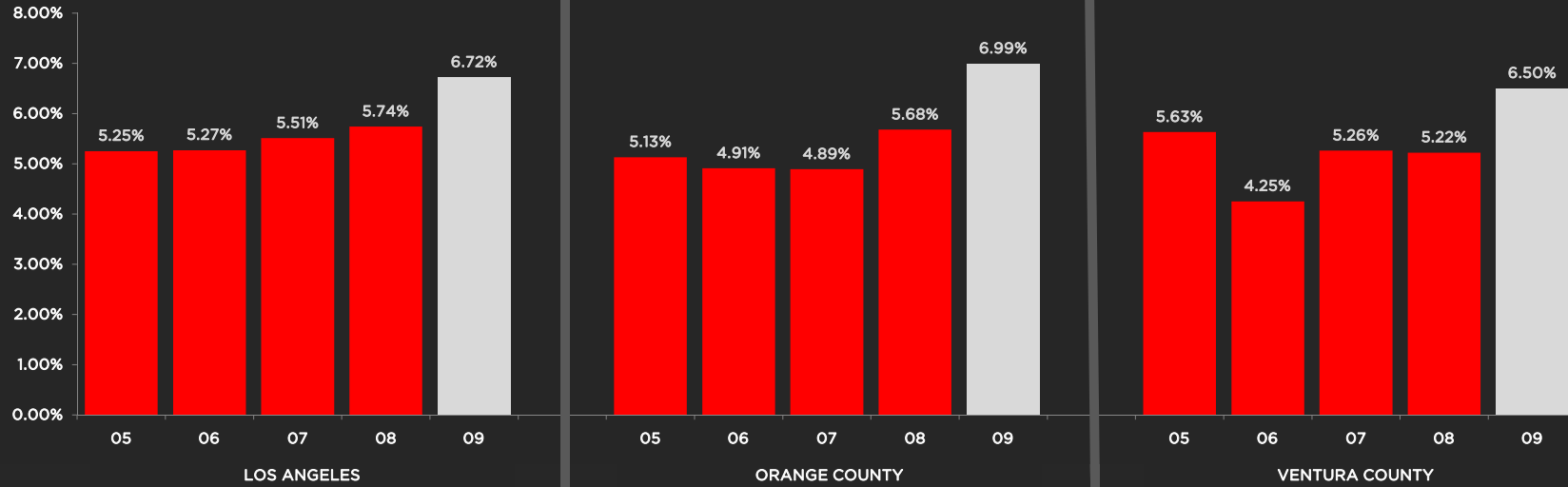


Market Analysis

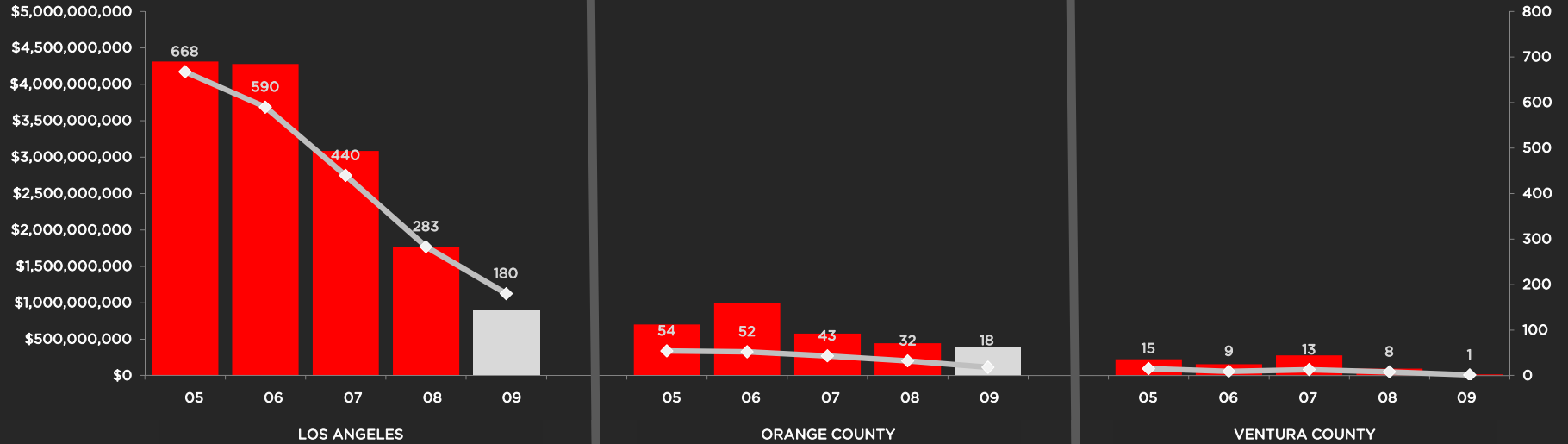
Submarket Analysis

CAP Rate



Notes: CAP Rate data reflects median CAP Rates; Search criteria: 20+ units sold

Transactions



Notes: Transaction data reflects search criteria of 20+ units sold

Transaction Volume

Total Transactions

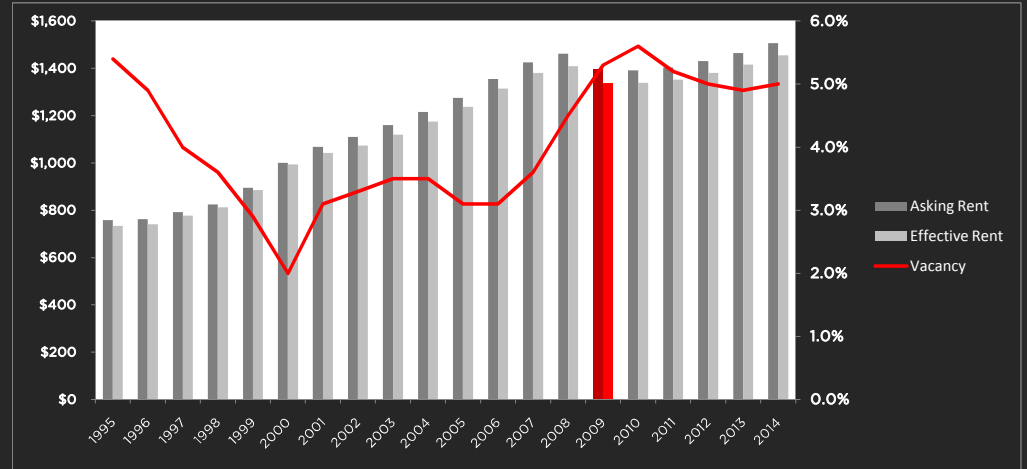


Source: CoStar

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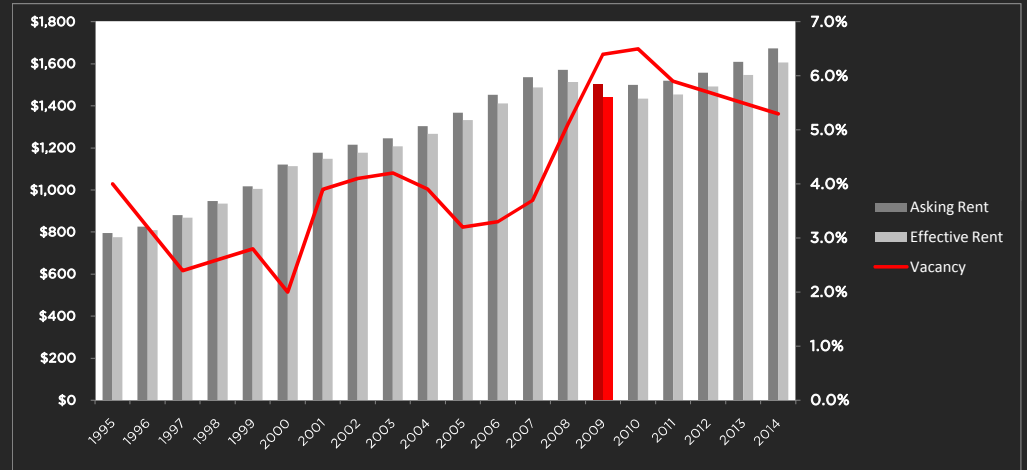
LOS ANGELES

Year	Inventory (Units)	Completions	Vacancy	Asking Rent	Change	Effective Rent	Change
1995	718,294	753	5.4%	\$758	0.3%	\$734	0.1%
1996	720,221	1,927	4.9%	\$763	0.7%	\$741	1.0%
1997	721,971	1,750	4.0%	\$792	3.8%	\$777	4.9%
1998	724,322	2,351	3.6%	\$824	4.0%	\$812	4.5%
1999	727,600	3,278	2.9%	\$895	8.6%	\$885	9.0%
2000	729,337	1,737	2.0%	\$1,001	11.8%	\$994	12.3%
2001	733,181	3,844	3.1%	\$1,068	6.7%	\$1,042	4.8%
2002	736,034	2,989	3.3%	\$1,110	3.9%	\$1,074	3.1%
2003	739,719	3,812	3.5%	\$1,160	4.5%	\$1,119	4.2%
2004	743,582	4,739	3.5%	\$1,216	4.8%	\$1,175	5.0%
2005	743,461	2,120	3.1%	\$1,275	4.9%	\$1,237	5.3%
2006	745,278	2,641	3.1%	\$1,355	6.3%	\$1,314	6.2%
2007	749,001	3,940	3.6%	\$1,425	5.2%	\$1,380	5.0%
2008	754,349	5,348	4.5%	\$1,462	2.6%	\$1,409	2.1%
2009	755,999	1,650	5.3%	\$1,397	-4.4%	\$1,339	-5.0%
2010	757,621	1,622	5.6%	\$1,392	-0.4%	\$1,338	-0.1%
2011	759,276	1,655	5.2%	\$1,404	0.9%	\$1,352	1.0%
2012	761,950	2,674	5.0%	\$1,430	1.9%	\$1,380	2.1%
2013	764,649	2,699	4.9%	\$1,465	2.4%	\$1,416	2.6%
2014	768,125	3,476	5.0%	\$1,506	2.8%	\$1,455	2.8%



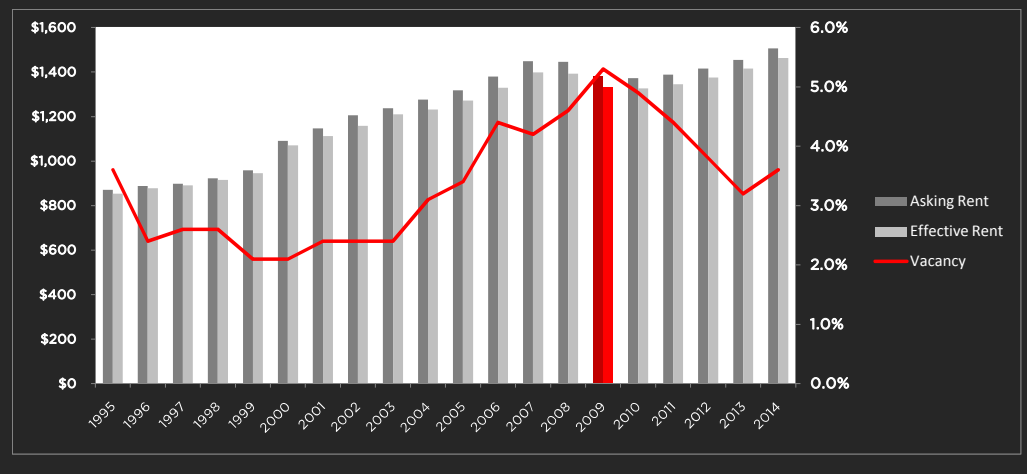
ORANGE

Year	Inventory (Units)	Completions	Vacancy	Asking Rent	Change	Effective Rent	Change
1995	177,417	768	4.0%	\$795	0.5%	\$776	0.5%
1996	179,755	2,338	3.2%	\$826	3.9%	\$809	4.3%
1997	181,067	1,312	2.4%	\$881	6.7%	\$868	7.3%
1998	182,803	1,736	2.6%	\$948	7.6%	\$936	7.8%
1999	185,737	2,934	2.8%	\$1,017	7.3%	\$1,005	7.4%
2000	186,575	838	2.0%	\$1,121	10.2%	\$1,113	10.7%
2001	189,160	2,585	3.9%	\$1,177	5.0%	\$1,149	3.2%
2002	192,544	3,384	4.1%	\$1,216	3.3%	\$1,177	2.4%
2003	194,362	1,818	4.2%	\$1,246	2.5%	\$1,207	2.5%
2004	197,374	3,356	3.9%	\$1,303	4.6%	\$1,267	5.0%
2005	195,659	770	3.2%	\$1,367	4.9%	\$1,332	5.1%
2006	197,189	1,430	3.3%	\$1,452	6.2%	\$1,411	5.9%
2007	199,454	2,265	3.7%	\$1,537	5.9%	\$1,488	5.5%
2008	200,228	992	5.1%	\$1,571	2.2%	\$1,514	1.7%
2009	203,517	3,387	6.4%	\$1,504	-4.3%	\$1,440	-4.9%
2010	204,814	1,297	6.5%	\$1,500	-0.3%	\$1,435	-0.3%
2011	205,173	359	5.9%	\$1,519	1.3%	\$1,454	1.3%
2012	206,395	1,222	5.7%	\$1,557	2.5%	\$1,493	2.7%
2013	207,759	1,364	5.5%	\$1,610	3.4%	\$1,547	3.6%
2014	209,589	1,830	5.3%	\$1,673	3.9%	\$1,607	3.9%



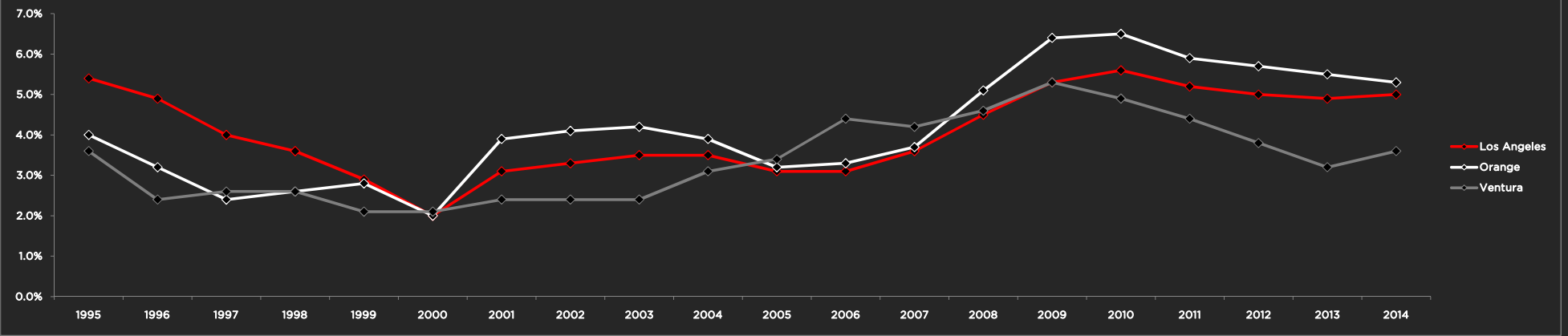
VENTURA

Year	Inventory (Units)	Completions	Vacancy	Asking Rent	Change	Effective Rent	Change
1995	68,023	236	3.6%	\$870	2.2%	\$853	1.9%
1996	68,216	193	2.4%	\$888	2.1%	\$878	2.9%
1997	68,281	65	2.6%	\$898	1.1%	\$891	1.5%
1998	68,454	173	2.6%	\$922	2.7%	\$915	2.7%
1999	68,923	469	2.1%	\$958	3.9%	\$946	3.4%
2000	68,923	0	2.1%	\$1,091	13.9%	\$1,071	13.2%
2001	69,860	937	2.4%	\$1,147	5.1%	\$1,113	3.9%
2002	70,646	786	2.4%	\$1,206	5.1%	\$1,158	4.0%
2003	71,285	639	2.4%	\$1,237	2.6%	\$1,210	4.5%
2004	71,609	324	3.1%	\$1,276	3.2%	\$1,232	1.8%
2005	71,960	351	3.4%	\$1,318	3.3%	\$1,272	3.2%
2006	72,337	377	4.4%	\$1,380	4.7%	\$1,330	4.6%
2007	72,787	450	4.2%	\$1,449	5.0%	\$1,398	5.1%
2008	73,187	400	4.6%	\$1,446	-0.2%	\$1,392	-0.4%
2009	73,187	0	5.3%	\$1,380	-4.6%	\$1,329	-4.5%
2010	73,187	0	4.9%	\$1,373	-0.5%	\$1,326	-0.2%
2011	73,381	194	4.4%	\$1,389	1.2%	\$1,345	1.4%
2012	73,935	554	3.8%	\$1,415	1.9%	\$1,375	2.2%
2013	74,441	506	3.2%	\$1,455	2.8%	\$1,416	3.0%
2014	75,302	861	3.6%	\$1,506	3.5%	\$1,463	3.3%

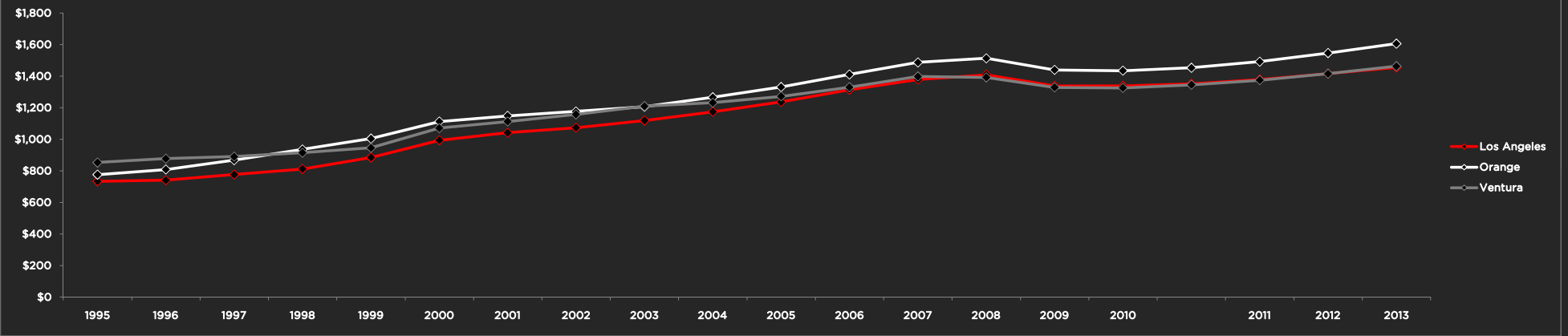


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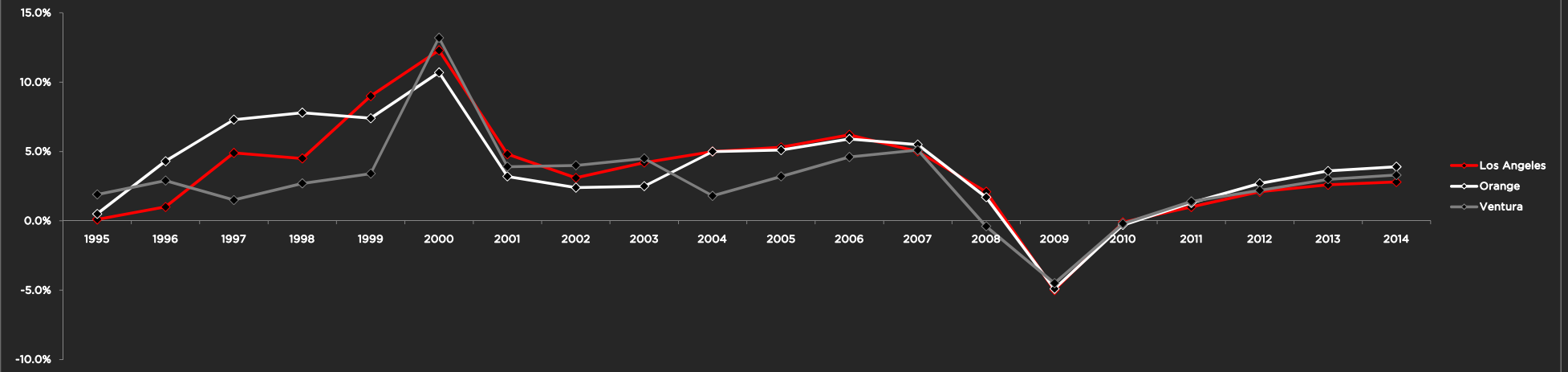
VACANCY



EFFECTIVE RENTS



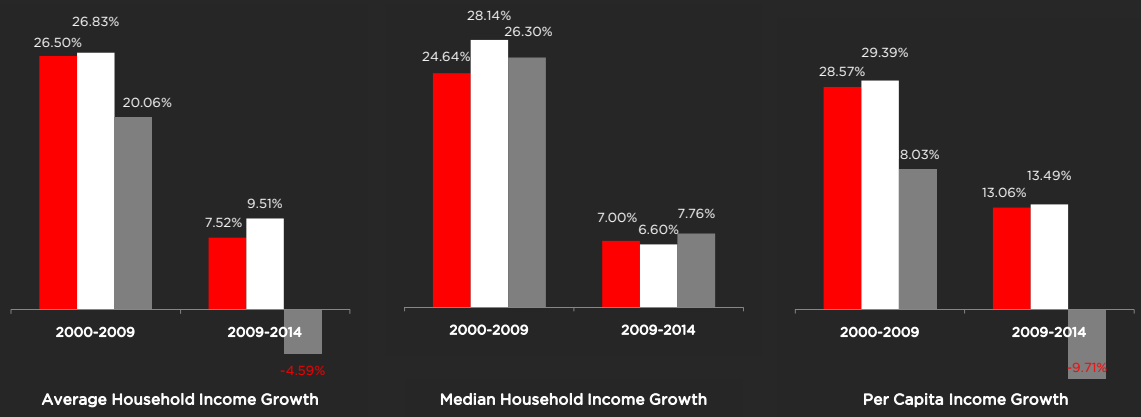
EFFECTIVE RENT GROWTH



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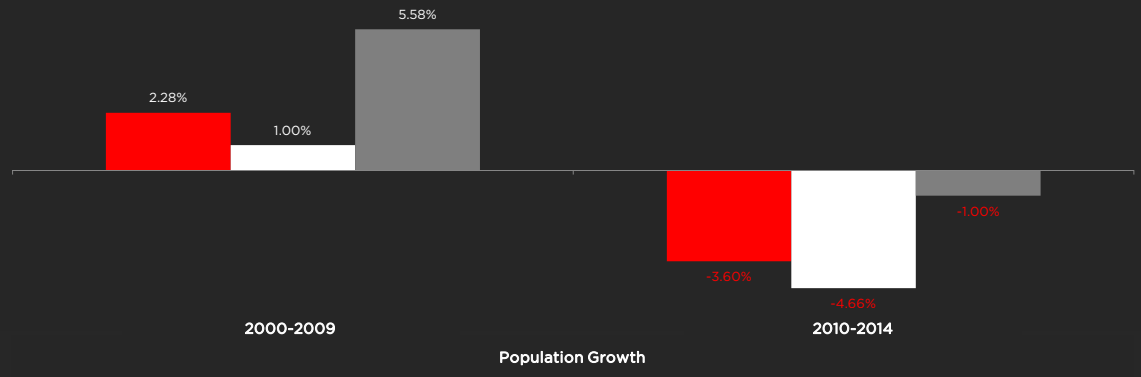
HOUSEHOLD INCOME

	2000	2009	2014	2000-2009	2009-2014
Los Angeles					
Average HHLD Income	\$61,812	\$78,193	\$84,077	26.50%	7.52%
Median HHLD Income	\$42,575	\$53,067	\$56,781	24.64%	7.00%
Per Capita Income	\$20,349	\$26,163	\$29,581	28.57%	13.06%
Orange County					
Average HHLD Income	\$77,544	\$98,346	\$107,702	26.83%	9.51%
Median HHLD Income	\$59,028	\$75,638	\$80,631	28.14%	6.60%
Per Capita Income	\$25,481	\$32,969	\$37,416	29.39%	13.49%
Ventura County					
Average HHLD Income	\$75,313	\$90,424	\$86,275	20.06%	-4.59%
Median HHLD Income	\$59,730	\$75,440	\$81,297	26.30%	7.76%
Per Capita Income	\$24,263	\$28,638	\$25,857	18.03%	-9.71%



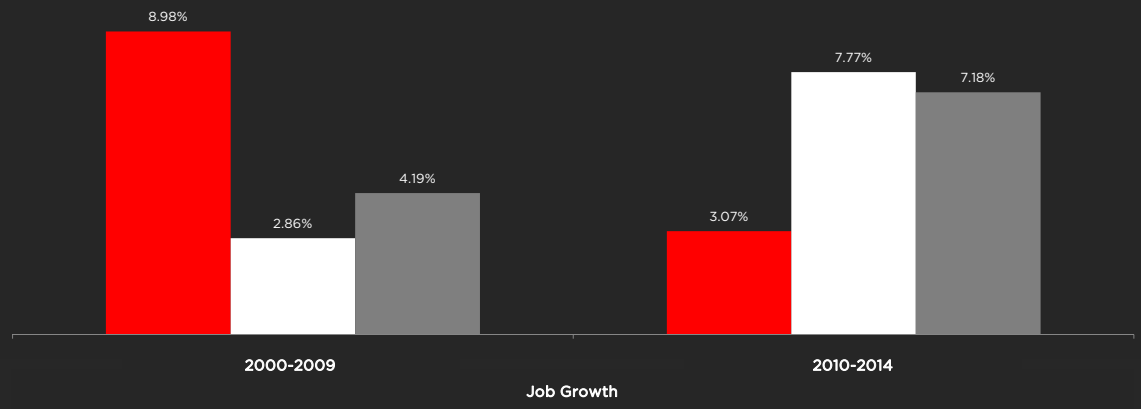
POPULATION

	#	Growth
Los Angeles		
2000 Census	9,519,330	
2009 Estimate	9,736,157	2.28%
2014 Projection	9,385,937	-3.60%
Orange County		
2000 Census	2,956,048	
2009 Estimate	2,985,498	1.00%
2014 Projection	2,846,289	-4.66%
Ventura County		
2000 Census	753,197	
2009 Estimate	795,243	5.58%
2014 Projection	787,305	-1.00%



JOB GROWTH

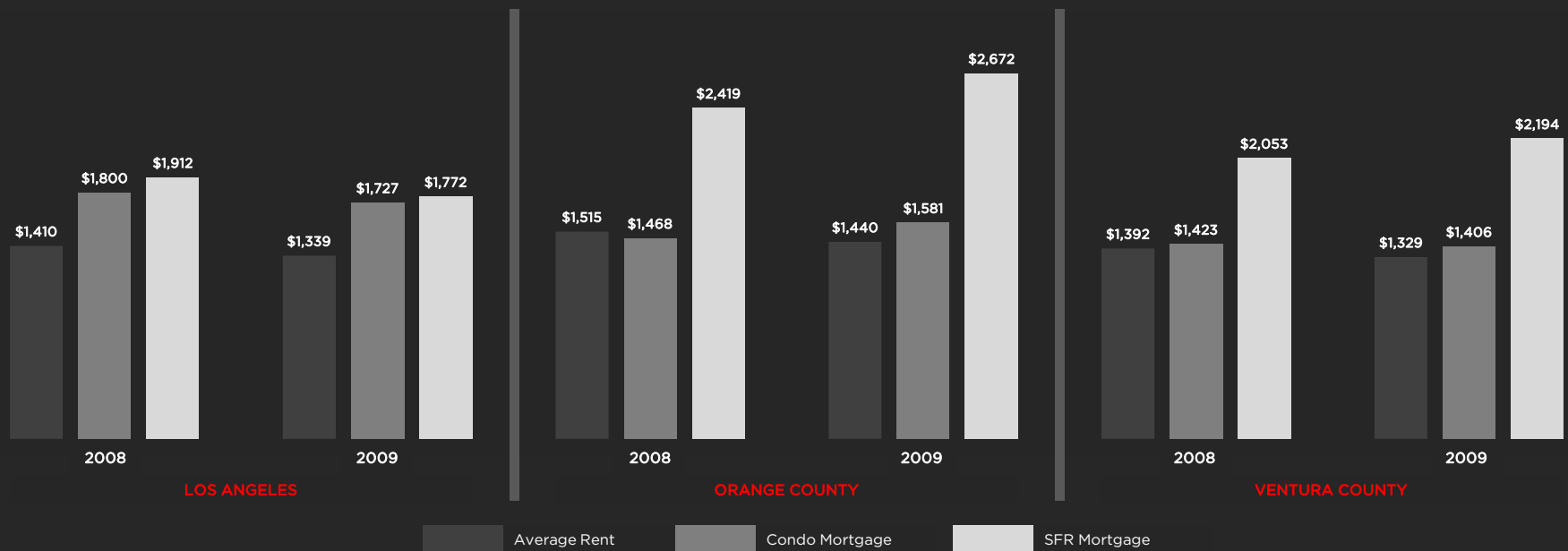
	#	Growth
Los Angeles		
2000 Census	3,954,729	
2009 Estimate	4,309,819	8.98%
2014 Projection	4,442,099	3.07%
Orange County		
2000 Census	1,340,349	
2009 Estimate	1,378,688	2.86%
2014 Projection	1,485,871	7.77%
Ventura County		
2000 Census	348,315	
2009 Estimate	362,909	4.19%
2014 Projection	388,959	7.18%



Source: REIS, Marcus & Millichap Mapnet & U.S. Census Bureau

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| Affordability Gap: 2008 vs. 2009 |



Source: REIS
 Condo & SFR Payment Assumption: 20% Down Payment, 5.5% Interest Rate, 30 Year Fixed, & 1.3% Tax & Insurance

| Current Unemployment Rates |

Los Angeles
12.4%

Orange County
9.1%

Ventura County
10.9%

National
9.7%

Source: EDD - Employment Development Department; Bureau of Labor Statistics

| Multi-Family Completions |

	Los Angeles			Orange County			Ventura County			Total		
	2009	2010	2011	2009	2010	2011	2009	2010	2011	2009	2010	2011
Total	1,650	1,622	1,655	3,387	1,297	359	0	0	194	5,037	2,919	2,208
Existing Supply	755,999	757,621	759,276	203,517	204,814	205,173	73,187	73,187	73,381	1,032,703	1,035,622	1,037,830
Supply Increase	0.22%	0.21%	0.22%	1.66%	0.63%	0.17%	0.00%	0.00%	0.26%	0.49%	0.28%	0.21%

Source: REIS & TWR