



TIC MARKET WATCH

4th Quarter Newsletter 05'



1031 PROPERTY WATCH
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TIC MARKET WATCH

1031PROPERTYWATCH QTR. NEWS



John Temple
President & Founder
1031PropertyWatch

The face of Tenant-in-Common (TIC) websites changed in December when the NASD (the regulatory arm of the TIC industry) tightened up enforcement on general solicitation rules and regulations. TIC websites are now required to have a password entry located on the home page. As private placement investments, TICs cannot be marketed to the general public. Websites are like billboards along

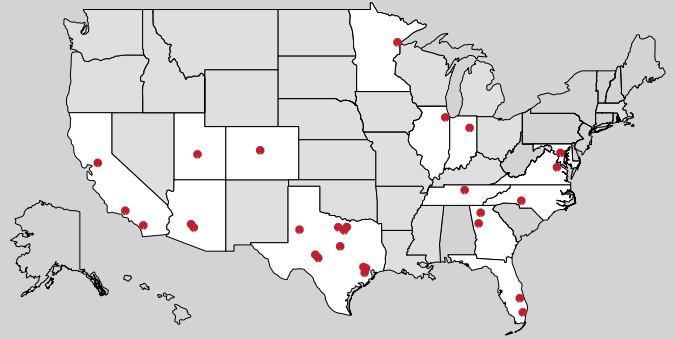
the freeway; anyone can see them. The solution of moving the password to the home page insures that only approved investors with a password can visit these sites. This is intended to protect the investor. We believe this is positive both for the investor and for the maturity of the TIC industry. We are excited to be adding more resources for investors on our website. If you don't already have a password to our site, feel free to give us a call, toll free, at 877-337-1031.

On another front, the TIC market saw some wild swings in the 4th quarter of 2005. In September, demand was high and we experienced one of thinnest inventories we've ever seen. However, it wasn't long before the pendulum swung the other direction. Sponsors rushed to put new properties on the market, inventories exploded upward, and in the aftermath of Katrina, investor demand stalled. We saw the equity raise drop from over \$220 million in September, to under \$70 million in November. Then it reversed direction again with demand pushing back up to over \$200 million by the first of the year. Hopefully the market will stabilize in the first quarter of 2006.

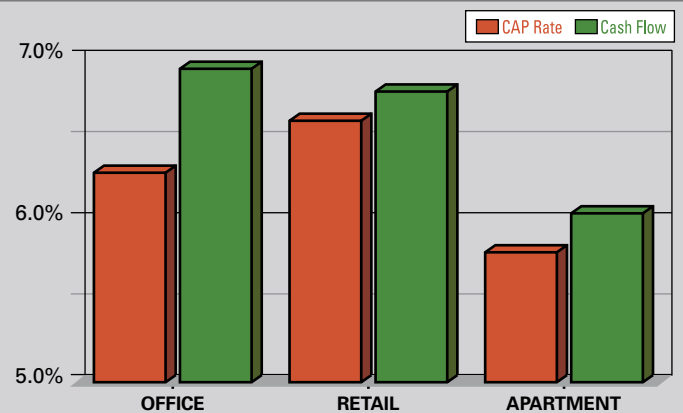
Sincerely,

Statistics are provided by 1031PropertyWatch on a best efforts basis. For a list of properties surveyed or for a list of current TIC properties, please contact us, toll free, at 877-337-1031.

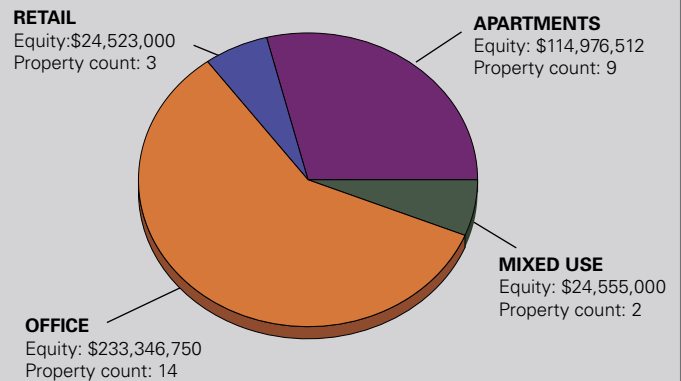
TIC PROPERTY LOCATIONS – 3RD QTR 05'



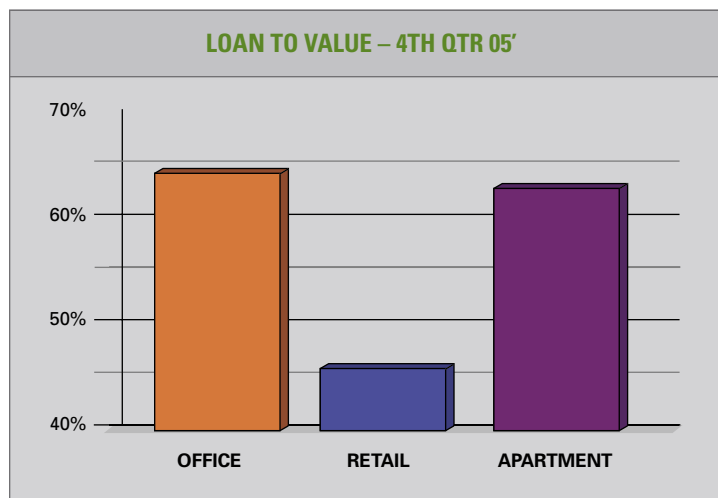
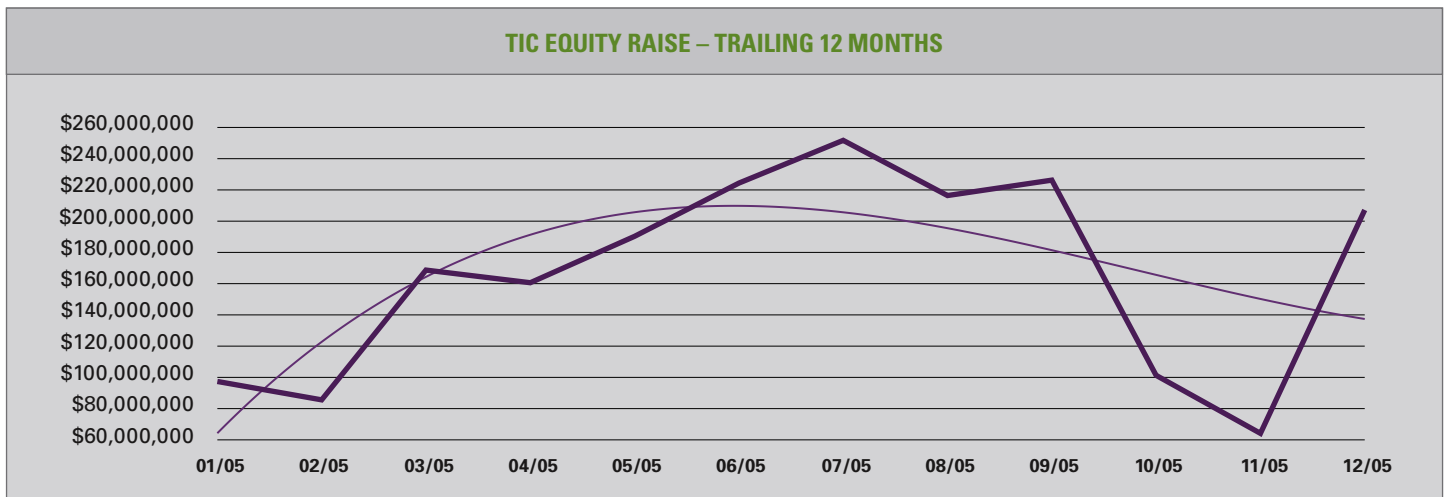
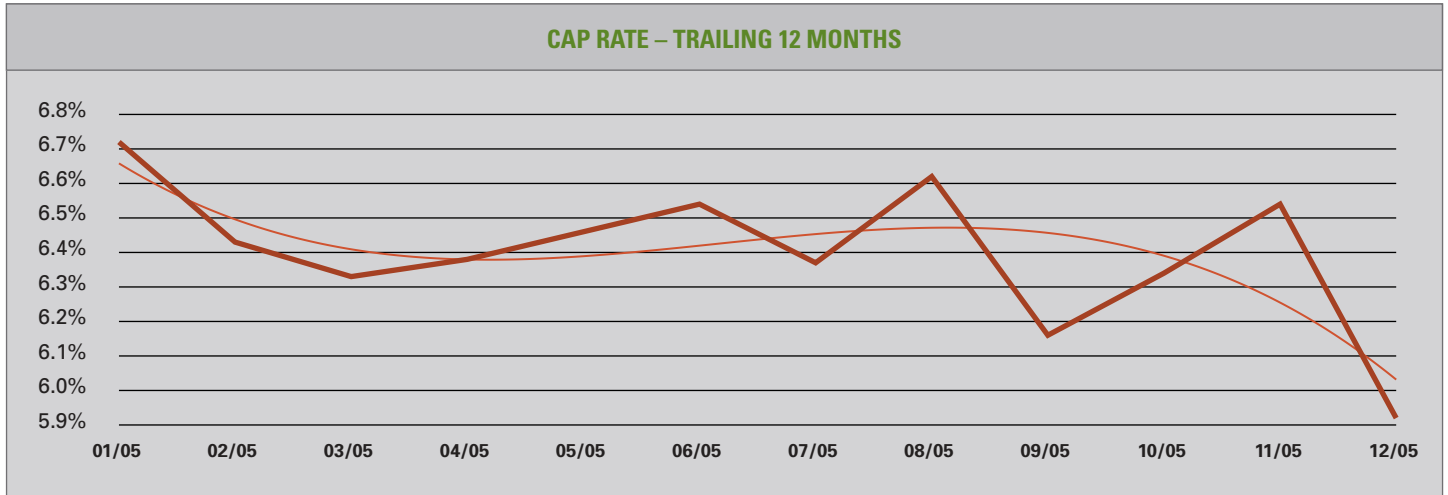
CAP RATE & CASH FLOW COMPARISON – 4TH QTR 05'



SECTOR ALLOCATION – 4TH QTR 05'



To see a list of current properties please call toll free: 877-337-1031



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New research available for the informed TIC investor:

- Industry Research
- Property Research
- TIC Concepts
- Risks
- Sensitivity Analysis
- Frequently Asked Questions
- Sponsor 5 Star Ranking
- Historical Property Examples
- Current Properties
- Sponsor Bio
- Sponsor Watch (see picture to right)



Please give us a call, we would be happy to send you a copy.
877-337-1031



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We have added more resources for investors on our website. Call us (toll free) to receive a password, at 877-337-1031.

John