

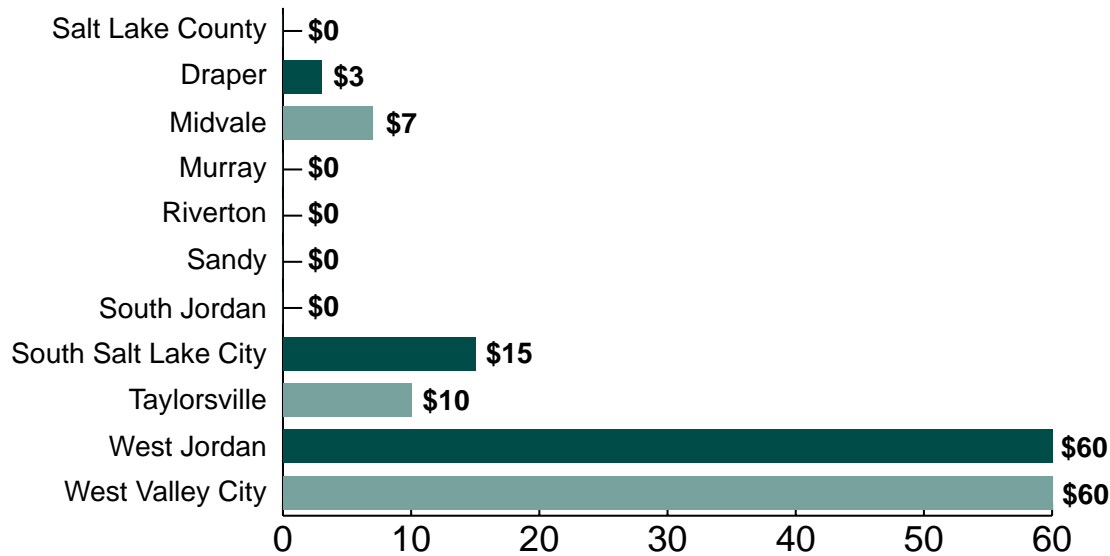
Multi-Family Impact and License Fees (June 2000)

Multi-Family Impact Fees

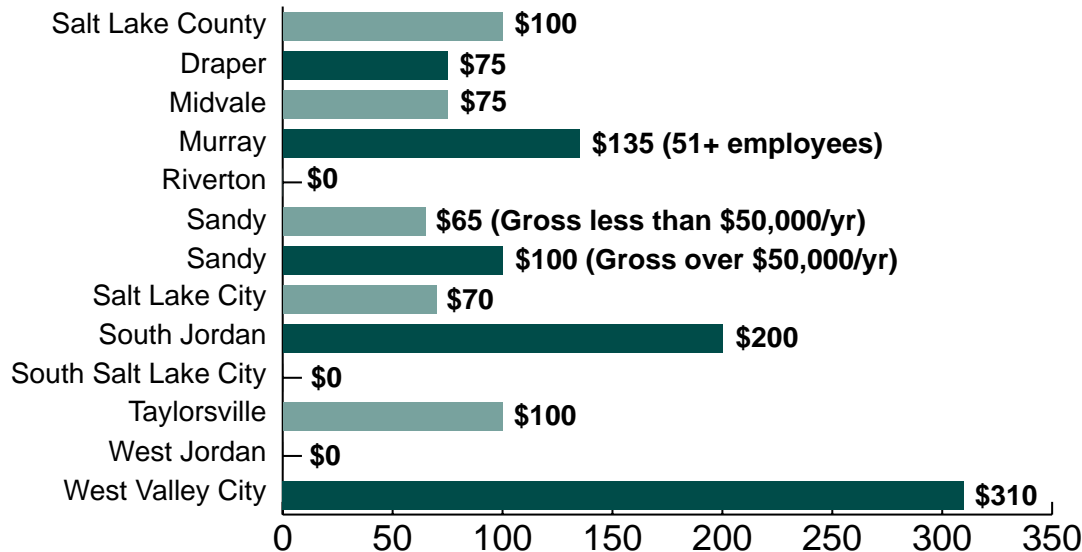
Fees Run the Gambit

Multi-family impact fees are imposed by certain municipalities based on the premise that multi-family housing causes a disproportionately larger cost to local governments for police and fire protection. To date, no data has been produced by local governments to justify the significantly greater fees being charged by West Jordan and West Valley City. The absence of hard data combined with the large disparity in fees suggests that multi-family impact fees charged by these two cities may be arbitrarily punitive.

Salt Lake County Multi-Family Impact Fees (per unit)



Basic Business License Fees



Salt Lake Continues to Prosper

Consistent through 2000

Despite tempering economic activity, growth in the Salt Lake market remains a strong.

Even though the economy is slowing, growth is still occurring and the economy remains healthy.

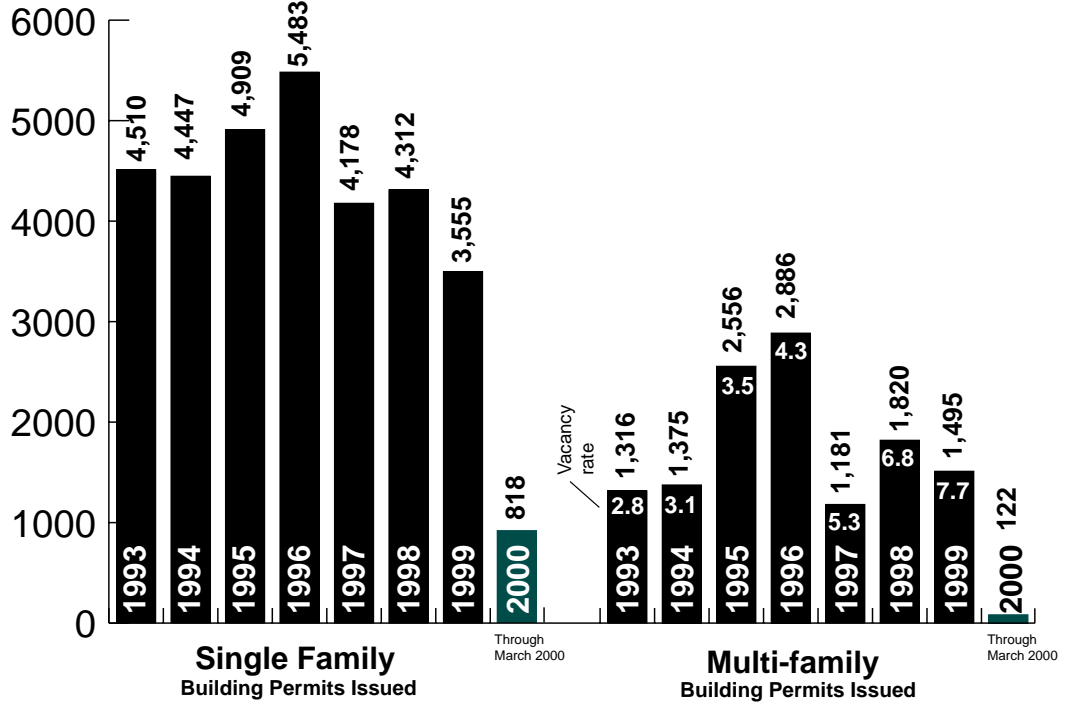
The Wasatch Front's economy should continue to do well through 2000 for many of the same reasons it grew in 1999:

- Low cost of doing business
- Pro-business regulatory environment
- Low business taxes
- Low workers' compensation costs (5th lowest in the nation)
- A solid utility, communications, education and transportation infrastructure
- Good universities
- Healthy life-styles
- Educated work force
- Strong work ethic

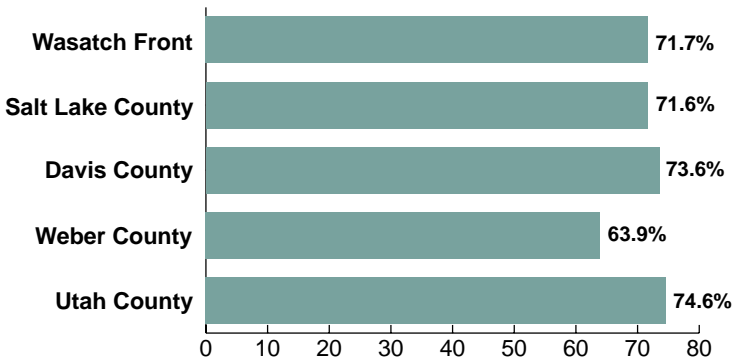
Permits Issued vs. Vacancy

Salt Lake County through March 2000

(Permit source: Bureau of Economic and Business Research)



Annual Turnover Rates 50+ units (Summer 2000)



Salt Lake County Construction Activity

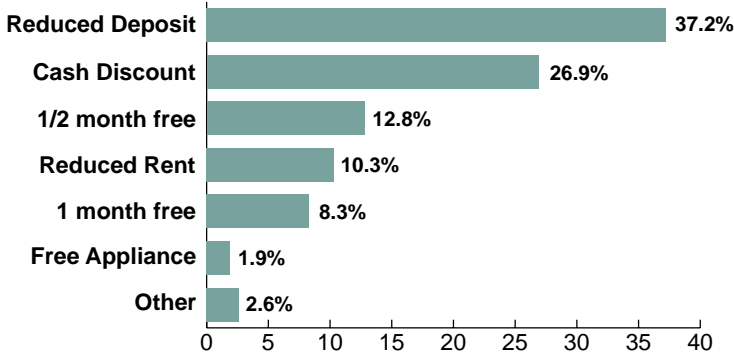
Balance and Restraint Prevail

Multi-family construction is moderate and appears to be in balance with existing and projected demand.

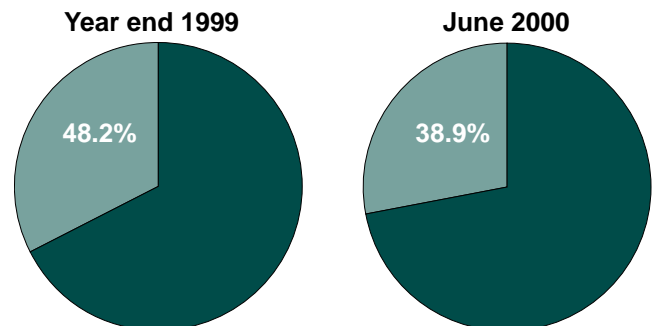
Approximately 1000 new units will be delivered into the Salt Lake County market during 2000. Existing annual demand is estimated at 1200 - 1500 units. Any disparity between demand and actual units delivered will manifest itself in the overall vacancy rate. Class "B" product represents approximately 90% of existing and projected units.

Through March 2000, only 122 multi-family permits had been issued in Salt Lake County.

Rental Concessions (Summer 2000)



Properties Offering Concessions



Median Income Levels by County

Low-Income Housing Tax Credits

Low-Income Housing Tax Credits are the most effective financing tool available to create new affordable rental housing. The Utah Housing Finance Agency administers this program for the State of Utah.

The investors in the tax credits receive benefits in the form of relief from federal income taxation. In return for the equity dollars made available to the developer through the sale of the tax credits, regulatory requirements provide that the units be rented at lower than market rates to prospective residents whose incomes are 50-60% of the Area Median Income.

Area Median Income (AMI) levels are established by the Department of Housing and Urban Development, and vary from County to County, except in those cases where adjacent County's are combined for calculation purposes.

Tax Credits have allowed many affordable units to be built and/or renovated that otherwise would not have been completed. The accompanying charts summarize the Area Median Incomes for the counties comprising the Wasatch Front including the 50% and 60% limits imposed by the tax credit program.

Davis, Salt Lake & Weber Counties 2000 Family Income Limits:

Family Size	50% AMI Incomes	60% AMI Program Maximum
1	\$18,700	\$22,440
2	\$21,350	\$25,620
3	\$24,050	\$28,860
4	\$26,700	\$32,040
5	\$28,850	\$34,620
6	\$30,950	\$37,140
7	\$33,100	\$39,720
8	\$35,250	\$42,300

2000 Rent Limits (Incl. Utilities):

Unit Type or Bedrooms	50% AMI Incomes	60% AMI Program Maximum
SRO/Studio	\$467	\$560
1	\$500	\$600
2	\$601	\$721
3	\$694	\$832
4	\$773	\$927

Utah County 2000 Family Income Limits:

Family Size	50% AMI Incomes	60% AMI Program Maximum
1	\$16,300	\$19,560
2	\$18,600	\$22,320
3	\$20,950	\$25,140
4	\$23,250	\$27,900
5	\$25,100	\$30,120
6	\$26,950	\$32,340
7	\$28,850	\$34,620
8	\$30,700	\$36,840

2000 Rent Limits (Incl. Utilities):

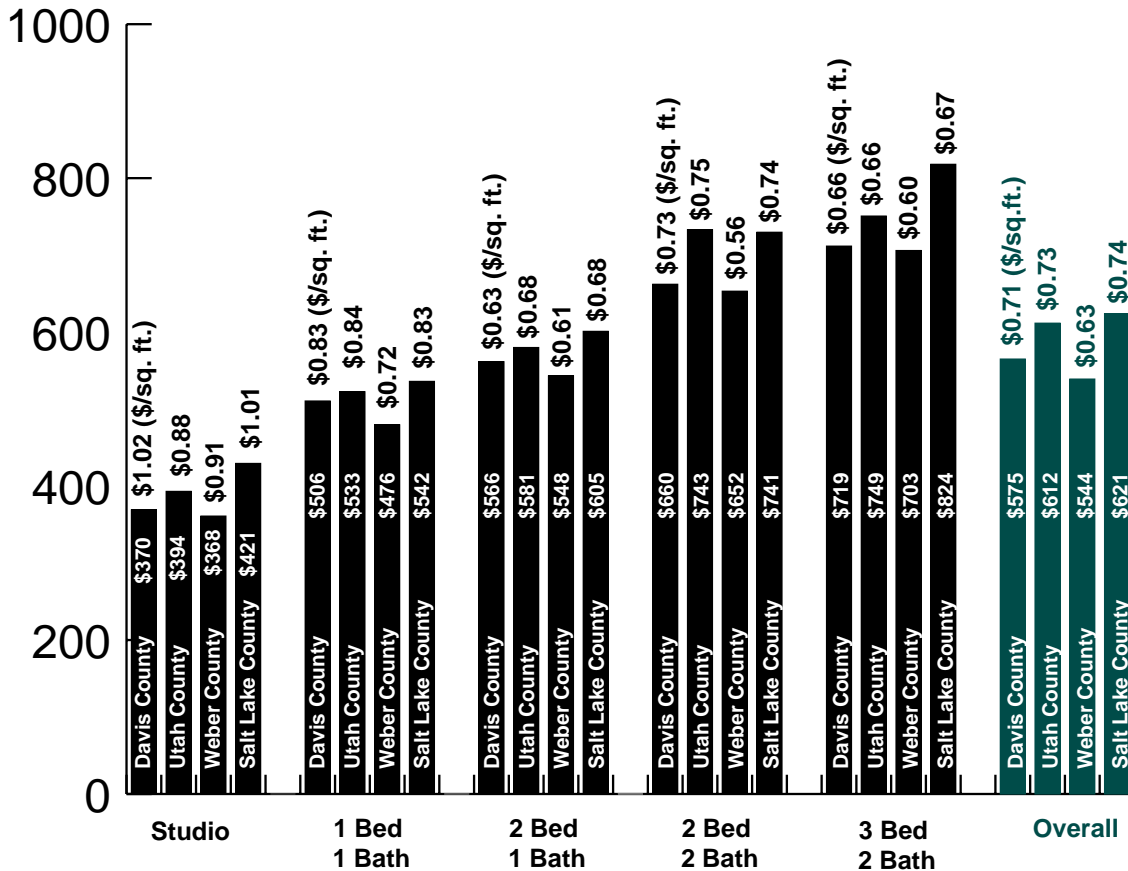
Unit Type or Bedrooms	50% AMI Incomes	60% AMI Program Maximum
SRO/Studio	\$407	\$488
1	\$436	\$523
2	\$523	\$627
3	\$604	\$724
4	\$673	\$807

AMI = Area Median Income

[Source: Utah Housing Finance Agency]

Wasatch Front Rental Summary

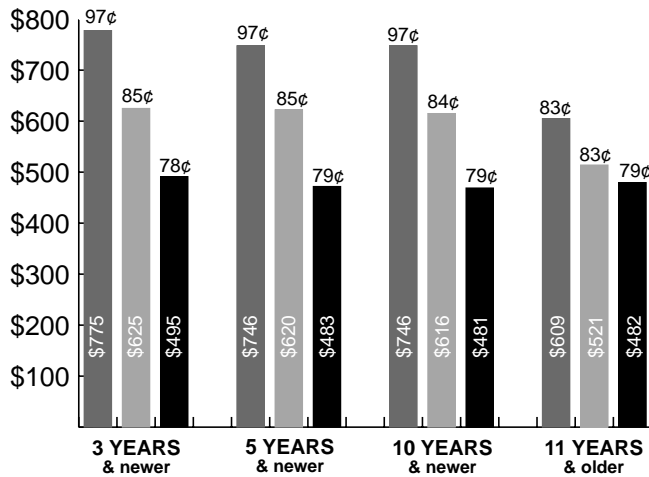
Rents by unit type



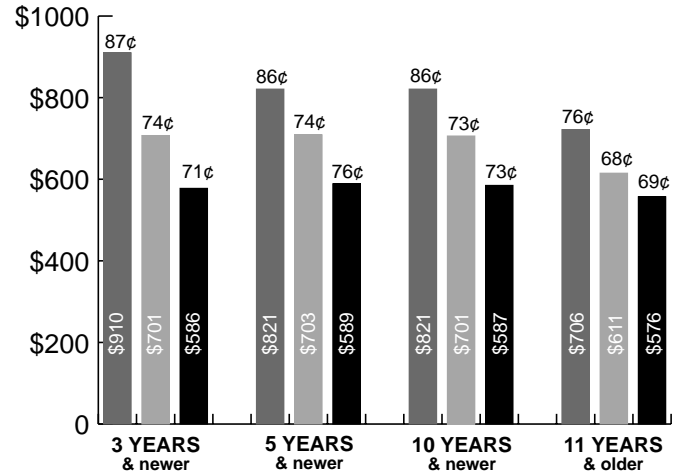
Rental summary by Unit Type, Age, Property Class

The dollar amount at the top of the graphs is the price per square foot. The dollar amount inside the graphs is the actual rental rate.

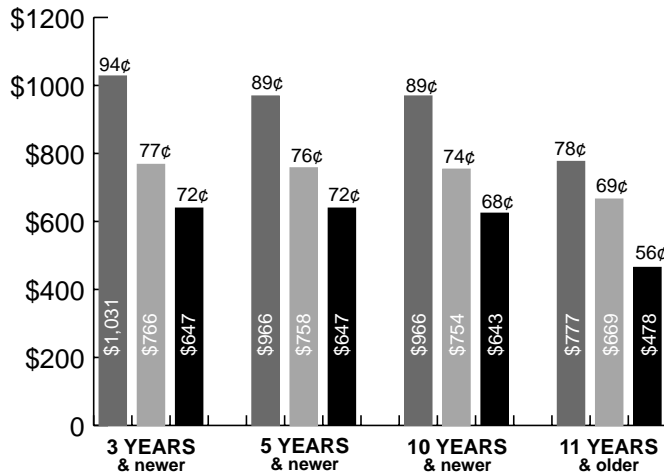
1 Bedroom 1 Bath



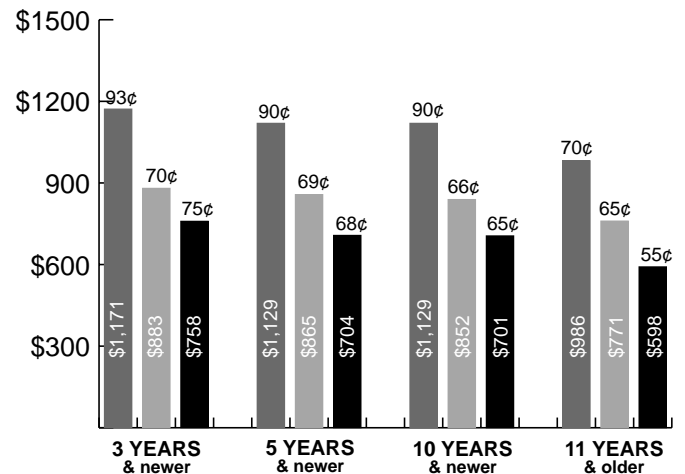
2 Bedroom 1 Bath



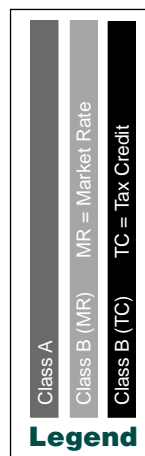
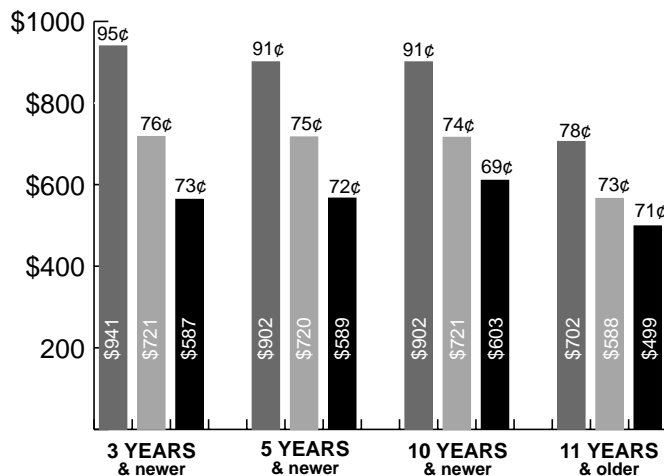
2 Bedroom 2 Bath



3 Bedroom 2 Bath



OVERALL



About this report

For additional information about the data in this report, call 801-531-1221. EquiMark is a full-service, multi-family brokerage and consulting firm offering over 50 years of expertise, experience and service to owners, investors, developers and managers. EquiMark is the expert in the Salt Lake City multi-family market, monitoring trends with the most comprehensive and up-to-date multi-family database on the Wasatch Front.



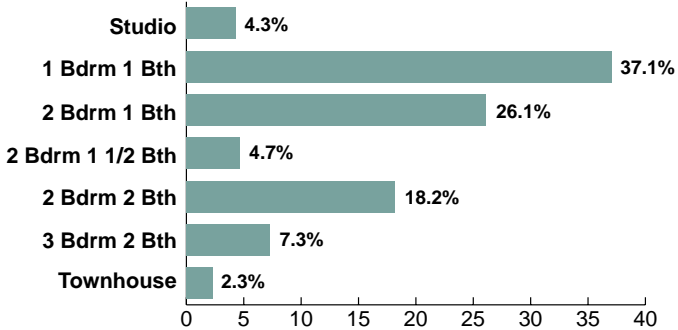
EquiMark
PROPERTIES INC.

Wasatch Front Unit Mixes

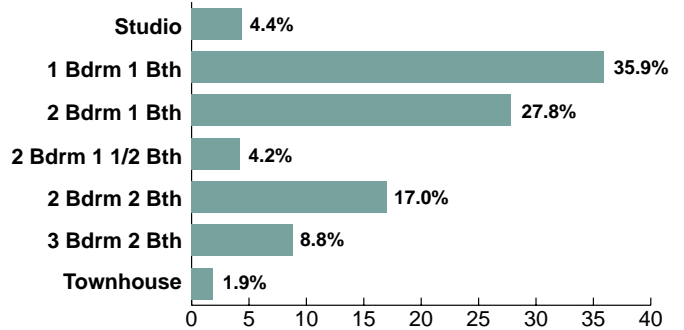
Newer product - different mix

The following graphs illustrate that the unit mixes of current generation multi-family product has changed significantly. Of the units constructed during the past 10 years, the allocation of 2 Bedroom/2 Bath units has almost doubled while the allocation of 1 Bedroom/1 Bath units has remained essentially unchanged. Due to the greater functionality of 2 and 3 Bedroom/2 Bath units, the percent of 2 Bedroom/1 Bath units is currently less than half of what it is for product that is older than 11 years old. Primarily due to reduced rent levels, 1 Bedroom units have always accounted for the highest overall percentage of units built.

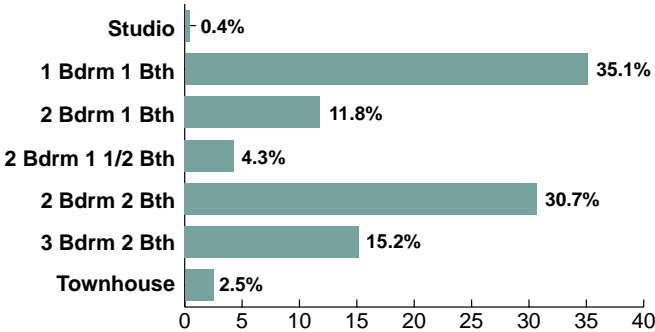
Salt Lake County Unit Mix Overall



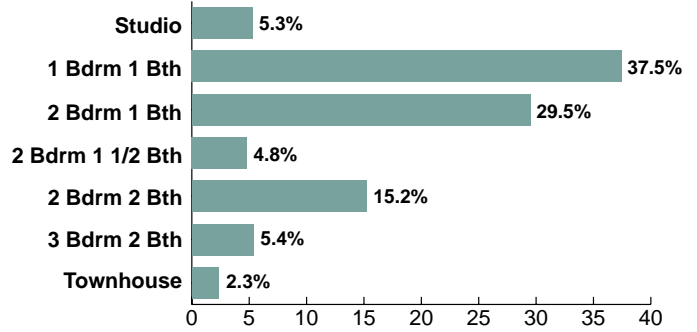
Wasatch Front Unit Mix Overall



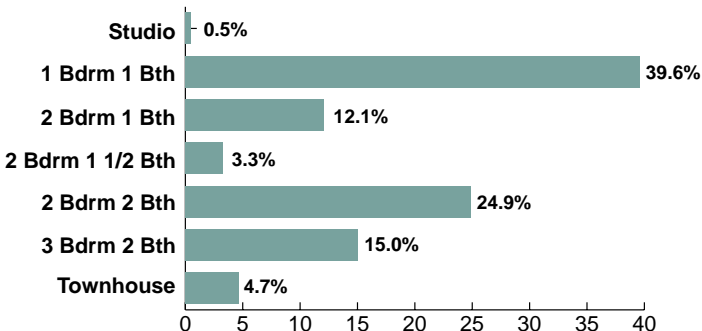
5 Years & Newer



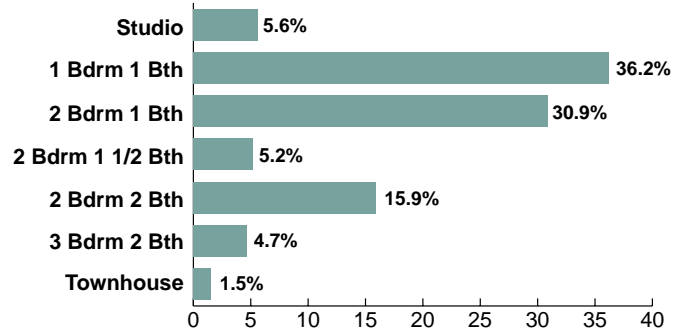
6 Years & Older



10 Years & Newer



11 Years & Older



Major Utah Employers

The services industrial division contains 28% of the new jobs in Utah

This is a primary factor in Utah's economic strength

Utah's largest industrial division, services, contains 28% of the jobs in Utah. But, it's 8,800 net new jobs since April 1999 comprise 36% of Utah's net job creation.

This diverse division is obviously a primary factor in Utah's economic strength.

From April 1999 to April 2000 the computer services industry expanded employment by 1,800 jobs, and 8.0-percent growth rate.

[Source: Utah Labor Market Report, April-May 2000]

The consolidated trade division produces 4,600 net new jobs

Utah's second-largest division produces one-fourth the jobs

The consolidated trade division (wholesale plus retail) is Utah's second-largest with nearly one-fourth of the jobs. It produced 4,600 net new jobs in the past 12 months, a growth rate of 1.9 percent.

Over one-half (2,000) of this gain occurred in eating/drink-ing places, which number about 3,300 in Utah.

[Source: Utah Labor Market Report, April-May 2000]



TOP PRIVATE COMPANIES

Salt Lake County

20,000	Intermountain Health Care, Inc. (IHC)
7,000	PacifiCorp – Utah Power
5,500	Smith's Food and Drug Centers, Inc.
4,500	Wal-Mart
4,086	C.R. England, Inc.
4,000	Delta Airlines
4,000	ZCMI
3,600	Cordant Technologies
3,500	First Security Corporation
3,000	Franklin Covey, Inc.
3,000	U.S. West Communications
3,000	United Parcel Service
2,500	American Express Gift Cheque
2,500	Fred Meyers
2,000	Convergys Corporation
2,000	O.C. Tanner Manufacturing
1,934	Zions Bancorporation

Davis County

4,500	IOMEGA Corporation
1,800	Alliant Techsystems

Weber County

7,000	Autolive ASP, Inc.
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Utah County

8,254	Brigham Young University
2,630	Utah Valley Regional Medical Center
2,325	Geneva Steel
2,300	Novell

TOP GOVERNMENT RELATED PUBLIC COMPANIES

Salt Lake County

17,500	State of Utah
9,940	University of Utah
6,741	Jordan School District
5,000	Granite School District
3,500	Salt Lake County
2,655	Salt Lake School District
2,500	Salt Lake City Corporation
1,400	Utah Transit Authority
1,250	U.S. Department of Veterans Affairs
964	Salt Lake Community College

Davis County

17,059	Hill Air Force Base
4,168	Davis School District

Weber County

6,000	Internal Revenue Service, Ogden Center
2,200	Weber School District
1,183	Weber State University
1,000	Ogden School District
747	Weber County

Utah County

1,100	Utah Valley State College
720	Utah State Hospital
601	Utah County

[Source: Economic Development Corp. of Utah]

TOP INFORMATION TECHNOLOGY COMPANIES

Salt Lake County

2,000	Modus Media
1,700	L-3 Communications
1,500	Ballard Medical Products
1,100	3Com
750	Evans and Sutherland Computer Corporation
600	Starwood Hotel and Resorts
500	Fairchild Semiconductor

Davis County

4,500	IOMEGA Corporation
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Weber County

900	America On-line
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Utah County

2,300	Novell
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For more information



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