

ROUSE RENTAL REPORT

February 2015

Data-driven insight on equipment values, fleet sales, and key metrics for the rental industry

APPRAISALS



Rouse Appraisals provides rental companies, construction equipment dealers, and

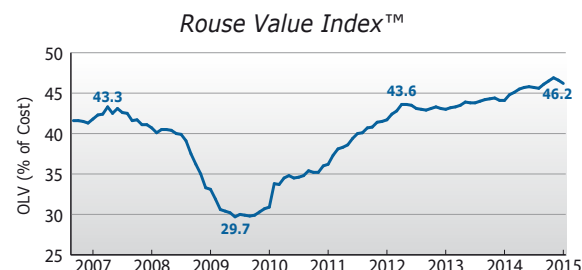
their investors and lenders with the most accurate appraisals and equipment valuation information available. Rouse Appraisals values approximately \$30 billion of equipment, tracks more than 21,500 unique make / models, and analyzes over \$7.5 billion of retail, auction, and trade-in sales of used equipment annually.

Contact Rouse Appraisals:

Phone: 310-360-9200 • Email: info@rouseappraisals.com

JANUARY ROUSE VALUE INDEX™ DOWN 0.9%

The January *Rouse Value Index*™ for used equipment prices decreased to 46.2, down 0.9% from December values. This is 6.7% higher than the prior peak period of 43.3 in April 2007, and 55.6% higher than prior trough period of 29.7 in June 2009. The *Rouse Value Index*™ measures the average Orderly Liquidation Values for benchmark models across fourteen major rental category indices on a monthly basis.



For a detailed view of 1- and 6-month value changes by category, see page 2.

SALES



Rouse Sales helps rental companies achieve higher used equipment recoveries through

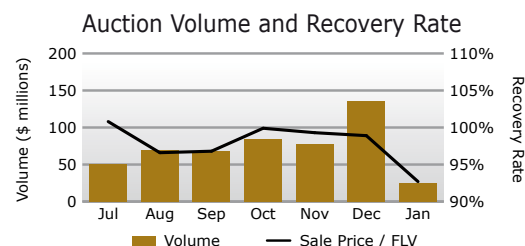
the retail sales channel. Rouse Sales supports client sales of over \$425 million in used equipment through the retail channel annually. Rouse Sales provides comprehensive solutions for the key components of an effective used equipment retail sales program including fleet identification, pricing, marketing, and review and analysis.

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JANUARY AUCTION RESULTS DOWN 7.3% VS. DECEMBER FLV VALUES

January auction sales of rental and construction equipment tracked by Rouse averaged 7.3% lower than Rouse December FLV values. Auction volume is typically low in January and there are fewer scheduled sales. Rouse recorded 1,157 units that sold at 15 separate auction sales conducted across North America. The units represented a combined FLV (as of December 31st) of \$27.4 million and generated \$25.4 million of gross auction proceeds.



For additional detail on recent sales trends, see pages 4 and 5.

ANALYTICS



Rouse Analytics provides rental companies of all sizes with monthly comparisons of

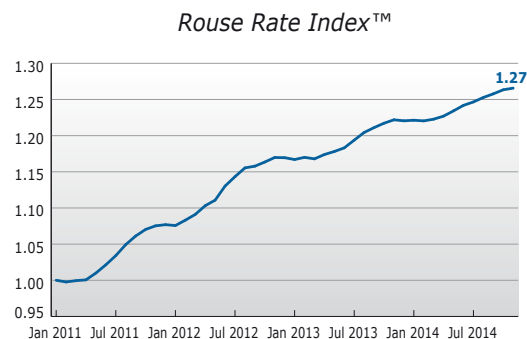
pricing and key performance metrics to local market industry benchmarks to facilitate better-informed decision making. Metrics used in the *Rental Metrics Benchmark Service* are calculated according to the American Rental Association's *Rental Market Metrics*™ standards.

Contact Rouse Analytics:

Phone: 310-360-9200 • Email: info@rouseanalytics.com

NOVEMBER ROUSE RATE INDEX™ UP 0.2%

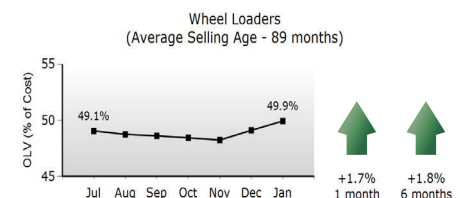
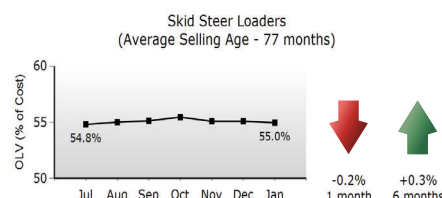
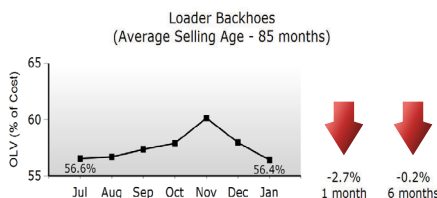
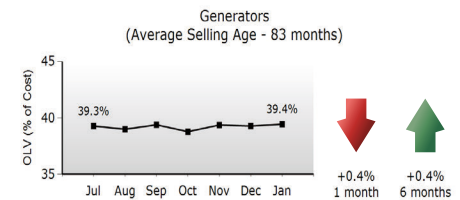
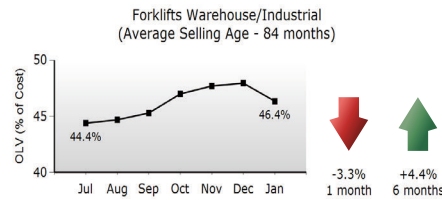
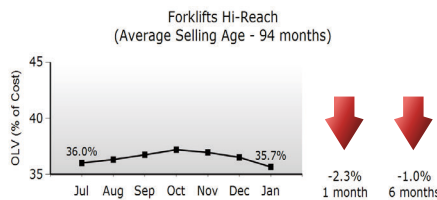
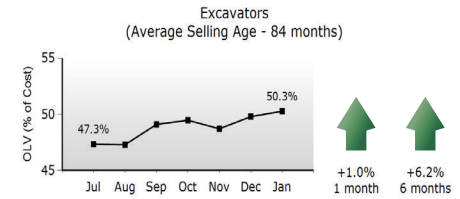
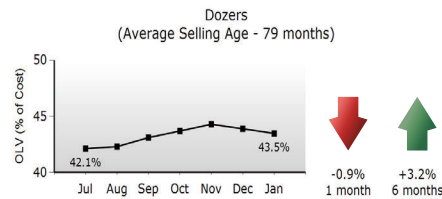
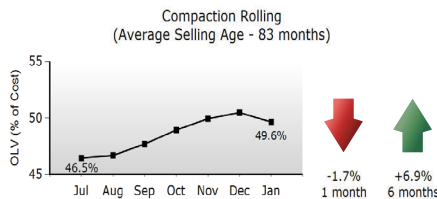
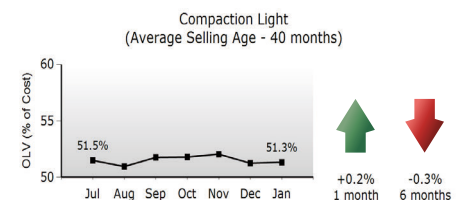
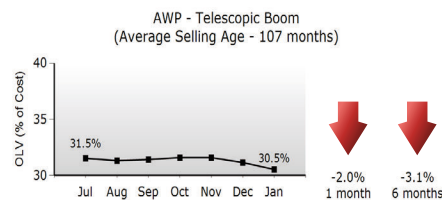
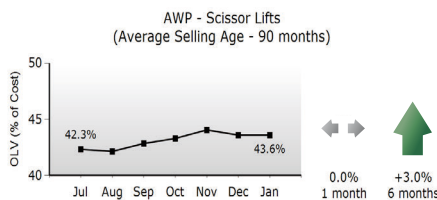
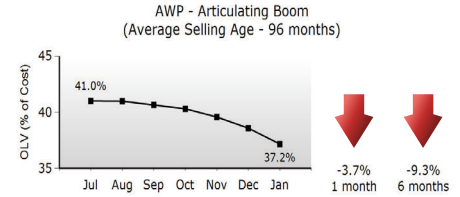
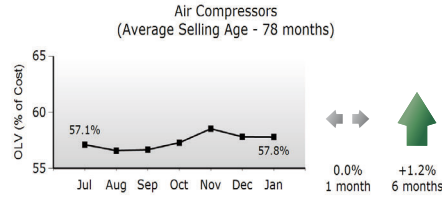
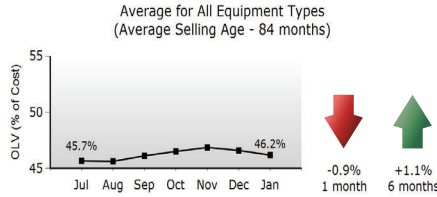
During November, achieved rental rates as measured by the *Rouse Rate Index*™ increased 0.2% on average for the rental companies participating in the *Rouse Analytics Rental Metrics Benchmark Service*. Rates are up 3.6% relative to November 2013 and up 26.6% relative to January 2011. November physical utilization is down 4.6% from October.



For additional detail on recent rental trends, see pages 6-8.

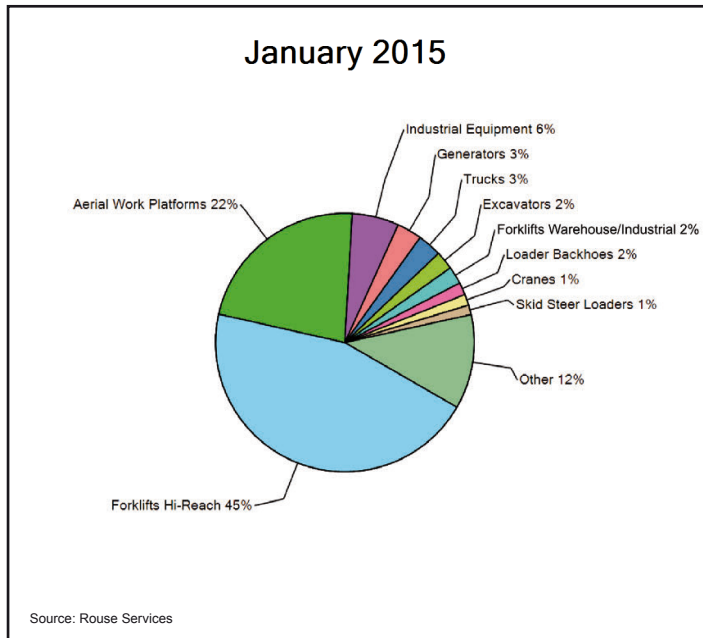
OLV by Major Category

The *Rouse Value Index™* tracks used equipment values for the top 14 equipment categories of major rental companies. The index measures the average Orderly Liquidation Values for benchmark models within each category on a monthly basis. OLV is expressed as a percentage of replacement cost (average cost paid for a new equipment unit by large rental companies and dealers) for the average age of equipment sold within that category.

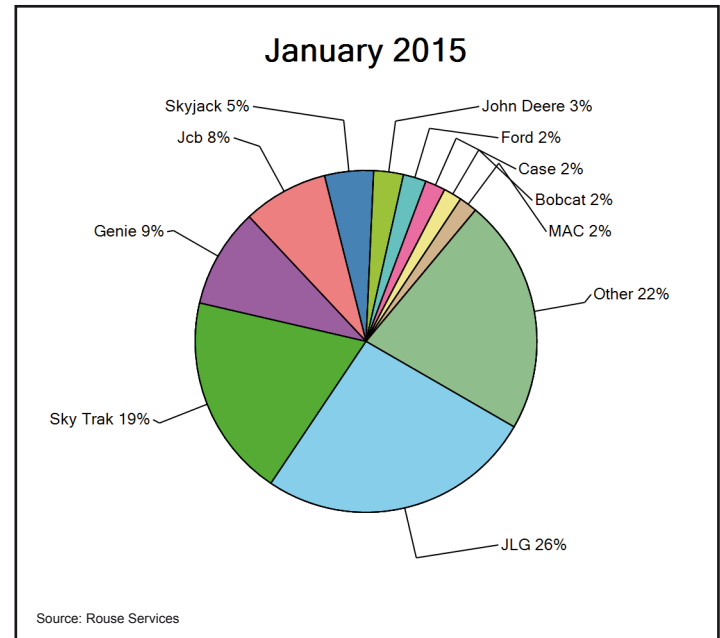


OLV is derived from both retail (Fair Market Value) and auction (Forced Liquidation Value) sales data collected from rental companies, dealers and the public auction market. Rouse Services has analyzed billions of dollars in proprietary sales data provided by its clients for use in its equipment value database.

Acquisitions by Major Category*

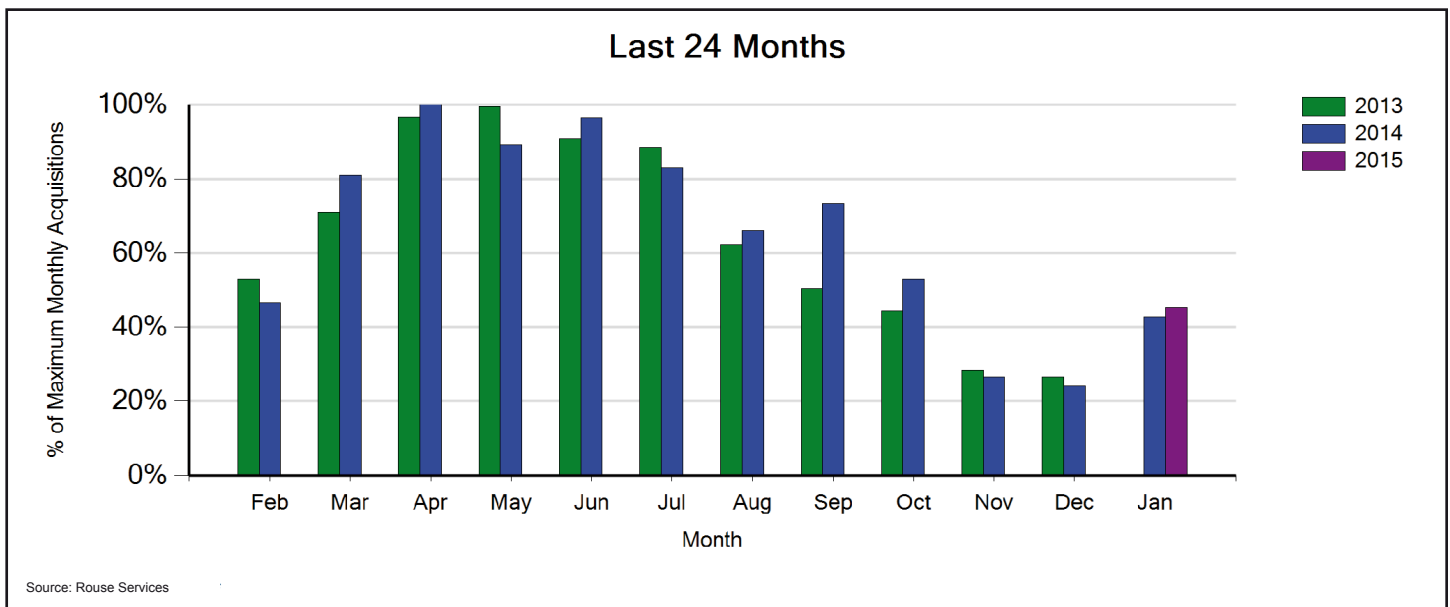


Acquisitions by Major Manufacturer*



The graphs above highlight acquisitions by major category and by manufacturer for the rental industry. The graph to the left details the top 10 categories purchased and their respective percentage of total acquisitions. The graph to the right details the top 10 manufacturer names purchased and their respective percentage of total acquisitions.

Acquisitions by Month*



The graph above details monthly rental fleet capital expenditures by the major North American rental equipment companies, measured by original equipment cost (OEC). Each month's equipment purchases are expressed as a percentage of total OEC purchased in the highest volume month. This graph is intended to illustrate monthly acquisition trends in the construction rental equipment industry.

*Measured by OEC \$

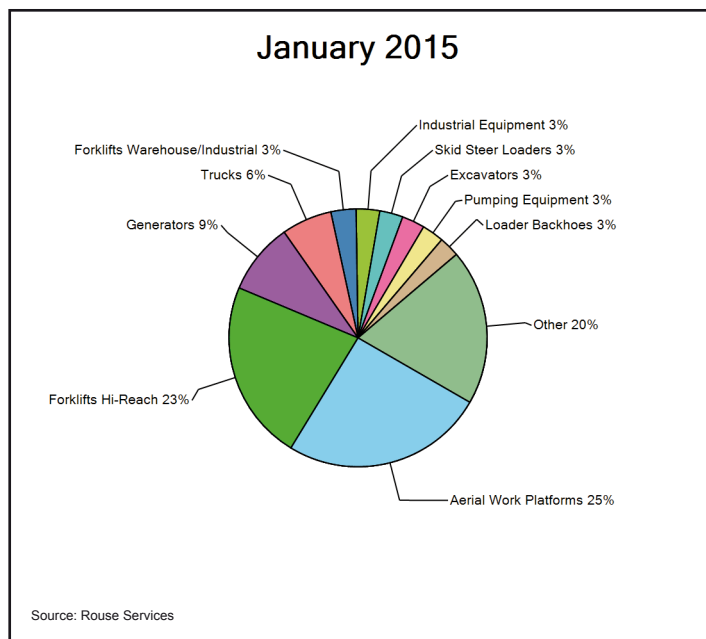
Sales by Sales Type vs. Fair Market Value (FMV)

Category	Sales \$ as a % of Rouse FMV					
	January Sales			TTM Sales		
	Retail	Auction	All**	Retail	Auction	All**
Air Compressors	103.2%	67.2%	87.9%	95.5%	38.3%	76.7%
AWP - Articulating Boom	94.9%	58.9%	81.9%	95.5%	60.2%	86.5%
AWP - Scissor Lifts	97.9%	83.0%	92.9%	96.3%	61.9%	87.4%
AWP - Telescopic Boom	99.2%	59.7%	82.8%	95.9%	62.0%	85.5%
Compaction Equipment	98.1%	77.7%	93.7%	97.6%	73.1%	92.5%
Excavators	104.5%	69.6%	92.5%	92.5%	71.6%	86.4%
Forklifts Hi-Reach	92.8%	76.7%	87.3%	94.5%	68.7%	86.9%
Forklifts Warehouse/Industrial	94.0%	92.3%	95.6%	97.1%	77.3%	93.2%
Generators	101.2%	37.2%	43.1%	97.4%	35.5%	62.1%
Loader Backhoes	96.0%	85.3%	90.0%	98.1%	86.1%	92.8%
Skid Steer Loaders	100.5%	76.2%	94.4%	96.8%	72.7%	88.1%
Total	97.9%	54.2%	82.1%	96.0%	60.9%	85.7%

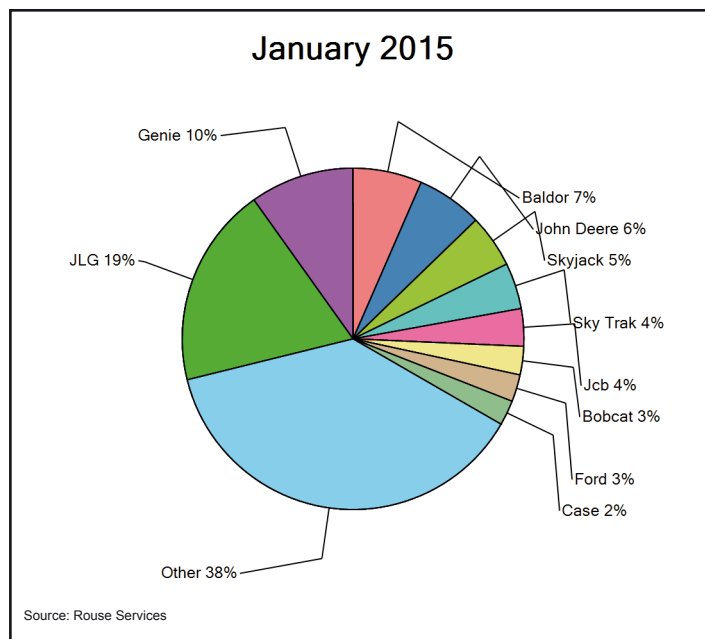
Rouse Sales provides comprehensive sales solutions designed to help rental companies maximize used equipment sales recoveries. A key metric for measuring performance is blended recovery for all used rental fleet sales vs. Fair Market Value (FMV or Retail). The table above illustrates sales recoveries (as a % of Rouse FMV) by equipment category for retail, auction and all sales during the previous month as well as trailing twelve months (TTM) for the major North American equipment rental companies tracked by Rouse.

** Includes all sales types, including dealer and trade-in sales which are not separately displayed in this table

Sales by Major Category*



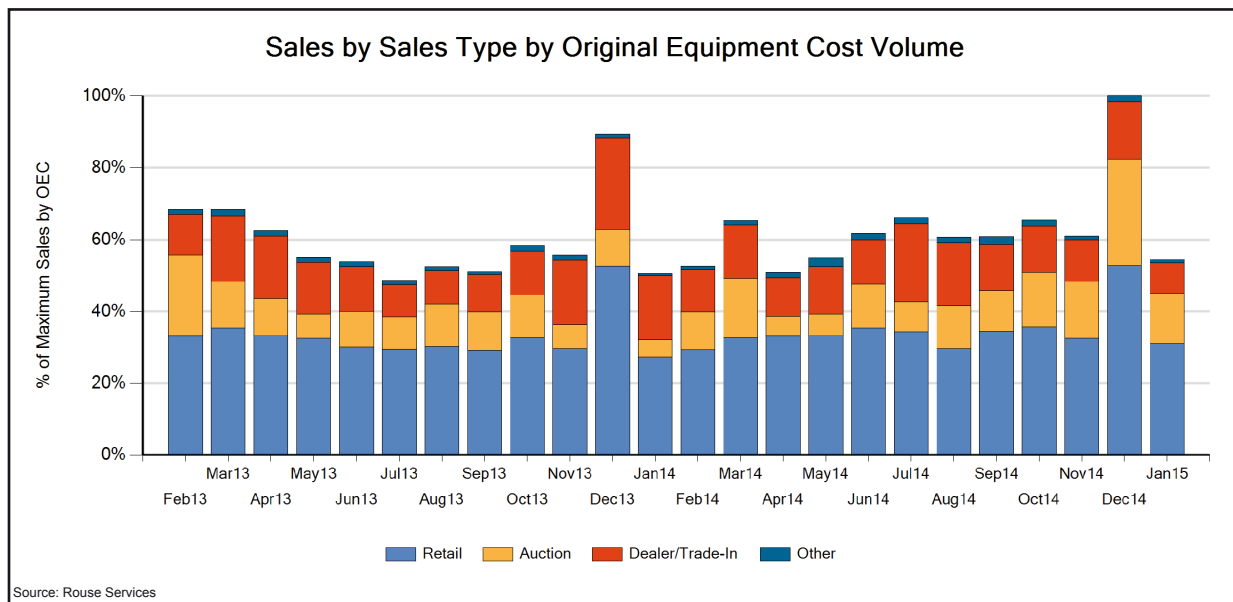
Sales by Major Manufacturer*



The graphs above highlight sales by major category and manufacturer for the rental industry. The graph to the left details the top 10 categories sold and their respective percentage of total sales. The graph to the right details the top 10 manufacturers and their respective percentage of total sales.

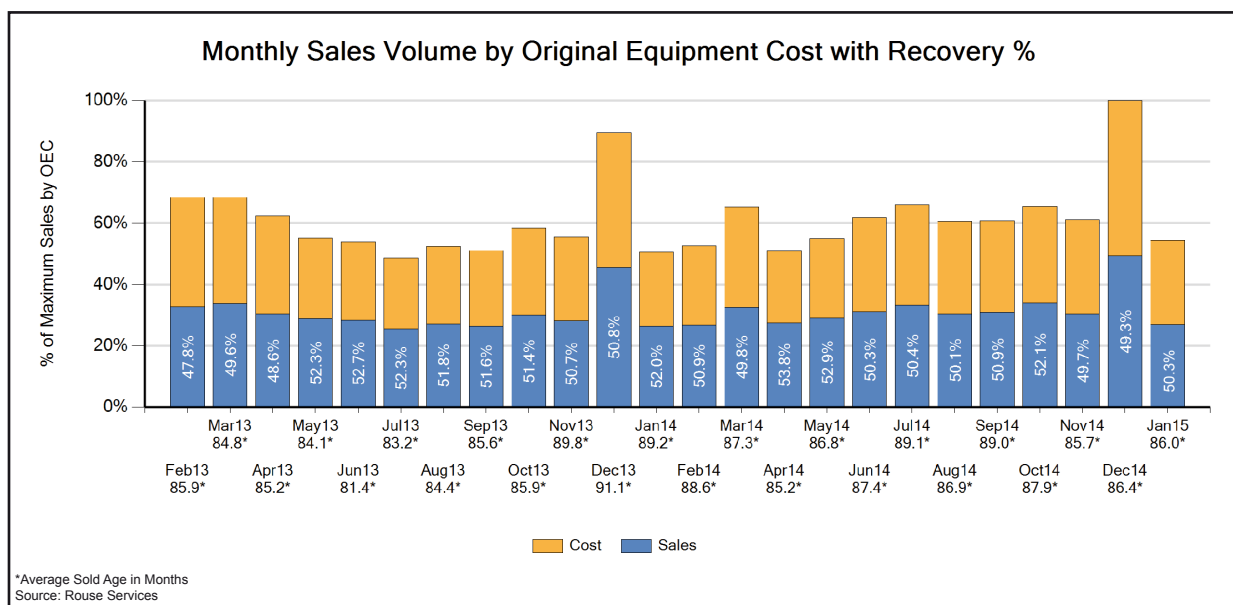
*Measured by Sales \$

Monthly Sales by Sales Type*



The graph above illustrates sales of used rental fleet for the major North American rental equipment companies for the last twenty four months. Each month's equipment sale volumes are expressed as a percentage of the total original equipment cost ("OEC") sold in the highest volume month, with December 2014 representing 100%, (e.g., total OEC sold in August 2014 was approximately 60% of total OEC sold in December 2014). Within each month, the percentage of OEC sold via each sale method (i.e., retail, auction, dealer/trade-in, other), as indicated by the different colors, is also expressed as a percentage of the OEC sold in the highest volume month (e.g., in August 2014, retail sales accounted for approximately 30% of total OEC sold in December 2014).

Monthly Sales Volume and Recovery*

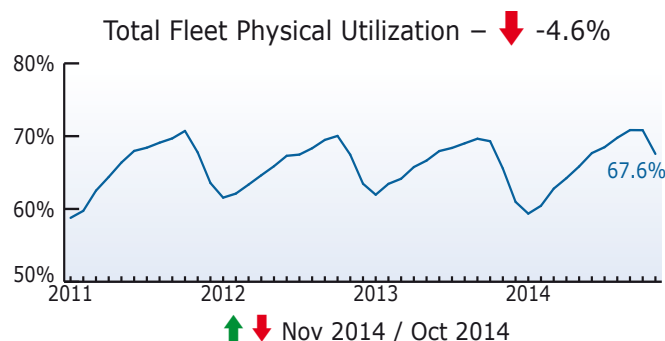


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*Measured by OEC \$

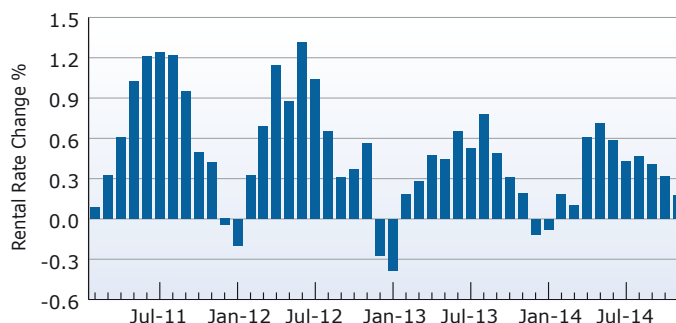
Physical Utilization

The chart below shows total fleet physical utilization. Physical utilization is the percentage of fleet cost which is on-rent during a given period. Physical utilization is cost weighted. “On Rent” and “In Fleet” status are determined on a nightly basis 7 days a week, 365 days a year. A unit is “On Rent” if it is at a job site earning rental revenue. A unit is “In Fleet” if it is a rental asset owned by the client. Units out for repair and refurbishment are considered “In Fleet.”



Month Over Month Rental Rate Change

The chart below show month over month rental rate change. Rouse Analytics calculates rate change weighted by prior period activity in accordance with the *ARA Rental Market Metrics™* standard.



Industry Average Age by Major Category

Top 10 Categories	Industry Average Age* (months)
AWP - Articulating Boom	53.7
AWP - Scissor Lifts	52.9
AWP - Telescopic Boom	58.3
Compaction Equipment	40.8
Dozers	46.1
Excavators	38.8
Forklifts Hi-Reach	42.5
Loader Backhoes	39.2
Skid Steer Loaders	33.4
Wheel Loaders	37.6
All Rental Categories	43.3

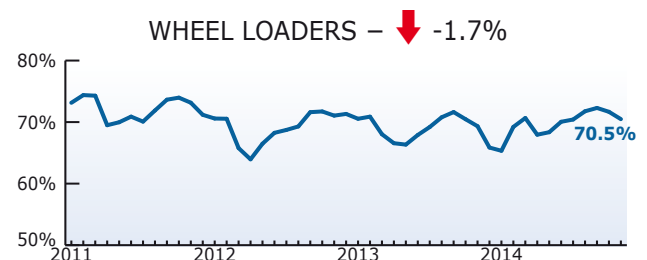
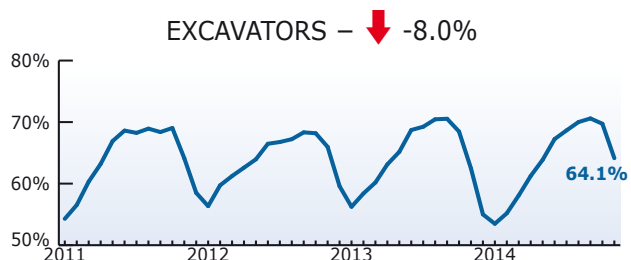
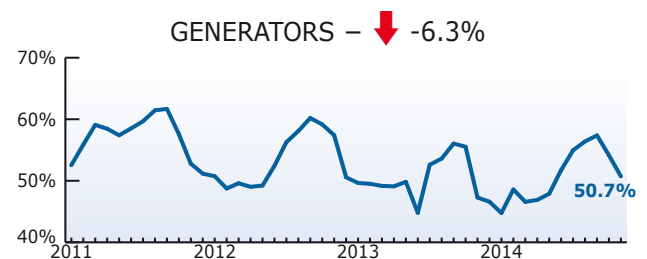
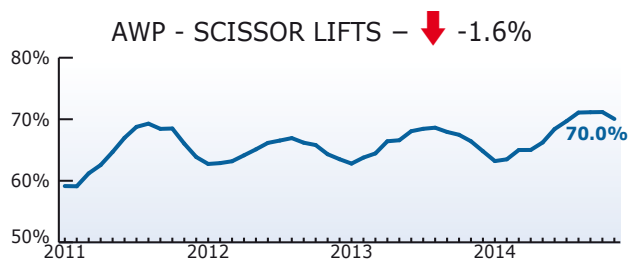
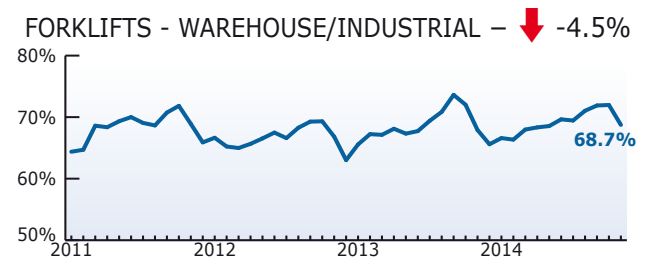
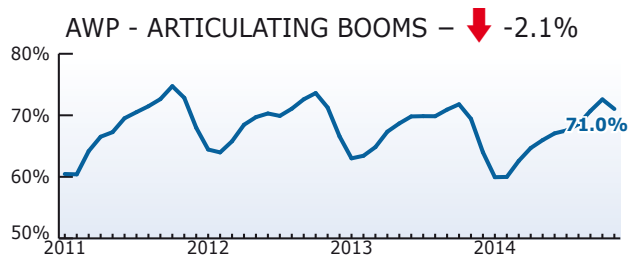
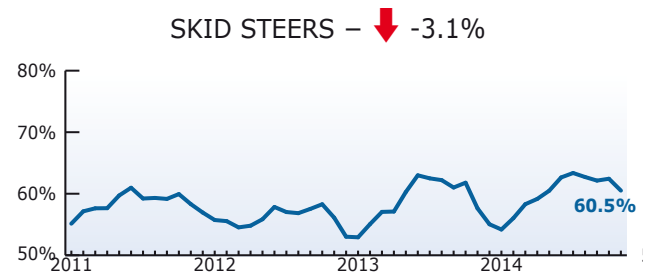
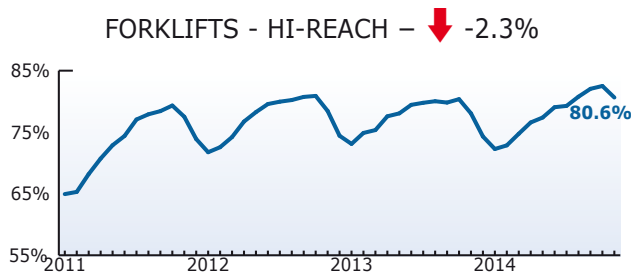
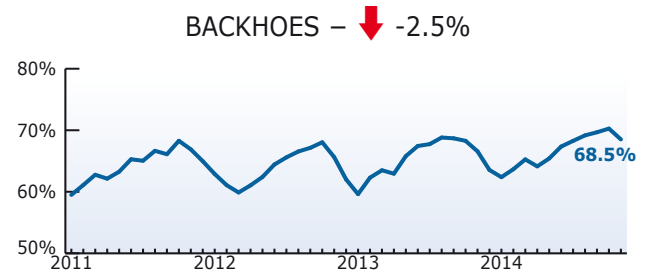
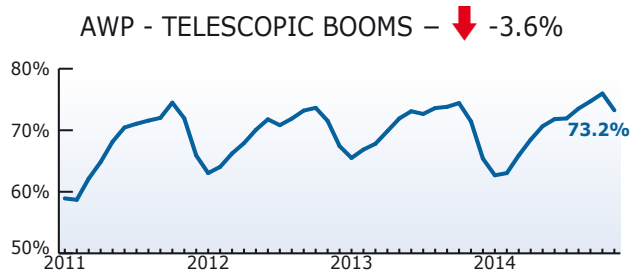
*Weighted by Cost
Source: Rouse Services

Average age in months is a measure of equipment fleet age. Age is defined as the number of months since an equipment unit was first placed in service. Industry average age by category and in total is determined by multiplying individual equipment ages by their respective original cost and dividing the sum of those individual calculations by the total original cost of the same equipment. The chart above shows the average age of the top 10 categories of equipment (measured by total \$ in fleet) for major rental companies and the total average industry fleet age for rental assets.

Physical Utilization

The charts below show physical utilization by equipment category. Physical utilization is the percentage of fleet cost which is on-rent during a given period. Physical utilization is cost weighted. "On Rent" and "In Fleet" status are determined on a nightly basis 7 days a week, 365 days a year. A unit is "On Rent" if it is at a job site earning rental revenue. A unit is "In Fleet" if it is a rental asset owned by the client. Units out for repair and refurbishment are considered "In Fleet."

↑ ↓ Nov 2014 / Oct 2014



Rouse Rate Index™

The *Rouse Rate Index™* tracks rental rates relative to January 2011 for the top equipment categories of major rental companies. The index measures average rental rates weighted by 2011 activity as a % of January 2011 rates.

↑ ↓ Nov 2014 / Oct 2014

