

## Demographics & Economics

Population		Unemployment Rate (March 2007)	
Dallas/Ft. Worth MSA	6.1 million	Dallas/Ft. Worth	4.1%
Dallas/Ft. Worth Growth <sup>1</sup>	2.49%	Texas	4.2%
National Growth <sup>1</sup>	1.30%	National	4.3%

### Household Income & Value

Per Capita Income	\$37,100	2006 Households	2.2 million
3-year Job Growth <sup>2</sup>	2.20%	Household Growth <sup>1</sup>	2.40%
Net Migration (2005)	38,000	Median Home Price	\$146,600

### Major Employers

University of Texas-Southwestern Medical Center
Lockheed Martin Corp.
Parkland Health and Hospital Systems
Wal-Mart Stores, Inc.
American Airlines

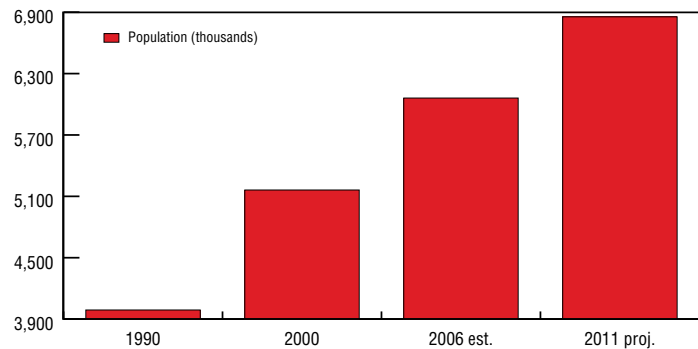
Sources: Bureau of Labor Statistics May 14, 2007 report, Career Info Net, NAR, STDB Online.  
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<sup>1</sup>Projected annual growth over 5 years (2006-2011).  
<sup>2</sup>Total cumulative job creation of last 3 years.

## Noteworthy Transactions

	Sale Date	Sale Price	SF/Units	\$ Per SF/Unit
<b>Office</b>				
Towers of Park Central	Feb. 07	\$83,700,000	845,919	\$99
Thanksgiving Tower	Feb. 07	\$130,000,000	1,400,000	\$93
<b>Industrial</b>				
2370 W. Warrior Trail	Feb. 07	\$16,750,000	113,000	\$148
<b>Retail</b>				
Casa Linda Plaza	Jan. 07	\$42,400,000	324,569	\$131
1601 Elm St.	Feb. 07	\$111,720,000	1,500,000	\$74
<b>Apartment</b>				
Villages at Addison	Jan. 07	\$29,800,000	264	\$112,879
Equestrian Pointe	Jan. 07	\$28,000,000	836	\$33,493
<b>Hotel</b>				
Homewood Suites Las Colinas	Feb. 07	\$15,748,113	136	\$115,795

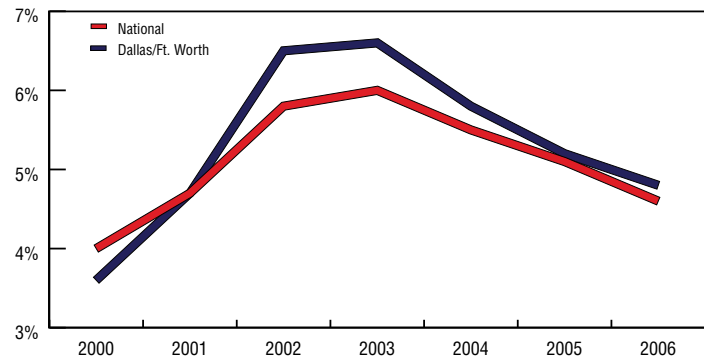
Compiled by RERC for the RERC/CCIM Investment Trends Quarterly report.

## Dallas/Ft. Worth Population Growth



Source: STDB Online

## Dallas/Ft. Worth Unemployment Rate



Source: Bureau of Labor Statistics

## Market Construction/Redevelopment Activity

	Property Type	New(N)/Refurbished(R)	Total SF/Units	Estimated Delivery
Gateway Corporate Center	Office	N	225,370	2007
One Arts Plaza	Office	N	652,063	2007
2000 McKinney Ave.	Office	N	444,139	2007
Lake Grapevine	Multifamily	N	64	2008

Sources: CBRE, RE Business

# Dallas/Ft. Worth

Changes from Previous Quarter		
	Office	Industrial
Vacancy	=	↓
Inventory	↑	↑
Expected 1-Year Rents	↓	↓
Asking Rents	↑	↑

Data compiled from various sources, including RERC, Torto Wheaton Research, Grubb & Ellis, CBRE, and Marcus & Millichap.

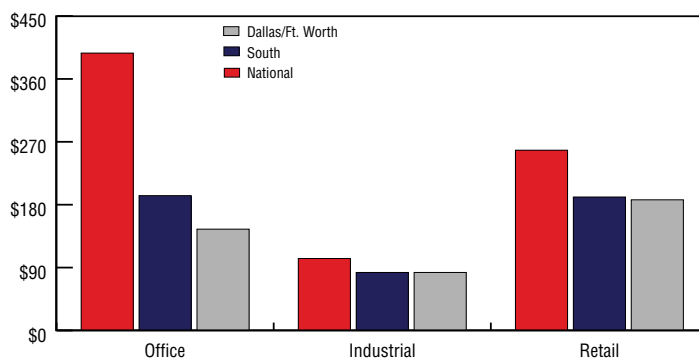
## RERC's Take on the Market

- The Dallas/Ft. Worth area economy is strong, with a low unemployment rate, positive net migration, job growth just below the national rate, and projected population growth above the national rate.
- Prices for commercial property in the Dallas/Ft. Worth area are generally lower than regional and national averages, and capitalization rates are mostly higher.
- With generally low prices and a fairly sound economy, investors can expect positive returns from the Dallas/Ft. Worth commercial real estate market.

Dallas Transaction Breakdown (4/1/06 - 3/31/07)					
	Office	Industrial	Retail	Apartment	Hotel
<b>&lt; \$5 Million</b>					
Volume (Mil)	\$123	\$104	\$602	\$294	\$15
Size-Weighted Avg.	\$78	\$35	\$89	\$32,714	\$29,809
Price-Weighted Avg.	\$104	\$41	\$141	\$45,619	\$34,292
Median	\$87	\$39	\$82	\$33,816	\$25,862
<b>&gt; \$5 Million</b>					
Volume (Mil)	\$5,575	\$878	\$3,291	\$2,500	\$596
Size-Weighted Avg.	\$127	\$59	\$136	\$62,000	\$119,544
Price-Weighted Avg.	\$146	\$87	\$195	\$85,223	\$286,735
Median	\$109	\$51	\$139	\$53,313	\$67,253
<b>All Transactions</b>					
Volume (Mil)	\$5,697	\$981	\$3,893	\$2,793	\$610
Size-Weighted Avg.	\$126	\$55	\$126	\$56,667	\$111,509
Price-Weighted Avg.	\$145	\$83	\$187	\$81,060	\$280,692
Median	\$101	\$42	\$99	\$39,517	\$58,050
<b>Capitalization Rates % (All Transactions)</b>					
Weighted Average	7.4	7.7	6.9	6.9	9.2
Median	7.3	7.5	7.0	7.4	9.1

Source: RERC

## RERC Price-Weighted Average Price Per SF/Unit - 1Q 2007



## RERC Weighted Average Cap Rates - 1Q 2007

