

The Birch Quarterly

B I R C H M A N A G E M E N T , I N C .

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CO Detectors

We completed the installation of Carbon Monoxide detectors in late December, as required by North Carolina Law. During that process we received many questions regarding the new law that necessitated the installation of the detectors.

Senate Bill 1924, signed on July 14, 2008 mandated the installation of Carbon Monoxide detectors in all rental units that had any of the following items:

- Fireplace
- Attached garage
- Anything burning fossil fuel

The entire law can be found in the forms section of our website for your further information. Additionally, there are numerous laws on our website that relate to being a landlord.

News...

Our website has a news section on the homepage that is updated frequently with information related to rental housing in the Triad. This is a great resource for information as to what is going on in the Triad.

Among the articles available in the news section are:

- News 14 video and print article regarding Carbon Monoxide detectors– Birch Management was featured in a story regarding the law now in effect, as previously mentioned in this newsletter.
- The Greensboro News and Record published an article detailing the pending Interstate 73 connection and other pending improvements to our road system. As the Triad emerges as a major player nationally in the logistics arena, the road improvements are key to the area. Doug Galyon, just retired chairman of the NC Department of Transportation and Greensboro resident, has done a remarkable job of representing the Triad in securing funding for these improvements. It is very important to stay in tune with planned roadway improvements, as they can have significant impact on the value of real estate.
- Area apartment vacancies continue to mount– The Greensboro News and Record recently published an article detailing the continued softness of the market rate multi-family sector in the Triad. This article notes

that the vacancy rate is highest in southern Greensboro at 18%. In the next edition of the Birch Quarterly, there will be the latest official rental rate and vacancy numbers.

- Greensboro Economy Still Dragging– A report just released shows that the economy in Greensboro is still lagging that of the state and nation.

New Law

The City of Winston-Salem just enacted a new law that requires all rental units in the City to have smoke detectors in every sleeping room and at least one per level in the common areas.

While this is currently part of the building code, it has not been a requirement in older homes and those homes have been grandfathered in. To our knowledge, Winston-Salem is the first municipality to enact such a measure and we feel certain that other municipalities will follow. We will keep our eyes open for further legislation.

Lead Paint

As previously mentioned in The Birch Quarterly, the Environmental Protection Agency has implemented new Lead Based Paint renovation requirements. These mandates ended up being put in place in North Carolina on January 1, 2010, which was accelerated from the original April 2010 date.

The renovation requirements are very complex and will add cost to any project where there might be

lead based paint. Any repair that disturbs more than 6 square feet of painted area must meet these new requirements.

ECS Carolinas, LLP, an leading environmental testing agency, has furnished a presentation that details these requirements. It is available on our website in the forms section.

It will be very interesting to see how these new regulations play out, as they are a federal requirement where very little guidance and no funding has been passed along to the state to enforce them.

Birch Management, in an effort to protect our clients, has secured the appropriately credentialed renovators when these regulations would be applicable.

Welcome

We are please to welcome Jay Wall to our team this month. Jay has taken over the position of Operations Manager from Bryan Clemmons who secured a job as a construction superintendent with a major multi-family developer.

Prior to joining Birch Management, Jay was operations manager for CBL, General Growth Properties, and Koury Corporation. His responsibilities included the maintenance operations of Four Seasons Mall in Greensboro and Oak Hollow Mall in High Point.

Jay also has experience in HVAC and electrical maintenance, as well as being a fireman with the Fire District 13.



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Our mission is to offer personalized and professional service to both our clients and customers by building strong relationships, utilizing the latest technology, implementing effective marketing strategies, following consistent systems all with honesty and integrity throughout every facet of our business

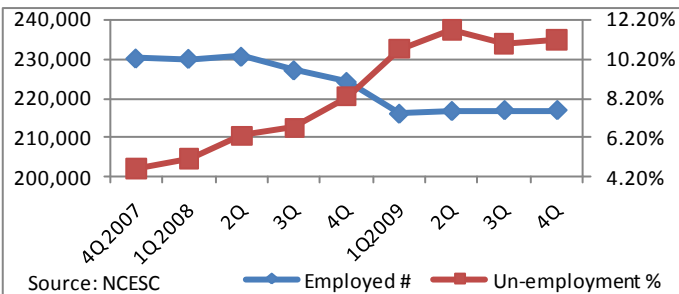
SERVICE ANNOUNCEMENTS

- **Post Office Closing:** Please note that the post office where our post office box is located has appeared on a list of potential closings for next year. As a result, we have begun the process of shifting all of our postal mail to our physical location. We will continue to monitor the post office box on a daily basis until some point in the near future before closing it down. Please make note of our new mailing address and begin using it at your convenience.
- **Tax Reporting for 2009:** 1099's were mailed on January 27, 2010. Should a replacement be needed, or other information, it can be obtained on our website in the reports section of our industry leading owner log-in. In the owner log-in reports can be produced for any time period and customized to suit your needs. The owner log-in has exactly the same data that we have in the office and is the most efficient method to receive information regarding your investment property.
- **Client Web Access:** Those who have taken advantage of our client web access have found it to be very helpful source of information. This is the fastest way to find out the answers to most financial questions, please contact us if you do not have your log-in ID and password.

TRIAD REAL ESTATE MARKET INDICATORS

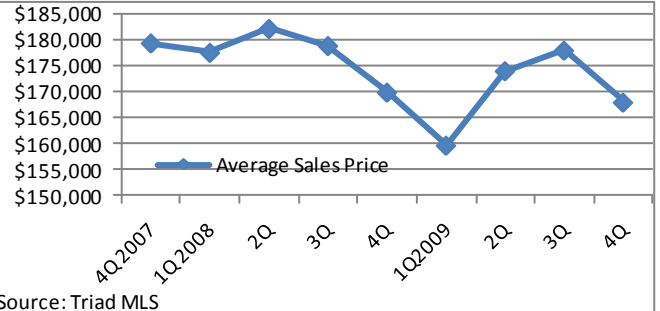
ECONOMIC INDICATORS

EMPLOYMENT STATISTICS



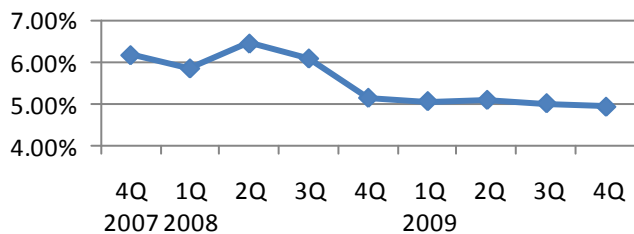
RESIDENTIAL SALES

AVERAGE SALES PRICE



MORTGAGE RATES

30 YR National Average



TRANSACTIONS / DOM

