



## The EPMS *Shopping Report Performance Comparison* A Multifamily Industry Benchmark 2<sup>nd</sup> Quarter 2008

Welcome to our **Second Quarter, 2008 EPMS Quarterly *Shopping Report Performance Comparison***. Ellis, Partners in Mystery Shopping provides the multi-family industry with the most anticipated national leasing performance comparison among top rated companies. For over 24 years, you have placed your trust in EPMS to provide your company with the most factual information about the sales performance of your onsite leasing professionals.

The Dallas Chapter of the Society of Financial Service Professionals recently recognized our reputation for integrity. Ellis, Partners in Mystery Shopping was awarded the **2008 Greater Dallas Business Ethics Award** by that professional group. This organization recognizes local corporations that have made a commitment to ethical business practices and demonstrate this commitment in their everyday operations, management philosophy, and their response to crises and challenges. More information is provided at <http://www.gdbea.org>.

Market conditions continue to provide some sleepless nights in our industry. Yet, there seems to be relief ahead. According to the June 17, 2008 Marcus and Millichap *Apartment Overview and Outlook Investor Client Tele-Conference*, apartment vacancies are rising moderately due to weak employment and the “shadow” market competition. However, they firmly believe apartment fundamentals are sound and the current market lull is more of a recalibration, not a recession. National occupancy remains at 94% with an effective rent growth of 3.0% to 3.5%. Demand remains steady though rental rates do not justify new development in most markets. View the complete report at <http://www.reistartup.com/wp-content/uploads/2008/06/ApartmentMarketOverview0608.pdf>.

This shopping report comparison allows companies to compare their leasing performance to other national and regional operators. The standard by which this comparison is made is found in the ten leading and universal performance questions common to all telephone and in-person mystery shopping reports. By measuring the affirmative answers to these ten questions, we can rank participating companies on a fair, weighted and equal basis according to their average shopping report score. A minimum of 40 shops during the quarter is required in order to be included in “The Benchmark” comparison and thereby benefit from knowing exactly how your leasing team performance compares to that of other companies.

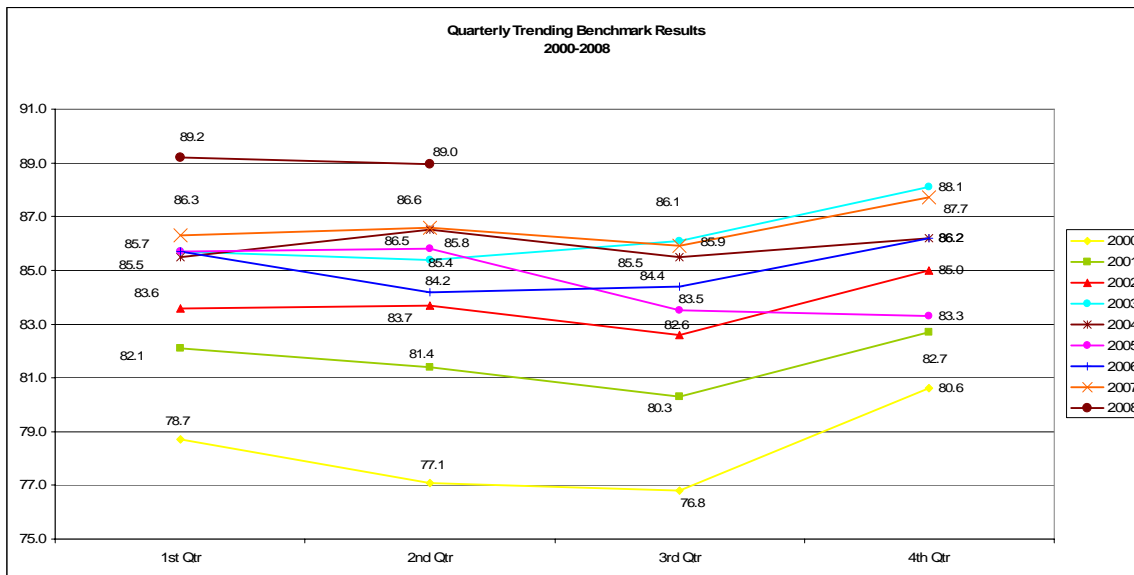
**39 Participating Companies Representing 4,872 Total Shops!** We extend many thanks to all of the current companies who contributed their shopping report data for the Second Quarter *Shopping Report Performance Comparison*. We welcome Mission Residential to the survey this quarter.

|                              |                             |                                |
|------------------------------|-----------------------------|--------------------------------|
| Alliance Residential Company | Drucker & Falk, LLC         | Mission Residential, LLC       |
| Amlis Residential            | E & S Ring Corporation      | Milestone Management           |
| Avalon Bay Communities, Inc. | Fairfield Residential       | Pinnacle Realty Management     |
| BH Management Services, Inc. | Fogelman Management Group   | Post Properties                |
| Bozzuto & Associates         | Gables Residential Services | RAM Partners, LLC              |
| BRE Properties               | Greystar Management         | Sequoia Equities               |
| Capreit                      | JPI                         | Simpson Property Group         |
| Capstone Real Estate         | Legacy Partners             | UDR, Inc.                      |
| Carmel Partners              | Lincoln Property Company    | Village Green Companies        |
| Colonial Properties Trust    | Lynd Company, The           | Waterton Residential           |
| The Connor Group             | Lyon Apartment Communities  | Weidner Investment Group       |
| CTL Management, Inc.         | Madison Apartment Group LP  | Western National Group         |
| CWS Apartment Homes          | Metric Property Management  | Zom Residential Services, Inc. |

**Performance in 2008 is proving to be the BEST EVER in the nine year history of the Benchmark. This quarter’s participating companies achieved an average Benchmark score of 88.96%.** This score is just shy of the record high score in the first quarter of this year. The top five finishers in this quarter’s contest had an overall average score of 94.6%. NOTE: Participation totals vary depending upon each company’s shopping cycle.

| 2 <sup>nd</sup> Quarter      | Overall Average | Company Score – Average Ranges |       | Total Shops |
|------------------------------|-----------------|--------------------------------|-------|-------------|
|                              |                 | High                           | Low   |             |
| 2 <sup>nd</sup> Quarter 2008 | 89.0%           | 96.5%                          | 71.6% | 4,872       |
| 2 <sup>nd</sup> Quarter 2007 | 86.6%           | 95.3%                          | 74.0% | 5,813       |
| 2 <sup>nd</sup> Quarter 2006 | 84.2%           | 94.3%                          | 74.6% | 4,784       |
| 2 <sup>nd</sup> Quarter 2005 | 85.8%           | 94.6%                          | 74.3% | 5,288       |
| 2 <sup>nd</sup> Quarter 2004 | 86.5%           | 93.2%                          | 73.2% | 4,862       |
| 2 <sup>nd</sup> Quarter 2003 | 85.4%           | 92.8%                          | 70.0% | 4,408       |
| 2 <sup>nd</sup> Quarter 2002 | 83.7%           | 89.7%                          | 73.0% | 2,465       |
| 2 <sup>nd</sup> Quarter 2001 | 81.4%           | 90.8%                          | 67.2% | 1,921       |
| 2 <sup>nd</sup> Quarter 2000 | 77.1%           | 84.3%                          | 43.3% | 1,356       |

Consistency and focus are two words that we continue to hear from our top performers, and this quarter’s scores are reflective of this dedication to constant improvement. At this pace, this will be a record setting year for the participants in the Benchmark. As in the first quarter 2008, the second quarter scores are more than 2% greater than this same time last year. Taking into account the number of shops that are included in this average score, this is really an outstanding achievement.



**Gables Residential Earns the #1 Spot for the thirteenth time!** With an average score of 96.53%, the team at Gables has improved on their best score ever! This score is also now the second highest company average in Benchmark history. Jana Muma, Vice President, Learning and Development, had this to say:

*“The commitment across the entire company to have the best sales team in the industry is certainly reflected in these results. I am proud to be part of a team that consistently performs above and beyond. Congratulations to all of our associates; you should be very proud of your continued outstanding performance.”*

**Carmel Partners takes Second Place for the third straight quarter with an overall average of 95.08%.** Kate Grasso, Director of Training and Development, offered sincere congratulations to her associates, “We are extremely excited to have achieved second place for the third time in a row. At Carmel Partners, management and on-site associates alike are always focused and dedicated to reaching the goal of top leasing performance. Our associates will continue to be recognized and rewarded for their accomplishments and for helping Carmel Partners be among the best in the industry.”

**Lincoln Property Company, which continues to keep pace as a top performer, has taken the third place spot this quarter with an average score of 94.28%.** “We’re very appreciative of our associates who are dedicated to providing our customers with a great sales presentation. Our leasing performance numbers are a direct reflection of these terrific scores!” reports Jennifer Staciokas, Vice President, Marketing & Training.

Two new names round out the top five this quarter, **BRE Properties** and **ZOM Residential Services**. **BRE Properties placed fourth this quarter with an average score of 93.68%.** “We are proud of our sales teams and very excited about the second quarter results. It takes commitment, passion and that extra degree of effort to create high performance sales results. Training, focus and recognition all come together to create rewarding opportunities for our company, associates and customers,” says Debra A. Van Cleve, Vice President, Associate Learning &. This is the first top five finish for BRE, and as Debra explained in our discussions with her, “We set this goal and tackled it with a ‘whatever it takes’ attitude.”

**At the fifth position is ZOM Residential Services, Inc. with an average score of 93.57%.** Luanne McNulty, Assistant Vice President, said, *"We are honored to be recognized on the Second Quarter 2008 Benchmark Report. The Ellis Shopping Program is the backbone of our leasing training. This program, coupled with our exceptional people and healthy company culture, make for superior on-site teams. This winning combination translates to happy residents and owners."*

#### **PERFORMANCE IMPROVEMENT PROGRAMS - EMPLOYEE RECOGNITION**

Over the course of the second quarter, we have gathered information from many of the participating companies regarding their specific reward/recognition programs as they relate to the Benchmark and their mystery shopping programs. The information is attached to this quarter's letter as a supplement. Because the focus of this quarter's report is about rewards and recognition, we have researched the psychology behind successful reward programs and why most companies find this to be a benefit to sustaining or improving performance.

Most people would agree that in any work environment there is an economic and a psychological contract between employee and employer. The economic transaction of pay is why most of us go to work; however, it is often the psychological aspect that drives us to be dedicated and engaged employees. Meeting the psychological needs of employees can improve not just performance but also loyalty and retention. The practice of praising employees can also have a positive impact on the kind of people your company attracts. By reviewing the various reward programs in the supplemental report, it is apparent that a recognition program does not have to be expensive as long as it is fair, highly visible, and consistent.

Leaders who recognize and reward desired behaviors will more likely create an environment that perpetuates such performance. It is important to define and categorize success and celebrate when team members meet those lofty standards. This is more than just a theory for a great number of our participating companies. Our customers report that the reward and recognition programs, if appropriately administered, are the foundation of exceptional sales and customer service performance.

**Jana Muma** explained it best when she said, *"We set the expectations from the day someone is hired. We hold them accountable, and we reward them fairly. It's part of our company culture."* This is a critical component to a successful performance improvement program, and given Gables' track record for first place finishes, it seems to be working. In fact, all of this quarter's top five companies indicated that their new hire programs include a thorough review of expectations and rewards for top leasing performers. Most use the mystery shop as a key indicator of their success.

Whether it is a weekly e-mail blast or a monthly "shop talk" call, constant communication about the goals, recognition of performance, and an open discussion of the challenges play an integral role in many programs. **Debra Van Cleve** calls it 'marketing the program'. Many of the leaders who shared their views for this report, expressed great passion for communicating the message, whatever that message might be. This is not just a means for keeping a team motivated and focused; it is also the way that these companies help their sales professionals regroup when performance is not stellar. Marketing and training personnel dissect the shopping reports as soon as the scores start rolling in so that they can immediately address and influence leasing efforts. This quick response improves shopping scores and increases leasing performance overall. The result is more rental prospects moving into apartments.

Successful reward programs acknowledge that the remuneration is as much about peer and supervisor recognition as it is monetary reward. Apparently, the adage, "everyone loves to hear their own name" rings very true. Most companies use a combination of email and newsletters to announce their organization's top leasing associates. Others recognize these individuals at special award ceremonies or national meetings. One executive told us that the top 10 sales people get invited to the company's annual leadership conference. *"It's a very prestigious invitation, and I hear these sales professionals boasting about it. I know it is a motivation for performing well."* The friendly competition created by many recognition programs stems from the power of appreciation and acknowledgement.

The current reward practices of many of the top five Benchmark finishers have been in place for years, but like anything else in business, it is important to evaluate the program to ensure it remains viable and effective. If a current reward strategy is not driving improvement in leasing performance, then it is likely time to rethink the plan. This is exactly what one of our long time Benchmark participants recently did. The previous program was geared toward high dollar rewards for outstanding individual performance. A leasing associate who earned a perfect shop could make as much as \$1,000. *"The push from the corporate level was huge, and our focus on improving our scores was tremendous,"* said one training executive. The program worked for a while as shopping scores improved by nearly 10% during this time. However, after a while the leasing performance seemed to hit a plateau, and the high dollar reward program was not having the same impact as it had in its initial stages. The company took note and began a thorough analysis of every aspect of how their sales professionals were motivated. They created a program that was a more teamwork-based recognition approach with smaller, more frequent contests. This reenergized management and primarily "Millennial" leasing teams. *"What has not changed is that all recognition and rewards are driven from the top down. It starts with the COO and the buy in of the entire executive team. It's been a great learning experience and we're prepared to do it again when necessary."*

Improving overall leasing performance is the objective of the reward programs that we researched. All marketing and training executives for this quarter's letter agree: the key to successful and motivating recognition programs is setting the goal, measuring performance, and then cheering the successes. **Rob Rector, Learning and Development Director for Gables Residential** summed it up this way, *"These programs push our associates to perform at the highest sales level. It is not just about a score on a page or to be the company top performer. Rather, it is about whether or not we can sell apartments better than our competitors!"*

**SPECIAL INSERT** – Do not miss the attached *Shopping Report Reward Programs* survey to read how over 37 apartment industry leaders use training, mystery shopping, and performance metrics to motivate, recognize, and reward team members.

Thank you for your participation in the quarterly survey. We appreciate the feedback that you provide to make this report informative and a reliable resource to fellow industry peers. We hope you will find Ellis, Partners in Mystery Shopping to be not only the finest source for mystery shopping but also a training resource for your organization. Additional support and information can be found in "Resources" offered on our website, [www.epmsonline.com](http://www.epmsonline.com).

Sincerely,

*Joanna Ellis*

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Enclosure

**SHOPPING REPORT REWARD PROGRAMS**

|           | <b>Reward Qualifying Requirements</b>                                       | <b>Reward</b>   | <b>Additional Incentives</b>   | <b>Minimum Score Expectation</b> |
|-----------|---|---|--|----------------------------------|
| Company A | * Score of 85% (and above) in each category                                 | ~ \$200, certificate and lapel pin  | ~ 100% on benchmark = \$100<br>~ Close 3x, including request for deposit = free day off  | 85%                              |
| Company B | * Overall Score of 100%   | ~ \$100 - \$200 (varies by region)  | ~ Quarterly lunch for 100% winners   | None                             |
| Company C | * Overall Score of 90% (and above)  | ~ \$200   | ~ Annual contest: For each community with highest shopping score average, every professional receives \$200 and free day off<br>~ Newsletter recognition   | 90%                              |
| Company D | * 100% telephone  | ~ \$50  | ~ None   | 70%                              |
|           | * 100% onsite   | ~ \$50  |  |                                  |
|           | * 100% benchmark  | ~ \$50  |  |                                  |
|           | * 99% - 95% telephone   | ~ \$25  |  |                                  |
|           | * 99% - 95% onsite  | ~ \$25  |  |                                  |
| Company E | * 100% telephone  | ~ \$100   | ~ Additional \$100 to \$200 (region based decision)  | 71%                              |
|           | * 100% onsite   | ~ \$100   | ~ Additional \$100 to \$200 (region based decision)  |                                  |
| Company F | * Overall Score of 85% (and above)  | ~ \$100 Visa card   | ~ Occasional quarterly contest with overall score of 95% (and above) = \$200 Visa card   | 85%                              |
| Company G | * Overall Score of 100%   | ~ \$300   | ~ None   | 70%                              |
|           | * Overall Score of 99% - 98%  | ~ \$200   |  |                                  |
|           | * Overall Score of 97% - 96%  | ~ \$100   |  |                                  |
| Company H | * 100% Telephone  | ~ \$50  | ~ None   | 85%                              |
|           | * 100% Onsite   | ~ \$100   |  |                                  |
| Company I | * Overall Score of 100%   | ~ \$100   | ~ Overall scores of 95% on 2 telephone and/or onsite scores within 1 year = admittance to "Club", a lapel pin, certificate and newsletter recognition  | None                             |
| Company J | * 100% on telephone or onsite   | ~ \$50 personally delivered by regional   | ~ None   | 79%                              |
| Company K | * Overall Score of 100% - 95% plus 100% on benchmark                        | ~ \$500   | ~ Community's shopping report results impact the management assessment   | 80%                              |
|           | * Overall Score range of 94% - 90% plus 100% on benchmark                   | ~ \$250   |  |                                  |
| Company L | * Overall Score of 100% to 80%  | ~ Biweekly eblast recognition   | ~ None   | 80%                              |
| Company M | * Overall Score of 100% - 95%   | ~ \$100 and lapel pin   | ~ Letter from Executive Vice President<br>~ Top 10 (for year) performers attend annual conference  | 90%                              |
| Company N | * Overall Score of 100%   | ~ \$150 and certificate   | ~ Overall Scores of 95% (and above) invited to lunch   | 76%                              |
| Company O | * 100% telephone  | ~ Escalating increase (\$100 - \$250) in shopping bonus quarter after quarter                                 | ~ Quarterly contest for overall score of 100% enters professional into a drawing for \$300, a free day off and lunch with property and Regional<br>~ 100% on the telephone and/or onsite receives recognition letter from President and Director of Training | 87%                              |
|           | * 99% - 95% telephone   | ~ Escalating increase (\$50 - \$95) in shopping bonus quarter after quarter                                   |  |                                  |
|           | * 100% onsite   | ~ Escalating increase (\$150 - \$450) in shopping bonus quarter after quarter                                 |  |                                  |
|           | * 99% - 95% onsite  | ~ Escalating increase (\$75 - \$150) in shopping bonus quarter after quarter                                  |  |                                  |
| Company P | * Overall Score of 90% (and above) plus "yes" to company specific questions | ~ Crystal item  | ~ Biannually award breakfasts  | 81%                              |
| Company Q | * Overall Score of 100% (video shop)  | ~ \$1,000   | ~ 100% on benchmark questions = no bonus on video shop   | 84%                              |
|           | * Overall Score of 100%   | ~ \$100   | ~ 100% on benchmark questions = \$500  |                                  |
|           | * Overall Score of 99% - 95%  | ~ \$75  | ~ 100% on benchmark questions = \$500  |                                  |
|           | * Overall Score of 94% - 90%  | ~ \$50  | ~ 100% on benchmark questions = \$500  |                                  |
| Company R | * Overall Score of 100% plus ask for deposit                                | ~ \$250, 125% of lease commission, special prize and entry into quarterly drawing, letter and dinner with COO | ~ Overall Score of 95% (and above) = admittance to "Club"  | 80%                              |
|           | * Overall Score of 95% plus ask for deposit                                 | ~ 125% of lease commission plus special prize and entry into quarterly drawing                                | ~ Quarterly Drawing = gifts that vary from a trip for two, two airline tickets, plasma TV, free day off and \$100, \$750 gift card, etc.   |                                  |
|           | * Overall Score of 90% plus ask for deposit                                 | ~ 100% of lease commission and special prize  | ~ Special Prizes = \$25, \$50, IPOD, etc.  |                                  |
| Company S | * Overall Score of 100%   | ~ \$250   | ~ None   | 70%                              |
|           | * Overall Score of 99% - 96%  | ~ \$150   |  |                                  |
| Company T | * Overall Score of 90% (and above)  | ~ Certificate and marble star   | ~ Highest shop score for month = \$100, certificate, and trophy<br>~ 92% (and above) qualifies professional for "Club"   | 76%                              |
| Company U | * Overall Score of 100% - 92% plus 100% on benchmark                        | ~ Escalating bonus based on shop %, ranging from \$100 to \$180   | ~ Quarterly luncheon for "Club" professionals<br>~ Recognition at annual conference<br>~ Recognition in newsletter   | 80%                              |

**SHOPPING REPORT REWARD PROGRAMS**

|            | <b>Reward Qualifying Requirements</b>  | <b>Reward</b>  | <b>Additional Incentives</b>   | <b>Minimum Score Expectation</b> |
|------------|--|--|--|----------------------------------|
| Company V  | * Overall Score of 98% (and above), 100% on benchmark and follow up by telephone or in writing | ~ \$150 American Express gift card   | ~ Recognition at quarterly program   | 84%                              |
| Company W  | * Overall Score of 98% (and above) and 100% on benchmark                                       | ~ \$175 and \$25 to each staff member including maintenance, house keeping, etc.   | ~ Quarterly drawing for NAA or brainstorming for highest score<br><br>~ Recognition from President, certificate, honor roll, and annual conference<br><br>~ Quarterly region award and recognition at annual meeting   | 70%                              |
|            | * Overall Score of 98% (and above) and 100% on benchmark                                       | ~ \$125 and \$25 to each staff member including maintenance, house keeping, etc.   |  |                                  |
|            | * Overall Score of 95% (and above) and 100% on benchmark                                       | ~ \$125  |  |                                  |
|            | * Overall Score of 95% (and above)   | ~ \$100  |  |                                  |
|            | * Overall Score of 94% - 84% plus 100% on benchmark  | ~ \$75   |  |                                  |
|            | * Overall Score of 94% to 84%  | ~ \$50   |  |                                  |
| Company X  | * Overall Score of 95% (and above)   | ~ \$100  | ~ Overall Score of 98% (and above) = professional entered in a drawing for additional \$500<br>~ Newsletter recognition  | 80%                              |
| Company Y  | * Overall Score of 100% on telephone and onsite  | ~ \$100 lease commission plus \$300  | ~ Occasional contests which vary by region (i.e., shopping spree, ipods, iphone, etc.)<br>~ Top 10 leasing performers in company (never failing any section of the shop and meeting the minimum requirements) receive \$1000 plus attendance to national meeting, attendance to national industry event and diamond pin<br>~ Some of the Regional and Trainer bonuses are tied to their region's quarterly shop averages | 80%                              |
|            | * Overall Score of 99% - 90% on telephone and onsite   | ~ \$55 average lease commission  |  |                                  |
| Company Z  | * Overall Score of 100%  | ~ \$200  | ~ Close 3x, including request for deposit and 90% in each shop category = \$100  | 76%                              |
|            | * Overall Score of 99% - 90%   | ~ Score = Reward (i.e., 91% tele and 91% onsite = \$182)   |  |                                  |
| Company AA | * 100% telephone   | ~ \$100 and shopper of month cube  | ~ Occasional monthly contest: Close 3x, including request for deposit = free half a day off<br>~ Biannual awards and recognition programs  | 85%                              |
|            | * 100% onsite and 100% on benchmark  | ~ \$100 and opportunity for shopper of month cube  |  |                                  |
| Company AB | * Overall Score of 100%  | ~ \$100 or \$100 gift from Tiffanys plus admittance to "Club"  | ~ Newsletter recognition   | 80%                              |
|            | * Overall Score of 99% - 90%   | ~ Certificate and admittance to 90's "Club"  |  |                                  |
| Company AC | * Score of 92% (and above) in each category  | ~ \$500 quarterly bonus pool split b/w all shopped if 92% scored in each category; bonus pool forfeited if any shop does not achieve 92% (Note: Each property shopped 2x per quarter.) | ~ Additional \$100 for each onsite agent for 100% shop score   | 92%                              |
| Company AD | * 100% - 95% telephone   | ~ \$50   | ~ Email recognition  | 80%                              |
|            | * 100% - 95% onsite  | ~ \$75   |  |                                  |
| Company AE | * Overall Score of 100%  | ~ Tiffany bracelet or Brookstone gift certificate  | ~ Quarterly newsletter recognition   | 85%                              |
|            | * Overall Score of 99% - 90%   | ~ \$50   |  |                                  |
| Company AF | * Overall Score of 100% on benchmark   | ~ \$100  | ~ Email recognition  | 90% on benchmark                 |
| Company AG | * Overall Score of 90% (and above) on telephone and onsite                                     | ~ Escalating increase (\$100 - \$500) in shopping bonus quarter after quarter  | ~ Email recognition from Senior Vice President<br>~ Occasional contests = \$100 gift card  | 80%                              |
| Company AH | * Overall Score of 100%  | ~ \$125 gift card  | ~ If 100% received more than 1x, \$125 increases to \$150<br>~ Email recognition<br>~ Biannually Lunch and recognition   | 85%                              |
|            | * Overall Score of 99% to 96%  | ~ \$100 gift card  |  |                                  |
|            | * Overall Score of 95% to 90%  | ~ \$75 gift card   |  |                                  |
| Company AI | * 100% - 90% telephone   | ~ \$100  | ~ If same professional score 90% and above on telephone and onsite = \$50  | 70%                              |
|            | * 100% - 90% onsite  | ~ \$100  |  |                                  |
| Company AJ | * Overall Score of 100% and 100% on benchmark  | ~ \$200 and free half day off  | ~ None   | 70%                              |
| Company AK | * Overall Score of 100%  | ~ \$500  | ~ None   | 85%                              |
|            | * Overall Score of 99% to 95%  | ~ \$250  |  |                                  |



**SHOPPING REPORT PERFORMANCE COMPARISON®  
MULTIFAMILY INDUSTRY BENCHMARK  
SECOND QUARTER, 2008**

|                                       | TELEPHONE PRESENTATION |                  | ON-SITE PRESENTATION |                         |                        |                |                       |                    |                 |                  | CLIENT OVERALL AVERAGE |
|---------------------------------------|------------------------|------------------|----------------------|-------------------------|------------------------|----------------|-----------------------|--------------------|-----------------|------------------|------------------------|
|                                       | Q1                     | Q2               | Q3                   | Q4                      | Q5                     | Q6             | Q7                    | Q8                 | Q9              | Q10              |                        |
|                                       | Set Appointment        | Telephone Number | First Impression     | Identify Specific Needs | Discuss/ Show Property | Apt. Condition | Feature/ Benefit Sell | Overcome Objection | Ask for Deposit | Lease from Agent |                        |
| <b>QUESTION OVERALL AVERAGE</b>       | <b>89.70%</b>          | <b>80.48%</b>    | <b>93.43%</b>        | <b>89.96%</b>           | <b>93.64%</b>          | <b>95.10%</b>  | <b>93.78%</b>         | <b>94.81%</b>      | <b>70.94%</b>   | <b>88.34%</b>    | <b>89.02%</b>          |
| <b>Gables Residential</b>             | 98.20%                 | 92.81%           | 97.31%               | 97.01%                  | 98.20%                 | 98.50%         | 99.10%                | 97.31%             | 93.41%          | 93.41%           | <b>96.53%</b>          |
| <b>Carmel Partners</b>                | 93.22%                 | 91.53%           | 94.07%               | 100.00%                 | 99.15%                 | 98.31%         | 98.31%                | 96.61%             | 84.75%          | 94.92%           | <b>95.08%</b>          |
| <b>Lincoln Property Company</b>       | 97.69%                 | 89.52%           | 97.27%               | 96.02%                  | 90.78%                 | 95.39%         | 99.79%                | 97.90%             | 84.91%          | 93.50%           | <b>94.28%</b>          |
| <b>BRE Properties</b>                 | 100.00%                | 100.00%          | 95.59%               | 91.18%                  | 94.12%                 | 100.00%        | 92.65%                | 97.06%             | 72.06%          | 94.12%           | <b>93.68%</b>          |
| <b>ZOM Residential Services, Inc.</b> | 92.86%                 | 82.14%           | 98.21%               | 87.50%                  | 98.21%                 | 100.00%        | 96.43%                | 98.21%             | 85.71%          | 96.43%           | <b>93.57%</b>          |
| <b>CLIENT 6</b>                       | 93.86%                 | 83.33%           | 93.86%               | 92.98%                  | 99.12%                 | 98.25%         | 96.49%                | 98.25%             | 81.58%          | 93.86%           | <b>93.16%</b>          |
| <b>CLIENT 7</b>                       | 97.36%                 | 85.02%           | 96.04%               | 91.19%                  | 97.80%                 | 97.36%         | 96.92%                | 96.92%             | 77.97%          | 93.39%           | <b>93.00%</b>          |
| <b>CLIENT 8</b>                       | 96.49%                 | 86.84%           | 93.86%               | 97.37%                  | 93.86%                 | 95.61%         | 96.49%                | 96.49%             | 79.82%          | 90.35%           | <b>92.72%</b>          |
| <b>CLIENT 9</b>                       | 94.37%                 | 80.75%           | 94.84%               | 93.43%                  | 99.06%                 | 95.31%         | 92.96%                | 97.18%             | 86.38%          | 89.20%           | <b>92.35%</b>          |
| <b>CLIENT 10</b>                      | 91.84%                 | 91.84%           | 100.00%              | 93.88%                  | 91.84%                 | 97.96%         | 95.92%                | 93.88%             | 71.43%          | 93.88%           | <b>92.24%</b>          |
| <b>CLIENT 11</b>                      | 93.10%                 | 91.38%           | 89.66%               | 91.38%                  | 98.28%                 | 98.28%         | 91.38%                | 91.38%             | 81.03%          | 93.10%           | <b>91.90%</b>          |
| <b>CLIENT 12</b>                      | 94.19%                 | 70.97%           | 96.13%               | 93.55%                  | 97.42%                 | 98.06%         | 98.06%                | 100.00%            | 72.90%          | 96.77%           | <b>91.81%</b>          |
| <b>CLIENT 13</b>                      | 91.26%                 | 85.11%           | 93.53%               | 92.23%                  | 97.41%                 | 97.09%         | 94.17%                | 94.17%             | 80.26%          | 92.56%           | <b>91.78%</b>          |
| <b>CLIENT 14</b>                      | 95.74%                 | 82.98%           | 93.62%               | 100.00%                 | 97.87%                 | 78.72%         | 100.00%               | 97.87%             | 74.47%          | 95.74%           | <b>91.70%</b>          |
| <b>CLIENT 15</b>                      | 97.92%                 | 91.67%           | 97.92%               | 79.17%                  | 95.83%                 | 95.83%         | 97.92%                | 93.75%             | 79.17%          | 87.50%           | <b>91.67%</b>          |
| <b>CLIENT 16</b>                      | 92.23%                 | 84.97%           | 96.89%               | 91.19%                  | 94.30%                 | 98.96%         | 94.30%                | 96.37%             | 71.50%          | 92.75%           | <b>91.35%</b>          |
| <b>CLIENT 17</b>                      | 98.33%                 | 70.83%           | 95.00%               | 93.33%                  | 94.17%                 | 96.67%         | 97.50%                | 96.67%             | 62.50%          | 94.17%           | <b>89.92%</b>          |
| <b>CLIENT 18</b>                      | 95.71%                 | 77.14%           | 94.29%               | 92.86%                  | 100.00%                | 94.29%         | 95.71%                | 92.86%             | 65.71%          | 90.00%           | <b>89.86%</b>          |
| <b>CLIENT 19</b>                      | 89.57%                 | 77.39%           | 95.65%               | 87.83%                  | 96.52%                 | 94.78%         | 93.04%                | 95.65%             | 75.65%          | 90.43%           | <b>89.65%</b>          |

**Participating Companies**

|                              |                            |
|------------------------------|----------------------------|
| Alliance Residential Company | Legacy Partners            |
| Amlis Residential            | Lincoln Property Company   |
| AvalonBay Communities, Inc.  | Lynd Company, The          |
| BH Management Services, Inc. | Lyon Apartment Communities |
| Bozzuto & Associates         | Madison Apartment Group LP |
| BRE Properties               | Metric Property Management |
| Capreit                      | Milestone Management       |
| Capstone Real Estate         | Mission Residential, LLC   |
| Carmel Partners              | Pinnacle Realty Management |
| Colonial Properties Trust    | Post Properties            |
| The Connor Group             | RAM Partners, LLC          |
| CTL Management, Inc.         | Sequoia Equities           |
| CWS Apartment Homes          | Simpson Property Group     |
| Drucker & Falk, LLC          | UDR, Inc.                  |
| E & S Ring Corporation       | Village Green Companies    |
| Fairfield Residential        | Waterton Residential       |
| Fogelman Management Group    | Weidner Apartment Homes    |
| Gables Residential Services  | Western National Group     |
| Greystar Management          | ZOM Residential            |
| JPI                          |                            |

\* Representing 4,872 shopping reports

**Benchmark 1st Place Company**  
**Gables Residential Services**  
**Jana Muma - Vice President, Learning and Development**

*“The commitment across the entire company to have the best sales team in the industry is certainly reflected in these results. I am proud to be part of a team that consistently performs above and beyond. Congratulations to all of our associates; you should be very proud of your continued outstanding performance.”*



**SHOPPING REPORT PERFORMANCE COMPARISON®  
MULTIFAMILY INDUSTRY BENCHMARK  
SECOND QUARTER, 2008**

|                                 | TELEPHONE PRESENTATION |                  | ON-SITE PRESENTATION |                         |                        |                |                       |                    |                 |                  | CLIENT OVERALL AVERAGE |
|---------------------------------|------------------------|------------------|----------------------|-------------------------|------------------------|----------------|-----------------------|--------------------|-----------------|------------------|------------------------|
|                                 | Q1                     | Q2               | Q3                   | Q4                      | Q5                     | Q6             | Q7                    | Q8                 | Q9              | Q10              |                        |
|                                 | Set Appointment        | Telephone Number | First Impression     | Identify Specific Needs | Discuss/ Show Property | Apt. Condition | Feature/ Benefit Sell | Overcome Objection | Ask for Deposit | Lease from Agent |                        |
| <b>QUESTION OVERALL AVERAGE</b> | <b>89.70%</b>          | <b>80.48%</b>    | <b>93.43%</b>        | <b>89.96%</b>           | <b>93.64%</b>          | <b>95.10%</b>  | <b>93.78%</b>         | <b>94.81%</b>      | <b>70.94%</b>   | <b>88.34%</b>    | <b>89.02%</b>          |
| CLIENT 20                       | 95.37%                 | 75.93%           | 94.44%               | 88.89%                  | 95.37%                 | 96.30%         | 95.37%                | 96.30%             | 67.59%          | 87.96%           | <b>89.35%</b>          |
| CLIENT 21                       | 94.00%                 | 86.00%           | 92.00%               | 94.00%                  | 92.00%                 | 94.00%         | 86.00%                | 94.00%             | 78.00%          | 82.00%           | <b>89.20%</b>          |
| CLIENT 22                       | 89.16%                 | 68.67%           | 95.78%               | 93.37%                  | 96.39%                 | 98.19%         | 94.58%                | 90.36%             | 72.29%          | 88.55%           | <b>88.73%</b>          |
| CLIENT 23                       | 85.83%                 | 87.40%           | 92.13%               | 91.34%                  | 91.34%                 | 95.28%         | 89.76%                | 96.85%             | 66.14%          | 87.40%           | <b>88.35%</b>          |
| CLIENT 24                       | 88.31%                 | 81.17%           | 96.10%               | 86.36%                  | 94.81%                 | 96.10%         | 85.06%                | 99.35%             | 63.64%          | 87.01%           | <b>87.79%</b>          |
| CLIENT 25                       | 88.46%                 | 85.90%           | 94.87%               | 87.18%                  | 91.03%                 | 91.03%         | 92.31%                | 92.31%             | 70.52%          | 82.05%           | <b>87.56%</b>          |
| CLIENT 26                       | 93.65%                 | 68.25%           | 90.48%               | 93.65%                  | 92.06%                 | 93.65%         | 92.06%                | 88.89%             | 60.32%          | 84.13%           | <b>85.71%</b>          |
| CLIENT 27                       | 90.11%                 | 63.73%           | 87.91%               | 94.50%                  | 96.71%                 | 95.61%         | 96.71%                | 92.31%             | 47.26%          | 87.91%           | <b>85.28%</b>          |
| CLIENT 28                       | 76.60%                 | 91.49%           | 92.55%               | 90.43%                  | 94.68%                 | 96.81%         | 92.55%                | 95.74%             | 39.36%          | 78.72%           | <b>84.89%</b>          |
| CLIENT 29                       | 85.20%                 | 67.86%           | 92.35%               | 85.20%                  | 94.90%                 | 94.90%         | 91.33%                | 90.31%             | 57.65%          | 83.67%           | <b>84.34%</b>          |
| CLIENT 30                       | 58.43%                 | 84.27%           | 92.13%               | 83.15%                  | 98.88%                 | 93.26%         | 89.89%                | 95.51%             | 57.30%          | 86.52%           | <b>83.93%</b>          |
| CLIENT 31                       | 86.75%                 | 72.29%           | 93.98%               | 78.31%                  | 77.11%                 | 89.16%         | 90.36%                | 96.39%             | 56.63%          | 83.13%           | <b>82.41%</b>          |
| CLIENT 32                       | 82.35%                 | 61.76%           | 88.24%               | 79.41%                  | 94.12%                 | 94.12%         | 88.24%                | 88.24%             | 64.71%          | 82.35%           | <b>82.35%</b>          |
| CLIENT 33                       | 89.71%                 | 70.59%           | 91.18%               | 75.00%                  | 88.24%                 | 94.12%         | 86.76%                | 94.12%             | 45.59%          | 75.00%           | <b>81.03%</b>          |
| CLIENT 34                       | 82.50%                 | 69.17%           | 88.33%               | 81.67%                  | 80.83%                 | 93.33%         | 90.83%                | 90.83%             | 51.67%          | 80.00%           | <b>80.92%</b>          |
| CLIENT 35                       | 82.22%                 | 75.56%           | 87.78%               | 82.22%                  | 86.67%                 | 82.22%         | 90.00%                | 86.67%             | 41.11%          | 77.78%           | <b>79.22%</b>          |
| CLIENT 36                       | 49.18%                 | 75.41%           | 80.33%               | 85.25%                  | 93.44%                 | 95.08%         | 86.89%                | 86.89%             | 49.18%          | 68.85%           | <b>77.05%</b>          |
| CLIENT 37                       | 73.15%                 | 65.74%           | 81.48%               | 71.30%                  | 82.41%                 | 86.11%         | 89.81%                | 87.96%             | 52.78%          | 75.93%           | <b>76.67%</b>          |
| CLEINT 38                       | 71.43%                 | 60.00%           | 85.71%               | 85.71%                  | 71.43%                 | 91.43%         | 82.86%                | 94.29%             | 45.71%          | 77.14%           | <b>76.57%</b>          |
| CLIENT 39                       | 63.95%                 | 59.30%           | 79.07%               | 70.35%                  | 79.65%                 | 83.14%         | 79.07%                | 85.47%             | 47.67%          | 68.02%           | <b>71.57%</b>          |

**Participating Companies**

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