



**The EPMS Shopping Report Performance Comparison
A Multifamily Industry Benchmark
2nd Quarter 2002**

Summer time is here and it should be the "hottest" leasing of the year! Yet, many of our customers see traffic down along with the need for greater discounting of rents to remain competitive with the new property down the street. The tremendous increase in shopping orders this year is evidence that you are preparing your troops to be ready to close every qualified client!

The memory of 9/11 is still strong in our minds as we approach the anniversary of this senseless and cowardly attack on our country. This sense of violation and greater vulnerability has permeated American society and seems to affect our rental prospects' ability to commit! More than ever before, apartment seekers are taking their time before renting a new apartment and many are deciding to "stay put" now. This is great for our resident retention efforts, but it is "heck" when you need new leases! So more than ever, every leasing performance counts!

"The EPMS Quarterly Shopping Report Performance Comparison: A Multifamily Industry Benchmark". We are delighted to present the Second Quarter 2002 Benchmark Summary for your review. After 10 quarters of compilation, our original purpose for this service to our customers remains the same. This Quarterly Shopping Report Comparison answers the question that so many of you ask: *"How do our on-site leasing professionals compare to those in other similar companies?"* Our *"Shopping Report Performance Comparison"* answers this question by allowing participating EPMS clients to compare their leasing efforts to other national and regional operations.

22 Participating Companies Representing 2,465 Total Shops

This Quarterly Summary represents more companies and a record-breaking number of shops. With over 2,400 on-site evaluations, this sampling of reports is 68% of the total 3,667 EPMS shops done during this three month time period. Participation in the *EPMS Quarterly Shopping Performance Summary* is by invitation only and, of course, with permission of the company. We reserve this special benefit for our frequent shopping customers. While we would not reveal the participating management companies by performance score, we would like to warmly thank and identify the current 22 companies involved in alphabetical order.

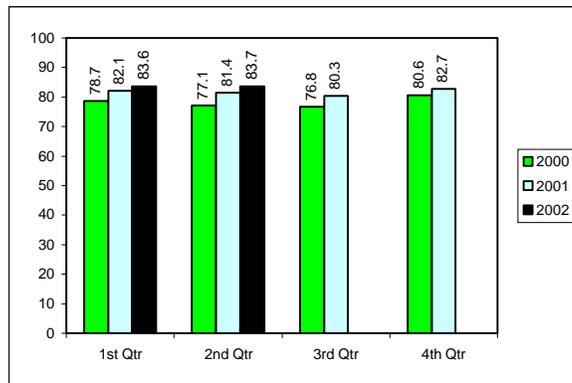
Amlt Residential	EPT Management	Greystar Management Services
Archstone - Smith	Equity Residential Properties	Lincoln Property Company
BRE Properties	Fairfield Residential	Post Properties
Capreit	First Worthing Company	Tarragon Management
ConAm Management	Fogelman Management Group	Trammel Crow Residential Services
CWS Apartment Homes	Forest City Residential Management	Village Green Companies
David Drye Company	Gables Residential Services	Windsor Communities
E&S Ring Corporation		

LPC Ranks Number 1 For the Third Straight Quarter

A tip of the hat to the LPC folks who earned the highest average score in this quarter's comparison! With a score of 89.7%, this company also broke their own portfolio Quarterly Shopping Performance Summary average score. This is a particularly noteworthy accomplishment as LPC achieved this record throughout its nationwide portfolio. Maria Lawson, LPC's Vice President of Marketing and Training gives all the credit to an onsite team that has a true sense of urgency to lease to every rental prospect!

Shopping Scores Still Push Up Slightly!

While the increase is just a tenth of a point, this Second Quarter, 2002 EPMS *Shopping Report Performance Comparison* sets a new all time average record at 83.7%. And this was achieved with an even higher number of shops in the comparison. Perhaps most significant, this second quarter's average did not drop below the first quarter's score as we seen the past two years. The previous eight-quarter trend has indicated significant average score dips in the busy spring and summer (second and third) quarters only to see rebounds in the first and last quarters of each year. Has the continued sluggish market and decrease in demand created an increased sense of urgency among our on-site heroes? The comparison chart below seems to indicate such a trend.



In past comparisons we have speculated that the EPMS average shopping scores decrease each second and third quarter because rental prospect traffic increases. When traffic is brisk and the leasing offices are hectic, it is possible that the on-site leasing professionals subconsciously (or purposely) "cherry pick" from the greater volume of traffic that comes through the door. This second quarter, 2002, record average score bucks the trend and seems to indicate a more intensive and focused leasing effort. And why not? A slowdown in job growth combined with affordable single-family homes (in many markets!) and low mortgage rates has lessened apartment demand throughout the country.

The current Dallas/Fort Worth market exemplifies this summer's intensified competition for a smaller pool of renters. While market or "asking" rents have seen a slight increase, the share of Dallas/Ft. Worth apartment communities offering concessions rose to 85%, up from 53% a year ago. We see similar scenarios in most other major apartment markets. The response to these market conditions has seemed to rally the on-site troops to a more purposeful and powerful leasing presentation.

Urgency Questions Average is Higher – While all 10 questions of the EPMS *Shopping Report Performance Comparison* are important and reveal the depth and skills of the individual presentation, two of the 10 especially show the sense of URGENCY communicated by the leasing professional. Those two questions are:

- #1 – Did the consultant attempt to set an appointment?
- #9 – Did the consultant ask you to leave a deposit?

The Second Quarter 2002 Benchmark averages show these questions to be answered in the affirmative at the highest and second highest percentage in the history of the comparison. 83% of the 2,465 leasing professionals shopped for this quarter's comparison DID attempt to set an appointment with their telephone rental prospect! This is the highest ever except for last quarter's 83.2%. In another urgency indicator question, a record 57.2% of all participants asked the shopper directly to leave a deposit. The response to these two questions in particular point to the heightened sense of urgency revealed in the benchmark comparison summary.

Overall, scores of companies that maintain their participation in the EPMS *Quarterly Shopping Performance Summary* continue to rise. We salute those organizations that are using the performance information gained through their shopping program to tweak their training efforts. The companies who score the highest averages tend to be those who also use the shopping reports as training and corrective feedback tools. By taking a positive and upbeat approach toward shopping reports, these companies are motivating their leasing professionals to higher levels of performance. And while the increased shopping scores are a desired by-product of these focused training efforts, the greatest reward is more new residents with less leasing incentives and higher rental rates.

The *EPMS Shopping Report Performance Summary* is an excellent tool to help you shape your company training programs to address specific strengths and weaknesses of your Leasing Professionals.

Ellis Property Management Services (EPMS), AMO, has been providing comprehensive, executive-ready shopping reports nationwide for more than 18 years. Our references include some of the largest and most well-known property management companies in the country. Shopping reports are the foundation of our company! EPMS also provides an array of training seminars, education curriculum design, and consulting that can impact leasing performance and effectiveness. For more information on EPMS' services, please contact Joanna Ellis, CAPS at (972) 256-3767 or by email, jjellis@epmsonline.com. You can also visit our web site, www.epmsonline.com.



**SHOPPING REPORT PERFORMANCE SUMMARY
MULTIFAMILY INDUSTRY BENCHMARK
SECOND QUARTER, 2002**

	QUESTION OVERALL AVERAGE	Lincoln Property Company	CLIENT 2	CLIENT 3	CLIENT 4	CLIENT 5	CLIENT 6	CLIENT 7	CLIENT 8	CLIENT 9	CLIENT 10	CLIENT 11	CLIENT 12	CLIENT 13	CLIENT 14	CLIENT 15	CLIENT 16	CLIENT 17	CLIENT 18	CLIENT 19	CLIENT 20	CLIENT 21	CLIENT 22	
TELEPHONE PRESENTATION																								
1.	Did the consultant attempt to set an appointment with you?	83.0%	92.2%	96.2%	93.4%	92.0%	81.9%	83.1%	89.4%	84.0%	86.2%	79.7%	85.2%	84.7%	77.6%	84.1%	82.9%	71.4%	68.8%	86.5%	75.4%	64.0%	68.7%	64.4%
2.	Were you asked for your telephone number(s)?	62.6%	81.8%	84.6%	71.6%	72.0%	69.0%	69.7%	68.1%	68.0%	51.7%	51.9%	58.9%	57.6%	56.0%	65.9%	53.7%	64.3%	31.3%	67.3%	35.1%	47.7%	19.1%	40.0%
ON-SITE PRESENTATION																								
3.	Did the consultant make a positive first impression on you?	92.1%	90.4%	100.0%	95.6%	100.0%	96.9%	94.4%	91.5%	93.3%	93.1%	88.6%	95.3%	91.8%	91.8%	97.6%	97.6%	92.9%	90.6%	88.5%	89.5%	88.4%	88.7%	83.0%
4.	Did the consultant determine if you had any special needs or preferences?	84.8%	91.4%	88.5%	96.2%	84.0%	88.1%	85.4%	80.9%	79.3%	93.1%	82.3%	89.0%	91.8%	88.1%	72.0%	80.5%	59.5%	87.5%	73.1%	70.2%	69.8%	72.2%	80.0%
5.	Did the consultant discuss and/or point out amenities and facilities of the property?	94.6%	97.1%	96.2%	93.4%	100.0%	95.6%	93.3%	100.0%	96.0%	93.1%	98.7%	94.1%	97.6%	95.5%	98.8%	90.2%	95.2%	93.8%	90.4%	87.7%	90.7%	93.0%	87.4%
6.	Did the consultant show you an apartment that was clean, made ready, and comfortable in temperature?	94.9%	95.7%	84.6%	96.2%	100.0%	95.6%	95.5%	95.7%	95.3%	96.6%	98.7%	94.9%	97.6%	94.0%	86.6%	95.1%	92.9%	93.8%	103.8%	96.5%	89.5%	94.8%	93.3%
7.	Did the consultant sell benefits for the features discussed in the apartment?	87.7%	88.4%	88.5%	91.8%	84.0%	93.8%	91.0%	87.2%	89.3%	89.7%	97.5%	89.4%	97.6%	90.3%	78.0%	82.9%	90.5%	84.4%	69.2%	84.2%	82.6%	84.3%	71.9%
8.	Did the consultant effectively overcome any objections you raised?	95.2%	94.3%	100.0%	97.3%	96.0%	95.6%	93.3%	93.6%	98.0%	93.1%	97.5%	96.6%	98.8%	94.8%	95.1%	87.8%	92.9%	90.6%	92.3%	93.0%	98.8%	96.5%	92.6%
9.	Did the consultant ask you to leave a deposit?	57.2%	78.4%	57.7%	58.5%	44.0%	63.3%	70.8%	53.2%	54.0%	58.6%	60.8%	50.0%	38.8%	50.7%	64.6%	51.2%	54.8%	40.6%	50.0%	35.1%	36.0%	35.7%	40.0%
10.	Based on the consultant's presentation, would you have leased the apartment?	85.1%	87.8%	88.5%	88.5%	96.0%	88.1%	88.8%	91.5%	88.0%	89.7%	87.3%	87.7%	82.4%	84.3%	76.8%	82.9%	81.0%	90.6%	80.8%	77.2%	73.3%	77.4%	77.0%
	CLIENT OVERALL AVERAGE	83.7%	89.7%	88.5%	88.3%	86.80%	86.77%	86.52%	85.1%	84.53%	84.48%	84.3%	84.1%	83.9%	82.3%	82.0%	80.5%	79.5%	77.2%	74.5%	74.4%	74.1%	73.04%	72.96%

* Representing 2,465 shopping reports

Participating Companies:

Amli Residential
Archstone
BRE Properties
Capreit
ConAm Management
CWS Apartment Homes
David Drye Company
E & S Ring Corporation
EPT Management
Equity Residential Properties
Fairfield Residential

First Worthing Company
Fogelman Management Group
Forest City Residential Management
Gables Residential Services
Greystar Management Services
Lincoln Property Company
Post Properties
Tarragon Management
Trammell Crow Residential Services
Village Green
Windsor Communities

Benchmark 1st Place Company: Lincoln Property Company
Maria Lawson - Vice President of Marketing and Training

Lincoln Property Company will continue to monitor and maintain our current level of excellence by challenging our employees to continuously improve. We are proud of the LPC team for maintaining the #1 position on this benchmark for three consecutive quarters. It is a greater challenge to maintain this position than to achieve it. Great job team!