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National Real Estate Investor is pleased to present the 12th annual compilation of the **NMHC 50**, the National Multi Housing Council's (NMHC) authoritative ranking of the nation's 50 largest apartment owners and 50 largest apartment managers.

Based in Washington, D.C., the National Multi Housing Council represents the interests of the larger and more prominent firms in the nation's multifamily rental housing industry. NMHC provides leadership for the apartment industry on legislative and regulatory matters, advances research and the exchange of strategic business information, and promotes the desirability of apartment living. NMHC's members are engaged in all aspects of the development and operation of apartment housing, including ownership, construction, management, and financing of such communities. The **NMHC 50** has identified key trends in apartment ownership and management, becoming the definitive source for such information.

To ensure the **2001 NMHC 50** is as complete and accurate as possible, NMHC staff gathered names of apartment owners and managers from a wide range of sources. A senior officer from each firm was contacted for the information included in the rankings, which are for properties owned or managed on January 1, 2001. Although membership in the National Multi Housing Council is not required for inclusion in the survey, 85% of the firms appearing in this year's rankings are NMHC members. NMHC expresses appreciation to the industry leaders for their participation in this annual effort.

The **NMHC 50** was compiled and analyzed by NMHC staff members Doris Collins, Jonathan Kempner, Jill Meron and Mark Obrinsky. The **NMHC 50** tallies rental apartments including rental housing for seniors. Condominiums and cooperatives are excluded, as are hotel rooms, nursing homes, hospital rooms, and mobile homes. Pension fund advisory firms are listed only if they have direct ownership interests (as opposed to interests as fiduciaries) or serve directly as property managers.

In addition to the NMHC 50 rankings and analysis of the results, this section includes a listing of the officers and members of the National Multi Housing Council. NMHC staff biographies round out the section.

For those interested in joining the apartment industry's leadership, NMHC welcomes inquiries to its Washington offices at (202) 974-2300, or you can visit NMHC's Web site at www.nmhc.org.



2001 OWNERSHIP

NATIONAL MULTI HOUSING COUNCIL 50

(50 Largest U.S. Apartment Owners as of January 1, 2001)

2001 RANK	2000 RANK	COMPANY	HEADQUARTERS	CEO	2001 APARTMENTS WITH OWNERSHIP INTEREST	2000 APARTMENTS WITH OWNERSHIP INTEREST
1	1	APARTMENT INVESTMENT AND MANAGEMENT COMPANY	Denver, CO	Terry Considine	265,620	240,540
2	2	EQUITY RESIDENTIAL PROPERTIES TRUST	Chicago, IL	Douglas Crocker, II	225,466	228,504
3	3	RELATED CAPITAL COMPANY	New York, NY	Stuart J. Boesky	160,860	148,080
4	4	LEND LEASE REAL ESTATE INVESTMENTS, INC.	Atlanta, GA	Sheryl Pressler	126,357	113,744
5	6	BOSTON CAPITAL	Boston, MA	John P. Manning	106,000	102,564
6	8	SUNAMERICA AFFORDABLE HOUSING PARTNERS, INC.	Los Angeles, CA	Michael L. Fowler	95,000	81,000
7	5	WHITEHALL FUNDS	New York, NY	Daniel Neidich	84,000	105,000
8	7	UNITED DOMINION REALTY TRUST, INC.	Richmond, VA	John P. McCann	79,065	81,180
9	10	CASDEN PROPERTIES INC. (NATIONAL PARTNERSHIP INVESTMENTS CORP.)	Beverly Hills, CA	Alan I. Casden	71,826	66,991
10	11	LEFRAK ORGANIZATION INC.	Rego Park, NY	Samuel J. LeFrak	69,000	66,000
11	9	ARCHSTONE COMMUNITIES	Englewood, CO	R. Scot Sellers	63,443	70,697
12	12	SENTINEL REAL ESTATE CORPORATION	New York, NY	John H. Streicker	62,549	59,000
13	17	GE CAPITAL REAL ESTATE	Stamford, CT	Michael Pralle	52,500	39,137
14	13	CAMDEN PROPERTY TRUST	Houston, TX	Richard J. Campo	51,336	55,260
15	15	HOME PROPERTIES	Rochester, NY	Norman Leenhouts/ Nelson Leenhouts	47,497	41,517
16	14	EDWARD ROSE BUILDING ENTERPRISES	Farmington Hills, MI	Sheldon Rose	46,959	45,589
17	24	ALLIANCE HOLDINGS, L.L.C.	Chicago, IL	Andrew W. Schor	45,652	34,867
18	16	LINCOLN PROPERTY COMPANY	Dallas, TX	Mack Pogue	44,702	41,334
19	18	WALDEN	Addison, TX	John B. Bartling	43,541	39,024
20	23	RICHMAN GROUP CAPITAL CORPORATION	Greenwich, CT	Richard P. Richman	38,272	35,723
21	19	AVALONBAY COMMUNITIES, INC.	Alexandria, VA	Richard L. Michaux	37,146	37,885
22	21	MILSTEIN PROPERTIES	New York, NY	Howard P. Milstein	37,000	37,000
23		FIRST UNION CORPORATION	Charlotte, NC	Ken Thompson	36,333	N/A
24	27	FOREST CITY RESIDENTIAL GROUP, INC.	Cleveland, OH	Ronald A. Ratner	35,913	33,804
25	25	MID-AMERICA APARTMENT COMMUNITIES, INC.	Memphis, TN	George E. Cates	33,632	34,540

2001 OWNERSHIP

NATIONAL MULTI HOUSING COUNCIL 50

(50 Largest U.S. Apartment Owners as of January 1, 2001)

2001 RANK	2000 RANK	COMPANY	HEADQUARTERS	CEO	2001 APARTMENTS WITH OWNERSHIP INTEREST	2000 APARTMENTS WITH OWNERSHIP INTEREST
26	20	CRI, INC.	Rockville, MD	William B. Dockser	33,004	37,612
27	37	COLUMBIA HOUSING	Portland, OR	David Sebastian	31,166	24,853
28	31	UBS REALTY INVESTORS LLC	Hartford, CT	James W. O'Keefe, Jr.	30,623	28,848
29	30	POST PROPERTIES, INC.	Atlanta, GA	John A. Williams	30,247	30,646
30	33	CHARLES E. SMITH RESIDENTIAL REALTY	Arlington, VA	Ernest A. Gerardi, Jr.	29,696	27,634
31	32	COLSON & COLSON/HOLIDAY RETIREMENT CORP.	Salem, OR	William E. Colson	29,668	27,834
32	39	PRUDENTIAL REAL ESTATE INVESTORS	Parsippany, NJ	Bernard Winograd	28,413	24,600
33	36	WNC & ASSOCIATES, INC.	Costa Mesa, CA	Wilfred N. Cooper, Sr.	26,733	25,002
34	40	NORTHWESTERN MUTUAL	Milwaukee, WI	James Ericson	26,161	24,100
35	46	AMLI RESIDENTIAL PROPERTIES TRUST	Chicago, IL	Allan J. Sweet	26,147	22,315
36		KUSHNER COMPANIES	Florham Park, NJ	Charles Kushner	25,000	N/A
37	28	SECURITY PROPERTIES, INC.	Seattle, WA	John M. Orehek	24,853	30,998
38	35	GABLES RESIDENTIAL TRUST	Atlanta, GA	Chris D. Wheeler	24,774	27,352
39	44	TRAMMELL CROW RESIDENTIAL	Atlanta, GA	J. Ronald Terwilliger	24,503	22,588
40	34	BASIC CAPITAL MANAGEMENT, INC.	Dallas, TX	Gene Phillips	24,049	27,594
41	42	BERKSHIRE REALTY HOLDINGS, L.P.	Atlanta, GA	Douglas Krupp	23,812	23,833
42	43	RAYMOND JAMES TAX CREDIT FUNDS, INC.	St. Petersburg, FL	Ronald Diner	23,314	23,124
43	38	BRE PROPERTIES, INC.	San Francisco, CA	Frank C. McDowell	23,253	24,800
44	41	TVO REALTY PARTNERS	Chicago, IL	Wayne A. Vandenburg	23,250	23,917
45		BH MANAGEMENT SERVICES, INC.	Dallas, TX	Laurie Lyons	22,786	12,000
46	45	SOUTHERN MANAGEMENT CORPORATION	Vienna, VA	David H. Hillman	22,477	22,476
47		CONAM MANAGEMENT CORP.	San Diego, CA	Daniel J. Epstein	22,000	19,500
48		ALTERRA HEALTHCARE CORPORATION	Milwaukee, WI	Robert Haveman	21,845	19,534
49	26	JPI	Irving, TX	J. Frank Miller, III	21,700	33,883
50		WESTDALE ASSET MANAGEMENT, LTD.	Dallas, TX	Joseph G. Beard	20,956	N/A

2001 MANAGEMENT

NATIONAL MULTI HOUSING COUNCIL 50

(50 Largest U.S. Apartment Managers as of January 1, 2001)

2001 RANK	2000 RANK	COMPANY	HEADQUARTERS	CEO	2001 APARTMENTS MANAGED	2000 APARTMENTS MANAGED
1	1	APARTMENT INVESTMENT AND MANAGEMENT COMPANY	Denver, CO	Terry Considine	325,094	362,468
2	2	EQUITY RESIDENTIAL PROPERTIES TRUST	Chicago, IL	Douglas Crocker, II	233,250	234,756
3	4	PINNACLE REALTY MANAGEMENT COMPANY	Seattle, WA	Stan J. Harrelson	108,356	98,656
4	3	LINCOLN PROPERTY COMPANY	Dallas, TX	Mack Pogue	100,371	100,946
5	5	UNITED DOMINION REALTY TRUST, INC.	Richmond, VA	John P. McCann	75,165	81,180
6	6	ARCHSTONE COMMUNITIES	Englewood, CO	R. Scot Sellers	63,443	67,208
7	7	SENTINEL REAL ESTATE CORPORATION	New York, NY	John H. Streicker	62,549	59,000
8	9	TRAMMELL CROW RESIDENTIAL	Atlanta, GA	J. Ronald Terwilliger	60,324	48,799
9	8	CAMDEN PROPERTY TRUST	Houston, TX	Richard J. Campo	51,828	56,060
10	11	HOME PROPERTIES	Rochester, NY	Norman Leenhouts/ Nelson Leenhouts	50,500	45,475
11	10	CONAM MANAGEMENT CORPORATION	San Diego, CA	Daniel J. Epstein	47,500	46,500
12	12	POST PROPERTIES, INC.	Atlanta, GA	John A. Williams	46,896	44,194
13	23	ALLIANCE HOLDINGS, L.L.C.	Chicago, IL	Andrew W. Schor	45,652	34,867
14	13	EDWARD ROSE BUILDING ENTERPRISES	Farmington Hills, MI	Sheldon Rose	44,701	43,331
15	36	WHITEHALL FUNDS	New York, NY	Daniel Neidich	44,000	25,000
16	14	WALDEN	Addison, TX	John B. Bartling	43,541	43,269
17	21	WESTERN NATIONAL PROPERTY MANAGEMENT	Irvine, CA	Michael K. Hayde	42,005	36,465
18	15	GABLES RESIDENTIAL TRUST	Atlanta, GA	Chris D. Wheeler	41,325	41,272
19	22	LEFRAK ORGANIZATION INC.	Rego Park, NY	Samuel J. LeFrak	38,657	35,657
20	16	AVALONBAY COMMUNITIES, INC.	Alexandria, VA	Richard L. Michaux	37,779	38,518
21	25	GREYSTAR	Houston, TX	Robert A. Faith	37,663	34,170
22	17	MILSTEIN PROPERTIES	New York, NY	Howard P. Milstein	37,000	37,000
23		WESTDALE ASSET MANAGEMENT, LTD.	Dallas, TX	Joseph G. Beard	36,725	N/A
24	24	MID-AMERICA APARTMENT COMMUNITIES, INC.	Memphis, TN	George E. Cates	33,632	34,540
25	27	LANE COMPANY	Atlanta, GA	Gail Armstrong	33,615	32,726

2001 MANAGEMENT

NATIONAL MULTI HOUSING COUNCIL 50

(50 Largest U.S. Apartment Managers as of January 1, 2001)

2001 RANK	2000 RANK	COMPANY	HEADQUARTERS	CEO	2001 APARTMENTS MANAGED	2000 APARTMENTS MANAGED
26	32	COLSON & COLSON/HOLIDAY RETIREMENT CORP.	Salem, OR	William E. Colson	31,428	28,259
27	30	CHARLES E. SMITH RESIDENTIAL REALTY	Arlington, VA	Ernest A. Gerardi, Jr.	31,134	29,028
28	29	BERKSHIRE REALTY HOLDINGS, L.P.	Atlanta, GA	Douglas Krupp	30,327	30,756
29	31	VILLAGE GREEN COMPANIES	Farmington Hills, MI	Jonathan Holtzman	28,000	28,500
30	35	LEDIC MANAGEMENT GROUP	Memphis, TN	David L. Shores	27,797	26,404
31	39	AMLI RESIDENTIAL PROPERTIES TRUST	Chicago, IL	Allan J. Sweet	27,358	23,160
32	18	JPI	Irving, TX	J. Frank Miller, III	27,000	36,546
33	42	FOREST CITY RESIDENTIAL GROUP, INC.	Cleveland, OH	Ronald A. Ratner	25,319	21,849
34	50	MARRIOTT SENIOR LIVING SERVICES	Washington, DC	Jeffrey Ferguson	24,902	19,465
35	38	CASDEN PROPERTIES INC. (NATIONAL PARTNERSHIP INVESTMENTS CORP.)	Beverly Hills, CA	Alan I. Casden	24,169	23,650
36	34	BASIC CAPITAL MANAGEMENT, INC.	Dallas, TX	Gene Phillips	24,049	27,594
37	33	SIMPSON HOUSING LIMITED PARTNERSHIP	Denver, CO	J. Robert Love	23,645	27,748
38	37	EPT MANAGEMENT COMPANY	El Paso, TX	Russell A. Vandenburg	23,299	23,893
39	20	BRE PROPERTIES, INC.	San Francisco, CA	Frank C. McDowell	23,253	36,500
40	19	LEND LEASE REAL ESTATE INVESTMENTS, INC.	Atlanta, GA	Sheryl Pressler	22,800	36,538
41	47	BH MANAGEMENT SERVICES, INC.	Dallas, TX	Laurie Lyons	22,786	20,000
42		FPI MANAGEMENT INC.	Sacramento, CA	Dennis Treadaway	22,512	17,882
43	40	SOUTHERN MANAGEMENT CORPORATION	Vienna, VA	David H. Hillman	22,477	22,476
44		GRENADIER REALTY CORP.	Brooklyn, NY	Felice L. Michetti	22,153	18,354
45		KUSHNER COMPANIES	Florham Park, NJ	Charles Kushner	22,000	N/A
46		ALTERRA HEALTHCARE CORPORATION	Milwaukee, WI	Robert Haveman	21,845	N/A
47	44	DRUCKER & FALK LLC	Newport News, VA	John A. Munick, Jr.	21,019	20,738
48	46	SUMMIT PROPERTIES INC.	Charlotte, NC	William F. Paulsen	20,698	20,373
49	45	JMG REALTY, INC.	Atlanta, GA	T. Karlton Jackson	20,519	20,519
50	28	FOWLERSHORE & FLANAGAN	Larkspur, CA	Gregory A. Fowler	20,500	30,850

NMHC 50 Showcases Apartment Stability

By Mark Obrinsky

*Vice President of Research and Chief Economist
National Multi Housing Council*

For the apartment industry, 2000 looked much like a “highlights” reel of previous years, featuring moderate new construction, strong occupancy, and solid earnings growth. The NMHC 50 — the annual listing of the nation’s largest apartment companies — reflects this enviable stability. Ownership continued to grow more concentrated, albeit at a slower pace, even while the trend toward consolidation in apartment management took a breather. Big merger and acquisition activity moderated further from the pace of the late 1990s. Publicly traded REITs were subject to crosscurrents; some grew, some did not; one abandoned the public markets. But most were rewarded for their steady performance with sharply higher share prices. Finally, there were few newcomers to the rankings, additional testimony to industry stability.

The 50 largest apartment owners increased their holdings by 3%, down from last year’s 9% growth (and down from the 10% average of the last three years). As of Jan. 1, 2001, the top 50 owners had an ownership interest in 2.6 million apartments, approximately 16% of the total national stock.¹ Portfolio gains were concentrated in the top half of the group, while the bottom half saw a small decline in total holdings. REITs still hold the top two places in the NMHC 50 owner count, but this year’s list has only 13 public REITs (down from 16 last year), and they account for 36% (down from 40%) of the total holdings of the NMHC 50.

The NMHC 50 of apartment management, which ranks the 50 largest apartment managers, showed virtually no change in the total number of apartments managed over the year. The NMHC 50 managers manage 2.35 million apartments, close to 15% of the nation’s total stock. Among the top 50 firms change was also relatively modest. Although the group con-

sists predominantly of firms who are also among the top apartment owners, property management specialists maintained their standing during the year.

Despite the slowdown in consolidation this year, there appears to be considerable room for further concentration. Unlike many industries, the apartment business remains rather fragmented, with most of the nation’s apartments still owned and managed by individuals and smaller firms.

APARTMENT OWNERS

The Leaders

Apartment Investment and Management Company (AIMCO) solidified its position as the biggest apartment owner, increasing its apartment holdings by more than 25,000 units. AIMCO’s biggest deal was the acqui-

Top Ten Apartment Owner Firms

Rank/ Company	# of Apartments with Ownership Interest
#1. Apartment Investment and Management Co.	265,620
#2. Equity Residential Properties Trust	225,466
#3. Related Capital Company	160,860
#4. Lend Lease Real Estate Investments	126,357
#5. Boston Capital	106,000
#6. SunAmerica Affordable Housing Partners	95,000
#7. Whitehall Funds	84,000
#8. United Dominion Realty Trust, Inc.	79,065
#9. Casden Properties Inc.	71,826
#10. Lefrak Organization Inc.	69,000
Total	1,283,194

sition of Oxford Realty Financial Group, the 22nd largest owner in last year’s rankings. Even though its size remained constant from its 1999 holdings, Equity Residential Properties Trust easily retained its hold on the No. 2 position. Again as last year, using total capitalization, a measure available only for the publicly traded real estate investment trusts (REITs), instead of number of units owned, the positions for Equity and AIMCO are reversed; Equity Residential is in first place, and AIMCO is the solid No. 2 firm. (See discussion below.) The No. 3 and No. 4 owners are the same as last year: Related Capital Company and Lend Lease Real Estate Investments. Each added more than 12,500 apartments to its portfolio. Moving up one notch into fifth place is Boston Capital.

The rest of the top 10 are also familiar companies. SunAmerica Affordable Housing Partners added 14,000 apartments to its holdings and moved up to No. 6 in

NMHC 50 Profile 2000 Portfolio Size:

# of Apartments Owned	2,600,099
# of Apartments Managed	2,352,560

Minimum Entry Threshold:

# of Apartments Owned	20,956
# of Apartments Managed	20,500

¹Defined as the total number of apartments in structures with at least five units.

NMHC 50 OWNERS SUMMARY #S	NUMBER MANAGED								
	2001	2000	1999	1998	1997	1996	1995	1994	1993
Top 10	1,283,194	1,238,000	1,097,072	924,461	838,572	803,198	793,215	752,448	658,219
Top 25	1,959,669	1,879,449	1,728,502	1,523,925	1,402,373	1,358,886	1,344,896	1,294,056	1,168,374
Second 25	640,430	646,598	591,810	557,954	504,621	489,623	480,970	490,312	462,706
Top 50	2,600,099	2,526,047	2,320,312	2,081,879	1,906,994	1,848,509	1,825,866	1,784,368	1,631,080
Portfolio Size Measures									
Median	33,318	34,540	33,336	30,385	26,694	24,702	27,014	27,990	25,100
Mean	52,002	50,520	46,406	41,638	38,140	36,970	36,517	35,687	32,622
#1 Firm	265,620	240,540	233,329	138,923	131,219	135,163	115,902	116,304	95,352
#50 Firm	20,956	20,965	19,697	18,773	17,000	17,589	16,605	15,159	14,716
Share of National Apartment Stock (%)									
Top 10	8.0	7.8	6.9	5.8	5.3	5.1	5.0	4.8	4.2
Top 50	16.2	15.9	14.6	13.0	12.0	11.7	11.6	11.4	10.5

the rankings, from No. 8. Whitehall Funds (an affiliate of Goldman Sachs) and United Dominion Realty Trust occupy the next two spots. Casden Properties Inc. — listed last year under the name of its affiliate National Partnership Investments Corp. — moved into the 9th position. Rounding out the top 10 is Lefrak Organization, a return engagement after a year at No. 11.

The Newcomers

The stability of the apartment industry in 2000 is demonstrated by the small number of firms appearing in the top 50 list for the first time. Only six firms are new additions to the NMHC 50 list of apartment owners. First Union Corporation, an important syndicator in the tax credit housing market that was not included last year, holds the No. 23 spot, with an ownership interest in more than 36,000 apartments.

Private firm Kushner Companies debuts at No. 36, while BH Management Services almost doubled its portfolio holdings to break into the NMHC 50 at No. 45. ConAm Management, among the top 10 in last year's NMHC 50 managers, joins the NMHC 50 owners for the first time at No. 47. Alterra Healthcare, a senior housing specialist, joins the list at No. 48. Westdale Asset Management rounds out the list of newcomers with the No. 50 spot.

Rising Stars

The largest increase in apartments owned by any firm in the NMHC 50 in both 2000 and 2001 was posted by the largest firm, AIMCO. It is also the only REIT in the list of the top 5 companies in portfolio growth. Three of the greatest portfolio increases were registered by firms in the top 5 — Related Capital and Lend Lease, in addition to AIMCO. The biggest movers within the rankings were the publicly-traded REIT AMLI Residential Properties Trust, which vaulted from 46th place last year to 35th place this year, and Columbia Housing, moving from No. 37 to No. 27.

REITs in the Rankings

This was an unusual year for publicly traded REITs. Stock prices rebounded sharply following two subpar years. Even so, equity capital remained scarce. Hence, property acquisitions were often funded with cash generated through dispositions. This was a dampen-

Publicly Traded REITs Among Top Apartment Owners

Rank/ Company	# of Apartments with Ownership Interest
#1. Apartment Investment and Management Co.	265,620
#2. Equity Residential Properties Trust	225,466
#8. United Dominion Realty Trust	79,065
#11. Archstone Communities	63,443
#14. Camden Property Trust	51,336
#15. Home Properties	47,497
#21. AvalonBay Communities	37,146
#25. Mid-America Apartment Communities	33,632
#29. Post Properties	30,247
#30. Charles E. Smith Residential Realty	29,696
#35. AMLI Residential Properties Trust	26,147
#38. Gables Residential Trust	24,774
#43. BRE Properties	23,253
Total	937,322

Apartment Owners

Largest Portfolio Growth	Apartments
Apartment Investment and Management Co.	25,080
SunAmerica Affordable Housing Partners, Inc.	14,000
GE Capital Real Estate	13,363
Related Capital Company	12,780
Lend Lease Real Estate Investments	12,613

Moving Up In Rank	Slots
AMLI Residential Properties Trust	+11
Columbia Housing	+10
Alliance Holdings, LLC	+7
Prudential Real Estate Investors	+7
Northwestern Mutual	+6

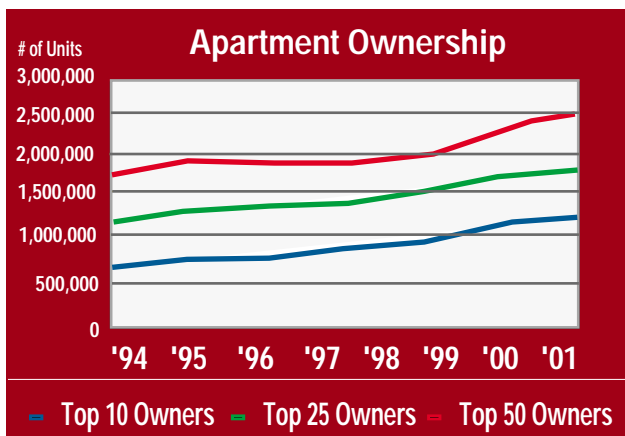
ing factor in asset growth in 2000. One exception to this trend was AIMCO's acquisition of Oxford Realty, the No. 22 firm on last year's NMHC 50. This helped AIMCO widen its lead over the No. 2 REIT, Equity Residential.

Two REITs — Associated Estates Realty Corporation and Cornerstone Realty Income Trust — had small declines in the number of apartments owned. Each fell just below the cutoff level for this year's top 50. Walden, which is still in the NMHC rankings (at No. 19), shed its REIT status to seek value as a private company. Thus, there are only 13 publicly traded apartment REITs in the NMHC 50 for 2001, down from 16 last year. Even so, the REITs in the NMHC 50 account for just short of the one million apartments they held last year.

There are a few accounting points to keep in mind regarding the REIT figures shown above. In particular, the REIT numbers in the NMHC 50 do not include private REITs that are established within larger business organizations. Neither do the figures include publicly traded companies in the NMHC 50 that have not elected REIT status. Finally, to permit comparisons with the portfolios of non-REIT owners, the NMHC 50 ranks by number of apartments in which the entity has an ownership interest. This gives a different ranking for apartment REITs than would result from alternative size measures, such as the companies' capitalization. The accompanying box discussion compares the rankings by these two alternative measures.

Industry Growth and Concentration

The well-established trend of increased growth and consolidation in the nation's apartment industry advanced further in 2000, although at a more modest



pace than in recent years. The number of apartments owned by the NMHC 50 grew by 2.9% last year. This contrasts with the 9 to 11% growth range of the previous three years. Growth was well distributed throughout the top half of the rankings; holdings of the top 10 firms increased by 3.6%, not much below the 4.3% increase in the number of apartments in the portfolios of the top 25 firms. The second tier experienced a slight slippage, as their combined portfolios are 1% smaller than a year ago. Not surprisingly, the threshold

for entry into the NMHC 50 is virtually unchanged.

The share of the apartment market owned by the largest apartment companies increased as well. The 10 largest firms have an ownership interest in 8% of the total stock of rental apartments in buildings with at least five units — estimated by NMHC at just over 16 million units. The top 25 firms own 12.2% of the apartment stock, while the NMHC 50 combined hold 16.2% of all apartments, up slightly from 15.9% last year. All these figures are record highs, and are indicative of the further concentration within the apartment industry.

APARTMENT MANAGERS

The list of top apartment managers includes many of the nation's largest apartment owners, who self-manage their own properties; hence their appearance on the both the NMHC 50 owners and NMHC 50 managers. Other firms specialize in property management and provide this service to apartment owners, including some of those in the NMHC 50 owners list.

The Leaders

AIMCO remains at the top of the NMHC 50 ranking of the nation's largest apartment managers, despite

Rank/ Company	# of Apartments Managed
#1. Apartment Investment and Management Co.	325,094
#2. Equity Residential Properties Trust	233,250
#3. Pinnacle Realty Management Co.	108,356
#4. Lincoln Property Company	100,371
#5. United Dominion Realty Trust, Inc.	75,165
#6. Archstone Communities	63,443
#7. Sentinel Real Estate Corporation	62,549
#8. Trammell Crow Residential	60,324
#9. Camden Property Trust	51,828
#10. Home Properties	50,500
Total	1,130,880

a reduction in the number of apartments it manages. AIMCO traditionally manages many apartments for other owners, over and above managing most of its owned portfolio. As a result, its management portfolio exceeds its ownership portfolio by almost 60,000 units. Equity Residential Properties Trust, which does little "third party" management, easily retained its No. 2 position. By adding almost 10,000 apartments to the total it manages, Pinnacle Realty Management Company leapfrogged over Lincoln Property Company this year into third place. Of the remaining companies in the top 10, the only newcomer in 2001 is Home Properties, which added just over 5,000 apartments to move into 10th place.

The Newcomers

Five companies are new to this year's NMHC 50 of apartment managers. Three — Westdale Asset Management (No. 23), Kushner Companies (No. 45), and Alterra Healthcare (No. 46) — also are new members of the ownership NMHC 50. FPI Management Inc. added 4,630 units to its total to place it 42nd in the rankings. Finally, Grenadier Realty Corp. increased its management portfolio by almost 3,800 apartments to debut at the No. 44 position.

apartments, virtually the same number as last year. Within the group, the number of apartments managed by the top 25 edged up by 0.4 percent, while units managed by the second 25 slipped by 1.2%. The median portfolio declined by more than 1,000 from last year's figure, while the mean portfolio rose by a mere six apartments.

The steady increase in management concentration — and the further concentration among ownership this year — suggests that this year's result is more likely a pause in, rather than an end to, the trend. The 10 largest companies now manage 7% of the nation's rental apartments (in buildings with at least five units), down from 7.3% last year, while the top 25 manage 10.8%. The full NMHC 50 manage 14.6% of the apartment stock, also down slightly from 14.8% a year ago.

Apartment Managers

Largest Portfolio Growth	Apartments
Whitehall Funds	+19,000
Trammell Crow Residential	11,525
Alliance Holding, L.L.C.	10,785
Pinnacle Realty Management Company	9,700
Western National Property Management	5,540

Moving Up In Rank	Slots
Whitehall Funds	+21
Marriott Senior Living Services	+16
Alliance Holdings, L.L.C.	+10
Forest City Residential Group	+9
AMLI Residential Properties Trust	+8

SPECIALISTS

Thirty-six companies are both NMHC 50 owners and NMHC 50 managers. On each list, therefore, there are 14 firms that appear on that list only. Many of these

Rising Stars of Management

Only two firms that moved up strongly in the ownership rankings also made big moves on the management NMHC 50: Alliance Holdings, which jumped 10 places, and AMLI Residential Properties Trust, which moved up eight places. Whitehall Funds was the biggest gainer, adding 19,000 apartments to its management portfolio and skyrocketing into the No. 15 position, from No. 36 last year.

Apartment Management Growth and Concentration

The companies of the NMHC 50 manage 2,352,560

The Largest Firms Appearing on Ownership List Only:

- Related Capital Company
- Boston Capital
- SunAmerica Affordable Housing Partners, Inc.
- GE Capital Real Estate
- Richman Group Capital Corporation

The Largest Firms Appearing on Management List Only:

- Pinnacle Realty Management Company
- Western National Property Management
- Greystar
- Lane Company
- Village Green Companies

SUMMARY #S	NUMBER MANAGED									
	2001	2000	1999	1998	1997	1996	1995	1994	1993	
Top 10	1,130,880	1,155,573	1,100,532	1,053,488	941,947	886,158	822,235	715,325	667,361	
Top 25	1,745,571	1,733,915	1,675,967	1,634,722	1,489,556	1,374,292	1,307,638	1,201,062	1,169,923	
Second 25	610,989	618,330	589,836	663,388	618,358	584,128	572,275	573,199	571,520	
Top 50	2,352,560	2,352,245	2,265,803	2,298,110	2,107,914	1,958,420	1,879,913	1,774,261	1,741,443	
Portfolio Size Measures										
Median	32,522	34,170	33,000	33,851	29,976	28,233	28,006	29,800	25,500	
Mean	47,051	47,044	45,316	45,962	42,158	39,168	37,598	35,485	34,829	
#1 Firm	325,094	362,468	347,692	250,123	244,689	272,071	206,854	124,945	102,231	
#50 Firm	20,500	19,465	18,544	21,336	20,902	20,019	19,208	18,808	19,448	
Share of National Apartment Stock (%)										
Top 10	7.0	7.3	6.9	6.6	5.9	5.6	5.2	4.6	4.3	
Top 50	14.6	14.8	14.2	14.4	13.3	12.4	12.0	11.3	11.2	

Note: Beginning in 1999, management totals exclude management of condominium and cooperative housing communities.

firms on just one list are actually involved in both ownership and management, but tend to specialize in one of these activities, hence do not reach the threshold needed to rank on both lists. The specialists include some of the biggest companies on the two lists. On the owners list, Related Capital and Boston Capital — veterans of the owners' NMHC 50 — are both among the top 5 owners, but they do not appear on the management rankings. In the managers' NMHC 50, Pinnacle Realty Management moved up to No. 3 this year, managing more than 108,000 apartments. Although Pinnacle is also involved in ownership, the number of apartments in which it has an ownership interest is

only a little over one-tenth as large as the number of units it manages.

Additionally, some firms that appear on both the ownership and management NMHC 50 lists are more prominent in one ranking than the other. Companies whose ownership portfolios exceed their management portfolios by more than 25,000 apartments are Lend Lease, Casden, Whitehall, and Lefrak Organization. Firms with management portfolios which exceed their apartment holdings by more than 25,000 units are AIMCO, Lincoln Property, Trammell Crow Residential, and ConAm.

Sizing the apartment REITs

The NMHC 50 ranks apartment owners by the number of apartments in which they hold an ownership interest. For the majority of companies in the listing, this is the only measure of size that is both consistent and generally available.

For publicly traded REITs, however, another metric is readily available: total market capitalization. As with other publicly traded companies, size can be estimated by the stock market's valuation of the company's equity and the book value of its debt. All of the REITs in the NMHC 50 are apartment specialists, and the majority of their assets are apartments; hence their market cap-

italization is a useful and consistent measure of the market's valuation of the companies' apartment business.

The table below lists the publicly traded REITs in the NMHC 50 ownership list in order of size by the units measure. The next two columns show both their total market capitalization, and their ranking by that standard.

There are several notable differences in the rankings. AIMCO, which holds the top position in the NMHC 50, has an ownership interest in almost 18% more apartments than does Equity Residential Properties Trust. Measuring by total market valuation, however, Equity Residential is

larger by more than 66%. The other REITs whose market value rank is higher than their NMHC 50 rank are: Charles E. Smith Residential Realty, BRE Properties, AvalonBay, Post Properties, Archstone Communities, and Gables Residential Trust.

The differences between the two rankings have several explanations. The most important difference has to do with partial ownership of apartments. In addition to being the sole owner of thousands of apartments, some REITs have partial ownership interest in others, typically through involvement in a partnership (as either the general partner or a limited partner).

While this ownership interest may be as small as 1%, the apartments enter the count as if they were owned exclusively by the REIT. The valuation measure, by contrast, effectively adjusts for the extent of ownership. Notably, AIMCO has full ownership of only approximately 25% of its apartments and an ownership interest of less than half for approximately 42% of its holdings.

Other reasons for differences between the rankings include: (1) differences in apartment value among companies based on apartment quality or geography; (2) differences in the investor assessments of the quality and stability of current income as well as the growth prospects for the company; and (3) differences in portfolio holdings of assets other than apartments, including both "hard" assets and the valuation of contracts for "third party management" of apartments owned by others.

Apartment REIT Size & Rank By Two Measures

Company	Apartments with Ownership Interest		Company Total Capitalization	
	number	rank among REITs	\$ million	rank among REITs
Apartment Investment & Management Co.	265,620	1	8,607	2
Equity Residential Properties Trust	225,466	2	14,320	1
United Dominion Realty Trust, Inc.	79,065	3	3,613	5
Archstone Communities	63,443	4	6,028	3
Camden Property Trust	51,336	5	2,780	8
Home Properties	47,497	6	1,856	10
AvalonBay Communities, Inc.	37,146	7	5,536	4
Mid-America Apartment Communities, Inc.	33,632	8	1,413	12
Post Properties, Inc.	30,247	9	3,077	7
Charles E. Smith Residential Realty	29,696	10	3,175	6
AMLI Residential Properties Trust	26,147	11	1,149	13
Gables Residential Trust	24,774	12	1,806	11
BRE Properties	23,253	13	2,261	9

Note: Company total capitalization sums: (1) market value of shares outstanding, including operating partnership units; (2) the value of perpetual preferred stock; and (3) the book value of total debt outstanding. Capitalization is estimated based on share and partnership unit prices as of December 31, 2000 (and book values as of September 30, 2000), and is provided courtesy of Legg Mason Wood Walker, Inc.



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