



2011 DAYTON REGIONAL APARTMENT MARKET STUDY

Gem Real Estate Group's 2011 Dayton Regional Apartment Market Survey is a comprehensive investigation intended to capture the current conditions and trends regarding the apartment market in the Greater Dayton and Regional areas. This survey represents a general sampling of the Dayton Regional Apartment Market and may, or may not, represent a statistical sample.

Gem Real Estate Group sampled 352 apartment projects containing 42,562 units in the Dayton Region, which have been segmented into the following market areas:

- 1) Greater Dayton Market Areas - includes the following four sub-markets:
 - Dayton Central Business District (CBD)
 - East Dayton Market Area
 - North/West Dayton Market Area
 - South Dayton Market Area

- 2) Dayton Outlying Market Areas - includes the following five sub-markets:
 - Upper Valley Market Area
 - Middletown Market Area
 - Franklin-Springboro Market Area
 - Springfield Market Area
 - Xenia Market Area

The unit and vacancy totals reflected in this survey summary include only those projects that disclosed unit vacancies. The results for the year 2011 survey from the regional, area, and the stated sub-markets are illustrated below.

2011 Dayton Regional Apartment Market Survey				
Market Area	Total Projects	Total Units	Vacant Units	Vac. %
<i>Greater Dayton Area</i>	246	33,590	2,606	7.76%
• <i>Dayton-CBD</i>	7	507	27	5.33%
• <i>Dayton-East</i>	67	9,531	711	7.46%
• <i>Dayton-North/West</i>	78	9,357	1,036	11.07%
• <i>Dayton-South</i>	94	14,195	832	5.86%
<i>Dayton Outlying Areas</i>	106	8,972	537	5.99%
• <i>Upper Valley</i>	39	2,106	90	4.27%
• <i>Middletown</i>	17	2,210	199	9.00%
• <i>Franklin-Springboro</i>	10	1,269	92	7.25%
• <i>Springfield</i>	31	2,797	124	4.43%
• <i>Xenia</i>	9	590	32	5.42%
<i>Total Dayton Region</i>	352	42,562	3,143	7.38%

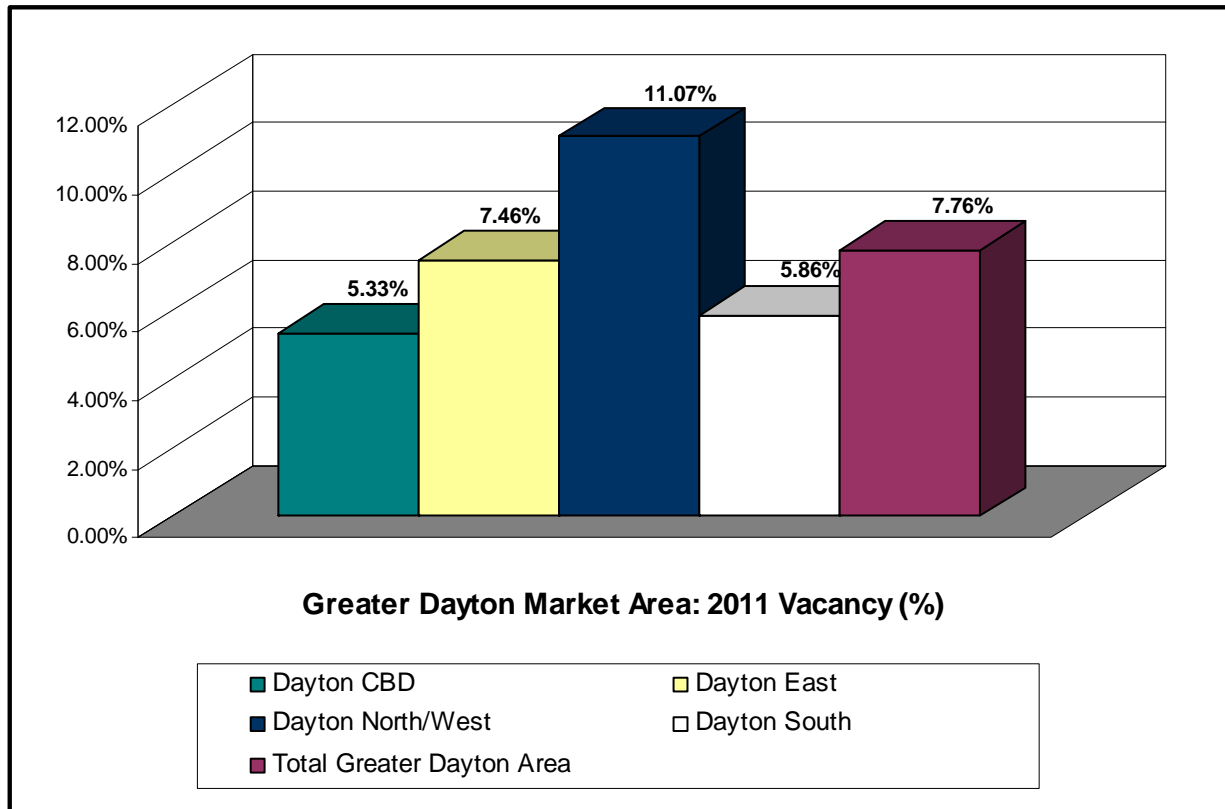
The surveyed projects within the Dayton Regional Market comprise a total of 42,562 units. Of the total market, 3,143 units, or 7.38%, were reported to be vacant. This year's vacancy rate is down from last year's figure of 8.65%.

The table below illustrates the annual vacancy rates from 2008 to 2011.

Dayton Regional Apartment Market Survey Comparison																
Market Area	2011				2010				2009				2008			
	Total Proj.	Total Units	Vacant Units	Vac. %	Total Proj.	Total Units	Vacant Units	Vac. %	Total Proj.	Total Units	Vacant Units	Vac. %	Total Proj.	Total Units	Vacant Units	Vac. %
Greater Dayton Area	246	33,590	2,606	7.76%	248	32,305	2,913	9.02%	257	31,654	2,600	8.21%	262	32,188	2,936	9.12%
• Dayton-CBD	7	507	27	5.33%	7	507	36	7.10%	7	507	43	8.48%	7	507	49	9.66%
• Dayton-East	67	9,531	711	7.46%	67	8,762	965	11.01%	70	8,717	768	8.81%	72	8,973	750	8.36%
• Dayton-North/West	78	9,357	1,036	11.07%	80	9,376	832	8.87%	86	9,101	757	8.32%	89	9,030	962	10.65%
• Dayton-South	94	14,195	832	5.86%	94	13,660	1,080	7.91%	94	13,329	1,032	7.74%	94	13,678	1,175	8.59%
Dayton Outlying Areas	106	8,972	537	5.99%	107	8,647	630	7.29%	121	7,819	498	6.37%	120	9,882	609	6.16%
• Upper Valley	39	2,106	90	4.27%	38	1,707	68	3.98%	43	1,884	90	4.78%	42	2,103	138	6.56%
• Middletown	17	2,210	199	9.00%	17	2,210	266	12.04%	26	1,941	181	9.33%	26	2,942	229	7.78%
• Franklin-Springboro	10	1,269	92	7.25%	11	1,383	110	7.95%	11	1,131	66	5.84%	11	1,393	76	5.46%
• Springfield	31	2,797	124	4.43%	32	2,757	144	5.22%	32	2,527	132	5.22%	32	2,812	120	4.27%
• Xenia	9	590	32	5.42%	9	590	42	7.12%	9	336	29	8.63%	9	632	46	7.28%
Total Dayton Region	352	42,562	3,143	7.38%	355	40,952	3,543	8.65%	378	39,473	3,098	7.85%	382	42,070	3,545	8.43%

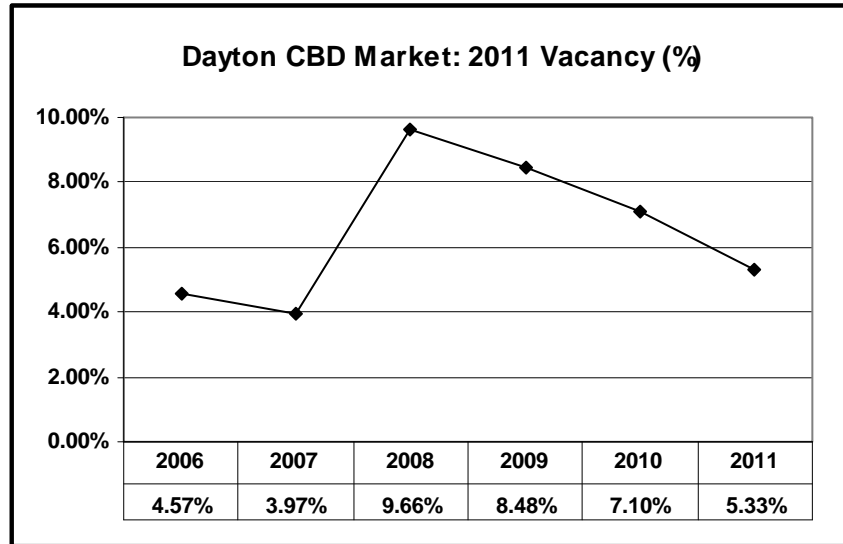
The surveyed projects within the Greater Dayton Market Area comprise a total of 33,590 units. Of the total market, 2,606 units, or 7.76%, were reported to be vacant. This year's vacancy rate is down from last year's figure of 9.02%.

The chart below illustrates the vacancy (as a percentage) of the total Dayton Area market, segmented by sub-market (CBD, East, North/West, and South).



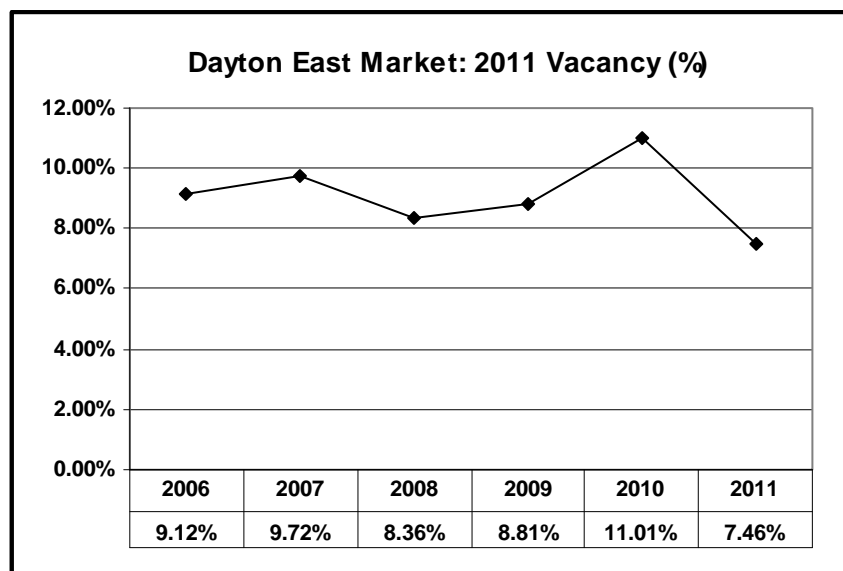
Dayton CBD

The Central Business District (CBD) apartment market is comprised of seven (7) projects located within the Dayton Central Business District. An existing total of 507 units were reported in the CBD market, of which 27 units, or 5.33%, were vacant. This year's vacancy rate is down from last year's figure of 7.10%.



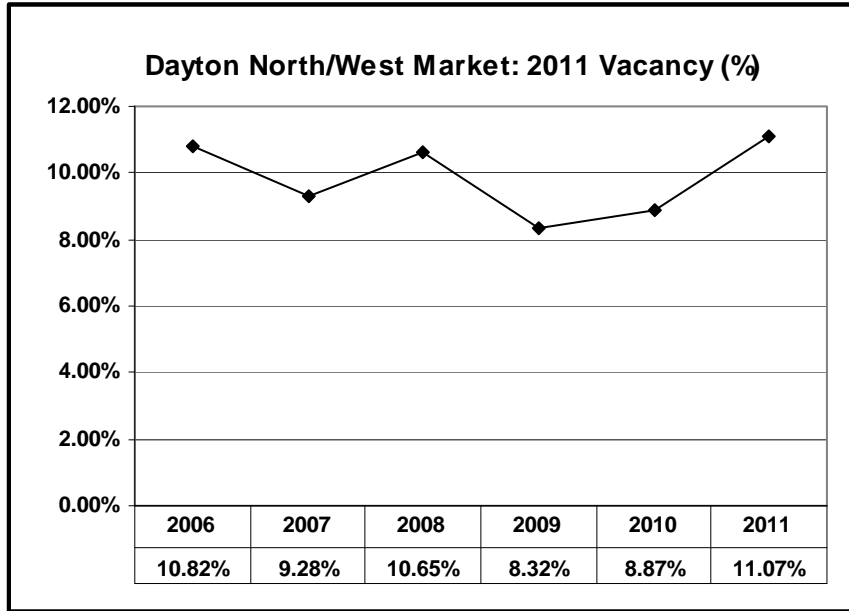
Dayton East

The East apartment market is comprised of 67 projects located in East Dayton, Riverside, Kettering, Beavercreek, and Fairborn. A total of 9,531 units were reported in the East market, of which 711 units, or 7.46%, were vacant. This year's vacancy rate is down from last year's figure of 11.01%.



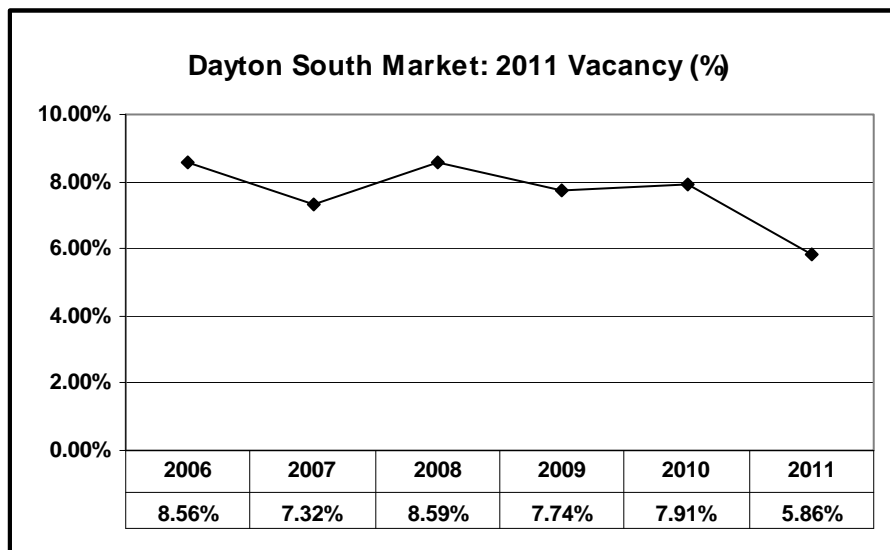
Dayton North/West

The North/West apartment market is comprised of 78 projects located in North and West Dayton, Trotwood, Englewood, Vandalia, and Huber Heights. A total of 9,357 units were reported in the North/West market, of which 1,036 units, or 11.07%, were vacant. This year's vacancy rate is up from last year's figure of 8.87%.



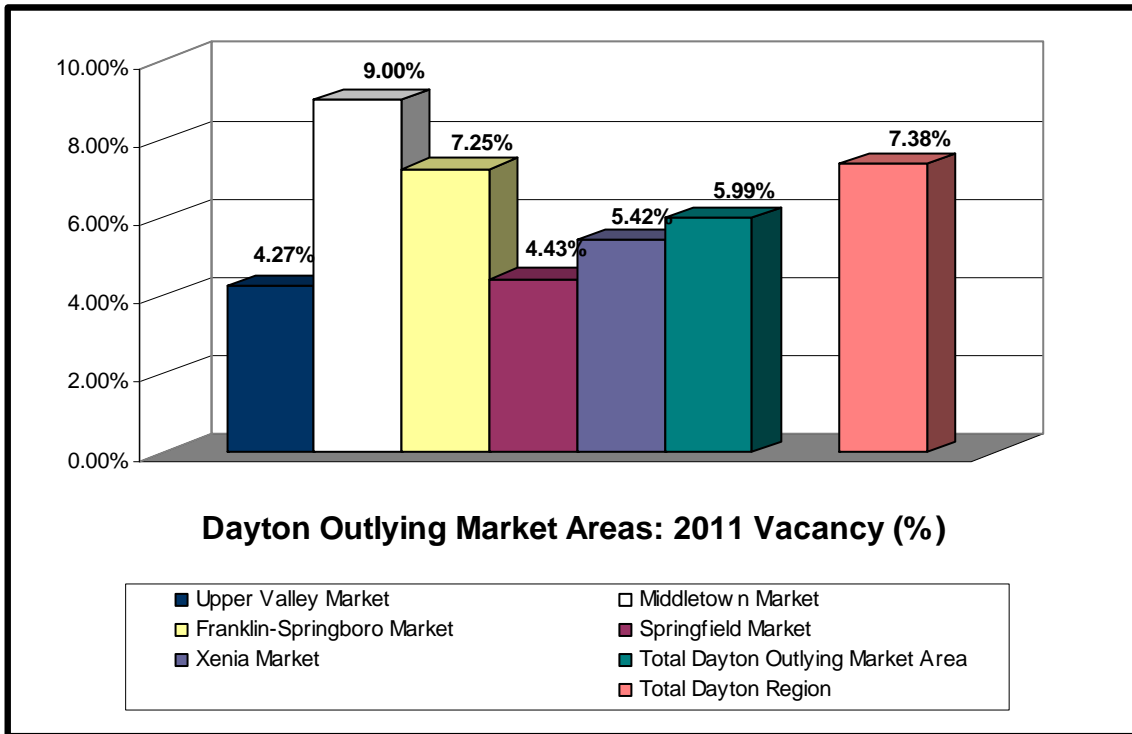
Dayton South

The South apartment market is comprised of 94 projects, located in South Dayton, Centerville, Miamisburg, West Carrollton, Moraine, Kettering, and Oakwood. A total of 14,195 units were reported in the South market, of which 832 units, or 5.86%, were vacant. This year's vacancy rate is down from last year's figure of 7.91%.



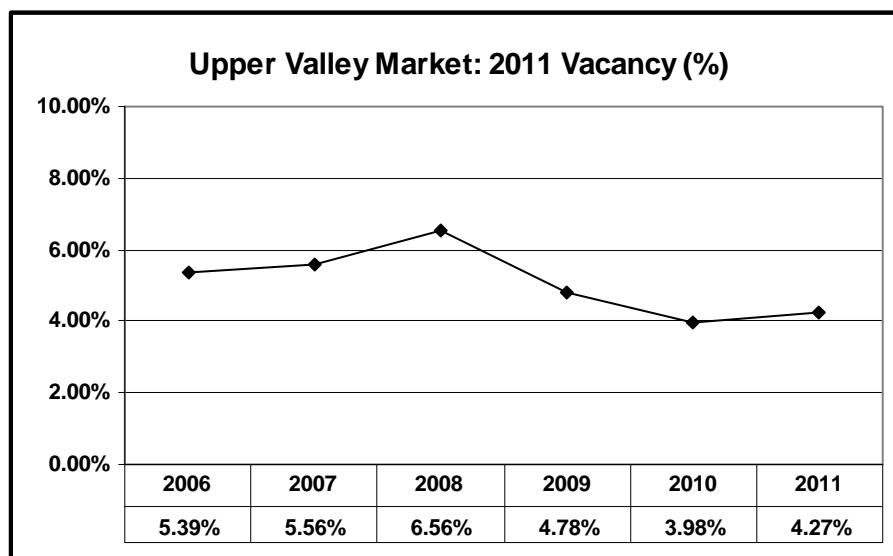
In the Dayton Outlying Market Areas, which includes the Upper Valley market, the Middletown market, the Franklin-Springboro market, the Springfield market and the Xenia Market, we have surveyed a total of 106 projects. In this outlying area, a total of 8,972 units were included, of which 537 units, or 5.99%, were reported vacant. This year's vacancy rate is down from last year's figure of 7.29%.

The chart below illustrates the vacancy (as a percentage) of the Total Regional Market, by sub-market.



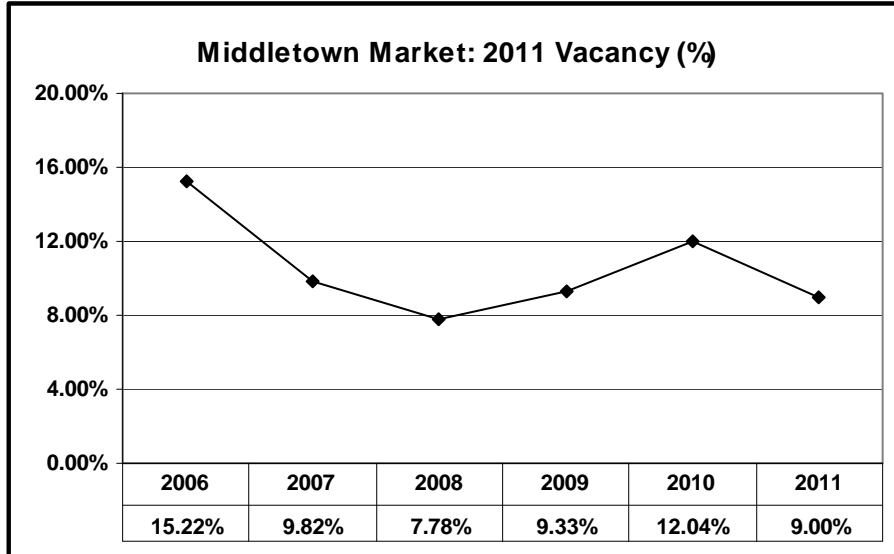
Upper Valley

The Upper Valley apartment market is comprised of 39 projects located in the Cities of Jackson Center, Sidney, Troy, Tipp City, and Piqua. A total of 2,106 units were reported in the Upper Valley market, of which 90 units, or 4.27%, were vacant. This year's vacancy rate is up from last year's figure of 3.98%.



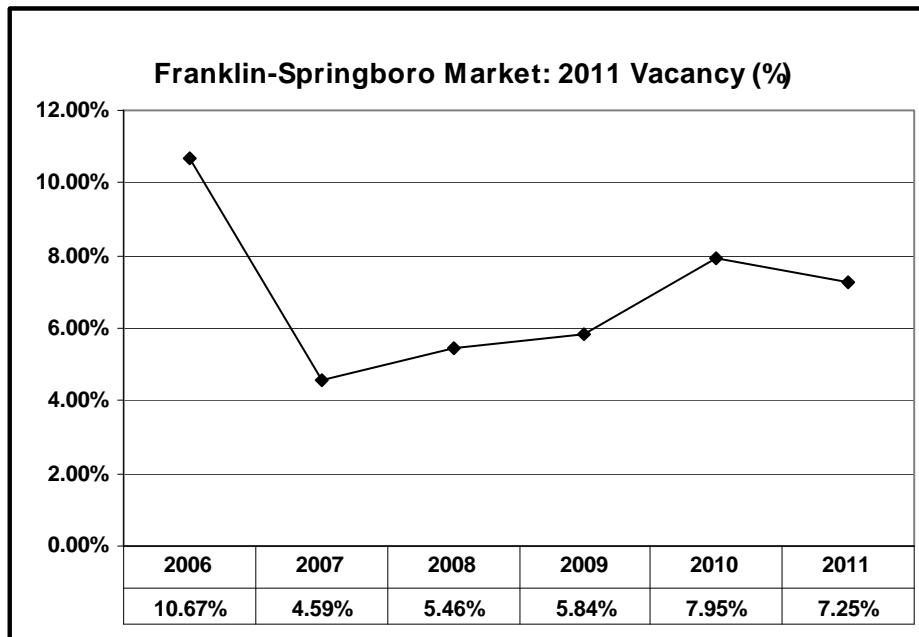
Middletown

The Middletown apartment market is comprised of 17 projects located in the Middletown area. A total of 2,210 units were reported in the Middletown market, of which 199 units, or 9.00%, were vacant. This year's vacancy rate is down from last year's figure of 12.04%.



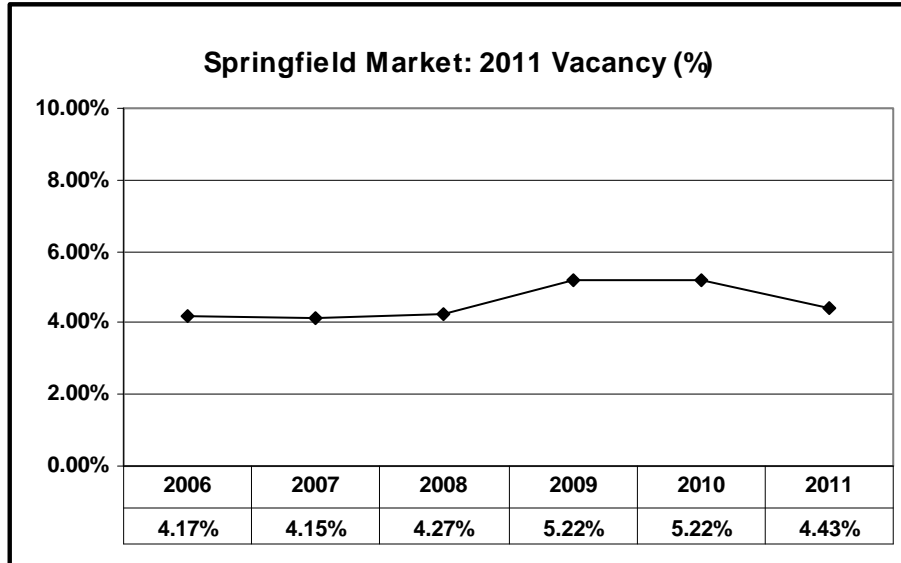
Franklin-Springboro

The Franklin-Springboro apartment market is comprised of 10 projects located in Franklin, Springboro and vicinity. A total of 1,269 units were reported in the Franklin-Springboro market, of which 92 units, or 7.25%, were vacant. This year's vacancy rate is down from last year's figure of 7.95%.



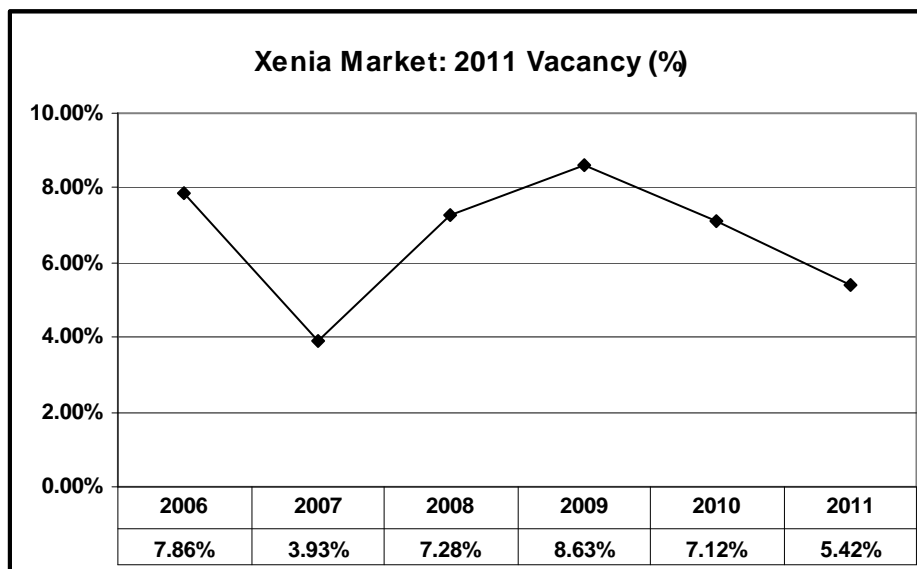
Springfield

The Springfield apartment market is comprised of 31 projects located in the Cities of Springfield, Enon, Medway, and South Charleston. A total of 2,797 units were reported in the Springfield market, of which 124 units, or 4.43%, were vacant. This year's vacancy rate is down from last year's figure of 5.22%.



Xenia

The Xenia apartment market is comprised of 9 projects located in the Xenia area. A total of 590 units were reported in the Xenia market, of which 32 units, or 5.42%, were vacant. This year's vacancy rate is down from last year's figure of 7.12%.



Gem Real Estate Group is a full-service commercial, industrial and investment real estate resource company offering a wide variety of professional services including [Appraisal & Consulting Services](#); [Brokerage Services](#); [Management Services](#); and [Public Sector Services](#). In addition we also offer due diligence, market surveys, and database services.

The information published in ***Gem Real Estate Group's*** 2011 Apartment Market Survey reflects market conditions as of the first quarter of 2011. All data contained herein are believed to be accurate and have been compiled from one or more of the following sources: property owners, property managers, leasing agents, and public records. All information furnished by others is believed to be reliable. ***Gem Real Estate Group*** makes no warranties regarding the accuracy or completeness of this information. All information reported is subject to change without notice.

No part of this publication may be reproduced, distributed or transmitted in any form or by any means electronic, mechanical, photocopy, recording or otherwise, without the prior written permission of *Gem Real Estate Group*.