

People

Product

Price

Promotion

Prospect

Positioning

Perspective

Process

Presentation



THE DEVELOPMENT ADVISOR

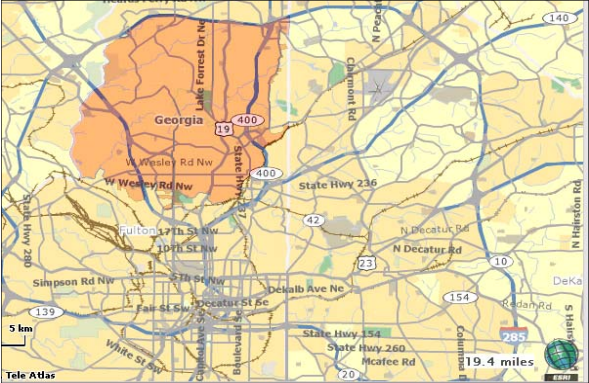
FIRST QUARTER 2009 SUPPLEMENTAL UPDATE

BUCKHEAD

BUCKHEAD / GARDEN HILLS / PEACHTREE HILLS

Buckhead is perhaps Atlanta’s most well-known community. With its lavish hotels, posh restaurants, sprawling estates, and luxury stores of Lenox Square and Phipps Plaza, it is no wonder The Robb Report consistently ranks Buckhead in the Top 10 Affluent Communities. The Streets of Buckhead, a 9-acre transformation of the former bar district, is expected to bring luxury retail, hotels, residences, and office space, further cementing the neighborhood’s affluent reputation.

- 2009 Demographic Highlights¹**
- Total Population—84,690
 - Median Household Income—\$92,933
 - Median Age—38.2



<u>New Construction / Conversion</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>Months Supply</u>
1Q08	50	\$515,838	—
change	-76%	+24.7%	—
1Q09	12	\$643,424	36.9

Source: SmartNumbers

The demand for luxury-condominium living in Atlanta still exists, however due to the current real estate climate, absorption in this segment of the market has slowed primarily due to:

- Declining values of single family homes
- Difficulty selling current home
- Buyers who are waiting to confirm the bottom of the market
- Wealthy buyers’ portfolios and assets have declined in value

Note:

The increase in average sales price over 1Q08 is skewed by a \$3.4M closing at Sovereign. Without this closing, the average sales price would have been approximately \$383,000, resulting in a 25% decline in average sales price over the same period last year.

<u>Resale Only</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
1Q08	205	\$241,329	95.6%	18.8
change	-25.4%	-8.5%	—	+34.0%
1Q09	153	\$220,818	92.0%	25.2

Source: Coldwell Banker Universal Database®

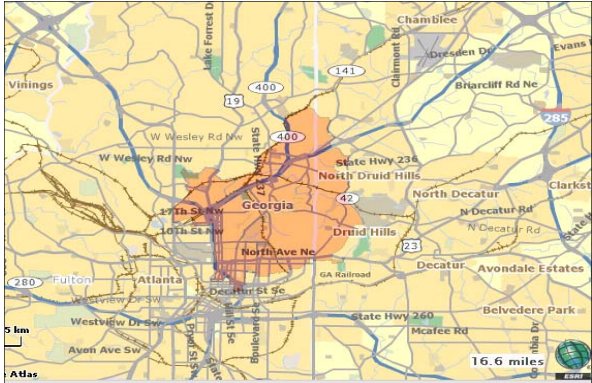
1. Source: ESRI / Business Analyst Online

INTOWN

MIDTOWN / MIDTOWN WEST / ATLANTIC STATION / MORNINGSIDE / VIRGINIA-HIGHLAND

Long considered the cultural heart of Atlanta with a large concentration of art and performance venues and some of the city’s most exciting restaurants, Midtown is poised for continued growth in years to come. The Midtown Mile promises to bring fourteen blocks of high-end retail, luxury residences, offices, and lavish hotels to the heart of this vibrant neighborhood.

- 2009 Demographic Highlights¹**
- Total Population—90,047
 - Median Household Income—\$70,424
 - Median Age—34.4



<u>New Construction / Conversion</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>Months Supply</u>
1Q08	51	\$263,267	—
change	+68.6%	+6%	—
1Q09	86	\$278,965	48.8

Source: SmartNumbers

The demand for living in an urban center is evident in Intown-Atlanta with a 25% increase in population since the 2000 Census and a 68% increase in new construction absorption over the First Quarter 2008. While 40 of the 86 closings were attributed to the recent auction at Element, sales in Midtown remain strong when compared to other Intown neighborhoods. New highrises such as Luxe and 1010 Midtown have also begun to deliver, further establishing Midtown as an urban center and a destination neighborhood.

<u>Resale Only</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
1Q08	286	\$211,880	95.5%	19.7
change	-32.9%	-7.7%	—	+49.2%
1Q09	192	\$195,502	94.5%	29.4

Source: Coldwell Banker NRT Universal Database[®]

1. Source: ESRI / Business Analyst Online

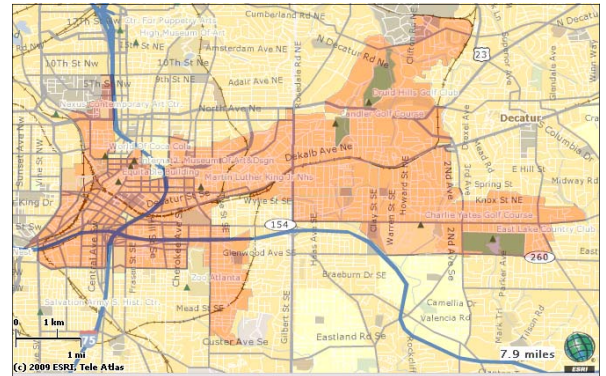
Coldwell Banker NRT Development Advisors—All information is believed to be accurate but is not warranted.

DOWNTOWN

DOWNTOWN / CASTLEBERRY HILL / CABBAGETOWN / OLD FOURTH WARD / INMAN PARK / CANDLER PARK

Edgy and pioneering neighborhoods have been carved out of downtown Atlanta creating unique communities like Castleberry Hill, Cabbagetown, and Old Fourth Ward. The Downtown area has become a popular destination for tourists and conventions with venues including Phillips Arena, Centennial Olympic Park, Underground Atlanta, the Georgia Aquarium, World of Coca Cola, and the Georgia World Congress Center. Downtown is also home to the headquarters of three Fortune 500 firms including The Coca-Cola Company, Southern Company, and SunTrust Banks.

2009 Demographic Highlights ¹	
• Total Population—	74,591
• Median Household Income—	\$41,482
• Median Age—	31.8



<u>New Construction / Conversion</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>Months Supply</u>
1Q08	68	\$230,096	—
change	-76.4%	-5.3%	—
1Q09	16	\$217,881	4.5

Source: SmartNumbers

The substantial decline in absorption for both new and resale in the First Quarter 2009 over the same period last year can primarily be attributed to the current market conditions that are affecting the fringe neighborhoods, which are typically the first to decline and the last to recover. Downtown properties are losing market-share to other Intown neighborhoods, such as Midtown, which provide more of the lifestyle opportunities that today's buyers are seeking.

<u>Resale Only</u>	<u>Absorption</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
1Q08	85	\$218,789	96.6%	26.0
change	-23.5%	-37.8%	—	+30.8%
1Q09	65	\$136,046	95.2%	34.0

Source: Coldwell Banker NRT Universal Database[®]

1. Source: ESRI / Business Analyst Online



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