

TULSA'S MARKET UPDATE Multi-Family Market

Steve Ganzkow
Senior Vice President



 **AMERICAN RESIDENTIAL GROUP**

B.S. in Business Administration
The University of Tulsa
\$500 Million in Real Estate
Investment

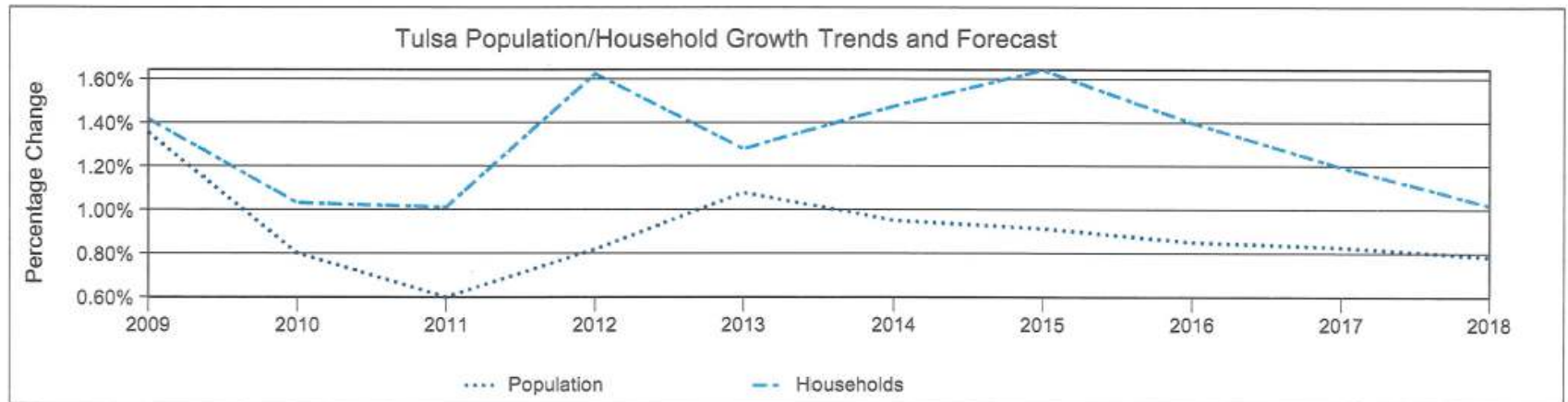
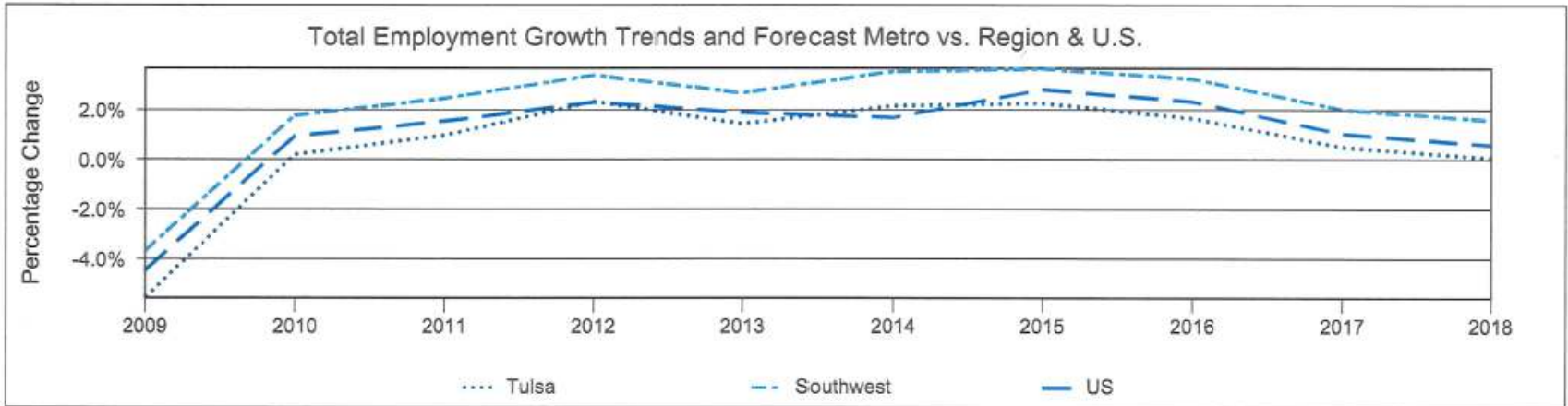
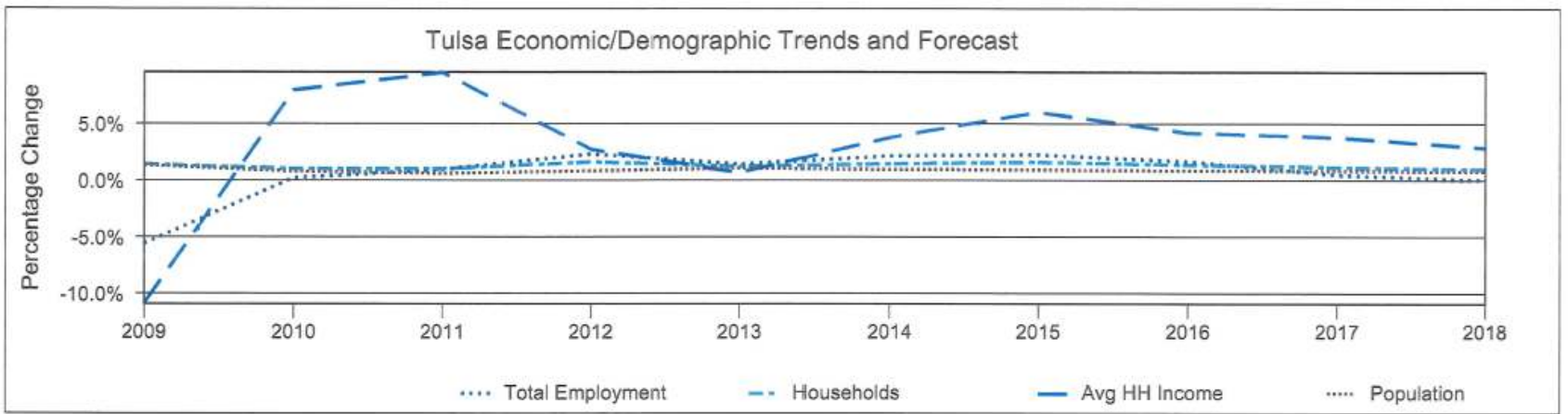
Tulsa Market Update-Multifamily



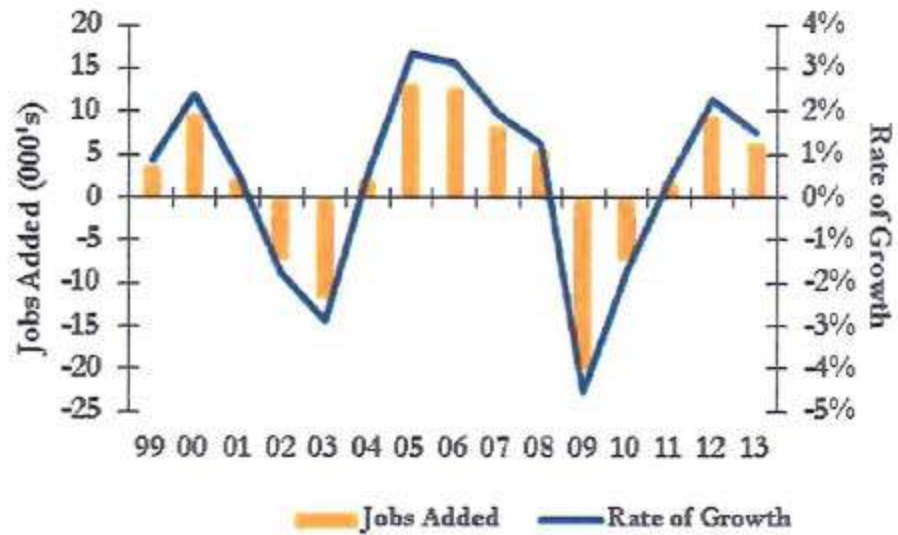
Steve Ganzkow
Sr. Vice President
American Residential Group

ECONOMIC CONDITIONS





Employment Growth:



Source: BLS



**Market
Conditions**



**NEW
CONSTRUCTION**

Building Permits Issued Annually in Tulsa (2000-2014)

	Single Family Units	Avg. Construction Cost	Multifamily Units	Avg. Multifamily Construction Cost
2000	632	\$152,260	220	\$51,061
2001	590	\$157,867	93	\$72,298
2002	444	\$158,466	372	\$106,028
2003	461	\$157,721	120	\$56,000
2004	519	\$176,690	0	N/A
2005	717	\$191,631	394	\$62,634
2006	699	\$241,565	2	\$227,000
2007	667	\$230,619	406	\$18,085
2008	436	\$245,265	394	\$95,587
2009	372	\$209,114	350	\$83,024
2010	335	\$227,614	111	\$115,950
2011	319	\$226,999	788	\$80,560
2012	577	\$198,431	594	\$92,278
2013	436	\$241,266	164	\$92,573
YTD 2014	291	\$258,648	651	\$77,133

Source: United States Census Bureau Building Permits Survey

Construction and Absorption

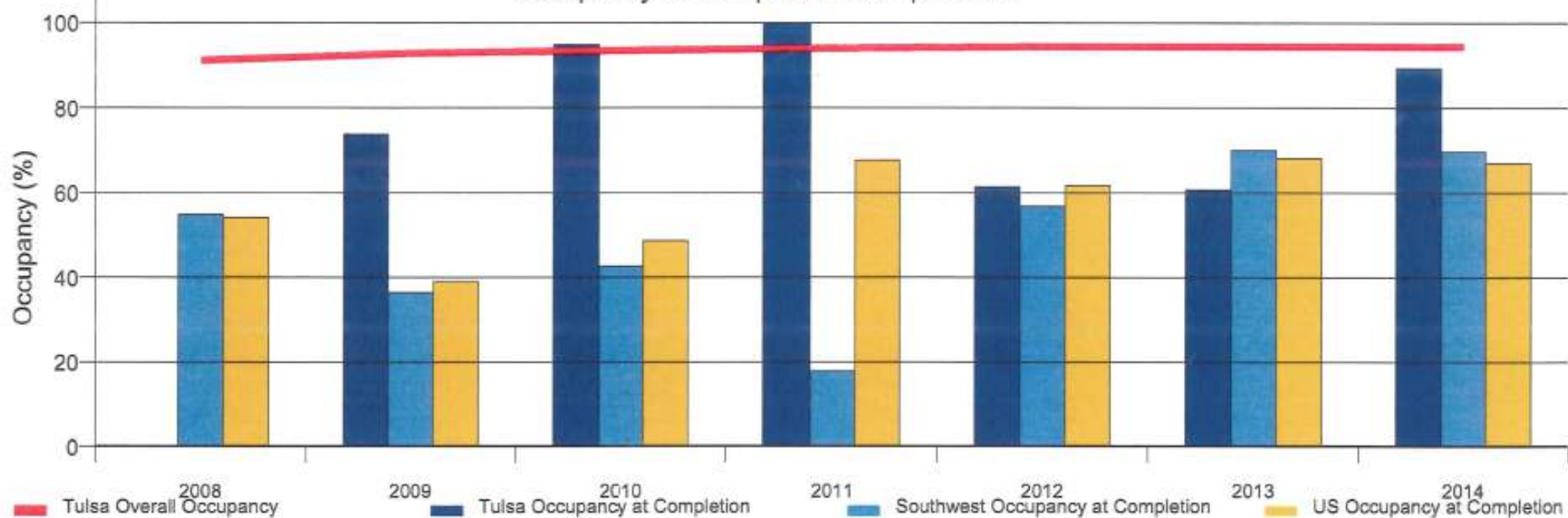
	Quarterly								
	3Q14			2Q14			YTD Avg		
	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio
Tulsa	0	172	0.0	0	109	0.0	144	207	0.7
Southwest	11,218	8,724	1.3	9,359	8,686	1.1	8,630	9,021	1.0
Average over period ending:	09/30/14	09/30/14	09/30/14	06/30/14	06/30/14	06/30/14	09/30/14	09/30/14	09/30/14

	Annualized								
	1 Year History			3 Year History			5 Year History		
	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio	Units Built	Units Absorbed	Con/Abs Ratio
Tulsa	662	914	0.7	702	1,248	0.6	748	887	0.8
Southwest	30,215	38,400	0.8	18,552	35,392	0.5	25,601	34,054	0.8
Average over period ending:	12/31/13	12/31/13	12/31/13	12/31/13	12/31/13	12/31/13	12/31/13	12/31/13	12/31/13

	Annualized		
	5 Year Forecast		
	Units Built	Units Absorbed	Con/Abs Ratio
Tulsa	615	587	1.1
Southwest	35,423	27,298	1.3
Average over period ending:	12/31/18	12/31/18	12/31/18



Occupancy at Completion Comparisons



Occupancy at Completion Comparisons

Properties Built in:	2008	2009	2010	2011	2012	2013	2014
Tulsa	n/a	73.8%	94.9%	100.0%	61.4%	60.7%	89.4%
Southwest	54.9%	36.4%	42.7%	17.8%	56.9%	70.0%	69.7%
United States	54.1%	39.0%	48.7%	67.7%	61.7%	68.1%	67.0%

*Occupation at completion is calculated for all properties completed during each individual calendar year



Stabilization Data

Construction Year:	2008	2009	2010	2011	2012	2013	2014 YTD
No. of Properties Tracked		4	2	1	6	2	3
Properties Stabilized 0-4 Quarters After Completion		3	2	1	4	1	1
Properties Stabilized 5-8 Quarters After Completion		1	0	0	2	0	0
Properties Stabilized 9-12 Quarters After Completion		0	0	0	0	0	0
Properties Stabilized 13+ Quarters After Completion		0	0	0	0	0	0
Properties That Have Not Yet Stabilized		0	0	0	0	1	2

Stabilization is reached when the average vacancy of the properties built in any given year equals or is less than the metro's average overall vacancy for the last five years. "0" in the Quarters After Completion chart above represents the vacancy at completion.

A dark blue rectangular graphic with a subtle, repeating pattern of the word 'INVESTMENT' in a lighter blue, semi-transparent font. Overlaid on this pattern is the text 'INVESTMENT SALES' in a bold, white, sans-serif font. The word 'INVESTMENT' is on the top line, and 'SALES' is on the bottom line, positioned towards the right side of the graphic.

**INVESTMENT
SALES**

ECONOMIC CONDITIONS



**NEW
CONSTRUCTION**

**INVESTMENT
SALES**