

## North Waterfront Cove LLC

### Density Bonus Application for Encinal Terminals Master Plan

This document serves as the formal Density Bonus Application for the Encinal Terminals Master Plan Application. As such, it complies with the State Density Bonus Law, Government Code section 65915 *et seq.*, and the procedures for implementing the statute as set forth in the City of Alameda Density Bonus Ordinance, Alameda Municipal Code (“AMC”) Section 30-17. The State Density Bonus Law requires local jurisdictions to grant incentives, concessions, and waivers to developers who provide for affordable housing. A requested concession, incentive, or waiver shall be approved unless findings for denial contained in subsection 30.17.9a or 30.17.12a of the Alameda Municipal Code are made in writing. (See Alameda Municipal Code § 30-17.4e.) The information provided below, in attachments, and in the referenced portions of the Master Plan fulfills the City of Alameda’s Density Bonus Application requirements.

**In accordance with Alameda Municipal Code section 30-17.4 - Density Bonus Application, the Encinal Terminals Density Bonus application includes:**

**1. A development plan illustrating that the "base" project meets all existing general plan and zoning development standards.**

Base density is determined by the total acreage multiplied by the applicable density, as detailed in #23 below, which indicates the base density of 491 units. Applicable zoning development standards for the site are based on a mix of the MX Zoning District (MX) and the Multi-Family Combining District (MF) zoning districts. The MX Zoning requires a mix of three uses (housing, commercial and open space), as required in the MX Zoning District. Because the MF zoning indicates a 45-foot maximum height development standard applicable to projects that qualify for a residential density bonus, such as this project, the applicable height limit is 45’ for the “Base Plan” (AMC § 30-4.23.f.).

The base project, as shown in the enclosed **Exhibit A**, illustrates that a 45-foot height limit could accommodate 508 residential units, plus commercial uses in each phase, and approximately 3 acres of open space. The base plan complies with all existing general plan and zoning development standards, including a maximum height of not more than 45’, and implements the design guidelines of the proposed Master Plan. The 45’ plan confirms that the mixed-use development of the Encinal Terminals site, with the proposed Master Plan amenities and design guidelines, can accommodate the base density of 491 units.

space.

**2. A description of the development, including the total number of proposed Affordable Housing Units, senior housing units, or age-restricted mobile home park units; a description of any land the Applicant proposes to donate for low income housing units; and any child care facilities the Applicant proposes to construct as part of the qualifying housing development premises or on an adjacent property.**

See Master Plan Chapter 2 for the Public Realm description and Chapter 3 for a discussion of the site development; see also Chapter 3 Affordable Housing.

The Applicant proposes a Master Plan and Density Bonus Application for Encinal Terminals, a new residential mixed-use waterfront community. The application allows for development of up to 589 new housing units, a marina with up to 160 boat slips and a harbormaster's office, between 30,000 and 50,000 square feet of commercial/office and restaurant uses, and approximately 3 acres of waterfront-related public open space. The residential unit types proposed include a mix of condominiums, townhomes, lofts, stacked flats, and live-work units to provide product variety across a spectrum of residential product offerings and unit sizes. The proposal includes 79 affordable units with 25 units for very-low income households, 20 units for low income households, and 34 units for moderate income households.

**3. The Zoning and General Plan designations and assessor's parcel number(s) of the project site.**

**Assessor's Parcel Numbers:** 072-0382-001, 002 and 003

**General Plan designation:** Mixed Use.

**Zoning designation:** All of the property is within the Mixed Use (MX) Zoning District which permits a maximum allowable base residential density of one unit per 2,000 square feet of lot area for land designated for residential use or a gross residential density of up to 21.78 units per acre. In addition, 15.48 acres of the property on the site is located in the Multi Family (MF) Residential Combining District, which allows the maximum density to increase to 30 units per acre. The portion of the property outside the MF is 1.25 acres. There is an additional 6.4-acre parcel within the Master Plan that is owned by the City of Alameda and is zoned MX but is not included in the density calculation because it is state tidelands subject to the Public Trust, which does not permit residential development. (See Master Plan Figure 3.16)

Consistent with the existing zoning, 15.48 acres of MF-zoned property at 30 units per acre yields 464 housing units, and 1.25 acres of MX - zoned property at 21.78 units per acre yields 27 housing units. Therefore, the existing zoning allows 464 + 27, or 491 housing units ("Base Density"). The Master Plan proposes to build 79 affordable units, or 16% of the Base Density of 491 units. Five percent (5%) of all units

shall be affordable to very low-income households (25 units). Four percent (4%) shall be affordable to low income households (20 units). Seven percent (7%) shall be affordable to moderate income households (34 units).

Since this Master Plan proposes to provide five percent of the total dwelling units of the residential development for very low-income households, the project is eligible for a twenty percent (20%) density bonus. (AMC § 30-17.7.1.) A density bonus of 20% over the Base Density of 491 units yields a maximum of 589 units within the Master Plan.

**4. A vicinity map showing the location of the proposed project.**

See Master Plan pages 3, 4 and 6.

**5. A set of preliminary project plans that include a site plan showing all building and structure footprints or locations, drive aisles and parking layout; floor plans of all structures and buildings; and architectural elevations of all buildings and structures, all drawn to scale.**

See Master Plan Figure 1.1. For parking, see “Parking” in Chapter 3.

The Density Bonus Ordinance provides that in the event that construction of a project is to be phased over more than two years, and those entitlements are vested by instruments such as a Development Agreement or other similar agreement, such as a Master Plan, and the vesting document allows for phased submittal of Design Review plans including the floor plans and the elevations of proposed buildings, then the applicant may be allowed to phase submittal of the floor plans and elevations required by subsection 30-17.4.5 of all planned residential buildings until such time that the Design Review plans are submitted pursuant to the vesting documents. (AMC § 30-17.4c.)

The Master Plan allows for the construction of the project to be phased over more than two (2) years. Building floor plans and architectural elevations will thus be provided as part of the required design review process for each specific project developed pursuant to the Master Plan. (See Master Plan Chapter 4.)

**6. A request for a concession or incentive shall include evidence to justify why it is necessary to provide for affordable housing costs.**

The applicant is not requesting any concessions or incentives.

**7. A request for a waiver shall include evidence to justify why it is necessary to allow construction of the development on the site.**

North Waterfront Cove LLC is requesting a waiver from the maximum height development standard that applies to the MF combining zone as well as the maximum height development standard contained in the Northern Waterfront General Plan Amendment. (See AMC § 30-4.23.f; Northern Waterfront General Plan Amendment section 10.8.c.) The Master Plan proposes 589 residential units, including 79 affordable units, in the Estuary District and Gateway District of the project site, along with public open space, commercial space and private amenities.

The project as contemplated in the Master Plan includes requirements for the design of the project, the overall site layout and circulation, and amenities. The design guidelines include requirements such as attractive and varied architecture, buildings that step down toward the waterfront, and locating taller buildings at the southern end of the site. The required amenities include, but are not limited to, generous public open space and pedestrian promenades along the perimeter of the site, residential building courtyards and amenity spaces, 30,000 sf of commercial ground-floor uses, along with structured parking for both residential and public parking within the residential buildings. As shown in #1 above, a height limit of 45', as is permitted in the MF Zoning for projects that qualify for a density bonus, increases the unit count to just 508, or 81 fewer units than permitted under the Density Bonus Ordinance. In other words, without a waiver of the 45' height limit, the Encinal Terminals project as proposed would be physically precluded from constructing a housing development that includes all of the 98 density bonus units and also complies with all of the other requirements of the Master Plan. As a result, the Master Plan proposes that the height limit of 45' is waived and proposes guidelines for the approval of Design Review applications with buildings that exceed 45'.

The Encinal Terminals Master Plan Supplemental Focused EIR studied the impact of heights at the Encinal Terminals site of 85 feet and up to 250 feet. The requested waiver of the 45-foot height limit would not have a specific, adverse impact, as defined in paragraph (2) of subdivision (d) of Government Code section 65589.5, upon health, safety, or physical environment based on the analysis contained in the General Plan Amendment EIR, nor would the requested development standard waivers be contrary to state or federal law.

**8. Affordable Housing Unit Plan describing the location, structure (attached, semi-attached, or detached), proposed tenure (sale or rental), and size of proposed market-rate, and Affordable Housing Units and the proposed tenure and size of non-residential uses included in the Development.**

See Master Plan Chapter 4 "Subsequent Approvals" for requirements for detailed Affordable Housing Plan prior to first final map.

The project developer/owner will enter into an Affordable Housing Agreement with the City. Because this is a multi-phased Master Plan project, project site plans, floor plans and architectural elevations for all affordable units will be shown at the time that applications for Development Plan and Design Review are submitted for review by the Planning Board.

**9. Any other information reasonably requested by the Planning and Building Director to aid in the implementation of the Density Bonus Ordinance.**

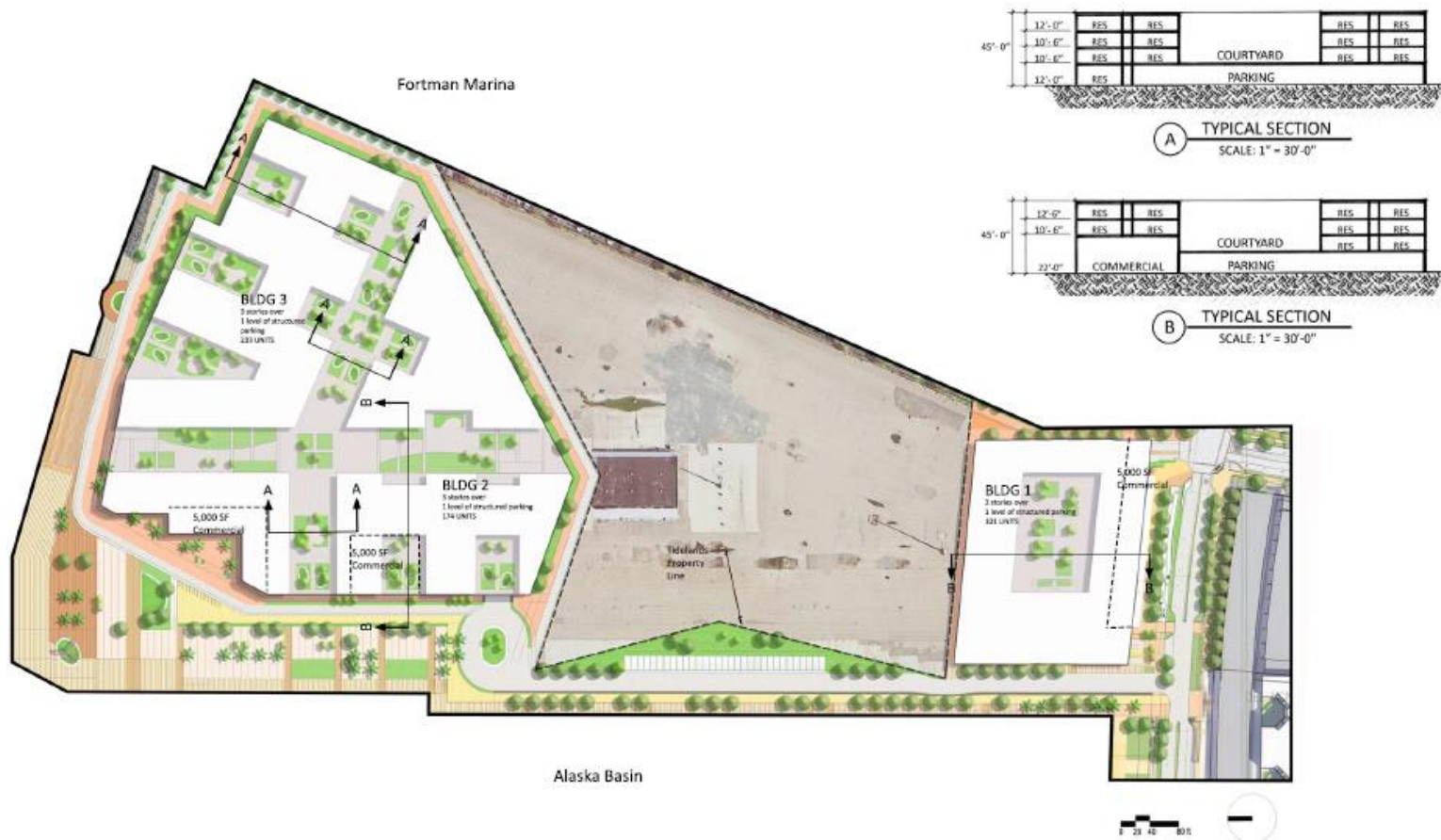
No additional documents have been requested at this time.

**Request for Reduced Parking Ratio**

In addition to the waiver requests discussed in Section 7 above, the developer through this application requests a reduced parking ratio pursuant to section 30-17.13 of the Density Bonus Ordinance. (See Govt. Code §65915(p).) Pursuant to this request, the following on-site parking ratios (inclusive of handicapped and guest parking) shall apply to the Master Plan project:

- Zero (0) to one (1) bedroom: One (1) on-site parking space.
- Two (2) or more bedrooms: Two (2) on-site parking spaces.

EXHIBIT A: BASE PLAN



SITE STUDY - 45' HEIGHT LIMIT: BASE PLAN  
 - 508 Units of Residential  
 - 15,000 SF Commercial / Retail

NORTH WATERFRONT COVE, LLC

ENCINAL TERMINALS SITE  
 ALAMEDA, CALIFORNIA

Encinal Terminals Density Bonus Application  
 06.29.18

EXHIBIT A: DENSITY BONUS BASE PLAN (45')

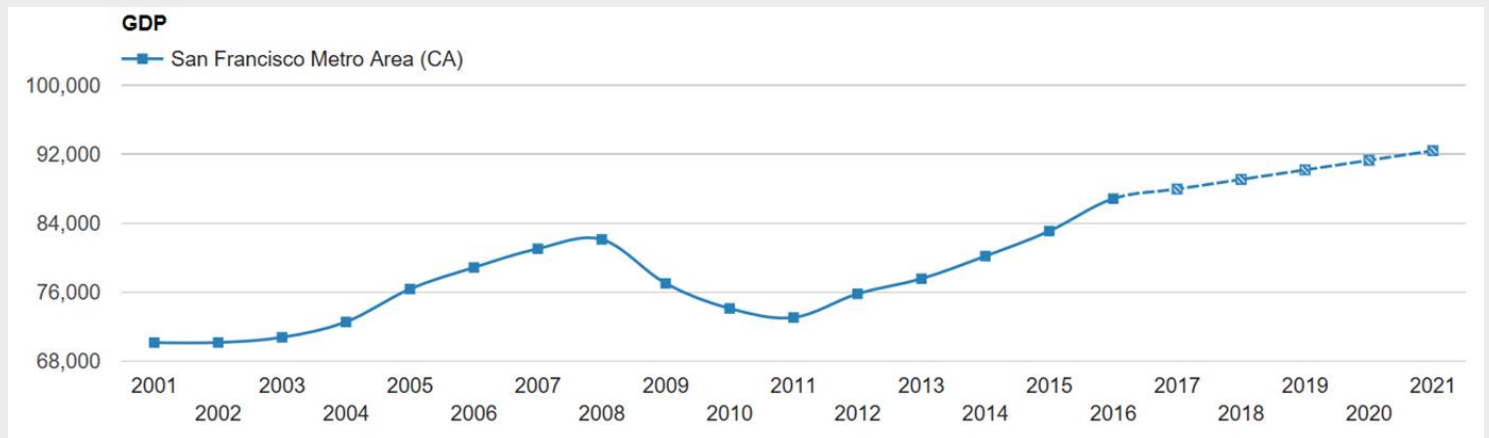
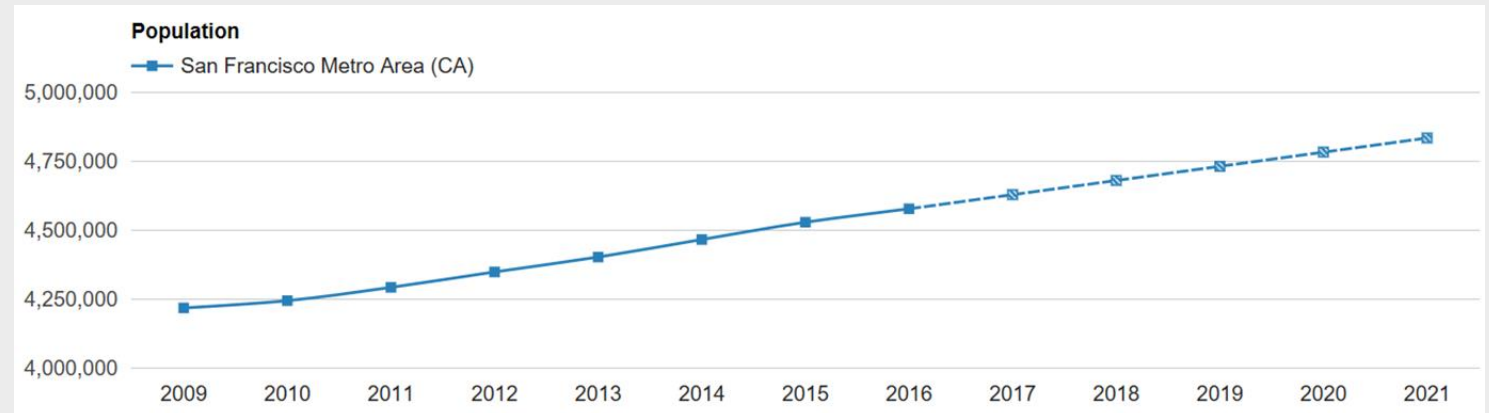
# ENCINAL TERMINALS MARKET PRESSURE

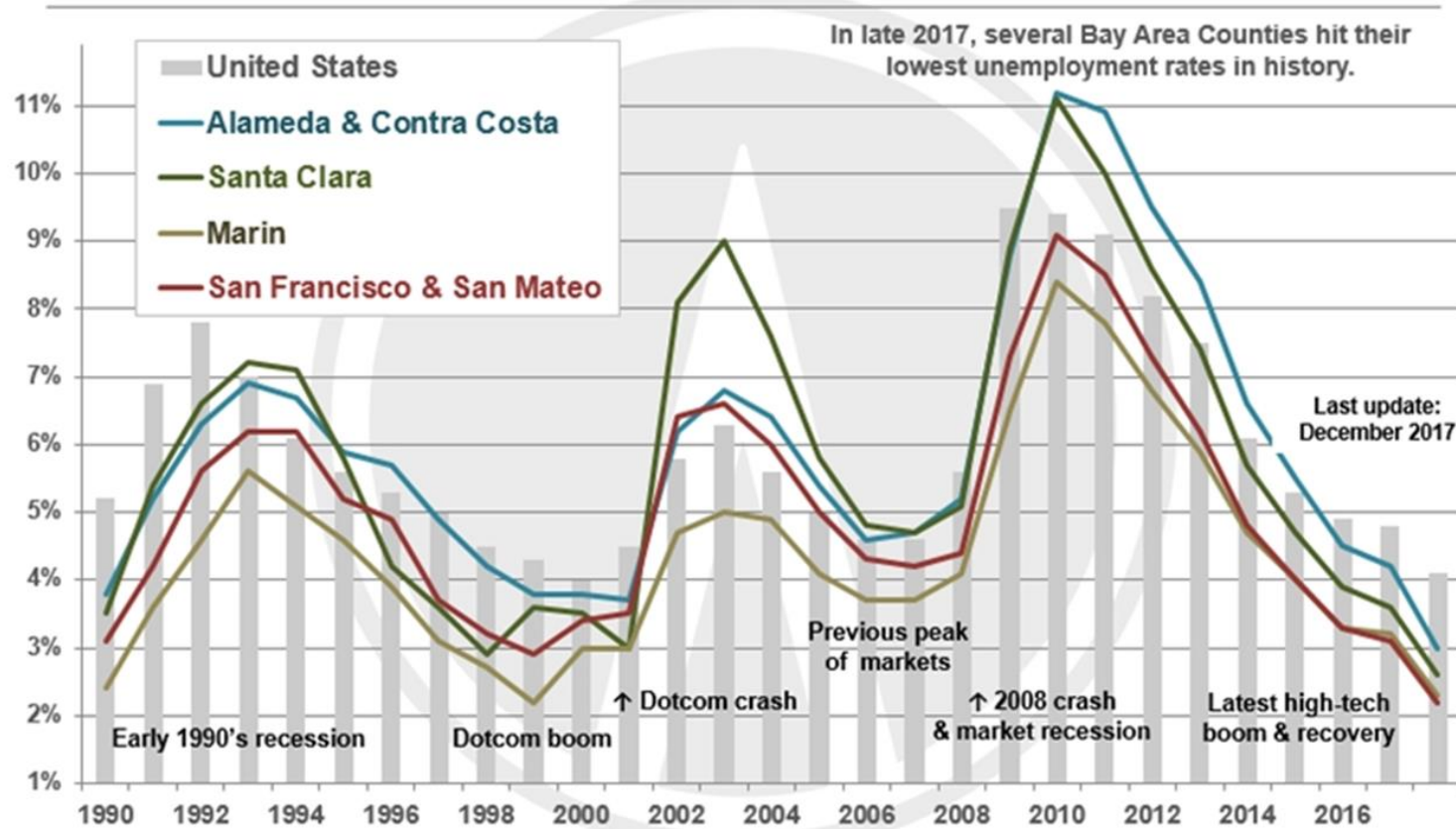
PRESENTED TO: TIM LEWIS HOMES

PRESENTED BY: S L STATE & ASSOCIATES



- The last measured population count for San Francisco Metro Area (CA) was 4,577,530 in 2016. San Francisco Metro Area (CA) experienced an average growth rate of 1.22% If past trends continue, the Bay Area could reach as high as 4,833,956 by 2021.
- The San Francisco Bay Area economy has been growing at nearly three times faster than the national rate.
- The Bay Area economy is probably stronger than it has ever been, and is possibly the most innovative and dynamic economy in the world. It is the high-tech (bio-tech, fin-tech) capital of the world, as well as being a major financial center. It is home to some of the biggest and most profitable companies in the world.
- Employment and prosperity have risen in past 7 years. In many Bay Area counties, unemployment rates hit historic lows at the end of 2017. By late 2017, the unemployment rate in the Bay Area was the lowest in history in some counties.
- The Bay Area has become a magnet by attracting talent from all over the world. Local employment growth in the past 7 years (600,000+), generally of high-skill, high-pay jobs, has been nothing short of astounding. This has played a definitive role in the economy and in home price appreciation experienced since the recovery began in 2012.





Source: CA EDD; Paragon MLS

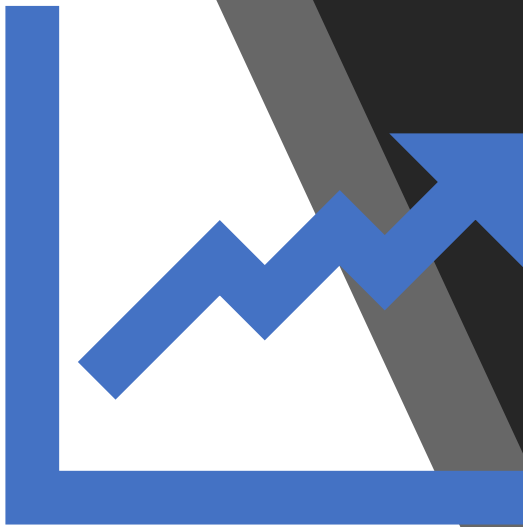
San Francisco-Oakland-Hayward, CA					
Data Series	Sept	Oct	Nov	Dec	Jan
	2017	2017	2017	2017	2018
Labor Force Data					
Civilian Labor Force	2,588.20	2,574.30	2,584.20	(P)2,580.4	(P)2,574.1
Employment	2,501.70	2,495.90	2,515.60	(P)2,511.2	(P)2,497.8
Unemployment	86.5	78.3	68.6	(P)69.2	(P)76.3
Unemployment Rate	3.3	3	2.7	(P)2.7	(P)3.0

There are approximately 51,000 more jobs than in January of last year, and new home development simply has not kept pace with this growth. It is projected that 2018 will add another 35,697 new jobs, again, exacerbating the housing imbalance that currently exists in the Bay Area.

With the low unemployment rate, and high-income jobs that San Francisco and Silicon Valley has created, home prices have skyrocketed. A recent report shows that household income of over \$300,000 is needed to afford the median priced home in San Francisco. Only 12% of San Francisco households can afford the 20% down-payment to purchase a home in the City.

This will push new homebuyers out of San Francisco to locations like Alameda, where the commute to work in San Francisco is tolerable, and the home prices are more affordable.

# Fueling Housing Demand



- What is clear about the local economy is that there are a new batch of start-up companies that are popping up every month. This provides the possibility for literally dozens of large, local companies to go public, which has manifested in an enormous number of new households who suddenly have wealth. New wealth creation - in the many hundreds of billions of dollars - over the past 7 years has been one of the decisive factors in the Bay Area economy.
- As these households experience a substantial amount of new wealthy, this creates a sense of affluence, which fuels consumer confidence and housing markets.
- The home price and rent rate appreciation seen in the past 6 years has tremendously increased the financial assets and wealth of large numbers of Bay Area homeowners and investors.
- The Bay Area's median home prices shot up 12 percent in January from the prior year, which then intensifies the housing shortage.
- The Bay Area inventory dropped 27 percent in the past year. The shortage is “approaching crisis levels in some of the nation’s hottest housing markets,” as reported by major real estate reporting firms.
- The deficiency of inventory, particularly for homes under \$1 million, is pushing prices upwards.

# New Construction “Domino Effect”

: a cumulative effect  
produced when one event initiates a  
succession of similar events

- New home development doesn't just impact builders, developers, and cities. There is a domino effect that is extremely important to acknowledge because in this chain reaction, it impacts many. Once a new home is built, often the buyer will sell their existing home, and another person comes in to purchase that home. This ripple effect eventually reaches down to the first-time homebuyer, so in many instances, a new home purchase can impact three to five households, and an overall increase in existing-home inventory, which at this time is a nearly all-time low in the Bay Area.
- Most existing homeowners in the Bay Area are between 40 and 60 years old, and that's a time in life when they're less likely to move. This demographic is less likely to move because they have children in the house, or they have no incentive to move because retirement is imminent. So you have a demographic roadblock to expanding inventory.
- Many baby-boomers who are close to retiring, or have recently retired simply do not have options if they want to stay in the Bay Area. Many are looking for a lifestyle product, but since most of the active adult communities are in the Sacramento Region, the Bay Area does not have alternatives for them either, so they are in many instances stuck in their existing homes.
- This market is being led by extremely strong economic growth, and an unprecedented low supply of homes, which unless the housing industry ramps up in an exceptional growth pattern, it will take a long time to meet the needs of the homebuyers.

# Housing Shortage in Alameda County

Alameda County has averaged 4,500 new permits being issued each year for the past 37-years. During the "Great Recession", the number of permits issued fell percipitiously, creating a shortfall of nearly 16,000 units.

Below 4,500 annual average:

## ALAMEDA COUNTY PERMITS HISTORY

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
3,138	1,933	1,333	1,727	2,172	2,745	3,081	3,438	5,101	5,692
1,315	780	811	879	820	1,373	1,391	1,613	1,905	2,398
1,823	1,153	522	848	1,352	1,372	1,690	1,825	3,196	3,294
12	14	18	44	26	104	84	4	14	22
81	25	23	29	23	47	14	41	75	85
1,730	1,114	481	775	1,303	1,221	1,592	1,780	3,107	3,187
1,362	2,567	3167	2773	2,328	1,755	1,419	1,062	-601	-1,192

**Shortfall of nearly 16,000 units**

# Where is Demand Likely to be the Strongest?

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While two-thirds of Bay Area residents largely support building more units to ease the housing crisis, that number drops significantly when new developments could put more drivers and cars on to the region's already jam-packed roadways and transit systems.

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The responses, in a five-county poll conducted for the Silicon Valley Leadership Group and this news organization, left some housing advocates hopeful that public sentiment is shifting in favor of building more housing. But the survey also illustrates the hurdles the Bay Area faces in solving its housing shortage.

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Of the 900 registered voters surveyed, 64 percent said they favor building significant quantities of new housing, and 53 percent said they would support new construction even if it changed the character of their neighborhood. But fewer than half — 46 percent — were willing to sacrifice open space for new development, and just 30 percent said they would support new housing that brought more people onto local roads and transit systems, making their commutes worse.

We have concluded that locations such as Alameda will be in exceptionally high-demand due to proximity to jobs, ease of commute to those jobs, water-oriented lifestyle, outdoor activities available to residents, good schools, low crime, and a more affordable price-point relative to San Francisco and Oakland.



# Clustered Demand

The 9-County Bay Area includes 101 cities, 7.4 million inhabitants and approximately 7,000 square miles of land.

The Bay Area has three major cities, San Francisco, San Jose and Oakland.

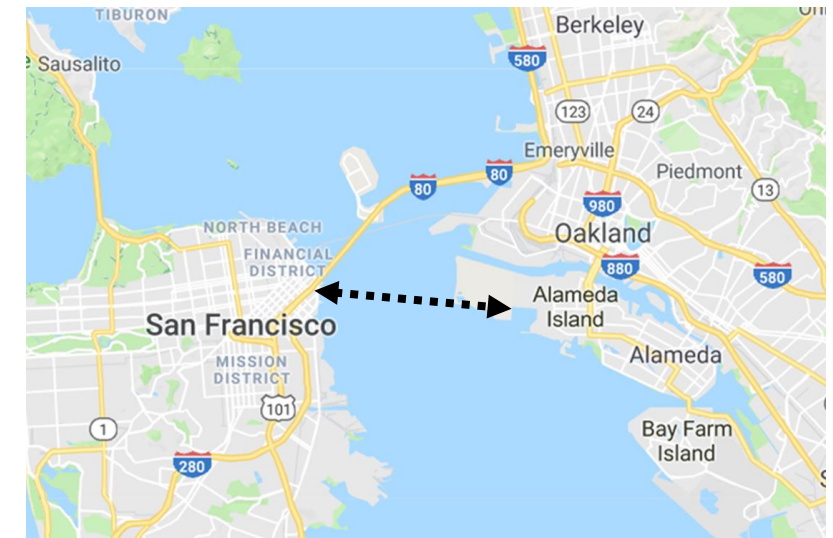
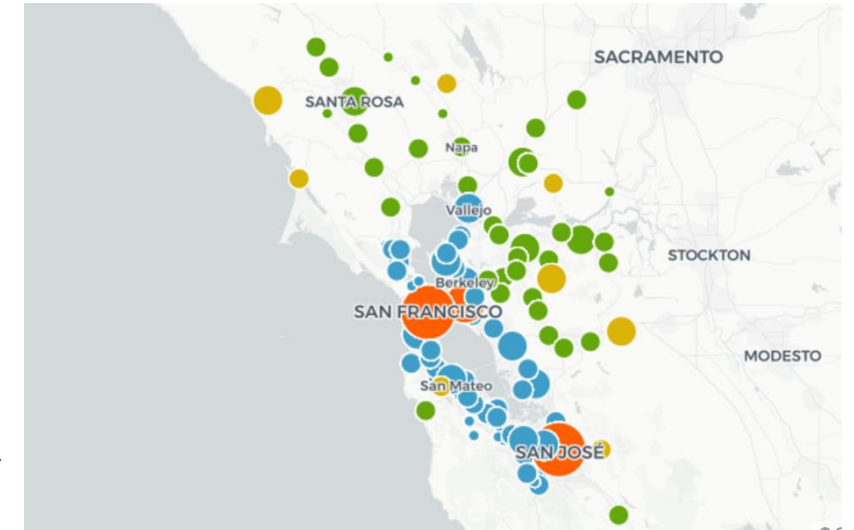
The Bay Area includes Silicon Valley, a leading hub for high-tech innovation and development, and a big factor in predicting future Bay Area growth.

The region boasts nearly 20,000 miles of local streets and roads, 1,400 miles of highway, five public ports and three major commercial airports, and yet if you ask nearly anyone what one of the major impediments is to living in the Bay Area; **they are likely to say traffic**. Commuters in the region now spend an average of 72 minutes on the road each day — second only to New York City, at 74 minutes, the study found.

Nearly 11,000 residents moved into Alameda County from San Francisco (2011-2015), 10,500 from Santa Clara, 9,500 from Contra Costa, 5,000 from LA and another 5,000 from San Mateo County. Alameda County loses population to Contra Costa, Santa Clara, and San Joaquin, but in lower numbers than it gains.

For this reason, we believe that the cities that are closest to these major hubs will be in high demand. Locations like Oakland have already seen an exponential rate of interest from former San Francisco residents, and if Alameda could provide ample new housing alternatives, we believe it would be the first-choice for those looking to move out of San Francisco. Alameda has good schools, great transportation (Ferry to San Francisco employment), a quaint downtown, a low crime rate, and many locations have a spectacular connection to the Bay Trail and Shoreline.

Tech has been making big moves in San Francisco and throughout the Bay Area this year, with Dropbox securing the city's largest lease ever and Facebook, Uber and Airbnb making big plays for large blocks of space as well. With more and more people needing access to these jobs, Alameda could play an integral role in supplying housing.

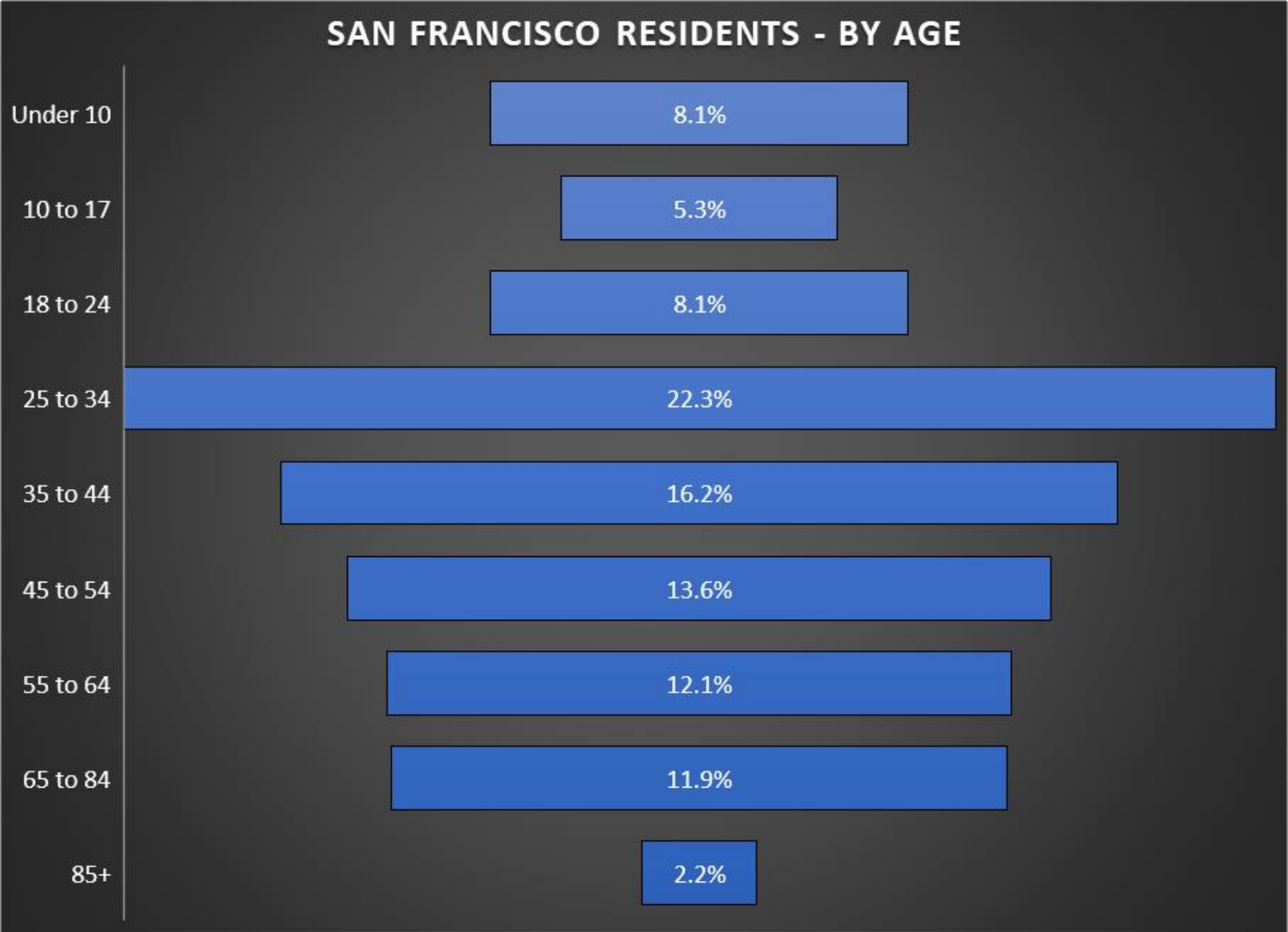


The distribution between age cohorts living in San Francisco is dramatically different than the rest of the Bay Area. Since early 2000, millennials and Gen X'rs have flocked to the City for jobs and for the lifestyle.

The striking information in this chart is that fewer than 14% of the population in San Francisco are under the age of 17. This is significantly below the 18% to 20% in the 9-County Bay Area.

The other huge disparity between the Bay Area and San Francisco is the nearly 40% of the population who are 25-44 years of age, which is a 10% increase over the rest of the Bay.

What this is pointing to is a huge number of Millennials and Gen X generation who are likely to be living in San Francisco and many of those households are in the stage of their life where they are getting married or thinking about starting a family, and who are likely to move out of San Francisco seeking a location they can afford to buy in.

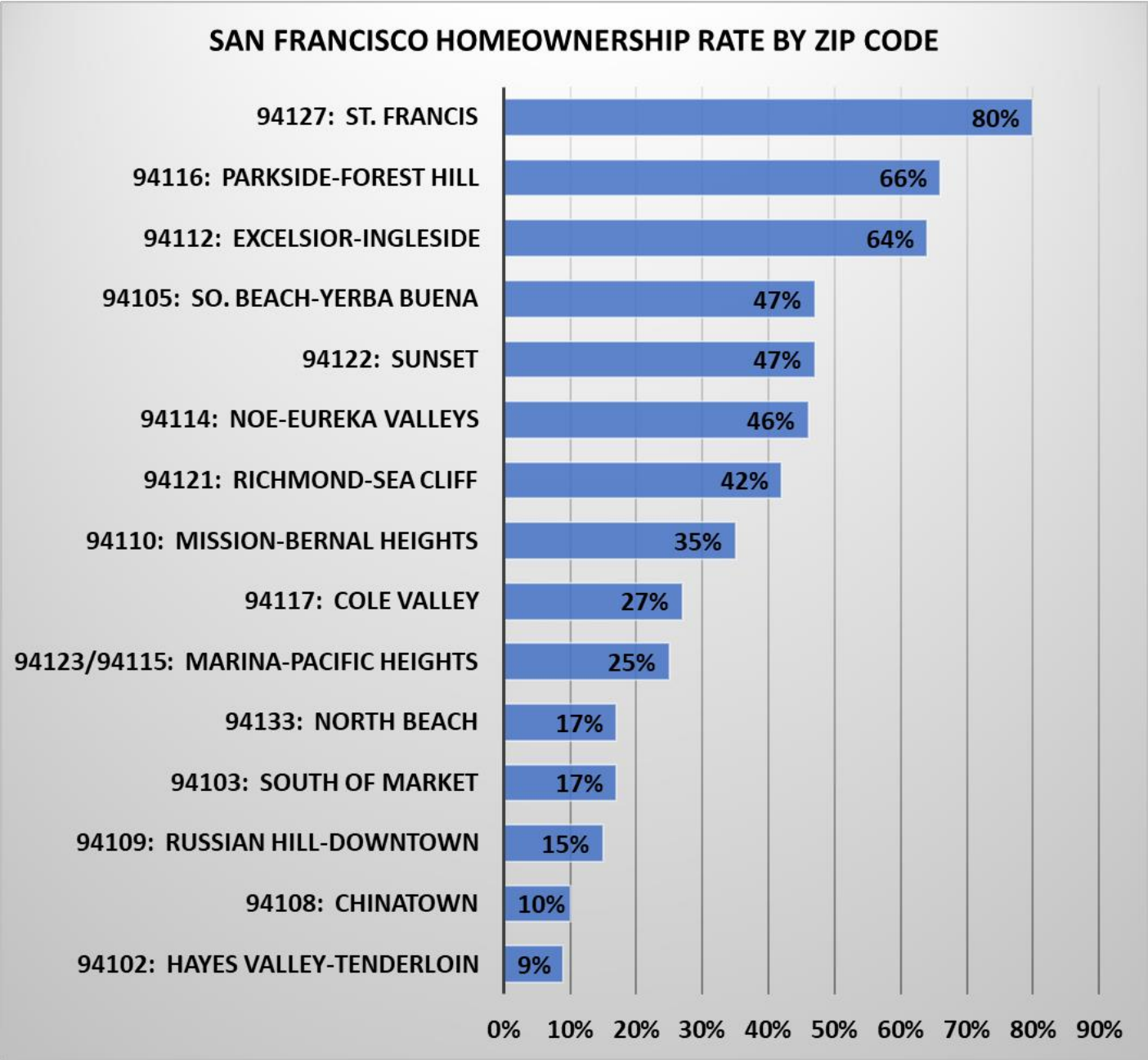


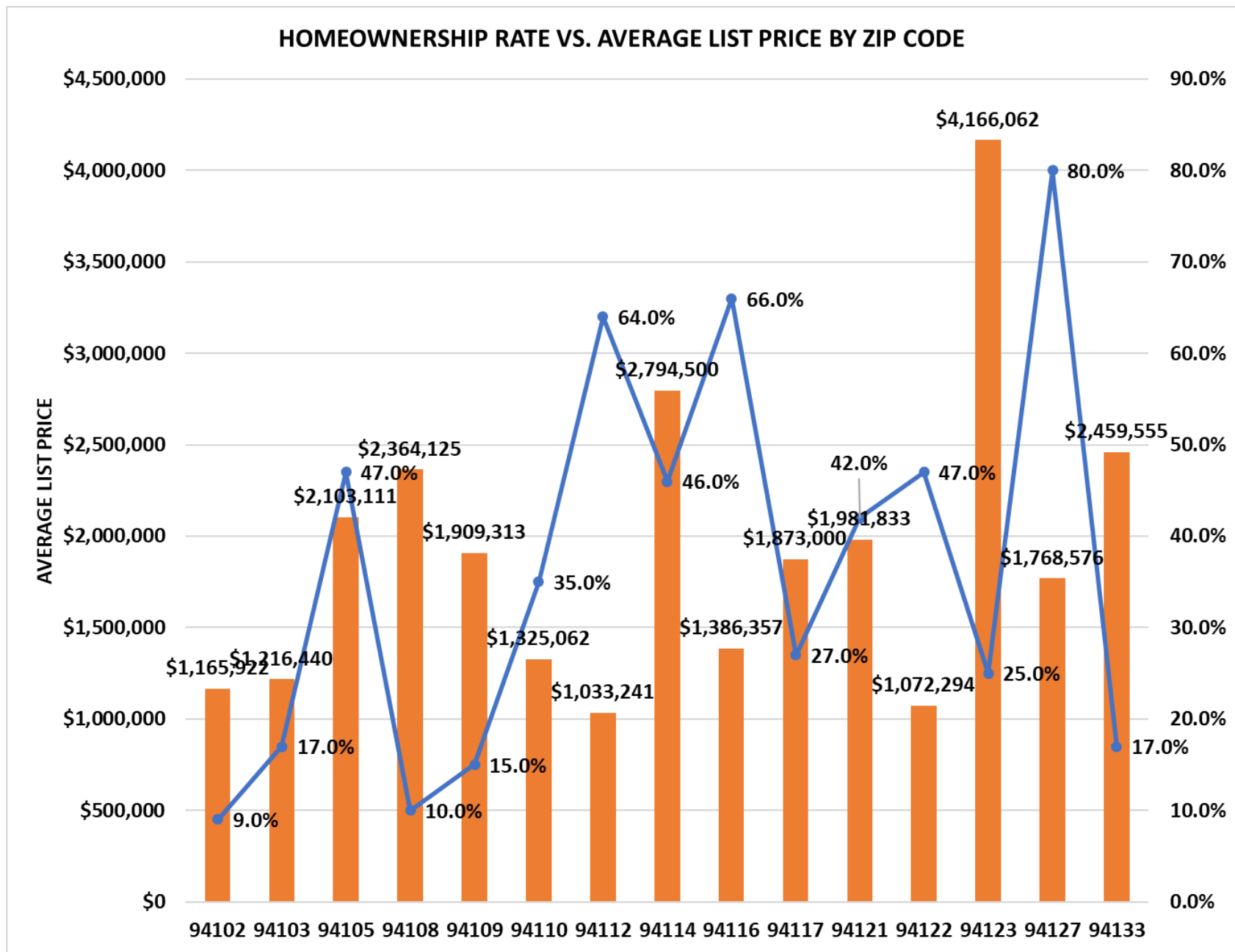


In the United States, the homeownership rate is 64%. In California it is 54%. In San Francisco, it is 36%. Nearly 64% of San Francisco’s housing is in rental units, with over 80% of those under rent-limitation rules.

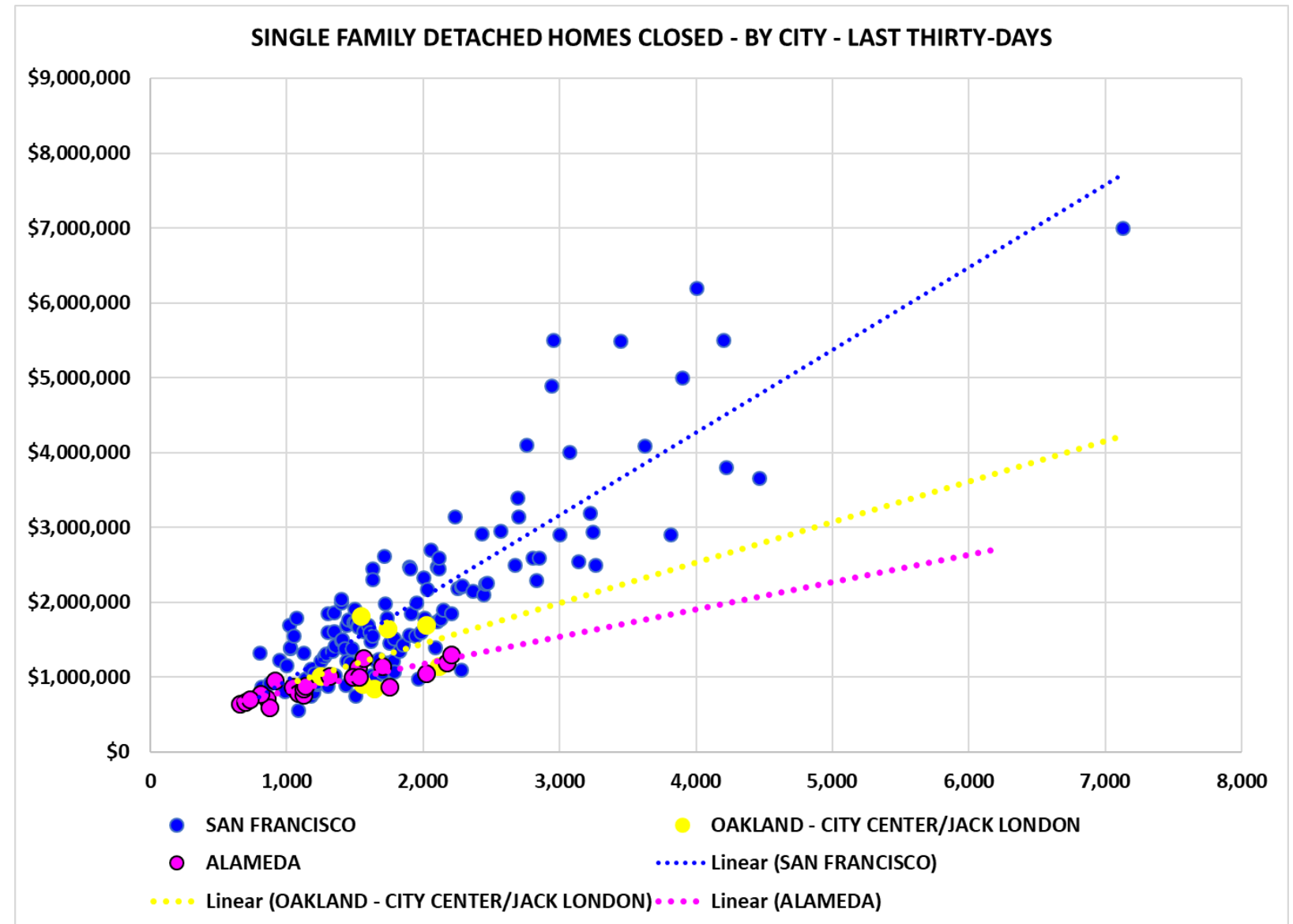
The median rent in San Francisco is now nearly \$3,500/mo. which is likely to push renters into homeownership, because they can control their monthly obligation once they own.

The graph to the right begins to inform where buyers in Alameda are likely to be coming from, such as South of Market, North Beach and the Mission District where homeownership rates are low.

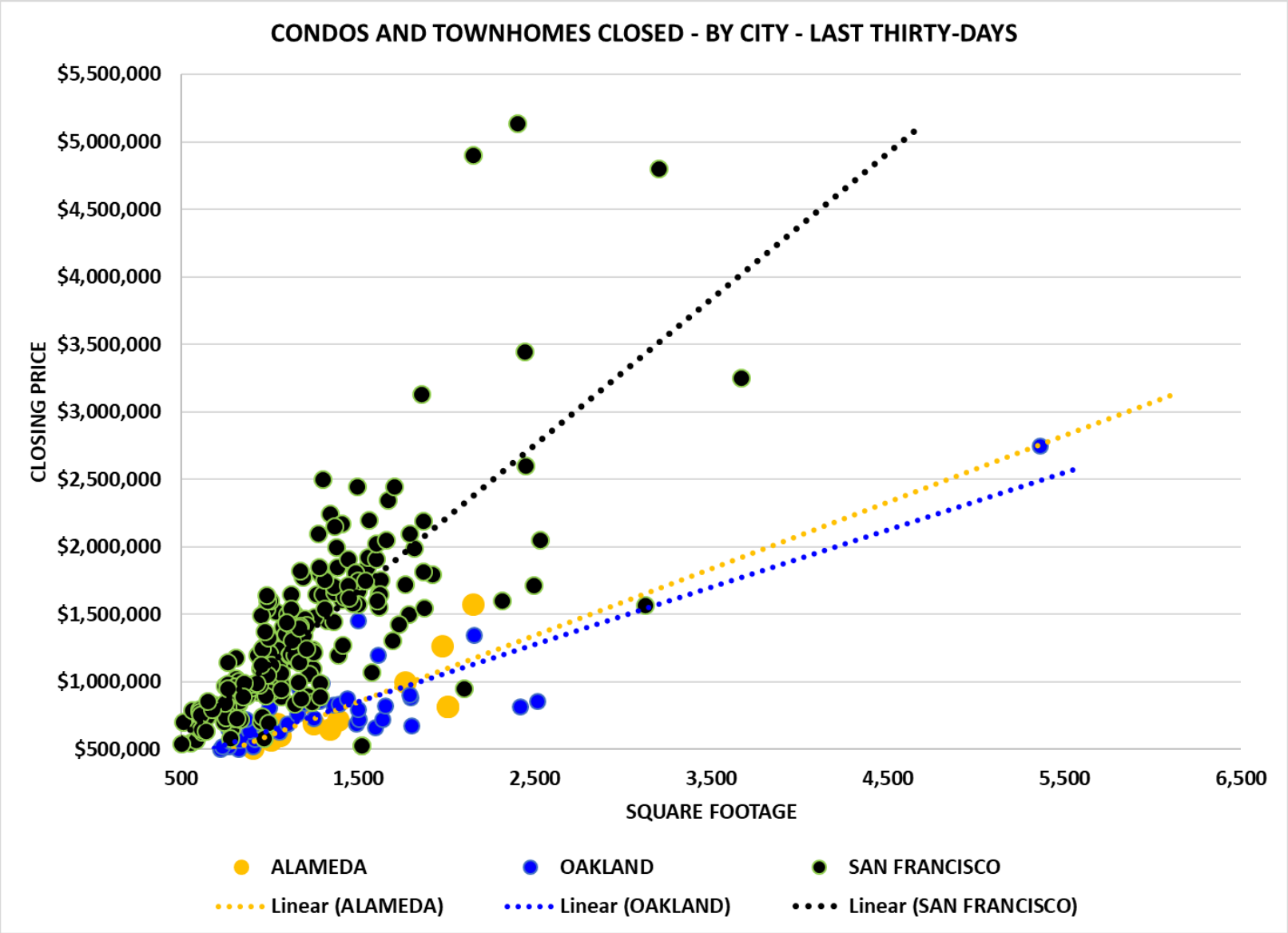




Better value will drive many of the buyers out of San Francisco and Oakland to Alameda. The trendline for sales over the past three months for single family homes demonstrates how much of a value Alameda is as compared to San Francisco or Oakland.



The disparity between San Francisco and Alameda in the condominium and townhome closings is even more pronounced. A 1,700 SF attached home in Alameda has been shown the these closings to be nearly \$1,000,000 less than in San Francisco's linear trendline.



The decline in active listings available to purchase has played a significant role in pressurizing the market in recent years, especially as buyer demand has increased over the same period during which supply has dropped. Between 2012 and 2017, there has been a 40% decline in active listings in the market in a given month. Two factors has influenced this: the number of sellers who put their home on the market and how quickly those listings sell. Seller's listings have declined and the rapid sales of that home has intensified.

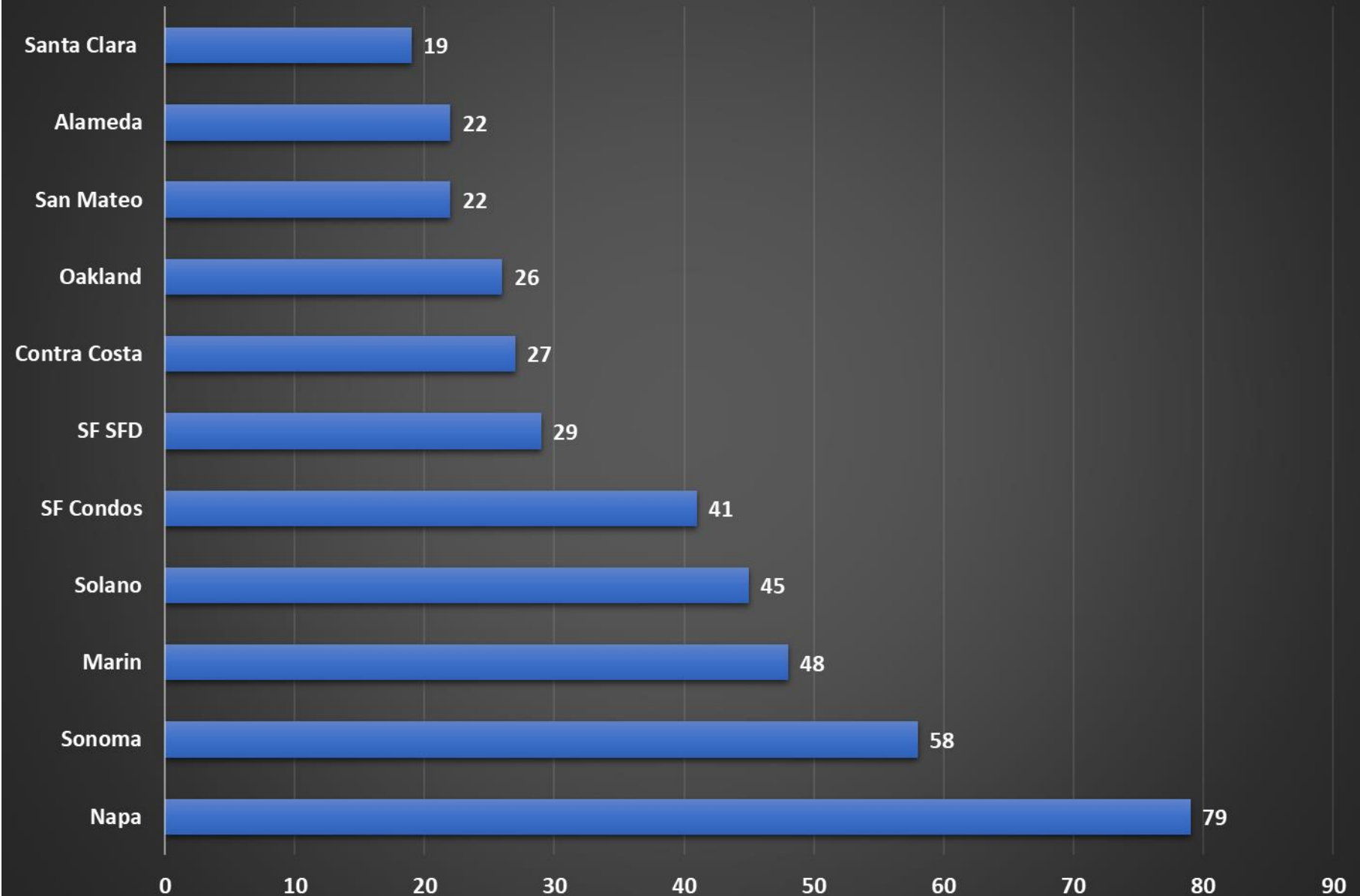
### Months Supply of Inventory (MSI) Supply & Demand Dynamics, by Bay Area County

Residential market activity for houses and condos, per Broker Metrics.



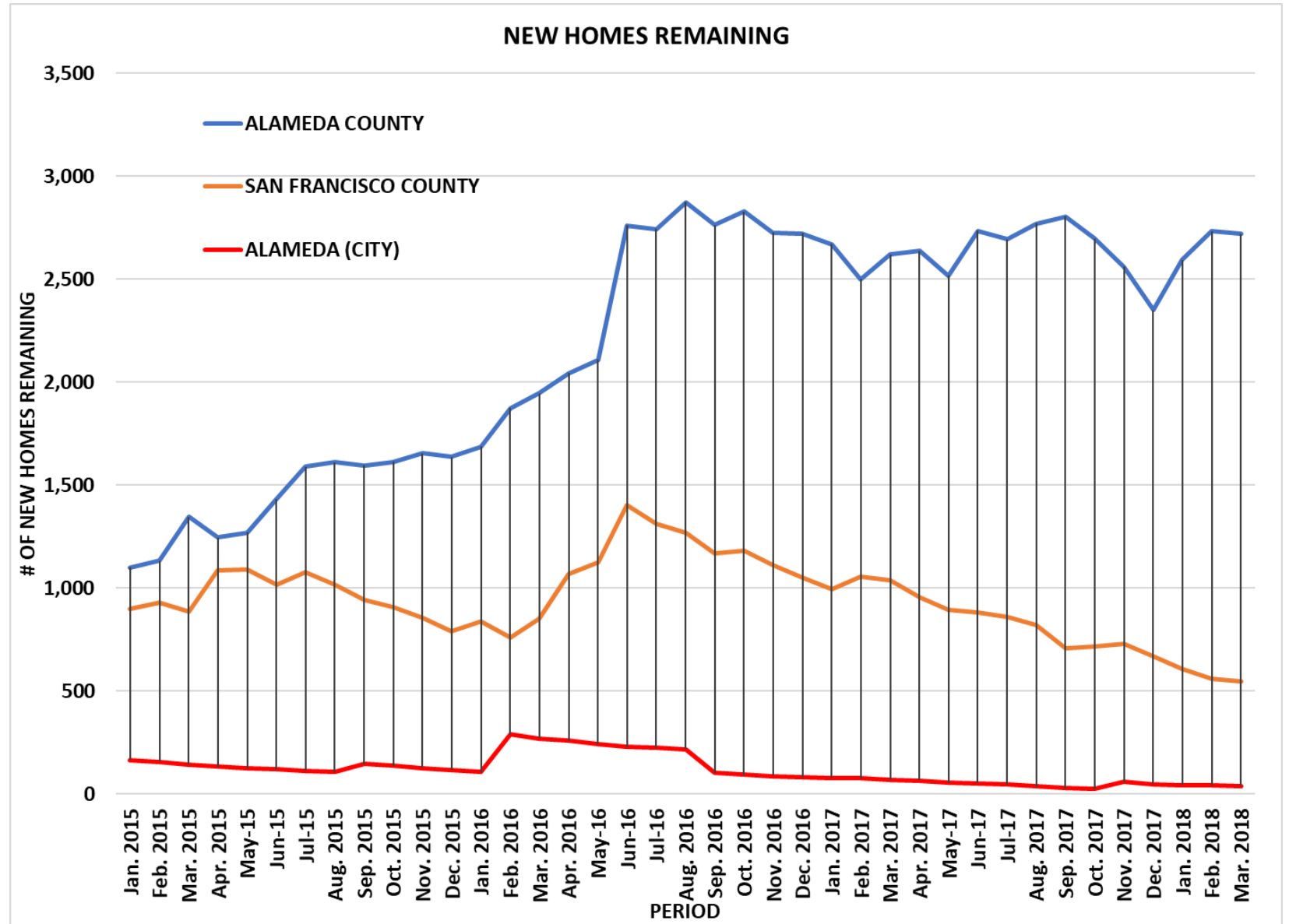
Source: Paragon; MLS

## AVERAGE DAYS ON MARKET - EXISTING HOMES 4Q 2017)

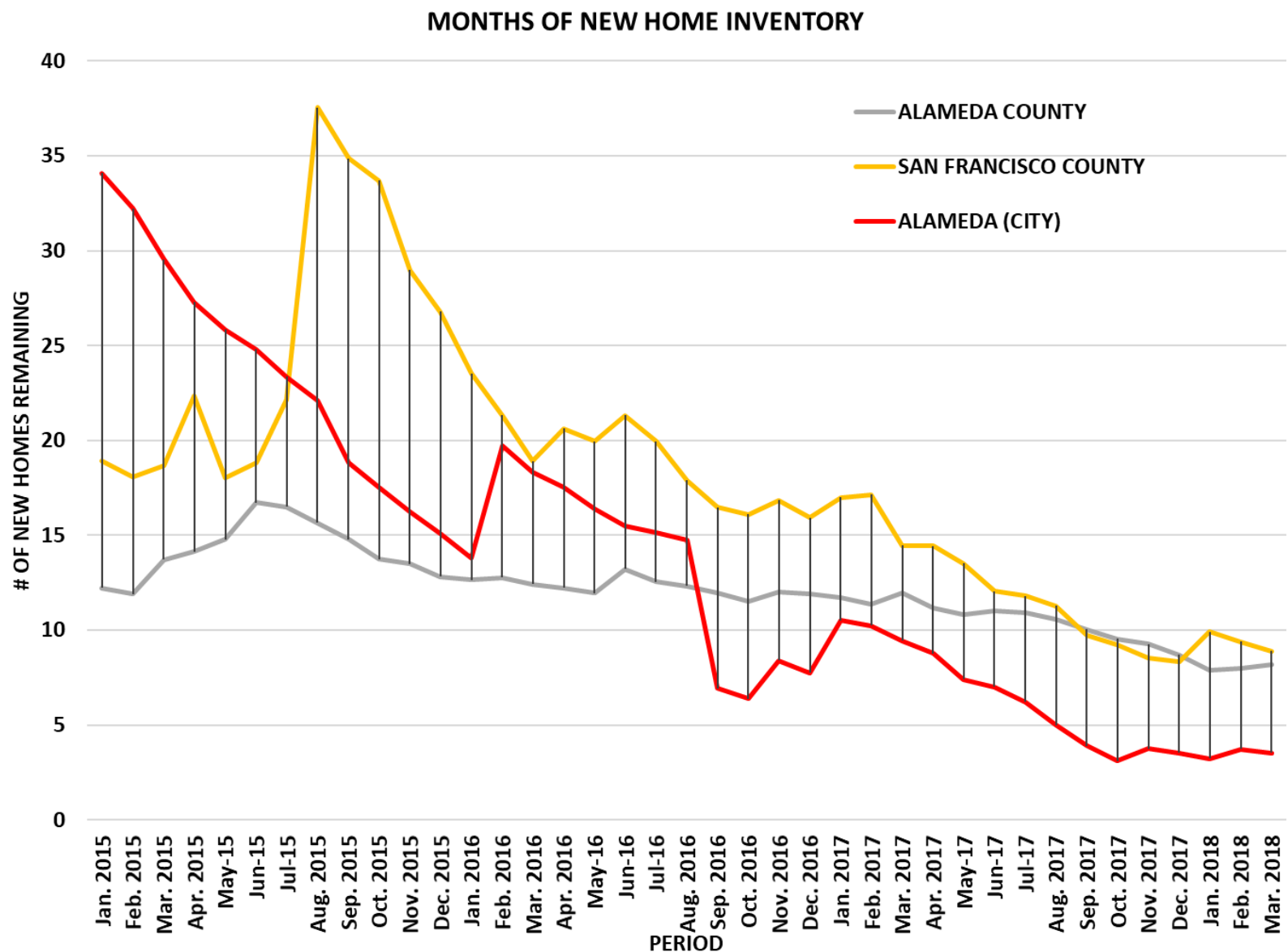


The number of new homes in Alameda County has the largest percentage of new construction with 76 active new home communities. Most of the new construction, however, is taking place in suburban areas like Dublin, Fremont, Hayward and Livermore. San Francisco has seen a dramatic decline in the number of remaining new homes since mid 2016.

Alameda (City) only has 39 new homes left to sell.







As shown on this graph, the City of Alameda only has 3.5 months of new home supply.

Months of supply is the measure of how many months it would take for the current inventory of homes on the market to sell, given the current pace of home sales.

Months of supply is a good indicator of whether a particular real estate market is favoring buyers or sellers.

Typically, a market that favors sellers has less than 6 months of supply, and Alameda is less than half of that number.

Alameda has averaged only new permits annually 66, since 2004, and in a market area that we believe will be one of the highest demand areas, particularly for Millennials leaving San Francisco, supply constraints are extremely high.



# TARGET SEGMENTATION FOR ALAMEDA

**Young Singles & Young Couples (25-34) – Adult Singles & Couples (55-75) - Young Families (25-44)**

Trade Area: San Francisco, Oakland, Alameda, Contra Costa, Marin Counties, and relocation. They are seeking homes in Alameda for the convenience of commuting, quaint downtown, value (as compared to San Francisco), waterfront lifestyle, low crime rate, great weather, and access to the Ferry system.

The high prices in San Francisco have forced many young couples and singles to consider other options. Even if they could afford it, they are concerned about the long-term investment at these unprecedented prices. Some are moving out of San Francisco or Oakland because they want an environment that is safe, and offers a very strong sense of community.

There are currently over 423,096 residents living in San Francisco and Alameda County between the ages of 25-35. There are currently over 525,000 residents living in San Francisco and Alameda County between the ages of 55-75. There are currently an estimated 795,000 residents living in San Francisco and Alameda County between the ages of 25-44.



**POPULATION BY AGE - ALAMEDA AND SAN FRANCISCO COUNTIES COMBINED**

		2,518,428		
0 - 4	5.3%	133,477	AGE GROUPINGS	
5 - 9	5.3%	133,477	25 - 34	423,096
10 - 14	5.3%	133,477	55-75	525,000
15 - 24	12.2%	307,248	25-44	795,000
25 - 34	16.8%	423,096		
35 - 44	14.7%	371,216		
45 - 54	13.5%	339,988		
55 - 64	12.5%	314,804	Source: ESRI & Census Data; S L State & Associates	
65 - 74	8.4%	211,548		
75 - 84	4.1%	103,256		
85 +	2.0%	50,369		

# ALAMEDA HOUSING MARKET OVERVIEW

ALAMEDA APPRECIATION RATES		
TIME PERIOD	TOTAL APPRECIATION	AVG. ANNUAL RATE
Latest Quarter: 2017 Q2 - 2017 Q3	1.71% ↑	7.03% ↑
Last 12 Months: 2016 Q3 - 2017 Q3	7.97% ↑	7.97% ↑
Last 2 Years: 2015 Q3 - 2017 Q3	17.93% ↑	8.60% ↑
Last 5 Years: 2012 Q3 - 2017 Q3	68.31% ↑	10.97% ↑
Last 10 Years: 2007 Q3 - 2017 Q3	40.11% ↑	3.43% ↑
Since 2000: 2000 Q1 - 2017 Q3	133.15% ↑	4.88% ↑



- The median new attached home list price in Alameda is currently \$998,000.
- Currently, there are 2 active projects, and there are only 3.5 months of inventory remaining in the new-home market.
- The median existing-home (attached) price is \$725,000, but is for a home with an average age over 40 years.
- The average price appreciation has been 11% annually over the last five years. From January to February, the change over month in price was 5.2%
- New home activity is very new to Alameda, and last year a total of 68 new homes were closed, but competition is generally no more than two or three projects.
- In the last twelve months, there were 240 attached existing-home closings. Over the past twenty years, Alameda has averaged 255 closings, with the high-point in 1998 of 398 and the low in 2010 with 126.
- Investor purchases are low, with only 4 in the past twelve months, which is less than 0.6% of the total existing home sales.
- Alameda remains a very stable market, with only 5 foreclosures in the past twelve months.

## SUMMARY

- Prices are UP
- Inventory Down
- Stability is High (few foreclosures/short sales or investor sales)
- New home inventory is way below normal at 3.5 months.





**ALAMEDA  
POINT**

**BROOKLYN BASIN  
(UNDER  
CONSTRUCTION)**

**ENCINAL TERMINALS  
(IN PLANNING)**



**We believe that Alameda is going to be the next “hot spot” of the Bay. Alameda Point, Encinal Terminals, and Del Monte are major areas of residential development in Alameda. The water-oriented lifestyle will be a huge draw for Encinal Terminals. Brooklyn Basin (Oakland) is also underway, but will take longer to actualize because of the tremendous infrastructure necessary to create a sense of “place”.**





# QUALITATIVE COMPETITIVE POSITION - RESIDENTIAL INFLUENCERS

---

- Homebuying is a decision that is led by a variety of factors. Proximity to jobs, new construction vs. resale, schools, safety, walkability and transit are all major contributors to that decision
- What we have seen as the major motivating factors for a person(s) to choose a residence. They include:
  1. WALKSCORE - WALKABILITY
  2. ACCESS TO TRANSIT – BART OR THE FERRY
  3. SCHOOLS
  4. LIFESTYLE
  5. OUTDOOR SPACE
- The Encinal Terminals Site enjoys: Access to Transit – Good Schools – Great Water-Oriented Lifestyle – Outdoor Space, and walk to hiking trails.



**Schedule**   Fares/Tickets   Terminal/Parking   Transit

The San Francisco Bay Ferry provides year-round weekday and weekend service and service on select holidays between Alameda Main Street or Oakland Jack London Square terminals in the East Bay and San Francisco Ferry Building or Pier 41 terminals. The Alameda/Oakland service is partially funded by Measure B.

#### Weekday Schedule

Effective October 30, 2017 to April 27, 2018

Depart Oakland	Depart Alameda	Arrive Ferry Bldg	Arrive Pier 41
---	6:00 AM	6:20 AM	---
6:30	6:40	7:00	---
7:00 *	7:15 *	7:35 *	---
7:35 *	7:45 *	8:05 *	---
8:10	---	8:40 *	---
---	8:20 *	8:40	---
8:40	8:50	9:10	---
9:15 *	9:25 *	9:45	10:00
10:15	10:25	10:45	11:00
11:00 *	10:50 *	11:30	11:45
11:45 *	11:35 *	12:15	12:30

#### PM Weekdays

2:40	2:25 *	3:05	-----
3:50	3:35 *	4:20	-----
5:05 *	4:50 *	5:30	-----
5:55 *	5:40 *	6:20	-----
6:20	6:05 *	6:50	-----
6:55 *	6:45 *	7:20	-----
7:55 *	7:45 *	8:25	-----
8:55 *	8:45 *	9:25	-----

\* These departures are more likely to be at capacity. Arrive early as boarding is first come, first served. \* To SF via Oakland. \* Ferry departs immediately after loading. All arrival times are estimates.

Weekday commute time from Alameda to San Francisco (Ferry Building) is 20 minutes.



## PROPOSED NEW ALAMEDA POINT FERRY TERMINAL

Access to a Ferry Terminal in Alameda or Oakland plays a huge role in the decision to purchase a home. Buyers are seeking public transportation that is safe, economical, and most important, provides them with a known commute time. Driving in the Bay Area can have a huge swing in time based on general traffic or accidents. Being able to rely on commute times saves both time and stress, and buyers pay a premium for that.




# PREMIUM FOR FERRY ACCESS





## ALAMEDA NEW HOME PROJECT COMPARISON

DEVELOPMENT SUMMARY TABLE - NEW ATTACHED HOUSING IN ALAMEDA

	Project Name	Builder	City	SQ. FT.	Jan-18		Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
	LINEAR @ ALAMEDA LANDING (2.2/Mo.)	Tri-Pointe Homes	Alameda		Base Price						2.2	0.7	\$3,550	102	89	13
				1,017	\$764,900	\$752	1	2.0	2.0	1		Qualifying	\$200,000			
				1,638	\$912,260	\$557	3	3.0	2.5	2		HOA	\$252			
				1,905	\$943,280	\$495	3	3.0	3.0	2						
				2,185	\$995,900	\$456	3	3.0	2.5	2						
				2,433	\$1,125,000	\$462	3	3.0	3.0	2						
	PROJECT NAME	BUILDER	CITY	SQ. FT.	Jan-18	\$/SF	Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
	MULBERRY (8.4/Mo.)	City Ventures	Alameda								8.4	8.4	\$4,000	51	22	29
		2 & 3 Story Townhomes		1,453	\$904,990	\$623		3.0	3.0	2		Qualifying	\$220,000			
				1,740	\$969,990	\$557		3.0	3.0	2		HOA	\$0			
	Project Name	Builder	City	SQ. FT.	Jan-18		Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
	CADANCE (SOLD OUT)	TRI Pointe Homes	Alameda		Base Price						2.6	2.6	\$4,800	91	91	0
				2,109	\$1,190,170	\$564	2	3.0	2.5	2		Qualifying	\$270,000			
				2,623	\$1,195,240	\$456	3	3.0	3.5	2		HOA	\$150			
				2,879	\$1,290,000	\$448	3	5.0	3.5	2						
				3,226	\$1,431,852	\$444	3	4.0	3.5	2						





# OAKLAND NEW HOME PROJECT COMPARISON



# DEVELOPMENT SUMMARY TABLE - NEW ATTACHED HOUSING IN OAKLAND



PROJECT NAME	BUILDER	CITY	SQ. FT.	Jan-18	\$/SF	Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
Station House - 1&3-Storey	City Ventures	West Oakland		Base Price						8.0	3.0	\$3,200	171	169	2
			1,240	\$779,990	\$629	3	2.0	2.5	2T	Qualifying \$180,000					
			1,459	\$799,990	\$548	3	2+Flex	2.5	2	HOA \$200					
			1,498	\$694,990	\$464	1	2.0	2.0	2T						
			1,513	\$719,990	\$476	1	2.0	2.0	2T						
			1,644	\$789,990	\$481	3	2+Flex	2.5	1	Decline in sales rate due to the fact this project is down to only a few units.					
			2,064	\$849,990	\$412	3	3+Flex	2.5	2						
			2,079	\$1,101,000	\$530	3	3+Den	3.5	2+Shop						
			2,089	\$1,049,990	\$503	3	3+Den	3.5	2+Shop						

PROJECT NAME	BUILDER	CITY	SQ. FT.	Jan-18	\$/SF	Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
414 29th Avenue - 2.0/3.0 Storey	BuildZig	Oakland		Base Price						1.3	1.0	\$2,300	14	12	2
			845	\$575,000	\$680	2	1.0	1.5	0	Qualifying \$130,000					
			890	\$499,000	\$561	2	1.0	2.0	0	HOA \$329					
			974	\$499,000	\$512	2	1.0	2.0	0						
			1,006	\$599,000	\$595	2	2.0	1.5	0						
			1,029	\$650,000	\$632	2	2.0	1.5	0						
			1,259	\$679,000	\$539	2	2.0	2.5	0						
			1,285	\$649,000	\$505	2	1.0	2.0	0						
			1,353	\$649,000	\$480	2	1.0	2.0	0						

PROJECT NAME	BUILDER	CITY	SQ. FT.	Jan-18	\$/SF	Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
ELEMENT	Lennar	Oakland		Base Price						2.3	2.3	\$3,200	44	4	40
			1,461	\$791,880	\$542	3	2.0	2.5	1	Qualifying \$180,000					
			1,471	\$791,880	\$538	3	2.0	2.5	1	HOA \$336					
			1,556	\$825,880	\$531	3	2.0	2.5	1						
			1,857	\$875,880	\$472	4	3.0	3.5	1						
			1,955	\$896,880	\$459	4	4.0	3.5	1						

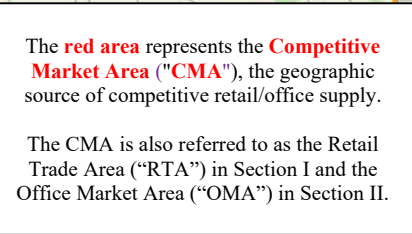
PROJECT NAME	BUILDER	CITY	SQ. FT.	Jan-18	\$/SF	Stories	Bdrms.	Baths	Garage	Sales/Mo. Since Open	Sales/Past 3 Mos.	Mo. Payment	Total Units Planned	Total Units Sold	Total Units Remaining
ATOMIC CITY SFD	Manou Design	Oakland		Base Price						5.0	5.0		15	13	2
			793	\$710,000	\$895	2	2.0	1.0	0						
			833	\$725,000	\$870		2.0	1.0							
			1,264	\$850,000	\$672	3	1+Shop	1.0							



**To:** Tim Lewis Communities  
**From:** The Concord Group  
**Date:** March 26, 2018  
**Re:** Strategic Feasibility Analysis Update for Commercial Site in Alameda, California

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

- The Site is located on a large, vacant dock just west of Fortmann Basin in Alameda. Surrounding land use includes: The Alameda Yacht Club (E), Industrial/Office (W), and large Industrial/SFD (S).
- For the proposed commercial space, the Competitive Market Area ("CMA"), represents the geographic source of competitive supply. The CMA is defined by the city boundary of Alameda. In order to understand the Site's advantages/disadvantages relative to the overall CMA, special attention was placed on the Local Area (defined by polygon).
- Given the incoming supply, increasing cost of doing business in the bay area, and decelerating job growth, we find a development over 50k sf to be precarious. 30k-40k is the ideal sized development for the given market conditions.
- Given the Local Area market metrics, TCG concludes that the Site will earn the following rents if commercial development is pursued:
  - Retail: Between \$43.00 to \$46.00/SF/year
  - Office: Between \$34.00 to \$36.00/SF/year



## Commercial Market Analysis

### Market Metrics

- The commercial market within the CMA has historically been characterized by moderate deliveries and vacancy rates. Since 2011, the CMA has delivered 0 SF of retail and approximately 330,000 SF of office, with vacancies averaging 3.8% for retail and 3.9% for office. The Local Area has delivered 0 RBA of both retail and office since 2013, vacancies averaged roughly 3.0% for retail and almost 3.2% for office.
- Current retail rental rates in the CMA for (\$30.06) have largely outperformed office rates (\$22.84), while the Local Area sees a slightly inverted pattern (\$22.21 for retail vs. \$22.54 for office) See Exhibits I-4, I-5 and II-2.

### Inventory and Pipeline

- The commercial market recovery in the CMA has been strong; occupancy for retail has tightened at 97%, with a total 97,245 direct available space for the select comps in the RTA.
- Supply/demand conditions for both uses is favorable for the foreseeable future: the pipeline for future retail sites projects 118,800 of RBA delivering in the next five years in the RTA, which is much lower than the 303,106 RBA demanded. The pipeline for future office sites projects 111,213 of RBA delivering in the next five years, which is far short of the 800,639 RBA demanded.
- 21 available retail leases in Alameda were surveyed; triple net leases range from \$31.04 (average) to \$37.89 (highest). Average product vintage is 1959.
- 14 available office leases in Alameda were also surveyed; full service gross leases range from \$27.34 (average) to \$50.40 (highest). Average product vintage is 1979.



\* \* \* \*

This assignment was completed by 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.



## THE CONCORD GROUP

251 KEARNY STREET, SIXTH FLOOR  
SAN FRANCISCO, CALIFORNIA 94108  
PHONE 415.397.5490 FAX 415.397.5496

369 SAN MIGUEL DRIVE, SUITE 265  
NEWPORT BEACH, CALIFORNIA 92660  
PHONE 949.717.6450 FAX 949.717.6444

641 LEXINGTON AVE, SUITE 1400  
NEW YORK, NY 10022  
PHONE 646.354.7090 EXT. 22

1170 PEACHTREE STREET, SUITE 1200  
ATLANTA, GEORGIA 30309  
PHONE 404.879.5000

GROUND FLOOR RETAIL & OFFICE MARKET  
OPPORTUNITY ANALYSIS AND RENT  
RECOMMENDATIONS FOR TWO MIXED USE  
BUILDINGS IN ALAMEDA, CALIFORNIA

WORKING SESSION DRAFT  
MARCH, 2018

PREPARED FOR:  
TIM LEWIS COMMUNITIES



## LIST OF EXHIBITS

### **I. RETAIL MARKET ANALYSIS**

1. Retail Market Area Definition
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

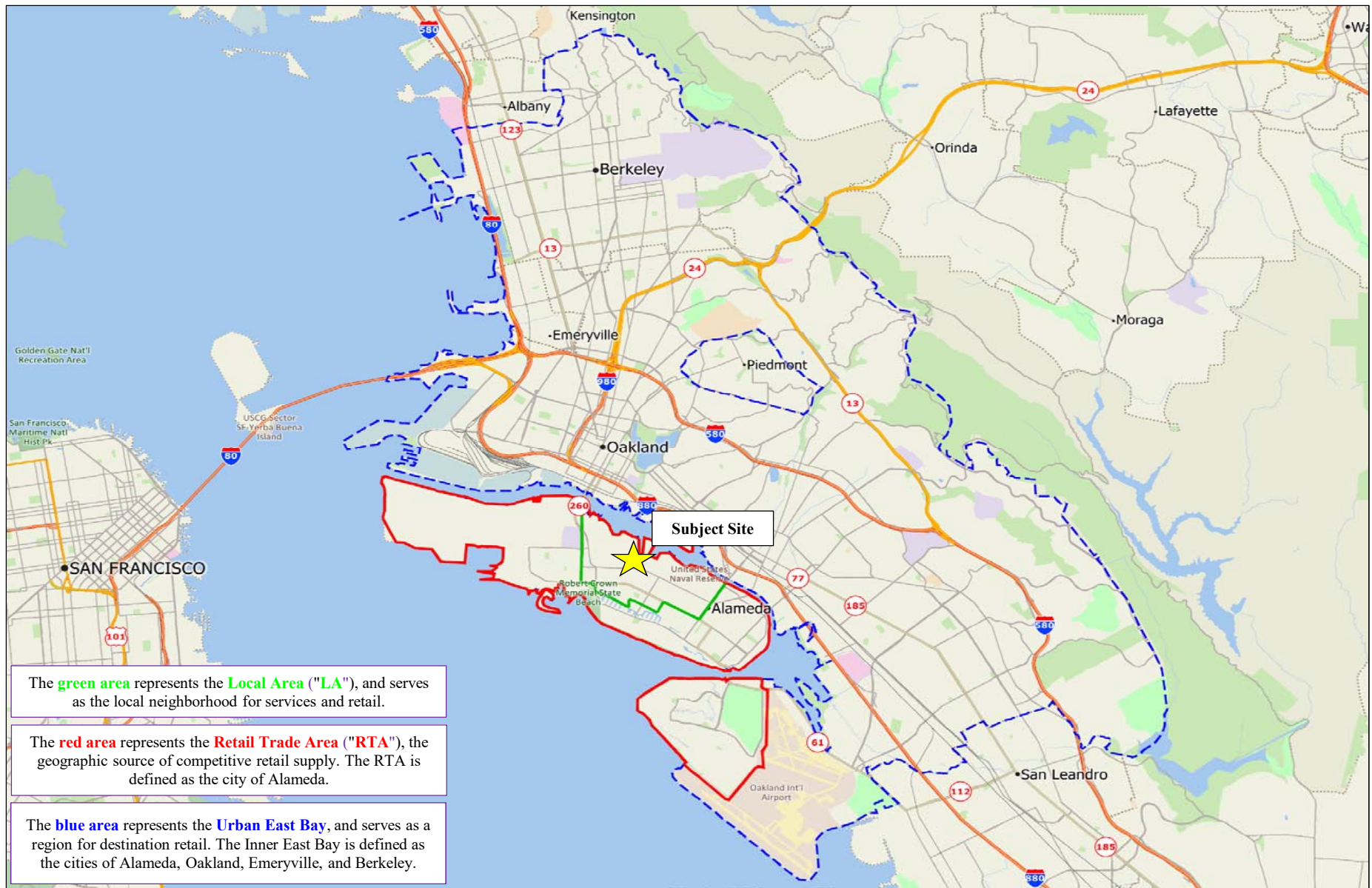
## **II. OFFICE MARKET ANALYSIS**

1. Office Market Area Definition
2. Office/Macroeconomic Trends
3. Office Demand
4. Select Inventory Summary
5. Location of Select Inventory
6. Planned and Proposed Office Development
7. Planned and Proposed Office Map
8. Office Supply vs. Demand
9. Office Positioning Recommendations



## **I. RETAIL MARKET ANALYSIS**

**RETAIL REGIONAL LOCATION AND SUBMARKET DELINEATION  
URBAN EAST BAY, CALIFORNIA  
2018**





**EXHIBIT I-1**  
**RETAIL REGIONAL LOCATION AND SUBMARKET DELINEATION**  
**LOCAL AREA, ALAMEDA, CALIFORNIA**  
**2018**

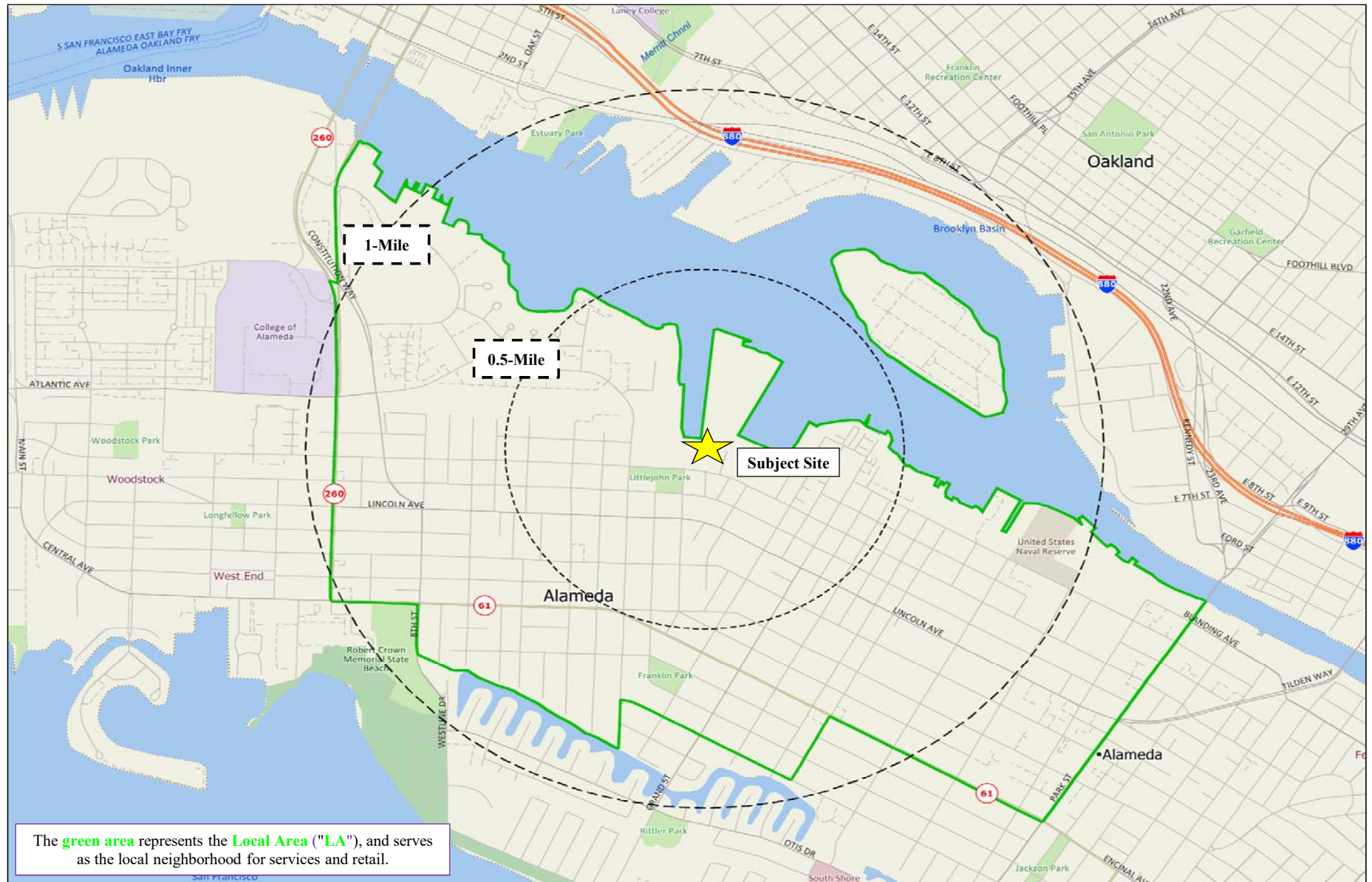
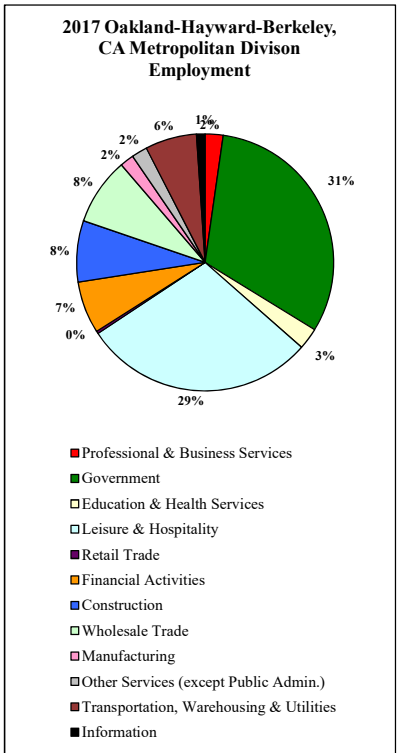
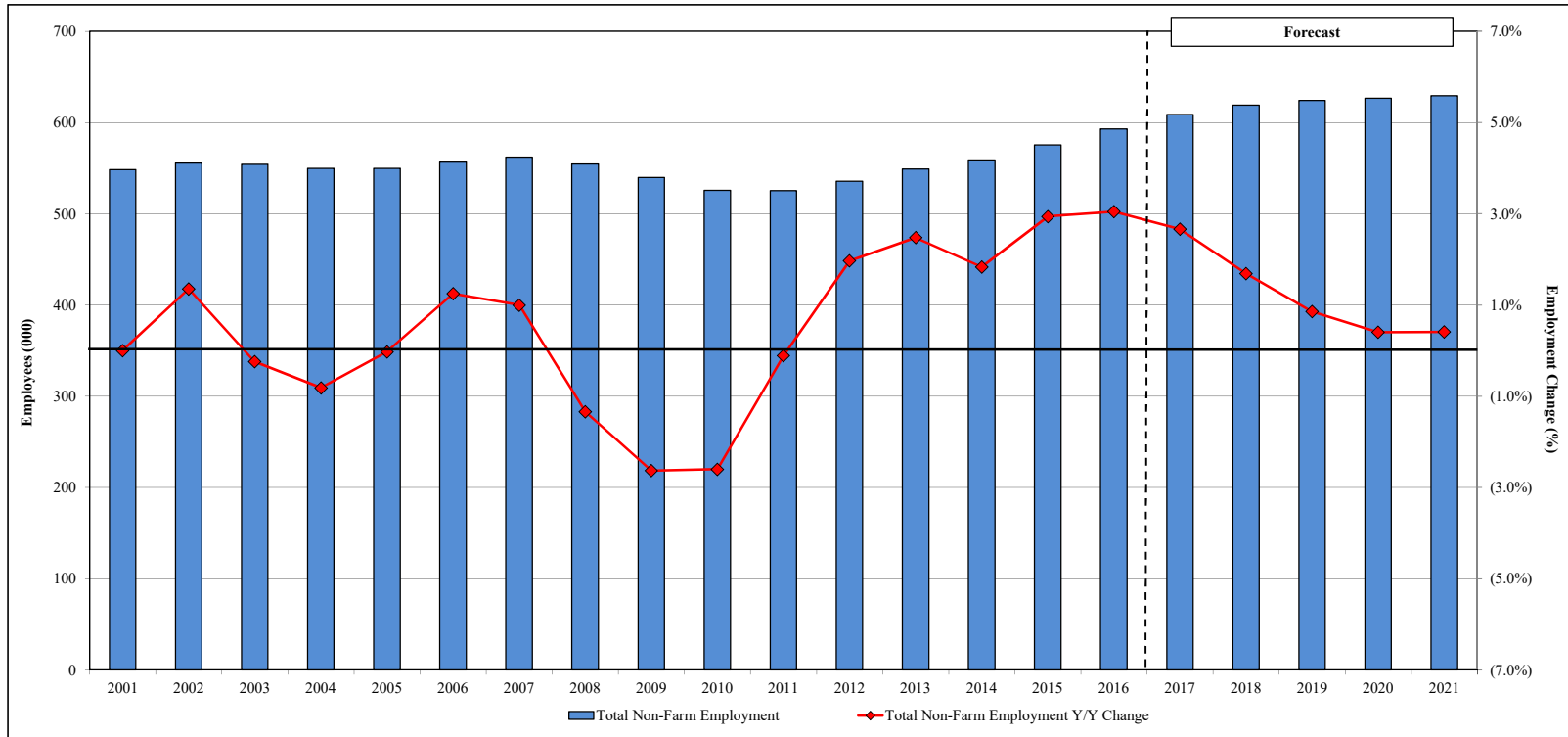


EXHIBIT I-2

EMPLOYMENT TRENDS  
OAKLAND-HAYWARD-BERKELEY, CA METROPOLITAN DIVISION  
1999 THROUGH 2022

Employment Industry (000s)	Annual Employment (000s)																Forecast					Ann. Growth			% MSA Employment			
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	'12-'17	'17-'22		2017	2022	Shift Share	
																						%	#	Nom.			%	
Professional & Business Services	18.6	18.6	17.5	17.3	17.3	17.1	17.1	16.7	15.7	14.6	14.2	13.7	13.8	13.8	13.9	13.8	13.7	13.9	14.0	14.0	14.1	-0.6%	0.4%	0.1	2%	2%	0.0%	-2.0%
Education & Health Services	16.2	15.8	15.2	14.2	14.7	15.5	15.8	15.3	15.8	15.6	15.8	16.0	15.9	15.9	16.3	16.5	16.8	16.8	16.8	16.7	16.7	0.9%	0.2%	0.0	3%	3%	-0.1%	-3.3%
Leisure & Hospitality	184.1	182.3	179.7	180.0	182.0	183.9	177.2	172.5	165.3	163.9	162.8	163.3	166.5	169.3	173.9	177.3	178.3	178.3	178.3	178.9	180.2	1.7%	0.3%	0.6	29%	28%	-0.8%	-2.6%
Construction	41.6	41.4	43.0	44.7	44.7	45.0	42.1	35.0	30.2	30.0	32.8	36.6	38.5	42.0	44.7	46.8	48.8	50.1	50.4	51.0	51.9	7.4%	2.1%	1.0	8%	8%	0.5%	6.2%
Government	126.2	131.7	133.8	135.7	140.2	145.3	153.1	157.8	158.8	159.0	164.7	170.5	173.0	178.6	184.9	191.4	197.4	200.6	202.9	204.6	207.4	3.1%	1.6%	3.2	31%	33%	1.2%	3.8%
Manufacturing	8.6	8.6	9.0	8.7	8.0	8.0	8.5	8.5	8.9	9.9	10.1	10.4	10.3	10.7	10.9	10.7	10.7	10.7	10.6	10.5	10.5	1.1%	-0.4%	0.0	2%	2%	-0.1%	-6.1%
Financial Activities	37.8	37.5	36.6	35.6	35.9	36.2	36.1	34.7	35.0	35.7	36.3	36.9	37.5	38.1	39.2	39.9	40.6	40.8	40.7	40.7	40.9	1.9%	0.5%	0.2	7%	6%	-0.1%	-1.8%
Wholesale Trade	53.2	50.7	49.2	48.7	48.9	48.8	47.7	43.7	41.9	42.2	43.7	45.2	46.1	47.6	49.0	51.3	51.6	52.1	52.1	52.1	52.4	3.3%	0.4%	0.2	8%	8%	-0.2%	-2.2%
Retail Trade	2.1	1.9	1.9	2.1	2.2	2.6	2.8	2.6	2.4	2.6	2.8	3.0	3.1	2.7	2.2	1.9	1.9	1.9	1.9	1.9	1.9	-7.6%	0.7%	0.0	0%	0%	0.0%	-0.8%
Other Services (exc. Public Admin.)	9.4	9.1	9.2	9.1	9.2	9.0	9.4	9.0	8.9	9.3	9.8	10.4	10.9	11.2	11.7	12.1	12.3	12.5	12.5	12.6	12.7	4.2%	1.1%	0.1	2%	2%	0.0%	1.2%
Transport., Warehousing & Utilities	49.1	48.8	47.0	46.2	45.8	44.5	39.1	39.0	38.1	38.3	38.5	38.9	39.3	39.9	39.8	39.3	38.9	38.6	38.3	38.1	37.9	0.4%	-0.7%	-0.3	6%	6%	-0.5%	-7.6%
Information	7.4	6.9	6.4	6.2	6.3	4.8	4.4	3.9	3.6	3.0	3.0	3.0	3.1	4.4	5.4	6.6	6.7	6.9	7.0	7.1	7.3	16.8%	2.1%	0.1	1%	1%	0.1%	6.6%
Natural Resources & Mining	1.2	0.9	1.2	1.1	1.2	1.2	1.2	1.2	1.1	1.0	0.9	0.8	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	-1.5%	1.4%	0.0	0%	0%	0.0%	2.9%
Total Non-Farm (000)	555.5	554.1	549.6	549.5	556.3	561.9	554.3	539.7	525.7	525.1	535.4	548.7	558.8	575.2	592.7	608.5	618.7	624.0	626.5	629.1	634.8	2.6%	0.9%	5.3	100%	100%		
Y/Y Change (000)	7.4	-1.3	-4.5	-0.1	6.9	5.5	-7.5	-14.6	-14.0	-0.6	10.3	13.3	10.1	16.4	17.5	15.8	10.3	5.3	2.5	2.5	5.7							
% Change		-0.2%	-0.8%	0.0%	1.2%	1.0%	-1.3%	-2.6%	-2.6%	-0.1%	2.0%	2.5%	1.8%	2.9%	3.0%	2.7%	1.7%	0.9%	0.4%	0.4%	0.9%							
Cumulative Gain/Loss:				-1.1%		2.3%				-6.5%						15.9%					2.6%							

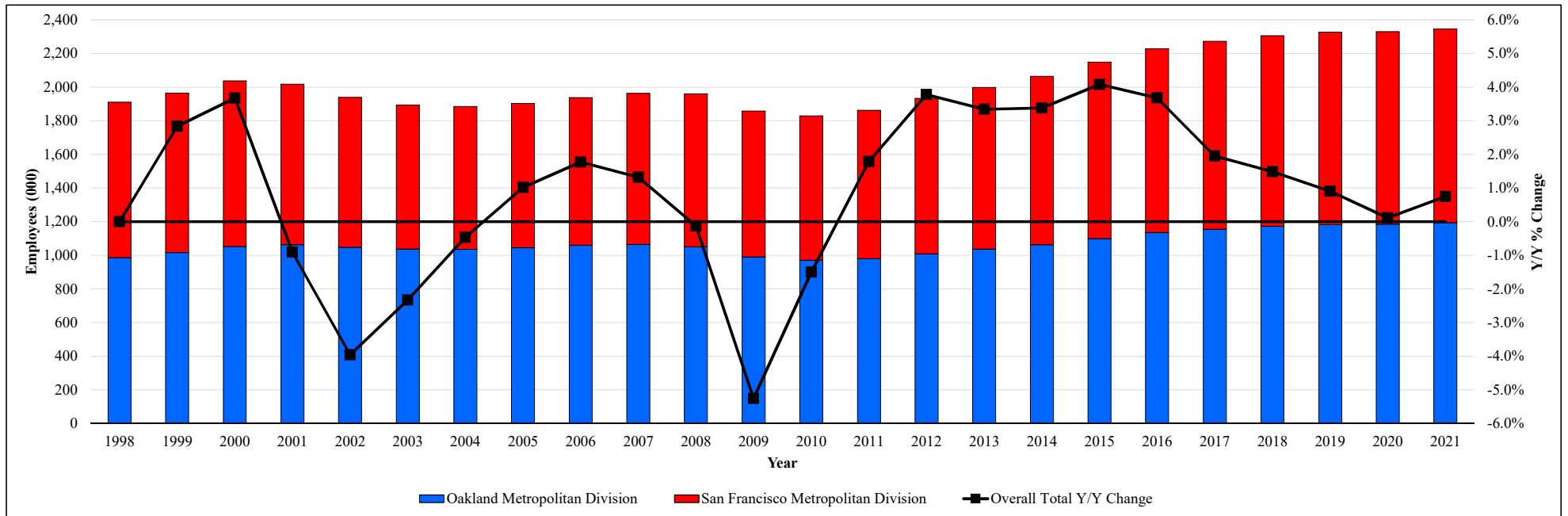


Source: Bureau of Labor Statistics; Moody's (updated January 2018).

EXHIBIT I-2

EMPLOYMENT TRENDS  
SAN FRANCISCO-OAKLAND-HAYWARD, CA METROPOLITAN STATISTICAL AREA  
1999 THROUGH 2022

Total Non-Farm Employment (000)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Metropolitan Division																								
Oakland Metropolitan Division	1,017	1,052	1,062	1,048	1,037	1,036	1,046	1,060	1,064	1,050	990	970	980	1,009	1,038	1,063	1,099	1,135	1,156	1,173	1,183	1,185	1,194	1,209
% Change	3.1%	3.5%	1.0%	-1.3%	-1.1%	-0.1%	0.9%	1.4%	0.4%	-1.3%	-5.7%	-2.0%	1.0%	2.9%	2.9%	2.4%	3.4%	3.3%	1.8%	1.5%	0.9%	0.2%	0.8%	1.2%
Cumulative Loss: -8.8%																								
Oakland MD returned to peak in early 2015																								
San Francisco Metropolitan Division	948	984	956	890	856	848	858	878	899	910	867	859	882	924	959	1,001	1,050	1,093	1,116	1,133	1,143	1,144	1,152	1,165
% Change	2.6%	3.9%	-2.9%	-6.9%	-3.8%	-1.0%	1.1%	2.3%	2.4%	1.2%	-4.7%	-0.9%	2.6%	4.8%	3.8%	4.4%	4.9%	4.1%	2.1%	1.5%	1.0%	0.0%	0.7%	1.2%
Cumulative Loss: -5.6%																								
San Francisco MD returned to peak in late 2012																								
Oakland MD Employment Share	52%	52%	53%	54%	55%	55%	55%	55%	54%	54%	53%	53%	53%	52%	52%	51%	51%	51%	51%	51%	51%	51%	51%	51%
San Francisco MD Employment Share	48%	48%	47%	46%	45%	45%	45%	45%	46%	46%	47%	47%	47%	48%	48%	49%	49%	49%	49%	49%	49%	49%	49%	49%
Overall Total																								
% Change	2.8%	3.7%	-0.9%	-4.0%	-2.3%	-0.5%	1.0%	1.8%	1.3%	-0.1%	-5.3%	-1.5%	1.8%	3.8%	3.3%	3.4%	4.1%	3.7%	2.0%	1.5%	0.9%	0.1%	0.7%	1.2%
Cumulative Loss: -6.8%																								



Note: All employment figures represent year end, and were updated as of November 2017.

**EXHIBIT I-3**

**RETAIL SUBMARKET PERFORMANCE  
PRIMARY MARKET AREA  
MARCH 2018**

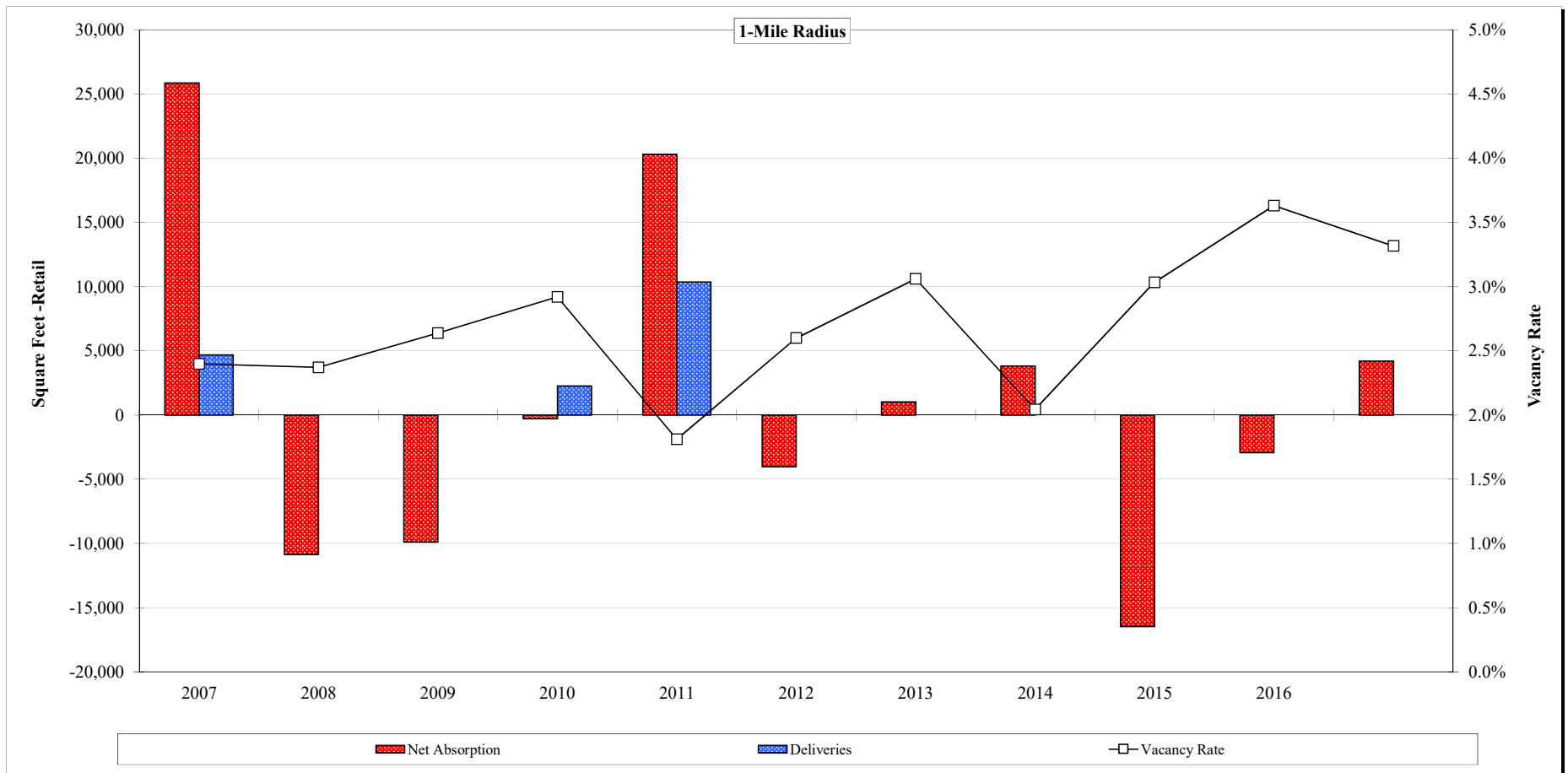
Geography	Primary Market Area		
	1-Mile	RTA	PMA
<b>General Information</b>			
Population ('18)	22,463	80,293	644,987
Households ('18)	9,687	32,775	261,301
% PMA	3.7%	12.5%	100.0%
Ann. Growth (#, '18-'23)	85	319	2,936
% PMA	2.9%	10.9%	100.0%
Over \$100K HH Growth	182	633	4,263
Under \$100K HH Growth	(97)	(314)	(1,328)
Ann. Growth (%,'18-'23)	0.9%	1.0%	1.1%
Household Size ('18)	2.32	2.45	2.47
<b>Consumer Spending Patterns ('18)</b>			
Consumer Expenditures (\$000)	\$516,920	\$1,882,769	\$13,220,866
Per Capita	\$23,012	\$23,449	\$20,498
Retail Sales (\$000)	\$402,527	\$1,383,869	\$8,740,320
Per Occupied Square Foot	\$457	\$390	\$291
Spending Inflow/ (Leakage)	(\$114,393)	(\$498,900)	(\$4,480,546)
<b>Retail Market Performance (4Q17)</b>			
Rentable Building Area (SF)	913,773	3,652,432	30,654,068
Annual Deliveries (SF)			
Last Four Quarters	0	3,000	36,687
Five-Year Average	0	66,002	115,582
Ten-Year Average	1,264	33,233	89,126
Annual Net Absorption (SF)			
Last Four Quarters	4,192	34,825	163,459
Five-Year Average	(2,072)	82,470	258,598
Ten-Year Average	(770)	39,373	131,420
Vacancy Rate	3.7%	2.7%	1.9%
Vacant Stock (SF)	33,601	99,817	578,858
Asking Rent (NNN)	\$30.35	\$31.73	\$31.26
Rent Growth			
Last Four Quarters	(1.9%)	10.2%	10.5%
Five-Year Average	6.6%	2.9%	6.2%
Ten-Year Average	---	---	---

Source: Claritas; US Census; CoStar

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE  
1-MILE RADIUS  
2008 THROUGH Q4 2017

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>1-Mile Radius</i>										
Rental Building Area	1,190,038	901,136	903,406	905,998	913,773	913,773	913,773	913,773	913,773	913,773
Net Absorption	(10,854)	(9,884)	(287)	20,312	(4,032)	1,016	3,829	(16,472)	(2,926)	4,192
Deliveries	0	0	2,270	10,367	0	0	0	0	0	0
Total Vacancy Rate	2.4%	2.6%	2.9%	1.8%	2.6%	3.1%	2.0%	3.0%	3.6%	3.3%
Vacant SF	28,221	23,785	26,386	16,415	23,754	27,980	18,666	27,715	33,182	30,309

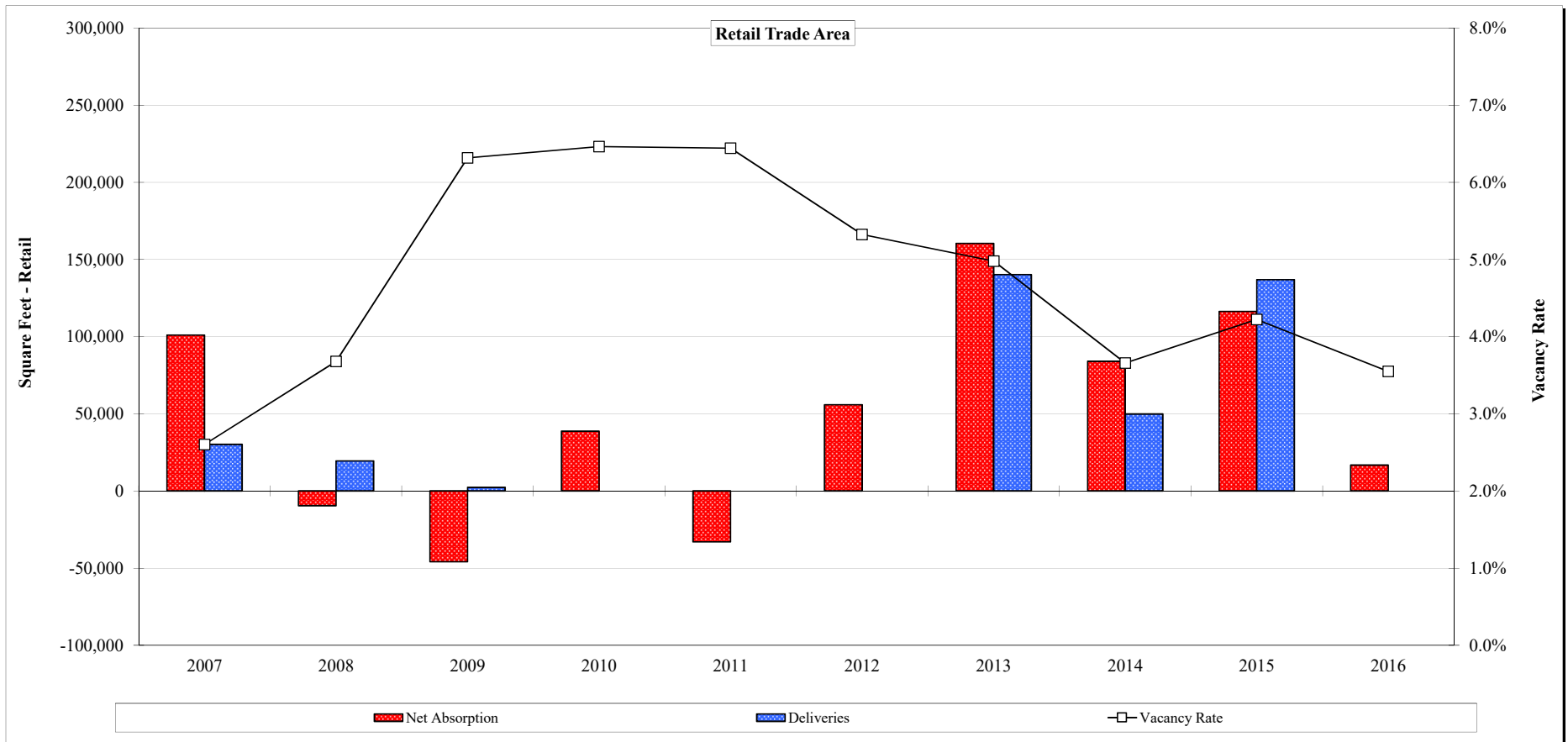


Source: CoStar

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE  
RETAIL TRADE AREA  
2008 THROUGH Q4 2017

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Retail Trade Area</i>										
Rental Building Area	5,313,987	3,322,423	3,322,423	3,322,423	3,322,423	3,392,520	3,475,091	3,648,495	3,649,432	3,651,682
Net Absorption	(9,534)	(45,896)	38,706	(32,992)	55,848	160,399	84,004	116,375	16,745	34,825
Deliveries	19,459	2,325	0	0	0	140,194	49,897	136,918	0	3,000
Total Vacancy Rate	3.7%	6.3%	6.5%	6.4%	5.3%	5.0%	3.7%	4.2%	3.5%	2.7%
Vacant SF	195,539	209,907	214,743	214,043	176,878	168,939	127,076	154,008	129,530	97,245

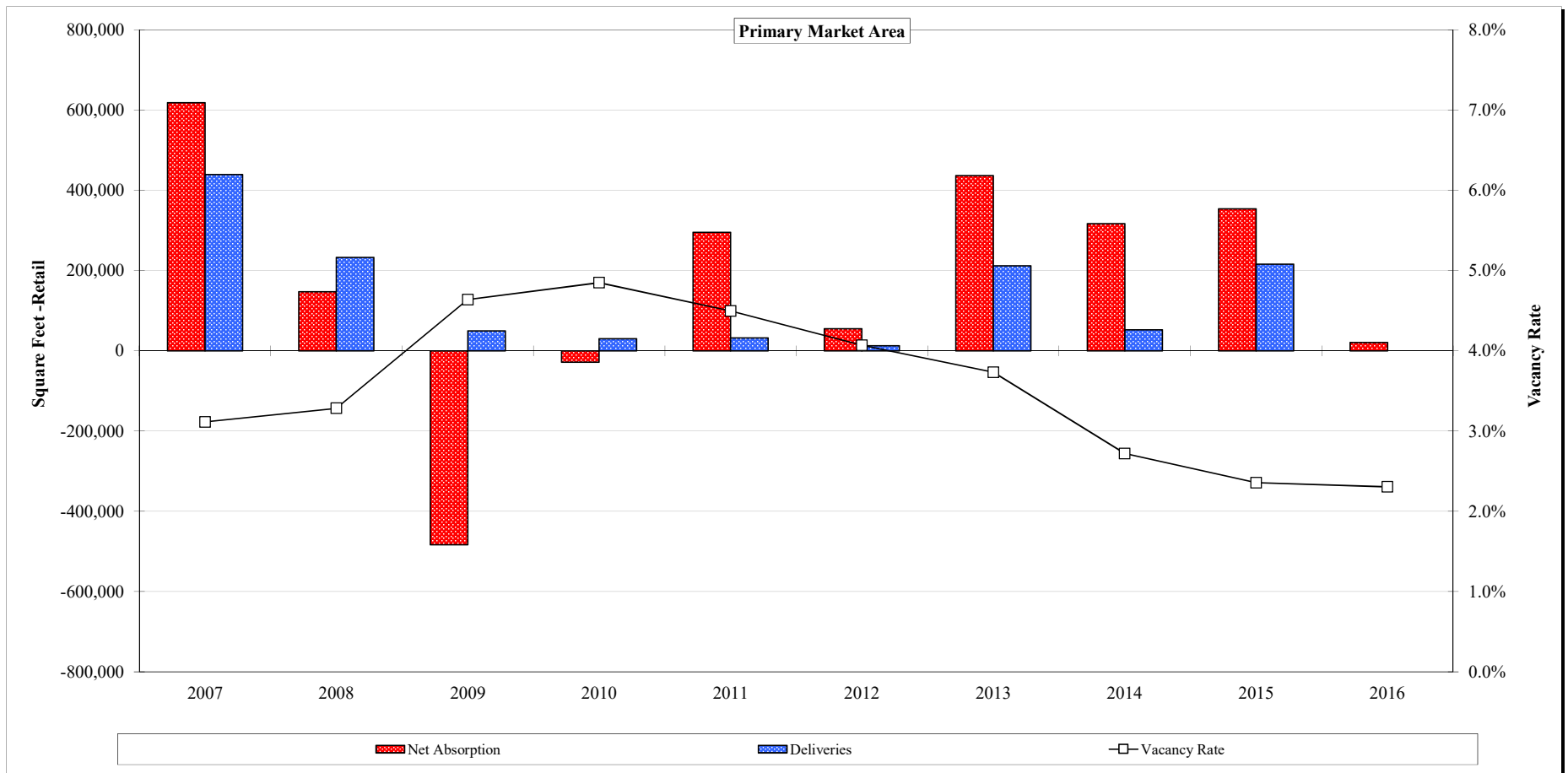


Source: CoStar

EXHIBIT I-4

RETAIL INVENTORY PERFORMANCE  
PRIMARY MARKET AREA  
2008 THROUGH Q4 2017

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Primary Market Area</i>										
Rental Building Area	31,713,491	29,986,022	30,024,527	30,055,582	30,075,157	30,164,242	30,303,215	30,544,787	30,603,293	30,640,203
Net Absorption	147,564	(483,323)	(28,162)	295,319	55,278	436,954	317,260	354,234	21,084	163,459
Deliveries	232,601	49,487	30,152	32,220	12,800	212,144	52,337	216,143	60,600	36,687
Total Vacancy Rate	3.3%	4.6%	4.8%	4.5%	4.1%	3.7%	2.7%	2.4%	2.3%	2.3%
Vacant SF	1,041,595	1,391,079	1,455,949	1,351,756	1,224,197	1,126,083	824,175	720,396	705,491	692,424



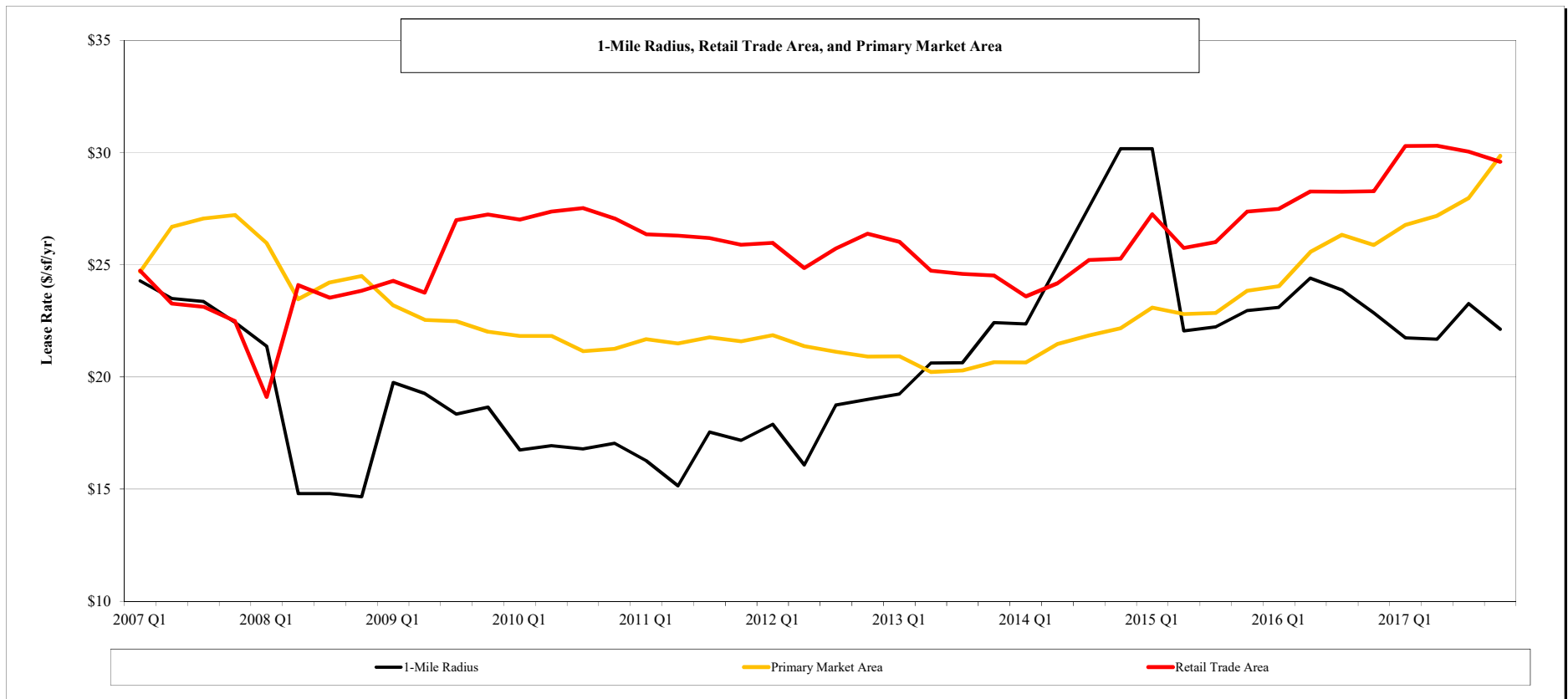
Source: CoStar



EXHIBIT I-5

RETAIL MACRO MARKET PERFORMANCE  
1-MILE RADIUS, RETAIL TRADE AREA, & PRIMARY MARKET AREA  
2007 THROUGH Q4 2017

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1-Mile Radius</b>										
Rental Rate (Direct)	\$16.41	\$19.00	\$16.88	\$16.53	\$17.93	\$20.73	\$23.18	\$24.36	\$23.56	\$22.21
Y/Y % Change	-30%	16%	-11%	-2%	8%	16%	12%	5%	-3%	-6%
<b>Retail Trade Area</b>										
Rental Rate (Direct)	\$22.65	\$25.57	\$27.25	\$26.19	\$25.74	\$24.97	\$24.57	\$26.60	\$28.08	\$30.06
Y/Y % Change	-3%	13%	7%	-4%	-2%	-3%	-2%	8%	6%	7%
<b>Primary Market Area</b>										
Rental Rate (Direct)	\$24.54	\$22.56	\$21.52	\$21.64	\$21.32	\$20.52	\$21.54	\$23.15	\$25.47	\$27.95
Y/Y % Change	-7%	-8%	-5%	1%	-1%	-4%	5%	7%	10%	10%

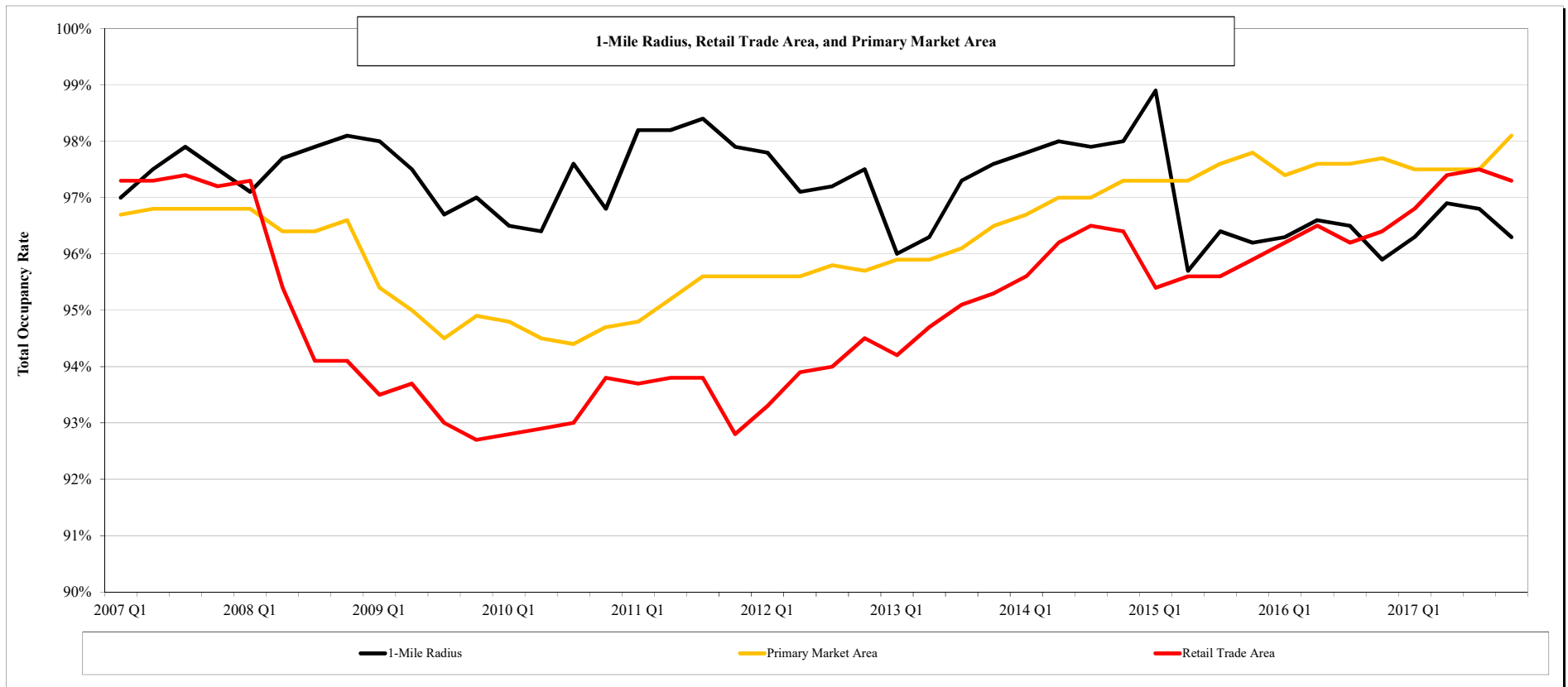


Source: CoStar

EXHIBIT I-5

RETAIL MACRO MARKET PERFORMANCE  
1-MILE RADIUS, RETAIL TRADE AREA, & PRIMARY MARKET AREA  
2007 THROUGH Q4 2017

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1-Mile Radius</b>										
Occ. Rate (Total)	97.6%	97.3%	96.8%	98.2%	97.4%	96.8%	97.9%	96.8%	96.3%	96.6%
Y/Y Change	--	0.2%	0.5%	-1.4%	0.8%	0.6%	-1.1%	1.1%	0.5%	-0.2%
<b>Retail Trade Area</b>										
Occ. Rate (Total)	96.0%	93.2%	93.1%	93.5%	93.9%	94.8%	96.2%	95.6%	96.3%	97.2%
Y/Y Change	1.3%	2.8%	0.0%	-0.4%	-0.4%	-0.9%	-1.3%	0.5%	-0.7%	-0.9%
<b>Primary Market Area</b>										
Occ. Rate (Total)	96.6%	94.9%	94.6%	95.3%	95.7%	96.1%	97.0%	97.5%	97.6%	97.7%
Y/Y Change	--	1.6%	0.4%	-0.7%	-0.4%	-0.4%	-0.9%	-0.5%	-0.1%	-0.1%



Source: CoStar

EXHIBIT I-6

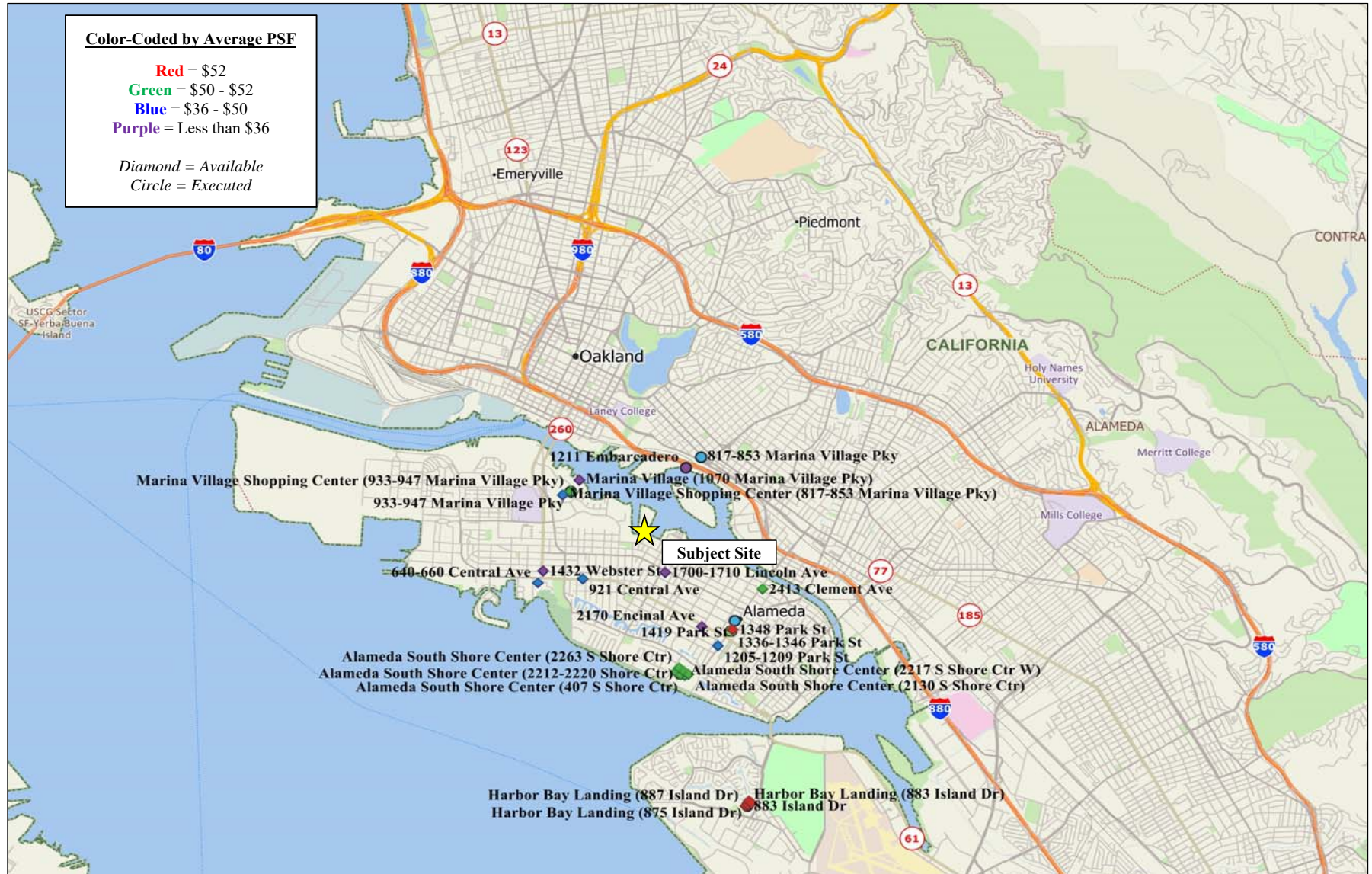
SELECTED COMPETITIVE RETAIL INVENTORY SPACE  
RETAIL TRADE AREA  
MARCH 2018

Building Name	Address	City	Year			Type	Subtype	Typical	RBA			Ann. Lease Rate		
			Built	Reno.	Elev.			Floor	Total	Avail.	Occ.	Avg.	Type	
Available Leases														
Retail Trade Area														
Harbor Bay Landing (867-871 Island Dr)	867-871 Island Dr	Alameda	1984	1987	1s	General Retail (Neighborhood Center)	Freestanding	27,652	27,652	1,956	92.9%	\$37.89	NNN	
Harbor Bay Landing (875 Island Dr)	875 Island Dr	Alameda	1979	--	1s	General Retail (Neighborhood Center)		5,099	5,099	5,099	0.0%	37.89	NNN	
Harbor Bay Landing (883 Island Dr)	883 Island Dr	Alameda	1979	--	2s	General Retail (Neighborhood Center)	Storefront Retail/Office	14,200	28,399	7,587	73.3%	37.89	NNN	
Harbor Bay Landing (887 Island Dr)	887 Island Dr	Alameda	1979	--	2s	General Retail (Neighborhood Center)	Storefront Retail/Office	5,495	10,989	2,036	81.5%	37.89	NNN	
1348 Park St	1348 Park St	Alameda	1920	--	2s	General Retail	Storefront	2,175	4,350	2,100	51.7%	37.89	NNN	
Alameda South Shore Center (2202-2250 Shore Ctr)	2202-2250 Shore Ctr	Alameda	--	--	1s	General Retail (Regional Mall)	Freestanding	59,427	59,427	6,047	89.8%	32.00	NNN*	
Alameda South Shore Center (2212-2220 Shore Ctr)	2212-2220 Shore Ctr	Alameda	--	--	1s	General Retail (Regional Mall)	Freestanding	37,580	37,580	12,723	66.1%	32.00	NNN*	
Alameda South Shore Center (407 S Shore Ctr)	407 S Shore Ctr	Alameda	--	--	1s	General Retail (Regional Mall)	Freestanding	36,544	36,544	5,856	84.0%	32.00	NNN*	
Alameda South Shore Center (2130 S Shore Ctr)	2130 S Shore Ctr	Alameda	1973	--	1s	General Retail (Regional Mall)	Freestanding	77,462	77,462	2,459	96.8%	32.00	NNN*	
Alameda South Shore Center (2263 S Shore Ctr)	2263 S Shore Ctr	Alameda	1973	--	1s	General Retail (Regional Mall)	Freestanding	91,247	91,247	2,167	97.6%	32.00	NNN*	
Alameda South Shore Center (2217 S Shore Ctr W)	2217 S Shore Ctr W	Alameda	1953	2006	2s	General Retail (Regional Mall)	Freestanding	32,559	51,744	17,075	67.0%	32.00	NNN*	
Marina Village Shopping Center (933-947 Marina Village Pky)	933-947 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Storefront	6,456	6,456	809	87.5%	31.50	NNN*	
2413 Clement Ave	2413 Clement Ave	Alameda	1964	--	1s	General Retail		2,157	2,157	2,157	0.0%	30.60	NNN*	
640-660 Central Ave	640-660 Central Ave	Alameda	1990	--	1s	General Retail (Neighborhood Center)	Freestanding	24,902	24,902	463	98.1%	24.00	NNN*	
1205-1209 Park St	1205-1209 Park St	Alameda	1921	--	2s	General Retail	Restaurant	3,794	7,948	1,700	78.6%	23.48	NNN*	
921 Central Ave	921 Central Ave	Alameda	1912	--	1s	General Retail	Storefront Retail/Residential	2,142	2,142	487	77.3%	22.71	NNN*	
Marina Village Shopping Center (817-853 Marina Village Pky)	817-853 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Freestanding	21,170	21,170	1,932	90.9%	21.00	NNN*	
1432 Webster St	1432 Webster St	Alameda	1941	--	1s	General Retail	Restaurant	4,350	4,350	2,750	36.8%	20.87	NNN*	
Marina Village (1070 Marina Village Pky)	1070 Marina Village Pky	Alameda	1984	--	2s	General Retail	Storefront Retail/Office	8,413	16,826	835	95.0%	19.94	NNN*	
2170 Encinal Ave	2170 Encinal Ave	Alameda	1930	--	2s	General Retail	Storefront Retail/Residential	3,985	3,985	1,000	74.9%	18.00	NNN*	
1700-1710 Lincoln Ave	1700-1710 Lincoln Ave	Alameda	1910	--	1s	General Retail (Strip Center)	Storefront	10,522	10,522	4,350	58.7%	12.00	NNN*	
Average:			1959	1997				Available Leases Totals:	477,331	530,951	81,588	--	--	
									Available Leases Averages:	22,730	25,283	3,885	85.7%	\$31.04
Executed Leases (Last 6 Months)														
Retail Trade Area														
1336-1346 Park St	1336-1346 Park St	Alameda	1893	--	2s	General Retail (Neighborhood Center)	Storefront	13,088	47,256	47,256	100.0%	\$51.00	NNN*	
1336-1346 Park St	1336-1346 Park St	Alameda	1893	--	2s	General Retail (Neighborhood Center)	Storefront	13,088	47,256	47,256	100.0%	51.00	NNN*	
1419 Park St	1419 Park St	Alameda	1926	--	1s	General Retail (Neighborhood Center)	Storefront	8,290	8,290	8,290	100.0%	36.00	NNN*	
2212-2220 Shore Ctr	2212-2220 Shore Ctr	Alameda	N/A	--	1s	General Retail (Neighborhood Center)	Storefront	37,580	37,580	24,840	66.1%	52.00	NNN*	
933-947 Marina Village Pky	933-947 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Storefront	6,456	6,456	809	87.5%	36.00	NNN*	
817-853 Marina Village Pky	817-853 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Storefront	8,458	5,000	5,000	100.0%	36.00	NNN*	
1211 Embarcadero	1211 Embarcadero	Oakland	2007	--	3s	General Retail (Neighborhood Center)	Freestanding	8,458	24,821	20,899	84.2%	33.00	NNN*	
933-947 Marina Village Pky	933-947 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Storefront	6,456	6,456	809	87.5%	31.35	NNN*	
883 Island Dr	883 Island Dr	Alameda	1979	--	2s	General Retail (Neighborhood Center)	Storefront	14,200	28,399	20,816	73.3%	33.24	NNN	
933-947 Marina Village Pky	933-947 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Storefront	6,456	6,456	809	87.5%	30.00	NNN*	
817-853 Marina Village Pky	817-853 Marina Village Pky	Alameda	1988	--	1s	General Retail (Neighborhood Center)	Freestanding	21,170	21,170	1,932	90.9%	21.00	NNN*	
Average:			1964	--				Executed Leases Totals:	143,700	239,140	178,717	--	--	
									Executed Leases Averages:	13,064	21,740	16,247	84.5%	\$39.78

Source: CoStar

# EXHIBIT I-7

## LOCATION OF COMPARABLE RETAIL SPACES RETAIL TRADE AREA MARCH 2018



Source: CoStar; TCG

EXHIBIT I-8

PROJECTED FUTURE SUPPLY - RETAIL  
PRIMARY MARKET AREA  
MARCH 2018

I. Submarket Overview

Status	RTA	Remainder PMA	PMA
Under Construction	0	122,875	122,875
Approved	132,000	17,742	149,742
Proposed	0	0	0
Conceptual	0	0	0
Inactive	0	0	0
<b>TOTAL</b>	<b>132,000</b>	<b>140,617</b>	<b>272,617</b>

II. Primary Market Area Supply Projection

Status	Completion Likelihood	Planned and Proposed Projected Delivery (% of Likely Completions)				
		2018	2019	2020	2021	2022
Under Construction	100%	10%	0%	85%	5%	0%
Approved	90%	12%	0%	88%	0%	0%
Proposed	60%	0%	0%	0%	0%	0%
Conceptual	25%	0%	0%	0%	0%	0%
Inactive	15%	0%	0%	0%	0%	0%

Status	Projected Units Completed	RBA Delivery Schedule				
		2018	2019	2020	2021	2022
Under Construction	122,875	12,345	0	105,000	5,530	0
Approved	134,768	15,968	0	118,800	0	0
Proposed	0	0	0	0	0	0
Conceptual	0	0	0	0	0	0
Inactive	0	0	0	0	0	0
<b>Market Areas TOTAL:</b>	<b>257,643</b>	<b>28,313</b>	<b>0</b>	<b>223,800</b>	<b>5,530</b>	<b>0</b>

5-year projected near-term deliveries: **257,643 RBA** 0.8% of existing retail product

III. Retail Market Area Supply Projection

Status	Completion Likelihood	Planned and Proposed Projected Delivery (% of Likely Completions)				
		2018	2019	2020	2021	2022
Under Construction	100%	0%	0%	0%	0%	0%
Approved	90%	0%	0%	100%	0%	0%
Proposed	60%	0%	0%	0%	0%	0%
Conceptual	25%	0%	0%	0%	0%	0%
Inactive	15%	0%	0%	0%	0%	0%

Status	Projected Units Completed	RBA Delivery Schedule				
		2018	2019	2020	2021	2022
Under Construction	0	0	0	0	0	0
Approved	118,800	0	0	118,800	0	0
Proposed	0	0	0	0	0	0
Conceptual	0	0	0	0	0	0
Inactive	0	0	0	0	0	0
<b>Market Areas TOTAL:</b>	<b>118,800</b>	<b>0</b>	<b>0</b>	<b>118,800</b>	<b>0</b>	<b>0</b>

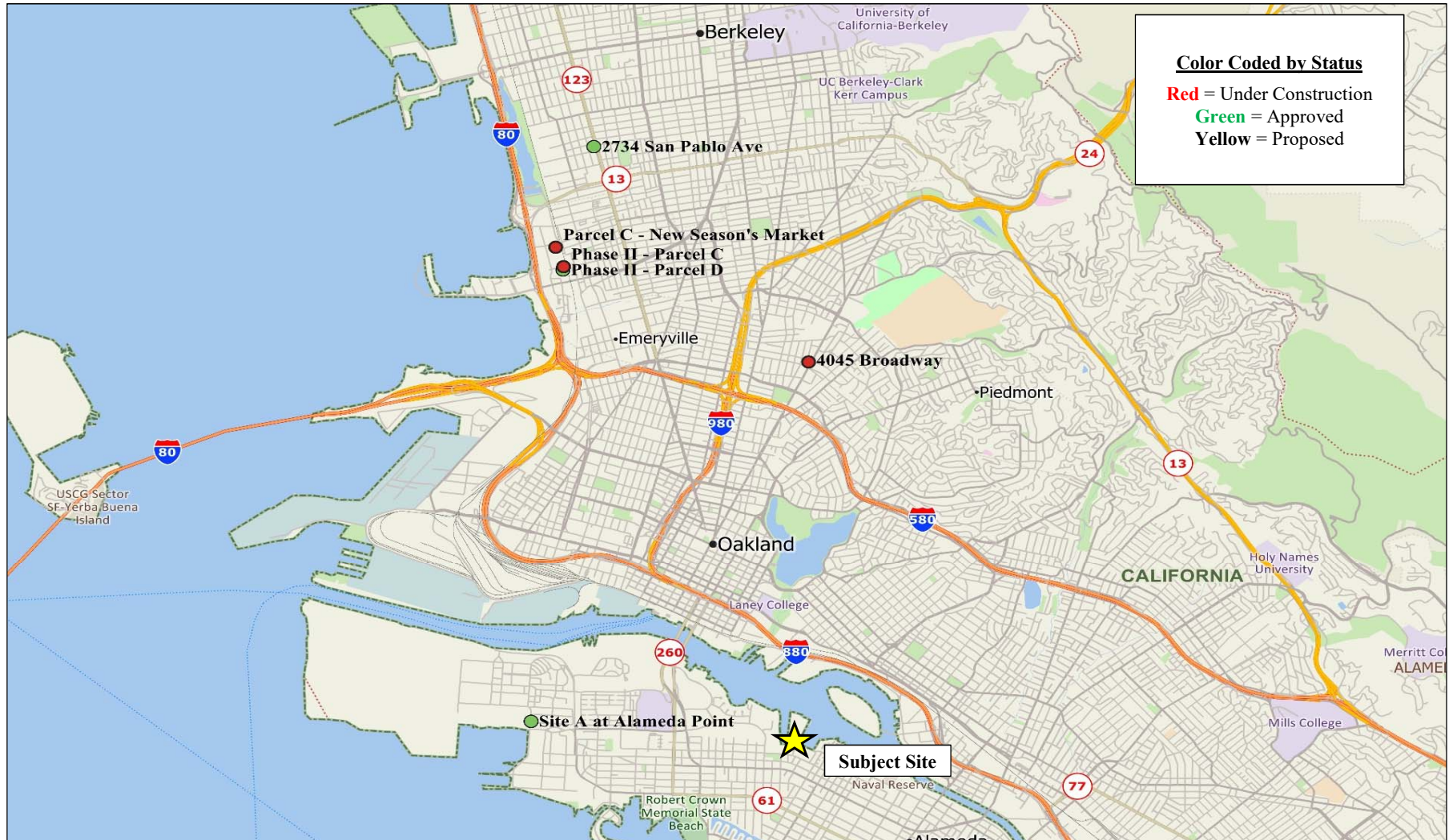
5-year projected near-term deliveries: **118,800 RBA** 3.3% of existing retail product

Source: Costar; REIS; local news sources



EXHIBIT I-9

PLANNED AND PROPOSED RETAIL DEVELOPMENT - PROJECT LOCATIONS  
PRIMARY MARKET AREA  
MARCH 2018



**EXHIBIT I-10**

**CONSUMER SPENDING CAPACITY  
PRIMARY MARKET AREA  
MARCH 2018**

<b>2017 Population</b>					
	PMA	644,987			
	RTA	80,293			
	1-Mile	22,463			
<b>Spending Category</b>	<b>Target Market</b>		<b>Consumer Spending Capacity</b>		
	<b>Radius</b>	<b>Pop.</b>	<b>Total</b>	<b>Per Cap.</b>	<b>Share</b>
<b>GAFO (1)</b>					
Department Stores	PMA	644,987	\$392,291,891	\$608	5.3%
Furniture	PMA	644,987	\$276,809,240	\$429	3.7%
Sporting Goods/Hobby	PMA	644,987	\$183,845,663	\$285	2.5%
Books & Music	PMA	644,987	\$42,152,122	\$65	0.6%
Office Supplies, Gift Stores	PMA	644,987	\$73,103,544	\$113	1.0%
Electronics/Appliances	PMA	644,987	\$257,627,600	\$399	3.5%
Clothing & Accessories	PMA	644,987	\$729,595,270	\$1,131	9.8%
Other General Merchandise	PMA	644,987	\$165,014,051	\$256	2.2%
<b>GAFO Total</b>	<b>PMA</b>	<b>644,987</b>	<b>\$2,120,439,381</b>	<b>\$3,288</b>	<b>28.5%</b>
<b>Non-GAFO</b>					
Eating & Drinking Places	PMA	644,987	\$1,849,979,761	\$2,868	24.9%
Misc. Stores	PMA	644,987	\$275,447,949	\$427	3.7%
Health & Personal Care	PMA	644,987	\$703,258,057	\$1,090	9.5%
Building/Garden Materials	PMA	644,987	\$828,828,617	\$1,285	11.1%
Food & Beverage	PMA	644,987	\$1,657,097,252	\$2,569	22.3%
<b>Non-GAFO Total</b>	<b>PMA</b>	<b>644,987</b>	<b>\$5,314,611,636</b>	<b>\$8,240</b>	<b>71.5%</b>
<b>Total Excluding Vehicle/Gas/Non-Store</b>	<b>PMA</b>	<b>644,987</b>	<b>\$7,435,051,017</b>	<b>\$11,527</b>	<b>100.0%</b>
<b>Motor Vehicle/Gas/Non-Store</b>					
Motor Vehicle	PMA	644,987	\$2,361,736,427	\$3,662	
Gas Stations	PMA	644,987	\$948,852,078	\$1,471	
Other Non-Store Retailers	PMA	644,987	\$1,512,411,518	\$2,345	
<b>Motor Vehicle/Gas/Non-Store Total</b>	<b>PMA</b>	<b>644,987</b>	<b>\$4,823,000,023</b>	<b>\$7,478</b>	
<b>Total</b>	<b>PMA</b>	<b>644,987</b>	<b>\$12,258,051,040</b>	<b>\$19,005</b>	

Source: Claritas; TCG

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



**EXHIBIT I-10**

**CONSUMER SPENDING CAPACITY  
RETAIL TRADE AREA  
MARCH 2018**

<b>2017 Population</b>					
	PMA	644,987			
	RTA	80,293			
	1-Mile	22,463			
<b>Spending Category</b>	<b>Target Market</b>		<b>Consumer Spending Capacity</b>		
	<b>Radius</b>	<b>Pop.</b>	<b>Total</b>	<b>Per Cap.</b>	<b>Share</b>
<b>GAFO (1)</b>					
Department Stores	RTA	80,293	\$56,066,785	\$698	5.4%
Furniture	RTA	80,293	\$40,084,425	\$499	3.8%
Sporting Goods/Hobby	RTA	80,293	\$26,959,210	\$336	2.6%
Books & Music	RTA	80,293	\$5,879,869	\$73	0.6%
Office Supplies, Gift Stores	RTA	80,293	\$10,520,169	\$131	1.0%
Electronics/Appliances	RTA	80,293	\$36,562,458	\$455	3.5%
Clothing & Accessories	RTA	80,293	\$103,641,648	\$1,291	9.9%
Other General Merchandise	RTA	80,293	\$23,388,608	\$291	2.2%
<b>GAFO Total</b>	<b>RTA</b>	<b>80,293</b>	<b>\$303,103,172</b>	<b>\$3,775</b>	<b>29.0%</b>
<b>Non-GAFO</b>					
Eating & Drinking Places	RTA	80,293	\$260,266,999	\$3,241	24.9%
Misc. Stores	RTA	80,293	\$28,883,908	\$360	2.8%
Health & Personal Care	RTA	80,293	\$99,828,962	\$1,243	9.6%
Building/Garden Materials	RTA	80,293	\$120,788,168	\$1,504	11.6%
Food & Beverage	RTA	80,293	\$232,264,374	\$2,893	22.2%
<b>Non-GAFO Total</b>	<b>RTA</b>	<b>80,293</b>	<b>\$742,032,411</b>	<b>\$9,242</b>	<b>71.0%</b>
<b>Total Excluding Vehicle/Gas/Non-Store</b>	<b>RTA</b>	<b>80,293</b>	<b>\$1,045,135,583</b>	<b>\$13,017</b>	<b>100.0%</b>
<b>Motor Vehicle/Gas/Non-Store</b>					
Motor Vehicle	RTA	80,293	\$345,030,032	\$4,297	
Gas Stations	RTA	80,293	\$131,522,199	\$1,638	
Other Non-Store Retailers	RTA	80,293	\$215,433,436	\$2,683	
<b>Motor Vehicle/Gas/Non-Store Total</b>	<b>RTA</b>	<b>80,293</b>	<b>\$691,985,667</b>	<b>\$8,618</b>	
<b>Total</b>	<b>RTA</b>	<b>80,293</b>	<b>\$1,737,121,250</b>	<b>\$21,635</b>	

Source: Claritas; TCG

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

**EXHIBIT I-10**

**CONSUMER SPENDING CAPACITY  
1-MILE RADIUS  
MARCH 2018**

<b>2017 Population</b>					
PMA		644,987			
RTA		80,293			
1-Mile		22,463			
<b>Spending Category</b>	<b>Target Market</b>		<b>Consumer Spending Capacity</b>		
	<b>Radius</b>	<b>Pop.</b>	<b>Total</b>	<b>Per Cap.</b>	<b>Share</b>
<b>GAFO (1)</b>					
Department Stores	1-Mile	22,463	\$15,347,547	\$683	5.4%
Furniture	1-Mile	22,463	\$10,803,543	\$481	3.8%
Sporting Goods/Hobby	1-Mile	22,463	\$7,269,359	\$324	2.5%
Books & Music	1-Mile	22,463	\$1,603,026	\$71	0.6%
Office Supplies, Gift Stores	1-Mile	22,463	\$2,872,292	\$128	1.0%
Electronics/Appliances	1-Mile	22,463	\$10,197,144	\$454	3.6%
Clothing & Accessories	1-Mile	22,463	\$28,848,474	\$1,284	10.1%
Other General Merchandise	1-Mile	22,463	\$6,420,221	\$286	2.2%
<b>GAFO Total</b>	<b>1-Mile</b>	<b>22,463</b>	<b>\$83,361,606</b>	<b>\$3,711</b>	<b>29.1%</b>
<b>Non-GAFO</b>					
Eating & Drinking Places	1-Mile	22,463	\$72,231,888	\$3,216	25.2%
Misc. Stores	1-Mile	22,463	\$7,904,803	\$352	2.8%
Health & Personal Care	1-Mile	22,463	\$27,595,590	\$1,228	9.6%
Building/Garden Materials	1-Mile	22,463	\$30,776,314	\$1,370	10.8%
Food & Beverage	1-Mile	22,463	\$64,245,482	\$2,860	22.5%
<b>Non-GAFO Total</b>	<b>1-Mile</b>	<b>22,463</b>	<b>\$202,754,077</b>	<b>\$9,026</b>	<b>70.9%</b>
<b>Total Excluding Vehicle/Gas/Non-Store</b>	<b>1-Mile</b>	<b>22,463</b>	<b>\$286,115,683</b>	<b>\$12,737</b>	<b>100.0%</b>
<b>Motor Vehicle/Gas/Non-Store</b>					
Motor Vehicle	1-Mile	22,463	\$94,446,194	\$4,205	
Gas Stations	1-Mile	22,463	\$36,728,749	\$1,635	
Other Non-Store Retailers	1-Mile	22,463	\$59,387,749	\$2,644	
<b>Motor Vehicle/Gas/Non-Store Total</b>	<b>1-Mile</b>	<b>22,463</b>	<b>\$190,562,692</b>	<b>\$8,483</b>	
<b>Total</b>	<b>1-Mile</b>	<b>22,463</b>	<b>\$476,678,375</b>	<b>\$21,221</b>	

Source: Claritas; TCG

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

**EXHIBIT I-11**

**RETAIL OPPORTUNITY GAPS  
PRIMARY MARKET AREA  
MARCH 2018**

2018 Population						
	PMA	644,987				
	RTA	80,293				
	1-Mile	22,463				
Spending Category	Target Market		Consumer Demand	Consumer Spending		
	Radius	Pop.		Actual Sales	Retail Opportunity Gap	
					\$	%
GAFO (1)						
Department Stores	PMA	644,987	\$392,291,891	\$111,309,262	\$280,982,629	71.6%
Furniture	PMA	644,987	\$276,809,240	\$307,751,054	(\$30,941,814)	(11.2%)
Sporting Goods/Hobby	PMA	644,987	\$183,845,663	\$118,975,998	\$64,869,665	35.3%
Books & Music	PMA	644,987	\$42,152,122	\$52,378,390	(\$10,226,268)	(24.3%)
Office Supplies, Gift Stores	PMA	644,987	\$73,103,544	\$37,495,372	\$35,608,172	48.7%
Electronics/Appliances	PMA	644,987	\$257,627,600	\$69,483,214	\$188,144,386	73.0%
Clothing & Accessories	PMA	644,987	\$729,595,270	\$474,420,077	\$255,175,193	35.0%
Other General Merchandise	PMA	644,987	\$165,014,051	\$139,656,799	\$25,357,252	15.4%
GAFO Total	PMA	644,987	\$2,120,439,381	\$1,311,470,166	\$808,969,215	38.2%
Non-GAFO						
Eating & Drinking Places	PMA	644,987	\$1,849,979,761	\$1,639,574,916	\$210,404,845	11.4%
Misc. Stores	PMA	644,987	\$202,344,405	\$173,520,606	\$28,823,799	14.2%
Health & Personal Care	PMA	644,987	\$703,258,057	\$526,134,557	\$177,123,500	25.2%
Building/Garden Materials	PMA	644,987	\$828,828,617	\$503,583,303	\$325,245,314	39.2%
Food & Beverage	PMA	644,987	\$1,657,097,252	\$1,339,015,794	\$318,081,458	19.2%
Non-GAFO Total	PMA	644,987	\$5,241,508,092	\$4,181,829,176	\$1,059,678,916	20.2%
Total Excluding Vehicle/Gas/Non-Store Outflow Categories	PMA	644,987	\$7,361,947,473	\$5,493,299,342	\$1,868,648,131	25.4%
			\$7,042,986,111	\$5,133,169,898	\$1,909,816,213	27.1%
Motor Vehicle/Gas/Non-Store						
Motor Vehicle	PMA	644,987	\$2,361,736,427	\$1,764,737,729	\$596,998,698	25.3%
Gas Stations	PMA	644,987	\$948,852,078	\$462,408,462	\$486,443,616	51.3%
Other Non-Store Retailers	PMA	644,987	\$1,512,411,518	\$936,978,197	\$575,433,321	38.0%
Motor Vehicle/Gas/Non-Store Total	PMA	644,987	\$4,823,000,023	\$3,164,124,388	\$1,658,875,635	34.4%
Total	PMA	644,987	\$12,184,947,496	\$8,657,423,730	\$3,527,523,766	28.9%

Source: Claritas; TCG

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

**EXHIBIT I-11**

**RETAIL OPPORTUNITY GAPS  
RETAIL TRADE AREA  
MARCH 2018**

Spending Category	2018 Population		Consumer Spending			
	Target Market		Consumer Demand	Actual Sales	Retail Opportunity Gap	
	Radius	Pop.			\$	%
GAFO (1)						
Department Stores	RTA	80,293	\$56,066,785	\$32,285,220	\$23,781,565	42.4%
Furniture	RTA	80,293	\$40,084,425	\$71,696,354	(\$31,611,929)	(78.9%)
Sporting Goods/Hobby	RTA	80,293	\$26,959,210	\$13,648,280	\$13,310,930	49.4%
Books & Music	RTA	80,293	\$5,879,869	\$6,009,195	(\$129,326)	(2.2%)
Office Supplies, Gift Stores	RTA	80,293	\$10,520,169	\$7,640,514	\$2,879,655	27.4%
Electronics/Appliances	RTA	80,293	\$36,562,458	\$7,020,320	\$29,542,138	80.8%
Clothing & Accessories	RTA	80,293	\$103,641,648	\$128,138,242	(\$24,496,594)	(23.6%)
Other General Merchandise	RTA	80,293	\$23,388,608	\$40,507,415	(\$17,118,807)	(73.2%)
GAFO Total	RTA	80,293	\$303,103,172	\$306,945,540	(\$3,842,368)	(1.3%)
Non-GAFO						
Eating & Drinking Places	RTA	80,293	\$260,266,999	\$210,674,876	\$49,592,123	19.1%
Misc. Stores	RTA	80,293	\$28,883,908	\$35,516,044	(\$6,632,136)	(23.0%)
Health & Personal Care	RTA	80,293	\$99,828,962	\$78,958,216	\$20,870,746	20.9%
Building/Garden Materials	RTA	80,293	\$120,788,168	\$43,236,819	\$77,551,349	64.2%
Food & Beverage	RTA	80,293	\$232,264,374	\$130,884,848	\$101,379,526	43.6%
Non-GAFO Total	RTA	80,293	\$742,032,411	\$499,270,803	\$242,761,608	32.7%
Total Excluding Vehicle/Gas/Non-Store Outflow Categories						
	RTA	80,293	\$1,045,135,583	\$806,216,343	\$238,919,240	22.9%
			\$843,257,125	\$524,349,093	\$318,908,032	37.8%
Motor Vehicle/Gas/Non-Store						
Motor Vehicle	RTA	80,293	\$345,030,032	\$407,841,507	(\$62,811,475)	(18.2%)
Gas Stations	RTA	80,293	\$131,522,199	\$34,585,832	\$96,936,367	73.7%
Other Non-Store Retailers	RTA	80,293	\$215,433,436	\$111,181,221	\$104,252,215	48.4%
Motor Vehicle/Gas/Non-Store Total	RTA	80,293	\$691,985,667	\$553,608,560	\$138,377,107	20.0%
Total	RTA	80,293	\$1,737,121,250	\$1,359,824,903	\$377,296,347	21.7%

Source: Claritas; TCG

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

**EXHIBIT I-11**

**RETAIL OPPORTUNITY GAPS  
1-MILE RADIUS  
MARCH 2018**

2018 Population						
	PMA	644,987				
	RTA	80,293				
	1-Mile	22,463				
Spending Category	Target Market		Consumer Demand	Consumer Spending		
	Radius	Pop.		Actual Sales	Retail Opportunity Gap	
					\$	%
GAFO (1)						
Department Stores	1-Mile	22,463	\$15,347,547	\$3,133,188	\$12,214,359	79.6%
Furniture	1-Mile	22,463	\$10,803,543	\$62,840,929	(\$52,037,386)	(481.7%)
Sporting Goods/Hobby	1-Mile	22,463	\$7,269,359	\$2,884,284	\$4,385,075	60.3%
Books & Music	1-Mile	22,463	\$1,603,026	\$1,269,920	\$333,106	20.8%
Office Supplies, Gift Stores	1-Mile	22,463	\$2,872,292	\$822,857	\$2,049,435	71.4%
Electronics/Appliances	1-Mile	22,463	\$10,197,144	\$1,349,234	\$8,847,910	86.8%
Clothing & Accessories	1-Mile	22,463	\$28,848,474	\$7,756,250	\$21,092,224	73.1%
Other General Merchandise	1-Mile	22,463	\$6,420,221	\$3,931,128	\$2,489,093	38.8%
GAFO Total	1-Mile	22,463	\$83,361,606	\$83,987,790	(\$626,184)	(0.8%)
Non-GAFO						
Eating & Drinking Places	1-Mile	22,463	\$72,231,888	\$59,266,918	\$12,964,970	17.9%
Misc. Stores	1-Mile	22,463	\$7,904,803	\$3,824,954	\$4,079,849	51.6%
Health & Personal Care	1-Mile	22,463	\$27,595,590	\$20,300,984	\$7,294,606	26.4%
Building/Garden Materials	1-Mile	22,463	\$30,776,314	\$26,908,393	\$3,867,921	12.6%
Food & Beverage	1-Mile	22,463	\$64,245,482	\$21,242,045	\$43,003,437	66.9%
Non-GAFO Total	1-Mile	22,463	\$202,754,077	\$131,543,294	\$71,210,783	35.1%
Total Excluding Vehicle/Gas/Non-Store Outflow Categories	1-Mile	22,463	\$286,115,683 \$275,312,140	\$215,531,084 \$152,690,155	\$70,584,599 \$122,621,985	24.7% 44.5%
Motor Vehicle/Gas/Non-Store						
Motor Vehicle	1-Mile	22,463	\$94,446,194	\$141,627,935	(\$47,181,741)	(50.0%)
Gas Stations	1-Mile	22,463	\$36,728,749	\$5,749,423	\$30,979,326	84.3%
Other Non-Store Retailers	1-Mile	22,463	\$59,387,749	\$37,284,926	\$22,102,823	37.2%
Motor Vehicle/Gas/Non-Store Total	1-Mile	22,463	\$190,562,692	\$184,662,284	\$5,900,408	3.1%
Total	1-Mile	22,463	\$476,678,375	\$400,193,368	\$76,485,007	16.0%

Source: Claritas; TCG

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

EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
PRIMARY MARKET AREA  
2018 THROUGH 2023

I. Consumer Spending Opportunity Gap Demand Potential

Spending Category	Consumer Spending			Expected Sales Per SF	Current Retail Gap	Unfulfilled Retail Space @ \$325/SF	Future Potential	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New SF
GAFO (1)								
Department Stores	\$392,291,891	\$111,309,262	28.4%		\$280,982,629	864,562	15.0%	129,684
Furniture	\$276,809,240	\$307,751,054	111.2%		(\$30,941,814)	0	---No Net Increase---	
Sporting Goods/Hobby	\$183,845,663	\$118,975,998	64.7%		\$64,869,665	199,599	15.0%	29,940
Books & Music	\$42,152,122	\$52,378,390	124.3%		(\$10,226,268)	0	---No Net Increase---	
Office Supplies, Gift Stores	\$73,103,544	\$37,495,372	51.3%		\$35,608,172	109,564	15.0%	16,435
Electronics/Appliances	\$257,627,600	\$69,483,214	27.0%		\$188,144,386	578,906	15.0%	86,836
Clothing & Accessories	\$729,595,270	\$474,420,077	65.0%		\$255,175,193	785,154	15.0%	117,773
Other General Merchandise	\$165,014,051	\$139,656,799	84.6%		\$25,357,252	78,022	15.0%	11,703
GAFO Total	\$2,120,439,381	\$1,311,470,166	61.8%		\$808,969,215	2,615,807	15.0%	392,371
Non-GAFO								
Eating & Drinking Places	\$1,849,979,761	\$1,639,574,916	88.6%		\$210,404,845	647,400	15.0%	97,110
Misc. Stores	\$202,344,405	\$173,520,606	85.8%		\$28,823,799	88,689	15.0%	13,303
Health & Personal Care	\$703,258,057	\$526,134,557	74.8%		\$177,123,500	544,995	15.0%	81,749
Building/Garden Materials	\$828,828,617	\$503,583,303	60.8%		\$325,245,314	1,000,755	15.0%	150,113
Food & Beverage	\$1,657,097,252	\$1,339,015,794	80.8%		\$318,081,458	978,712	15.0%	146,807
Non-GAFO Total	\$5,241,508,092	\$4,181,829,176	79.8%		\$1,059,678,916	3,260,551	15.0%	489,083
Motor Vehicle/Gas/Non-Store								
Motor Vehicle	\$2,361,736,427	\$1,764,737,729	74.7%		\$596,998,698	1,836,919	15.0%	275,538
Gas Stations	\$948,852,078	\$462,408,462	48.7%		\$486,443,616	1,496,750	15.0%	224,512
Other Non-Store Retailers	\$1,512,411,518	\$936,978,197	62.0%		\$575,433,321	1,770,564	15.0%	265,585
Motor Vehicle/Gas/Non-Store Total	\$4,823,000,023	\$3,164,124,388	65.6%		\$1,658,875,635	5,104,233	15.0%	765,635
Total (All Spending Categories)	\$12,184,947,496	\$8,657,423,730	71.1%	\$325	\$3,527,523,766	10,980,590	15.0%	1,647,089
Excluding Vehicle/Gas/Non-Store	\$7,361,947,473	\$5,493,299,342	74.6%		\$1,868,648,131	5,876,358	15.0%	881,454

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

Source: Claritas; TCG

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

EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
PRIMARY MARKET AREA  
2018 THROUGH 2023

II. Consumer Spending Opportunity Gap Demand Potential

Market Factor	Per Capita Spending		New Resident Generated Spending					5-Yr Total
	\$	%	2018	2019	2020	2021	2022	
New Population Growth			6,627	6,627	6,627	6,627	6,627	33,137
<b>Spending Categories</b>								
Department Stores	\$608	3.2%	\$4,030,896	\$4,030,896	\$4,030,896	\$4,030,896	\$4,030,896	\$20,154,478
Furniture	\$429	2.3%	\$2,844,283	\$2,844,283	\$2,844,283	\$2,844,283	\$2,844,283	\$14,221,415
Sporting Goods/Hobby	\$285	1.5%	\$1,889,059	\$1,889,059	\$1,889,059	\$1,889,059	\$1,889,059	\$9,445,297
Books & Music	\$65	0.3%	\$433,123	\$433,123	\$433,123	\$433,123	\$433,123	\$2,165,617
Office Supplies, Gift Stores	\$113	0.6%	\$751,157	\$751,157	\$751,157	\$751,157	\$751,157	\$3,755,784
Electronics/Appliances	\$399	2.1%	\$2,647,187	\$2,647,187	\$2,647,187	\$2,647,187	\$2,647,187	\$13,235,935
Clothing & Accessories	\$1,131	6.0%	\$7,496,771	\$7,496,771	\$7,496,771	\$7,496,771	\$7,496,771	\$37,483,854
Other General Merchandise	\$256	1.4%	\$1,695,560	\$1,695,560	\$1,695,560	\$1,695,560	\$1,695,560	\$8,477,800
Eating & Drinking Places	\$2,868	15.2%	\$19,008,997	\$19,008,997	\$19,008,997	\$19,008,997	\$19,008,997	\$95,044,984
Misc. Stores	\$314	1.7%	\$2,079,139	\$2,079,139	\$2,079,139	\$2,079,139	\$2,079,139	\$10,395,693
Health & Personal Care	\$1,090	5.8%	\$7,226,149	\$7,226,149	\$7,226,149	\$7,226,149	\$7,226,149	\$36,130,747
Building/Garden Materials	\$1,285	6.8%	\$8,516,418	\$8,516,418	\$8,516,418	\$8,516,418	\$8,516,418	\$42,582,089
Food & Beverage	\$2,569	13.6%	\$17,027,082	\$17,027,082	\$17,027,082	\$17,027,082	\$17,027,082	\$85,135,408
Motor Vehicle	\$3,662	19.4%	\$24,267,422	\$24,267,422	\$24,267,422	\$24,267,422	\$24,267,422	\$121,337,112
Gas Stations	\$1,471	7.8%	\$9,749,688	\$9,749,688	\$9,749,688	\$9,749,688	\$9,749,688	\$48,748,442
Other Non-Store Retailers	\$2,345	12.4%	\$15,540,400	\$15,540,400	\$15,540,400	\$15,540,400	\$15,540,400	\$77,702,001
Total (All Spending Categories)	\$18,892	100.0%	\$125,203,331	\$125,203,331	\$125,203,331	\$125,203,331	\$125,203,331	\$626,016,656
Excluding Vehicle/Gas/Non-Store	\$11,414	60.4%	\$75,645,820	\$75,645,820	\$75,645,820	\$75,645,820	\$75,645,820	\$378,229,101
Retail Sales per Square Foot			\$325	\$325	\$325	\$325	\$325	\$325
<b>Total Demand for Retail Space (SF)</b>			<b>232,756</b>	<b>232,756</b>	<b>232,756</b>	<b>232,756</b>	<b>232,756</b>	<b>1,163,782</b>

III. Total Demand

Total 5-Year Demand from Opportunity Gaps:	881,454	Annualized assuming 5-year absorption flow of current leakage	
Total 5-Year Demand from New Population Growth:	1,163,782		
<b>Total 5-Year Demand:</b>	<b>2,045,235</b>		<b>409,047</b>



EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
RETAIL TRADE AREA  
2018 THROUGH 2023

I. Consumer Spending Opportunity Gap Demand Potential

Spending Category	Consumer Spending			Expected Sales Per SF	Current Retail Gap	Unfulfilled Retail Space @ \$325/SF	Future Potential	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New SF
GAFO (1)								
Department Stores	\$56,066,785	\$32,285,220	57.6%		\$23,781,565	73,174	15.0%	10,976
Furniture	\$40,084,425	\$71,696,354	178.9%		(\$31,611,929)	0	---No Net Increase---	
Sporting Goods/Hobby	\$26,959,210	\$13,648,280	50.6%		\$13,310,930	40,957	15.0%	6,144
Books & Music	\$5,879,869	\$6,009,195	102.2%		(\$129,326)	0	---No Net Increase---	
Office Supplies, Gift Stores	\$10,520,169	\$7,640,514	72.6%		\$2,879,655	8,860	15.0%	1,329
Electronics/Appliances	\$36,562,458	\$7,020,320	19.2%		\$29,542,138	90,899	15.0%	13,635
Clothing & Accessories	\$103,641,648	\$128,138,242	123.6%		(\$24,496,594)	0	---No Net Increase---	
Other General Merchandise	\$23,388,608	\$40,507,415	173.2%		(\$17,118,807)	0	---No Net Increase---	
GAFO Total	\$303,103,172	\$306,945,540	101.3%		(\$3,842,368)	213,890	15.0%	32,084
Non-GAFO								
Eating & Drinking Places	\$260,266,999	\$210,674,876	80.9%		\$49,592,123	152,591	15.0%	22,889
Misc. Stores	\$28,883,908	\$35,516,044	123.0%		(\$6,632,136)	0	---No Net Increase---	
Health & Personal Care	\$99,828,962	\$78,958,216	79.1%		\$20,870,746	64,218	15.0%	9,633
Building/Garden Materials	\$120,788,168	\$43,236,819	35.8%		\$77,551,349	238,620	15.0%	35,793
Food & Beverage	\$232,264,374	\$130,884,848	56.4%		\$101,379,526	311,937	15.0%	46,791
Non-GAFO Total	\$742,032,411	\$499,270,803	67.3%		\$242,761,608	767,365	15.0%	115,105
Motor Vehicle/Gas/Non-Store								
Motor Vehicle	\$345,030,032	\$407,841,507	118.2%		(\$62,811,475)	0	---Not Compatible---	
Gas Stations	\$131,522,199	\$34,585,832	26.3%		\$96,936,367	298,266	15.0%	44,740
Other Non-Store Retailers	\$215,433,436	\$111,181,221	51.6%		\$104,252,215	320,776	15.0%	48,116
Motor Vehicle/Gas/Non-Store Total	\$691,985,667	\$553,608,560	80.0%		\$138,377,107	619,042	15.0%	92,856
Total (All Spending Categories)	\$1,737,121,250	\$1,359,824,903	78.3%	\$325	\$377,296,347	1,600,297	15.0%	240,045
Excluding Vehicle/Gas/Non-Store	\$1,045,135,583	\$806,216,343	77.1%		\$238,919,240	981,255	15.0%	147,188

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

Source: Claritas; TCG

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

EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
RETAIL TRADE AREA  
2018 THROUGH 2023

II. Consumer Spending Opportunity Gap Demand Potential

Market Factor	Per Capita Spending		New Resident Generated Spending					5-Yr Total
	\$	%	2018	2019	2020	2021	2022	
New Population Growth			779	779	779	779	779	3,893
<b>Spending Categories</b>								
Department Stores	\$698	3.2%	\$543,679	\$543,679	\$543,679	\$543,679	\$543,679	\$2,718,394
Furniture	\$499	2.3%	\$388,698	\$388,698	\$388,698	\$388,698	\$388,698	\$1,943,490
Sporting Goods/Hobby	\$336	1.6%	\$261,423	\$261,423	\$261,423	\$261,423	\$261,423	\$1,307,115
Books & Music	\$73	0.3%	\$57,017	\$57,017	\$57,017	\$57,017	\$57,017	\$285,085
Office Supplies, Gift Stores	\$131	0.6%	\$102,014	\$102,014	\$102,014	\$102,014	\$102,014	\$510,070
Electronics/Appliances	\$455	2.1%	\$354,546	\$354,546	\$354,546	\$354,546	\$354,546	\$1,772,728
Clothing & Accessories	\$1,291	6.0%	\$1,005,011	\$1,005,011	\$1,005,011	\$1,005,011	\$1,005,011	\$5,025,057
Other General Merchandise	\$291	1.3%	\$226,799	\$226,799	\$226,799	\$226,799	\$226,799	\$1,133,995
Eating & Drinking Places	\$3,241	15.0%	\$2,523,805	\$2,523,805	\$2,523,805	\$2,523,805	\$2,523,805	\$12,619,026
Misc. Stores	\$360	1.7%	\$280,087	\$280,087	\$280,087	\$280,087	\$280,087	\$1,400,434
Health & Personal Care	\$1,243	5.7%	\$968,040	\$968,040	\$968,040	\$968,040	\$968,040	\$4,840,200
Building/Garden Materials	\$1,504	7.0%	\$1,171,281	\$1,171,281	\$1,171,281	\$1,171,281	\$1,171,281	\$5,856,405
Food & Beverage	\$2,893	13.4%	\$2,252,264	\$2,252,264	\$2,252,264	\$2,252,264	\$2,252,264	\$11,261,321
Motor Vehicle	\$4,297	19.9%	\$3,345,751	\$3,345,751	\$3,345,751	\$3,345,751	\$3,345,751	\$16,728,755
Gas Stations	\$1,638	7.6%	\$1,275,369	\$1,275,369	\$1,275,369	\$1,275,369	\$1,275,369	\$6,376,844
Other Non-Store Retailers	\$2,683	12.4%	\$2,089,055	\$2,089,055	\$2,089,055	\$2,089,055	\$2,089,055	\$10,445,274
Total (All Spending Categories)	\$21,635	100.0%	\$16,844,838	\$16,844,838	\$16,844,838	\$16,844,838	\$16,844,838	\$84,224,192
Excluding Vehicle/Gas/Non-Store	\$13,017	60.2%	\$10,134,664	\$10,134,664	\$10,134,664	\$10,134,664	\$10,134,664	\$50,673,319
Retail Sales per Square Foot			\$325	\$325	\$325	\$325	\$325	\$325
<b>Total Demand for Retail Space (SF)</b>			<b>31,184</b>	<b>31,184</b>	<b>31,184</b>	<b>31,184</b>	<b>31,184</b>	<b>155,918</b>

III. Total Demand

Total 5-Year Demand from Opportunity Gaps:	147,188	Annualized assuming 5-year absorption flow of current leakage	
Total 5-Year Demand from New Population Growth:	155,918		
<b>Total 5-Year Demand:</b>	<b>303,106</b>		<b>60,621</b>

EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
1-MILE RADIUS  
2018 THROUGH 2023

I. Consumer Spending Opportunity Gap Demand Potential

Spending Category	Consumer Spending			Expected Sales Per SF	Current Retail Gap	Unfulfilled Retail Space @ \$325/SF	Future Potential	
	Consumer Demand	Actual Sales	Sales/ Demand				Capture	New SF
GAFO (1)								
Department Stores	\$15,347,547	\$3,133,188	20.4%		\$12,214,359	37,583	15.0%	5,637
Furniture	\$10,803,543	\$62,840,929	581.7%		(\$52,037,386)	0	---No Net Increase---	
Sporting Goods/Hobby	\$7,269,359	\$2,884,284	39.7%		\$4,385,075	13,493	15.0%	2,024
Books & Music	\$1,603,026	\$1,269,920	79.2%		\$333,106	1,025	15.0%	154
Office Supplies, Gift Stores	\$2,872,292	\$822,857	28.6%		\$2,049,435	6,306	15.0%	946
Electronics/Appliances	\$10,197,144	\$1,349,234	13.2%		\$8,847,910	27,224	15.0%	4,084
Clothing & Accessories	\$28,848,474	\$7,756,250	26.9%		\$21,092,224	64,899	15.0%	9,735
Other General Merchandise	\$6,420,221	\$3,931,128	61.2%		\$2,489,093	7,659	15.0%	1,149
GAFO Total	\$83,361,606	\$83,987,790	100.8%		(\$626,184)	158,188	15.0%	23,728
Non-GAFO								
Eating & Drinking Places	\$72,231,888	\$59,266,918	82.1%		\$12,964,970	39,892	15.0%	5,984
Misc. Stores	\$7,904,803	\$3,824,954	48.4%		\$4,079,849	12,553	15.0%	1,883
Health & Personal Care	\$27,595,590	\$20,300,984	73.6%		\$7,294,606	22,445	15.0%	3,367
Building/Garden Materials	\$30,776,314	\$26,908,393	87.4%		\$3,867,921	11,901	15.0%	1,785
Food & Beverage	\$64,245,482	\$21,242,045	33.1%		\$43,003,437	132,318	15.0%	19,848
Non-GAFO Total	\$202,754,077	\$131,543,294	64.9%		\$71,210,783	219,110	15.0%	32,867
Motor Vehicle/Gas/Non-Store								
Motor Vehicle	\$94,446,194	\$141,627,935	150.0%		(\$47,181,741)	0	---Not Compatible---	
Gas Stations	\$36,728,749	\$5,749,423	15.7%		\$30,979,326	95,321	15.0%	14,298
Other Non-Store Retailers	\$59,387,749	\$37,284,926	62.8%		\$22,102,823	68,009	15.0%	10,201
Motor Vehicle/Gas/Non-Store Total	\$190,562,692	\$184,662,284	96.9%		\$5,900,408	163,330	15.0%	24,499
Total (All Spending Categories)	\$476,678,375	\$400,193,368	84.0%	\$325	\$76,485,007	540,628	15.0%	81,094
Excluding Vehicle/Gas/Non-Store	\$286,115,683	\$215,531,084	75.3%		\$70,584,599	377,298	15.0%	56,595

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

Source: Claritas; TCG

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

EXHIBIT I-12

ESTIMATED RETAIL DEMAND  
1-MILE RADIUS  
2018 THROUGH 2023

II. Consumer Spending Opportunity Gap Demand Potential

Market Factor	Per Capita Spending		New Resident Generated Spending					5-Yr Total
	\$	%	2018	2019	2020	2021	2022	
New Population Growth			183	183	183	183	183	914
<b>Spending Categories</b>								
Department Stores	\$683	3.2%	\$124,896	\$124,896	\$124,896	\$124,896	\$124,896	\$624,478
Furniture	\$481	2.3%	\$87,917	\$87,917	\$87,917	\$87,917	\$87,917	\$439,587
Sporting Goods/Hobby	\$324	1.5%	\$59,157	\$59,157	\$59,157	\$59,157	\$59,157	\$295,784
Books & Music	\$71	0.3%	\$13,045	\$13,045	\$13,045	\$13,045	\$13,045	\$65,226
Office Supplies, Gift Stores	\$128	0.6%	\$23,374	\$23,374	\$23,374	\$23,374	\$23,374	\$116,871
Electronics/Appliances	\$454	2.1%	\$82,983	\$82,983	\$82,983	\$82,983	\$82,983	\$414,913
Clothing & Accessories	\$1,284	6.1%	\$234,764	\$234,764	\$234,764	\$234,764	\$234,764	\$1,173,819
Other General Merchandise	\$286	1.3%	\$52,247	\$52,247	\$52,247	\$52,247	\$52,247	\$261,233
Eating & Drinking Places	\$3,216	15.2%	\$587,811	\$587,811	\$587,811	\$587,811	\$587,811	\$2,939,053
Misc. Stores	\$352	1.7%	\$64,328	\$64,328	\$64,328	\$64,328	\$64,328	\$321,640
Health & Personal Care	\$1,228	5.8%	\$224,568	\$224,568	\$224,568	\$224,568	\$224,568	\$1,122,841
Building/Garden Materials	\$1,370	6.5%	\$250,452	\$250,452	\$250,452	\$250,452	\$250,452	\$1,252,262
Food & Beverage	\$2,860	13.5%	\$522,819	\$522,819	\$522,819	\$522,819	\$522,819	\$2,614,093
Motor Vehicle	\$4,205	19.8%	\$768,587	\$768,587	\$768,587	\$768,587	\$768,587	\$3,842,934
Gas Stations	\$1,635	7.7%	\$298,892	\$298,892	\$298,892	\$298,892	\$298,892	\$1,494,461
Other Non-Store Retailers	\$2,644	12.5%	\$483,287	\$483,287	\$483,287	\$483,287	\$483,287	\$2,416,436
Total (All Spending Categories)	\$21,221	100.0%	\$3,879,126	\$3,879,126	\$3,879,126	\$3,879,126	\$3,879,126	\$19,395,630
Excluding Vehicle/Gas/Non-Store	\$12,737	60.0%	\$2,328,360	\$2,328,360	\$2,328,360	\$2,328,360	\$2,328,360	\$11,641,799
Retail Sales per Square Foot			\$325	\$325	\$325	\$325	\$325	\$325
<b>Total Demand for Retail Space (SF)</b>			<b>7,164</b>	<b>7,164</b>	<b>7,164</b>	<b>7,164</b>	<b>7,164</b>	<b>35,821</b>

III. Total Demand

Total 5-Year Demand from Opportunity Gaps:	56,595	Annualized assuming 5-year absorption flow of current leakage	
Total 5-Year Demand from New Population Growth:	35,821		
<b>Total 5-Year Demand:</b>	<b>92,416</b>		<b>18,483</b>

EXHIBIT I-13

RETAIL SUPPLY VS. DEMAND  
PRIMARY MARKET AREA  
MARCH 2018

Primary Market Area Area					
2018	2019	2020	2021	2022	Total
28,313	0	223,800	5,530	0	257,643
<b>28,313</b>	<b>0</b>	<b>223,800</b>	<b>5,530</b>	<b>0</b>	<b>257,643</b>
409,047	409,047	409,047	409,047	409,047	2,045,235
<b>380,734</b>	<b>409,047</b>	<b>185,247</b>	<b>403,517</b>	<b>409,047</b>	<b>1,787,593</b>

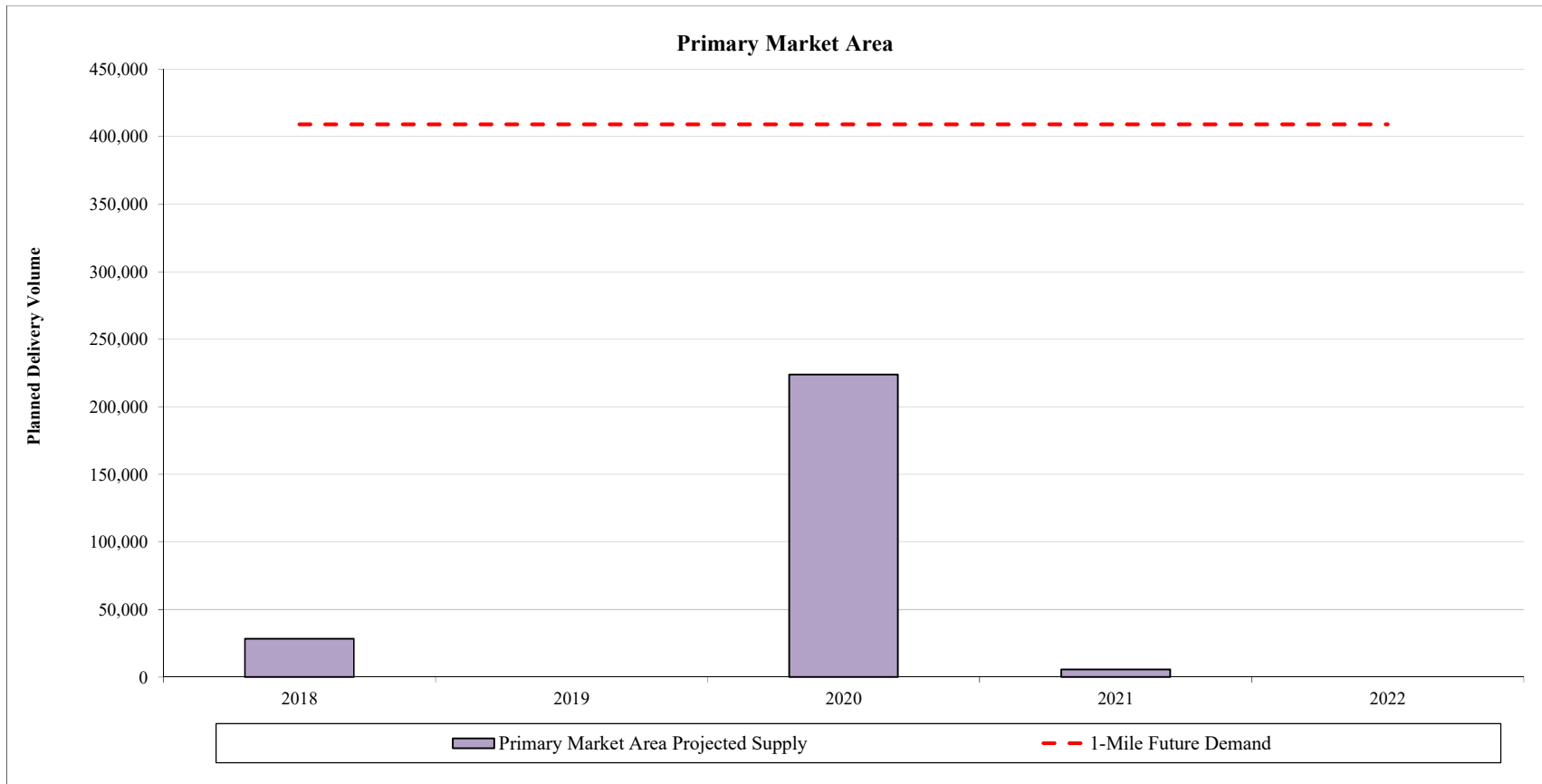
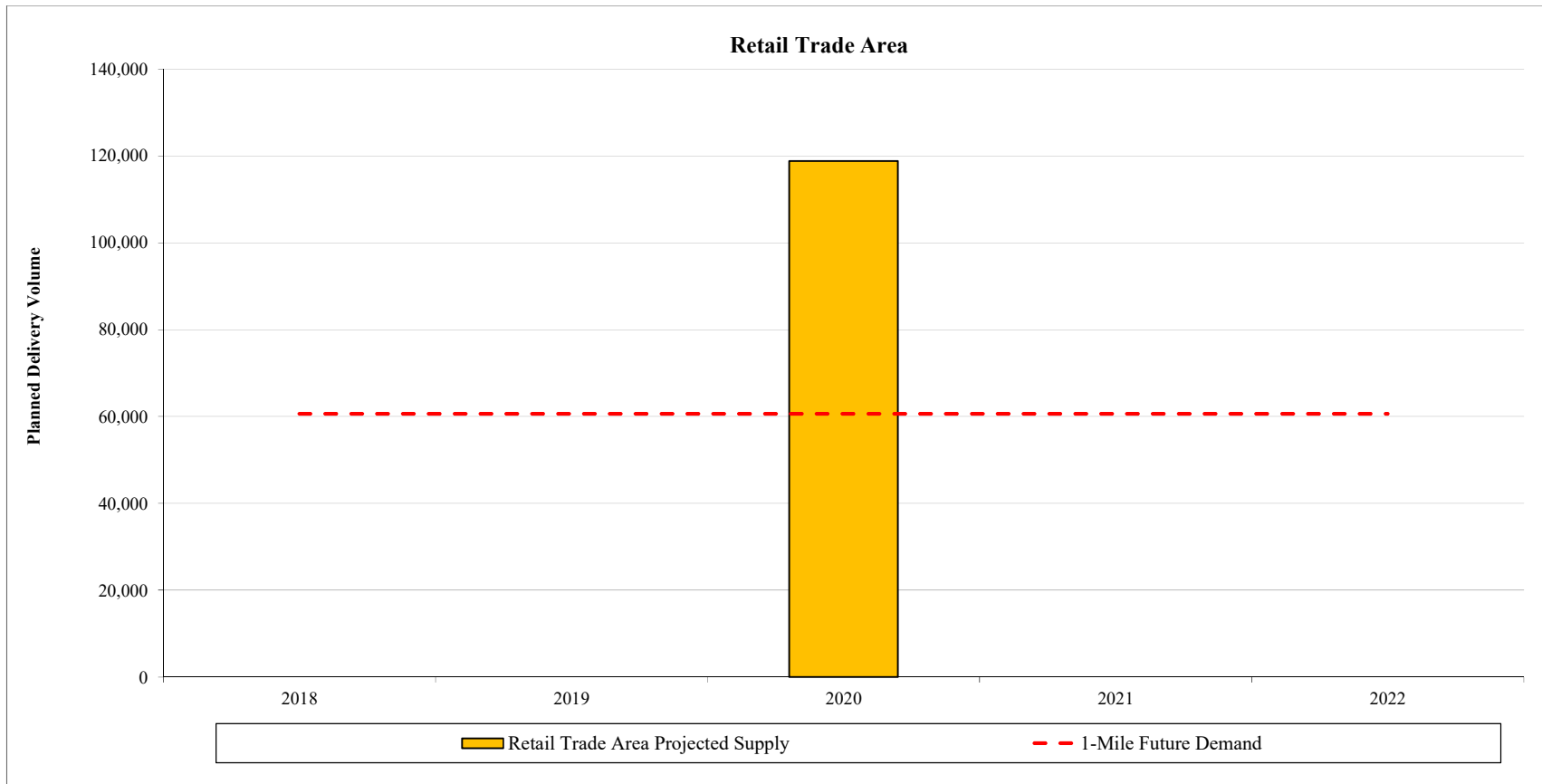




EXHIBIT I-13

RETAIL SUPPLY VS. DEMAND  
RETAIL TRADE AREA  
MARCH 2018

Retail Trade Area					
2018	2019	2020	2021	2022	Total
0	0	118,800	0	0	118,800
0	0	118,800	0	0	118,800
60,621	60,621	60,621	60,621	60,621	303,106
60,621	60,621	(58,179)	60,621	60,621	184,306



# EXHIBIT I-14

## LOCAL SETTING ALAMEDA, CALIFORNIA MARCH 2018





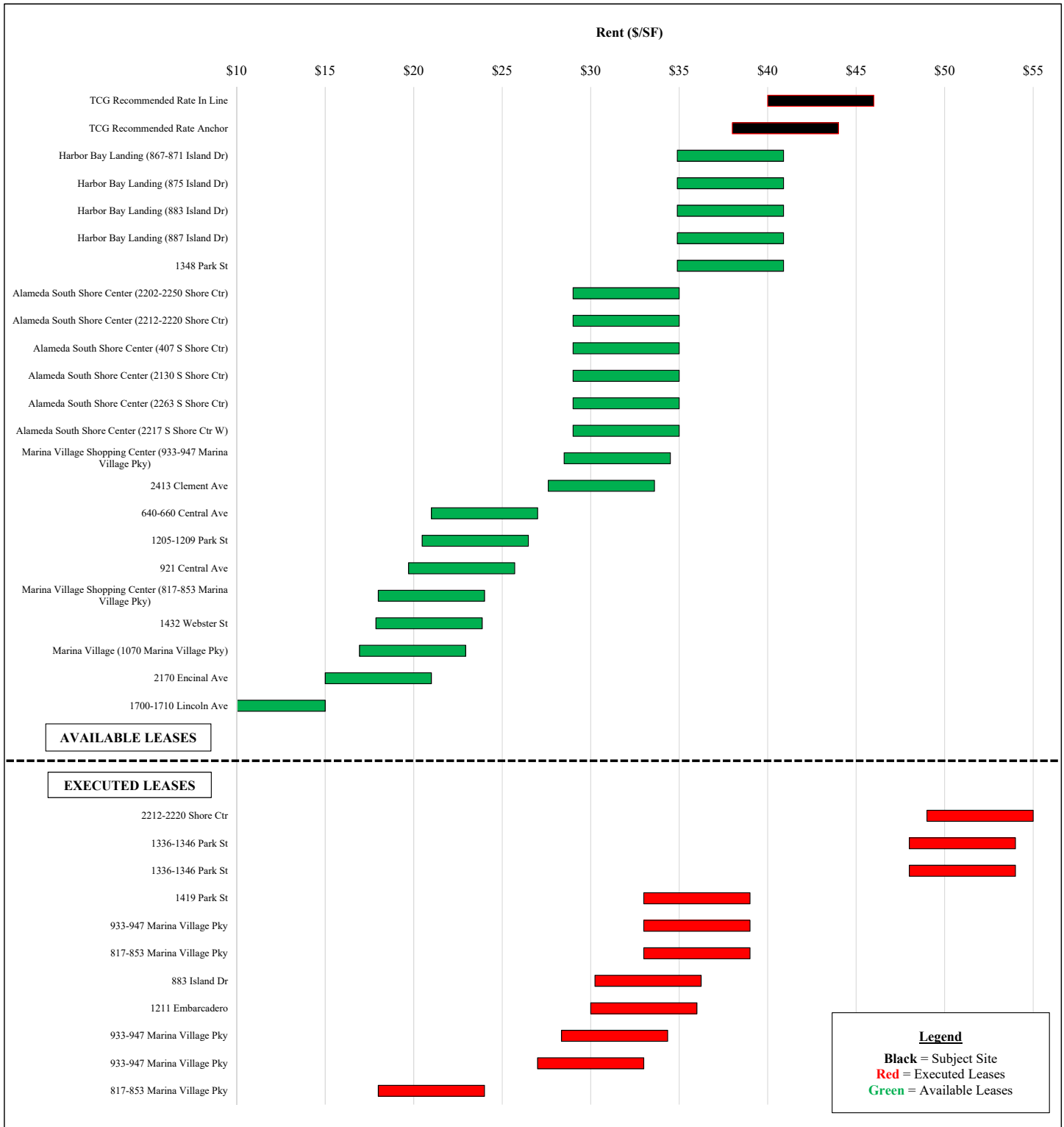
**TRAFFIC COUNT ANALYSIS  
ALAMEDA, CALIFORNIA  
MARCH 2018**



EXHIBIT I-16

RETAIL PRICE RECOMMENDATIONS AND POSITIONING  
RETAIL TRADE AREA  
MARCH 2018

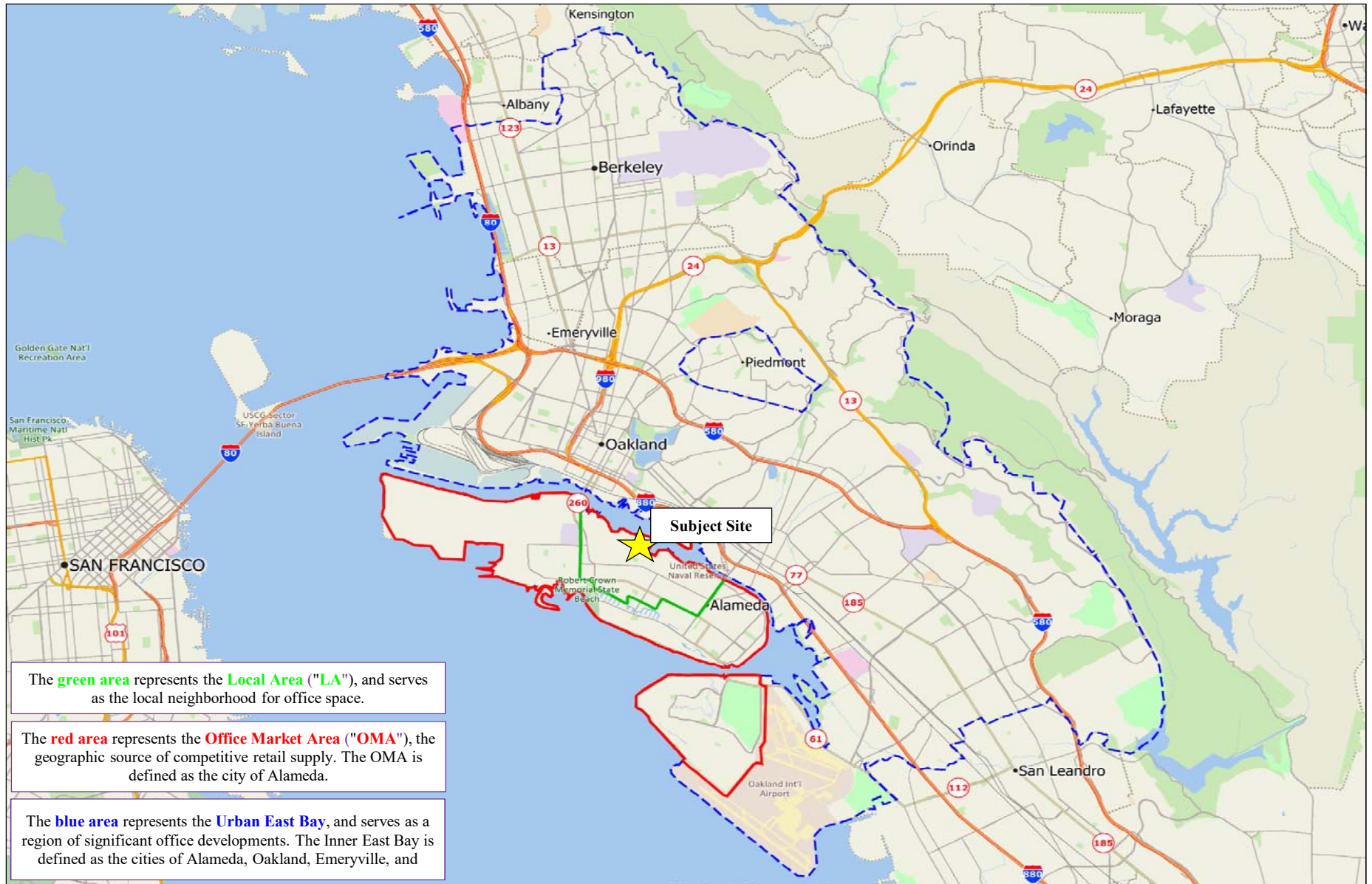
	Rate (\$/SF)	
	/month	/year
TCG Recs - In-Line:	\$3.58 - \$3.83	\$43.00 - \$46.00
TCG Recs - Anchor:	\$3.42 - \$3.67	\$41.00 - \$44.00



## **II. OFFICE MARKET ANALYSIS**



**EXHIBIT II-1**  
**OFFICE REGIONAL LOCATION AND SUBMARKET DELINEATION**  
**URBAN EAST BAY, CALIFORNIA**  
**2018**



**EXHIBIT II-1**  
**OFFICE REGIONAL LOCATION AND SUBMARKET DELINEATION**  
**LOCAL AREA, ALAMEDA, CALIFORNIA**  
**2018**

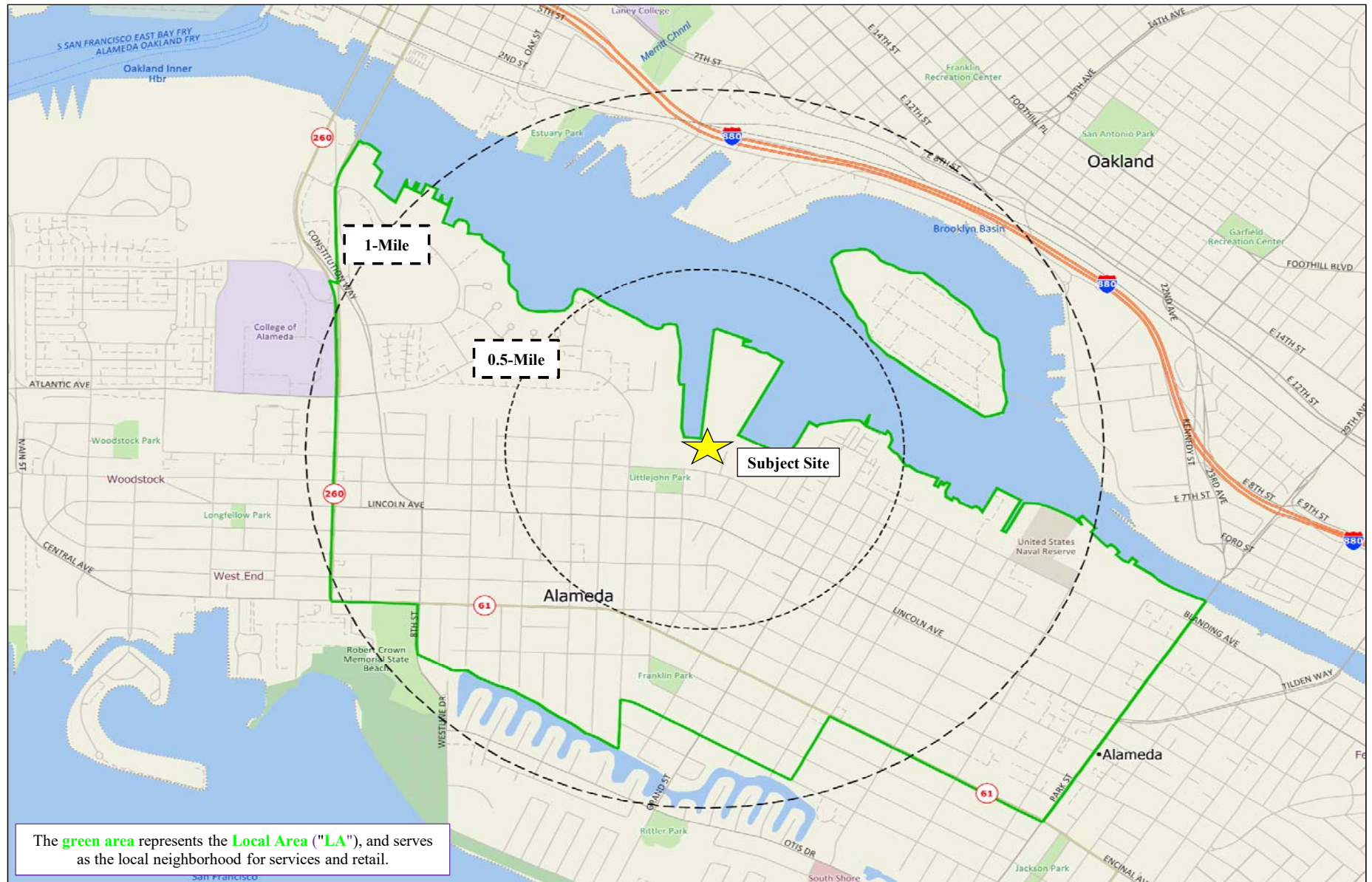
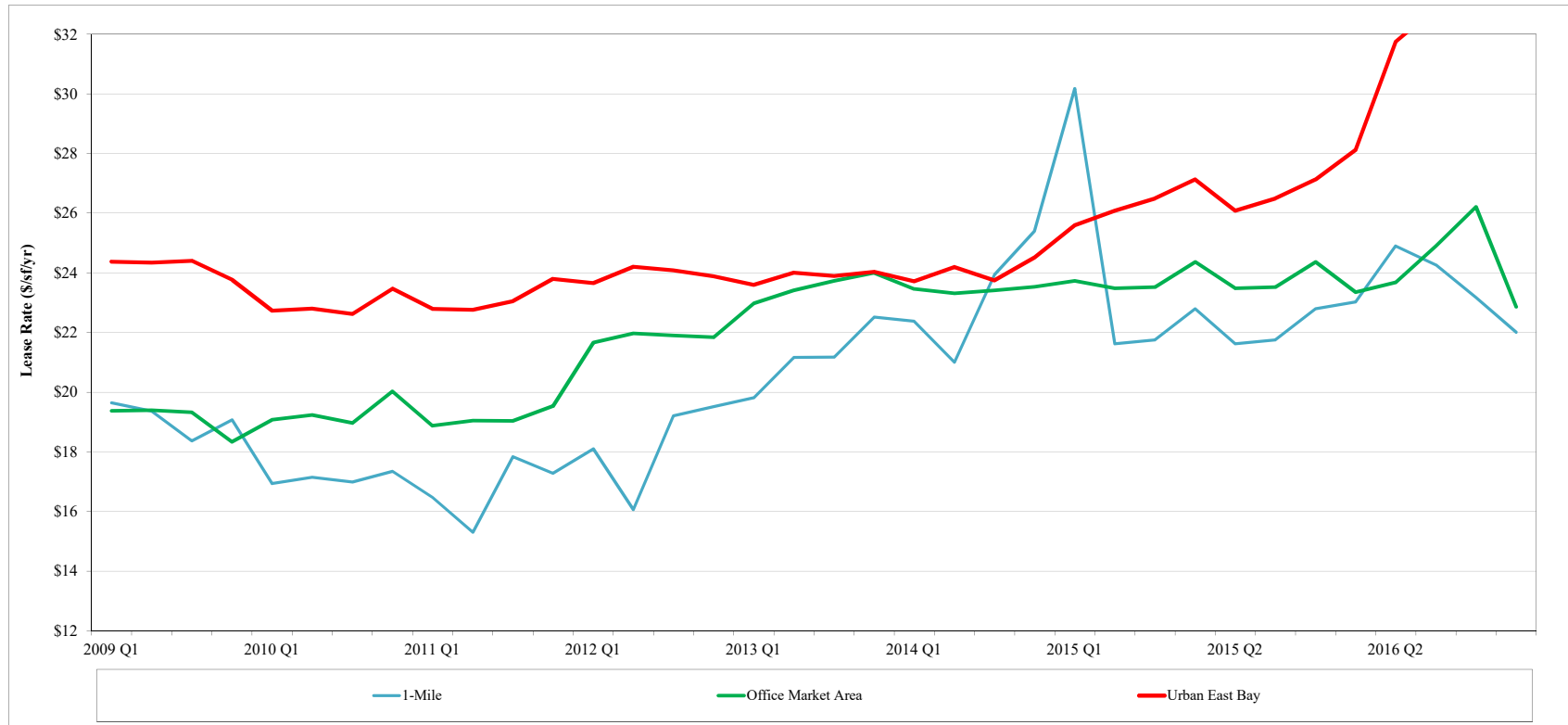


EXHIBIT II-2

OFFICE MACRO MARKET PERFORMANCE - RENTAL RATES  
OMA, OAKLAND, AND SAN FRANCISCO  
2009 THROUGH Q4 2017

Market Factor	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1-Mile</b>									
Rental Rate (Direct)	\$19.11	\$17.10	\$16.72	\$18.22	\$21.16	\$23.18	\$24.45	\$23.95	\$22.54
Y/Y % Change	--	-11%	-2%	9%	16%	10%	5%	-2%	-6%
<b>Office Market Area</b>									
Rental Rate (Direct)	\$19.45	\$19.32	\$19.26	\$22.36	\$24.10	\$23.64	\$23.86	\$24.54	\$22.84
Y/Y % Change	--	-1%	0%	16%	8%	-2%	1%	3%	-7%
vs 1-Mile		13%	15%	23%	14%	2%	-2%	2%	1%
<b>Urban East Bay</b>									
Rental Rate (Direct)	\$24.51	\$22.97	\$23.16	\$24.14	\$23.97	\$24.23	\$26.28	\$31.92	\$38.02
Y/Y % Change	--	-6%	1%	4%	-1%	1%	8%	21%	19%
vs 1-Mile	28%	34%	38%	32%	13%	5%	7%	33%	69%
vs Office Market Area	26%	19%	20%	8%	-1%	3%	10%	30%	66%



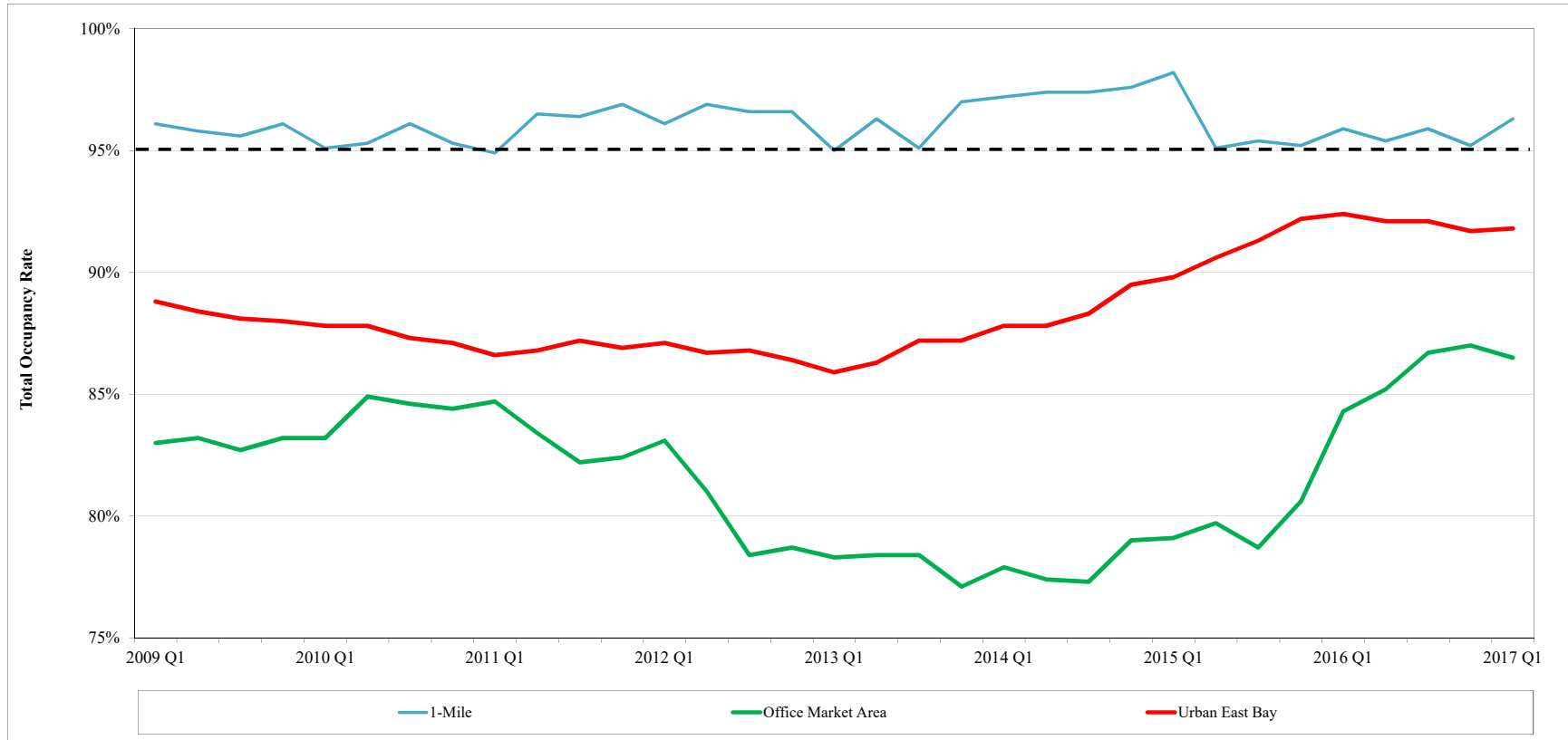
Source: CoStar



EXHIBIT II-2

OFFICE MACRO MARKET PERFORMANCE - OCCUPANCY RATES  
OMA, OAKLAND, AND SAN FRANCISCO  
2009 THROUGH Q4 2017

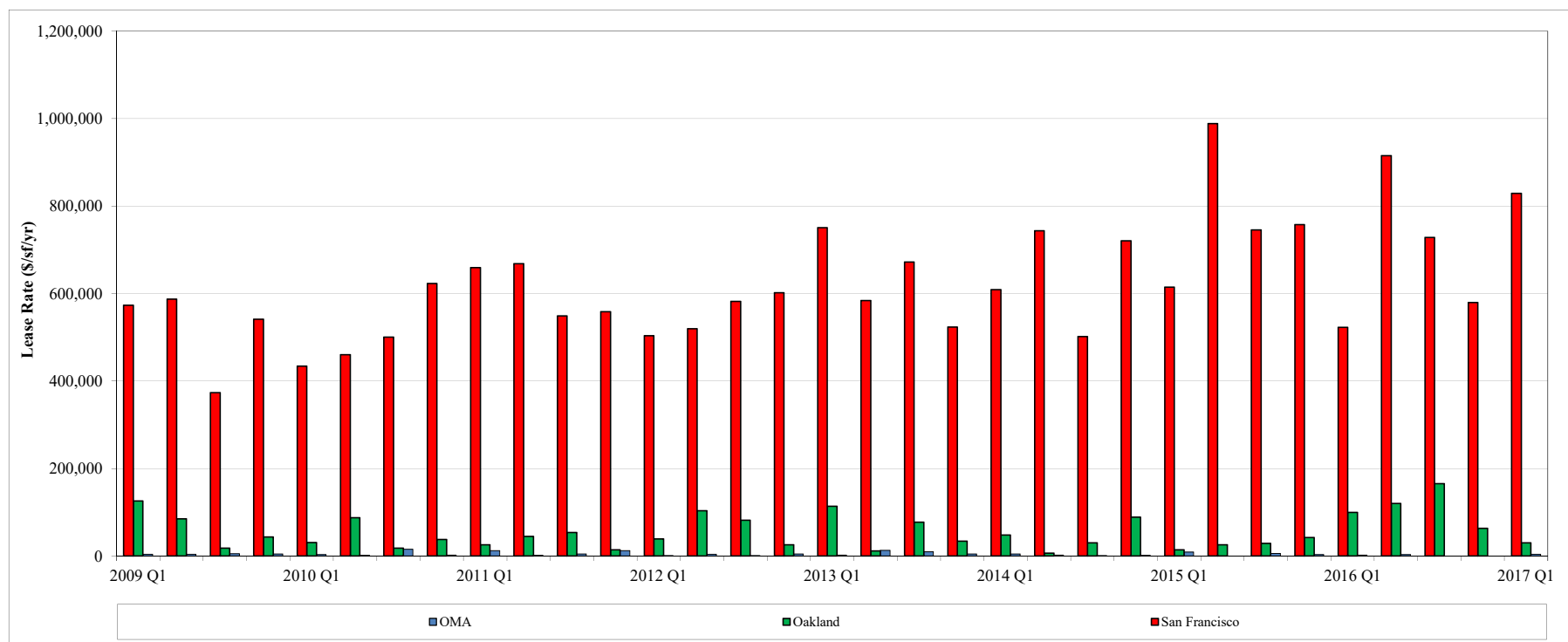
Market Factor	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1-Mile</b>									
Occ. Rate (Total)	97.8%	97.4%	98.5%	97.5%	96.6%	97.9%	96.7%	96.2%	96.5%
Y/Y % Change	--	-0.5%	1.1%	-0.9%	-0.9%	1.3%	-1.3%	-0.4%	0.3%
<b>Office Market Area</b>									
Occ. Rate (Total)	86.6%	87.1%	85.9%	83.5%	83.9%	83.9%	84.3%	86.0%	88.8%
Y/Y % Change	--	0.5%	-1.2%	-2.4%	0.4%	-0.1%	0.4%	1.8%	2.7%
<b>Urban East Bay</b>									
Occ. Rate (Total)	89.9%	89.1%	89.2%	89.2%	89.3%	89.7%	91.8%	93.5%	93.1%
Y/Y % Change	--	-0.9%	0.2%	-0.1%	0.2%	0.4%	2.1%	1.7%	-0.4%



Source: CoStar

**EXHIBIT II-2**  
**OFFICE MACRO MARKET PERFORMANCE**  
**OMA, OAKLAND, AND SAN FRANCISCO**  
**2006 THROUGH 1Q2015**

Market Factor	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>1-Mile</b>										
Gross Absorption	28,416	17,605	20,969	30,104	9,718	29,241	8,633	17,995	5,044	11,417
Y/Y % Change	--	-38%	19%	44%	-68%	201%	-70%	108%	-72%	126%
<b>Office Market Area</b>										
Gross Absorption	349,814	271,707	174,256	138,056	249,990	236,555	172,768	111,560	447,487	221,524
Y/Y % Change	--	-22%	-36%	-21%	81%	-5%	-27%	-35%	301%	-50%
vs. 1-Mile	1131%	1443%	731%	359%	2472%	709%	1901%	520%	8772%	1840%
<b>Urban East Bay</b>										
Gross Absorption	2,415,133	2,074,864	2,018,615	2,435,241	2,206,787	2,530,561	2,575,610	3,107,229	2,745,906	2,895,161
Y/Y % Change	--	-14%	-3%	21%	-9%	15%	2%	21%	-12%	5%
vs. 1-Mile	8399%	11686%	9527%	7989%	22608%	8554%	29734%	17167%	54339%	25258%
vs. Office Market Area	590%	664%	1058%	1664%	783%	970%	1391%	2685%	514%	1207%



Source: CoStar



EXHIBIT II-2

OFFICE SUBMARKET PERFORMANCE  
URBAN EAST BAY, CALIFORNIA  
2009 THROUGH 2017

Market Factor	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Urban East Bay</i>									
RBA	42,136,404	42,235,062	42,317,612	42,447,562	42,557,392	42,870,802	42,997,265	43,080,405	43,125,498
Net Absorption	-273,899	-203,532	403,656	-13,378	148,113	693,416	1,271,578	234,630	-249,058
Deliveries	249,746	111,658	24,100	176,250	68,640	395,000	110,853	0	54,956
Total Vacancy Rate	10.1%	10.9%	10.8%	10.8%	10.7%	10.3%	8.2%	6.5%	6.9%
Vacant SF	4,247,643	4,620,152	4,554,302	4,603,711	4,534,982	4,416,453	3,525,231	2,810,579	2,979,882

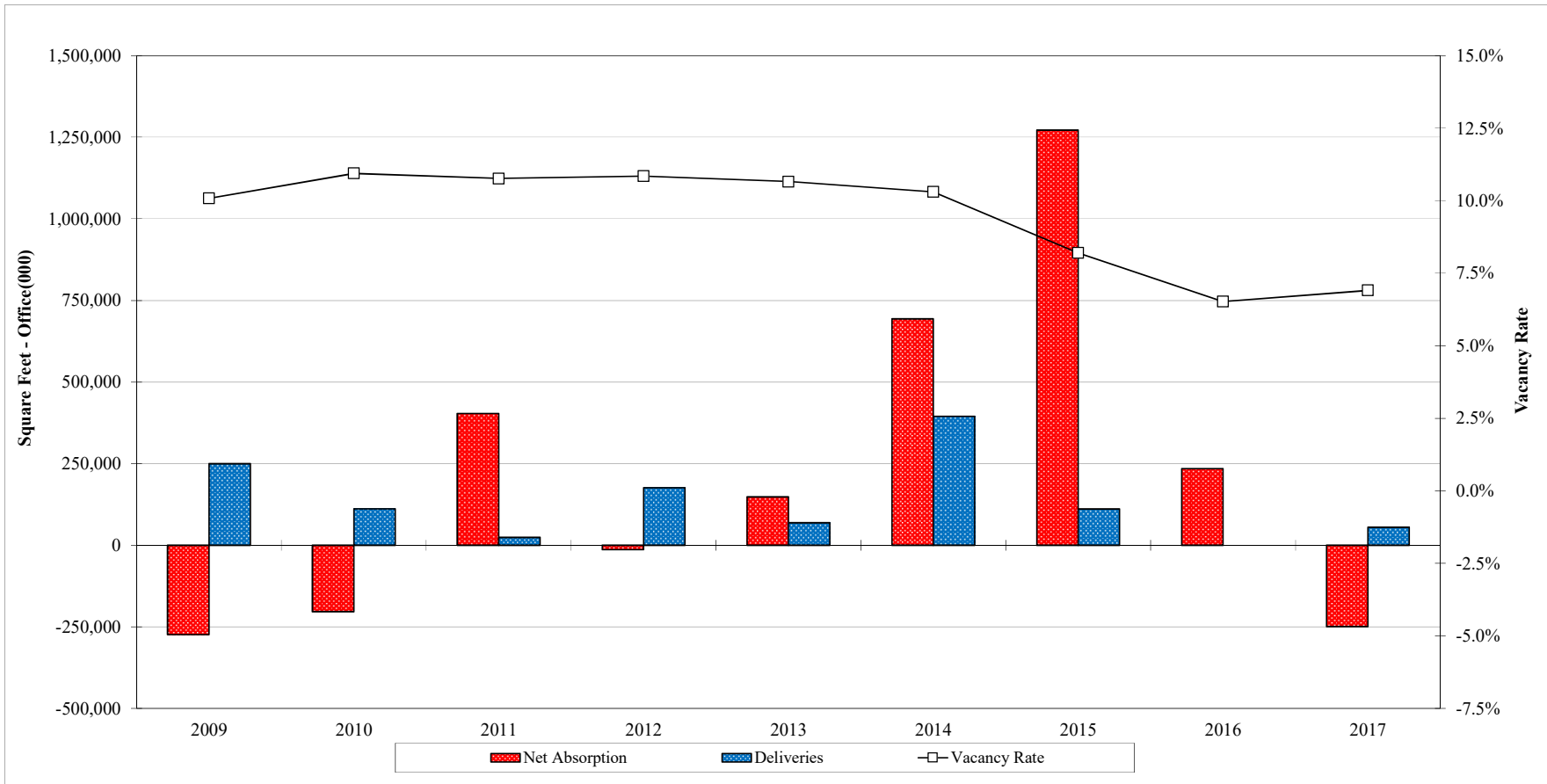
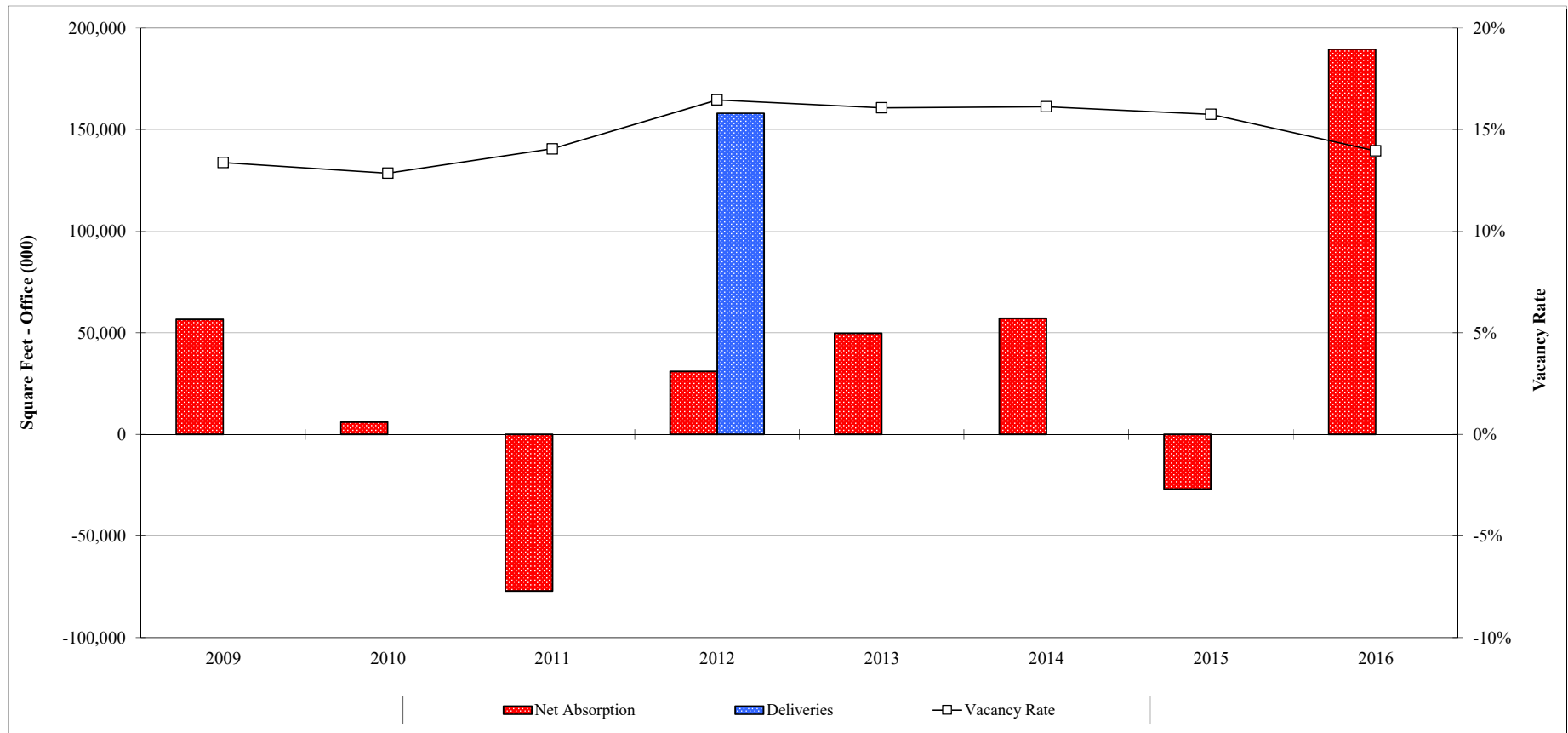


EXHIBIT II-2

OFFICE SUBMARKET PERFORMANCE  
OFFICE MARKET AREA  
2009 THROUGH 2017

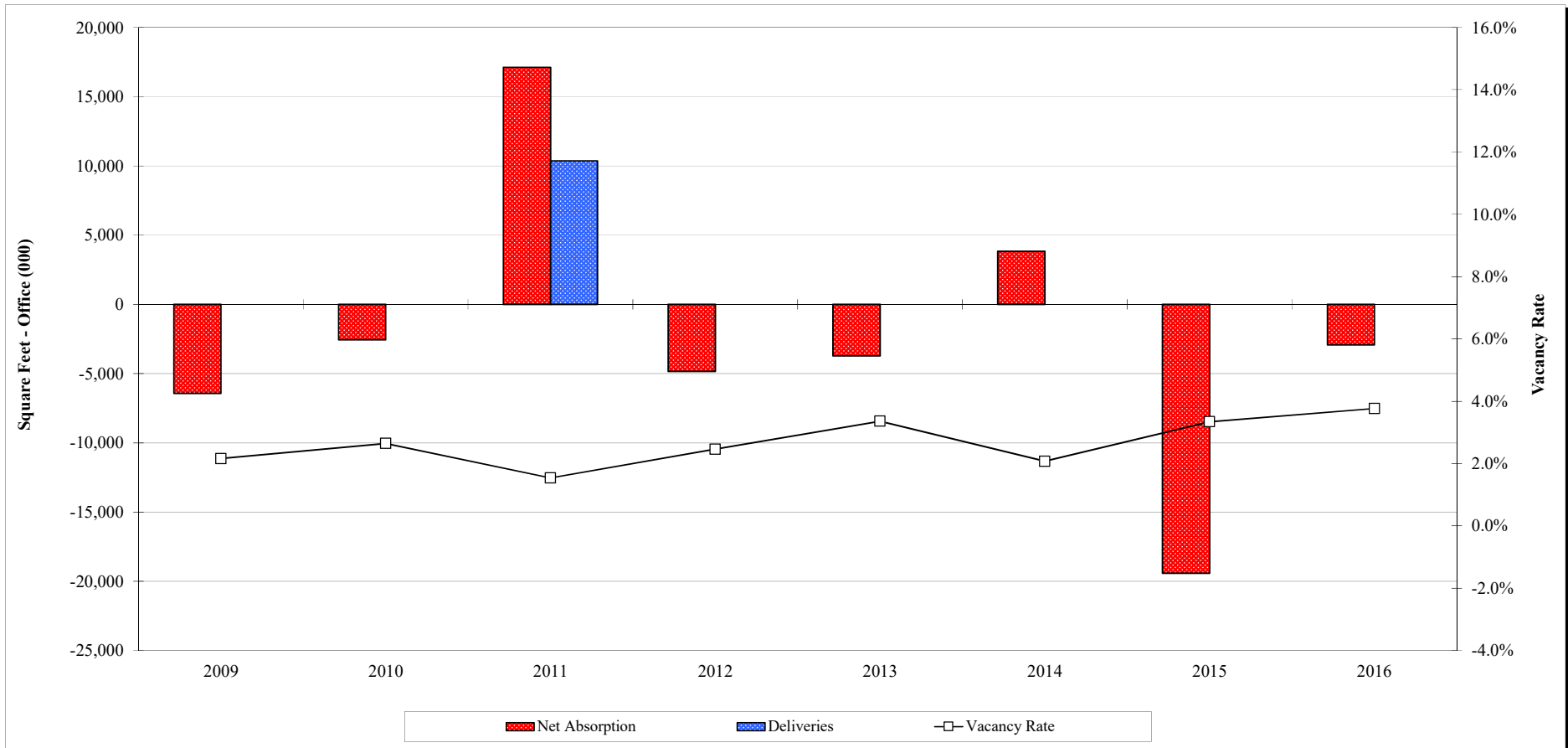
Market Factor	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>Office Market Area</i>									
RBA	3,930,216	3,930,216	3,930,216	4,031,691	4,088,166	4,088,166	4,088,166	4,088,166	4,088,166
Net Absorption	56,689	6,081	-77,001	31,038	49,850	57,157	-26,969	189,569	-54,467
Deliveries	0	0	0	157,950	0	0	0	0	0
Total Vacancy Rate	13.4%	12.9%	14.1%	16.5%	16.1%	16.1%	15.7%	14.0%	11.2%
Vacant SF	525,775	505,202	552,383	663,561	656,993	659,297	643,672	570,546	458,934



Source: CoStar

**EXHIBIT II-2**  
**OFFICE SUBMARKET PERFORMANCE**  
**1-MILE RADIUS**  
**2009 THROUGH 2017**

Market Factor	2009	2010	2011	2012	2013	2014	2015	2016	2017
<i>1-Mile</i>									
RBA	856,664	856,664	859,256	867,031	867,031	864,530	864,530	864,530	864,530
Net Absorption	-6,434	-2,557	17,112	-4,832	-3,726	3,829	-19,410	-2,926	4,392
Deliveries	0	0	10,367	0	0	0	0	0	0
Total Vacancy Rate	2.2%	2.6%	1.5%	2.5%	3.4%	2.1%	3.3%	3.8%	3.5%
Vacant SF	18,529	22,660	13,240	21,354	29,140	17,929	28,900	32,557	30,240



**EXHIBIT II-3**  
**PROJECTED OFFICE DEMAND**  
**OAKLAND-HAYWARD-BERKELEY MSA**  
**2018 THROUGH 2023**

**Demand from Net New Jobs**

Industry	Annual New Jobs (000s) <sup>(1)</sup>						% Office Space <sup>(2)</sup>	SF Per Job <sup>(3)</sup>	Current Office Pool	Annual Obsolescence Rate <sup>(4)</sup>	Potential Industrial Demand - Square Feet (000s)					
	2018	2019	2020	2021	2022	2023					2018	2019	2020	2021	2022	2023
Construction	2.9	2.0	0.4	0.8	1.4	0.8	5%	220	NA	NA	32	22	5	9	15	9
Education & Health Services	6.0	3.2	2.3	1.7	2.8	2.4	40%	210	NA	NA	504	269	190	142	237	206
Financial Activities	-0.5	0.4	0.2	0.4	1.1	0.9	95%	200	NA	NA	0	78	32	70	213	173
Government	1.0	0.0	0.1	0.5	1.3	1.7	50%	160	NA	NA	78	0	6	44	106	134
Information	0.0	0.1	0.0	0.0	0.1	0.0	35%	220	NA	NA	2	6	0	0	6	1
Leisure & Hospitality	1.9	1.6	0.9	0.9	1.6	1.3	5%	180	NA	NA	17	15	9	8	14	12
Manufacturing	0.8	-0.6	-1.4	-1.4	-0.8	-1.1	5%	160	NA	NA	7	0	0	0	0	0
Natural Resources & Mining	0.0	0.0	0.0	0.0	0.0	0.0	5%	220	NA	NA	0	0	0	0	0	0
Other Services (except Public Admin.)	0.7	0.2	0.0	0.0	0.2	0.1	60%	220	NA	NA	90	24	0	0	25	17
Professional & Business Services	2.6	3.5	0.4	1.2	3.3	2.3	90%	180	NA	NA	423	572	71	196	531	377
Retail Trade	0.3	0.8	0.2	0.0	0.8	0.5	5%	200	NA	NA	3	8	2	0	8	5
Trade; transportation and utilities	2.4	1.4	0.1	-0.2	1.1	0.6	5%	200	NA	NA	24	14	1	0	11	6
Wholesale Trade	0.3	0.5	0.0	0.0	0.3	0.2	10%	200	NA	NA	6	9	0	0	6	3
<b>Total Nonfarm</b>	<b>18.5</b>	<b>13.0</b>	<b>3.2</b>	<b>3.9</b>	<b>13.2</b>	<b>9.8</b>	<b>32%</b>	<b>198</b>	<b>NA</b>	<b>NA</b>	<b>1,186.5</b>	<b>1,016.0</b>	<b>316.0</b>	<b>469.9</b>	<b>1,173.6</b>	<b>943.8</b>

**Demand from Obsolescence/Redevelopment**

Industry	Total Employment (000s) <sup>(1)</sup>						% Office Space <sup>(2)</sup>	SF Per Job <sup>(3)</sup>	Current Inventory (SF 000s) <sup>(3)</sup>	Annual Obsolescence Rate	Potential Industrial Demand - Square Feet (000s)					
	2018	2019	2020	2021	2022	2023					2018	2019	2020	2021	2022	2023
Construction	74.3	76.2	76.7	77.4	78.8	79.6	5%	220	817	1.0%	8.2	8.5	8.7	8.8	8.8	9.0
Education & Health Services	197.4	200.6	202.9	204.6	207.4	209.8	40%	210	16,582	1.0%	165.8	170.9	173.5	175.4	176.9	179.2
Financial Activities	58.6	59.1	59.2	59.6	60.7	61.6	95%	200	11,142	1.0%	111.4	111.4	112.2	112.5	113.2	115.3
Government	178.3	178.3	178.3	178.9	180.2	181.9	50%	160	14,264	1.0%	142.6	143.4	143.4	143.5	143.9	145.0
Information	26.8	26.9	26.9	26.8	26.9	26.9	35%	220	2,063	1.0%	20.6	20.7	20.7	20.7	20.7	20.8
Leisure & Hospitality	115.9	117.5	118.5	119.4	121.0	122.3	5%	180	1,043	1.0%	10.4	10.6	10.7	10.8	10.9	11.1
Manufacturing	90.5	89.9	88.6	87.2	86.4	85.3	5%	160	724	1.0%	7.2	7.3	7.3	7.3	7.3	7.3
Natural Resources & Mining	0.9	0.9	0.9	0.9	0.9	0.9	5%	220	10	1.0%	0.1	0.1	0.1	0.1	0.1	0.1
Other Services (except Public Admin.)	40.6	40.8	40.7	40.7	40.9	41.0	60%	220	5,357	1.0%	53.6	54.5	54.7	54.7	54.7	55.0
Professional & Business Services	185.5	189.0	189.4	190.6	193.9	196.2	90%	180	30,043	1.0%	300.4	304.7	310.4	311.1	313.0	318.4
Retail Trade	112.9	113.6	113.8	113.9	114.7	115.2	5%	200	1,129	1.0%	11.3	11.3	11.4	11.4	11.4	11.5
Trade; transportation and utilities	204.8	206.2	206.2	206.0	207.2	207.8	5%	200	2,048	1.0%	20.5	20.7	20.9	20.9	20.9	21.0
Wholesale Trade	51.6	52.1	52.1	52.1	52.4	52.5	10%	200	1,032	1.0%	10.3	10.4	10.5	10.5	10.5	10.5
<b>Total Nonfarm</b>	<b>1,338</b>	<b>1,351</b>	<b>1,354</b>	<b>1,358</b>	<b>1,371</b>	<b>1,381</b>	<b>34%</b>	<b>198</b>	<b>86,252</b>	<b>1.0%</b>	<b>862.5</b>	<b>874.4</b>	<b>884.5</b>	<b>887.7</b>	<b>892.4</b>	<b>904.1</b>
<b>Overall Totals:</b>											<b>2,049</b>	<b>1,890</b>	<b>1,201</b>	<b>1,358</b>	<b>2,066</b>	<b>1,848</b>
<b>CMA Capture <sup>(5)</sup>:</b>											<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>
<b>CMA Demand:</b>											<b>194.2</b>	<b>179.2</b>	<b>113.8</b>	<b>128.7</b>	<b>195.9</b>	<b>175.2</b>

(1) Source: Economy.com

(2) Per TCG projection

(3) Per ULI, CoStar, Jones Lang LaSalle

(4) Per CoStar. Represents capture of occupied inventory 2004-current

(5) Per CoStar. Represents capture of occupied inventory 2004-current of CMA

**EXHIBIT II-4**

**SELECTED COMPARABLE OFFICE INVENTORY  
OFFICE MARKET AREA  
MARCH 2018**

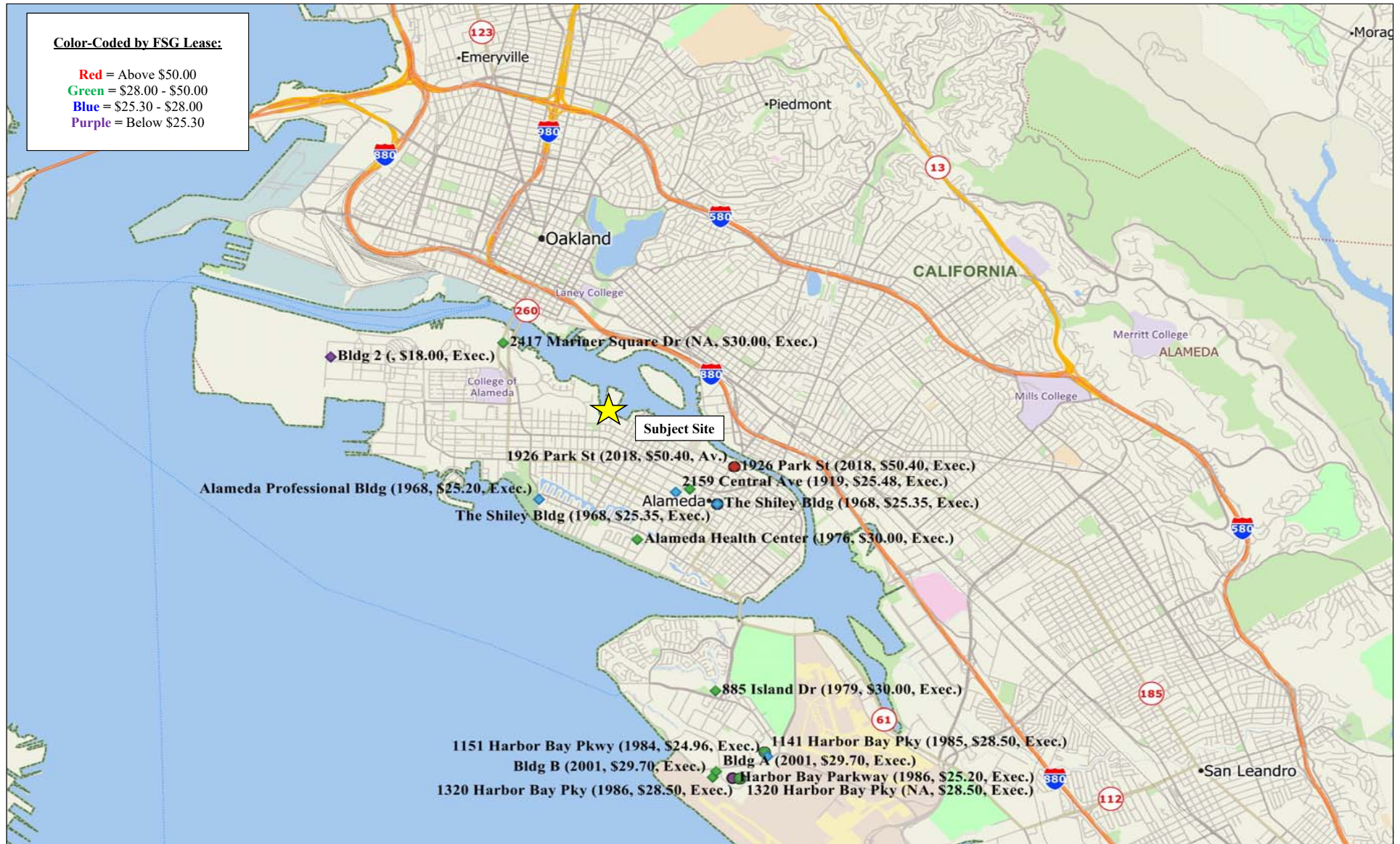
Building Name	Address	Year		Elev.	Type	Typical Floor	Rentable Building Area (RBA)			Ann. Lease Rate		
		Built	Reno.				Total	Avail.	% Lease	Rent	Date	Type
Available Office Spaces												
1926 Park St	1926 Park St	2018		2s	Class B	3,106	6,213	4,815	22.5%	\$50.40	--	FSG*
2229 Santa Clara Ave	2229 Santa Clara Ave	1965		2s	Class C	2,225	4,500	830	81.6%	\$33.00	--	FSG*
885 Island Dr	885 Island Dr	1979		2s	Class B	14,329	28,658	2,232	92.2%	\$30.00	--	FSG
2417 Mariner Square Dr	2417 Mariner Square Dr	1979		2s	Class B	7,677	15,354	5,140	66.5%	\$30.00	--	FSG
Alameda Health Center	2111 Whitehall Pl	1976		1s	Class C	7,049	7,049	1,300	81.6%	\$30.00	--	FSG
Bldg A	1600 Harbor Bay Pky	2001		2s	Class B	30,731	61,500	30,295	50.7%	\$29.70	--	FSG*
Bldg B	1650 Harbor Bay Pky	2001		2s	Class B	31,968	63,936	24,128	62.3%	\$29.70	--	FSG*
1141 Harbor Bay Pky	1141 Harbor Bay Pky	1985		2s	Class B	24,100	48,200	8,064	83.3%	\$28.50	--	FSG
1320 Harbor Bay Pky	1320 Harbor Bay Pky	1986		2s	Class B	60,000	121,080	52,576	56.6%	\$28.50	--	FSG
2159 Central Ave	2159 Central Ave	1919		2s	Class B	1,035	2,070	2,070	0.0%	\$25.48	--	FSG*
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$25.35	--	FSG
Alameda Professional Bldg	512 Westline Dr	1968		3s	Class C	5,488	16,464	2,400	85.4%	\$25.20	--	FSG
1151 Harbor Bay Pkwy	1151 Harbor Bay Pkwy	1984		2s	Class B	23,792	47,584	336	99.3%	\$24.96	--	FSG
Bldg 2	2599 Lexington St			2s	Class C	33,000	66,000	66,000	0.0%	\$18.00	--	FSG*
Available Office Spaces Totals:					14 Properties	17,799	502,646	202,151	59.8%	\$27.34		
Executed Office Leases (Last 6 Months)												
1926 Park St	1926 Park St	2018		2s	Class B	3,106	6,213	4,815	22.5%	\$57.60	May-12	FSG*
1141 Harbor Bay Pky	1141 Harbor Bay Pky	1985		2s	Class B	24,100	48,200	8,064	83.3%	\$28.80	Apr-17	FSG
1141 Harbor Bay Pky	1141 Harbor Bay Pky	1985		2s	Class B	24,100	48,200	8,064	83.3%	\$28.80	Jan-13	FSG
1320 Harbor Bay Pky	1320 Harbor Bay Pky	1986		2s	Class B	60,000	121,080	52,576	56.6%	\$27.00	Mar-17	FSG
1320 Harbor Bay Pky	1320 Harbor Bay Pky	1986		2s	Class B	60,000	121,080	52,576	56.6%	\$27.00	Jan-17	FSG
1320 Harbor Bay Pky	1320 Harbor Bay Pky	1986		2s	Class B	60,000	121,080	52,576	56.6%	\$27.00	Jun-17	FSG
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$25.75	Jun-12	FSG
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$25.32	Dec-13	FSG
Harbor Bay Parkway	1420 Harbor Bay Pky	1986		2s	Class B	60,608	121,216	0	100.0%	\$25.20	Feb-12	FSG*
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$24.00	May-13	FSG
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$24.00	Jul-17	FSG
The Shiley Bldg	2445-2447 Santa Clara Ave	1968		3s	Class C	4,679	14,038	1,965	86.0%	\$24.00	Feb-12	FSG
Executed Office Leases (Last 6 Months) Totals:					12 Properties	26,276	657,259	188,496	71%	\$26.97		
All Asking Rents OMA Totals:					26 Properties	21,711	1,159,905	390,647	66%	\$27.13		

Source: CoStar; TCG



# EXHIBIT II-5

## LOCATION OF OFFICE INVENTORY OFFICE MARKET AREA MARCH 2018



Note: Values in parenthesis represent year built, FSG lease terms PSF, and whether the lease has been executed in the past or is currently available.



# EXHIBIT II-5

## LOCATION OF OFFICE INVENTORY OFFICE MARKET AREA MARCH 2018



**EXHIBIT II-6**  
**PLANNED AND PROPOSED OFFICE DEVELOPMENT - DELIVERY PROJECTION**  
**ALAMEDA, CALIFORNIA**  
**MARCH 2018**

**I. Alameda Pipeline by Submarket**

<b>Status (1)</b>	<b>OMA</b>	<b>PMA</b>
<i>Future (Non-Subject Site)</i>		
Under Construction	6,213	1,707,120
Approved	0	0
Proposed	140,000	2,840,357
<b>Total Supply</b>	<b>146,213</b>	<b>4,547,477</b>

**II. Alameda Office Supply Projection**

<b>Status</b>	<b>Delivery Likelihood</b>	<b>Planned and Proposed Projected Delivery (% of Likely Completions)</b>				
		<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Under Construction	100%	0%	0%	0%	0%	0%
Approved	90%	0%	0%	0%	0%	0%
Proposed	75%	0%	4%	0%	0%	0%

<b>Status</b>	<b>Projected Units Completed</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Under Construction	1,707,120	6,213	0	0	0	0
Approved	0	0	0	0	0	0
Proposed	2,840,357	0	105,000	0	0	0
<b>Market Areas TOTAL:</b>	<b>4,547,477</b>	<b>6,213</b>	<b>105,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

*5-year projected near-term deliveries: 111,213*

# EXHIBIT II-7

## PLANNED AND PROPOSED OFFICE DEVELOPMENT - PROJECT LOCATIONS ALAMEDA, CALIFORNIA MARCH 2018

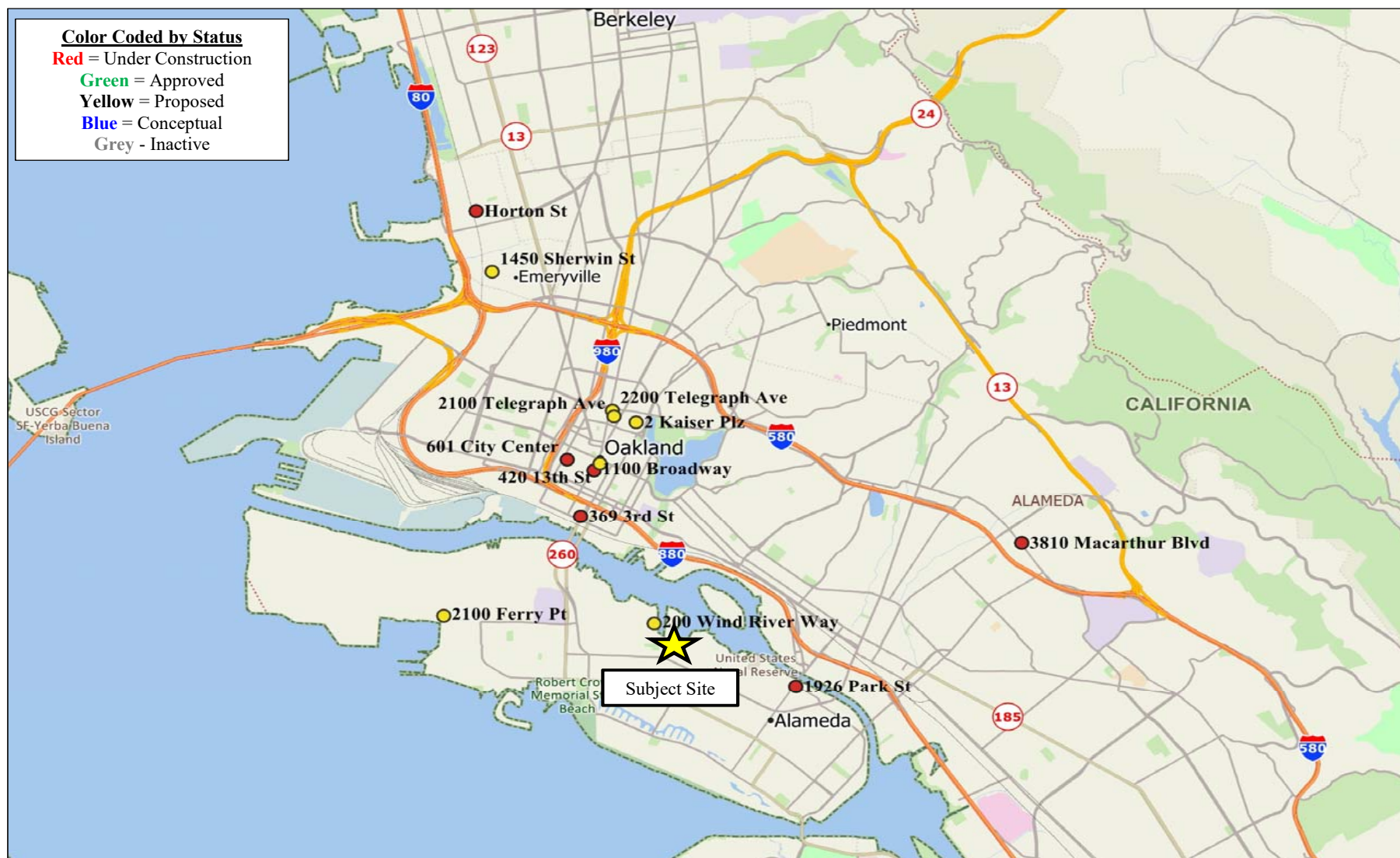




EXHIBIT II-7

PLANNED AND PROPOSED OFFICE DEVELOPMENT - PROJECT LOCATIONS  
ALAMEDA, CALIFORNIA  
MARCH 2018

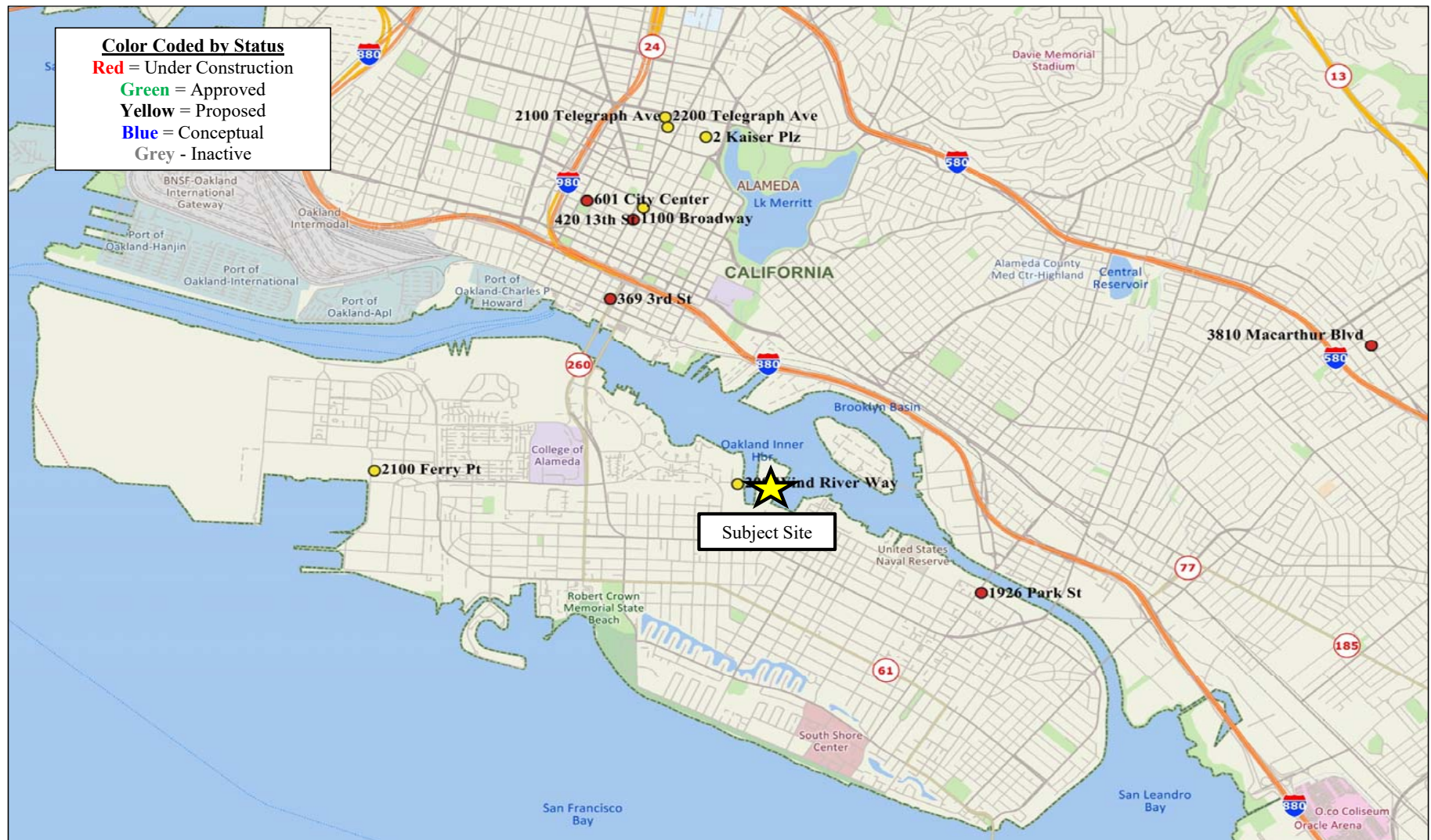




EXHIBIT II-8

OFFICE SUPPLY VS DEMAND  
OFFICE MARKET AREA  
MARCH 2018

	Office Market Area					Total
	2018	2019	2020	2021	2022	
Total OMA Projected Deliveries:	6,213	105,000	0	0	0	111,213
Demand - Job Growth Model (RBA):	194,244	179,207	113,808	128,700	195,854	811,813
Undersupply/ <b>Over</b> supply:	188,031	74,207	113,808	128,700	195,854	700,600

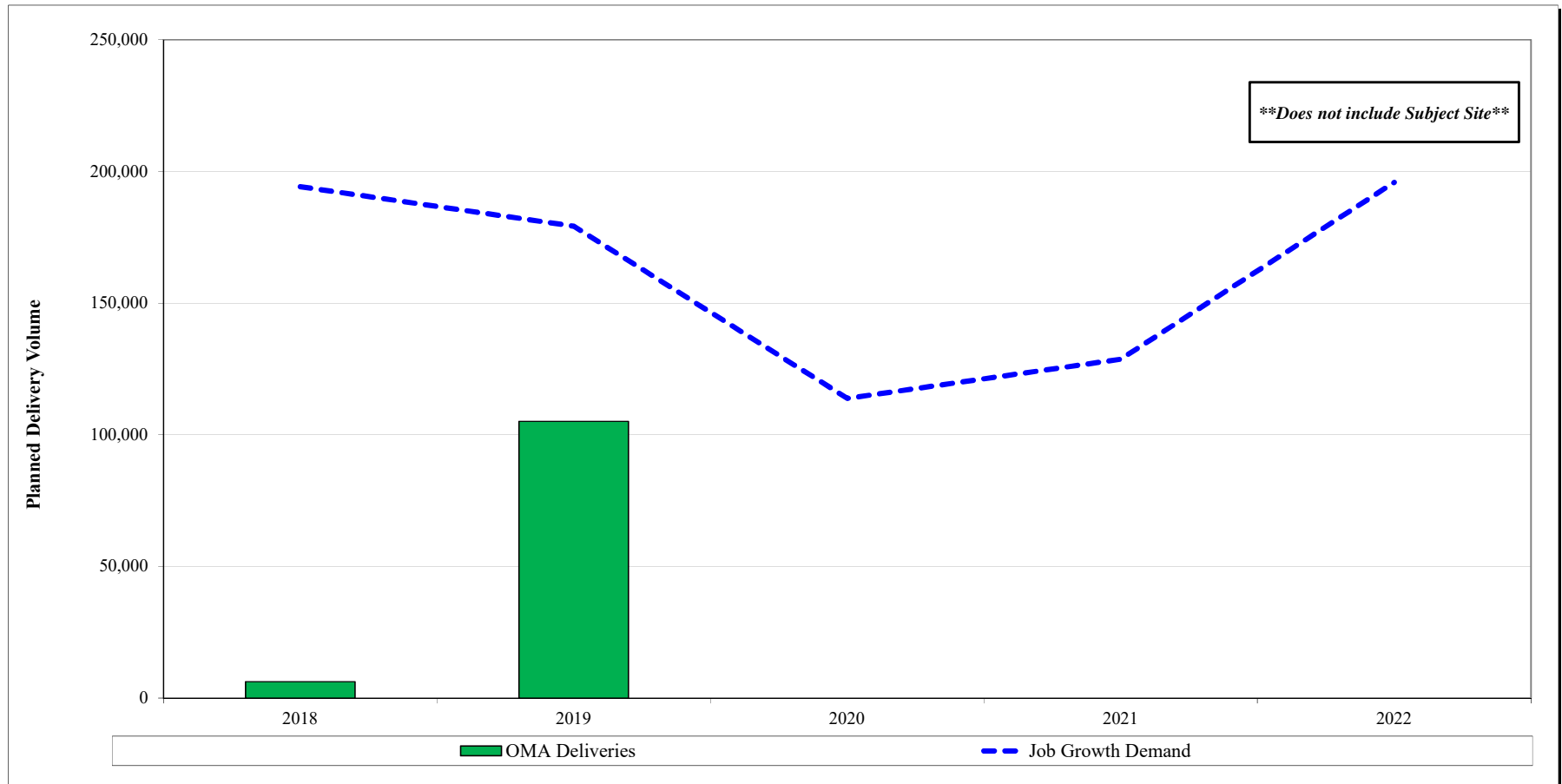


EXHIBIT II-9

PRODUCT PROGRAM POSITIONING - OFFICE  
OFFICE MARKET AREA  
MARCH 2018

I. Positioning Rationale

- Subject Site would be the only Class A office space in Office Market Area

Product	Monthly	Annual
TCG Recs - Office Mid/Lowrise	\$2.92	\$35.00 /FSG

