REIDIN TURKEY REAL ESTATE PROPERTY PRICE INDEX (RPPI)

REIDIN.com is the world's first online information company providing a range of intelligence products dedicated to meeting the unique requirements of real estate professionals interested in Emerging Markets.

REIDIN.com's unique information services are powered by unrivalled depth of local knowledge and partnerships managed through teams in Hong Kong, Istanbul, London and Dubai.

REIDIN.com Differentiators

➢ Coverage
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➢ Experience
➢ Know How
➢ Technology

CONCEPTS AND DEFINITIONS

REIDIN Turkey Residential Property Price Index (TRPPI) is designed to be a reliable and consistent benchmark of housing sales and rent prices in Turkey. The purpose of the index is to measure the average differences in house prices in a particular geographic market through a timeline.

Index series are calculated monthly covering 7 major cities

1. **Adana,**
2. **Ankara,**
3. **Antalya,**
4. **Bursa,**
5. **Istanbul,**
6. **Izmir,**
7. **Kocaeli.**

and 71 districts and 481 sub-districts. Turkey Composite Index (The national TRPPI) is a weighted average of the city indices.

Turkey Composite House Sales Price Index (June 2007 = 100)
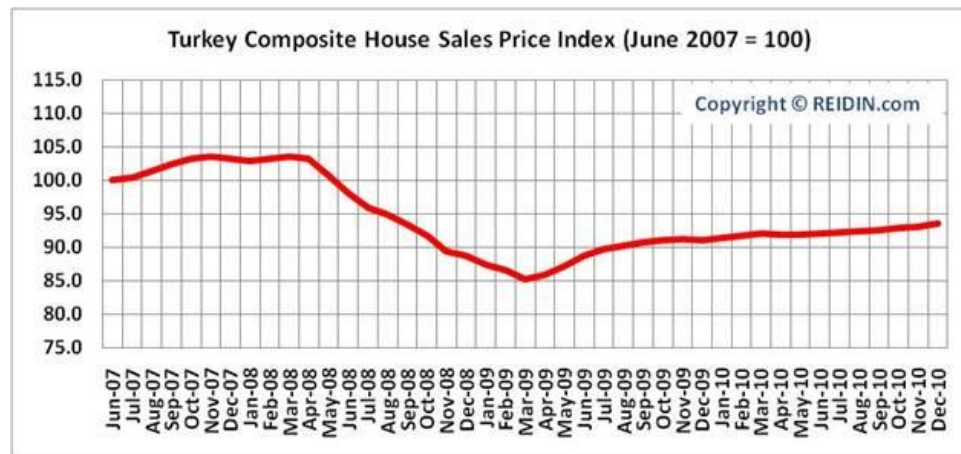
DATA AVAILABILITY

REIDIN TRPPI uses monthly sample of offered/asked listing price data, covering over 200,000 house listings per month.

Prices in the data set are obtained from the real estate agents, newspapers, magazines, internet web sites and asset management companies are processed and cleaned-up carefully each month with patent-pending methods. The data set also includes existing single-family houses that are either currently or previously occupied.

METHODOLOGY

REIDIN Turkey Residential Property Price Indices (TRPPI) is designed to be reliable and consistent benchmarks for housing prices in Turkey. The purpose of these indices is to measure the average differences in house price trends in a particular geographic market.

Index series are calculated on a monthly basis for Sales Prices covering 7 major cities of Turkey (Adana, Ankara, Antalya, Bursa, Istanbul, Izmir and Kocaeli), their 71 towns and 481 districts.

Turkey Composite TRPPI (Turkey Composite Residential Property Price Index) is a weighted average of these city property indices. The total population of these 7 cities equals to almost 70% of Turkey's total population.

Monthly REIDIN.com TRPPI uses a "stratified median index" approach for index calculation (that is widely used for indexing housing prices – which involves dividing a population into groups (strata) in which observations within each group are more homogenous than observations in the entire population).

Median Property Sales Prices are used for the indices in corresponding strata. Once strata have been defined and medians are calculated, they are weighted together to produce a city index and Turkey composite index by using the Laspeyres price index formula.

Index series are set at 100 points starting in June 2007 and are calculated by using a moving average algorithm. Weights used for the stratification in the methodology come from 2008 Census total population numbers of each cluster (district). The regional weighting helps limiting the effect of shifts in the composition of REIDIN data sets. The main reason for choosing the county population as weighting criteria is that there is no accurate and up-to-date data about the housing stock in respective areas.

REIDIN.com TRPPI uses monthly sample of offered/asked rental and sales listing price data, covering over 200,000 property listings per month. Price series in the data set are obtained mainly from real estate agents and newspapers, magazines, internet web sites and asset management companies; then cleaned, processed and perfected carefully each month with a patent-pending technology. The data set also includes existing single-family houses that are either currently or previously occupied.

OUTPUTS AND DISSEMINATION

Frequency: The REIDIN.com TRPPI represents the changes for each geographical area throughout the month.

Index Reference Period: Index series are set at 100 starting at the beginning of June 2007 (June 2007=100).

Index Revisions: The REIDIN.com TRPPI is published as "final" and is not subject to revision unless an error or mistake is found. Major changes in methodology are announced in advance, while information on minor methodological changes is provided in methodological explanations in the monthly reports.

Publication of the TRPPI: The REIDIN.com TRPPI updates are produced on a monthly basis, and are disseminated at 10:00 AM on the 15th of each following reference month in a "News Bulletin".