
Prospects Research 2010



Executive Summary

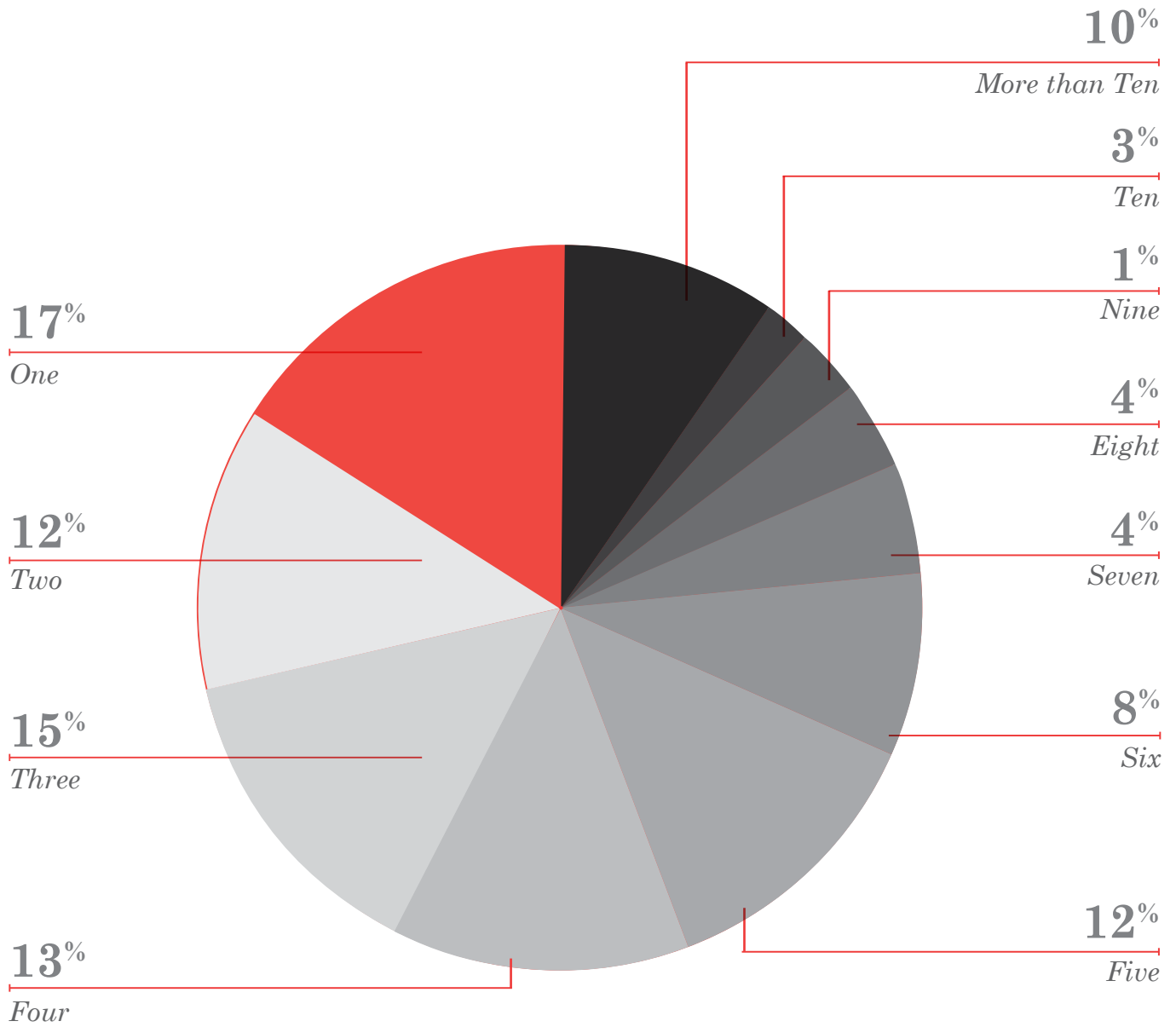
Enclosed is the annual wrap-up of findings from J Turner Research's ongoing survey of prospects shopping for an apartment. This data has been collected from 80,400 surveys conducted nationally in 2010. This reports intent is to provide you a summary of national aggregate information based on our findings and new insights into prospect decision-making. The graphs beginning on page 3 convey the aggregate information. Beginning on page 8, we present tables detailing new insights into prospect decision-making.

- One key finding is that 49% of prospects surveyed are currently already living in an apartment community. What this indicates is that there is a healthy market for residents who are looking to move from apartment to apartment.
- The prospects were asked the reason for their move. Almost 39% of prospects surveyed indicated wanting to move because their lease is up, they want a change, or because they are looking for a better apartment. This group represents unsatisfied residents and an opportunity to reduce turnover.
- Prospects are seeking value (see the table on page 8). The overall closing rate (prospects indicating they have leased or have decided to lease) is 47%. J Turner's proprietary Value Perception Index drops sharply for prospects who don't lease at the property without a significant drop in the Leasing Staff Ratings. This emphasizes the importance of prospect's perception of value in closing a sale. The Value Perception Index is comprised of the following value categories:
 1. This seems to me to be the best property I have visited in my search for an apartment.
 2. Clearly you get your money's worth at this community.
 3. The property seems to have a safe environment.
 4. Rent at this property is competitive with the rent at other properties that I have seen.
- Value means different things to different people. Residents were asked to define value and the results are summarized on page 8. Looking at the results, the renters can be profiled into two groups. One group defines value based on tangibles like square footage, amenities and getting what you pay for. The other group defines value based more on feelings like sense of community, security and staff.

If you have additional questions please contact Joseph Batdorf at:

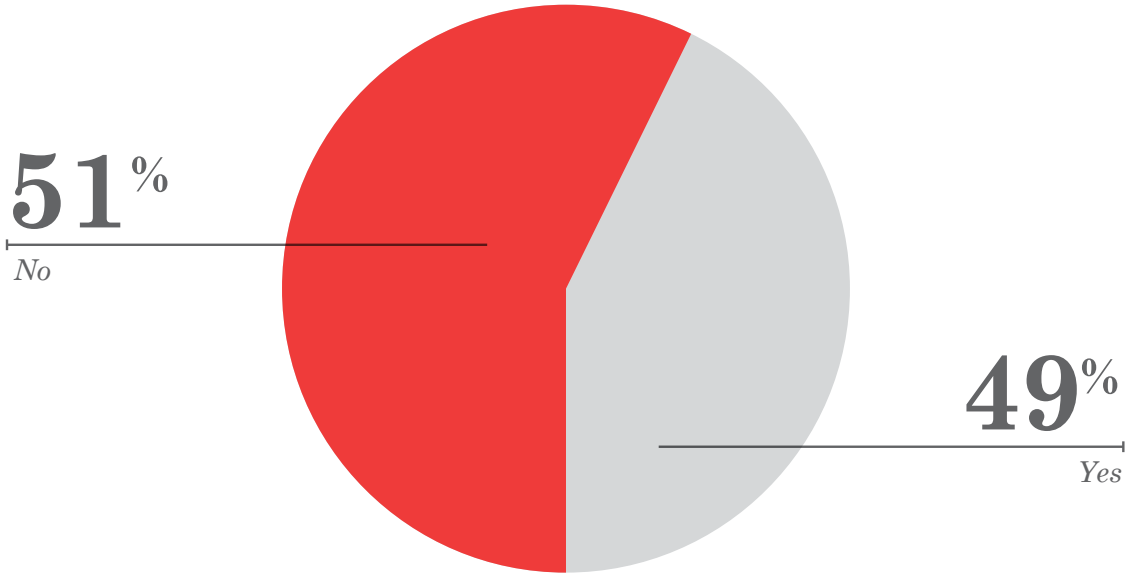
jbatdorf@jturnerresearch.com or 281-558-4840 x300

Number Of Properties Visited (*while searching for an apartment*)

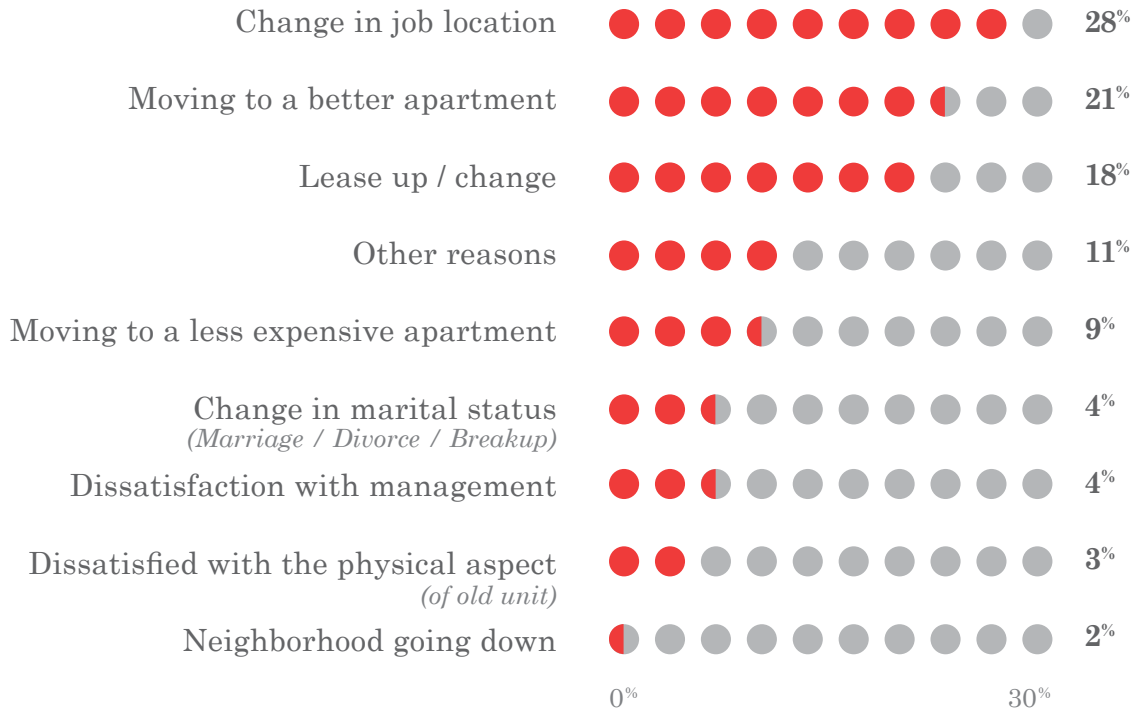


Mean: 4.60

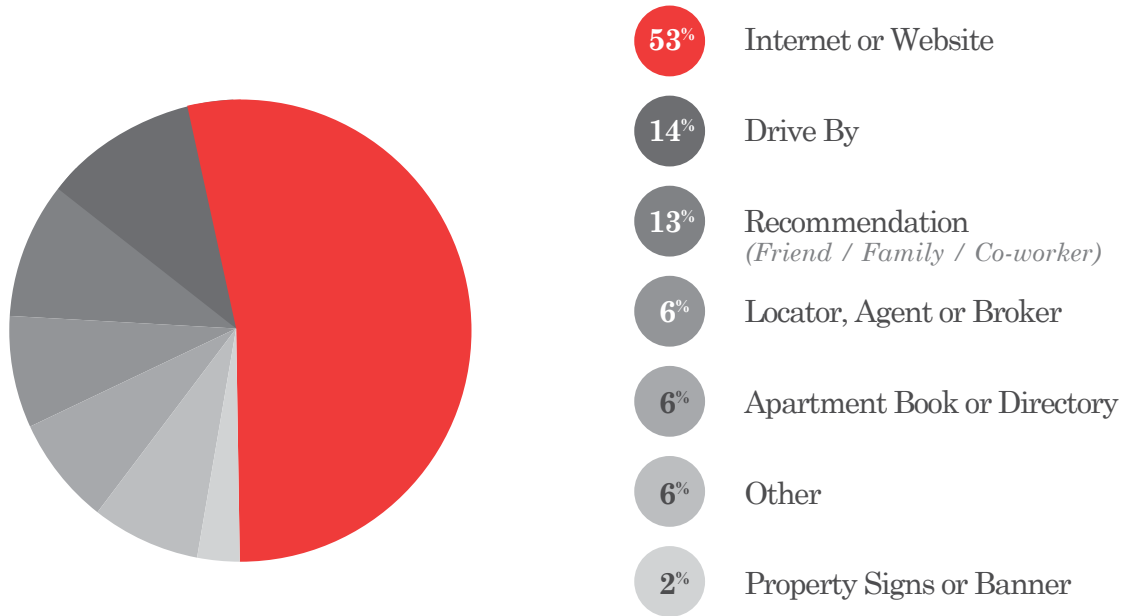
Are you moving from an apartment property?



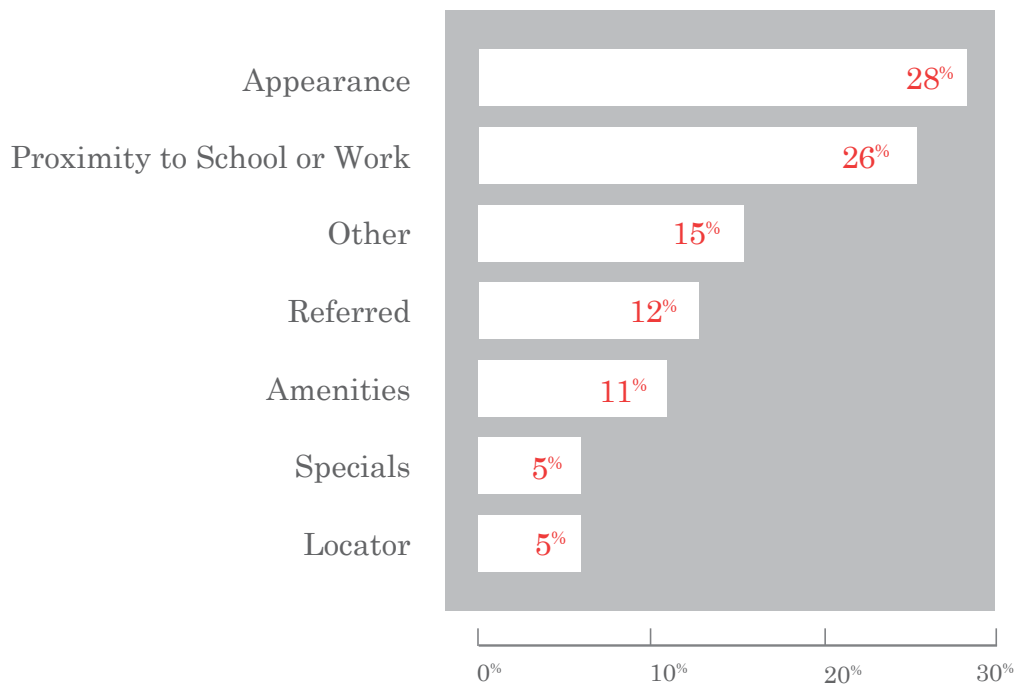
Reason to Move



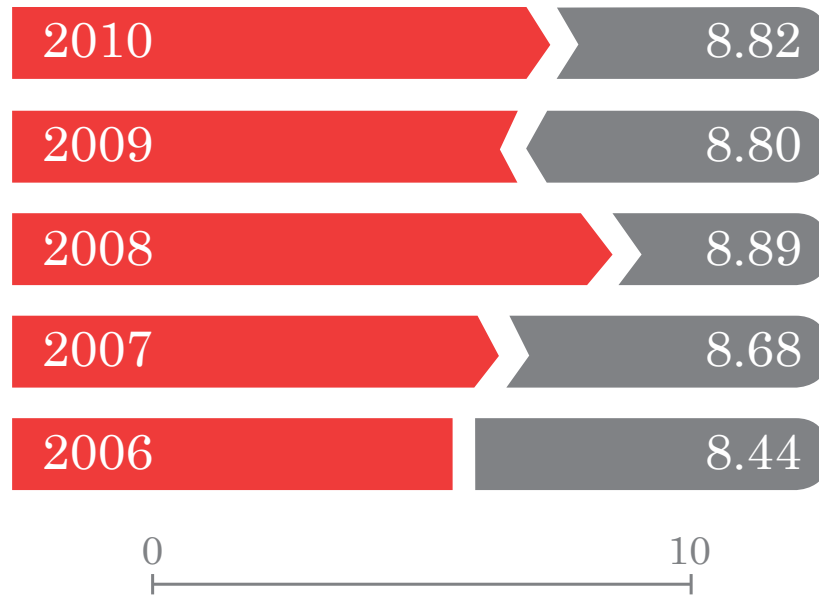
What was your *primary source* of information in your apartment search?



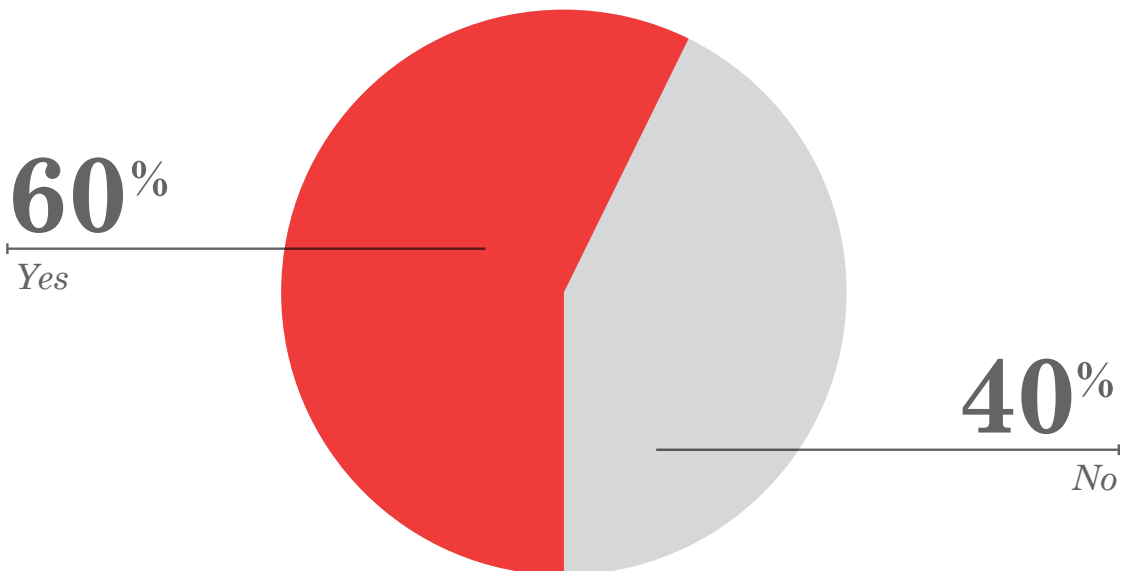
What was the *primary reason* for you to stop into this property?



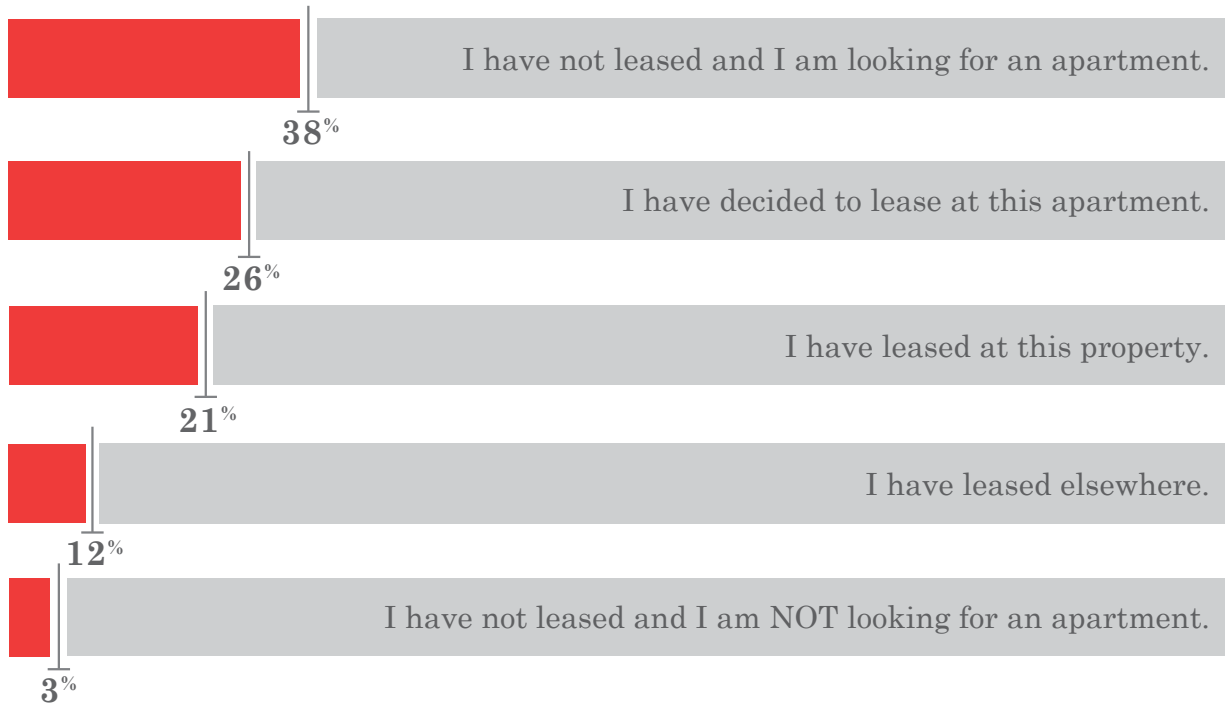
Rating of the Community Tour



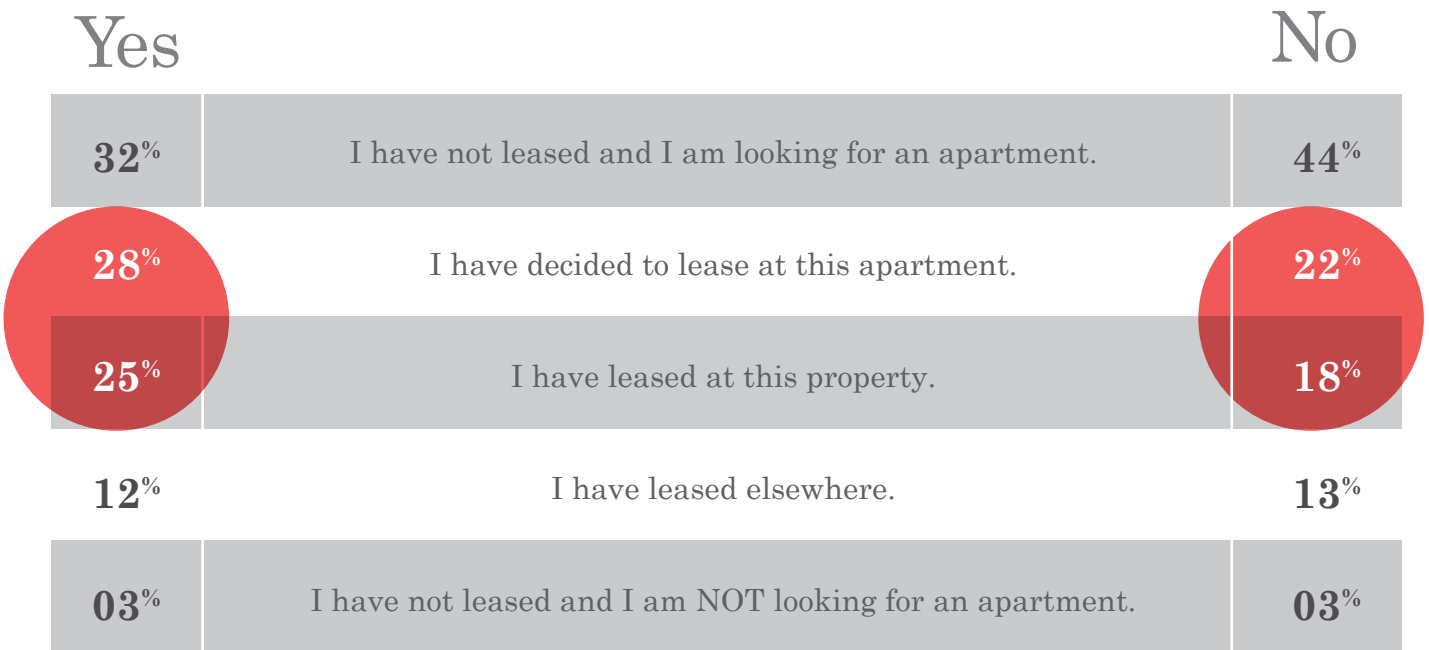
Were you contacted by someone after your visit (Follow Up)?



Leasing Situation



Follow Up & Leasing Situation



Fifty three percent of prospects that recalled being followed up indicated that they have either leased or have decided to lease at the property as compared to 40% of the ones that did not recall being followed up on.

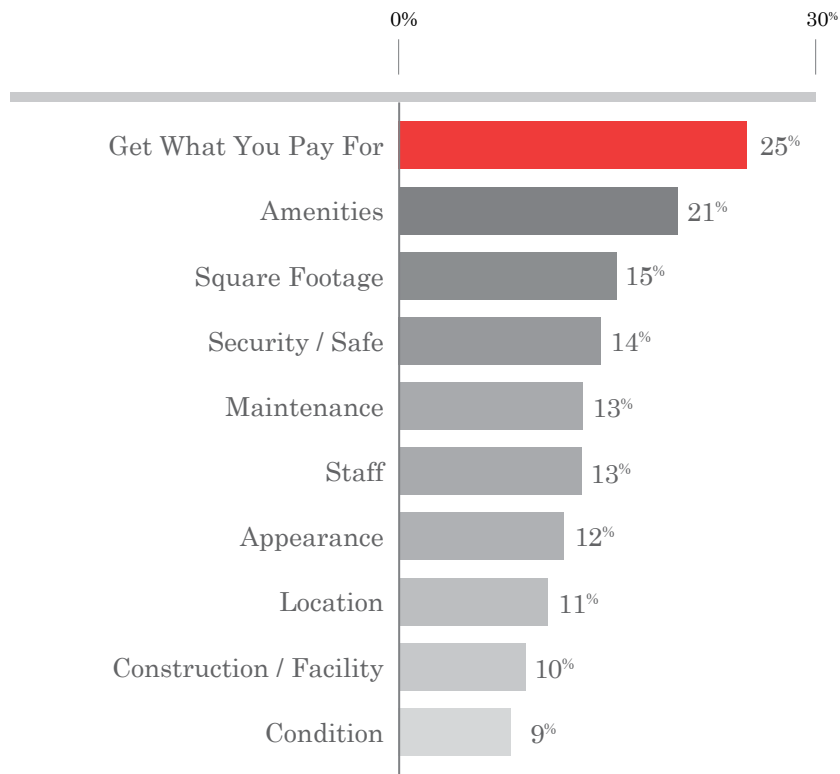
Leasing Situation & J Turner Indexes

Leasing Situation	J Turner Indexes*			
	Leasing Agent Index	Value Perception Index	Physical Marketability Index	Property Index
I have decided to lease at this apartment	8.69	8.17	8.40	8.42
I have leased at this property	8.69	8.06	8.24	8.33
I have leased elsewhere	7.69	5.84	6.87	6.80
I have not leased and I am NOT looking for an apartment	7.94	6.58	7.24	7.26
Grand Total	8.23	7.17	7.76	7.72

The Value Perception Index drops sharply for prospects that indicated leasing somewhere else.

*Indexes are based on various factors from the prospect survey. Highest index for a leasing situation is highlighted.

The Meaning of Value



In another survey, the residents were asked an open-ended question on what “value” meant to them. The responses were categorized and tabulated to the left.