

People

Product

Price

Promotion

Prospect

Positioning

Perspective

Process

Presentation

Passion



THE DEVELOPMENT ADVISOR

2009 ANNUAL REPORT SUPPLEMENTAL UPDATE

MULTI-FAMILY HOME SUB-MARKET PROFILE

Overview of multi-family activity for new construction / conversion (quarter over quarter)

	New Construction / Conversion	Absorption (Closed Units)	Average Sales Price
BUCKHEAD	4Q09	78	\$451,759
	3Q09	64	\$834,068
	2Q09	42	\$954,614
	1Q09	13	\$630,676
INTOWN	4Q09	134	\$243,422
	3Q09	150	\$251,042
	2Q09	190	\$255,858
	1Q09	90	\$317,661
DOWNTOWN	4Q09	64	\$169,867
	3Q09	53	\$192,956
	2Q09	46	\$208,042
	1Q09	20	\$212,005

Source: SmartNumbers.

Note:

Previous quarter numbers will vary from prior reports due to reporting delays with multiple listing services. 1Q09 and 2Q09 Absorption and Average Sales Price reflect updated numbers from the previous report.

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

MULTI-FAMILY HOME SUB-MARKET PROFILE

Overview of multi-family activity (year over year)

	New Construction / Conversion	Absorption (Closed Units)	Average Sales Price
BUCKHEAD	YTD - 2008	157	\$602,277
	YTD - 2009	197	\$694,975

INTOWN	YTD - 2008	402	\$271,961
	YTD - 2009	564	\$261,485

DOWNTOWN	YTD - 2008	254	\$222,876
	YTD - 2009	183	\$190,755

Source: SmartNumbers.

	Resale Only	Absorption (Closed Units)	Average Sales Price
BUCKHEAD	YTD - 2008	812	\$245,460
	YTD - 2009	724	\$205,876

INTOWN	YTD - 2008	1,471	\$206,161
	YTD - 2009	1,414	\$182,855

DOWNTOWN	YTD - 2008	460	\$198,142
	YTD - 2009	485	\$143,260

Source: Coldwell Banker Universal Database®

Note:

Previous quarter numbers will vary from prior reports due to reporting delays with multiple listing services. 1Q09 and 2Q09 Absorption and Average Sales Price reflect updated numbers from the previous report.

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

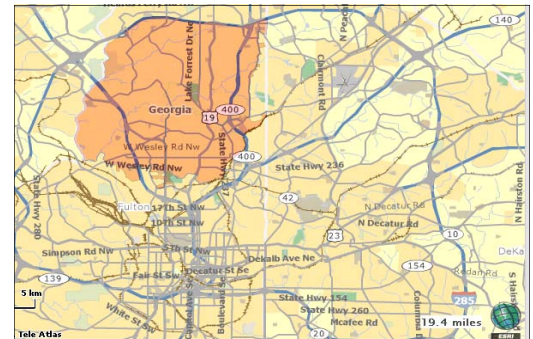
BUCKHEAD

BUCKHEAD / GARDEN HILLS / PEACHTREE HILLS

BUCKHEAD (quarter over quarter):

The Buckhead submarket witnessed a steady increase in quarterly absorption throughout the year (mostly attributable to seasonality and, possibly, the extension of the homebuyer tax credit), and overall 2009 absorption levels outperformed 2008 figures by 25%. Most new construction sales and closings were concentrated in a handful of aggressively-positioned properties, such as 10 Terminus Place, Paramount, Gallery Residences, Paces 325, and Park at East Paces. However, demand for new construction product in Buckhead was present in 2009 but only when purchasers perceived both value and opportunity.

As evidenced in previous quarters, the average sales price for new construction condos in Buckhead was skewed by closings at the St Regis during 3Q09. While 4Q09 average sales price is slightly skewed by closings at St Regis and Sovereign, it does reflect a more accurate average sales price for new construction product in Buckhead.



<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
4Q08	23	\$753,852
change	+239.1%	-40.1%
4Q09	78	\$451,759
3Q09	64	\$834,068
2Q09	42	\$954,614
1Q09	13	\$630,676

Source: SmartNumbers.

Performance in the resale market for the quarter was slightly above 4Q08 volume though down slightly from 2nd and 3rd quarters.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
4Q08	159	\$203,675	93.7%	—
change	+8.8%	+5.8%	—	—
4Q09	173	\$215,549	94.6%	20.7
3Q09	173	\$188,998	93.8%	23.6
2Q09	218	\$199,062	93.7%	17.0
1Q09	160	\$222,950	92.0%	25.2

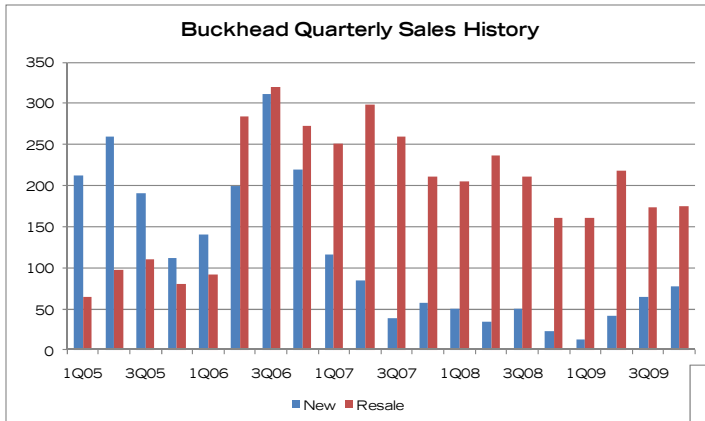
Source: Coldwell Banker Universal Database®

BUCKHEAD

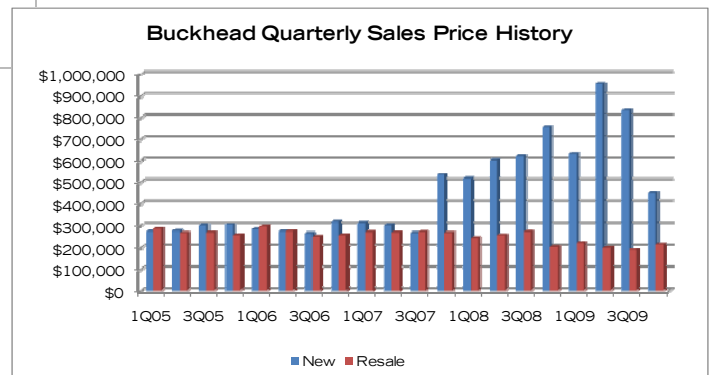
BUCKHEAD / GARDEN HILLS / PEACHTREE HILLS

BUCKHEAD (year over year):

Buckhead began to show year-over-year sales declines in 2007 when a large number of high-end luxury units began to deliver to the submarket. New construction and resale absorption in Buckhead peaked in 3Q06. Compared with 2008, new construction closed units increased by over 25%, while resale absorption decreased by 10.4%. However, 2009 resale absorption outpaced that of new construction by a factor of nearly 4 to 1.



Source: Coldwell Banker Universal Database® (Resale) and SmartNumbers (New Construction)



Source: Coldwell Banker Universal Database® (Resale) and SmartNumbers (New Construction)

<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
YTD - 2008	157	\$602,277
change	+25.5%	+15.4%
YTD - 2009	197	\$694,975

Source: SmartNumbers.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
YTD - 2008	807	\$245,460	94.6%	—
change	-10.4%	-16.1%	—	—
YTD - 2009	723	\$205,876	92.8%	19.8

Source: Coldwell Banker Universal Database®

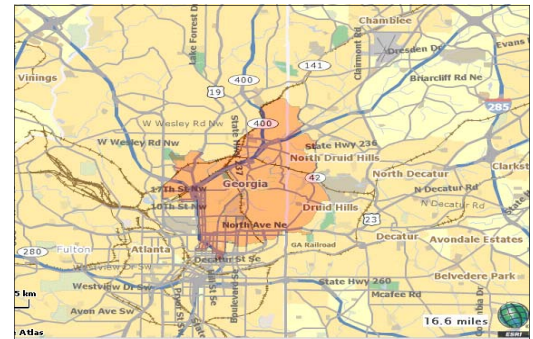
INTOWN

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

INTOWN (quarter over quarter):

Following a peak in sales in 2Q09 that was largely attributed to condominium auctions and aggressive pricing strategies, new construction absorption in the Intown submarket declined slightly throughout the third and fourth quarters in 2009. Absorption for 4Q09, however, still finished 60% above levels achieved from the same period last year. Viewpoint contributed the most to 4Q09 activity with 44 closings, followed by Cosmopolitan with 14, and Element with 13, all resulting mainly from continued aggressive pricing strategies.

In general, resale condominium sales in the Intown submarket outpaced new construction by a factor of 3 to 1, in line with Buckhead and Downtown submarkets. 4Q09 average sales prices for resale closings represented 70% of new construction closed average sales price, still a significant gap.



<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
4Q08	84	\$337,398
change	+59.5%	-27.9%
4Q09	134	\$243,422
3Q09	150	\$251,042
2Q09	190	\$255,858
1Q09	90	\$317,661

Source: SmartNumbers.

As resale prices have declined steadily throughout the year, absorption has increased since the beginning of the year.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
4Q08	285	\$206,600	96.2%	—
change	+40.7%	-17.2%	—	—
4Q09	401	\$171,112	94.9%	13.0
3Q09	425	\$180,572	96.4%	23.6
2Q09	362	\$192,361	94.3%	17.0
1Q09	219	\$193,070	94.3%	25.2

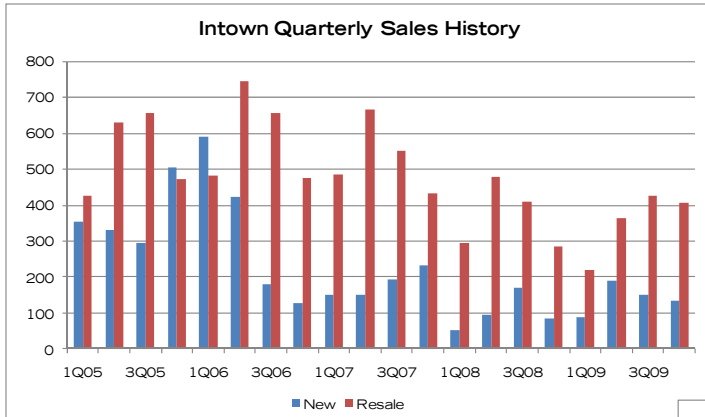
Source: Coldwell Banker Universal Database®

INTOWN

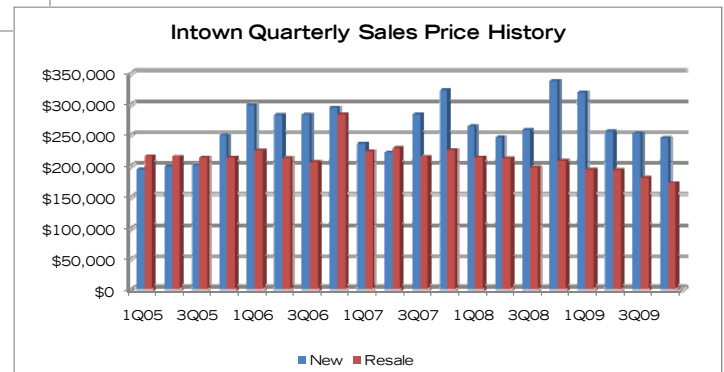
MIDTOWN / MIDTOWN WEST / ATLANTIC STATION / MORNINGSIDE / VIRGINIA-HIGHLAND

INTOWN (year over year):

While quarterly new construction absorption was down during 2009, year-over-year absorption represented a 40% increase over 2008 levels. Yearly resale absorption however declined by a modest 4%.



Source: Coldwell Banker Universal Database[®] (Resale) and SmartNumbers (New Construction)



Source: Coldwell Banker Universal Database[®] (Resale) and SmartNumbers (New Construction)

<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
YTD - 2008	402	\$271,961
change	+40.3%	-3.9%
YTD - 2009	564	\$261,485

Source: SmartNumbers.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
YTD - 2008	1,472	\$206,161	95.5%	—
change	-4.4%	-11.3%	—	—
YTD - 2009	1,407	\$182,855	94.9%	14.8

Source: Coldwell Banker NRT Universal Database[®]

DOWNTOWN

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

DOWNTOWN (quarter over quarter):

Downtown rates of absorption for new construction and resale condominium inventory gradually increased throughout 2009, as average sales prices declined significantly. This was particularly true in the new construction sector. 4Q09 Downtown absorption levels ended nearly 50% above 4Q08 levels in conjunction with a 29% decrease in average sales price during the same period. However, year-over-year absorption remains 28% below 2008 levels.

Repositioned properties with aggressive marketing campaigns such as Twelve Centennial Park, The Reynolds, and 870 Inman led the Downtown market in absorption throughout the year.



<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
4Q08	43	\$239,133
change	+48.8%	-29.0%
4Q09	64	\$169,867
3Q09	53	\$192,956
2Q09	46	\$208,042
1Q09	20	\$212,005

Source: SmartNumbers.

The Downtown resale condominium market surprisingly demonstrated signs of price stabilization throughout 2009, with gradual quarterly increases in absorption and a resulting decrease in estimated months of supply. However, the 4Q09 average sales price of \$142,067 was still 17.5% below 4Q08 levels, and 2009 yearly absorption was roughly on par with 2008 volume.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
4Q08	89	\$172,292	96.5%	—
change	+68.5%	-17.5%	—	—
4Q09	150	\$142,067	95.3%	13.1
3Q09	133	\$144,237	95.9%	15.8
2Q09	125	\$148,578	96.6%	16.9
1Q09	69	\$133,972	94.9%	34.0

Source: Coldwell Banker NRT Universal Database®

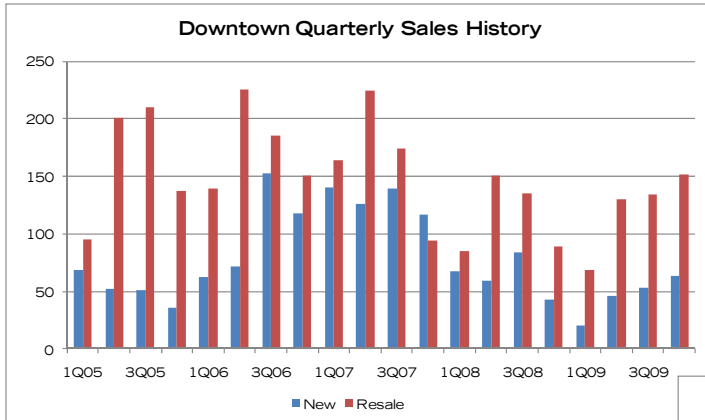
1. Source: ESRI / Business Analyst Online

DOWNTOWN

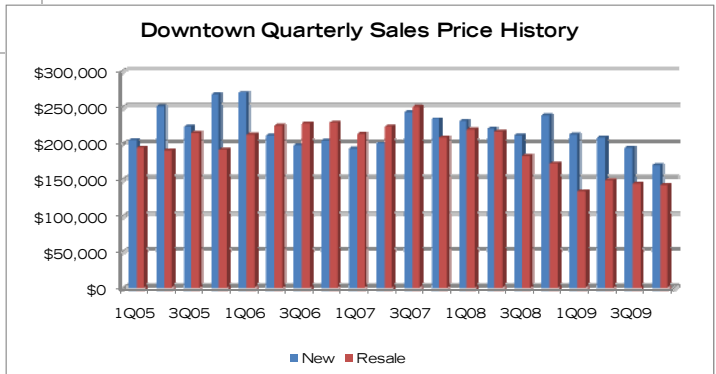
DOWNTOWN / CASTLEBERRY HILL / CABBAGETOWN /
OLD FOURTH WARD / INMAN PARK / CANDLER PARK

DOWNTOWN (year over year):

As prices have continued to come down, quarterly absorption for both new construction and resale in the Downtown submarket has experienced steady recovery throughout 2009 after reaching a 5-year low in 1Q09.



Source: Coldwell Banker Universal Database[®] (Resale) and SmartNumbers (New Construction)



Source: Coldwell Banker Universal Database[®] (Resale) and SmartNumbers (New Construction)

<u>New Construction / Conversion</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>
YTD - 2008	254	\$222,876
change	-28.0%	-14.4%
YTD - 2009	183	\$190,755

Source: SmartNumbers.

<u>Resale Only</u>	<u>Absorption (Closed Units)</u>	<u>Average Sales Price</u>	<u>List Price / Sales Price Ratio</u>	<u>Months Supply</u>
YTD - 2008	456	\$198,142	96.2%	—
change	+4.6%	-27.7%	—	—
YTD - 2009	477	\$143,260	96.2%	16.4

Source: Coldwell Banker NRT Universal Database[®]



NRT DEVELOPMENT
ADVISORS

Integrated Partnerships & Innovative Solutions for Residential Real Estate

900 Peachtree Street, Atlanta, GA 30309

404.705.1570

NRTDevelopmentAdvisors.com

Owned & Operated by NRT LLC

