

The Birch Quarterly

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

ITEMS IN THIS ISSUE

- Newsletter
- RUCO Compliance
- NCO Information
- New Office
- Web Site Development
- Service Announcements
- Household Growth
- Employment Growth
- Average Sales Price
- Total Transactions/
Days on Market



Welcome to the first edition of The Birch Quarterly. This newsletter will be published quarterly in an effort to keep our clients abreast of changes within our real estate market and company. Hopefully, you will find this information helpful in properly tracking your investment property.

The first page of the newsletter will be devoted to current items of interest in our market, such as RUCO compliance and NCO potential covered in this issue.

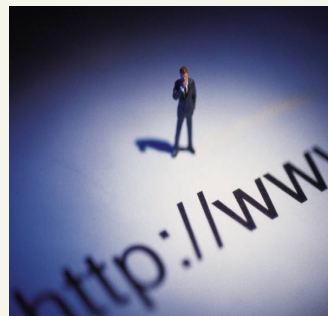
The second page is devoted to service announcements from Birch Management and charts detailing local economic and real estate related statistics. Employment growth, average sales price, and total transactions/days on market will be in each issue. The chart entitled "Household Growth" will rotate. Please let us know if you wish to see a specific item covered.



On December 20, 2007, we completed the move into our new office. Our new location is 1118 Greccade Street. The office is located just 1 block east of Battleground Avenue and one block south of Wendover Avenue. There is direct access to Greccade Street off of Wendover heading east. We are also located just minutes from downtown, as well.

Our new space should prove to be very comfortable for both our clients and customers.

We are very excited to be in our new headquarters and look forward to your visit. Our hours are Monday- Thursday 8:30- 5:00 and Friday 8:30-4:00. Please note that we are closed holidays.



Development continues on our Web site and should be nearing completion this quarter. There will be many additional features that will be of great benefit to both our clients and customers. Stay tuned for more information.

Rental Unit Certificate of Occupancy

In January 2004, the Greensboro City Council passed an ordinance requiring that all rental properties located within the city obtain an inspection and Rental Unit Certificate of Occupancy (RUCO). There has been much debate as to how, and if, this would work. As you can imagine, there were a number of procedural issues that needed to be worked out and this took some time. The original compliance date has been pushed back a number of times. However, it does appear that the current deadline of January 1, 2009 will stick.

Therefore, beginning in January 2008, we will begin the process of requesting inspections for vacant properties. This process will involve us scheduling, with the city, the unit for an inspection after a resident vacates and prior to fu-

ture occupancy. We are in the process of developing a strong relationship with the inspectors to facilitate this process.

There is no cost to the homeowner involved in the inspection process. More information can be found on the City of Greensboro Web site at: <http://www.greensboro-nc.gov/departments/Engineering/resident/renter/RentalUnitCertificate.htm>.

While the unknown of an inspector's findings can be thought provoking, we view this process as a benefit to our clients. History has shown that a well maintained investment property will command higher rent, attract a higher caliber resident, reduce costly emergency repairs, and appreciate more than a poorly maintained investment.

Neighborhood Conservation Overlay

Late in 2007, the Greensboro City Council passed an ordinance allowing for the formation of Neighborhood Conservation Overlay districts in Greensboro. The City planning department defines a NCO as "A Neighborhood Conservation Overlay (NCO) district is a zoning layer placed on top of the base zoning district that serves to protect unique features of a residential neighborhood. The zoning overlay is tailor-made to each neighborhood and reflects the special qualities of that place. It protects elements visible from the public right-of-way and may vary from setbacks and building massing to distinct architectural features to special natural or environmental characteristics. An

NCO also serves to facilitate compatible development or redevelopment."

While this new ordinance might sound like a good idea, you should do your homework before jumping on board. One thing to keep in mind is that all future development within one of these areas must meet the new guidelines. For example, if your investment burns down, you might not be able to rebuild it exactly as it is now.

More information can be found at <http://www.greensboro-nc.gov/departments/Planning/urbandesign/nco/Frequently+Asked+Questions.htm>



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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

In an effort to improve the effectiveness, meet legal requirements, and control cost of our maintenance requests, effective January 1, 2008, all maintenance requests from residents must be submitted in writing. Requests can be submitted by mail, fax, e-mail, our Web site, or delivered in person.

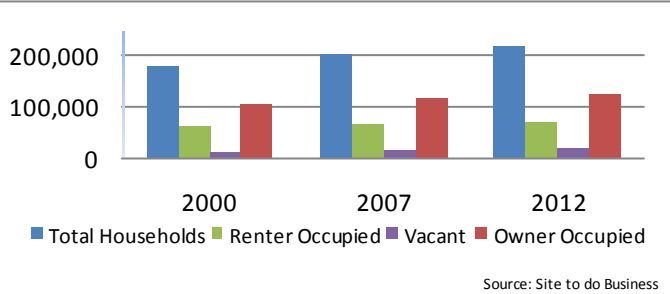
Once received and verified by our staff, these work order requests will be handled by Triad Maintenance Services, LLC, a full service property maintenance company. Triad Maintenance Services, LLC specializes in general real estate maintenance services.

Please note that Triad Maintenance Services, LLC is an affiliated entity of The Birch Companies.

TRIAD REAL ESTATE MARKET INDICATORS

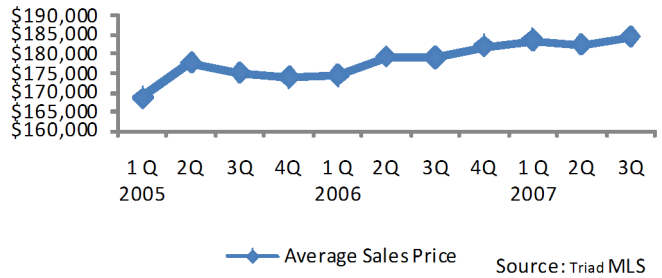
ECONOMIC INDICATORS

HOUSEHOLD GROWTH

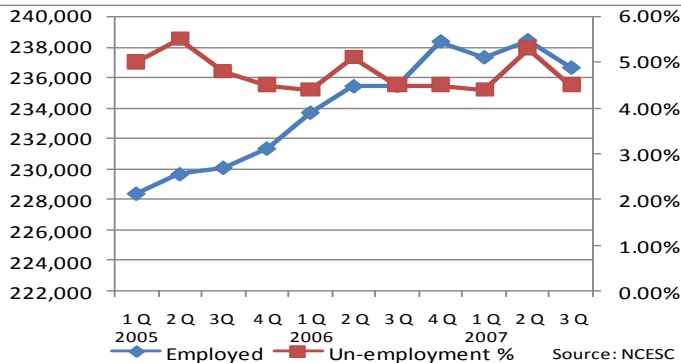


RESIDENTIAL SALES

AVERAGE SALES PRICE



EMPLOYMENT GROWTH



TRANSACTIONS / DOM

