Retail Research Group, Inc.

An International Market Analysis Company

A GROCERY SAMPLE

MARKET ANALYSIS

OF

WILSONVILLE, OREGON

Supermarket

Presented To:

Date: January, 2009

Study Number: RRG000

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Introduction

The purpose of this study is to provide a *Prospective Client* with an understanding of the type of report which *Retail Research Group, Inc.* can provide for an operator of a grocery store or to a shopping center developer interested in attracting a grocery store to be the anchor tenant in their proposed center. The theme of this study is for one commissioned by a grocery store operator seeking to build a facility in a new market.

This sample study was undertaken by *Retail Research Group, Inc.* and the Wilsonville, Oregon market was chosen as our offices are nearby. The content of the report reflects the market condition at the time of the study, but does not include information about any existing client or any proposed shopping center development.

The *Supermarket* format is a modern grocery store featuring a deli, bakery, service seafood/meat, floral, pharmacy, and a wine department. The store is tested at our hypothetical shopping center proposed at the southwest corner of Parkway Drive and Heather Place in Wilsonville, Oregon, designated as Map Key 100 in this study.

In order to provide a sales analysis for the proposed *Supermarket*, the current and future population growth has been estimated and the demographic composition tabulated for the primary trade area defined for the store. All of the primary food competitors affecting the trade area which directly compete with the proposed stores have been identified and evaluated with regard to their relative strengths and weaknesses. A sales projection for the proposed *Supermarket* at the site location has been calculated, and the impact of all known competitive changes have been included within the grocery market area.

Tactics

To accomplish the study purpose, the following tactic has been provided:

Tactic 1.0 is a projection for a 55,000 square foot facility located at the southwest corner of Parkway Drive and Heather Place in Wilsonville, Oregon, designated as Map Key 100.

Assumptions

Concerning the proposed Supermarket:

- Store operations in the *Supermarket* will be maintained at the normal high standard found in the chain's other Oregon stores.
- Pricing will be competitive with the *Supermarket's* primary conventional competition and will be approximately 8% to 10% higher than the Wal-Mart Supercenter in Woodburn, Oregon.
- An awareness and pre-grand opening advertising campaign will be used to generate shopper interest in the *Supermarket.* This is necessary as shoppers in the Portland market are not familiar with the banner. In addition, a post advertising campaign will continue for the next sixty days.
- As this will be the first *Supermarket* pharmacy in the area the growth curve for that department is lower than the chain would experience in their home market.
- The design of the center will be attractive. There will be adequate and convenient parking, favorable ingress/egress, and compatible tenants in vicinity of the proposed *Supermarket*.
- The other anchor tenants will not have grocery or significant food product in their respective stores.

Concerning the Trade Area:

- Residential construction in the area has slowed due to the current housing slump. Experts indicate residential growth will increase in late-2009 with the rate in 2011 steadily improving for the remainder of our forecast period.
- The trade area has been expanded to accommodate the draw of the proposed shopping center, the unique format of the *Supermarket*, and the lack of sister stores in the area.
- The per capita expenditures have a 3% per annum inflation rate which is reflected over the forecast period and in all projections.

Market Changes

No openings or changes to the existing grocery facilities identified in this study are expected. If any changes are announced before the opening of the proposed *Supermarket*, the grocery projection should be revised.

Methodology

To provide the information and analysis to *Supermarket, Inc.* field work was conducted in the area during the week of January 16, 2009. From the data collected, current supermarket models were constructed using *Retail Research Group, Inc.'s* market simulation system LOCUS Professional®, Arcview® GIS mapping, and PopStats Quarterly Estimates®. Using the current market model as a basis, projection models were developed to generate sales projections for the defined product groups within the proposed stores.

The per capita expenditure (PCE) for each sector was established using *Retail Research Group's* expenditure program, which is based upon the U.S. Bureau of Labor Statistics 1999 Consumer Expenditure survey and is adjusted quarterly for the change in a composite CPI for food at home and products available for purchase in a typical supermarket.

The store sizes used in the computer model are total area, with the exception of the Fred Meyer and Wal-Mart Supercenter stores. The total size used for those stores reflects the amount of area devoted to typical supermarket merchandise. The sales used for all Fred Meyer and Wal-Mart Supercenter stores includes the food department volume with a 20% add-on for the non-food items found in the typical supermarket. Fuel sales were deducted from those locations with that feature.

Tactic Summary

Projected - 3-year Growth

		Year Ending Sales		
Tactic	**Description**	**1st Year**	**2nd Year**	**3rd Year**
100	Open a 55,000 square foot ***Supermarket*** at the site - assumes a 100 Image	$317,195	$360,923	$385,770
	Sales per square foot	$5.77	$6.56	$7.01

Conclusion

The trade area demographic and economic characteristics favor the *Supermarket* store, especially when the large percentage of middle and upper income households in the core area are taken into account. The average household income in the PTA is $68,086 with an average of 2.64 persons per household. Household incomes in the northern core area are above the average of both the primary trade area as well as the entire Portland market. Household incomes tend to decline south of the Willamette River in the rural area and in the small cities with an agricultural economic base.

The trade area average of 2.64 persons per household and $68,086 income levels yields a significant level of grocery potential north of the Willamette River. While the overall population density near the site is not as dense as two miles north in Tualatin, the households in the core trade area east and west of the site have some of the highest per capita grocery expenditures.

The proposed center, located at the north Wilsonville interchange, will add to the current destination shopping in Argyle Square and will provide future retailers in the proposed shopping center excellent visibility to freeway traffic. The pre-existing retail attraction will also afford all of the stores who choose to locate in the proposed center an established primary trade area. The freeway visibility for the proposed shopping center, which is located directly south of Target and Costco, will provide daily exposure to passerby traffic and more importantly create an association with this area further strengthening it as a retail focal point.

Several factors will help to increase the proposed store's sales from shoppers residing outside the trade area. The Interstate 5 corridor is the major north/south route in western Oregon and also serves as a major commuter route for residents residing as far south as Salem, many who frequent the Portland employment and retail center on a daily basis. The resulting level of daily traffic is a bonus for the shopping center and the proposed *Supermarket*. A second component of added sales is the strong daytime demand in the vicinity of the location. Together the passerby traffic and nearby employment is estimated to produce 10% of the *Supermarkets* total store sales.

Overall the competition in Wilsonville, Thriftway and Albertsons, does not provide a strong challenge to the *Supermarket's* message of perishable quality, customer service, and lower prices. The most significant competition will be from Fred Meyer as the chain is well accepted in the Portland market and are priced as the lowest conventional grocery store. In addition, they have three stores serving the PTA located in Tualatin, Newberg, and Canby. The stores outside or near the perimeter of the trade area including all five Safeways, two Albertsons, Haggen, Whole Foods, and the Woodburn stores all have relatively weak market penetration and serve trade area residents from less convenient locations. Many of those stores are shopped primarily for their weekly ad items. Our opinion is the level of local competition coupled, with the distance to alternative supermarkets, creates a favorable situation for the *Supermarket*.

Our recommendation is to open a 55,000 square foot *Supermarket* in the proposed shopping center. The area retail attraction will be enhanced further with the addition of this shopping center, which along with the established attraction of Argyle Square will be very favorable to the first *Supermarket* in the Portland market. Care should be exercised to insure the store maintains the favorable western position in the shopping center and that the majority of cotenants all open within a few weeks of each other or at the very least the construction is finished in the western half of the center. This will insure shoppers frequenting the store in its grand opening period will not face any hurdles in gaining ingress/egress to the center and there will be convenient and adequate parking available during the critical period.

CURRENT MARKET

Trade Area Summary

The defined primary trade area (PTA) for the proposed *Supermarket* is located on the southern fringe of the greater Portland, Oregon, market. The cities of Canby, Sherwood, Tualatin, and Wilsonville are inside the PTA as well as the contiguous unincorporated areas of Clackamas, Marion, Washington, and Yamhill Counties. The size of the trade area is large due to relative strength of the retail proposed in the planned center as well as in the adjacent Argyle Square.

The land area within the PTA is therefore substantial, containing 142.52 square miles with a 2009 population of 88,672 persons resulting in a population density of 622 persons per square mile. However, this figure does not reflect the true nature of the core trade area of Tualatin and Wilsonville which is much more densely populated. The lower density is a result of the predominantly agricultural land use outside the Portland metro area and the constraints of the Urban Growth Boundary (UGB) which limits residential development outside that defined area. Woodburn and Newberg are outside the UGB and also contain a significant number of shopper households.

The actual trade area boundaries are as follows:

North: The distance to the northern edge of the primary trade area (4.2 miles) is less than ten minutes away because the physical number of shopping alternatives grows exponentially for shoppers residing beyond the northern boundary.

East: The Willamette River, coupled with several smaller tributaries (approximately 5.2 miles), creates the major impediment to shopper attraction in this direction, and those waterways limits the willingness of residents of Canby and Aurora from traveling to the proposed store.

South: Near Hubbard, the southern PTA is a distance of 10.3 miles from the proposed shopping center. Beyond this point stores in Woodburn provide more convenient shopping alternatives.

West: The Newberg retail outlets and the heavy use of the Highway 99W corridor by area residents, along with the physical terrain, curtail the attraction of the proposed *Supermarket* in that direction. Access is difficult due to the western slope of Ladd Hill and few through roads.

Therefore, the PTA extends 7.4 miles to that natural transition point between the Interstate 5 and Highway 99W corridors.

The overall shopper attraction to the proposed shopping center is strong within the primary trade area. The *Supermarket* benefits from the lack of sister stores in the Portland market and that condition, along with the retail focal point created by the existing and planned retail, allows the *Supermarket* to have sales beyond the trade area of 10%.

The current population in the defined trade area is 88,672. The average weekly PCE is $53.50, ranging from a high of $72.16 in sector 17 to a low of $42.38 in sector 57. The total potential is $4,744,122 per week. Of this potential, the 19 facilities identified are receiving $3,326,050 or a market share of 70.11%. The float, which consists of leakage to Costco, other stores with food items, and minor facilities, is $1,418,072 or 29.89%.

Population

The following table illustrates the trade area's population trends and potential for the study period:

	2000	2009	2011	2013
Population	75,468	88,672	89,562	91,340
Annual % Growth		1.94%	0.50%	0.99%
Supermarket PCE		$53.50	$56.75	$60.19
Potential		$4,744,122	$5,082,693	$5,497,499

The increase of the average per capita expenditure includes 3% inflation and population growth.

The current mortgage and housing crises has had an impact on the Portland housing market, although the downturn is not as great as in many other regions of the country. There are still active residential projects with a reduced level of construction activity. The majority of those are in subdivisions that offer new upper middle and higher price homes. The economic slowdown is expected to reverse directions in mid-2010 and slowly improve over our forecast period (2009 to 2013).

In the recent past, the majority of home construction was in western Wilsonville with the master-planned Villebois Village producing most of the area's residential growth.

There have also been smaller projects adding homes in the east side of the city. Outside Wilsonville, in southern Tualatin the Victoria Woods development continues to add a few homes every month. But this upper-end subdivision is nearing its build out. Likewise residential growth in Sherwood has nearly stopped, especially as most of the land inside the UGB, east of Highway 99W, has been absorbed. The little amount of current growth in Sherwood is to the west of Highway 99W. To the south of Wilsonville, the communities of Canby, Aurora, and Hubbard at this time have virtually no on-going residential construction.

Local experts are hoping for a recovery either in the last part of 2009 or by mid-2010. Our population estimate assumes there is a gradual increase in home construction no earlier than the middle of 2010. A slow but steady increase is anticipated beyond 2010 to at least 2013.

The table below provides the issued building permits for the primary trade area communities.

Building Permit Activity - Units

City	2000	2001	2002	2003	2004	2005	2006	2007	YTD 11/08	Total
Canby	112	136	235	155	112	145	199	85	15	1,194
Sherwood	146	250	193	200	258	574	87	45	80	1,833
Tualatin	81	222	448	140	174	81	101	48	21	1,316
Wilsonville	90	233	162	76	263	226	420	115	32	1,617
Total	**429**	**841**	**1,038**	**571**	**807**	**1,026**	**807**	**293**	**148**	**5,960**

Our projections are based on the historic growth rates, recent building permits, and an inventory of subdivisions built since the 2000 Census of Population. That inventory included a count of homes under construction, occupied, and total allowed in each subdivision. Also utilized were geographic information system parcel and subdivision themes provided by Metro with those showing the number and location of new homes since the Census. In addition, we have used a growth path analysis to extend the area rate of growth to 2013 where appropriate.

Population Methodology

Our population estimates are based on block level statistics from the 2000 Census of Population issued by the US Census Bureau, but exclude persons residing in institutional and some non-institutional group quarters. These estimates have been updated to current levels actual building permit data of those homes built between 2000 and 2009 In addition, combined with the building permit, data postal delivery statistical information to the Zip-code plus 4 level for the third quarter 2008, provided by Popstats®, was compared with an actual housing inventory. All information gathered during field investigations, which includes a physical inventory of active and planned subdivisions was used to both establish the current population and future growth.

Demographic Highlights

2008 Income	Hshld. Size.	% White	% Black	% Asian	% Hisp.	% Other	Under 18 Yrs	Over 65 Yrs	Median Age
$68,086	2.67	89.33	0.62	2.34	10.48	7.71	26.11	10.23	32.89

The demographic and economic characteristics of the trade area change between the northern core trade area and the rural agricultural based communities south of Wilsonville. Household incomes are generally higher in the north especially within the neighborhoods of southern Tualatin and Wilsonville as well as in the hilly sections east and west of the two cities. The average income levels are lower in the southern PTA, within the communities of Canby, Aurora, and Hubbard.

There is a higher Hispanic representation in those southern cities and within the rural farmlands south of Charbonneau and the Willamette River. The large concentration of apartments in Tualatin's center city have attracted a significant percentage of Hispanic households that elevate their representation within the city limits.

The other parts of the trade area demographic characteristics tend to show minimal ethnic variance and age characteristics, except in a few notable areas. Charbonneau, the active adult neighborhood directly south of the Willamette River from Wilsonville has the highest percentage of persons over 65 years of age (48.08%) in the PTA and conversely the lowest percentage of children. In addition, the more established neighborhoods with higher incomes within Tualatin, the large estate homes east and west of Wilsonville, northern Canby, and the rural areas to the south near Aurora also have lower percentages of persons under 18 years of age. Of course, most of those same areas generally have a higher average age and percent of persons over 65 years of age.

In terms of buying power, the average household expenditures in the primary trade area are higher than the average for the Portland market. The household income level in neighborhoods in proximity to the proposed shopping center and the purchasing power of those households are the highest in the entire trade area. More importantly the overall economic and demographics characteristics within PTA households creates an opportunity for almost any type of store locating in the proposed center.

Current Market Reports

Wilsonville, Oregon
January 2009

Market Recap

Trade Area	Jan 2009
Population	88,672
Potential	4,744,122
Facility Volume	3,326,050
Float Amount	1,418,072
Float Percent	29.89%
P.C.E.	53.50

Population Sector Data

Sector	-----Jan 2009-----			-------Float-------	
Map Key	Population	PCE	Potential	Percent	Amount
1	1,503	58.72	88,256	22.39	19,764
2	3,762	48.74	183,360	27.11	49,707
3	3,462	49.75	172,235	26.45	45,562
4	3,073	63.24	194,337	27.63	53,702
5	297	61.55	18,280	28.14	5,145
6	833	63.24	52,679	21.77	11,466
7	847	61.01	51,675	36.42	18,820
8	349	60.32	21,052	33.82	7,120
9	847	61.98	52,497	36.22	19,013
10	511	58.19	29,735	34.32	10,204
11	427	64.22	27,422	29.74	8,154
12	1,689	66.16	111,744	27.92	31,195
13	290	61.01	17,693	22.19	3,926
14	2,282	57.58	131,398	33.72	44,311
15	4,162	57.58	239,648	21.55	51,652
16	2,944	58.73	172,901	21.36	36,937
17	78	72.16	5,628	25.60	1,441
18	4,715	52.68	248,386	29.27	72,702
19	1,987	51.68	102,688	32.95	33,840
20	3,434	59.03	202,709	31.21	63,265
21	2,161	60.32	130,352	33.68	43,898
22	674	60.32	40,656	31.02	12,611
23	488	60.38	29,465	31.03	9,142
24	818	61.55	50,348	27.60	13,896
25	675	63.24	42,687	32.76	13,985
26	59	52.49	3,097	22.68	702
27	1,809	51.39	92,965	20.84	19,374
28	769	45.96	35,343	27.16	9,599
29	2,853	47.33	135,032	19.95	26,936

Population Sector Data (continued)

Sector Map Key	-----Jan 2009----- Population	PCE	Potential	-------Float------- Percent	Amount
30	1,854	55.83	103,509	20.90	21,632
31	1,885	57.46	108,312	23.80	25,776
32	4,185	53.60	224,316	21.60	48,461
33	662	51.78	34,278	34.31	11,762
34	1,278	50.20	64,156	38.44	24,662
35	1,257	52.49	65,980	43.08	28,427
36	3,528	45.08	159,042	42.71	67,920
37	2,776	47.24	131,138	43.49	57,032
38	2,317	42.80	99,168	41.25	40,911
39	2,070	43.34	89,714	42.00	37,682
40	3,184	49.55	157,767	39.02	61,557
41	997	42.73	42,602	41.77	17,794
42	859	48.77	41,893	36.69	15,371
43	843	48.77	41,113	33.37	13,721
44	696	45.08	31,376	31.87	9,999
45	529	62.44	33,031	28.16	9,303
46	2,646	66.56	176,118	27.40	48,259
47	1,121	58.24	65,287	22.00	14,366
48	493	64.93	32,010	32.83	10,509
49	450	62.02	27,909	38.65	10,788
50	288	45.08	12,983	35.89	4,659
51	310	45.08	13,975	36.22	5,062
52	1,014	45.08	45,711	33.87	15,483
53	302	44.45	13,424	21.43	2,876
54	435	56.52	24,586	32.39	7,964
55	653	53.67	35,047	15.09	5,289
56	973	48.17	46,869	34.07	15,969
57	3,269	42.38	138,540	33.76	46,768
Total	88,672		4,744,122		1,418,072
Average		53.50		29.89	

Stores Impacting the Trade Area

Facility Map Key	Name	---Jan 2009 --- Volume	/SqFt	Total Area	Draw	Image
1	Safeway	415,000	8.40	49,400	35	121
2	Whole Foods	350,000	6.12	57,200	35	85
3	Fred Meyer	725,000	10.66	68,000	80	147
4	Haggen	305,000	5.03	60,600	80	73
5	Safeway	490,000	10.08	48,600	8	132
6	Albertsons	315,000	6.29	50,100	23	83
7	Thriftway	335,000	7.44	45,000	95	99
8	Albertsons	305,000	5.81	52,500	95	79
9	Albertsons	355,000	7.13	49,800	65	94
10	Safeway	370,000	6.69	55,300	63	97
11	Safeway	255,000	6.54	39,000	15	90
12	Fred Meyer	640,000	9.71	65,900	15	132
13	Wal-Mart	845,000	13.00	65,000	13	154
14	Shop n Kart	380,000	9.82	38,700	13	123
15	Grocery Outlet	50,000	3.47	14,400	13	44
16	Safeway	360,000	6.22	57,900	13	85
17	Safeway	185,000	4.00	46,300	80	63
18	Thriftway	255,000	5.73	44,500	80	94
19	Fred Meyer	440,000	6.47	68,000	80	107
Total		7,375,000		976,200		
Average		388,158	7.55	51,379		100

Chain Summary

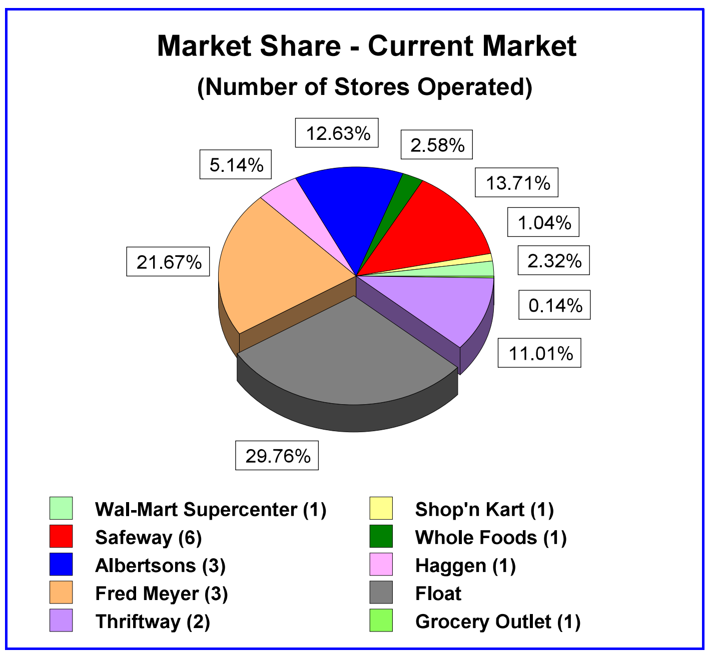
Chain Name	# of Facs	----Chain Total---- Volume	Average	Size	Average	Vol/ SqFt	Avg Image	Market Share
Fred Meyer	3	1,805,000	601,667	201,900	67,300	8.94	128	21.67
Safeway	6	2,075,000	345,833	296,500	49,417	7.00	98	13.71
Albertsons	3	975,000	325,000	152,400	50,800	6.40	85	12.50
Thriftway	2	590,000	295,000	89,500	44,750	6.59	97	11.01
Haggen	1	305,000	305,000	60,600	60,600	5.03	73	5.14
Whole Foods	1	350,000	350,000	57,200	57,200	6.12	85	2.58
Wal-Mart	1	845,000	845,000	65,000	65,000	13.00	154	2.32
Shop n Kart	1	380,000	380,000	38,700	38,700	9.82	123	1.04
Grocery Outlet	1	50,000	50,000	14,400	14,400	3.47	44	.14
Totals	19	7,375,000		976,200				70.11
Averages			388,158		51,379	7.55		

COMPETITIVE ANALYSIS

Competitor Overview

The 19 supermarket facilities currently affecting the trade area contain a total area of 976,200 square feet. The average facility size is 51,379 square feet, and the average sales per square foot is $7.55. In terms of selling area used by those 19 facilities, there are approximately 710,500 square feet with an average total area of 37,395 square feet. The average sales per square foot based on selling area is $10.38. There is 11.01 total area square feet per capita and 4,667 persons per facility using all the identified stores.

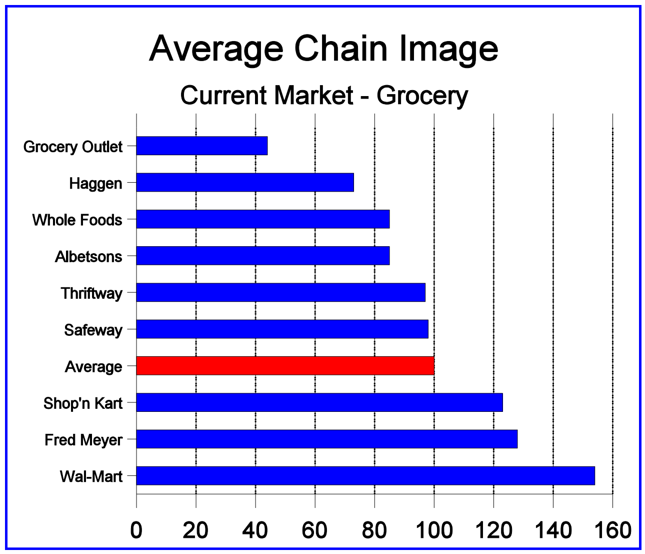
Fred Meyer is the leading operator in the PTA with a 21.67% market share with the nearest other being Safeway with a 13.71% share. Fred Meyer operates three stores affecting this market area. Those three stores have 201,900 square feet of comparable supermarket total area with the average size of 67,300. The Fred Meyer stores have a full range of special features including a hot deli, bakery, olive and cheese bars, high quality service seafood and meat counters as well as other extensive perishable offerings. The strong performance of the three stores is largely attributable to Fred Meyer's home town appeal and acceptance by local shoppers. Fred Meyer's low prices give them the best price label amongst the conventional competition and only the Woodburn Wal-Mart Supercenter beats their price.



Safeway, operates six stores, 31% of the identified supermarkets affecting the PTA, which helps to give them the second market share position. The six stores average $345,833 per week; however, if their lower volume Newberg and Canby stores are excluded the remaining four stores average $408,750. Safeway operates a fuel center at the Woodburn store (Map Key 16) although those sales are excluded from the report volume. The two lower volume stores are also acquired facilities and do not reflect the larger "Lifestyle" formats of the top four stores.

Albertsons, owned in this area by Super Valu, has three stores which generate $975,000 per week which nets a 12.63% market share and average store volume of $325,000. Albertsons acceptance and performance reflects a convenience and local following, as their prices are higher than most of the conventional supermarkets. The stores are all the same vintage and the interiors of the stores have been remodeled to the same decor package and offerings. No Albertsons' store outperforms its nearest competitor, a position which has reversed in the last three years as the chain became the highest priced regional supermarket in the Portland metro area.

Convenience and strong local acceptance helps the two independently owned Thriftway stores in Wilsonville and Canby capture a combined $590,000 per week in sales and achieves and average image or acceptance. Combined, the two stores provide an 11.01% market share to the Thriftway program in this trade area. Both stores offer an upscale appearance and store format which helps create a strong customer base in their respective communities. The stores both offer full service departments with well above average perishables.



Wal-Mart operates a single Supercenter which draws customers from the defined trade area. Due to the Woodburn location of the store that is beyond the PTA boundaries, the store only has marginal penetration and derives approximately 13% of its supermarket business from the trade area. This is a typical supercenter, although the store was converted from a general merchandise only facility four years ago. Wal-Mart has the lowest prices of all stores serving trade area shoppers; however, in the greater Portland market that title is held by WinCo Foods.

The other four stores include Whole Foods, Haggen, Shop n Kart, and Grocery Outlet. Whole Foods is the only true "Fresh Market" serving the trade area and attracts approximately 35% of its business from the PTA. The store is representative of Whole Foods' typical format and service offerings in a three year old building. The Haggen store was intended to be an upscale format when it originally opened; however, over that time most of the other competitors have raised their game and now Haggen is a nice upper-end conventional. Shop'n Kart in Woodburn is well accepted due to their warehouse pricing and the fact the store is well favored by the region's Hispanic households. The Grocery Outlet which is also in Woodburn, is a limited assortment store with secondary merchandise and a very limited appeal.

Competitive Detail

RETAIL RESEARCH GROUP - COMPETITIVE ANALYSIS — **Survey Date: January 2009**

Wilsonville Market Area, Oregon — **Job ID: RRG000**

Map Key	Store Name Address	Store Type	Total Area	Sales Area	Est. Volume	CHK OUTS	OP	COD	MEAT	PROD	Special Features	Location Type	S/C Name Major Tenants	Store Hours
1.00	Safeway Marketplace NEC Boones Ferry Rd & 65th St (Tualatin)	Super	49,400	33,700 Total Selling	$415,000 $8.40/SF $12.31/SF	8 2 Exp	7	7	6	7	Deli W/Seating, Bakery, S/Fish, S/Meat, Rx, GM, Floral, ATM, Starbucks, Sushi, Chinese	NS/C	NONE Joe's Sports, Hallmark, Shops	6-1, Daily
2.00	Whole Foods SC Bridgeport Rd & Hazel Fern Rd (Tualatin)	LA	57,200	38,100 Total Selling	$350,000 $6.12/SF $9.19/SF	18 3 Exp	7	9	8	9	Deli W/Seating, Bakery, S/Fish, S/Meat, Salad Bar, Floral, ATM, Bulk/Food, Sushi Bar, Cheese Bar, Food Court	F/S	None	8-10, Daily
3.00	Fred Meyer SEC Martinazzi Rd & Tualatin Sherwood Rd (Tualatin)	Super center	68,000	47,600 Total Selling	$725,000 $10.66/SF $15.23/SF	22 1 Exp (8 U-Scans)	8	7	6	7	Deli W/Seating, Bakery, S/Fish, S/Meat, Rx, GM, Floral, Washington Mutual Bank, ATM, 8 U-Scans, Starbucks	F/S	Perimeter shops	7-11, Daily
4.00	Haggen NWC Tualatin-Sherwood Rd & Boones Ferry Rd (Tualatin)	Super	60,600	43,600 Total Selling	$305,000 $5.03/SF $7.00/SF	11 3 Exp	7	7	5	7	Deli W/Seating, Bakery, S/Fish, Salad Bar, Rx, GM, Floral, Bank of America, ATM, Bulk/Food, Sushi, China Express, Food Court	CS/C	Staples, PetCo, TJ Maxx, shops	24 Hours, Daily
5.00	Safeway Food & Drug SEC Salamo Rd & Parker Rd (West Linn)	Super	48,600	37,500 Total Selling	$490,000 $10.08/SF $13.07/SF	9 2 Exp	6	6	6	5	Deli W/Seating, Bakery, S/Fish, Rx, GM, Floral, ATM, Starbucks, Chinese Cuisine	NS/C	TOWN CENTER Blockbuster, Liquor, offices and shops	6-1, Daily

Map Key	Store Name Address	Store Type	Total Area	Sales Area	Est. Volume	CHK OUTS	OP	COD	MEAT	PROD	Special Features	Location Type	S/C Name Major Tenants	Store Hours
6.00	Albertsons SWC Blankenship Rd & 10th St (West Linn)	Super	50,100	39,500 Total Selling	$315,000 $6.29/SF $7.97/SF	8 2 Exp	7	7	7	7	Deli, Bakery, S/Fish, S/Meat, Rx, GM, Floral, Video, US Bank, ATM, Starbucks	NS/C	RIVER FALLS PLAZA Subway, Hollywood Video, Jack in the Box	6-12 Midnight, Daily
7.00	Thriftway Lamb's NEC Town Center Loop & Wilsonville Rd	Super	45,000	32,500 Total Selling	$335,000 $7.44/SF $10.71/SF	10 1 Exp	8	8	7	8	Deli W/Seating, Bakery, S/Fish, S/Meat, Salad Bar, GM, Floral, ATM	NS/C	TOWN CENTER MERCHANTILE Rite Aid, Hollywood Video, shops	24 Hours, Daily
8.00	Albertsons SEC Boones Ferry Rd & Wilsonville Rd	Super	52,500	36,500 Total Selling	$305,000 $5.81/SF $8.36/SF	12 1 Exp (4 U-Scans)	7	7	6	5	Deli, Bakery, S/Fish, S/Meat, Rx, GM, Floral, Video, ATM, 4-U-Scans	NS/C	Walgreens, shops	6-12 Midnight, Daily
9.00	Albertsons SEC Tualatin-Sherwood Rd & Highway 99W (Sherwood)	Super	49,800	35,000 Total Selling	$355,000 $7.13/SF $10.14/SF	10 1 Exp (4 U-Scans)	6	8	6	7	Deli, Bakery, S/Fish, S/Meat, Salad Bar, Rx, GM, Floral, Video, US Bank, ATM, Starbucks	NS/C	SHERWOOD MARKET CENTER Super Cuts, Blockbuster	6-12 Midnight, Daily
10.00	Safeway Food & Drug SWC Roy Rogers Rd & Highway 99W (Sherwood)	Super	55,300	41,300 Total Selling	$370,000 $6.69/SF $8.96/SF	8 2 Exp	7	7	6	6	Deli W/Seating, Bakery, S/Fish, S/Meat, Rx, GM, Floral, ATM, Bulk/Food, Starbucks, China Express	NS/C	SHERWOOD CROSSING Shops	6-1, Daily
11.00	Safeway NEC Highway 99W & Springbrook Rd (Newburg)	Super	39,000	29,000 Total Selling	$255,000 $6.54/SF $8.79/SF	8 2 Exp	5	7	5	5	Deli W/Seating, Bakery, Rx, Floral, ATM	NS/C	SPRINGBROOK PLAZA Rite Aid, shops	6-1, Daily

RETAIL RESEARCH GROUP - COMPETITIVE ANALYSIS **Survey Date: January 2009**

Wilsonville Market Area, Oregon **Job ID: RRG000**

Map Key	Store Name Address	Store Type	Total Area	Sales Area	Est. Volume	CHK OUTS	OP	COD	MEAT	PROD	Special Features	Location Type	S/C Name Major Tenants	Store Hours
12.00	Fred Meyer NEC Highway 99W & Springbrook Rd (Newburg)	Super center	65,900	46,100 Total Selling	$640,000 $9.71/SF $13.88/SF	21 1 Exp (8 U-Scans)	7	7	6	7	Deli W/Seating, Bakery, S/Fish, S/Meat, Rx, GM, Floral, Washington Mutual Bank, ATM, Bulk/Food, 8 U-Scans, Natural Choice	F/S	Perimeter shops	7-11, Daily
13.00	Wal-Mart SuperCenter SWC Stacy Ln & Harvard Dr (Woodburn)	Super center	65,000	47,800 Total Selling	$845,000 $13.00/SF $17.68/SF	31 11 Exp	6	5	4	6	Deli, Bakery, S/Fish, Rx, GM, Floral, Klamath Bank, ATM, 1 Hr Photo, McDonalds	F/S	None	24 Hours, Daily
14.00	Shop n Kart W of SWC Highway 99 & Highway 214 (Woodburn)	Whse	38,700	27,100 Total Selling	$380,000 $9.82/SF $14.02/SF	8 1 Exp	6	4	5	5	Deli, Bakery, Bulk/Food, Hispanic Kiosk	NS/C	BiMart, Coastal Farm & Home, shops	6-12 Midnight, Daily
15.00	Grocery Outlet W of NWC Hwy 214 & Hwy 99 (Woodburn)	LA	14,400	12,400 Total Selling	$50,000 $3.47/SF $4.03/SF	4	4	3	0	3	None	F/S	Dollar Tree, Gen X, shops	8-9 Mon-Sat, 9-7 Sun
16.00	Safeway Food & Drug SEC Highway 99 & Highway 211 (Woodburn)	Super	57,900	42,900 Total Selling	$360,000 $6.22/SF $8.39/SF	10 2 Exp	6	7	6	6	Deli, Bakery, S/Fish, Rx, GM, Floral, OSU Credit Union, ATM, Starbucks, China Express, Fuel Center sales excluded	NS/C	Wells Fargo, Blockbuster, shops	5-1, Daily
17.00	Safeway Food & Drug SEC Highway 99 & Berg Ave (Canby)	Super	46,300	35,700 Total Selling	$185,000 $4.00/SF $5.18/SF	8 2 Exp	5	6	4	6	Deli W/Seating, Bakery, GM, Floral, ATM, Chinese Cuisine	NS/C	CANBY SQUARE Rite Aid, Dollar Tree, shops	6-1, Daily

Map Key	Store Name Address	Store Type	Total Area	Sales Area	Est. Volume	CHK OUTS	OP	COD	MEAT	PROD	Special Features	Location Type	S/C Name Major Tenants	Store Hours
18.00	Thriftway Cutsforths SEC NE 2nd Ave & Juniper St (Canby)	Conv	44,500	33,000 Total Selling	$255,000 $5.73/SF $7.73/SF	8 2 Exp	7	7	7	7	Deli W/Seating, Bakery, S/Fish, S/Meat, Floral, ATM, NY Bagel, Paloni's Pizza	NS/C	Shops	6-11, Daily
19.00	Fred Meyer SC Highway 99 & Sequoia Pkwy (Canby)	Super center	68,000	51,200 Total Selling	$440,000 $6.47/SF $8.59/SF	19 1 Exp (4 U-Scans)	7	7	7	7	Deli W/Seating, Bakery, S/Fish, S/Meat, Rx, GM, Floral, Washington Mutual Bank, ATM, 1 Hr Photo, Natural Choice, Starbucks	F/S	CANBY MARKET CENTER Radio shack, Dennys, shops	7-11, Daily
		Totals	**976,200**	**710,500**	**$7,375,000**									
		Averages	**51,379**	**37,395 Total Selling**	**$388,158 $7.55/SF $10.38/SF**									

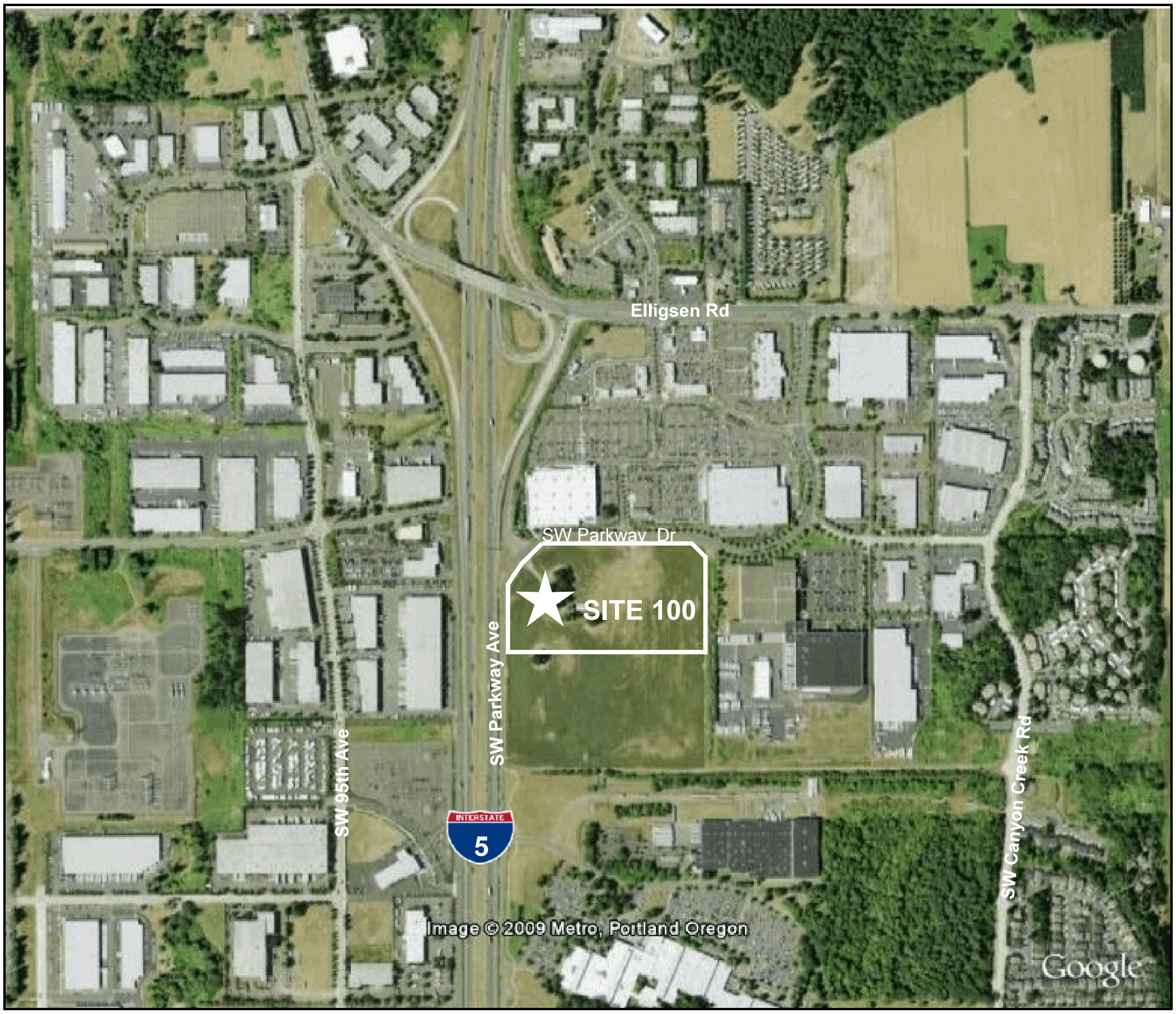
Rating Codes	1 - Poor 5 - Average 10 - Excellent Exp - Express Lane
Store Type	Conv - Conventional Super - Superstore Combo - Combination Whse - Warehouse ConEt - Conventional Ethnic ConUp - Conventional Upscale LA - Limited Assortment
Location Type	CBD - Central Business District CS/C - Community S/C F/S - Freestanding NS/C - Neighborhood S/C RS/C - Region S/C Strip - Strip Center

Limited Price Check - Wilsonville, Oregon January 2009

Item	Wal-Mart Supercenter Shelf Price	Wal-Mart Supercenter Special Price	Shop N Kart Shelf Price	Shop N Kart Special Price	Safeway Shelf Price	Safeway Special Price	Lamb's Thriftway Shelf Price	Lamb's Thriftway Special Price	Haggen Shelf Price	Haggen Special Price	Albertsons Shelf Price	Albertsons Special Price	Fred Meyer Shelf Price	Fred Meyer Special Price
Miracle Whip 32 oz	$3.13	$3.13	$4.24	$3.98	$4.35	$3.85	$4.39	$3.59	$4.39	$4.29	$4.29	$3.99	$3.89	$2.50
Kraft Mayonnaise 32 oz	$3.68	$3.68	$6.23	$3.98	$4.29	$4.29	$4.39	$3.59	$4.49	$4.29	$4.29	$3.99	$3.89	$2.50
Catalina Dressing 16 oz	$1.98	$1.98	$2.48	$3.43	$3.65	$2.59	$3.69	$3.29	$3.69	$2.99	$3.49	$2.79	$1.83	$1.83
Heinz 24 oz squeeze	$1.98	$1.98	$2.15	$2.15	$2.49	$2.49	$2.19	$2.19	$2.19	$2.19	$2.49	$2.49	$2.29	$2.29
Jif Peanut Butter 28 oz	$3.68	$3.68	$4.58	$4.58	$5.15	$5.15	$4.89	$4.89	$5.49	$5.49	$4.79	$4.79	$4.29	$4.29
Campbell Tomato Soup	$0.60	$0.60	$0.98	$0.98	$1.00	$1.00	$1.19	$1.09	$0.75	$0.75	$0.99	$0.59	$0.75	$0.75
Bush's Baked Beans 16 oz	$1.32	$1.32	$1.96	$1.96	$1.95	$1.95	$1.99	$1.99	$1.99	$1.99	$1.99	$1.99	$1.79	$1.79
Hunts Tomato Sauce 8 oz	$0.36	$0.36	$0.68	$0.68	$0.79	$0.50	$0.75	$0.65	$0.79	$0.79	$0.89	$0.89	$0.73	$0.67
Kraft Macaroni & Cheese 7.25 oz	$0.76	$0.76	$1.25	$1.25	$1.39	$1.09	$1.39	$1.39	$1.29	$1.29	$1.39	$1.00	$0.79	$0.79
O.S. Cranberry Juice 64 oz	$1.98	$1.98	$3.97	$3.97	$3.15	$2.99	$3.99	$3.99	$3.19	$3.19	$4.39	$4.39	$2.79	$2.79
Kellogg's Corn Flakes 18 oz	$2.64	$2.64	$2.98	$2.98	$3.99	$2.99	$4.29	$4.29	$4.19	$4.19	$4.69	$2.50	$3.89	$3.89
Quaker Oats 1 lbs	$2.08	$2.08	$2.77	$2.77	$3.59	$3.59	$3.79	$3.79	$3.89	$3.89	$3.29	$3.29	$3.49	$3.49
Betty Crocker Cake Mix	$1.08	$1.08	$1.95	$1.95	$1.99	$1.99	$1.99	$1.99	$1.99	$1.99	$2.39	$2.39	$1.89	$1.59
Morton Salt	$0.50	$0.50	$0.55	$0.55	$0.89	$0.89	$0.89	$0.89	$0.89	$0.89	$0.89	$0.89	$0.75	$0.75
Bananas per lb	$0.68	$0.68	$0.58	$0.58	$0.59	$0.59	$0.59	$0.59	$0.59	$0.59	$0.69	$0.69	$0.59	$0.59
Head Lettuce each or per lb	$1.38	$1.38	$1.50	$1.50	$0.99	$0.78	$0.99	$0.99	$1.49	$1.49	$1.29	$0.88	$0.78	$0.78
Extra Lean Ground Beef (80/20%)	$2.74	$2.74	$2.28	$2.28	$3.99	$3.99	$3.99	$3.99	$3.99	$2.69	$3.99	$3.99	$3.79	$3.79
Oscar Meyer Bologna 16 oz	$2.00	$2.00	$2.68	$2.68	$3.29	$3.29	$3.49	$3.49	$4.19	$4.19	$4.49	$3.99	$3.29	$2.50
Tide Liquid 50 oz.	$6.98	$6.98	$7.98	$7.98	$8.99	$8.99	$8.99	$8.99	$10.19	$7.49	$10.29	$10.29	$8.93	$8.93
Dawn Dish Soap 28 oz	$3.12	$3.12	$3.93	$3.93	$3.99	$2.99	$4.49	$4.49	$4.69	$4.69	$3.99	$3.99	$3.49	$3.49
2% Gallon Milk	$2.88	$2.88	$3.38	$3.38	$2.99	$2.99	$2.99	$2.99	$2.39	$2.39	$3.79	$3.79	$2.49	$2.49
Friskies 6 oz	$0.50	$0.50	$0.56	$0.56	$0.59	$0.55	$0.59	$0.59	$0.59	$0.59	$0.69	$0.69	$0.50	$0.50
Listerine 1 Liter	$6.27	$6.27	$5.39	$5.39	$5.49	$4.49	$5.89	$5.89	$5.69	$4.99	$6.49	$6.49	$4.79	$3.79
Bayer 50 tablet	$4.64	$4.64	$5.49	$5.49	$6.79	$6.09	$6.79	$6.79	$6.39	$6.39	$6.19	$6.19	$4.59	$4.59
Total	**$56.96**	**$56.96**	**$70.54**	**$68.98**	**$76.37**	**$70.11**	**$78.62**	**$76.42**	**$79.42**	**$73.72**	**$82.16**	**$76.97**	**$66.30**	**$61.37**

* Red totals denote in-store specials.

SITE EVALUATION
SWC Parkway Drive and Heather Place
Map Key 100



Comments:

The proposed center is located directly south of existing Argyle Square. *Supermarket* will be located at the western edge of the center and will have freeway visibility. The city will allow both a highly visible pylon sign and the *Supermarket* banner on the western building elevation. The first phase with 200,000 square feet of gross leaseable area is planned to have, in addition to the *Supermarket*, a Kohl's, several mid-size majors, leaseable retail shop space, and offices over the shops. There will also be three pad sites along the northern extent of Parkway Drive. The second phase of the development will add another 100,000 square feet of area including retail and office use.

Access to the Supermarket is good as the proposed shopping center is located at the north Wilsonville interchange which provides ease of access from Interstate 5 as well as Boones Ferry Road, Elligsen Road, and Parkway Drive. Even though the center is south of Arygle Square and does not have direct access to the interchange the location can be reached from Elligsen Road by using either Heather Place or Parkway Drive. Parkway Drive, from the site extends eastward for a 1/4 mile before it turns north to reach the primary east/west arterial. The site can also be accessed from the heart of Wilsonville by traveling north on Parkway Drive from Town Center Loop.

PROJECTED MARKET
Wilsonville, Oregon
January 2011

Trade Area Summary

Trade Area	Jan 2009	Jan 2011	% Change
Population	88,672	89,562	1.00
Potential	4,744,122	5,082,693	7.14
Facility Volume	3,326,050	3,563,594	7.14
Float Amount	1,418,072	1,519,098	7.12
Float Percent	29.89	29.89	
P.C.E.	53.50	56.75	6.07

Population Sector Data

Sector	-----Jan 2011-----			-------Float-------	
Map Key	Population	PCE	Potential	Percent	Amount
1	1,503	62.30	93,631	22.39	20,968
2	3,775	51.71	195,199	27.11	52,916
3	3,462	52.78	182,724	26.45	48,337
4	3,084	67.09	206,910	27.63	57,176
5	303	65.30	19,785	28.14	5,568
6	841	67.09	56,424	21.77	12,281
7	852	64.73	55,146	36.42	20,084
8	352	63.99	22,526	33.82	7,618
9	853	65.75	56,089	36.22	20,314
10	511	61.73	31,546	34.32	10,825
11	433	68.13	29,501	29.74	8,772
12	1,719	70.19	120,655	27.92	33,683
13	290	64.73	18,770	22.19	4,165
14	2,348	61.09	143,431	33.72	48,369
15	4,176	61.09	255,098	21.55	54,982
16	2,993	62.31	186,484	21.36	39,839
17	78	76.55	5,971	25.60	1,529
18	4,730	55.89	264,351	29.27	77,375
19	2,010	54.83	110,203	32.95	36,316
20	3,465	62.62	216,995	31.21	67,724
21	2,192	63.99	140,274	33.68	47,240
22	685	63.99	43,836	31.02	13,597
23	488	64.06	31,260	31.03	9,699
24	820	65.30	53,545	27.60	14,779
25	680	67.09	45,622	32.76	14,947
26	59	55.69	3,286	22.68	745
27	1,840	54.52	100,316	20.84	20,906
28	994	48.76	48,466	27.16	13,164
29	2,876	50.21	144,411	19.95	28,806
30	1,907	59.23	112,952	20.90	23,605
31	1,902	60.96	115,945	23.80	27,593

Population Sector Data (continued)

Sector Map Key	-----Jan 2011----- Population	PCE	Potential	-------Float------- Percent	Amount
32	4,190	56.86	238,261	21.60	51,474
33	686	54.93	37,684	34.31	12,931
34	1,291	53.26	68,755	38.44	26,430
35	1,271	55.69	70,778	43.08	30,494
36	3,540	47.83	169,302	42.71	72,302
37	2,816	50.12	141,129	43.49	61,378
38	2,320	45.41	105,343	41.25	43,458
39	2,079	45.98	95,591	42.00	40,151
40	3,195	52.57	167,953	39.02	65,532
41	1,022	45.33	46,330	41.77	19,351
42	862	51.74	44,600	36.69	16,364
43	849	51.74	43,927	33.37	14,660
44	696	47.83	33,286	31.87	10,607
45	534	66.24	35,374	28.16	9,963
46	2,650	70.61	187,126	27.40	51,275
47	1,124	61.79	69,448	22.00	15,282
48	499	68.88	34,373	32.83	11,285
49	453	65.80	29,806	38.65	11,521
50	288	47.83	13,774	35.89	4,943
51	312	47.83	14,922	36.22	5,405
52	1,017	47.83	48,638	33.87	16,475
53	302	47.16	14,241	21.43	3,051
54	435	59.96	26,083	32.39	8,449
55	655	56.94	37,295	15.09	5,628
56	979	51.10	50,030	34.07	17,046
57	3,276	44.96	147,292	33.76	49,722
Total	89,562		5,082,693		1,519,098
Average		56.75		29.89	

Benchmark: Change due to Inflation and Population Growth

Facility Map Key	Name	Forecast ---Jan 2011 --- Volume	/SqFt	Current ----Jan 2009 ---- Volume	/SqFt	T.A. Diff.	% Chg	Fcst Total Area	Draw	Image
1	Safeway	424,935	8.60	415,000	8.40	9,935	2	49,400	35	121
2	Whole Foods	358,338	6.26	350,000	6.12	8,338	2	57,200	35	85
3	Fred Meyer	765,657	11.26	725,000	10.66	40,657	6	68,000	80	147
4	Haggen	322,192	5.32	305,000	5.03	17,192	6	60,600	80	73
5	Safeway	492,746	10.14	490,000	10.08	2,746	1	48,600	8	132
6	Albertsons	320,014	6.39	315,000	6.29	5,014	2	50,100	23	83
7	Thriftway	360,975	8.02	335,000	7.44	24,676	8	45,000	95	99
8	Albertsons	330,266	6.29	305,000	5.81	24,003	8	52,500	95	79
9	Albertsons	371,360	7.46	355,000	7.13	16,360	5	49,800	65	94
10	Safeway	386,581	6.99	370,000	6.69	16,581	4	55,300	63	97
11	Safeway	257,809	6.61	255,000	6.54	2,809	1	39,000	15	90
12	Fred Meyer	647,049	9.82	640,000	9.71	7,049	1	65,900	15	132
13	Wal-Mart	852,236	13.11	845,000	13.00	7,236	1	65,000	13	154
14	Shop n Kart	383,180	9.90	380,000	9.82	3,180	1	38,700	13	123
15	Grocery Outlet	50,417	3.50	50,000	3.47	417	1	14,400	13	44
16	Safeway	363,002	6.27	360,000	6.22	3,002	1	57,900	13	85
17	Safeway	195,192	4.22	185,000	4.00	10,192	6	46,300	80	63
18	Thriftway	268,872	6.04	255,000	5.73	13,872	5	44,500	80	94
19	Fred Meyer	464,284	6.83	440,000	6.47	24,284	6	68,000	80	107
Totals		7,615,107		7,375,000		237,544				
Averages		400,795	7.80	388,158	7.55			51,379		100

Chain Summary in 2011

Chain Name	# of Facs	---Chain Total--- Volume	Average	Size	Average	Vol/ SqFt	Avg Image	Market Share	-----Change----- Volume	MktShr
Albertsons	3	1,021,640	340,547	152,400	50,800	6.70	85	12.56	45,377	.06
Thriftway	2	629,847	314,923	89,500	44,750	7.04	97	11.03	38,548	.03
Grocery Outlet	1	50,417	50,417	14,400	14,400	3.50	44	.14	417	.00
Haggen	1	322,192	322,192	60,600	60,600	5.32	73	5.14	17,192	.00
Shop n Kart	1	383,180	383,180	38,700	38,700	9.90	123	1.03	3,180	-.01
Whole Foods	1	358,338	358,338	57,200	57,200	6.26	85	2.57	8,338	-.01
Wal-Mart	1	852,236	852,236	65,000	65,000	13.11	154	2.30	7,236	-.01
Safeway	6	2,120,266	353,378	296,500	49,417	7.15	98	13.69	45,266	-.02
Fred Meyer	3	1,876,991	625,664	201,900	67,300	9.30	128	21.64	71,991	-.03
Totals	19	7,615,106		976,200				70.11		
Averages			400,795		51,379	7.80				

Tactic 1: *Supermarket* at the Southwest Corner of Parkway Drive and Heather Place
Map Key 100 with No Competitive Changes

Facility Map Key	Name	Forecast ---Jan 2011--- Volume	/SqFt	Current ----Jan 2009---- Volume	/SqFt	T.A. Diff.	% Chg	Fcst Total Area	Draw	Image
1	Safeway	411,924	8.34	415,000	8.40	-3,076	-1	49,400	35	121
2	Whole Foods	348,834	6.10	350,000	6.12	-1,166	0	57,200	35	85
3	Fred Meyer	705,928	10.38	725,000	10.66	-19,072	-3	68,000	80	147
4	Haggen	297,684	4.91	305,000	5.03	-7,316	-2	60,600	80	73
5	Safeway	488,916	10.06	490,000	10.08	-1,084	0	48,600	8	132
6	Albertsons	312,674	6.24	315,000	6.29	-2,326	-1	50,100	23	83
7	Thriftway	295,497	6.57	335,000	7.44	-37,528	-12	45,000	95	99
8	Albertsons	278,400	5.30	305,000	5.81	-25,270	-9	52,500	95	79
9	Albertsons	361,345	7.26	355,000	7.13	6,345	2	49,800	65	94
10	Safeway	377,604	6.83	370,000	6.69	7,604	2	55,300	63	97
11	Safeway	256,092	6.57	255,000	6.54	1,092	0	39,000	15	90
12	Fred Meyer	642,744	9.75	640,000	9.71	2,744	0	65,900	15	132
13	Wal-Mart	849,277	13.07	845,000	13.00	4,277	1	65,000	13	154
14	Shop n Kart	382,574	9.89	380,000	9.82	2,574	1	38,700	13	123
15	Grocery Outlet	50,347	3.50	50,000	3.47	347	1	14,400	13	44
16	Safeway	362,533	6.26	360,000	6.22	2,533	1	57,900	13	85
17	Safeway	188,778	4.08	185,000	4.00	3,778	2	46,300	80	63
18	Thriftway	262,644	5.90	255,000	5.73	7,644	3	44,500	80	94
19	Fred Meyer	449,970	6.62	440,000	6.47	9,970	2	68,000	80	107
100	Site	317,195	5.77	0	0.00	285,475	0	55,000	90	100
Totals		7,640,959		7,375,000		237,544				
Averages		382,048	7.41	388,158	7.55			51,560		100

Chain Summary in 2011

Chain Name	# of Facs	Chain Total Volume	Chain Total Average	Chain Total Size	Chain Total Average	Vol/ SqFt	Avg Image	Market Share	Change Volume	Change MktShr
Site	1	317,195	317,195	55,000	55,000	5.77	100	5.62	285,475	5.62
Grocery Outlet	1	50,347	50,347	14,400	14,400	3.50	44	.13	347	.00
Shop n Kart	1	382,574	382,574	38,700	38,700	9.89	123	1.02	2,574	-.02
Wal-Mart	1	849,277	849,277	65,000	65,000	13.07	154	2.25	4,277	-.07
Whole Foods	1	348,834	348,834	57,200	57,200	6.10	85	2.39	-1,166	-.19
Haggen	1	297,684	297,684	60,600	60,600	4.91	73	4.66	-7,316	-.49
Safeway	6	2,085,847	347,641	296,500	49,417	7.03	98	13.01	10,847	-.70
Albertsons	3	952,419	317,473	152,400	50,800	6.25	85	11.25	-21,251	-1.25
Thriftway	2	558,140	279,070	89,500	44,750	6.24	97	9.69	-29,885	-1.32
Fred Meyer	3	1,798,642	599,547	201,900	67,300	8.91	128	20.10	-6,358	-1.57
Totals	20	7,640,959		1,031,200				70.11		
Averages			382,048		51,560	7.41				

Three Year Sales Trend

Facility Map Key = 100 — Jan 2011

	Average Sales	/SqFt	Ending Sales	/SqFt
1st Year	291,900	5.31	317,195	5.77
2nd Year	345,574	6.28	360,923	6.56
3rd Year	374,166	6.80	385,770	7.01

Inflation is 3%

Basis of Sales - *Supermarket*

Site	Sales Transfer				Total Transfer	
Map Key 100	Jan 2011	Percent	Jan 2012	Jan 2013	Sales	Percent
Competition	275,221	86.77	24,580	7,123	306,923	79.56
Population	1,939	0.61	4,445	4,423	10,807	2.80
Inflation	8,315	2.62	10,332	10,815	29,462	7.64
Float	0	0.00	0	0	0	0.00
Outside Trade Area	31,719	10.00	4,373	2,485	38,577	10.00
Total	317,195	100.00	43,729	24,846	385,770	100.00
Cumulative	317,195		360,924	385,770		

Store Market Share and Volume by Distance

Facility Map Key = 100 — Jan 2011 — Draw = 90

					Cumulative			
Distance	Pop.	M.S.	Volume	%Sales	Pop.	M.S.	Volume	%Sales
0.00- 1.00	2,464	32.36	52,305	16.49	2,464	32.36	52,305	16.49
1.00- 2.00	11,003	16.48	106,505	33.58	13,467	19.66	158,810	50.07
2.00- 3.00	14,557	7.88	67,415	21.25	28,024	13.60	226,225	71.32
3.00- 4.00	22,262	2.62	34,890	11.00	50,286	8.73	261,115	82.32
4.00- 5.00	10,631	1.49	9,773	3.08	60,917	7.43	270,888	85.40

Store Market Share and Volume by Sector
(Market Share Suppressed at 1%)

Facility Map Key = 100   Jan 2011   Draw = 90

Market Share Cutoff = 1

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles	Household Income	Household Size
2	1.80	3,513	3,775	195,199	27.11	3.06	41,400	2.60
3	1.22	2,237	3,462	182,724	26.45	3.40	39,800	2.51
4	1.27	2,622	3,084	206,910	27.63	3.69	80,200	2.72
5	1.30	257	303	19,785	28.14	4.21	80,200	2.78
6	2.43	1,371	841	56,424	21.77	3.93	80,200	2.73
7	2.61	1,438	852	55,146	36.42	4.35	97,400	2.86
8	12.52	2,821	352	22,526	33.82	3.00	113,900	3.00
9	10.30	5,777	853	56,089	36.22	2.24	108,100	2.88
10	3.03	957	511	31,546	34.32	3.15	80,200	3.02
11	9.97	2,943	433	29,501	29.74	1.90	68,600	2.50
12	32.89	39,683	1,719	120,655	27.92	.77	90,700	2.62
13	31.99	6,004	290	18,770	22.19	1.02	90,700	2.94
14	10.56	15,143	2,348	143,431	33.72	1.95	90,700	3.05
15	7.07	18,047	4,176	255,098	21.55	2.19	70,300	2.92
16	5.37	10,023	2,993	186,484	21.36	2.53	77,700	2.92
17	9.02	539	78	5,971	25.60	2.41	72,600	1.96
18	2.77	7,315	4,730	264,351	29.27	3.49	64,900	2.96
22	1.33	585	685	43,836	31.02	4.84	66,600	2.79
24	4.37	2,340	820	53,545	27.60	3.64	82,200	2.76
25	12.08	5,511	680	45,622	32.76	2.56	83,700	2.73
26	34.38	1,130	59	3,286	22.68	.96	56,500	2.67
27	15.35	15,403	1,840	100,316	20.84	1.76	56,500	2.78
28	8.75	4,243	994	48,466	27.16	2.50	56,500	3.31
29	9.39	13,557	2,876	144,411	19.95	2.45	50,600	2.82
30	8.60	9,719	1,907	112,952	20.90	2.35	59,900	2.43
31	17.62	20,427	1,902	115,945	23.80	1.47	47,000	1.96
32	19.55	46,585	4,190	238,261	21.60	1.76	57,400	2.64
33	30.50	11,493	686	37,684	34.31	.86	49,100	2.60
34	1.23	843	1,291	68,755	38.44	8.11	51,800	2.55
35	1.13	803	1,271	70,778	43.08	8.74	55,400	2.65
36	1.19	2,016	3,540	169,302	42.71	7.91	45,700	2.90
37	1.69	2,386	2,816	141,129	43.49	7.25	42,900	2.72
38	1.06	1,121	2,320	105,343	41.25	8.13	38,600	3.02
39	1.11	1,062	2,079	95,591	42.00	8.19	50,500	3.05
40	1.63	2,730	3,195	167,953	39.02	7.53	45,100	2.69
41	1.05	489	1,022	46,330	41.77	8.34	55,400	3.59
44	2.88	958	696	33,286	31.87	6.10	45,600	2.93
45	3.54	1,253	534	35,374	28.16	3.74	73,800	2.56
46	5.10	9,540	2,650	187,126	27.40	3.24	62,600	1.76
47	5.05	3,507	1,124	69,448	22.00	4.30	61,300	2.60
48	2.83	972	499	34,373	32.83	5.12	82,200	2.58

Store Market Share and Volume by Sector (continued)

Facility Map Key = 100   Jan 2011   Draw = 90

Market Share Cutoff = 1

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles	Household Income	Household Size
51	1.85	277	312	14,922	36.22	6.71	45,000	2.86
55	1.02	382	655	37,295	15.09	5.96	47,800	2.51
Sub Total	6.88	280,021	71,443	4,071,937	29.35			
Other Sectors	.54	5,454	18,119	1,010,756	32.07			
TA Total	5.62	285,475	89,562	5,082,693	29.89			
Outside TA		31,719						
Sales Forecast		317,195						

NOTES

Population & Demographics

		Population				2009 Estimate									
Map Key	Census Tract	2000	2008	2010	2012	Income	PPH	% White	% Black	% Asian	% Hisp.	% Other	Under 18	Over 65	Median Age
1	320.01	1,001	1,503	1,503	1,503	$53,288	2.07	83.13	1.48	3.64	20.24	11.88	25.37	4.45	28.00
2	320.02	3,710	3,762	3,775	3,783	$48,357	2.59	79.46	1.49	3.68	21.73	15.37	28.79	5.13	27.00
3	320.02	3,569	3,462	3,462	3,462	$46,736	2.43	83.00	1.50	3.55	22.58	11.96	29.46	3.39	26.00
4	227.02	2,663	3,073	3,084	3,103	$97,163	2.76	93.99	0.52	3.95	1.72	1.55	24.40	8.76	36.00
5	227.02	267	297	303	314	$97,163	2.75	93.97	0.38	3.89	1.76	1.63	24.37	8.79	36.00
6	227.02	789	833	841	861	$97,163	2.76	94.00	0.46	3.98	1.74	1.60	24.35	8.83	36.00
7	226.02	795	847	852	866	$112,334	2.82	94.70	0.44	2.10	1.88	2.76	18.65	14.24	43.00
8	227.02	336	349	352	355	$130,147	2.98	95.80	0.00	1.92	3.85	2.10	20.28	12.24	40.00
9	227.02	801	847	853	859	$123,374	2.91	95.61	0.19	2.10	3.24	2.29	19.66	13.17	41.00
10	227.02	544	511	511	511	$97,163	2.76	93.93	0.51	3.93	1.80	1.63	24.29	8.81	36.00
11	321.05	360	427	433	441	$84,003	2.87	89.12	0.59	4.40	6.12	5.99	26.03	6.30	33.00
12	321.06	178	1,689	1,719	1,764	$101,769	3.00	92.53	0.32	3.14	4.76	4.00	24.89	9.20	37.00
13	321.06	265	290	290	293	$101,769	2.99	92.52	0.30	3.10	4.76	4.01	24.87	9.22	37.00
14	321.06	866	2,282	2,348	2,498	$101,769	3.01	92.48	0.40	3.17	4.75	3.96	24.95	9.31	37.00
15	321.05	4,126	4,162	4,176	4,182	$81,657	2.92	88.08	0.70	4.36	6.90	6.83	25.27	6.17	33.00
16	321.06	2,599	2,944	2,993	2,993	$88,669	2.88	92.45	0.37	3.13	4.79	4.24	22.47	8.66	37.00
17	321.05	53	78	78	78	$80,951	2.79	92.09	0.41	3.05	5.50	4.46	22.42	7.91	36.00
18	321.04	4,348	4,715	4,730	4,766	$75,162	2.96	93.26	0.45	1.91	4.45	4.38	32.92	5.08	30.00
19	321.03	1,809	1,987	2,010	2,056	$49,391	2.30	91.31	0.56	2.78	7.35	5.35	28.40	10.36	29.00
20	321.03	2,540	3,434	3,465	3,516	$74,805	2.83	92.12	0.58	2.69	5.10	4.62	32.88	7.21	31.00
21	321.03	1,546	2,161	2,192	2,361	$74,805	2.82	92.06	0.56	2.65	5.13	4.65	32.88	7.14	31.00
22	321.03	424	674	685	705	$74,805	2.82	92.12	0.55	2.70	5.13	4.66	32.86	7.15	31.00
23	301.00	436	488	488	494	$82,335	2.91	94.95	0.39	0.91	4.40	3.62	21.60	12.29	37.00
24	227.04	817	818	820	823	$98,409	2.70	94.27	0.14	1.40	4.20	4.06	19.86	15.94	43.00
25	227.04	595	675	680	694	$98,400	2.81	95.02	0.09	2.36	3.06	2.45	21.33	11.63	40.00
26	227.04	40	59	59	59	$70,050	2.82	92.36	0.63	2.01	6.89	5.01	30.33	5.89	30.00
27	227.04	1,657	1,809	1,840	1,910	$70,050	2.82	92.26	0.56	1.97	6.89	5.06	30.24	5.91	30.00

		Population				2009 Estimate									
Map Key	Census Tract	2000	2008	2010	2012	Income	PPH	% White	% Black	% Asian	% Hisp.	% Other	Under 18	Over 65	Median Age
28	227.04	175	769	994	1,333	$70,050	2.82	92.43	0.72	1.98	6.85	5.05	30.27	5.95	30.00
29	227.04	2,510	2,853	2,876	2,904	$62,233	2.82	85.39	1.23	2.82	13.70	10.56	31.24	4.81	27.00
30	227.03	831	1,854	1,907	1,944	$70,125	2.43	91.15	1.15	3.08	6.41	4.62	26.67	5.13	27.00
31	227.03	1,801	1,885	1,902	1,950	$56,401	2.39	89.75	0.63	3.08	8.57	6.53	27.08	9.46	29.00
32	227.02	4,206	4,185	4,190	4,234	$67,311	2.44	90.91	0.88	2.97	7.09	5.19	26.43	7.19	28.00
33	227.03	476	662	686	785	$58,550	2.41	90.01	0.58	3.06	8.44	6.38	26.85	9.61	29.00
34	229.02	1,071	1,278	1,291	1,347	$59,975	2.56	93.11	0.00	1.47	7.77	5.42	18.32	21.47	43.00
35	229.01	859	1,257	1,271	1,291	$67,929	2.80	91.45	0.32	2.26	6.94	6.13	22.10	12.26	36.00
36	229.02	3,068	3,528	3,540	3,560	$52,530	2.90	88.77	0.81	1.65	16.59	8.77	28.14	9.16	28.00
37	229.02	2,336	2,776	2,816	2,979	$49,909	2.72	89.98	0.69	0.57	15.50	8.76	23.57	14.66	34.00
38	229.03	2,316	2,317	2,320	2,326	$45,622	2.96	79.61	0.42	1.34	29.13	18.68	32.87	8.18	25.00
39	229.01	1,464	2,070	2,079	2,101	$58,250	3.10	84.07	0.63	0.90	23.19	14.40	31.50	6.45	27.00
40	229.03	2,701	3,184	3,195	3,227	$50,804	2.69	91.60	0.33	1.42	11.33	6.65	25.09	15.05	33.00
41	229.01	280	997	1,022	1,084	$67,929	2.79	91.10	0.42	2.12	6.78	5.93	22.46	12.29	36.00
42	238.00	824	859	862	865	$61,669	2.76	91.95	0.48	1.45	6.76	6.12	19.48	15.14	40.00
43	238.00	772	843	849	857	$62,760	2.80	93.06	0.51	0.61	7.45	5.82	19.90	15.51	40.00
44	228.00	671	696	696	699	$55,586	2.94	88.87	1.03	0.65	12.55	9.44	22.90	11.51	33.00
45	228.00	458	529	534	553	$79,856	2.61	95.85	0.15	1.33	4.15	2.67	22.22	16.89	41.00
46	228.00	2,598	2,646	2,650	2,654	$72,707	1.76	96.91	0.32	1.03	2.20	1.74	8.53	48.08	59.00
47	228.00	1,074	1,121	1,124	1,129	$69,134	2.64	92.95	0.32	0.96	6.73	5.93	21.79	15.71	40.00
48	227.04	413	493	499	512	$98,409	2.70	94.44	0.14	1.53	4.31	4.03	20.00	15.83	43.00
49	301.00	384	450	453	459	$82,335	2.90	95.15	0.36	0.95	4.50	3.67	21.66	12.31	37.00
50	102.00	287	288	288	290	$52,049	2.69	88.57	0.32	0.16	10.79	10.79	20.93	14.17	38.00
51	102.00	320	310	312	315	$52,049	2.69	88.80	0.20	0.20	10.81	10.81	21.02	14.34	38.00
52	102.00	954	1,014	1,017	1,023	$54,835	2.92	85.46	0.13	1.38	14.16	13.16	24.19	10.28	32.00
53	102.00	301	302	302	304	$54,835	2.93	85.21	0.18	1.41	14.08	13.03	24.12	10.21	32.00
54	102.00	371	435	435	435	$53,636	2.41	89.80	0.41	0.41	10.20	9.39	16.94	21.02	44.00
55	102.00	658	653	655	657	$53,636	2.41	89.83	0.42	0.28	10.17	9.32	16.95	21.19	44.00
56	102.00	929	973	979	981	$46,197	2.67	80.54	0.39	0.78	20.23	18.29	23.22	15.05	35.00

		Population				2009 Estimate									
Map Key	Census Tract	2000	2008	2010	2012	Income	PPH	% White	% Black	% Asian	% Hisp.	% Other	Under 18	Over 65	Median Age
57	102.00	3,226	3,269	3,276	3,292	$49,330	3.18	74.26	0.22	0.58	27.31	24.98	28.31	8.68	28.00
Totals:															
Sum		**75,468**	**88,672**	**89,562**	**91,340**										
Average		**1,324**	**1,556**	**1,571**	**1,602**	**$68,086**	**2.67**	**89.33**	**0.62**	**2.34**	**10.48**	**7.71**	**26.11**	**10.23**	**32.89**

Total	75,468	88,672	89,562	91,340
Total 00 - 09		13,204	890	1,778
Percentage 00 - 09		17.50%	1.00%	1.98%
Annual %		1.94%	0.50%	0.99%

Definitions

STUDY AREA - The area that contains the population that could contribute to the sales of a store or stores located at a proposed site or sites, also referred to as the trade area.

SECTORS - Segments of the study area.

NODE - The point within a sector that optimizes the origin of the shopping trip for the population.

PULLING POWER - The attraction a store exerts upon the population.

DRAW - The portion of a store's total business that is derived from the study area.

IMAGE - A ranking number for each store as determined by the model. It represents the acceptability of the stores in the study area to the people within the trade area.

PCE - Per capita weekly expenditure for food.

PTA - Primary Trade Area

FLOAT - That portion of the potential within the study area that is not captured by the stores identified.

BARRIERS - Those obstacles that make it more difficult to travel from one area to another.

Data Sources

"Block Statistics, State of Oregon," 2000 Census of Population, U.S. Department of Commerce, Bureau of the Census.

"2000 Census of Population and Housing for Oregon," STF1 and STF3.

"Retail Expenditure Program," Retail Research Group, based on U.S. Bureau of Labor Statistics 1999 Consumer Expenditure Survey, updated by the monthly product category's Consumer Price Index.

"PopStats Quarterly Estimates October 2008", Synergos Technologies, Inc.

Planning Departments, city of Canby, Sherwood, Tualatin, Wilsonville, and Woodburn

County Offices, Clackamas and Washington Counties

Oregon Department of Transportation (ODOT)

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Furthermore, these projections are based on the conditions identified in the survey. Any change within the trade area, such as the opening or closing of a competitive store or changes in economic conditions, could cause significant variation between these projections and actual sales. The possibility of this occurring increases with time.

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