

JOB GROWTH ¹	Area New Jobs Estimate		Mo of 4/03	6 Mo End 4/03	12 Mo End 4/03
		Dallas MSA		5,300	(16,200)
	FW/Arlington MSA		100	(2,700)	(1,800)
	Total		5,400	(18,900)	(20,800)
INTEREST RATES ²	Rates		6/10/2003	Yr. Ago	
		10 Year Treasury		3.23%	5.02%
		11th District COFI		2.21%	2.72%
		1 Mo. LIBOR		1.25%	1.84%
	FNMA, Freddie Mac & CMBS lenders' rates are fixed at approx 1.8-2.0% over the 10 year treasury. Other lenders' rates are adjustable at approx 3% over COFI or LIBOR.				
SUPPLY/ DEMAND ³	Units Added/ Absorbed		3 Mo End 6/03	6 Mo End 6/03	12 Mo End 6/03
	Dallas County				
		Added	801	3,578	5,239
		Absorbed	246	1,435	(942)
	Tarrant County				
		Added	1,101	2,225	4,172
		Absorbed	(18)	86	(927)
OCCUPANCY RATES ³	Dallas County		6/03	6 Mo Ago	1 Yr Ago
		1990's or Newer	88%	89%	88%
		1980's	90%	90%	92%
		1970's or Older	88%	89%	91%
	Tarrant County				
		1990's or Newer	85%	87%	89%
		1980's	90%	91%	93%
		1970's or Older	88%	89%	92%
RENTAL RATES ³	Dallas County		6/03	6 Mo Ago	1 Yr Ago
		1990's or Newer	\$1,049	\$1,070	\$1,071
		1980's	\$650	\$657	\$665
		1970's or Older	\$635	\$633	\$634
	Tarrant County				
		1990's or Newer	\$888	\$891	\$899
		1980's	\$608	\$612	\$614
		1970's or Older	\$562	\$563	\$560
HOME OWNERSHIP ⁴	Homebuilder Price/Size	Mo P/I Tax/Ins	1 Tx Workforce Commission - calendar year totals (combined MSA's):		
	Choice Homes \$79,950 2-2-1	\$631	'98 115,700; '99 95,300; '00 100,500; '01 8,300; '02 (62,800)		
			2 Banxquote.com		
			3 ALNsys.com - Rental rates are <u>before</u> any concessions. Approx. 25% of 70's or older are all bills paid.		
	Fox & Jacobs \$86,490 3-2-2	\$805	4 As advertised in 6-8-03 DMN		

Information obtained from sources deemed reliable, but not guaranteed.

PROPERTY BRANDING

By: *Barbara Hamilton, Monticello Asset Management, Inc.*

Today's soft market has created challenges in achieving ownership goals. Every effort must be made to adhere to established management practices. However, over the last several years, a new management practice has been used with great success – that of branding.

Branding, much like the standardization brought about by franchises, creates value for a resident because of the resident's perception that this "brand" delivers consistent, predictable and professional apartment living. Upon a prospective resident's first visit, a properly branded property should cause that person to consciously (or subconsciously) perceive that this property is professionally operated. To them, this means that while living there, their concerns and problems will be timely addressed and that the property will continue to be maintained consistently with what they viewed on their first visit. It is also important to them that their visitors will likewise be impressed.

How is branding accomplished? Large national, apartment owners have been branding for several years. The first area is, of course, the curb appeal. Landscaping that is consistent throughout a portfolio, property flags and even sign colors can instantly identify a company and its style of operation.

Another area of branding is the appearance and presentation of the personnel and the office. Office personnel in company career apparel cannot only appear professional, but further illustrate the quality of management.

And lastly, the on-going service of the resident's needs. Because existing residents are a property's best source for new residents, a standardized system of operations must be in place, that again, is predictable and consistently followed.

In summary, branding is implementing a standard operating system that is communicated to the residents from the moment they see the property. Many owners rely on their management company's branding to create value to their residents and ultimately to the property owner. Either way, value is added which contributes to the achievement of ownership goals.

For more information, contact Barbara Hamilton at (214) 368-7877 ext. 18 or bhamilton@monticelloproperties.com.

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