

Demographics & Economics			
Population		Unemployment Rate (June 2007)	
Raleigh MSA	1.0 million	Raleigh	4.0%
Raleigh Growth ¹	3.61%	North Carolina	5.1%
National Growth ¹	1.30%	National	4.7%
Household Income & Value			
Per Capita Income	\$36,050	2007 Households	395,000
3-year Job Growth ²	7.40%	Household Growth	3.64%
Net Migration	25,600	Median Home Price	\$190,300
Major Employers			
North Carolina State University			
WakeMed North Healthplex			
Rex Healthcare			
WakeMed Rehab			
SAS Institute, Inc.			
Sources: Bureau of Labor Statistics August 9, 2007 report, Career InfoNet, NAR, STDB Online. "Home Price Analysis Report for Raleigh Region – July 2006" ©2006 NATIONAL ASSOCIATION OF REALTORS®. Used with permission. Reproduction, reprinting, or retransmission of this document in any form (electronic media included) is prohibited without written permission. ¹ Projected annual growth over 5 years (2006-2011). ² Total cumulative job creation of last 3 years.			

Noteworthy Transactions				
	Sale Date	Sale Price	Sq. Ft./Units	PPSF/PPU
Office				
200 W. Morgan St.	5-07	\$2,750,000	19,710	\$140
128 E. Hargett St.	5-07	\$3,500,000	25,172	\$139
Industrial				
3224 Lake Woodard Dr.	5-07	\$950,000	10,400	\$91
3101 Hillsborough	5-07	\$3,500,000	47,100	\$74
Retail				
4000 Wake Forest Rd.	6-07	\$7,300,000	54,000	\$135
7400 Six Forks Rd.	6-07	\$16,700,000	124,520	\$134
Apartment				
Ivy Chase	5-07	\$23,200,000	250	\$92,800
Carrington at Brier Creek	4-07	\$31,750,000	270	\$117,593
Hotel				
4500 Marriott Dr.	5-07	\$48,000,000	375	\$128,000
2815 Capital Blvd.	6-07	\$8,157,454	168	\$48,556

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

MARKET CONSTRUCTION/REDEVELOPMENT ACTIVITY				
	Property Type	New(N)/Refurbished(R)	Total SF/Units	Estimated Delivery
Leveno's	Office	N	183,000	2007

Sources: CBRE, RE Business.

Metro Trend Analysis	Last Quarter	Previous Year
Office		
Size-Weighted Average PPSF	↑	↓
Weighted Average Cap Rate	↓	↑
Industrial		
Size-Weighted Average PPSF	↑	↓
Retail		
Size-Weighted Average PPSF	↑	↓
Apartment		
Size-Weighted Average PPU	↓	↓
Weighted Average Cap Rate	↓	↓
Hotel		
Size-Weighted Average PPU	↑	↑
Metro Cap Rate Comparison*		Current Quarter
Office		
vs. East Region	↑	
vs. Nation	↑	
Apartment		
vs. East Region	↑	
vs. Nation	↑	

*Comparison of current quarter rates to regional and national rates.
Source: RERC.



Raleigh

Raleigh Transaction Breakdown (7/1/06 - 6/30/07)

	Office	Industrial	Retail	Apartment	Hotel
< \$5 Million					
Volume (Mil)	\$99	\$54	\$81	\$39	\$13
Size-Weighted Avg.	\$94	\$49	\$140	\$37,910	\$36,505
Price-Weighted Avg.	\$121	\$72	\$208	\$53,675	\$62,069
Median	\$88	\$54	\$156	\$54,383	\$42,229
> \$5 Million					
Volume (Mil)	\$1,172	\$434	\$324	\$787	\$257
Size-Weighted Avg.	\$147	\$69	\$125	\$79,344	\$97,276
Price-Weighted Avg.	\$182	\$77	\$166	\$101,095	\$105,746
Median	\$134	\$68	\$135	\$72,342	\$104,310
All Transactions					
Volume (Mil)	\$1,271	\$489	\$405	\$825	\$270
Size-Weighted Avg.	\$141	\$66	\$128	\$75,489	\$89,852
Price-Weighted Avg.	\$177	\$76	\$174	\$98,880	\$103,578
Median	\$114	\$55	\$140	\$62,888	\$97,340
Capitalization Rates % (All Transactions)					
Weighted Average	7.1	-	-	5.8	-
Median	7.9	-	-	5.9	-

Source: RERC.

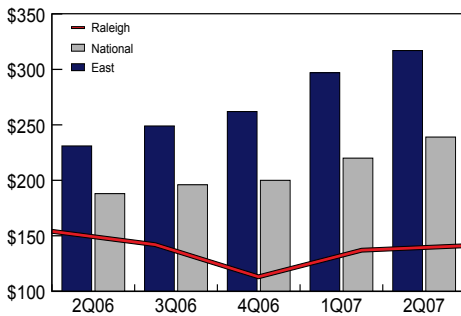
Raleigh

Legend for All Graphs Below

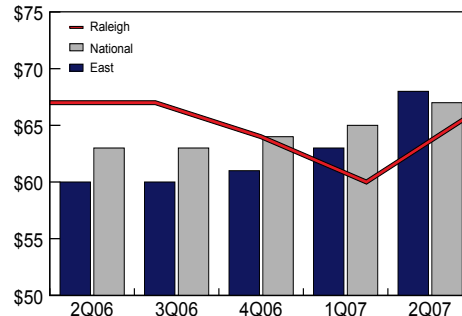
- Metro
- Region
- Nation

Source: RERC.

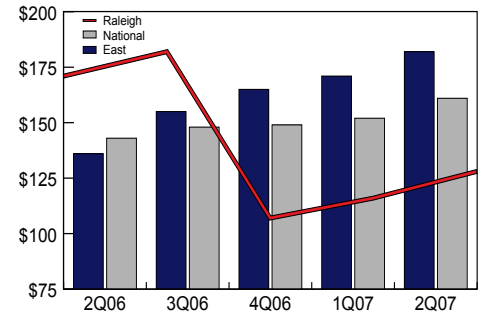
Historical Size-Weighted Average PPSF - OFFICE



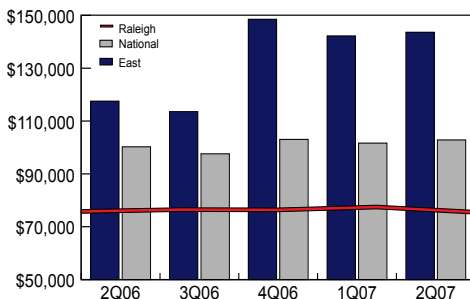
Historical Size-Weighted Average PPSF - INDUSTRIAL



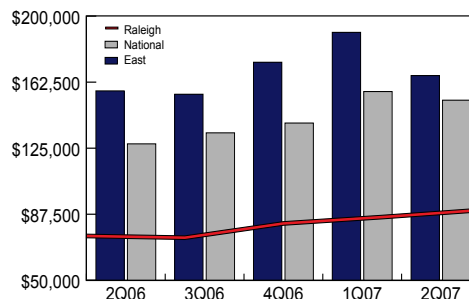
Historical Size-Weighted Average PPSF - RETAIL



Historical Size-Weighted Average PPU - APARTMENT



Historical Size-Weighted Average PPU - HOTEL



Weighted Average Cap Rates - 2Q 2007

