

Frederick Ross



**Investment
Market Overview**

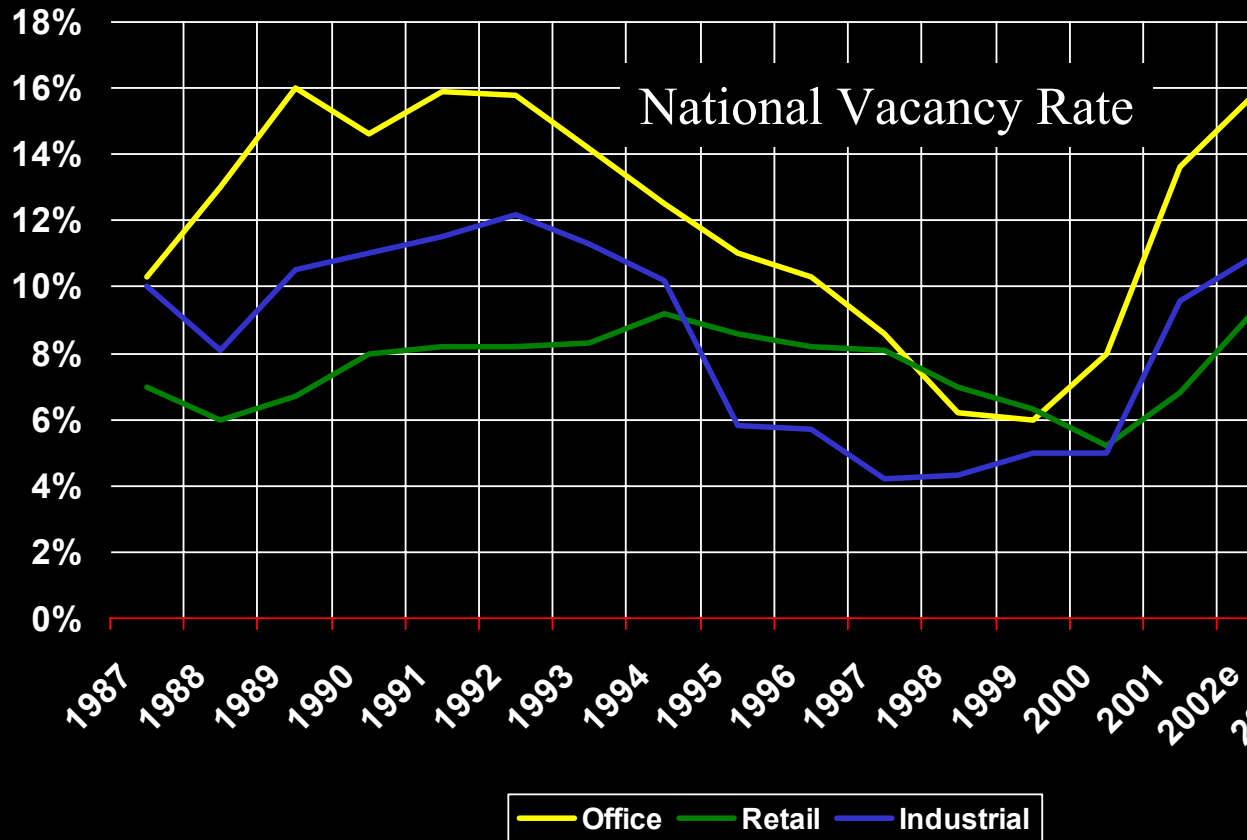
Presented by:

Dave Tilton

Senior Managing
Director



National Property Vacancy by Property Type



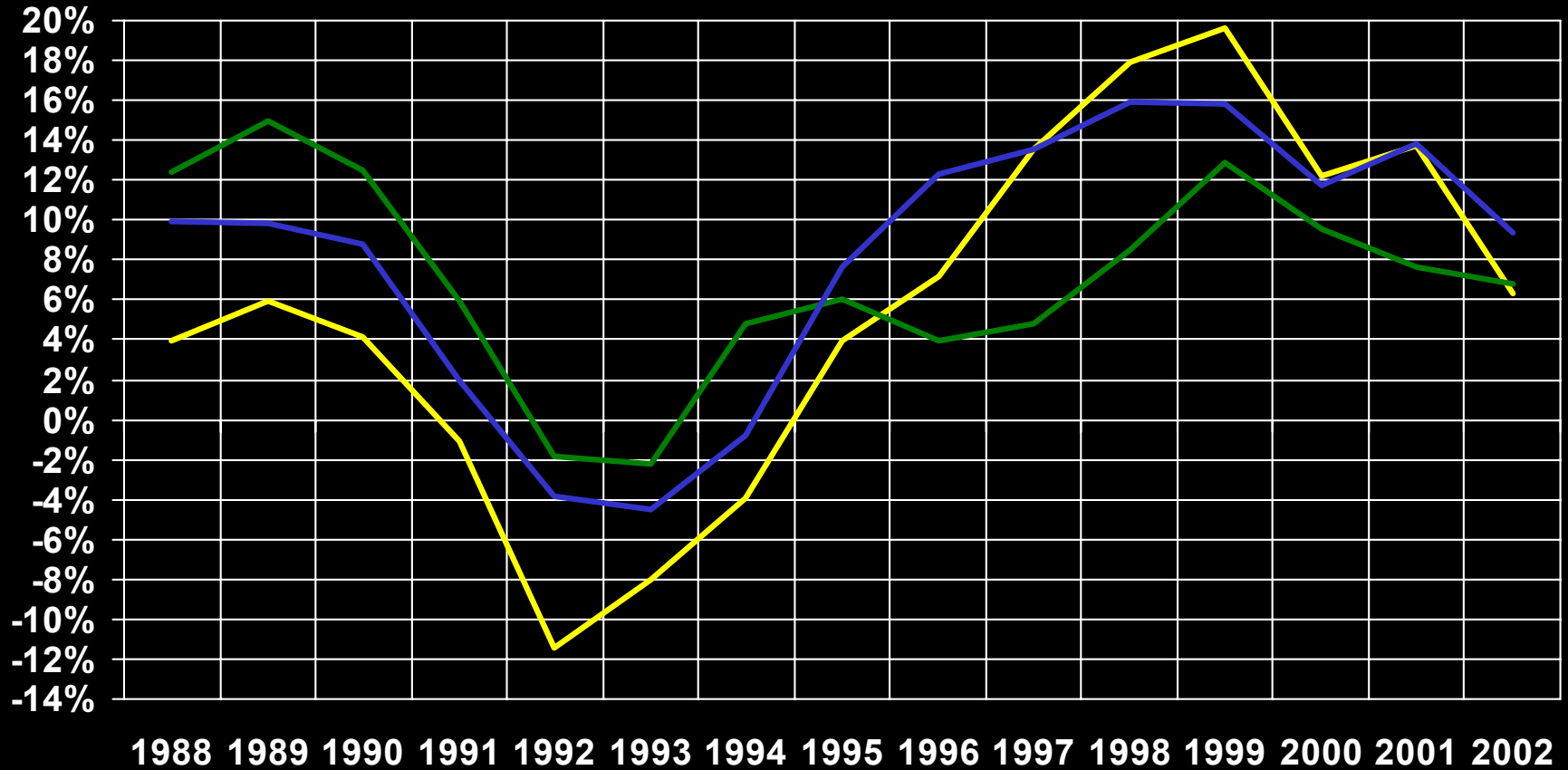
Denver Vacancy
MY 2002

- Office 21.6%
- Industrial 8.8%
- Retail 9.2%



Total Returns by Property Type

Rolling 12 month, Q1 2002



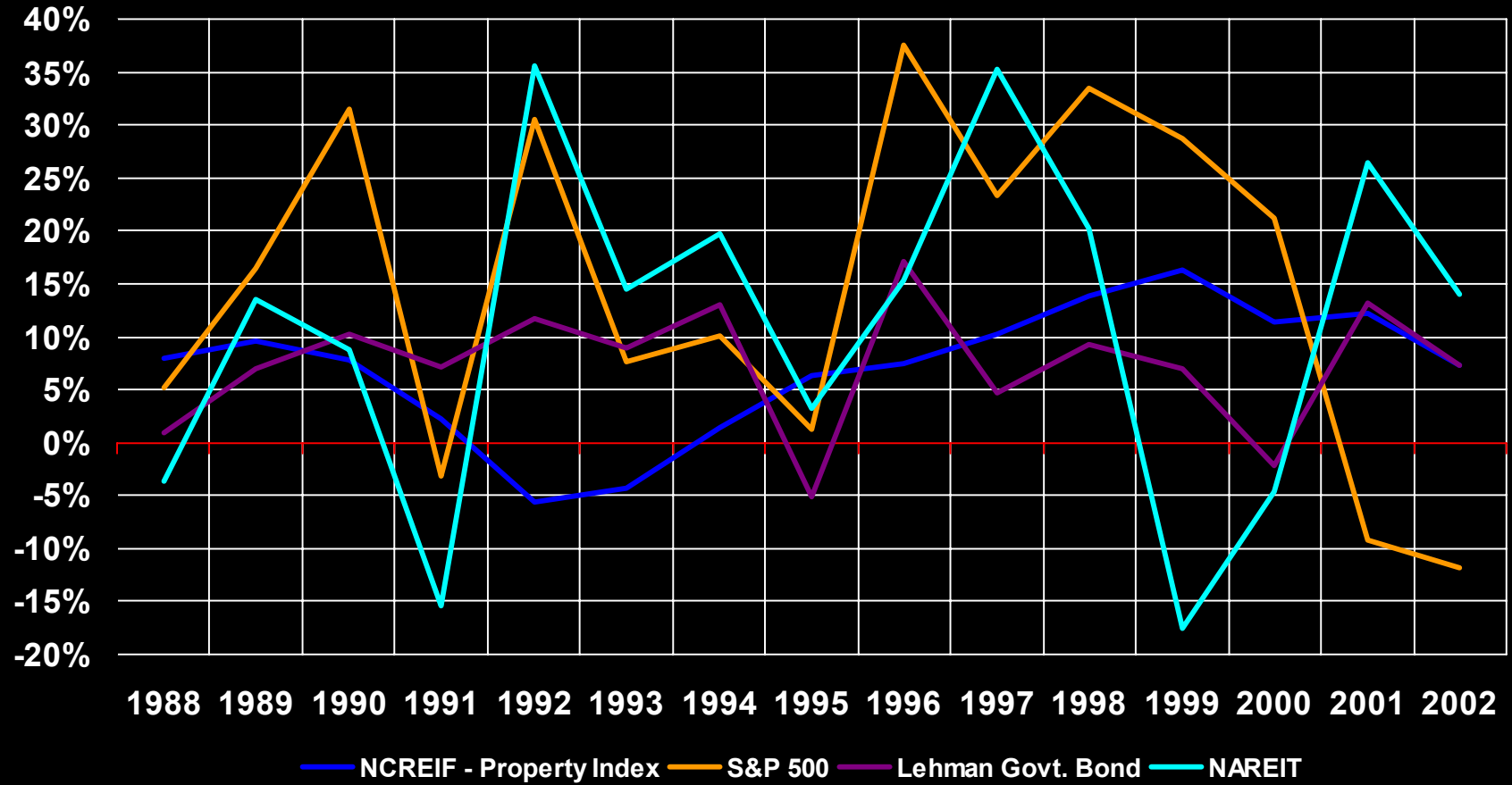
— Office — Retail — Industrial



Ross Research/NCREIF

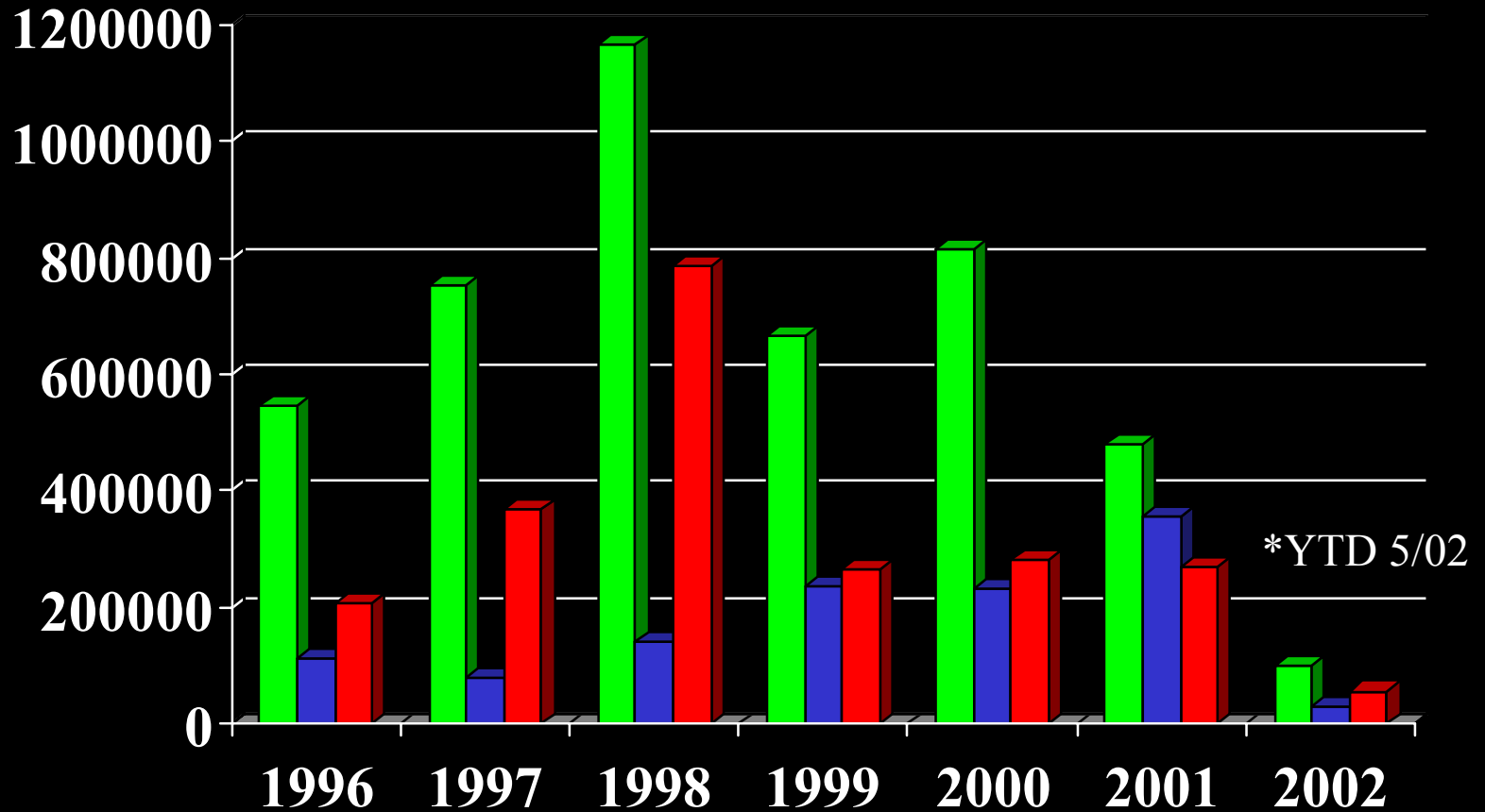
US Investment Returns Indices

YE Calendar Returns Q1 2002



Dollar Volume - Denver

By Product Type



Ross Research/COMPS

Office Industrial Retail

Current Investor Activity - National

Percent of Total Value

Private - Local	36%
Institutional	19%
Private - National	16%
REIT	15%
Foreign	6%



Current Investment Climate

- Large Amount of Capital Chasing Limited Opportunities
- Flight To Safety
- Common Sense Investing
- Upside Must be Other than Rental Growth
- Low Interest Rates - Low Cost to Hold
- Bid/Ask Gap



Recent Acquisition Strategy:

1. City Out-Performs US
2. Submarket Out-performs City
3. Building Out-performs Submarket



Investment Forecast

Investor Preferences:

- Stable, Credit Rent Rolls
- Low Re-leasing and Holding Costs
- Grocery Anchored Retail
- High-cube Industrial
- Apartments
- Niche Properties

Buyer Types:

- Private Investors
- Some Pension and REIT Activity

Activity Levels:

- Slow but Recovering - Based on Job Growth

