



Market-TRAC™

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Uptown/ Oaklawn/ Highland Park
Dallas/Ft Worth, Tx

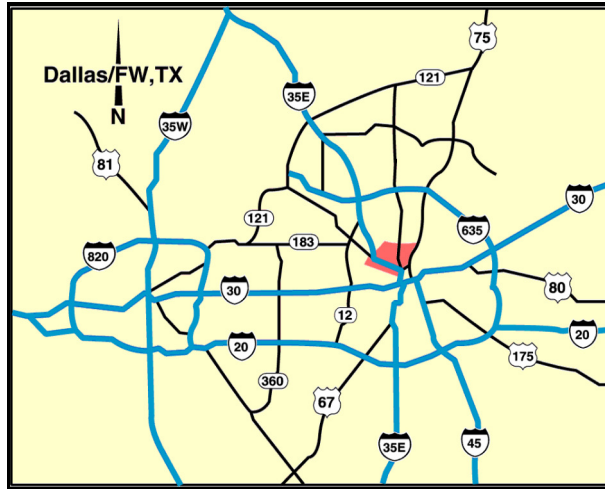
November 2013

Prepared by:

SAMPLE

Uptown/ Oaklawn/ Highland Park

Market-TRAC - November 2013 - Dallas/Ft Worth, Tx



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Market Summary: This table shows the general statistics for the market. The prices and rental rates are displayed as effective - net of concessions and electric utility adjustments.

# of Operating Communities	116
# of Operating Units	22,450
Avg Units/Community	194
Avg Size (sf)	943
Avg Price (\$/mo)	1,435
Avg Rental Rate (¢/sf/mo)	152.2
Avg Occupancy	88.9%

Occupancy & Rental Rate Trends: This table shows the occupancy and rental rate trends that have occurred over the last 3, 6 and 12 months. These trends are expressed in annualized terms.

Occupancy:	Last 3 months	-13.8%
	Last 6 months	-3.1%
	Last 12 months	2.4%
Rental Rates:	Last 3 months	2.9%
	Last 6 months	3.7%
	Last 12 months	3.4%

Absorption: This table shows the absorption (change in the number of occupied units) for the market on a quarterly basis. The table displays the number of units absorbed as well as the percentage of units absorbed in relation to the total number of units in the market. (* indicates partial quarter)

10/13 to 10/13*	Units absorbed	39
	% of market	0.17%
7/13 to 9/13	Units absorbed	410
	% of market	1.92%
4/13 to 6/13	Units absorbed	550
	% of market	2.62%
1/13 to 3/13	Units absorbed	354
	% of market	1.68%

Construction: This table shows the new construction that has occurred in the market. The average year of construction is calculated based on the number of communities and the number of units in the market.

Units built in 2008 or after	7,312
% of market	32.6%
Avg YOC/community	1992
Avg YOC/unit	1997

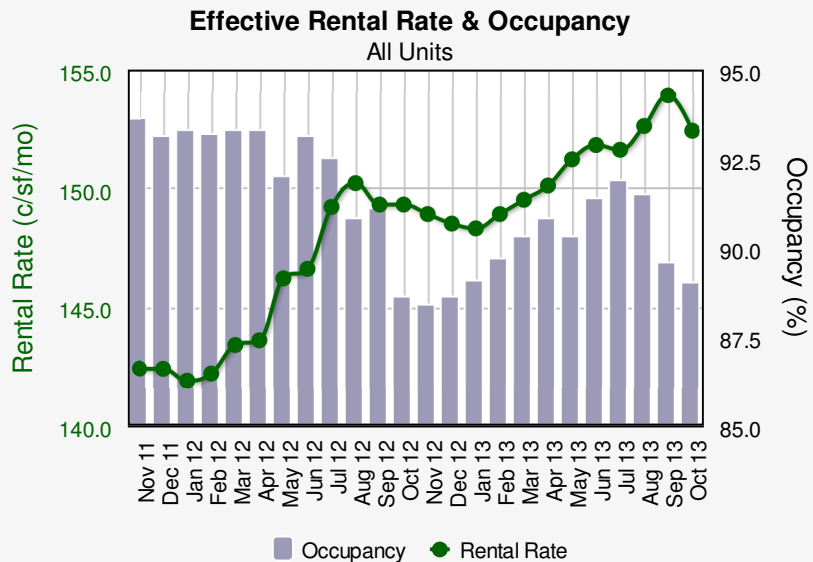
Deposits/Rental Concessions: This table shows the deposits and rental concessions for the market. Three types of concessions are tracked: move-in specials, months free specials and floorplan specific specials.

Avg Security Deposit	\$212
Avg Pet Deposit	\$396
# of communities with:	
Move-in Specials	4
Months Free Specials	6
Floorplan Specials	12

Floorplans (ALL): This table shows statistics for ALL the units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments. [How ADS Defines Class](#)

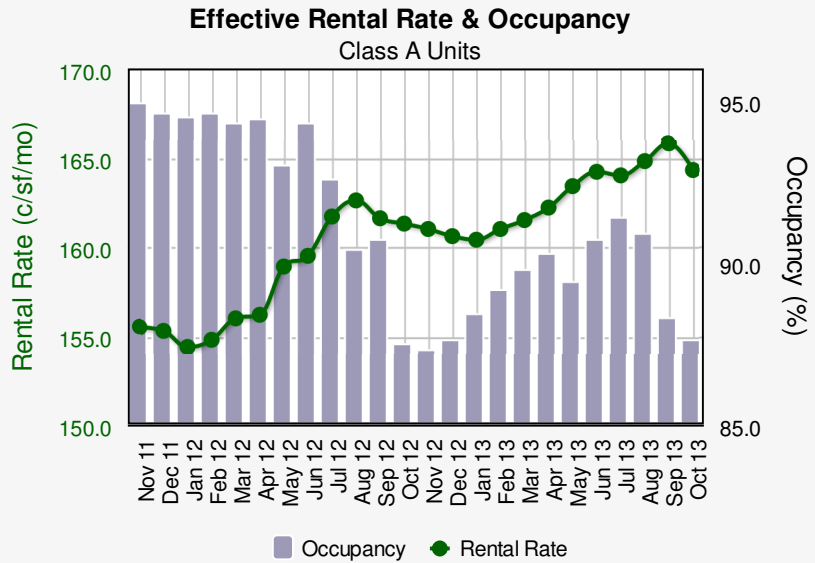
	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	116	83	15	16	2
# of Units	22,450	18,084	1,870	2,314	182
Avg Size (sf)	943	978	844	757	839
Avg Price (\$/mo)	1,435	1,604	895	623	495
Avg Rental Rate (¢/sf/mo)	152.2	164.0	106.0	82.3	59.0
Occupancy	88.9%	87.6%	95.8%	93.4%	95.6%

Date	Units	Price	Rate	Occ%	Absorb
Nov 11	19,620	1,360	142.4	93.6	-78
Dec 11	19,620	1,360	142.4	93.1	-98
Jan 12	19,544	1,357	141.9	93.3	-32
Feb 12	19,544	1,359	142.2	93.2	-20
Mar 12	19,480	1,371	143.4	93.3	-40
Apr 12	19,480	1,373	143.6	93.3	0
May 12	19,782	1,395	146.2	92.0	25
Jun 12	19,782	1,399	146.6	93.1	218
Jul 12	20,074	1,425	149.2	92.5	151
Aug 12	20,408	1,434	150.2	90.8	-38
Sep 12	20,408	1,426	149.3	91.1	61
Oct 12	21,015	1,418	149.3	88.6	28
Nov 12	21,015	1,415	148.9	88.4	-42
Dec 12	21,015	1,411	148.5	88.6	42
Jan 13	21,015	1,409	148.3	89.1	102
Feb 13	21,015	1,415	148.9	89.7	126
Mar 13	21,015	1,420	149.5	90.3	126
Apr 13	21,015	1,426	150.1	90.8	101
May 13	21,336	1,435	151.2	90.3	185
Jun 13	21,368	1,441	151.8	91.4	264
Jul 13	21,368	1,439	151.6	91.9	104
Aug 13	21,607	1,445	152.6	91.5	133
Sep 13	22,258	1,453	153.9	89.6	173
Oct 13	22,450	1,437	152.4	89.0	39



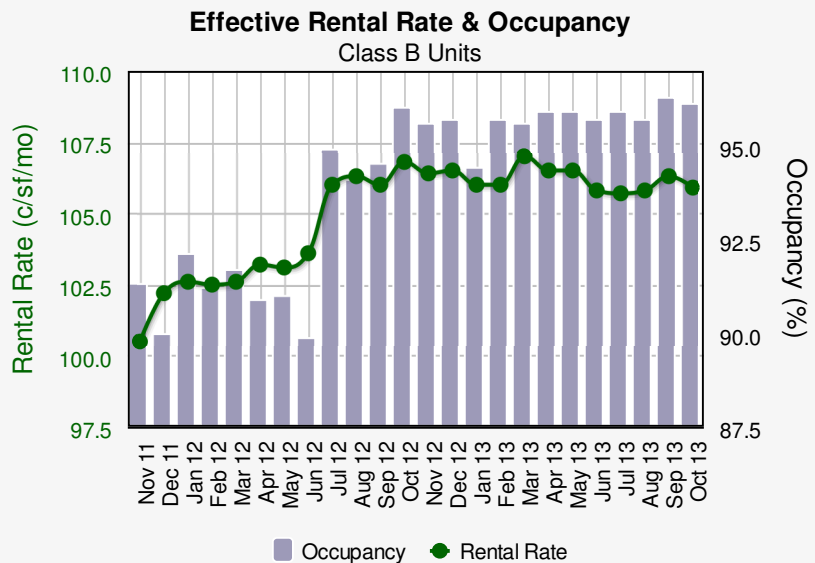
Class A History:

Date	Units	Price	Rate	Occ%	Absorb
Nov 11	14,922	1,564	155.5	94.9	0
Dec 11	14,922	1,562	155.3	94.6	-39
Jan 12	14,922	1,553	154.4	94.5	-15
Feb 12	14,922	1,557	154.8	94.6	9
Mar 12	14,922	1,569	156.0	94.3	-41
Apr 12	14,922	1,571	156.2	94.4	12
May 12	15,224	1,592	158.9	93.0	72
Jun 12	15,224	1,598	159.5	94.3	201
Jul 12	15,660	1,617	161.7	92.6	139
Aug 12	15,994	1,624	162.6	90.4	-34
Sep 12	15,994	1,614	161.6	90.7	53
Oct 12	16,649	1,597	161.3	87.5	51
Nov 12	16,649	1,594	161.0	87.3	-30
Dec 12	16,649	1,590	160.6	87.6	42
Jan 13	16,649	1,588	160.4	88.4	140
Feb 13	16,649	1,594	161.0	89.2	121
Mar 13	16,649	1,599	161.5	89.8	98
Apr 13	16,649	1,606	162.2	90.3	78
May 13	16,970	1,614	163.4	89.4	147
Jun 13	17,002	1,622	164.2	90.7	246
Jul 13	17,002	1,620	164.0	91.4	125
Aug 13	17,241	1,623	164.8	90.9	121
Sep 13	17,892	1,625	165.8	88.3	127
Oct 13	18,084	1,607	164.3	87.6	48



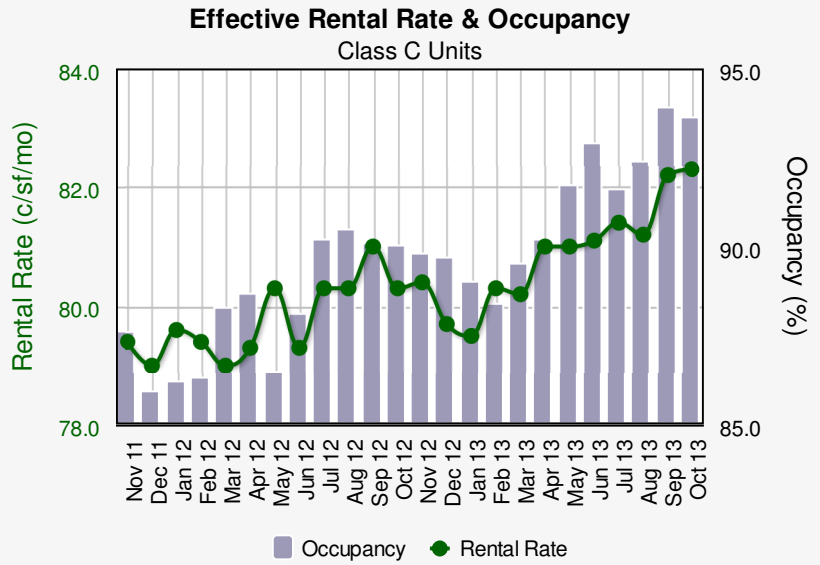
Class B History:

Date	Units	Price	Rate	Occ%	Absorb
Nov 11	2,138	838	100.5	91.3	-40
Dec 11	2,138	852	102.2	90.0	-25
Jan 12	2,062	857	102.6	92.1	-26
Feb 12	2,062	856	102.5	91.2	-27
Mar 12	2,062	857	102.6	91.7	11
Apr 12	2,062	862	103.2	90.9	-19
May 12	2,062	861	103.1	91.0	2
Jun 12	2,062	865	103.6	89.9	-23
Jul 12	1,918	895	106.0	94.9	-35
Aug 12	1,918	897	106.3	94.1	-11
Sep 12	1,918	895	106.0	94.5	9
Oct 12	1,870	901	106.8	96.0	-19
Nov 12	1,870	898	106.4	95.6	-6
Dec 12	1,870	899	106.5	95.7	2
Jan 13	1,870	895	106.0	94.4	-23
Feb 13	1,870	895	106.0	95.7	22
Mar 13	1,870	903	107.0	95.6	-2
Apr 13	1,870	899	106.5	95.9	6
May 13	1,870	899	106.5	95.9	0
Jun 13	1,870	893	105.8	95.7	-4
Jul 13	1,870	892	105.7	95.9	4
Aug 13	1,870	893	105.8	95.7	-4
Sep 13	1,870	897	106.3	96.3	11
Oct 13	1,870	894	105.9	96.1	-3



Class C History:

Date	Units	Price	Rate	Occ%	Absorb
Nov 11	2,378	600	79.4	87.6	-38
Dec 11	2,378	597	79.0	85.9	-35
Jan 12	2,378	602	79.6	86.2	7
Feb 12	2,378	600	79.4	86.3	1
Mar 12	2,314	598	79.0	88.3	-8
Apr 12	2,314	600	79.3	88.7	7
May 12	2,314	608	80.3	86.5	-51
Jun 12	2,314	600	79.3	88.1	38
Jul 12	2,314	608	80.3	90.2	47
Aug 12	2,314	608	80.3	90.5	9
Sep 12	2,314	613	81.0	90.1	-8
Oct 12	2,314	608	80.3	90.0	-2
Nov 12	2,314	609	80.4	89.8	-5
Dec 12	2,314	603	79.7	89.7	-2
Jan 13	2,314	602	79.5	89.0	-15
Feb 13	2,314	608	80.3	88.4	-15
Mar 13	2,314	607	80.2	89.5	24
Apr 13	2,314	613	81.0	90.2	15
May 13	2,314	613	81.0	91.7	38
Jun 13	2,314	614	81.1	92.9	28
Jul 13	2,314	616	81.4	91.6	-28
Aug 13	2,314	615	81.2	92.4	18
Sep 13	2,314	622	82.2	93.9	35
Oct 13	2,314	623	82.3	93.6	-6

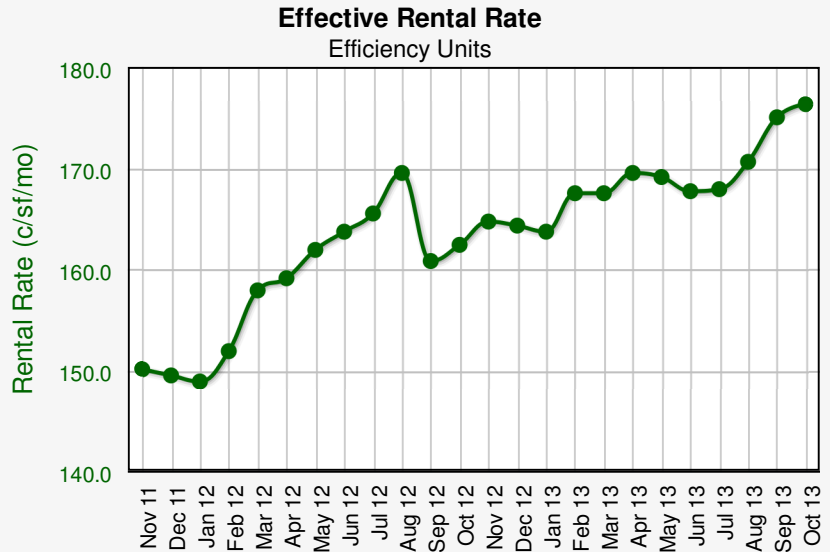


Class D History: Currently, there are only 2 communities with 182 units defined as Class D. History is not available for Classes with less than 4 communities.

Floorplans (Efficiencies): This table shows statistics for the EFFICIENCY units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments. [How ADS Defines Class](#)

	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	45	31	6	7	1
# of Units	1,116	837	118	152	9
Avg Size (sf)	511	519	522	447	650
Avg Price (\$/mo)	898	1,008	733	452	416
Avg Rental Rate (c/sf/mo)	175.7	194.2	140.4	101.1	64.0

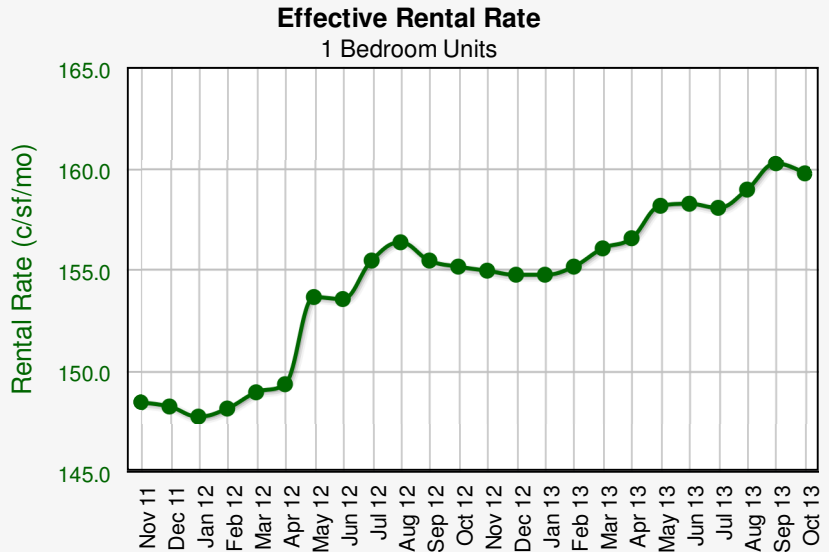
<u>Date</u>	<u>Units</u>	<u>Price</u>	<u>Rate</u>
Nov 11	922	752	150.1
Dec 11	922	749	149.5
Jan 12	922	746	148.9
Feb 12	922	761	151.9
Mar 12	898	791	157.9
Apr 12	898	797	159.1
May 12	898	811	161.9
Jun 12	898	820	163.7
Jul 12	898	829	165.5
Aug 12	905	851	169.5
Sep 12	905	807	160.8
Oct 12	933	815	162.4
Nov 12	933	827	164.7
Dec 12	933	825	164.3
Jan 13	933	822	163.7
Feb 13	933	841	167.5
Mar 13	933	841	167.5
Apr 13	933	851	169.5
May 13	944	854	169.1
Jun 13	945	847	167.7
Jul 13	945	848	167.9
Aug 13	982	860	170.6
Sep 13	1,076	889	175.0
Oct 13	1,116	901	176.3



Floorplans (1-Bedrooms): This table shows statistics for the 1 BEDROOM units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments. [How ADS Defines Class](#)

	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	114	83	14	15	2
# of Units	13,168	10,850	907	1,311	100
Avg Size (sf)	786	814	696	630	620
Avg Price (\$/mo)	1,254	1,386	790	553	438
Avg Rental Rate (c/sf/mo)	159.5	170.3	113.5	87.8	70.6

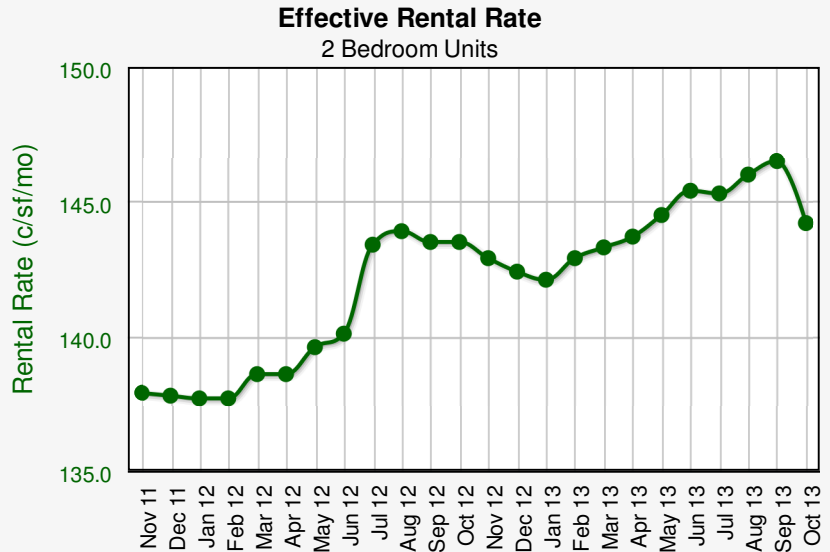
<u>Date</u>	<u>Units</u>	<u>Price</u>	<u>Rate</u>
Nov 11	11,092	1,175	148.4
Dec 11	11,092	1,174	148.2
Jan 12	11,080	1,170	147.7
Feb 12	11,080	1,173	148.1
Mar 12	11,062	1,181	148.9
Apr 12	11,062	1,184	149.3
May 12	11,301	1,215	153.6
Jun 12	11,301	1,214	153.5
Jul 12	11,550	1,232	155.4
Aug 12	11,762	1,238	156.3
Sep 12	11,762	1,231	155.4
Oct 12	12,222	1,222	155.1
Nov 12	12,222	1,221	154.9
Dec 12	12,222	1,219	154.7
Jan 13	12,222	1,219	154.7
Feb 13	12,222	1,222	155.1
Mar 13	12,222	1,229	156.0
Apr 13	12,222	1,233	156.5
May 13	12,467	1,246	158.1
Jun 13	12,486	1,248	158.2
Jul 13	12,486	1,247	158.0
Aug 13	12,647	1,252	158.9
Sep 13	13,047	1,261	160.2
Oct 13	13,168	1,255	159.7



Floorplans (2-Bedrooms): This table shows statistics for the 2 BEDROOM units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments. [How ADS Defines Class](#)

	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	112	81	13	16	2
# of Units	7,550	5,982	719	776	73
Avg Size (sf)	1,223	1,277	1,029	986	1,162
Avg Price (\$/mo)	1,759	1,991	1,032	753	584
Avg Rental Rate (c/sf/mo)	143.8	155.9	100.3	76.4	50.3

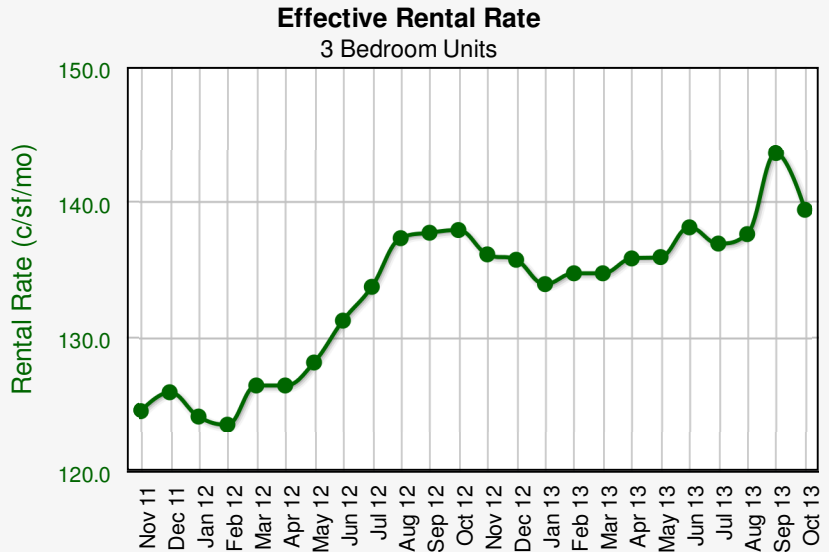
<u>Date</u>	<u>Units</u>	<u>Price</u>	<u>Rate</u>
Nov 11	7,025	1,677	137.9
Dec 11	7,025	1,676	137.8
Jan 12	6,961	1,679	137.7
Feb 12	6,961	1,679	137.7
Mar 12	6,939	1,691	138.6
Apr 12	6,939	1,691	138.6
May 12	7,002	1,702	139.6
Jun 12	7,002	1,708	140.1
Jul 12	7,045	1,755	143.4
Aug 12	7,144	1,761	143.9
Sep 12	7,144	1,757	143.5
Oct 12	7,263	1,755	143.5
Nov 12	7,263	1,748	142.9
Dec 12	7,263	1,741	142.4
Jan 13	7,263	1,738	142.1
Feb 13	7,263	1,748	142.9
Mar 13	7,263	1,752	143.3
Apr 13	7,263	1,758	143.7
May 13	7,328	1,767	144.5
Jun 13	7,340	1,778	145.4
Jul 13	7,340	1,777	145.3
Aug 13	7,381	1,786	146.0
Sep 13	7,519	1,792	146.5
Oct 13	7,550	1,764	144.2



Floorplans (3-Bedrooms): This table shows statistics for the 3 BEDROOM units in the market. Along with the totals, the table displays the information by Class (A,B,C and D). Prices and rental rates are displayed as effective - net of concessions and electric utility adjustments. [How ADS Defines Class](#)

	<u>Total</u>	<u>Class A</u>	<u>Class B</u>	<u>Class C</u>	<u>Class D</u>
# of Communities	27	23	1	3	-
# of Units	613	412	126	75	-
Avg Size (sf)	1,632	1,848	1,160	1,243	-
Avg Price (\$/mo)	2,272	2,912	1,016	865	-
Avg Rental Rate (¢/sf/mo)	139.2	157.6	87.6	69.6	-

<u>Date</u>	<u>Units</u>	<u>Price</u>	<u>Rate</u>
Nov 11	578	2,026	124.5
Dec 11	578	2,049	125.9
Jan 12	578	2,019	124.1
Feb 12	578	2,010	123.5
Mar 12	578	2,057	126.4
Apr 12	578	2,057	126.4
May 12	578	2,085	128.1
Jun 12	578	2,135	131.2
Jul 12	578	2,175	133.7
Aug 12	594	2,242	137.3
Sep 12	594	2,249	137.7
Oct 12	594	2,252	137.9
Nov 12	594	2,223	136.1
Dec 12	594	2,216	135.7
Jan 13	594	2,187	133.9
Feb 13	594	2,199	134.7
Mar 13	594	2,200	134.7
Apr 13	594	2,217	135.8
May 13	594	2,219	135.9
Jun 13	594	2,255	138.1
Jul 13	594	2,236	136.9
Aug 13	594	2,247	137.6
Sep 13	613	2,344	143.6
Oct 13	613	2,275	139.4



Glossary of Terms:

Absorption - The absorption of an area, measured in number of units or percentage of the total market size, is the increase (or decrease) in the number of occupied units over a given period of time. Absorption shows the number of units being absorbed as residents move into (or leave) an area.

Active Data Gathering Method - The active data gathering method is the most reliable data gathering technique. With active data gathering, every known apartment community in each market area is interviewed by phone on a regular, methodical, systematic basis by professionals trained to acquire explicit, detailed information. They ask the right questions, the right way, and get accurate, distinct answers that are then loaded into our computers for instant access and analysis.

Annualized Growth Trends - Annualized growth trends are the percentage increase (or decrease) over a given period of time. If the time period is not exactly one year the percentages are annualized for a one year period. The annualized value allows you to compare growth trends over different time periods. For example if the rental rate of a market area increased from 53.1 ¢/sf/mo to 54.3 ¢/sf/mo over a three month period, the growth rate during that period of three months is 2.26%, however when you convert this to an annual value the annualized growth is 9.04% (2.26% x 4). This example of calculating growth trends is simply based on the beginning point and the end point. Linear regression, on the other hand, is a more accurate calculation of growth trends and is based on curve-fitting a line to best fit every point in the data set.

Average Value - The average value is the sum of all values divided by the number of values in the data set. A weighted average takes into consideration the relative importance or weight of each value in the set of data.

Classification (Class A,B,C,D) - The classification of apartments is subjective and involves many factors. Tangible factors include amenities, unit mix and year of construction while intangible factors include location, management and curb appeal. Typically, these factors are reflected in each apartment's rental rates. The ADS classification process uses two categories: one based on rental rates and one based on the year of construction. First, the rental rates of each apartment are compared on a floorplan-by-floorplan basis to the overall city statistics. This value is given the greatest scaling weight. Next, the initial year of construction is factored-in using a lesser scaling weight. The values of each category are combined to form an overall classification value ranging from 1 to 99. These values are then grouped using a bell curve to form the Class A, B, C or D rating.

Distribution Graph - A distribution graph allows you to analyze a market area by showing the variance of sizes, prices and rental rates. Unlike a weighted average that represents a market area as a single number, a distribution graph captures a complete picture of the market area. With a distribution graph you can see how a market area is spread out or clustered together.

Market Boundaries - Defining market area boundaries is a subjective procedure. New road construction, apartment renovations, new apartments being built and demographic shifts are just a few of the factors that were considered before the market areas were defined. Using the advanced technology of a computerized mapping system developed in-house, Apartment Data Services is able to reveal and define clusters of similar apartments. The benefit of using this technique is that it enabled ADS to divide the city into market areas of apartments that are more likely to compete with each other.

Occupancy - Occupancy, measured as a percentage, is the number of occupied or leased units divided by the total number of units in the community. It is important to note that new construction will affect occupancy due to the increased number of non-occupied units when the community first opens.

Price - Price, measured as dollars per month (\$/mo), refers to the monthly rent of an apartment unit. Price can be quoted as either market price or as effective price when rental concessions and utility adjustments are factored in.

Rental Concessions - As the apartment industry becomes more competitive apartments tend to offer rent specials or concessions as a method of attracting renters. These rental concessions will lower the effective rental rates and therefore must be taken into consideration when performing a market survey. Apartment Data Services closely monitors three types of rental concessions:

- **Move-in specials** - This type of special is often quoted as \$99 move-in based on a 6 month lease. Assuming a market price of \$500/mo, the effect of this special would be \$66.83/mo and reduce the effective price to \$433.17/mo.
- **Months free specials** - This type of special is often quoted as 1 month free based on a 12 month lease. Assuming a market price of \$500/mo, the effect of this special would be \$41.67/mo and reduce the effective price to \$458.33/mo.
- **Floorplan specials** - This type of special is usually offered when a particular floorplan has low occupancy. A typical example of this would be \$100 off on the 3 bedroom 1 bath unit (based on a 6 month lease). Assuming a market price of \$500/mo, the effect of this special would be \$16.67/mo and reduce the effective price to \$483.33/mo.

Rental Rate - Rental rate, measured as cents per square foot per month (¢/sf/mo), is the price of an apartment unit divided by the size of that unit. Rental rate can be quoted as either market rate or as effective rate when rental concessions and utility adjustments are factored in. For example, a 1-bedroom/700 sf apartment with a market price of \$400/month has a market rental rate of $\$400/700\text{sf} = 57.1 \text{ ¢/sf/mo}$.

Scope - Market-TRAC is a comprehensive, macro-market analysis of all known apartment communities within a market area. An apartment community is defined as a building consisting of five or more units and being leased or pre-leased on a permanent multi-family basis. This definition includes standard apartments, townhouses and condominiums that are leased by a management company or group. This definition specifically excludes assisted living housing and individually owned & managed condominiums and townhomes.

Size - Size, measured in square feet (sf), refers to the physical (air conditioned) area of an apartment unit.

Units (+Electric) - The units on the market that **DO NOT** include electricity as part of the price/rent. These are the standard or typical units where the resident pays a monthly electric bill.

Units (w/Electric) - The units on the market that **DO** include the cost of electricity as part of the price/rent. The resident does not pay a monthly electric bill, however the extra cost is usually passed on to the resident in the form of higher rent.

Utility Adjustment Factors - Market areas often contain different types of units when it comes to paying for utilities (electric, water and gas). In order to compare these on an apples-to-apples basis you must adjust the price/rate to compensate for the cost of these utilities. This is accomplished by using unique utility adjustment factors for electricity, water and gas. The utility adjustment factors are added to (or subtracted from) the original price/rate to provide the effective price/rate to be used in comparing different types of units.