918	54%	56.7%	11.76%	6.52%	57.8%	47%	10	2140	1091
RICHMOND-PETERSBURG, VA MSA	22	7012	902	60%	53.5%	10.63%	11.11%	58.2%	52%	17	4576	850
SPRINGFIELD, MA MSA	2	192	989	52%	57.9%	8.72%	N/A	N/A	N/A	N/A	N/A	N/A
WASHINGTON, DC-MD-VA-WV MSA	52	14508	893	57%	62.8%	10.11%	8.71%	65.3%	51%	33	11910	846
Other	21	3596	975	62%	57.9%	10.72%	9.56%	62.5%	51%	22	3774	815
REGION II	883	211866	931	61%	52.5%	12.99%	13.31%	52.7%	62%	839	190708	914
ALBANY, GA MSA	11	1152	824	66%	40.7%	16.21%	N/A	N/A	N/A	N/A	N/A	N/A
ATLANTA, GA MSA	140	37651	1000	61%	49.7%	16.79%	15.04%	51.8%	65%	183	48143	963
AUGUSTA, GA MSA	12	2273	828	61%	49.1%	12.74%	18.35%	39.8%	78%	10	1591	788
CHARLESTON, SC MSA	11	2570	949	63%	56.1%	11.70%	12.32%	54.3%	54%	14	3152	903
CHARLOTTE, NC MSA	47	12724	947	63%	50.5%	13.16%	15.95%	49.0%	60%	43	10554	910
COLUMBIA, SC MSA	21	5636	940	67%	47.6%	14.92%	13.75%	48.0%	59%	16	4368	927
DAYTON, OH MSA	12	1196	743	63%	56.1%	8.42%	11.74%	51.6%	72%	12	1289	756
FT. LAUDERDALE, POMPA BEACH-DEERFIELD BEACH, FL, MD	9	3315	937	59%	57.6%	9.97%	11.43%	50.5%	58%	15	4360	892
GREENSBORO-WINSTON SALEM-HIGH POINT, NC MSA	42	9119	924	57%	51.9%	12.88%	14.62%	51.4%	50%	28	5320	879
GREENVILLE-SPARTANBURG-ANDERSON, SC MSA	24	5579	907	63%	50.2%	12.03%	17.56%	42.6%	67%	22	3940	861
JACKSON, MS MSA	9	2130	981	29%	52.1%	7.74%	N/A	N/A	N/A	N/A	N/A	N/A
JACKSONVILLE, FL MSA	58	15446	917	60%	55.8%	11.46%	8.88%	59.0%	64%	55	15294	942
KNOXVILLE, TN MSA	11	2049	919	59%	40.0%	16.66%	9.21%	41.9%	58%	15	2969	940
LEXINGTON, KY MSA	16	2313	816	51%	51.7%	15.06%	15.01%	49.4%	58%	15	1546	761
LOUISVILLE, KY-IN MSA	17	2996	830	59%	51.0%	18.18%	13.86%	51.7%	58%	16	2009	773
MACON, GA MSA	14	1850	918	55%	51.5%	9.48%	N/A	N/A	N/A	N/A	N/A	N/A
MEMPHIS, TN-AR MSA	22	8669	877	39%	39.9%	17.52%	N/A	N/A	N/A	N/A	N/A	N/A
MIAMI-MIAMI BEACH-KENDALL, FL, MD	33	7117	941	58%	56.7%	9.16%	9.65%	56.2%	54%	37	8327	948
NASHVILLE, TN MSA	33	10303	914	65%	57.0%	11.27%	10.15%	57.3%	61%	26	9126	908
ORLANDO, FL MSA	67	17373	950	67%	55.2%	11.35%	13.05%	52.9%	64%	60	15343	956
PENSACOLA-FERRYPASS-BRENT, FL MSA	14	1853	778	85%	60.2%	7.89%	5.39%	60.7%	88%	12	1048	608
RALEIGH-DURHAM-CHAPEL HILL, NC MSA's	51	13560	924	61%	49.7%	15.13%	16.37%	49.9%	57%	51	12897	905
SARASOTA-BRADENTON-VENICE, FL MSA	10	1924	932	66%	54.5%	11.63%	12.94%	54.3%	61%	14	2835	917
SAVANNAH, GA MSA	9	1348	860	75%	61.8%	6.76%	12.70%	50.4%	71%	14	1407	761
TAMPA-ST. PETERSBURG-CLEARWATER, MSA	61	16121	883	64%	55.6%	10.36%	12.55%	54.2%	63%	69	17086	855
WEST PALM BEACH-BOCA RATON-BOYTON BEACH, FL, MD	26	5472	957	64%	57.5%	11.26%	12.01%	62.4%	54%	30	5954	898
WILMINGTON, NC MSA	8	2420	942	77%	67.3%	6.53%	N/A	N/A	N/A	N/A	N/A	N/A
Other	95	17707	922	55%	51.3%	11.80%	12.79%	48.2%	64%	77	10412	868
REGION III	364	65461	886	56%	48.7%	15.64%	13.84%	50.0%	57%	417	73024	867
CHICAGO-NAPERVILLE-JOLIET, IL MSA	27	8972	915	54%	54.5%	13.65%	13.91%	52.6%	57%	33	11538	920
CINCINNATI-MIDDLETON-OH-KY-IN MSA	39	6897	1087	49%	47.8%	15.73%	12.15%	47.5%	49%	39	6113	991
CLEVELAND-ELYRIA-MENTOR, OH MSA	12	802	591	60%	53.6%	14.67%	9.53%	51.5%	56%	18	1620	707
COLUMBUS, OH MSA	64	8651	838	59%	47.8%	14.78%	12.88%	50.7%	59%	71	7053	711
DAYTON, OH MSA	24	2766	765	56%	54.1%	11.30%	9.67%	53.0%	54%	30	3502	777
DETROIT-WARREN-LIVONIA, MI MSA	40	6799	817	54%	49.2%	15.65%	13.61%	50.6%	55%	39	7707	903
INDIANAPOLIS, IN MSA	63	12197	837	65%	48.5%	17.07%	16.95%	47.2%	61%	83	15681	836
LANSING, MI MSA	10	1871	945	55%	47.1%	18.70%	11.94%	47.3%	53%	13	2525	966
MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-IL MSA	17	3819	1047	62%	45.5%	18.08%	13.78%	49.1%	59%	11	2959	1021
TOLEDO, OH MSA	9	959	687	63%	50.6%	12.70%	N/A	N/A	N/A	N/A	N/A	N/A
Other	59	11728	877	58%	43.1%	16.62%	13.65%	48.3%	56%	80	14326	847
REGION IV	575	159414	820	64%	44.4%	16.23%	13.98%	47.7%	65%	618	171732	820
AUSTIN-ROUND ROCK, TX MSA	66	17977	835	67%	46.8%	15.05%	15.32%	47.8%	61%	70	20832	819
DALLAS-FLOND-IRVING, TX, MD	178	51084	824	62%	43.3%	16.68%	14.19%	47.3%	64%	171	51326	836
FT. WORTH-ARLINGTON, TX, MD	80	21985	805	69%	42.5%	16.15%	13.21%	44.3%	73%	80	16533	795
HOUSTON-BAYTOWN-SUGARLAND, TX, MSA	145	42685	821	63%	43.9%	17.64%	14.21%	48.1%	62%	167	49167	826
LITTLE ROCK-NORTH LITTLE ROCK, AR MSA	9	2048	897	45%	53.0%	11.21%	N/A	N/A	N/A	N/A	N/A	N/A
LUBBOCK, TX MSA	14	2511	792	65%	39.7%	16.90%	11.84%	48.0%	79%	23	3612	762
OKLAHOMA CITY, OK MSA	9	3127	897	77%	48.7%	16.34%	8.6%	40.8%	63%	9	3070	763
SAN ANTONIO, TX MSA	25	6411	777	66%	48.4%	13.54%	13.40%	49.8%	64%	36	8956	775
TULSA, OK MSA	13	3772	715	73%	50.5%	12.02%	13.01%	53.4%	69%	29	7516	795
Other	36	7814	844	66%	44.7%	13.33%	12.14%	49.1%	63%	51	10720	852
REGION V	167	42281	880	65%	51.7%	19.99%	16.33%	55.6%	63%	161	40119	874
COLORADO SPRING, CO MSA	16	3276	853	76%	46.1%	25.26%	19.70%	49.3%	66%	18	3288	848
DENVER-AURORA-Boulder, CO MSA's	85	22357	873	65%	52.7%	21.44%	19.61%	54.8%	70%	51	13877	852
KANSAS CITY, MO-KR MSA	10	2866	953	55%	55.5%	16.59%	13.91%	61.5%	56%	27	8562	915
ST. LOUIS, MO-IL MSA	15	4217	902	66%	50.4%	16.27%	13.38%	50.8%	53%	11	3391	843
Other	41	9565	876	63%	50.3%	16.08%	15.14%	52.3%	63%	39	7100	840
REGION VI	376	100708	870	65%	58.7%	12.15%	13.21%	58.7%	66%	356	93498	870
LAS VEGAS-PARADISE, NV MSA	18	5748	760	58%	52.7%	13.74%	15.00%	56.5%	62%	14	4308	781
LOS ANGELES-LONG BEACH-GLENDALE, CA, MD	30	7890	867	63%	64.8%	8.20%	8.41%	65.9%	56%	22	7206	893
PHOENIX-MESA-SCOTTSDALE, AZ MSA	101	28384	872	71%	51.2%	17.34%	19.63%	50.5%	68%	124	34201	878
PORTLAND-VANCOUVER-BEAVERTON SALEM, OR-VA MSA	20	5991	962	72%	53.3%	12.86%	16.06%	53.2%	81%	13	4176	931
RIVERSIDE-SAN BERNARDINO, CA MSA	12	3404	785	62%	65.1%	6.93%	N/A	N/A	N/A	N/A	N/A	N/A
SAN DIEGO-CARLSBAD-SAN MARCOS, CA MSA	25	6456	894	58%	66.1%	7.65%	7.33%	68.8%	68%	19	6007	910
SAN FRANCISCO-OAKLAND-SAN JOSE, CA MSA's	37	9247	844	59%	61.3%	10.77%	10.52%	63.5%	62%	22	5232	865
SANTA ANA-ANAHEIM-IRVINE, CA, MD	48	14499	890	57%	64.8%	8.75%	8.50%	56.4%	70%	10	1252	875
SEATTLE-TACOMA-BELLEVUE, WA MSA	51	11774	878	72%	53.1%	16.43%	13.68%	56.1%	71%	56	13691	850
TUCSON, AZ MSA	14	3481	813	68%	47.4%	18.04%	13.73%	56.3%	65%	30	6579	797
Other	20	3834	931	70%	60.8%	10.05%	6.79%	66.7%	80%	23	4273	911

Source: National Apartment Association 2004 Survey of Operating Income & Expenses in Rental Apartment Communities
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smaller share of the total. Newspaper spending was second at \$22 per units followed by \$21 per unit for Web advertising.

Metro Area Detailed Operating Income and Expense Data

Detailed tables in the report are presented for the 72 metropolitan areas for which a total of 10 properties of all types were reported in the survey. This is the only section of the report with metropolitan area data for garden, mid- and high-rise building properties and further segmented into those with utilities that were either individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

Some highlights of the metropolitan area data follow. They are limited to garden properties with individually metered utilities in metropolitan areas with at least 10 properties of this type reported, unless otherwise noted.

- NOIs on a dollar-per-square-foot basis ranged from \$11,043 (\$12.73 per square foot) in the Los Angeles-Long Beach-Glendale metro area to \$2,682 (\$4.75 per square foot) in Albany, Ga. San Diego, Calif., had the high NOI when measured in percentage of GPR terms at 66.1 percent and Memphis, Tenn.-Arkansas had the low at 39.9 percent.

- GPR averages were the highest in the Los Angeles-Long Beach-Glendale metro area at \$17,040 per unit (\$19.65 per square foot). A low of \$5,848 per unit (\$8.50 per square foot) was tabulated for properties reported from Toledo, Ohio.

- Economic losses were lowest in Norfolk-Virginia Beach-Newport News metro area at 5.46 percent and Savannah, Ga., at 6.76 percent. Both, however, have small numbers of individually

metered garden properties reported. Metro areas with the highest economic losses were Colorado Springs at 25.26 percent, and Denver-Boulder at 21.44 percent.

- Properties reporting from Providence, R.I., had the highest operating costs at \$5,343 per unit (\$5.82 per square foot), followed by Los Angeles-Long Beach-Glendale at \$5,195 per unit (\$4.20 per square foot). A low of \$2,584 per unit (\$2.74 per square foot) was reported for those properties located in Wilmington, N.C.

- Real estate taxes tended to be the most significant factor in the rankings of metro areas based on total operating costs. Fort Lauderdale-Pompano Beach-Deerfield Beach, Fla., had the highest per unit real estate taxes at \$1,641 followed by Los Angeles-Long Beach-Glendale at \$1,601 and Chicago (the previous leader for a long time) at \$1,588 per unit. The lowest average was for properties located in Lexington, Ky., at \$351 followed by Oklahoma City at \$396 per unit.

- Insurance costs on a per unit basis were the highest at \$273 in Norfolk-Virginia Beach-Newport News, Va.-N.C., followed by Fort Lauderdale, Fla., at \$272. They were the lowest in Springfield, Mass., at \$95 per unit.

- Salaries and personnel costs were the lowest in the Pensacola-Ferry Pass-Brent, Fla., metro area at \$692 per unit. Springfield, Mass., had the highest average at \$1,333 per unit followed by the \$1,136 in Boston, and \$1,130 in New Haven, Conn.

- Cincinnati had the largest units among the metro areas reported separately in this report with an average of 1,087 square feet of floor area per unit. Minneapolis-St. Paul had the second largest average size units at 1,047 square feet. Properties reporting from Cleveland had the low average at 591 square feet per unit.

- Metropolitan areas with the most garden properties reporting that were individually metered were Atlanta (140), Dallas (178), Houston (145) and Phoenix (101).

Subsidized Properties Income and Expense Summary

Operating Income and Expense Summary. Data was received for 714 subsidized properties containing 106,195 units. Garden properties with individually metered utilities represent the largest sub group of properties reporting and analysis here will be limited to them. (Analysis of other subsidized properties can be found at www.naahq.org/05ies.) Data tables are presented for 23 metropolitan areas that met the 10-property minimum for separate reporting.

Subsidized garden apartment properties with individually metered utilities tend to have fewer units and less floor area than the market rent units. They contained an average of 156 units versus 245 units for market rent properties of the same type. These subsidized properties had an average of 841 square feet of floor area versus 882 square feet for the market rent properties.

Revenues. GPR averaged \$8,642 per unit (\$10.27 per square foot) annually in this year’s survey, up 5 percent from the \$8,226 (\$9.54 per square foot) a year earlier. Rental revenues averaged \$7,847 (\$9.33 per square foot) versus \$7,385 per unit (\$8.57 per square foot). Other operating revenues in subsidized properties increased 10 percent last year. They averaged \$489 per unit

(\$0.58 per square foot) in 2004 up from \$441 per unit (\$0.51 per square foot) for 2003.

Operating Expenses. Operating expenses in subsidized properties were close to those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$3,510 (\$4.17 per square foot) in 2004 up 4 percent from the \$3,374 per unit (\$3.92 per square foot) of 2003. The market rent property average in 2004 was \$3,507 (\$3.98 per square foot).

Net Operating Income. Subsidized properties had a slightly lower average NOI in all three measures. NOI for subsidized properties in the survey averaged 55.8 percent of GPR versus 52.2 percent for the market rent properties. The other comparisons were \$4,826 versus \$4,647 on a dollars-per-unit basis, and \$5.74 versus \$5.27 on a per-square-foot-of-floor-area basis.

Economic Losses. Economic losses tend to be lower in subsidized properties with their lower rents and relatively tight supply. A 9.2 percent average rate was calculated for the subsidized individually metered garden properties versus 14 percent for market rent units. The economic loss ratio in subsidized properties improved significantly from the 11.39 percent recorded a year earlier.

Turnover Rates. Occupants of subsidized apartments have lower income and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 39 percent versus 62 percent for market rent units.

Glossary of Terms

Administrative. This includes the total office expenses (i.e., telephone, computers, forms, office rental and furniture).

Capital Expenditures. Non-recurring capital expenditures. Improvements not included as an expense item in operating expenses (i.e., renovations, appliance replacements, etc.). A zero on the line meant there were no capital expenditures.

Contract Services. Total landscape maintenance, exterminating, trash removal, security, snow removal and other services costs typically provided on contract basis.

GPR Commercial. Total potential rents for all commercial space if area would have been 100 percent occupied.

GPR Residential. Total rents of all occupied units at 2004 lease rates and all vacant units at 2004 street/market rents (or fiscal year end).

Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. This includes property hazard and liability and real property insurance, and does not include payroll insurance.

Marketing. Total media advertising, collateral materials, locator fees, model expense, promotions, etc.

Management Fees. Total fees paid to managing agent from owner.

Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable square feet of floor space in residential units only. Area reported should include only finished space inside four perimeter walls of

each unit. Common areas should be excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Does not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Rent Controlled Property. Whether the property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Repair and Maintenance. Total of all general maintenance and repairs, cleaning, decorating, painting, plumbing, electrical, HVAC, etc. Nonrecurring capital expense not included.

Residential Units Revenue Losses to Collections. Amount of residential rents not received due to collection losses.

Residential Units Revenue Losses to Concessions. Amounts of gross potential residential rents not received due to concessions.

Residential Units Revenue Losses to Vacancies. Annual amount of rental income for residential units not collected due to vacancies and other use of units, such as models and offices.

Salary and Personnel Costs. Gross salaries and wages paid to employee's onsite. Includes value of employee apartment allowances, payroll taxes, group health/life insurance, workers' compensation, bonuses and lease commissions, employer 401(k) and/or retirement contributions and other cash benefits.

Subsidized Property. Whether the property has controlled rents through a government subsidized program or not. If yes, the program was listed (i.e., Section 236, Section 8).

Taxes. Total real estate and personal property taxes only. Payroll or rendering fees related to property taxes were not included.

Tax Exempt Bond or Housing Credit Property. Whether the property received tax-exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and water/sewer utilities to individual units in subject property are: Master Metered-Owner Pays; Master Metered-Resident Pays (RUBS); Individual and Sub Metered-Resident Pays. ■

**OPERATING INCOME AND EXPENSES
MARKET RENT PROPERTIES WITH LESS THAN 100 UNITS**

INDIVIDUAL METERED PROPERTIES

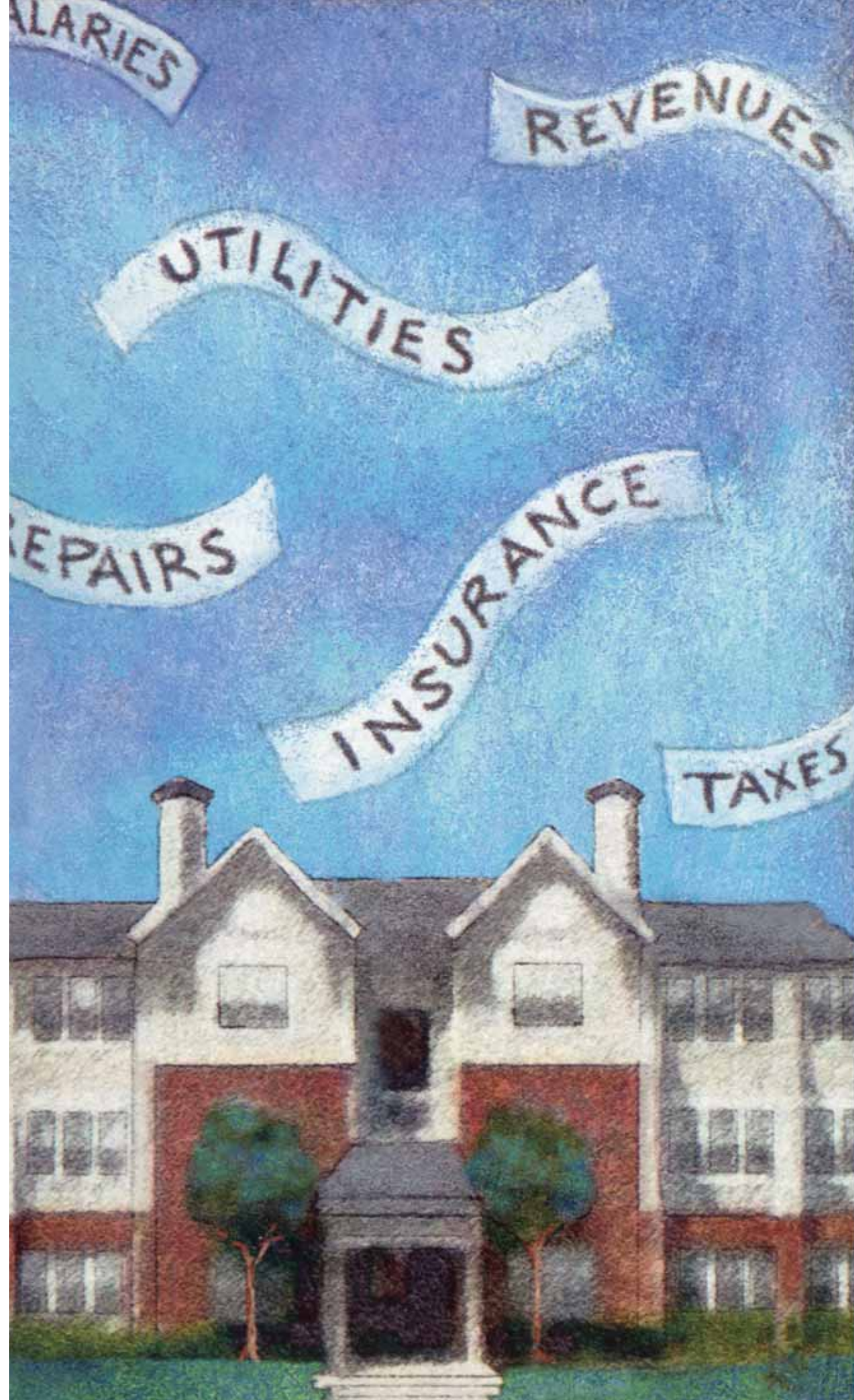
	Total			Garden			Mid & Hi Rise		
Number of Properties	451			437			14		
Number of Units	31467			30300			1167		
Avg. No. of Units/Property	70			69			83		
Avg. No. of Square Feet/Unit	685			682			748		
Turnover rate in %	64%			65%			55%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	7014	10.24	100.0%	6830	10.01	100.0%	11788	15.76	100.0%
Rent Revenue Collected	6102	8.91	87.0%	5949	8.72	87.1%	10090	13.49	85.6%
Losses to Vacancy	606	0.88	8.6%	594	0.87	8.7%	910	1.22	7.7%
Collection Losses	75	0.11	1.1%	71	0.10	1.0%	180	0.24	1.5%
Losses to Concessions	231	0.34	3.3%	217	0.32	3.2%	608	0.81	5.2%
Other Revenue	395	0.58	5.6%	385	0.56	5.6%	638	0.85	5.4%
Total Revenue	6497	9.49	92.6%	6334	9.28	92.7%	10728	14.34	91.0%
Operating Expenses									
Salaries and Personnel	881	1.29	12.6%	866	1.27	12.7%	1289	1.72	10.9%
Insurance	147	0.21	2.1%	141	0.21	2.1%	302	0.40	2.6%
Taxes	572	0.84	8.2%	555	0.81	8.1%	1023	1.37	8.7%
Utilities	255	0.37	3.6%	246	0.36	3.6%	485	0.65	4.1%
Management Fees	264	0.39	3.8%	258	0.38	3.8%	410	0.55	3.5%
Administrative	145	0.21	2.1%	137	0.20	2.0%	347	0.46	2.9%
Marketing	141	0.21	2.0%	140	0.20	2.0%	178	0.24	1.5%
Contract Services	292	0.43	4.2%	293	0.43	4.3%	277	0.37	2.4%
Repair and Maintenance	325	0.48	4.6%	320	0.47	4.7%	468	0.63	4.0%
Total Operating Expenses	3023	4.41	43.1%	2955	4.33	43.3%	4780	6.39	40.5%
Net Operating Income	3474	5.07	49.5%	3379	4.95	49.5%	5948	7.95	50.5%
Capital Expenditures	1038	1.52	14.8%	1052	1.54	15.4%	672	0.90	5.7%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	54			42			12		
Number of Units	4117			3142			975		
Avg. No. of Units/Property	76			75			81		
Avg. No. of Square Feet/Unit	866			855			901		
Turnover rate in %	46%			46%			44%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	10519	12.15	100.0%	10225	11.97	100.0%	11467	12.73	100.0%
Rent Revenue Collected	9417	10.88	89.5%	9102	10.65	89.0%	10431	11.58	91.0%
Losses to Vacancy	764	0.88	7.3%	751	0.88	7.3%	805	0.89	7.0%
Collection Losses	68	0.08	0.6%	78	0.09	0.8%	36	0.04	0.3%
Losses to Concessions	270	0.31	2.6%	293	0.34	2.9%	194	0.22	1.7%
Other Revenue	371	0.43	3.5%	346	0.41	3.4%	449	0.50	3.9%
Total Revenue	9788	11.31	93.0%	9449	11.06	92.4%	10880	12.08	94.9%
Operating Expenses									
Salaries and Personnel	1086	1.25	10.3%	1085	1.27	10.6%	1088	1.21	9.5%
Insurance	243	0.28	2.3%	227	0.27	2.2%	294	0.33	2.6%
Taxes	770	0.89	7.3%	718	0.84	7.0%	937	1.04	8.2%
Utilities	1035	1.20	9.8%	1043	1.22	10.2%	1011	1.12	8.8%
Management Fees	459	0.53	4.4%	437	0.51	4.3%	533	0.59	4.6%
Administrative	276	0.32	2.6%	258	0.30	2.5%	334	0.37	2.9%
Marketing	168	0.19	1.6%	172	0.20	1.7%	154	0.17	1.3%
Contract Services	390	0.45	3.7%	376	0.44	3.7%	437	0.48	3.8%
Repair and Maintenance	507	0.59	4.8%	477	0.56	4.7%	605	0.67	5.3%
Total Operating Expenses	4934	5.70	46.9%	4792	5.61	46.9%	5393	5.99	47.0%
Net Operating Income	4853	5.61	46.1%	4656	5.45	45.5%	5487	6.09	47.9%
Capital Expenditures	862	1.00	8.2%	856	1.00	8.4%	882	0.98	7.7%

Source - National Apartment Association 2005 Survey of Operating Income & Expenses in Rental Apartment Communities

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2004

**Survey
of
Income
and
Expenses**

•
**in Rental
Apartment
Communities**



2004 Survey of Income and Expenses in Rental Apartment Communities

2004

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ABOUT THE NATIONAL APARTMENT ASSOCIATION

The National Apartment Association (NAA) is a federation of more than 167 state and local associations throughout the United States and Canada. Together, we represent more than 30,000 members and 5.14 million apartment homes. NAA is the leading advocate for quality rental housing with members representing multifamily builders, owners, developers, managers, leasing consultants, service technicians and suppliers.

NAA strives to bring you a wealth of information through advocacy, research, technology, education, strategic partnerships and an ever-growing membership base. NAA ensures that your voice is heard and protects your interests by providing representation on legislative and regulatory issues across all levels of government through a joint legislative alliance with the National Multi Housing Council. The State and Local Policy Department monitors and reports state and local legislative activity, conducts research, and provides statistics and information from numerous resources.

NAA plays a key role in educating multifamily

housing professionals nationwide through our six nationally recognized certification programs for property supervisors (CAPS), apartment managers (CAM), leasing consultants (NALP), maintenance personnel (CAMT and CAMT II) and apartment suppliers (CAS).

NAA provides a forum for the exchange of ideas and information, strategic partnerships, and long-lasting friendships at our three annual conferences. NAA's Capitol Conference, held each spring in Washington, D.C., is designed for members to receive legislative issue briefings and lobby their members of Congress. The biggest and most anticipated event of the year, the NAA Education Conference & Exposition, is held each June. The Assembly of Delegates Meeting is held each fall to elect officers and transact association business.

Every member receives *UNITIS* magazine, the authority on the multifamily housing industry. Plus, NAA members have access to special discounts on other resources not available anywhere else, such as this survey, the Washington Update Series, Hotsheets and the NAA Bookstore.



ACKNOWLEDGEMENTS

The 2004 *Survey of Operating Income and Expenses in Rental Apartment Communities* further adds to National Apartment Association's (NAA) success in producing information valuable to its members and the apartment industry. The survey provides executives and professionals in the apartment and related industries with financial information needed to conduct their daily operations that can be used as a tool to support their strategic and business planning. NAA remains committed to improving the survey and presents more valuable revenue related data in this year's report.

I thank Barbara Vassallo, who acted as NAA's staff coordinator for the survey; Roland D. Freeman, a Past NAA President, of Capital Consultants Realty Services, and Robert J. Sheehan II, NAA's Consulting Economist, who jointly assisted in promoting responses, processing and analyzing the data, and wrote the report; Robert J. Sheehan III, of Regis J Sheehan & Associates, for his work in developing the computer programming for tabulation of the results; Paul R. Bergeron III and Rachel F. Goldberg, who edited the report; Norman Grandstaff of Ideas Communicated, who designed the report; and RE Data, the firm responsible for data input.

A special note of appreciation goes to those firms who donated their time in accumulating the data necessary to make this survey a success. I am especially grateful to those companies and their officers who contributed data for 20 or more of their properties for the 2004 survey (listed in order of number of submissions).

AIMCO Management Co. • Equity Residential Properties Trust • Alliance Residential • WMC Management Company LLC • Konover Residential • Dial Equities • Westmark Management Co. • Towne Properties • Lincoln Property Company • BNP Residential Properties Inc. • McCormack Baron Mangement Services • McSha Properties • Woodspear Properties • Julian LeCraw & Co. Inc. • MC Realty Advisors LLC • McDougal Properties

Deane Dolben, CAPS
2004 NAA President

2004 Survey of Income and Expenses in Rental Apartment Communities

Executive Summary

NAA has completed its Survey of Operating Income and Expenses in Rental Apartment Communities for 2004, based on data for 2003. Major findings in this survey of the professionally managed rental apartment industry show some more softening in the market rent segment of the rental apartment market.

A total of 3,682 properties containing 832,471 units are represented in this report. Reporting of the data is composed of 3,064 market rent properties containing 734,737 units and 618 subsidized properties containing 97,734 units. Forms with partial data or apparent problems that could not be resolved and used were received for 57 more properties with 12,198 units.

The report presents data from four types of properties. Garden and mid-rise/high-rise structures are segmented into individually metered and master metered utilities properties.

Responses from garden properties with individually metered utilities dominate the survey, representing 84 percent of the market rent properties and 49 percent of the subsidized properties. The analysis is, therefore, centered on the garden properties with individually metered utilities.

Average sizes of the market rent garden individually metered properties are 238 units, and 175 units in subsidized units. Rentable floor area averaged 871 square feet for market rent apartments and 862 square feet for the subsidized units.

The complete report, which can be found at NAA's Web site, www.naahq.org, contains detailed



Market Rent Properties Summary	p. 4
Metropolitan Area Detailed Income and Expense Data ..	p. 5
Subsidized Properties Summary	p. 11
Subsidized Properties Detailed Income and Expense Data ..	p. 23
Glossary of Terms	p. 12

To view a full survey report or individual market data visit www.naahq.org.

Regions Used in Survey

Region I	CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VA, VT, WV
Region II	AL, FL, GA, KY, MS, NC, SC, TN
Region III	IL, IN, MI, MN, OH, WI
Region IV	AR, LA, OK, TX
Region V	CO, IA, KS, MO, MT, NE, ND, NM, SD, UT, WY
Region VI	AZ, CA, ID, NV, OR, WA

data summarized for six geographic regions and for metropolitan areas with at least 10 properties reported. Sixty-six metropolitan areas met the separate reporting requirement for market rent properties. Sufficient numbers of subsidized properties were submitted for 20 metropolitan areas.

This report also includes tables for the "other" properties in states with at least seven properties located in metro areas that did not meet requirements for separate reporting and in non-metro areas. Tables for market rent properties are given for 16 states, and among subsidized properties there are tables for 16 states. Data is presented in three forms: dollars per unit, dollars per square feet of rentable floor area and as a percentage of gross potential rent (GPR).

Market Rent Properties

Economic Losses (reported as Economic Vacancies in previous reports). Softness in the rental apartment market still existed through last year. One measure of the softness is economic losses. They are defined as the difference between rent revenue collected and GPR expressed as a percentage of GPR. Included in the losses are revenues lost to physical vacancies, net uncollected rents, and the values of rent concessions. The Economic loss rate in the survey averaged 13.35 percent in 2003, up from 11.39 percent recorded a year earlier.

Economic loss rates rose markedly in all regions. The lowest economic loss rate was recorded, as it has been in every one of the NAA surveys, in the Northeast (Region I) at 8.79 percent. A high

**ALL MARKET RENT PROPERTIES
OPERATING INCOME & EXPENSE DATA**

INDIVIDUAL METERED PROPERTIES

				Total			Garden			Mid & Hi Rise					
Number of Properties				2056			2564			92					
Number of Units				631066			608569			21467					
Avg. No. of Units/Property				298			238			234					
Avg. No. of Square Feet/Unit				672			871			900					
Turnover rate in %				62%			62%			57%					
				\$ Per Unit		\$ Per Sq. Ft.		% of GPR		\$ Per Unit		\$ Per Sq. Ft.		% of GPR	
Revenues															
Gross Potential Rent	8827	10.13	100.0%	8719	10.02	100.0%	11898	13.20	100.0%						
Rent Revenue Collected	7953	8.78	86.7%	7555	8.68	86.7%	10424	11.58	87.7%						
Losses to Vacancy	733	0.84	8.3%	725	0.83	8.3%	955	1.08	8.0%						
Collection Losses	113	0.13	1.3%	114	0.13	1.3%	92	0.10	0.8%						
Losses to Concessions	342	0.39	3.9%	339	0.39	3.9%	415	0.46	3.5%						
Other Revenue	544	0.62	6.2%	540	0.62	6.2%	693	0.73	5.6%						
Total Revenue	8197	9.40	92.9%	8005	9.30	92.6%	11084	12.31	93.3%						
Operating Expenses															
Salaries and Personnel	655	0.98	9.7%	646	0.97	9.7%	1055	1.17	8.0%						
Insurance	204	0.23	2.3%	203	0.23	2.3%	239	0.27	2.0%						
Taxes	630	0.95	9.4%	621	0.94	9.4%	1000	1.21	9.2%						
Utilities	324	0.37	3.7%	318	0.37	3.6%	504	0.56	4.2%						
Management Fees	321	0.37	3.6%	318	0.37	3.7%	394	0.44	3.3%						
Administrative	165	0.19	1.9%	160	0.18	1.8%	310	0.34	2.6%						
Marketing	154	0.18	1.7%	152	0.17	1.7%	238	0.24	1.8%						
Contract Services	280	0.32	3.2%	278	0.32	3.2%	325	0.36	2.7%						
Repair and Maintenance	375	0.43	4.2%	371	0.43	4.3%	488	0.55	4.2%						
Total Operating Expenses	3608	4.02	39.7%	3498	3.99	39.8%	4634	5.15	39.0%						
Net Operating Income	4589	5.38	53.1%	4527	5.31	53.1%	6450	7.16	54.3%						
Capital Expenditures	573	0.66	6.9%	572	0.66	6.6%	650	0.69	5.2%						

MASTER METERED PROPERTIES

				Total			Garden			Mid & Hi Rise					
Number of Properties				408			347			61					
Number of Units				103681			85257			18424					
Avg. No. of Units/Property				254			246			302					
Avg. No. of Square Feet/Unit				862			862			862					
Turnover rate in %				51%			52%			44%					
				\$ Per Unit		\$ Per Sq. Ft.		% of GPR		\$ Per Unit		\$ Per Sq. Ft.		% of GPR	
Revenues															
Gross Potential Rent	10172	11.40	100.0%	9908	10.32	100.0%	14638	16.42	100.0%						
Rent Revenue Collected	8729	9.84	86.3%	7860	8.84	85.7%	12892	14.48	88.1%						
Losses to Vacancy	891	1.00	8.8%	831	0.93	9.0%	1169	1.31	8.0%						
Collection Losses	133	0.15	1.3%	143	0.16	1.6%	86	0.10	0.6%						
Losses to Concessions	363	0.41	3.6%	336	0.38	3.7%	469	0.55	3.3%						
Other Revenue	569	0.64	5.6%	503	0.56	5.5%	675	0.98	6.0%						
Total Revenue	9348	10.48	91.9%	8394	9.41	91.2%	13767	15.44	94.1%						
Operating Expenses															
Salaries and Personnel	986	1.11	9.7%	929	1.04	10.1%	1247	1.40	8.5%						
Insurance	225	0.26	2.3%	223	0.25	2.4%	292	0.33	2.0%						
Taxes	801	0.96	8.5%	746	0.84	8.1%	1393	1.56	9.5%						
Utilities	668	0.97	8.5%	626	0.93	9.0%	1055	1.18	7.2%						
Management Fees	368	0.45	3.9%	360	0.40	3.9%	578	0.65	3.9%						
Administrative	220	0.25	2.2%	205	0.23	2.2%	288	0.32	2.0%						
Marketing	151	0.17	1.5%	136	0.15	1.5%	220	0.25	1.5%						
Contract Services	326	0.42	3.7%	308	0.37	3.5%	607	0.68	4.1%						
Repair and Maintenance	529	0.59	5.1%	500	0.56	5.4%	656	0.70	4.3%						
Total Operating Expenses	4618	5.18	45.4%	4253	4.77	46.2%	6306	7.07	43.1%						
Net Operating Income	4731	5.30	46.5%	4141	4.64	45.0%	7461	8.37	51.0%						
Capital Expenditures	736	0.82	7.2%	617	0.69	6.7%	1388	1.44	8.6%						

Source: National Apartment Association 2004 Survey of Income & Expenses in Rental Apartment Communities
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of 16.33 percent was calculated for properties in the Mountain/South Midwest (Region V).

Economic vacancy rates for all of the regions were:

	2003	2002	2001
Region I	8.79%	8.21%	6.36 %
Region II	13.31%	12.10%	10.44 %
Region III	13.84%	10.85%	10.64 %
Region IV	13.98%	11.53%	9.90 %
Region V	16.33%	12.75%	9.16 %
Region VI	13.21%	11.54%	9.79 %

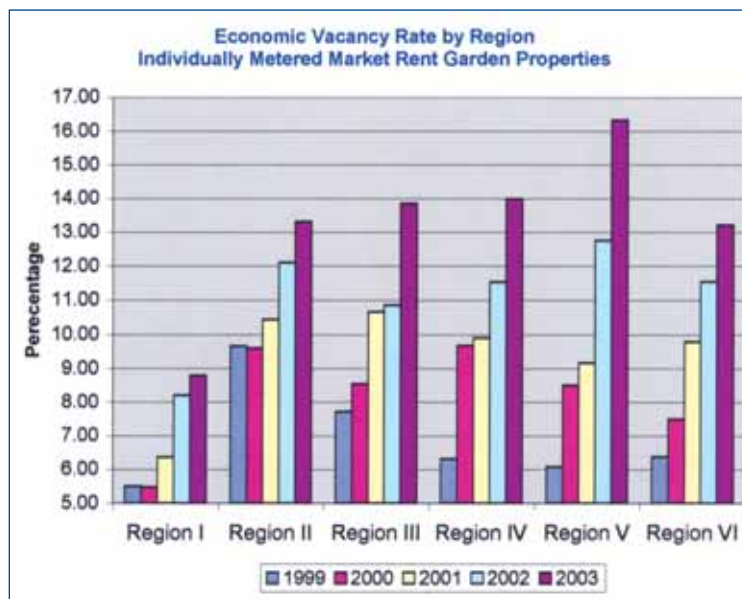
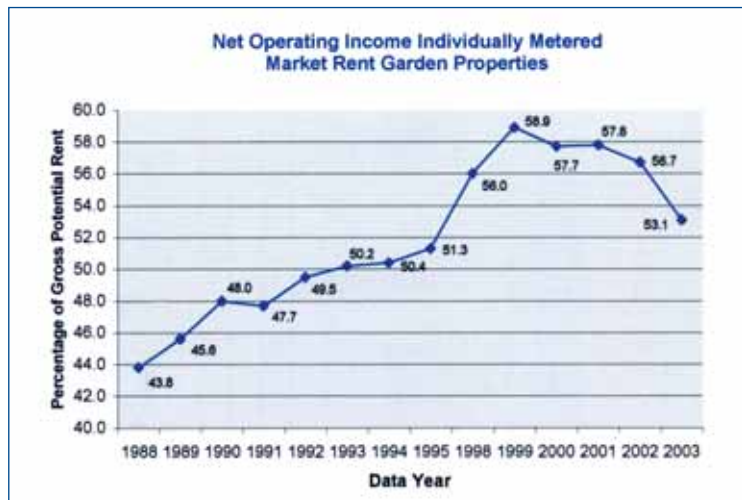
Net Operating Income and Revenues (NOI). NOI is an important measurement to use for evaluating the health of a property. It is simply the difference between total revenue collected and total operating expenses. NOI represents the gross cash available for debt service, capital expenditures and profits. NOI in the survey also revealed the softer rental apartment market with its decline for the fourth straight year in the survey for 2003 data. NOI measured in percent of GPR terms fell to 53.1 percent from the survey historical peak of 58.9 percent in 1999. Regionally NOI's in 2003 ranged from a high of 60.9 percent in the Northeast states (Region I) to a low of 47.7 percent in the Southwest (Region IV). The Southwest states historically have had the lowest NOI among the regions. Average NOI's for all regions for the last two surveys are as follows:

	per unit		per sq. ft.		% of GPR	
	2003	2002	2003	2002	2003	2002
All	\$4,627	\$4,940	\$5.31	\$5.66	53.1	56.7
Region I	\$6,607	\$6,214	\$7.48	\$6.94	60.9	62.5
Region II	\$4,401	\$4,608	\$4.82	\$5.10	52.7	55.3
Region III	\$4,193	\$4,561	\$4.84	\$5.26	50.0	55.3
Region IV	\$3,780	\$4,195	\$4.61	\$5.09	47.7	52.2
Region V	\$4,745	\$5,302	\$5.43	\$6.09	55.6	60.3
Region VI	\$6,073	\$6,164	\$6.98	\$7.07	58.7	60.8

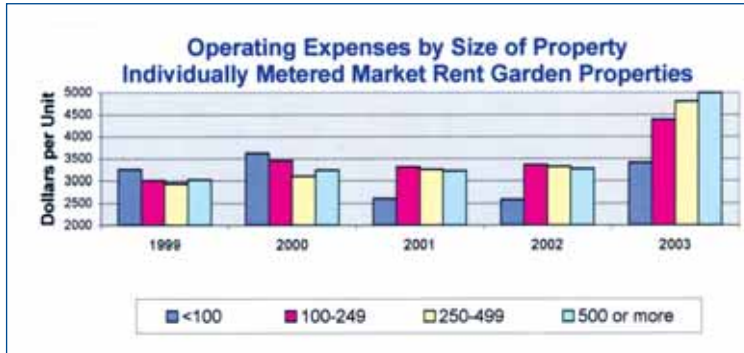
Gross Potential Rent (GPR). GPR in the survey data tables is defined here on a post fiscal year basis. It is the sum of rent revenue collected and revenue losses, including those from vacancies, collections and concessions. Average GPR for individually metered garden apartments was \$8,719 per unit (\$727 monthly) in this year's survey vs. \$8,707 per unit (\$726 monthly) in the previous survey. Translated into per square foot of floor area, they were \$10.02 (\$.84 per month) vs. \$9.97 (\$.83 per month). Median GPR in the current survey is \$7,631 (\$636 per month). The range went from \$24,381 (\$2,031 per month) to \$3,294 (\$275 per month).

Rent Revenue Collected. Rent revenue collected averaged \$7,555 per individually metered garden property unit annually in the survey down from the \$7,714 in last year's survey. Measured on a per square foot basis, rent revenue averaged \$8.68.

Revenue Losses. Revenue losses rose to 13.35 percent of GPR for 2003 data from 11.4 percent in the survey for 2002 data and 9.5 percent in the 2001 data survey. Data for revenue losses was reported in three categories: those due to vacancies, collections and concessions. All three measures of revenue losses



increased markedly. Vacancy losses for individually metered market rent garden properties averaged 8.3 percent of GPR in the current survey (\$725 per unit, \$.83 per square foot) vs. 7.7 percent of GPR (\$668 per unit, \$.77 per square foot) a year ago. Collection losses averaged 1.3 percent of GPR (\$114 per unit, \$0.13 per square foot) in comparison to 0.7 percent of GPR (\$63 per unit, \$0.07 per square foot) for 2002 data. And losses from rent concessions averaged 3.9 percent of GPR (\$339 per unit in the property, \$0.39 per square foot) vs. 3 percent of GPR (\$261 per unit in the



property, \$0.30 per square foot).

Other Revenue Collected. Other revenue collected from operating sources includes receipts from onsite laundries, cable, telephone systems, parking fees and other charges for services and amenities. These other operating revenues averaged \$540 per unit (\$0.62 per square foot unit) for individually metered garden properties reported in the survey vs. \$498 per unit (\$0.57 per square foot unit) a year earlier. Other non-rent operating revenues ranged from none to \$2,497 per unit. Median other operating revenues were \$443 per unit.

Total Operating Expenses. Rental apartment management firms faced a greater challenge in controlling operating expenses last year. Total operating expenses for individually metered garden properties in the survey averaged \$3,468 per unit (\$3.98 per square foot) up about 5 percent from the \$3,273 per unit (\$3.75 per square foot) in 2002, and \$3,226 per unit (\$3.73 per square foot) in the survey for 2001 data. The totals represented 39.8 percent of GPR vs. 37.6 percent a year earlier.

Operating expenses in the survey are collected for nine major categories: salary and personnel costs, insurance, taxes (real estate and other directly related property only), utilities (net of any reimbursements from residents), management fees, administration, marketing, contract services, and repair and maintenance. (Non-recurring capital expenses were excluded and reported separately.)

The two largest increases were in management fees and insurance costs. Management fees rose about 14 percent to \$318 per unit from \$279 per unit (3.7 percent of GPR vs. 3.2 percent a year earlier). This is misleading to some extent since a portion of the change came from a larger number of properties reporting them.

Insurance costs rose more than 13 percent to \$203 per unit (\$.23 per square foot) from \$179 per unit (\$.21 per square foot). And the 2002 level was up 79 percent from the \$121 per unit (\$.14 per square foot) reported in 2001 data.

Turnover Rates. Turnover rates were up slightly to 62 percent of total units among the individually metered garden apartment properties reported in the survey from 61 percent in the data for 2002. Turnover has ranged from 59 percent to 69 percent over the history of this survey. The low occurred in the data for 1995 and the high during the recession year of 1990. Increases in the turnover rates increased in three regions, dropped in two regions, and was unchanged in one.

Age of Property. Operating expenses on a percentage of GPR basis rise as properties age. They were 34.9 percent of GPR in properties less than 5 years old and rose to 43.5 percent for properties 20 or more years old. Significantly higher rents in newer properties produce a reverse pattern in operating expenses measured in dollars per unit and per square foot. They increased from \$3,307 per unit for properties 20 or more years old to \$3,899 per unit for those less than 5 years old. GPR per unit increased from a low of \$7,602 per unit (\$9.01 per square foot) in the oldest property category to \$11,192 per unit (\$11.38 per square foot) in the newest group.

NOI in terms of percentages of GPR was the lowest for the oldest properties reported. It was relatively the same for the three other age groups used in this analysis. Properties that were 20 or more years old reported an average NOI of 53.9 percent. The highest occurred in properties 5 to 9 years old at 58.3 percent, followed by 57.7 percent for those 10 to 19 years old and 57.4 percent for those less than 5 years old. Spreads in GPR account for most of the differences in the NOI's by age of property.

Economic losses were the highest among the newest and oldest properties at 14.93 and 14.01 percent respectively. Properties less than 5 years to 9 years reported economic losses at 13.21 percent and those 10 to 19 years old has the lowest losses at 12.48 percent.

There are some distinct differences in the individual cost components of operating costs by age of properties. The largest difference is in real estate and related property taxes and fees. They varied from a high average of \$1,083 per unit (\$1.09 per square foot) in those properties less than 5 years old to a low of \$652 (\$.77 per square foot) for those aged 20 or more years.

Repair and maintenance costs were the lowest in the newest properties, as one would expect. A low average of \$302 per unit (\$.31 per square foot) was reported for properties less than 5 years old. A high of \$401 per unit (\$.48 per square foot) occurred for those 20 or more years old. Capital expenditures were significantly lower for the newest properties. They averaged \$224 per unit (\$.23 per square foot for those properties less than 5 years old. The highest average was reported for properties 10 to 19 years of age at \$666 per unit (\$.78 per square foot).

Size of Property. Presence of scale economies in apartment properties would be evident if operating costs were to decline as the size of properties increases. Economies of scale did appear

**OPERATING EXPENSES BY AGE AND SIZE OF PROPERTY
INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES**

	Salary & Personnel Costs	Insurance	Taxes	Utilities	Mgmt. Fees	Admin	Mrdg	Contract Services	Repair & Maint.	Total Operating Expenses	Capital Expend.
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Age of Property

Dollars Per Unit

Less than 5 years old	915	233	1083	317	366	190	228	266	302	3899	224
5 to 9 years old	945	200	1196	286	327	171	185	264	311	3887	446
10 to 19 years	837	202	860	279	328	142	155	294	364	3461	666
20 or more years	820	200	652	359	303	169	132	271	401	3307	567

Dollars Per Square Foot

Less than 5 years old	0.92	0.24	1.09	0.32	0.37	0.19	0.23	0.27	0.31	3.94	0.23
5 to 9 years old	0.98	0.21	1.24	0.30	0.34	0.18	0.19	0.27	0.32	4.02	0.46
10 to 19 years	0.98	0.24	1.01	0.33	0.38	0.17	0.18	0.34	0.42	4.05	0.78
20 or more years	0.97	0.24	0.77	0.43	0.36	0.20	0.16	0.32	0.48	3.93	0.67

Percent of Gross Potential Rent

Less than 5 years old	8.2%	2.1%	9.7%	2.8%	3.3%	1.7%	2.0%	2.4%	2.7%	34.9%	2.0%
5 to 9 years old	8.9%	1.9%	11.3%	2.7%	3.1%	1.6%	1.7%	2.5%	2.9%	36.7%	4.2%
10 to 19 years	9.2%	2.2%	9.5%	3.1%	3.6%	1.6%	1.7%	3.2%	4.0%	38.1%	7.3%
20 or more years	10.8%	2.6%	8.6%	4.7%	4.0%	2.2%	1.7%	3.6%	5.3%	43.5%	7.5%

Percent of Total Operating Costs

Less than 5 years old	23.5%	6.0%	27.8%	8.1%	9.4%	4.9%	5.8%	6.8%	7.7%	100.0%
5 to 9 years old	24.3%	5.1%	30.8%	7.4%	8.4%	4.4%	4.8%	6.8%	8.0%	100.0%
10 to 19 years	24.2%	5.8%	24.8%	8.1%	9.5%	4.1%	4.5%	8.5%	10.5%	100.0%
20 or more years	24.8%	6.0%	19.7%	10.9%	9.2%	5.1%	4.0%	8.2%	12.1%	100.0%

Size of Property

Dollars Per Unit

Less than 100 units	778	151	519	243	264	156	111	293	299	2816	789
100 to 249 units	876	211	745	344	333	191	161	281	390	3353	578
250 to 499 units	849	205	863	313	318	147	156	273	359	3484	572
More than 500 units	814	199	944	308	312	145	135	283	395	3535	478

Dollars Per Square Foot

Less than 100 units	1.15	0.22	0.77	0.36	0.39	0.23	0.16	0.43	0.44	4.17	1.17
100 to 249 units	0.99	0.24	0.84	0.39	0.38	0.22	0.18	0.32	0.44	4.00	0.65
250 to 499 units	0.96	0.23	0.97	0.35	0.36	0.17	0.18	0.31	0.40	3.93	0.65
More than 500 units	0.94	0.23	1.09	0.35	0.36	0.17	0.16	0.33	0.45	4.07	0.55

Percent of Gross Potential Rent

Less than 100 units	11.7%	2.3%	7.8%	3.7%	4.0%	2.4%	1.7%	4.4%	4.5%	42.4%	11.9%
100 to 249 units	10.3%	2.5%	8.8%	4.0%	3.9%	2.2%	1.9%	3.3%	4.6%	41.5%	6.8%
250 to 499 units	9.5%	2.3%	9.6%	3.5%	3.5%	1.6%	1.7%	3.0%	4.0%	38.8%	6.4%
More than 500 units	9.0%	2.2%	10.4%	3.4%	3.4%	1.6%	1.5%	3.1%	4.3%	38.9%	5.3%

Percent of Total Operating Costs

Less than 100 units	27.6%	5.4%	18.4%	8.6%	9.4%	5.5%	3.9%	10.4%	10.6%	100.0%
100 to 249 units	26.1%	6.3%	22.2%	10.3%	9.9%	5.7%	4.8%	8.4%	11.6%	100.0%
250 to 499 units	24.4%	5.9%	24.8%	9.0%	9.1%	4.2%	4.5%	7.8%	10.3%	100.0%
More than 500 units	23.0%	5.6%	26.7%	8.7%	8.8%	4.1%	3.8%	8.0%	11.2%	100.0%

Source: National Apartment Association 2004 Survey of Income & Expenses in Rental Apartment Communities

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when total operating costs were measured on a percentage of gross potential rent basis. They drop from 42.4 percent of GPR in properties with less than 100 units to a low of 38.9 percent in those containing 500 or more units. The survey results, however, did not show scale economies on a cost per unit basis. The lowest operating costs, at \$2,816 dollars per unit, were in the smallest properties—those with less than 100 units. The highest operating costs occurred in properties with 500 units or more units at \$3,535 per unit, and nearly as high at \$3,533 in those with 100 to 249 units. Total operating costs in properties with 250 to 499 units were \$3,461 per unit.

Economic losses did not vary widely based on property size. They were highest with properties with 250 to 499 units at 13.73 percent of GPR and the lowest for properties with less than 100 units. Properties with 100 to 249 units had a 13.14 percent economic loss ratio and those with 500 or more units reported a 12.87 percent average.

**Metropolitan Area
Detailed Operating Income and Expense Data**

Detailed tables in the report are presented for the 66 metropolitan areas for which a total of 10 properties of all types were

**REVENUES AND NOI BY AGE AND SIZE OF PROPERTY
INDIVIDUALLY METERED MARKET RENT GARDEN PROPERTIES**

AGE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years	Less Than 5 Years	5 to 9 Years	10 to 19 Years	20 or more Years
No. of Properties	101	261	981	1221	101	261	981	1221	101	261	981	1221
No. of Units	28873	80111	224647	275938	28873	80111	224647	275938	28873	80111	224647	275938
Avg. No. of Units/Property	288	307	229	226	288	307	229	226	288	307	229	226
Avg. No. of Square Feet/Unit	990	966	855	842	990	966	855	842	990	966	855	842
Turnover Rate in %	64%	63%	64%	60%	64%	63%	64%	60%	64%	63%	64%	60%
Gross Potential Rent	11192	10634	9090	7802	11.36	11.06	10.64	9.01	100.0%	100.0%	100.0%	100.0%
Rent Revenue Collected	9521	9229	7956	6537	9.61	9.55	9.30	7.76	85.1%	86.8%	87.5%	86.0%
Losses to Vacancies	965	868	702	678	0.97	0.90	0.82	0.80	8.6%	8.2%	7.7%	8.9%
Losses to Collections	75	67	106	137	0.08	0.07	0.12	0.16	0.7%	0.6%	1.2%	1.8%
Losses to Concessions	710	521	339	247	0.72	0.54	0.40	0.29	6.3%	4.9%	3.7%	3.3%
Other Revenue Collected	595	713	530	491	0.60	0.74	0.62	0.58	5.3%	6.7%	5.8%	6.5%
Total Revenue Collected	10116	9942	8487	7028	10.21	10.29	9.92	8.34	90.4%	93.5%	93.4%	92.5%
Total Operating Expenses	3899	3887	3461	3307	3.94	4.02	4.05	3.93	34.8%	36.6%	38.1%	43.5%
Net Operating Income	6217	6055	5026	3721	6.28	6.26	5.87	3.93	55.6%	56.9%	55.3%	48.9%
Economic Vacancy Rates (%)	14.93%	13.21%	12.48%	14.01%	14.93%	13.21%	12.48%	14.01%	14.93%	13.21%	12.48%	14.01%

SIZE OF PROPERTY	Dollars Per Unit				Dollars Per Square Foot				Percent of Gross Potential Rent			
	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units	Less than 100 units	100 to 249 units	250 to 499 units	500 or more units
No. of Properties	532	1006	891	135	532	1006	891	135	532	1006	891	135
No. of Units	35170	180869	296531	96999	35170	180869	296531	96999	35170	180869	296531	96999
Avg. No. of Units/Property	66	180	333	719	66	180	333	719	66	180	333	719
Avg. No. of Square Feet/Unit	675	884	896	868	675	884	896	868	675	884	896	868
Turnover Rate in %	65%	61%	63%	60%	65%	61%	63%	60%	65%	61%	63%	60%
Gross Potential Rent	6645	8510	8970	9092	9.85	9.83	10.22	10.50	100.0%	100.1%	100.2%	100.2%
Rent Revenue Collected	5843	7392	7738	7922	8.66	8.36	8.73	9.12	87.9%	86.9%	86.3%	87.1%
Losses to Vacancies	558	697	755	748	0.83	0.79	0.85	0.86	8.4%	8.2%	8.4%	8.2%
Losses to Collections	106	130	111	93	0.16	0.15	0.13	0.11	1.6%	1.5%	1.2%	1.0%
Losses to Concessions	137	294	385	356	0.20	0.33	0.43	0.41	2.1%	3.5%	4.3%	3.9%
Other Revenue Collected	376	529	543	607	0.56	0.60	0.61	0.70	5.7%	6.2%	6.1%	6.7%
Total Revenue Collected	6219	7921	8281	8529	9.21	8.96	9.34	9.82	93.6%	93.1%	92.3%	93.8%
Total Operating Expenses	2816	3533	3481	3535	4.17	4.00	3.93	4.07	42.4%	41.5%	38.9%	36.9%
Net Operating Income	3403	4388	4800	4995	5.04	4.96	5.41	5.75	51.2%	51.6%	53.5%	54.9%
Economic Vacancy Rates (%)	12.07%	13.14%	13.73%	12.87%	12.07%	13.14%	13.73%	12.87%	12.07%	13.14%	13.73%	12.87%

Source: National Apartment Association 2004 Survey of Income & Expenses in Rental Apartment Communities
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reported in the survey. This is the only section of the report with metropolitan area data for garden and mid- and high-rise building properties and further segmented into those with utilities that were either individually or master metered. Care should be taken when reviewing the data for individual property types in metropolitan areas where the number of properties reported is small.

Some highlights of the metropolitan area data follow. They are limited to garden properties with individually metered utilities in metropolitan areas with at least 10 properties of this type reported, unless otherwise noted.

- NOI's on a dollar-per-square-foot basis ranged from \$12,616 (\$15.09 per square foot) in the San Francisco-San Jose metro area to \$2,110 (\$2.73 per square foot) in Lubbock, Texas. Los Angeles-Long Beach, Calif., had the high NOI when measured in percentage of GPR terms at 69.9 percent and Knoxville, Tenn., the low at 40.9 percent.

- GPR averages were the highest in the San Francisco-San Jose area at \$19,339 per unit (\$23.13 per square foot). A low of \$5,121 per unit (\$6.62 per square foot) was tabulated for properties reported from Lubbock, Texas.

- Economic losses were lowest in Norfolk-Virginia

Beach-Newport News metro area at 5.08 percent and Pensacola, Fla., at 5.39 percent. Both, however, have small numbers of individually metered garden properties reported. Metro areas with the highest economic losses were Colorado Springs at 19.7 percent, Phoenix-Mesa at 19.63 percent and Denver-Boulder at 19.61 percent.

- Properties reporting from Providence, R.I., had the highest

To obtain market data from the **Survey of Income and Expenses in Rental Apartment Communities for 2004** visit NAA's Web site, www.naahq.org.

To participate in the **Survey of Income and Expenses in Rental Apartment Communities for 2005**, please complete the survey on **page 24**.

**ECONOMIC VACANCY RATES - NOI - TURNOVER
METROPOLITAN AREAS
MARKET RENT GARDEN PROPERTIES - INDIVIDUALLY METERED**

	2004 Survey						2003 Survey					
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Turnover Rate	Net Operating Income NOI %	Economic Vacancy as a %	Economic Vacancy as a %	Net Operating Income NOI %	Turnover Rate	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
Survey Total	2564	609569	871	62%	53.1%	13.35%	11.39%	56.7%	61%	2485	583161	873
Region I	175	40490	883	50%	60.9%	8.79%	8.21%	62.5%	51%	216	49930	895
BALTIMORE, MD PMSA	19	3625	868	50%	58.0%	9.11%	9.24%	57.4%	56%	45	10724	898
BOSTON, MA-NH PMSA	10	2093	896	52%	60.1%	11.21%	11.33%	61.8%	25%	13	4835	1039
CHARLOTTESVILLE, VA MSA	8	1432	1005	51%	55.9%	10.75%	na	na	na	na	na	na
HARTFORD, CT MSA	14	1737	979	51%	54.2%	6.63%	5.63%	56.5%	52%	16	2012	951
NEW HAVEN, CT MSA	8	1387	895	50%	61.4%	8.39%	5.03%	68.8%	50%	9	1720	910
NEW YORK, NY PMSA	4	518	714	38%	63.4%	12.33%	9.52%	64.3%	50%	8	2614	783
NORFOLK-VA, BEACH-NEWPORT NEWS, VA-NC MSA	12	3812	993	52%	63.5%	5.08%	5.33%	66.0%	56%	13	4630	888
PHILADELPHIA, PA-NJ	6	1572	842	39%	55.2%	9.43%	4.15%	62.2%	46%	4	940	794
PITTSBURGH, PA MSA	13	1914	782	54%	48.7%	9.19%	6.92%	61.5%	50%	10	681	669
PROVIDENCE, RI MSA	10	2140	1092	47%	1	6.52%	8.29%	65.0%	43%	6	1666	901
RICHMOND-PETERSBURG, VA MSA	17	4576	850	52%	58.2%	11.11%	8.39%	60.5%	62%	22	4972	892
WASHINGTON, DC-MD-VA-WV PMSA	33	11910	846	51%	65.3%	8.71%	8.45%	66.9%	53%	32	9272	867
other	22	3774	815	51%	62.5%	9.56%	6.18%	62.3%	48%	26	3888	906
Region II	839	190708	914	62%	52.7%	13.31%	12.10%	55.3%	62%	830	190197	904
ATLANTA, GA MSA	183	48143	963	65%	51.8%	15.04%	14.75%	55.7%	64%	155	39009	967
AUGUSTA, GA MSA	10	1591	789	78%	39.8%	18.35%	na	na	na	na	na	na
CHARLESTON, SC MSA	14	3152	903	54%	54.3%	12.32%	na	na	na	na	na	na
CHARLOTTE, NC MSA	43	10654	910	60%	49.0%	15.95%	14.08%	51.3%	64%	43	11605	892
COLUMBIA, SC MSA	16	4368	927	59%	0	13.75%	13.17%	51.9%	56%	11	2929	975
DAYTONA BEACH, FL MSA	12	1289	759	72%	51.6%	11.74%	12.21%	53.1%	61%	13	1229	722
FT. LAUDERDALE, FL MSA	15	4360	892	58%	50.5%	11.43%	9.73%	54.6%	65%	18	4093	879
FT. MYERS, FL MSA	8	1638	878	63%	54.0%	10.53%	11.01%	56.8%	63%	10	2226	888
GREENSBORO-WINSTON SALEM-HIGH POINT MSA	25	5320	879	50%	51.4%	14.62%	11.45%	54.8%	65%	13	2934	893
GREENVILLE-SPARTANBURG-ANDERSON	22	3940	861	67%	42.6%	17.56%	11.04%	54.5%	60%	24	5038	927
JACKSONVILLE, FL MSA	55	15294	942	64%	59.0%	8.88%	8.45%	60.7%	64%	48	12340	881
KNOXVILLE, TN MSA	15	2969	940	58%	41.9%	9.21%	11.65%	40.9%	60%	13	2548	889
LEXINGTON, KY MSA	15	1546	761	58%	49.4%	15.01%	10.16%	51.6%	57%	17	2069	734
LOUISVILLE, KY-IN MSA	16	2009	773	58%	51.7%	13.86%	16.25%	48.0%	53%	14	2054	794
MIAMI, FL MSA	37	8327	948	54%	56.2%	9.65%	7.95%	58.4%	55%	41	9607	920
NASHVILLE, TN MSA	26	9126	908	61%	57.3%	10.15%	10.81%	56.8%	65%	29	9326	885
ORLANDO, FL MSA	60	15343	956	64%	52.9%	13.05%	12.72%	53.9%	65%	78	19966	936
PENSACOLA, FL MSA	12	1048	608	88%	60.7%	5.39%	5.32%	64.1%	72%	11	1252	743
RALEIGH-DURHAM-CHAPEL HILL, NC MSA	51	12897	905	57%	49.9%	16.37%	12.63%	54.5%	57%	40	10112	880
SARASOTA-BRADENTON, FL MSA	14	2835	917	61%	54.3%	12.94%	10.07%	57.6%	64%	9	1447	813
SAVANNAH, GA MSA	14	1407	761	71%	50.4%	12.70%	9.97%	42.3%	56%	10	1256	877
TAMPA-ST PETERSBURG-CLEARWATER, FL MSA	69	17086	855	63%	54.2%	12.55%	11.59%	55.1%	62%	73	19981	846
WEST PALM BEACH, FL MSA	30	5954	898	54%	62.4%	12.01%	9.83%	60.8%	60%	22	4090	897
other	77	10412	868	64%	48.2%	12.79%	11.78%	52.8%	57%	90	14440	886

(1) percentage of Gross Potential Rent

Source: National Apartment Association 2004 Survey of Income & Expenses in Rental Apartment Communities

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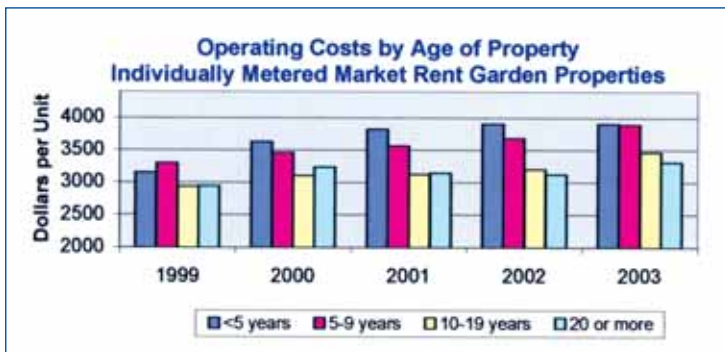
operating costs at \$5,074 per unit (\$4.65 per square foot) followed by Minneapolis-St. Paul at \$4,833 per unit (\$4.71 per square foot) and San Francisco-San Jose at \$4,807 (\$5.58 per square foot). Lows of \$2,205 per unit (\$2.12 per square foot) and \$2,463 per unit (\$3.42 per square foot) were reported for those properties located in Pensacola, Fla. Real estate taxes tended to be the most significant factor in the rankings of metro areas based on total operating costs.

- Chicago had the highest per unit real estate taxes at \$1,709 followed by New York at \$1,565 and Minneapolis-St. Paul at \$1,509 per unit. Both New York and Minneapolis-St. Paul had relatively small numbers of properties reporting. The lowest average was for properties located in Oklahoma City, at \$226 per unit followed by Augusta, Ga., at \$277.

- Insurance costs on a per unit basis were the highest in Fort Lauderdale, Fla., at \$507, at \$362 in Los Angeles and in Miami at \$332. They were the lowest in Tucson, Ariz., at \$113 per unit.

- Salaries and personnel costs were the lowest in the Daytona Beach, Fla., area at \$635 per unit followed by \$673 in Lansing, Mich., and \$678 in Indianapolis. Norfolk-Virginia Beach-Newport News had the highest average at \$1,361 per unit followed by the \$1,102 in Providence, R.I., and \$1,101 in Hartford, Conn.

- Providence, R.I., had the largest units among the metro areas reported separately in this report with an average of 1,092 square feet of floor area per unit. Minneapolis-St. Paul had the second largest average size units at 1,026 square feet. Properties reporting from Pensacola had the low average at



**ECONOMIC VACANCY RATES - NOI - TURNOVER
METROPOLITAN AREAS
MARKET RENT GARDEN PROPERTIES - INDIVIDUALLY METERED**

	2004 Survey						2003 Survey					
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Turnover Rate	Net Operating Income NOI ⁽¹⁾	Economic Vacancy as a %	Economic Vacancy as a %	Net Operating Income NOI ⁽¹⁾	Turnover Rate	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit
Region III	417	73024	867	57%	50.0%	13.84%	10.85%	55.3%	54%	419	76722	867
CHICAGO, IL-WI PMSA	33	11538	920	57%	52.6%	13.91%	11.96%	58.3%	58%	33	10866	979
CINCINNATI, OH-KY-IN PMSA	39	6113	991	49%	47.5%	12.15%	12.86%	52.8%	50%	28	5332	841
CLEVELAND, OH PMSA	18	1620	707	56%	51.5%	9.53%	8.49%	60.0%	43%	17	1120	633
COLUMBUS, OH MSA	71	7053	711	59%	50.7%	12.88%	10.08%	56.3%	54%	77	10758	844
DAYTON-SPRINGFIELD, OH MSA	30	3502	777	54%	53.0%	9.67%	10.68%	50.6%	51%	29	3782	760
DETROIT, MI PMSA	39	7707	903	55%	50.6%	13.61%	10.50%	54.9%	54%	50	9496	899
INDIANAPOLIS, IN MSA	83	15681	839	61%	47.2%	16.95%	12.25%	54.0%	55%	70	14013	841
LANSING, MI MSA	13	2525	968	53%	47.3%	11.94%	8.52%	47.6%	54%	10	2101	863
MINNEAPOLIS-ST. PAUL, MN-WI MSA	11	2958	1026	59%	49.1%	13.76%	9.50%	54.7%	62%	9	2379	1043
other	80	14326	847	56%	48.3%	13.65%	10.25%	55.9%	50%	70	13129	861
Region IV	616	171732	820	65%	47.7%	13.98%	11.53%	52.2%	63%	488	130128	824
AUSTIN-SAN MARCOS, TX MSA	70	20832	819	61%	47.8%	15.32%	13.11%	51.7%	59%	64	18185	814
DALLAS, TX PMSA	171	51326	835	64%	47.3%	14.19%	12.91%	51.4%	61%	117	35291	844
FORT WORTH, TX PMSA	60	16533	795	73%	44.3%	13.21%	12.15%	49.3%	66%	49	13031	795
HOUSTON-GALVESTON-BRAZORIA, TX PMSA	167	49167	826	62%	48.1%	14.21%	9.68%	55.3%	56%	121	32352	841
LUBBOCK, TX MSA	23	3612	762	79%	48.0%	11.84%	11.71%	56.3%	60%	11	2331	853
OKLAHOMA CITY, OK MSA	9	3070	763	1	0	0	7.71%	41.2%	65%	19	5201	773
SAN ANTONIO, TX MSA	36	8956	775	64%	49.8%	13.40%	11.02%	49.1%	63%	42	5897	796
TULSA, OK MSA	29	7516	795	69%	53.4%	13.01%	11.22%	55.1%	70%	14	3936	756
other	51	10720	852	63%	49.1%	12.14%	8.78%	57.1%	63%	32	5434	857
Region V	161	40119	874	63%	55.8%	16.33%	12.75%	60.3%	64%	187	48020	871
ALBUQUERQUE, NM MSA	15	3901	974	59%	60.7%	9.94%	7.98%	66.0%	66%	13	3200	933
COLORADO SPRINGS, CO MSA	18	3288	848	66%	49.3%	19.70%	12.74%	56.4%	76%	10	2305	757
DENVER-BOULDER, CO CMSA	51	13877	852	70%	54.8%	19.61%	14.34%	63.2%	68%	69	16982	853
KANSAS CITY, MO-KS MSA	27	8562	915	56%	61.5%	13.91%	13.51%	57.4%	58%	26	8188	916
ST. LOUIS, MO-IL MSA	11	3391	843	53%	50.8%	13.38%	11.12%	50.2%	51%	10	1474	928
other	39	7100	840	63%	52.3%	15.14%	11.37%	59.0%	55%	23	6220	860
Region VI	356	63498	870	66%	58.7%	13.21%	11.54%	60.8%	69%	345	88164	872
LAS VEGAS NV-AZ MSA	14	4308	781	62%	56.5%	15.00%	12.48%	54.1%	62%	27	6359	824
LOS ANGELES-LONG BEACH, CA PMSA	22	7206	893	56%	65.9%	8.41%	7.02%	69.9%	61%	23	7760	871
OLYMPIA, WA MSA	10	1252	875	70%	56.4%	8.50%	6.70%	64.1%	60%	11	2790	900
ORANGE COUNTY, CA MSA	22	6399	884	57%	65.5%	7.95%	6.70%	64.1%	60%	11	2790	900
PHOENIX-MESA, AZ MSA	124	34201	878	68%	50.5%	19.63%	8.38%	69.5%	59%	18	5884	864
PORTLAND-SALEM, OR-WA PMSA	13	4176	931	81%	53.2%	16.06%	16.99%	53.0%	73%	118	31412	874
SAN DIEGO, CA MSA	19	6007	910	68%	68.8%	7.33%	13.28%	56.3%	78%	13	4220	924
SAN FRANCISCO-OAKLAND-SAN JOSE CA PMSA'S	22	5232	865	62%	63.5%	10.52%	7.28%	69.8%	63%	21	5752	933
SEATTLE-TACOMA, WA PMSA	56	13691	850	71%	56.1%	13.88%	7.88%	65.2%	74%	10	1905	836
TUCSON, AZ MSA	30	6579	797	65%	56.3%	13.73%	12.28%	59.7%	73%	40	9749	866
other	23	4273	911	60%	66.7%	6.79%	12.91%	56.3%	65%	34	8121	801
other	38	6861	888	65%	64.4%	6.15%	6.05%	63.1%	60%	20	3546	915

(1) percentage of Gross Potential Rent

Source: National Apartment Association 2003 Survey of Income & Expenses in Rental Apartment Communities

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608 square feet per unit.

• Metropolitan areas with the most garden properties reporting that were individually metered were Atlanta (183), Dallas (171), Houston (167) and Phoenix (124).

**Subsidized Properties Income and Expense Summary
Operating Income and Expense Summary**

Data was received for 618 subsidized properties containing 97,734 units. Garden properties with individually metered utilities represent the largest sub group of properties reporting and analysis here will be limited to them.

Subsidized garden apartment properties with individually metered utilities tend to have fewer units and less floor area. They contained an average of 175 units vs. 238 units for market rent properties of the same type. These subsidized properties had an average of 862 square feet of floor area vs. 871 square feet for the market rent properties.

Revenues. GPR averaged \$8,226 (\$9.54 per square foot) annually. Rental revenues averaged \$7,385 per unit (\$8.57 per square foot). Other operating revenues in subsidized properties are smaller than those for market rent properties. They averaged \$441 per unit (\$0.51 per square foot) for the subsidized properties compared to \$540 per unit (\$0.62 per square foot) for the market rent units.

Operating Expenses. Operating expenses in subsidized properties were close to those for market rent properties. Subsidized properties reported in the survey had total operating costs averaging \$3,374 per unit (\$3.92 per square foot). The market rent property average was \$3,468 per unit (\$3.98 per square foot).

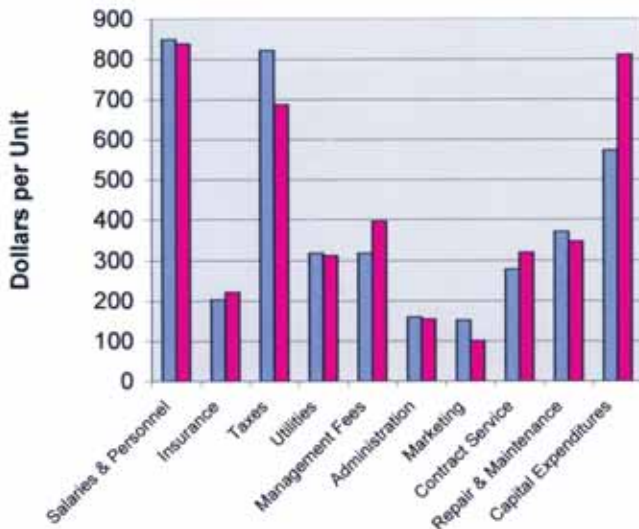
Net Operating Income. Subsidized properties had a slightly lower average NOI in all three measures. NOI for subsidized properties in the survey averaged 53.1 percent of GPR vs. 54.1 percent for the market rent properties. The other comparisons

GROSS POTENTIAL RENT
BY REGION & METROPOLITAN AREA
GARDEN INDIVIDUALLY METERED PROPERTIES

	2004								2003							
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue				Gross Potential Rent Revenue				Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit		
				Annual	Monthly	Annual	Monthly	\$'s Per Sq. Foot Monthly	Annual	Monthly	Annual				Monthly	
Survey Total	2564	809569	871	\$719	727	10.02	0.84	0.83	9.97	726	8707	2485	583161	873		
Region I	175	40490	883	10854	905	12.29	1.02	0.93	11.10	828	9937	216	49930	895		
BALTIMORE, MD PMSA	19	3625	868	10325	860	11.90	0.99	0.95	11.46	858	10290	45	10724	898		
BOSTON, MA-NH PMSA	10	2093	896	11400	950	12.73	1.06	0.60	7.14	618	7421	13	4635	1039		
CHARLOTTESVILLE, VA MSA	8	1432	1005	8094	675	8.06	0.67	na	na	na	na	na	na	na		
HARTFORD, CT MSA	14	1737	979	11009	917	11.26	0.94	0.89	10.72	850	10194	16	2012	951		
NEW HAVEN, CT MSA	8	1387	895	11012	918	12.31	1.03	1.00	12.03	912	10947	9	1720	910		
NEW YORK, NY PMSA	4	518	714	12170	1014	17.04	1.42	1.45	17.42	1137	13643	8	2614	783		
NORFOLK-VA, BEACH-NEWPORT NEWS, VA-NC M	12	3812	993	8991	749	9.05	0.75	0.77	9.22	682	8187	13	4630	858		
PHILADELPHIA, PA-NJ	6	1572	842	11672	973	13.86	1.16	1.13	13.62	901	10811	4	940	794		
PITTSBURGH, PA MSA	13	1914	782	8596	716	10.99	0.92	0.89	10.65	594	7128	10	681	669		
PROVIDENCE, RI MSA	10	2140	1092	12584	1049	11.53	0.96	0.97	11.64	874	10487	6	1666	901		
RICHMOND-PETERSBURG, VA MSA	17	4576	850	7411	618	8.72	0.73	0.75	9.05	673	8071	22	4972	892		
WASHINGTON, DC-MD-VA-WV PMSA	33	11910	846	12588	1049	14.88	1.24	1.19	14.24	1029	12350	32	9272	867		
other	22	3774	815	12202	1017	14.96	1.25	0.83	9.92	749	8984	26	3888	906		
Region II	839	190708	914	8347	696	9.13	0.76	0.77	9.22	695	8334	830	190197	904		
ATLANTA, GA MSA	183	48143	963	9214	768	9.57	0.80	0.85	10.22	823	9878	155	39909	967		
AUGUSTA, GA MSA	10	1591	789	5706	476	7.23	0.60	na	na	na	na	na	na	na		
CHARLESTON, SC MSA	14	3152	903	8188	682	9.06	0.76	na	na	na	na	na	na	na		
CHARLOTTE, NC MSA	43	10654	910	7310	609	8.03	0.67	0.69	8.30	617	7408	43	11605	892		
COLUMBIA, SC MSA	16	4368	927	7061	588	7.62	0.64	0.64	7.71	627	7519	11	2929	975		
DAYTONA BEACH, FL MSA	12	1289	759	8950	579	9.18	0.77	0.82	9.81	590	7084	13	1229	722		
FT. LAUDERDALE, FL MSA	15	4360	892	10658	888	11.95	1.00	0.91	10.91	799	9590	18	4093	879		
FT. MYERS, FL MSA	8	1638	878	8300	692	9.46	0.79	0.78	9.31	689	8286	10	2226	858		
GREENSBORO-WINSTON SALEM-HIGH POINT MSA	25	5320	879	7632	636	8.68	0.72	0.67	8.03	598	7172	13	2934	893		
GREENVILLE-SPARTANBURG-ANDERSON	22	3940	861	6401	533	7.44	0.62	0.63	7.61	588	7055	24	5038	927		
JACKSONVILLE, FL MSA	55	15294	942	8266	689	8.79	0.73	0.74	8.92	655	7856	48	12340	881		
KNOXVILLE, TN MSA	15	2969	940	6397	533	6.81	0.57	0.60	7.16	530	6363	13	2548	889		
LEXINGTON, KY MSA	15	1546	761	6635	553	8.72	0.73	0.79	9.44	577	6926	17	2069	734		
LOUISVILLE, KY-IN MSA	16	2009	773	6993	583	9.04	0.75	0.73	8.70	576	6909	14	2054	794		
MIAMI, FL MSA	37	8327	948	10415	868	10.99	0.92	0.88	10.60	813	9754	41	9607	920		
NASHVILLE, TN MSA	26	9126	908	7549	629	8.43	0.70	0.72	8.62	636	7626	29	9326	885		
ORLANDO, FL MSA	60	15343	956	8569	714	8.98	0.75	0.73	8.81	687	8242	76	19966	936		
PENSACOLA, FL MSA	12	1048	608	5922	494	9.73	0.81	0.68	8.18	506	6076	11	1252	743		
RALEIGH-DURHAM-CHAPEL HILL, NC MSA	51	12897	905	8368	697	9.25	0.77	0.75	9.03	662	7944	40	10112	880		
SARASOTA-BRADENTON, FL MSA	14	2835	917	8669	722	9.46	0.79	0.82	9.86	668	8013	9	1447	813		
SAVANNAH, GA MSA	14	1407	761	6685	557	8.79	0.73	0.69	8.29	606	7274	10	1256	877		
TAMPA-ST PETERSBURG-CLEARWATER, FL MSA	69	17086	855	8301	692	9.71	0.81	0.84	10.11	713	8554	73	19881	846		
WEST PALM BEACH, FL MSA	30	5954	898	9098	758	10.13	0.84	0.92	11.02	824	9889	22	4090	897		
other	77	10412	868	6499	542	7.49	0.62	0.69	8.29	612	7341	90	14440	886		

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Operating Costs
Market Rent vs. Subsidized Properties



were \$4,452 vs. \$4,627 on a dollars-per-unit basis, and \$5.17 vs. \$5.31 on a per-square-foot of floor area basis.

Economic Losses. Economic losses tend to be lower in subsidized properties with their lower rents and relatively tight supply. An 11.39 percent average rate was calculated for the subsidized individually metered garden properties vs. 13.35 percent for market rent units. The economic loss ratio in subsidized properties still reflected the softer rental apartment market with about a 4 percent rise from the last survey.

Turnover Rates. Occupants of subsidized apartments have lower income and fewer housing choices in most local markets and are less likely to move. The turnover rate in individually metered subsidized units was 49 percent vs. 62 percent for market rent units.

Glossary of Terms

Administrative. This includes the total office expenses (i.e., telephone, computers, forms, office rental and furniture).

Capital Expenditures. Non-recurring capital expenditures. Improvements not included as an expense item in operating expenses (i.e., renovations, appliance replacements, etc.). A zero

Continued

**GROSS POTENTIAL RENT
BY REGION & METROPOLITAN AREA
GARDEN INDIVIDUALLY METERED PROPERTIES**

	2004								2003							
	Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue				Total No. of Properties	Total No. of Units	Average Sq. Ft. Per Unit	Gross Potential Rent Revenue					
				\$'s Per Unit Annual	Monthly	\$'s Per Sq. Foot Annual	Monthly				\$'s Per Sq. Foot Monthly	Annual				
Region III	417	73024	867	8395	700	9.69	0.81	0.79	9.52	688	8255	419	76722	867		
CHICAGO, IL-WI PMSA	33	11538	920	11599	967	12.60	1.05	1.02	12.23	998	11978	33	10866	979		
CINCINNATI, OH-KY-IN PMSA	39	8113	991	8591	716	8.67	0.72	0.80	9.56	670	8039	28	5332	841		
CLEVELAND, OH PMSA	18	1620	707	7422	619	10.50	0.88	0.89	10.70	564	6771	17	1120	633		
COLUMBUS, OH MSA	71	7053	711	6656	555	9.36	0.78	0.75	9.04	636	7630	77	10756	844		
DAYTON-SPRINGFIELD, OH MSA	30	3502	777	6889	574	8.87	0.74	0.70	8.43	534	6406	29	3782	760		
DETROIT, MI PMSA	39	7707	903	9410	784	10.42	0.87	0.84	10.07	755	9056	50	9498	899		
INDIANAPOLIS, IN MSA	83	15681	839	7293	608	8.69	0.72	0.72	8.61	603	7240	70	14013	841		
LANSING, MI MSA	13	2525	968	8598	717	8.88	0.74	na	na	na	na	na	na	na		
MINNEAPOLIS-ST. PAUL, MN-WI MSA	11	2959	1026	11638	970	11.34	0.95	0.95	11.41	992	11903	9	2379	1043		
other	80	14326	847	7019	585	8.29	0.69	0.68	8.11	582	6984	70	13129	861		
Region IV	616	171732	820	7921	660	9.66	0.81	0.81	9.76	670	8040	488	130128	824		
AUSTIN-SAN MARCOS, TX MSA	70	20832	819	8896	741	10.86	0.91	0.96	11.46	778	9330	64	18185	814		
DALLAS, TX PMSA	171	51326	835	8320	693	9.97	0.83	0.87	10.39	731	8773	117	35291	844		
FORT WORTH, TX PMSA	60	16533	795	7268	606	9.14	0.76	0.81	9.68	641	7697	49	13031	795		
HOUSTON-GALVESTON-BRAZORIA, TX PMSA	167	49167	826	8162	680	9.88	0.82	0.81	9.69	679	8148	121	32352	841		
LUBBOCK, TX MSA	23	3612	762	8603	550	8.67	0.72	na	na	na	na	na	na	na		
OKLAHOMA CITY, OK MSA	9	3070	763	4976	415	6.52	0.54	0.55	6.62	427	5121	19	5201	773		
SAN ANTONIO, TX MSA	36	8956	775	6887	574	8.89	0.74	0.72	8.63	572	6869	42	5897	796		
TULSA, OK MSA	29	7516	795	7217	601	9.08	0.76	0.74	8.67	559	6709	14	3936	756		
other	51	10720	852	6655	555	7.81	0.65	0.63	7.61	544	6526	32	5434	857		
Region V	161	40119	874	8530	711	9.78	0.81	0.84	10.10	733	8794	187	48020	871		
ALBUQUERQUE, NM MSA	15	3901	974	8803	734	9.04	0.75	0.76	9.07	705	8458	13	3200	933		
COLORADO SPRINGS, CO MSA	18	3288	848	8138	678	9.59	0.80	0.88	10.59	668	8013	10	2305	757		
DENVER, CO PMSA	51	13877	852	9670	806	11.35	0.95	0.99	11.85	843	10112	69	16982	853		
KANSAS CITY, MO-KS MSA	27	8562	915	8140	678	8.89	0.74	0.80	9.64	736	8833	26	8188	916		
ST. LOUIS, MO-IL MSA	11	3391	843	8035	670	9.53	0.79	0.81	9.76	699	8390	23	6220	860		
other	39	7100	840	7043	587	8.38	0.70	0.66	7.90	589	7072	23	4592	896		
Region VI	356	93498	870	10352	863	11.89	0.99	0.97	11.63	845	10143	345	88164	872		
LAS VEGAS NV-AZ MSA	14	4308	781	8186	682	10.48	0.87	0.83	10.01	667	8248	27	6359	824		
LOS ANGELES-LONG BEACH, CA PMSA	22	7206	893	16033	1336	17.95	1.50	1.38	16.55	1201	14412	23	7760	871		
OLYMPIA, WA MSA	10	1252	875	8856	738	10.12	0.84	1.09	13.06	979	11750	11	2790	900		
ORANGE COUNTY, CA MSA	22	6399	884	13352	1113	15.10	1.26	1.25	15.04	1083	12992	18	5884	864		
PHOENIX-MESA, AZ MSA	124	34201	878	8445	704	9.81	0.82	0.81	9.73	708	8501	118	31412	874		
PORTLAND-SALEM, OR-WA PMSA	13	4176	931	8760	730	9.41	0.78	0.79	9.53	734	8804	13	4220	924		
SAN DIEGO, CA MSA	19	6007	910	14020	1168	15.41	1.28	1.21	14.57	1133	13598	21	5752	933		
SAN FRANCISCO-SAN JOSE CA PMSA'S	22	5232	865	15917	1326	18.41	1.53	1.93	23.13	1612	19339	10	1905	836		
SEATTLE-TACOMA, WA PMSA	56	13691	850	9541	795	11.23	0.94	0.92	11.02	795	9544	40	9749	866		
TUCSON, AZ MSA	30	6579	797	7254	605	9.10	0.76	0.76	9.11	608	7296	34	8121	801		
other	23	4273	911	10934	911	12.00	1.00	0.88	10.54	804	9647	20	3546	915		

Source: National Apartment Association 2004 Survey of Income & Expenses in Rental Apartment Communities
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on the line meant there were no capital expenditures.

Contract Services. Total landscape maintenance, exterminating, trash removal, security, snow removal and other services costs typically provided on contract basis.

GPR Commercial. Total potential rents for all commercial space if area would have been 100 percent occupied.

GPR Residential. Total rents of all occupied units at 2003 lease rates and all vacant units at 2003 street/market rents (or fiscal year end).

Heating/Cooling Fuel. Type of fuel used in apartment units.

Insurance. This includes property hazard and liability and real property insurance, and does not include payroll insurance.

Marketing. Total media advertising, collateral materials locator fees, model expense, promotions, etc.

Management Fees. Total fees paid to managing agent from owner.

Net Commercial Square Footage. Total rentable square feet of commercial floor space.

Net Rentable Residential Square Feet. Total rentable

square feet of floor space in residential units only. Area reported should include only finished space inside four perimeter walls of each unit. Common areas should be excluded.

Other Revenue. Total collections from laundry, vending, cable, deposit forfeitures, furniture, parking, amenity charges, etc. Does not include interest income. Note: Do not include utility reimbursements (i.e., RUBS) in GPR or rental revenue. All utility reimbursements are subtracted from gross utility expense.

Rental Revenue Commercial. Total rent collections for commercial space after vacancy, administrative, bad debt and discount or concession losses.

Rental Revenue Residential. Total rent collections for residential units after vacancy, administrative, bad debt and discount or concession losses.

Rent Controlled Property. Whether the property is subject to rent controls through local or state government regulations. This does not apply if rents are controlled through a government program that provides direct subsidies.

Repair and Maintenance. Total of all general maintenance and repairs, cleaning, decorating, painting, plumbing,

electrical, HVAC, etc. Nonrecurring capital expense not included.

Residential Units Revenue Losses to Collections.

Amount of residential rents not received due to collection losses.

Residential Units Revenue Losses to Concessions.

Amounts of gross potential residential rents not received due to concessions.

Residential Units Revenue Losses to Vacancies.

Annual amount of rental income for residential units not collected due to vacancies and other use of units, such as models and offices.

Salary and Personnel Costs. Gross salaries and wages paid to employee's onsite. Includes value of employee apartment allowances, payroll taxes, group health/life insurance, workers' compensation, bonuses and lease commissions, employer 401k and/or retirement contributions and other cash benefits.

Subsidized Property. Whether the property has controlled rents through a government subsidized program or not. If yes, the program was listed (i.e., Section 236, Section 8).

Taxes. Total real estate and personal property taxes only. Payroll or rendering fees related to property taxes were not included.

Tax Exempt Bond or Housing Credit Property.

Whether the property received tax exempt bond financing and/or is a low income tax credit property.

Total Operating Expenses. Sum of all operating costs. The sum must balance with this line, using total net utility expenses only.

Turnover. Number of apartments in which residents moved out of property during the 12-month reporting period.

Utilities. Total cost of all utilities and each listed type, net of any income reimbursements for or from residents (i.e., RUBS or similar systems). Does not include trash removal.

Utility Configuration. Whether electric, gas, oil and water/sewer utilities to individual units in subject property are: Master Metered-Owner Pays; Master Metered-Resident Pays (RUBS); Individual and Sub Metered-Resident Pays.

A special note of appreciation goes to those firms who donated their time in accumulating the data necessary to make this survey a success. The following companies and officers provided more than 20 properties for the 2004 survey.

AIMCO Management Co. • Equity Residential Properties Trust • Alliance Residential • WMC Management Company LLC • Konover Residential • Dial Equities • Westmark Management Co. • Towne Properties • Lincoln Property Company • BNP Residential Properties Inc. • McCormack Baron Management Services • McSha Properties • Woodsphear Properties • Julian LeCraw & Co. Inc. • MC Realty Advisors LLC • McDougal Properties ■

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**OPERATING INCOME AND EXPENSES
MARKET RENT PROPERTIES WITH LESS THAN 100 UNITS**

INDIVIDUAL METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	548			532			16		
Number of Units	36506			35170			1336		
Avg. No. of Units/Property	67			66			84		
Avg. No. of Square Feet/Unit	681			675			827		
Turnover rate in %	65%			65%			52%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	6726	9.88	100.0%	6645	9.84	100.0%	8859	10.71	100.0%
Rent Revenue Collected	5926	8.71	88.1%	5843	8.66	87.9%	8118	9.82	91.6%
Losses to Vacancy	555	0.82	8.3%	558	0.83	8.4%	475	0.57	5.4%
Collection Losses	104	0.15	1.6%	106	0.16	1.6%	71	0.09	0.8%
Losses to Concessions	139	0.20	2.1%	137	0.20	2.1%	195	0.24	2.2%
Other Revenue	381	0.56	5.7%	376	0.56	5.7%	512	0.62	5.8%
Total Revenue	6307	9.27	93.8%	6219	9.21	93.6%	8630	10.44	97.4%
Operating Expenses									
Salaries and Personnel	784	1.15	11.7%	778	1.15	11.7%	939	1.14	10.6%
Insurance	158	0.23	2.4%	151	0.22	2.3%	356	0.43	4.0%
Taxes	526	0.77	7.8%	519	0.77	7.8%	707	0.86	8.0%
Utilities	255	0.38	3.8%	243	0.36	3.7%	581	0.70	6.6%
Management Fees	269	0.40	4.0%	264	0.39	4.0%	392	0.47	4.4%
Administrative	161	0.24	2.4%	156	0.23	2.4%	268	0.32	3.0%
Marketing	112	0.16	1.7%	111	0.16	1.7%	150	0.18	1.7%
Contract Services	296	0.43	4.4%	293	0.43	4.4%	362	0.44	4.1%
Repair and Maintenance	308	0.45	4.6%	299	0.44	4.5%	546	0.66	6.2%
Total Operating Expenses	2870	4.22	42.7%	2816	4.17	42.4%	4301	5.20	48.5%
Net Operating Income	3437	5.05	51.1%	3403	5.04	51.2%	4329	5.24	48.9%
Capital Expenditures	776	1.14	11.5%	789	1.17	11.9%	443	0.54	5.0%

MASTER METERED PROPERTIES

	Total			Garden			Mid & Hi Rise		
Number of Properties	65			56			9		
Number of Units	4545			3885			660		
Avg. No. of Units/Property	70			69			73		
Avg. No. of Square Feet/Unit	906			903			921		
Turnover rate in %	43%			45%			32%		
	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR	\$ Per Unit	\$ Per Sq. Ft.	% of GPR
Revenues									
Gross Potential Rent	9680	10.69	100.0%	9471	10.48	100.0%	10912	11.85	100.0%
Rent Revenue Collected	8711	9.62	90.0%	8550	9.46	90.3%	9660	10.49	88.5%
Losses to Vacancy	697	0.77	7.2%	664	0.74	7.0%	892	0.97	8.2%
Collection Losses	106	0.12	1.1%	113	0.13	1.2%	60	0.06	0.5%
Losses to Concessions	165	0.18	1.7%	142	0.16	1.5%	300	0.33	2.7%
Other Revenue	296	0.33	3.1%	299	0.33	3.2%	274	0.30	2.5%
Total Revenue	9006	9.94	93.0%	8849	9.80	93.4%	9934	10.79	91.0%
Operating Expenses									
Salaries and Personnel	1042	1.15	10.8%	1034	1.15	10.9%	1085	1.18	9.9%
Insurance	242	0.27	2.5%	236	0.26	2.5%	273	0.30	2.5%
Taxes	755	0.83	7.8%	709	0.78	7.5%	1026	1.11	9.4%
Utilities	885	0.98	9.1%	860	0.95	9.1%	1034	1.12	9.5%
Management Fees	419	0.46	4.3%	405	0.45	4.3%	504	0.55	4.6%
Administrative	243	0.27	2.5%	232	0.26	2.5%	303	0.33	2.8%
Marketing	118	0.13	1.2%	115	0.13	1.2%	141	0.15	1.3%
Contract Services	400	0.44	4.1%	380	0.42	4.0%	519	0.56	4.8%
Repair and Maintenance	475	0.52	4.9%	498	0.55	5.3%	337	0.37	3.1%
Total Operating Expenses	4579	5.05	47.3%	4469	4.95	47.2%	5222	5.67	47.9%
Net Operating Income	4428	4.89	45.7%	4379	4.85	46.2%	4712	5.12	43.2%
Capital Expenditures	686	0.76	7.1%	669	0.74	7.1%	785	0.85	7.2%

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Howard Crossing Apartments

Address 8732 Town & Country Blvd., Ellicott City, MD 21043
Year Built 1967 - 1973
Unit Total 1,350
Vacancy 6%
Occupancy 94%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One	50%	915	755
One/den			
Two	50%	1,319	992
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	YES	Pool-outdr	NO
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	YES
Elevator	NO	Volleyball	NO
Fitness	YES	Carwash	YES
Hot Tub	NO	Business/Ctr	YES
Sauna	NO	Computer/Ctr	NO
Playground	NO		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	
owner	



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Avg. Floorplan 1		1	1	675	915	755	1.21	
Avg. Floorplan 2		2	2	675	1,319	992	1.33	
				1350	725	650	1.27	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives 13 Month Lease, 1 Month Free

Utilities in Rent

Heat	NO	Cooking	NO	Wtr/Sewer	YES
Hot Water	NO	Electricity	NO	Trash	YES

Montrose Manor

Address 28 Montrose Manor Ct., Catonsville, MD 21228
Year Built ~ 1965
Unit Total 105
Vacancy 5%
Occupancy 95%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One	28.6%	1,164	700
One/den			
Two	71.4%	1,404	1,035
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	NO	Pool-outdr	YES
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Carwash	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	NO		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	
owner	



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Floorplan 1		1	1	30	1,164	700	1.66	
Floorplan 2		2	2	75	1,404	1,035	1.36	
				105	725	650	1.44	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives 1 - 2 Months Free Rent, Depending on Unit

Utilities in Rent

Heat	NO	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Old Orchard

Address 1 Stayman Ct., Catonsville, MD 21228
Year Built 1982
Unit Total 180
Vacancy 2%
Occupancy 98%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One	27.0%	1,100	760
One/den			
Two	73.0%	1,130	925
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	NO	Pool-outdr	NO
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Old	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	NO		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	
owner	



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Floorplan 1		1	1	48	1,100	760	1.45	
Floorplan 2		2	2	132	1,130	925	1.22	
				180	725		1.28	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives					
Utilities in Rent					
Heat	NO	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Caton House Apartments

Address 406 Wheaton Place, Catonsville, MD 21228
Year Built 1969
Unit Total 79
Vacancy 5%
Occupancy 95%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One	25.3%	1,049	1,000
One/den			
Two	74.7%	1,199	1,200
Two/den			
Three			
Four			
Total			

Community Amenities			
Clubhouse	NO	Pool-outdr	YES
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Old	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	NO		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	
owner	



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Floorplan 1		1	1	20	1,049	1,000	1.05	
Floorplan 2		2	2	59	1,199	1,200	1.00	
				79	725		1.01	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives Currently Discounted Rates

Utilities in Rent

Heat	NO	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Shade Tree Trace at the Timbers

Address 408 H Shade Tree Place, Catonsville, MD 21228
Year Built 1986
Unit Total over 100
Vacancy 5%
Occupancy 95%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One		970	738
One/den			
Two		1,107	885
Two/den		1,180	1,015
Three			
Four			
Total			

Community Amenities			
Clubhouse	NO	Pool-outdr	NO
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Old	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	YES		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	Henderson Webb
owner	Henderson Webb



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
1 BR		1	1		970	738	1.31	
2 BR		2	2		1,107	885	1.25	
2 BR Den		2	2		1,180	1,015	1.16	
					725		1.24	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives No Concessions Currently Offered

Utilities in Rent

Heat	NO	Cooking	NO	Wtr/Sewer	NO
Water	NO	Electricity	NO	Trash	YES

Courts of Nunnery Lane

Address 130 Nunnery Lane Baltimore, MD 21228
Year Built 1958
Unit Total 93
Vacancy 16%
Occupancy 84%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One			
One/den			
Two	100.0%	725	650
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	NO	Pool-outdr	NO
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Old	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	YES		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	
Owner	



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Floorplan 1		2	1	56	700	635	1.10	
Floorplan 2		2	1	25	725	640	1.13	
Floorplan 3		2	1	12	750	675	1.11	
				93	725	650	1.11	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent					
Incentives	Some Paid Utilities				
Utilities in Rent					
Heat	YES	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Westerlee Apartment Homes

Address 8 Poolside Ct., Catonsville, MD 21228
Year Built ~ 1975
Unit Total 250
Vacancy 10%
Occupancy 90%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One		1,079	950
One/den			
Two		1,197	1,014
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	YES	Pool-outdr	YES
Comm Rm	YES	Basketball	NO
Centrl Lndry	YES	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	YES	Old	NO
Hot Tub	NO	Business/Ctr	YES
Sauna	NO	Computer/Ctr	YES
Playground	YES		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	TriStar
Owner	TriStar



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
1 BR		1	1		1,079	950	1.14	
2 BR		2	2		1,197	1,014	1.18	
					725	982	1.16	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives 2 Months Free Rent on 14 month lease

Utilities in Rent

Heat	NO	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Cedar Run at the Timbers

Address 407 Cedar Run Place, Catonsville, MD 21228
Year Built 1980
Unit Total
Vacancy
Occupancy

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff		720	347
One		850	613
One/den		922	704
Two		987	742
Two/den			
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	NO	Pool-outdr	NO
Comm Rm	NO	Basketball	NO
Centrl Lndry	NO	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	NO	Old	NO
Hot Tub	NO	Business/Ctr	NO
Sauna	NO	Computer/Ctr	NO
Playground	YES		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	
Parking	Surface, no assigned
Property Manager	Henderson Webb
Owner	Henderson Webb



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
Studio		1	1		720	347	2.07	
1 BR		1	1		886	659	1.34	
2 BR		2	1.5		987	742	1.33	
					725	583	1.58	

Historic Vacancy and Eff Rent				
Date	% vac	<u>1 BR\$</u>	<u>2 BR\$</u>	<u>3BR\$</u>

Adjustments to Rent					
Incentives	2 Months Free Rent				
Utilities in Rent					
Heat	NO	Cooking	NO	Wtr/Sewer	YES
Water	YES	Electricity	NO	Trash	YES

Mount Ridge Apartments

Address 201 S. Symington Avenue, Baltimore, MD 21228
Year Built 1950
Unit Total 266
Vacancy 7%
Occupancy 93%

Unit Mix and Effective Rent			
Bedroom	% total	Avg rent	Avg sq ft
Eff			
One		779	677
One/den			
Two		879	829
Two / den		974	900
Three			
Four			
Total	100%		

Community Amenities			
Clubhouse	NO	Pool-outdr	YES
Comm Rm	NO	Basketball	NO
Centrl Lndry	YES	Tennis	NO
Elevator	NO	Volleyball	NO
Fitness	YES	Old	NO
Hot Tub	NO	Business/Ctr	YES
Sauna	NO	Computer/Ctr	NO
Playground	YES		

Features	
Standard	
Select Units	
Optional (\$)	
Security deposit	Good Credit \$250, Bad 3 Months
Parking	Surface, no assigned
Property Manager	Continental Realty Corporation
Owner	Continental Realty Corporation



Floorplans								
Description	Feature	BRs	Bath	# of units	Rent	Sq Ft	Rent/Sf	Program
1 BR		1	1		779	677	1.15	
2 BR		2	1		879	829	1.06	
2 BR Den		2	1		974	900	1.08	
					725	802	1.10	

Historic Vacancy and Eff Rent				
Date	% vac	1 BR\$	2 BR\$	3BR\$

Adjustments to Rent

Incentives	No Concessions				
Utilities in Rent					
Heat	NO	Cooking	NO	Wtr/Sewer	NO
Hot Water	NO	Electricity	NO	Trash	YES

	Unit Size (SF)			Monthly Rent (\$ / SF)		
	Eff.	1 BR	2 BR	Eff.	1 BR	2 BR
Howard Crossing		755	922		1.21	1.33
Montrose Manor		700	1,035		1.66	1.36
Old Orchard		760	925		1.45	1.22
Caton House		1,000	1,200		1.05	1.00
Shade Tree Trace		738	950		1.31	1.21
Courts of Nunnery Lane			650			1.11
Westerlee		950	1,014		1.14	1.18
Cedar Run	347	659	742	2.07	1.34	1.33
Mount Ridge		677	865		1.15	1.07
Average	347	780	923	\$ 2.07	\$ 1.29	\$ 1.20
Adjusted				\$ 2.24	\$ 1.39	\$ 1.30

Comparable Property Rental Adjustment Matrix

	Montrose Manor	Howard Crossing	Old Orchard	Caton House	Shade Tree Trace	Courts of Nunnery Lane	Westerlee	Cedar Run	Mount Ridge	Average
Unadjusted Rent / SF	1.44	1.27	1.28	1.01	1.24	1.11	1.16	1.58	1.10	1.24
Age of Property	8%	8%	5%	5%	3%	8%	5%	3%	8%	
Location	-3%	-3%	0%	2%	3%	5%	3%	3%	0%	
Occupancy	0%	0%	0%	0%	0%	5%	3%	0%	1%	
Amenities	-1%	-3%	3%	3%	3%	3%	-3%	3%	-2%	
Incentives	-1%	-1%	0%	0%	0%	0%	-1%	0%	0%	
Total Adjustments	3%	1%	8%	10%	9%	21%	7%	9%	7%	8%
Adjusted Rent / SF	1.48	1.28	1.38	1.11	1.35	1.34	1.24	1.72	1.18	1.34

Appendix C – Construction Data

- CostWorks – Construction Cost Estimate
- Topographic Site Drawing
- Baltimore County Basic Service Map – Water; Baltimore County and Catonsville Area
- Baltimore County Basic Service Map – Sewer; Baltimore County and Catonsville Area
- Baltimore County Basic Service Map – Traffic; Baltimore County and Catonsville Area

Unit Summary Report

Catonsville,
 Maryland, 21228
 Year 2010 Quarter 1

Date: 28-Apr-10

Maiden Choice Apartments

Prepared By:
 Andrew Ingalls
 Hopkins Candidate

Division Description	Total
Division 01 General Requirements	\$318,080.79
Division 02 Existing Conditions	\$13,635.08
Division 03 Concrete	\$227,510.64
Division 04 Masonry	\$8,388.60
Division 05 Metals	\$86,679.60
Division 06 Wood, Plastics, And Composites	\$254,002.35
Division 07 Thermal And Moisture Protection	\$738,088.22
Division 08 Openings	\$144,719.25
Division 09 Finishes	\$1,945,384.11
Division 10 Specialties	\$12,526.32
Division 11 Equipment	\$211,792.80
Division 12 Furnishings	\$119,079.38
Division 21 Fire Suppression	\$8,370.00
Division 22 Plumbing	\$151,525.64
Division 23 Heating, Ventilating, and Air-Conditioning (HVAC)	\$85,167.00
Division 26 Electrical	\$120,159.78
Division 31 Earthwork	\$25,155.94
Division 32 Exterior Improvements	\$154,106.50
Division 33 Utilities	\$6,009.00
Subtotal	\$4,630,381.00
General Contractor's Markup on Subs	8.00% \$0.00
Subtotal	\$4,630,381.00
General Conditions	10.00% \$463,038.10
Subtotal	\$5,093,419.10
General Contractor's Overhead and Profit	10.00% \$509,341.91
Grand Total	\$5,602,761.01

Unit Detail Report

Catonsville,
 Maryland, 21228
 Year 2010 Quarter 1

Date: 28-Apr-10

Maiden Choice Apartments

Prepared By:
 Andrew Ingalls
 Hopkins Candidate

LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
Division 01 General Requirements					
011131100010	ARCHITECTURAL FEES	1.00		\$0.00	\$0.00
011131300010	ENGINEERING FEES	1.00		\$0.00	\$0.00
011131750050	Color Renderings, matted, eye level, 1 building, 20" x 30", average	1.00	Ea.	\$3,059.63	\$3,059.63
013113200200	Field Personnel, project manager, average	52.00	Week	\$3,075.00	\$159,900.00
013113200260	Field Personnel, superintendent, average	52.00	Week	\$2,850.00	\$148,200.00
015213200350	Office Trailer, furnished, rent per month, 32' x 8', excl. hookups	12.00	Ea.	\$211.94	\$2,543.28
015213201350	Storage Boxes, rent per month, 40' x 8'	12.00	Ea.	\$101.49	\$1,217.88
015626500250	Temporary Fencing, chain link, rented up to 12 months, 6' high, 11 ga, over 1000'	500.00	L.F.	\$6.32	\$3,160.00
Division 01 Subtotal					\$318,080.79
Division 02 Existing Conditions					
022113090020	Topographical survey, conventional, minimum	7.60	Acre	\$400.52	\$3,043.95
022113130320	Boundary & survey markers, lot location and lines, for average quantities	7.60	Acre	\$1,064.28	\$8,088.53
023213100020	Subsurface investigation, boring and exploratory drilling, initial field stake out & determination of elevations, for borings	1.00	Day	\$814.67	\$814.67
023213100100	Subsurface investigation, boring and exploratory drilling, drawings showing boring details	1.00	Total	\$310.00	\$310.00
023213100200	Subsurface investigation, boring and exploratory drilling, report and recommendations from P.E.	1.00	Total	\$750.00	\$750.00
023213100300	Subsurface investigation, boring and exploratory drilling, mobilization and demobilization, minimum	1.00	Total	\$449.98	\$449.98
024113175010	Demolish, remove pavement & curb, remove bituminous pavement, 3" thick, excludes hauling and disposal fees	16.00	S.Y.	\$2.35	\$37.60
024113176000	Demolish, remove pavement & curb, remove concrete curbs, plain, excludes hauling and disposal fees	35.00	L.F.	\$4.01	\$140.35
Division 02 Subtotal					\$13,635.08
Division 03 Concrete					
033053401320	Structural concrete, in place, column (4000 psi), round, avg reinforcing, 20" diameter, includes forms(4 uses), reinforcing steel, concrete, placing and finishing	36.00	C.Y.	\$883.66	\$31,811.76

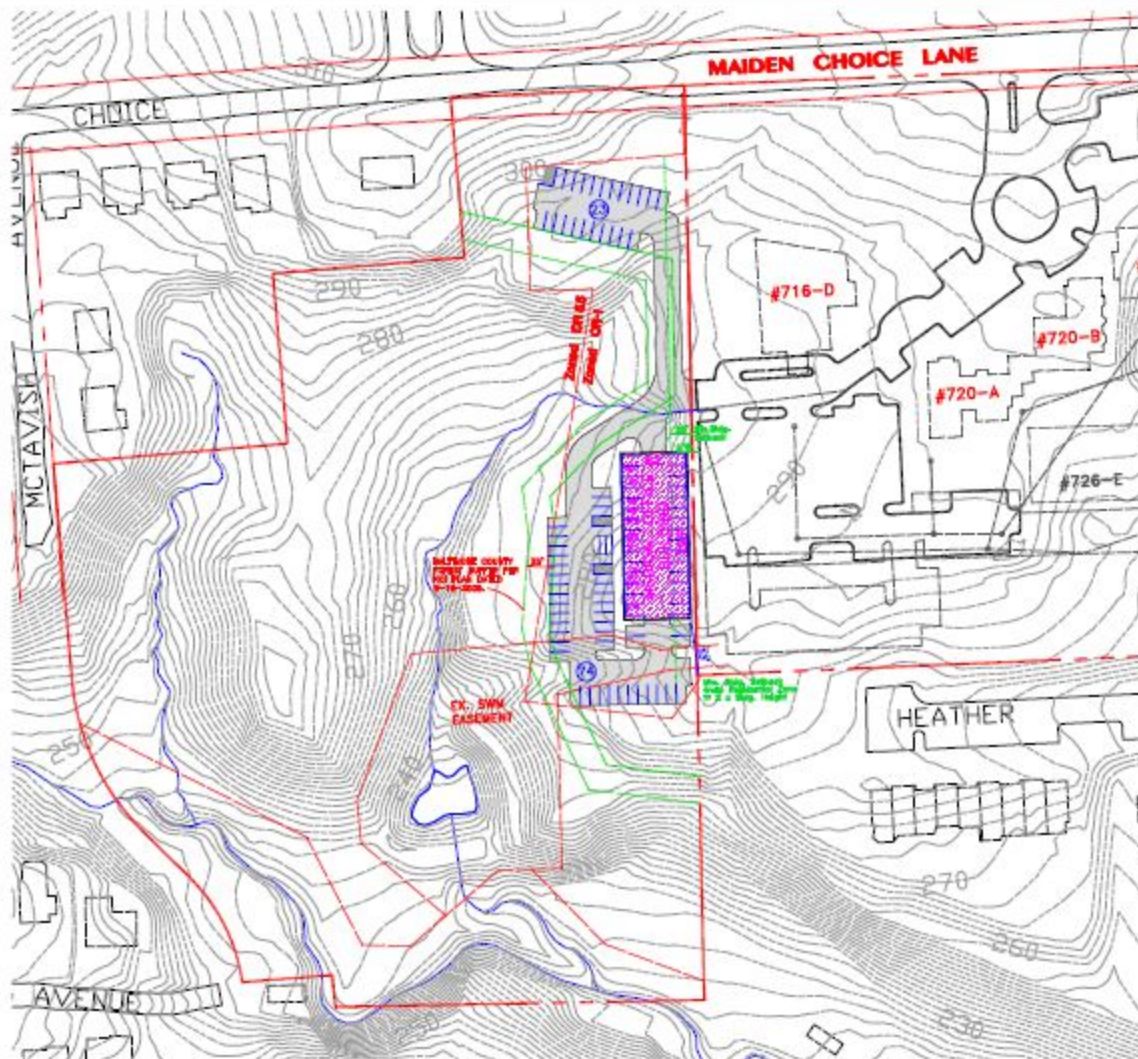
LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
033053402550	Structural concrete, in place, elevated slab (4000 psi), one way joists, 125 psf superimposed load, 30" pans, 25' span, includes forms(4 uses), reinforcing steel, concrete, placing and finishing	312.00	C.Y.	\$627.24	\$195,698.88
Division 03 Subtotal					\$227,510.64
Division 04 Masonry					
047110100150	Simulated brick panels, vinyl siding	1,860.00	S.F.	\$4.51	\$8,388.60
Division 04 Subtotal					\$8,388.60
Division 05 Metals					
055113500300	Stair, shop fabricated, steel, 4'-0" W, incl picket railing, stringers, metal pan treads, excl concrete for pan treads, per riser	144.00	Riser	\$589.63	\$84,906.72
055113501500	Stair landing, shop fabricated, steel, conventional, incl framing, metal fan forms, excl concrete for pan forms	24.00	S.F.	\$73.87	\$1,772.88
Division 05 Subtotal					\$86,679.60
Division 06 Wood, Plastics, And Composites					
061110280170	Porch or deck framing, treated lumber, girder, double, 2" x 6"	1,680.00	L.F.	\$2.50	\$4,200.00
061110280360	Porch or deck framing, treated lumber, railings and trim, 1" x 4"	4,032.00	L.F.	\$1.64	\$6,612.48
061110280400	Porch or deck framing, treated lumber, decking, 1" x 4"	2,016.00	S.F.	\$3.06	\$6,168.96
061110302000	Wood framing, roofs, fascia boards, 2" x 8"	620.00	L.F.	\$3.66	\$2,269.20
061110305120	Wood framing, roofs, rafters, ordinary, to 4 in 12 pitch, 2" x 10"	8,400.00	L.F.	\$1.93	\$16,212.00
061110400100	Wall framing, door buck, king studs, jack studs, header and accessories, 2" x 4" wall, 3' wide, 8' high	175.00	Ea.	\$22.85	\$3,998.75
061110400230	Wall framing, door buck, king studs, jack studs, header and accessories, 2" x 6" wall, 12' wide, 8' high	50.00	Ea.	\$83.05	\$4,152.50
061110400240	Wall framing, window buck, king studs, jack studs, rough sill, cripples, header and accessories, 2" x 4" wall, 2' wide, 8' high	150.00	Ea.	\$27.09	\$4,063.50
061110405045	Wall framing, plates, untreated, 2" x 6", pneumatic nailed	1,860.00	L.F.	\$1.19	\$2,213.40
061110405146	Wall framing, studs, 2" x 4", 8' high wall, pneumatic nailed	5,070.00	L.F.	\$0.80	\$4,056.00
061110405166	Wall framing, studs, 2" x 6", 8' high wall, pneumatic nailed	1,860.00	L.F.	\$1.01	\$1,878.60
061210100110	Structural insulated panels, 7/16" OSB both faces, EPS insulation, 5-5/8" thick	1,860.00	S.F.	\$5.25	\$9,765.00
061626100105	Underlayment, plywood, underlayment grade, 1/2" thick, pneumatic nailed	50,433.00	SF Flr.	\$1.32	\$66,571.56
061636100055	Sheathing, plywood on roof, CDX, 3/8" thick, pneumatic nailed	17,800.00	S.F.	\$0.79	\$14,062.00
061636100505	Sheathing, plywood on walls, CDX, 3/8" thick, pneumatic nailed	1,860.00	S.F.	\$0.89	\$1,655.40
062213150500	Moldings, base, stock pine, 3-1/2" x 9/16" thick	13,500.00	L.F.	\$3.52	\$47,520.00
062213352600	Moldings, ceilings, crown, stock pine, 9/16" x 3-5/8"	13,500.00	L.F.	\$3.53	\$47,655.00
062213502800	Moldings, window & door, for doors, stock, decorative, plain, 1-1/8" wide	175.00	Set	\$62.56	\$10,948.00
Division 06 Subtotal					\$254,002.35

LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
Division 07 Thermal And Moisture Protection					
071353100100	Elastomeric sheet waterproofing, EPDM, plain, 60 mils thick	1,860.00	S.F.	\$2.45	\$4,557.00
072116102210	Blanket insulation for floors/ceilings, fiberglass, paper or foil backing, 1 side, 9-1/2" thick, R30, incl. spring type wire fasteners	50,433.00	S.F.	\$1.43	\$72,119.19
072116200030	Blanket insulation, for walls or ceilings, kraft faced fiberglass, 3-1/2" thick, R11, 23" wide	50,433.00	S.F.	\$0.51	\$25,720.83
072216101932	Roof Deck Insulation, install polystyrene insulation, 4" thick, R20, 15 PSI compressive strength	17,800.00	S.F.	\$2.00	\$35,600.00
072510100480	Vapor Retarders, building paper, housewrap, exterior, spun bonded polypropylene, large roll	1,860.00	S.F.	\$0.22	\$409.20
072510102100	Vapor retarders, building paper, asphalt felt roof deck vapor barrier, class 1 metal decks	17,800.00	Sq.	\$31.21	\$555,538.00
074113100300	Aluminum roof panels, corrugated or ribbed, painted, .0155" thick	17,800.00	S.F.	\$2.48	\$44,144.00
Division 07 Subtotal					\$738,088.22
Division 08 Openings					
081313201360	Doors, residential, steel, prehung, insulated, exterior, flush face, full panel, 3'-0" x 7'-0"	50.00	Ea.	\$354.27	\$17,713.50
081416090080	Doors, wood, architectural, flush, interior, hollow core, 7 ply, luan face, 3'-0" x 6'-8" x 1-3/8" thick	175.00	Ea.	\$96.31	\$16,854.25
083213100450	Doors, glass, sliding, aluminum, economy, 5/8" tempered insul. glass, 6'-0" x 6'-8"	50.00	Ea.	\$1,097.79	\$54,889.50
085313300128	Windows, vinyl double hung, grids, low E, J fin, exterior jambs, 25" x 37", including grill, J finish, low E, exterior jambs	150.00	Ea.	\$222.70	\$33,405.00
087120400100	Door hardware, lockset, standard duty, cylindrical, with sectional trim, non-keyed, privacy	50.00	Ea.	\$96.21	\$4,810.50
087120400400	Door hardware, lockset, standard duty, cylindrical, with sectional trim, keyed, single cylinder function	50.00	Ea.	\$127.64	\$6,382.00
087120410100	Door hardware, deadlocks, mortise, medium duty, outside key	50.00	Ea.	\$185.06	\$9,253.00
087120452010	Door hardware, peephole	50.00	Ea.	\$28.23	\$1,411.50
Division 08 Subtotal					\$144,719.25
Division 09 Finishes					
092116331000	Partition Wall, interior, standard, taped both sides, installed on & incl.25 ga, NLB metal studs, 3-5/8" wide, 16" O.C., 8' to 12' high, 1/2" gypsum drywall	40,560.00	S.F.	\$2.89	\$117,218.40
092910301050	Gypsum wallboard, on ceilings, taped & finished, standard, 1/2" thick	50,433.00	S.F.	\$1.19	\$60,015.27
096516108100	Resilient Flooring, vinyl sheet goods, backed, .080" thick, minimum	5,344.00	S.F.	\$4.99	\$26,666.56
096810202010	Carpet padding, recycled waste carpet, 3/8" thick	45,089.00	S.Y.	\$3.83	\$172,690.87
096816100110	Carpet, natural fiber, sisal, reed, or hemp, 45 oz., medium to heavy traffic	45,089.00	S.Y.	\$34.43	\$1,552,414.27

LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
099123720280	Paints & Coatings, walls & ceilings, interior, concrete, drywall or plaster, oil base, primer or sealer coat, smooth finish, spray	90,993.00	S.F.	\$0.18	\$16,378.74
Division 09 Subtotal					\$1,945,384.11
Division 10 Specialties					
102816200100	Medicine cabinets, with mirror, wood frame	76.00	Ea.	\$164.82	\$12,526.32
Division 10 Subtotal					\$12,526.32
Division 11 Equipment					
113113130020	Cooking range, residential appliances, free standing, 1 oven, 30" wide, minimum	48.00	Ea.	\$458.71	\$22,018.08
113113130700	Cooking range, residential appliances, free standing, w/1 oven, 21" w, minimum	48.00	Ea.	\$437.83	\$21,015.84
113113131250	Microwave ovens, residential appliances, minimum	48.00	Ea.	\$242.16	\$11,623.68
113113236790	Refrigerator, energy star qualified, 18 CF, minimum	48.00	Ea.	\$766.27	\$36,780.96
113113332750	Dishwasher, residential appliances, built-in, 2 cycles, minimum	48.00	Ea.	\$387.29	\$18,589.92
113113433300	Garbage disposal, residential appliances, sink type, minimum	48.00	Ea.	\$140.02	\$6,720.96
113123136650	Washing machine, residential appliances, automatic, minimum	48.00	Ea.	\$559.20	\$26,841.60
113123236770	Dryer, electric, automatic, front-loading, energy-star qualified, minimum	48.00	Ea.	\$643.16	\$30,871.68
113123237450	Vent kit, residential appliances, for dryers	48.00	Ea.	\$68.60	\$3,292.80
113133236900	Water heater, residential appliances, electric, glass lined, 30 gallon, minimum	48.00	Ea.	\$709.11	\$34,037.28
Division 11 Subtotal					\$211,792.80
Division 12 Furnishings					
122113130020	Blinds, interior, horizontal, solid color, stock, 1" aluminum slats	150.00	S.F.	\$6.15	\$922.50
122116131500	Blinds, interior, vertical, 3" to 5" PVC or cloth strips, minimum	50.00	S.F.	\$5.00	\$250.00
123223100800	Custom Cabinets, kitchen base cabinets, hardwood, prefinished, 1 top drawer, 1 door below, 24" deep, 35" high, 12" wide, excl. countertops	192.00	Ea.	\$294.77	\$56,595.84
123223104050	Custom Cabinets, kitchen wall cabinets, hardwood, prefinished, 2 doors, 12" deep, 12" high, 30" wide	192.00	Ea.	\$266.58	\$51,183.36
123623130020	Counter Tops, stock, plastic laminate, 24" wide, includes backsplash, minimum	360.00	L.F.	\$23.61	\$8,499.60
129323101240	Trash receptacles, aluminum frame, hardboard panels, steel drum base, formed plastic liner, aggregate finish, 14 gallon capacity	4.00	Ea.	\$407.02	\$1,628.08
Division 12 Subtotal					\$119,079.38
Division 21 Fire Suppression					
211313503720	Sprinkler System Components, sprinkler heads, standard spray, pendent or upright, brass, 135 to 286 degrees F, 1/2" NPT, 3/8" orifice, excludes supply piping	200.00	Ea.	\$41.85	\$8,370.00
Division 21 Subtotal					\$8,370.00
Division 22 Plumbing					

LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
224113401100	Water closet, tank type, vitreous china, floor mounted, close coupled, two piece, includes seat, supply pipe with stop	76.00	Ea.	\$444.12	\$33,753.12
224116100680	Lavatory, vanity top, porcelain enamel on cast iron, white, oval, 20" x 17", includes trim	76.00	Ea.	\$330.27	\$25,100.52
224116302000	Sink, kitchen, counter top style, porcelain enamel on cast iron, single bowl, 24" x 21", includes faucet and drain	48.00	Ea.	\$434.29	\$20,845.92
224119102300	Bath, tub, enameled formed steel, above floor drain, 5' long	48.00	Ea.	\$649.21	\$31,162.08
224123203000	Shower, stall, fiberglass, one piece with three walls, square, 32" x 32"	28.00	Ea.	\$738.12	\$20,667.36
224139100150	Faucets/fittings, bath, faucets, diverter spout combination, soldered	76.00	Ea.	\$153.55	\$11,669.80
224139101000	Faucets/fittings, kitchen sink faucets, top mount, cast spout	48.00	Ea.	\$114.04	\$5,473.92
224139104100	Faucets/fittings, shower arm with flange and head	28.00	Ea.	\$101.89	\$2,852.92
Division 22 Subtotal					\$151,525.64
Division 23 Heating, Ventilating, and Air-Conditioning (HVAC)					
233113130540	Metal Ductwork, fabricated rectangular, galvanized steel, 500 to 1000 lb., includes fittings, joints, supports and allowance for a flexible connection, excludes insulation	750.00	Lb.	\$4.90	\$3,675.00
235413101020	Furnace, hot air heating, blowers, electric, 10.2 MBH, U.L. listed, includes standard controls, excludes gas, oil or flue piping	50.00	Ea.	\$718.44	\$35,922.00
237613100180	Evaporative cooler, ducted, side discharge style, capacities at .25" S.P., 3615 CFM, 1/2 H.P., 230 V, excludes duct	50.00	Ea.	\$911.40	\$45,570.00
Division 23 Subtotal					\$85,167.00
Division 26 Electrical					
260590101150	Service & panel, resi, w/14 branch breakers, 150 amp, incl 24' SE-AL cable, service eye, meter socket	50.00	Ea.	\$1,389.81	\$69,490.50
260590102150	Switch devices, resi, 3-way, #14/3, type NM cable, 20', incl box & cover plate	200.00	Ea.	\$47.94	\$9,588.00
260590104015	Receptacle devices, resi, duplex outlet, ivory, type NM cable, 20', 15 amp, incl box & cover plate	400.00	Ea.	\$42.16	\$16,864.00
260590107050	Smoke detectors, resi, box, #14/3, type NM cable, 20'	100.00	Ea.	\$68.80	\$6,880.00
265613102870	Light poles, anchor base, aluminum, 14' high, excl concrete bases	8.00	Ea.	\$924.60	\$7,396.80
265626200610	Tree lights, landscape fixtures, incandescent, 50 W, incl conduit, wire, trench	16.00	Ea.	\$621.28	\$9,940.48
Division 26 Subtotal					\$120,159.78
Division 31 Earthwork					
311110100200	Clearing & grubbing, medium trees, to 12" diameter, cut and chip	1.25	Acre	\$5,315.83	\$6,644.79
311110100250	Clearing & grubbing, trees to 12" diameter, grub stumps and remove	1.25	Acre	\$3,816.68	\$4,770.85
312216101050	Fine grading, fine grade for small irregular areas, to 15,000 S.Y.	4,180.00	S.Y.	\$2.32	\$9,697.60
312216101100	Fine grading, fine grade for slab on grade, machine	1,870.00	S.Y.	\$1.41	\$2,636.70

LineNumber	Description	Quantity	Unit	Total Incl. O&P	Ext. Total Incl. O&P
312513101000	Synthetic erosion control, silt fence, polypropylene, ideal conditions, 3' high	800.00	L.F.	\$0.79	\$632.00
313219161550	Geotextile soil stabilization, geotextile fabric, non-woven, 120 lb. tensile strength, includes scarifying and compaction	600.00	S.Y.	\$1.29	\$774.00
Division 31 Subtotal					\$25,155.94
Division 32 Exterior Improvements					
321123230101	Base course drainage layers, aggregate base course for roadways and large paved areas, stone base, compacted, 3/4" stone base, to 6" deep	37,620.00	S.F.	\$0.96	\$36,115.20
321126130500	Asphalt Paving, plant mixed asphaltic base courses for roadways and large paved areas, bituminous concrete, 4" thick	630.00	S.Y.	\$18.17	\$11,447.10
321216130130	Plant-mix asphalt paving, for highways and large paved areas, binder course, 2-1/2" thick, no hauling included	400.00	S.Y.	\$11.26	\$4,504.00
321613130415	Cast-in place concrete curbs & gutters, concrete, machine formed, straight, 6" x 18", includes concrete	400.00	L.F.	\$8.66	\$3,464.00
323213102200	Cast-in place retaining walls, concrete gravity wall with vertical face, level embankment, no surcharge, 8' high, includes excavation & backfill, excludes reinforcing	310.00	L.F.	\$317.15	\$98,316.50
329343100300	Planting, trees, shrubs and ground cover, light soil, container, 1 gallon, includes planting only	35.00	Ea.	\$7.42	\$259.70
Division 32 Subtotal					\$154,106.50
Division 33 Utilities					
331113350200	Water supply distribution piping, piping HDPE, butt fusion joints, 40' lengths, 6" diameter, SDR 21	150.00	L.F.	\$17.05	\$2,557.50
334113601030	Public Storm Utility Drainage Piping, non-reinforced concrete pipe, extra strength, B&S or T&G joints, 10" diameter, excludes excavation or backfill	150.00	L.F.	\$18.23	\$2,734.50
337119151050	Electrical Underground Ducts and Manholes, PVC, conduit with coupling, 2" diameter, schedule 40, installed by direct burial in slab or duct bank	150.00	L.F.	\$4.78	\$717.00
Division 33 Subtotal					\$6,009.00



VICINITY MAP 1/8" = 1" = 1987

OWNER AND APPLICANT BASED
ON SHOWN COORDINATE
SYSTEM
HORIZONTAL - NAD 83/91
VERTICAL - NAVD 83

CONCEPT PLAN

MAIDEN CHOICE ASSOCIATES MAIDEN CHOICE LANE

1st ELECTION DISTRICT COUNCILMANIC DISTRICT C-1
BALTIMORE COUNTY, MARYLAND

LIST OF DRAWINGS

DEVELOPER
MAIDEN CHOICE ASSOCIATES

REVISIONS

DATE	DESCRIPTION

ROW 411
SCALE: 1"=50'
DESIGNED: *
DRAWN: *
CHECKED: *
DATE: Nov 13, 2007
DWG. NO.: C-100



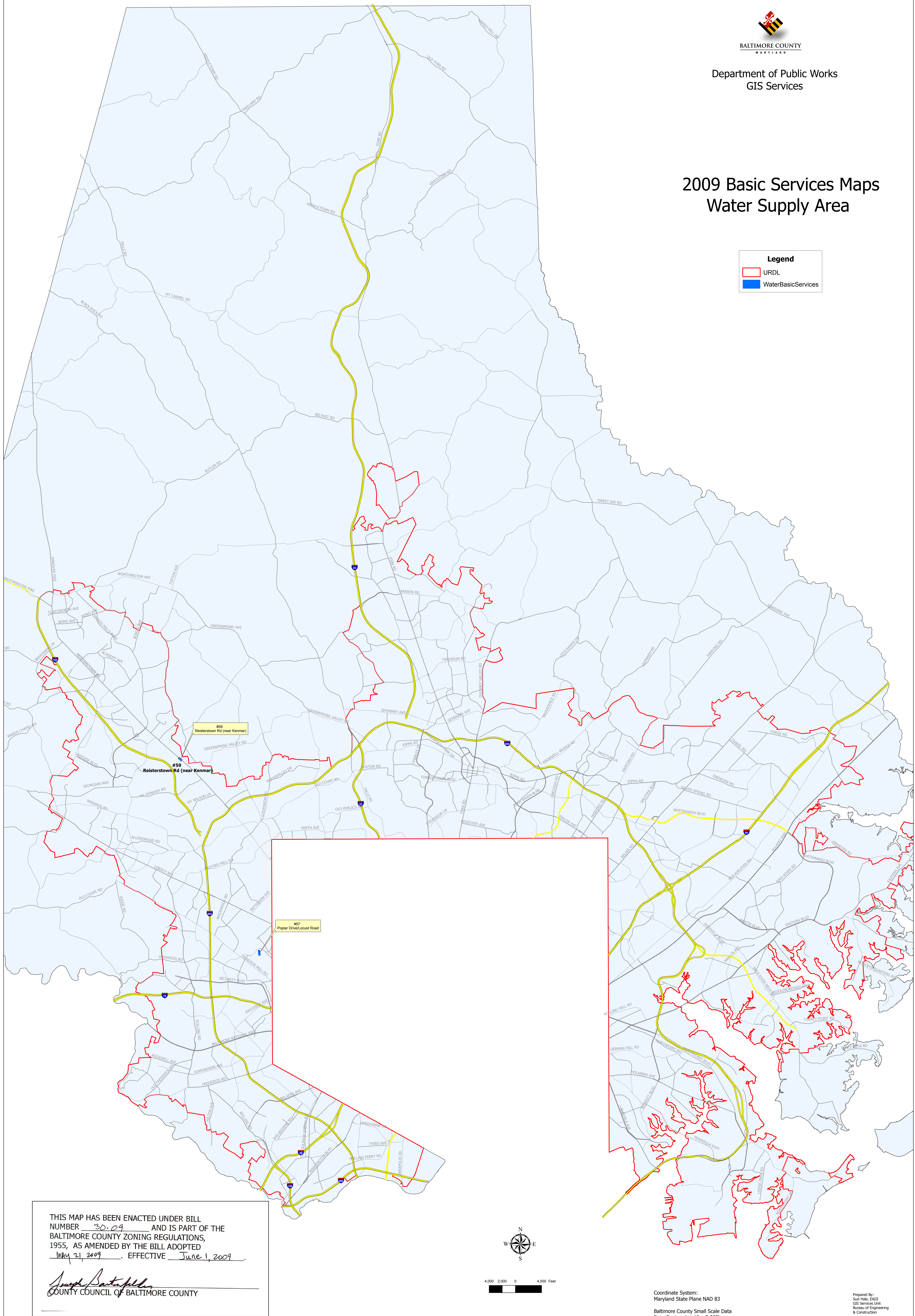
BALTIMORE COUNTY
MARYLAND

Department of Public Works
GIS Services

2009 Basic Services Maps Water Supply Area

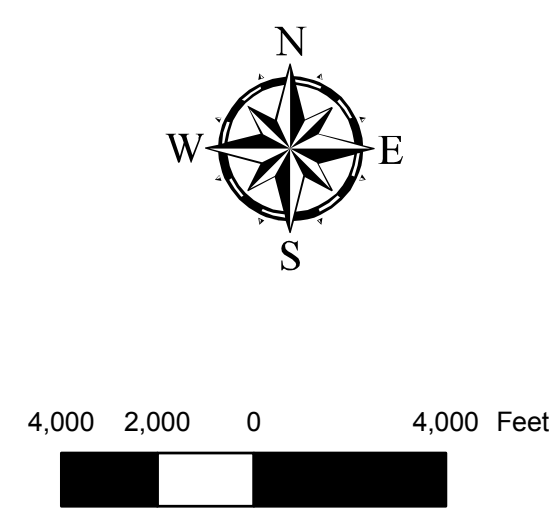
Legend

- URDL
- WaterBasicServices



THIS MAP HAS BEEN ENACTED UNDER BILL NUMBER 30-09 AND IS PART OF THE BALTIMORE COUNTY ZONING REGULATIONS, 1955, AS AMENDED BY THE BILL ADOPTED May 21, 2009. EFFECTIVE June 1, 2009.

Joseph Bartolotta
COUNTY COUNCIL OF BALTIMORE COUNTY



Coordinate System:
Maryland State Plane NAD 83
Baltimore County Small Scale Data
Data Captured at 1" = 2,000'

Prepared By:
Scott Hale, EA III
Bureau of Engineering
& Construction
Map Production Date: May 29, 2009
JSDG





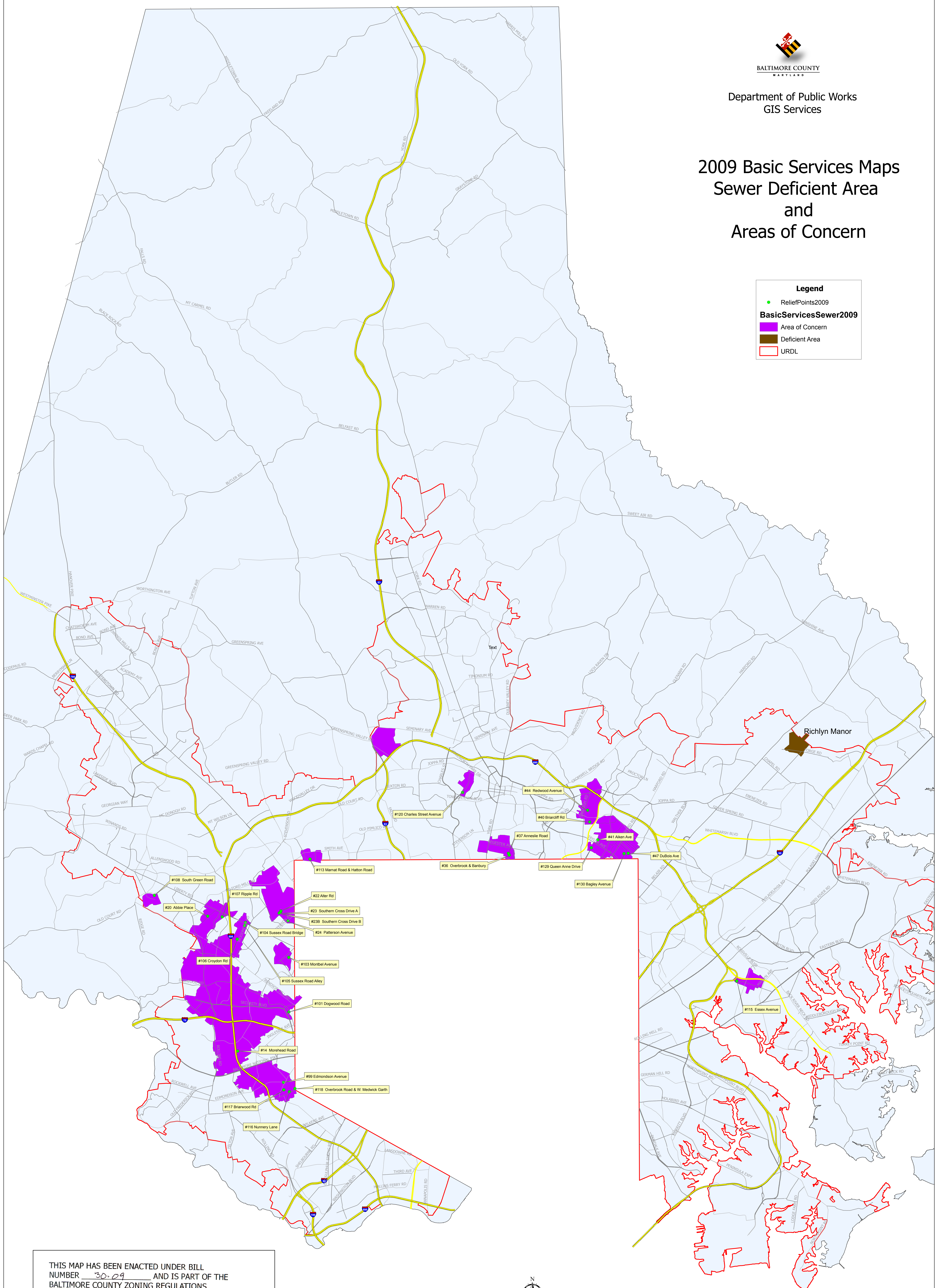
BALTIMORE COUNTY
MARYLAND

Department of Public Works
GIS Services

2009 Basic Services Maps Sewer Deficient Area and Areas of Concern

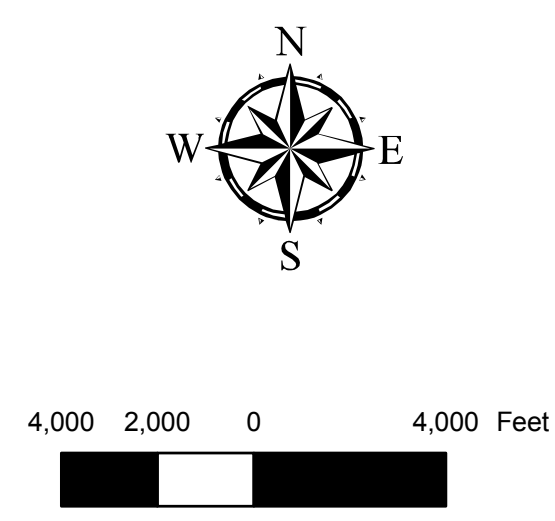
Legend

- ReliefPoints2009
- BasicServicesSewer2009**
 - Area of Concern
 - Deficient Area
 - URDL

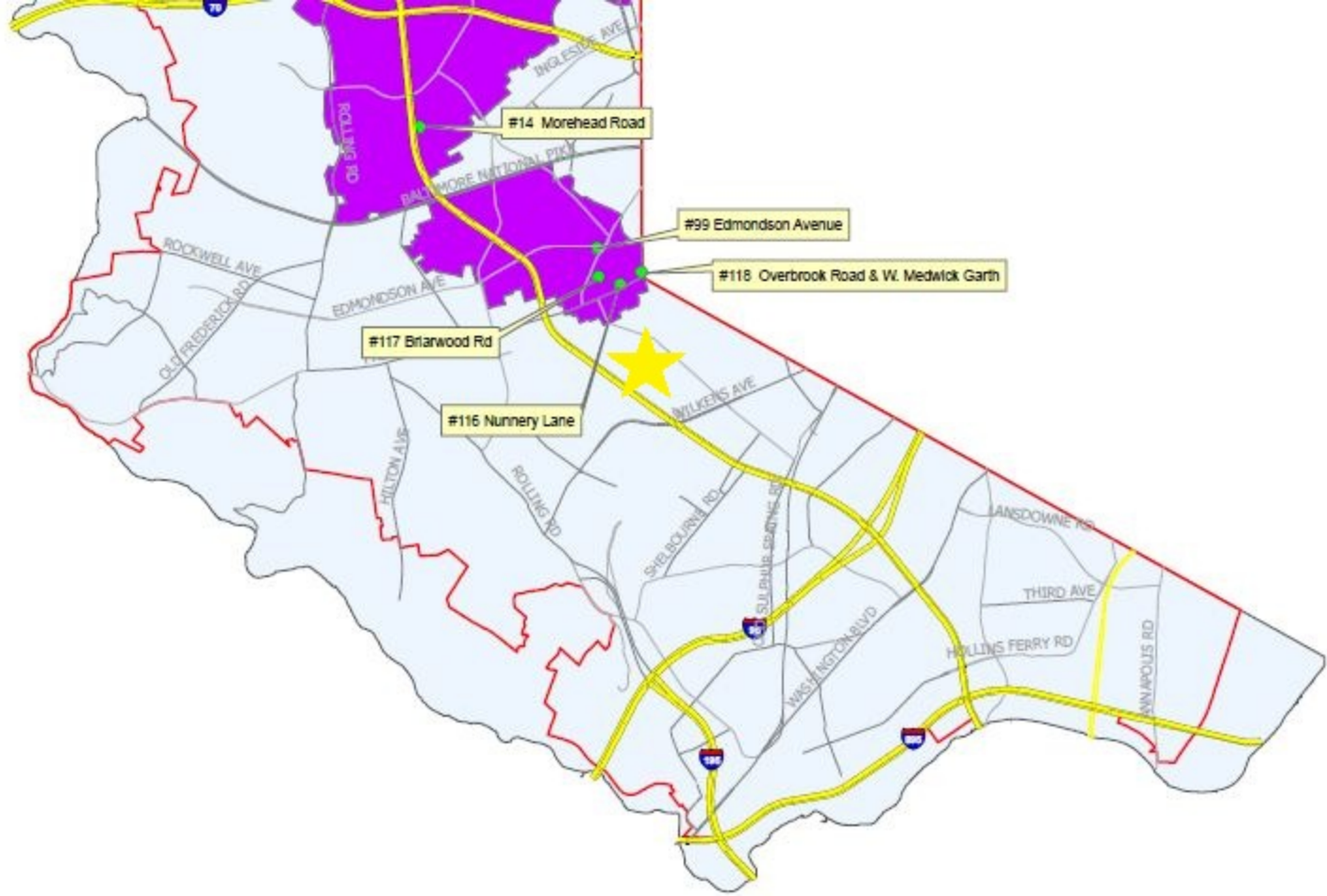


THIS MAP HAS BEEN ENACTED UNDER BILL NUMBER 30-09 AND IS PART OF THE BALTIMORE COUNTY ZONING REGULATIONS, 1955, AS AMENDED BY THE BILL ADOPTED May 21, 2009. EFFECTIVE June 1, 2009.

Joseph Santafelice
COUNTY COUNCIL OF BALTIMORE COUNTY



Coordinate System: Maryland State Plane NAD 83
 Prepared By: Sue Hale, EA III
 GIS Services Unit
 Bureau of Engineering & Construction
 Data Captured at 1" = 2,000'
 Map Production Date: May 29, 2009
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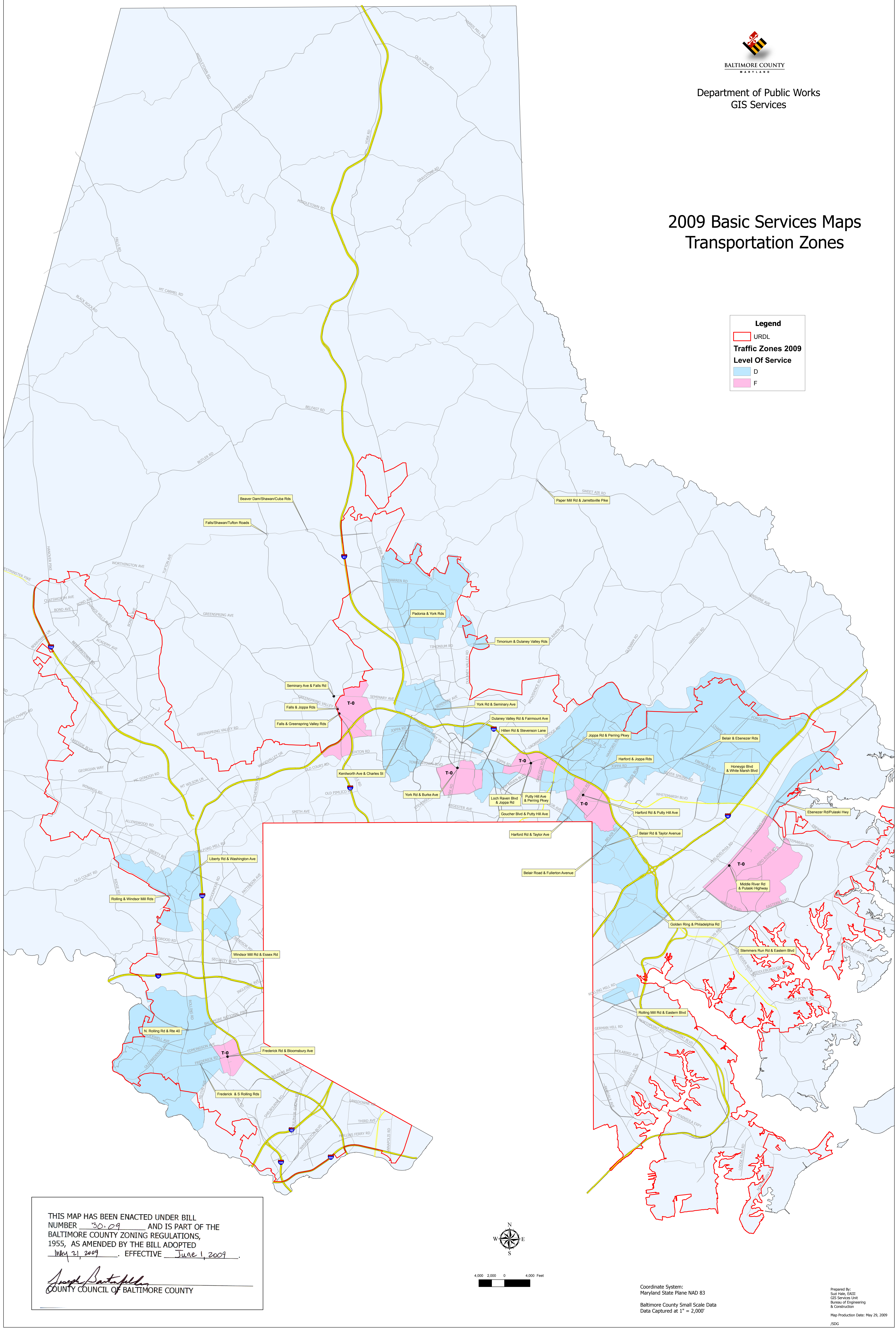
BALTIMORE COUNTY
MARYLAND

Department of Public Works
GIS Services

2009 Basic Services Maps Transportation Zones

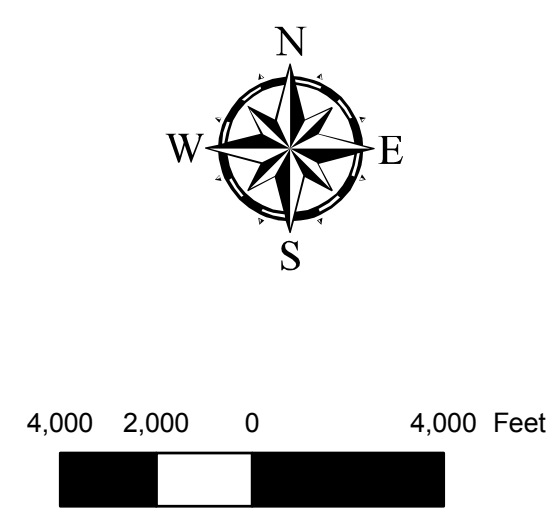
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- URDL
- Traffic Zones 2009**
- Level Of Service**
- D
- F



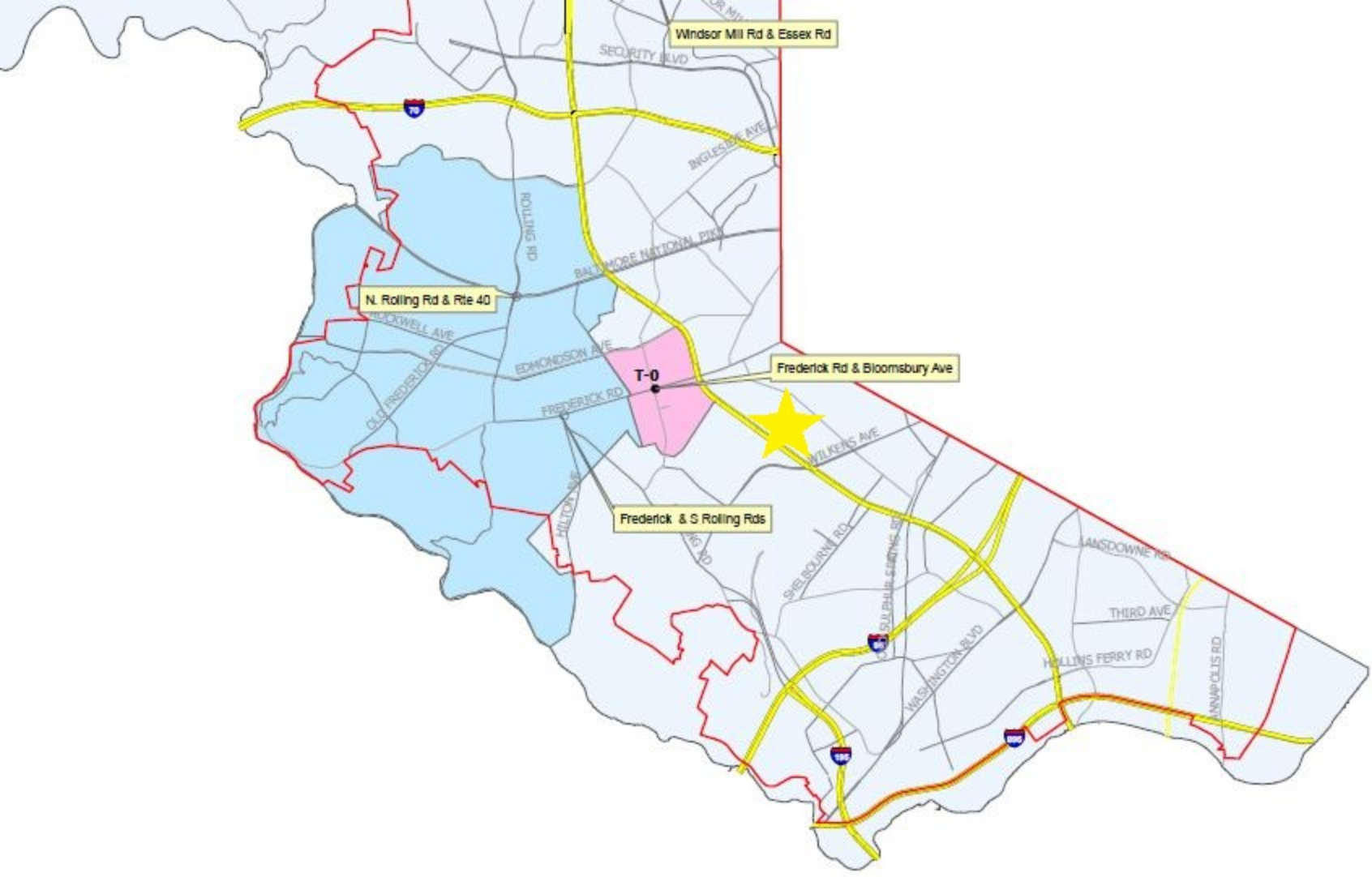
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Joseph B. Bartolotta
COUNTY COUNCIL OF BALTIMORE COUNTY



Coordinate System:
Maryland State Plane NAD 83
Baltimore County Small Scale Data
Data Captured at 1" = 2,000'

Prepared By:
Suzi Hale, EAIII
GIS Services Unit
Bureau of Engineering
& Construction
Map Production Date: May 29, 2009
JSDG



Windsor Mill Rd & Essex Rd

N. Rolling Rd & Rte 40

T-0

Frederick Rd & Bloomsbury Ave

Frederick & S Rolling Rds

SECURITY BLVD

INGLESIDE AVE

ROLLING RD

BALTIMORE NATIONAL PIKE

BLACKWELL AVE

EDMONDSON AVE

FREDERICK RD

WILKENS AVE

SHEBOURNE RD

WASHINGTON BLVD

LANSOWNE RD

THIRD AVE

HOLLINS FERRY RD

SUNNYPOLIS RD

OLD FREDERICK AVE

HILTON AVE

WILKENS RD

SUNNYPOLIS ST

Appendix D – Financial Data

- United States Census Bureau – *CPI Detailed Report: Data for March 2010*; excerpt.
- United States Department of Labor, Bureau of Labor Statistics – *Consumer Price Index: 04-14-2010*.
- Argus Reports
 - Cash Flow
 - Sources and Uses
 - Resale
 - Detailed PV – Unleveraged
 - Property Summary
 - Presentation Rent Roll
 - Market Leasing Assumptions – Year 6

CPI Detailed Report

Data for March 2010

Editors

Malik Crawford
 Sanjeev Katz
 Andrew Mauro
 Jonathan Church

Contents

	<i>Page</i>
Consumer Price Movements, March 2010.....	1
CPI-U 12-Month Changes	3
Experimental Consumer Price Index for Americans 62 Years of Age and Older, 1998-2009.....	4
Technical Notes	116

Index tables

	<i>CPI-U</i>		<i>CPI-W</i>	
	<i>Table</i>	<i>Page</i>	<i>Table</i>	<i>Page</i>
U.S. city average:				
Expenditure categories; commodity, service groups.....	1	9	6	29
Seasonally adjusted expenditure categories; commodity, service groups	2	11	7	31
Detailed expenditure categories	3	13	8	33
Seasonally adjusted detailed expenditure categories	4	20	9	39
Special detailed categories	5	27		
Historical:				
All items, 1913-present	24	73	27	91
Commodity and service groups and detailed expenditures, indexes	25	77	28	95
Commodity and service groups and detailed expenditures, percent change from previous December	26	84	29	101
Selected areas:				
All items indexes	10	45	17	59
Regions	11	46	18	60
Population classes	12	48	19	62
Regions and population classes cross-classified.....	13	50	20	64
Food at home expenditure categories.....	14	54	21	68
Areas priced monthly: percent changes over the month	15	55	22	69
City indexes and percent changes	16	56	23	70

Contents—Continued

CPI-U
Table Page

Average price tables

U.S. city average		
Energy:		
Residential prices	P1	107
Residential units and consumption ranges	P2	108
Gasoline	P3	109
Retail Food.....	P4	110

Chained CPI-U (C-CPI-U) tables

U.S. city average, expenditure categories, and commodity and service groups	1C	112
U.S. city average, all items index	24C	113
Historical U.S. city average, expenditure categories, and commodity and service groups, indexes	25C	114
Historical U.S. city average, expenditure categories, and commodity and service groups, percent changes from previous December	26C	115

Scheduled Release Dates

Consumer Price Index data are scheduled for initial release on the following dates:

<i>Index month</i>	<i>Release date</i>	<i>Index month</i>	<i>Release date</i>
April	May 19	May	June 17
June	July 16	July	August 13
August	September 17	September	October 15

CONSUMER PRICE MOVEMENTS MARCH 2010

On a seasonally adjusted basis, the Consumer Price Index for All Urban Consumers (CPI-U) increased 0.1 percent in March, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the index increased 2.3 percent before seasonal adjustment.

The seasonally adjusted increase in the all items index was mostly due to an increase in the fresh fruits and vegetables index, which rose 4.6 percent in March and accounted for over 60 percent of the all items increase. Other food at home indexes were mixed and the index for food away from home was unchanged.

The index for energy and for all items less food and energy were both unchanged in March. Within energy, an increase in the electricity index was offset by declines in the indexes for gasoline and natural gas. Within all items less food and energy, the indexes for medical care, new vehicles, and used cars and trucks posted increases, while the indexes for shelter, household furnishings and operations, and apparel declined.

Table A. Percent changes in CPI for All Urban Consumers (CPI-U): U.S. city average

	Seasonally adjusted changes from preceding month							Un- adjusted 12-mos. ended Mar. 2010
	Sep. 2009	Oct. 2009	Nov. 2009	Dec. 2009	Jan. 2010	Feb. 2010	Mar. 2010	
All items	0.2	0.2	0.2	0.2	0.2	0.0	0.1	2.3
Food	-1	.0	.1	.1	.2	.1	.2	-.2
Food at home	-3	.0	.0	.2	.4	.1	.5	-.7
Food away from home ¹ .....	.1	.1	.2	.1	.1	.1	.0	1.2
Energy .....	.6	.6	2.2	.8	2.8	-.5	.0	18.3
Energy commodities	1.1	.4	3.0	1.6	4.9	-1.3	-1.0	39.6
Gasoline (all types) .....	.9	.3	2.7	2.3	4.4	-1.4	-.8	41.4
Fuel oil ¹	-3	2.2	7.4	.0	6.1	-2.4	.7	27.2
Energy services	-.1	.8	1.1	-.3	.0	.5	1.4	-1.8
Electricity .....	.3	.8	1.2	-.2	-1.1	-.5	2.1	-.5
Utility (piped) gas service	-1.5	.7	.9	-.7	3.5	3.9	-.7	-5.5
All items less food and energy .....	.2	.2	.0	.1	-.1	.1	.0	1.1
Commodities less food and energy commodities .....	.3	.4	.2	.1	.1	-.1	-.1	1.9
New vehicles .....	.3	1.4	.5	-.2	-.5	.1	.1	3.0
Used cars and trucks	1.7	3.1	1.9	2.2	1.5	.7	.5	16.3
Apparel .....	.2	-.3	-.3	.4	-.1	-.7	-.4	-.4
Medical care commodities ¹ .....	.6	.2	.1	-.1	.7	.8	.4	3.7
Services less energy services .....	.1	.1	.0	.1	-.2	.1	.1	.8
Shelter .....	.0	.0	-.2	.0	-.5	.0	-.1	-.6
Transportation services .....	.7	.5	.5	.3	-.3	.4	.4	3.8
Medical care services .....	.3	.2	.3	.2	.5	.4	.3	3.8

¹ Not seasonally adjusted.

Consumer Price Index Data for March 2010

Food

The food index rose 0.2 percent in March after rising 0.1 percent in February. The index for food away from home, which had increased every month since January 2003, was unchanged in March. In contrast, the index for food at home rose 0.5 percent, its largest increase since September 2008. The index for fruits and vegetables rose 3.4 percent due to the sharp rise in the fresh fruits and vegetables index. Other grocery store food groups registered only small changes in March. The meats, poultry, fish, and eggs index increased 0.2 percent, while the indexes for dairy and related products and for nonalcoholic beverages were unchanged and the indexes for cereals and bakery products and for other food at home declined slightly. The food index has risen 0.2 percent over the last 12 months, with the food at home index still down 0.7 percent over that period despite the March increase.

Energy

The energy index, which fell 0.5 percent in February, was unchanged in March. The gasoline index declined for the second straight month, falling 0.8 percent. (Before seasonal adjustment, gasoline prices rose 4.5 percent in March and have increased 41.4 percent over the past 12 months.) The index for household energy rose in March, increasing 1.3 percent mostly because of a 2.1 percent rise in the electricity index. The fuel oil index rose 0.7 percent, but the index for natural gas declined 0.7 percent. Over the last 12 months the energy index has risen 18.3 percent.

All items less food and energy

The index for all items less food and energy was unchanged in March after rising 0.1 percent in February. The shelter index declined in March, falling 0.1 percent due to a 0.1 percent decline in owners' equivalent rent. The index for household furnishings and operations fell 0.4 percent in March, its ninth decline in the past 10 months. The index for apparel fell 0.4 percent and the recreation index declined 0.1 percent. In contrast to these declines, the medical care index rose 0.3 percent in March with the index for hospital services increasing 1.1 percent. The index for used cars and trucks continued to rise, increasing 0.5 percent, and the new vehicles index rose 0.1 percent. Over the last 12 months the index for all items less food and energy has risen 1.1 percent, its smallest increase since January 2004. This is largely explained by the continued deceleration of the shelter index, which has now fallen 0.6 percent over the last 12 months.

Not seasonally adjusted CPI measures

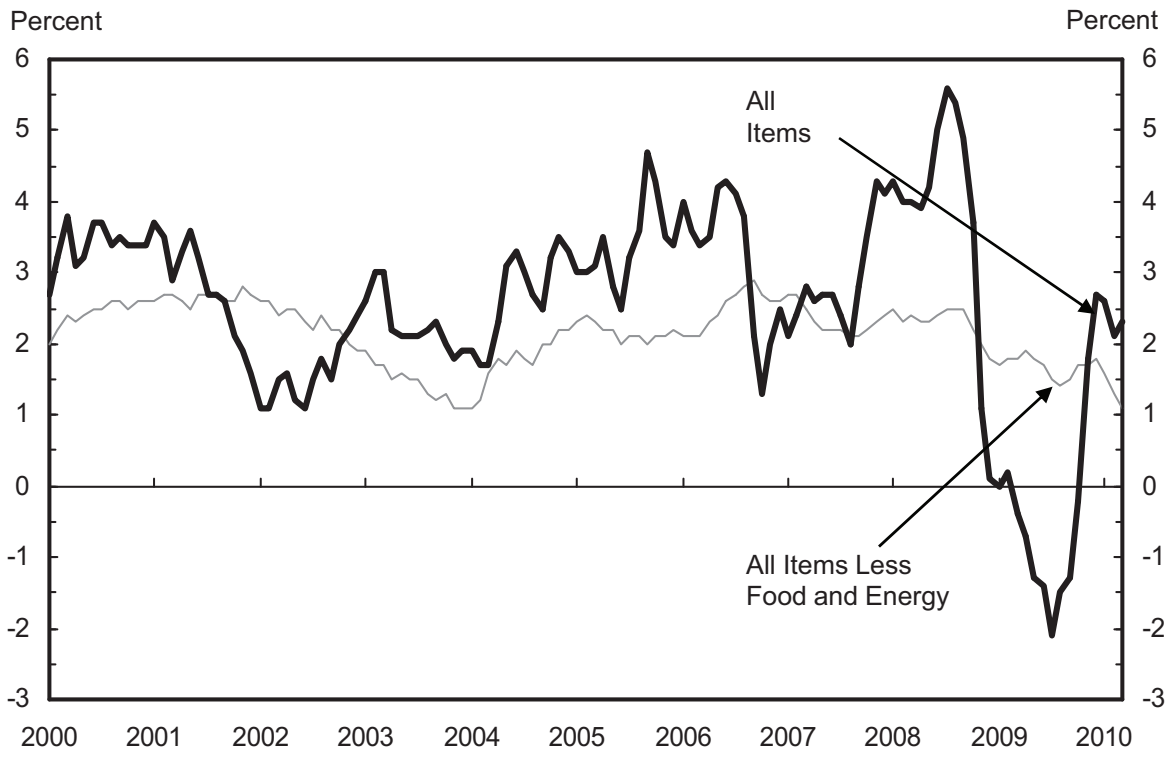
The Consumer Price Index for All Urban Consumers (CPI-U) increased 2.3 percent over the last 12 months to an index level of 217.631 (1982-84=100). For the month, the index rose 0.4 percent prior to seasonal adjustment.

The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) increased 3.0 percent over the last 12 months to an index level of 213.525 (1982-84=100). For the month, the index rose 0.5 percent prior to seasonal adjustment.

The Chained Consumer Price Index for All Urban Consumers (C-CPI-U) increased 2.5 percent over the last 12 months. For the month, the index increased 0.4 percent on a not seasonally adjusted basis. Please note that the indexes for the post-2008 period are subject to revision.

The Consumer Price Index for April 2010 is scheduled to be released on Wednesday, May 19, 2010, at 8:30 a.m. (EDT).

CPI-U 12-Month Changes, 2000 to Present



Experimental Consumer Price Index for Americans 62 Years of Age and Older, 1998-2009

Introduction

The Consumer Price Index (CPI) measures the average change over time in the prices paid by urban consumers for a representative market basket of consumer goods and services. The CPI for All Urban Consumers (CPI-U) represents the spending habits of about 87 percent of the population of the United States. The CPI for Urban Wage Earners and Clerical Workers (CPI-W), a subset of the CPI-U population, represents about 32 percent of the U.S. population.¹

The Bureau of Labor Statistics (BLS) also calculates an experimental price index for Americans 62 years of age or older (often called the CPI-E). This article reviews price changes seen in the experimental CPI-E from December 1997 through December 2009 and reiterates the methods, sources of data, and limitations of the experimental index described in earlier articles². Over the 12-year period from December 1997 through December 2009, the experimental CPI-E rose 36.1 percent. This compares to increases of 33.9 and 33.8 percent for the CPI-U and CPI-W, respectively.

Methodology, sources of data, and limitations

Although this study indicates a slightly higher overall inflation rate for older Americans compared to the official CPI population groups, any conclusions drawn from it should be used with caution because of the various limitations, summarized below, inherent in the methodology.

Expenditure weights. For purposes of index estimation, the CPI is divided into strata cross-classified by 38 areas and 211 item categories. For each CPI population group, these area/item strata are weighted according to their importance in the spending patterns of the respective population. The definition of the population of older Americans used for the experimental price index was all urban noninstitutionalized consumer units that met one of the following three conditions:

- 1) Unattached individuals who were at least 62 years of age;
- 2) Members of families whose reference person (as defined in the Consumer Expenditure Survey) or spouse was at least 62 years of age; or
- 3) Members of groups of unrelated individuals living together who pool their resources to meet their living expenses, whose reference person was at least 62 years of age.

In the 2007-2008 Consumer Expenditure Survey, which are used as the source of expenditure weights in the CPI for 2010-2011, 18 percent of the urban consumer units met the above definition for older Americans. Because the number of consumer units used for determining weights in the experimental index was relatively small, expenditure weights used in the construction of the experimental price index have a higher sampling error than those used for the larger populations.

For each population group, the base expenditure weight of any component represents the actual expenditure on that component in the base period. The "relative importance" of any component is its base expenditure weight updated for changes in relative prices expressed as a percent of the total updated expenditures for the population. The relative importance data for each of the three population groups for December 2009 are shown in Table 1.

Areas and outlets priced. The CPI-E is a weighted average of price changes for the same set of strata and collected from the same sample of urban areas used in calculating the CPI-U and CPI-W. Because the strata are defined by metropolitan area as well as item category, this means that the CPI-E reflects the general geographic distribution of the urban population.

Retail outlets are selected for pricing in the CPI based on data reported in a separate survey representing all urban households. The experimental index also uses the same retail outlet sample. The outlets thus selected may not be representative of the places of purchase (for example, the types of store or their locational distribution within metropolitan areas) of the elderly population.

¹ The Chained CPI for All Urban Consumers (C-CPI-U), which BLS began publishing in August 2002 with data back to January 2000, also represents the urban population. The prices used in the C-CPI-U are the same as those used to produce the CPI-U and CPI-W, but the C-CPI-U uses a different formula and different weights to combine basic indexes.

² For example, the April 2008 *Monthly Labor Review* article by Kenneth J. Stewart, "The experimental consumer price index for elderly Americans (CPI-E), 1982-2007" provided estimates of the series for all items and major CPI expenditure components from December 1982 through December 2007.

Items priced. One major limitation of the experimental index is that the item samples priced within selected outlets are determined with probabilities proportionate to total urban (and not elderly) expenditures. As a result, the specific items selected for pricing in each outlet may not be representative of the experimental index population.

Prices collected. A final source of uncertainty about the appropriateness of using the CPI-U prices for the index of the older population concerns the availability of discount prices for older Americans. For example, senior-citizen discount rates are used in the CPI in proportion to their use by the urban population as a whole. To the extent that senior-citizen discounts take the form of a fixed percentage discount from the regular price, this may not be a problem. If, however, the discount is not expressed as a percentage of the price, or if that percentage is periodically adjusted, the scarcity of senior-citizen discount prices in the current CPI could lead to error in the experimental index.

Because of the above limitations, any conclusions drawn from these analyses should be treated as tentative.

Relative behavior of price indexes

Table 2 shows the behavior of the CPI-E, CPI-U, and CPI-W for selected expenditure categories for the period December 1997 through December 2009. Over this 12-year period, the reweighted experimental price index for older Americans (CPI-E) rose 36.1 percent. This compares with increases of 33.9 percent for the CPI-U and 33.8 percent for the CPI-W.

The relative importance data for the CPI-E and the CPI-U and CPI-W populations show that older Americans devote a substantially larger share of their total budgets to medical care (see Table 1). In addition, for each population group, medical care prices rose more rapidly than the overall (all items) index during each of the eight years studied. For this reason, the medical care component accounts for a significant portion of the difference between the higher rate of increase measured for the CPI-E relative to the two official population groups during the 1998-2009 period.

Price change for each major expenditure group varied by population because the distribution of expenditures on the products and services within the major groups varied among the three index populations. For example, within the housing major group, the weight for owner-occupied shelter is higher for the elderly than the CPI-U and CPI-W populations, as a higher proportion of elderly own homes than the other population groups. The weight for rent, on the other hand, is smaller for the CPI-E population.

The CPI and its relationship to Social Security benefits

Adjustments to Social Security benefits are currently based on the percent change in the CPI-W, measured from the average of the third quarter of one year to the third quarter of the succeeding year.

While the population covered for this study includes persons 62 years of age and older, it is important to note that it differs in many ways from the population receiving Social Security benefits.

First, many Social Security beneficiaries are younger than 62 years of age, and receive benefits because they are surviving spouses and/or minor children of covered workers or because of disability. The spending patterns of this younger group are excluded in the weights for the experimental index for older Americans. Second, a substantial number of persons 62 years of age and older do not receive Social Security benefits, especially those 62-64 years of age. Although these older consumers are included in the population covered by the experimental reweighted index, they would be excluded from an index specifically defined to reflect the experience of Social Security pensioners.

In short, an index designed specifically to measure price change for Social Security beneficiaries (i.e., one that excludes older people not receiving benefits, but includes younger persons receiving survival and disability benefits) might well show price movements that differ from those of the experimental index.

Conclusions

This report summarizes the change in the prices of three population groups: the CPI-U, the CPI-W, and the CPI-E, the experimental population of Americans older than 62 years of age, for the period December 1997 through December 2009. During this time period, the CPI-E increased at a slightly higher rate than either of the two official populations.

The CPI-E, reweighted to incorporate the spending patterns of older consumers, behaved more like the CPI-U than the CPI-W. This was expected, because the CPI-U includes the expenditures of all urban consumers, including those 62 years of age and over. The CPI-W, however, is limited to the spending patterns of wage-earner and clerical families and, therefore, specifically excludes the experience of families whose primary source of income is from retirement pensions.

Finally, the medical care component of the CPI has a substantially larger relative weight in the experimental population compared to the CPI-U or CPI-W. As a result, the medical care component tends to have a larger effect on the elderly population than

it does on the other two indexes. Other differences also play an important role, however, such as the greater weight of homeownership in the CPI-E.

Finally, the experimental price index has limitations as an estimate of the inflation rate experienced by older Americans. Because of the various limitations inherent in the methodology, any conclusions drawn from these data should be made with caution.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								
	December								Mar. 2010
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
All items	180.9	184.3	190.3	196.8	201.8	210.036	210.228	215.949	217.631
All items (1967=100)	541.9	552.1	570.1	589.4	604.5	629.174	629.751	646.887	651.925
Food and beverages	177.8	184.1	188.9	193.2	197.4	206.936	218.839	218.049	219.378
Food	177.3	183.6	188.5	192.9	197.0	206.704	218.805	217.637	219.032
Food at home	176.1	184.1	188.5	191.7	194.3	205.208	218.683	213.359	215.623
Cereals and bakery products	197.3	202.9	206.4	208.4	214.8	226.461	253.063	251.019	250.930
Cereals and cereal products	180.1	183.9	185.7	185.1	189.0	196.793	222.639	219.487	218.420
Flour and prepared flour mixes	165.0	171.4	165.4	171.6	177.0	190.014	229.875	220.166	225.237
Breakfast cereal	202.2	203.2	205.7	201.3	202.3	207.828	217.930	218.174	215.500
Rice, pasta, cornmeal	154.6	161.1	165.0	167.1	174.9	183.958	233.018	226.189	225.797
Rice ^{1 2}	98.2	103.4	108.3	110.1	117.3	122.254	170.418	155.502	157.232
Bakery products	206.0	212.6	217.1	220.7	228.5	242.268	269.187	267.776	268.259
Bread ²	116.2	118.6	123.3	126.9	133.4	147.354	165.774	160.007	159.507
White bread ¹	213.7	218.9	227.2	232.5	244.6	272.159	304.713	294.248	290.424
Bread other than white ¹	223.3	222.5	233.7	240.2	251.3	276.643	313.310	301.685	305.557
Fresh biscuits, rolls, muffins ²	115.5	119.9	123.1	126.1	134.0	139.977	158.809	154.706	152.105
Cakes, cupcakes, and cookies	199.9	205.1	209.4	213.9	216.1	228.738	248.707	255.349	251.823
Cookies ¹	201.6	203.1	208.1	212.5	216.2	222.193	241.011	251.261	245.179
Fresh cakes and cupcakes ¹	199.9	207.7	211.6	216.1	216.9	235.227	256.070	258.666	257.372
Other bakery products	197.3	206.5	206.9	205.9	212.4	217.459	240.851	242.453	249.544
Fresh sweetrolls, coffeecakes, doughnuts ¹	198.0	205.5	209.8	216.8	225.3	233.009	250.349	251.485	253.092
Crackers, bread, and cracker products ¹	227.0	242.4	239.8	236.6	244.4	247.888	277.864	280.837	291.127
Frozen and refrigerated bakery products, pies, tarts, turnovers ¹	203.7	207.0	211.9	211.6	217.3	225.129	248.467	254.335	260.181
Meats, poultry, fish, and eggs	162.4	181.1	183.1	185.7	188.6	198.755	208.890	201.003	202.812
Meats, poultry, and fish	163.0	180.4	184.5	187.1	189.0	196.639	208.647	201.129	202.831
Meats	160.3	182.7	185.6	187.8	189.4	195.558	206.864	196.202	199.583
Beef and veal	161.1	198.9	197.1	201.5	202.6	212.808	226.019	215.426	217.346
Uncooked ground beef	139.0	166.1	170.9	176.8	177.7	186.936	207.712	195.073	197.833
Uncooked beef roasts ²	119.1	147.1	146.1	147.8	147.5	155.076	162.822	158.812	161.596
Uncooked beef steaks ²	116.1	148.0	143.1	145.0	145.1	152.557	154.867	147.026	146.765
Uncooked other beef and veal ²	112.8	137.3	128.8	132.7	138.1	143.603	152.620	151.342	153.016
Pork	159.2	167.5	175.4	175.2	176.4	178.818	187.918	173.178	181.502
Bacon, breakfast sausage, and related products ²	113.1	118.0	124.8	120.3	122.3	126.273	129.126	122.472	125.647
Bacon and related products ¹	187.8	205.1	212.4	207.7	211.1	219.140	219.838	211.750	215.105
Breakfast sausage and related products ^{1 2}	110.7	115.1	123.6	117.7	119.3	122.097	127.313	120.341	126.333
Ham	155.3	162.4	169.2	172.9	173.6	175.954	185.401	169.673	182.420
Ham, excluding canned ¹	169.8	178.9	188.5	193.3	195.9	198.301	208.760	190.435	205.666
Pork chops	154.9	163.2	166.9	166.8	166.2	167.482	178.470	164.203	168.296
Other pork including roasts and picnics ²	95.4	102.2	108.8	111.6	112.1	111.596	120.335	107.138	115.571
Other meats	164.8	173.8	178.9	180.4	184.0	187.239	198.096	193.250	191.883
Frankfurters ¹	172.0	177.0	172.8	175.6	177.6	186.345	193.675	183.973	186.155
Lunchmeats ^{1 2}	109.5	113.3	116.8	118.0	119.1	120.873	129.323	128.646	127.118
Lamb and organ meats ¹	189.8	202.7	207.5	214.2	NA	231.966	253.332	257.675	262.627
Lamb and mutton ^{1 2}	NA	NA	114.9	126.8	NA	NA	156.461	155.167	157.703
Poultry	166.6	174.4	183.3	183.8	182.5	193.998	205.222	202.158	201.654
Chicken ²	108.3	113.4	120.0	119.6	118.5	127.324	134.248	131.427	130.299
Fresh whole chicken ¹	170.6	171.5	186.4	188.5	186.1	202.199	218.072	208.519	209.110
Fresh and frozen chicken parts ¹	167.5	176.9	186.3	183.2	181.2	194.487	202.195	201.295	197.237
Other poultry including turkey ²	104.0	108.5	111.2	114.3	114.7	116.282	124.859	126.405	129.190
Fish and seafood	187.4	192.5	196.9	204.4	211.6	221.633	238.759	238.671	236.327
Fresh fish and seafood ²	106.3	111.3	114.4	120.9	125.9	132.385	140.429	138.441	139.565
Processed fish and seafood ²	105.3	105.3	106.9	108.2	110.9	115.420	126.573	128.506	124.775
Canned fish and seafood ¹	130.5	130.2	133.7	136.5	144.0	148.631	170.862	176.701	171.535
Frozen fish and seafood ¹	225.5	227.1	228.7	231.5	233.8	245.839	260.713	266.261	260.589
Eggs	146.5	190.6	152.6	154.7	176.5	234.018	212.819	198.747	202.397
Dairy and related products	167.3	173.0	180.1	183.2	181.0	205.299	210.838	194.792	198.814
Milk ²	109.9	117.5	124.4	128.7	125.5	149.692	144.817	129.538	132.631
Fresh whole milk ¹	160.2	171.3	181.5	189.3	181.2	221.014	211.209	184.074	189.601
Fresh milk other than whole ^{1 2}	111.8	119.1	125.1	128.0	128.0	149.603	145.893	133.648	136.597
Cheese and related products	168.3	172.2	181.4	182.3	178.9	202.189	219.187	198.738	203.872
Ice cream and related products	179.1	179.4	178.4	179.1	182.0	188.522	199.080	194.929	196.331
Other dairy and related products ²	114.9	116.7	120.1	121.9	121.7	136.064	139.584	134.255	136.607
Fruits and vegetables	224.9	232.4	250.8	252.3	257.2	272.482	281.706	273.189	280.431

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								
	December								Mar. 2010
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
Fresh fruits and vegetables	264.3	276.3	302.7	301.1	306.4	326.064	327.943	315.247	325.425
Fresh fruits	283.3	287.3	308.2	312.3	325.7	344.733	338.252	325.602	331.425
Apples	231.2	238.5	241.0	251.1	276.3	292.707	304.060	273.996	291.731
Bananas	165.4	162.9	158.2	169.9	174.5	182.356	211.145	193.304	195.132
Citrus fruits ²	142.4	145.1	162.2	174.3	185.0	186.752	186.888	187.089	185.657
Oranges, including tangerines ¹	278.8	294.3	313.7	331.5	370.7	348.722	362.266	377.682	360.901
Other fresh fruits ²	111.7	113.7	126.8	121.8	124.4	134.596	122.430	120.840	122.621
Fresh vegetables	245.2	263.8	295.1	288.3	286.1	306.142	315.835	303.191	317.397
Potatoes	222.2	214.5	230.5	251.7	266.8	274.694	335.346	278.568	293.686
Lettuce	218.5	301.8	276.9	260.0	281.9	295.313	300.040	329.458	279.289
Tomatoes	288.5	284.2	425.0	342.3	318.5	378.746	337.763	348.514	379.425
Other fresh vegetables	250.1	271.0	282.5	295.2	288.0	300.382	311.165	293.958	318.850
Processed fruits and vegetables ²	113.3	112.4	114.2	120.3	123.5	128.488	145.854	145.397	146.554
Canned fruits and vegetables ²	112.9	109.9	112.6	119.1	122.2	127.028	147.963	149.489	149.653
Canned fruits ^{1 2}	111.9	110.1	112.0	117.8	122.3	125.693	139.051	139.841	140.175
Canned vegetables ^{1 2}	116.1	112.2	116.5	124.4	125.9	131.871	157.030	159.591	160.869
Frozen fruits and vegetables ²	114.9	118.0	117.0	122.6	125.7	129.831	140.185	135.621	139.177
Frozen vegetables ¹	168.6	173.2	171.4	177.5	178.7	179.760	195.634	188.807	196.475
Other processed fruits and vegetables including dried ²	110.3	109.5	113.0	118.5	122.5	129.286	148.092	148.847	148.468
Dried beans, peas, and lentils ^{1 2}	110.1	108.9	113.8	116.6	123.6	139.039	176.320	176.524	175.355
Nonalcoholic beverages and beverage materials	139.8	139.3	140.6	145.5	148.5	153.648	162.750	161.216	162.666
Juices and nonalcoholic drinks ²	108.0	107.4	108.3	111.5	113.6	117.609	126.154	124.645	125.476
Carbonated drinks	124.9	124.8	127.5	133.1	133.6	138.194	151.095	151.851	156.747
Frozen noncarbonated juices and drinks ²	113.7	115.0	111.5	111.7	126.5	143.465	149.073	150.282	149.669
Nonfrozen noncarbonated juices and drinks ²	107.5	106.1	105.7	107.4	110.7	114.034	120.207	116.601	115.289
Beverage materials including coffee and tea ²	97.4	97.5	98.7	103.1	105.6	109.195	112.894	112.391	114.213
Coffee	142.2	143.2	145.5	162.3	165.8	175.083	185.929	180.802	184.410
Roasted coffee ¹	142.0	144.6	146.4	167.1	166.3	180.752	189.098	185.174	190.140
Instant and freeze dried coffee ¹	164.2	161.0	167.8	175.0	188.5	184.030	207.297	196.843	197.812
Other beverage materials including tea ²	114.7	114.3	115.4	115.9	118.9	121.631	123.849	124.960	126.559
Other food at home	161.1	163.0	163.6	167.6	168.7	174.057	190.203	189.921	190.991
Sugar and sweets	159.1	161.0	161.3	167.8	172.4	178.631	191.312	198.712	199.917
Sugar and artificial sweeteners	140.1	143.0	142.7	154.3	163.3	162.521	173.015	179.643	187.954
Candy and chewing gum ²	107.0	107.3	107.5	111.4	113.1	118.555	128.689	132.313	130.874
Other sweets ²	112.1	115.8	116.6	118.6	123.3	127.536	138.640	141.122	144.810
Fats and oils	152.8	157.7	167.4	165.2	166.7	176.068	206.710	197.391	198.567
Butter and margarine ²	114.6	119.2	135.6	131.2	129.5	137.454	163.439	150.847	152.655
Butter ¹	141.0	145.1	186.2	174.6	164.5	168.121	181.703	160.781	161.832
Margarine ¹	161.4	171.1	173.0	174.1	177.0	193.811	246.153	234.357	237.091
Salad dressing ²	107.3	109.7	110.3	105.6	109.2	113.085	124.935	125.704	125.627
Other fats and oils including peanut butter ²	105.5	108.9	113.8	116.3	117.3	125.054	151.240	142.856	143.758
Peanut butter ^{1 2}	109.6	109.9	110.3	111.7	108.5	117.962	133.912	132.636	132.642
Other foods	178.2	179.6	178.3	183.3	183.5	188.325	203.902	203.832	204.952
Soups	205.3	207.1	207.4	211.4	211.3	211.165	229.675	224.677	226.146
Frozen and freeze dried prepared foods	153.1	153.6	152.9	154.3	151.7	157.409	167.801	166.386	165.694
Snacks	167.9	175.4	171.4	181.3	179.5	187.632	211.835	215.081	216.232
Spices, seasonings, condiments, sauces	187.9	183.8	178.4	185.2	185.0	191.486	204.785	208.868	214.496
Salt and other seasonings and spices ^{1 2}	108.2	107.0	106.7	113.2	109.0	115.302	117.672	121.482	122.329
Olives, pickles, relishes ^{1 2}	111.7	105.0	109.7	110.2	112.6	117.241	132.534	130.724	134.454
Sauces and gravies ^{1 2}	113.5	111.9	102.4	106.3	109.4	110.635	119.993	124.327	125.195
Other condiments ¹	195.4	202.8	195.5	198.9	199.3	211.775	222.149	217.733	245.501
Baby food ²	117.0	120.7	123.2	127.4	128.6	133.326	140.918	139.287	140.425
Other miscellaneous foods ²	110.2	109.8	110.8	112.4	115.1	115.267	123.791	122.422	122.318
Prepared salads ^{1 3}	-	-	-	-	-	100.000	105.705	107.366	106.980
Food away from home	180.1	184.3	189.9	196.0	202.2	210.233	220.684	224.789	224.991
Full service meals and snacks ²	114.0	116.5	119.9	123.3	127.5	132.413	137.620	140.112	140.360
Limited service meals and snacks ²	113.7	116.3	120.0	124.0	127.7	132.959	140.918	143.407	143.130
Food at employee sites and schools ²	111.3	114.1	117.4	120.6	125.0	128.545	135.998	139.858	140.392
Food at elementary and secondary schools ¹ ⁴	-	-	-	100.0	104.3	107.685	114.392	117.561	117.786
Food from vending machines and mobile vendors ²	106.1	108.6	111.0	114.2	116.5	120.438	128.587	131.765	132.168

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								Mar. 2010
	December								
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
Other food away from home ²	119.8	122.9	127.0	133.7	139.1	145.814	154.062	156.990	158.657
Alcoholic beverages	184.9	188.7	193.9	196.4	201.1	208.704	217.975	222.082	222.521
Alcoholic beverages at home	164.6	167.4	170.9	171.5	174.0	179.709	187.666	190.510	190.782
Beer, ale, and other malt beverages at home	165.7	170.7	176.4	175.5	177.8	185.387	195.197	200.240	200.013
Distilled spirits at home	170.3	173.9	175.3	177.2	178.7	179.844	184.756	188.000	189.525
Whiskey at home ¹	168.1	172.9	173.8	177.1	178.9	183.048	190.333	195.242	198.397
Distilled spirits, excluding whiskey, at home ¹	171.3	173.6	175.7	176.8	177.2	177.552	179.735	183.543	185.922
Wine at home	152.8	152.0	153.0	155.4	158.4	163.500	169.743	169.730	170.144
Alcoholic beverages away from home	225.9	232.0	240.9	248.0	258.4	270.329	282.390	289.055	289.853
Beer, ale, and other malt beverages away from home ^{1 2}	114.8	118.9	123.1	125.7	131.7	136.117	141.613	145.617	145.890
Wine away from home ^{1 2}	123.5	125.4	131.4	135.8	140.1	148.241	155.850	159.749	159.156
Distilled spirits away from home ^{1 2}	117.9	122.4	126.3	131.6	136.2	144.053	149.577	152.055	152.506
Housing	181.1	185.1	190.7	198.3	204.8	210.933	216.073	215.523	216.023
Shelter	209.5	214.1	219.8	225.6	235.1	242.372	247.085	247.863	248.052
Rent of primary residence ⁵	202.5	207.9	213.9	220.5	230.0	239.102	247.278	248.999	249.089
Lodging away from home ²	109.2	112.9	118.7	122.8	127.7	133.545	129.157	122.638	133.075
Housing at school, excluding board ^{5 6}	290.5	307.2	328.4	345.3	362.9	381.548	399.369	419.367	420.194
Other lodging away from home including hotels and motels	229.4	236.6	248.5	256.7	266.8	278.872	268.348	253.003	279.997
Owners' equivalent rent of residences ^{5 6}	217.9	222.2	227.2	232.8	242.8	249.532	254.875	256.727	256.272
Owners' equivalent rent of primary residence ^{5 6}	217.9	222.2	227.2	232.8	242.8	249.532	254.875	256.727	256.266
Tenants' and household insurance ²	112.3	114.3	118.7	116.1	117.1	117.003	120.019	123.812	124.416
Fuels and utilities	144.2	153.6	165.7	191.6	192.6	203.006	215.184	208.760	212.295
Household energy	127.5	136.5	148.0	174.7	174.2	183.516	194.335	184.886	187.864
Fuel oil and other fuels	125.6	137.0	183.7	227.8	233.2	299.296	256.209	262.649	276.027
Fuel oil	123.2	132.8	185.2	235.5	240.9	319.208	252.024	268.396	279.826
Propane, kerosene, and firewood ⁷	163.4	182.3	225.8	264.9	271.9	324.116	323.105	309.643	330.164
Gas (piped) and electricity ⁵	134.1	143.3	153.0	180.0	179.0	185.155	199.487	188.724	191.280
Electricity ⁵	132.1	135.6	138.5	153.3	164.8	173.357	188.342	187.388	189.061
Utility (piped) gas service ⁵	145.1	170.3	198.2	258.0	221.3	220.496	232.548	190.497	195.832
Water and sewer and trash collection services ²	114.6	119.8	126.3	132.9	139.3	146.878	156.390	165.204	168.521
Water and sewerage maintenance ⁵	246.2	257.8	273.7	288.8	302.5	319.460	341.965	365.664	374.109
Garbage and trash collection ⁸	285.4	297.4	307.4	320.6	337.2	353.439	371.093	379.248	383.362
Household furnishings and operations	127.0	124.7	125.5	126.4	127.0	126.066	128.535	127.119	126.750
Window and floor coverings and other linens ²	93.3	89.5	88.2	86.6	82.4	79.801	76.079	73.655	73.597
Floor coverings ²	109.4	107.5	108.2	114.9	119.5	119.083	120.576	117.287	114.194
Window coverings ²	91.3	89.9	88.5	88.6	87.9	85.646	85.257	79.977	78.237
Other linens ²	88.3	82.9	81.3	77.9	71.3	68.305	62.517	61.602	62.651
Furniture and bedding	128.6	126.5	126.3	127.1	126.2	123.506	123.379	123.373	121.957
Bedroom furniture	133.5	133.1	139.7	146.2	144.4	142.055	142.693	139.258	137.595
Living room, kitchen, and dining room furniture ²	98.5	96.2	94.4	93.0	92.3	90.510	89.411	91.131	89.780
Other furniture ²	93.6	92.4	89.0	88.6	89.0	85.986	87.597	86.892	86.683
Infants' furniture ^{1 4}	-	-	-	100.0	98.6	NA	NA	NA	NA
Appliances ²	91.5	87.9	84.6	87.0	88.0	89.273	90.507	88.124	88.463
Major appliances ²	95.6	92.1	89.3	94.5	97.2	99.903	101.990	99.009	99.256
Laundry equipment ¹	111.5	109.5	105.3	110.7	112.4	115.994	116.576	112.673	112.724
Other appliances ²	85.5	81.9	78.0	77.1	76.1	75.756	75.935	74.307	74.724
Other household equipment and furnishings ²	91.5	86.9	87.3	83.2	78.7	74.948	74.767	72.130	71.809
Clocks, lamps, and decorator items	101.0	91.8	91.7	84.6	77.6	70.179	68.602	65.126	64.012
Indoor plants and flowers ⁹	116.7	119.2	120.1	122.4	121.6	124.005	129.884	126.116	127.400
Dishes and flatware ²	85.7	83.7	85.0	79.2	74.2	72.305	71.721	70.080	70.586
Nonelectric cookware and tableware ²	90.8	89.6	90.6	89.7	90.6	93.341	95.330	95.600	96.937
Tools, hardware, outdoor equipment and supplies ²	94.6	92.1	93.6	93.7	94.8	93.772	94.010	92.642	92.368
Tools, hardware and supplies ²	94.2	92.6	95.7	98.2	100.1	99.028	99.541	97.073	97.195
Outdoor equipment and supplies ²	94.6	91.7	92.4	91.4	92.1	91.213	91.115	90.115	89.706
Housekeeping supplies	158.1	156.7	158.1	161.8	168.3	170.743	182.569	183.109	183.463
Household cleaning products ²	109.0	107.3	106.5	109.9	112.9	112.712	120.558	122.280	121.736
Household paper products ²	119.1	116.9	125.0	125.6	133.9	138.930	154.754	155.772	155.989
Miscellaneous household products ²	105.2	106.0	104.7	107.3	111.4	113.655	117.609	115.953	117.118
Household operations ²	119.9	122.6	127.0	133.3	139.1	142.100	150.689	150.172	149.999
Domestic services ²	119.5	122.6	124.9	131.3	137.3	139.648	143.688	144.263	144.446
Gardening and lawn care services ²	118.4	119.9	125.5	NA	NA	141.672	NA	156.052	155.285

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								
	December								Mar. 2010
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
Moving, storage, freight expense ²	117.2	119.9	123.4	128.4	128.6	128.413	127.430	124.592	122.655
Repair of household items ²	128.6	133.0	142.2	151.9	158.4	165.089	173.193	178.830	182.583
Apparel	121.5	119.0	118.8	117.5	118.6	118.257	117.078	119.357	122.073
Men's and boys' apparel	119.3	118.0	116.3	114.1	113.2	112.026	110.767	110.633	113.104
Men's apparel	124.5	122.4	121.4	119.8	119.4	116.489	114.775	115.301	119.108
Men's suits, sport coats, and outerwear	127.2	128.1	126.0	125.3	120.2	121.449	116.071	113.718	116.164
Men's furnishings	133.2	136.1	134.8	133.4	131.7	126.721	134.123	136.207	144.506
Men's shirts and sweaters ²	91.3	88.5	86.0	85.4	87.8	81.560	78.307	79.733	77.960
Men's pants and shorts	113.7	106.8	110.3	106.4	106.8	108.284	104.650	104.203	113.197
Boys' apparel	100.6	101.7	97.5	93.8	91.4	95.216	95.395	93.228	91.301
Women's and girls' apparel	113.1	110.9	110.0	108.9	110.2	109.418	105.456	108.304	111.730
Women's apparel	112.9	111.1	109.6	109.7	111.6	110.570	106.734	109.851	113.704
Women's outerwear	113.8	112.6	106.8	102.4	101.7	96.725	95.894	100.512	93.242
Women's dresses	100.3	100.4	96.8	104.2	112.4	115.453	110.886	112.306	117.270
Women's suits and separates ²	88.7	86.3	86.0	85.6	87.6	87.306	82.653	83.985	87.615
Women's underwear, nightwear, sportswear and accessories ²	93.8	93.3	92.2	91.8	91.0	88.867	88.612	93.355	98.742
Girls' apparel	114.1	109.5	112.1	104.4	102.8	103.475	98.956	100.550	101.992
Footwear	120.7	118.5	120.3	121.4	123.0	122.258	124.093	128.492	128.525
Men's footwear	124.6	120.4	118.1	120.7	123.4	120.906	125.664	127.787	126.690
Boys' and girls' footwear	120.6	118.2	122.9	124.4	123.4	125.993	131.745	133.820	133.185
Women's footwear	117.3	116.5	119.7	119.7	121.7	120.615	118.767	125.675	126.780
Infants' and toddlers' apparel	125.3	119.2	118.6	115.0	114.1	113.779	112.568	112.695	115.920
Jewelry and watches ⁷	127.2	122.1	126.0	123.2	129.1	134.325	143.607	146.340	150.376
Watches ⁷	110.9	111.0	112.8	113.7	115.7	113.726	117.491	114.260	115.187
Jewelry ⁷	131.7	125.6	129.8	126.4	133.0	139.691	150.122	154.017	158.757
Transportation	154.2	154.7	164.8	172.7	175.4	189.984	164.628	188.318	192.130
Private transportation	150.4	150.8	161.3	168.9	171.8	186.134	159.411	183.766	187.796
New and used motor vehicles ²	98.7	94.4	95.4	95.8	94.8	94.754	91.408	96.421	97.032
New vehicles	140.6	138.0	138.8	138.3	137.1	136.664	132.308	138.857	138.600
New cars and trucks ^{1 2}	97.6	95.7	96.3	95.9	95.0	94.727	91.677	96.214	96.050
New cars ¹	137.7	134.8	135.5	136.6	136.9	136.371	134.930	139.728	138.712
New trucks ^{1 8}	148.6	146.4	147.2	144.4	141.5	141.191	133.657	142.520	143.228
Used cars and trucks	148.5	131.0	137.3	139.2	136.2	136.943	125.883	137.406	140.797
Leased cars and trucks ¹⁰	98.0	95.7	91.7	93.0	92.9	93.464	99.045	99.045	98.952
Car and truck rental ²	104.2	107.5	103.2	112.1	115.4	113.982	118.241	125.705	122.009
Motor fuel	119.7	127.8	161.2	187.3	199.3	258.132	149.132	224.730	237.671
Gasoline (all types)	119.1	127.2	160.4	186.2	198.1	256.790	146.102	224.260	237.356
Gasoline, unleaded regular ¹	117.1	125.7	159.2	185.8	197.9	256.775	143.918	223.353	236.697
Gasoline, unleaded midgrade ^{1 11}	123.9	131.4	165.2	190.8	202.1	261.983	152.838	230.558	243.484
Gasoline, unleaded premium ¹	119.8	127.1	158.0	181.1	192.3	247.369	148.343	218.751	230.317
Other motor fuels ²	113.8	115.8	152.6	186.4	200.1	248.393	185.983	203.092	210.988
Motor vehicle parts and equipment	107.0	107.7	109.9	114.0	119.5	123.928	133.077	134.781	135.523
Tires	101.3	100.8	103.2	106.2	110.0	113.060	119.796	121.348	122.238
Vehicle accessories other than tires ²	108.7	111.1	112.7	118.4	126.2	132.574	145.311	147.139	147.446
Vehicle parts and equipment other than tires ¹	113.9	115.5	116.0	119.9	125.6	131.420	139.882	142.377	142.490
Motor oil, coolant, and fluids ¹	154.3	160.2	170.3	195.1	224.4	240.510	298.121	292.337	295.967
Motor vehicle maintenance and repair	193.3	198.0	203.3	210.7	218.8	226.120	239.356	245.417	246.624
Motor vehicle body work	201.2	205.0	210.5	220.5	228.1	236.039	245.361	251.006	251.365
Motor vehicle maintenance and servicing	177.9	180.9	186.2	192.2	198.3	204.331	219.020	224.018	224.784
Motor vehicle repair ²	117.9	121.4	124.4	129.2	134.9	139.602	146.705	150.735	151.715
Motor vehicle insurance	304.6	318.4	329.3	332.5	335.2	336.915	350.308	366.799	370.743
Motor vehicle fees ²	114.0	121.8	132.3	136.2	139.4	142.248	147.741	163.829	165.108
State motor vehicle registration and license fees ^{2 5}	110.1	119.4	131.8	134.4	137.6	139.320	142.812	163.132	164.810
Parking and other fees ²	122.9	126.5	133.0	139.5	142.3	147.630	156.704	165.205	165.786
Parking fees and tolls ^{1 2}	123.9	128.0	135.4	144.2	146.5	153.178	166.315	176.892	177.367
Automobile service clubs ^{1 2}	109.5	112.2	113.9	114.1	118.2	119.323	117.295	119.061	119.845
Public transportation	203.0	205.6	205.4	217.6	217.8	233.408	237.638	245.203	244.766
Airline fare	223.4	223.1	219.7	233.8	231.4	255.873	259.566	270.667	269.377
Other intercity transportation	155.1	147.0	144.6	151.6	154.7	156.648	155.454	149.138	149.351

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								
	December								Mar. 2010
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
Intercity bus fare ^{1 3}	-	-	-	-	-	100.000	108.182	108.660	107.450
Intercity train fare ^{1 3}	-	-	-	-	-	100.000	108.295	105.854	100.685
Ship fare ^{1 2}	77.0	69.1	72.5	72.3	71.3	72.918	67.057	64.686	65.404
Intracity transportation	185.1	204.1	211.9	223.3	227.5	232.378	244.260	256.436	257.909
Intracity mass transit ^{1 12}	-	-	-	-	-	-	-	100.000	101.001
Medical care	291.3	302.1	314.9	328.4	340.1	357.661	367.133	379.516	387.142
Medical care commodities	259.5	265.0	270.8	280.8	285.9	293.610	298.361	308.221	314.023
Medicinal drugs ¹²	-	-	-	-	-	-	-	100.000	102.007
Prescription drugs	321.2	329.1	340.7	355.7	362.3	374.389	379.943	396.526	405.763
Nonprescription drugs ¹²	-	-	-	-	-	-	-	100.000	100.726
Medical equipment and supplies ¹²	-	-	-	-	-	-	-	100.000	99.522
Medical care services	299.4	311.9	327.3	342.0	356.0	376.940	388.267	401.452	409.687
Professional services	257.0	264.1	274.6	284.9	292.4	304.784	313.886	321.827	326.206
Physicians' services ⁵	264.1	270.1	280.8	289.5	294.3	306.304	315.233	323.124	329.087
Dental services ⁵	284.8	297.2	311.9	329.6	346.2	366.225	379.603	391.677	395.327
Eyeglasses and eye care ⁷	155.2	157.5	162.0	167.0	170.3	172.811	173.377	176.391	176.361
Services by other medical professionals ^{5 7}	175.1	179.2	183.7	188.3	194.2	200.312	207.850	211.524	214.109
Hospital and related services ⁵	382.4	407.0	428.0	449.7	477.2	515.677	543.585	581.968	603.850
Hospital services ^{5 13}	140.3	149.3	157.1	165.2	175.4	189.908	201.053	216.570	225.822
Inpatient hospital services ^{1 5 13}	136.0	143.7	151.8	159.8	170.6	183.595	194.073	209.075	219.733
Outpatient hospital services ^{1 5 7}	327.0	348.5	364.2	382.5	402.4	442.085	466.736	504.843	518.722
Nursing homes and adult day services ^{5 13}	129.8	137.3	142.1	147.1	154.5	161.981	167.097	173.095	175.064
Care of invalids and elderly at home ⁴	-	-	-	100.0	103.1	106.602	108.281	109.971	111.099
Health insurance ⁴	-	-	-	100.0	106.4	115.727	111.697	108.325	108.690
Recreation ²	106.5	107.7	108.5	109.7	110.8	111.705	113.674	113.212	113.339
Video and audio ²	103.2	103.3	103.9	103.9	102.8	102.691	101.629	99.873	99.915
Televisions	37.8	32.4	28.4	24.3	18.8	15.352	12.378	8.983	8.396
Cable and satellite television and radio service ⁸	301.3	312.6	325.2	336.0	344.7	353.432	359.854	368.083	371.882
Other video equipment ²	43.8	38.4	32.9	29.4	25.3	22.009	18.833	16.947	16.862
Video discs and other media, including rental of video and audio ²	78.0	78.0	77.1	76.5	77.4	77.808	79.629	77.022	78.088
Video discs and other media ^{1 2}	80.7	79.0	77.1	70.7	68.4	64.303	61.029	55.958	56.471
Rental of video or audio discs and other media ^{1 2}	86.5	86.3	85.5	89.1	92.2	95.867	101.515	100.789	102.210
Audio equipment	72.5	68.6	64.0	58.4	55.9	53.242	50.650	48.213	47.811
Audio discs, tapes and other media ²	109.6	105.3	109.0	109.1	105.9	105.202	104.528	95.165	95.331
Pets, pet products and services ²	113.9	117.0	122.0	125.4	129.8	136.947	150.242	152.943	153.904
Pets and pet products	149.3	151.5	155.8	157.6	162.6	170.641	191.503	193.281	194.052
Pet food ^{1 2}	105.7	107.8	111.1	112.4	116.2	122.446	141.485	142.867	144.312
Purchase of pets, pet supplies, accessories ^{1 2}	104.3	103.9	105.8	107.7	110.9	114.293	117.639	118.375	117.580
Pet services including veterinary ²	130.7	137.3	145.9	153.0	159.3	169.281	179.657	185.234	187.161
Pet services ^{1 2}	117.5	122.0	128.2	133.2	138.6	144.294	153.922	155.941	156.760
Veterinarian services ^{1 2}	132.2	139.3	148.6	156.3	163.0	174.382	185.269	192.436	195.049
Sporting goods	115.7	114.9	113.5	115.5	117.2	116.125	119.632	118.314	118.827
Sports vehicles including bicycles	130.7	127.8	129.6	134.7	138.8	138.424	139.862	139.648	140.268
Sports equipment	101.6	102.2	98.2	97.8	96.8	95.030	100.316	98.056	98.444
Photography ²	96.8	94.7	91.8	89.0	84.7	81.737	80.236	80.606	79.858
Photographic equipment and supplies	114.7	108.2	100.5	95.6	84.9	79.082	74.245	72.637	71.761
Film and photographic supplies ^{1 2}	91.7	88.8	87.5	88.0	84.5	86.304	86.915	89.475	90.744
Photographic equipment ^{1 2}	78.2	71.6	61.8	55.5	45.5	38.800	35.196	33.844	33.034
Photographers and film processing ²	105.7	106.3	106.5	104.8	106.7	106.295	108.430	111.306	110.496
Photographer fees ^{1 2}	114.3	118.1	115.4	113.4	114.6	117.023	117.795	120.763	120.121
Film processing ^{1 2}	100.5	100.6	100.4	98.8	100.5	99.692	102.004	105.993	105.046
Other recreational goods ²	77.0	74.5	71.3	68.5	66.4	62.868	60.213	58.316	58.980
Toys	88.9	85.2	80.0	76.4	72.7	68.585	63.944	59.985	60.559
Toys, games, hobbies and playground equipment ^{1 2}	78.1	75.7	73.6	71.8	70.0	67.586	64.308	62.449	63.016
Sewing machines, fabric and supplies ²	94.1	94.6	94.9	91.7	92.6	86.794	88.423	92.515	95.262
Music instruments and accessories ²	98.9	97.5	98.7	96.9	96.9	95.018	96.680	97.671	97.750
Recreation services ²	121.4	125.6	128.3	132.1	137.2	140.427	143.750	144.023	143.443
Club dues and fees for participant sports and group exercises ²	113.1	116.1	116.4	119.4	122.0	123.864	125.014	122.918	121.755
Admissions	257.4	266.1	275.3	284.9	299.8	307.108	316.607	319.307	318.893

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								
	December								Mar. 2010
	2002	2003	2004	2005	2006	2007	2008	2009	
Expenditure category									
Admission to movies, theaters, and concerts ^{1 2}	125.4	130.3	133.5	138.2	145.7	148.620	152.546	153.725	153.358
Admission to sporting events ^{1 2}	131.4	132.3	141.4	150.4	156.0	163.370	172.671	174.389	175.289
Fees for lessons or instructions ⁷	206.1	219.0	224.9	230.8	238.9	248.080	257.231	264.055	264.413
Recreational reading materials	196.9	198.6	202.9	204.0	205.7	208.036	215.325	221.333	221.468
Newspapers and magazines ²	111.7	113.6	117.8	119.8	121.0	122.709	128.653	134.986	135.600
Recreational books ²	104.7	104.2	104.2	102.9	103.6	104.305	106.299	106.493	106.070
Education and communication ²	109.2	110.9	112.6	115.3	118.0	121.506	125.921	128.883	129.236
Education ²	130.0	139.4	148.5	157.6	167.6	176.927	186.916	195.672	196.470
Educational books and supplies	323.3	342.8	355.9	374.3	399.5	434.352	464.544	496.580	502.273
Tuition, other school fees, and childcare	374.0	401.7	428.9	455.3	484.0	510.016	538.309	562.610	564.613
College tuition and fees	387.4	425.5	462.2	492.8	527.2	559.190	591.804	627.061	626.817
Elementary and high school tuition and fees	413.6	440.4	471.4	497.8	527.1	556.271	590.037	613.370	614.855
Child care and nursery school ⁹	176.4	183.6	190.0	200.5	211.2	219.405	230.326	235.532	238.296
Technical and business school tuition and fees ²	132.3	144.3	155.8	166.0	174.4	183.016	189.275	196.480	196.948
Communication ²	91.8	88.2	85.4	84.3	83.1	83.282	84.737	84.809	84.940
Postage and delivery services ²	119.2	119.4	120.0	120.5	126.5	132.091	136.357	143.156	145.888
Postage	190.9	190.9	190.9	190.9	201.1	208.927	215.400	226.626	229.846
Delivery services ²	129.4	135.1	154.0	169.3	171.5	189.551	199.456	202.732	225.281
Information and information processing ²	90.0	86.2	83.3	82.2	80.6	80.546	81.886	81.728	81.776
Telephone services ²	99.9	97.2	94.8	95.2	96.8	98.792	101.688	102.707	102.298
Wireless telephone services ²	67.4	66.5	65.6	64.6	64.6	64.011	64.361	63.629	62.551
Land-line telephone services ¹²	-	-	-	-	-	-	-	100.000	101.147
Information technology, hardware and services ¹⁴	17.2	15.3	14.2	13.1	11.2	10.215	9.906	9.423	9.552
Personal computers and peripheral equipment ³	220.7	181.1	155.7	131.1	115.8	100.000	88.529	77.960	78.385
Computer software and accessories ²	71.0	64.1	61.1	58.5	54.2	50.722	50.180	48.930	48.636
Internet services and electronic information providers ²	99.6	97.6	97.2	94.5	77.2	73.176	75.899	75.642	77.673
Telephone hardware, calculators, and other consumer information items ²	59.0	52.3	48.4	44.2	40.3	36.945	36.230	34.994	33.933
Other goods and services	295.8	300.2	307.8	317.3	326.7	337.633	349.220	377.330	378.808
Tobacco and smoking products	472.5	470.4	484.8	513.1	527.3	566.696	602.644	783.794	787.268
Cigarettes ²	192.3	190.6	196.0	207.6	213.4	229.969	244.647	319.378	320.602
Tobacco products other than cigarettes ²	130.9	138.6	147.1	154.6	157.7	163.226	172.664	210.845	213.438
Personal care	175.4	179.0	183.3	187.6	193.3	197.643	202.774	205.823	206.594
Personal care products	153.4	153.4	153.4	155.4	159.0	158.236	161.397	162.275	162.367
Hair, dental, shaving, and miscellaneous personal care products ²	103.4	102.6	101.7	102.1	104.2	103.861	104.966	104.825	105.894
Cosmetics, perfume, bath, nail preparations and implements	165.9	167.3	169.2	173.1	177.5	176.418	181.661	183.917	182.212
Personal care services	189.9	194.3	201.2	206.6	212.5	219.656	226.281	228.343	228.429
Haircuts and other personal care services ²	115.9	118.6	122.8	126.0	129.6	134.026	138.068	139.326	139.379
Miscellaneous personal services	276.9	287.1	297.7	306.6	318.7	329.908	339.698	348.697	352.028
Legal services ⁷	213.9	224.6	236.6	244.6	255.5	262.910	274.810	283.418	286.287
Funeral expenses ⁷	206.8	215.4	223.2	233.5	244.9	256.560	270.369	278.644	280.527
Laundry and dry cleaning services ²	113.8	117.2	120.7	122.9	126.9	130.834	137.122	140.340	141.409
Apparel services other than laundry and dry cleaning ²	115.1	118.7	121.9	127.9	134.4	139.205	149.481	155.624	157.345
Financial services ⁷	235.2	241.3	250.2	254.2	263.0	273.241	258.195	262.572	266.073
Checking account and other bank services ^{1 2}	117.9	120.1	123.4	123.9	126.7	129.839	122.325	124.260	126.002
Tax return preparation and other accounting fees ^{1 2}	128.7	134.1	141.0	147.2	156.6	163.279	171.238	173.992	176.002
Miscellaneous personal goods ²	93.6	89.0	86.6	86.4	86.9	87.487	88.754	89.262	88.935
Stationery, stationery supplies, gift wrap ¹	156.4	149.5	148.0	150.2	151.6	154.060	155.308	157.926	158.152
Infants' equipment ^{1 4}	-	-	-	100.0	97.1	95.663	98.654	NA	NA
Special aggregate indexes									
Commodities	149.7	150.4	155.8	160.0	162.1	170.511	163.582	172.572	174.798
Commodities less food and beverages	133.6	131.7	137.2	141.3	142.5	150.162	135.720	148.441	150.953
Nondurables less food and beverages	145.2	146.7	157.4	166.3	170.9	188.635	161.681	185.689	190.674
Nondurables less food, beverages, and apparel	163.9	167.7	185.2	200.4	207.3	236.735	192.948	231.169	237.683

See footnotes at end of table.

Table 25. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by commodity and service group and detailed expenditure categories-Continued

(1982-84=100, unless otherwise noted)

Item and group	Unadjusted indexes								Mar. 2010
	December								
	2002	2003	2004	2005	2006	2007	2008	2009	
Special aggregate indexes									
Durables	120.2	115.0	115.5	114.9	113.3	112.093	108.811	111.477	111.694
Services	211.9	217.9	224.6	233.2	241.2	249.225	256.731	259.055	260.196
Rent of shelter ⁶	218.1	222.9	228.9	235.0	245.0	252.669	257.567	258.303	258.489
Transportation services	212.0	217.7	221.8	227.8	230.8	236.504	246.287	256.014	257.337
Other services	250.2	257.4	264.3	272.3	280.9	289.945	300.067	306.436	307.451
All items less food	181.6	184.4	190.6	197.4	202.6	210.610	208.855	215.703	217.430
All items less shelter	171.7	174.7	180.9	187.7	191.1	199.734	198.127	205.888	208.181
All items less medical care	175.1	178.2	183.9	190.0	194.8	202.600	202.442	207.860	209.301
Commodities less food	135.6	133.8	139.3	143.3	144.7	152.344	138.536	151.052	153.516
Nondurables less food	147.6	149.2	159.5	168.1	172.7	189.844	165.032	187.864	192.601
Nondurables less food and apparel	165.0	168.8	185.1	199.2	205.8	233.014	194.403	229.250	235.198
Nondurables	161.6	165.4	173.3	180.1	184.5	198.422	189.557	202.064	205.409
Apparel less footwear	117.2	114.8	114.1	112.3	113.3	112.990	111.235	112.993	116.181
Services less rent of shelter ⁶	220.5	228.4	236.5	248.8	254.9	263.966	275.370	279.896	282.297
Services less medical care services	204.3	209.9	216.0	224.2	231.7	238.894	246.090	247.793	248.531
Energy	123.3	131.8	153.7	180.0	185.2	217.506	171.158	202.301	209.999
All items less energy	188.6	191.5	195.8	200.1	205.1	210.890	215.930	219.048	220.133
All items less food and energy	191.4	193.6	197.8	202.1	207.3	212.356	216.100	220.025	221.059
Commodities less food and energy commodities ..	142.5	139.0	139.8	140.1	139.9	140.014	139.228	143.383	144.399
Energy commodities	120.7	129.0	163.4	190.7	202.4	261.976	155.745	228.186	241.239
Services less energy services	219.8	225.5	231.9	238.7	247.5	255.785	262.636	266.237	267.248
Domestically produced farm food	179.8	189.5	194.4	196.9	199.2	211.109	224.865	218.813	221.389
Utilities and public transportation	158.4	163.2	168.3	183.5	185.2	191.955	201.511	199.834	201.354

¹ Special index based on a substantially smaller sample.
² Indexes on a December 1997=100 base.
³ Indexes on a December 2007=100 base.
⁴ Indexes on a December 2005=100 base.
⁵ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
⁶ Indexes on a December 1982=100 base.
⁷ Indexes on a December 1986=100 base.
⁸ Indexes on a December 1983=100 base.

⁹ Indexes on a December 1990=100 base.
¹⁰ Indexes on a December 2001=100 base.
¹¹ Indexes on a December 1993=100 base.
¹² Indexes on a December 2009=100 base.
¹³ Indexes on a December 1996=100 base.
¹⁴ Indexes on a December 1988=100 base.
 NA Data not adequate for publication.
 - Data not available.
 NOTE: Index applies to a month as a whole, not to any specific date.

04-14-2010

U.S. Department Of Labor
 Bureau of Labor Statistics
 Washington, D.C. 20212

Consumer Price Index

All Urban Consumers - (CPI-U)

U.S. city average

All items

1982-84=100

Year	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Annual Avg.	Percent change	
														Dec- Dec	Avg- Avg
1913	9.8	9.8	9.8	9.8	9.7	9.8	9.9	9.9	10.0	10.0	10.1	10.0	9.9		
1914	10.0	9.9	9.9	9.8	9.9	9.9	10.0	10.2	10.2	10.1	10.2	10.1	10.0	1.0	1.0
1915	10.1	10.0	9.9	10.0	10.1	10.1	10.1	10.1	10.1	10.2	10.3	10.3	10.1	2.0	1.0
1916	10.4	10.4	10.5	10.6	10.7	10.8	10.8	10.9	11.1	11.3	11.5	11.6	10.9	12.6	7.9
1917	11.7	12.0	12.0	12.6	12.8	13.0	12.8	13.0	13.3	13.5	13.5	13.7	12.8	18.1	17.4
1918	14.0	14.1	14.0	14.2	14.5	14.7	15.1	15.4	15.7	16.0	16.3	16.5	15.1	20.4	18.0
1919	16.5	16.2	16.4	16.7	16.9	16.9	17.4	17.7	17.8	18.1	18.5	18.9	17.3	14.5	14.6
1920	19.3	19.5	19.7	20.3	20.6	20.9	20.8	20.3	20.0	19.9	19.8	19.4	20.0	2.6	15.6
1921	19.0	18.4	18.3	18.1	17.7	17.6	17.7	17.7	17.5	17.5	17.4	17.3	17.9	-10.8	-10.5
1922	16.9	16.9	16.7	16.7	16.7	16.7	16.8	16.6	16.6	16.7	16.8	16.9	16.8	-2.3	-6.1
1923	16.8	16.8	16.8	16.9	16.9	17.0	17.2	17.1	17.2	17.3	17.3	17.3	17.1	2.4	1.8
1924	17.3	17.2	17.1	17.0	17.0	17.0	17.1	17.0	17.1	17.2	17.2	17.3	17.1	0.0	0.0
1925	17.3	17.2	17.3	17.2	17.3	17.5	17.7	17.7	17.7	17.7	18.0	17.9	17.5	3.5	2.3
1926	17.9	17.9	17.8	17.9	17.8	17.7	17.5	17.4	17.5	17.6	17.7	17.7	17.7	-1.1	1.1
1927	17.5	17.4	17.3	17.3	17.4	17.6	17.3	17.2	17.3	17.4	17.3	17.3	17.4	-2.3	-1.7
1928	17.3	17.1	17.1	17.1	17.2	17.1	17.1	17.1	17.3	17.2	17.2	17.1	17.1	-1.2	-1.7
1929	17.1	17.1	17.0	16.9	17.0	17.1	17.3	17.3	17.3	17.3	17.3	17.2	17.1	0.6	0.0
1930	17.1	17.0	16.9	17.0	16.9	16.8	16.6	16.5	16.6	16.5	16.4	16.1	16.7	-6.4	-2.3
1931	15.9	15.7	15.6	15.5	15.3	15.1	15.1	15.1	15.0	14.9	14.7	14.6	15.2	-9.3	-9.0
1932	14.3	14.1	14.0	13.9	13.7	13.6	13.6	13.5	13.4	13.3	13.2	13.1	13.7	-10.3	-9.9
1933	12.9	12.7	12.6	12.6	12.6	12.7	13.1	13.2	13.2	13.2	13.2	13.2	13.0	0.8	-5.1
1934	13.2	13.3	13.3	13.3	13.3	13.4	13.4	13.4	13.6	13.5	13.5	13.4	13.4	1.5	3.1
1935	13.6	13.7	13.7	13.8	13.8	13.7	13.7	13.7	13.7	13.7	13.8	13.8	13.7	3.0	2.2
1936	13.8	13.8	13.7	13.7	13.7	13.8	13.9	14.0	14.0	14.0	14.0	14.0	13.9	1.4	1.5
1937	14.1	14.1	14.2	14.3	14.4	14.4	14.5	14.5	14.6	14.6	14.5	14.4	14.4	2.9	3.6
1938	14.2	14.1	14.1	14.2	14.1	14.1	14.1	14.1	14.1	14.0	14.0	14.0	14.1	-2.8	-2.1

1939	14.0	13.9	13.9	13.8	13.8	13.8	13.8	13.8	14.1	14.0	14.0	14.0	13.9	0.0	-1.4
1940	13.9	14.0	14.0	14.0	14.0	14.1	14.0	14.0	14.0	14.0	14.0	14.1	14.0	0.7	0.7
1941	14.1	14.1	14.2	14.3	14.4	14.7	14.7	14.9	15.1	15.3	15.4	15.5	14.7	9.9	5.0
1942	15.7	15.8	16.0	16.1	16.3	16.3	16.4	16.5	16.5	16.7	16.8	16.9	16.3	9.0	10.9
1943	16.9	16.9	17.2	17.4	17.5	17.5	17.4	17.3	17.4	17.4	17.4	17.4	17.3	3.0	6.1
1944	17.4	17.4	17.4	17.5	17.5	17.6	17.7	17.7	17.7	17.7	17.7	17.8	17.6	2.3	1.7
1945	17.8	17.8	17.8	17.8	17.9	18.1	18.1	18.1	18.1	18.1	18.1	18.2	18.0	2.2	2.3
1946	18.2	18.1	18.3	18.4	18.5	18.7	19.8	20.2	20.4	20.8	21.3	21.5	19.5	18.1	8.3
1947	21.5	21.5	21.9	21.9	21.9	22.0	22.2	22.5	23.0	23.0	23.1	23.4	22.3	8.8	14.4
1948	23.7	23.5	23.4	23.8	23.9	24.1	24.4	24.5	24.5	24.4	24.2	24.1	24.1	3.0	8.1
1949	24.0	23.8	23.8	23.9	23.8	23.9	23.7	23.8	23.9	23.7	23.8	23.6	23.8	-2.1	-1.2
1950	23.5	23.5	23.6	23.6	23.7	23.8	24.1	24.3	24.4	24.6	24.7	25.0	24.1	5.9	1.3
1951	25.4	25.7	25.8	25.8	25.9	25.9	25.9	25.9	26.1	26.2	26.4	26.5	26.0	6.0	7.9
1952	26.5	26.3	26.3	26.4	26.4	26.5	26.7	26.7	26.7	26.7	26.7	26.7	26.5	0.8	1.9
1953	26.6	26.5	26.6	26.6	26.7	26.8	26.8	26.9	26.9	27.0	26.9	26.9	26.7	0.7	0.8
1954	26.9	26.9	26.9	26.8	26.9	26.9	26.9	26.9	26.8	26.8	26.8	26.7	26.9	-0.7	0.7
1955	26.7	26.7	26.7	26.7	26.7	26.7	26.8	26.8	26.9	26.9	26.9	26.8	26.8	0.4	-0.4
1956	26.8	26.8	26.8	26.9	27.0	27.2	27.4	27.3	27.4	27.5	27.5	27.6	27.2	3.0	1.5
1957	27.6	27.7	27.8	27.9	28.0	28.1	28.3	28.3	28.3	28.3	28.4	28.4	28.1	2.9	3.3
1958	28.6	28.6	28.8	28.9	28.9	28.9	29.0	28.9	28.9	28.9	29.0	28.9	28.9	1.8	2.8
1959	29.0	28.9	28.9	29.0	29.0	29.1	29.2	29.2	29.3	29.4	29.4	29.4	29.1	1.7	0.7
1960	29.3	29.4	29.4	29.5	29.5	29.6	29.6	29.6	29.6	29.8	29.8	29.8	29.6	1.4	1.7
1961	29.8	29.8	29.8	29.8	29.8	29.8	30.0	29.9	30.0	30.0	30.0	30.0	29.9	0.7	1.0
1962	30.0	30.1	30.1	30.2	30.2	30.2	30.3	30.3	30.4	30.4	30.4	30.4	30.2	1.3	1.0
1963	30.4	30.4	30.5	30.5	30.5	30.6	30.7	30.7	30.7	30.8	30.8	30.9	30.6	1.6	1.3
1964	30.9	30.9	30.9	30.9	30.9	31.0	31.1	31.0	31.1	31.1	31.2	31.2	31.0	1.0	1.3
1965	31.2	31.2	31.3	31.4	31.4	31.6	31.6	31.6	31.6	31.7	31.7	31.8	31.5	1.9	1.6
1966	31.8	32.0	32.1	32.3	32.3	32.4	32.5	32.7	32.7	32.9	32.9	32.9	32.4	3.5	2.9
1967	32.9	32.9	33.0	33.1	33.2	33.3	33.4	33.5	33.6	33.7	33.8	33.9	33.4	3.0	3.1
1968	34.1	34.2	34.3	34.4	34.5	34.7	34.9	35.0	35.1	35.3	35.4	35.5	34.8	4.7	4.2
1969	35.6	35.8	36.1	36.3	36.4	36.6	36.8	37.0	37.1	37.3	37.5	37.7	36.7	6.2	5.5
1970	37.8	38.0	38.2	38.5	38.6	38.8	39.0	39.0	39.2	39.4	39.6	39.8	38.8	5.6	5.7
1971	39.8	39.9	40.0	40.1	40.3	40.6	40.7	40.8	40.8	40.9	40.9	41.1	40.5	3.3	4.4
1972	41.1	41.3	41.4	41.5	41.6	41.7	41.9	42.0	42.1	42.3	42.4	42.5	41.8	3.4	3.2
1973	42.6	42.9	43.3	43.6	43.9	44.2	44.3	45.1	45.2	45.6	45.9	46.2	44.4	8.7	6.2
1974	46.6	47.2	47.8	48.0	48.6	49.0	49.4	50.0	50.6	51.1	51.5	51.9	49.3	12.3	11.0
1975	52.1	52.5	52.7	52.9	53.2	53.6	54.2	54.3	54.6	54.9	55.3	55.5	53.8	6.9	9.1
1976	55.6	55.8	55.9	56.1	56.5	56.8	57.1	57.4	57.6	57.9	58.0	58.2	56.9	4.9	5.8
1977	58.5	59.1	59.5	60.0	60.3	60.7	61.0	61.2	61.4	61.6	61.9	62.1	60.6	6.7	6.5
1978	62.5	62.9	63.4	63.9	64.5	65.2	65.7	66.0	66.5	67.1	67.4	67.7	65.2	9.0	7.6
1979	68.3	69.1	69.8	70.6	71.5	72.3	73.1	73.8	74.6	75.2	75.9	76.7	72.6	13.3	11.3



In Infla

For the Years Ending	Year 1 Mar-2011	Year 2 Mar-2012	Year 3 Mar-2013	Year 4 Mar-2014	Year 5 Mar-2015	Year 6 Mar-2016	Year 7 Mar-2017	Year 8 Mar-2018	Year 9 Mar-2019	Year 10 Mar-2020
Operating Ratios										
Total Number of Units	48	48	48	48	48	48	48	48	48	48
Average Occupancy				75.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Avg Monthly Rent per Occ Area				1.34	1.36	1.40	1.45	1.49	1.53	1.58
Avg Monthly Rent per Occ Unit				1,189.66	1,214.06	1,250.48	1,288.00	1,326.64	1,366.44	1,407.43
Expense Ratio to Operating Inc				38.18%	28.87%	32.45%	33.71%	33.78%	33.85%	33.92%
Expenses per Unit Area			3.32	4.56	4.69	5.43	5.81	6.00	6.19	6.39
Expenses per Unit			2,959.19	4,058.90	4,175.90	4,835.44	5,174.46	5,339.81	5,511.13	5,688.75
Potential Gross Revenue										
Potential Market Rent	\$705,480	\$726,644	\$748,444	\$770,897	\$794,024	\$817,845	\$842,380	\$867,651	\$893,681	\$920,491
Loss to Lease	(705,480)	(726,644)	(748,444)	(192,724)	(21,199)	(21,836)	(22,491)	(23,165)	(23,859)	(24,576)
Potential Rental Revenue				578,173	772,825	796,009	819,889	844,486	869,822	895,915
Base Rent Abatements				(64,241)	(73,526)	(75,731)	(78,003)	(80,343)	(82,754)	(85,236)
Scheduled Base Rental Revenue				513,932	699,299	720,278	741,886	764,143	787,068	810,679
Total Potential Gross Revenue				513,932	699,299	720,278	741,886	764,143	787,068	810,679
Collection Loss				(3,598)	(4,895)	(5,042)	(5,193)	(5,349)	(5,509)	(5,675)
Effective Gross Revenue				510,334	694,404	715,236	736,693	758,794	781,559	805,004
Operating Expenses										
Salaries & Personnel			48,867	66,777	68,438	70,140	71,884	73,672	75,504	77,382
Insurance			9,338	12,627	12,806	12,988	13,172	13,360	13,549	13,742
Taxes			39,332	53,747	55,084	56,454	57,858	59,297	60,772	62,283
Utilities			16,441	23,142	24,431	25,792	27,228	28,745	30,346	32,036
Management Fees			17,336	23,876	24,661	25,472	26,310	27,176	28,070	28,994
Administrative			10,727	14,658	15,023	15,397	15,779	16,172	16,574	16,986
Repairs & Maintenance						25,858	36,143	37,889	39,719	41,637
Total Operating Expenses			142,041	194,827	200,443	232,101	248,374	256,311	264,534	273,060
Net Operating Income			(142,041)	315,507	493,961	483,135	488,319	502,483	517,025	531,944
Leasing & Capital Costs										
Preparation Costs				22,545	23,106	23,680	24,269	24,873	25,491	26,125
Leasing Costs				8,742	8,959	9,183	9,410	9,644	9,883	10,130
Annual Cap Ex				67,184	91,807	94,090	96,430	98,828	101,286	103,805
Total Leasing & Capital Costs				98,471	123,872	126,953	130,109	133,345	136,660	140,060
Development Costs										
Land/Acquisition Costs										
Land Purchase	450,000									
Total Land/Acquisition Costs	450,000									
Hard/Construction Costs										
Construction			3,943,621	1,347,233						
Total Hard/Construction Costs			3,943,621	1,347,233						
Total Development Costs	450,000		3,943,621	1,347,233						
Cash Flow Before Debt Service & Taxes	(\$450,000)		(\$4,085,662)	(\$1,130,197)	\$370,089	\$356,182	\$358,210	\$369,138	\$380,365	\$391,884



For the Years Ending	Year 1 Mar-2011	Year 2 Mar-2012	Year 3 Mar-2013	Year 4 Mar-2014	Year 5 Mar-2015	Year 6 Mar-2016
Sources Of Capital						
Net Operating Gains				\$315,507	\$493,961	\$483,135
Imputed Equity Level	(1,572,589)					
Net Proceeds from Sale						
Defined Sources Of Capital	(1,572,589)			315,507	493,961	483,135
Required Equity Contributions	450,000		4,085,662	1,130,197		
Total Sources Of Capital	(\$1,122,589)		\$4,085,662	\$1,445,704	\$493,961	\$483,135
Uses Of Capital						
Property Present Value	(\$1,572,589)					
Net Operating Loss			142,041			
Preparation Costs				22,545	23,106	23,680
Leasing Costs				8,742	8,959	9,183
Land/Acquisition Costs	450,000					
Hard/Construction Costs			3,943,621	1,347,233		
Capital Costs & Reserves				67,184	91,807	94,090
Defined Uses Of Capital	(1,122,589)		4,085,662	1,445,704	123,872	126,953
Cash Flow Distributions					370,089	356,182
Total Uses Of Capital	(\$1,122,589)		\$4,085,662	\$1,445,704	\$493,961	\$483,135
Unleveraged Cash On Cash Return						
Cash to Purchase Price	28.62%		259.80%	71.87%	-23.53%	-22.65%
NOI to Book Value			-5.04%	7.39%	11.25%	10.69%
Cash to Purchase Price & Costs			-5.04%	5.21%	8.88%	8.55%

Maiden Choice Apartments
Catonsville, Maryland 21228

Schedule Of Sources & Uses Of Capital
Equity is Based on Property Value, Leverage and Operating Requirements

Year 7 Mar-2017	Year 8 Mar-2018	Year 9 Mar-2019	Year 10 Mar-2020	Year 11 Mar-2021	Year 12 Mar-2022	Year 13 Mar-2023	Year 14 Mar-2024	Year 15 Mar-2025
\$488,319	\$502,483	\$517,025	\$531,944	\$547,254	\$562,961	\$579,074	\$595,596	\$612,543
488,319	502,483	517,025	531,944	547,254	562,961	579,074	595,596	612,543
\$488,319	\$502,483	\$517,025	\$531,944	\$547,254	\$562,961	\$579,074	\$595,596	\$612,543
24,269	24,873	25,491	26,125	26,774	27,440	28,122	28,822	29,539
9,410	9,644	9,883	10,130	10,382	10,640	10,905	11,175	11,454
96,430	98,828	101,286	103,805	106,387	109,032	111,744	114,523	117,371
130,109	133,345	136,660	140,060	143,543	147,112	150,771	154,520	158,364
358,210	369,138	380,365	391,884	403,711	415,849	428,303	441,076	454,179
\$488,319	\$502,483	\$517,025	\$531,944	\$547,254	\$562,961	\$579,074	\$595,596	\$612,543
-22.78%	-23.47%	-24.19%	-24.92%	-25.67%	-26.44%	-27.24%	-28.05%	-28.88%
10.51%	10.51%	10.51%	10.52%	10.52%	10.53%	10.53%	10.53%	10.54%
8.59%	8.86%	9.13%	9.40%	9.69%	9.98%	10.28%	10.58%	10.90%

Year 16 Mar-2026	Year 17 Mar-2027	Year 18 Mar-2028	Year 19 Mar-2029	Year 20 Mar-2030	Year 21 Mar-2031	Year 22 Mar-2032
\$629,916	\$647,730	\$665,985	\$684,698	\$703,869	\$723,509	\$743,625
						6,223,347
629,916	647,730	665,985	684,698	703,869	723,509	6,966,972
\$629,916	\$647,730	\$665,985	\$684,698	\$703,869	\$723,509	\$6,966,972
30,273	31,026	31,798	32,588	33,400	34,230	35,081
11,739	12,031	12,330	12,637	12,951	13,273	13,603
120,290	123,282	126,348	129,490	132,711	136,011	139,394
162,302	166,339	170,476	174,715	179,062	183,514	188,078
467,614	481,391	495,509	509,983	524,807	539,995	6,778,894
\$629,916	\$647,730	\$665,985	\$684,698	\$703,869	\$723,509	\$6,966,972
-29.74%	-30.61%	-31.51%	-32.43%	-33.37%	-34.34%	-35.33%
10.54%	10.55%	10.55%	10.56%	10.56%	10.56%	10.57%
11.22%	11.55%	11.89%	12.23%	12.59%	12.95%	13.33%



For the Years Ending	Year 1 Mar-2011	Year 2 Mar-2012	Year 3 Mar-2013	Year 4 Mar-2014	Year 5 Mar-2015	Year 6 Mar-2016
Resale Amount						
Gross Proceeds from Sale		(\$1,156,686)	\$2,569,275	\$4,022,484	\$3,934,324	\$3,976,539
Net Proceeds From Sale		(1,156,686)	2,569,275	4,022,484	3,934,324	3,976,539

Maiden Choice Apartments
Catonsville, Maryland 21228

Prospective Property Resale

Year 7 Mar-2017	Year 8 Mar-2018	Year 9 Mar-2019	Year 10 Mar-2020	Year 11 Mar-2021	Year 12 Mar-2022	Year 13 Mar-2023	Year 14 Mar-2024
\$4,091,881	\$4,210,301	\$4,331,792	\$4,456,466	\$4,584,373	\$4,715,586	\$4,850,130	\$4,988,135
<u>4,091,881</u>	<u>4,210,301</u>	<u>4,331,792</u>	<u>4,456,466</u>	<u>4,584,373</u>	<u>4,715,586</u>	<u>4,850,130</u>	<u>4,988,135</u>
=====	=====	=====	=====	=====	=====	=====	=====

Year 15 Mar-2025	Year 16 Mar-2026	Year 17 Mar-2027	Year 18 Mar-2028	Year 19 Mar-2029	Year 20 Mar-2030	Year 21 Mar-2031	Year 22 Mar-2032
\$5,129,609	\$5,274,674	\$5,423,331	\$5,575,717	\$5,731,832	\$5,891,767	\$6,055,578	\$6,223,347
5,129,609	5,274,674	5,423,331	5,575,717	5,731,832	5,891,767	6,055,578	6,223,347
=====	=====	=====	=====	=====	=====	=====	=====



Maiden Choice Apartme: ARGUS Ver. 14.0.2
 Catonsville, Maryland 21: File: Maiden Choice
 Property Type: Apartment
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Prospective Present Value
 Cash Flow Before Debt Service plus Property Resale
 Discounted Annually (Endpoint on Cash Flow & Resale) over a 22-Year Period

Analysis Period	For the Year Ending	Annual Cash Flow	P.V. of Cash Flow @ 11.03%
Year 1	Mar-2011	(\$450,000)	(\$405,296)
Year 2	Mar-2012		
Year 3	Mar-2013	(4,085,662)	(2,984,980)
Year 4	Mar-2014	(1,130,197)	(743,691)
Year 5	Mar-2015	370,089	219,333
Year 6	Mar-2016	356,182	190,121
Year 7	Mar-2017	358,210	172,209
Year 8	Mar-2018	369,138	159,833
Year 9	Mar-2019	380,365	148,332
Year 10	Mar-2020	391,884	137,643
Year 11	Mar-2021	403,711	127,711
Year 12	Mar-2022	415,849	118,482
Year 13	Mar-2023	428,303	109,907
Year 14	Mar-2024	441,076	101,941
Year 15	Mar-2025	454,179	94,541
Year 16	Mar-2026	467,614	87,669
Year 17	Mar-2027	481,391	81,285
Year 18	Mar-2028	495,509	75,357
Year 19	Mar-2029	509,983	69,854
Year 20	Mar-2030	524,807	64,743
Year 21	Mar-2031	539,995	59,999
Year 22	Mar-2032	555,547	55,595
Total Cash Flow		2,277,973	(2,059,412)
Property Resale @ 12.28% Cap		6,223,347	486,823
Total Property Present Value			(\$1,572,589)
			=====
Rounded to Thousands			(\$1,573,000)
			=====
Per Unit			(32,762)
Percentage Value Distribution			
Prospective Income			130.96%
Prospective Property Resale			-30.96%
			=====
			100.00%

Resale discounting is 1.25 percentage point(s) higher than cash flow rates.



Maiden Choice Apartments
Catonsville, Maryland 21228

Software: ARGUS Ver. 14.0.2
File: Maiden Choice
Property Type: Apartment
Portfolio:
Date: 5/5/10
Time: 3:45 am
Ref#: AHG
Page: 5

Property Summary Report

Timing & Inflation

Reporting Period: April 1, 2010 to March 31, 2032; 22 years
Inflation Month: Analysis Start
General Inflation Rate: 2.48%

Property Size & Occupancy

Property Size: 48 Units
Alternate Size: 50,433 Square Feet
Number of unit types: 3
Total Occupied Area: 0 individual units, 0.00%, during first month of analysis

Credit & Collection Loss

Method: Percent of Potential Gross Revenue
Rate: 0.70%

Property Purchase & Resale

Purchase Price: -
Resale Method: Capitalize Net Operating Income
Cap Rate: 12.28%
Cap Year: Year 23
Commission/Closing Cost: \$0
Net Cash Flow from Sale: \$6,223,347

Present Value Discounting

Discount Method: Annually (Endpoint on Cash Flow & Resale)
Unleveraged Discount Rate: 11.03%
Unleveraged Present Value: (\$1,572,589) at 11.03%

Presentation Rent Schedule & Current Term Leasing Summary
As of Apr-2010 for 48 Apartment Units Totaling 50,433 Square Feet

Unit Type Description Absorption Type, Occupation Status	# Units Prop Share Unit Size	Commences Period Expires	Annual Unit Rental Rates	Monthly Unit Rental Rates	Rent per Unit per Year	Rent per Unit per Month	Rate per SqFt per Year	Rate per SqFt per Month	Months Free	Preparation Rate & Amount	Commission Rate & Amount	Assumption about subsequent terms for these units
1 Studio Leasing in Mo 40	6 12.50% 380 SqFt	Jul-2013 8 Months Feb-2014	\$66,875	\$5,573	\$11,146	\$928.82	\$29.33	\$2.44	-	-	-	See Mkt Leasing assumption: Studio
2 1 Bedroom 1 Bath Leasing in Mo 40	14 29.17% 860 SqFt	Jul-2013 8 Months Feb-2014	\$219,376	\$18,281	\$15,670	\$1,305.81	\$18.22	\$1.52	-	-	-	See Mkt Leasing assumption: 1BR
3 2 Bedroom 2 Bath Leasing in Mo 40	28 58.33% 1,015 SqFt	Jul-2013 8 Months Feb-2014	\$484,646	\$40,387	\$17,309	\$1,442.40	\$17.05	\$1.42	-	-	-	See Mkt Leasing assumption: 2BR
Total Occupied Units	48											
Total Available Units	0											



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For the Year Ending 3/31/16
Market Leasing Assumption Results
In Inflated Dollars for the Fiscal Year Beginning 4/01/10

MLA Categories		Studio	1BR	2BR
Renewal Probability		50.00%	50.00%	50.00%
Market Rent		\$/Unit/Mo	\$/Unit/Mo	\$/Unit/Mo
	New:	985.38	1,385.33	1,530.24
	Renewal:	985.38	1,385.33	1,530.24
	Result:	985.38	1,385.33	1,530.24
Months Vacant				
	New:	0.64	0.64	0.64
	Renewal:	0	0	0
	Rounded:	0	0	0
Preparation Costs		\$/SqFt	\$/SqFt	\$/SqFt
	New:	0.73	0.73	0.73
	Renewal:	0.37	0.37	0.37
	Result:	0.55	0.55	0.55
Leasing Costs		\$ Amount	\$ Amount	\$ Amount
	New:	0.32	0.32	0.32
	Renewal:	0.11	0.11	0.11
	Result:	0.21	0.21	0.21
Rent Abatements				
	New:	2.00	1.50	1.00
	Renewal:	1.00	1.00	1.00
	Result:	1.50	1.25	1.00
Non-Weighted Items				
Term Lengths		12 Months	12 Months	12 Months
Term Overrides		No	No	No