

Volcano Heights Market Study

Prepared for the City of Albuquerque

By Gibbs Planning Group (GPG), subconsultant to Gateway Planning Group

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- A – Retail Market Study
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DISCLAIMERS:

- This market study was prepared for sector planning purposes ONLY and may not be used for development and/or any other purpose.
- The study focuses on 130+ acres within the Town Center of the July 2010 draft of the Volcano Heights Sector Development Plan.
- Findings were based on the 2010 version of the Volcano Heights Sector Development Plan prepared for the City of Albuquerque’s Environmental Planning Commission and data available as of February 2011.

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A – Retail Market Study

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DRAFT

RETAIL MARKET ANALYSIS

VOLCANO HEIGHTS
ALBUQUERQUE, NEW MEXICO

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INTRODUCTION

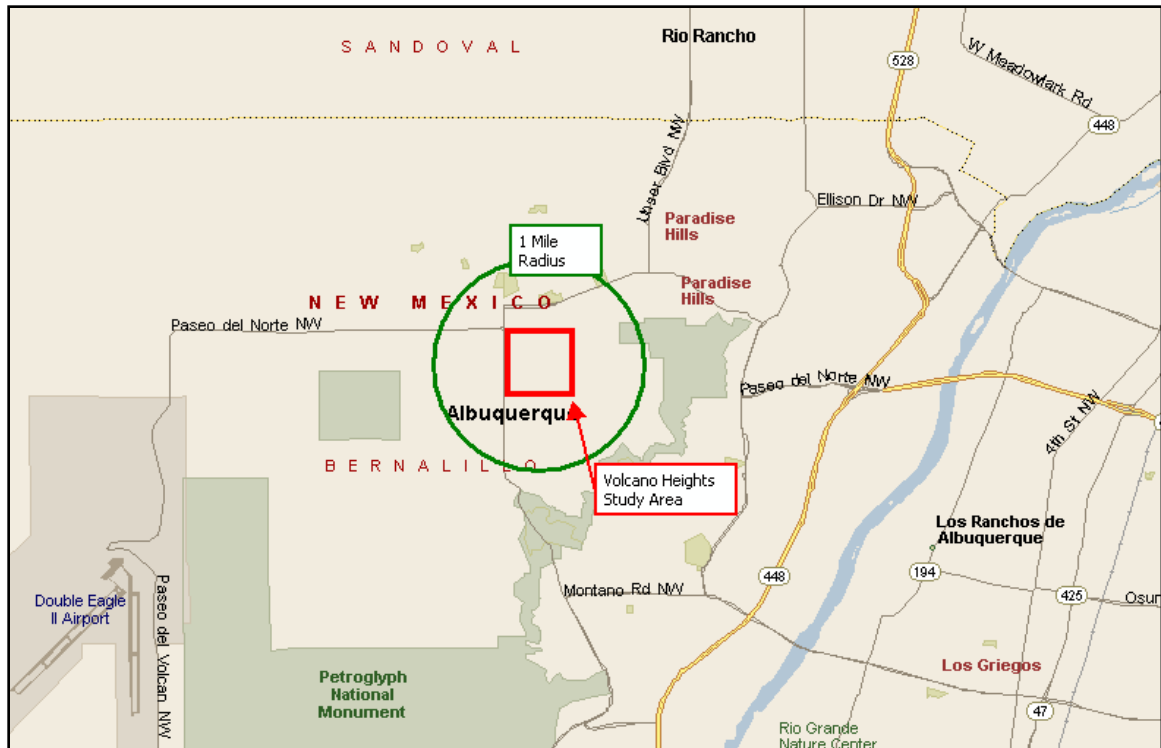


Figure 1: The Volcano Heights Town Center study area lies eight miles northwest of the Albuquerque Central Business District.

Executive Summary

This study is based on approximately 130 acres proposed for commercial activity within the 'Town Center' Zone of the 2010 Volcano Heights Sector Development Plan. This study finds that the Volcano Heights study area can presently support an additional 294,000 square feet of retail and restaurant development, generating over \$70.1 million in new sales. The full build-out potential is an additional \$130 million of retail. Future residential growth planned for Albuquerque's Volcano Mesa Area and the Rio Rancho community will statistically support a total of 395,000 square feet of restaurant and retail development in 2014 and 491,000 square feet in 2018. Captured annual sales in 2014 are estimated to be \$103 million and \$139 million in 2018.

With full build-out, the additional segments of the 570-acre Volcano Heights area could conceivably add two 2,000 square foot corner stores; three 10,000 square foot convenience centers (with no anchor); one 100,000 square foot neighborhood center anchored with a 50,000 square foot supermarket and 60,000 square feet of free standing or small shopping centers.

The Volcano Heights Sector (570 acres) is one of three components in the 3,555 acre Volcano Mesa Area. The Town Center contains the highest commercial and residential densities allowable in the Sector Plan. At complete build-out, the Volcano Mesa Area will have up to 30,000 residents, approximately the same amount of residents allowed under the existing RD zoning, but configured more densely surrounding major roadways in order to support and accommodate a significant increase in commercial and mixed-use development. Commercial development is expected surrounding the intersection of Paseo del Norte and Unser Boulevard.

Table 1: Supportable Retail Development

| Retail Category | 2010 | 2014 | 2018 |
|--|--------------------|--------------------|--------------------|
| | Supportable Retail | Supportable Retail | Supportable Retail |
| Total Apparel, Shoes & Accessories | 12,500 sf | 15,900 sf | 19,200 sf |
| Total Electronics, Appliances, & Computers | 16,700 sf | 21,200 sf | 25,700 sf |
| Total Food & Restaurant | 21,200 sf | 29,100 sf | 36,700 sf |
| Total Food & Beverage Stores | 57,400 sf | 81,700 sf | 104,200 sf |
| Total General Merchandise Retail | 121,700 sf | 161,300 sf | 199,500 sf |
| Total Hardware, Lawn & Garden Retail | 26,800 sf | 33,600 sf | 40,300 sf |
| Total Health Care & Personal Services | 11,700 sf | 17,900 sf | 23,600 sf |
| Total Home Furnishings Retail | 12,300 sf | 15,500 sf | 18,800 sf |
| Total Jewelry, Luggage, and Leather Goods Stores | 0 sf | 600 sf | 700 sf |
| Sporting Goods, Hobby, Books, Music Stores | 3,900 sf | 5,600 sf | 7,300 sf |
| Total Miscellaneous Retailers | 9,700 sf | 12,300 sf | 15,100 sf |
| | 293,900 sf | 394,700 sf | 491,100 sf |

Table 1: Supportable retail development by retail category.

See Table 4 for a detailed breakdown of the study area's supportable retail categories and sales potentials.

This study further finds that the Volcano Heights study area has a primary trade area population of 58,400 persons, increasing to 78,500 persons by 2014. This 21,100 persons projected growth is generated from a combination of proposed build out of the Volcano Heights Sector Area (13,200 persons), and growth (2.65 percent annually) from areas outside Volcano Heights, but contained in the primary trade area. Average household income in the primary trade area is \$79,400, greater than both the City and State averages. The per capita income (\$29,200) is also larger than the City and State levels. The primary trade area currently has a weak labor base of 7,300 employees, although 72 percent of the population holds white collar positions.

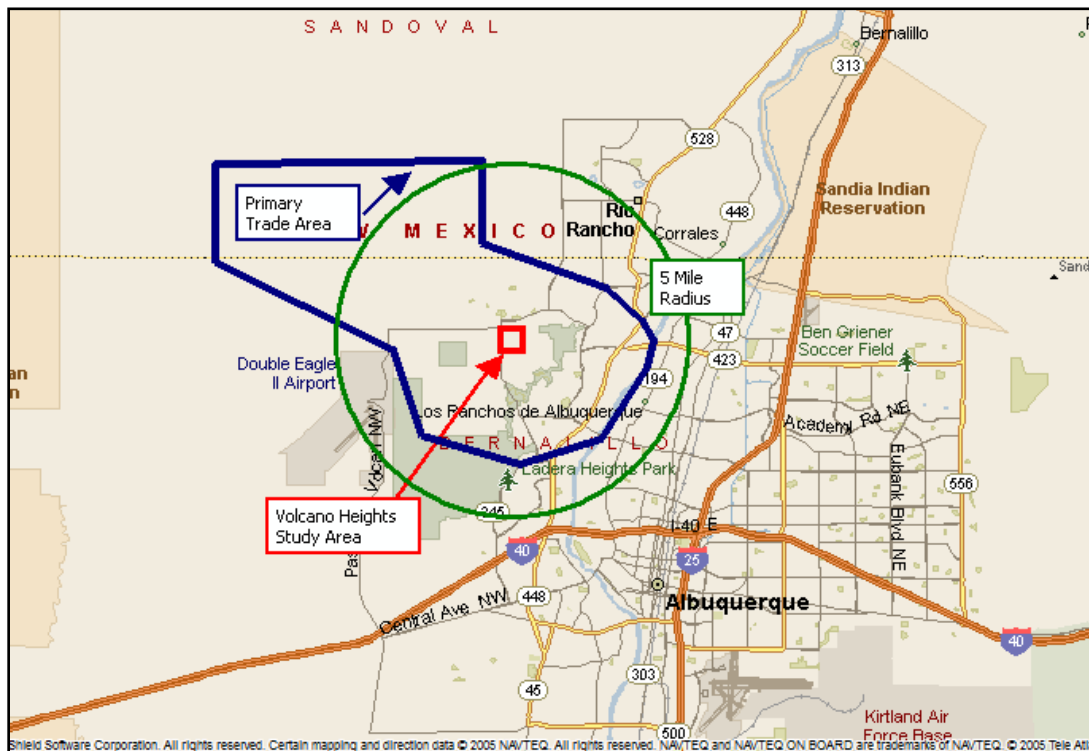


Figure 2: The primary trade area accounts for both the tenant/product mix and drive time convenience of surrounding retail concentrations.

Background

Gibbs Planning Group Inc. has been retained by the City of Albuquerque to analyze the amount of retail feasible for a 130-acre study area proposed within the commercial Town Center zone in Volcano Heights. The study area is located approximately 8 miles northwest of the Albuquerque Central Business District, along the northern edge of the City of Albuquerque. The Rio Rancho community lies to the immediate north. The southern boundary of the study area is Paseo del Norte, and the western edge is Universe Boulevard. The population of the primary study area is concentrated in the northern portion, along Irving Boulevard and Encino Road. The regions of largest potential growth are found in the components of the Volcano Mesa Area, and the development of the Quail Ranch community in Rio Rancho.

The study addresses the following issues:

- What is the existing and planned retail market in the Volcano Heights study area and trade areas?
- What primary and secondary trade areas are served by the study area?
- What are the population, demographic and lifestyle characteristics in the trade areas, currently and projected for 2014 and 2018, including the impact of the denser Volcano Heights Sector Plan area?
- What is the current and projected growth for retail expenditures, now and in 2014 and 2018?
- How much additional retail square footage is supportable in the Volcano Heights study area, and what retail uses should be encouraged? What sales volumes can be achieved by new development in or near the study area?

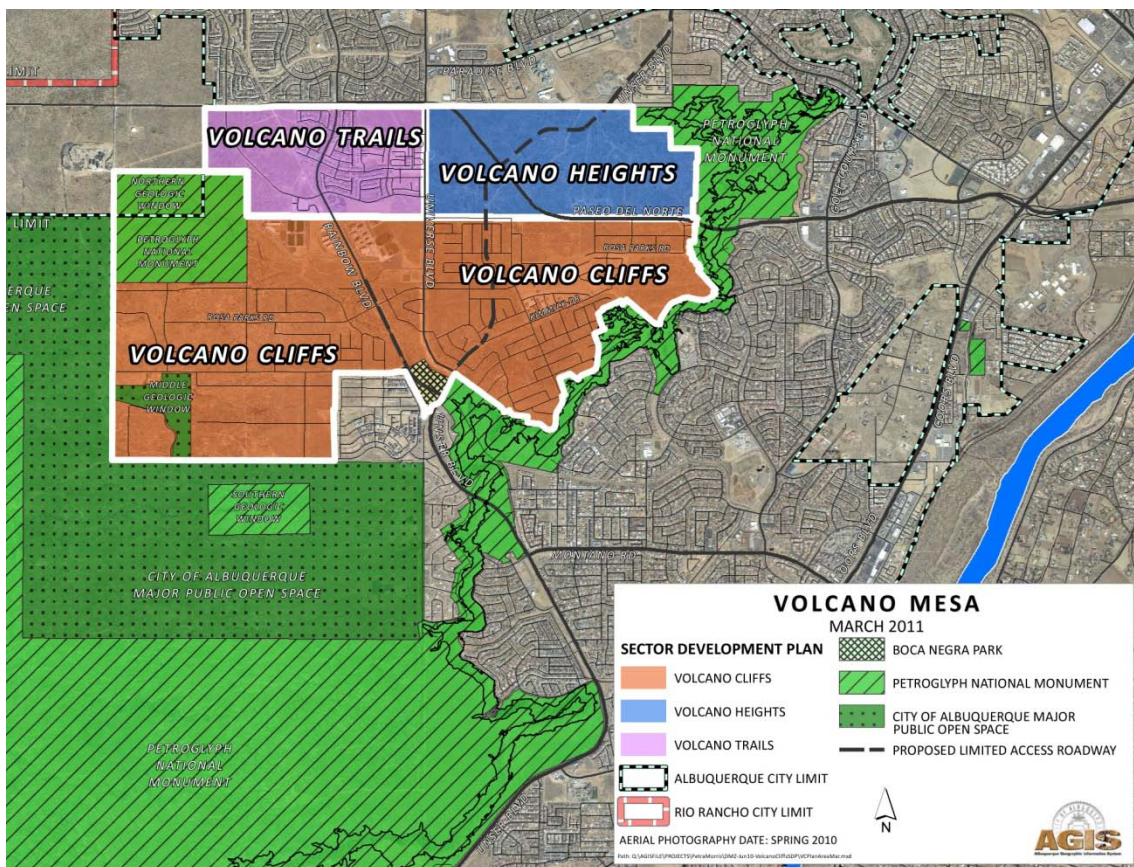


Figure 3: The Volcano Mesa Area consists of the Volcano Heights, Volcano Trails, and Volcano Cliffs components.

Methodology

To address the above issues, GPG used its familiarity with the region, gained from past retail studies, along with a detailed examination of the Volcano Mesa Area and demographic information to determine current and future consumer shopping patterns. GPG then defined a trade area that would serve the study area based on geographical and topographical considerations, traffic access/flow in the area, relative retail strengths and weakness of the competition, concentrations of daytime employment, and the retail gravitation in the market, as well as our experience defining trade areas for similar markets. Population, consumer expenditure and demographic characteristics of trade area residents were collected by census tracts from the US Bureau of the Census, US Bureau of Labor Statistics, InfoUSA, ESRI, CCIM, STDB, Claritas, and COSTAR, and updated based on information gathered from local planning sources.

Finally, based on the projected consumer expenditure capture (demand) in the Volcano Heights study area of the gross consumer expenditure by retail category less the current existing retail sales (supply) by retail category, GPG projects the potential net consumer expenditure (gap) available to support new development. The projected net consumer expenditure capture is based on household expenditure and demographic characteristics of the primary and secondary trade areas, existing and known planned retail competition, traffic and retail gravitational patterns, and GPG's qualitative assessment of the Volcano Heights study area. Net potential captured consumer expenditure (gap) is equated to potential retail development square footage with the help of retail sales per square foot data provided by Dollars and Cents of Shopping Centers (Urban Land Institute and International Council of Shopping Centers), qualitatively adjusted to fit the urbanism of Volcano Heights.

For the purposes of this study GPG has assumed the following:

- Other major community retail centers may be planned or proposed, but only the existing retail is considered at this time. The quality of the existing retail trade in the study area is projected to remain constant. Gains in future average retail sales per square foot reflect higher sales per square foot in the newly developed retail and selected projected increases in sales per square foot by individual retail categories.
- No other major regional retail centers are to be developed within the trade area of this study through 2018.
- The Volcano Heights study area has proper zoning to support the needs of the wide variety of retail businesses which will be located in the Major Activity Center, including innovative set back requirements, allowing drive thru business in dense commercial areas, allowance of outdoor storage where necessary, and flexibility to meet the needs of new and cutting edge retailers.

-
- Annual population growth for the Volcano Heights study area is estimated to be 7.69 percent through 2018. This aggressive growth is based on an annual capture of 60 percent of the annual Albuquerque population growth, plus growth of the Rio Rancho Quail Ranch development.
 - Employment distribution is considered to remain constant, without a spike or decline in employment by NAICS categories.
 - The projected lease and vacancy rates model is based on our proprietary econometric model of the relationship between changes in employment and changes in vacancy and lease rates. Data was gathered from the US Census Bureau, Experian, ESRI, COSTAR Group, Inc., LOOPNET, and local brokerage services.
 - The region's economy will continue at normal or above normal ranges of employment, inflation, retail demand and growth.
 - Any new construction in Volcano Heights will be planned, designed, built and managed to the best practices of The American Planning Association, The Congress for the New Urbanism, The International Council of Shopping Centers and The Urban Land Institute.
 - Parking for new projects will meet or exceed the minimum requirements of the City, with easy access to the retailers in the development via on street, surface lots, or deck parking.
 - Visibility of any new retail is also assumed to be very good, with signage as required to assure easy visibility of the retailers.
 - New commercial projects in the study area will open with sustainable amounts of retail and anchor tenants, at planned intervals and per industry standards.

Limits of Study

The findings of this study represent Gibbs Planning Group's best estimates for the amounts and types of retail projects that should be supportable in the study area. Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible and are believed to be reliable. This study relies on estimates, assumptions, and other information developed by Gibbs Planning Group's independent research effort, general knowledge of the industry, and consultations with the client and its representatives.

No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or in any other data source used in preparing or presenting

this study. This report is based on information that was current as of February 10th, 2011, and Gibbs Planning Group has not undertaken any update of its research effort since such date.

This report may contain prospective financial information, estimates, or opinions that represent Gibbs Planning Group's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted.

Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by Gibbs Planning Group that any of the projected values or results contained in this study will be achieved.

This study **should not** be the sole basis for programming, planning, designing, financing or development of any commercial center. This study is intended for the use of the City of Albuquerque, for general planning purposes only and is void for other site locations or developers.

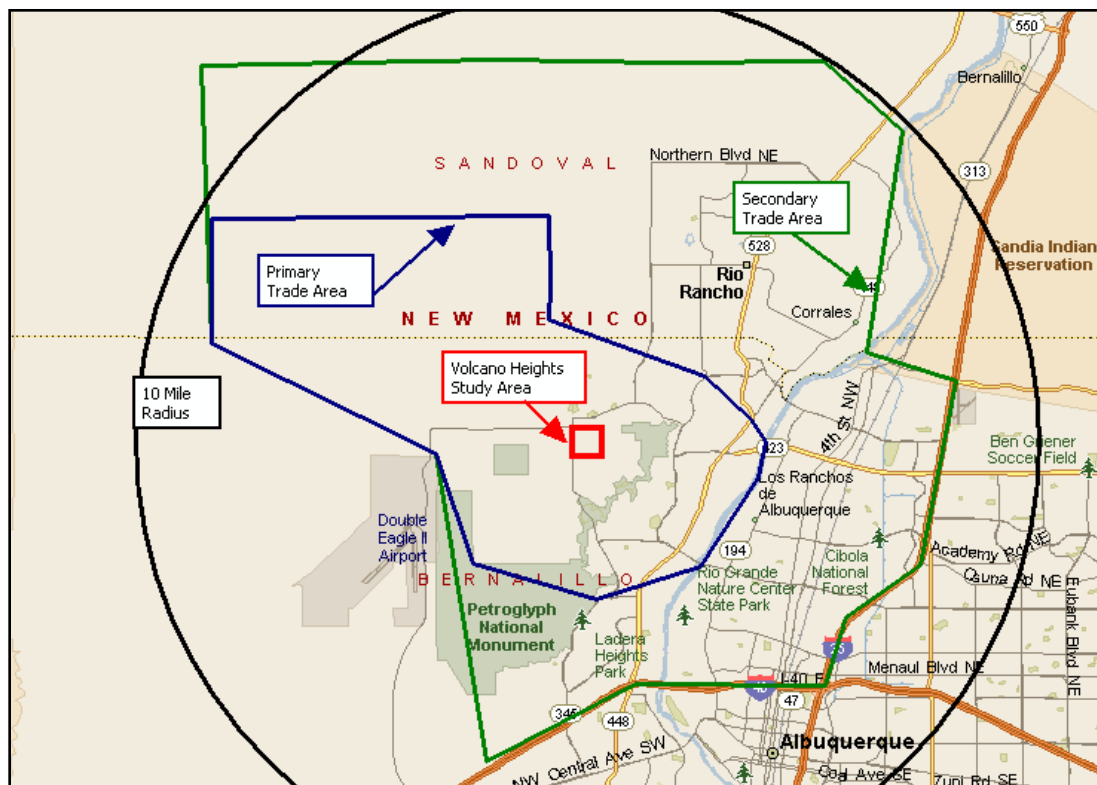


Figure 4: The Volcano Heights primary trade area is shown above inside the blue line, and the secondary trade area is delineated by the green line.

Trade Area

Based on Gibbs Planning Group's field evaluation, the existing retail hubs, population clusters, highway access, and the retail gravitation in the market, as well as our experience defining trade areas for similar communities throughout the United States, Gibbs Planning Group determined that retail in the Volcano Heights study area can be developed as any of the following models: street level quasi-urban retail, with up to 8 stories of residential development above, or as a lifestyle center catering to the surrounding walkable neighborhoods and the suburban auto-based consumer, or three traditional neighborhood centers (one larger grocery anchored, two retail unanchored), or a community scale retail center anchored by multiple Department/Discount Department stores. This potential will continue to grow over the next seven years, sustained by an annual population growth rate of 7.69 percent. Convenient linkages to the other Volcano Mesa developments, as well as the Rio Rancho developments, are necessary to overcome the strong pull of the Cottonwood Regional Retail cluster.

The primary trade area is the consumer market where the Volcano Heights study area has a significant competitive advantage because of access, design, lack of competition, and traffic and commute patterns. This competitive advantage equates to a potential domination of the capture of consumer expenditure by the retailers in the study area. The secondary trade area is the consumer market which provides some capture of consumer expenditure, but the study area does not hold the position of supremacy in this market as it does in the primary trade area. The primary trade area of the Volcano Heights sector will continue to expand westward as residential growth continues to expand on the Volcano Mesa and the Quail Ranch project of Rio Rancho.

Gibbs Planning Group defined a primary trade area by topography, vehicular access and residential growth patterns, which will account for 70 percent to 80 percent of the total sales of the retailers in the Volcano Heights study area. The primary trade area boundaries were also adjusted due to the strong gravitational pull of the Cottonwood Regional Retail cluster, limited access across the Rio Grande, the Petroglyph National Monument as well as competing shopping destinations along Coors Boulevard.

The primary trade area is approximately delineated by the following borders:

- The Rio Grande to the east.
- The Petroglyph National Monument to the south.
- The northern boundary is constrained by a 10 minute drive time because of the strong retail collection of the Cottonwood Regional Mall.
- The northwest boundary is defined by a 25 minute drive time, due to a void of competition.
- Western edge of the primary trade area stretches across undeveloped land north of the Double Eagle II Airport.

Table 2: Demographic Comparisons


| Characteristics | Primary Trade Area | New Mexico | U.S. |
|--|--------------------|------------|-------------|
| 2010 Population | 58,382 | 2,080,039 | 311,212,863 |
| 2014 Population | 78,528 | 2,210,786 | 323,209,391 |
| 2010-2014 Projected Annual Growth Rate | 7.69% | 1.23% | 0.76% |
| Persons Per Household 2010 | 2.65 | 2.59 | 2.59 |
| 2010 Median Household Income | \$72,132 | \$44,427 | \$54,442 |
| 2010 Per Capita Income | \$29,176 | \$21,972 | \$26,739 |
| % Households w. incomes \$75,000 or higher | 47.6% | 24.2% | 32.9% |
| % White | 70.1% | 64.3% | 71.9% |
| % Hispanic | 40.7% | 45.3% | 16.2% |
| Median Age | 34.4 | 35.7 | 37.0 |
| % White-Collar Employed | 72.3% | 60.4% | 61.6% |



Table 2: This side by side table compares and contrasts primary trade area demographic statistics with those of New Mexico and the United States.

Tapestry Lifestyles

ESRI has developed Tapestry Lifestyles, which is an attempt to create 65 classifications, or lifestyle segments, that help determine purchasing patterns. These segments are broken down to the U.S. Census Block Group level throughout the United States and are used by many national retailers to help determine future potential locations.

Table 3: Tapestry Lifestyles

| Lifestyle | Trade Area Statistics | Short Description |
|---|--|--|
|  <p>Up and Coming Families</p> | <p>Population 20,375</p> <p>Median HH Income \$78,189</p> <p>34.9% Volcano Heights Study Area Market Share</p> <p>3.5% National Market Share</p> | <p>Family and home dictate the products these residents buy. Many are beginning or expanding their families, so baby equipment, children's clothing, and toys are essential purchases. Because many are first-time homeowners, basic household furniture and lawn fertilizer, weed control, and insecticide products are important. Car loans and mortgage payments are major household budget items. They are most likely to own or lease an SUV or a Minivan. They eat out at family restaurants, especially on the weekends, and buy fast food at the drive-through or for takeout.</p> <p>They play softball, take the kids to the zoo, and visit theme parks (generally Sea World or Disney World) where they make good use of their digital camera or camcorder. They rent comedy, family, and action/adventure DVDs. Cable station favorites include Country Music Channel, ESPN news, The Learning Channel, and the Disney Channel. They listen to country, soft rock, and contemporary hit radio.</p> |

| Lifestyle | Trade Area Statistics | Short Description |
|---|---|--|
|  <p data-bbox="318 541 573 573">Sophisticated Squires</p> | <p data-bbox="610 306 735 369">Population 7,298</p> <p data-bbox="610 401 837 464">Median HH Income \$86,075</p> <p data-bbox="610 495 837 579">12.5% Volcano Heights Study Area Market Share</p> <p data-bbox="610 611 865 674">2.7% National Market Share</p> | <p data-bbox="898 306 1422 642">Do-it-yourselfers, Sophisticated Squires residents take care of their lawns and landscaping; home improvements; and remodeling projects such as bathroom remodeling, installing new light fixtures, painting home interiors, staining decks, and cleaning carpets with their steam cleaners. They like to barbecue on their gas grills and make bread with their bread making machines. Many households own a motorcycle. A typical household will own three or more cell phones. Looking toward the future, many residents own stocks, bonds, and large life insurance policies. When dieting, they go on Weight Watchers; many own a treadmill or stationary bike to stay fit.</p> <p data-bbox="898 663 1422 999">They go power boating, play board and word games, do woodworking projects, and attend football and baseball games. Adults also take photos, play golf, and ride their motorcycles. Children play games on the home personal computer and typically own a video game system. Residents listen to soft adult contemporary music; classic hits; news; all-talk; and sports radio, including broadcasts of professional games. Although many households have four or more TVs, residents watch as much television as typical U.S. households. Favorite programs include news, comedies, dramas, and programs on Home & Garden Television.</p> |
|  <p data-bbox="318 1287 573 1318">Cozy and Comfortable</p> | <p data-bbox="610 1056 735 1119">Population 7,123</p> <p data-bbox="610 1150 837 1213">Median HH Income \$66,327</p> <p data-bbox="610 1245 837 1329">12.2% Volcano Heights Study Area Market Share</p> <p data-bbox="610 1360 865 1423">3.5% National Market Share</p> | <p data-bbox="898 1056 1422 1444">Cozy and Comfortable residents prefer to own certificates of deposit and consult a financial planner. They typically hold a second mortgage, a new car loan, a home equity line of credit, and a universal life insurance policy. Home improvement and remodeling projects are important to them. Although they will contract for some work, they attempt many projects, especially painting and lawn care. Depending on the season, they play golf or ice skate for exercise. They attend ice hockey games, watch science fiction movies on DVD, and take domestic vacations. They eat at family restaurants such as Friendly's, Bob Evans Farms, and Big Boy.</p> <p data-bbox="898 1465 1422 1665">Going online isn't a priority, so they own older home computers. Television is very important; many households own four or more sets so they won't miss any of their favorite shows. They watch sports particularly football, and news programs. Reading the Sunday newspaper is part of the routine for many.</p> |



| Lifestyle | Trade Area Statistics | Short Description |
|---|---|---|
|  <p data-bbox="367 533 529 590">Entprising Professionals</p> | <p data-bbox="610 306 740 363">Population 6,130</p> <p data-bbox="610 394 837 451">Median HH Income \$70,207</p> <p data-bbox="610 483 837 573">10.5% Volcano Heights Study Area Market Share</p> <p data-bbox="610 604 870 661">1.7% National Market Share</p> | <p data-bbox="898 306 1417 548">They are young and mobile with growing consumer clout. Those who rent hold renter's insurance policies. They rely on cell phones and e-mail to stay in touch. They go online to download videos and music, track their investments, and shop for items, including personal computers and software. They own laptops, video game systems, and digital camcorders.</p> <p data-bbox="898 579 1442 768">They love to travel abroad and in the U.S. often. They play video games, visit theme parks, jog, and swim. They read computer, science, and technology magazines and listen to alternative, public-all-talk, and sports radio. They eat out at Cheesecake Factory and Chili's Grill and Bar. They shop for groceries at stores such as Publix and Albertson's.</p> |
|  <p data-bbox="399 1037 496 1062">In Style</p> | <p data-bbox="610 831 740 888">Population 5,897</p> <p data-bbox="610 919 837 976">Median HH Income \$71,177</p> <p data-bbox="610 1008 837 1098">10.1% Volcano Heights Study Area Market Share</p> <p data-bbox="610 1129 854 1186">2.5% Nation Market Share</p> | <p data-bbox="898 831 1417 1188">Computer savvy In Style residents go online daily to research real estate information; do their banking; track investments; trade stocks; book travel; and buy computer hardware or software, concert tickets, or tickets to sporting events. They use a financial planner and invest in stocks, bonds, money market funds, money market bank accounts, and securities. Looking toward the future, residents hold life insurance policies and contribute to IRA and 401(k) retirement accounts. To maintain their homes, they hire professional household cleaning services and contractors to remodel their kitchens.</p> <p data-bbox="898 1220 1442 1430">Residents stay fit by exercising, eating a healthy diet to control their weight, buying low-fat foods, and taking vitamins. They attend live musical performances and gamble at casinos. They take domestic vacations to hike, golf, and go backpacking. They read magazines, listen to news-talk radio, and watch professional sports events and golf on TV.</p> |

Table 3: The top five Tapestry Lifestyle groups are shown above, portraying a cluster of young families with children in the primary trade area.

The most common tapestry lifestyle group is the “*Up and Coming Families*” group, representing 34.9 percent of all households in the primary trade area. In the suburban outskirts of mid-sized metropolitan areas with populations higher than 250,000, approximately half of Up and Coming Families neighborhoods are concentrated in the South, the other half in the West and Midwest. Most residents live in new single-family housing; more than half the housing units were built in the last 10 years. Homeownership is at 83 percent. The median home value is \$182,628.

Tapestry Lifestyles Segmentation

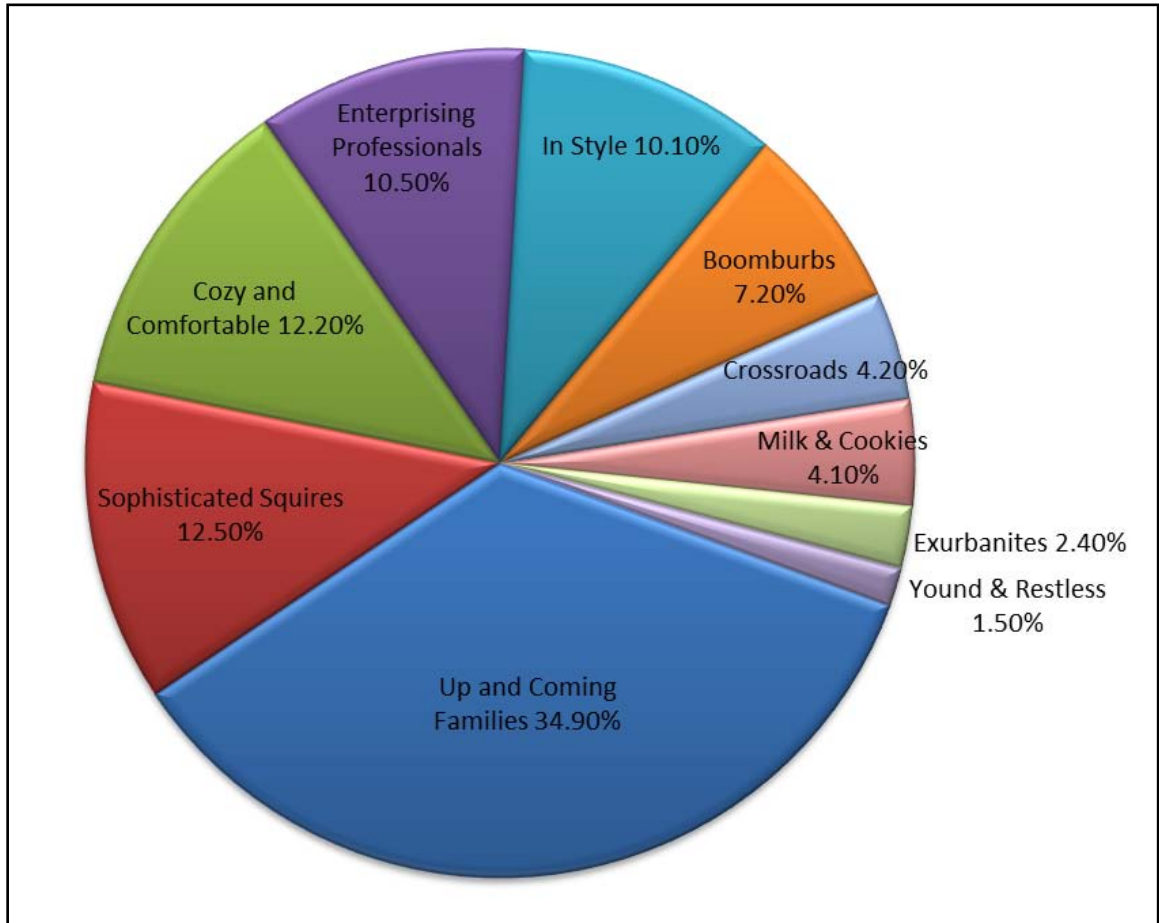


Figure 5: This pie chart shows the relative proportions of the top ten Tapestry Lifestyle segments found in the Volcano Heights primary trade area.

With an annual household growth rate of 5.2 percent, Up and Coming Families represents the Tapestry's second highest household growth market. A mix of Generation X'ers and Baby Boomers with a median age of 31.9 years, this segment is the youngest of Tapestry's affluent family markets. Residents of these neighborhoods are young, affluent families with younger children. Eighty percent of the households are families. Most of the residents are white; however, diversity is increasing as the segment grows.

Beginning their careers, residents of Up and Coming Families are earning above-average incomes. The median household income is \$78,189, higher than the national median. The median net worth is \$194,046. Nearly two-thirds of the residents aged 25 years and older have attended college; more than one in five holds a bachelor's degree. Labor force participation is well above average at 71 percent; unemployment is low. Ninety-one percent of households earn income from wages and salaries. Although half of the households have children, they also have working parents.

Table 4: Supportable Retail 2010, 2014, & 2018

| Retail Category | 2010 | | | 2014 | | | 2018 | | |
|---|-------------------------|-----------------------|---------------|-------------------------|-----------------------|---------------|-------------------------|-----------------------|---------------|
| | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F |
| Women's Apparel | 2,800 | \$680,000 | \$243 | 3,500 | \$948,000 | \$271 | 4,300 | \$1,298,000 | \$302 |
| Men's Apparel | 2,700 | \$596,000 | \$221 | 3,400 | \$839,000 | \$247 | 4,100 | \$1,135,000 | \$277 |
| Children's Apparel | 3,400 | \$751,000 | \$221 | 4,300 | \$1,049,000 | \$244 | 5,100 | \$1,371,000 | \$269 |
| Unisex Apparel | 2,100 | \$388,000 | \$185 | 2,700 | \$545,000 | \$202 | 3,200 | \$707,000 | \$221 |
| Shoe Store | 1,500 | \$265,000 | \$177 | 2,000 | \$388,000 | \$194 | 2,500 | \$532,000 | \$213 |
| Total Apparel, Shoes & Accessories | 12,500 sf | \$2,680,000 | \$209 | 15,900 sf | \$3,769,000 | \$232 | 19,200 sf | \$5,043,000 | \$256 |
| Computers and Software | 2,000 | \$1,120,000 | \$560 | 2,600 | \$1,531,000 | \$589 | 3,100 | \$1,918,000 | \$619 |
| General Electronics | 5,800 | \$1,786,000 | \$308 | 7,300 | \$2,460,000 | \$337 | 8,900 | \$3,275,000 | \$368 |
| Appliances | 8,900 | \$1,272,000 | \$143 | 11,300 | \$1,785,000 | \$158 | 13,700 | \$2,383,000 | \$174 |
| Total Electronics, Appliances, & Computers | 16,700 sf | \$4,178,000 | \$337 | 21,200 sf | \$5,776,000 | \$361 | 25,700 sf | \$7,576,000 | \$387 |
| Full Service Restaurant | 8,000 | \$2,816,000 | \$352 | 10,600 | \$4,250,000 | \$401 | 13,200 | \$6,019,000 | \$456 |
| Limited Service Restaurant | 11,500 | \$3,254,000 | \$283 | 16,400 | \$5,100,000 | \$311 | 21,000 | \$7,161,000 | \$341 |
| Drinking Places | 1,700 | \$615,000 | \$362 | 2,100 | \$854,000 | \$407 | 2,500 | \$1,147,000 | \$459 |
| Total Food & Restaurant | 21,200 sf | \$6,685,000 | \$332 | 29,100 sf | \$10,204,000 | \$373 | 36,700 sf | \$14,327,000 | \$419 |
| Grocery Store | 56,300 | \$17,453,000 | \$310 | 79,600 | \$26,426,000 | \$332 | 101,600 | \$36,169,000 | \$356 |
| Specialty Food Store | 1,100 | \$396,000 | \$360 | 1,500 | \$595,000 | \$397 | 1,900 | \$834,000 | \$439 |
| Beer, Wine and Liquor Store | 0 | | | 600 | \$231,000 | \$385 | 700 | \$301,000 | \$430 |
| Total Food & Beverage Stores | 57,400 sf | \$17,849,000 | \$335 | 81,700 sf | \$27,252,000 | \$371 | 104,200 sf | \$37,304,000 | \$408 |
| Department Store | 21,100 | \$4,810,000 | \$228 | 28,000 | \$6,832,000 | \$244 | 34,700 | \$9,091,000 | \$262 |
| Discount Department Store | 31,400 | \$6,499,000 | \$207 | 41,800 | \$9,279,000 | \$222 | 51,700 | \$12,304,000 | \$238 |
| Warehouse Club | 11,100 | \$3,096,000 | \$279 | 14,700 | \$4,395,000 | \$299 | 18,200 | \$5,842,000 | \$321 |
| Used Merchandise Store | 58,100 | \$8,366,000 | \$144 | 76,800 | \$11,596,000 | \$151 | 94,900 | \$15,089,000 | \$159 |
| Total General Merchandise Stores | 121,700 sf | \$22,771,000 | \$215 | 161,300 sf | \$32,102,000 | \$229 | 199,500 sf | \$42,326,000 | \$245 |
| Building Materials & Supplies | 24,800 | \$5,778,000 | \$233 | 31,100 | \$8,054,000 | \$259 | 37,300 | \$10,705,000 | \$287 |
| Lawn, Garden Equip, Supply | 2,000 | \$442,000 | \$221 | 2,500 | \$612,000 | \$245 | 3,000 | \$816,000 | \$272 |
| Total Hardware, Lawn & Garden Store | 26,800 sf | \$6,220,000 | \$227 | 33,600 sf | \$8,666,000 | \$252 | 40,300 sf | \$11,521,000 | \$280 |
| Drug Store/Pharmaceutical | 5,900 | \$2,879,000 | \$488 | 9,000 | \$4,896,000 | \$544 | 11,900 | \$7,211,000 | \$606 |
| Health and Beauty Store | 800 | \$197,000 | \$246 | 1,200 | \$318,000 | \$265 | 1,600 | \$454,000 | \$284 |
| Optical/Vision Care | 1,800 | \$496,000 | \$276 | 2,800 | \$887,000 | \$317 | 3,700 | \$1,343,000 | \$363 |
| Personal Services | 3,200 | \$899,000 | \$281 | 4,900 | \$1,504,000 | \$307 | 6,400 | \$2,150,000 | \$336 |
| Total Health Care & Personal Services | 11,700 sf | \$4,471,000 | \$323 | 17,900 sf | \$7,605,000 | \$358 | 23,600 sf | \$11,158,000 | \$397 |
| Furniture Store | 4,300 | \$1,229,000 | \$286 | 5,500 | \$1,688,000 | \$307 | 6,700 | \$2,204,000 | \$329 |
| Home Furnishings | 8,000 | \$1,520,000 | \$190 | 10,000 | \$2,080,000 | \$208 | 12,100 | \$2,746,000 | \$227 |
| Total Home Furnishings Store | 12,300 sf | \$2,749,000 | \$238 | 15,500 sf | \$3,768,000 | \$258 | 18,800 sf | \$4,950,000 | \$278 |
| Jewelry Store | 0 | | | 600 | \$232,000 | \$387 | 700 | \$296,000 | \$423 |
| Luggage & Leather Store | 0 | | | 0 | | | 0 | | |
| Total Jewelry, Luggage, and Leather Goods | 0 sf | \$0 | | 600 sf | \$232,000 | \$387 | 700 sf | \$296,000 | \$423 |
| Art, Craft and Sewing Stores | 1,300 | \$260,000 | \$200 | 1,700 | \$363,000 | \$214 | 2,100 | \$483,000 | \$230 |
| Musical Instrument Store | 0 | | | 0 | | | 0 | | |
| Book & Music Stores | 2,600 | \$377,000 | \$145 | 3,900 | \$616,000 | \$158 | 5,200 | \$899,000 | \$173 |
| Sporting Good Store | 0 | | | 0 | | | 0 | | |
| Toy and Hobby Store | 0 | | | 0 | | | 0 | | |
| Sporting Goods, Hobby, Books, Music Stores | 3,900 sf | \$637,000 | \$173 | 5,600 sf | \$979,000 | \$186 | 7,300 sf | \$1,382,000 | \$202 |
| Card/Gift Shop | 1,700 | \$234,000 | \$138 | 2,100 | \$319,000 | \$152 | 2,600 | \$436,000 | \$168 |
| Florists | 1,900 | \$391,000 | \$206 | 2,300 | \$522,000 | \$227 | 2,800 | \$702,000 | \$251 |
| Office Supplies, Stationary | 2,100 | \$464,000 | \$221 | 2,700 | \$658,000 | \$244 | 3,300 | \$887,000 | \$269 |
| Pet Supply Store | 2,200 | \$418,000 | \$190 | 2,800 | \$588,000 | \$210 | 3,500 | \$808,000 | \$231 |
| Tobacco Shop | 900 | \$292,000 | \$324 | 1,200 | \$439,000 | \$366 | 1,400 | \$576,000 | \$411 |
| Video/Entertainment | 900 | \$126,000 | \$140 | 1,200 | \$177,000 | \$148 | 1,500 | \$234,000 | \$156 |
| Total Miscellaneous Retailers | 9,700 sf | \$1,925,000 | \$203 | 12,300 sf | \$2,703,000 | \$225 | 15,100 sf | \$3,643,000 | \$248 |
| Total Identified Retail Expenditure | 293,900 sf | \$70,165,000 | \$259 | 394,700 sf | \$103,056,000 | \$294 | 491,100 sf | \$139,526,000 | \$322 |

Table 4: Sales stated in constant 2010 dollars - No adjustment has been made for potential inflation.

SUMMARY OF FINDINGS

This study finds that up to 293,900 square feet of additional retail space is presently supportable at the Volcano Heights study area. This new retail can potentially capture an additional \$70.1 million of expenditure in 2010, growing to \$103 million by 2014. The full build-out potential of the 130-acre focus Major Activity Center site is an additional \$130 million of retail.

With full build-out, the additional segments of the 570-acre Volcano Heights area could conceivably add two 2,000 square foot corner stores; three 10,000 square foot convenience centers (with no anchor); one 100,000 square foot neighborhood center anchored with a 50,000 square foot supermarket and 60,000 square feet of free standing or small shopping centers.

The demographics of the primary trade area show a population base of 58,400, which is projected to grow to 78,500 by 2014, and annual growth rate of 7.69 percent. 47.2 percent hold some level of a college degree. The persons-per-household is reported as 2.65, and median age is a young 34.4 years old.

Most of the employed population (72.3 percent) holds white-collar jobs. Professional (30.0 percent) and Management/Business/Financial (15.6 percent), and Administrative Support (14.3 percent) positions make up most of these white collar occupations.

Household incomes in this sector of Albuquerque are greater than the State and National averages, being reported as \$79,400. The per-capita income (\$29,200) is also higher than the State and National levels. Current employment in the Volcano Heights primary trade area favors the Retail Trades (35.3 percent, General Services (17.5 percent), and Educational Institutions (14.8 percent). The Manufacturing (0.7 percent), Government (0.6 percent), and Construction (4.9 percent) labor segments a disproportionately under represented.

Tapestry lifestyles in the market reflect a majority base of “*Up and Coming Families*” households. Family and home dictate the products these residents buy. Many are beginning or expanding their families, so baby equipment, children’s clothing, and toys are essential purchases. Because many are first-time homeowners, basic household furniture and lawn fertilizer, weed control, and insecticide products are important. Car loans and mortgage payments are major household budget items. They are most likely to own or lease an SUV or a Minivan. They eat out at family restaurants, especially on the weekends, and buy fast food at the drive-through or for takeout.

Supportable 2010 Retail and Potential Tenants

- **121,700 square feet General Merchandise Stores:** Used Merchandise retail, like Salvation Army or Goodwill, are somewhat dominant in this category at 58,100 square feet. Discount Department Stores make up 31,400 square feet of the new growth in this category. Department Stores and Warehouse Clubs fill the rest of this group with 28,000 and 14,700 square feet supportable, respectively. Beall's Outlet Stores or a Beall's/Stage Department store has not made it to the Albuquerque market yet, but currently have five locations in the state of New Mexico. Other potential retailers include: Sear's, Bed Bath & Beyond, Kohl's, JC Penney, or the Stage Stores, Inc.
- **57,400 square feet of Food and Beverage Stores:** All of this supportable square footage can be concentrated into a traditional chain grocery, or split into four to six markets.
- **26,800 square feet of Hardware, Lawn and Garden Stores:** Most of this potential is found in Building Materials and Supplies retail. Feasible tenants are: Do it Best Corp, True Value Co., Ace Hardware Corporation, or California Closets. Building Materials/Supplies companies often need outdoor storage, so allowing it in the zoning would be required.
- **21,200 square feet of Food & Restaurant:** Approximately half of this class is found in the Limited Service Restaurant (without alcohol) group. Potential tenants looking in the New Mexico market are: Arby's, Buffalo Wild Wing, Inc., Dos Hermanos, the Original SoupMan, Romano's Macaroni Grill Inc., Jimmy John's Franchise, Inc., and Tim Horton's Inc. The balance of this category could consist of two medium or one large sized full service restaurants, and a locally operated tavern/bar.
- **16,700 square feet of Electronics, Appliances, & Computer retail:** Over half of the supportable retail square footage in this category is found in the Appliance Retail. Possible retailers include: SAS Appliance, Ultimate Electronics, Aaron's Inc., Radio Shack Corp., or The Kitchen Collection.
- **12,500 square feet of Apparel, Shoes and Accessories:** All subgroups of this broad NAICS type are in demand, women's, men's, children's, and unisex apparel, as well as a shoe store. Potential retailers include: Bon Worth Factory Outlets, Dress Barn, Casual Male, Haggar Clothing, totes Isotoner Corporation, Red Wing Shoe co., Life Uniform, the Mens's Wearhouse, Naturalizer Retail, Anchor Blue Retail Group, or Foot Solutions, Inc.

- **12,300 square feet of Home Furnishings:** Two thirds of the Home Furnishings retail should be in the home furnishings niche. Retailers include The Mattress Firm Inc., Kirkland's Inc., Relax the Back Corporation, 3 Day Blinds, Inc., Cort Business Services, and LoveSac Alternative Furniture Co.
- **11,700 square feet of Health Care & Personal Services:** Drug Stores make up half of this class of retail potential. Possible retailers include: CVS, Walgreens, Medicap Pharmacies, Inc., Emerging Vision, Inc., Medicine Shoppe International, Inc., Pharmaca Integrative Pharmacy, Inc., Eye Care Centers of America, Sally Beauty Holdings, Inc., Aveda Corporation, or Crabtree & Evelyn, Ltd.
- **9,700 square feet of Miscellaneous Retail:** Miscellaneous retail includes office supplies, gift shops, pet supply, florists, and tobacco supplies. Suggested retailers are: Hallmark Gold Crown Stores, Petland, Inc., The Cigarette Store Corp., Smoker Friendly Interational, Wild Birds Unlimited, Flowerama of America, and Party Land, Inc. The small users proposed in this category would fit easily into existing retail development.
- **3,900 square feet of Sporting Goods, Hobby, Books, and Music Stores:** This retail group is lead by the Book & Music subcategory. Prospective retailers include: Books-a-Million, Berean Christian Stores, The Book Rack, Jo-Ann Stores, Inc., Learning Express, Westcroft Beadworks, Inc., Hancock Fabrics, Inc., or Logos Bookstores, Inc.

A detailed examination of the supportable square footage of retail uses is found in Table 4.

Rationale

The rationale for the findings in this study follows:

- **Strong demographic growth:** Supported by the regions strongest average and median household incomes, the annual growth rate of 7.69 percent equates to 5,300 new households during the first four year period and over 10,500 new household by 2018.
- **Lack of competing retail in the new development area:** The Volcano Heights Sector is the focus of commercial activity in the Volcano Mesa Area. The Volcano Cliffs portion of the area consists of over half of the total acreage. It is primarily detached housing with limited neighborhood scale commercial development. The Volcano Trails section is smaller than the Volcano Heights portion, and is planned to have mixed residential products and densities.

-
- **Development Options:** GPG determined that retail in the Volcano Heights study area can be developed as any of the following models: street level quasi-urban retail, with up to eight stories of residential development above, or as a lifestyle center catering to the surrounding walkable neighborhoods and the suburban auto-based consumer, or three traditional neighborhood centers (one larger grocery anchored, and two smaller unanchored centers), or a community scale retail center anchored by multiple Department/Discount Department stores.

Corner stores can be located inside of a neighborhood along its primary entry road and/or next to a civic use or clubhouse. The neighborhood and community centers should be located at the busiest crossroads as possible, especially on the homebound side of the road. Neighborhood centers can be grouped in pairs when located at key intersections.

In addition, existing retailers presently located in other affluent neighborhoods east of I-25 will consider the expansion potential of relocating into the new Volcano Heights shopping areas because of strong income and growth demographics.

- **Access to Surrounding Neighborhoods:** Although the Volcano Heights study area is not located directly along Interstates 25 or 40, its' convenience to surrounding neighborhoods will appeal to numerous modern retailers. Superior access to the Volcano Cliffs and Volcano Trails, as well as Rio Rancho's Quail Ridge project is critical to combating the retail gravity created by the Cottonwood Retail concentration.
- **Impacts on Other Business Districts:** The implementation of new shopping centers and the opening of new types of retailers that are not presently located in the Volcano Mesa Area will capture projects, population growth, and household spending that is presently occurring elsewhere in the region, or not at all. This shift in consumer habits will impact existing retailers to various levels, depending on how they respond to the opening of new businesses.

In some cases, retailers will expand promotions, as well as they goods and services in response to new competition, resulting in an overall net gain in sales. Others may lose market share and close. Often, the new shopping centers and retailers tap into an unmet consumer market that does not impact the region's overall sales. This study forecasts that for the most part, the supportable 293,900 square feet of new retail will result in a net gain of up to \$70.1 million in restaurant and retail sales. This is not to warrant that some existing business will not experience a net loss in sales.

-- END OF REPORT --

EXHIBIT A: Supportable Retail Table 2010 & 2014
Volcano Heights Albuquerque Study Area

| Retail Category | 2010 | | 2014 | | 2010 | | 2014 | | 2010 | | 2014 | | Retailers such as |
|---|---|-------------------------|---|-------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|---|
| | Total Gross Consumer Expenditure ('000's) | Supportable Retail (SF) | Total Gross Consumer Expenditure ('000's) | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | |
| Women's Apparel | \$26,594 | 2,800 | \$30,012 | 3,500 | \$680,000 | \$243 | \$948,000 | \$271 | \$680,000 | \$243 | \$948,000 | \$271 | Anchor Blue Retail Group, Dress Barn |
| Men's Apparel | \$23,001 | 2,700 | \$25,956 | 3,400 | \$596,000 | \$221 | \$839,000 | \$247 | \$596,000 | \$221 | \$839,000 | \$247 | Casual Male, Haggard Clothing Co., Men's Warehouse |
| Children's Apparel | \$14,624 | 3,400 | \$16,504 | 4,300 | \$751,000 | \$221 | \$1,049,000 | \$244 | \$751,000 | \$221 | \$1,049,000 | \$244 | Children's Palace, Naarjie Custom Kids, Peace Frogs |
| Unisex Apparel | \$6,946 | 2,100 | \$7,838 | 2,700 | \$388,000 | \$185 | \$545,000 | \$202 | \$388,000 | \$185 | \$545,000 | \$202 | Life Uniform, totes Isotoner Corporation |
| Shoe Store | \$9,155 | 1,500 | \$10,413 | 2,000 | \$285,000 | \$177 | \$388,000 | \$194 | \$285,000 | \$177 | \$388,000 | \$194 | Foot Solutions, Red Wing Shoe Store, Naturalizer Retail |
| Total Apparel, Shoes & Accessories | \$80,320 | 12,500 sf | \$90,723 | 15,900 sf | \$2,680,000 | \$209 | \$3,769,000 | \$232 | \$2,680,000 | \$209 | \$3,769,000 | \$232 | |
| Computers and Software | \$20,864 | 2,000 | \$23,881 | 2,600 | \$1,120,000 | \$560 | \$1,531,000 | \$589 | \$1,120,000 | \$560 | \$1,531,000 | \$589 | Gamestop, Batteries Plus, CompUSA |
| General Electronics | \$28,312 | 5,800 | \$32,135 | 7,300 | \$1,786,000 | \$308 | \$2,460,000 | \$337 | \$1,786,000 | \$308 | \$2,460,000 | \$337 | Radio Shack, Ultimate Electronics |
| Appliances | \$17,803 | 8,900 | \$20,207 | 11,300 | \$1,272,000 | \$143 | \$1,795,000 | \$158 | \$1,272,000 | \$143 | \$1,795,000 | \$158 | SAS Appliances, Aaron's Inc., |
| Total Electronics, Appliances, & Computers | \$66,979 | 16,700 sf | \$76,023 | 21,200 sf | \$4,178,000 | \$337 | \$5,776,000 | \$361 | \$4,178,000 | \$337 | \$5,776,000 | \$361 | |
| Full Service Restaurant | \$196,591 | 8,000 | \$222,621 | 10,600 | \$2,816,000 | \$352 | \$4,250,000 | \$401 | \$2,816,000 | \$352 | \$4,250,000 | \$401 | Big Burrito Restaurants, Wingstop, Pizza Factory Inc., |
| Limited Service Restaurant | \$247,537 | 11,500 | \$278,781 | 16,400 | \$3,254,000 | \$283 | \$5,100,000 | \$311 | \$3,254,000 | \$283 | \$5,100,000 | \$311 | Original SoupMan, Dos Hermanos, Jimmy John's |
| Drinking Places | \$17,133 | 1,700 | \$19,407 | 2,100 | \$615,000 | \$362 | \$854,000 | \$407 | \$615,000 | \$362 | \$854,000 | \$407 | Claim Jumper Restaurants, Local Tavern |
| Total Food & Restaurant | \$461,261 | 21,200 sf | \$520,809 | 29,100 sf | \$6,685,000 | \$332 | \$10,204,000 | \$373 | \$6,685,000 | \$332 | \$10,204,000 | \$373 | |
| Grocery Store | \$319,966 | 56,300 | \$362,221 | 79,600 | \$17,453,000 | \$310 | \$26,426,000 | \$332 | \$17,453,000 | \$310 | \$26,426,000 | \$332 | John Brooks, Albertsons, possibly Whole Foods |
| Specialty Food Store | \$10,462 | 1,100 | \$11,861 | 1,500 | \$396,000 | \$360 | \$595,000 | \$397 | \$396,000 | \$360 | \$595,000 | \$397 | Local Market/Ethnic Market |
| Beer, Wine and Liquor Store | \$6,078 | 0 | \$6,866 | 600 | | | \$231,000 | \$385 | | | \$231,000 | \$385 | Local Owner/Operator |
| Total Food & Beverage Stores | \$336,506 | 57,400 sf | \$380,948 | 81,700 sf | \$17,849,000 | \$335 | \$27,252,000 | \$371 | \$17,849,000 | \$335 | \$27,252,000 | \$371 | |
| Department Store | \$116,378 | 21,100 | \$131,909 | 28,000 | \$4,810,000 | \$228 | \$6,832,000 | \$244 | \$4,810,000 | \$228 | \$6,832,000 | \$244 | Kohl's, Beall's Outlets, Stage Department Stores |
| Discount Department Store | \$142,240 | 31,400 | \$161,221 | 41,800 | \$6,499,000 | \$207 | \$9,279,000 | \$222 | \$6,499,000 | \$207 | \$9,279,000 | \$222 | Conway Stores, Savers Inc., Just-A-Buck |
| Warehouse Club | \$86,236 | 11,100 | \$96,932 | 14,700 | \$3,096,000 | \$279 | \$4,395,000 | \$299 | \$3,096,000 | \$279 | \$4,395,000 | \$299 | |
| Used Merchandise Store | \$160,154 | 58,100 | \$180,017 | 76,800 | \$8,366,000 | \$144 | \$11,596,000 | \$151 | \$8,366,000 | \$144 | \$11,596,000 | \$151 | Salvation Army, Goodwill |
| Total General Merchandise Stores | \$505,008 | 121,700 sf | \$570,079 | 161,300 sf | \$22,771,000 | \$215 | \$32,102,000 | \$229 | \$22,771,000 | \$215 | \$32,102,000 | \$229 | |
| Building Materials & Supplies | \$92,988 | 24,800 | \$105,534 | 31,100 | \$5,778,000 | \$233 | \$8,054,000 | \$259 | \$5,778,000 | \$233 | \$8,054,000 | \$259 | Do It Best Corp., Ace Hardware, California Closets |
| Lawn, Garden Equipment and Supplies | \$6,026 | 2,000 | \$6,854 | 2,500 | \$442,000 | \$221 | \$612,000 | \$245 | \$442,000 | \$221 | \$612,000 | \$245 | Deerbrooke, Desert Blooms, Lafarge NA |
| Total Hardware, Lawn & Garden Store | \$99,014 | 26,800 sf | \$112,388 | 33,600 sf | \$6,220,000 | \$227 | \$8,666,000 | \$252 | \$6,220,000 | \$227 | \$8,666,000 | \$252 | |

EXHIBIT A: Supportable Retail Table 2010 & 2014
Volcano Heights Albuquerque Study Area

| Retail Category | 2010 | | 2014 | | 2010 | | 2014 | | 2010 | | 2014 | | Retailers such as |
|---|---|-------------------------|---|-------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---|-------------------|
| | Total Gross Consumer Expenditure ('000's) | Supportable Retail (SF) | Total Gross Consumer Expenditure ('000's) | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | |
| Drug Store/Pharmaceutical | \$42,091 | 5,900 | \$47,828 | 9,000 | \$2,879,000 | \$488 | \$4,896,000 | \$544 | | | | Medicine Shoppe, Medicap Pharmacies | |
| Health and Beauty Store | \$4,140 | 800 | \$4,704 | 1,200 | \$197,000 | \$246 | \$318,000 | \$265 | | | | Sally Beauty Holdings, Aveda Corporation | |
| Optical/Vision Care | \$6,900 | 1,800 | \$7,840 | 2,800 | \$496,000 | \$276 | \$887,000 | \$317 | | | | National Optical Inc., Eye Care Centers of America | |
| Personal Services | \$15,870 | 3,200 | \$18,034 | 4,900 | \$899,000 | \$281 | \$1,504,000 | \$307 | | | | Mail Boxes Etc., Sir Speedy, FedEx Kinko's | |
| Total Health Care & Personal Services | \$69,001 | 11,700 sf | \$78,406 | 17,900 sf | \$4,471,000 | \$323 | \$7,605,000 | \$358 | | | | | |
| Furniture Store | \$52,558 | 4,300 | \$59,788 | 5,500 | \$1,229,000 | \$286 | \$1,688,000 | \$307 | | | | Kirkland's Inc., Cort Business Services, LoveSac | |
| Home Furnishings | \$29,482 | 8,000 | \$33,292 | 10,000 | \$1,520,000 | \$190 | \$2,080,000 | \$208 | | | | The Mattress Firm, 3 Day Blinds | |
| Total Home Furnishings Store | \$82,040 | 12,300 sf | \$93,080 | 15,500 sf | \$2,749,000 | \$238 | \$3,768,000 | \$258 | | | | | |
| Jewelry Store | \$6,778 | 0 | \$7,726 | 600 | | | \$232,000 | \$387 | | | | Local retailer | |
| Luggage & Leather Store | \$3,646 | 0 | \$4,157 | 0 | | | | | | | | | |
| Total Jewelry, Luggage, and Leather Goods Stores | \$10,424 | 0 sf | \$11,883 | 600 sf | \$0 | | \$232,000 | \$387 | | | | | |
| Art, Craft and Sewing Stores | \$3,256 | 1,300 | \$3,687 | 1,700 | \$260,000 | \$200 | \$363,000 | \$214 | | | | JoAnne's, AC Moore Arts & Craft, Hancock | |
| Musical Instrument Store | \$2,213 | 0 | \$2,519 | 0 | | | | | | | | | |
| Book & Music Stores | \$16,270 | 2,600 | \$18,521 | 3,900 | \$377,000 | \$145 | \$616,000 | \$158 | | | | Books-a-Million, Logos Books | |
| Sporting Good Store | \$10,030 | 0 | \$11,423 | 0 | | | | | | | | | |
| Toy and Hobby Store | \$2,507 | 0 | \$2,856 | 0 | | | | | | | | | |
| Sporting Goods, Hobby, Books, Music Stores | \$34,276 | 3,900 sf | \$39,006 | 5,600 sf | \$637,000 | \$173 | \$979,000 | \$186 | | | | | |
| Card/Gift Shop | \$8,619 | 1,700 | \$9,817 | 2,100 | \$234,000 | \$138 | \$319,000 | \$152 | | | | Irrestibles, Hallmark, Factory Card & Party | |
| Florists | \$5,521 | 1,900 | \$6,280 | 2,300 | \$391,000 | \$206 | \$522,000 | \$227 | | | | Local Florist or Bridal Salon | |
| Office Supplies, Stationary | \$8,619 | 2,100 | \$9,817 | 2,700 | \$464,000 | \$221 | \$658,000 | \$244 | | | | Xpedx Paper & Graphic, Signatures | |
| Pet Supply Store | \$8,683 | 2,200 | \$9,831 | 2,800 | \$418,000 | \$190 | \$588,000 | \$210 | | | | Pet Supermarket, Pet Valu, PetSmart | |
| Tobacco Shop | \$9,769 | 900 | \$11,061 | 1,200 | \$292,000 | \$324 | \$439,000 | \$366 | | | | Tinder Box International, Smoker Friendly International | |
| Video/Entertainment | \$2,714 | 900 | \$3,072 | 1,200 | \$126,000 | \$140 | \$177,000 | \$148 | | | | Hollywood Entertainment, Movie Starz Video | |
| Total Miscellaneous Retailers | \$43,925 | 9,700 sf | \$49,878 | 12,300 sf | \$1,925,000 | \$203 | \$2,703,000 | \$225 | | | | | |
| Total Identified Retail Expenditure | \$1,788,754 | \$2,023,223 | \$2,023,223 | 293,900 sf | \$70,165,000 | \$259 | \$103,056,000 | \$294 | | | | | |

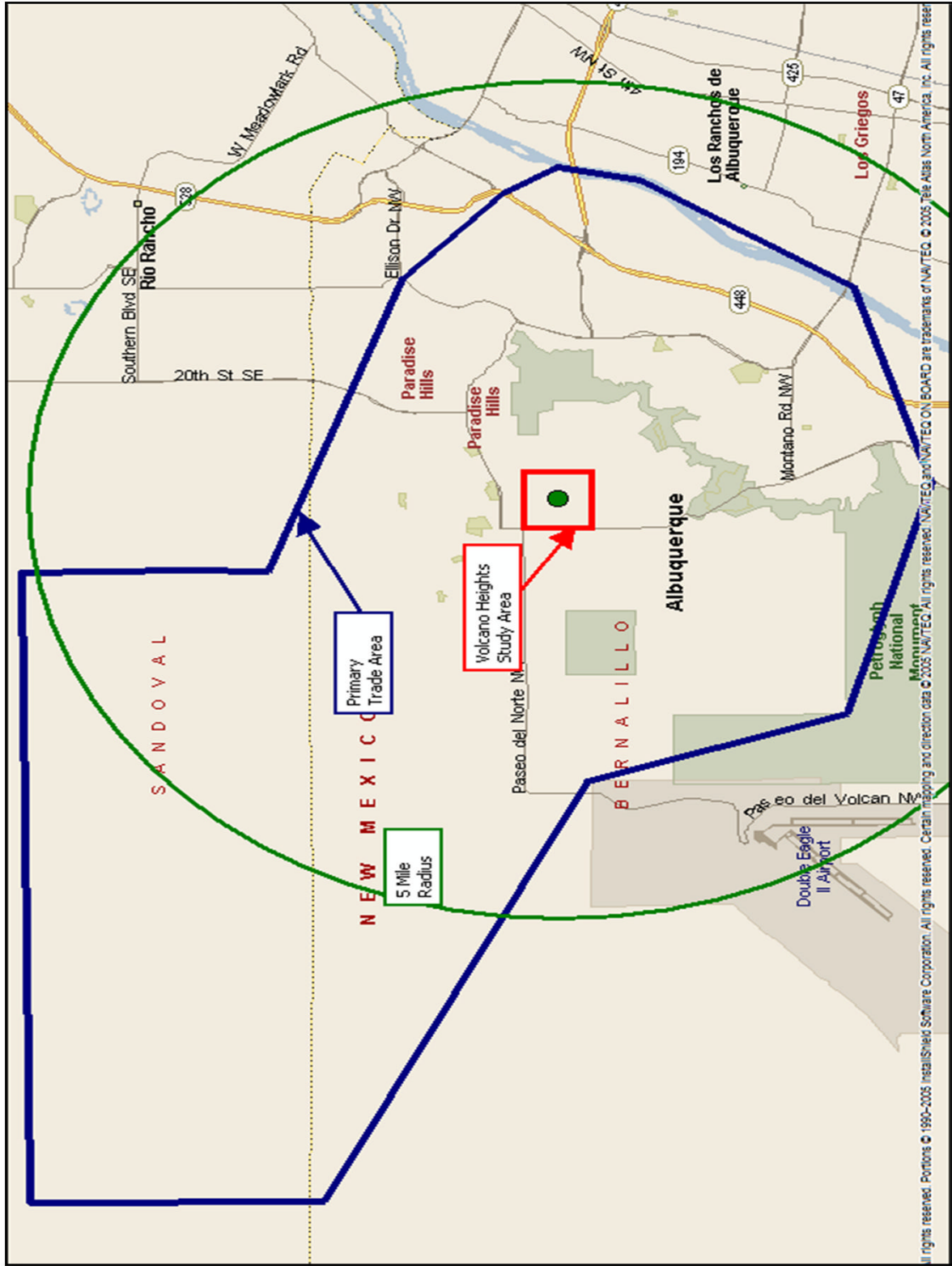
EXHIBIT A: Supportable Retail Table 2010 & 2018
Volcano Heights Albuquerque Study Area

| Retail Category | 2010 | | 2018 | | 2010 | | 2018 | | 2010 | | 2018 | | Retailers such as |
|---|--|-------------------------|--|-------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|---|
| | Total Gross Consumer Expenditure (000's) | Supportable Retail (SF) | Total Gross Consumer Expenditure (000's) | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | |
| Women's Apparel | \$26,594 | 2,800 | \$33,813 | 4,300 | \$680,000 | \$243 | \$1,298,000 | \$302 | \$680,000 | \$243 | \$1,298,000 | \$302 | Anchor Blue Retail Group, Dress Barn |
| Men's Apparel | \$23,001 | 2,700 | \$29,244 | 4,100 | \$596,000 | \$221 | \$1,135,000 | \$277 | \$596,000 | \$221 | \$1,135,000 | \$277 | Casual Male, Haggag Clothing Co., Men's Warehouse |
| Children's Apparel | \$14,624 | 3,400 | \$18,594 | 5,100 | \$751,000 | \$221 | \$1,371,000 | \$269 | \$751,000 | \$221 | \$1,371,000 | \$269 | Children's Palace, Naarjie Custom Kids, Peace Frogs |
| Unisex Apparel | \$6,946 | 2,100 | \$8,831 | 3,200 | \$388,000 | \$185 | \$707,000 | \$221 | \$388,000 | \$185 | \$707,000 | \$221 | Life Uniform, totes Isotoner Corporation |
| Shoe Store | \$9,155 | 1,500 | \$11,795 | 2,500 | \$285,000 | \$177 | \$532,000 | \$213 | \$285,000 | \$177 | \$532,000 | \$213 | Foot Solutions, Red Wing Shoe Store, Naturalizer Retail |
| Total Apparel, Shoes & Accessories | \$80,320 | 12,500 sf | \$102,277 | 19,200 sf | \$2,680,000 | \$209 | \$5,043,000 | \$256 | \$2,680,000 | \$209 | \$5,043,000 | \$256 | |
| Computers and Software | \$20,864 | 2,000 | \$26,782 | 3,100 | \$1,120,000 | \$560 | \$1,918,000 | \$619 | \$1,120,000 | \$560 | \$1,918,000 | \$619 | Gamestop, Batteries Plus, CompUSA |
| General Electronics | \$28,312 | 5,800 | \$36,344 | 8,900 | \$1,786,000 | \$308 | \$3,275,000 | \$368 | \$1,786,000 | \$308 | \$3,275,000 | \$368 | Radio Shack, Ultimate Electronics |
| Appliances | \$17,803 | 8,900 | \$22,854 | 13,700 | \$1,272,000 | \$143 | \$2,383,000 | \$174 | \$1,272,000 | \$143 | \$2,383,000 | \$174 | SAS Appliances, Aaron's Inc., |
| Total Electronics, Appliances, & Computers | \$66,979 | 16,700 sf | \$85,980 | 25,700 sf | \$4,178,000 | \$337 | \$7,576,000 | \$387 | \$4,178,000 | \$337 | \$7,576,000 | \$387 | |
| Full Service Restaurant | \$196,591 | 8,000 | \$251,393 | 13,200 | \$2,816,000 | \$352 | \$6,019,000 | \$456 | \$2,816,000 | \$352 | \$6,019,000 | \$456 | Big Burrito Restaurants, Wingstop, Pizza Factory Inc., |
| Limited Service Restaurant | \$247,537 | 11,500 | \$313,667 | 21,000 | \$3,254,000 | \$283 | \$7,161,000 | \$341 | \$3,254,000 | \$283 | \$7,161,000 | \$341 | Original SoupMan, Dos Hermanos, Jimmy John's |
| Drinking Places | \$17,133 | 1,700 | \$21,919 | 2,500 | \$615,000 | \$362 | \$1,147,000 | \$459 | \$615,000 | \$362 | \$1,147,000 | \$459 | Claim Jumper Restaurants, Local Tavern |
| Total Food & Restaurant | \$461,261 | 21,200 sf | \$586,979 | 36,700 sf | \$6,685,000 | \$332 | \$14,327,000 | \$419 | \$6,685,000 | \$332 | \$14,327,000 | \$419 | |
| Grocery Store | \$319,966 | 56,300 | \$408,953 | 101,600 | \$17,453,000 | \$310 | \$36,169,000 | \$356 | \$17,453,000 | \$310 | \$36,169,000 | \$356 | John Brooks, Albertsons, possibly Whole Foods |
| Specialty Food Store | \$10,462 | 1,100 | \$13,405 | 1,900 | \$396,000 | \$360 | \$834,000 | \$439 | \$396,000 | \$360 | \$834,000 | \$439 | Local Market/Ethnic Market |
| Beer, Wine and Liquor Store | \$6,078 | 0 | \$7,740 | 700 | | | \$301,000 | \$430 | | | \$301,000 | \$430 | Local Owner/Operator |
| Total Food & Beverage Stores | \$336,506 | 57,400 sf | \$430,098 | 104,200 sf | \$17,849,000 | \$335 | \$37,304,000 | \$408 | \$17,849,000 | \$335 | \$37,304,000 | \$408 | |
| Department Store | \$116,378 | 21,100 | \$149,047 | 34,700 | \$4,810,000 | \$228 | \$9,091,000 | \$262 | \$4,810,000 | \$228 | \$9,091,000 | \$262 | Kohl's, Beall's Outlets, Stage Department Stores |
| Discount Department Store | \$142,240 | 31,400 | \$182,168 | 51,700 | \$6,499,000 | \$207 | \$12,304,000 | \$238 | \$6,499,000 | \$207 | \$12,304,000 | \$238 | Conway Stores, Savers Inc., Just-A-Buck |
| Warehouse Club | \$86,236 | 11,100 | \$108,920 | 18,200 | \$3,096,000 | \$279 | \$5,842,000 | \$321 | \$3,096,000 | \$279 | \$5,842,000 | \$321 | |
| Used Merchandise Store | \$160,154 | 59,100 | \$202,281 | 94,900 | \$8,366,000 | \$144 | \$15,089,000 | \$159 | \$8,366,000 | \$144 | \$15,089,000 | \$159 | Salvation Army, Goodwill |
| Total General Merchandise Stores | \$505,008 | 121,700 sf | \$642,416 | 199,500 sf | \$22,771,000 | \$215 | \$42,326,000 | \$245 | \$22,771,000 | \$215 | \$42,326,000 | \$245 | |
| Building Materials & Supplies | \$92,988 | 24,800 | \$119,346 | 37,300 | \$5,778,000 | \$233 | \$10,705,000 | \$287 | \$5,778,000 | \$233 | \$10,705,000 | \$287 | Do It Best Corp., Ace Hardware, California Closets |
| Lawn, Garden Equipment and Supplies | \$6,026 | 2,000 | \$7,764 | 3,000 | \$442,000 | \$221 | \$816,000 | \$272 | \$442,000 | \$221 | \$816,000 | \$272 | Deerbrooke, Desert Blooms, Lafarge NA |
| Total Hardware, Lawn & Garden Store | \$99,014 | 26,800 sf | \$127,110 | 40,300 sf | \$6,220,000 | \$227 | \$11,521,000 | \$280 | \$6,220,000 | \$227 | \$11,521,000 | \$280 | |

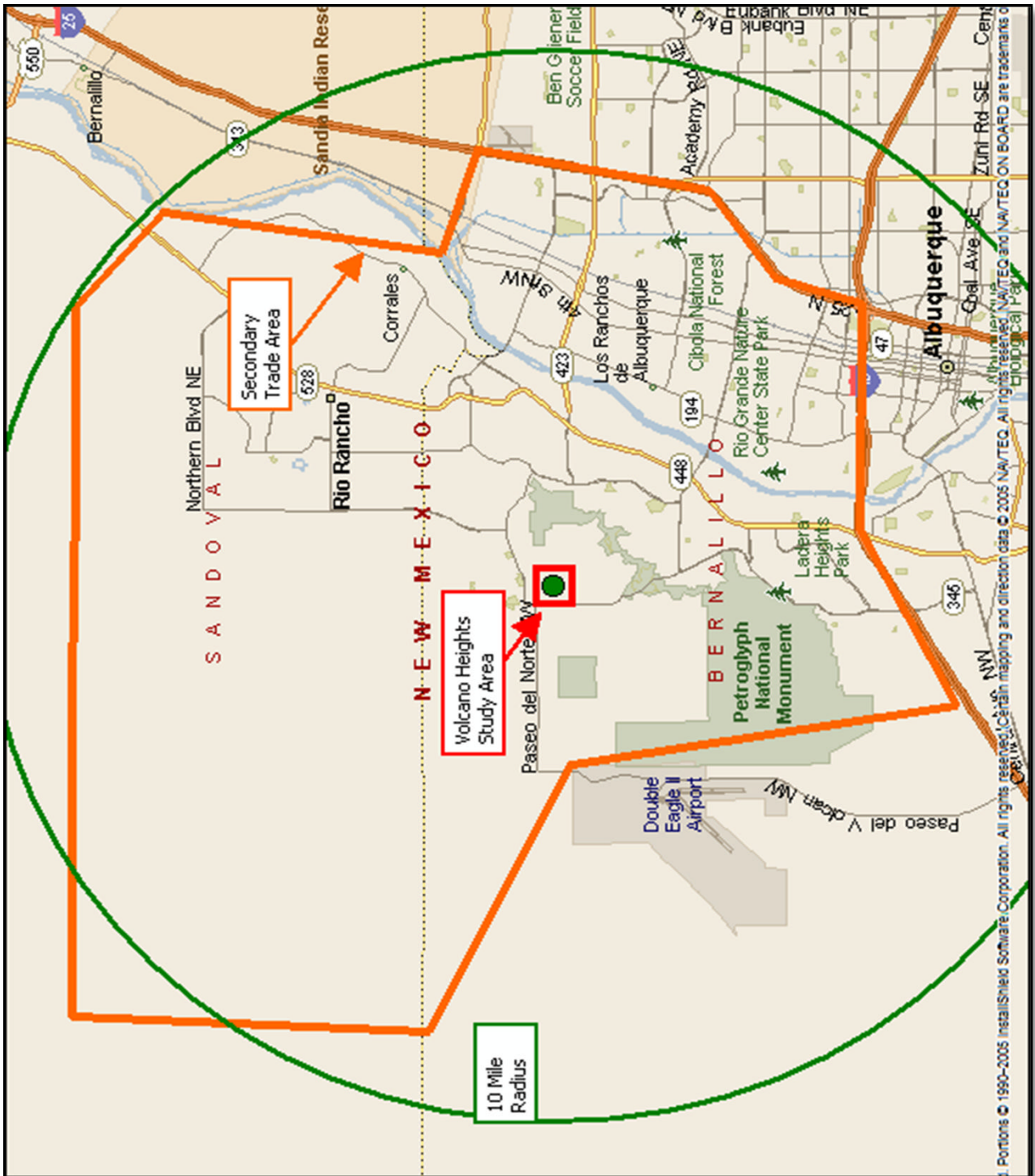
EXHIBIT A: Supportable Retail Table 2010 & 2018
Volcano Heights Albuquerque Study Area

| Retail Category | 2010 | | 2018 | | 2010 | | 2018 | | 2010 | | 2018 | | Retailers such as |
|---|--|-------------------------|--|-------------------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|---|-------------------|
| | Total Gross Consumer Expenditure (000's) | Supportable Retail (SF) | Total Gross Consumer Expenditure (000's) | Supportable Retail (SF) | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | Captured Annual Sales | Sales Per S/F | |
| Drug Store/Pharmaceutical | \$42,091 | 5,900 | \$54,131 | 11,900 | \$2,879,000 | \$488 | \$7,211,000 | \$606 | | | | Medicine Shoppe, Medicap Pharmacies | |
| Health and Beauty Store | \$4,140 | 800 | \$5,324 | 1,600 | \$197,000 | \$246 | \$454,000 | \$284 | | | | Sally Beauty Holdings, Aveda Corporation | |
| Optical/Vision Care | \$6,900 | 1,800 | \$8,874 | 3,700 | \$496,000 | \$276 | \$1,343,000 | \$363 | | | | National Optical Inc., Eye Care Centers of America | |
| Personal Services | \$15,870 | 3,200 | \$20,410 | 6,400 | \$899,000 | \$281 | \$2,150,000 | \$336 | | | | Mail Boxes Etc., Sir Speedy, FedEx Kinko's | |
| Total Health Care & Personal Services | \$69,001 | 11,700 sf | \$88,739 | 23,600 sf | \$4,471,000 | \$323 | \$11,158,000 | \$397 | | | | | |
| Furniture Store | \$52,558 | 4,300 | \$67,719 | 6,700 | \$1,229,000 | \$286 | \$2,204,000 | \$329 | | | | Kirkland's Inc., Cort Business Services, LoveSac | |
| Home Furnishings | \$29,482 | 8,000 | \$37,525 | 12,100 | \$1,520,000 | \$190 | \$2,746,000 | \$227 | | | | The Mattress Firm, 3 Day Blinds | |
| Total Home Furnishings Store | \$82,040 | 12,300 sf | \$105,244 | 18,800 sf | \$2,749,000 | \$238 | \$4,950,000 | \$278 | | | | | |
| Jewelry Store | \$6,778 | 0 | \$8,763 | 700 | | | \$296,000 | \$423 | | | | Local retailer | |
| Luggage & Leather Store | \$3,646 | 0 | \$4,715 | 0 | | | | | | | | | |
| Total Jewelry, Luggage, and Leather Goods Stores | \$10,424 | 0 sf | \$13,478 | 700 sf | \$0 | | \$296,000 | \$423 | | | | | |
| Art, Craft and Sewing Stores | \$3,256 | 1,300 | \$4,163 | 2,100 | \$260,000 | \$200 | \$483,000 | \$230 | | | | JoAnne's, AC Moore Arts & Craft, Hancock | |
| Musical Instrument Store | \$2,213 | 0 | \$2,856 | 0 | | | | | | | | | |
| Book & Music Stores | \$16,270 | 2,600 | \$20,988 | 5,200 | \$377,000 | \$145 | \$899,000 | \$173 | | | | Books-a-Million, Logos Books | |
| Sporting Good Store | \$10,030 | 0 | \$12,947 | 0 | | | | | | | | | |
| Toy and Hobby Store | \$2,507 | 0 | \$3,237 | 0 | | | | | | | | | |
| Sporting Goods, Hobby, Books, Music Stores | \$34,276 | 3,900 sf | \$44,191 | 7,300 sf | \$637,000 | \$173 | \$1,382,000 | \$202 | | | | | |
| Card/Gift Shop | \$8,619 | 1,700 | \$11,128 | 2,600 | \$234,000 | \$138 | \$436,000 | \$168 | | | | Irresistibles, Hallmark, Factory Card & Party | |
| Florists | \$5,521 | 1,900 | \$7,112 | 2,800 | \$391,000 | \$206 | \$702,000 | \$251 | | | | Local Florist or Bridal Salon | |
| Office Supplies, Stationary | \$8,619 | 2,100 | \$11,128 | 3,300 | \$464,000 | \$221 | \$887,000 | \$269 | | | | Xpedx Paper & Graphic, Signatures | |
| Pet Supply Store | \$8,683 | 2,200 | \$11,102 | 3,500 | \$418,000 | \$190 | \$808,000 | \$231 | | | | Pet Supermarket, Pet Valu, PetSmart | |
| Tobacco Shop | \$9,769 | 900 | \$12,489 | 1,400 | \$292,000 | \$324 | \$576,000 | \$411 | | | | Tinder Box International, Smoker Friendly International | |
| Video/Entertainment | \$2,714 | 900 | \$3,469 | 1,500 | \$126,000 | \$140 | \$234,000 | \$156 | | | | Hollywood Entertainment, Movie Starz Video | |
| Total Miscellaneous Retailers | \$43,925 | 9,700 sf | \$56,428 | 15,100 sf | \$1,925,000 | \$203 | \$3,643,000 | \$248 | | | | | |
| Total Identified Retail Expenditure | \$1,788,754 | 293,900 sf | \$2,282,940 | 491,100 sf | \$70,165,000 | \$259 | \$139,526,000 | \$322 | | | | | |

Volcano Heights Primary Trade Area Map



Volcano Heights Secondary Trade Area Map



Business-Facts: WorkPlace & Employment Summary

| Volcano Heights Albuquerque Study Area | Prepared by Gibbs Planning Group | | | |
|--|----------------------------------|----------------|------------------|----------------|
| Total Businesses: | 1,253 | | | |
| Total Employees: | 7,309 | | | |
| Total Residential Population: | 58,382 | | | |
| Employee/Residential Population Ratio: | 0.130 | | | |
| | BUSINESSES | | EMPLOYEES | |
| | Number | Percent | Number | Percent |
| Agriculture & Mining | 28 | 2.2% | 76 | 1.0% |
| Construction | 141 | 11.3% | 358 | 4.9% |
| Manufacturing | 17 | 1.4% | 48 | 0.7% |
| Transportation | 25 | 2.0% | 80 | 1.1% |
| Communication | 12 | 1.0% | 41 | 0.6% |
| Electric, Gas, Water, Sanitary Services | 5 | 0.4% | 24 | 0.3% |
| Wholesale Trade | 32 | 2.6% | 122 | 1.7% |
| Retail Trade Summary | 231 | 18.5% | 2,582 | 35.3% |
| Home Improvement | 8 | 0.6% | 51 | 0.7% |
| General Merchandise Stores | 9 | 0.7% | 241 | 3.3% |
| Food Stores | 23 | 1.8% | 392 | 5.4% |
| Auto Dealers, Gas Stations, Auto Aftermarket | 18 | 1.4% | 330 | 4.5% |
| Apparel & Accessory Stores | 10 | 0.8% | 23 | 0.3% |
| Furniture & Home Furnishings | 18 | 1.4% | 79 | 1.1% |
| Eating & Drinking Places | 56 | 4.5% | 1,081 | 14.8% |
| Miscellaneous Retail | 89 | 7.1% | 385 | 5.3% |
| Finance, Insurance, Real Estate Summary | 135 | 10.8% | 509 | 7.0% |
| Banks, Savings & Lending Institutions | 26 | 2.1% | 112 | 1.5% |
| Securities Brokers | 6 | 0.5% | 14 | 0.2% |
| Insurance Carriers & Agents | 31 | 2.5% | 89 | 1.2% |
| Real Estate, Holding, Other Investment Offices | 72 | 5.8% | 294 | 4.0% |
| Services Summary | 584 | 46.7% | 3,418 | 46.8% |
| Hotels & Lodging | 1 | 0.1% | 8 | 0.1% |
| Automotive Services | 18 | 1.4% | 206 | 2.8% |
| Motion Pictures & Amusements | 55 | 4.4% | 506 | 6.9% |
| Health Services | 49 | 3.9% | 330 | 4.5% |
| Legal Services | 8 | 0.6% | 11 | 0.2% |
| Education Institutions & Libraries | 39 | 3.1% | 1,079 | 14.8% |
| Other Services | 414 | 33.1% | 1,278 | 17.5% |
| Government | 10 | 0.8% | 45 | 0.6% |
| Other | 30 | 2.4% | 6 | 0.1% |
| Totals | 1,250 | | 7,309 | |




Source: Business data provided by Experian, Shaumburg, Copyright 2009, all rights reserved.

MARKET PROFILE TABLE

Volcano Heights Albuquerque Study Area

Prepared by

Gibbs Planning Group

| | | |
|---|--------------------------------|----------|
|  | 2000 Total Population | 37,766 |
| | 2000 Group Quarters | 546 |
| | 2010 Total Population | 58,382 |
| | 2015 Total Population | 67,064 |
| | 2010 - 2015 Annual Rate | 2.81% |
|  | 2000 Households | 13,463 |
| | 2000 Average Household Size | 2.76 |
| | 2010 Households | 21,606 |
| | 2010 Average Household Size | 2.65 |
| | 2015 Households | 25,139 |
| | 2015 Average Household Size | 2.63 |
| | 2010 - 2015 Annual Rate | 3.08% |
| | 2000 Families | 10,320 |
| | 2000 Average Family Size | 3.15 |
| | 2010 Families | 15,869 |
| | 2010 Average Family Size | 3.08 |
| | 2015 Families | 18,219 |
| | 2015 Average Family Size | 3.06 |
| 2010 - 2015 Annual Rate | 2.80% | |
|  | 2000 Housing Units | 14,174 |
| | Owner Occupied Housing Units | 76.0% |
| | Renter Occupied Housing Units | 19.0% |
| | Vacant Housing Units | 5.0% |
| | 2010 Housing Units | 22,760 |
| | Owner Occupied Housing Units | 73.6% |
| | Renter Occupied Housing Units | 21.3% |
| | Vacant Housing Units | 5.1% |
| | 2015 Housing Units | 26,643 |
| | Owner Occupied Housing Units | 72.8% |
| | Renter Occupied Housing Units | 21.6% |
| | Vacant Housing Units | 5.6% |
| | Median Household Income | |
| | 2000 | \$59,273 |
| | 2010 | \$72,132 |
| 2015 | \$74,704 | |
| Median Home Value | | |
| 2000 | \$141,882 | |
| 2010 | \$222,117 | |
| 2015 | \$267,623 | |
| Per Capita Income | | |
| 2000 | \$23,156 | |
| 2010 | \$29,176 | |
| 2015 | \$30,765 | |
| Median Age | | |
| 2000 | 33.2 | |
| 2010 | 34.4 | |
| 2015 | 34.3 | |

Data Note: Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by total population.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Heights, Albuquerque Report Appendix

**2000 Households by Income**

| | |
|--------------------------|----------|
| Household Income Base | 13,450 |
| < \$15,000 | 5.9% |
| \$15,000 - \$24,999 | 7.6% |
| \$25,000 - \$34,999 | 8.7% |
| \$35,000 - \$49,999 | 17.7% |
| \$50,000 - \$74,999 | 27.8% |
| \$75,000 - \$99,999 | 18.6% |
| \$100,000 - \$149,999 | 10.9% |
| \$150,000 - \$199,999 | 1.8% |
| \$200,000 + | 1.1% |
| Average Household Income | \$64,665 |

2010 Households by Income

| | |
|--------------------------|----------|
| Household Income Base | 21,606 |
| < \$15,000 | 3.9% |
| \$15,000 - \$24,999 | 4.6% |
| \$25,000 - \$34,999 | 5.6% |
| \$35,000 - \$49,999 | 14.1% |
| \$50,000 - \$74,999 | 24.1% |
| \$75,000 - \$99,999 | 24.8% |
| \$100,000 - \$149,999 | 17.3% |
| \$150,000 - \$199,999 | 3.5% |
| \$200,000 + | 2.0% |
| Average Household Income | \$79,356 |

2015 Households by Income

| | |
|--------------------------|----------|
| Household Income Base | 25,141 |
| < \$15,000 | 3.5% |
| \$15,000 - \$24,999 | 3.6% |
| \$25,000 - \$34,999 | 4.8% |
| \$35,000 - \$49,999 | 10.2% |
| \$50,000 - \$74,999 | 28.1% |
| \$75,000 - \$99,999 | 25.5% |
| \$100,000 - \$149,999 | 18.2% |
| \$150,000 - \$199,999 | 3.8% |
| \$200,000 + | 2.1% |
| Average Household Income | \$82,840 |

2000 Owner Occupied Housing Units by Value

| | |
|-----------------------|-----------|
| Total | 10,837 |
| < \$50,000 | 0.4% |
| \$50,000 - \$99,999 | 8.1% |
| \$100,000 - \$149,999 | 51.4% |
| \$150,000 - \$199,999 | 27.6% |
| \$200,000 - \$299,999 | 11.5% |
| \$300,000 - \$499,999 | 0.6% |
| \$500,000 - \$999,999 | 0.3% |
| \$1,000,000+ | 0.1% |
| Average Home Value | \$153,068 |

2000 Specified Renter Occ. Housing Units by Contract Rent

| | |
|----------------|-------|
| Total | 2,670 |
| With Cash Rent | 97.8% |
| No Cash Rent | 2.2% |
| Median Rent | \$683 |
| Average Rent | \$698 |

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Heights, Albuquerque Report Appendix



2000 Population by Age

| | |
|-------------|--------|
| Total | 37,767 |
| Age 0 - 4 | 8.1% |
| Age 5 - 9 | 8.6% |
| Age 10 - 14 | 8.5% |
| Age 15 - 19 | 7.0% |
| Age 20 - 24 | 5.5% |
| Age 25 - 34 | 15.3% |
| Age 35 - 44 | 20.0% |
| Age 45 - 54 | 14.2% |
| Age 55 - 64 | 6.6% |
| Age 65 - 74 | 3.8% |
| Age 75 - 84 | 1.9% |
| Age 85+ | 0.4% |
| Age 18+ | 70.3% |

2010 Population by Age

| | |
|-------------|--------|
| Total | 58,384 |
| Age 0 - 4 | 8.3% |
| Age 5 - 9 | 8.0% |
| Age 10 - 14 | 7.7% |
| Age 15 - 19 | 6.9% |
| Age 20 - 24 | 5.8% |
| Age 25 - 34 | 14.1% |
| Age 35 - 44 | 16.3% |
| Age 45 - 54 | 15.4% |
| Age 55 - 64 | 10.1% |
| Age 65 - 74 | 4.5% |
| Age 75 - 84 | 2.1% |
| Age 85+ | 0.7% |
| Age 18+ | 71.7% |

2015 Population by Age

| | |
|-------------|--------|
| Total | 67,063 |
| Age 0 - 4 | 8.2% |
| Age 5 - 9 | 8.1% |
| Age 10 - 14 | 7.9% |
| Age 15 - 19 | 6.8% |
| Age 20 - 24 | 5.8% |
| Age 25 - 34 | 14.2% |
| Age 35 - 44 | 15.4% |
| Age 45 - 54 | 14.0% |
| Age 55 - 64 | 10.9% |
| Age 65 - 74 | 5.8% |
| Age 75 - 84 | 2.2% |
| Age 85+ | 0.7% |
| Age 18+ | 71.6% |

2000 Population by Sex

| | |
|---------|-------|
| Males | 48.8% |
| Females | 51.2% |

2010 Population by Sex

| | |
|---------|-------|
| Males | 48.7% |
| Females | 51.3% |

2015 Population by Sex

| | |
|---------|-------|
| Males | 48.5% |
| Females | 51.5% |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Heights, Albuquerque Report Appendix

**2000 Population by Race/Ethnicity**

| | |
|---------------------------------|--------|
| Total | 37,767 |
| White Alone | 74.6% |
| Black Alone | 2.5% |
| American Indian Alone | 4.1% |
| Asian or Pacific Islander Alone | 1.6% |
| Some Other Race Alone | 12.9% |
| Two or More Races | 4.3% |
| Hispanic Origin | 36.1% |
| Diversity Index | 69.9 |

2010 Population by Race/Ethnicity

| | |
|---------------------------------|--------|
| Total | 58,381 |
| White Alone | 70.1% |
| Black Alone | 3.7% |
| American Indian Alone | 5.0% |
| Asian or Pacific Islander Alone | 1.8% |
| Some Other Race Alone | 14.3% |
| Two or More Races | 5.0% |
| Hispanic Origin | 40.7% |
| Diversity Index | 74.3 |

2015 Population by Race/Ethnicity

| | |
|---------------------------------|--------|
| Total | 67,064 |
| White Alone | 68.3% |
| Black Alone | 4.1% |
| American Indian Alone | 5.2% |
| Asian or Pacific Islander Alone | 1.9% |
| Some Other Race Alone | 15.0% |
| Two or More Races | 5.4% |
| Hispanic Origin | 42.9% |
| Diversity Index | 76.0 |

**2000 Population 3+ by School Enrollment**

| | |
|-------------------------------|--------|
| Total | 35,988 |
| Enrolled in Nursery/Preschool | 2.4% |
| Enrolled in Kindergarten | 2.0% |
| Enrolled in Grade 1-8 | 13.8% |
| Enrolled in Grade 9-12 | 6.2% |
| Enrolled in College | 7.1% |
| Enrolled in Grad/Prof School | 1.7% |
| Not Enrolled in School | 66.7% |

2010 Population 25+ by Educational Attainment

| | |
|------------------------------|--------|
| Total | 36,924 |
| Less than 9th Grade | 1.9% |
| 9th - 12th Grade, No Diploma | 4.0% |
| High School Graduate | 21.9% |
| Some College, No Degree | 25.0% |
| Associate Degree | 10.5% |
| Bachelor's Degree | 22.4% |
| Graduate/Professional Degree | 14.3% |

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

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**2010 Population 15+ by Marital Status**

| | |
|---------------|--------|
| Total | 44,357 |
| Never Married | 28.6% |
| Married | 56.2% |
| Widowed | 2.6% |
| Divorced | 12.6% |

2000 Population 16+ by Employment Status

| | |
|---------------------|--------|
| Total | 27,949 |
| In Labor Force | 74.8% |
| Civilian Employed | 69.9% |
| Civilian Unemployed | 3.9% |
| In Armed Forces | 1.0% |
| Not in Labor Force | 25.2% |

**2010 Civilian Population 16+ in Labor Force**

| | |
|---------------------|-------|
| Civilian Employed | 92.5% |
| Civilian Unemployed | 7.5% |

2015 Civilian Population 16+ in Labor Force

| | |
|--------------------------|-------|
| Civilian Employed | 93.2% |
| Civilian Unemployed | 6.8% |

2000 Females 16+ by Employment Status and Age of Children

| | |
|--------------------------|--------|
| Total | 14,442 |
| Own Children < 6 Only | 10.0% |
| Employed/in Armed Forces | 6.2% |
| Unemployed | 0.0% |
| Not in Labor Force | 3.8% |
| Own Children <6 and 6-17 | 7.7% |
| Employed/in Armed Forces | 4.6% |
| Unemployed | 0.1% |
| Not in Labor Force | 3.0% |
| Own Children 6-17 Only | 21.7% |
| Employed/in Armed Forces | 16.7% |
| Unemployed | 0.5% |
| Not in Labor Force | 4.5% |
| No Own Children <18 | 60.5% |
| Employed/in Armed Forces | 38.1% |
| Unemployed | 2.6% |
| Not in Labor Force | 19.9% |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.Gibbs Planning Group Inc., Volcano Heights, Albuquerque Report Appendix

**2010 Employed Population 16+ by Industry**

| | |
|-------------------------------|--------|
| Total | 27,176 |
| Agriculture/Mining | 0.2% |
| Construction | 5.9% |
| Manufacturing | 5.2% |
| Wholesale Trade | 3.3% |
| Retail Trade | 11.0% |
| Transportation/Utilities | 3.6% |
| Information | 3.0% |
| Finance/Insurance/Real Estate | 7.3% |
| Services | 52.9% |
| Public Administration | 7.6% |

2010 Employed Population 16+ by Occupation

| | |
|---------------------------------|--------|
| Total | 27,176 |
| White Collar | 72.3% |
| Management/Business/Financial | 15.6% |
| Professional | 30.0% |
| Sales | 12.5% |
| Administrative Support | 14.3% |
| Services | 15.1% |
| Blue Collar | 12.5% |
| Farming/Forestry/Fishing | 0.1% |
| Construction/Extraction | 3.9% |
| Installation/Maintenance/Repair | 2.9% |
| Production | 2.7% |
| Transportation/Material Moving | 2.9% |

**2000 Workers 16+ by Means of Transportation to Work**

| | |
|----------------------------------|--------|
| Total | 19,615 |
| Drove Alone - Car, Truck, or Van | 82.3% |
| Carpooled - Car, Truck, or Van | 11.2% |
| Public Transportation | 0.5% |
| Walked | 0.7% |
| Other Means | 1.2% |
| Worked at Home | 4.0% |

2000 Workers 16+ by Travel Time to Work

| | |
|--------------------------------------|--------|
| Total | 19,615 |
| Did not Work at Home | 96.0% |
| Less than 5 minutes | 2.1% |
| 5 to 9 minutes | 5.3% |
| 10 to 19 minutes | 27.2% |
| 20 to 24 minutes | 22.2% |
| 25 to 34 minutes | 27.0% |
| 35 to 44 minutes | 4.8% |
| 45 to 59 minutes | 3.7% |
| 60 to 89 minutes | 2.2% |
| 90 or more minutes | 1.4% |
| Worked at Home | 4.0% |
| Average Travel Time to Work (in min) | 23.9 |

2000 Households by Vehicles Available

| | |
|--------------------------------------|--------|
| Total | 13,505 |
| None | 1.6% |
| 1 | 25.5% |
| 2 | 50.5% |
| 3 | 16.1% |
| 4 | 5.1% |
| 5+ | 1.2% |
| Average Number of Vehicles Available | 2.0 |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

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2000 Households by Type

| | |
|----------------------------------|--------|
| Total | 13,463 |
| Family Households | 76.7% |
| Married-couple Family | 63.0% |
| With Related Children | 35.0% |
| Other Family (No Spouse) | 13.7% |
| With Related Children | 10.0% |
| Nonfamily Households | 23.3% |
| Householder Living Alone | 17.4% |
| Householder Not Living Alone | 6.0% |
| Households with Related Children | 45.0% |
| Households with Persons 65+ | 12.0% |

2000 Households by Size

| | |
|---------------------|--------|
| Total | 13,463 |
| 1 Person Household | 17.4% |
| 2 Person Household | 33.8% |
| 3 Person Household | 19.2% |
| 4 Person Household | 19.0% |
| 5 Person Household | 7.2% |
| 6 Person Household | 2.4% |
| 7+ Person Household | 0.9% |

2000 Households by Year Householder Moved In

| | |
|----------------------------------|--------|
| Total | 13,507 |
| Moved in 1999 to March 2000 | 24.1% |
| Moved in 1995 to 1998 | 38.1% |
| Moved in 1990 to 1994 | 19.3% |
| Moved in 1980 to 1989 | 13.4% |
| Moved in 1970 to 1979 | 4.1% |
| Moved in 1969 or Earlier | 1.1% |
| Median Year Householder Moved In | 1996 |



2000 Housing Units by Units in Structure

| | |
|-------------|--------|
| Total | 14,220 |
| 1, Detached | 82.1% |
| 1, Attached | 2.6% |
| 2 | 0.4% |
| 3 or 4 | 2.9% |
| 5 to 9 | 5.9% |
| 10 to 19 | 1.8% |
| 20+ | 3.7% |
| Mobile Home | 0.5% |
| Other | 0.0% |

2000 Housing Units by Year Structure Built

| | |
|-----------------------------|--------|
| Total | 14,219 |
| 1999 to March 2000 | 6.3% |
| 1995 to 1998 | 25.8% |
| 1990 to 1994 | 19.7% |
| 1980 to 1989 | 29.3% |
| 1970 to 1979 | 14.3% |
| 1969 or Earlier | 4.7% |
| Median Year Structure Built | 1990 |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Heights, Albuquerque Report Appendix

Top 3 Tapestry Segments

1. Up and Coming Families
 2. Sophisticated Squires
 3. Cozy and Comfortable
-



2010 Consumer Spending shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

| | |
|---|---------------|
| Apparel & Services: Total \$ | \$41,284,013 |
| Average Spent | \$1,910.77 |
| Spending Potential Index | 80 |
| Computers & Accessories: Total \$ | \$5,529,994 |
| Average Spent | \$255.95 |
| Spending Potential Index | 116 |
| Education: Total \$ | \$30,623,464 |
| Average Spent | \$1,417.36 |
| Spending Potential Index | 116 |
| Entertainment/Recreation: Total \$ | \$81,087,944 |
| Average Spent | \$3,753.03 |
| Spending Potential Index | 116 |
| Food at Home: Total \$ | \$105,181,329 |
| Average Spent | \$4,868.15 |
| Spending Potential Index | 109 |
| Food Away from Home: Total \$ | \$79,270,358 |
| Average Spent | \$3,668.90 |
| Spending Potential Index | 114 |
| Health Care: Total \$ | \$84,962,747 |
| Average Spent | \$3,932.37 |
| Spending Potential Index | 106 |
| Household Furnishings & Equip: Total \$ | \$45,541,237 |
| Average Spent | \$2,107.81 |
| Spending Potential Index | 102 |
| Investments: Total \$ | \$38,354,210 |
| Average Spent | \$1,775.16 |
| Spending Potential Index | 102 |
| Retail Goods: Total \$ | \$580,772,315 |
| Average Spent | \$26,880.14 |
| Spending Potential Index | 108 |
| Shelter: Total \$ | \$399,621,793 |
| Average Spent | \$18,495.87 |
| Spending Potential Index | 117 |
| TV/Video/Audio: Total \$ | \$29,831,057 |
| Average Spent | \$1,380.68 |
| Spending Potential Index | 111 |
| Travel: Total \$ | \$48,151,609 |
| Average Spent | \$2,228.62 |
| Spending Potential Index | 118 |
| Vehicle Maintenance & Repairs: Total \$ | \$22,907,235 |
| Average Spent | \$1,060.23 |
| Spending Potential Index | 112 |

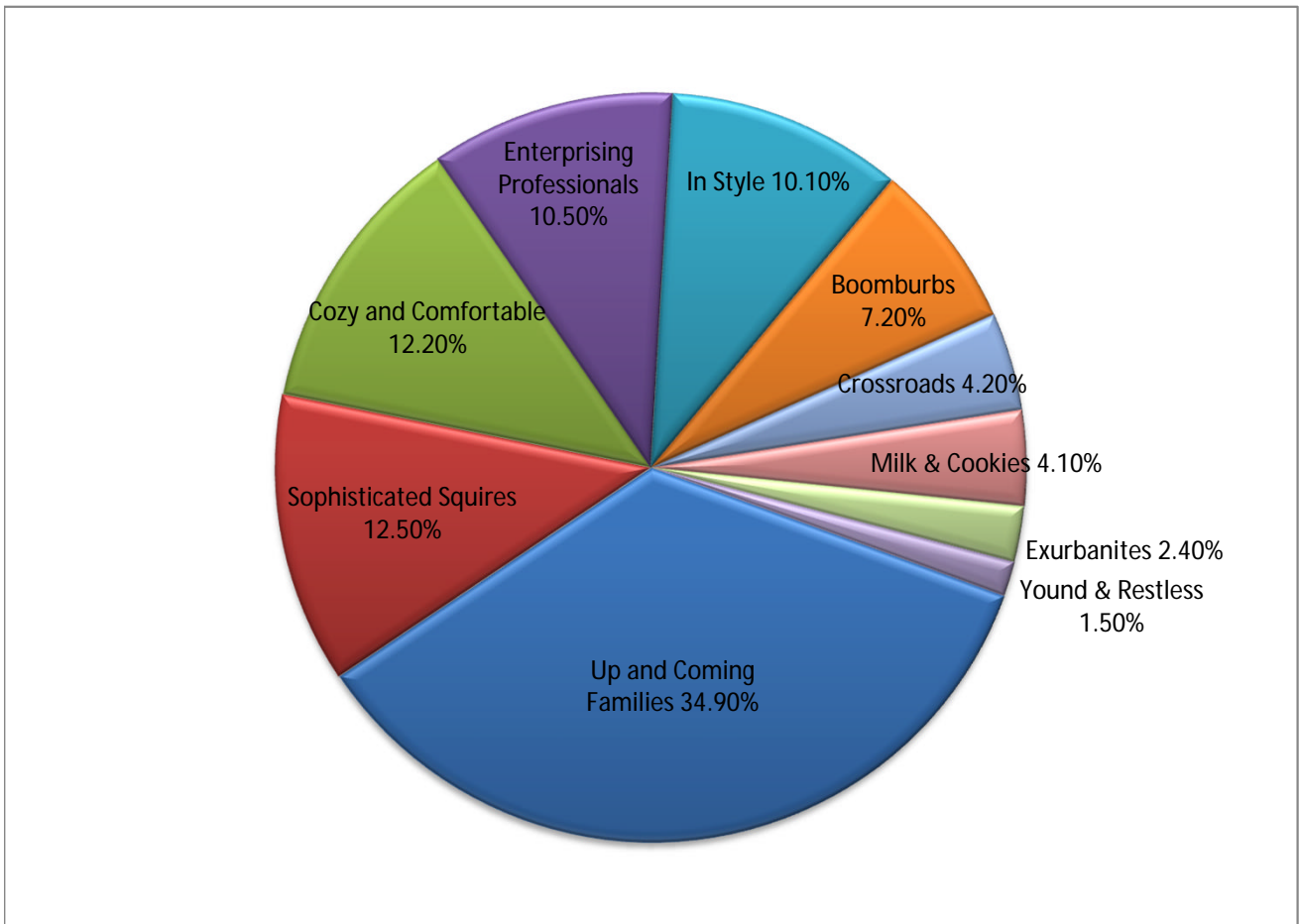
Data Note: The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Expenditure data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics.

PRIMARY TAPESTRY LIFESTYLE TABLE

Volcano Heights Albuquerque Study Area
Top Ten Tapestry Segments

| Rank | Tapestry Segment | Households | | U.S. Households | |
|------|----------------------------|------------|--------------------|-----------------|--------------------|
| | | Percent | Cumulative Percent | Percent | Cumulative Percent |
| 1 | Up and Coming Families | 34.9% | 34.9% | 3.5% | 1.5% |
| 2 | Sophisticated Squires | 12.5% | 47.4% | 2.7% | 2.5% |
| 3 | Cozy and Comfortable | 12.2% | 59.6% | 2.8% | 6.0% |
| 4 | Enterprising Professionals | 10.5% | 70.1% | 1.7% | 6.9% |
| 5 | In Style | 10.1% | 80.2% | 2.5% | 8.4% |
| | | 80.2% | | 13.2% | |
| 6 | Boomburbs | 7.2% | 87.4% | 2.3% | 9.3% |
| 7 | Crossroads | 4.2% | 91.6% | 1.5% | 12.1% |
| 8 | Milk & Cookies | 4.1% | 95.7% | 2.0% | 13.6% |
| 9 | Exurbanites | 2.4% | 98.1% | 2.5% | 14.4% |
| 10 | Yound & Restless | 1.5% | 99.6% | 1.4% | 15.8% |
| | | 99.6% | | 22.9% | |



Segment Name: Up and Coming Families
LifeMode Group: Family Portrait



Demographic

With an annual household growth rate of 5.2 percent, Up and Coming Families represents Tapestry's second highest household growth market. A mix of Generation Xers and Baby Boomers with a median age of 31.9 years, this segment is the youngest of Tapestry's affluent family markets. Residents of these neighborhoods are young, affluent families with younger children. Eighty percent of the households are families. Most of the residents are white; however, diversity is increasing as the segment grows.

Socioeconomic

Beginning their careers, residents of Up and Coming Families are earning above-average incomes. The median household income is \$78,189, higher than the national median. The median net worth is \$194,046. Nearly two-thirds of the residents aged 25 years and older have attended college; more than one in five holds a bachelor's degree. Labor force participation is well above average at 71 percent; unemployment is low. Ninety-one percent of households earn income from wages and salaries. Although half of the households have children, they also have working parents.

Residential

In the suburban outskirts of midsized metropolitan areas with populations higher than 250,000, approximately half of Up and Coming Families neighborhoods are concentrated in the South, the other half in the West and Midwest. Most residents live in new single-family housing; more than half the housing units were built in the last 10 years. Homeownership is at 83 percent. The median home value is \$182,628.

Preferences

Family and home dictate the products these residents buy. Many are beginning or expanding their families, so baby equipment, children's clothing, and toys are essential purchases. Because many are first-time homeowners, basic household furniture and lawn fertilizer, weed control, and insecticide products are important. Car loans and mortgage payments are major household budget items. They are most likely to own or lease an SUV or a Minivan. They eat out at family restaurants, especially on the weekends, and buy fast food at the drive-through or for takeout.

They play softball, take the kids to the zoo, and visit theme parks (generally Sea World or Disney World) where they make good use of their digital camera or camcorder. They rent comedy, family, and action/adventure DVDs. Cable station favorites include Country Music Channel, ESPN news, The Learning Channel, and the Disney Channel. They listen to country, soft rock, and contemporary hit radio.

Segment Name: Sophisticated Squires
LifeMode Group: High Society



Demographic

Residents of Sophisticated Squires neighborhoods enjoy cultured country life on the urban fringe. These city escapees accept longer commutes to live near fewer neighbors. Mostly married couple families; more than 40 percent of the households are married couples with children that range from toddlers to young adults. The median age is 38.2 years. Most are baby boomers and are aged between 35 and 54 years. This segment is not ethnically diverse; most residents are white.

Socioeconomic

These residents are educated; more than one-third of the population aged 25 years or older holds a bachelor's or graduate degree; another third has attended college. Labor force participation rates are high; occupations range from management to unskilled labor positions. Most work in white-collar jobs. The median household income is \$86,075. Nearly 90 percent of the households earn wage or salary income; nearly half supplement their wages and salaries with interest, dividends, or rental income. The median net worth is \$298,660.

Residential

Sophisticated Squires live in less densely populated areas concentrated along the Atlantic coast and around the Great Lakes. Approximately 90 percent of the housing is single family homes; the median home value is \$237,607. Seventy four percent of the housing was built before 1990; 55 percent was built between 1970 and 1989. More than 80 percent of the households own at least two vehicles. They prefer compact SUVs; however, many drive minivans or full-size SUVs.

Preferences

Do-it-yourselfers, Sophisticated Squires residents take care of their lawns and landscaping; home improvements; and remodeling projects such as bathroom remodeling, installing new light fixtures, painting home interiors, staining decks, and cleaning carpets with their steam cleaners. They like to barbecue on their gas grills and make bread with their bread making machines. Many households own a motorcycle. A typical household will own three or more cell phones. Looking toward the future, many residents own stocks, bonds, and large life insurance policies. When dieting, they go on Weight Watchers; many own a treadmill or stationary bike to stay fit.

They go power boating, play board and word games, do woodworking projects, and attend football and baseball games. Adults also take photos, play golf, and ride their motorcycles. Children play games on the home personal computer and typically own a video game system. Residents listen to soft adult contemporary music; classic hits; news; all-talk; and sports radio, including broadcasts of professional games. Although many households have four or more TVs, residents watch as much television as typical U.S. households. Favorite programs include news, comedies, dramas, and programs on Home & Garden Television.

Segment Name: Cozy and Comfortable
LifeMode Group: Upscale Avenues



Demographic

Cozy and Comfortable residents are middle-aged married couples who are comfortably settled in their single-family homes in older neighborhoods. The median age of 42 years is five years older than the U.S. median of 36.9 years. Most residents are married without children or married couples with school-aged or adult children. With 8.7 million people, this is a relatively large segment that is growing moderately by 0.6 percent annually since 2000. Most of these residents are white.

Socioeconomic

Although the labor force is older, they are in no hurry to retire. The labor force participation rate is 67 percent; the unemployment figure is 9 percent. Employed residents work in professional, managerial, and service occupations in a variety of industry sectors. Occupation distributions are similar to U.S. values. The median household income is \$66,327. Income for 80 percent of the households is earned from wages and salaries. Forty-six percent of households receive investment income. Their median net worth is \$187,640.

Residential

Cozy and Comfortable neighborhoods are located in suburban areas, primarily in the Midwest, Northeast, and South. Many residents are still living in the homes in which they raised their children. Single-family structures make up 88 percent of the household inventory. The median home value is \$158,486. Sixty-two percent of the housing units were built before 1970. Homeownership is at 85 percent.

Preferences

Cozy and Comfortable residents prefer to own certificates of deposit and consult a financial planner. They typically hold a second mortgage, a new car loan, a home equity line of credit, and a universal life insurance policy. Home improvement and remodeling projects are important to them. Although they will contract for some work, they attempt many projects, especially painting and lawn care. Depending on the season, they play golf or ice skate for exercise. They attend ice hockey games, watch science fiction movies on DVD, and take domestic vacations. They eat at family restaurants such as Friendly's, Bob Evans Farms, and Big Boy.

Going online isn't a priority, so they own older home computers. Television is very important; many households own four or more sets so they won't miss any of their favorite shows. They watch sports, particularly football, and news programs. Reading the Sunday newspaper is part of the routine for many.

Segment Name: Enterprising Professionals
LifeMode Group: In Style



Demographic

Young, educated, single, married, working professionals, residents of Enterprising Professionals neighborhoods have a median age of 32.4 years. Forty-three percent of the households are singles who live alone or share housing with roommates, and 43 percent are married couple families. One of the fastest-growing markets, with an annual household growth of 2.2 percent per year since 2000, the households in this segment comprise approximately 2 percent of total U.S. households. The diversity of the population is similar to that of the U.S. Most of the residents are white; however, 12 percent are Asian.

Socioeconomic

Median household income is \$70,207; the median net worth of \$79,982 is growing. Ninety percent of the households earn income from wages and salaries; 39 percent receive income from investments. This is an educated group: approximately half of the population aged 25 years and older hold a bachelor's or graduate degree; more than three in four have attended college. These working professionals are employed in various jobs, especially in management, finance, computer, sales, and office/administrative support. Labor force participation is 75 percent.

Residential

Enterprising Professionals residents move frequently to find growth opportunities and better jobs, especially in cities such as Chicago, Atlanta, and Seattle. Forty-six percent of the households are located in the South, 29 percent are in the West, and 20 percent are in the Midwest. They prefer to own instead of rent in newer neighborhoods of townhouses or apartments. The median value is \$229,129 for owner occupied houses. For those who rent, the average gross rent is 36 percent higher than the U.S. average.

Preferences

They are young and mobile with growing consumer clout. Those who rent hold renter's insurance policies. They rely on cell phones and e-mail to stay in touch. They go online to download videos and music, track their investments, and shop for items, including personal computers and software. They own laptops, video game systems, and digital camcorders.

They love to travel abroad and in the U.S. often. They play video games, visit theme parks, jog, and swim. They read computer, science, and technology magazines and listen to alternative, public-all-talk, and sports radio. They eat out at Cheesecake Factory and Chili's Grill and Bar. They shop for groceries at stores such as Publix and Albertson's.

Segment Name: In Style
LifeMode Group: Upscale Avenues



Demographic

In Style residents live in the suburbs but prefer the city lifestyle. Professional couples predominate. Household distributions by type are similar to those of the United States. Married-couple families represent 54 percent of households. Households without children (married couples without children, single-person, shared, and other family types), comprise more than two-thirds of all households. This count is increasing. The population is slightly older, with a median age of 39.9 years. There is little diversity in these neighborhoods.

Socioeconomic

In Style residents are prosperous, with a median household income of \$71,177 and a median net worth of \$188,492. Wages and salaries provide income for 84 percent of the households; 47 percent also receive some form of investment income. In Style residents are more educated compared to the U.S. level: 42 percent of the population aged 25 years and older hold a bachelor's or graduate degree. Labor force participation is 70 percent; unemployment is 8.2 percent. Forty-six percent of employed residents have professional or management positions, with above average concentrations in the finance, insurance, health care, technical services, and education industry sectors.

Residential

In Style residents live in affluent neighborhoods of metropolitan areas across the country. More suburban than urban, they embrace an urbane lifestyle; 14 percent prefer townhouses to traditional single-family homes chosen by 56 percent of the households. The median home value is \$224,030. The 69 percent rate of homeownership is just slightly above average. More than three-quarters of the housing was built in the last 30 years.

Preferences

Computer savvy In Style residents go online daily to research real estate information; do their banking; track investments; trade stocks; book travel; and buy computer hardware or software, concert tickets, or tickets to sporting events. They use a financial planner and invest in stocks, bonds, money market funds, money market bank accounts, and securities. Looking toward the future, residents hold life insurance policies and contribute to IRA and 401(k) retirement accounts. To maintain their homes, they hire professional household cleaning services and contractors to remodel their kitchens.

Residents stay fit by exercising, eating a healthy diet to control their weight, buying low-fat foods, and taking vitamins. They attend live musical performances and gamble at casinos. They take domestic vacations to hike, golf, and go backpacking. They read magazines, listen to news-talk radio, and watch professional sports events and golf on TV.

Segment Name: Boomburbs
LifeMode Group: High Society



Demographic

The newest additions to the suburbs, these communities are home to busy, affluent young families. Both the neighborhoods and the families are growing. Boomburbs is the fastest-growing market in the United States; the population has been growing at a rate of 5.57 percent annually since 2000. It is also home to one of the highest concentrations of young families with children. The median age is 33.8 years; one-fifth of Boomburbs residents are between 35 and 44 years of age. There is little ethnic diversity in the population; most of the residents are white.

Socioeconomic

The Boomburbs market includes one of the highest concentrations of two-income households, complemented by one of the highest rates of labor force participation, at 72 percent. Residents are well educated: more than 50 percent of the population aged 25 years and older hold a bachelor's or graduate degree. They work primarily in management, professional, and sales occupations. The median household income is \$123,091, more than double that of the U.S. median. More than half of these households receive additional income from interest, dividends, and rental property. The median net worth is \$475,609.

Residential

The newest developments in growing areas, Boomburbs neighborhoods are concentrated in the South, West, and Midwest; the highest state concentrations are found in Texas and California. Approximately three-quarters of the housing units in Boomburbs neighborhoods were built after 1989; most are single-family houses. These are the newest developments in growing areas. The homeownership rate is 88 percent, compared to 66 percent for the United States. The median home value of \$289,813 is also high compared to the U.S. median of \$162,279. Commuting links these dual career households with their suburban lifestyle. Many work outside their resident county; 35 percent cross county lines to work (compared to 23 percent for the United States).

Preferences

Residents' product preferences reflect their suburban lifestyle. Boomburbs is the top segment for buying household furnishings, toys and games, men's business and casual clothes, big-screen TVs, cars, and trees. This is also the top market to own big-screen TVs, DVD players, digital camcorders, video game systems, and scanners as well as owning or leasing full-size SUVs. Residents own laptop computers, all kinds of software, and two or more cell phones. They are well-insured, holding life insurance policies worth \$500,000 or more. They go online frequently to buy flowers and tickets to sports events, trade and track their investments, do their banking, and make travel plans. Personal computer use by children younger than 18 years is the highest of all the Tapestry segments.

Boomburbs residents prefer homes with fireplaces and hot tubs. They tend to employ professional household cleaning services. They will do home improvement projects themselves or hire a contractor for more complicated work. For property maintenance, they hire lawn care and landscaping services, but will also do some lawn care themselves.

Family vacations are a top priority; trips to Disney World, Sea World, and other theme parks are popular destinations. For exercise, they play tennis and golf, ski, lift weights, and jog. They watch family videos on DVD, attend baseball and basketball games, and go to golf tournaments. They will readily spend more than \$250 a year on high-end sports equipment and buy family DVDs for their collections. Favorite types of radio programs include alternative, soft contemporary, sports, and all-talk. They read parenting, finance, and business magazines and watch newer sitcoms and dramas on TV.

Segment Name: Crossroads
LifeMode Group: American Quilt



Demographic

Crossroads neighborhoods are primarily home to married couple families with and without children and single-parent families. These residents are young, with a median age of 32.0 years. Householders tend to be younger than the U.S. average; approximately half of them are younger than 45 years. The population in this segment is growing more than 1.6 percent annually, a faster rate than the U.S. population. Nineteen percent of residents are Hispanic. Although 73 percent of residents are white, other racial groups are represented in this market.

Socioeconomic

The median household income for this market is \$41,213, somewhat below the U.S. median; the median net worth is \$47,371, less than half the U.S. value. Educational attainment levels are lower than U.S. levels; only 36 percent of residents aged 25 years and older hold a bachelor's or graduate degree or have attended college. Most of the employed residents work in the manufacturing, construction, retail trade, and service industry sectors. Labor force participation is comparable to the U.S. level, but unemployment is slightly higher.

Residential

Crossroads communities are growing neighborhoods that are frequently found in small towns throughout the South, Midwest, and West. These small towns provide affordable housing for young families, providing them an opportunity to own their homes. Homeownership is 77 percent; the median home value is \$74,804, much lower than the U.S. median. More than half of *Crossroads* households are mobile homes; 36 percent are single-family dwellings. Most of the housing was built after 1969.

Preferences

Mindful of their expenses, *Crossroads* households budget for what they buy and choose selectively where to spend their money. They shop at discount department stores such as Wal-Mart and Kmart. Many shop for groceries at Wal-Mart Supercenters. Their priorities are their families and their cars. Children are the focus of their lives, and they buy children's products in addition to groceries. They prefer domestic cars or trucks, commonly buy used vehicles, and handle the maintenance themselves. Investing and saving for retirement are a low priority; many households do not own mutual funds, stocks, or retirement savings accounts. Home improvement projects also rank low.

Crossroads residents enjoy watching television, especially cartoon channels for the kids and ?shing or NASCAR racing for the adults. Typically, they own a satellite dish or subscribe to cable. They also like to listen to the radio, preferring country and contemporary hit music to other formats. They read the newspaper less frequently than average U.S. households; however, they read magazines, especially automotive, boating, motorcycle, and ?shing publications. They like to ?sh and go to the movies. Most households have pets such as cats and dogs. Birds are especially popular.

Volcano Heights Market Study

B – Office Market Study

Prepared for the City of Albuquerque

By Gibbs Planning Group (GPG), subconsultant to Gateway Planning Group

DISCLAIMERS:

- This market study was prepared for sector planning purposes ONLY and may not be used for development and/or any other purpose.
- The study focuses on 130+ acres within the Town Center of the July 2010 draft of the Volcano Heights Sector Development Plan.
- Findings were based on the 2010 version of the Volcano Heights Sector Development Plan prepared for the City of Albuquerque’s Environmental Planning Commission and data available as of February 2011.

OFFICE MARKET ANALYSIS

VOLCANO HEIGHTS ALBUQUERQUE, NEW MEXICO

Prepared For:

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Albuquerque, New Mexico 87103

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Office Market Analysis: Volcano Heights Study Area

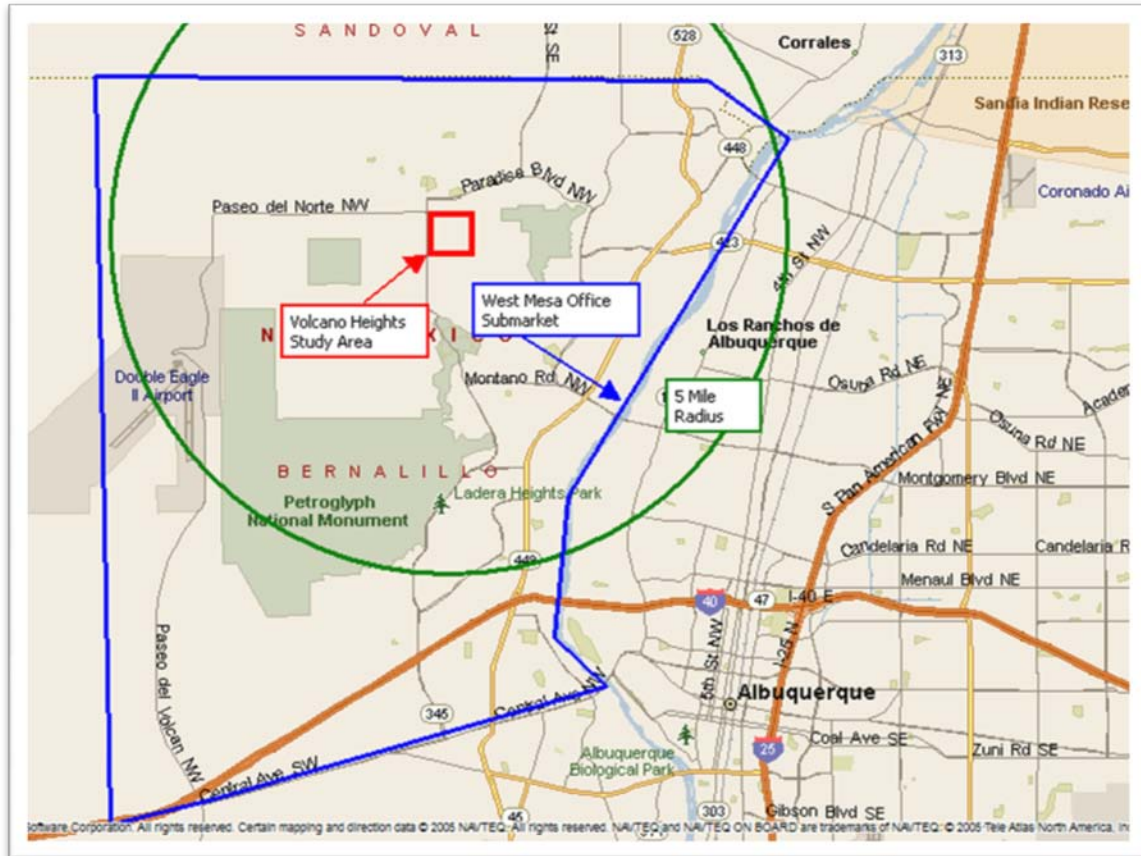


Figure 1: The West Mesa Office Submarket stretches from the Sandoval County line north of the subject site, south to Central Avenue.

Executive Summary

This study is based on approximately 130 acres proposed for commercial activity within the 'Town Center' Zone of the 2010 Volcano Heights Sector Development Plan. This study finds that the Volcano Heights study area can support 305,000 square feet of new office development by 2015. Gibbs Planning Group, Inc. (GPG) makes this projection on a stabilized vacancy factor of 12.5 percent (current vacancy rate 13.35 percent), and an annualized employment growth rate of 7.94 percent over the next five years. The exceptional growth rate is heavily influenced by significant residential demand projected in the Volcano Heights Sector Development Plan (SDP). With full build-out, the additional segments of the 570-acre Volcano Heights area could conceivably add 100,000 square feet of office space.

The office space expansion is necessary for projected job growth in the Education & Health Services, Retail Trade, and Government sectors.

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Volcano Mesa Area

A major contributor to office space growth in the study area is the planned build-out of the Volcano Mesa Area, ultimately generating an additional 100K of office space. The total Volcano Mesa Area contains 3,555 acres, generating up to 12,000 new residential dwelling units (or 12,000 new households), and 30,000 new residents. The Sector Plan estimates that sustainable growth requires 1.25 jobs per new household, necessitating 15,000 new jobs at build-out.

Albuquerque’s annual projected growth is 5,500 households per year, of which up to 60 percent can be captured by new development in the Volcano Mesa area, resulting in 3,300 new households annually.

Greater Albuquerque Office Market

Net Absorption & Constructions in Sq.Ft.

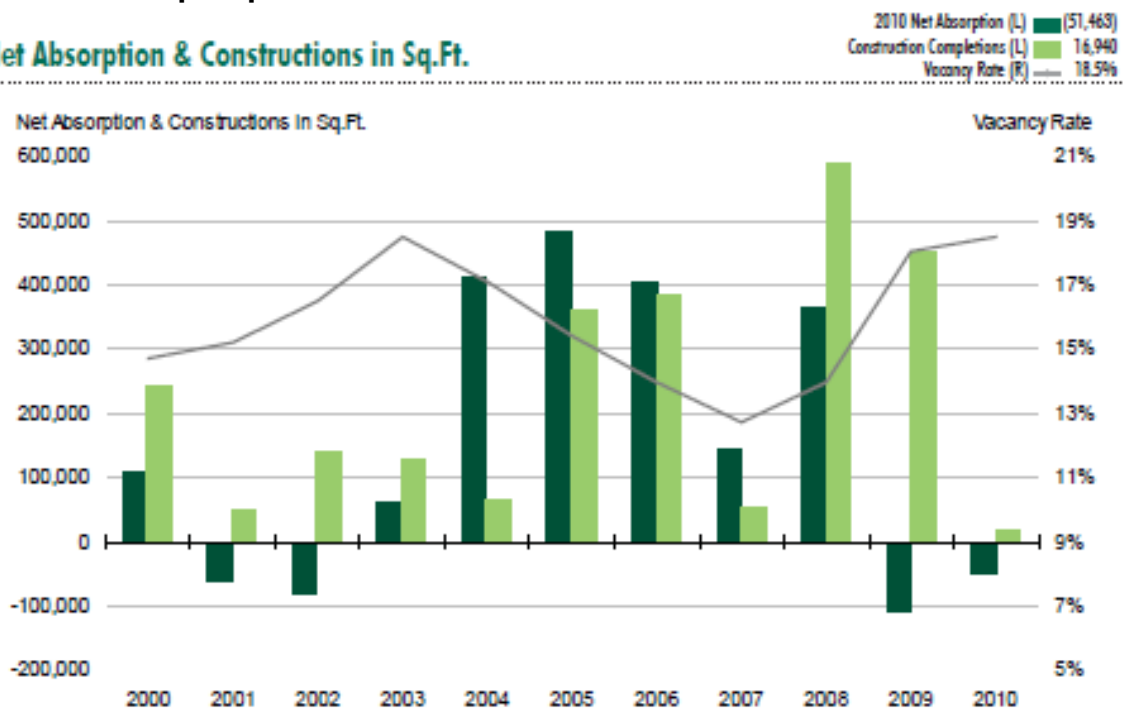


Figure 2: Greater Albuquerque vacancy rate and absorption. (Source: CB Richard Ellis, Inc.)

The Albuquerque office market ended the fourth quarter of 2010 with a vacancy rate of 18.5 percent. Net absorption totaled negative 4,800 square feet from October to December 2010, and year to date absorption is also negative at 51,500 square feet. Available sublease space declined during this period to 76,200 square feet, of which 73,600 square feet is located in the suburban Albuquerque market. Median asking rent finished at \$15.50, a small 2.8 percent decrease from \$15.95 at the beginning of the year.

The Greater Albuquerque Office Market is composed of 13,310,000 square feet of space. The Class A sector consists of 1,443,000 square feet. Class B space totals 6,592,000 square feet, and 5,275,000 square feet of Class C space.

Albuquerque Class A space began the year at a 16.23 percent vacancy level. It has steadily climbed during the year to a level of 20.4 percent. Vacancy levels in Class B space began the year at 18.8 percent, and fell back to 17.4 percent the end of the fourth quarter. Class C space climbed gradually from a level of 17.5 percent to an end of year level of 19.3 percent. The best performing submarkets are Rio Rancho (7.1 percent vacancy rate), West Mesa (13.4 percent), and Mesa del Sol (15.4 percent). The highest vacancy rate areas are the Northeast Heights (26.0 percent), University (24.7 percent) and Downtown (20.1 percent).

Four of the eleven Albuquerque office submarkets experienced positive absorption during 2010, six experienced negative absorption, and one was unchanged from the 4th quarter of the previous year. The top performing districts were Southeast Heights (+57,000 square feet), University (+25,700), and Rio Rancho (+24,400). The areas of greatest negative absorption are North I-25 (-48,400), Uptown (-44,500), and Downtown (-32,000).

| Submarket | Building SF | Total Vacancy Rate | Net Absorption | | Construction Completions | | Under Construction | Median Ask Lse Rate \$/SF/YR Full Service | |
|----------------|-------------|--------------------|----------------|----------|--------------------------|--------|--------------------|---|---------|
| | | | Curr Qtr SF | YTD SF | Curr Qtr SF | YTD SF | | Class A | Class B |
| Airport | 967,447 | 15.9% | 12,409 | (29,832) | 0 | 0 | 0 | | \$15.00 |
| Downtown | 2,788,047 | 20.1% | (8,879) | (31,985) | 0 | 0 | 0 | \$21.88 | \$16.38 |
| Far NE Heights | 1,104,185 | 15.8% | (4,792) | 16,229 | 0 | 0 | 0 | | \$17.00 |
| Mesa del Sol | 271,052 | 15.4% | 0 | 0 | 0 | 0 | 0 | \$23.00 | |
| NE Heights | 786,042 | 26.0% | 270 | (15,753) | 0 | 0 | 0 | | \$21.00 |
| North I-25 | 3,062,144 | 18.7% | (21,883) | (48,426) | 0 | 0 | 0 | \$22.50 | \$20.38 |
| Rio Rancho | 567,075 | 7.1% | 24,867 | 24,356 | 14,288 | 14,288 | 0 | | \$15.75 |
| SE Heights | 842,755 | 19.2% | 1,149 | 57,067 | 0 | 0 | 0 | | \$20.00 |
| University | 607,453 | 24.7% | 0 | 25,662 | 0 | 0 | 0 | | \$15.74 |
| Uptown | 1,738,983 | 18.6% | (9,360) | (44,489) | 2,652 | 2,652 | 0 | \$20.69 | \$18.50 |
| West Mesa | 575,069 | 13.4% | 1,446 | (4,292) | 0 | 0 | 0 | | \$21.50 |
| Market Total | 13,310,252 | 18.5% | (4,773) | (51,463) | 16,940 | 16,940 | 0 | \$22.00 | \$17.50 |

Figure 3: Almost 17,000 sf of office space was delivered to the Albuquerque market in 2010. There is no new space under construction at this time. (Source: CB Richard Ellis, Inc.)

New office space coming into the market is near 30-year lows in 2010. In 2010 there were only two new office projects delivered to the market. The projects totaled 16,900 square feet (14,200 square feet in the Rio Rancho submarket, and a 2,600 square feet tenant expansion in the Uptown submarket), with 0 private sector square feet under construction at the end of December 2010 (there is a 98,000 square foot US Forest Service building under construction).

Along with absorption and new office space delivery to market, the sublet market is the third component of the vacancy rate. It consists of office space offered for lease back to the market by an original tenant with the lease obligation. The amount of sublease office space in the Albuquerque marketplace peaked in 2009. At the end of 2010, the sublet market declined to 76,200 square feet, a reduction of almost 50 percent from the peak. Unfortunately, most of the decrease is accounted for by leases expiring and the property reverting to the landlord and remaining vacant. Class A office space makes up fewer than 10 percent of the available sublet space (7,300 square feet). Class B sublet space comprises 85 percent of the sublet market (65,200 square feet). Class C sublet space is only 5 percent at 3,600 square feet.

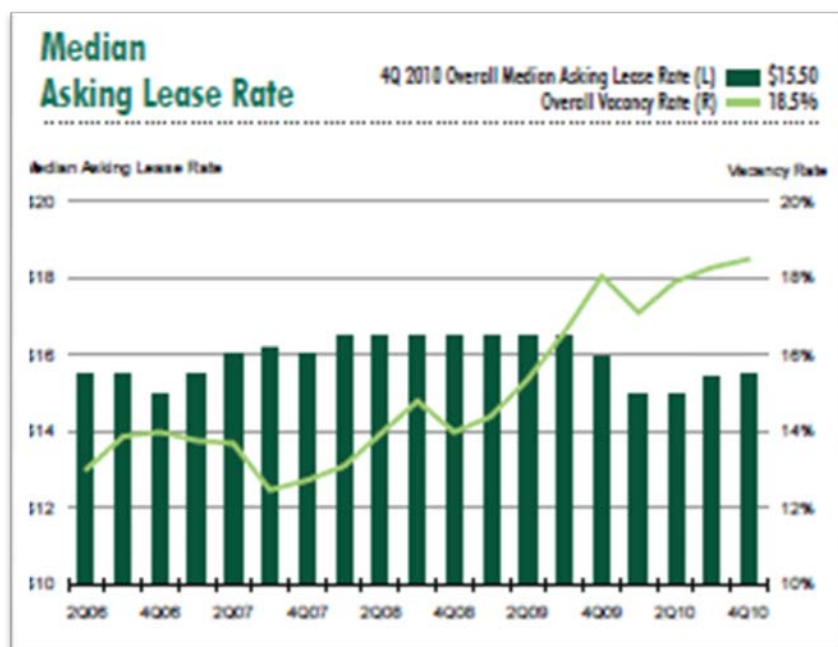


Figure 4: Median asking lease rates fell significantly after the 2008 financial crisis, but throughout 2010 have showed signs of recovery. (Source: CB Richard Ellis, Inc.)

West Mesa Office Trade Area Demographics

The “West Mesa” office submarket is bound by the Rio Grande to the east, Central Avenue to the south, and the Bernalillo-Sandoval county line to the north. This office district contains 575,000 square feet of office space, 4.3 percent of the overall Albuquerque office market.

The population projections show expansion from 121,100 in 2010 to 139,600 in 2015, a 2.88 percent annual growth rate. In addition to this projection, the Volcano Heights Sector Plan allows for an additional potential 25,000 persons above the existing zoning. At a 60 percent capture rate of the overall annual Albuquerque projection of 5,500 residents, 3,300 persons or 1,270 households will be generated by the build-out of the Volcano Heights Sector Plan.

Households follow a similar pattern, increasing from 45,600 in 2010 to 58,100 in 2015 (4.97 percent annually). Household size will decline between 2010 and 2015 from 2.62 persons per household to 2.60. The median age of residents in the submarket will increase from 32.8 years old to 33.0 years old.

Currently, this office trade area has a median household income of \$64,000. This income will grow to \$68,200 in 2015, a 3.90 percent annual rate. The per capita income is \$27,700, climbing to \$29,500 in 2015 (1.23 percent annually). Homeownership has fallen from a 2000 level of 69.5 percent to today's level of 67.9 percent, and will continue to fall to 67.5 percent in 2015.

2010 Employed Population 16+ by Occupation

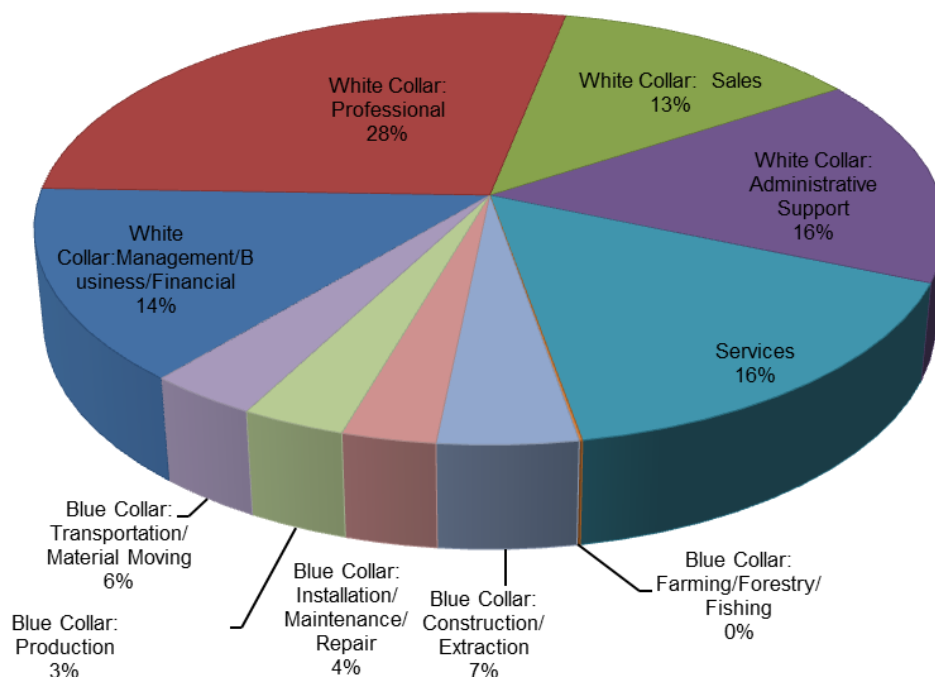


Figure 5: Employment by Occupation chart.

Employment by occupation amongst the population living in the West Mesa office submarket area is mostly white collar (70.3 percent), followed by service employment (15.8 percent), and blue collar (13.9 percent). The dominate industry providing employment to the residents of the submarket is the service industry, followed by retail trade, and Finance/Insurance/Real Estate. 42.4 percent of the

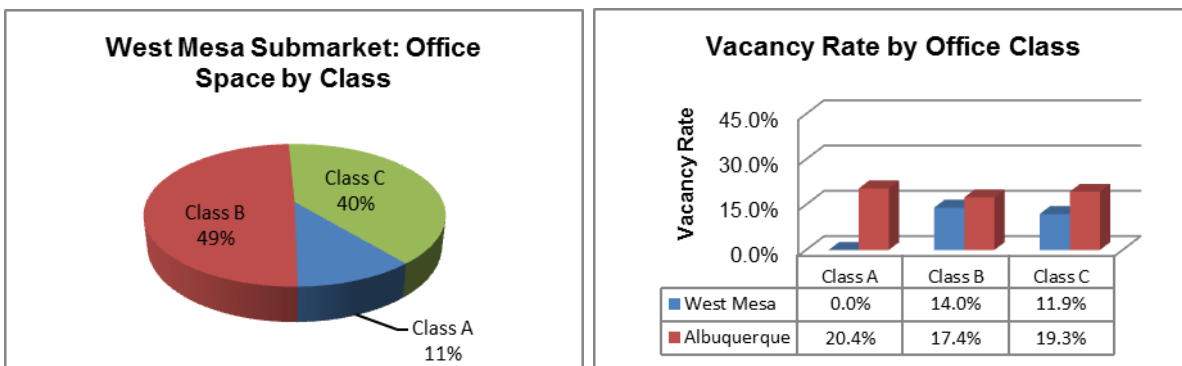
population obtained some form of college degree, while only 7.8 percent of the population did not complete high school.

The current ethnicity of the office trade area is 66.1 percent White, 4.4 percent Black, 4.7 percent American Indian, and 47.7 percent Hispanic. In 2015, the ethnicity is expected to be: 64.5 percent White, 4.8 percent Black, 4.9 percent American Indian, and 49.4 percent Hispanic.

Sources for local and regional market information for this study include COSTAR Group, Inc., Grubb & Ellis/Coldstream Real Estate Advisors, Inc., NAI Global Commercial Real Estate Services, CB Richard Ellis, Claritas, and ESRI.

Volcano Heights Study Area Office Space Demand

Demand for office space has two main components. The need for office space for local services such as dental, medical, legal, and financial services, and the need for office space for non-local services, such as management for regional and national companies. Office space demand driven by public sector employment is statistically limited because of the tendency of governmental entities to meet their work place needs on civic campuses. Satellite government offices, like those required by Department of Motor Vehicles, typically locate in convenient retail locations.



Figures 6 & 7: Office Space Class and Vacancy Rate charts.

Estimating office space gap (unmet need or over supply) is based on inventorying the existing office square footage in a market less the current vacancy rate, quantifying and disaggregating the base employment by category, determining the number of employees who require office space by employment category, then estimating the market specific existing office space (per square foot) per employee. This statistic is multiplied by the estimated job growth, which is a derivative of population growth driving the need for additional local services and businesses, to derive future office space demand. Demand for office space therefore has an indirect link to the population growth. The new demand created indirectly by population growth is then added to existing demand, adjusted by a

market specific Stabilized Vacancy Factor, and compared to the office space supply. New office supply consists of the former office space inventory plus the amount of new space delivered, less that which is functional obsolescence, adaptive reuse, or demolished, is the new office space supply.

For purposes of this study, the existing inventory of the West Mesa office submarket is 575,000 square feet, composed of 0 square feet of Class A space, 397,000 square feet of Class B space, and 177,800 square feet of Class C space. Gibbs Planning Group estimates that through 2015, 22,200 square feet (12.5 percent) of the Class C office space will become functionally obsolescent. The Stabilized Vacancy Factor for the office submarket is 12.25 percent. Based on the "*WorkPlace & Employment Summary: West Mesa Submarket*" to be issued in conjunction with this report, the total number of employees in this office submarket is 27,000, of which 5,400 are dedicated office employees. The 2010 office space required per dedicated office worker is 106 square feet per worker. This exceptionally low space per worker number is caused by an oversaturation of Retail employees found in the Cottonwood Regional Shopping concentration and the retail centers along Coors Boulevard.

The 2015 Total Office Space Market Demand for this office submarket is 932,000 square feet, based on an annualized employment growth rate of 13.35 percent for the West Mesa community. Adjusting for the stabilized vacancy factor generates a total demand of 1,062,000 square feet. The total 2015 office space gap projected for the West Mesa submarket is 509,000 square feet of unmet demand. Although the study area contains the Volcano study area, and has a preferred access to the Volcano Cliffs, Volcano Trails, and Quail Ranch developments, it does not have an overwhelmingly dominant position in the greater Albuquerque trade area. With full build-out, the additional segments of the 570-acre Volcano Heights area could conceivably add 100,000 square feet of office space.

GPG finds that by 2015, an additional 305,700 square feet of office space is supportable in the Volcano Heights Study Area.

For the purposes of this study, GPG has assumed the following:

- The region's economy will stabilize at normal or above normal ranges of employment growth, inflation, and household formation.
- Employment distribution is to remain constant, without a spike or decline in employment by NAICS category.
- Office space required as an ancillary need to a main business function is not included in the office space inventory made for this study, nor are the employees who work in that space included in the count of employees who require dedicated office space. The main factor in this assumption is that the ancillary office space is often a part of the premises where the primary business operation occurs, such as Agriculture & Mining, Manufacturing, Wholesale Trade, and Retail Trade business.
- No major office projects will be developed within the submarket during the next five years.
- Projected lease and vacancy rates model is based on our proprietary econometric model of the relationship between changes in employment and changes in vacancy and lease rates. Data has been gathered from US Census Bureau, Experian, ESRI, COSTAR Group, Inc., CB Richard Ellis Inc., LOOPNET, and local brokerage services.

- END OF REPORT -

WorkPlace & Employment Summary




| West Mesa Office Submarket, Albuquerque, New Mexico | Prepared by Gibbs Planning Group | | | |
|---|----------------------------------|--------------|----------------|--------------|
| Total Businesses: | 2,997 | | | |
| Total Employees: | 26,954 | | | |
| Total Residential Population: | 121,145 | | | |
| Employee/Residential Population Ratio: | 0.22 | | | |
| | BUSINESSES | | | |
| | Number | | Percent | |
| Agriculture & Mining | 57 | 1.9% | 156 | 0.6% |
| Construction | 286 | 9.5% | 918 | 3.4% |
| Manufacturing | 46 | 1.5% | 1,066 | 4.0% |
| Transportation | 80 | 2.7% | 1,121 | 4.2% |
| Communication | 28 | 0.9% | 129 | 0.5% |
| Electric, Gas, Water, Sanitary Services | 11 | 0.4% | 40 | 0.1% |
| Wholesale Trade | 80 | 2.7% | 693 | 2.6% |
| Retail Trade Summary | 728 | 24.3% | 11,923 | 44.2% |
| Home Improvement | 30 | 1.0% | 890 | 3.3% |
| General Merchandise Stores | 32 | 1.1% | 2,058 | 7.6% |
| Food Stores | 59 | 2.0% | 913 | 3.4% |
| Auto Dealers, Gas Stations, Auto Aftermarket | 80 | 2.7% | 1,653 | 6.1% |
| Apparel & Accessory Stores | 76 | 2.5% | 598 | 2.2% |
| Furniture & Home Furnishings | 59 | 2.0% | 297 | 1.1% |
| Eating & Drinking Places | 189 | 6.3% | 4,359 | 16.2% |
| Miscellaneous Retail | 203 | 6.8% | 1,155 | 4.3% |
| Finance, Insurance, Real Estate Summary | 338 | 11.3% | 1,207 | 4.5% |
| Banks, Savings & Lending Institutions | 81 | 2.7% | 294 | 1.1% |
| Securities Brokers | 19 | 0.6% | 42 | 0.2% |
| Insurance Carriers & Agents | 70 | 2.3% | 184 | 0.7% |
| Real Estate, Holding, Other Investment Offices | 168 | 5.6% | 687 | 2.5% |
| Services Summary | 1,253 | 41.8% | 9,414 | 34.9% |
| Hotels & Lodging | 18 | 0.6% | 193 | 0.7% |
| Automotive Services | 61 | 2.0% | 604 | 2.2% |
| Motion Pictures & Amusements | 105 | 3.5% | 22 | 0.1% |
| Health Services | 121 | 4.0% | 1,467 | 5.4% |
| Legal Services | 15 | 0.5% | 793 | 3.0% |
| Education Institutions & Libraries | 67 | 2.2% | 2,556 | 9.5% |
| Other Services | 866 | 28.9% | 3,779 | 14.0% |
| Government | 29 | 1.0% | 275 | 1.0% |
| Other | 63 | 2.1% | 10 | 0.0% |
| Totals | 2,999 | | 26,952 | |

MARKET PROFILE TABLE

Volcona Heights Town Center Office Study

Prepared by

Gibbs Planning Group, Inc.

| | | |
|---|--------------------------------|----------|
|  | 2000 Total Population | 80,440 |
| | 2000 Group Quarters | 1,447 |
| | 2010 Total Population | 121,145 |
| | 2015 Total Population | 139,624 |
| | 2010 - 2015 Annual Rate | 2.88% |
|  | 2000 Households | 29,574 |
| | 2000 Average Household Size | 2.67 |
| | 2010 Households | 45,611 |
| | 2010 Average Household Size | 2.62 |
| | 2015 Households | 53,016 |
| | 2015 Average Household Size | 2.60 |
| | 2010 - 2015 Annual Rate | 3.05% |
| | 2000 Families | 21,369 |
| | 2000 Average Family Size | 3.12 |
| | 2010 Families | 31,472 |
| | 2010 Average Family Size | 3.12 |
| | 2015 Families | 36,037 |
| | 2015 Average Family Size | 3.12 |
| 2010 - 2015 Annual Rate | 2.75% | |
|  | 2000 Housing Units | 31,301 |
| | Owner Occupied Housing Units | 69.5% |
| | Renter Occupied Housing Units | 24.9% |
| | Vacant Housing Units | 5.6% |
| | 2010 Housing Units | 48,186 |
| | Owner Occupied Housing Units | 67.9% |
| | Renter Occupied Housing Units | 26.8% |
| | Vacant Housing Units | 5.3% |
| | 2015 Housing Units | 56,240 |
| | Owner Occupied Housing Units | 67.5% |
| | Renter Occupied Housing Units | 26.8% |
| | Vacant Housing Units | 5.7% |
| | Median Household Income | |
| | 2000 | \$49,975 |
| | 2010 | \$64,051 |
| 2015 | \$68,233 | |
| Median Home Value | | |
| 2000 | \$133,537 | |
| 2010 | \$209,567 | |
| 2015 | \$253,708 | |
| Per Capita Income | | |
| 2000 | \$21,515 | |
| 2010 | \$27,745 | |
| 2015 | \$29,491 | |
| Median Age | | |
| 2000 | 31.7 | |
| 2010 | 32.8 | |
| 2015 | 33.0 | |

Data Note: Persons in families include the householder and persons related to the householder by birth, marriage, or adoption. Per Capita Income represents the income received by all persons aged 15 years and over divided by total population.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix

**2000 Households by Income**

| | |
|--------------------------|----------|
| Household Income Base | 29,548 |
| < \$15,000 | 8.6% |
| \$15,000 - \$24,999 | 9.8% |
| \$25,000 - \$34,999 | 11.8% |
| \$35,000 - \$49,999 | 19.7% |
| \$50,000 - \$74,999 | 25.0% |
| \$75,000 - \$99,999 | 14.3% |
| \$100,000 - \$149,999 | 8.3% |
| \$150,000 - \$199,999 | 1.2% |
| \$200,000 + | 1.2% |
| Average Household Income | \$57,798 |

2010 Households by Income

| | |
|--------------------------|----------|
| Household Income Base | 45,610 |
| < \$15,000 | 4.9% |
| \$15,000 - \$24,999 | 5.8% |
| \$25,000 - \$34,999 | 6.9% |
| \$35,000 - \$49,999 | 17.3% |
| \$50,000 - \$74,999 | 25.0% |
| \$75,000 - \$99,999 | 21.2% |
| \$100,000 - \$149,999 | 14.5% |
| \$150,000 - \$199,999 | 2.6% |
| \$200,000 + | 1.8% |
| Average Household Income | \$73,162 |

2015 Households by Income

| | |
|--------------------------|----------|
| Household Income Base | 53,015 |
| < \$15,000 | 4.5% |
| \$15,000 - \$24,999 | 4.6% |
| \$25,000 - \$34,999 | 6.0% |
| \$35,000 - \$49,999 | 12.7% |
| \$50,000 - \$74,999 | 29.6% |
| \$75,000 - \$99,999 | 22.4% |
| \$100,000 - \$149,999 | 15.3% |
| \$150,000 - \$199,999 | 2.9% |
| \$200,000 + | 2.0% |
| Average Household Income | \$77,150 |

2000 Owner Occupied Housing Units by Value

| | |
|-----------------------|-----------|
| Total | 21,763 |
| < \$50,000 | 1.2% |
| \$50,000 - \$99,999 | 16.1% |
| \$100,000 - \$149,999 | 50.0% |
| \$150,000 - \$199,999 | 21.8% |
| \$200,000 - \$299,999 | 9.5% |
| \$300,000 - \$499,999 | 1.1% |
| \$500,000 - \$999,999 | 0.3% |
| \$1,000,000+ | 0.0% |
| Average Home Value | \$143,737 |

2000 Specified Renter Occ. Housing Units by Contract Rent

| | |
|----------------|-------|
| Total | 7,826 |
| With Cash Rent | 96.7% |
| No Cash Rent | 3.3% |
| Median Rent | \$610 |
| Average Rent | \$621 |

Data Note: Income represents the preceding year, expressed in current dollars. Household income includes wage and salary earnings, interest, dividends, net rents, pensions, SSI and welfare payments, child support and alimony.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix



2000 Population by Age

| | |
|-------------|--------|
| Total | 80,441 |
| Age 0 - 4 | 8.8% |
| Age 5 - 9 | 8.2% |
| Age 10 - 14 | 7.6% |
| Age 15 - 19 | 6.8% |
| Age 20 - 24 | 6.9% |
| Age 25 - 34 | 17.7% |
| Age 35 - 44 | 18.2% |
| Age 45 - 54 | 12.9% |
| Age 55 - 64 | 6.4% |
| Age 65 - 74 | 3.9% |
| Age 75 - 84 | 2.0% |
| Age 85+ | 0.6% |
| Age 18+ | 71.3% |

2010 Population by Age

| | |
|-------------|---------|
| Total | 121,144 |
| Age 0 - 4 | 8.9% |
| Age 5 - 9 | 8.3% |
| Age 10 - 14 | 7.7% |
| Age 15 - 19 | 6.6% |
| Age 20 - 24 | 6.2% |
| Age 25 - 34 | 15.9% |
| Age 35 - 44 | 16.4% |
| Age 45 - 54 | 13.9% |
| Age 55 - 64 | 9.2% |
| Age 65 - 74 | 4.2% |
| Age 75 - 84 | 2.1% |
| Age 85+ | 0.7% |
| Age 18+ | 71.1% |

2015 Population by Age

| | |
|-------------|---------|
| Total | 139,626 |
| Age 0 - 4 | 8.8% |
| Age 5 - 9 | 8.4% |
| Age 10 - 14 | 7.9% |
| Age 15 - 19 | 6.7% |
| Age 20 - 24 | 6.2% |
| Age 25 - 34 | 15.2% |
| Age 35 - 44 | 15.8% |
| Age 45 - 54 | 13.2% |
| Age 55 - 64 | 9.7% |
| Age 65 - 74 | 5.3% |
| Age 75 - 84 | 2.1% |
| Age 85+ | 0.7% |
| Age 18+ | 70.8% |

2000 Population by Sex

| | |
|---------|-------|
| Males | 48.7% |
| Females | 51.3% |

2010 Population by Sex

| | |
|---------|-------|
| Males | 48.7% |
| Females | 51.3% |

2015 Population by Sex

| | |
|---------|-------|
| Males | 48.6% |
| Females | 51.4% |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix

**2000 Population by Race/Ethnicity**

| | |
|---------------------------------|--------|
| Total | 80,441 |
| White Alone | 69.8% |
| Black Alone | 3.2% |
| American Indian Alone | 4.0% |
| Asian or Pacific Islander Alone | 1.5% |
| Some Other Race Alone | 17.1% |
| Two or More Races | 4.4% |
| Hispanic Origin | 45.3% |
| Diversity Index | 75.3 |

2010 Population by Race/Ethnicity

| | |
|---------------------------------|---------|
| Total | 121,144 |
| White Alone | 66.1% |
| Black Alone | 4.4% |
| American Indian Alone | 4.7% |
| Asian or Pacific Islander Alone | 1.9% |
| Some Other Race Alone | 17.8% |
| Two or More Races | 5.1% |
| Hispanic Origin | 47.7% |
| Diversity Index | 77.9 |

2015 Population by Race/Ethnicity

| | |
|---------------------------------|---------|
| Total | 139,624 |
| White Alone | 64.5% |
| Black Alone | 4.8% |
| American Indian Alone | 4.9% |
| Asian or Pacific Islander Alone | 2.0% |
| Some Other Race Alone | 18.4% |
| Two or More Races | 5.4% |
| Hispanic Origin | 49.4% |
| Diversity Index | 79.0 |

**2000 Population 3+ by School Enrollment**

| | |
|-------------------------------|--------|
| Total | 76,086 |
| Enrolled in Nursery/Preschool | 2.3% |
| Enrolled in Kindergarten | 1.7% |
| Enrolled in Grade 1-8 | 12.8% |
| Enrolled in Grade 9-12 | 5.7% |
| Enrolled in College | 6.7% |
| Enrolled in Grad/Prof School | 1.5% |
| Not Enrolled in School | 69.3% |

2010 Population 25+ by Educational Attainment

| | |
|------------------------------|--------|
| Total | 75,531 |
| Less than 9th Grade | 2.5% |
| 9th - 12th Grade, No Diploma | 5.3% |
| High School Graduate | 24.2% |
| Some College, No Degree | 25.6% |
| Associate Degree | 9.7% |
| Bachelor's Degree | 20.5% |
| Graduate/Professional Degree | 12.2% |

Data Note: Persons of Hispanic Origin may be of any race. The Diversity Index measures the probability that two people from the same area will be from different race/ethnic groups.

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix

**2010 Population 15+ by Marital Status**

| | |
|---------------|--------|
| Total | 91,033 |
| Never Married | 31.4% |
| Married | 51.9% |
| Widowed | 2.9% |
| Divorced | 13.8% |

2000 Population 16+ by Employment Status

| | |
|---------------------|--------|
| Total | 59,734 |
| In Labor Force | 73.3% |
| Civilian Employed | 69.0% |
| Civilian Unemployed | 3.5% |
| In Armed Forces | 0.8% |
| Not in Labor Force | 26.7% |

**2010 Civilian Population 16+ in Labor Force**

| | |
|---------------------|-------|
| Civilian Employed | 92.0% |
| Civilian Unemployed | 8.0% |

2015 Civilian Population 16+ in Labor Force

| | |
|--------------------------|-------|
| Civilian Employed | 92.7% |
| Civilian Unemployed | 7.3% |

2000 Females 16+ by Employment Status and Age of Children

| | |
|--------------------------|--------|
| Total | 30,984 |
| Own Children < 6 Only | 10.9% |
| Employed/in Armed Forces | 6.8% |
| Unemployed | 0.2% |
| Not in Labor Force | 3.9% |
| Own Children <6 and 6-17 | 8.0% |
| Employed/in Armed Forces | 5.1% |
| Unemployed | 0.3% |
| Not in Labor Force | 2.6% |
| Own Children 6-17 Only | 19.3% |
| Employed/in Armed Forces | 14.7% |
| Unemployed | 0.3% |
| Not in Labor Force | 4.2% |
| No Own Children <18 | 61.8% |
| Employed/in Armed Forces | 38.6% |
| Unemployed | 2.2% |
| Not in Labor Force | 20.9% |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.Gibbs Planning Group Inc., Volcano Office Study Report Appendix

**2010 Employed Population 16+ by Industry**

| | |
|-------------------------------|--------|
| Total | 55,859 |
| Agriculture/Mining | 0.2% |
| Construction | 6.2% |
| Manufacturing | 5.4% |
| Wholesale Trade | 3.2% |
| Retail Trade | 11.2% |
| Transportation/Utilities | 4.1% |
| Information | 3.1% |
| Finance/Insurance/Real Estate | 7.3% |
| Services | 51.8% |
| Public Administration | 7.5% |

2010 Employed Population 16+ by Occupation

| | |
|---------------------------------|--------|
| Total | 55,860 |
| White Collar | 70.3% |
| Management/Business/Financial | 14.4% |
| Professional | 27.6% |
| Sales | 12.7% |
| Administrative Support | 15.6% |
| Services | 15.8% |
| Blue Collar | 13.9% |
| Farming/Forestry/Fishing | 0.1% |
| Construction/Extraction | 4.3% |
| Installation/Maintenance/Repair | 2.9% |
| Production | 3.2% |
| Transportation/Material Moving | 3.4% |

**2000 Workers 16+ by Means of Transportation to Work**

| | |
|----------------------------------|--------|
| Total | 41,140 |
| Drove Alone - Car, Truck, or Van | 82.4% |
| Carpooled - Car, Truck, or Van | 12.0% |
| Public Transportation | 0.7% |
| Walked | 0.8% |
| Other Means | 0.9% |
| Worked at Home | 3.3% |

2000 Workers 16+ by Travel Time to Work

| | |
|--------------------------------------|--------|
| Total | 41,142 |
| Did not Work at Home | 96.7% |
| Less than 5 minutes | 2.1% |
| 5 to 9 minutes | 6.0% |
| 10 to 19 minutes | 29.5% |
| 20 to 24 minutes | 23.2% |
| 25 to 34 minutes | 25.0% |
| 35 to 44 minutes | 3.8% |
| 45 to 59 minutes | 3.6% |
| 60 to 89 minutes | 2.1% |
| 90 or more minutes | 1.5% |
| Worked at Home | 3.3% |
| Average Travel Time to Work (in min) | 23.2 |

2000 Households by Vehicles Available

| | |
|--------------------------------------|--------|
| Total | 29,586 |
| None | 2.8% |
| 1 | 32.7% |
| 2 | 45.4% |
| 3 | 14.2% |
| 4 | 3.9% |
| 5+ | 0.9% |
| Average Number of Vehicles Available | 1.9 |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix



2000 Households by Type

| | |
|----------------------------------|--------|
| Total | 29,576 |
| Family Households | 72.3% |
| Married-couple Family | 55.3% |
| With Related Children | 30.3% |
| Other Family (No Spouse) | 17.0% |
| With Related Children | 12.4% |
| Nonfamily Households | 27.7% |
| Householder Living Alone | 20.8% |
| Householder Not Living Alone | 7.0% |
| Households with Related Children | 42.7% |
| Households with Persons 65+ | 12.2% |

2000 Households by Size

| | |
|---------------------|--------|
| Total | 29,574 |
| 1 Person Household | 20.8% |
| 2 Person Household | 33.2% |
| 3 Person Household | 19.3% |
| 4 Person Household | 16.7% |
| 5 Person Household | 6.8% |
| 6 Person Household | 2.2% |
| 7+ Person Household | 1.0% |

2000 Households by Year Householder Moved In

| | |
|----------------------------------|--------|
| Total | 29,587 |
| Moved in 1999 to March 2000 | 28.3% |
| Moved in 1995 to 1998 | 38.4% |
| Moved in 1990 to 1994 | 15.5% |
| Moved in 1980 to 1989 | 10.8% |
| Moved in 1970 to 1979 | 4.7% |
| Moved in 1969 or Earlier | 2.3% |
| Median Year Householder Moved In | 1997 |



2000 Housing Units by Units in Structure

| | |
|-------------|--------|
| Total | 31,339 |
| 1, Detached | 70.7% |
| 1, Attached | 8.1% |
| 2 | 0.5% |
| 3 or 4 | 2.6% |
| 5 to 9 | 5.1% |
| 10 to 19 | 4.3% |
| 20+ | 7.4% |
| Mobile Home | 1.3% |
| Other | 0.0% |

2000 Housing Units by Year Structure Built

| | |
|-----------------------------|--------|
| Total | 31,327 |
| 1999 to March 2000 | 8.0% |
| 1995 to 1998 | 30.4% |
| 1990 to 1994 | 15.5% |
| 1980 to 1989 | 24.3% |
| 1970 to 1979 | 12.9% |
| 1969 or Earlier | 8.8% |
| Median Year Structure Built | 1991 |

Source: U.S. Bureau of the Census, 2000 Census of Population and Housing.

Gibbs Planning Group Inc., Volcano Office Study Report Appendix

Top 3 Tapestry Segments

1. Up and Coming Families
 2. Enterprising Professionals
 3. Inner City Tenants
-



2010 Consumer Spending shows the amount spent on a variety of goods and services by households that reside in the market area. Expenditures are shown by broad budget categories that are not mutually exclusive. Consumer spending does not equal business revenue.

| | |
|---|-----------------|
| Apparel & Services: Total \$ | \$81,331,074 |
| Average Spent | \$1,783.15 |
| Spending Potential Index | 74 |
| Computers & Accessories: Total \$ | \$10,935,516 |
| Average Spent | \$239.76 |
| Spending Potential Index | 109 |
| Education: Total \$ | \$59,192,386 |
| Average Spent | \$1,297.77 |
| Spending Potential Index | 106 |
| Entertainment/Recreation: Total \$ | \$156,967,446 |
| Average Spent | \$3,441.44 |
| Spending Potential Index | 107 |
| Food at Home: Total \$ | \$208,668,060 |
| Average Spent | \$4,574.95 |
| Spending Potential Index | 102 |
| Food Away from Home: Total \$ | \$156,470,680 |
| Average Spent | \$3,430.55 |
| Spending Potential Index | 107 |
| Health Care: Total \$ | \$164,558,036 |
| Average Spent | \$3,607.86 |
| Spending Potential Index | 97 |
| Household Furnishings & Equip: Total \$ | \$87,992,665 |
| Average Spent | \$1,929.20 |
| Spending Potential Index | 94 |
| Investments: Total \$ | \$72,269,598 |
| Average Spent | \$1,584.48 |
| Spending Potential Index | 91 |
| Retail Goods: Total \$ | \$1,134,456,002 |
| Average Spent | \$24,872.42 |
| Spending Potential Index | 100 |
| Shelter: Total \$ | \$778,574,103 |
| Average Spent | \$17,069.88 |
| Spending Potential Index | 108 |
| TV/Video/Audio: Total \$ | \$59,002,096 |
| Average Spent | \$1,293.59 |
| Spending Potential Index | 104 |
| Travel: Total \$ | \$91,242,677 |
| Average Spent | \$2,000.45 |
| Spending Potential Index | 106 |
| Vehicle Maintenance & Repairs: Total \$ | \$44,949,679 |
| Average Spent | \$985.50 |
| Spending Potential Index | 105 |

Data Note: The Spending Potential Index represents the amount spent in the area relative to a national average of 100.

Source: Expenditure data are derived from the 2005 and 2006 Consumer Expenditure Surveys, Bureau of Labor Statistics.