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Executive Summary

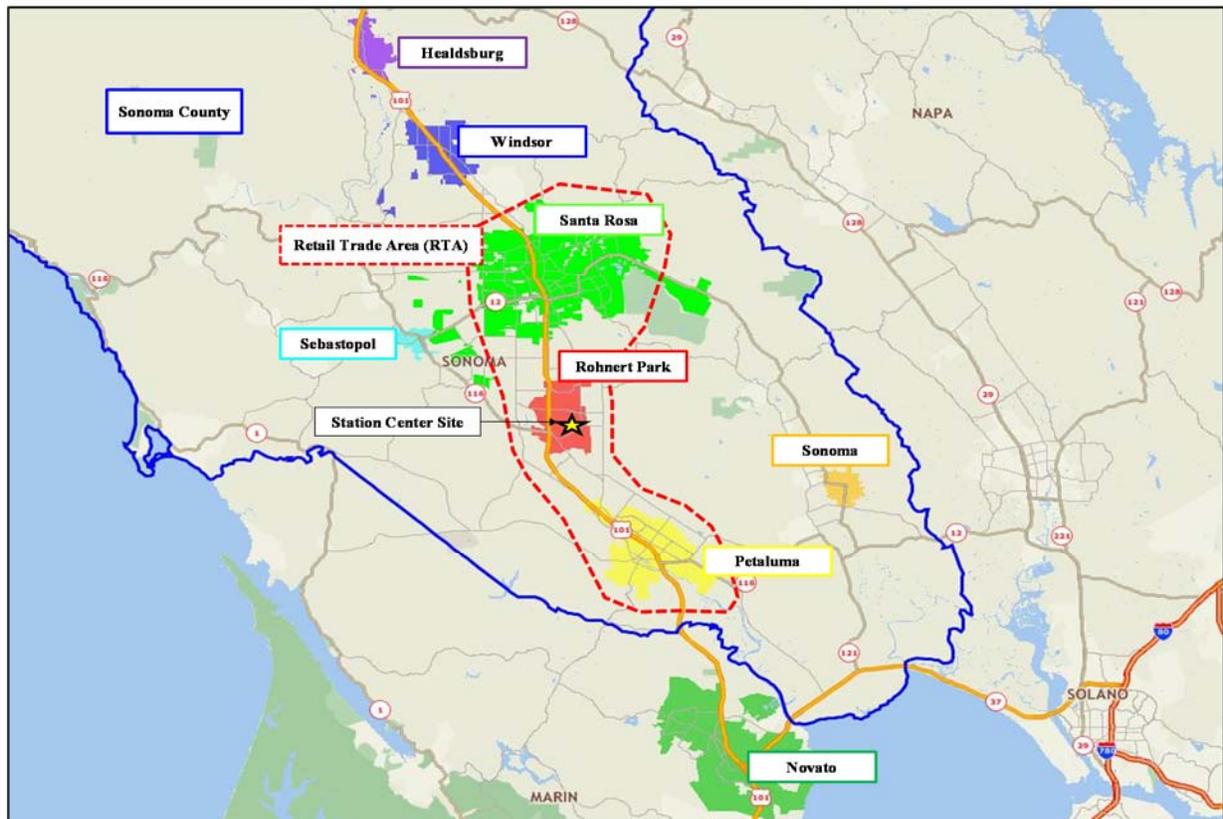
To: The City of Rohnert Park
From: The Concord Group
Date: March 18th, 2016
Re: Market Opportunity and Feasibility Analysis for a Retail Site in Rohnert Park, California

The City of Rohnert Park (“the City” or “Client”) is currently approaching a land use decision on a key site in Rohnert Park, California. At this time, the City requires The Concord Group (“TCG”) to provide a strategic market opportunity and feasibility analysis for the Site.

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

Regional Location and Market Delineation

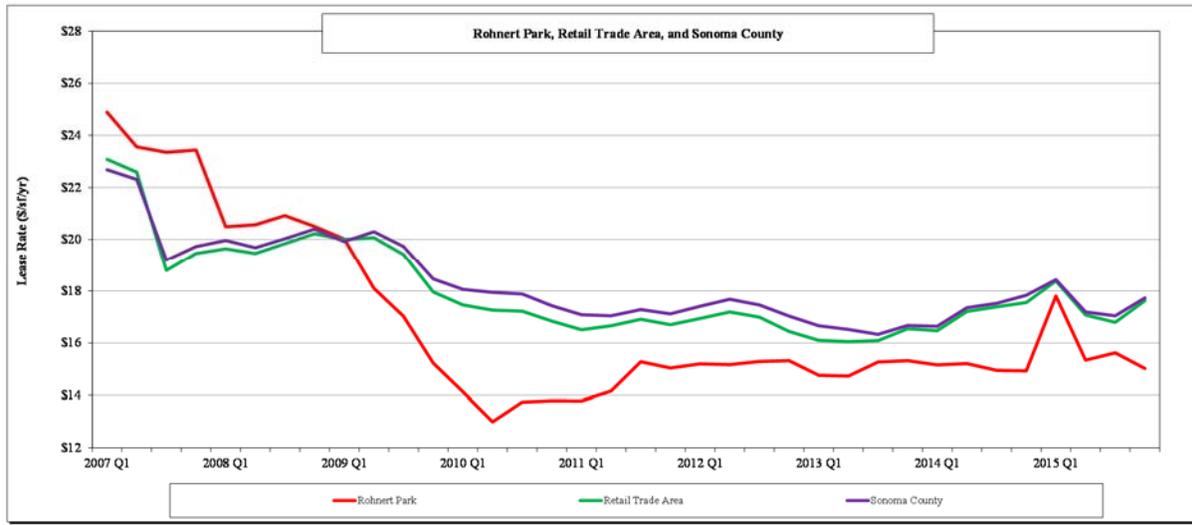
- The Site is located in central Rohnert Park at the former State Farm Insurance campus just southwest of the intersection of State Farm Drive and Rohnert Park Expressway. The Site is surrounded largely by residential communities due south, east and north, and retail centers, industrial/flex and local government buildings along the 101 corridor due northwest.
- 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 Rohnert Park saw significant performance decreases beginning in 2008 during the financial crisis. Since 2010 performance between Rohnert Park and Retail Trade Area have improved. The RTA saw their vacancy drop from 7.0% in 2010 to 3.6% in 2015, rents have remained relatively flat (\$17.20 in 2010 vs. \$17.47 in 2015). Over the same time period, Rohnert Park has experienced 2.8% drop in vacancy (settling at 5.2% in 2015), while rents have seen solid growth experiencing a 14.3% increase since 2010 (settling at \$15.95 rental rate in 2015). (See graphic below, also found in Exhibit I-5)



Market Inventory

- Rohnert Park's comparable retail spaces perform slightly worse than major retail nodes located in downtown Santa Rosa and Petaluma. However, comparable spaces close to the Subject Site consistently rent at the higher end of the pricing spectrum throughout the RTA. As previously stated, the Site boasts strong visibility and daily commuter traffic compared to other areas of Rohnert Park.
- 27 available listings were surveyed within Rohnert Park and Cotati. Triple net leases range from \$17.64 (average) to \$33.00 (highest). The highest prices 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 I-6)
- Rents have seen a moderate increase since last surveyed in September, 2015.

Retail Supply & Demand

- Retail spending continues to recover from the recession with the 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 \$4.9 billion (\$16,857 per capita) annually, which coupled with spending leakage, generates a demand for roughly 143.2K square feet of new retail area every year. Rohnert Park, with a spending capacity of \$849 million (\$16,988 per capita), generates a demand for roughly 23K square feet of retail space annually. (See Exhibit I-12)
- 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 development, which remains in the early pre-development stage. Only three projects are currently under construction, all of which are outside of Rohnert Park. (See Exhibit I-8 and Appendix A)

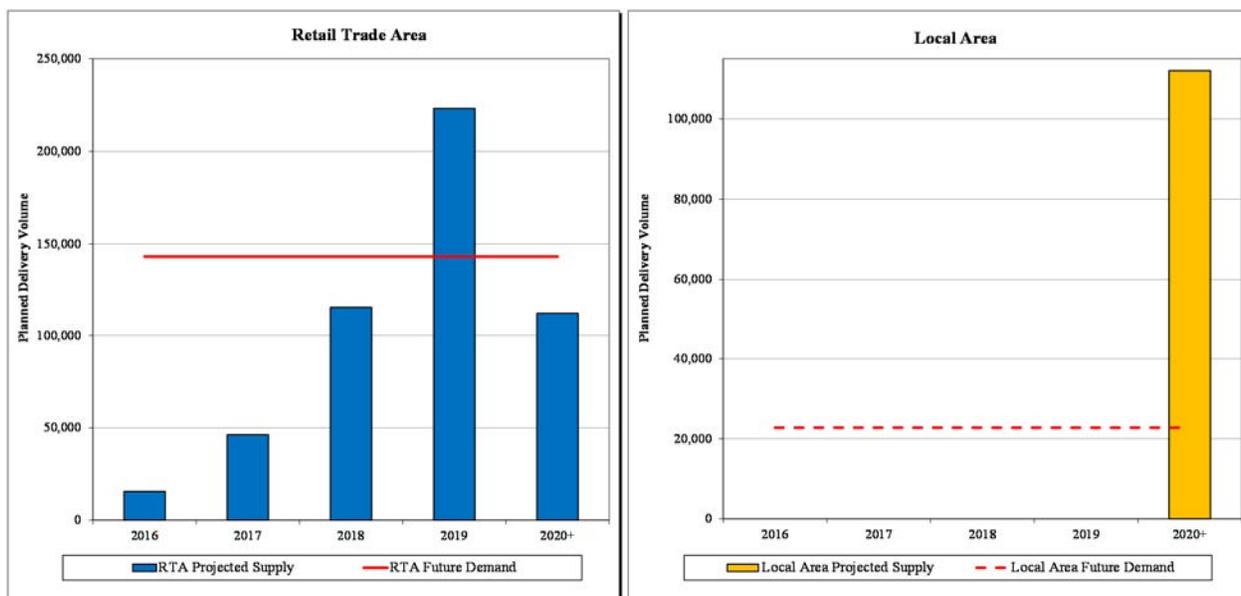
Retail Trade Area:

- TCG estimates future deliveries to total 512K square feet of space by the end of 2020, with the bulk of deliveries occurring in 2018, 2019 and 2020. (See Exhibit I-13) Based on current supply and demand dynamics, the RTA will be undersupplied by a cumulative 203,670 square feet of

retail space through 2020. Extrapolating retail demand across a 10 year horizon, TCG estimates unmet demand for 400K square feet of retail based on growth of the region.

Rohnert Park & Subject Site:

- Projections show a five year demand estimate of 113,838 square feet (22,768 square feet per annum). Only 112K square feet of retail are due to deliver in 2020, creating a net undersupply of 1K square feet of retail space through 2020. Moreover, due to the timing of the projected retail delivery (Coddington Sonoma Mountain Village), Rohnert Park will have four full years of unmet demand from 2016 through 2019. This immediate shortage of retail space within Rohnert Park paints a bullish picture of overall fundamentals for the development of well-located retail.
- From a specific site perspective, TCG estimates that over the long term, a well located, well amenitized and modern mixed use community can capture a significant portion of underlying retail demand. While it is true that some retail demand will naturally flow to big box retailers incompatible with a mixed-use “downtown” concept, much of the spending gaps and potential for growth come from key target categories including Food and Beverage, Health and Personal Care, Books and Music, Gift Stores, etc.
- Over a 10 year build out it is reasonable that the subject property captures approximately 25% to 35% of the underlying retail demand in Rohnert Park – a total absorption potential of 60,000 to 80,000 square feet of retail at build out.



Conclusion:

- Given the market metrics and the excellent location of the Site, TCG concludes that the Site could earn retail rents of \$31.50 to \$34.00 PSF annually for anchor tenants, and \$33.00 to \$35.50 PSF annually for the small or large shops planned for the site. (See Exhibit I-16)
- Retail spending is leaking from Rohnert Park and a dynamic new retail environment will have the ability to reverse this trend, potentially adding as much as 44,000 square feet to the current retail demand in the City.
- Rohnert Park is growing. Over the next 5 years, household spending and population growth estimates indicate demand for approximately 70,000 square feet of new retail. This figure can be extrapolated out over 10 years to 140,000 square feet.
 - TCG population and household growth projections are potentially light, as other models highlight that Rohnert Park is growing faster than current methodology projects. This suggests that there is some upside to the five and ten year retail demand projections.

- Adding the two components of retail demand (ability to capture retail spending leakage and household/population growth) together from bullet points 2 and 3, TCG projects demand for 114,000 square feet across Rohnert Park through 2021 and 228,000 square feet through 2026 assuming household and population growth continues.
- A mixed-use downtown environment can potentially capture 25% to 35% of this new retail demand (given incompatibility of certain retail spending types (motor vehicle spending, big box stores, etc.).
- TCG projects reasonable absorption potential for the subject property between 60,000 and 80,000 square feet of retail at build out.

* * * *

This assignment was completed by Beau Brand 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.



LIST OF EXHIBITS

I. RETAIL MARKET ANALYSIS

1. Regional Location and Submarket Delineation
2. Employment Trends
3. Submarket Performance
4. Retail Inventory Performance
5. Macro Market Performance
6. Selected Competitive Retail Space
7. Retail Inventory Map
8. Planned and Proposed Retail Development
9. Planned and Proposed Retail Map
10. Consumer Spending Capacity
11. Retail Opportunity Gaps
12. Supportable Retail Development Forecast
13. Retail Supply vs. Demand
14. Local Setting
15. Traffic Count Analysis
16. Product Program Positioning

I. RETAIL MARKET ANALYSIS

EXHIBIT I-1

REGIONAL LOCATION AND DELINEATION OF MARKET AREAS
NORTH BAY AREA, CALIFORNIA
MARCH 2016

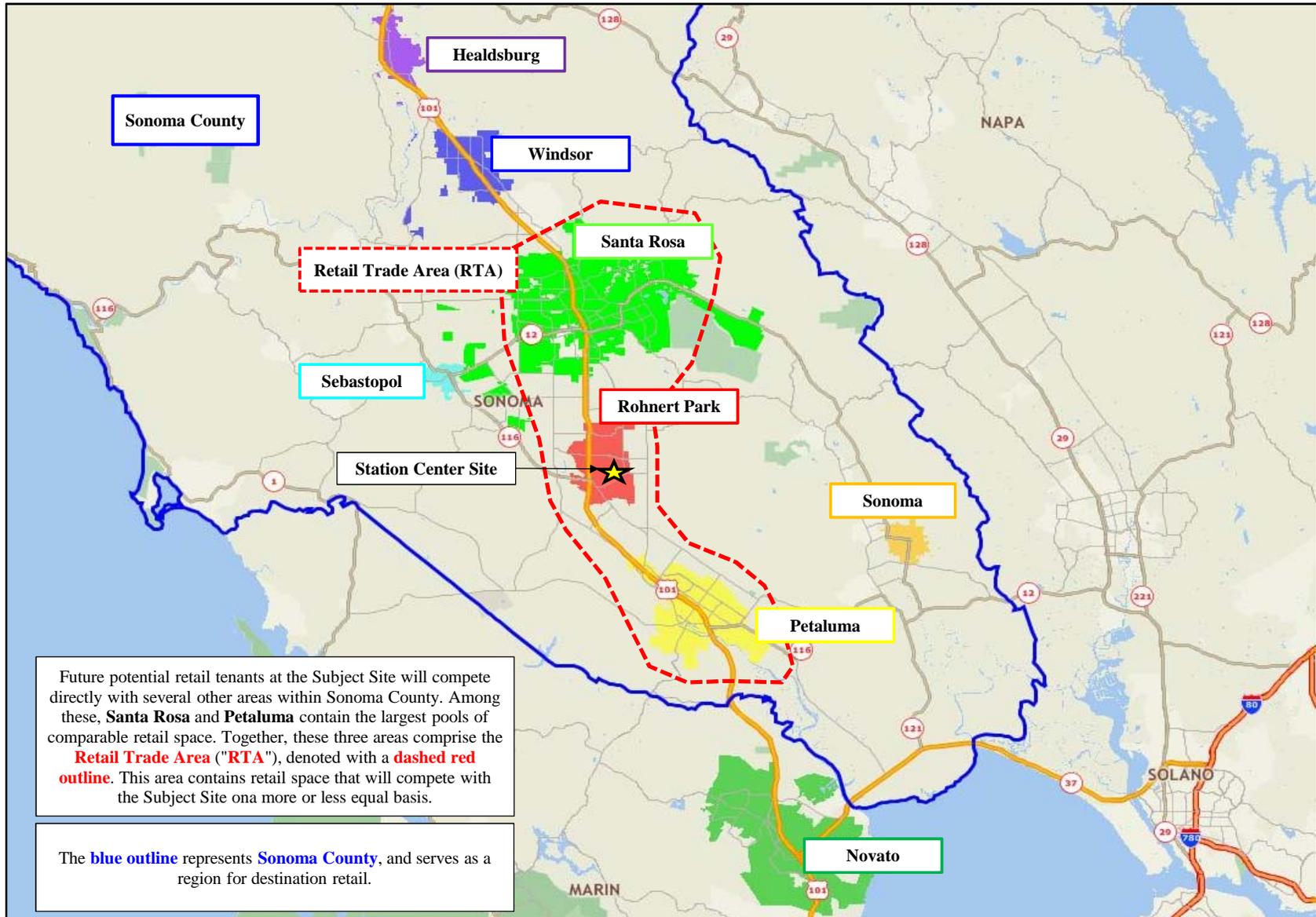
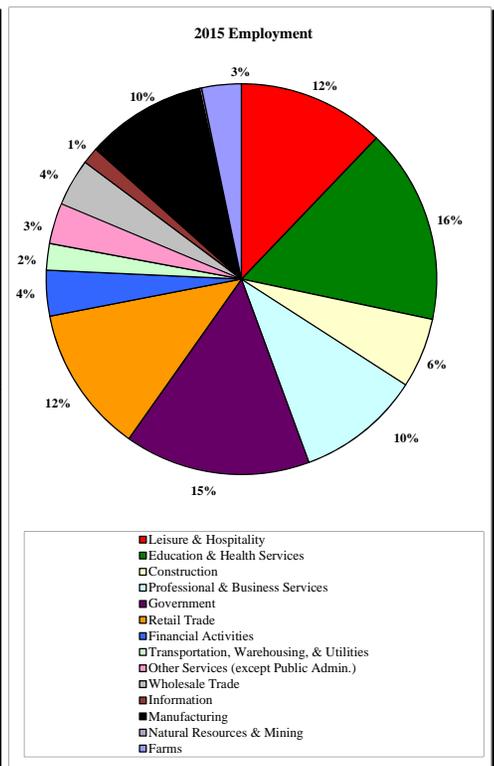
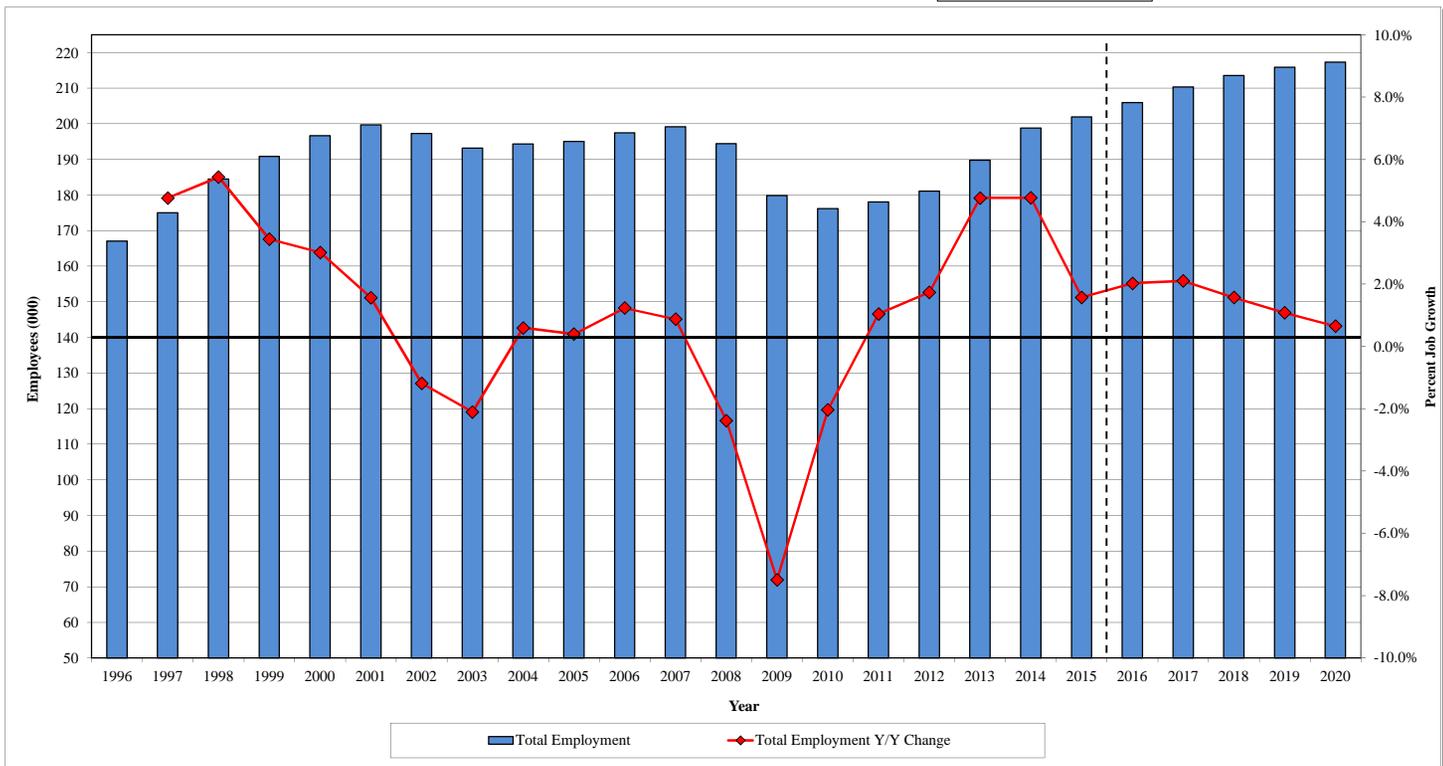


EXHIBIT I-2
EMPLOYMENT TRENDS
SONOMA COUNTY, CALIFORNIA
1997 THROUGH 2020

Employment Industry	1997-2020																				Ann. Growth			% County Employment							
	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	'10-'15	%	#	2015	2020	Nominal	%
Leisure & Hospitality	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	27.8	4.1%	2.5%	3.2	12%	13%	0.6%	5.2%
Education & Health Services	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	37.1	3.7%	2.6%	4.5	16%	17%	0.9%	5.7%
Construction	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	12.7	5.7%	1.7%	1.0	6%	6%	0.1%	1.2%
Professional & Business Services	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	24.7	2.0%	3.5%	3.9	10%	11%	1.1%	10.3%
Government	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	31.9	3.0%	0.5%	0.8	15%	15%	-0.7%	-4.7%
Retail Trade	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	24.3	2.7%	-0.2%	-0.3	12%	11%	-1.0%	-8.0%
Financial Activities	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	8.5	-0.1%	2.2%	0.9	4%	4%	0.1%	3.6%
Transportation, Warehousing, & Utilitie	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	4.5	2.4%	0.5%	0.1	2%	2%	-0.1%	-4.6%
Other Services (except Public Admin.)	5.9	6.2	6.3	6.4	6.8	6.7	6.4	6.4	6.2	6.3	6.4	6.1	5.9	6.1	6.3	6.6	6.7	6.8	7.0	7.2	7.3	7.4	7.4	7.4	2.9%	1.6%	0.6	3%	3%	0.0%	0.8%
Wholesale Trade	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	8.1	3.7%	0.5%	0.2	4%	4%	-0.2%	-4.5%
Information	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	2.8	2.2%	-0.1%	0.0	1%	1%	-0.1%	-7.4%
Manufacturing	25.9	28.3	29.2	30.2	30.4	27.3	25.3	24.2	23.5	22.9	22.0	22.0	20.2	19.9	20.2	19.6	20.1	20.5	20.2	20.2	20.4	20.4	20.3	20.1	0.2%	0.0%	0.0	10%	9%	-0.7%	-7.3%
Natural Resources & Mining	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	0.2	6.8%	-4.8%	-0.1	0%	0%	0.0%	-27.5%
Farms	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	6.2	5.9	6.1	6.6	6.6	6.7	6.8	7.0	7.1	7.2	1.2%	1.5%	0.5	3%	3%	0.0%	0.3%
Total (000s)	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	217.3	2.8%	1.5%	15.4	100%	100%		
# Change	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	1.4								
% Change	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%	1.6%	2.0%	2.1%	1.6%	1.1%	0.6%								

Return to peak in late 2015



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

EXHIBIT I-3

**SUBMARKET PERFORMANCE - RETAIL
ROHNERT PARK, RETAIL TRADE AREA, SONOMA COUNTY
MARCH 2016**

	Area		
	Rohnert Park	Retail Trade Area	Sonoma County
Demographics			
Population ('16)	50,006	289,262	506,467
Households ('16)	19,671	110,469	195,675
Annual Growth (#, '16-'21)	193	1,142	1,848
Annual Growth (% , '16-'21)	1.0%	1.0%	0.9%
Household Size ('16)	2.5	2.6	2.6
Median Household Income ('16)	\$61,172	\$65,647	\$66,638
Median Household Income ('21)	\$66,971	\$71,571	\$72,866
Annual Growth (% , '16-'21)	1.8%	1.7%	1.8%
Consumer Spending Patterns (2015) (1)			
Consumer Expenditures (\$000s)	\$653,134	\$3,785,174	\$6,862,842
Retail Sales (\$000s)	\$579,629	\$3,696,646	\$6,454,051
Spending Inflow / (Leakage)	(\$73,505)	(\$88,528)	(\$408,791)
2015 Q4 Market Performance (All Retail Space)			
Rentable Building Area (SF)	3,242,866	18,904,427	24,869,054
4Qtr % Change	0.0%	3.3%	2.6%
L4Q Deliveries (SF)	0	606,591	619,163
4Qtr Net Absorption (SF)	34	122	171
Vacancy Rate	6.8%	4.4%	4.1%
Vacant Stock (SF)	220,515	831,795	1,019,631
Asking Rent (Per SF/Yr; NNN)	\$15.10	\$17.73	\$17.83
4Qtr % Change	0.8%	0.8%	-0.2%

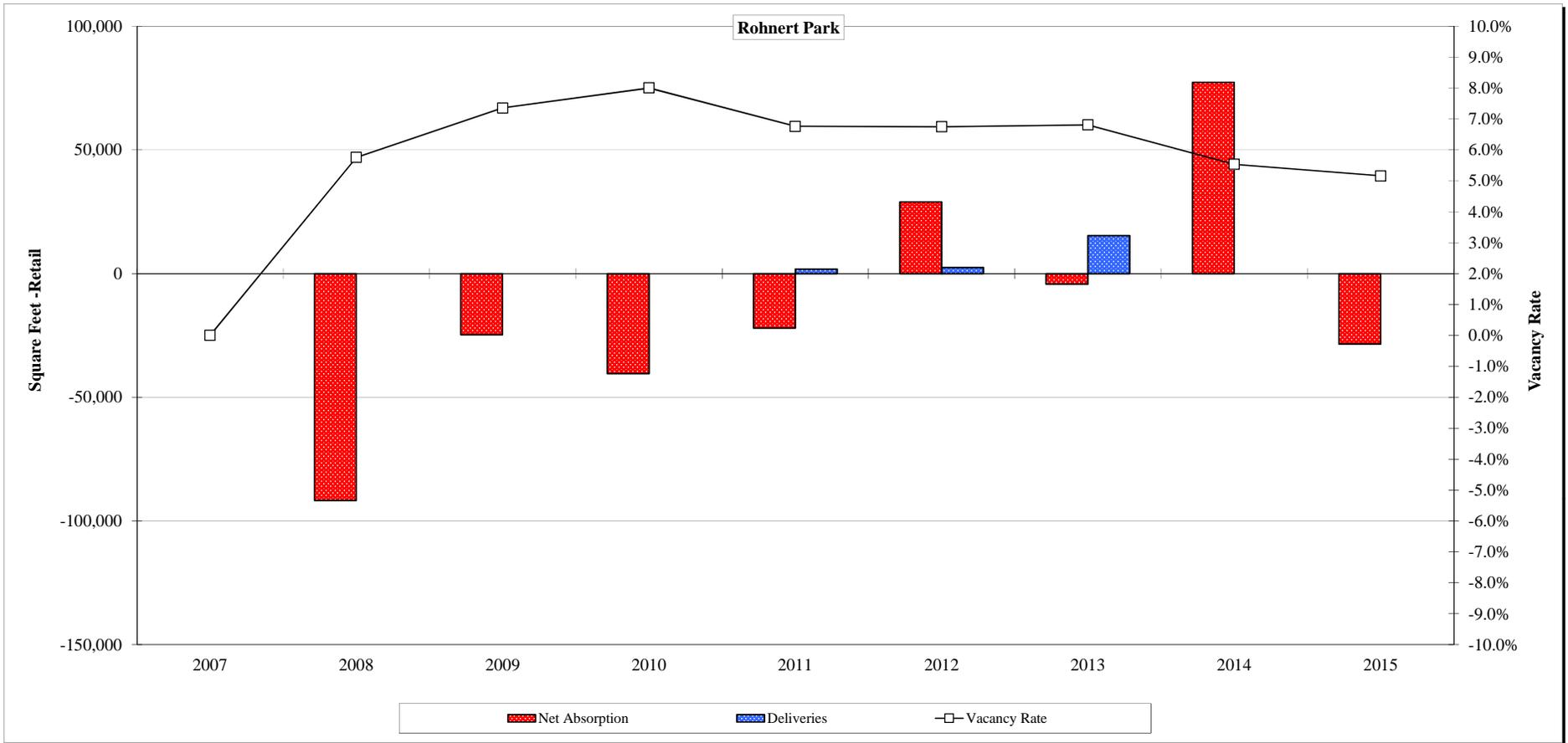
Sources: Claritas; CoStar

(1) Non automobile-related

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE
ROHNERT PARK, CALIFORNIA
2007 THROUGH 2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015
<i>Rohnert Park</i>									
Rental Building Area	3,290,533	3,288,514	3,285,302	3,282,486	3,237,346	3,237,427	3,232,629	3,242,866	3,242,866
Net Absorption	6,717	(91,672)	(24,728)	(40,388)	(22,044)	29,000	(4,183)	77,403	(28,430)
Deliveries	26,788	0	0	0	1,799	2,500	15,350	0	0
Total Vacancy Rate	4.2%	5.8%	7.4%	8.0%	6.8%	6.8%	6.8%	5.5%	5.2%
Vacant SF	138,426	189,412	241,741	262,797	218,946	218,643	220,205	179,478	167,307

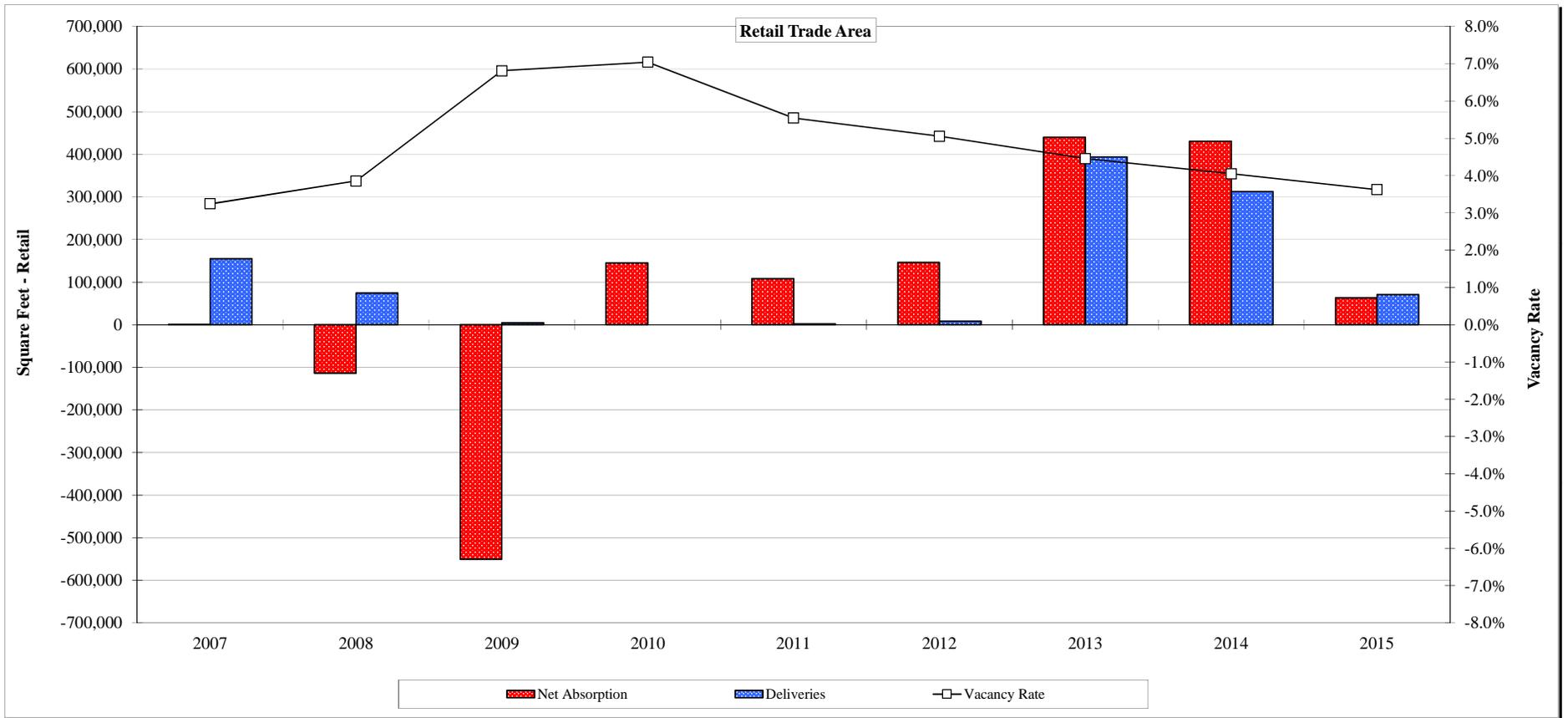


Source: CoStar

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE
RETAIL TRADE AREA
2007 THROUGH 2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015
<i>Retail Trade Area</i>									
Rental Building Area	18,108,320	18,175,536	18,206,111	18,198,143	18,145,238	18,140,848	18,331,005	18,655,395	18,890,615
Net Absorption	24	(113,396)	(550,260)	145,260	108,327	146,246	440,101	430,562	63,066
Deliveries	154,864	74,475	4,701	0	1,799	8,500	394,047	312,329	70,743
Total Vacancy Rate	3.2%	3.9%	6.8%	7.0%	5.5%	5.1%	4.5%	4.0%	3.6%
Vacant SF	587,263	700,920	1,240,161	1,281,929	1,005,898	917,233	816,601	755,400	684,484

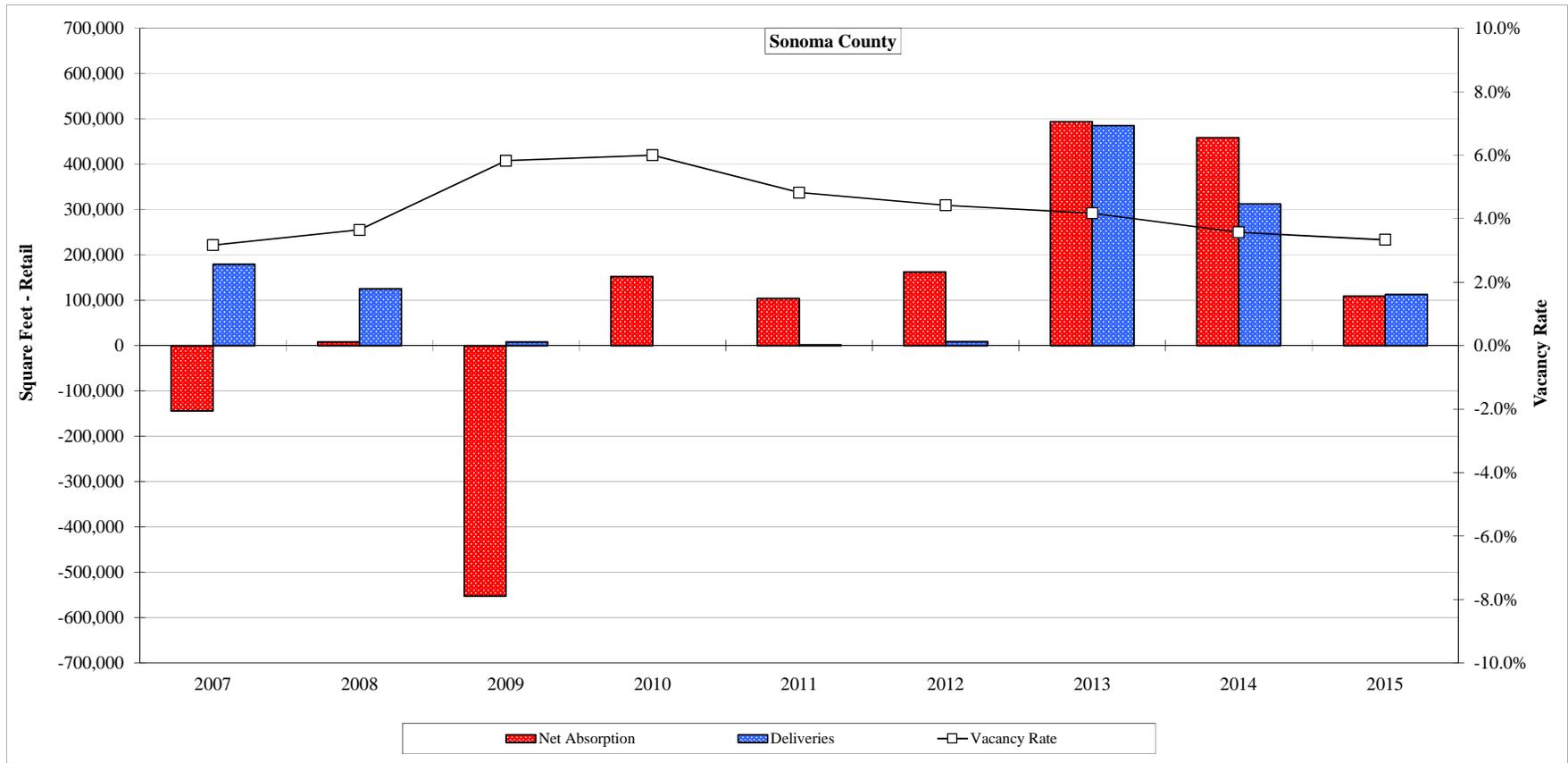


Source: CoStar

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE
SONOMA COUNTY, CALIFORNIA
2007 THROUGH 2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015
<i>Sonoma County</i>									
Rental Building Area	23,883,293	24,002,645	24,047,463	24,039,173	23,986,268	23,981,878	24,212,254	24,577,720	24,834,091
Net Absorption	(143,602)	8,088	(552,622)	152,328	104,274	162,776	493,636	458,697	109,100
Deliveries	179,349	125,309	8,101	0	1,799	8,500	485,422	312,329	113,045
Total Vacancy Rate	3.2%	3.6%	5.8%	6.0%	4.8%	4.4%	4.2%	3.6%	3.3%
Vacant SF	756,806	875,139	1,400,407	1,442,950	1,156,458	1,059,575	1,009,923	877,824	828,635

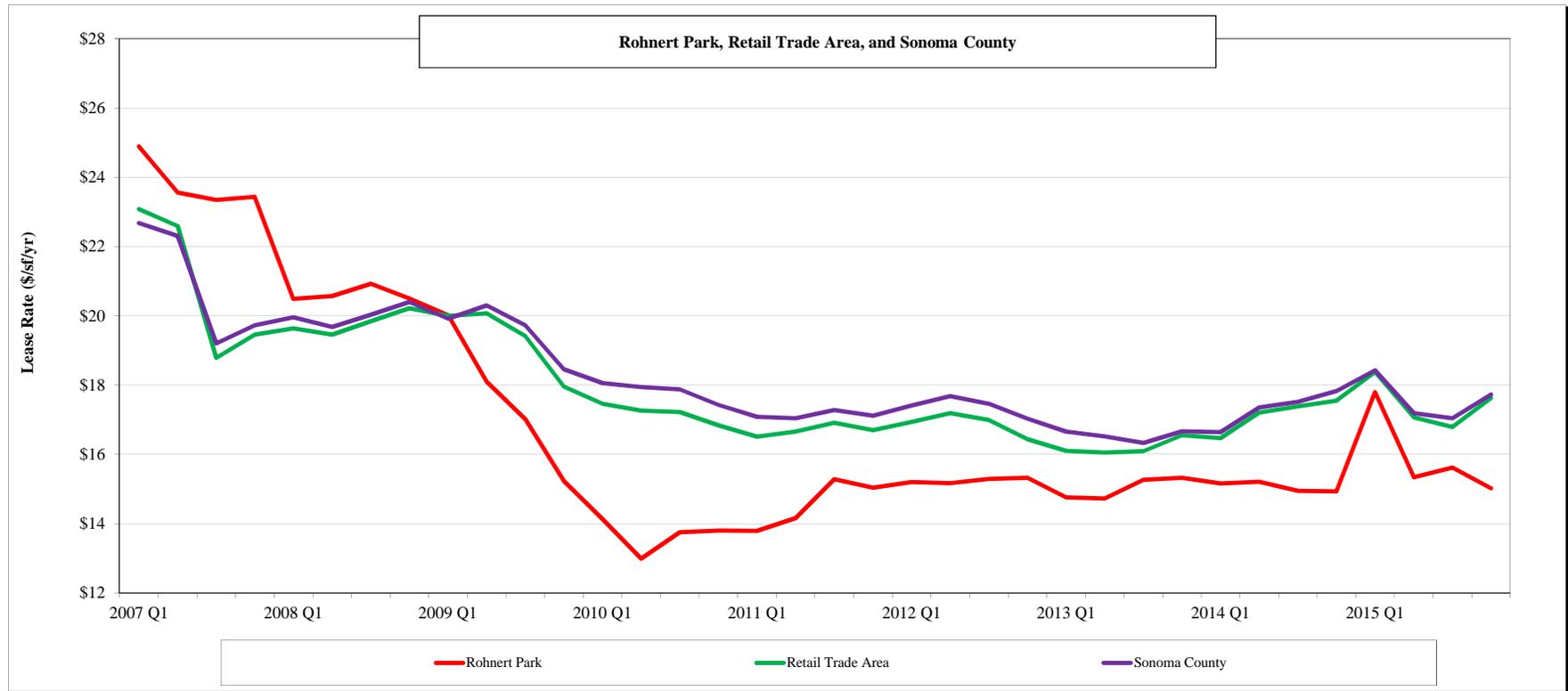


Source: CoStar

EXHIBIT I-5

RETAIL MACRO MARKET PERFORMANCE
ROHNERT PARK, RETAIL TRADE AREA, AND SONOMA COUNTY
2007 THROUGH 2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rohnert Park									
Rental Rate (Direct)	\$23.81	\$20.62	\$17.59	\$13.67	\$14.57	\$15.25	\$15.02	\$15.06	\$15.95
YY % Change	--	-13%	-15%	-22%	7%	5%	-1%	0%	6%
Retail Trade Area									
Rental Rate (Direct)	\$20.98	\$19.79	\$19.36	\$17.20	\$16.70	\$16.89	\$16.20	\$17.16	\$17.47
YY % Change	--	-6%	-2%	-11%	-3%	1%	-4%	6%	2%
Sonoma County									
Rental Rate (Direct)	\$20.98	\$20.02	\$19.60	\$17.83	\$17.13	\$17.40	\$16.55	\$17.34	\$17.60
YY % Change	--	-5%	-2%	-9%	-4%	2%	-5%	5%	2%

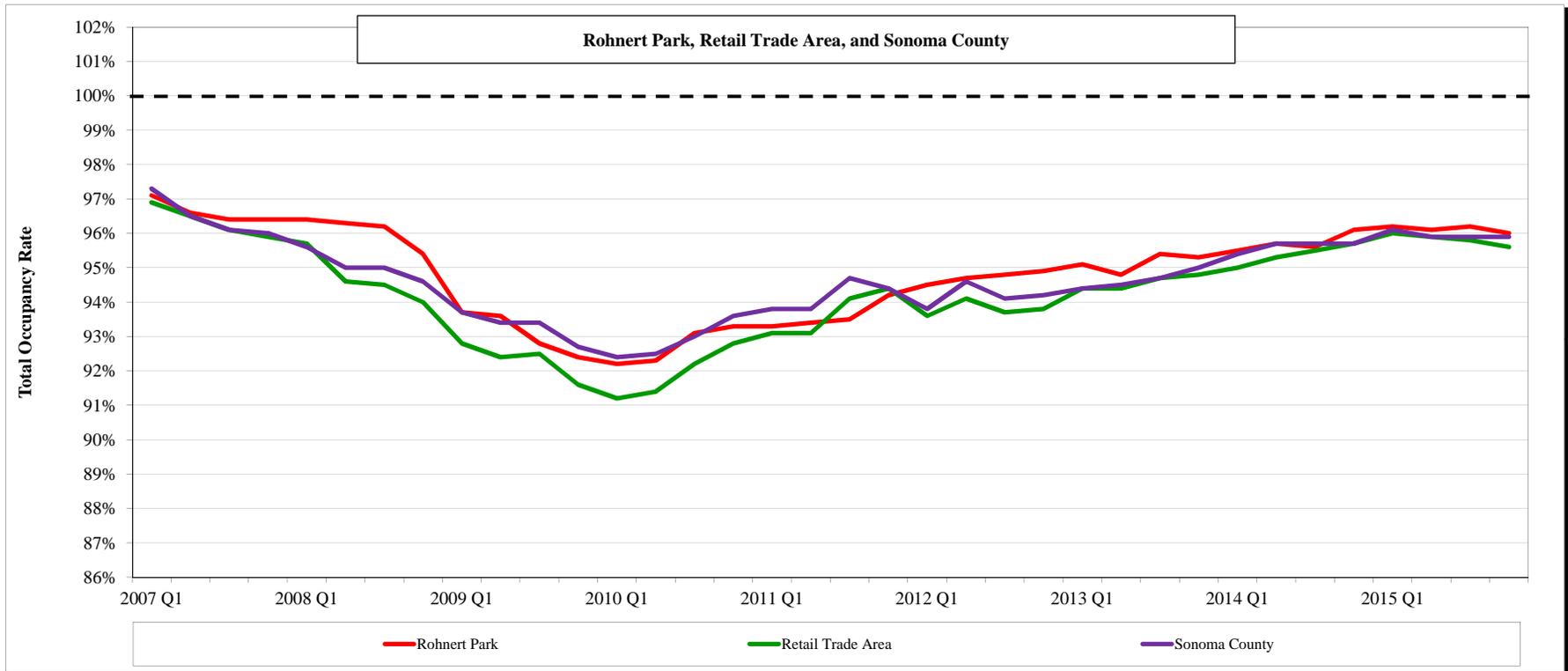


Source: CoStar

EXHIBIT I-5

RETAIL MACRO MARKET PERFORMANCE
ROHNERT PARK, RETAIL TRADE AREA, AND SONOMA COUNTY
2007 THROUGH 2015

Market Factor	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rohnert Park									
Occ. Rate (Total)	95.8%	94.2%	92.6%	91.6%	91.5%	93.1%	92.3%	93.5%	94.5%
Y/Y Change	--	1.6%	1.6%	1.0%	0.2%	-1.6%	0.8%	-1.2%	-1.1%
Retail Trade Area									
Occ. Rate (Total)	96.6%	94.7%	92.3%	91.9%	93.7%	93.7%	94.5%	95.3%	95.8%
Y/Y Change	--	1.9%	2.4%	0.4%	-1.8%	0.0%	-0.8%	-0.8%	-0.5%
Sonoma County									
Occ. Rate (Total)	96.6%	94.7%	92.3%	91.9%	93.7%	93.7%	94.5%	95.3%	95.8%
Y/Y Change	--	1.9%	2.4%	0.4%	-1.8%	0.0%	-0.8%	-0.8%	-0.5%



Source: CoStar

EXHIBIT I-6
SELECTED COMPETITIVE INVENTORY
RETAIL TRADE AREA
MARCH 2016

Retail	Owner/Manager	Anchor Tenant	Year Built	Building RBA	Direct Available	Occupancy	Rent\$/s.f.		Lease Type
							/month	/year	
Rohnert Park									
Park Plaza	Caltex Equities	Safeway	1973	95,000	5,656	94%	\$2.75	\$33.00	NNN
Building D	Sunhill Corporation	NA	1975	7,088	2,760	61%	2.50	30.00	NNN
Bldg B	Sunhill Corporation	NA	1975	20,775	14,227	32%	2.06	24.74	NNN
Bldg B	Sunhill Corporation	NA	1975	20,775	14,227	32%	2.06	24.74	NNN
Bldgs C & D	Kleebauer Family Trust	NA	--	12,000	1,500	88%	2.00	24.00	NNN
5979 Commerce Blvd	Sevenau Robert K	NA	1973	16,588	1,644	90%	2.00	24.00	NNN*
6480 Redwood Dr	Codding Enterprises	NA	1979	5,900	5,900	0%	1.69	20.28	NNN
University Square Shopping Center	First Union Investments LLC	NA	1997	14,530	--	--	1.54	18.48	NNN*
150-190 Raleys Towne Ctr	Codding Enterprises	Raley's Market	1980	79,332	2,344	97%	1.50	18.00	NNN
93-121 Southwest Blvd	Veale Kirk	NA	1971	10,650	1,500	86%	1.50	18.00	NNN*
8220 Old Redwood Hwy	Ashbury Investments Llc	NA	1954	2,825	2,825	0%	1.45	17.40	NNN*
6590 Commerce Blvd	Cynthia S. Christopher	NA	1978	9,230	3,538	62%	1.30	15.60	NNN
620-640 Raleys Towne Ctr	Codding Enterprises	NA	1980	8,536	6,000	30%	1.30	15.60	NNN
5700-5708 Commerce Blvd	Brian Muller	NA	1974	9,500	3,800	60%	1.25	15.00	NNN
8270-8282 Old Redwood Hwy	Cotati Gateway Llc	NA	--	19,000	1,830	90%	1.25	15.00	NNN
1451 Southwest Blvd	Executive Inn Inc	NA	1988	31,215	9,985	68%	1.25	15.00	NNN
1 Padre Pky	Allen Guggenheim	NA	1977	13,123	6,572	50%	1.25	15.00	NNN*
470-476 Rohnert Park Expy W	Goodwill Industries International, Inc.	NA	1989	27,125	3,125	88%	1.20	14.40	NNN*
5350 Commerce Blvd	Marie Lagomarsino	NA	1981	13,024	1,185	91%	1.15	13.80	NNN
6490 Redwood Dr	Codding Enterprises	NA	--	5,070	5,070	0%	1.15	13.80	NNN
7665-8252 Old Redwood Hwy	Flad Ward Beecher Tr & Feigal	NA	1964	14,000	4,600	67%	1.13	13.50	NNN*
Grapevine Center	Terra Verde Commercial	NA	1980	15,096	6,775	55%	1.00	12.00	NNN
177-239 Southwest Blvd	Irming-geissler R Living Trust	NA	1961	28,828	12,000	58%	1.00	12.00	NNN
Sonoma Valley Plaza	Valley Furniture	Valley Furniture	1975	67,000	3,000	96%	0.85	10.20	NNN*
6591-6599 Commerce Blvd	Individually Owned	NA	1973	50,374	15,000	70%	0.75	9.00	NNN
Bldg E	Sunhill Enterprises, Lp	NA	1975	7,088	7,088	0%	0.75	9.00	NNN
5195 Redwood Dr	Tiffany Manor	NA	1994	46,000	46,000	0%	0.75	9.00	NNN
Rohnert Park Total:		27 Listings		649,672	188,151	71%			
Rohnert Park Wtd. Average:			1978	24,062	7,237	70%	\$1.47	\$17.64	
Petaluma									
Midtown Shopping Center	Gail Silva	NA	1957	7,200	1,460	80%	\$2.70	\$32.43	NNN
351-389 S McDowell Blvd	Fulcrum - 1600 H	NA	1971	87,954	58,805	33%	2.59	31.12	NNN
389 S McDowell Blvd	Fulcrum - 1600 H	NA	2001	63,467	3,941	94%	2.50	30.00	NNN
2620 Lakeville Hwy	Alvin B Chan Inc	NA	2008	12,186	950	92%	2.25	27.00	NNN
Bldg C, D & CVS	Syers Properties I Lp	CVS Pharmacy	1985	47,407	1,406	97%	2.25	27.00	NNN
1420-1430 E Washington St	Fulcrum - 1600 H	NA	--	8,758	3,941	55%	2.25	27.00	NNN
5101 Montero Way	Theresa F R Teuma 2009 Trust	NA	1978	4,836	4,836	0%	2.07	24.84	NNN
701 Sonoma Mountain Pky	Parkway Petaluma Llc	NA	2000	10,041	2,788	72%	2.00	24.00	NNN
McNear Building	Historical Restoration & Dev Co	NA	1911	36,937	--	--	2.31	27.66	NNN*
1355-1361 N McDowell Blvd	Redwood Gateway Llc	Michaels	2004	49,829	10,800	78%	1.75	21.00	NNN
Great Petaluma Mill	MKD Great Petaluma Mill LLC	NA	1976	43,000	2,361	95%	2.16	25.90	NNN*
1410 S McDowell Blvd	Gary Stokes	NA	1985	5,587	1,200	79%	1.65	19.80	NNN
18-24 Western Ave	Total Jimmy & Odette	NA	1948	8,388	150	98%	2.00	24.00	NNN*
The Drees Building	Premo 1997 Trust	NA	1942	7,450	1,143	85%	2.00	24.00	NNN*
440 E Washington St	Salkhi Ali	NA	2013	7,137	1,113	84%	1.95	23.40	NNN*
Bldg C - Town Center	Basin Street Properties	NA	1940	20,010	1,313	93%	1.50	18.00	NNN
River Plaza	Basin Street Properties	NA	1974	28,579	7,585	73%	1.50	18.00	NNN
127-129 Keller St	Alfonso & Rosa M Barahona	NA	1952	4,766	1,636	66%	1.75	21.00	NNN*
109 Kentucky St	Thomas Mark A Tr & Thomas Tere	NA	1941	18,722	18,722	0%	1.75	21.00	NNN*
21 Washington St	Kangela Llc	NA	1966	2,900	2,880	1%	1.75	21.00	NNN*
In Line Stores	LJJ II, LLC	NA	1978	15,600	2,638	83%	1.34	16.09	NNN
850-860 Petaluma Blvd	Beverly B & Beverly B Swain	NA	1988	22,082	540	98%	1.50	18.00	NNN*
River Plaza	Basin Street Properties	NA	1974	28,579	7,585	73%	1.50	18.00	NNN
345 Lakeville St	Daniel C & Carolyn D Torliatt	NA	1986	5,200	5,200	0%	1.00	12.00	NNN
830 Perry Ln	John M. Pope	NA	2008	4,217	4,217	0%	1.25	15.00	NNN*
1375 Petaluma Blvd N	Machado Luis F Tr & Cindylee S	NA	1942	4,740	4,740	0%	1.25	15.00	NNN*
264-270 N Petaluma Blvd	David Martinelli	NA	1914	15,300	4,050	74%	1.25	15.00	NNN*
90 Sycamore Ln	Sycamore Star Llc	NA	2007	5,760	2,100	64%	0.96	11.52	NNN*
Petaluma Total:		28 Listings		576,632	158,100	73%			
Petaluma Wtd. Average:			1974	20,594	5,856	72%	\$2.02	\$24.29	

EXHIBIT I-6
SELECTED COMPETITIVE INVENTORY
RETAIL TRADE AREA
MARCH 2016

Retail	Owner/Manager	Anchor Tenant	Year Built	Building RBA	Direct Available	Occupancy	Rent\$/s.f.		Lease Type
							/month	/year	
Santa Rosa									
Orchard Supply Hardware	Red Mountain Retail Group, Inc.	NA	1963	42,646	2,500	94%	\$3.75	\$45.00	NNN
6599 Montecito Blvd	Kazemini Family Trust	NA	--	6,133	1,400	77%	3.75	45.00	NNN*
1240 Mendocino Ave	Dargenzio R & K Family Trust	NA	1968	2,300	2,300	0%	3.45	41.40	NNN
Fontaingrove I	Double AA Corporation	NA	2006	20,160	1,980	90%	3.00	36.00	NNN
750 Stony Point Rd	Strouzas B F Living Trust	NA	--	10,631	2,005	81%	3.00	36.00	NNN
1901 Mendocino Ave	D & M Dargenzio Family Trust	NA	1967	3,900	3,900	0%	2.85	34.20	NNN
1250 Mendocino Ave	Ronchelli Living Trust	NA	1967	8,800	8,800	0%	2.55	30.60	NNN
4745 Old Redwood Hwy	Pete & Hanan Mogannam	NA	2006	4,000	1,250	69%	2.20	26.40	NNN*
1440 Townview Ln	Townview	NA	1976	4,671	4,671	0%	2.15	25.80	NNN
Marlow Center	Marlow Partners, LLC	Rite Aid	1985	25,300	1,450	94%	2.05	24.60	NNN
4372-4374 Sonoma Hwy	Ted Robbins	NA	1949	6,578	1,841	72%	2.01	24.11	NNN*
701 4th St	Naber Raja & Zahia 2010 Trust	NA	1910	8,108	700	91%	2.00	24.00	NNN
Mission Plaza	Richard Seeley	NA	1998	6,000	1,614	73%	2.00	24.00	NNN
465-479 Stony Point Rd	Wisely Robert W & Mary J Trust	NA	1981	9,000	1,250	86%	2.00	24.00	NNN
Fontaingrove II	Double AA Corporation	NA	2008	2,876	2,774	4%	2.00	24.00	NNN*
Mission Plaza	Richard Seeley	NA	1998	6,000	1,614	73%	2.00	24.00	NNN
397 Aviation Blvd	Airport Business Center LP	NA	1995	14,826	10,142	32%	1.95	23.40	NNN
3565-3589 Industrial Dr	Ostlund Trust	NA	1983	19,976	2,680	87%	1.95	23.38	NNN*
509 7th St	George W Jones Jr	NA	--	6,800	3,100	54%	1.94	23.22	NNN*
353 College Ave	Gates 2010 Trust	NA	1962	3,300	3,300	0%	1.90	22.80	NNN
733-741 4th St	Richard H Walt	NA	1946	17,075	9,435	45%	1.75	21.00	NNN
521 4th St	Ratto Lance & Nancy 2007 Trust	NA	1977	10,991	807	93%	1.75	21.00	NNN*
5855 Sonoma Hwy	Gawfco Enterprises Inc	NA	1998	10,800	1,206	89%	1.75	21.00	NNN*
1585-1623 Terrace Way	Souza Janero J TR & Joan E TR	NA	1950	8,050	1,499	81%	1.69	20.28	NNN
Plaza El Portal	Michelle Yap	NA	1986	18,564	2,562	86%	1.67	20.04	NNN*
Rosewood Village	Alioto Fish Company, LTD.	NA	1988	49,892	12,273	75%	1.65	19.80	NNN
1940 Piner Rd	John Romero Enterprises	NA	1989	9,740	1,500	85%	1.65	19.80	NNN
825-835 4th St	JP Morgan Chase	NA	1961	31,594	1,881	94%	1.65	19.80	NNN*
1331 Guerneville Rd	Sami & Suad Khoury Lic	NA	1985	33,846	8,500	75%	1.60	19.20	NNN
3125 Cleveland Ave	Lakeside Leasing Inc	NA	1965	4,480	4,480	0%	1.50	18.00	NNN
Avenue Shoppes	Brekke Carmann L & Donna M	NA	1990	19,398	2,440	87%	1.50	18.00	NNN
2805-2835 Santa Rosa Ave	Arikat's Real Estate And Finance	Pacific Sales	1999	78,271	27,135	65%	1.50	18.00	NNN
1200 4th St	Theile James A & Christine A	NA	1925	2,538	2,538	0%	1.50	18.00	NNN*
Last Day Saloon	Gregory M & Elizabeth D Clark	NA	1923	8,000	8,000	0%	1.50	18.00	NNN*
955 Santa Rosa Ave	Issa Shokeh	NA	1946	14,340	4,000	72%	1.50	17.99	NNN*
4927 Sonoma Hwy	Pasini Gianni C & Virginia F	NA	1988	6,676	891	87%	1.45	17.40	NNN*
1911 Santa Rosa Ave	Basso Karen L Living Trust	NA	1964	6,000	3,000	50%	1.40	16.80	NNN
531 W College Ave	Caitlin M & Patrick R Gleason	NA	1962	4,967	4,967	0%	1.35	16.20	NNN*
Bellevue Plaza	Sarandeep & Gurpreet Mandair	NA	2003	10,343	2,676	74%	1.30	15.60	NNN
1620 Mendocino Ave	Commercial Management Group/Next Investme	NA	1997	5,000	1,101	78%	1.25	15.00	NNN
Big Oak Plaza	Ruth E Dallman	NA	1985	27,560	800	97%	1.25	15.00	NNN*
Kings Bldg	800 Piner Rd Investors	NA	1967	44,862	5,680	87%	1.25	15.00	NNN*
1240 Petaluma Hill Rd	Andrew Woodford & Pauline F Guanella	NA	1936	5,600	5,600	0%	1.16	13.92	NNN*
Cleveland Square Shopping Center	Parkway Properties, Inc.	NA	1980	16,591	4,237	74%	1.13	13.50	NNN
1064 Santa Rosa Ave	Stanley Rosenberg	NA	1961	20,000	9,077	55%	1.10	13.20	NNN*
589 Mendocino Ave	Ed Schwartz & Ruth Rosenthal	NA	1978	8,232	1,668	80%	1.08	12.98	NNN*
3451 Airway Dr	Leonardi Properties	NA	1987	13,389	2,684	80%	1.00	12.00	NNN
925 Corporate Center Pky	Eckhart Corporation	NA	2005	13,810	3,717	73%	1.00	12.00	NNN
Hopper Square	Banda Family Ltd Ptp	NA	1989	12,000	1,250	90%	1.00	12.00	NNN
501-505 Mendocino Ave	Gerald Michael Buhrz Living Trust	NA	1925	15,647	6,000	62%	1.00	12.00	NNN
540 Mendocino Ave	CinemaTECS	NA	1924	4,500	1,000	78%	1.00	12.00	NNN*
Roseland Shopping Center	Roseland Village	NA	1957	15,600	2,000	87%	1.00	12.00	NNN*
Forever 21	2005-c4 Dmm Portfolio Props LI	Forever 21	1981	90,348	47,610	47%	0.75	9.00	NNN
Santa Rosa Total:		53 Listings		850,709	251,485	70%			
Santa Rosa Wtd. Average:			1977	16,051	4,745	70%	\$1.60	\$19.23	
Retail Trade Area Total:									
Retail Trade Area Total:		108 Listings		2,077,013	597,736	71%			
Retail Trade Area Wtd. Average:			1977	19,232	5,639	71%	\$1.68	\$20.14	

Note: NNN* = lease type adjusted to triple net from modified gross or full service in order to facilitate direct comparison.
Note: Full Service Gross* = lease type adjusted to triple net from modified gross or full service in order to facilitate direct comparison.

EXHIBIT I-7

INVENTORY MAP
RETAIL TRADE AREA
MARCH 2016

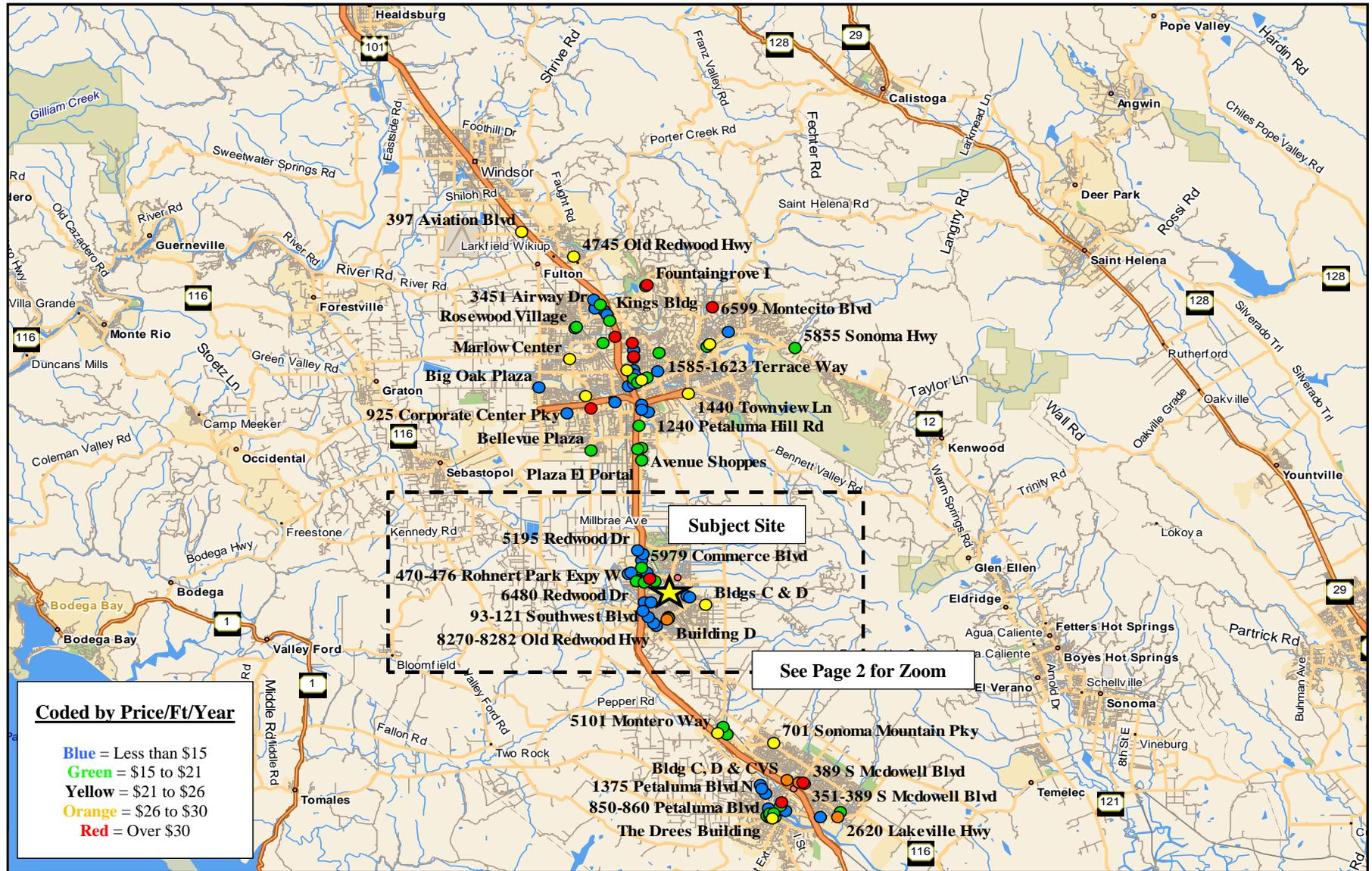


EXHIBIT I-7
INVENTORY MAP
RETAIL TRADE AREA
MARCH 2016



EXHIBIT I-8

PROJECTED FUTURE SUPPLY - RETAIL
RETAIL TRADE AREA
MARCH 2016

I. Submarket Overview

Status	Retail Trade Area
Under Construction	20,500
Approved	287,769
Proposed	124,478
Conceptual	160,000
Inactive	22,500
TOTAL	615,247

II. Future Delivery Projection - RTA

Status	Completion Likelihood	Planned and Proposed Projected Delivery (% of Likely Completions)				
		2016	2017	2018	2019	2020+
Under Construction	100%	76%	24%	0%	0%	0%
Approved	95%	0%	5%	39%	56%	0%
Proposed	80%	0%	28%	8%	64%	0%
Conceptual	70%	0%	0%	0%	0%	100%
Inactive	30%	0%	0%	0%	100%	0%

Status	Total Pipeline	Proj. Units Completed	Approximate RBA Delivery Schedule				
			2016	2017	2018	2019	2020+
Under Construction	20,500	20,500	15,500	5,000	0	0	0
Approved	287,769	273,381	0	13,291	107,614	152,475	0
Proposed	124,478	99,582	0	28,000	7,600	63,982	0
Conceptual	160,000	112,000	0	0	0	0	112,000
Inactive	22,500	6,750	0	0	0	6,750	0
Non-Site Total:	615,247	512,213	15,500	46,291	115,214	223,207	112,000

III. Future Delivery Projection - Rohnert Park

Status	Completion Likelihood	Planned and Proposed Projected Delivery (% of Likely Completions)				
		2016	2017	2018	2019	2020+
Under Construction	100%	0%	0%	0%	0%	0%
Approved	95%	0%	0%	0%	0%	0%
Proposed	80%	0%	0%	0%	0%	0%
Conceptual	70%	0%	0%	0%	0%	100%
Inactive	30%	0%	0%	0%	0%	0%

Status	Total Pipeline	Proj. Units Completed	Approximate RBA Delivery Schedule				
			2016	2017	2018	2019	2020+
Under Construction	0	0	0	0	0	0	0
Approved	0	0	0	0	0	0	0
Proposed	0	0	0	0	0	0	0
Conceptual	0	112,000	0	0	0	0	112,000
Inactive	0	0	0	0	0	0	0
Non-Site Total:	0	112,000	0	0	0	0	112,000

EXHIBIT I-9

PROJECTED FUTURE SUPPLY - RETAIL
 RETAIL TRADE AREA
 MARCH 2016



EXHIBIT I-10

**CONSUMER SPENDING CAPACITY - RETAIL
RETAIL TRADE AREA
MARCH 2016**

2016 Population:	Rohnert Park :	50,006
	Retail Trade Area :	289,262
	Sonoma County :	506,467

Spending Category	Target Market		Consumer Spending Capacity		
	Radius	Pop.	Total	Per Capita	Share*
GAFO (1)					
Other General Merchandise	Retail Trade Area	289,262	\$340,292,211	\$1,176	11%
Department Stores	Retail Trade Area	289,262	247,450,718	855	8%
Furniture	Retail Trade Area	289,262	104,522,988	361	3%
Sporting Goods/Hobby	Retail Trade Area	289,262	79,580,041	275	3%
Books & Music	Retail Trade Area	289,262	14,480,873	50	0%
Office Supplies, Gift Stores	Retail Trade Area	289,262	66,793,032	231	2%
Electronics/Appliances	Retail Trade Area	289,262	96,398,958	333	3%
Clothing & Accessories	Retail Trade Area	289,262	241,446,830	835	8%
GAFO Total:			\$1,190,965,651	\$4,117	39%
Non-GAFO					
Eating & Drinking Places	Retail Trade Area	289,262	\$274,736,228	\$950	9%
Misc. Stores	Retail Trade Area	289,262	131,749,469	455	4%
Health & Personal Care	Retail Trade Area	289,262	271,741,864	939	9%
Building/Garden Materials	Retail Trade Area	289,262	528,616,079	1,827	17%
Food & Beverage	Retail Trade Area	289,262	680,867,447	2,354	22%
Non-GAFO Total:			\$1,887,711,087	\$6,526	61%
Total Excl. Vehicle/Gas/Non-Store:			\$3,078,676,738	\$10,643	100%
Gas/Motor Vehicle/Non-Store					
Gas Stations	Retail Trade Area	289,262	\$373,432,758	\$1,291	NA
Other Non-Store Retailers	Retail Trade Area	289,262	441,482,697	1,526	14%
Motor Vehicle	Retail Trade Area	289,262	982,365,668	3,396	NA
Gas/Motor Vehicle/Non-Store Total:			\$1,797,281,123	\$6,213	NA
Total:			\$4,875,957,861	\$16,857	NA

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

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

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

Source: Claritas Data Systems (2016 Data)

EXHIBIT I-10

**CONSUMER SPENDING CAPACITY - RETAIL
ROHNERT PARK
MARCH 2016**

2016 Population:	Rohnert Park :	50,006
	Retail Trade Area :	289,262
	Sonoma County :	506,467

Spending Category	Target Market		Consumer Spending Capacity		
	Radius	Pop.	Total	Per Capita	Share*
GAFO (1)					
Other General Merchandise	Rohnert Park	50,006	\$58,859,604	\$1,177	11%
Department Stores	Rohnert Park	50,006	41,939,682	839	8%
Furniture	Rohnert Park	50,006	17,545,992	351	3%
Sporting Goods/Hobby	Rohnert Park	50,006	13,939,115	279	3%
Books & Music	Rohnert Park	50,006	2,664,558	53	1%
Office Supplies, Gift Stores	Rohnert Park	50,006	11,585,194	232	2%
Electronics/Appliances	Rohnert Park	50,006	16,894,061	338	3%
Clothing & Accessories	Rohnert Park	50,006	41,929,928	838	8%
GAFO Total:			\$205,358,134	\$4,107	39%
Non-GAFO					
Eating & Drinking Places	Rohnert Park	50,006	\$48,602,988	\$972	9%
Misc. Stores	Rohnert Park	50,006	23,462,038	469	4%
Health & Personal Care	Rohnert Park	50,006	44,037,438	881	8%
Building/Garden Materials	Rohnert Park	50,006	89,620,874	1,792	17%
Food & Beverage	Rohnert Park	50,006	119,598,349	2,392	23%
Non-GAFO Total:			\$325,321,687	\$6,506	61%
Total Excl. Vehicle/Gas/Non-Store:			\$530,679,821	\$10,612	100%
Gas/Motor Vehicle/Non-Store					
Gas Stations	Rohnert Park	50,006	\$67,504,388	\$1,350	NA
Other Non-Store Retailers	Rohnert Park	50,006	75,324,571	1,506	14%
Motor Vehicle	Rohnert Park	50,006	175,984,129	3,519	NA
Gas/Motor Vehicle/Non-Store Total:			\$318,813,088	\$6,375	NA
Total:			\$849,492,909	\$16,988	NA

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

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

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

Source: Claritas Data Systems (2016 Data)

EXHIBIT I-11

RETAIL OPPORTUNITY GAPS
RETAIL TRADE AREA
MARCH 2016

Spending Category	Target Market		Consumer Spending			
	Radius	Pop.	Consumer Demand	Actual Sales	Gap \$	Gap %
GAFO (1)						
Other General Merchandise	Retail Trade Area	289,262	\$340,292,211	\$120,145,290	\$220,146,921	65%
Department Stores	Retail Trade Area	289,262	247,450,718	566,776,172	(319,325,454)	-129%
Furniture	Retail Trade Area	289,262	104,522,988	70,332,875	34,190,113	33%
Sporting Goods/Hobby	Retail Trade Area	289,262	79,580,041	53,653,695	25,926,346	33%
Books & Music	Retail Trade Area	289,262	14,480,873	\$18,046,855	(\$3,565,982)	-25%
Office Supplies, Gift Stores	Retail Trade Area	289,262	66,793,032	45,828,844	20,964,188	31%
Electronics/Appliances	Retail Trade Area	289,262	96,398,958	100,334,034	(3,935,076)	-4%
Clothing & Accessories	Retail Trade Area	289,262	241,446,830	275,562,129	(34,115,299)	-14%
GAFO Total:			\$1,190,965,651	\$1,250,679,894	(\$59,714,243)	-5%
Non-GAFO						
Eating & Drinking Places	Retail Trade Area	289,262	\$274,736,228	\$268,162,515	\$6,573,713	2%
Misc. Stores	Retail Trade Area	289,262	131,749,469	100,937,450	30,812,019	23%
Health & Personal Care	Retail Trade Area	289,262	271,741,864	204,742,892	66,998,972	25%
Building/Garden Materials	Retail Trade Area	289,262	528,616,079	516,522,255	12,093,824	2%
Food & Beverage	Retail Trade Area	289,262	680,867,447	645,842,161	35,025,286	5%
Non-GAFO Total:			\$1,887,711,087	\$1,736,207,273	\$151,503,814	8%
Total Excl. Vehicle/Gas/Non-Store:			\$3,078,676,738	\$2,986,887,167	\$91,789,571	3%
Outflow Categories:			\$2,478,899,359	\$2,026,167,977	\$452,731,382	18%
Gas/Motor Vehicle/Non-Store						
Gas Stations	Retail Trade Area	289,262	\$373,432,758	\$348,386,497	\$25,046,261	7%
Other Non-Store Retailers (2)	Retail Trade Area	289,262	441,482,697	461,439,829	(19,957,132)	-5%
Motor Vehicle	Retail Trade Area	289,262	982,365,668	525,704,850	456,660,818	46%
Gas/Motor Vehicle/Non-Store Total:			\$1,797,281,123	\$1,335,531,176	\$461,749,947	26%
Total:			\$4,875,957,861	\$4,322,418,343	\$553,539,518	11%

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

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

Note: Gray = categories with spending gap

EXHIBIT I-11

RETAIL OPPORTUNITY GAPS
ROHNERT PARK
MARCH 2016

Spending Category	Target Market		Consumer Spending			
	Radius	Pop.	Consumer Demand	Actual Sales	Gap	
					\$	%
GAFO (1)						
Other General Merchandise	Rohnert Park	50,006	\$58,859,604	\$20,931,580	\$37,928,024	64%
Department Stores	Rohnert Park	50,006	41,939,682	69,483,434	(27,543,752)	-66%
Furniture	Rohnert Park	50,006	17,545,992	8,802,150	8,743,842	50%
Sporting Goods/Hobby	Rohnert Park	50,006	13,939,115	4,819,206	9,119,909	65%
Books & Music	Rohnert Park	50,006	2,664,558	1,038,553	1,626,005	61%
Office Supplies, Gift Stores	Rohnert Park	50,006	11,585,194	4,251,852	7,333,342	63%
Electronics/Appliances	Rohnert Park	50,006	16,894,061	12,683,175	4,210,886	25%
Clothing & Accessories	Rohnert Park	50,006	41,929,928	13,156,285	28,773,643	69%
GAFO Total:			\$205,358,134	\$135,166,235	\$70,191,899	34%
Non-GAFO						
Eating & Drinking Places	Rohnert Park	50,006	\$48,602,988	\$52,925,913	(\$4,322,925)	-9%
Misc. Stores	Rohnert Park	50,006	23,462,038	14,650,454	8,811,584	38%
Health & Personal Care	Rohnert Park	50,006	44,037,438	23,585,766	20,451,672	46%
Building/Garden Materials	Rohnert Park	50,006	89,620,874	143,966,073	(54,345,199)	-61%
Food & Beverage	Rohnert Park	50,006	119,598,349	115,526,684	4,071,665	3%
Non-GAFO Total:			\$325,321,687	\$350,654,890	(\$25,333,203)	-8%
Total Excl. Vehicle/Gas/Non-Store:			\$530,679,821	\$485,821,125	\$44,858,696	8%
Outflow Categories:			\$350,516,277	\$219,445,705	\$131,070,572	37%
Gas/Motor Vehicle/Non-Store						
Gas Stations	Rohnert Park	50,006	\$67,504,388	\$40,563,537	\$26,940,851	40%
Other Non-Store Retailers	(2) Rohnert Park	50,006	75,324,571	44,979,941	30,344,630	40%
Motor Vehicle	Rohnert Park	50,006	175,984,129	19,402,424	156,581,705	89%
Gas/Motor Vehicle/Non-Store Total:			\$318,813,088	\$104,945,902	\$213,867,186	67%
Total:			\$849,492,909	\$590,767,027	\$258,725,882	30%

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

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

Note: Gray = categories with spending gap

EXHIBIT I-12

SUPPORTABLE RETAIL DEVELOPMENT FORECAST
 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)								
Other General Merchandise	\$340,292,211	\$120,145,290	35%		\$220,146,921	733,823	15%	110,073
Department Stores	247,450,718	566,776,172	229%		(319,325,454)	0	-----No Net Increase-----	
Furniture	104,522,988	70,332,875	67%		34,190,113	113,967	15%	17,095
Sporting Goods/Hobby	79,580,041	53,653,695	67%		25,926,346	86,421	15%	12,963
Books & Music	14,480,873	18,046,855	125%		(3,565,982)	0	-----No Net Increase-----	
Office Supplies, Gift Stores	66,793,032	45,828,844	69%		20,964,188	69,881	15%	10,482
Electronics/Appliances	96,398,958	100,334,034	104%		(3,935,076)	0	-----No Net Increase-----	
Clothing & Accessories	241,446,830	275,562,129	114%		(34,115,299)	0	-----No Net Increase-----	
GAFO Total:	\$1,190,965,651	\$1,250,679,894	105%		(\$59,714,243)	1,004,092	15%	150,614
Non-GAFO								
Eating & Drinking Places	\$274,736,228	\$268,162,515	98%		\$6,573,713	21,912	15%	3,287
Misc. Stores	131,749,469	100,937,450	77%		30,812,019	102,707	15%	15,406
Health & Personal Care	271,741,864	204,742,892	75%		66,998,972	223,330	15%	33,499
Building/Garden Materials	528,616,079	516,522,255	98%		12,093,824	40,313	15%	6,047
Food & Beverage	680,867,447	645,842,161	95%		35,025,286	116,751	15%	17,513
Non-GAFO Total:	\$1,887,711,087	\$1,736,207,273	92%		\$151,503,814	505,013	15%	75,752
Gas/Motor Vehicle/Non-Store								
Gas Stations	\$373,432,758	\$348,386,497	93%		\$25,046,261	83,488	-----Not Compatible-----	
Other Non-Store Retailers	441,482,697	461,439,829	105%		(19,957,132)	0	-----No Net Increase-----	
Motor Vehicle	982,365,668	525,704,850	54%		456,660,818	1,522,203	-----Not Compatible-----	
Gas/Motor Vehicle/Non-Store Total:	\$1,797,281,123	\$1,335,531,176	74%		\$461,749,947	1,605,690	0%	0
All Spending Categories:	\$4,875,957,861	\$4,322,418,343	89%	\$300	\$934,438,461	3,114,795	7%	226,366
w/o Gas/Motor Vehicle/Non-Store:	\$3,078,676,738	\$2,986,887,167	97%		\$452,731,382	1,509,105	15%	226,366

(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 Trade Area, an additional portion of demand will come from new population growth, as shown on page 2.

EXHIBIT I-12

SUPPORTABLE RETAIL DEVELOPMENT FORECAST
RETAIL TRADE AREA
5 YEAR TIMEFRAME

II. New Population Growth Demand Potential

Spending Category	Per Capita Spending		New Resident Generated Spending (Retail Trade Area)					Totals
	Num.	Perc.	2016	2017	2018	2019	2020	
New Population Projection			2,760	2,760	2,760	2,760	2,760	13,798
Other General Merchandise	\$1,176	7%	\$3,246,435.36	\$3,246,435	\$3,246,435	\$3,246,435	\$3,246,435.36	\$16,232,177
Department Stores	855	5%	2,360,715	2,360,715	2,360,715	2,360,715	2,360,715	11,803,573
Furniture	361	2%	997,164	997,164	997,164	997,164	997,164	4,985,820
Sporting Goods/Hobby	275	2%	759,205	759,205	759,205	759,205	759,205	3,796,024
Books & Music	50	0%	138,150	138,150	138,150	138,150	138,150	690,748
Office Supplies, Gift Stores	231	1%	637,215	637,215	637,215	637,215	637,215	3,186,074
Electronics/Appliances	333	2%	919,660	919,660	919,660	919,660	919,660	4,598,298
Clothing & Accessories	835	5%	2,303,437	2,303,437	2,303,437	2,303,437	2,303,437	11,517,183
Eating & Drinking Places	950	6%	2,621,022	2,621,022	2,621,022	2,621,022	2,621,022	13,105,111
Misc. Stores	455	3%	1,256,908	1,256,908	1,256,908	1,256,908	1,256,908	6,284,542
Health & Personal Care	939	6%	2,592,455	2,592,455	2,592,455	2,592,455	2,592,455	12,962,277
Building/Garden Materials	1,827	11%	5,043,071	5,043,071	5,043,071	5,043,071	5,043,071	25,215,357
Food & Beverage	2,354	14%	6,495,571	6,495,571	6,495,571	6,495,571	6,495,571	32,477,854
Gas Stations	1,291	8%	3,562,601	3,562,601	3,562,601	3,562,601	3,562,601	17,813,004
Other Non-Store Retailers	1,526	9%	4,211,807	4,211,807	4,211,807	4,211,807	4,211,807	21,059,034
Motor Vehicle	3,396	20%	9,371,906	9,371,906	9,371,906	9,371,906	9,371,906	46,859,530
All Spending Categories:	\$16,857	100%	\$46,517,321	\$46,517,321	\$46,517,321	\$46,517,321	\$46,517,321	\$232,586,605
w/o Gas/Motor Vehicle/Non-Store:	\$10,643	63%	\$29,371,007	\$29,371,007	\$29,371,007	\$29,371,007	\$29,371,007	\$146,855,037
Retail Sales per Square Foot			\$300	\$300	\$300	\$300	\$300	\$300
Total Demand for Retail Space			97,903 sf	97,903 sf	97,903 sf	97,903 sf	97,903 sf	489,517 sf

III. Total Demand

Total 5-year Demand from Opportunity Gaps:	226,366	Annualized assuming 5-year absorption flow of current leakage	→
Total 5-year Demand from New Population Growth:	489,517		
Total 5-year Demand:	715,882		143,176

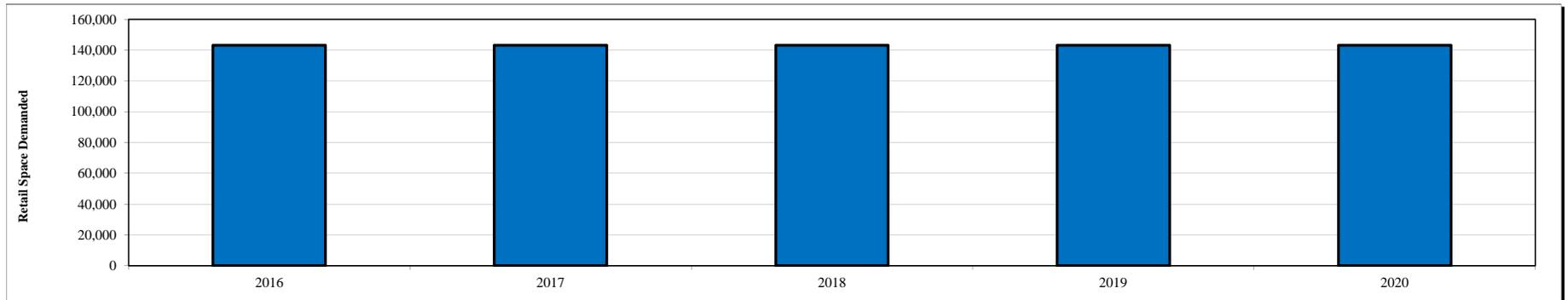


EXHIBIT I-12

SUPPORTABLE RETAIL DEVELOPMENT FORECAST
ROHNERT PARK
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)								
Other General Merchandise	\$58,859,604	\$20,931,580	36%		\$37,928,024	126,427	10%	12,643
Department Stores	41,939,682	69,483,434	166%		(27,543,752)	0	-----No Net Increase-----	
Furniture	17,545,992	8,802,150	50%		8,743,842	29,146	10%	2,915
Sporting Goods/Hobby	13,939,115	4,819,206	35%		9,119,909	30,400	10%	3,040
Books & Music	2,664,558	1,038,553	39%		1,626,005	5,420	10%	542
Office Supplies, Gift Stores	11,585,194	4,251,852	37%		7,333,342	24,444	10%	2,444
Electronics/Appliances	16,894,061	12,683,175	75%		4,210,886	14,036	10%	1,404
Clothing & Accessories	41,929,928	13,156,285	31%		28,773,643	95,912	10%	9,591
GAFO Total:	\$205,358,134	\$135,166,235	66%		\$70,191,899	325,786	10%	32,579
Non-GAFO								
Eating & Drinking Places	\$48,602,988	\$52,925,913	109%		(\$4,322,925)	0	-----No Net Increase-----	
Misc. Stores	23,462,038	14,650,454	62%		8,811,584	29,372	10%	2,937
Health & Personal Care	44,037,438	23,585,766	54%		20,451,672	68,172	10%	6,817
Building/Garden Materials	89,620,874	143,966,073	161%		(54,345,199)	0	-----No Net Increase-----	
Food & Beverage	119,598,349	115,526,684	97%		4,071,665	13,572	10%	1,357
Non-GAFO Total:	\$325,321,687	\$350,654,890	108%		(\$25,333,203)	111,116	10%	11,112
Gas/Motor Vehicle/Non-Store								
Gas Stations	\$67,504,388	\$40,563,537	60%		\$26,940,851	89,803	-----Not Compatible-----	
Other Non-Store Retailers	75,324,571	44,979,941	60%		30,344,630	101,149	10%	10,115
Motor Vehicle	175,984,129	19,402,424	11%		156,581,705	521,939	-----Not Compatible-----	
Gas/Motor Vehicle/Non-Store Total:	\$318,813,088	\$104,945,902	33%		\$213,867,186	712,891	1%	10,115
All Spending Categories:	\$849,492,909	\$590,767,027	70%	\$300	\$344,937,758	1,149,793	5%	53,805
w/o Gas/Motor Vehicle/Non-Store:	\$530,679,821	\$485,821,125	92%		\$131,070,572	436,902	10%	43,690

(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 Trade Area, an additional portion of demand will come from new population growth, as shown on page 2.

EXHIBIT I-12

SUPPORTABLE RETAIL DEVELOPMENT FORECAST
ROHNERT PARK
5 YEAR TIMEFRAME

II. New Population Growth Demand Potential

Spending Category	Per Capita Spending		New Resident Generated Spending (Retail Trade Area)					Totals
	Num.	Perc.	2016	2017	2018	2019	2020	
New Population Projection			397	397	397	397	397	1,983
Other General Merchandise	1,177	7%	\$466,818.36	\$466,818	\$466,818	\$466,818	\$466,818.36	\$2,334,092
Department Stores	839	5%	332,626	332,626	332,626	332,626	332,626	1,663,128
Furniture	351	2%	139,158	139,158	139,158	139,158	139,158	695,791
Sporting Goods/Hobby	279	2%	110,552	110,552	110,552	110,552	110,552	552,759
Books & Music	53	0%	21,133	21,133	21,133	21,133	21,133	105,664
Office Supplies, Gift Stores	232	1%	91,883	91,883	91,883	91,883	91,883	459,414
Electronics/Appliances	338	2%	133,988	133,988	133,988	133,988	133,988	669,938
Clothing & Accessories	838	5%	332,548	332,548	332,548	332,548	332,548	1,662,741
Eating & Drinking Places	972	6%	385,473	385,473	385,473	385,473	385,473	1,927,363
Misc. Stores	469	3%	186,079	186,079	186,079	186,079	186,079	930,393
Health & Personal Care	881	5%	349,263	349,263	349,263	349,263	349,263	1,746,315
Building/Garden Materials	1,792	11%	710,787	710,787	710,787	710,787	710,787	3,553,937
Food & Beverage	2,392	14%	948,540	948,540	948,540	948,540	948,540	4,742,701
Gas Stations	1,350	8%	535,381	535,381	535,381	535,381	535,381	2,676,903
Other Non-Store Retailers	1,506	9%	597,403	597,403	597,403	597,403	597,403	2,987,014
Motor Vehicle	3,519	21%	1,395,739	1,395,739	1,395,739	1,395,739	1,395,739	6,978,693
All Spending Categories:	\$16,988	100%	\$6,737,369	\$6,737,369	\$6,737,369	\$6,737,369	\$6,737,369	\$33,686,846
w/o Gas/Motor Vehicle/Non-Store:	\$10,612	62%	\$4,208,847	\$4,208,847	\$4,208,847	\$4,208,847	\$4,208,847	\$21,044,236
Retail Sales per Square Foot			\$300	\$300	\$300	\$300	\$300	
Total Demand for Retail Space			14,029 sf	14,029 sf	14,029 sf	14,029 sf	14,029 sf	70,147 sf

III. Total Demand

Total 5-year Demand from Opportunity Gaps:	43,690
Total 5-year Demand from New Population Growth:	70,147
Total 5-year Demand:	113,838

Annualized assuming 5-year absorption flow of current leakage

22,768

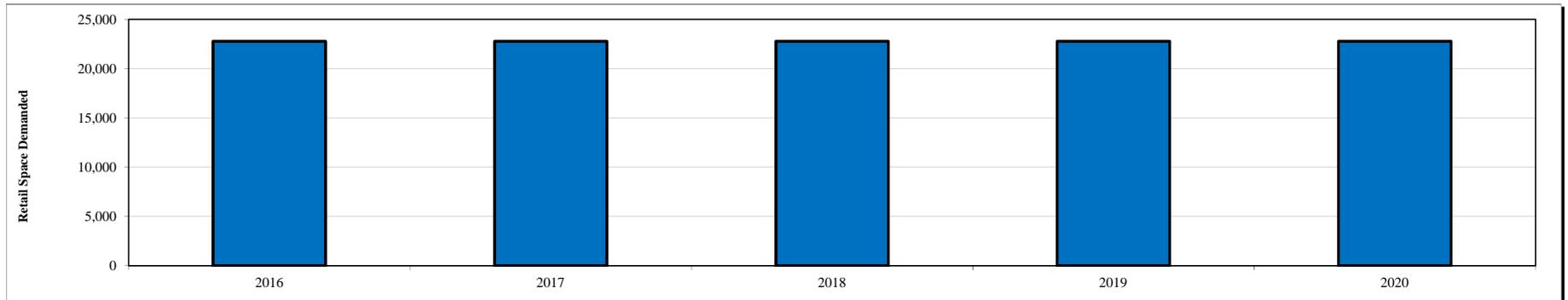


EXHIBIT I-13

RETAIL SUPPLY VS. DEMAND
RETAIL TRADE AREA AND LOCAL AREA
MARCH 2016

	Retail Trade Area					Total	Local Area					Total
	2016	2017	2018	2019	2020+		2016	2017	2018	2019	2020+	
Projected Future Supply												
Annual Deliveries (SF)	15,500	46,291	115,214	223,207	112,000	512,213	0	0	0	0	112,000	112,000
Total Available at Year Start	15,500	46,291	115,214	223,207	112,000	512,213	0	0	0	0	112,000	112,000
Future Demand												
Retail Gap + HH Growth Model	143,176	143,176	143,176	143,176	143,176	715,882	22,768	22,768	22,768	22,768	22,768	113,838
Over/Under Supply	127,676	96,885	27,962	(80,031)	31,176	203,670	22,768	22,768	22,768	22,768	(89,232)	1,838

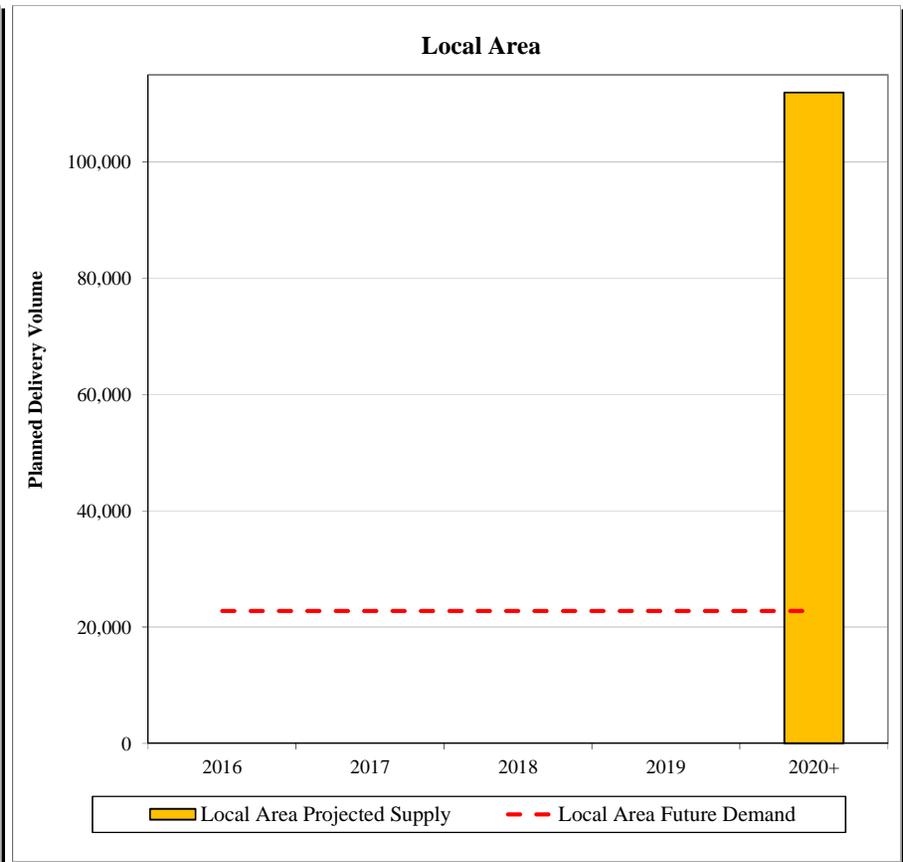
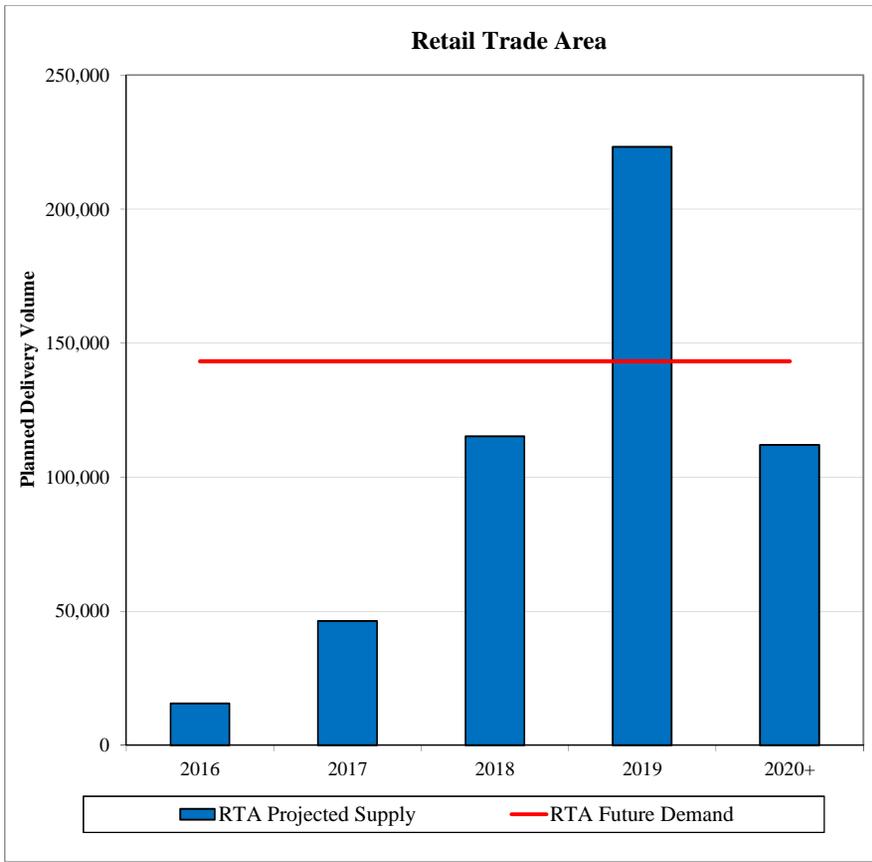


EXHIBIT I-14
LOCAL SETTING
ROHNERT PARK, CALIFORNIA
MARCH 2016

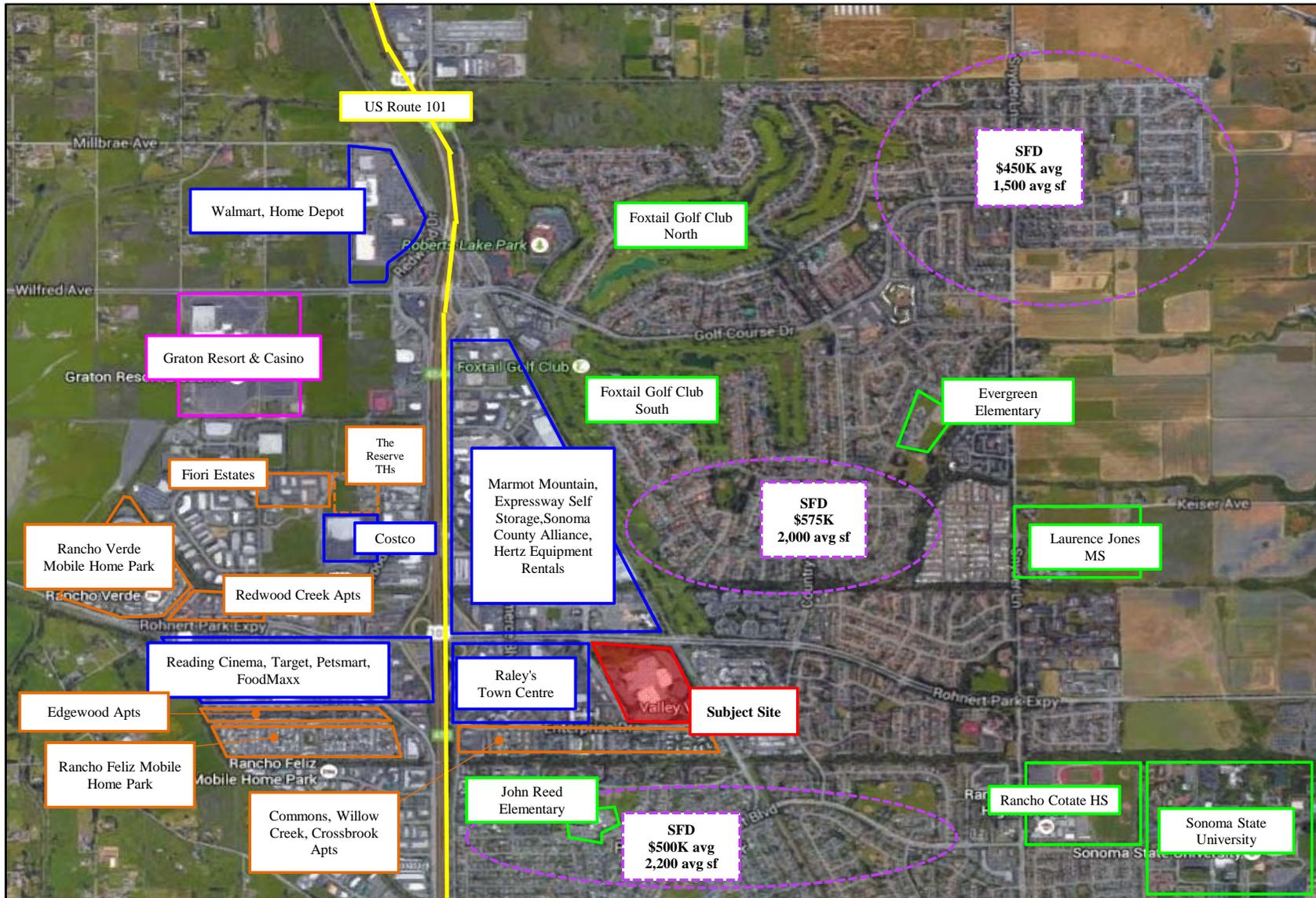
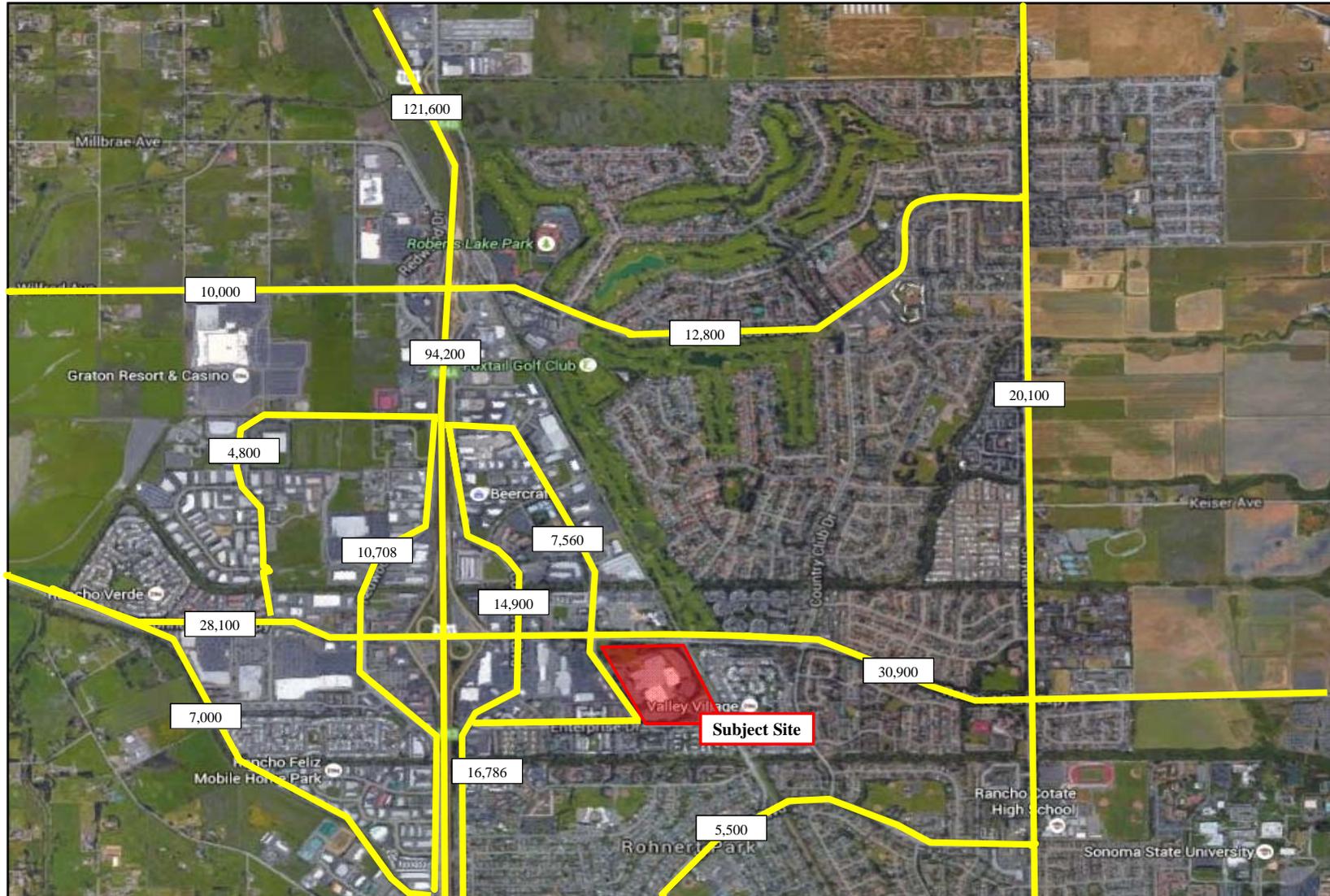


EXHIBIT I-15

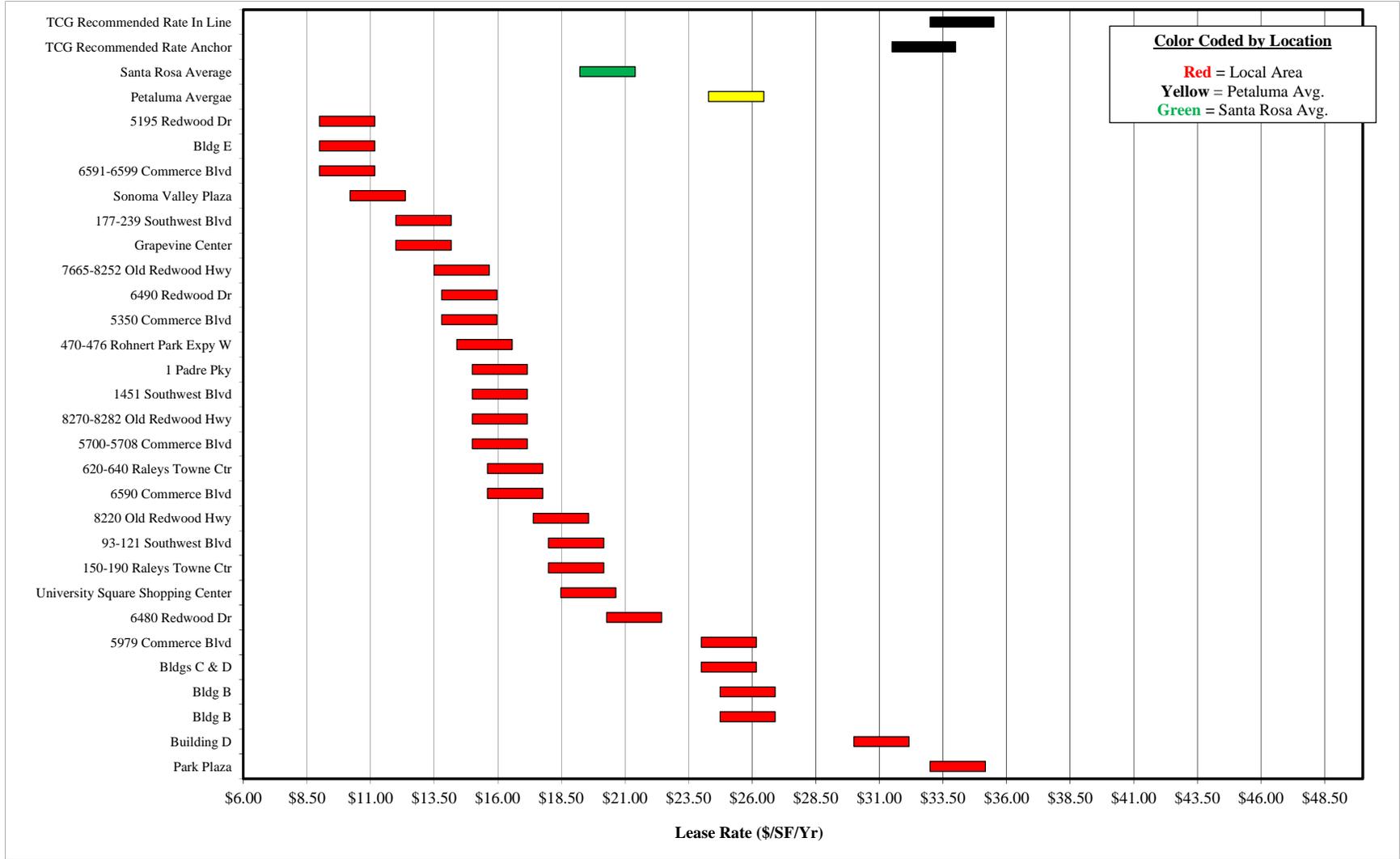
TRAFFIC COUNT ANALYSIS
ROHNERT PARK, CALIFORNIA
MARCH 2016



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

EXHIBIT I-16
PRODUCT PROGRAM POSITIONING - RETAIL
ROHNERT PARK
MARCH 2016

	Rate (\$/SF)	
	/month	/year
TCG Recs - Retail:	\$2.63 - \$2.96	\$31.50 - \$35.50



APPENDIX A

**PLANNED AND PROPOSED INVENTORY
RETAIL TRADE AREA
MARCH 2016**

Project Name	City	Applicant	Full Address	Status (1)	RBA	Expected Delivery Year
Codding Sonoma Mountain Village	Rohnert Park	SunCal	1400 Valley House Drive, Rohnert Park	Conceptual	160,000	2020+
Retail C	Petaluma	NA	Casa Grande Rd. & Lakevil Hwy, Petaluma	Proposed	3,000	2018
Lynch Creek Plaza	Petaluma	Browman Development	Lynch Creek Way and N McDowell	Inactive	22,500	2019
Brewster's Garden	Petaluma	Mike Goebel	275 Water St. N, Petaluma	Under Construction	5,000	2017
Haystack Pacifica (Mixed Use)	Petaluma	Pacifica Companies	215 Weller Street, Petaluma	Pending	14,516	2019
Riverfront 2010 (Mixed Use)	Petaluma	Riverfront LLC	500 Hopper Street, Petaluma	Approved	90,000	2018
Proposed Strip Center	Santa Rosa	NA	214 W 3rd St, Santa Rosa	Proposed	10,000	2019
6 W College Ave	Santa Rosa	NA	6 W College Ave, Santa Rosa	Under Construction	12,000	2016
CarMax Site	Santa Rosa	NA	2783 Corby Ave, Santa Rosa	Proposed	13,000	2017
5171 Sonoma Hwy	Santa Rosa	NA	5171 Sonoma Hwy, Santa Rosa	Proposed	17,340	2019
950 Stony Point Rd	Santa Rosa	NA	950 Stony Point Rd, Santa Rosa	Under Construction	3,500	2016
43 Middle Rincon Rd	Santa Rosa	NA	43 Middle Rincon Rd, Santa Rosa	Proposed	22,000	2017
888 Fourth Street	Santa Rosa	Hugh Futrell Corporation	888 Fourth St Suite 250, Santa Rosa	Approved	6,146	2017
Art House	Santa Rosa	Hugh Futrell Corporation	620 7th street, Santa Rosa	Approved	2,005	2017
Bicentennial Marketplace	Santa Rosa	AVB Development Partners	3366 Mendocino Ave, Santa Rosa	Approved	40,000	2019
The Shops at Austin Creek	Santa Rosa	One Calistoga Rd Associates	5171 Hwy 12, Santa Rosa	Proposed	43,206	2019
Wilibeas of Sonoma	Santa Rosa	Badhan Vikram	700 3rd St, Santa Rosa	Proposed	6,500	2018
6th & Davis	Santa Rosa	Bob Fischer	510 Davis St, Santa Rosa	Proposed	1,840	2019
Fourth and Davis	Santa Rosa	Fourth and Davis LLC	210 Fifth St, Santa Rosa	Proposed	7,592	2019
Santa Rosa Village	Santa Rosa	Regency Alliance Santa Rosa	1072 Kawana Springs Rd, Santa Rosa	Approved	98,500	2019
Jiffy Lube	Santa Rosa	Randy Stevens	950 Stony point, Santa Rosa	Approved	5,840	2017
West Entry	Santa Rosa	Alan Strachan	4055 Sebasopol Rd, Santa Rosa	Approved	23,278	2018
The Villas	Santa Rosa	Sebastopol Rd Inv LLC	1755 Sebastopol Rd, Santa Rosa	Approved	22,000	2019

(1) Future supply information from CoStar, Loopnet and Local Planning Departments.