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MARKET OPPORTUNITY AND FEASIBILITY ANALYSIS FOR
A MIXED USE SITE IN ROHNERT PARK, CALIFORNIA

FINAL DRAFT
SEPTEMBER 29TH, 2015

PREPARED FOR:
MJW INVESTMENTS, LLC



Executive Summary

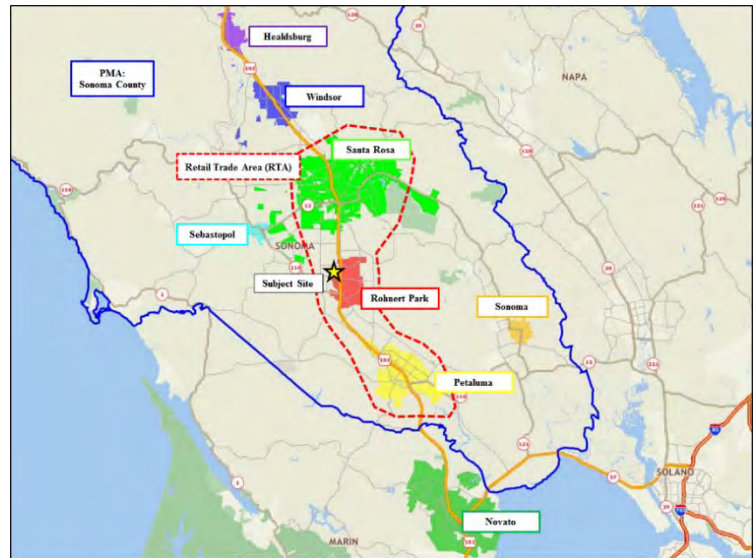
To: MJW Investments, LLC
From: The Concord Group
Date: September 2015
Re: Market Opportunity and Feasibility Analysis for a Mixed-Use Site in Rohnert Park, California

MJW Investments, LLC. ("MJW") is currently evaluating the development potential of a site in Rohnert Park, California. As such, MJW management requires a strategic market opportunity and feasibility analysis for the site covering a variety of candidate product types, including retail and apartments.

The following memorandum and technical appendices outline TCG's findings and conclusions:

Regional Location and Market Delineation

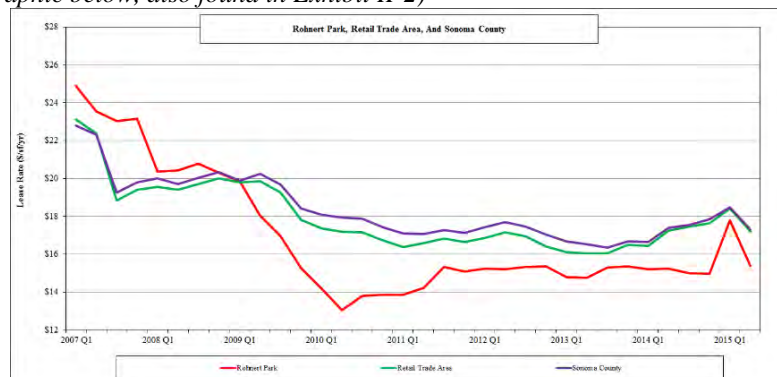
- The Site is located in northwest Rohnert Park surrounded by several existing office buildings, recently completed and currently under construction apartment communities, as well as Graton Resort and Casino, a new Indian casino that opened in November 2013.
- For all retail product, the Retail Trade Area ("RTA"), represents the geographic source of competitive supply. Future potential retail tenants at the Subject Site can expect to compete directly with other retail product in Rohnert Park and Cotati as well as several areas within Sonoma County, among these Santa Rosa and Petaluma. (See map to right, also found in Exhibit I-1)



Retail Market Analysis

Market Metrics

- The retail market within both the RTA and the local Rohnert Park/Cotati area saw significant performance decreases beginning in 2007 at the outset of the financial crisis, and, while they have recovered in the past 18 months, remain far below peak numbers.
- Vacancy rates rose from 4.3% in 2007 to 8.8% in 2010, while retail rents dropped from \$19.60 to \$16.41 between 2007 and 2012 (See Exhibit II-2). Meanwhile, retail rent rates dropped from \$19.36 in 2007 to \$14.93 in 2014 and currently stand at \$15.60. Similarly, current rental rates in Rohnert Park (\$15.60) have seemingly stabilized since the initial downfall, however remain 33% lower than their peak in 2007 (\$23.44). (See graphic below, also found in Exhibit II-2)

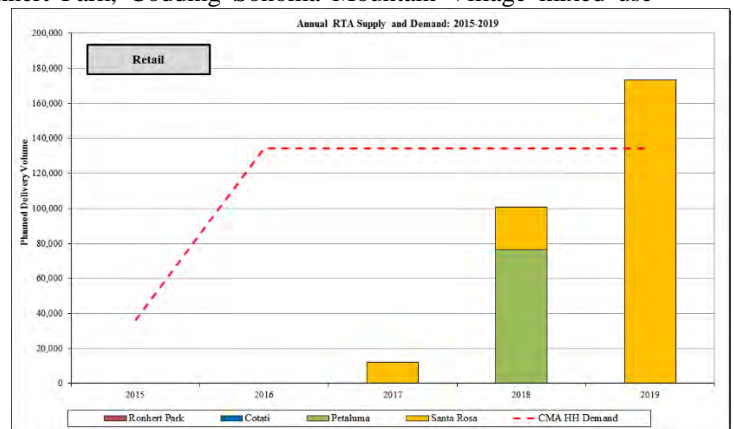


Market Inventory

- Rohnert Park's comparable retail spaces perform slightly below the major retail nodes located in downtown Santa Rosa and Petaluma. Furthermore, comparable spaces surrounding the Subject Site consistently rent at the lower end of the pricing spectrum throughout the RTA. The Site suffers from inferior visibility and daily commuter traffic compared to other areas of Rohnert Park.
- A total of 20 available listings were surveyed within Rohnert Park and Cotati. Triple net leases range from \$15.14 (average) to \$33.00 (highest). The highest priced spaces are located at the Park Plaza Center and Raley's Towne Center near the intersection of Rohnert Park Expressway and Highway 101. (See Exhibit II-3)

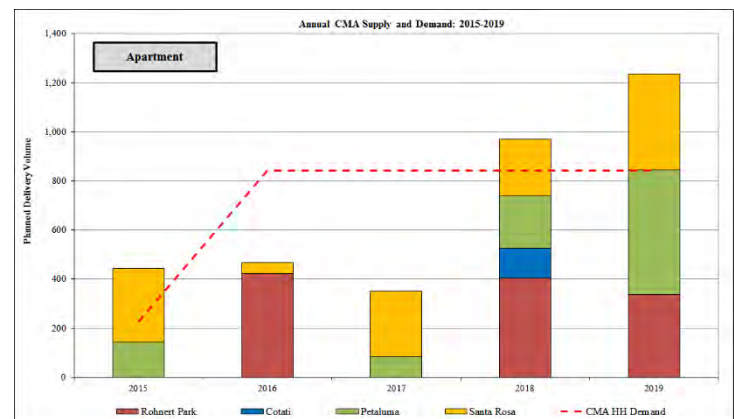
Retail Supply & Demand

- Retail spending continues to recover from the recession with return of consumer confidence and increased purchasing power from wage and salary growth throughout the region. Households located within the RTA generate a consumer spending capacity of \$4.8 billion (\$16,815 per capita) annually, which in turn generates a demand for roughly 134K square feet of new retail area every year. Rohnert Park, with a spending capacity of \$841 million (\$17,041 per capita), generates a demand for roughly 22K square feet of retail space annually. (See Exhibit II-7)
- Several retail projects are in the early stages of the planning process in Petaluma and Santa Rosa, and only one project is currently in the works in Rohnert Park, Coddington Sonoma Mountain Village mixed use pre-development, which remains in the early pre-development stage. (See Exhibit II-8 and Appendix B)
- TCG estimates future deliveries to total 286K square feet of space within the RTA by the end of 2019, with the bulk of deliveries occurring in 2018 and 2019. (See Exhibit II-8) Based on current supply and demand dynamics, the Retail Trade Area will be undersupplied by a cumulative 291,929 square feet of retail space through 2019. (See graph to the right, also found in Exhibit II-10)



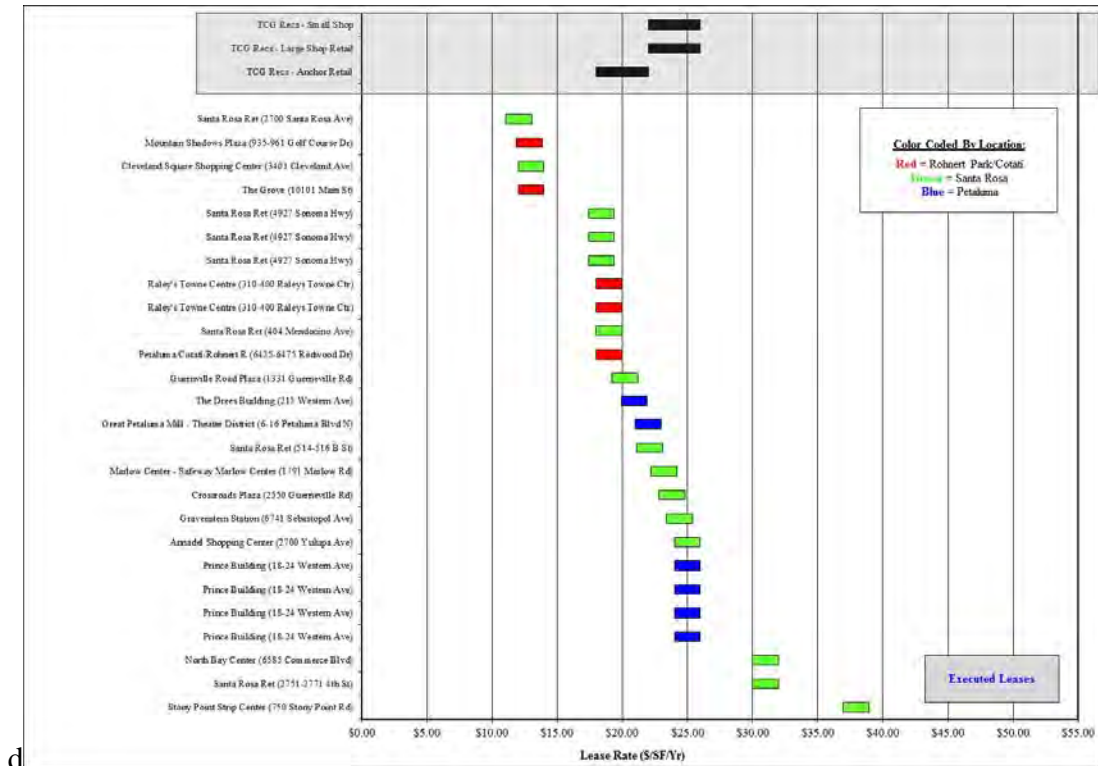
Apartment Supply & Demand

- Using a conservative model that takes into account household growth and annual income to housing trends, TCG projects income qualified demand potential in Sonoma County to be a 1,153 units annually over the next five years. Of the total 1,153 units, TCG believes that 73% (854 units) will be captured by the Rental Competitive Market Area ("CMA"), defined as Rohnert Park/Cotati, Santa Rosa, and Petaluma. (See Exhibit III-2)
- The CMA's apartment pipeline is burgeoning with projects throughout Sonoma County, again with a large portion of deliveries expected to occur in 2018 and 2019. (See Exhibit III-4)
- Based on current supply and demand dynamics, the Competitive Market Area will be undersupplied by a cumulative 130 rental units through 2019. (See graph to the right, also found in Exhibit III-6)



Financial Feasibility

- Given the Local Area market metrics, TCG concludes that the Site could earn retail rents of \$18.00 to \$24.00 PSF annually for anchor tenants, and \$22.00 to \$26.00 PSF annually for the small or large shops planned for the site. (See Exhibit IV-5)



- Using these rental conclusions, TCG has run two land residual scenarios using average rents of \$20.00 to \$24.00 PSF to examine the financial feasibility for retail product on the Site, both using very conservative construction cost estimate (\$120/foot). Scenario 1, using \$20.00 PSF, drives a final land residual value of negative (-) \$17PSF. Scenario 2, using \$24.00 PSF, drives a final land residual of \$13 PSF. Under current market conditions, the Site's inability to drive higher rents with fixed costs to development make retail construction infeasible. (See Exhibit IV-6)

* * * *

This assignment was completed by Trafton Bean and Chase Eskel under the direction of Tim Cornwell. We have enjoyed working with you on this assignment and look forward to our continued involvement with your team. If you have any questions, please do not hesitate to call.



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I. MACRO-ECONOMIC CONTEXT

EXHIBIT I-1

REGIONAL LOCATION AND DELINEATION OF MARKET AREAS
NORTH BAY AREA, CALIFORNIA
SEPTEMBER 2015



EXHIBIT I-1

REGIONAL LOCATION AND DELINEATION OF MARKET AREAS NORTH BAY AREA, CALIFORNIA SEPTEMBER 2015

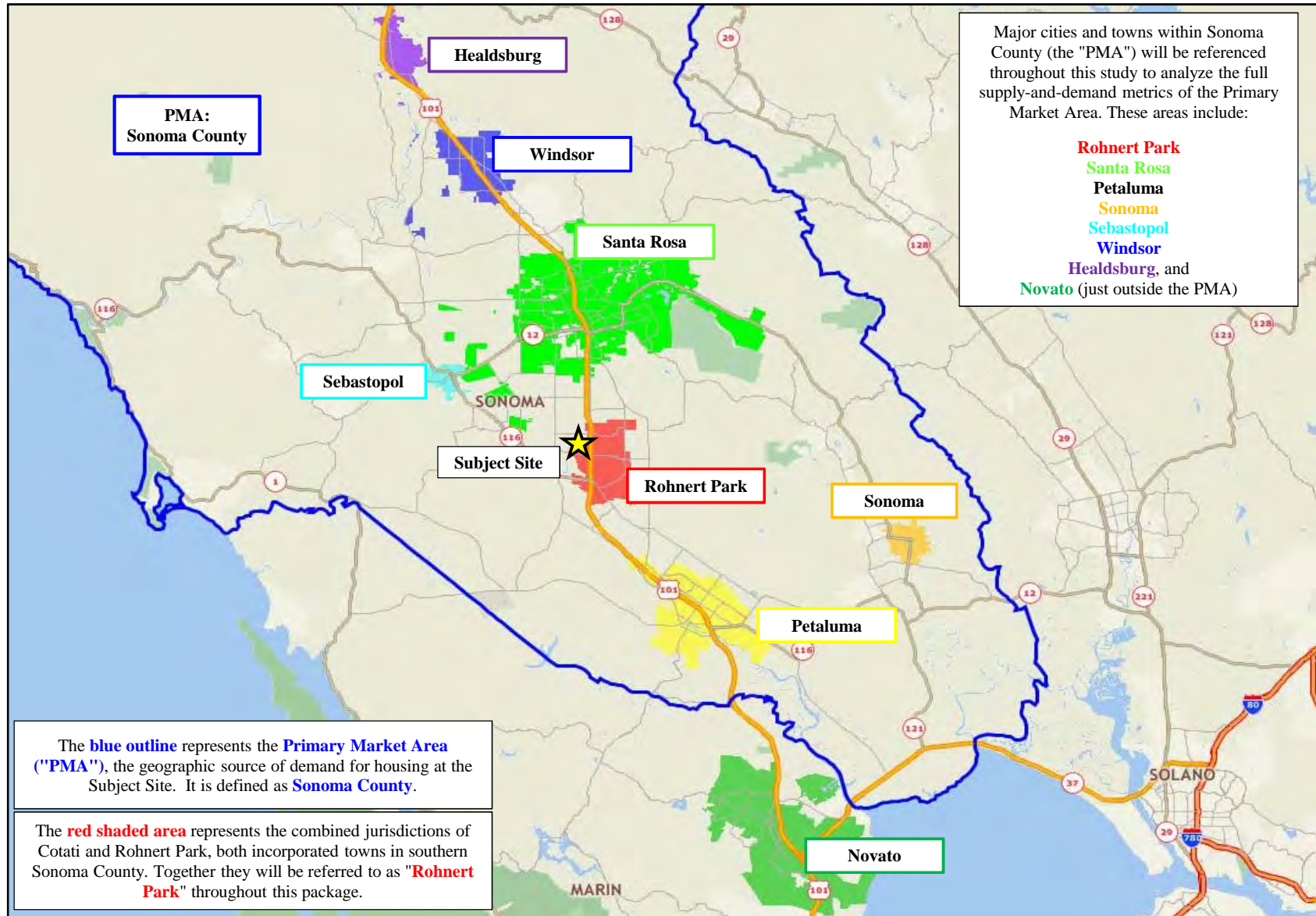


EXHIBIT I-2

DEMOGRAPHIC SUMMARY
PRIMARY MARKET AREA; SONOMA COUNTY, CALIFORNIA
SEPTEMBER 2015

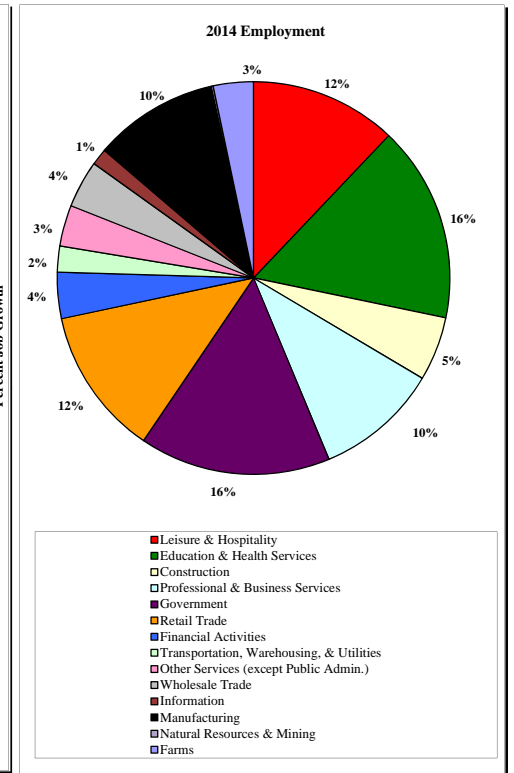
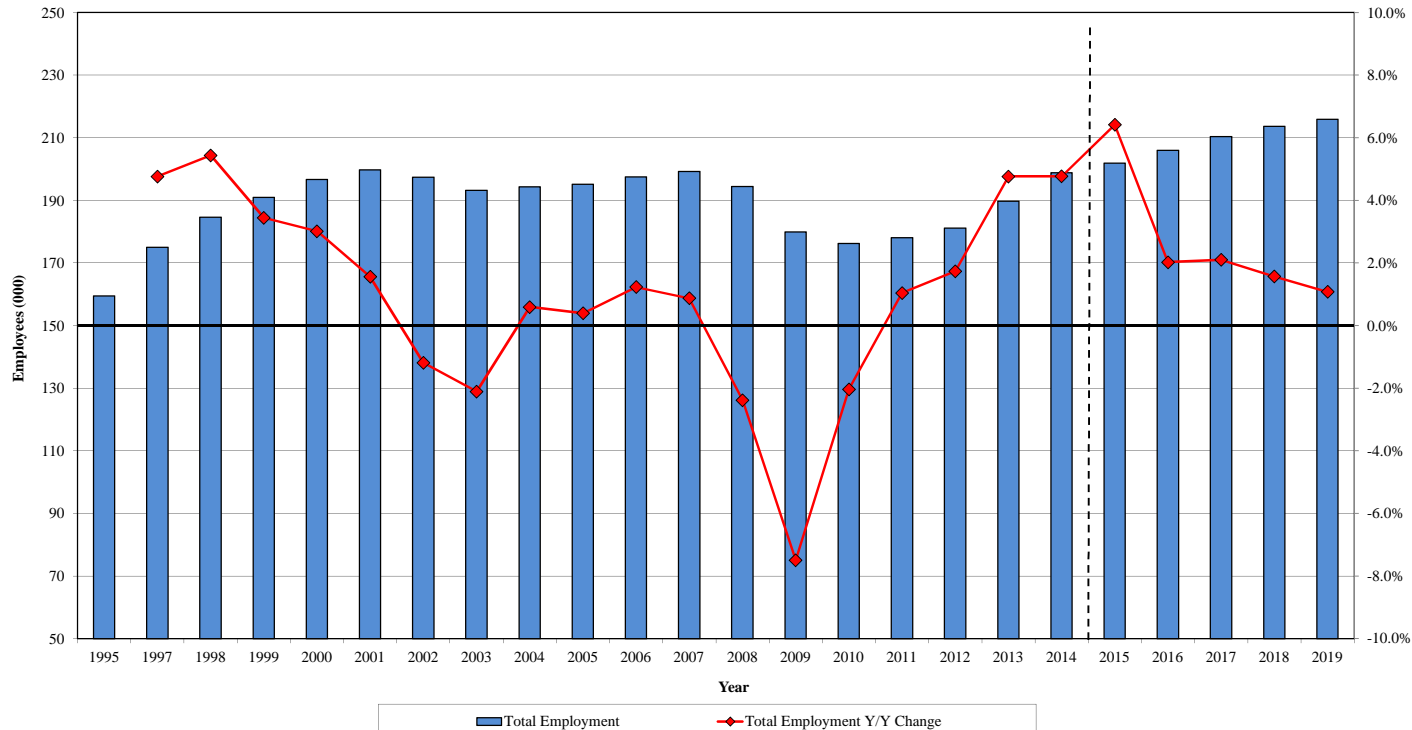
Geography	Primary Market Area (Sonoma County)											
	Competitive Market Area								PMA	Novato	Marin County	Napa County
	Rohnert Park	Petaluma	Santa Rosa	CMA	Healdsburg	Sonoma	Sebastopol	Windsor				
General Information												
Population ('15)	49,391	60,861	174,855	285,107	11,680	11,160	7,559	27,426	499,771	54,313	260,082	141,608
Households ('15)	19,395	22,771	66,578	108,744	4,603	5,210	3,408	9,188	192,781	21,130	106,762	50,341
% PMA	10.1%	11.8%	34.5%	56.4%	2.4%	2.7%	1.8%	4.8%	100%	100.0%	505.3%	238.2%
Annual Growth (#, '15-'20)	172	219	614	1,005	44	52	16	72	1,568	199	843	394
% PMA	11.0%	13.9%	39.1%	64.1%	2.8%	3.3%	1.0%	4.6%	100.0%	12.7%	53.8%	25.1%
Over \$100k HH Growth	200	259	701	1,160	35	53	20	129	1,941	254	1,208	420
Under \$100k HH Growth	(28)	(40)	(87)	(155)	9	(2)	(4)	(57)	(373)	(54)	(364)	(26)
Annual Growth (% , '15-'20)	0.9%	0.9%	0.9%	0.9%	0.9%	1.0%	0.5%	0.8%	0.8%	0.9%	0.8%	0.8%
Household Size ('15)	2.55	2.67	2.63	2.62	2.54	2.14	2.22	2.98	2.59	2.57	2.44	2.81
Household Breakdown ('15)												
1 Person	28%	25%	29%	28%	29%	39%	35%	20%	28%	26%	31%	26%
2 Person	32%	31%	32%	32%	34%	35%	34%	29%	33%	33%	34%	32%
3+ Person	40%	44%	39%	40%	37%	26%	31%	51%	38%	40%	35%	42%
Age Breakdown - HHs ('15)												
Median Age (Pop)	35.0	41.3	38.4	38.4	41.6	50.5	47.7	38.0	40.8	43.9	46.1	40.3
Under 25	42%	29%	36%	35%	29%	21%	23%	30%	31%	26%	24%	31%
25-34	8%	2%	3%	4%	2%	2%	2%	2%	3%	2%	2%	2%
35-44	16%	16%	17%	17%	16%	12%	13%	18%	15%	16%	15%	16%
45-54	19%	22%	18%	19%	18%	16%	18%	24%	19%	21%	21%	20%
55-64	19%	22%	19%	20%	23%	22%	27%	22%	22%	22%	24%	21%
65-74	12%	15%	14%	14%	17%	20%	19%	13%	16%	18%	18%	15%
75+	8%	11%	13%	12%	13%	20%	13%	11%	12%	13%	14%	13%
Income Breakdown ('15)												
Median Income	\$58,651	\$75,274	\$60,810	\$63,454	\$58,859	\$58,602	\$60,146	\$81,573	\$63,995	\$83,007	\$92,999	\$69,717
Average Income	\$74,404	\$95,591	\$80,008	\$82,272	\$78,659	\$89,329	\$76,927	\$99,936	\$85,371	\$109,738	\$135,962	\$92,881
Under \$50K	44%	34%	42%	40%	44%	45%	43%	30%	40%	31%	29%	36%
\$50-\$75K	18%	16%	19%	18%	17%	13%	17%	15%	18%	15%	13%	18%
\$75-\$100K	13%	13%	13%	13%	9%	12%	12%	16%	13%	12%	11%	14%
\$100-\$150K	16%	21%	15%	17%	18%	14%	18%	22%	16%	19%	17%	17%
\$150-\$200K	5%	8%	6%	6%	6%	7%	6%	8%	6%	10%	10%	7%
\$200K+	4%	8%	5%	6%	5%	9%	4%	9%	7%	12%	20%	8%
Tenure ('13) (1)												
% Renter	46%	32%	47%	43%	38%	41%	50%	24%	40%	32%	37%	39%
Renter HHs ('15)	8,854	7,195	30,996	47,045	1,767	2,153	1,700	2,230	77,251	6,797	39,749	19,820
% PMA	11.5%	9.3%	40.1%	60.9%	2.3%	2.8%	2.2%	2.9%	100.0%	8.8%	51.5%	25.7%
Annual New Renter HHs ('15-'20)	79	69	286	435	17	21	8	18	628	64	314	155
% Renter HHs rent SFD	21%	38%	31%	31%	48%	34%	38%	58%	42%	26%	28%	43%
% Renter HHs rent 1-4 Unit Att.	25%	27%	29%	28%	28%	31%	33%	16%	26%	32%	24%	24%
% Renter HHs rent 4-50 Unit Att.	35%	18%	28%	27%	19%	19%	27%	11%	21%	32%	38%	23%
% Renter HHs rent 50+ Unit Att.	17%	15%	12%	13%	4%	11%	2%	11%	10%	10%	9%	7%
% Owner	54%	68%	53%	57%	62%	59%	50%	76%	60%	68%	63%	61%
Owner HHs ('15)	10,541	15,576	35,582	61,699	2,836	3,057	1,708	6,958	115,530	14,333	67,013	30,521
% PMA	9.1%	13.5%	30.8%	53.4%	2.5%	2.6%	1.5%	6.0%	100.0%	12.4%	58.0%	26.4%
Annual New Owner HHs ('15-'20)	94	150	328	570	27	30	8	55	940	135	529	239
% Owner HHs Own SFD	68%	89%	81%	80%	95%	69%	86%	85%	84%	75%	82%	85%
% Owner HHs Own 1-4 Unit Att.	15%	7%	11%	11%	4%	17%	11%	7%	8%	18%	12%	5%
% Owner HHs Own 4-50 Unit Att.	3%	0%	1%	1%	1%	3%	0%	1%	1%	3%	3%	0%
% Owner HHs Own 50+ Unit Att.	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%

(1) 2013 American Community Survey 5-year estimates used.
 Sources: Claritas 2015, U.S. Census 2013

EXHIBIT I-3
EMPLOYMENT TRENDS
SONOMA COUNTY, CALIFORNIA
1996 THROUGH 2019

Employment Industry																								Ann. Growth			% County Employment				
																								14-'19			Shift Share				
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	'09-'14	%	#	2014	2019	Nominal	%
Leisure & Hospitality	16.5	16.7	17.1	17.5	17.9	18.7	19.7	19.9	20.2	20.5	20.7	21.0	21.0	20.1	20.1	20.5	21.8	22.8	24.0	24.5	25.3	26.3	27.0	27.4	3.7%	2.7%	3.4	12%	13%	0.6%	5.1%
Education & Health Services	20.4	21.0	21.8	22.2	22.8	23.8	24.3	24.1	24.3	24.7	25.2	25.8	26.8	27.1	27.1	27.3	28.8	30.7	32.1	32.6	33.6	34.7	35.7	36.5	3.5%	2.6%	4.4	16%	17%	0.8%	4.7%
Construction	8.4	9.4	10.1	11.9	13.1	13.7	13.3	13.0	13.7	14.2	14.7	14.4	12.8	9.9	8.9	8.6	8.7	9.9	10.5	11.7	12.2	12.4	12.5	12.7	1.2%	3.8%	2.2	5%	6%	0.6%	11.1%
Professional & Business Services	15.8	17.9	19.0	19.6	20.7	20.0	19.0	19.0	19.6	20.4	22.1	23.0	22.1	18.3	18.8	18.1	18.2	19.3	20.3	20.8	21.8	22.9	23.8	24.3	2.1%	3.8%	4.1	10%	11%	1.1%	10.7%
Government	25.0	25.2	25.7	26.6	27.6	28.0	28.4	28.5	29.7	30.4	30.7	31.1	30.3	29.2	26.8	28.4	28.0	28.9	31.3	31.1	31.4	31.5	31.7	31.8	1.4%	0.3%	0.5	16%	15%	-1.0%	-6.5%
Retail Trade	21.9	22.9	23.4	23.6	23.7	24.1	24.0	23.8	23.6	23.8	23.8	24.0	23.2	21.5	21.5	22.0	22.7	23.7	24.3	24.6	24.5	24.4	24.3	24.3	2.5%	0.0%	0.0	12%	11%	-0.9%	-7.8%
Financial Activities	9.3	9.1	9.4	10.0	10.2	10.4	10.3	10.3	10.0	9.8	9.7	9.3	8.5	7.8	7.7	7.6	7.4	7.4	7.5	7.6	7.9	8.2	8.4	8.5	-0.7%	2.3%	0.9	4%	4%	0.1%	3.3%
Transportation, Warehousing, & Utilitie	4.2	4.3	4.2	4.1	4.1	4.0	4.1	3.8	3.9	3.7	4.2	4.5	4.4	4.0	3.9	3.8	3.9	4.1	4.3	4.4	4.4	4.5	4.5	4.5	1.3%	1.1%	0.2	2%	2%	-0.1%	-2.6%
Other Services (except Public Admin.)	5.6	5.9	6.2	6.3	6.4	6.8	6.7	6.4	6.4	6.2	6.3	6.4	6.4	6.1	5.9	6.1	6.3	6.6	6.7	6.8	7.0	7.2	7.3	7.4	2.0%	2.0%	0.7	3%	3%	0.0%	1.5%
Wholesale Trade	5.3	5.4	5.6	5.6	5.8	5.9	6.0	6.3	6.6	7.3	7.5	7.8	7.7	6.8	6.6	6.6	6.9	7.4	7.7	7.9	7.9	8.0	8.0	8.1	2.7%	0.9%	0.3	4%	4%	-0.2%	-3.9%
Information	3.0	3.1	3.4	3.6	4.1	4.5	4.2	4.0	4.3	3.7	3.2	3.0	2.8	2.6	2.5	2.5	2.6	2.6	2.7	2.8	2.8	2.8	2.8	2.8	0.7%	0.5%	0.1	1%	1%	-0.1%	-5.7%
Manufacturing	23.2	25.9	28.3	29.2	30.2	30.4	27.3	25.3	24.2	23.5	22.9	22.0	20.2	19.9	20.2	19.6	20.1	20.5	20.2	20.2	20.4	20.4	20.4	20.3	0.3%	-0.2%	-0.2	10%	9%	-0.9%	-8.7%
Natural Resources & Mining	0.5	0.5	0.5	0.4	0.4	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.2	0.2	9.1%	-4.6%	-0.1	0%	0%	0.0%	-27.1%
Farms	7.9	7.9	9.8	10.3	9.6	9.1	9.7	8.4	7.5	6.6	6.2	6.5	6.2	6.2	6.2	5.9	6.1	6.6	6.6	6.7	6.8	7.0	7.1		1.1%	1.5%	0.5	3%	3%	0.0%	-0.8%
Total (000s)	167.0	175.0	184.5	190.8	196.6	199.7	197.3	193.1	194.3	195.0	197.4	199.1	194.4	179.8	176.2	178.0	181.1	189.7	198.7	201.9	205.9	210.3	213.6	215.9	2.0%	1.7%	17.1	100%	100%		
# Change	8.0	9.5	6.3	5.7	3.1	-2.4	-4.2	1.1	0.8	2.4	1.7	-4.7	-14.6	-3.7	1.8	3.1	8.6	9.0	3.1	4.1	4.3	3.3	2.3								
% Change	4.8%	5.4%	3.4%	3.0%	1.6%	-1.2%	-2.1%	0.6%	0.4%	1.2%	0.9%	-2.4%	-7.5%	-2.0%	1.0%	1.7%	4.8%	4.8%	6.4%	2.0%	2.1%	1.6%	1.1%								
						19.5%	-3.3%				3.1%			-11.5%										22.5%							

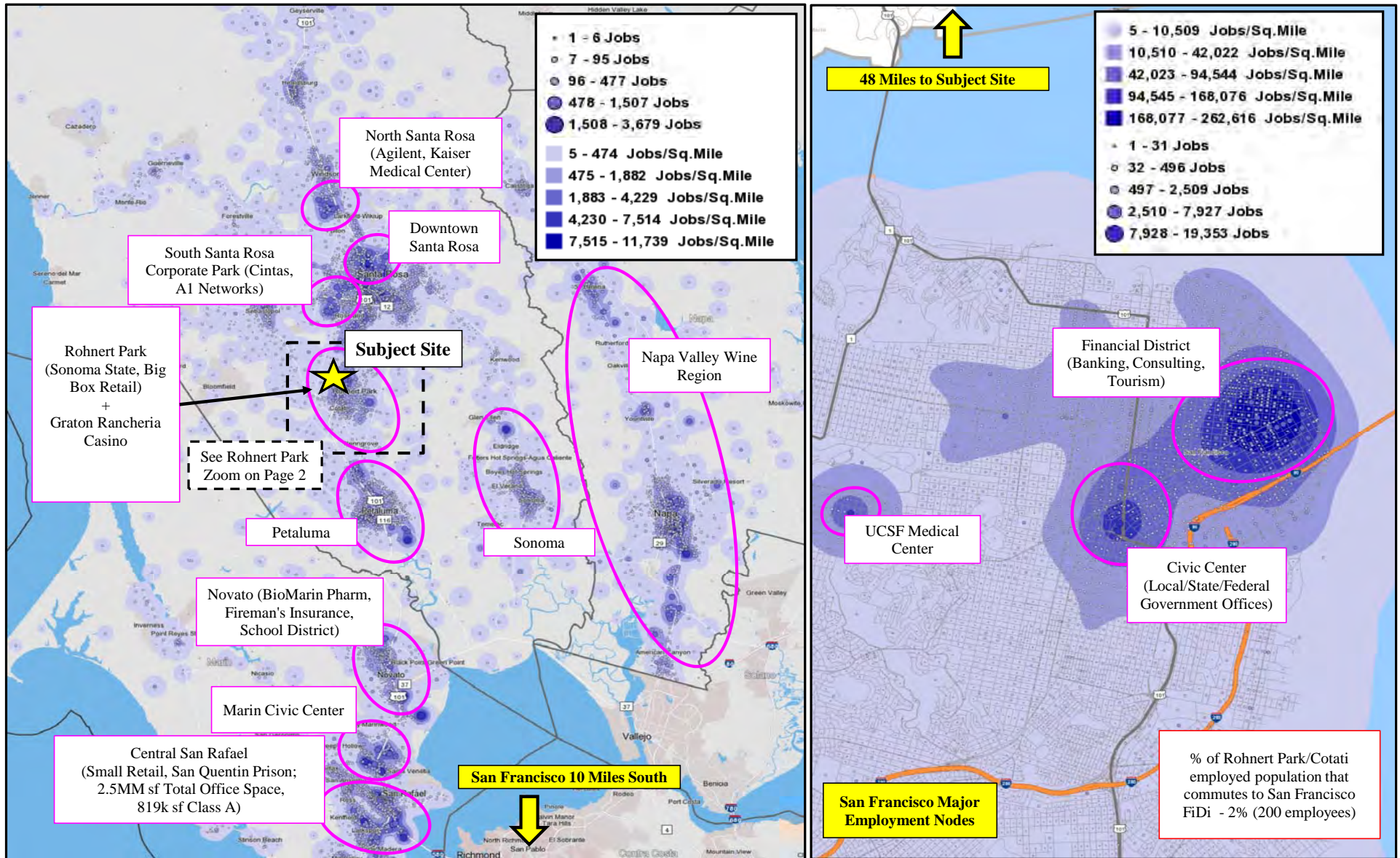
Return to peak in 2015



Note: All employment figures represent year end
Source: Moody's Economy.com, updated August 25, 2015

EXHIBIT I-4

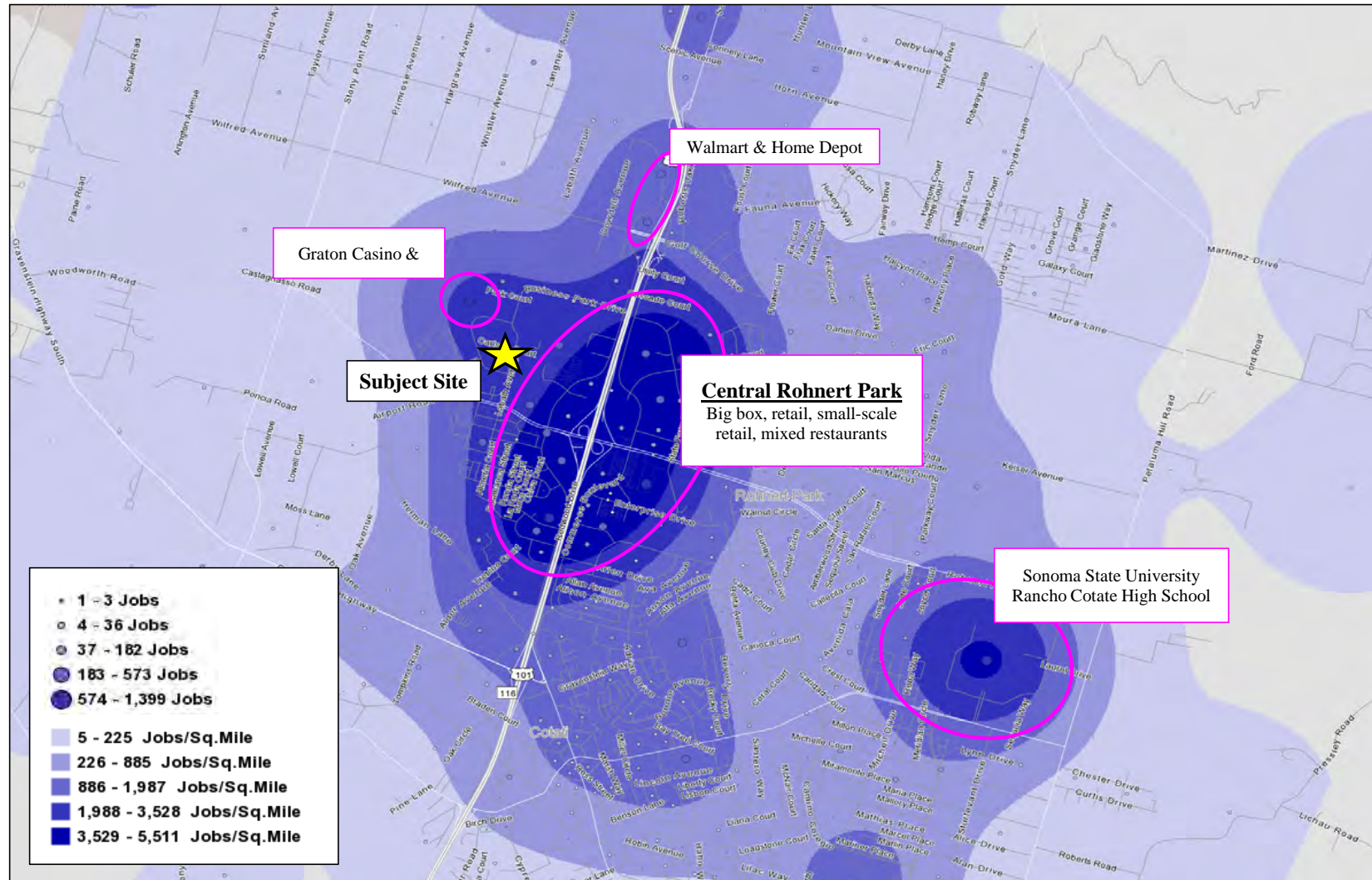
JOB CLUSTERS SONOMA, MARIN, AND SAN FRANCISCO COUNTIES, CALIFORNIA 2013



Source: Longitudinal Employer-Household Dynamics, U.S. Census Bureau, 2013

EXHIBIT I-4

JOB CLUSTERS ROHNERT PARK AND COTATI, CALIFORNIA 2013

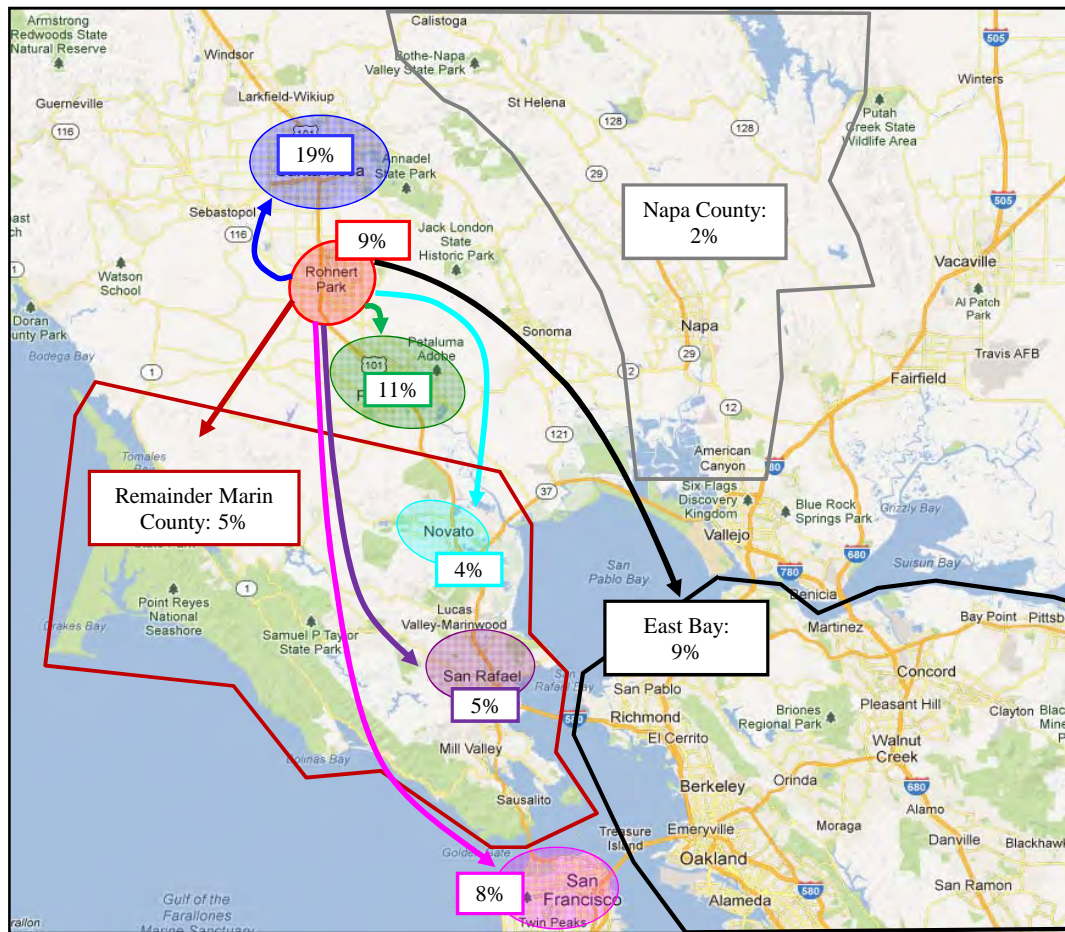


Source: Longitudinal Employer-Household Dynamics, U.S. Census Bureau, 2013

EXHIBIT I-5

COMMUTING PATTERNS CITY OF ROHNERT PARK AND COTATI, CALIFORNIA 2013

- 19% of Rohnert Park/Cotati residents work in Santa Rosa, 11% commute to Petaluma, and 9% remain in Rohnert Park. Another 8% commute to San Francisco, and 9% go to the East Bay.
- 19% of Rohnert Park/Cotati employees live in Santa Rosa, 15% commute from within Rohnert Park and 6% commute from Petaluma.



Source: Longitudinal Employer-Household Dynamics, U.S. Census Bureau, 2013

2013 Rohnert Park and Cotati Commute Patterns

Rohnert Park and Cotati Employed Population:

Commute to:	Share	Number
Santa Rosa	19%	3,540
Petaluma	11%	2,118
Rohnert Park	9%	1,696
San Francisco	8%	1,537
San Rafael	5%	912
Novato	4%	822
Cotati	3%	500
East Bay	9%	1,668
Napa County	2%	431
Peninsula	2%	456
South Bay	1%	275
Other Marin County	5%	971
Other Locations	19%	3,533
Total:	100%	18,459

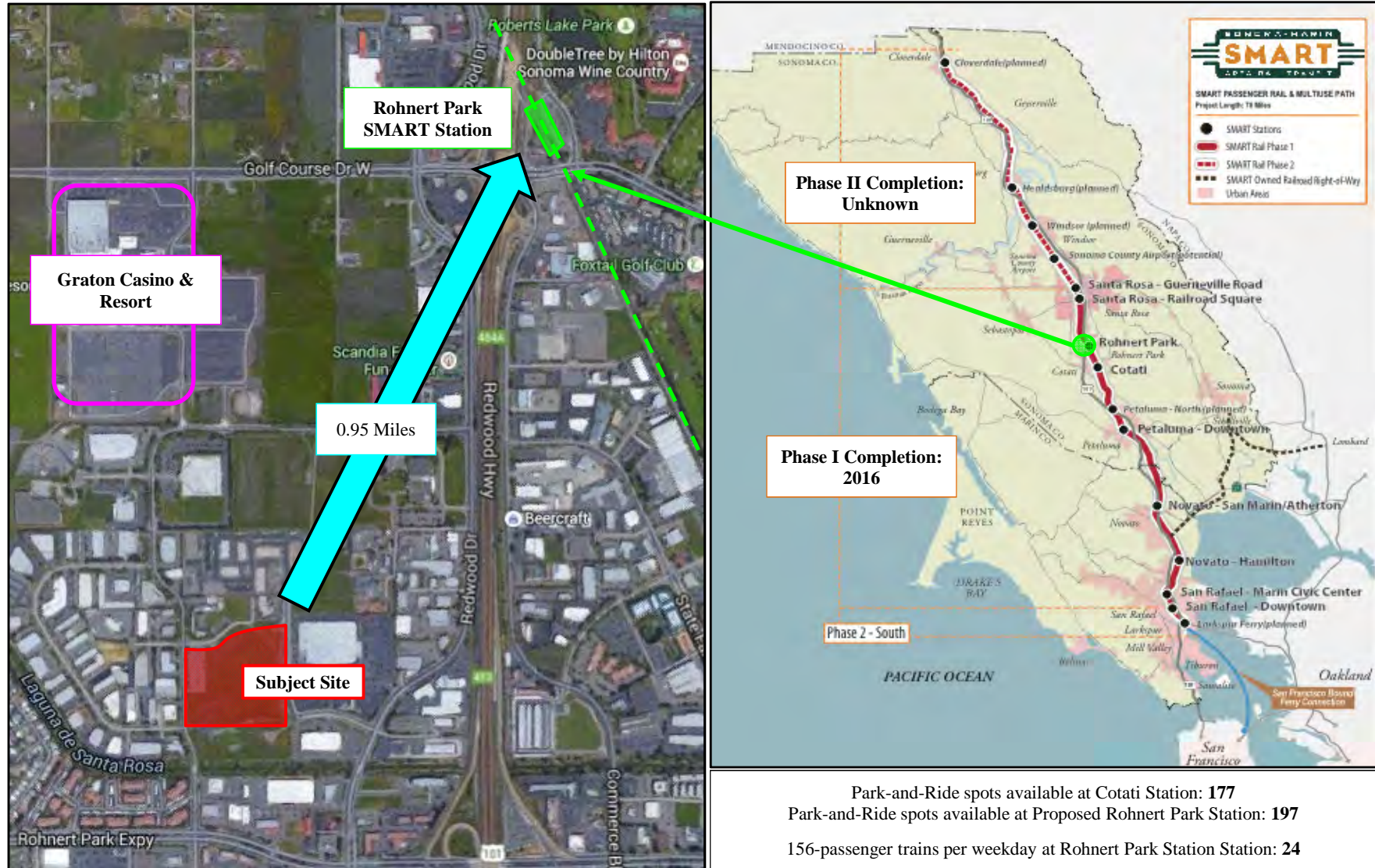
Rohnert Park and Cotati Employment Base:

Commute from:	Share	Number
Santa Rosa	19%	2,376
Rohnert Park	15%	1,844
Petaluma	6%	787
Cotati	3%	352
Novato	1%	143
South Bay	2%	301
San Francisco	2%	200
San Rafael	0%	60
Napa County	2%	279
Peninsula	2%	208
East Bay	7%	901
Other Marin County	2%	193
Other Locations	38%	4,742
Total:	100%	12,386

Net Inflow/ Outflow : **(6,073)**

EXHIBIT I-5

FUTURE TRANSIT OPTIONS CITY OF ROHNERT PARK, CALIFORNIA SEPTEMBER 2015



II. RETAIL OPPORTUNITY ANALYSIS

EXHIBIT II-1

REGIONAL LOCATION AND DELINEATION OF MARKET AREAS NORTH BAY AREA, CALIFORNIA SEPTEMBER 2015

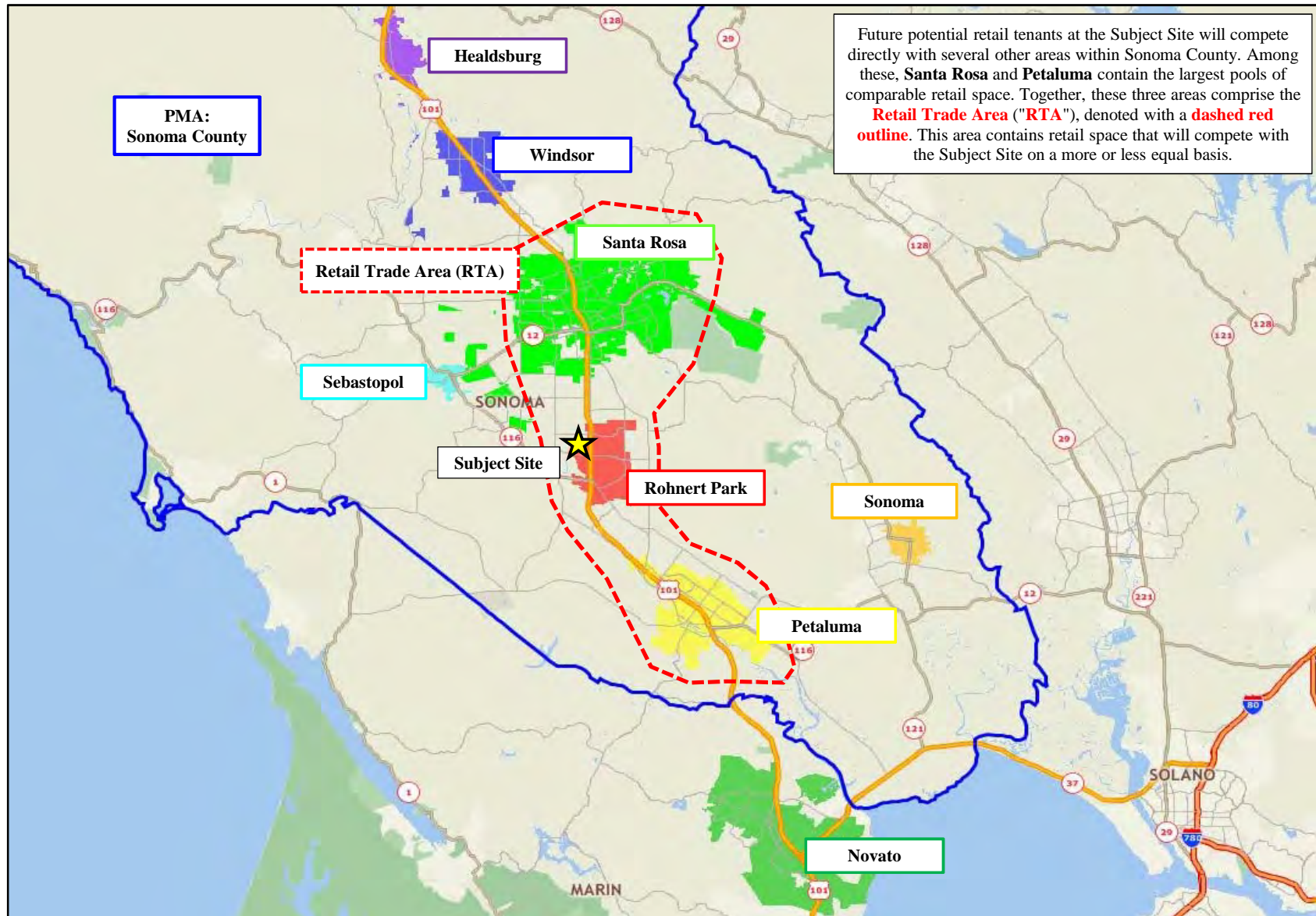
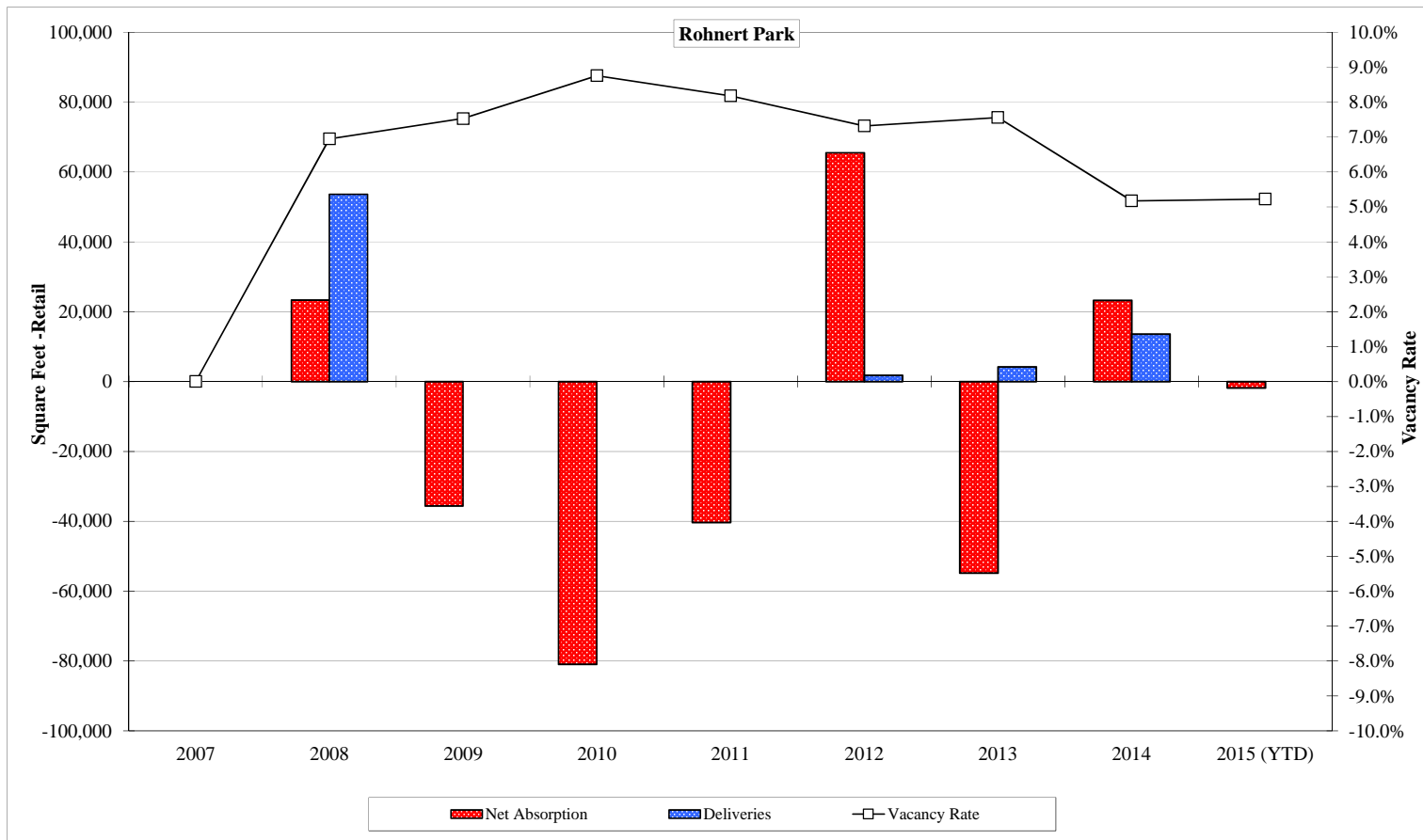


EXHIBIT II-2

RETAIL INVENTORY PERFORMANCE
ROHNERT PARK, CALIFORNIA
2007 THROUGH 2Q2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015 (YTD)
<i>Rohnert Park</i>									
Rental Building Area (RBA)	3,284,220	3,284,220	3,278,192	3,278,192	3,233,502	3,234,677	3,238,572	3,238,572	3,238,572
Net Absorption	0	23,336	(35,635)	(80,932)	(40,388)	65,540	(54,858)	23,227	(1,809)
Deliveries	0	53,576	0	0	0	1,799	4,200	13,650	0
Total Vacancy Rate	4.2%	6.9%	7.5%	8.8%	8.2%	7.3%	7.6%	5.2%	5.2%
Vacant SF	136,472	228,144	246,844	287,232	264,586	236,761	244,839	167,436	169,245

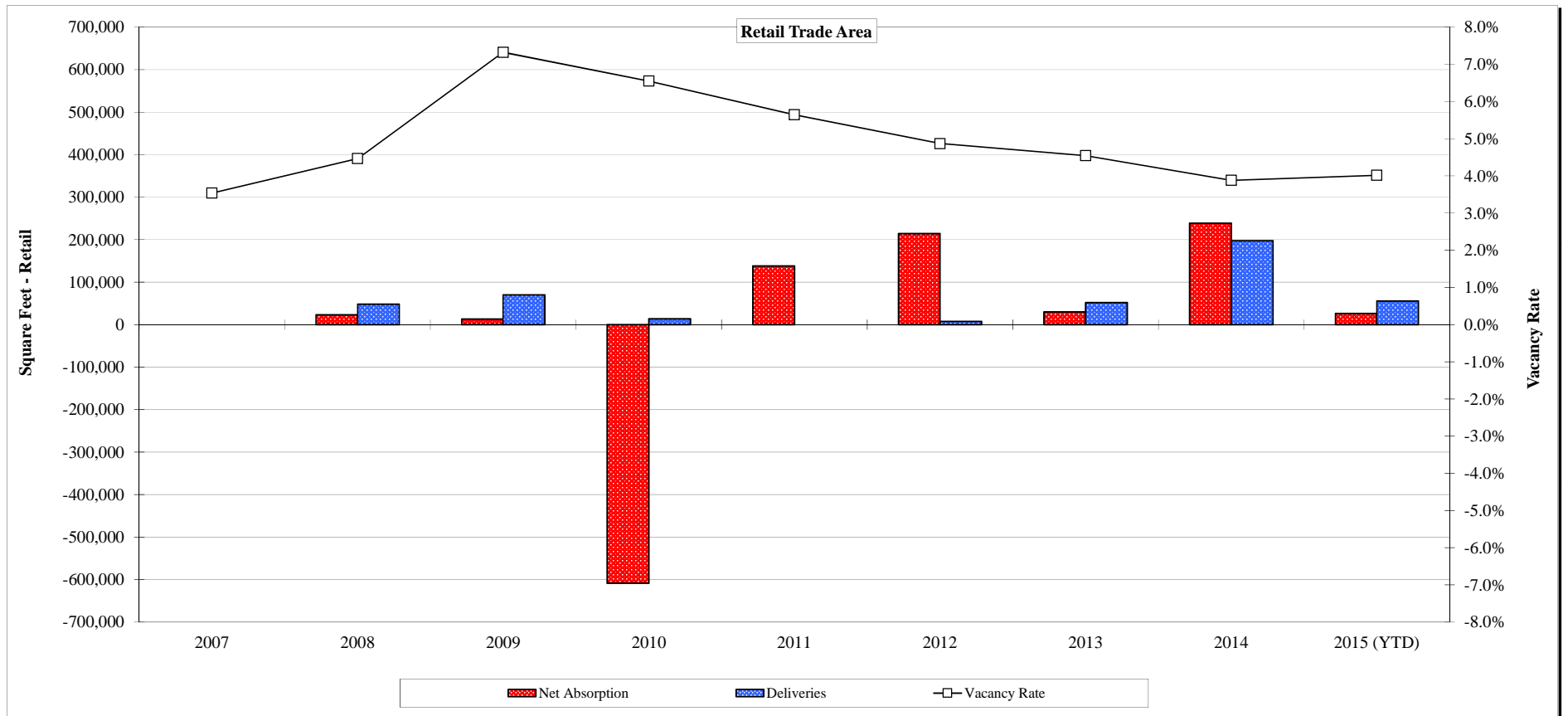


Source: CoStar

EXHIBIT II-2

RETAIL INVENTORY PERFORMANCE
RETAIL TRADE AREA
2007 THROUGH 2Q2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015 (YTD)
<i>Retail Trade Area</i>									
Rental Building Area (RBA)	18,901,233	18,973,908	18,968,657	18,959,136	18,901,338	18,906,718	19,375,482	19,684,631	19,744,144
Net Absorption	0	23,064	13,226	(608,409)	138,002	214,575	30,160	238,756	26,290
Deliveries	0	48,284	70,346	13,619	0	7,799	51,980	197,334	55,740
Total Vacancy Rate	3.5%	4.5%	7.3%	6.6%	5.6%	4.9%	4.5%	3.9%	4.0%
Vacant SF	668,851	847,529	1,389,771	1,242,248	1,066,448	920,894	880,639	763,927	793,377

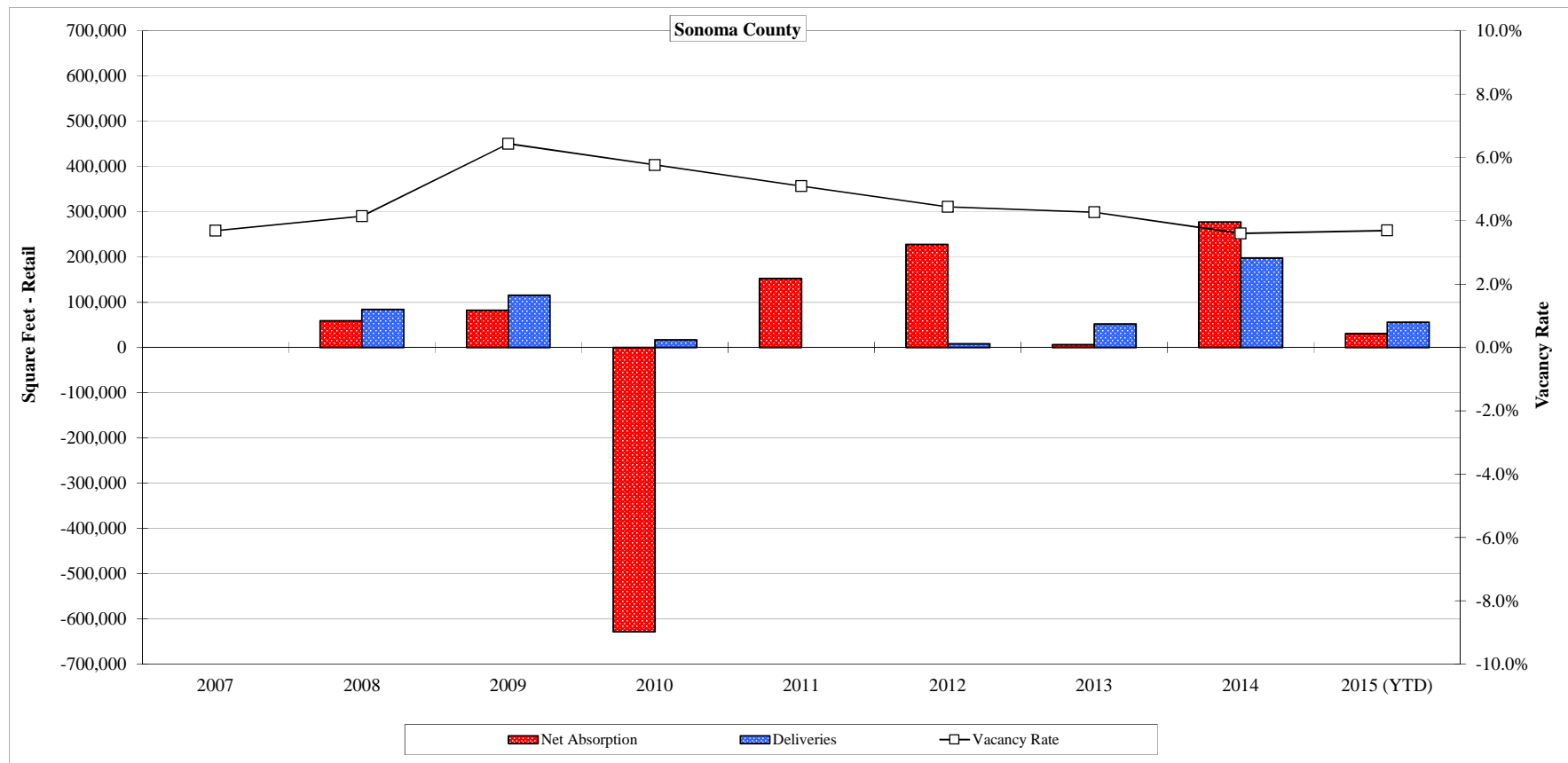


Source: CoStar

EXHIBIT II-2

RETAIL INVENTORY PERFORMANCE
SONOMA COUNTY, CALIFORNIA
2007 THROUGH 2Q2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015 (YTD)
<i>Sonoma County</i>									
Rental Building Area (RBA)	23,887,294	24,010,053	24,006,911	23,997,390	23,938,810	23,944,190	24,412,954	24,712,023	24,771,536
Net Absorption	0	58,674	82,402	(628,171)	152,328	227,777	6,500	277,554	30,555
Deliveries	0	83,894	115,665	17,019	0	7,799	51,980	197,334	55,740
Total Vacancy Rate	3.7%	4.1%	6.4%	5.8%	5.1%	4.4%	4.3%	3.6%	3.7%
Vacant SF	880,943	995,114	1,544,694	1,382,845	1,219,791	1,062,395	1,042,526	890,017	915,202

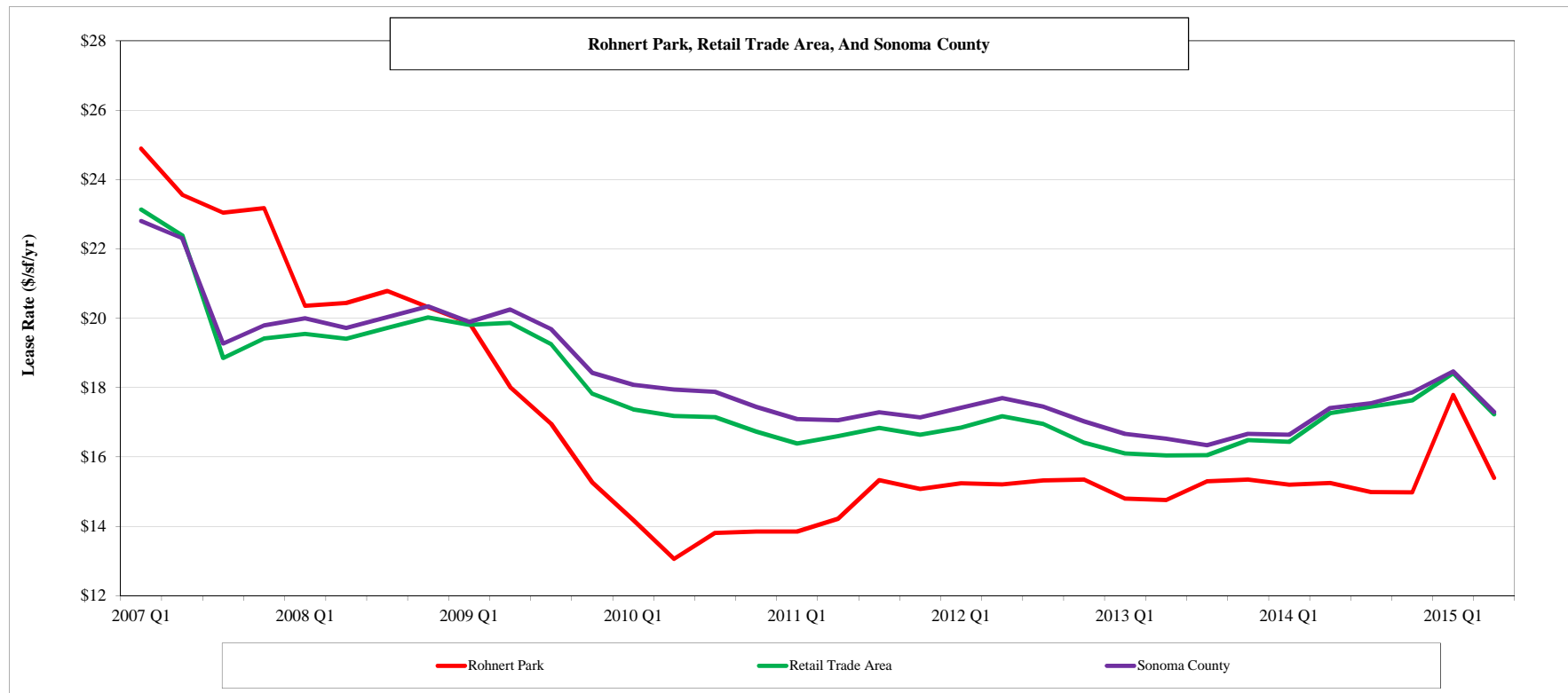


Source: CoStar

EXHIBIT II-2

RETAIL MACRO MARKET PERFORMANCE
ROHNERT PARK, RETAIL TRADE AREA, AND SONOMA COUNTY
2007 THROUGH 2Q2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015 (YTD)
Rohnert Park									
Rental Rate (Direct)	\$23.44	\$20.50	\$15.23	\$13.80	\$15.04	\$15.32	\$15.32	\$14.93	\$15.60
Y/Y % Change	--	-13%	-26%	-9%	9%	2%	0%	-3%	4%
Retail Trade Area									
Rental Rate (Direct)	\$19.36	\$20.08	\$17.87	\$16.74	\$16.65	\$16.41	\$16.49	\$17.60	\$16.99
Y/Y % Change	--	4%	-11%	-6%	-1%	-1%	0%	7%	-3%
Sonoma County									
Rental Rate (Direct)	\$19.36	\$20.08	\$17.87	\$16.74	\$16.65	\$16.41	\$16.49	\$17.60	\$16.99
Y/Y % Change	--	4%	-11%	-6%	-1%	-1%	0%	7%	-3%

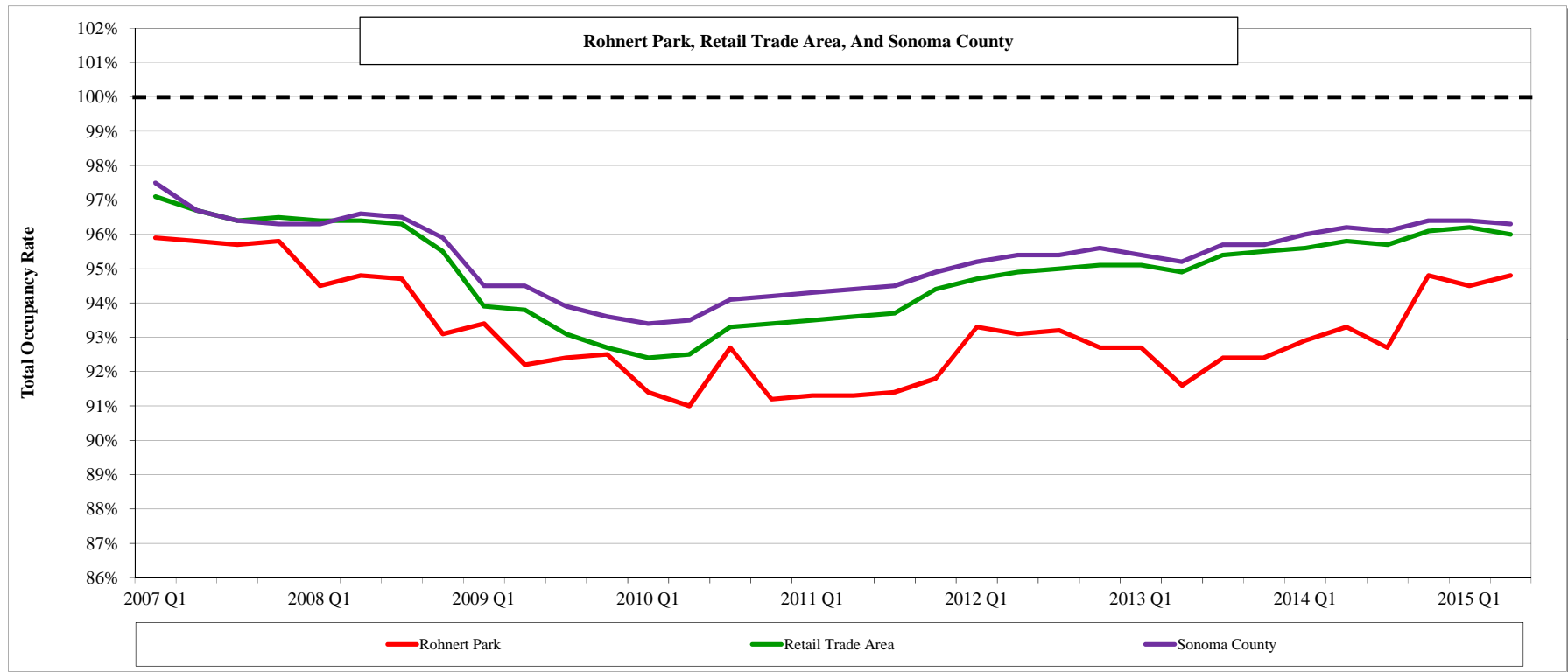


Source: CoStar

EXHIBIT II-2

RETAIL MACRO MARKET PERFORMANCE
ROHNERT PARK, RETAIL TRADE AREA, AND SONOMA COUNTY
2007 THROUGH 2Q2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015 (YTD)
Rohnert Park									
Occ. Rate (Total)	95.8%	93.1%	92.5%	91.2%	91.8%	92.7%	92.4%	94.8%	94.8%
Y/Y Change	--	2.8%	0.6%	1.2%	-0.6%	-0.9%	0.2%	-2.4%	0.1%
Retail Trade Area									
Occ. Rate (Total)	96.5%	95.5%	92.7%	93.4%	94.4%	95.1%	95.5%	96.1%	96.0%
Y/Y Change	--	0.9%	2.9%	-0.8%	-0.9%	-0.8%	-0.3%	-0.7%	0.1%
Sonoma County									
Occ. Rate (Total)	96.5%	95.5%	92.7%	93.4%	94.4%	95.1%	95.5%	96.1%	96.0%
Y/Y Change	--	0.9%	2.9%	-0.8%	-0.9%	-0.8%	-0.3%	-0.7%	0.1%



Source: CoStar

EXHIBIT II-3A
SELECT COMPETITIVE RETAIL SPACE - AVAILABLE LISTINGS
RETAIL TRADE AREA
SEPTEMBER 2015

Retail Trade Area - Available Listings											
Building Address	City	Building Name	Year Built	Year Reno.	Building RBA (SF)	Direct Avail (SF)	Percent Leased	Rent/\$/s.f.		Lease Type (1)	Retail Type
								Monthly	Annual		
Rohnert Park/Cotati											
6314-6378 Commerce Blvd	Rohnert Park	Park Plaza	1973	1991	95,000	7,114	93%	\$2.75	\$33.00	NNN	N'hood Ctr
590 E Cotati Ave	Cotati	Bldg E	1975	--	7,088	7,088	0%	\$2.50	\$30.00	NNN	N'hood Ctr
550-576 E Cotati Ave	Cotati	Bldg B	1975	--	20,775	14,227	32%	\$2.06	\$24.74	NNN	N'hood Ctr
6089-6101 Redwood Dr	Rohnert Park	Sleep City Mattress Center	2006	--	9,104	4,104	55%	\$1.75	\$21.00	NNN	N'hood Ctr
101 Golf Course Dr	Rohnert Park	Sonoma County Regional Center	1989	--	17,841	2,496	86%	\$1.55	\$18.60	NNN	Gen. Retail
150-190 Raleys Towne Ctr	Rohnert Park		1980	--	79,332	2,344	97%	\$1.50	\$18.00	NNN	N'hood Ctr
6425-6475 Redwood Dr	Rohnert Park		1989	--	11,400	2,400	79%	\$1.37	\$16.49	NNN*	Strip Mall
620-640 Raleys Towne Ctr	Rohnert Park		1980	--	8,536	6,000	30%	\$1.30	\$15.60	NNN	N'hood Ctr
1451 Southwest Blvd	Rohnert Park		1988	--	31,215	16,971	46%	\$1.25	\$15.00	NNN	N'hood Ctr
6591-6599 Commerce Blvd	Rohnert Park		1973	2006	50,374	15,000	70%	\$1.25	\$15.00	NNN	Gen. Retail
5700-5708 Commerce Blvd	Rohnert Park		1974	--	9,500	3,800	60%	\$1.25	\$15.00	NNN	Strip Mall
6490 Redwood Dr	Rohnert Park		--	--	5,070	5,070	0%	\$1.15	\$13.80	NNN	Gen. Retail
5350 Commerce Blvd	Rohnert Park		1981	--	13,024	2,264	83%	\$1.15	\$13.80	NNN	Strip Mall
7981 Old Redwood Hwy	Cotati	Grapevine Center	1980	--	15,096	9,365	38%	\$1.14	\$13.66	NNN	Strip Mall
177-239 Southwest Blvd	Rohnert Park		1961	--	28,828	12,000	58%	\$1.00	\$12.00	NNN	N'hood Ctr
10 Enterprise Dr	Rohnert Park		1978	--	11,528	4,703	59%	\$1.00	\$12.00	NNN	Strip Mall
8571-8577 Gravenstein Hwy	Cotati		1964	--	10,000	4,600	54%	\$0.87	\$10.45	NNN*	Strip Mall
8099 La Plaza	Cotati		--	--	6,750	2,400	64%	\$0.81	\$9.75	NNN*	Gen. Retail
5195 Redwood Dr	Rohnert Park		1994	--	46,000	46,000	0%	\$0.75	\$9.00	NNN	Gen. Retail
500 E Cotati Ave	Cotati	Building D	1975	--	7,088	2,760	61%	\$0.75	\$9.00	NNN	N'hood Ctr
20 Listings			Totals:		--	--	483,549	170,706	65%	--	--
Average/Wtd Averages (2):			1982	2001	24,177	8,535	--	\$1.26	\$15.14		
Petaluma											
351-389 S Mcdowell Blvd	Petaluma		1971	1996	87,954	58,805	33%	\$2.59	\$31.12	NNN	Community Ctr.
901 E Washington St	Petaluma	Petaluma Town Plaza	1991	--	12,500	8,680	31%	\$2.50	\$30.00	NNN	Strip Mall
389 S Mcdowell Blvd	Petaluma		2001	--	63,467	4,841	92%	\$2.50	\$30.00	NNN	Community Ctr.
905-939 Lakeville Hwy	Petaluma	Bldg A	1989	--	19,950	5,720	71%	\$2.28	\$27.41	NNN	N'hood Ctr
1420-1430 E Washington St	Petaluma		--	--	8,758	3,941	55%	\$2.25	\$27.00	NNN	Community Ctr.
701 Sonoma Mountain Pky	Petaluma		2000	--	10,041	2,788	72%	\$2.00	\$24.00	NNN	N'hood Ctr
2620 Lakeville Hwy	Petaluma		2008	--	12,186	3,513	71%	\$1.85	\$22.20	NNN	Strip Mall
109 Kentucky St	Petaluma		1941	--	19,000	19,000	0%	\$1.65	\$19.79	NNN*	Gen. Retail
5101 Montero Way	Petaluma		1978	--	4,836	4,836	0%	\$1.63	\$19.56	NNN	Gen. Retail
1390 N McDowell Blvd	Petaluma	In Line Stores	1978	--	15,600	3,118	80%	\$1.55	\$18.65	NNN	N'hood Ctr
5-25 Petaluma Blvd S	Petaluma	Bldg C - Town Center	1940	--	20,010	2,705	86%	\$1.50	\$18.00	NNN	Community Ctr.
610 E Washington St	Petaluma		1981	--	2,500	2,500	0%	\$1.38	\$16.50	NNN	Strip Mall
830 Perry Ln	Petaluma		2008	--	4,217	4,217	0%	\$1.10	\$13.24	NNN*	Gen. Retail
264-270 N Petaluma Blvd	Petaluma		1914	2006	15,300	7,650	50%	\$0.95	\$11.45	NNN*	Gen. Retail
884 Bodega Ave	Petaluma		1920	2006	18,000	8,700	52%	\$0.69	\$8.26	NNN*	Gen. Retail
1410 S Mcdowell Blvd	Petaluma		1985	--	5,587	2,012	64%	\$0.12	\$1.49	NNN	N'hood Ctr
16 Listings			Totals:		--	--	319,906	143,026	55%	--	--
Average/Wtd Averages (2):			1966	1998	19,994	8,939	--	\$2.03	\$24.34		

EXHIBIT II-3A
SELECT COMPETITIVE RETAIL SPACE - AVAILABLE LISTINGS
RETAIL TRADE AREA
SEPTEMBER 2015

Retail Trade Area - Available Listings											
Building Address	City	Building Name	Year Built	Year Reno.	Building RBA (SF)	Direct Avail (SF)	Percent Leased	Rent/\$/s.f.		Lease Type (1)	Retail Type
								Monthly	Annual		
Santa Rosa											
1197-1211 W College Ave	Santa Rosa	Orchard Supply Hardware	1971	--	100,000	19,500	81%	\$3.97	\$47.60	NNN	N'hood Ctr
2230 Cleveland Ave	Santa Rosa		1963	2009	42,646	2,500	94%	\$3.75	\$45.00	NNN	Gen. Retail
2795 Santa Rosa Ave	Santa Rosa		1999	--	6,443	2,135	67%	\$2.75	\$33.00	NNN	Community Ctr.
733-741 4th St	Santa Rosa		1946	--	17,075	9,435	45%	\$1.75	\$21.00	NNN	Gen. Retail
5855 Sonoma Hwy	Santa Rosa		1998	--	10,800	2,206	80%	\$1.75	\$21.00	NNN	Strip Mall
1585-1623 Terrace Way	Santa Rosa	Willowbrooke	1950	--	8,050	2,752	66%	\$1.69	\$20.28	NNN	Strip Mall
1331 Guerneville Rd	Santa Rosa		1985	--	33,846	8,500	75%	\$1.60	\$19.20	NNN	N'hood Ctr
640 4th St	Santa Rosa		1971	--	4,688	4,688	0%	\$1.56	\$18.70	NNN*	Gen. Retail
2805-2835 Santa Rosa Ave	Santa Rosa		1999	--	78,271	27,135	65%	\$1.45	\$17.40	NNN	Community Ctr.
955 Santa Rosa Ave	Santa Rosa		1946	--	14,340	4,000	72%	\$1.43	\$17.15	NNN*	Gen. Retail
120 5th St	Santa Rosa	Last Day Saloon	1923	--	8,000	8,000	0%	\$1.42	\$17.04	NNN*	Gen. Retail
1200 4th St	Santa Rosa		1925	--	2,538	2,538	0%	\$1.36	\$16.30	NNN*	Gen. Retail
3080-3082 Marlow Rd	Santa Rosa	Rosewood Village	1988	--	49,892	12,273	75%	\$1.30	\$15.60	NNN	N'hood Ctr
799 Piner Rd	Santa Rosa	Kings Bldg	1967	--	44,862	5,680	87%	\$1.25	\$15.00	NNN	Gen. Retail
2074-2076 Armory Dr	Santa Rosa	Hopper Square	1961	--	5,000	2,400	52%	\$1.25	\$15.00	NNN	Gen. Retail
2450-2494 W 3rd St	Santa Rosa		1985	--	27,560	2,000	93%	\$1.19	\$14.24	NNN*	N'hood Ctr
1010-1020 Hopper Ave	Santa Rosa		1989	--	12,000	2,250	81%	\$1.11	\$13.33	NNN	Strip Mall
1064 Santa Rosa Ave	Santa Rosa		1961	--	20,000	9,117	54%	\$1.10	\$13.20	NNN*	Gen. Retail
3401 Cleveland Ave	Santa Rosa		Cleveland Square Shopping Center	1980	--	16,591	6,637	60%	\$1.08	\$12.96	NNN
501-505 Mendocino Ave	Santa Rosa	1925		--	15,647	6,000	62%	\$1.00	\$12.00	NNN	Gen. Retail
925 Corporate Center Pky	Santa Rosa	2005		--	13,810	4,814	65%	\$1.00	\$12.00	NNN	Strip Mall
1015 Santa Rosa Ave	Santa Rosa	1946		--	18,450	5,500	70%	\$0.92	\$11.05	NNN*	Gen. Retail
600 Santa Rosa Plz	Santa Rosa	Forever 21		1981	--	90,258	47,610	47%	\$0.75	\$9.00	NNN
1044 4th St	Santa Rosa		1948	--	10,654	10,654	0%	\$0.60	\$7.20	NNN	Gen. Retail
601 Elsa Dr	Santa Rosa		1991	--	16,551	4,200	75%	\$0.58	\$6.98	NNN*	Gen. Retail
3535 Industrial Dr	Santa Rosa		1980	--	30,568	4,400	86%	\$0.51	\$6.12	NNN*	Gen. Retail
2700 Yulupa Ave	Santa Rosa		1977	--	14,160	2,076	85%	\$0.23	\$2.75	NNN	Gen. Retail
1440 Townview Ln	Santa Rosa	Roseland Shopping Center	1976	--	4,671	4,671	0%	\$0.18	\$2.15	NNN	Gen. Retail
625 Sebastopol Rd	Santa Rosa		1957	--	15,600	2,000	87%	\$0.04	\$0.51	NNN*	N'hood Ctr
29 Listings			Totals:		--	--	732,971	225,671	69%	--	--
		Average/Wtd Averages (2):		1973	2009	25,275	7,782	--	\$1.38	\$16.52	

- (1) Rates shown reflect Triple Net leases. Majority market lease type is NNN. Asterisk signifies lease type adjusted to triple net from modified gross or full service in order to facilitate direct comparison.
(2) All data shown except Building RBA, Direct Available SF, and Space Lease are weighted averages, weighted by amount of space leased or available.

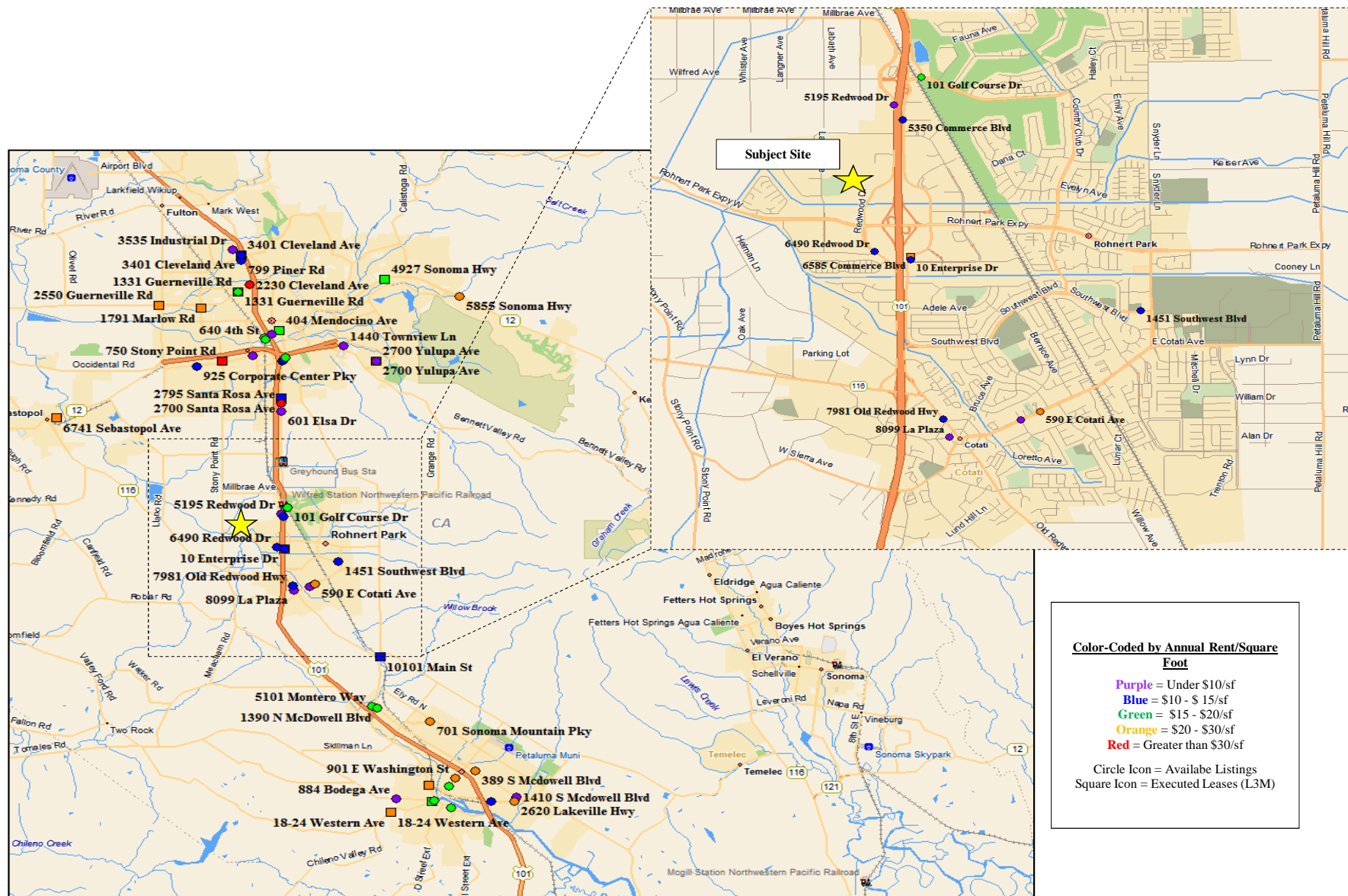
EXHIBIT II-3B
SELECT COMPETITIVE RETAIL SPACE
RETAIL TRADE AREA; SANTA ROSA, CALIFORNIA
SEPTEMBER 2015

Retail Trade Area - Executed Leases										
Building Address	City	Building Name	Year Built	Year Reno.	Building RBA	Space Leased (SF)	Date Signed	Rent/\$/s.f.		Lease Type (1)
								Monthly	Annual	
750 Stony Point Rd	Santa Rosa	Stony Point Strip Center	1990	--	1,305	1,305	7/21/2015	\$3.08	\$36.96	NNN
2751-2771 4th St	Santa Rosa	Santa Rosa Ret	1971	--	3,904	3,904	8/17/2015	\$2.50	\$30.00	NNN
6585 Commerce Blvd	Rohnert Park	North Bay Center	1978	--	574	574	7/8/2015	\$2.50	\$30.00	NNN
18-24 Western Ave	Petaluma	Prince Building	1885	--	150	150	6/29/2015	\$2.00	\$24.00	NNN*
18-24 Western Ave	Petaluma	Prince Building	1885	--	285	285	6/29/2015	\$2.00	\$24.00	NNN*
18-24 Western Ave	Petaluma	Prince Building	1910	--	156	156	6/29/2015	\$2.00	\$24.00	NNN*
18-24 Western Ave	Petaluma	Prince Building	1910	--	156	156	6/29/2015	\$2.00	\$24.00	NNN*
2700 Yulupa Ave	Santa Rosa	Annadel Shopping Center	1977	--	1,050	1,050	6/8/2015	\$2.00	\$24.00	NNN
6741 Sebastopol Ave	Sebastopol	Gravenstein Station	2000	--	331	331	6/2/2015	\$1.95	\$23.40	NNN*
2550 Guerneville Rd	Santa Rosa	Crossroads Plaza	1998	--	1,550	1,550	7/13/2015	\$1.90	\$22.80	NNN
1791 Marlow Rd	Santa Rosa	Marlow Center - Safeway Marlow Cer	1985	--	950	950	6/9/2015	\$1.85	\$22.20	NNN
514-516 B St	Santa Rosa	Santa Rosa Ret	2006	--	1,307	1,307	8/5/2015	\$1.76	\$21.12	NNN*
6-16 Petaluma Blvd N	Petaluma	Great Petaluma Mill - Theater District	1976	--	1,200	1,200	8/19/2015	\$1.75	\$21.00	NNN*
215 Western Ave	Petaluma	The Drees Building	1942	--	600	600	6/12/2015	\$1.66	\$19.92	NNN*
1331 Guerneville Rd	Santa Rosa	Guernville Road Plaza	1985	--	1,496	1,496	8/4/2015	\$1.60	\$19.20	NNN
6425-6475 Redwood Dr	Rohnert Park	Petaluma/Cotati/Rohnert R	1989	--	1,800	1,800	7/13/2015	\$1.50	\$18.00	NNN*
404 Mendocino Ave	Santa Rosa	Santa Rosa Ret	1984	--	1,395	1,395	7/8/2015	\$1.50	\$18.00	NNN
310-400 Raleys Towne Ctr	Rohnert Park	Raley's Towne Centre	1980	--	1,368	1,368	7/2/2015	\$1.50	\$18.00	NNN
310-400 Raleys Towne Ctr	Rohnert Park	Raley's Towne Centre	1980	--	1,125	1,125	7/2/2015	\$1.50	\$18.00	NNN
4927 Sonoma Hwy	Santa Rosa	Santa Rosa Ret	1988	--	250	250	6/10/2015	\$1.45	\$17.40	NNN*
4927 Sonoma Hwy	Santa Rosa	Santa Rosa Ret	1988	--	250	250	6/10/2015	\$1.45	\$17.40	NNN*
4927 Sonoma Hwy	Santa Rosa	Santa Rosa Ret	1988	--	891	891	6/10/2015	\$1.45	\$17.40	NNN*
10101 Main St	Penngrrove	The Grove	2003	--	3,000	3,000	7/17/2015	\$1.00	\$12.00	NNN
3401 Cleveland Ave	Santa Rosa	Cleveland Square Shopping Center	1980	--	2,016	2,016	6/24/2015	\$1.00	\$12.00	NNN
935-961 Golf Course Dr	Rohnert Park	Mountain Shadows Plaza	1984	--	1,510	1,510	8/14/2015	\$0.99	\$11.88	NNN
2700 Santa Rosa Ave	Santa Rosa	Santa Rosa Ret	1999	--	1,307	1,307	6/10/2015	\$0.92	\$11.04	NNN*
26 Executed Leases			Totals:	--	--	29,926	29,926	--	--	--
Average/Wtd Averages (2):			1983	--	1,151	1,151	--	\$1.68	\$20.13	

(1) Rates shown reflect Triple Net leases. Majority market lease type is NNN. Asterisk signifies lease type adjusted to triple net from modified gross or full service in order to facilitate direct comparison.

(2) All data shown except Building RBA, Direct Available SF, and Space Lease are weighted averages, weighted by amount of space leased or available.

EXHIBIT II-4
COMPARABLE RETAIL LOCATIONS
RETAIL TRADE AREA
SEPTEMBER 2015



CONSUMER SPENDING CAPACITY - RETAIL
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015

Spending Category	Target Market		Consumer Spending Capacity		
	Radius	Pop.	Total	Per Capita	Share*
GAFO (1)					
Department Stores	Rohnert Park	49,391	\$42,113,853	\$853	8%
Furniture	Rohnert Park	49,391	16,809,950	340	3%
Sporting Goods/Hobby	Rohnert Park	49,391	16,021,727	324	3%
Books & Music	Rohnert Park	49,391	2,492,548	50	0%
Office Supplies, Gift Stores	Rohnert Park	49,391	11,122,652	225	2%
Electronics/Appliances	Rohnert Park	49,391	16,535,574	335	3%
Clothing & Accessories	Rohnert Park	49,391	40,508,965	820	8%
Other General Merchandise	Rohnert Park	49,391	58,668,148	1,188	11%
GAFO Total:			\$162,159,564	\$3,283	32%
Non-GAFO					
Eating & Drinking Places	Rohnert Park	49,391	\$98,344,083	\$1,991	19%
Misc. Stores	Rohnert Park	49,391	6,315,186	128	1%
Health & Personal Care	Rohnert Park	49,391	43,474,875	880	9%
Building/Garden Materials	Rohnert Park	49,391	87,208,730	1,766	17%
Food & Beverage	Rohnert Park	49,391	113,896,337	2,306	22%
Non-GAFO Total:			\$349,239,211	\$7,071	68%
Total Excl. Vehicle/Gas/Non-Store:			\$511,398,775	\$10,354	100%
Gas/Motor Vehicle/Non-Store					
Gas Stations	Rohnert Park	49,391	\$86,742,890	\$1,756	NA
Other Non-Store Retailers	Rohnert Park	49,391	75,171,161	1,522	NA
Motor Vehicle	Rohnert Park	49,391	168,380,542	3,409	NA
Gas/Motor Vehicle/Non-Store Total:			\$330,294,593	\$6,687	NA
Total:			\$841,693,368	\$17,041	NA

Source: Claritas Data Systems

EXHIBIT II-5

**CONSUMER SPENDING CAPACITY - RETAIL
RETAIL TRADE AREA
SEPTEMBER 2015**

2015 Population: **Rohnert Park :** 49,391
 RTA 285,107
 Sonoma County : 499,771

Spending Category	Target Market		Consumer Spending Capacity		
	Radius	Pop.	Total	Per Capita	Share*
GAFO (1)					
Department Stores	RTA	285,107	\$243,306,632	\$853	8%
Furniture	RTA	285,107	99,662,022	350	3%
Sporting Goods/Hobby	RTA	285,107	90,850,343	319	3%
Books & Music	RTA	285,107	13,167,998	46	0%
Office Supplies, Gift Stores	RTA	285,107	63,763,521	224	2%
Electronics/Appliances	RTA	285,107	93,976,523	330	3%
Clothing & Accessories	RTA	285,107	233,856,608	820	8%
Other General Merchandise	RTA	285,107	336,031,211	1,179	11%
GAFO Total:			\$931,308,226	\$3,267	32%
Non-GAFO					
Eating & Drinking Places	RTA	285,107	\$549,816,037	\$1,928	19%
Misc. Stores	RTA	285,107	33,989,198	119	1%
Health & Personal Care	RTA	285,107	264,022,112	926	9%
Building/Garden Materials	RTA	285,107	511,415,524	1,794	17%
Food & Beverage	RTA	285,107	645,455,257	2,264	22%
Non-GAFO Total:			\$2,004,698,128	\$7,031	68%
Total Excl. Vehicle/Gas/Non-Store:			\$2,936,006,354	\$10,298	100%
Gas/Motor Vehicle/Non-Store					
Gas Stations	RTA	285,107	\$476,215,902	\$1,670	NA
Other Non-Store Retailers	RTA	285,107	431,531,682	1,514	NA
Motor Vehicle	RTA	285,107	950,427,248	3,334	NA
Gas/Motor Vehicle/Non-Store Total:			\$1,858,174,832	\$6,517	NA
Total:			\$4,794,181,186	\$16,815	NA

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Includes vending machine operators and direct-selling establishments

* Share of total sales, excluding Motor Vehicle, Gas Stations and Electronic Shopping

Source: Claritas Data Systems

EXHIBIT II-5

**CONSUMER SPENDING CAPACITY - RETAIL
SONOMA COUNTY
SEPTEMBER 2015**

2015 Population: **Rohnert Park :** 49,391
 RTA 285,107
 Sonoma County : 499,771

Spending Category	Target Market		Consumer Spending Capacity		
	Radius	Pop.	Total	Per Capita	Share*
GAFO (1)					
Department Stores	Sonoma County	499,771	\$435,334,198	\$871	8%
Furniture	Sonoma County	499,771	181,505,613	363	3%
Sporting Goods/Hobby	Sonoma County	499,771	163,588,449	327	3%
Books & Music	Sonoma County	499,771	24,209,126	48	0%
Office Supplies, Gift Stores	Sonoma County	499,771	115,645,667	231	2%
Electronics/Appliances	Sonoma County	499,771	169,775,383	340	3%
Clothing & Accessories	Sonoma County	499,771	421,132,048	843	8%
Other General Merchandise	Sonoma County	499,771	605,412,894	1,211	11%
GAFO Total:			\$1,681,269,180	\$3,364	32%
Non-GAFO					
Eating & Drinking Places	Sonoma County	499,771	\$984,818,512	\$1,971	19%
Misc. Stores	Sonoma County	499,771	64,207,086	128	1%
Health & Personal Care	Sonoma County	499,771	486,852,524	974	9%
Building/Garden Materials	Sonoma County	499,771	941,163,417	1,883	18%
Food & Beverage	Sonoma County	499,771	1,161,456,783	2,324	22%
Non-GAFO Total:			\$3,638,498,322	\$7,280	68%
Total Excl. Vehicle/Gas/Non-Store:			\$5,319,767,502	\$10,644	100%
Gas/Motor Vehicle/Non-Store					
Gas Stations	Sonoma County	499,771	\$855,608,644	\$1,712	NA
Other Non-Store Retailers	Sonoma County	499,771	784,730,790	1,570	NA
Motor Vehicle	Sonoma County	499,771	1,727,735,341	3,457	NA
Gas/Motor Vehicle/Non-Store Total:			\$3,368,074,775	\$6,739	NA
Total:			\$8,687,842,277	\$17,384	NA

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Includes vending machine operators and direct-selling establishments

* Share of total sales, excluding Motor Vehicle, Gas Stations and Electronic Shopping

Source: Claritas Data Systems

EXHIBIT II-6

**RETAIL OPPORTUNITY GAPS
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015**

Spending Category	Target Market		Consumer Spending			
	Radius	Pop.	Consumer Demand	Actual Sales	Gap \$	Gap %
GAFO (1)						
Department Stores	Rohnert Park	49,391	\$42,113,853	\$72,830,164	(\$30,716,311)	-73%
Furniture	Rohnert Park	49,391	16,809,950	8,049,754	8,760,196	52%
Sporting Goods/Hobby	Rohnert Park	49,391	16,021,727	5,335,031	10,686,696	67%
Books & Music	Rohnert Park	49,391	2,492,548	766,554	1,725,994	69%
Office Supplies, Gift Stores	Rohnert Park	49,391	11,122,652	4,401,256	6,721,396	60%
Electronics/Appliances	Rohnert Park	49,391	16,535,574	13,037,543	3,498,031	21%
Clothing & Accessories	Rohnert Park	49,391	40,508,965	12,728,855	27,780,110	69%
Other General Merchandise	Rohnert Park	49,391	58,668,148	21,977,563	36,690,585	63%
GAFO Total:			\$204,273,417	\$139,126,720	\$65,146,697	32%
Non-GAFO						
Eating & Drinking Places	Rohnert Park	49,391	98,344,083	88,570,845	9,773,238	10%
Misc. Stores	Rohnert Park	49,391	6,315,186	15,011,850	(8,696,664)	-138%
Health & Personal Care	Rohnert Park	49,391	43,474,875	21,480,115	21,994,760	51%
Building/Garden Materials	Rohnert Park	49,391	87,208,730	95,815,796	(8,607,066)	-10%
Food & Beverage	Rohnert Park	49,391	113,896,337	100,576,731	13,319,606	12%
Non-GAFO Total:			\$349,239,211	\$321,455,337	\$27,783,874	8%
Total Excl. Vehicle/Gas/Non-Store:			\$553,512,628	\$460,582,057	\$92,930,571	17%
Outflow Categories:			\$417,874,859	\$276,924,247	\$140,950,612	34%
Gas/Motor Vehicle/Non-Store						
Gas Stations	Rohnert Park	49,391	\$86,742,890	\$49,729,925	\$37,012,965	43%
Other Non-Store Retailers	(2) Rohnert Park	49,391	75,171,161	53,678,905	21,492,256	29%
Motor Vehicle	Rohnert Park	49,391	168,380,542	17,157,044	151,223,498	90%
Gas/Motor Vehicle/Non-Store Total:			\$330,294,593	\$120,565,874	\$209,728,719	63%
Total:			\$883,807,221	\$581,147,931	\$302,659,290	34%

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Includes vending machine operators and direct-selling establishments

EXHIBIT II-6

**RETAIL OPPORTUNITY GAPS
RETAIL TRADE AREA
SEPTEMBER 2015**

			Consumer Spending			
Spending Category	Target Market		Consumer Demand	Actual Sales	Gap	
	Radius	Pop.			\$	%
GAFO (1)						
Department Stores	RTA	285,107	\$243,306,632	\$561,315,523	(\$318,008,891)	-131%
Furniture	RTA	285,107	99,662,022	58,568,313	41,093,709	41%
Sporting Goods/Hobby	RTA	285,107	90,850,343	60,447,283	30,403,060	33%
Books & Music	RTA	285,107	13,167,998	15,136,419	(1,968,421)	-15%
Office Supplies, Gift Stores	RTA	285,107	63,763,521	38,326,704	25,436,817	40%
Electronics/Appliances	RTA	285,107	93,976,523	192,987,897	(99,011,374)	-105%
Clothing & Accessories	RTA	285,107	233,856,608	276,077,419	(42,220,811)	-18%
Other General Merchandise	RTA	285,107	336,031,211	125,236,089	210,795,122	63%
GAFO Total:			\$1,174,614,858	\$1,328,095,647	(\$153,480,789)	-13%
Non-GAFO						
Eating & Drinking Places	RTA	285,107	549,816,037	474,233,300	75,582,737	14%
Misc. Stores	RTA	285,107	33,989,198	85,907,614	(51,918,416)	-153%
Health & Personal Care	RTA	285,107	264,022,112	173,643,957	90,378,155	34%
Building/Garden Materials	RTA	285,107	511,415,524	377,925,454	133,490,070	26%
Food & Beverage	RTA	285,107	645,455,257	596,922,881	48,532,376	8%
Non-GAFO Total:			\$2,004,698,128	\$1,708,633,206	\$296,064,922	15%
Total Excl. Vehicle/Gas/Non-Store:			\$3,179,312,986	\$3,036,728,853	\$142,584,133	4%
Outflow Categories:			\$2,561,016,027	\$1,905,303,981	\$655,712,046	26%
Gas/Motor Vehicle/Non-Store						
Gas Stations	RTA	285,107	\$476,215,902	\$293,494,708	\$182,721,194	38%
Other Non-Store Retailers	(2) RTA	285,107	431,531,682	364,680,773	66,850,909	15%
Motor Vehicle	RTA	285,107	950,427,248	446,677,172	503,750,076	53%
Gas/Motor Vehicle/Non-Store Total:			\$1,858,174,832	\$1,104,852,653	\$753,322,179	41%
Total:			\$5,037,487,818	\$4,141,581,506	\$895,906,312	18%

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Includes vending machine operators and direct-selling establishments

EXHIBIT II-6

**RETAIL OPPORTUNITY GAPS
SONOMA COUNTY
SEPTEMBER 2015**

Spending Category	Target Market		Consumer Spending			
	Radius	Pop.	Consumer Demand	Actual Sales	Gap \$	Gap %
GAFO (1)						
Department Stores	Sonoma County	499,771	\$435,334,198	\$790,396,145	(\$355,061,947)	-82%
Furniture	Sonoma County	499,771	181,505,613	96,961,151	84,544,462	47%
Sporting Goods/Hobby	Sonoma County	499,771	163,588,449	110,702,984	52,885,465	32%
Books & Music	Sonoma County	499,771	24,209,126	24,132,535	76,591	0%
Office Supplies, Gift Stores	Sonoma County	499,771	115,645,667	60,612,351	55,033,316	48%
Electronics/Appliances	Sonoma County	499,771	169,775,383	254,499,394	(84,724,011)	-50%
Clothing & Accessories	Sonoma County	499,771	421,132,048	404,906,730	16,225,318	4%
Other General Merchandise	Sonoma County	499,771	605,412,894	166,432,954	438,979,940	73%
GAFO Total:			\$2,116,603,378	\$1,908,644,244	\$207,959,134	10%
Non-GAFO						
Eating & Drinking Places	Sonoma County	499,771	984,818,512	847,512,500	137,306,012	14%
Misc. Stores	Sonoma County	499,771	64,207,086	152,817,739	(88,610,653)	-138%
Health & Personal Care	Sonoma County	499,771	486,852,524	297,253,387	189,599,137	39%
Building/Garden Materials	Sonoma County	499,771	941,163,417	962,064,843	(20,901,426)	-2%
Food & Beverage	Sonoma County	499,771	1,161,456,783	1,038,248,068	123,208,715	11%
Non-GAFO Total:			\$3,638,498,322	\$3,297,896,537	\$340,601,785	9%
Total Excl. Vehicle/Gas/Non-Store:			\$5,755,101,700	\$5,206,540,781	\$548,560,919	10%
Outflow Categories:			\$4,144,621,616	\$3,046,762,660	\$1,097,858,956	26%
Gas/Motor Vehicle/Non-Store						
Gas Stations	Sonoma County	499,771	\$855,608,644	\$738,257,233	\$117,351,411	14%
Other Non-Store Retailers	(2) Sonoma County	499,771	784,730,790	700,772,638	83,958,152	11%
Motor Vehicle	Sonoma County	499,771	1,727,735,341	727,902,914	999,832,427	58%
Gas/Motor Vehicle/Non-Store Total:			\$3,368,074,775	\$2,166,932,785	\$1,201,141,990	36%
Total:			\$9,123,176,475	\$7,373,473,566	\$1,749,702,909	19%

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Includes vending machine operators and direct-selling establishments

EXHIBIT II-7

RETAIL DEMAND
ROHNERT PARK, CALIFORNIA
5 YEAR TIMEFRAME

I. Consumer Spending Opportunity Gap Demand Potential

Spending Categories	Consumer Spending			Expected Sales per SF	Current Resident Spending Gap	Unfulfilled Retail Space Outflow (s.f.) @ \$300/s.f.	Future Potential (2)	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New S.F.
GAFO (1)								
Department Stores	\$42,113,853	\$72,830,164	173%		(\$30,716,311)	0	-----No Net Increase-----	
Furniture	16,809,950	8,049,754	48%		\$8,760,196	29,201	10%	2,920
Sporting Goods/Hobby	16,021,727	5,335,031	33%		\$10,686,696	35,622	10%	3,562
Books & Music	2,492,548	766,554	31%		\$1,725,994	5,753	10%	575
Office Supplies, Gift Stores	11,122,652	4,401,256	40%		\$6,721,396	22,405	10%	2,240
Electronics/Appliances	16,535,574	13,037,543	79%		\$3,498,031	11,660	10%	1,166
Clothing & Accessories	40,508,965	12,728,855	31%		\$27,780,110	92,600	10%	9,260
Other General Merchandise	58,668,148	21,977,563	37%		\$36,690,585	122,302	10%	12,230
GAFO Total:	\$204,273,417	\$139,126,720	68%		\$65,146,697	319,543	10%	31,954
Non-GAFO								
Eating & Drinking Places	\$98,344,083	88,570,845	90%		\$9,773,238	32,577	10%	3,258
Misc. Stores	6,315,186	15,011,850	238%		(8,696,664)	0	-----No Net Increase-----	
Health & Personal Care	43,474,875	21,480,115	49%		21,994,760	73,316	10%	7,332
Building/Garden Materials	87,208,730	95,815,796	110%		(8,607,066)	0	-----No Net Increase-----	
Food & Beverage	113,896,337	100,576,731	88%		13,319,606	44,399	10%	4,440
Non-GAFO Total:	\$349,239,211	\$321,455,337	92%		\$27,783,874	150,292	10%	15,029
Gas/Motor Vehicle/Non-Store								
Gas Stations	\$86,742,890	49,729,925	57%		\$37,012,965	123,377	-----Not Compatible-----	
Other Non-Store Retailers	75,171,161	53,678,905	71%		\$21,492,256	71,641	10%	7,164
Motor Vehicle	168,380,542	17,157,044	10%		\$151,223,498	504,078	10%	50,408
Gas/Motor Vehicle/Non-Store Total:	\$330,294,593	\$120,565,874	37%		\$209,728,719	699,096	8%	57,572
All Spending Categories:	\$883,807,221	\$581,147,931	66%	\$300	\$350,679,331	1,168,931	9%	104,555
w/o Gas/Motor Vehicle/Non-Store:	\$553,512,628	\$460,582,057	83%		\$140,950,612	469,835	10%	46,984

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Potential net new square footage derived from the delta between consumer demand and actual sales

Note: In addition to the demand derived from spending gaps within the Rohnert Park, California, an additional portion of demand will come from new population growth, as shown on the next page.

EXHIBIT II-7

RETAIL DEMAND
ROHNERT PARK, CALIFORNIA
5 YEAR TIMEFRAME

II. New Population Growth Demand Potential

Spending Category	Per Capita Spending		New Resident Generated Spending (Rohnert Park)					Totals
	Num.	Perc.	2015	2016	2017	2018	2019	
New Population Projection			346	346	346	346	346	1,730
Department Stores	\$853	5%	\$295,021	\$295,021	\$295,021	\$295,021	\$295,021	\$1,475,106
Furniture	340	2%	117,759	117,759	117,759	117,759	117,759	588,796
Sporting Goods/Hobby	324	2%	112,237	112,237	112,237	112,237	112,237	561,187
Books & Music	50	0%	17,461	17,461	17,461	17,461	17,461	87,306
Office Supplies, Gift Stores	225	1%	77,918	77,918	77,918	77,918	77,918	389,589
Electronics/Appliances	335	2%	115,837	115,837	115,837	115,837	115,837	579,185
Clothing & Accessories	820	5%	283,778	283,778	283,778	283,778	283,778	1,418,892
Other General Merchandise	1,188	7%	410,989	410,989	410,989	410,989	410,989	2,054,947
Eating & Drinking Places	1,991	11%	688,932	688,932	688,932	688,932	688,932	3,444,661
Misc. Stores	128	1%	44,240	44,240	44,240	44,240	44,240	221,200
Health & Personal Care	880	5%	304,556	304,556	304,556	304,556	304,556	1,522,778
Building/Garden Materials	1,766	10%	610,925	610,925	610,925	610,925	610,925	3,054,627
Food & Beverage	2,306	13%	797,881	797,881	797,881	797,881	797,881	3,989,404
Gas Stations	1,756	10%	607,662	607,662	607,662	607,662	607,662	3,038,311
Other Non-Store Retailers	1,522	9%	526,598	526,598	526,598	526,598	526,598	2,632,992
Motor Vehicle	3,409	19%	1,179,560	1,179,560	1,179,560	1,179,560	1,179,560	5,897,802
All Spending Categories:	\$17,894	100%	\$6,191,357	\$6,191,357	\$6,191,357	\$6,191,357	\$6,191,357	\$30,956,783
w/o Gas/Motor Vehicle/Non-Store:	\$11,207	63%	\$3,877,536	\$3,877,536	\$3,877,536	\$3,877,536	\$3,877,536	\$19,387,679
<i>Retail Sales per Square Foot</i>			<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	
Total Demand for Retail Space			12,925 sf	12,925 sf	12,925 sf	12,925 sf	12,925 sf	64,626 sf

III. Total Demand

Total 5-year Demand from Opportunity Gaps:

46,984

Total 5-year Demand from New Population Growth:

64,626

Total 5-year Demand:

111,609

Annualized assuming 5-year absorption flow
of current leakage

22,322

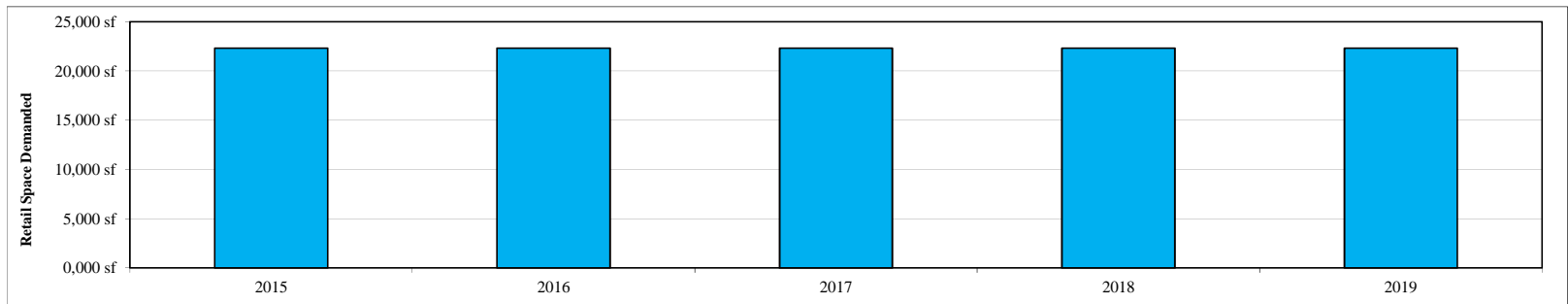


EXHIBIT II-7

RETAIL DEMAND
RETAIL TRADE AREA
5 YEAR TIMEFRAME

I. Consumer Spending Opportunity Gap Demand Potential

Spending Categories	Consumer Spending			Expected Sales per SF	Current Resident Spending Gap	Unfulfilled Retail Space Outflow (s.f.) @ \$300/s.f.	Future Potential ⁽²⁾	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New S.F.
GAFO ⁽¹⁾								
Department Stores	\$243,306,632	\$561,315,523	231%		(\$318,008,891)	0	-----No Net Increase-----	
Furniture	99,662,022	58,568,313	59%		\$41,093,709	136,979	10%	13,698
Sporting Goods/Hobby	90,850,343	60,447,283	67%		\$30,403,060	101,344	10%	10,134
Books & Music	13,167,998	15,136,419	115%		(\$1,968,421)	0	-----No Net Increase-----	
Office Supplies, Gift Stores	63,763,521	38,326,704	60%		\$25,436,817	84,789	10%	8,479
Electronics/Appliances	93,976,523	192,987,897	205%		(\$99,011,374)	0	-----No Net Increase-----	
Clothing & Accessories	233,856,608	276,077,419	118%		(\$42,220,811)	0	-----No Net Increase-----	
Other General Merchandise	336,031,211	125,236,089	37%		\$210,795,122	702,650	10%	70,265
GAFO Total:	\$1,174,614,858	\$1,328,095,647	113%		(\$153,480,789)	1,025,762	10%	102,576
Non-GAFO								
Eating & Drinking Places	\$549,816,037	474,233,300	86%		\$75,582,737	251,942	10%	25,194
Misc. Stores	33,989,198	85,907,614	253%		(\$1,918,416)	0	-----No Net Increase-----	
Health & Personal Care	264,022,112	173,643,957	66%		90,378,155	301,261	10%	30,126
Building/Garden Materials	511,415,524	377,925,454	74%		133,490,070	444,967	10%	44,497
Food & Beverage	645,455,257	596,922,881	92%		48,532,376	161,775	10%	16,177
Non-GAFO Total:	\$2,004,698,128	\$1,708,633,206	85%		\$296,064,922	1,159,944	10%	115,994
Gas/Motor Vehicle/Non-Store								
Gas Stations	\$476,215,902	293,494,708	62%		\$182,721,194	609,071	-----Not Compatible-----	
Other Non-Store Retailers	431,531,682	364,680,773	85%		\$66,850,909	222,836	10%	22,284
Motor Vehicle	950,427,248	446,677,172	47%		\$503,750,076	1,679,167	10%	167,917
Gas/Motor Vehicle/Non-Store Total:	\$1,858,174,832	\$1,104,852,653	59%		\$753,322,179	2,511,074	8%	190,200
All Spending Categories:	\$5,037,487,818	\$4,141,581,506	82%	\$300	\$1,409,034,225	4,696,781	9%	408,771
w/o Gas/Motor Vehicle/Non-Store:	\$3,179,312,986	\$3,036,728,853	96%		\$655,712,046	2,185,707	10%	218,571

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Potential net new square footage derived from the delta between consumer demand and actual sales

Note: In addition to the demand derived from spending gaps within Retail Trade Area, an additional portion of demand will come from new population growth, as shown on the next page.

EXHIBIT II-7

RETAIL DEMAND
RETAIL TRADE AREA
5 YEAR TIMEFRAME

II. New Population Growth Demand Potential

Spending Category	Per Capita Spending		New Resident Generated Spending (RTA)					Totals
	Num.	Perc.	2015	2016	2017	2018	2019	
New Population Projection			2,434	2,434	2,434	2,434	2,434	12,170
Department Stores	\$853	5%	\$2,077,144	\$2,077,144	\$2,077,144	\$2,077,144	\$2,077,144	\$10,385,721
Furniture	350	2%	850,829	850,829	850,829	850,829	850,829	4,254,146
Sporting Goods/Hobby	319	2%	775,603	775,603	775,603	775,603	775,603	3,878,013
Books & Music	46	0%	112,417	112,417	112,417	112,417	112,417	562,086
Office Supplies, Gift Stores	224	1%	544,358	544,358	544,358	544,358	544,358	2,721,792
Electronics/Appliances	330	2%	802,291	802,291	802,291	802,291	802,291	4,011,456
Clothing & Accessories	820	5%	1,996,468	1,996,468	1,996,468	1,996,468	1,996,468	9,982,340
Other General Merchandise	1,179	7%	2,868,747	2,868,747	2,868,747	2,868,747	2,868,747	14,343,737
Eating & Drinking Places	1,928	11%	4,693,860	4,693,860	4,693,860	4,693,860	4,693,860	23,469,298
Misc. Stores	119	1%	290,171	290,171	290,171	290,171	290,171	1,450,854
Health & Personal Care	926	5%	2,253,995	2,253,995	2,253,995	2,253,995	2,253,995	11,269,976
Building/Garden Materials	1,794	10%	4,366,029	4,366,029	4,366,029	4,366,029	4,366,029	21,830,144
Food & Beverage	2,264	13%	5,510,346	5,510,346	5,510,346	5,510,346	5,510,346	27,551,728
Gas Stations	1,670	9%	4,065,525	4,065,525	4,065,525	4,065,525	4,065,525	20,327,623
Other Non-Store Retailers	1,514	9%	3,684,049	3,684,049	3,684,049	3,684,049	3,684,049	18,420,244
Motor Vehicle	3,334	19%	8,113,936	8,113,936	8,113,936	8,113,936	8,113,936	40,569,679
All Spending Categories:	\$17,669	100%	\$43,005,767	\$43,005,767	\$43,005,767	\$43,005,767	\$43,005,767	\$215,028,837
w/o Gas/Motor Vehicle/Non-Store:	\$11,151	63%	\$27,142,258	\$27,142,258	\$27,142,258	\$27,142,258	\$27,142,258	\$135,711,291
<i>Retail Sales per Square Foot</i>			<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	
Total Demand for Retail Space			90,474 sf	90,474 sf	90,474 sf	90,474 sf	90,474 sf	452,371 sf

III. Total Demand

Total 5-year Demand from Opportunity Gaps:	218,571	Annualized assuming 5-year absorption flow of current leakage	→	134,188
Total 5-year Demand from New Population Growth:	452,371			
Total 5-year Demand:	670,942			

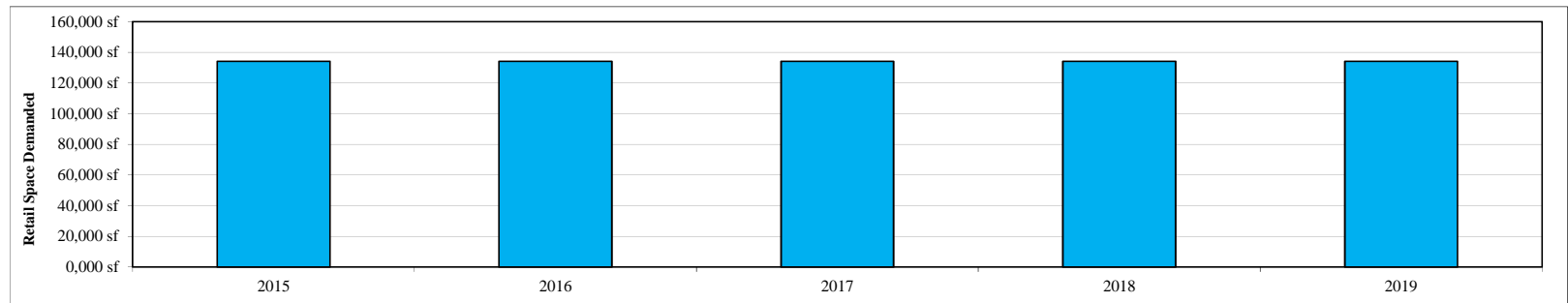


EXHIBIT II-7
RETAIL DEMAND
SONOMA COUNTY
5 YEAR TIMEFRAME

I. Consumer Spending Opportunity Gap Demand Potential

Spending Categories	Consumer Spending			Expected Sales per SF	Current Resident Spending Gap	Unfulfilled Retail Space Outflow (s.f.) @ \$300/s.f.	Future Potential (2)	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New S.F.
<u>GAFO (1)</u>								
Department Stores	\$435,334,198	\$790,396,145	182%		(\$355,061,947)	0	-----No Net Increase-----	
Furniture	181,505,613	96,961,151	53%		\$84,544,462	281,815	10%	28,181
Sporting Goods/Hobby	163,588,449	110,702,984	68%		\$52,885,465	176,285	10%	17,628
Books & Music	24,209,126	24,132,535	100%		\$76,591	255	10%	26
Office Supplies, Gift Stores	115,645,667	60,612,351	52%		\$55,033,316	183,444	10%	18,344
Electronics/Appliances	169,775,383	254,499,394	150%		(\$84,724,011)	0	-----No Net Increase-----	
Clothing & Accessories	421,132,048	404,906,730	96%		\$16,225,318	54,084	10%	5,408
Other General Merchandise	605,412,894	166,432,954	27%		\$438,979,940	1,463,266	10%	146,327
GAFO Total:	\$2,116,603,378	\$1,908,644,244	90%		\$207,959,134	2,159,150	10%	215,915
<u>Non-GAFO</u>								
Eating & Drinking Places	\$984,818,512	847,512,500	86%		\$137,306,012	457,687	10%	45,769
Misc. Stores	64,207,086	152,817,739	238%		(88,610,653)	0	-----No Net Increase-----	
Health & Personal Care	486,852,524	297,253,387	61%		189,599,137	631,997	10%	63,200
Building/Garden Materials	941,163,417	962,064,843	102%		(20,901,426)	0	-----No Net Increase-----	
Food & Beverage	1,161,456,783	1,038,248,068	89%		123,208,715	410,696	10%	41,070
Non-GAFO Total:	\$3,638,498,322	\$3,297,896,537	91%		\$340,601,785	1,500,380	10%	150,038
<u>Gas/Motor Vehicle/Non-Store</u>								
Gas Stations	\$855,608,644	738,257,233	86%		\$117,351,411	391,171	-----Not Compatible-----	
Other Non-Store Retailers	784,730,790	700,772,638	89%		\$83,958,152	279,861	10%	27,986
Motor Vehicle	1,727,735,341	727,902,914	42%		\$999,832,427	3,332,775	10%	333,277
Gas/Motor Vehicle/Non-Store Total:	\$3,368,074,775	\$2,166,932,785	64%		\$1,201,141,990	4,003,807	9%	361,264
All Spending Categories:	\$9,123,176,475	\$7,373,473,566	81%	\$300	\$2,299,000,946	7,663,336	9%	727,217
w/o Gas/Motor Vehicle/Non-Store:	\$5,755,101,700	\$5,206,540,781	90%		\$1,097,858,956	3,659,530	10%	365,953

(1) GAFO=General Merchandise, Apparel, Furniture and Other

(2) Potential net new square footage derived from the delta between consumer demand and actual sales

Note: In addition to the demand derived from spending gaps within Sonoma County, an additional portion of demand will come from new population growth, as shown on the next page.

EXHIBIT II-7

RETAIL DEMAND
SONOMA COUNTY
5 YEAR TIMEFRAME

II. New Population Growth Demand Potential

Spending Category	Per Capita Spending		New Resident Generated Spending (Sonoma County)					Totals
	Num.	Perc.	2015	2016	2017	2018	2019	
New Population Projection			3,715	3,715	3,715	3,715	3,715	18,573
Department Stores	\$871	5%	\$3,235,667	\$3,235,667	\$3,235,667	\$3,235,667	\$3,235,667	\$16,178,334
Furniture	363	2%	1,349,059	1,349,059	1,349,059	1,349,059	1,349,059	6,745,297
Sporting Goods/Hobby	327	2%	1,215,888	1,215,888	1,215,888	1,215,888	1,215,888	6,079,441
Books & Music	48	0%	179,937	179,937	179,937	179,937	179,937	899,684
Office Supplies, Gift Stores	231	1%	859,548	859,548	859,548	859,548	859,548	4,297,742
Electronics/Appliances	340	2%	1,261,873	1,261,873	1,261,873	1,261,873	1,261,873	6,309,366
Clothing & Accessories	843	5%	3,130,108	3,130,108	3,130,108	3,130,108	3,130,108	15,650,539
Other General Merchandise	1,211	7%	4,499,794	4,499,794	4,499,794	4,499,794	4,499,794	22,498,972
Eating & Drinking Places	1,971	11%	7,319,766	7,319,766	7,319,766	7,319,766	7,319,766	36,598,831
Misc. Stores	128	1%	477,226	477,226	477,226	477,226	477,226	2,386,129
Health & Personal Care	974	5%	3,618,582	3,618,582	3,618,582	3,618,582	3,618,582	18,092,910
Building/Garden Materials	1,883	10%	6,995,295	6,995,295	6,995,295	6,995,295	6,995,295	34,976,476
Food & Beverage	2,324	13%	8,632,648	8,632,648	8,632,648	8,632,648	8,632,648	43,163,242
Gas Stations	1,712	9%	6,359,400	6,359,400	6,359,400	6,359,400	6,359,400	31,797,002
Other Non-Store Retailers	1,570	9%	5,832,593	5,832,593	5,832,593	5,832,593	5,832,593	29,162,967
Motor Vehicle	3,457	19%	12,841,573	12,841,573	12,841,573	12,841,573	12,841,573	64,207,864
All Spending Categories:	\$18,255	100%	\$67,808,959	\$67,808,959	\$67,808,959	\$67,808,959	\$67,808,959	\$339,044,796
w/o Gas/Motor Vehicle/Non-Store:	\$11,515	63%	\$42,775,393	\$42,775,393	\$42,775,393	\$42,775,393	\$42,775,393	\$213,876,963
<i>Retail Sales per Square Foot</i>			<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	<i>\$300</i>	
Total Demand for Retail Space			142,585 sf	142,585 sf	142,585 sf	142,585 sf	142,585 sf	712,923 sf

III. Total Demand

Total 5-year Demand from Opportunity Gaps:	365,953	Annualized assuming 5-year absorption flow of current leakage	→	215,775
Total 5-year Demand from New Population Growth:	712,923			
Total 5-year Demand:	1,078,876			

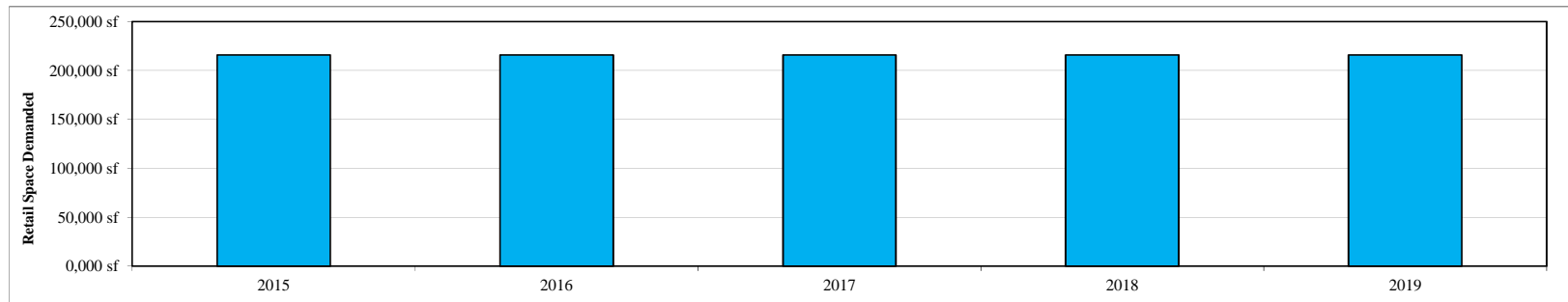


EXHIBIT II-8
FUTURE RETAIL DEVELOPMENT SUPPLY PROJECTIONS
RETAIL TRADE AREA
SEPTEMBER 2015

I. Overview by Submarket - Total Retail Square Area (Square Feet)

Status (1)	Primary Market Area Geographies							
	Rohnert Park	Cotati	Petaluma	Santa Rosa	Rental CMA	Sonoma	Windsor	PMA
<i>Future (Non-Subject Site)</i>								
Under Construction	0	0	0	0	0	1,200	0	1,200
Approved	0	0	90,000	197,769	287,769	0	0	287,769
Pending	0	0	0	59,138	59,138	3,514	0	62,652
Conceptual	0	0	0	0	0	0	0	0
Inactive/Stalled	0	0	0	0	0	0	0	0
Total Supply	0	0	90,000	256,907	346,907	4,714	0	351,621

II. PMA Supply Projection

Status	Delivery Likelihood	Planned and Proposed Projection					2020+
		2015	2016	2017	2018	2019	
Under Construction	100%	0%	100%	0%	0%	0%	100%
Approved	85%	0%	0%	3%	39%	58%	100%
Pending	70%	0%	0%	0%	6%	94%	100%
Conceptual	50%	0%	0%	0%	0%	0%	0%
Inactive/Stalled	20%	0%	0%	0%	0%	0%	0%
Status	Projected Units Completed	Annual Units					2020+
		2015	2016	2017	2018	2019	
Under Construction	1,200	0	1,200	0	0	0	1,200
Approved	244,604	0	0	6,928	96,286	141,389	244,604
Pending	43,856	0	0	0	2,460	41,397	43,856
Conceptual	0	0	0	0	0	0	0
Inactive/Stalled	0	0	0	0	0	0	0
Rental PMA Total:	289,660	0	1,200	6,928	98,746	182,786	289,660

5-Year Near Term Deliveries: 289,660

III. RTA Supply Projection

Status	Completion Likelihood	Planned and Proposed Projection					2020+
		2015	2016	2017	2018	2019	
Under Construction	100%	0%	0%	0%	0%	0%	0%
Approved	85%	0%	0%	3%	39%	58%	0%
Pending	70%	0%	0%	0%	0%	100%	0%
Conceptual	50%	0%	0%	0%	0%	0%	0%
Inactive/Stalled	20%	0%	0%	0%	0%	0%	0%
Status	Projected Units Completed	Annual Units					2020+
		2015	2016	2017	2018	2019	
Under Construction	0	0	0	0	0	0	0
Approved	244,604	0	0	6,928	96,286	141,389	0
Pending	41,397	0	0	0	0	41,397	0
Conceptual	0	0	0	0	0	0	0
Inactive/Stalled	0	0	0	0	0	0	0
Rental CMA Total:	286,000	0	0	6,928	96,286	182,786	0

5-Year Near Term Deliveries: 286,000

**LOCATION OF PLANNED AND PROPOSED FOR-RENT COMMUNITIES
COMPETITIVE MARKET AREA
SEPTEMBER 2015**

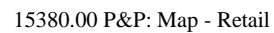
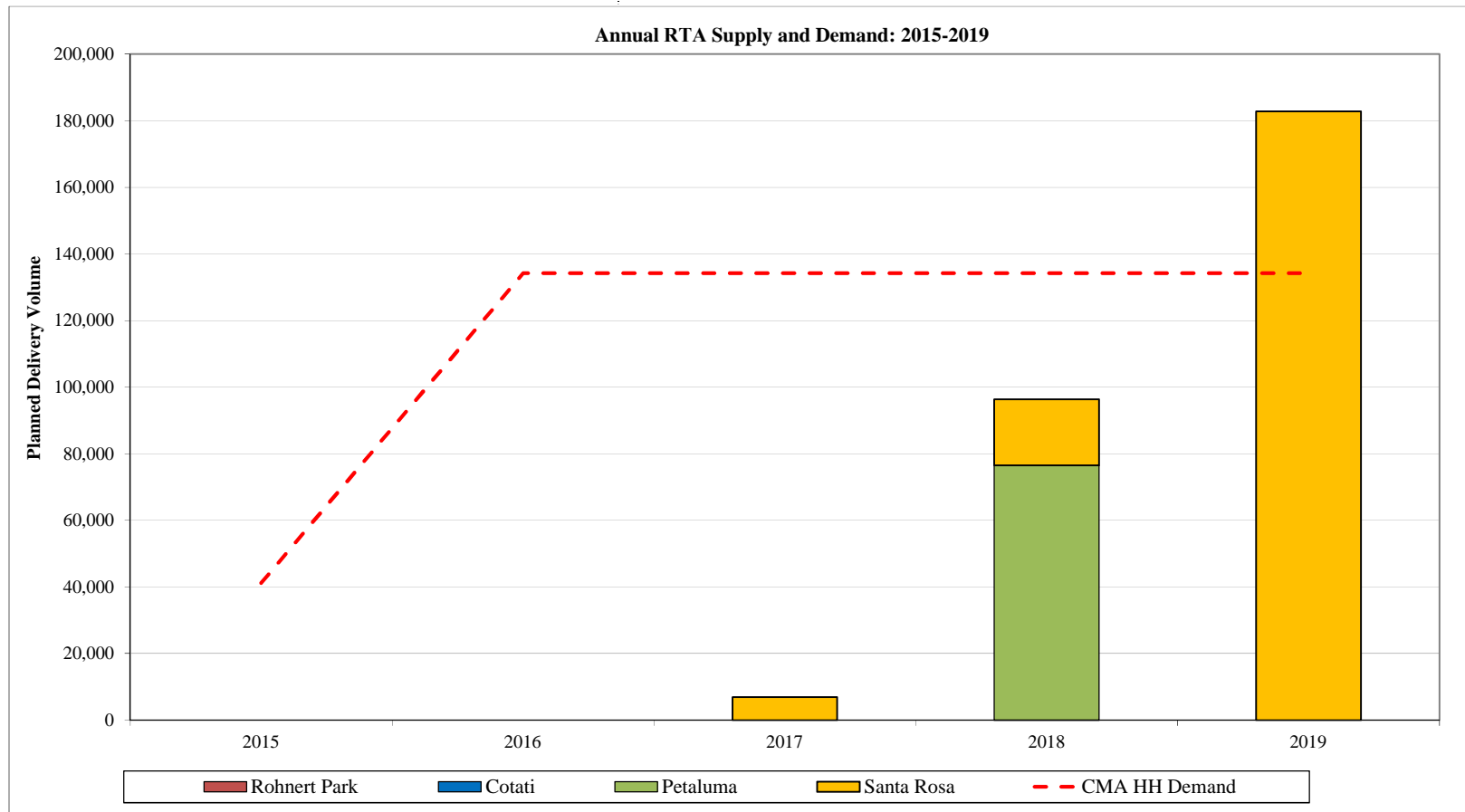


EXHIBIT II-10

RETAIL SUPPLY & DEMAND FORECAST
RETAIL TRADE AREA
SEPTEMBER 2015

	Cumulative Total	Retail Trade Area (Square Feet)				
		2015	2016	2017	2018	2019
Projected Future Supply						
Rohnert Park	0	0	0	0	0	0
Cotati	0	0	0	0	0	0
Petaluma	76,500	0	0	0	76,500	0
Santa Rosa	209,500	0	0	6,928	19,786	182,786
Total CMA Future Deliveries:	286,000	0	0	6,928	96,286	182,786
Future Retail Area Demand						
Spending Gap & Opportunity Demand	577,929	41,176	134,188	134,188	134,188	134,188
Over/Under Supply	291,929	41,176	134,188	127,260	37,902	(48,597)



III. APARTMENT SUPPLY & DEMAND

EXHIBIT III-1

REGIONAL LOCATION AND DELINEATION OF MARKET AREAS NORTH BAY AREA, CALIFORNIA SEPTEMBER 2015

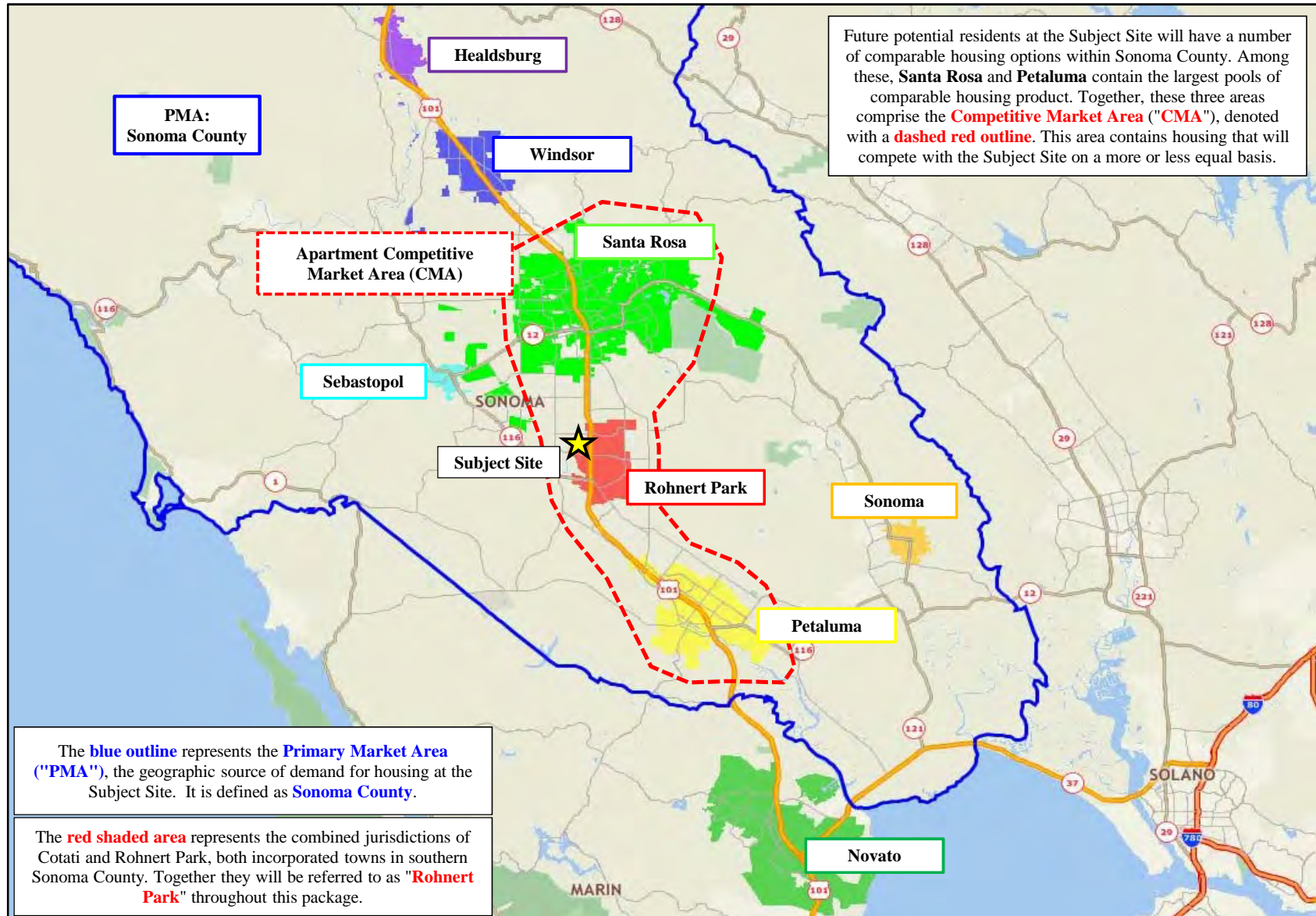
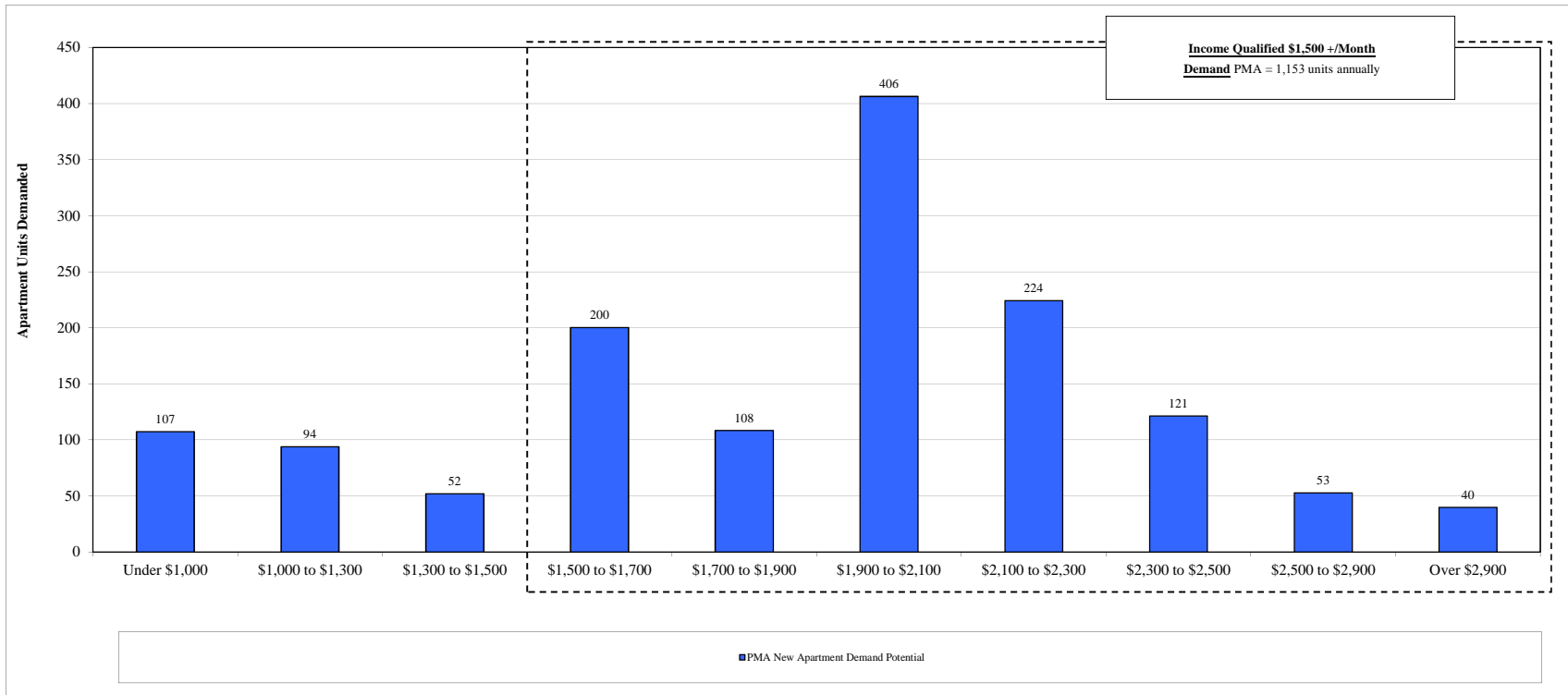


EXHIBIT III-2

APARTMENT DEMAND SUMMARY
RENTAL PRIMARY MARKET AREA - SONOMA COUNTY, CALIFORNIA
SEPTEMBER 2015

Household Income Range	Income to Housing	Average Monthly Rent	Total Households (2)		Demand From Existing Household Turnover						Demand From New Household Growth			Annual PMA Demand	
			2015	2020	Effective Existing HHs (1)	Percent Rent	Existing Renter HHs	Annual HH Turnover	Annual Pool from Turnover	Demand from Turn/ Obs. (2)	Annual Effective New HHs (3)	Percent Rent	Demand From New HH Growth	All Rentals (3)	New Rentals (3)
\$0 - 25,000	55%	\$0 - 1,000	34,510	32,093	32,093	62%	19,898	27%	5,372	107	0	93%	0	5,372	107
25,000 - 35,000	48%	1,000 - 1,300	17,159	17,415	17,159	59%	10,124	24%	2,430	49	51	89%	45	2,475	94
35,000 - 50,000	40%	1,300 - 1,500	25,562	24,221	24,221	51%	12,353	21%	2,594	52	0	77%	0	2,594	52
50,000 - 75,000	31%	1,500 - 1,700	34,225	35,288	34,225	46%	15,744	17%	2,676	54	213	69%	147	2,823	200
75,000 - 100,000	25%	1,700 - 1,900	25,019	25,592	25,019	43%	10,758	16%	1,721	34	115	65%	74	1,795	108
100,000 - 150,000	20%	1,900 - 2,100	31,691	34,761	31,691	40%	12,676	15%	1,901	38	614	60%	368	2,270	406
150,000 - 200,000	16%	2,100 - 2,300	11,998	14,565	11,998	28%	3,359	13%	437	9	513	42%	216	652	224
200,000 - 250,000	13%	2,300 - 2,500	4,748	6,738	4,748	20%	950	11%	104	2	398	30%	119	224	121
250,000 - 500,000	10%	2,500 - 2,900	5,753	6,893	5,753	15%	863	8%	69	1	228	23%	51	120	53
500,000 +	7%	2,900 +	2,116	3,055	2,116	14%	296	6%	18	0	188	21%	39	57	40
Subtotal/Wtd. Avg.:	37%		192,781	200,621	189,023	46%	87,020	20%	17,323	346	2,320	46%	1,060	18,383	1,407
Inc. Qual. (\$1,500+ /mo):	24%		115,550	126,892	115,550	39%	44,646	16%	6,927	139	2,268	45%	1,015	7,942	1,153
					61%		51%		40%	40%	98%		96%	43%	82%



(1) Effective existing HHs - current household base less projected loss

(2) Demand derived from turnover of existing renter households cut by an annual obsolescence rate of 2.0% per year

(3) Effective New HHs - future household growth net of any loss effect - defined as those resulting from in-migration, "splitting" (i.e. divorce, children moving out of house, etc.), and upward financial mobility (i.e. entering new income bracket)

(4) Includes all renter households that will look for a home in a given year, includes both turnover of existing households as well as new household growth.

(5) Net new demand for new apartments annually in the PMA, i.e. the sum of demand from existing household turnover/obsolescence and new household growth

EXHIBIT III-3

RENTAL DEMAND CAPTURE SCENARIOS
PRIMARY MARKET AREA
2015 THROUGH 2020

- Annual I. Q. Rental Demand Potential - Household Growth =

1,153 units

Capture Metrics	PMA	Rohnert Park	Petaluma	Santa Rosa	Healdsburg	Sonoma	Sebastopol	Windsor	Remainder PMA
Current Households (2015)	192,781	19,395	22,771	66,578	4,603	5,210	3,408	9,188	61,628
Share of PMA	100.0%	10.1%	11.8%	34.5%	2.4%	2.7%	1.8%	4.8%	32.0%
Projected HH Growth (2015-2020)	7,840	862	1,093	3,068	219	259	82	361	1,896
Share of PMA	100.0%	11.0%	13.9%	39.1%	2.8%	3.3%	1.0%	4.6%	24.2%
1 and 2 Person Households (2015)	118,604	11,647	12,861	40,549	2,899	3,854	2,361	4,468	39,965
Share of PMA	100.0%	9.8%	10.8%	34.2%	2.4%	3.2%	2.0%	3.8%	33.7%
Current Renter Households	77,251	8,854	7,195	30,996	1,767	2,153	1,700	2,230	22,356
Share of PMA	100.0%	11.5%	9.3%	40.1%	2.3%	2.8%	2.2%	2.9%	28.9%
2000-2014 Housing Unit Growth	7,271	742	1,108	2,906	243	279	157	143	1,693
Share of PMA	100.0%	10.2%	15.2%	40.0%	3.3%	3.8%	2.2%	2.0%	23.3%
2013 Employment	160,796	9,607	21,862	62,262	5,220	5,737	4,234	5,513	46,361
Share of PMA	100.0%	6.0%	13.6%	38.7%	3.2%	3.6%	2.6%	3.4%	28.8%
Affluent Young Households	24,485	3,012	3,386	8,977	492	512	273	1,731	6,102
Share of PMA	100.0%	12.3%	13.8%	36.7%	2.0%	2.1%	1.1%	7.1%	24.9%
Key Renter PRIZM Types (Currently Live)	54,223	6,112	8,930	18,274	499	2,150	0	5,301	12,957
Share of PMA	100.0%	11.3%	16.5%	33.7%	0.9%	4.0%	0.0%	9.8%	23.9%
Key Renter PRIZM Types (Currently Work)	45,270	2,627	440	17,929	6,541	2,276	0	2,223	13,234
Share of PMA	100.0%	5.8%	1.0%	39.6%	14.4%	5.0%	0.0%	4.9%	29.2%
Imputed Capture (Rental)									
Minimum Implied		6%	1%	34%	1%	2%	0%	2%	23%
Maximum Implied		12%	16%	40%	14%	5%	3%	10%	34%
Average		10%	12%	37%	4%	3%	1%	5%	28%
TCG Concluded Submarket Capture:		15%	13%	45%	2%	3%	2%	5%	15%
Units Demanded - HH Growth:		173	150	519	23	35	23	58	173
TCG Concluded Rental CMA Capture:		73%							
Units Demanded - HH Growth:		842							

EXHIBIT III-3

RENTAL DEMAND CAPTURE SCENARIOS
PRIMARY MARKET AREA
2015 THROUGH 2020

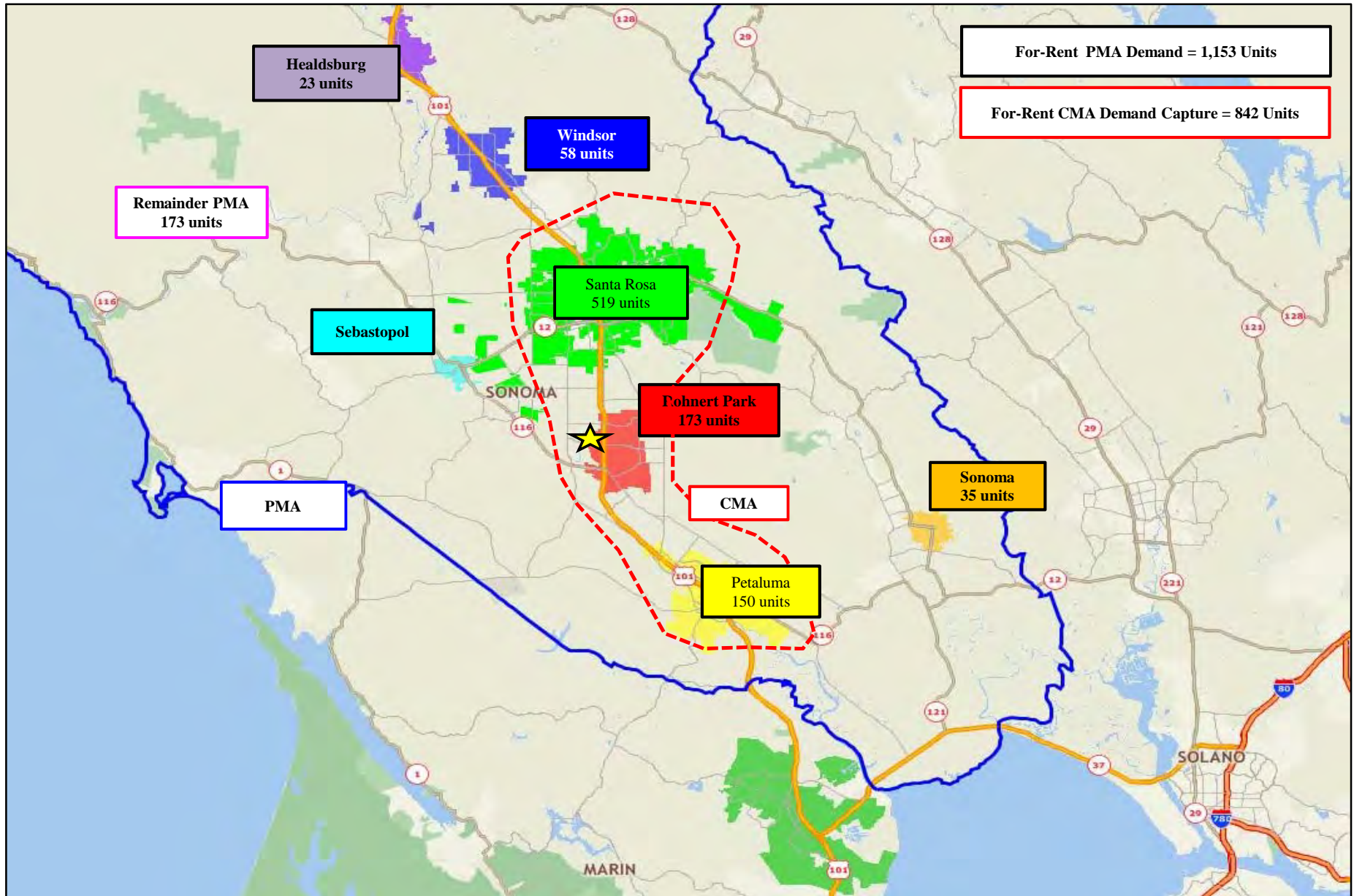


EXHIBIT III-4
FUTURE APARTMENT SUPPLY PROJECTIONS
RENTAL COMPETITIVE AND PRIMARY MARKET AREAS
SEPTEMBER 2015

I. Overview by Submarket - Market Rate Rental Units Only

	Primary Market Area Geographies							
Status (1)	Rohnert Park	Cotati	Petaluma	Santa Rosa	Rental CMA	Sonoma	Windsor	PMA
Future (Non-Subject Site)								
Under Construction	84	0	144	288	516	21	0	537
Approved	1,272	0	350	1,039	2,661	41	36	2,738
Pending	0	176	724	112	1,012	22	103	1,137
Conceptual	0	0	0	0	0	0	0	0
Inactive/Stalled	0	0	0	767	767	0	360	1,127
Total Supply	1,356	176	1,218	2,206	4,956	84	499	5,539

II. PMA Supply Projection

Status	Delivery Likelihood	Planned and Proposed Projection					2020+
		2015	2016	2017	2018	2019	
Under Construction	100%	34%	16%	50%	0%	0%	0%
Approved	85%	1%	19%	15%	33%	31%	0%
Pending	70%	0%	0%	0%	31%	69%	0%
Conceptual	50%	0%	0%	0%	0%	0%	0%
Inactive/Stalled	20%	0%	0%	0%	0%	0%	100%
Projected Units Completed		Annual Units					2020+
Under Construction	537	183	84	270	0	0	0
Approved	2,327	30	449	350	769	729	0
Pending	796	0	0	0	243	553	0
Conceptual	0	0	0	0	0	0	0
Inactive/Stalled	225	0	0	0	0	0	225
Rental PMA Total:	3,886	213	533	620	1,012	1,282	225

5-Year Near Term Deliveries: 3,660

III. CMA Supply Projection

Status	Completion Likelihood	Planned and Proposed Projection					2020+
		2015	2016	2017	2018	2019	
Under Construction	100%	31%	16%	52%	0%	0%	0%
Approved	85%	1%	17%	15%	34%	32%	0%
Pending	70%	0%	0%	0%	28%	72%	0%
Conceptual	50%	0%	0%	0%	0%	0%	0%
Inactive/Stalled	20%	0%	0%	0%	0%	0%	100%
Projected Units Completed		Annual Units					2020+
Under Construction	516	162	84	270	0	0	0
Approved	2,262	30	383	350	769	729	0
Pending	708	0	0	0	202	507	0
Conceptual	0	0	0	0	0	0	0
Inactive/Stalled	153	0	0	0	0	0	153
Rental CMA Total:	3,640	192	467	620	971	1,236	153

5-Year Near Term Deliveries: 3,486

EXHIBIT III-5

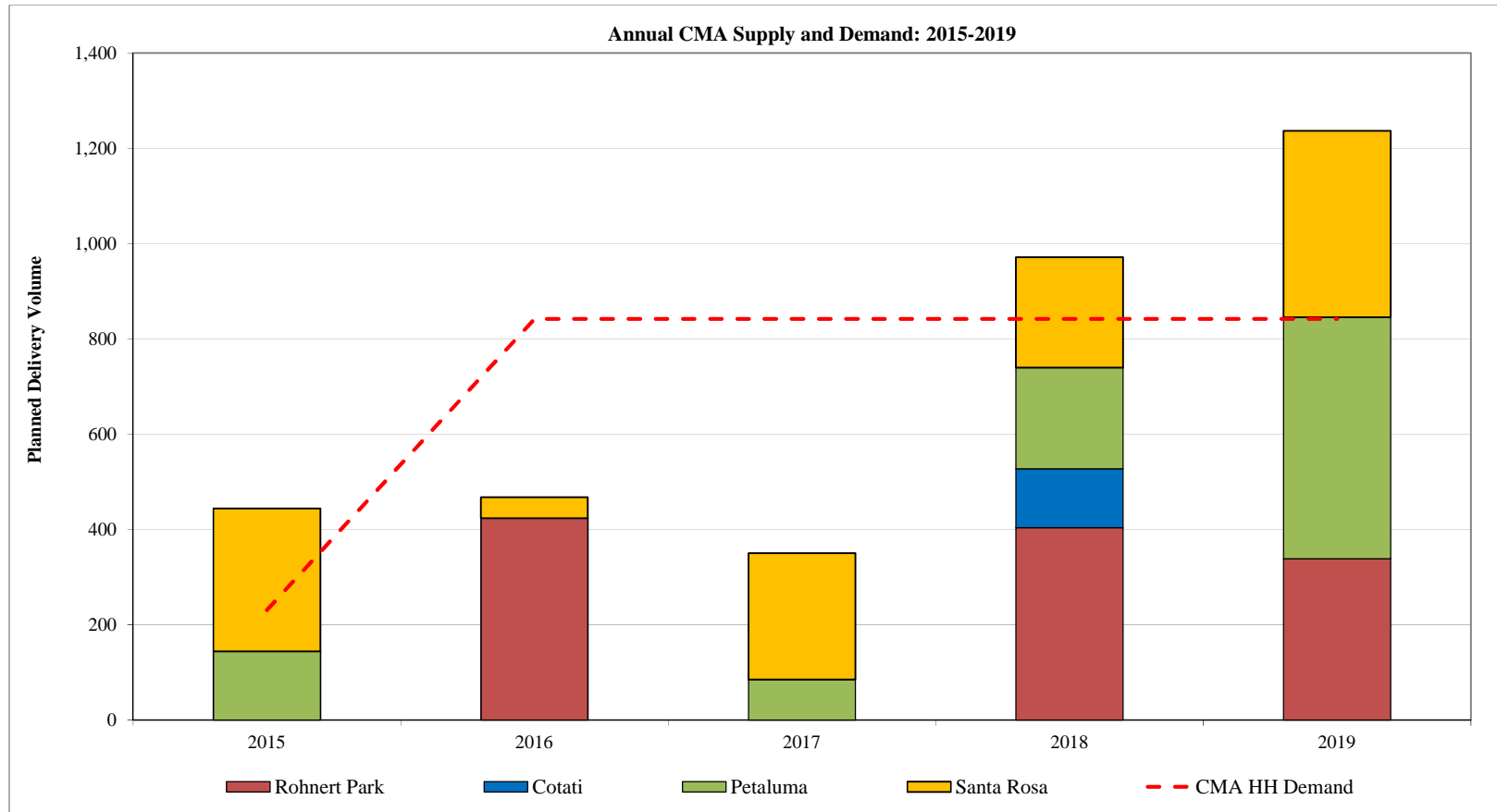
FUTURE APARTMENT DEVELOPMENT LOCATIONS COMPETITIVE MARKET AREA SEPTEMBER 2015



EXHIBIT III-6

APARTMENT SUPPLY & DEMAND FORECAST
RENTAL COMPETITIVE MARKET AREA
SEPTEMBER 2015

	Cumulative Total	Competitive Market Area-Raw Units				
		2015	2016	2017	2018	2019
Projected Future Supply						
Rohnert Park	1,165	0	423	0	404	338
Cotati	123	0	0	0	123	0
Petaluma	948	144	0	85	213	507
Santa Rosa	1,232	300	44	265	231	391
Total CMA Future Deliveries:	3,468	444	467	350	971	1,236
Future HH Demand						
Household Growth Model	3,598	231	842	842	842	842
Over/Under Supply (HH Demand)	130	(213)	375	492	(129)	(394)



IV. SITE-SPECIFIC ANALYSIS

EXHIBIT IV-1
LOCAL SETTING
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015

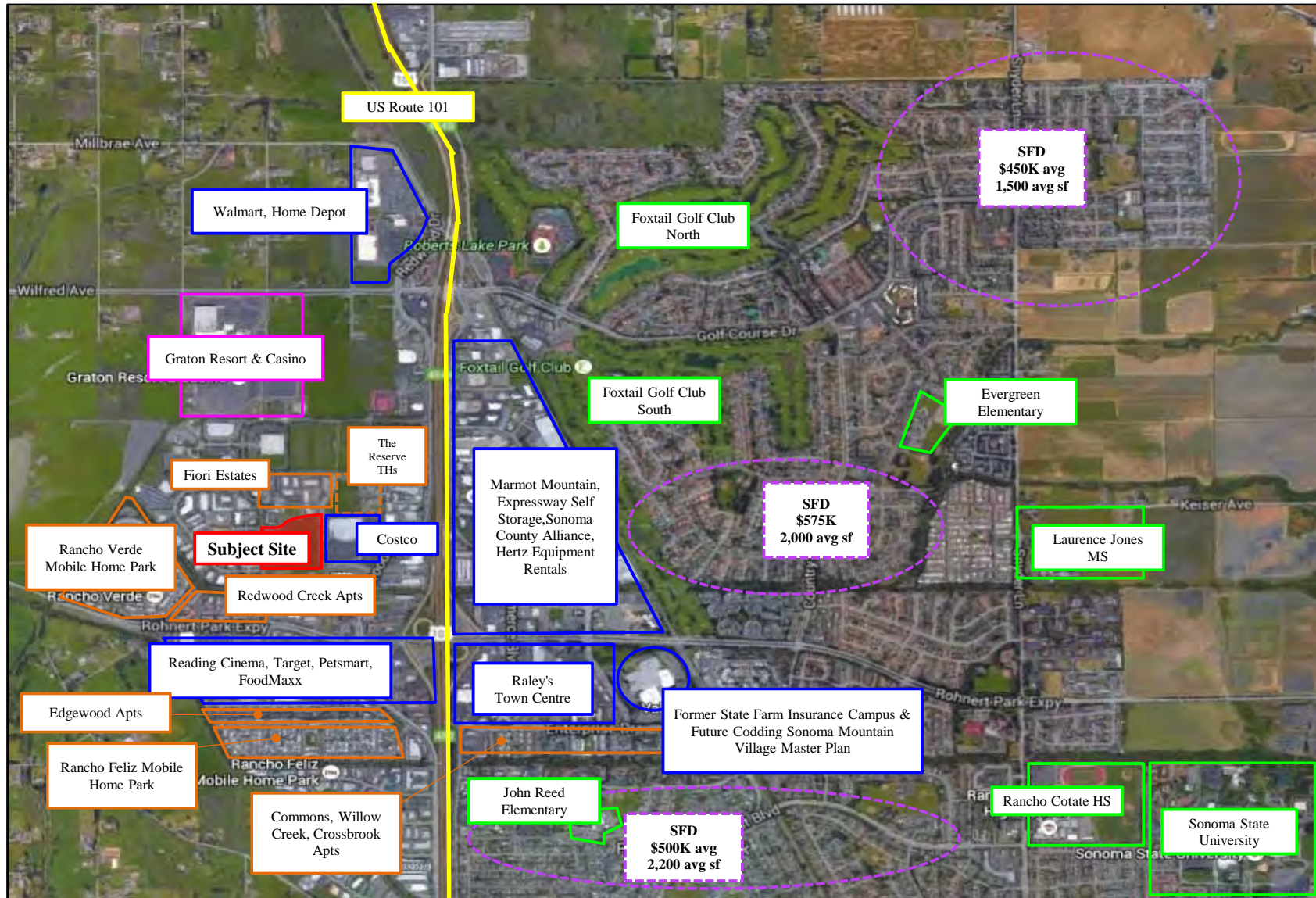


EXHIBIT IV-2
TRAFFIC COUNT ANALYSIS
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015



Note: Data provided represent average traffic traveling in both directions.

EXHIBIT IV-3

SITE PLAN ROHNERT PARK, CALIFORNIA SEPTEMBER 2015

Site Plan Breakdowns		
	Scheme 1A	Scheme 1B
Hotel 1	2.5 ac 125 keys	2.5 ac 125 keys
Hotel 2	3.5 ac 125 keys	3.5 ac 125 keys
Office	2.0 ac 30,000 sf	2.0 ac 30,000 sf
Commercial	4.5 ac	4.5 ac
Residential	--	--

Commercial Site Detail		
	Scheme 1A	Scheme 1B
Anchor Retail	16,000 sf	16,000 sf
Shops	15,000 sf	20,000 sf
Shop 1	5,000 sf	15,000 sf
Shop 2	5,000 sf	5,000 sf
Shop 3	5,000 sf	--
Restaurant	5,000 sf	5,000 sf

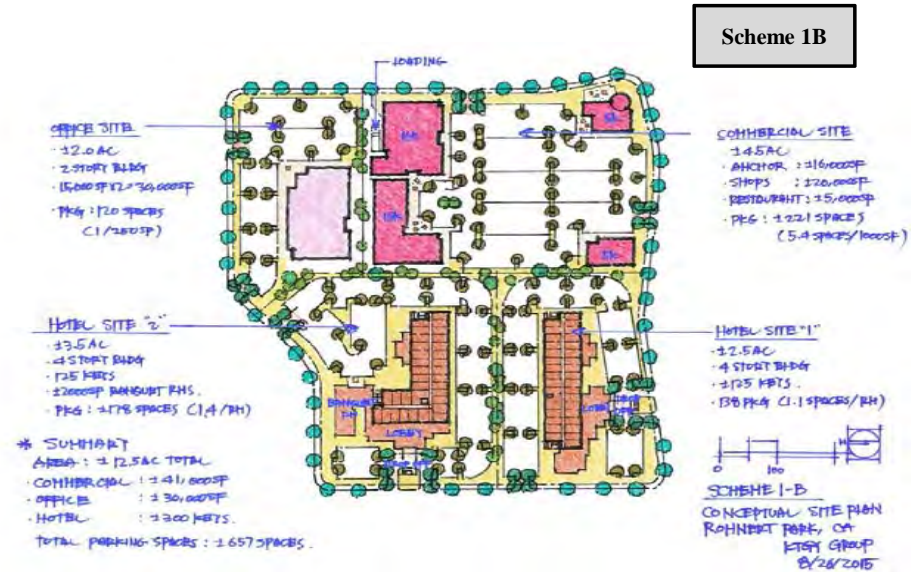
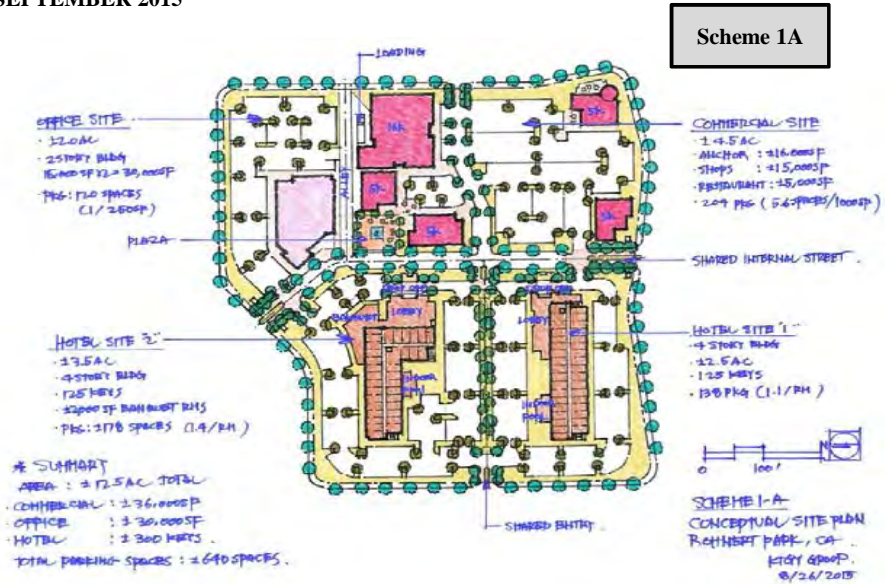


EXHIBIT IV-4
SITE EVALUATION
ROHNERT PARK; SONOMA, CALIFORNIA
SEPTEMBER 2015

Element	Description	Evaluation ⁽¹⁾
Regional Location Sonoma County	<ul style="list-style-type: none"> ● Total employment in Sonoma County grew by 4.8% in 2014 and is projected to return to pre-recession peak in mid-2015 after seeing a contraction of 11.5% between 2008 and 2010. ● Sonoma County is home to a population of 499,771 living in 192,781 households, with a projected growth of 1,568 households (0.8%) annually through 2020. ● Median household income in Sonoma County is \$63,995, average income is \$99,936. 	3.0
Site Location <i>Rohnert Park/Cotati</i>	<ul style="list-style-type: none"> ● The site is located in northwest Rohnert Park surrounded by several existing office buildings, new apartment communities, as well as near Graton Resort and Casino, a newly built Indian casino that opened in November 2013. ● The Rohnert Park/Cotati area is home to a population of 49,391 living in 19,395 households with a projected growth of 172 households (0.9%) annually through 2020. ● Median household income in Rohnert Park/Cotati is \$58,651, average income is \$74,404. 	3.5
Physical Characteristics	<ul style="list-style-type: none"> ● Located at the end of Dowdell Avenue across from the Fiori Estates Apartments ● Site is currently an empty plot of land tucked behind a Costco ● Site is rectangular in shape and land use remains consistent across the property 	3.0
Surrounding Land Uses	<ul style="list-style-type: none"> ● N: Fiori Estates Apartments ● E: Costco and various office buildings and industrial warehouses. ● S: Ashley Furniture HomeStore and various large lot retail stores, e.g., Goodwill, Big 5 Sporting Goods ● W: Office buildings 	3.0
Access/Visibility	<ul style="list-style-type: none"> ● Site is tucked behind several different retail and business parks. Visibility is very limited from freeways and major avenues. ● The nearest bus stop is Redwood Drive and R.P. Expressway ● Access to Hwy 101 is .8 miles from the site. 	2.5
Proximity to Services	<ul style="list-style-type: none"> ● Within walking distance (<1/2 mile) of multiple retail nodes featuring restaurants, cafés, shops, and entertainment ● <i>Grocers:</i> Costco (0.1 mi S); Safeway (1.2 SE), and Raley's (1.3 mi SE) ● <i>Retail:</i> Hooters (.5 mi S); Boathouse Sushi (.6 mi S) ● <i>Hospitals:</i> Urgent Care (1.3 mi SE); ● <i>Entertainment:</i> Reading Cinemas Rohnert Park 16 (.9 mi S), Green Music Center (3.2 mi E) ● 39 (out of 100) Walk Score from WalkScore.com; -100 is "Car-Dependent" and daily errands require using a car. 	3.0
Overall Assessment		3.0

(1) Evaluation based on relative market competition, where (3.0) represents no competitive advantage or disadvantage; (1.0) a distinct competitive disadvantage; and (5.0) a distinct competitive advantage over comparable communities.

EXHIBIT IV-5
RETAIL PRODUCT RECOMMENDATIONS & POSITIONING
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015

- Project Size:** Potential commercial plans call for an anchor retail space for 16K square feet and several smaller retail shops ranging from 5K-15K square feet
- Positioning Rationale:**
- Pricing above highest Rohnert Park retail comps considering new construction and location near Graton Casino and several new luxury apartment communities, Fiori and The Reserve.
 - At slight discount to older downtown Santa Rosa and Petaluma retail areas due to lack of foot traffic and walkability.

TCG Recommendations	Rate (\$/SF)	
	/month	/year
Anchor Retail (16,000 sf):	\$1.67 - \$1.83	\$20.00 - \$22.00
Large Shop Retail (15,000 sf)	\$2.00 - \$2.17	\$24.00 - \$26.00
Small Shop (5,000 sf):	\$2.00 - \$2.17	\$24.00 - \$26.00

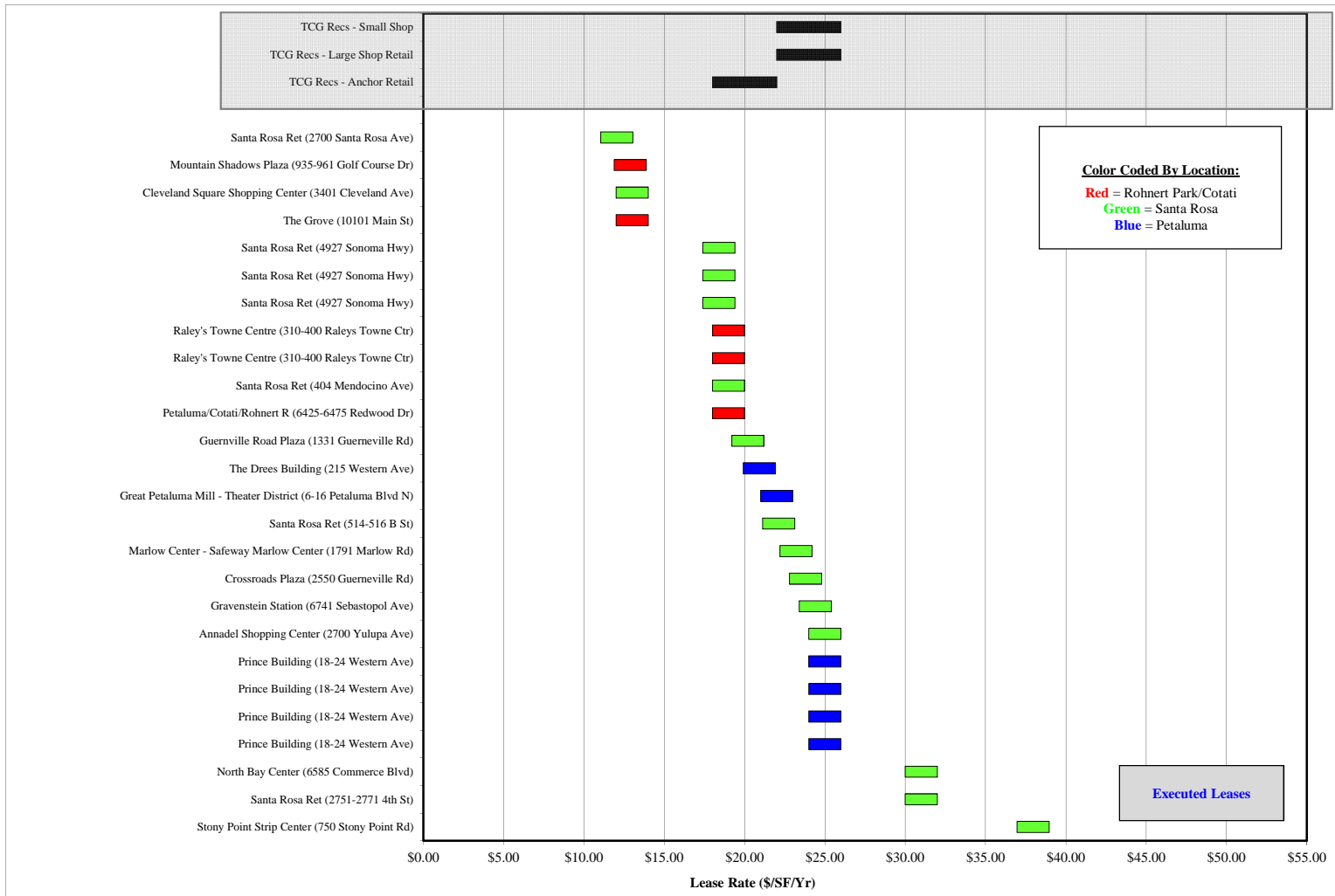


EXHIBIT IV-5

RETAIL PRODUCT RECOMMENDATIONS & POSITIONING ROHNERT PARK, CALIFORNIA SEPTEMBER 2015

Project Size: Potential commercial plans call for an anchor retail space for 16K square feet and several smaller retail shops ranging from 5K-15K square feet

- Positioning Rationale:**
- Pricing above highest Rohnert Park retail comps considering new construction and location near Graton Casino and several new luxury apartment communities, Fiori and The Reserve.
 - At slight discount to older downtown Santa Rosa and Petaluma retail areas due to lack of foot traffic and walkability.

TCG Recommendations	Rate (\$/SF)	
	/month	/year
Anchor Retail (16,000 sf):	\$1.67 - \$1.83	\$20.00 - \$22.00
Large Shop Retail (15,000 sf)	\$2.00 - \$2.17	\$24.00 - \$26.00
Small Shop (5,000 sf):	\$2.00 - \$2.17	\$24.00 - \$26.00

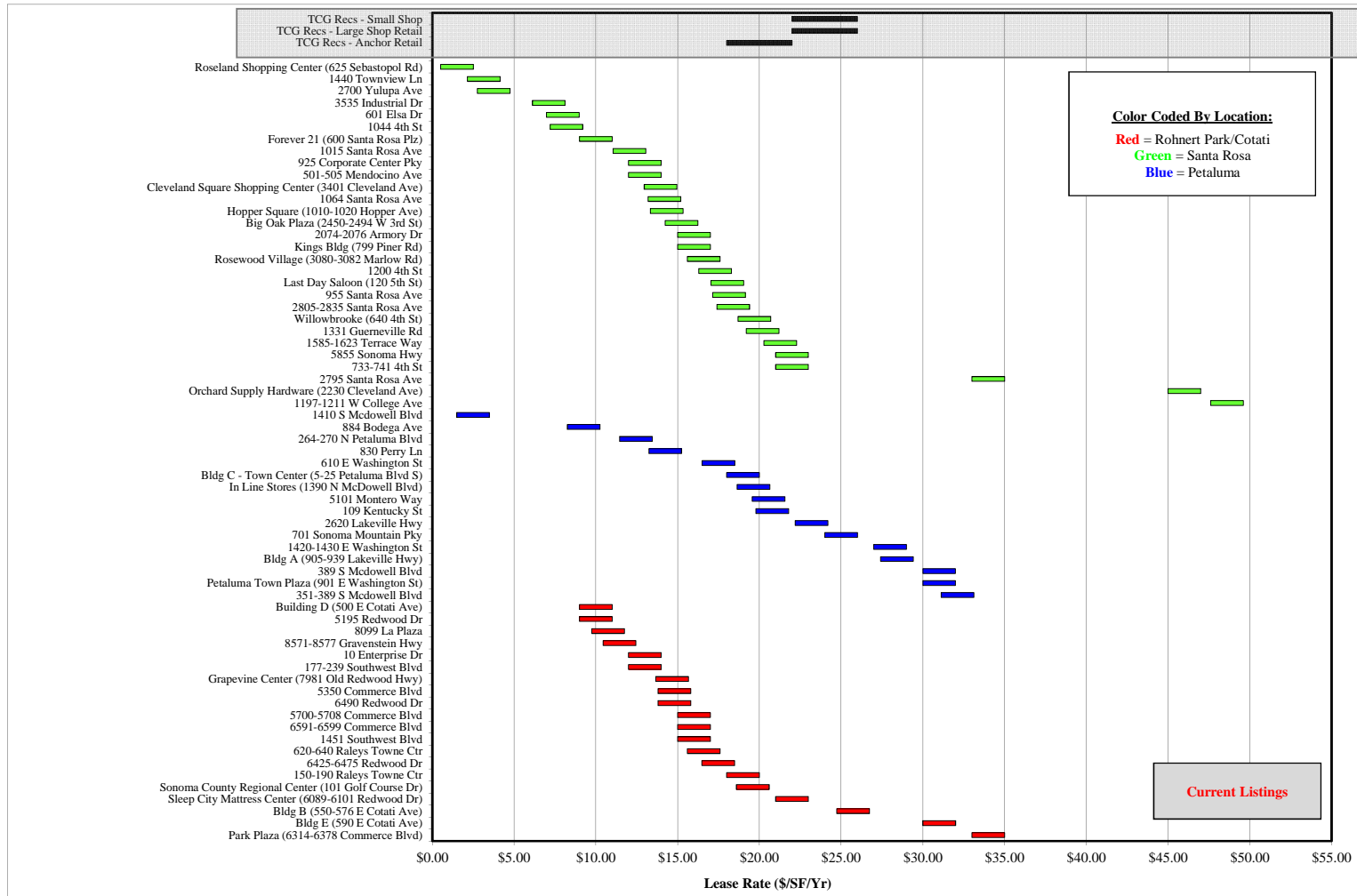


EXHIBIT IV-6
RETAIL LAND VALUATION
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015

Product Types:	Ratio		Retail
		%	Comment
Revenues			
Base Monthly Rent			\$1.67
Average Premium		Anchor Retail	-
Average Monthly Rent			-
Average Annual Rent			\$20.00
Less Vacancy Loss	10%	of potential rent	\$18.00
OpEx %			10%
Operating Expenses			(\$1.80)
Net Operating Income			\$16.20
Cap Rate			7.5%
Average Price/Cap Value			\$216
Sale Price			\$216
Less Commissions	3%	of sale price	\$6
Net Revenues			\$210
Non Financing Costs			
Hard Costs + Contingency			
\$/sf			\$120
Development Fees			
\$/sf			\$30
Hard Costs			\$150
Soft Costs			
Marketing/Sales	3%	of cap value	\$6
A&E			\$10
G&A	3%	of cap value	\$6
Property Taxes	1%	of cap value	\$2
Contingency/Other	10%	of cap value	\$22
Soft Cost			\$47
Total Non Financing Cost			\$197
\$/sf			
Financing Costs			
Loan Draw	75%	of costs	\$148
Interest	7.0%	of loan x hold	\$10
Loan Fee	2%	of loan	\$2
Total Financing Costs			\$13
Builder Profit			
Percent	%	of cap value	8%
Builder Profit			\$17
Finished Pad Valuation			<i>Total</i>
Revenues			\$210
Non Financing Costs			\$197
Financing Costs			\$13
Builder Profit			\$17
Finished Pad Residual			-\$17
% Capitalized Value			-8%

Note: Blue text are cost estimates by TCG, sourced from builders of like product

EXHIBIT IV-6
RETAIL LAND VALUATION
ROHNERT PARK, CALIFORNIA
SEPTEMBER 2015

Product Types:	%	Ratio	Comment	Retail
Revenues				
Base Monthly Rent				\$2.00
Average Premium		Shops		-
Average Monthly Rent			-	
Average Annual Rent			\$24.00	
Less Vacancy Loss	10%		of potential rent	\$21.60
OpEx %				10%
Operating Expenses				(\$2.16)
Net Operating Income				\$19.44
Cap Rate				7.5%
Average Price/Cap Value				\$259
Sale Price				\$259
Less Commissions	3%		of sale price	\$8
Net Revenues				\$251
Non Financing Costs				
Hard Costs + Contingency				
\$/sf				\$120
Development Fees				
\$/sf				\$30
Hard Costs				\$150
Soft Costs				
Marketing/Sales	3%		of cap value	\$8
A&E				\$10
G&A	3%		of cap value	\$8
Property Taxes	1%		of cap value	\$3
Contingency/Other	10%		of cap value	\$26
Soft Cost				\$54
Total Non Financing Cost				\$204
\$/sf				
Financing Costs				
Loan Draw	75%		of costs	\$153
Interest	7.0%		of loan x hold	\$11
Loan Fee	2%		of loan	\$2
Total Financing Costs				\$13
Builder Profit				
Percent	%		of cap value	8%
Builder Profit				\$21
Finished Pad Valuation				
Revenues				Total \$251
Non Financing Costs				\$204
Financing Costs				\$13
Builder Profit				\$21
Finished Pad Residual				\$13
% Capitalized Value				5%

Note: Blue text are cost estimates by TCG, sourced from builders of like product

EXHIBIT IV-7

SITE SUITABILITY CONCLUSIONS ROHNERT PARK SITE SEPTEMBER 2015

Supply/Demand Summary

Retail Suitability

Retail Pricing & Performance

- Retail space vacancy and pricing have seen moderate recovery within the site's Retail Trade Area (Rohnert Park, Cotati, Petaluma, and Santa Rosa) since 2007.

Demand Context

- Retail spending is recovering from recession with return of consumer confidence and increased purchasing power from wage and salary growth in the Bay Area
- Households located within the Retail Trade Area (Rohnert Park, Cotati, Petaluma, and Santa Rosa) generate a consumer spending capacity of \$841M annually.
- Demand generated for 134,188 square feet of new retail square feet per year.

Supply Context

- Several retail projects are in the early stages of the planning process in Petaluma and Santa Rosa, with the only known project in Rohnert Park being the Codding Sonoma Mountain Village mixed-use plan currently in pre-development.
- Future deliveries total 286k square feet of space by the end of 2019, with the bulk of deliveries occurring in 2018 and 2019.

Apartment Suitability

Demand Context

- Using a conservative model that takes into account household growth and annual income to housing trends, TCG projects income qualified demand potential in Sonoma County to be a 1,153 units annually over the next five years.
- Of the total 1,153 units, TCG believes that 73% (854 units) will be captured by the CMA.

Supply Context

- Apartment pipeline is burgeoning with projects throughout Sonoma County, with the bulk of deliveries occurring in 2018 and 2019.
- Surveys with planners in local area reveal that developers are switching tenure of projects formerly intended to be developed as for-sale projects into luxury rental communities to account for increased rentership in the area.
- If tenure conversion trend continues with current development pipeline, the Competitive Market Area will show an undersupply of 130 units over the next five years, effectively in supply/demand equilibrium.

Market Conclusions

Anchor Retail

- Large anchor retail is ideal for site as location near Graton Casino and short proximity highway create potential for regional retail node.
- Retail supply and demand show large undersupply for retail space given current spending capacity within market.

Small Shop Retail

- Site location not within large/established neighborhood retail node or strip mall makes small retail shop difficult.
- As more apartment complexes are built around the site (as well as on-site) small shop retail becomes more feasible.













Apartments

- Site location prime for apartment development as new housing development surround area and more popularity is drawn to the area with Graton Casino.
- Supply and demand dynamics currently in effective equilibrium making apartment development feasible yet competitive. Careful attention will need to be given to future pipeline delivery projections and sustained demand in the area over the next several years.

Visibility

- Visibility and traffic flow will be a key driver for both retail and apartment product.
- Currently the site sees lower traffic counts relative to surrounding arterials and surface streets in Rohnert Park, the bulk of drivers passing by are employees working in the nearby office parks.
- Future development of an anchor retail space and apartment developments would increase traffic to the area at buildout, ensuring a critical mass of usage necessary to the success of the development project as a whole.

Rating of Development Opportunity:

Land Use	Demand Drivers	Supply Trends	Site Location	Overall Assess.	Green:	Strong
					Yellow:	Moderate
					Red:	Weak
Anchor Retail						
Small Shop Retail						
Apartments						

APPENDICES

APPENDIX A
PLANNED AND PROPOSED APARTMENT DEVELOPMENT
COMPETITIVE MARKET AREA
SEPTEMBER 2015

Community	Applicant	Location	City	Project Type	Commercial Space (SF)	Status (1)	Delivery
<i>Santa Rosa</i>							
888 Fourth Street	Hugh Futrell Corporation	888 Fourth St Suite 250	Santa Rosa	Retail	6,146	Approved	2017
Art House	Hugh Futrell Corporation	620 7th street	Santa Rosa	Retail	2,005	Approved	2017
Bicentennial Marketplace	AVB Development Partners	3366 Mendocino Ave	Santa Rosa	Retail	40,000	Approved	2019
The Shops at Austin Creek	One Calistoga Rd Associates	5171 Hwy 12	Santa Rosa	Retail	43,206	Pending	2019
Wilbees of Sonoma	Badhan Vikram	700 3rd St	Santa Rosa	Retail	6,500	Pending	2018
6th & Davis	Bob Fischer	510 Davis St	Santa Rosa	Retail	1,840	Pending	2019
Fourth and Davis	Fourth and Davis LLC	210 Fifth St	Santa Rosa	Retail	7,592	Pending	2019
Santa Rosa Village	Regency Alliance Santa Rosa	1072 Kawana Springs Rd	Santa Rosa	Retail	98,500	Approved	2019
Jiffy Lube	Randy Stevens	950 Stony point	Santa Rosa	Retail	5,840	Approved	2017
West Entry	Alan Strachan	4055 Sebasopol Rd	Santa Rosa	Retail	23,278	Approved	2018
The Villas	Sebastopol Rd Inv LLC	1755 Sebastopol Rd	Santa Rosa	Retail	22,000	Approved	2019
<i>Petaluma</i>							
Lynch Creek Plaza	Browman Development	Lynch Creek Way and N Mcdowell	Petaluma	Retail	22,500	Inactive	2019
Riverfront 2010	Riverfront LLC	500 Hopper Street	Petaluma	Mixed Use	90,000	Approved	2018
<i>Rohnert Park</i>							
Codding Sonoma Mountain Village	SunCal	1400 Valley House Drive	Rohnert Park	Mixed Use	160,000	Conceptual	2020+
<i>Cotati</i>							
<i>There are no retail projects currently in the pipeline in Cotati</i>							
<i>Windsor</i>							
<i>There are no retail projects currently in the pipeline in Windsor</i>							
<i>Sonoma</i>							
Wagner Mixed Use Building	Unknown	19312 Sonoma Highway	Sonoma	Mixed Use	1,200	Under Construction	2016
Mission Square	Marcus and David Detert	165 East Spain Street	Sonoma	Mixed Use	3,514	Pending	2018

(1) Under Construction = Projects that have broken ground (i.e. grading), but are not yet open; Approved = Fully entitled projects; Pending = Proposed project plans submitted, but no approval; Conceptual = Local proposals that haven't submitted a formal application for review; Stalled = Partially or fully entitled project that has either 1) encountered significant obstacle in entitlement or construction process; or 2) has been approved for 12 or more months with no construction activity.

APPENDIX B
PLANNED AND PROPOSED DEVELOPMENT - APARTMENT AND CONDOMINIUM PROJECTS (1)
PRIMARY MARKET AREA
SEPTEMBER 2015

Community	Applicant	Location	Type	Tenure	Total Units	BMR Units (if known)	MR Units (2)	Status (1)	Delivery	Notes
Santa Rosa										
Range Ranch - The Annandel	Wolff Enterprises LLC	1020 Jennings Ave	Residential	Apartments	270	0	270	Under Construction	2015	Began pre-leasing in February 2015 while buildings still under construction; 5 buildings opened, 3 filled, remaining buildings finishing construction. Currently leased at 35%.
2434 Fulton Rd	Hugh Futrell Corp	2434 Fulton Rd	Residential	Apartments	65	30	35	Approved	2015	Developer expected to submit for BPs soon.
888 Fourth St	Hugh Futrell	888 Fourth St	Mixed Use	Apartments	143	0	143	Approved	2018	No building permits submitted for and likely not to be issued until 2016.
Pullman Lofts	Phoenix Development	701 Wilson St	Lofts	Apartments	72	0	72	Approved	2017	Approved in August 2015, no application for BPs on record.
Range Ranch - Phase 2	Wolff Enterprises LLC	1469 Range Ave	Residential	Apartments	120	0	120	Approved	2017	Phase 2 to begin construction shortly, with pre-leasing expected to begin mid-2016.
Art House The Villas	Hugh Futrell Corp Canary Asset LLC	620 7th Street 1755 Sebastopol Rd/1700 Hampton Way	Residential	Apartments	51	51	0	Approved	2017	Plus 2,005 sf retail. BMR units discussed by developer but not required by the City. Would be mapped as a condo and offered as rentals at first if project moves forward.
Montage II	Riverdale Comm/Chris Peterson	2108-2160 Fulton Rd	Residential	Apartments	264	0	264	Approved	2019	As of 11/2014: Project approved but nothing has been turned in for plan check. The City has expressed a willingness to re-entitle the site for 264 apartments and a 1,750 sf commercial building.
North Village 2	Fulton Road Investors	2406 Fulton Rd	Residential	Apartments	52	0	52	Approved	2016	51 MF + 52 SFD units. Map finalized in 2006. Improvements were done in 2013. No building permits. 69 lots, 17 lots have 3 units each.
Kawana Town Center	Kawana Town Center LLC	2450 Brookwood Ave	Residential	Apartments	112	0	112	Approved	2017	Developer expected to submit for BPs soon. Project has total of 112 single-family attached units.
Courtney Estates	Ingenium Inc	1549 Fulton Rd	Residential	Apartments	139	0	139	Approved	2019	10 MF + 129 SFA units
Quilici Subdivision	David Colombo	2453 Guerneville Rd	Residential	Apartments	57	0	57	Approved	2019	10 MF + 47 SFD units
			Residential	Apartments	7	0	7	Approved	2018	Project details TBD. No movement on construction seen. 4,042 Sq Ft for retail
Alvarez Project	Ignacio and Idolina Alvarez	1758 Sebastopol Road	Residential	Apartments	8	0	8	Approved	2017	
The Vistas at Kawana Springs	Meda Avenue LLC	1865 Meda Ave	MF	Apartments	30	0	30	Approved	2018	Nearing full entitlements.
North Street Apartments	Grange Road LLC	1108 14th st	Multi-Family	Apartments	22	0	22	Pending	2018	Approved in early September 2015
Airway Community	Carey Algaze	3737 Airway Drive	Multi-Family	Apartments	90	0	90	Pending	2018	Currently in design review.
Lantana Place	Burbank Housing Dev.	2875 Dutton Meadow	MF		96	0	96	Inactive/Stalled	2020+	Approved in 2009, but no movement since.
Ridge Point Subdivision	AHDC Inc.	2384 Stony Point Rd	MF	Apartments	56	0	56	Inactive/Stalled	2020+	Approved in 2009, entitlements expired. As of 11/2014: developer is trying to sell site with approvals. Nothing has been turned in for plan check.
Fox Hollow	Carco Investment Corp	1615 Fulton Rd	Residential	Apartments	200	0	200	Inactive/Stalled	2020+	170 SFD units and 30 townhomes. Approved in May 2009; entitlements expired.
Park Lane II Apartments	Art and Brad Bergensen	1001 Doubles Dr	MF	Apartments	24	0	24	Inactive/Stalled	2020+	Planners have not heard from developers for a long time.

APPENDIX B

**PLANNED AND PROPOSED DEVELOPMENT - APARTMENT AND CONDOMINIUM PROJECTS (1)
PRIMARY MARKET AREA
SEPTEMBER 2015**

Community	Applicant	Location	Type	Tenure	Total Units	BMR Units (if known)	MR Units (2)	Status (1)	Delivery	Notes
Kawana Meadows	Carinalli	1162 Kawana Springs Rd								
			Residential	Apartments	230	0	230	Inactive/Stalled	2020+	161 MF + 69 SFD units. Planner assumes extension from 2004 has expired. 87 lots.
Park Village	Carinalli	1550 Hearn Ave	Residential	Apartments	90	0	90	Inactive/Stalled	2020+	74 MF+ 16 SFD unapproved & inactive
										Approved in 2009, entitlements expired. As of 11/2014: developer is trying to sell site with approvals. Nothing has been turned in for plan check.
Ridge Point Apartments	AHDC Inc	2384 Stony Point Rd	Residential	Apartments	56	0	56	Inactive/Stalled	2020+	
6th and Davis	Bob Fischer	203 6th Street	Residential	Apartments	15	0	15	Inactive/Stalled	2020+	Inactive
Petaluma										
Maria Drive Apartments	Pacific West Communities	35 Maria Drive	Residential	Apartments	144	0	144	Under Construction	2015	Scheduled for PC October 2013. Construction began late 2014, expected completion winter 2015
					100	0				
Riverfront 2010	Basin Street Properties (Riverfront LLC)	500 Hopper St	Mixed-Use	Apartments			100	Approved	2018	35-acre mixed use redevelopment project. Will include FS/rental resi, 60k sf of office, 30k sf of retail, and 120 hotel rooms.
Addison Ranch Expansion	First Pointe Management	200 Greenbriar Circle	Residential	Apartments	100	0	100	Approved	2017	Addition of 100 multi-family units to existing apartment complex (formerly Greenbriar). Have not yet obtained BPs.
Altura Apartments	Robery Lawler	Baywood Dr	Residential	Apartments	150	0	150	Approved	2018	CEQA docs to be in September 2015
Sid Commons	The Acclaim Companies	100 Graylawn	Residential	Apartments	312	0	282	Pending	2019	EIR currently underway. Draft should release for public comment by end of year. Major site obstacles.
										Property is bank-owned and original applicant no longer involved with property. Entitlements have expired. Unit count estimate.
North River Landing	North River Landing	368, 402, 414 Petaluma Blvd. N.	Mixed-Use	Apartments	80	0	80	Pending	2019	Original plans were for four high-density buildings including
Sid Commons Apartments	Mark Johnson	end of Graylawn Ave	Residential	Apartments	282	0	282	Pending	2019	Draft Environmental Report to be Prepared
Marina Apartments	Steven Lafranchi	0 Marina Ave	Residential	Apartments	80	0	80	Pending	2019	Application Deemed incomplete on June 11th 2015. Developers currently revising application for resubmittal.
Rohnert Park										
										Project began pre-leasing in December 2014 and welcomed move-ins March 2015. Final two buildings (32 units each) currently pre-leasing, will open in October and November. Leased agent would not disclose lease rate, estimated at 75%-85% indicating lease velocity of 20-24 units per month.
Fiori Estates	Spanos	5102 Dowdell Avenue	Residential	Apartments	244	0	244	Complete	2015	
The Reserve Apts	Bellweather Properties	Dowdell Ave northerly onf Carlson Court	Residential	Apartments	84	0	84	Under Construction	2016	Approved July 2014. Currently completing grading/groundwork, first vertical construction began August 2015.
Cypress, Mulberry, and Magnolia at University Park	Vast Oak Properties L.P., UD LLC Units, Gee Units, Abu-Halawa Units, CRPUSD Units.	Keiser Avenue, west of Petaluma Hill Road, and north of Copeland Creek.	Residential	Apartments	630	0	399	Approved	2016	537 Multi-Family units, 630 high-density (multi-family, condos, and TH), 100 Mixed use. Entitlements have been issued, however submitting through building still need to to be permitted
										237 MF (Medium Density). Planning entitlements complete, and waiting for building permits.(have not submitted fgor building permits)
Southeast	Redwood Equities	Valley House Drive and Bodway Parkway	Residential	Apartments	237	0	475	Approved	2018	
Northwest	Redwood Equities	Millbrae Ave. and Dowdell Ave.	Residential	Apartments	398	76	398	Approved	2019	Been taken over. Currently being annexed into the city
Coddington Sonoma Mountain Village	SunCal	1400 Valley House Drive	Mixed-Use	Flex Resi & Townhomes	400	0	400	Conceptual	2020+	Master planned mixed-use community at former State Farm Insurance campus in southeast Rohnert Park. Current plans call for 150 resi "flex" units + 250 THs, tenure TBD, as well as 110K sq retail + 30-50K civic office space. Developers hope to begin environmental review phase by end of 2015.

APPENDIX B
PLANNED AND PROPOSED DEVELOPMENT - APARTMENT AND CONDOMINIUM PROJECTS ⁽¹⁾
PRIMARY MARKET AREA
SEPTEMBER 2015

Community	Applicant	Location	Type	Tenure	Total Units	BMR Units (if known)	MR Units ⁽²⁾	Status (1)	Delivery	Notes
Cotati										
Cotati Station Apt.	Robert Brown	8354 Santero Way	Residential	Apartments	154	18	136	Pending	2018	Application review in progress for apartment project near Cotati SMART station.
Village Walk--Duplex/Triplex	Standard Pacific Homes	East Cotati Ave and Lancaster Ave	Residential	Apartments	46	6	40	Pending	2018	20 units in duplexes and triplexes. Site also contains 26 SFD and 10 carriage homes. Did not submit building permits on time, therefore the developer must re-submit application for approval.
Windsor										
Esposti Park	Paul Fritz (builder) for Michael Wright (landowner)	6087 Old Redwood Highway	Residential	Apartments	36	0	36	Approved	2016	Approved on 09/17/2014. Waiting for building permits. (Planner believes this is the only plan that is likely to be completed in the current pipeline)
9100 Richardson Street	Pegasus Group	9100 Richardson Street	Mixed-use	Apartments	37	0	37	Pending	2018	Commercial component of this project is currently underconstruction. Waiting for design approval by the planning commission. Final unit count between 26-37 market-rate apartments. Preliminary stages.
Creekwalk	North Mac Properties	6405 Old Redwood Hwy	Mixed-Use	Apartments	30	3	27	Pending	2019	
The Oaks	North Mac Properties	6122 Redwood Hwy	Mixed-Use	Apartments	39	0	39	Pending	2019	
Windsor Mill	None	Bell Rd and Johnson St	Residential	Apartments	360	0	360	Inactive/Stalled	2020+	Stalled because one developer backed out. Landowner looking for a new partner, but planning department has not heard from them in over a year. Active since 2004
Sonoma										
MacArthur Place	Steve Ledson	165-179 West MacArthur St	Residential	Apartments	26	5	21	Under Construction	2015	SFD mapped for sale, but developer plans to rent at first. 26 units, 20% affordable per city ordinance.
Nicora Place	Steve Ledson	821-845 West Spain Street	Residential	SFD	14	0	14	Approved	2016	SFD mapped for sale, but developer plans to rent at first. 18 homes total; 4 must be provided BMR per city ordinance. PC approved over neighbor opposition October 2013. Plans to begin construction in Winter 2016, unless pushed back to Spring due to rainy winter.
West Spain Street Development	Ruthier Development	800 West Spain Street	Residential	Apartments	7	0	7	Approved	2016	Approved and has submitted building permit application. Construction will begin soon.
Rabbitt Apartments	Victor Conforti-Architect	840 West Napa Street	Residential	Apartments	11	0	11	Approved	2016	Approved and waiting for the developer to submit building permit applications.
Prussell Condominium Development	Robert Prussell	210 Perkins Street	Residential	Apartments	9	0	9	Approved	2016	Approved, and waiting for the developer to submit building permit applications.
Mission Square	Marcus and David Detert	165 East Spain Street	Mixed use	Apartments	14	0	14	Pending	2018	16 MF units (3 BMR), plus 3512 sf office space. PC certified EIR in July; entitlements up for PC review November 2013.
Giannis Condominium Development	Giannis LLC	19323 Sonoma Highway	Residential	Apartments	8	0	8	Pending	2018	Neighborhood opposition due to design of project (a modern Has not received final approval from planning commission. The application was sent back with edits to the landscape portion of the plan.