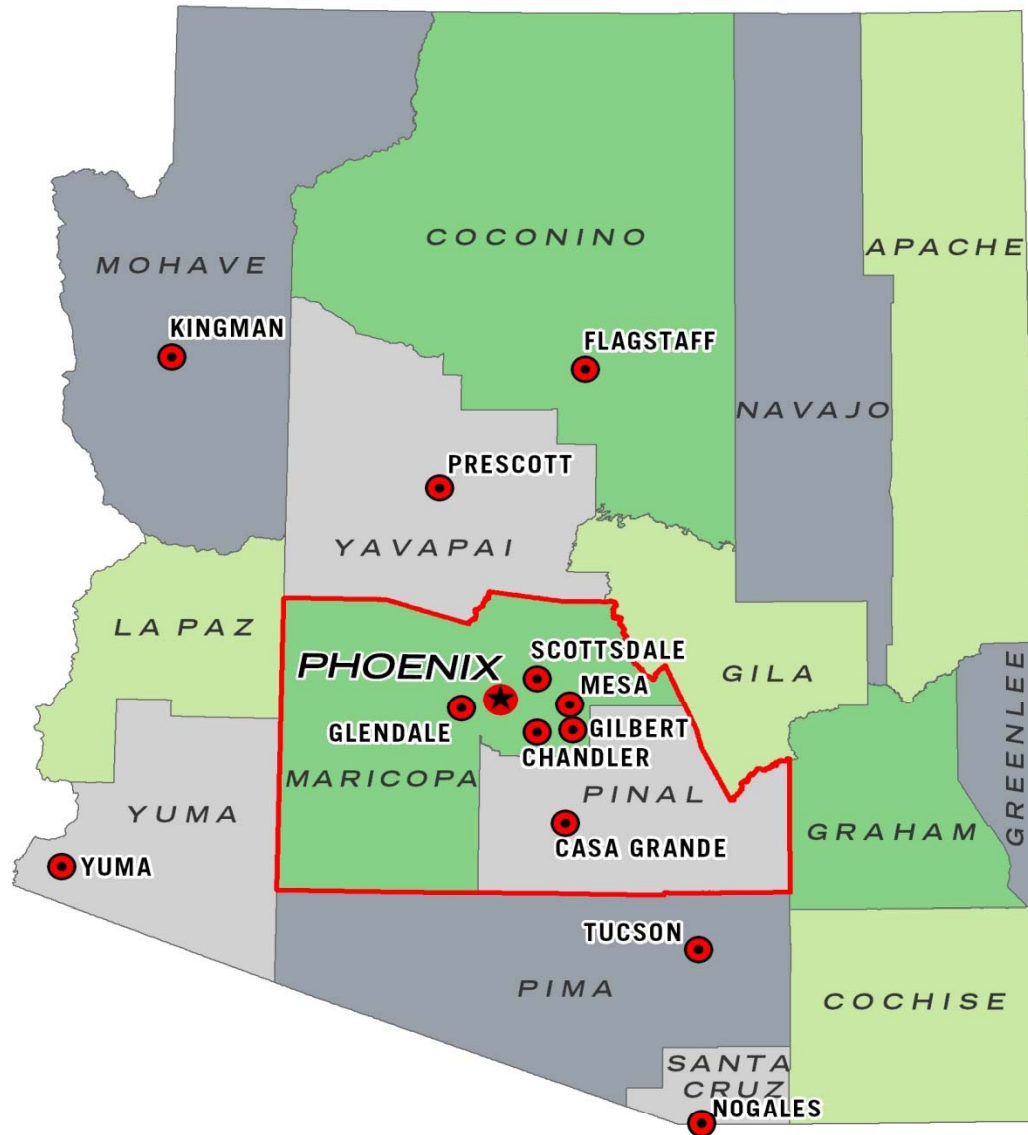


Phoenix Housing Market Report

2375 East Camelback Road, Suite 300 Phoenix, AZ 85016
T 602.954.9000 F 602.468.8588 www.brephoenix.com



Phoenix Metro Area



Phoenix

STRENGTHS

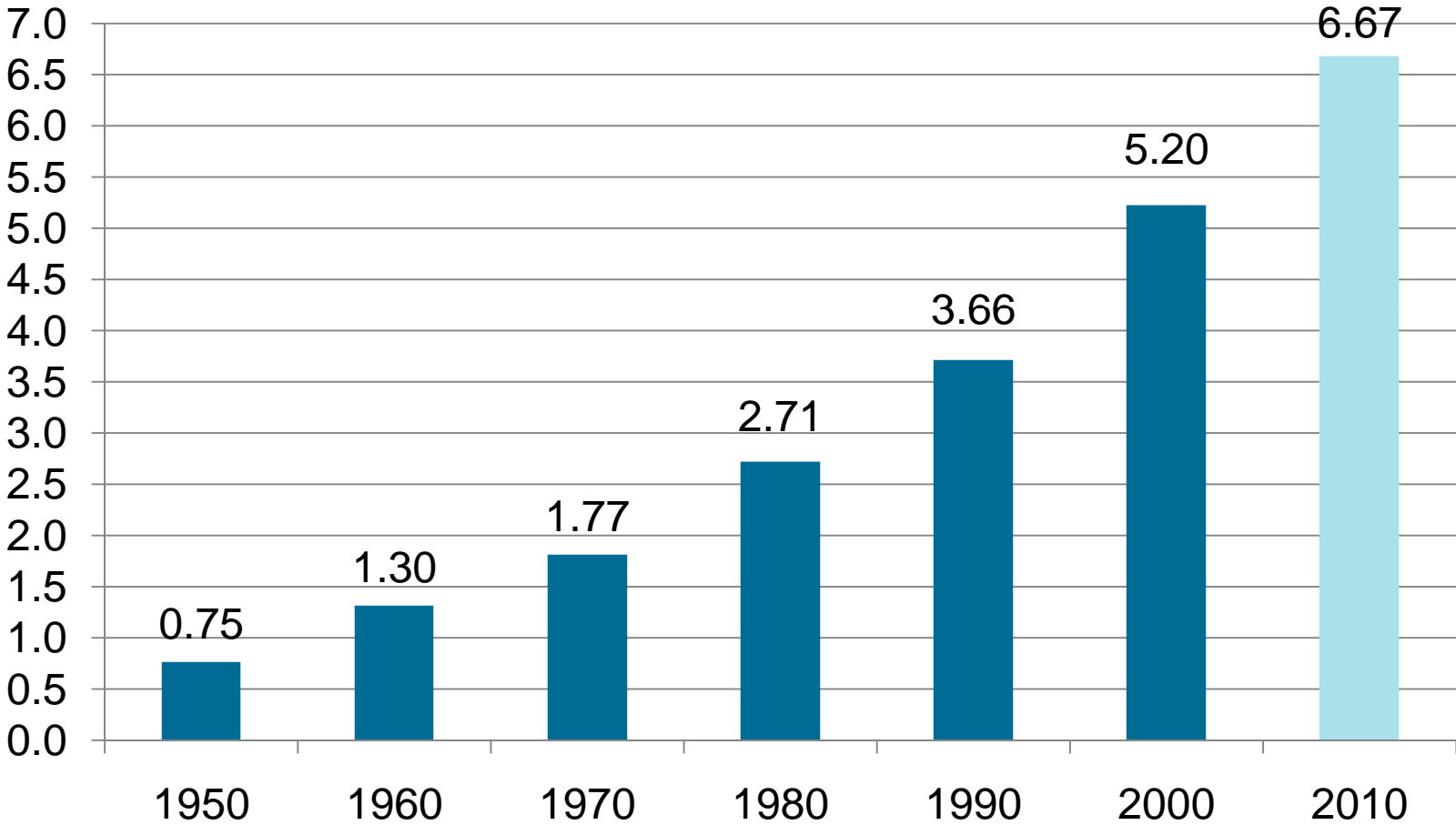
- Job Creation
- Affordable Housing
- Population Growth
- Highly Educated Population
- Low Costs of Doing Business
- No hurricanes, earthquakes, tornadoes, “Santa Ana Fires” or snow
- Climate*

*Not counting summer

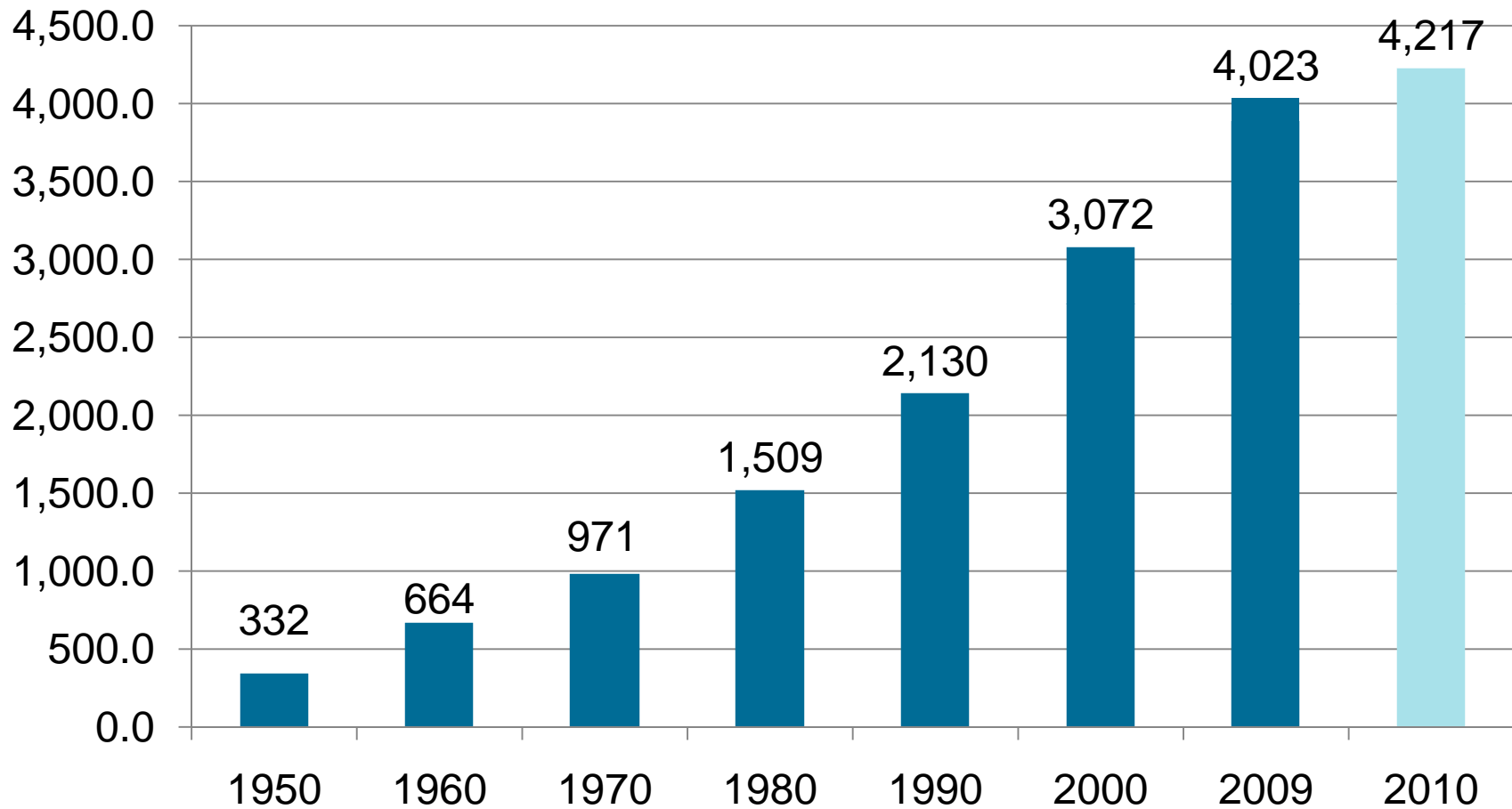
CONCERNS

- Foreclosures
- Low Home Appraisals

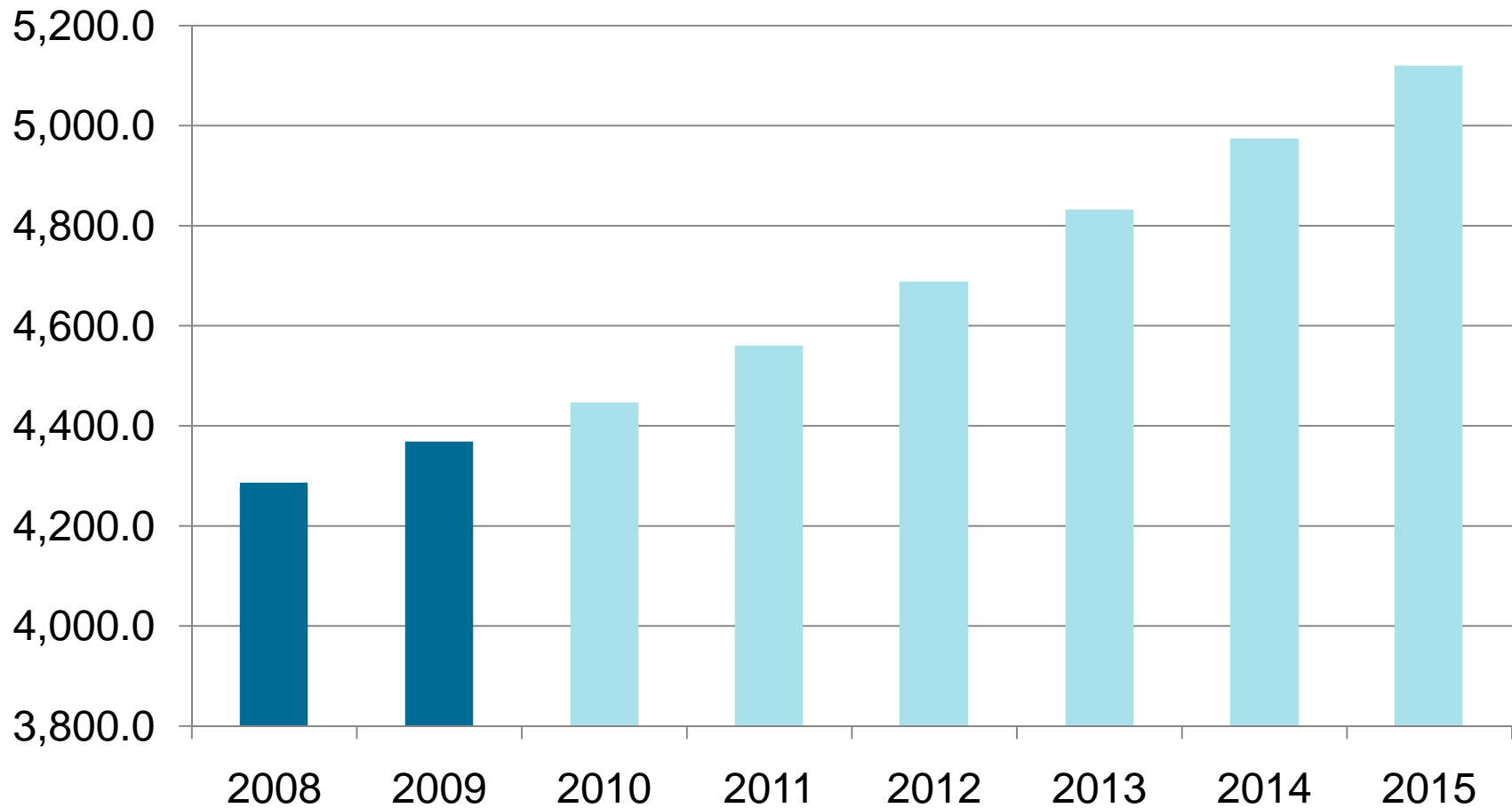
Arizona Population Growth (Millions)



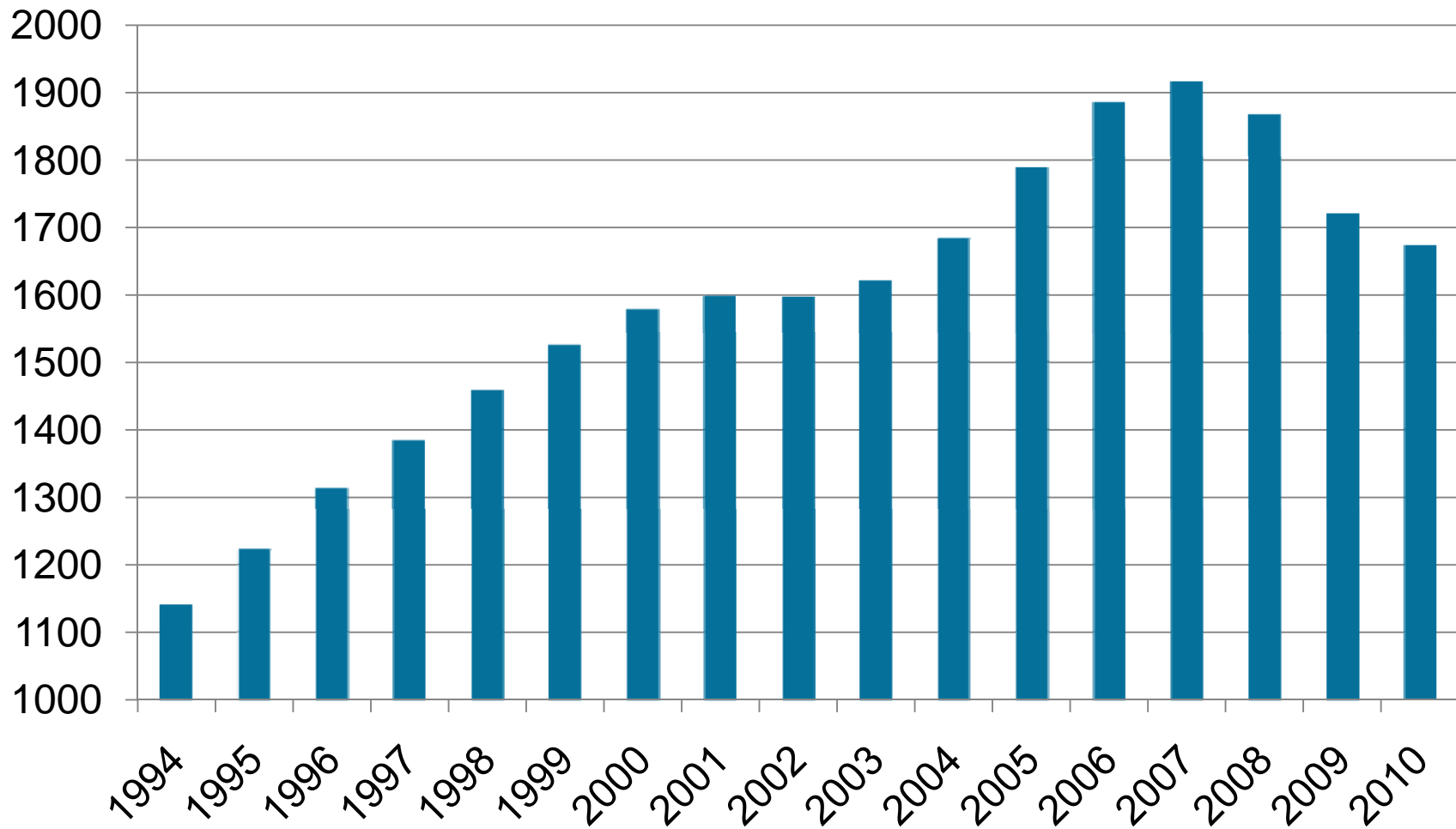
Phoenix Population Growth (000s)



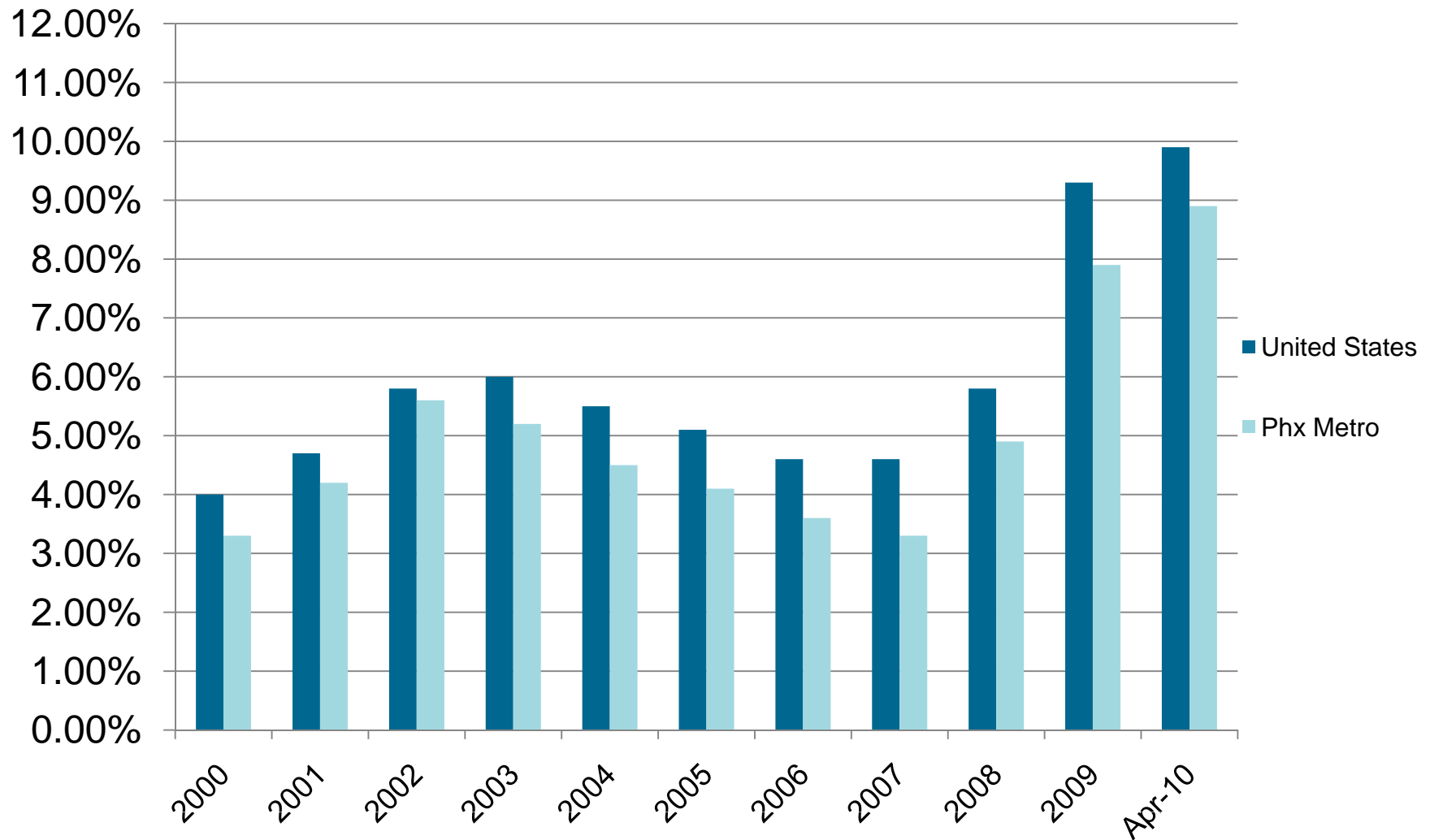
Phoenix Metro Population Growth Projections (000s)



Phoenix Metro Employment

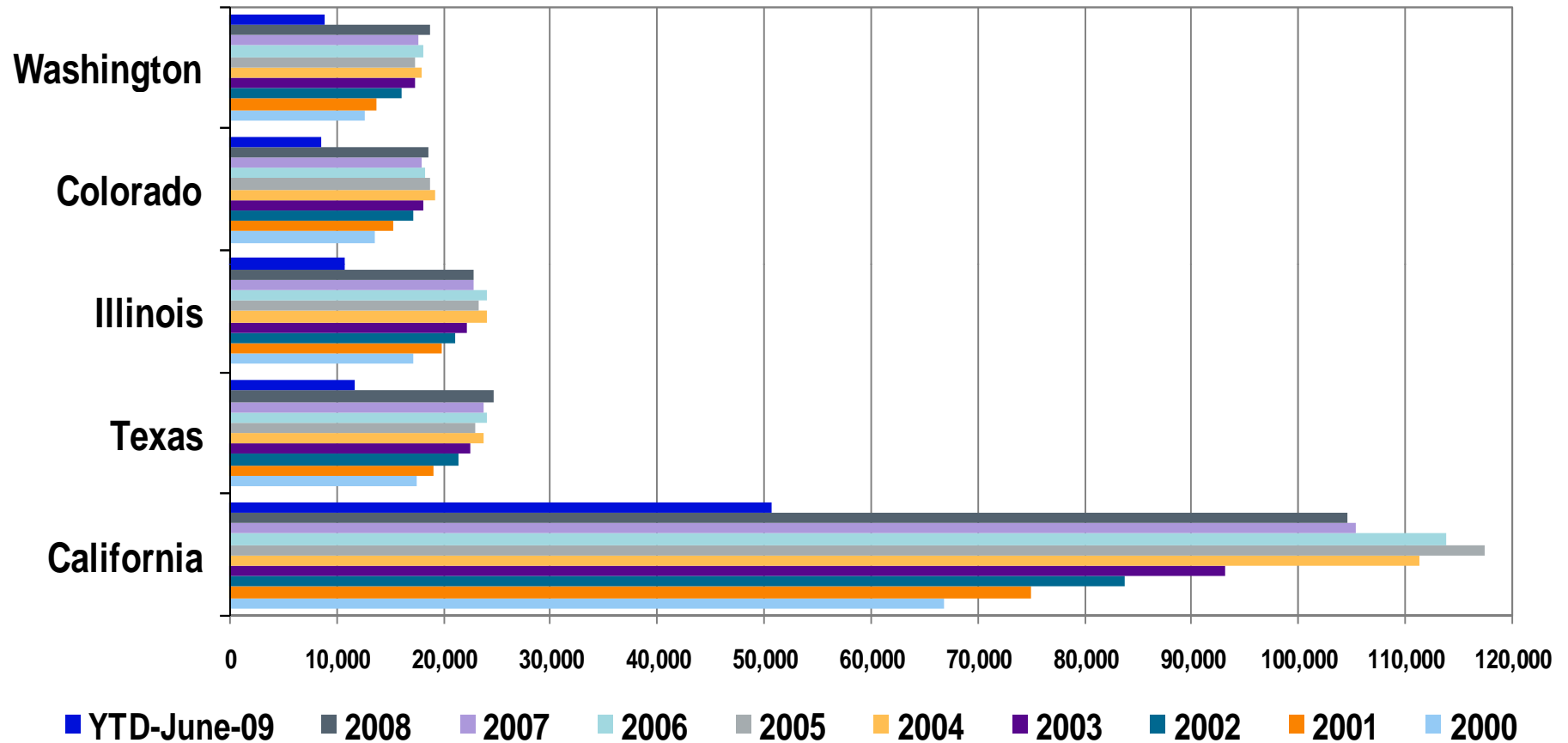


Unemployment Rate (Seasonally Adj.) United States vs. Phx Metro



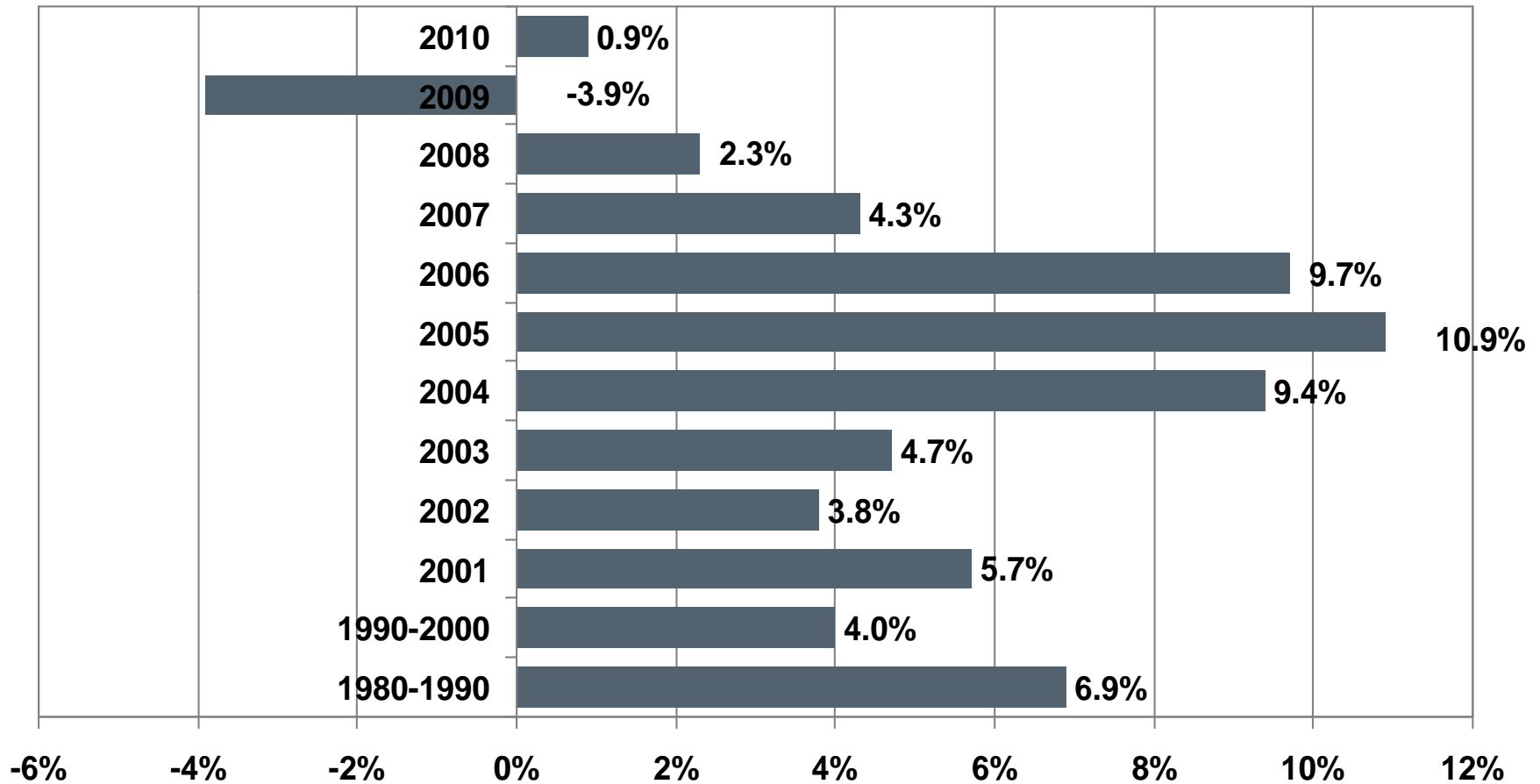
Source: Arizona Department of Commerce, Research Administration Apr 2010

Arizona In-Migration Patterns for the Top 5 States Per Year



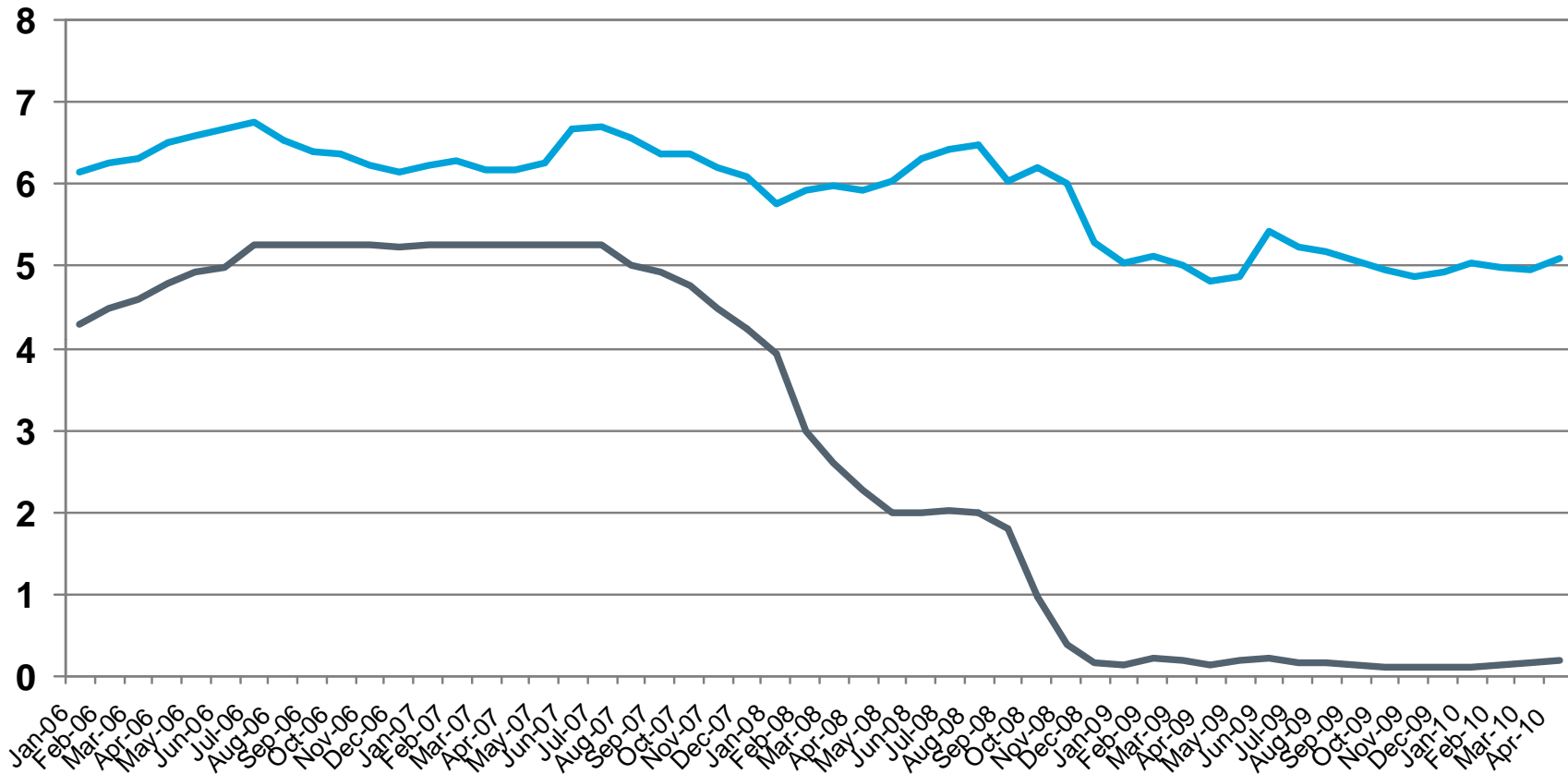
Source: Arizona Department of Transportation, Motor Vehicle Division

Personal Income Growth Percentages for Greater Phoenix



Source: Eller College of Management, The University of Arizona, 2001 – 2008 are actual, 2009-2010 are based off 1Q10 Forecast Comparison. Historical Data: U.S. Census Bureau, 1980, 1990, 2000.

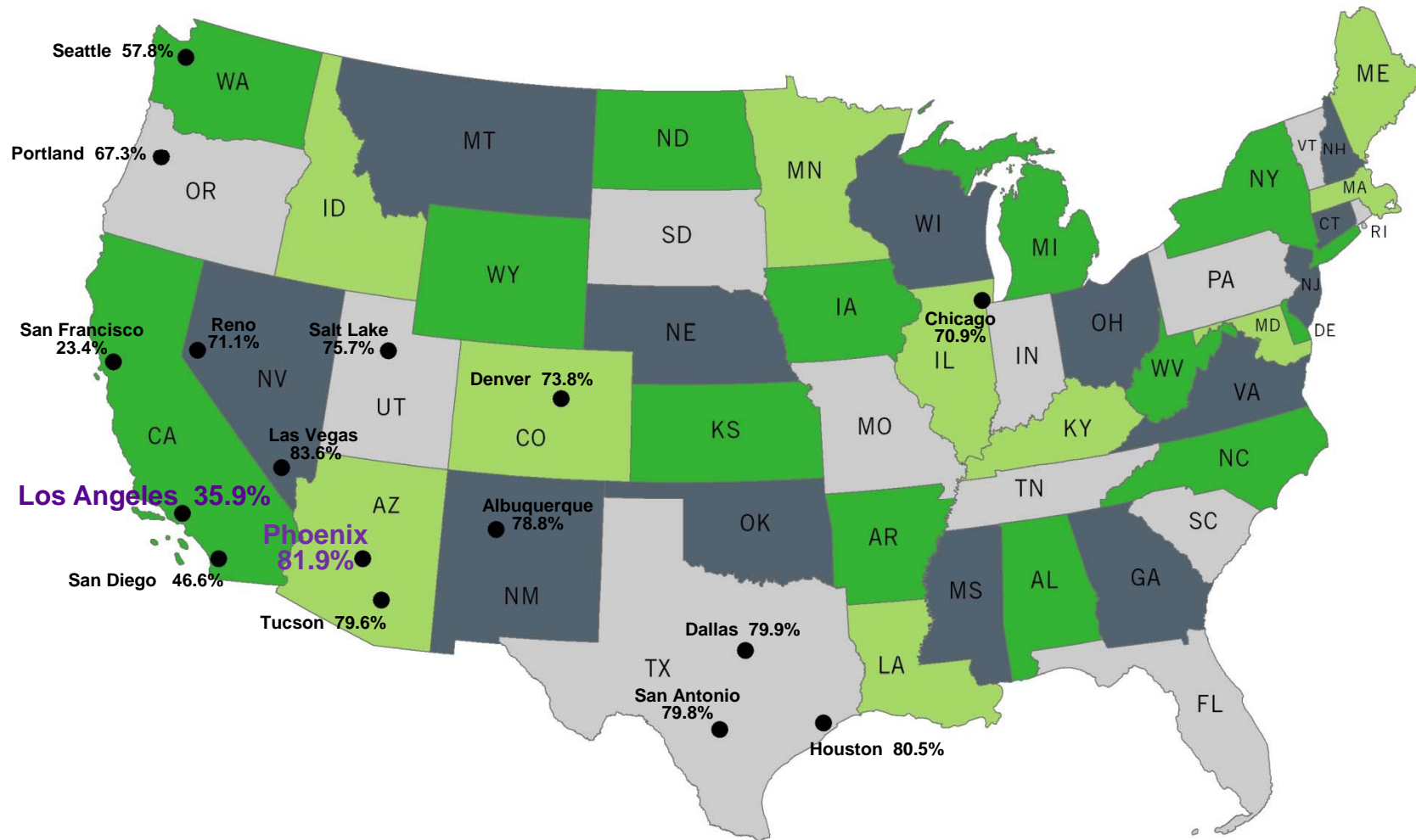
Long-Term Interest Rates



— Federal Funds (Effective) — 30 Year Fixed

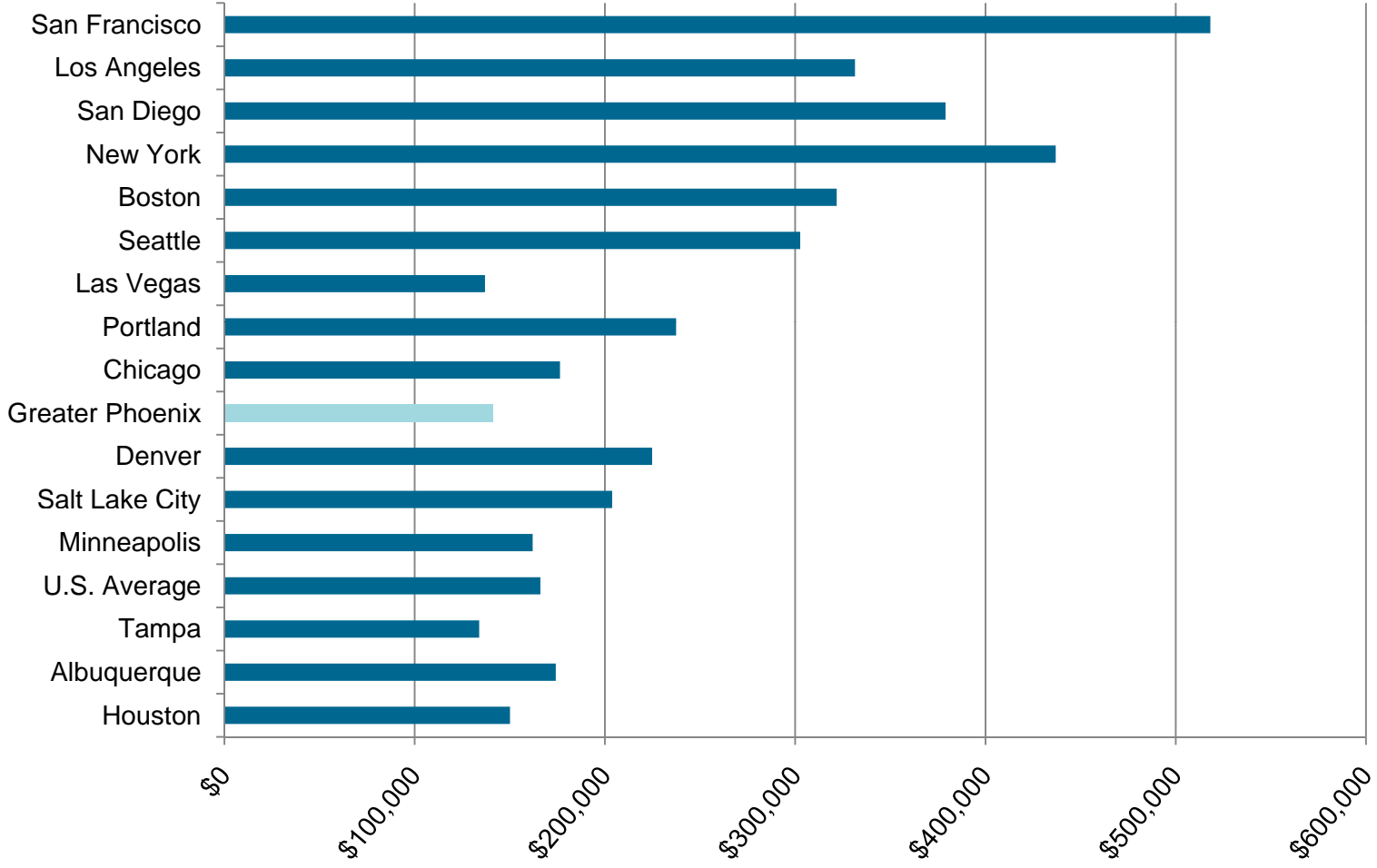
Comparing Markets

Percentage of new and existing homes that were sold during the 1st quarter of 2010 that were affordable to families earning the area's median income.



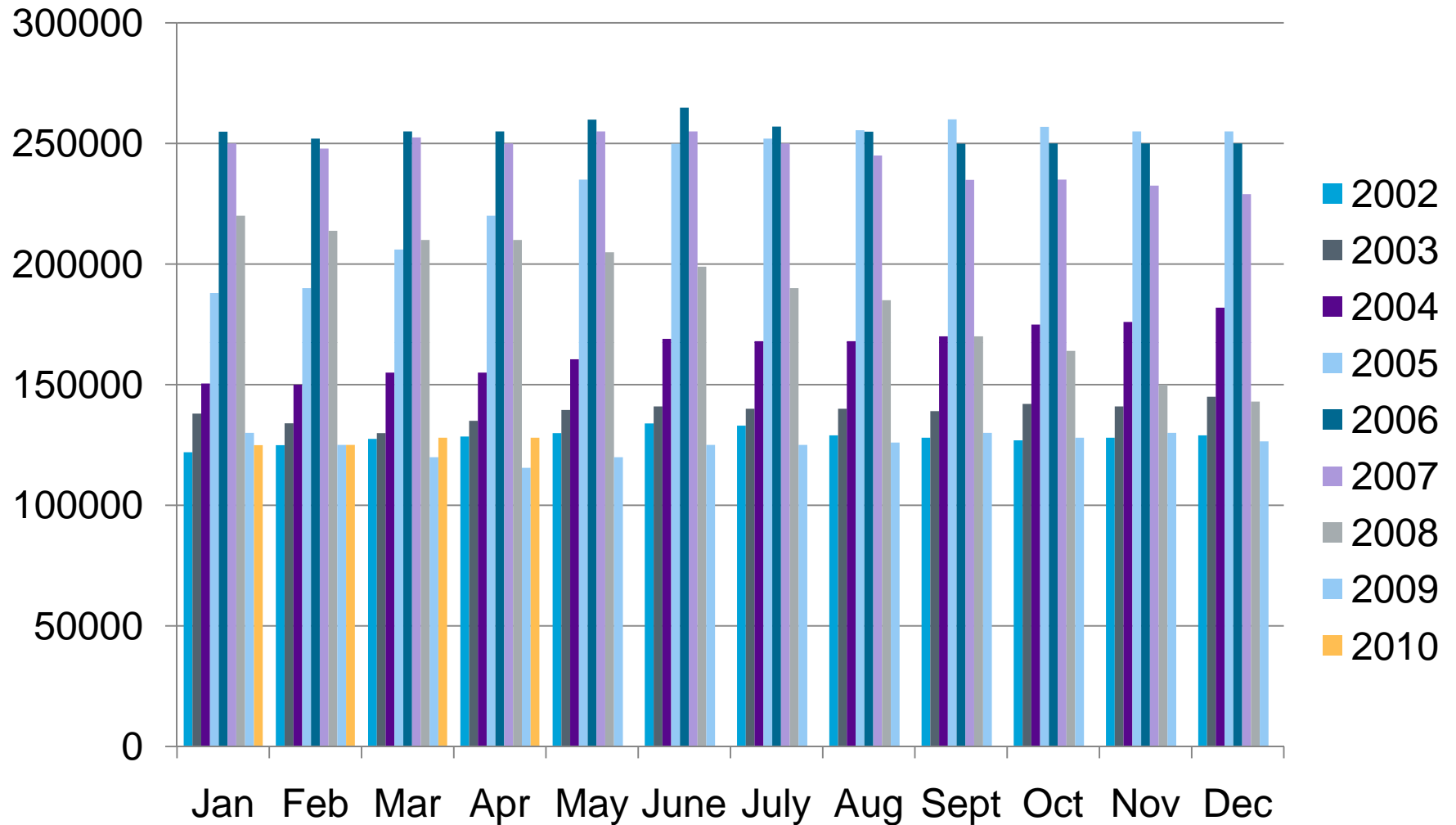
Source: National Association of Home Builders

Median Sales Price of Existing Single Family Homes 2010 1st Quarter



Source: National Association of Realtors

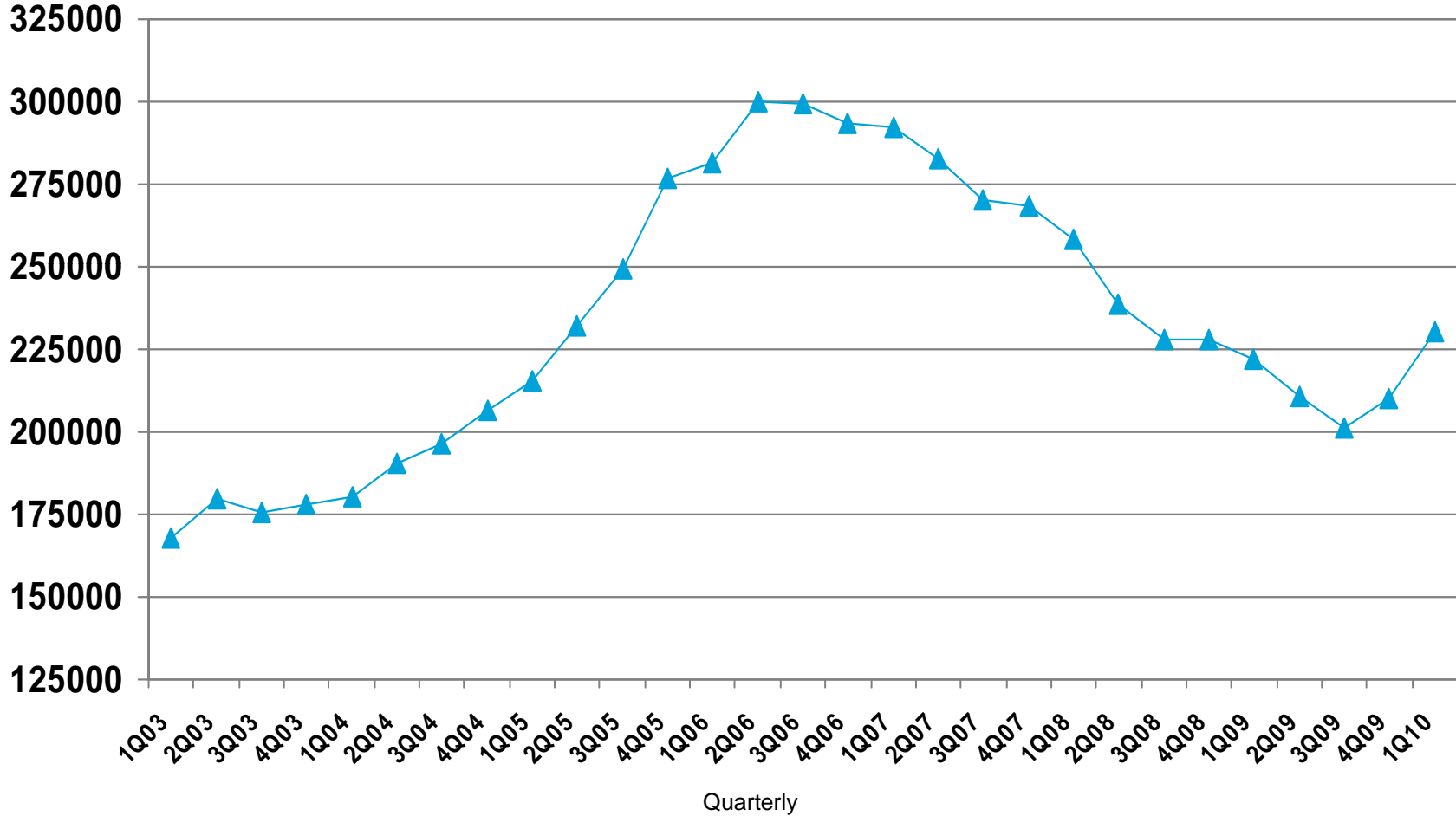
Resale Home Median Price Per Month



DETACHED NEW HOME MEDIAN PRICE: \$213,483

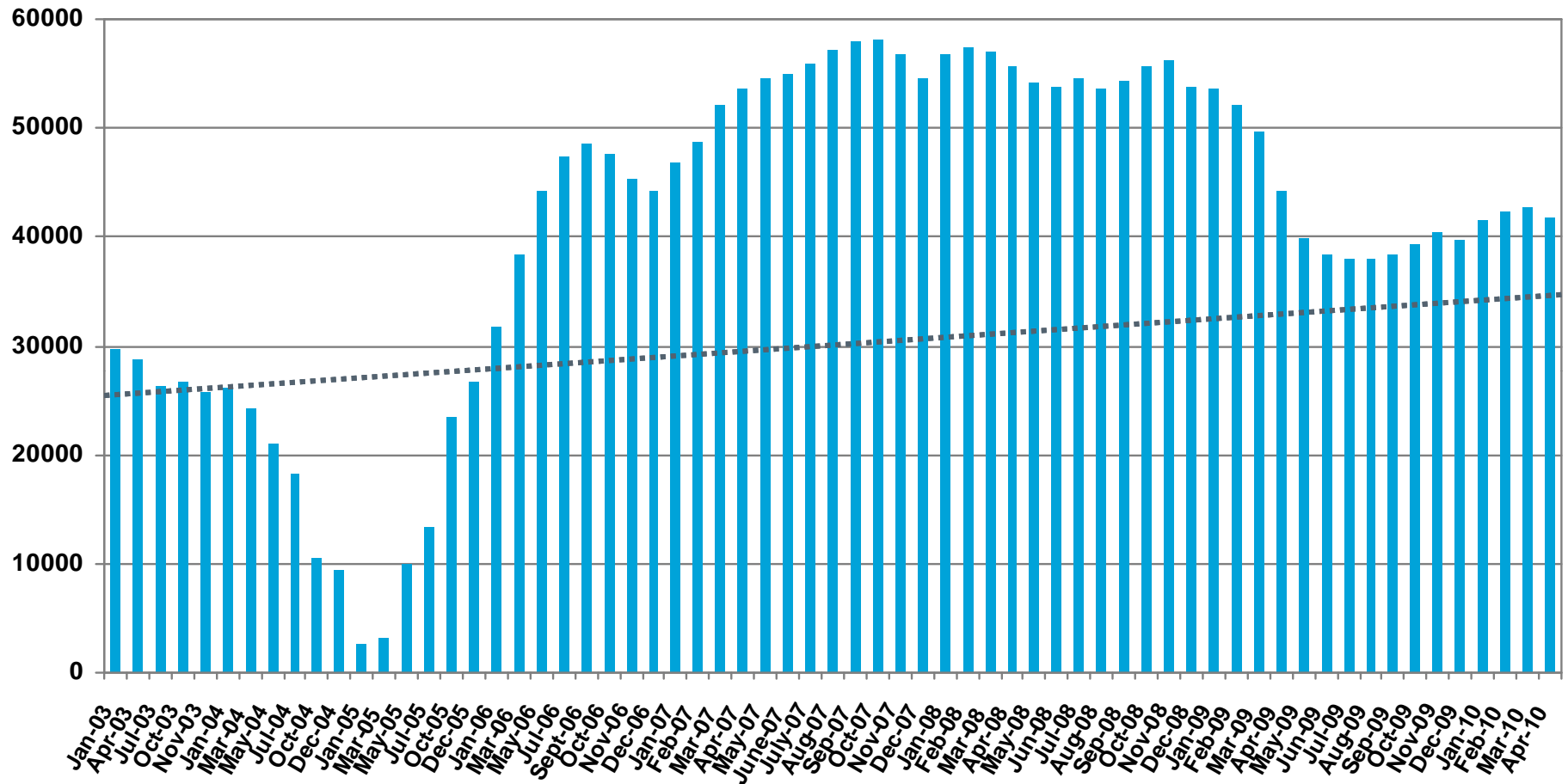
Maricopa County

April 2010 Statistics
Phoenix \$213,483



Source: The Information Market per The Cromford Report

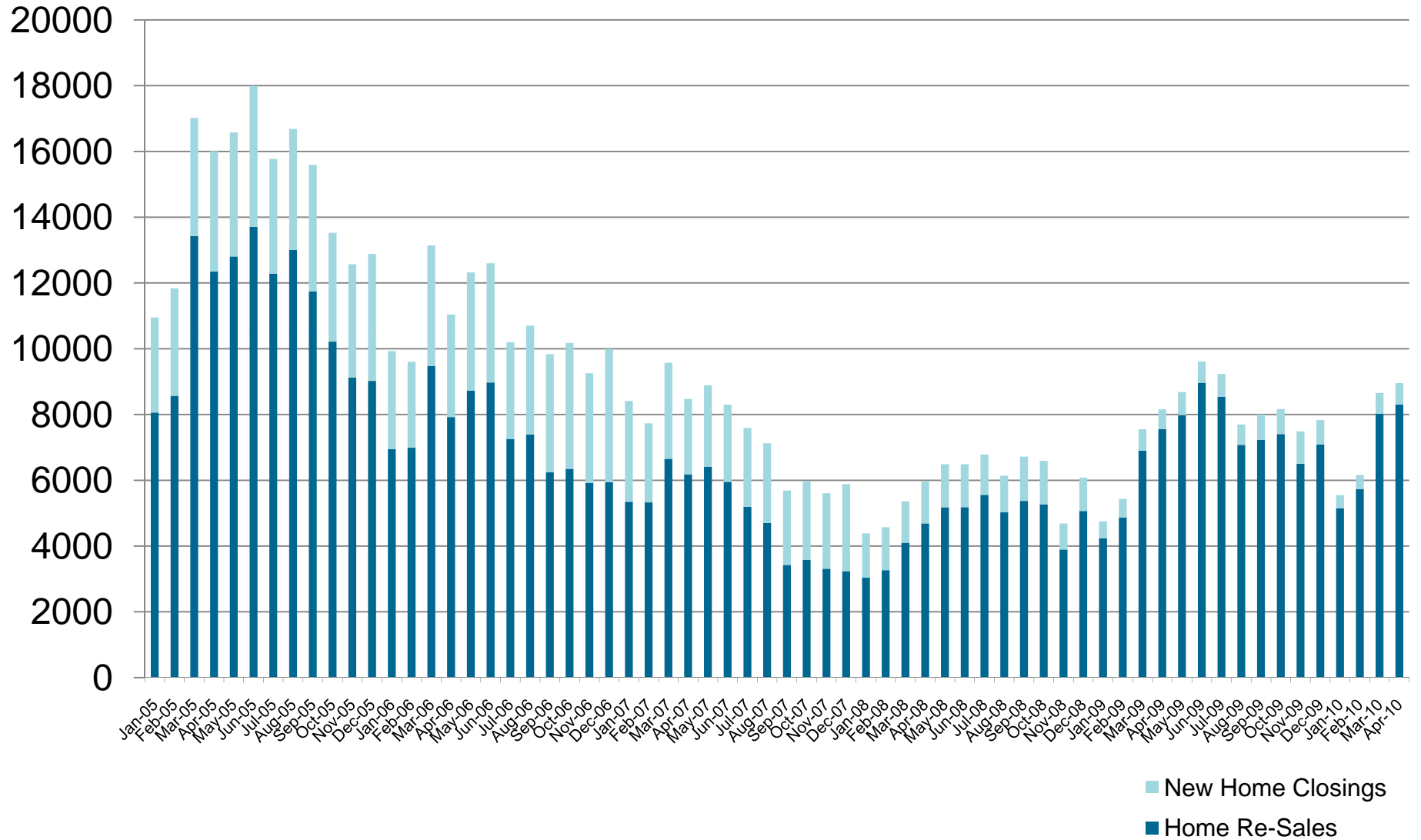
All Active Home Listings



Includes all single-family, townhomes, and manufactured homes

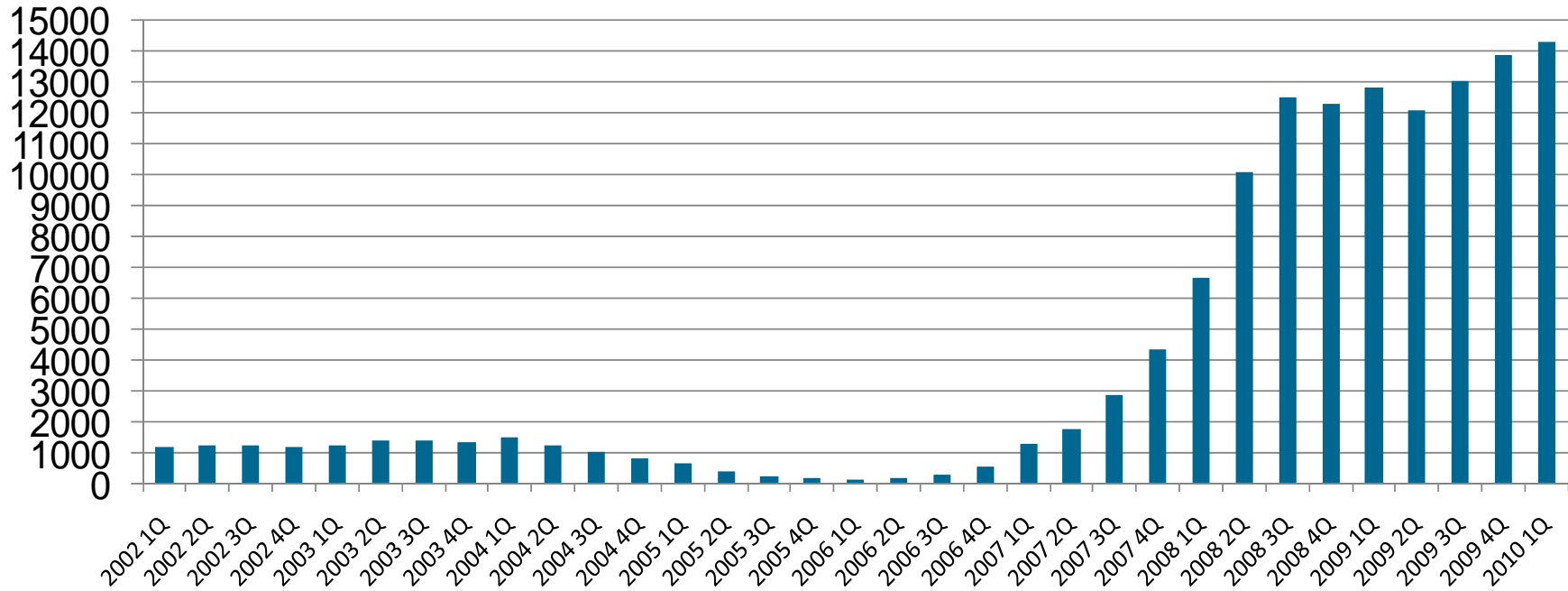
----- Normal Market Conditions

Maricopa County Home Closings



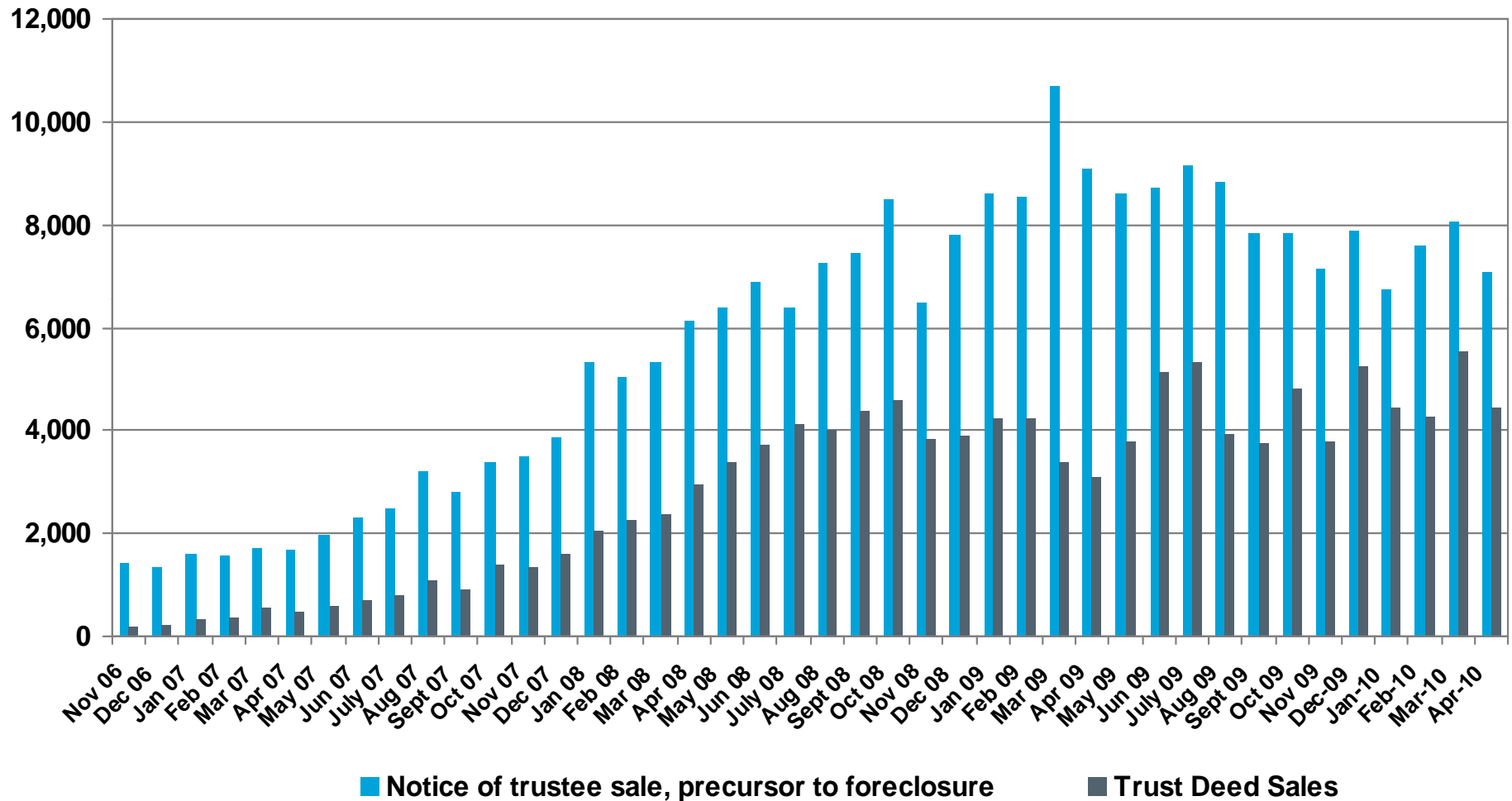
Source: The Information Market per The Cromford Report (Includes: Single Family Detached, Townhomes, & Condos)

Historical Foreclosure Trends-Trust Deed Sales



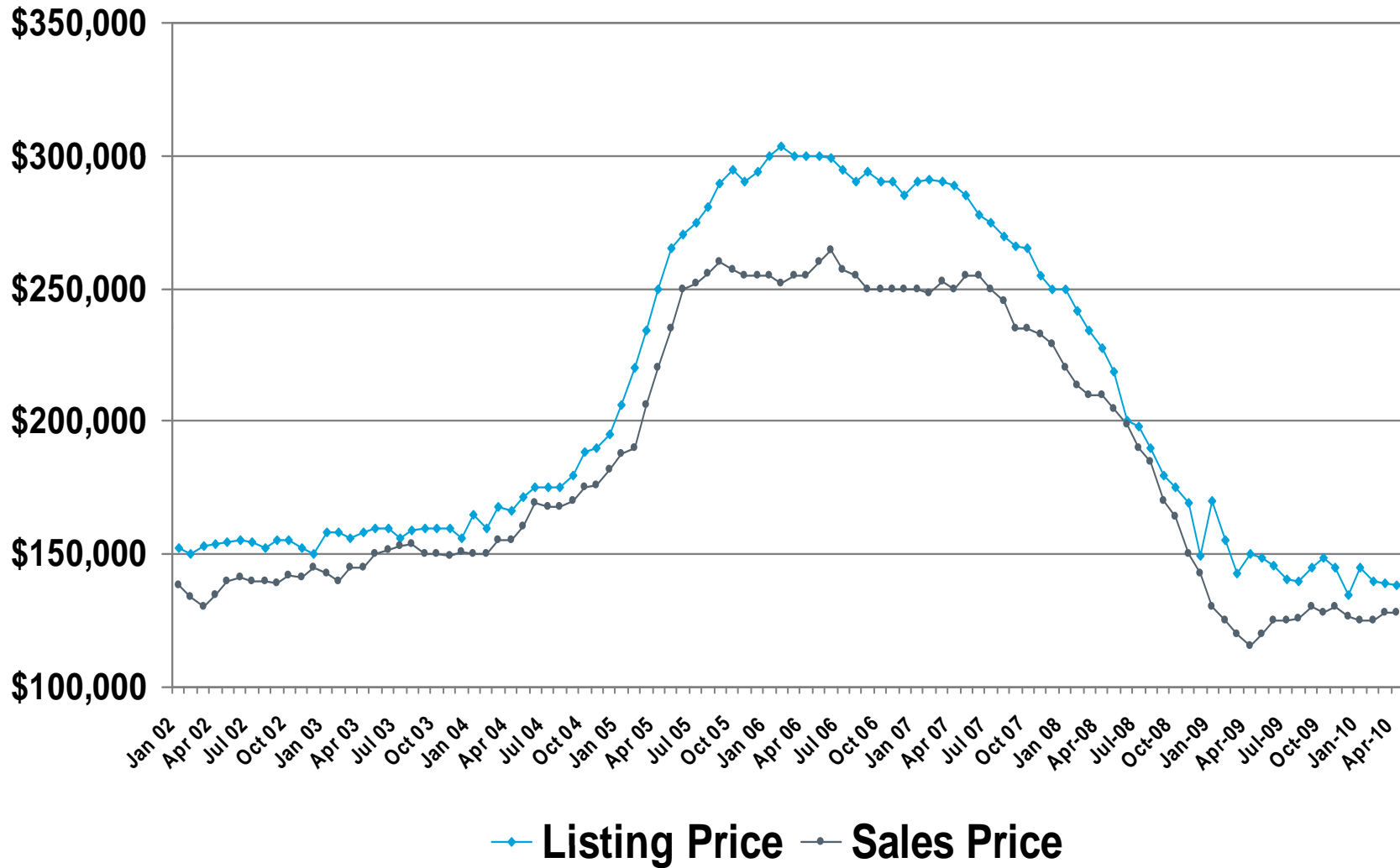
Source: *The Information Market per The Cromford Report*

Metro Phoenix Monthly Foreclosures



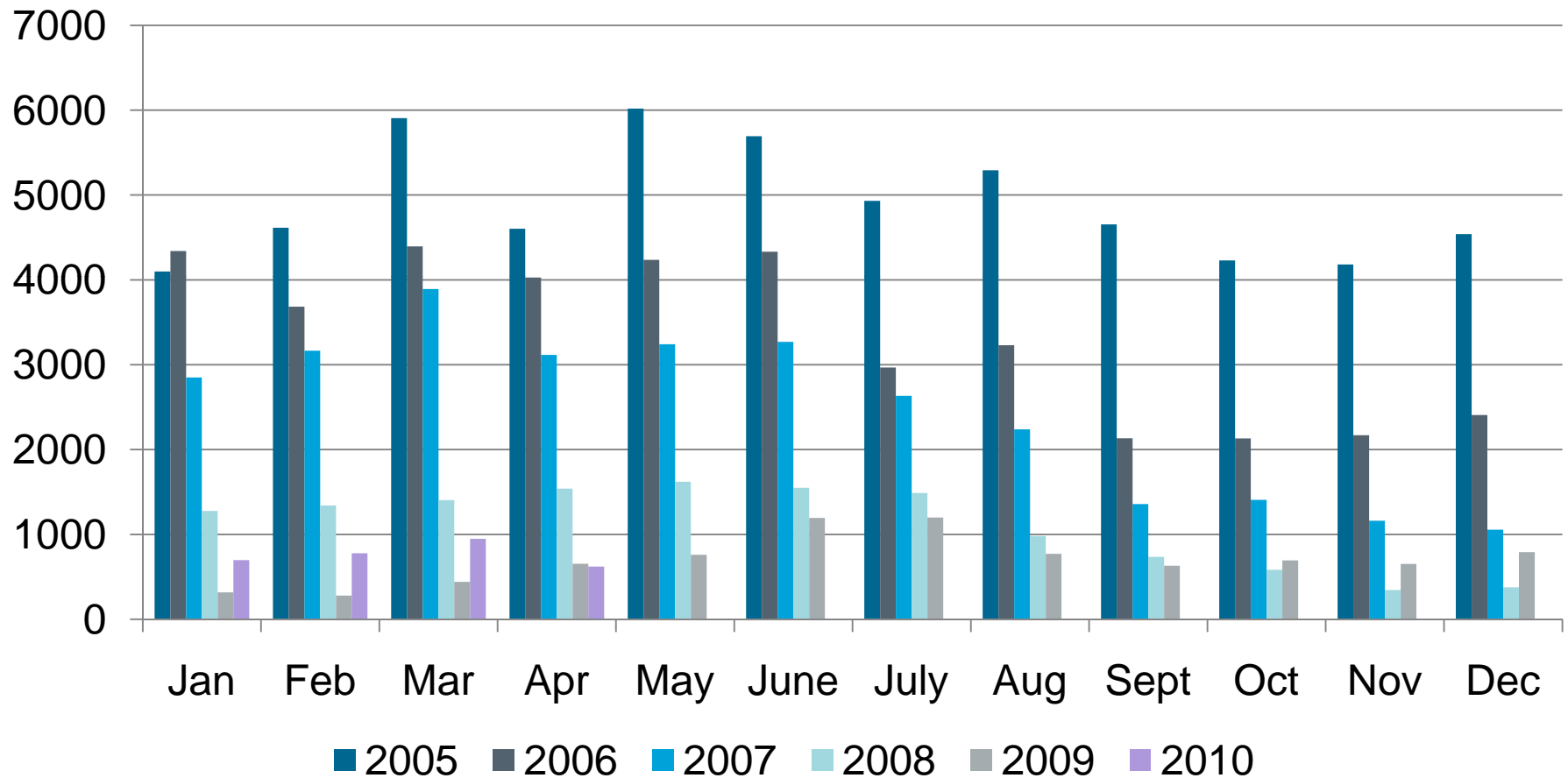
Source: The Information Market per The Cromford Report

Median Listing Price vs. Median Sales Price



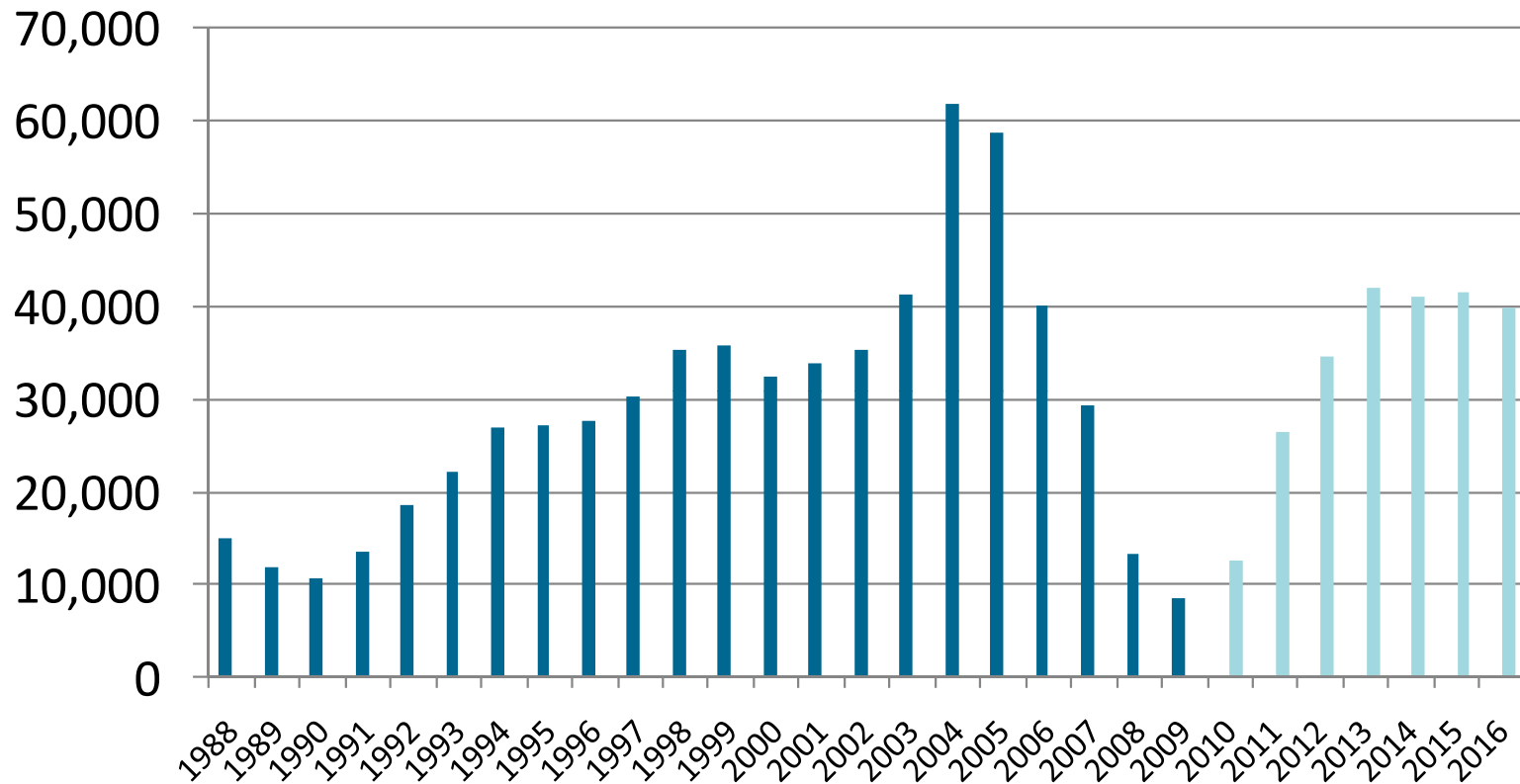
Source: ARMLS

Phoenix Metro Single Family Building Permits



Source: Home Builders Association of Central Arizona (HBACA)

Phoenix Metro Single Family Building Permits



■ Historical-Home Builders Association of Central Arizona
 ■ Projected-Eller College of Management 2Q10 Forecast

JOB CENTERS Maricopa County

Legend

Development Status

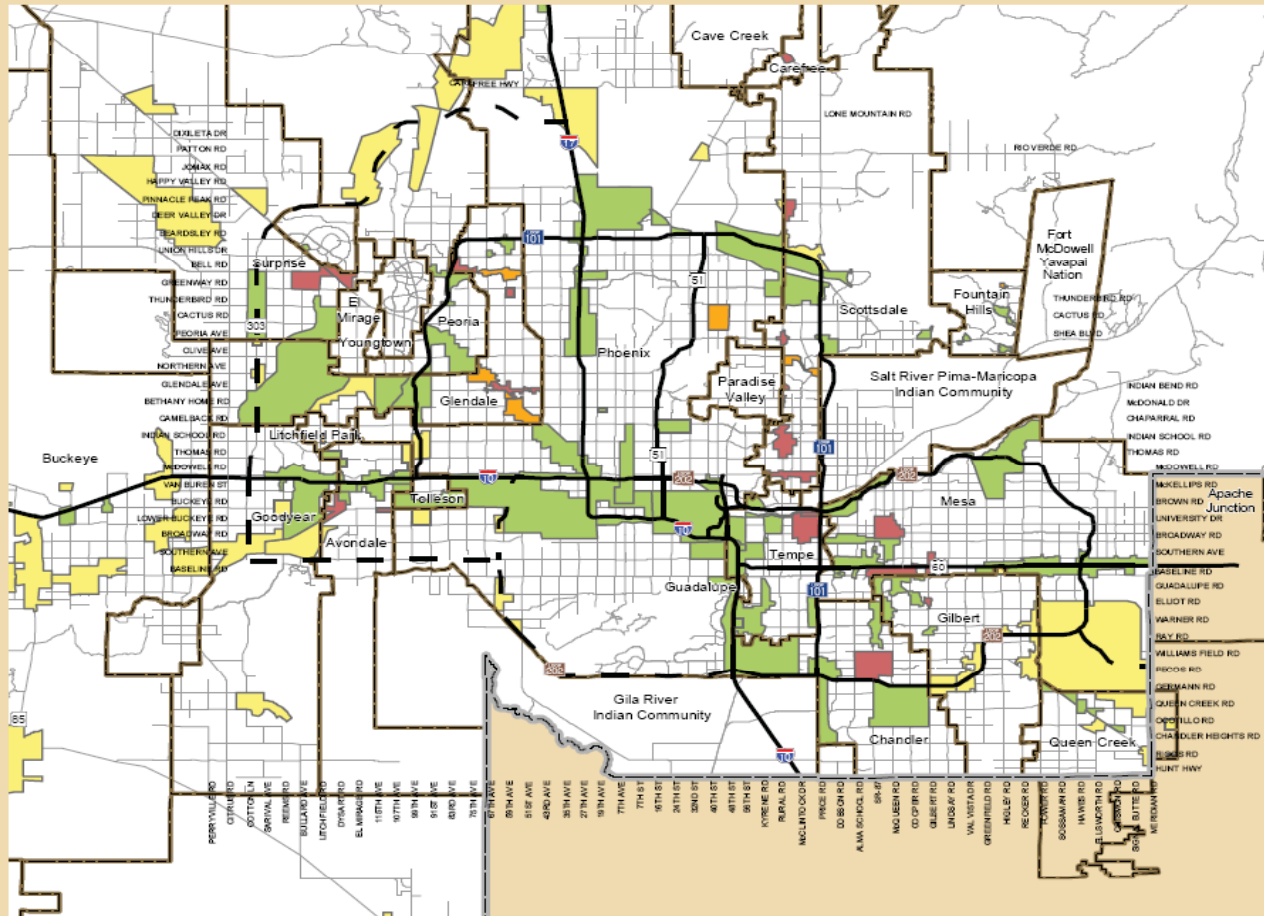
- Existing - Built-out
- Expansion Centers
- Revitalization Centers
- Future Centers

Freeways/Expressways

- Existing
- Planned

Municipal Planning Area

- Major Roads
- Maricopa County



Map Prepared by Maricopa Association of Governments

April 2008



G:\Dev\Maps\job_centers\Maricopa_Job_Centers_08.mxd

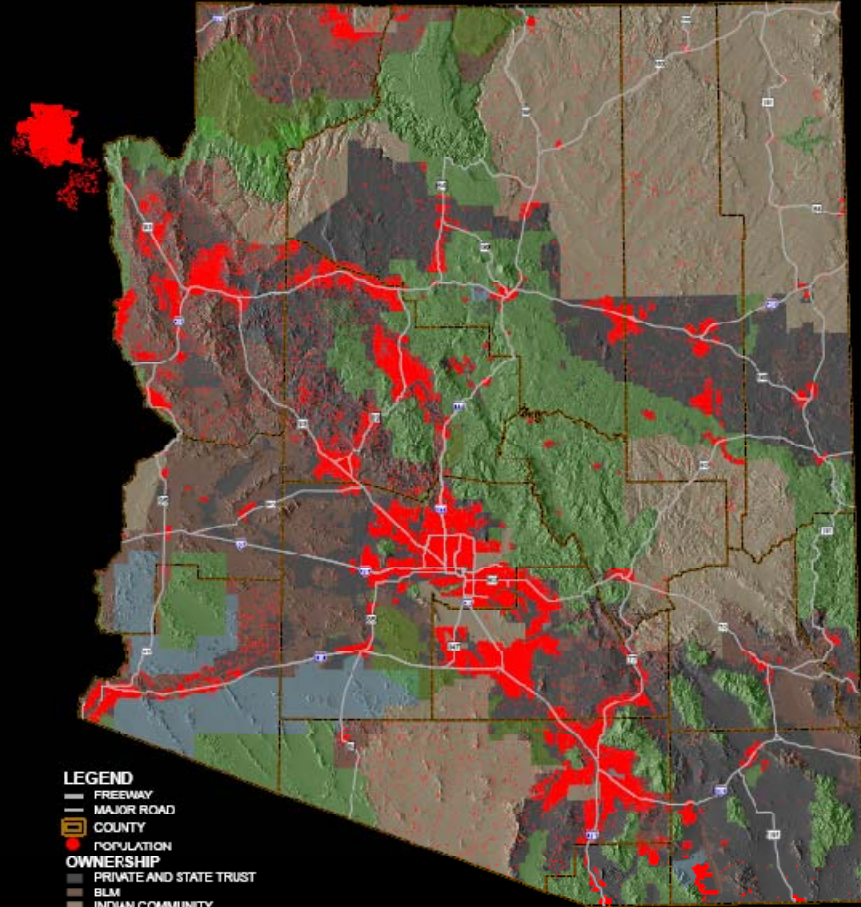
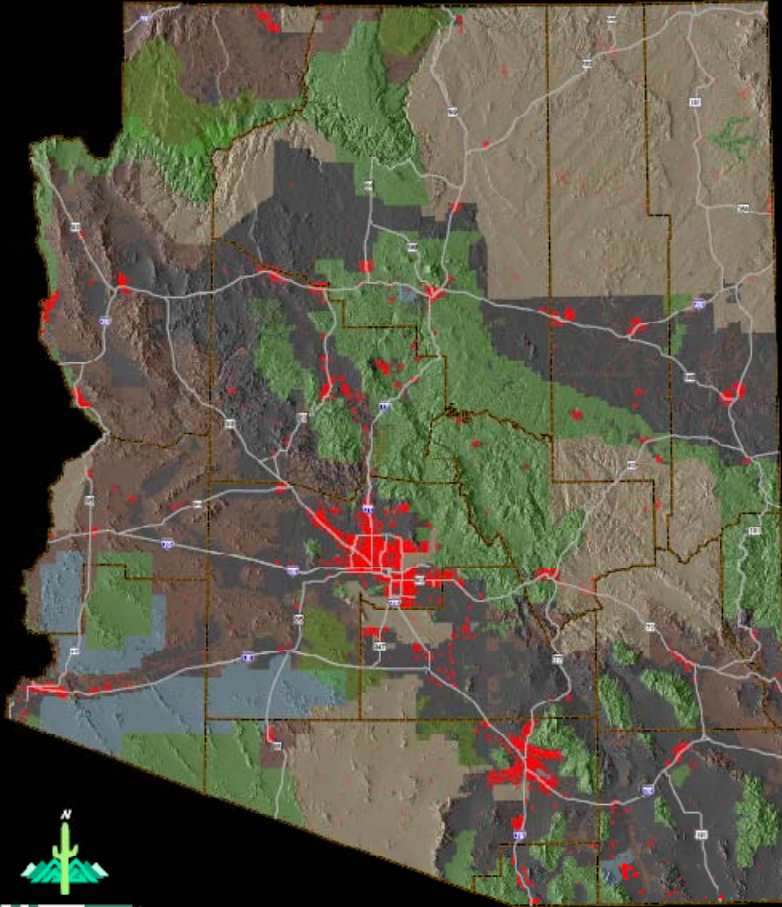


ARIZONA'S FUTURE



2000 : 5.1 MILLION PEOPLE

2050 : 16 MILLION PEOPLE



- LEGEND**
- FREEWAY
 - MAJOR ROAD
 - COUNTY
 - POPULATION
- OWNERSHIP**
- PRIVATE AND STATE TRUST
 - BLM
 - INDIAN COMMUNITY
 - FOREST, PARK, MONUMENT
 - MILITARY

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 301 N. 1ST AVENUE, SUITE 200, PHOENIX, ARIZONA 85003
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120 YEARS COMBINED EXPERIENCE

The Land Group consists of seven team members that actively build client relationships. Using our broad array of resources to track properties, we provide services to find land opportunities for clients. We also comprehensively market our clients' land holdings. The Land Group specializes in residential, commercial, industrial, investment, and state trust land.

SALES AND MARKETING

- We provide valuable market information and experience to our investors, builders, and developers, allowing them to make informed decisions and seize market opportunities.
- The Land Group has developed a proven marketing process to efficiently sell all types of land for our clients.

RELATIONSHIPS AND NETWORKING

- Our land group has developed one of the state's largest and most comprehensive real estate databases, consisting of over 9,000 owners, developers, builders and investors nationwide, and thousands of properties throughout Arizona.
- Our team structure allows us to build and sustain relationships with landowners throughout the state of Arizona.

RESEARCH AND PRESENTATION MATERIALS

- Through its team of over 2,700 experienced service professionals, Cassidy Turley focuses on the needs of its clients, offering end-to-end services delivered across a full spectrum of commercial real estate.
- Our local research professionals have earned a reputation for providing informed solutions that combine local market knowledge with detailed analysis.
- Market forecasts and trends reports are published to keep our clients abreast of the most current and accurate market information.
- Our marketing professionals design and produce detailed brochures and packages. This allows us to efficiently market properties and quickly adjust materials used during a marketing campaign.

TRANSACTIONS

64 Transactions

Total Consideration - \$520MM Since January 2005

Acres - Over 7,000

RECENT CLOSINGS

State Land	91st Avenue & Pinnacle Peak	694 Acres	\$61.1M
Retail	Alma School & Loop 202 Retail/Residential Mix	40 Acres	\$11M
Industrial	Ellsworth & Elliot Ellsworth & Pecos	268 Acres 230 Acres	\$22.5M \$25M
Office	Glendale Entertainment District Loop 101 & Bethany Home	105 Acres	\$50M
Residential	Vaquero 427th Avenue & I-10	1334 Acres	\$23M
Mixed-Use	Loop 303 & Glendale	140 Acres	\$24.5M
BLM Land	Sarival & Pecos	282 Acres	\$7M

WWW.BRE-LAND.COM

Cassidy Turley / BRE Commercial