

The Group's Listing Packet
is presented in a
Full-Color, Heavy-Duty
custom folder with a
pocket inside to hold their
compelling statistics and
marketing pieces.

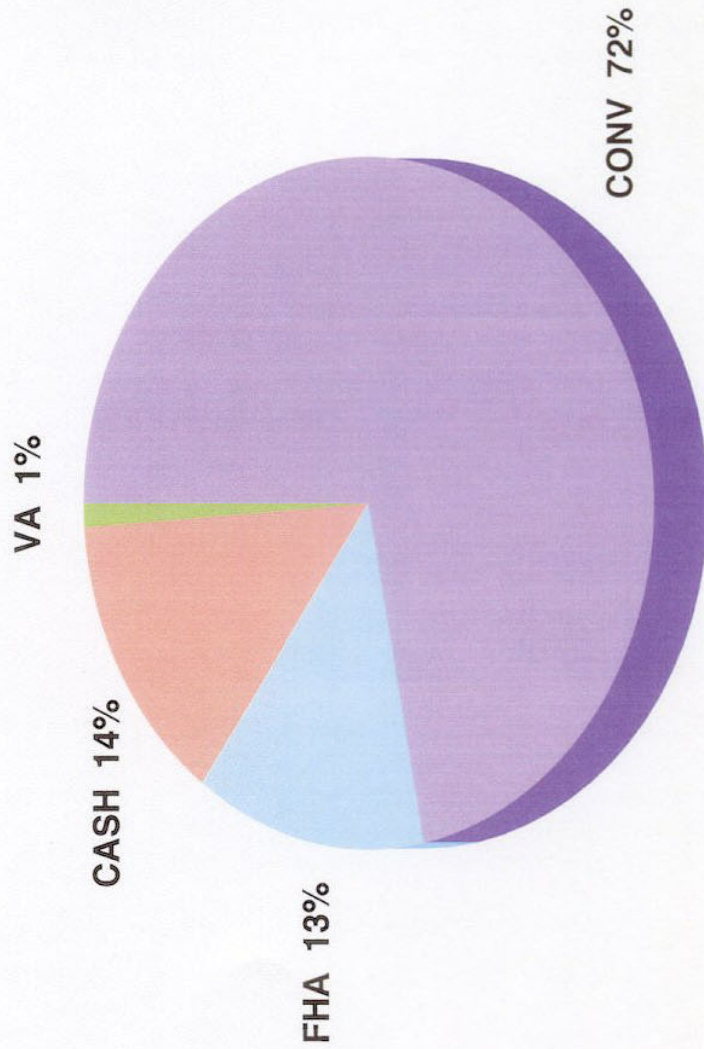


Leaders In Real Estate



THE **GROUP** INC.

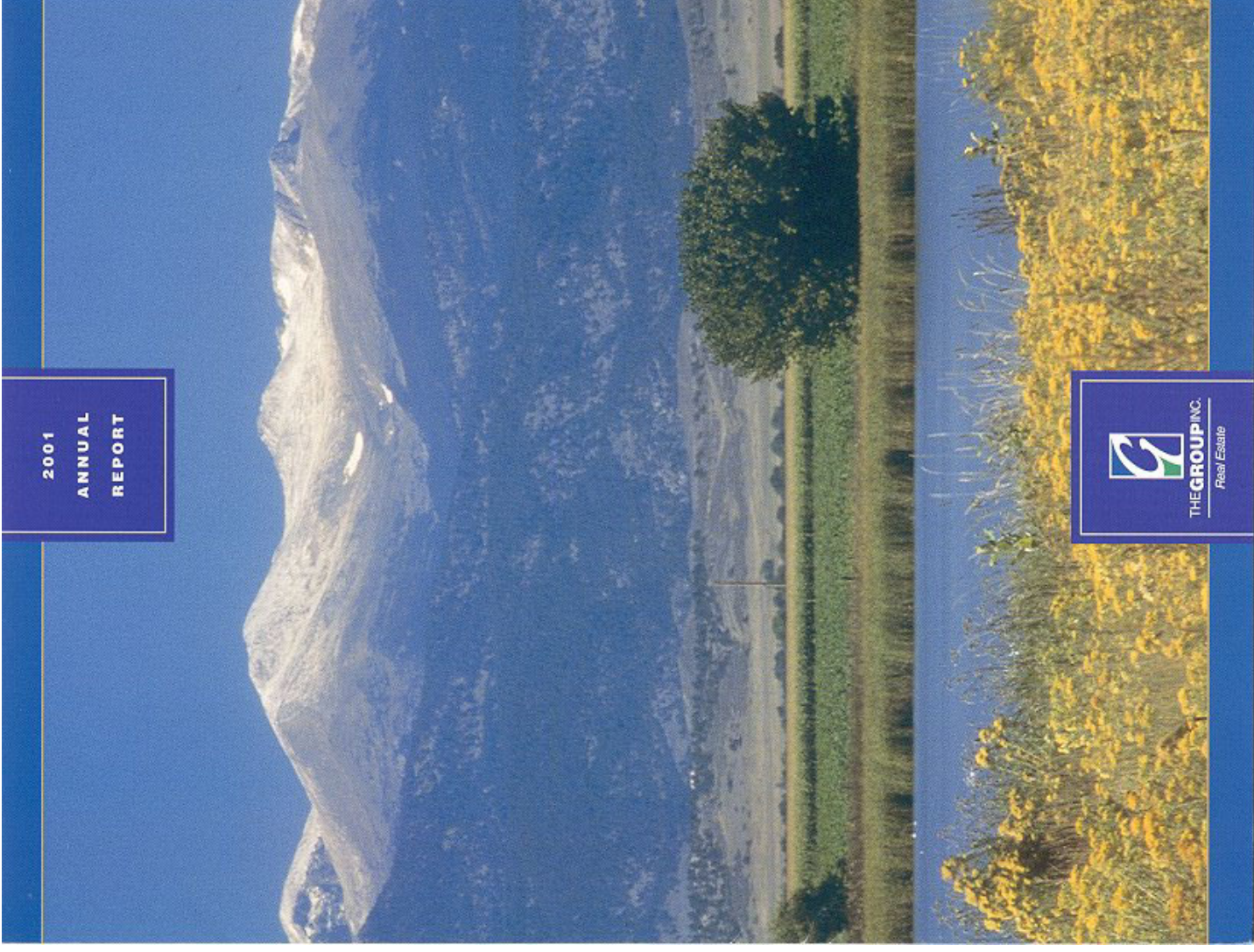
Where the Financing Comes From
January 1, 2002 – September 30, 2002



One of the inserts is the high-impact, multi-page Annual Report created by the Group, Inc. every year. This “report” consists of the past year’s market stats, a history of sales stats of multiple years and for different areas.

They also use the opportunity to mention their work in the community and give special recognition to individual partners.

See the next few pages for the annual report contents in 2001.



2001 Annual Report

Vision

The Group, Inc. was founded in 1976 by twelve real estate professionals who wanted to create a real estate company owned equally by its sales associates and staff.

Our vision was to create a company that would attract and keep the best and brightest real estate people and create an environment where we could work together as a team to provide value to our customers.

Today, The Group, Inc. consists of over 175 owners located in five offices throughout Northern Colorado. More importantly, customers chose The Group to help them with over 50% of all the real estate transactions in Northern Colorado last year. The year 2000 was The Group's 25th year in business and a record setting real estate year. Here are the numbers:

2000 Northern Colorado Residential Sales Statistics

Area	Homes Sold '99	Homes Sold '00	\$ Volume '00	Average Price '99	Average Price '00
Fort Collins/Wilmington					
Greensky/Bozatis					
Loveland/Burkehead					
Windsor					
Totals					

Three factors are driving Northern Colorado's regionalization:

- 1) Dual Incomes/Dual Cities. It is common for two spouses to work in different cities.
- 2) The Search for Affordability. People are willing to drive to find a home they can afford.
- 3) The Search for Large Lots. People are willing to drive to get what they want.

In 1976, The Group, Inc. was founded with a vision of being "the source" of real estate knowledge in our market.

The Group, Inc. formed with 12 partners. The average home price is \$37,804.

1976



1977
The Group, Inc. first year sales volume of \$8 million.

Hewlett Packard and The Lincoln Center open in Fort Collins.

1978

The Group, Inc. of Loveland formed with 7 partners.

1980

1979
The Group, Inc. builds 401 West Auduberry Office.



2001 Annual Report

History of Residential Sales in Fort Collins and Loveland Markets Over the Last Decade

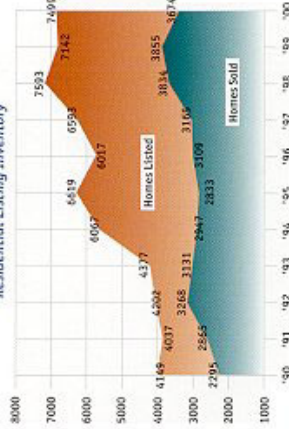
Fort Collins Residential Sales Statistics

Year	# of Homes	% Change	Dollar Value	% Change	Average Sales Price	% Change
1990	2265	+9%	\$216,017,138	+13%	\$94,084	-5%
1991	2665	+16%	\$251,985,018	+17%	\$94,553	+0%
1992	3268	+23	\$336,566,838	+34%	\$102,989	+9%
1993	3131	-4%	\$363,134,564	+6%	\$115,980	+13%
1994	2647	-6%	\$404,952,842	+12%	\$137,412	+18%
1995	2833	-4%	\$405,812,631	+0.2%	\$143,245	+4%
1996	3109	+10%	\$468,596,827	+13%	\$147,503	+3%
1997	3165	+2%	\$486,539,625	+6%	\$153,725	+4%
1998	3834	+21%	\$612,235,944	+26%	\$159,686	+4%
1999	3883	+0.6%	\$674,764,563	+10%	\$175,036	+10%
2000	3674	-5%	\$712,910,308	+6%	\$194,042	+11%

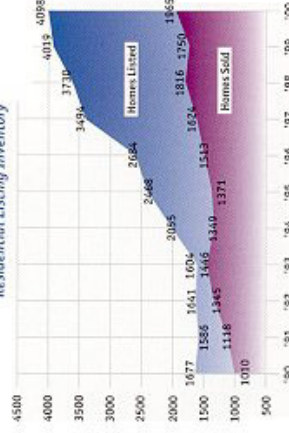
Loveland Residential Sales Statistics

Year	# of Homes	% Change	Dollar Value	% Change	Average Sales Price	% Change
1990	807	+20%	\$98,796,128	+21%	\$72,857	+1%
1991	933	+16%	\$71,292,811	+21%	\$76,412	+5%
1992	1116	+20%	\$94,382,130	+32%	\$84,571	+11%
1993	1246	+12%	\$142,188,048	+51%	\$114,116	+35%
1994	1381	+11%	\$173,890,070	+22%	\$125,916	+10%
1995	1384	+0.2%	\$185,371,111	+7%	\$133,938	+6%
1996	1513	+9%	\$218,899,327	+18%	\$144,679	+8%
1997	1824	+7%	\$243,887,448	+11%	\$150,177	+4%
1998	1816	+12%	\$288,889,280	+18%	\$159,080	+6%
1999	1751	-4%	\$307,358,050	+6%	\$175,533	+10%
2000	1965	+12%	\$379,419,885	+23%	\$193,089	+10%

Fort Collins Housing Market Residential Listing Inventory



Loveland Housing Market Residential Listing Inventory



Prime Rate reaches 21%, mortgage rate reaches 17%.

1981

"Old Town" Fort Collins is created.

1984

The Group, Inc. builds new office at Shores Office Park on Horseshoeb Road.

1983

The Group, Inc. celebrates 10 years.

1986

EPIC opens in Fort Collins.

1987

The Group, Inc. creates

1991

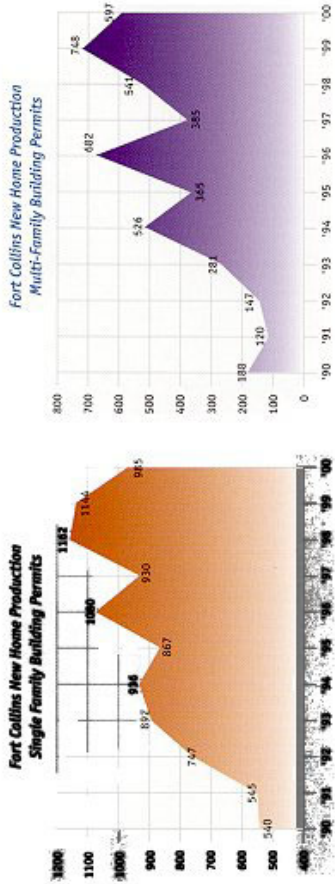
The Group, Inc. of Loveland celebrates 10 years.

1980



2001 Annual Report

Building Permit Activity for Fort Collins and Loveland



Commercial Trends - Vacancy Rates

Property Type	Fort Collins		Loveland		Greely/Evans	
	1/1/01	1/1/00	1/1/01	1/1/00	1/1/01	1/1/00
Office	3.4%	2.9%	3.4%	2.5%	3.8%	4.7%
Industrial	13.1%	13.4%	9.6%	7.9%	12.0%	9.0%
Retail	7.7%	10.4%	6.6%	7.7%	8.0%	7.5%
Multi-Family	5.1%	5.2%	4.5%	2.8%	6.0%	6.0%

1994: Outler Mall opens in Loveland.

1996: The Group, Inc. of Greeley formed with 17 partners.

1998: The Group, Inc. purchases land on Harmony Road.

1999: The Group, Inc. builds Harmony Office, merges with The Group, Inc. of Loveland.

2000: The Group, Inc. sales volume in Northern Colorado reaches \$1.1 Billion. Purchase site at F-25 & Hwy 34 for new office.

2001: The Group, Inc. celebrates 25 years in business.



They also enclose
 a copy of the
 Group's latest
 newsletter, the
 "Real Estate Insider"



Vol. 25, No.1

2001 Northern Colorado Real Estate Forecast

A PUBLICATION OF
 THE GROUP, INC

As we make our annual forecast, let's review the history of residential sales in the Fort Collins and Loveland areas.

Fort Collins Residential Sales Statistics

Year	# of Homes	% Change	Dollar Value	% Change	Average Sales Price	% Change
1990	2296	+ 8%	\$216,017,138	+13%	\$ 94,084	+ 9%
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Larry Kendall
 Chairman

Loveland Residential Sales Statistics

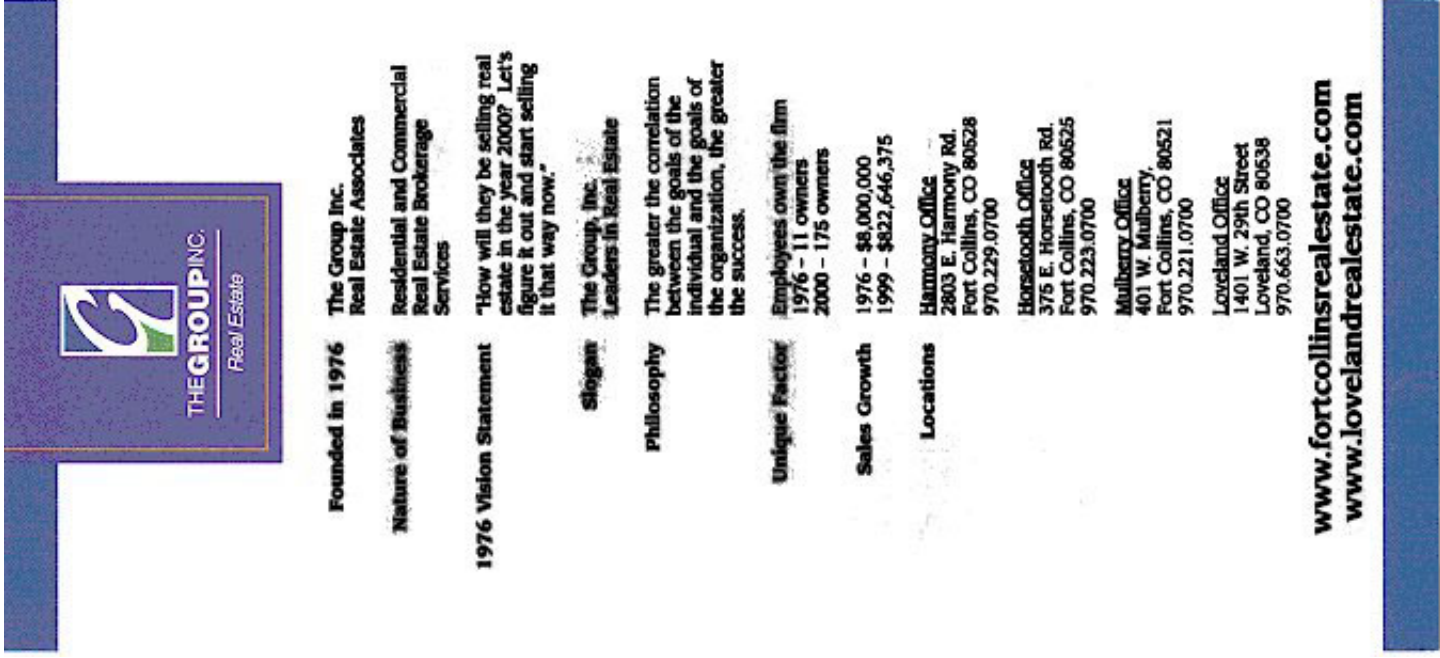
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375 East Hoesenroom Road
 Fort Collins, CO 80525
 (970) 223-0700

In 2000, The Group, Inc. was involved in over 50 % of the real estate transactions in the Fort Collins/Loveland market. It is from this perspective that we make our forecast.



Company Brochure (front and back)



THE GROUP INC.
Real Estate

Founded in 1976

**The Group Inc.
Real Estate Associates**

Nature of Business

**Residential and Commercial
Real Estate Brokerage
Services**

1976 Vision Statement

"How will they be selling real estate in the year 2000? Let's figure it out and start selling it that way now."

Slogan

**The Group, Inc.
Leaders in Real Estate**

Philosophy

The greater the correlation between the goals of the individual and the goals of the organization, the greater the success.

Unique Factor

**Employees own the firm
1976 - 11 owners
2000 - 175 owners**

Sales Growth

**1976 - \$8,000,000
1999 - \$822,646,375**

Locations

**Harmony Office
2803 E. Harmony Rd.
Fort Collins, CO 80528
970.229.0700**

**Horseshoe Office
375 E. Horseshoe Rd.
Fort Collins, CO 80525
970.223.0700**

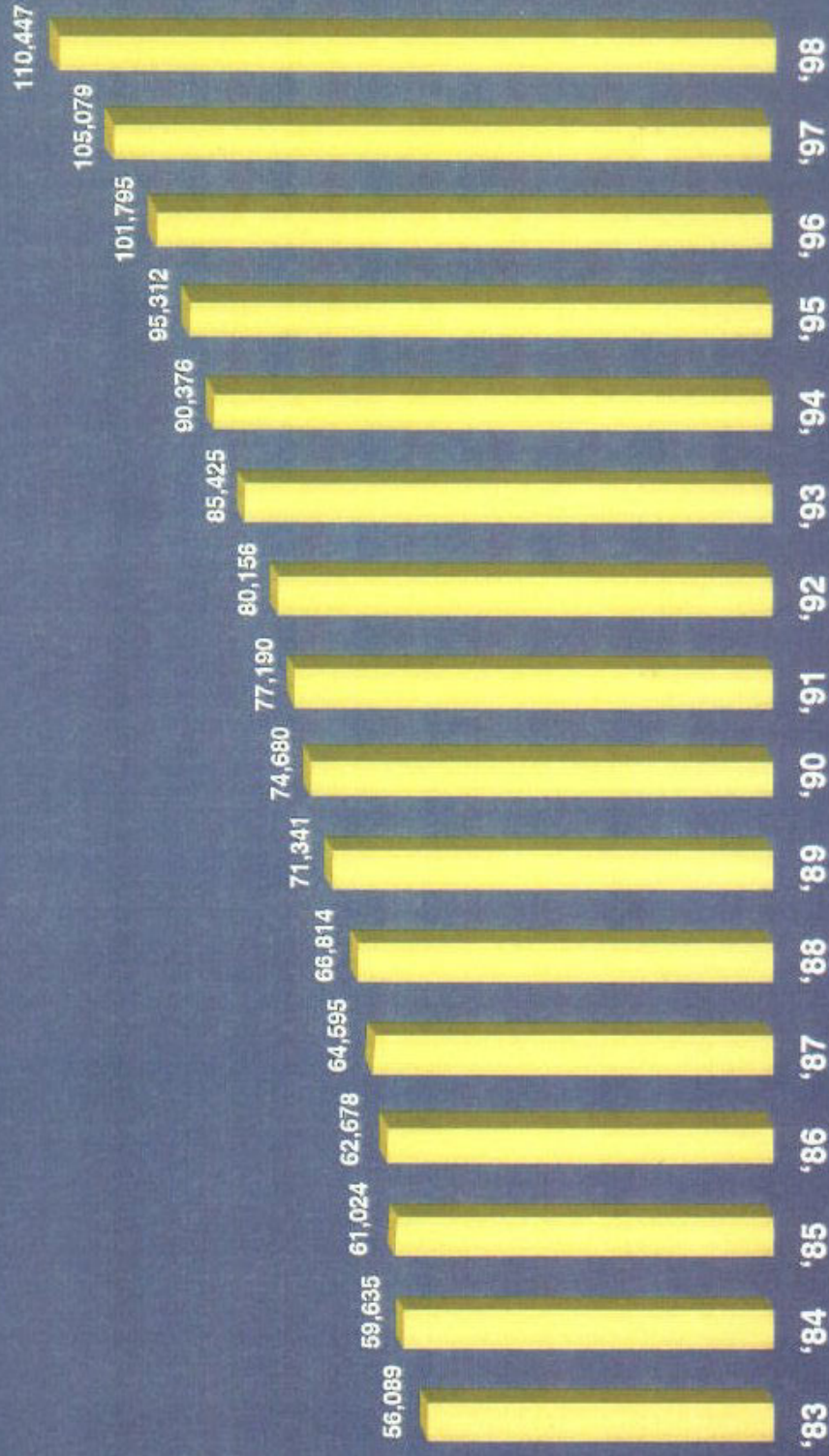
**Mulberry Office
401 W. Mulberry,
Fort Collins, CO 80521
970.221.0700**

**Loveland Office
1401 W. 29th Street
Loveland, CO 80538
970.663.0700**

**www.fortcollinsrealestate.com
www.lovelandrealestate.com**

Total Employed

Fort Collins-Loveland Urbanized Area



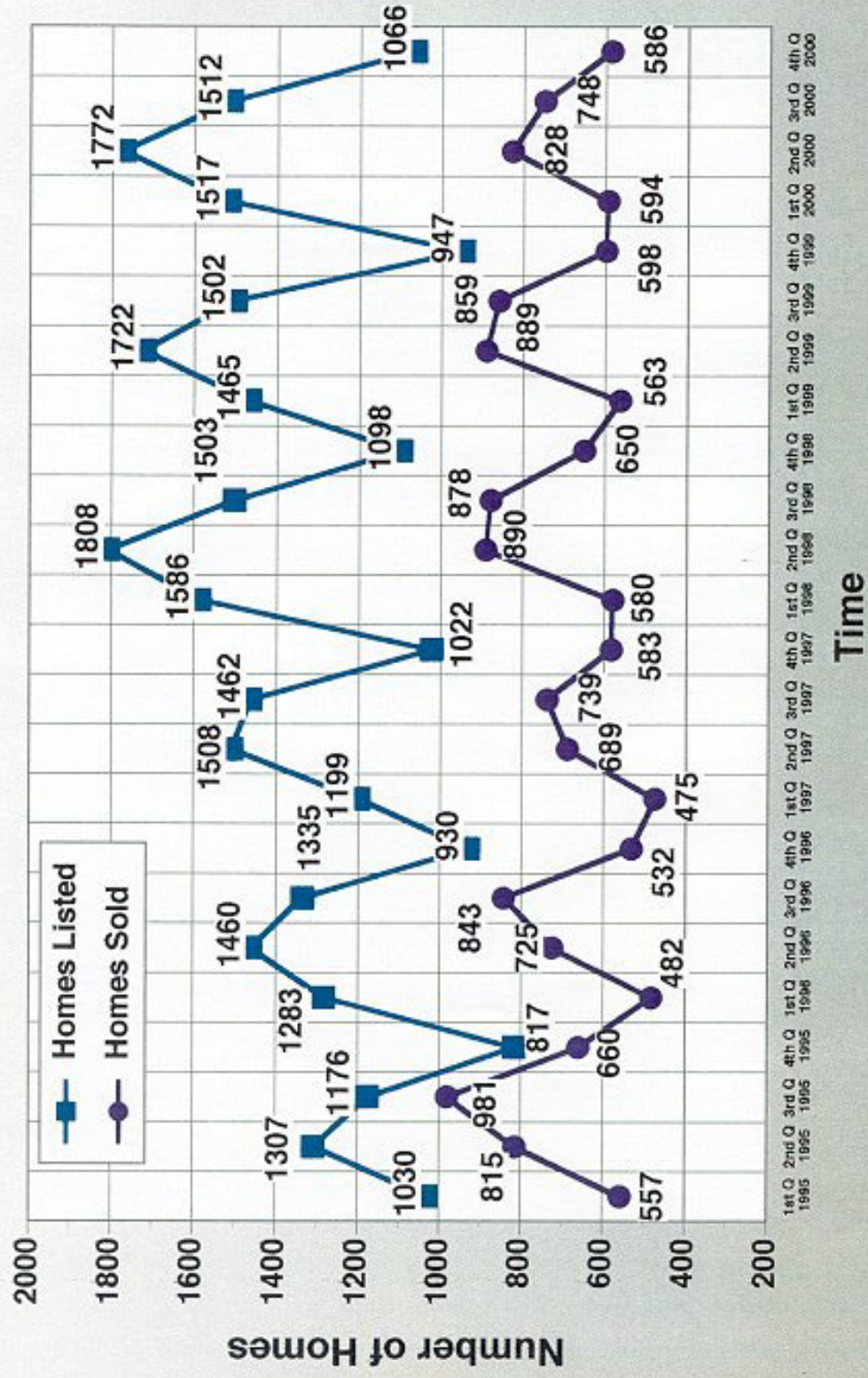
Source: Larimer County Employment and Training Services;
Colorado Department of Labor and Employment

*1999 data not available
until August 2000



THE GROUP INC.

Fort Collins Homes Listed vs. Homes Sold*

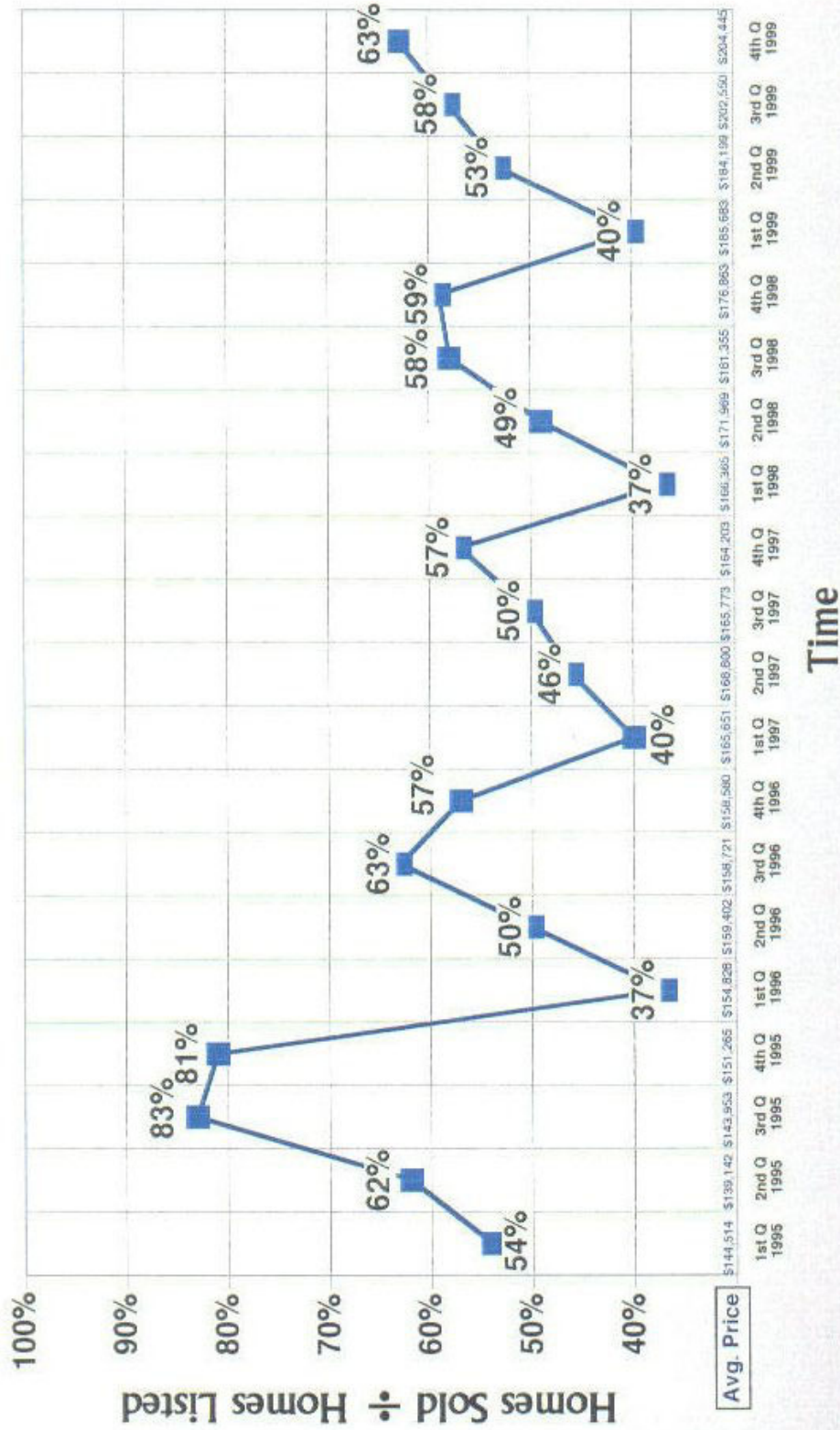


* Homes Listed and Sold on Fort Collins' Multiple Listing Service



THE **GROUP** INC.

Fort Collins
Homes Sold ÷ Homes Listed*



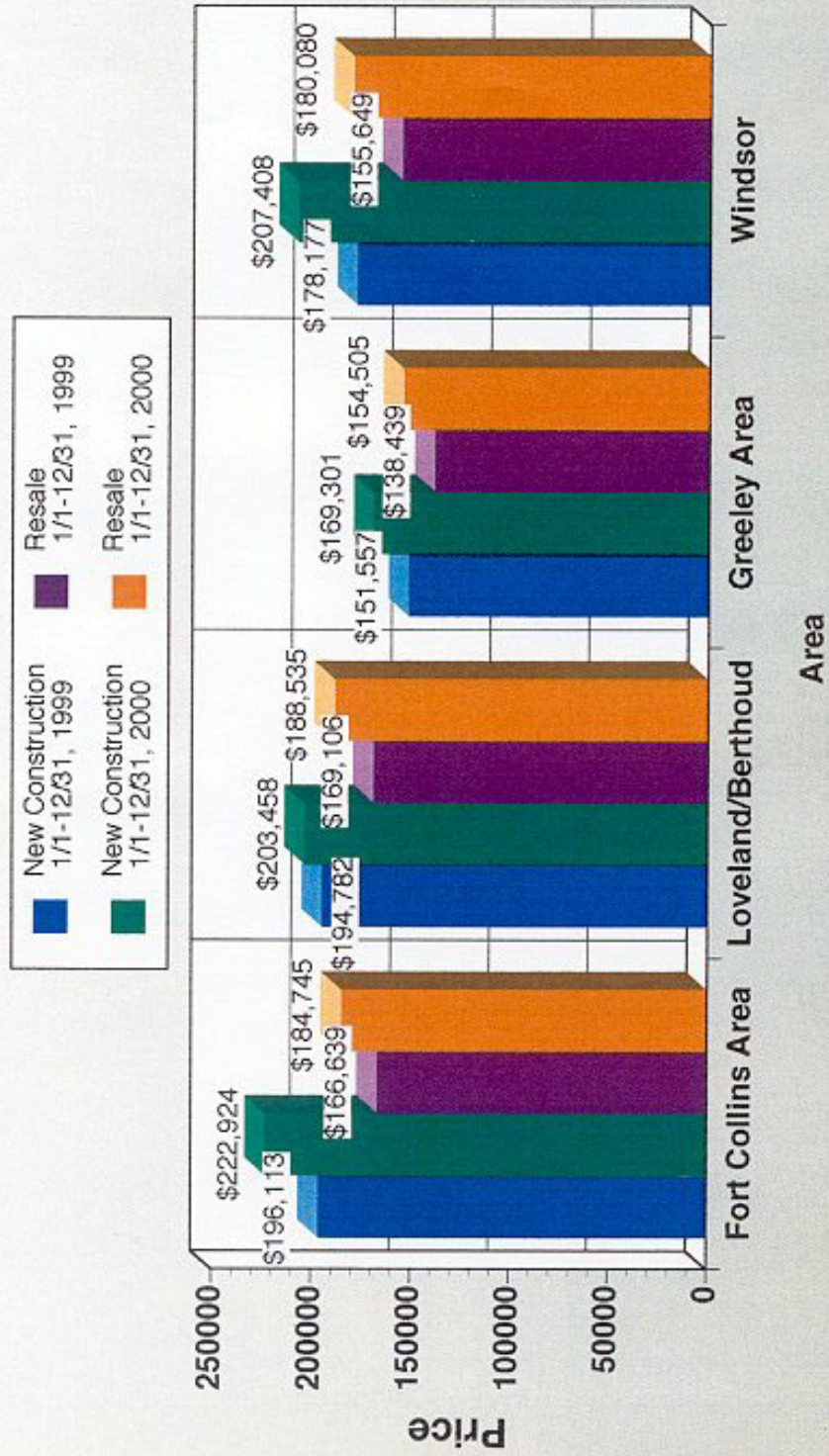
* Homes Listed and Sold on Fort Collins' Multiple Listing Service

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THE GROUP INC.

Average Price of Home*



*Source: IRES