Memorandum

DATE: 9/12/2016

TO: Design Collective

COMPANY: RCLCO

FROM: Steven Wang, Senior Associate

SUBJECT: Real Estate Market Analysis of the Route 9 Corridor Study Area

Route 9 Corridor Market Analysis

Executive Summary

Current data and projections show that the broader Wilmington region is extremely healthy economically, and expected to build upon a strong base with robust growth in the short-term period 2016-2021. For the purposes of this study, the short-term is defined as 2016-2021, the mid-term is defined as 2021-2024, and the long-term is 8+ years. The economy is being driven by high wage, office-using jobs clustered in Wilmington. In the Route 9 Corridor, there is some opportunity for for-sale multifamily and for-sale attached product in the short to mid-term because of underlying preferences for these products and comparatively favorable economics and demographics. RCLCO sees senior housing as a viable, naturally occurring (can be supported without major investment by state, county, and local funding sources) land use that can help an aging population that wishes to age in place instead of being displaced over time. The new library node is the most likely area that senior housing developers will want to locate along the corridor. There are examples throughout the country where libraries have been important demand drivers for senior apartments (such as Library Court in Shaker Heights, Tukwila Village in Seattle, or the Mission Bay branch of the San Francisco library system), making the library site surroundings a natural location for such a use.

Another consideration in this study is the extent to which redevelopment will bring possible negative effects of displacement. However, the tenure characteristics of the PMA (Primary Market Area-the area from which the majority of demand for land use types along the Route 9 Corridor will come from) show that nearly two-thirds of housing units are owner-occupied. This factor will decrease the extent to which households may be forced out because any transaction will require them to be compensated for their housing unit. In areas with a greater distribution of renter-occupied housing units, the threat for displacement would be much more compelling. This is a strength of the Route 9 Corridor overall, and will substantially contribute to successful visioning and redevelopment of the entire corridor.

However, in a broader analysis, the primary market area used in this study has structural economic and demographic weaknesses that make it quite difficult to envision substantial retail, for-rent multifamily, or office development in the short to mid-term period. Retail, industrial, and office rents have been stagnant, with upward trajectories in vacancy rates. Because of this stagnation across several land uses, this is an area that desperately needs a catalyst to provide a central, concentrated area for investment that can support development. RCLCO believes that the new library has the ability to do this by providing enough visitors to support small amounts of retail on the scale of a few restaurants or shops. Although the overall magnitude of these retail uses will be quite small, it provides a central area to build upon as visitation to these retail establishments has the ability to induce even more demand. However, it is important to note that this node or catalyst provided by the library development will probably only have positive effects on the remainder of the corridor over a very long-term period. Although there are natural vacant or readily available (have been put up for sale or have been put for sale in the recent past) parcels at Rosehill Plantery and 3056 New Castle Road for example, other land uses will need to find logical parcels of redevelopable land to attract prospective developers (See Exhibit I-29). Another key consideration is the need to assemble smaller parcels to attract a larger employer. The ease with which these transactions can occur from a regulatory perspective will determine the feasibility for development in situations where an individual parcel is unable to provide the characteristics needed for development. This makes it imperative that the relevant jurisdictions provide a business-friendly environment in the diligence and permitting stages of the development cycle. Other incentives to business development would be tax breaks (such as a sales tax rebate), grants, and the provision of low interest financing options through federal financing/incentive programs. These incentives would change the costs of doing business in the corridor, which might be the marginal change that makes the business environment supportive of development.

Finally, the timeline of development will depend on retail operators, who need to see proven sales and successful tenanting before entering a market. This process is lengthy and fraught with peril for operators, especially if new retail underperforms. Overall, RCLCO believes that the execution of the area around the library in terms of walkability and community feel will be essential to insuring the success of any satellite retail uses that eventually locate there. A critical factor in creating these satellite retail uses will be the continued success of the Bowlerama business. Retail operators only locate in areas with proven demand and successful businesses. The Bowlerama is an enduring neighborhood institution that makes a profit in the area. This is a critical signal to retailers of the positive economic possibilities in this area.

Broad Economics & Demographics

The broad economic and demographic characteristics of the area surrounding the Route 9 Corridor subject area are important in determining feasible development patterns and affecting the ramifications of different visioning/transportation scenarios. RCLCO determined that the primary market area (PMA) for this analysis was defined as the areas that would directly use the development offerings on a daily basis. As such, the corridor is bounded by the river to the north and south of I-295 (See Exhibit I-19). The PMA is defined as the area that will make up the areas from which the majority of demand for retail and office uses will derive.

The Wilmington DE-MD-NJ Metropolitan Division is the wider metro area providing broad economic context for the Route 9 Corridor. Projections provided by Moody's Analytics show an uptick in household growth, single-family permitting (but no accompanying increase in multifamily permitting), median single-family home prices, median household incomes, and robust employment growth in the near term (2016-2021) in key high salary industries like professional and business services/health services/financial activities (See Exhibits I-2 to Exhibit I-10). These short-term projections all strengthen development fundamentals for higher-end, higher-density retail development. Ultimately, the broad health of these economic characteristics region-wide will determine the underlying feasibility of development activity at specific sites within the area, including the Route 9 Corridor area. Another driver of success will be the expansion to the Port. Anything which brings jobs, investment, and new development will create more dollars and development momentum for the corridor. This will probably take the form of greater industrial warehousing and business development, but other uses like retail will follow any possible influx of jobs to the port.

RCLCO next analyzed the age and incomes of the PMA. The area is not affluent compared to the broader region, with only 25% of households making over $75,000 per year. The PMA has an income range centered between $25,000-$75,000, with most households falling within the $25,000-$50,000 income band. In addition, the areas surrounding the Route 9 Corridor have extremely low median home values, with most of the census tracts in the immediate area having median values of less than $150,000 to $250,000. Supporting the broad perception of an aging population within these areas, nearly 30% of households are aged 65+ in the PMA, and nearly 50% are aged 55+. Taken as a whole, these characteristics suggest a population that skews older than the region overall with low median incomes and low home values. With a lack of discretionary income and financial stability, these households will struggle to support higher-end and more lifestyle-driven retail and other land uses (See Exhibit I-11 to Exhibit I-14).

The commuting patterns of the PMA are predominately oriented towards Wilmington to the north, the Port of Wilmington to the east, and Newark to the west. The most common zip codes of employment are New Castle and Newark/Glasgow. This means that households are predominately commuting west and south for their employment. Unfortunately, because downtown Wilmington is such a small employment node for these households, this places the Route 9 Corridor as oriented towards the south and west instead of the nearer downtown. One of the major opportunities is to reorient the Route 9 Corridor towards downtown Wilmington by highlighting the convenient access to downtown from Route 9, possibly through greater visitation to the library from residents of downtown Wilmington (See Exhibit I-14 and Exhibit I-15). Downtown has the jobs and shopping that residents of the Route 9 corridor desire, so increasing this connection between the two areas can be helpful based on capital inflows to Route 9 from outside the corridor and from offering services to current residents located outside the corridor.

Matrix of Land Use Risks and Rewards

	Risk	Reward
Retail	Lack of new retail deliveries, low vacancy rates, and stagnant rental rate growth demonstrates a market that has struggled to provide the kinds of new, contemporary retail that can drive rent growth higher. This is a market completely devoid of any dynamic retailers, with current poorly performing retailers actually driving down the value of this land use in the route overall.	It would take substantial concession from the state and county to induce major retail to locate along the corridor. However, this retail could be a game-changer in terms of creating a node to build upon (a node that will probably be oriented towards the new library catalyst). The node could be critical in showing that new, contemporary retail is feasible along the corridor, which could then present a demonstrated success story for other retailers to follow. This retail would take the form of small local retail such as flower shops, small corner shop retail, or restaurant/café uses that can take advantage of the concessions provided by the state and county.

Office	The office opportunity is limited by the lack of existing large employment centers in the I-40 corridor. Office developers do not see development opportunities along the Route 9 Corridor for many of the same reasons that retail struggles. The corridor is not located in the favored corridor of growth, so has been working against headwinds in terms of drawing upon outside capital and investment. This is a trend that will continue into the long-term, so office represents a low opportunity in the short-term period at the very least.	There is little reward for prospective office developers or owners along the corridor. Office demand is based on projected employment growth in office-using sectors, namely information, financial activities, professional and business services, and government. Based on extrapolating growth from May 2015-May 2016 out to a five year time horizon, the total cumulative office demand will be 50,000 sf. The optimal phasing strategy for office development of that magnitude would be as two 25,000 sf buildings, based on the existing scale of office in the area.
Industrial	Industrial rates are extremely low, averaging less than $5.00 per sq. ft. in the area. These rates reflect a lack of strong demand for industrial space.	A key driver of success will be the expansion to the Port. Any exogenous new variable which brings jobs, investment, and new development will create more dollars and development momentum for the corridor. This will probably take the form of greater industrial warehousing and third-party business development.
Residential	The competitive set of newly delivered multifamily buildings is extremely limited in the area, in fact there are zero multifamily buildings that have delivered in the last 10 years. The data demonstrates that the majority of the PMA's rental households in turnover will choose existing older renter product based on their underlying age and income levels. Therefore, although there is a fairly large overall rental opportunity, the specific opportunity for top of the market, contemporary mixed-use development is much weaker. The specific opportunity for top of the market, contemporary development is much weaker. After applying the expected capture rates for Route 9, the total supportable market demand at the subject site is calculated to be between 18 units (with conservative capture rates) and 28 units (with aggressive capture rates) annually. The for-sale opportunity is similarly moderate given prevailing household	It is important to note that the inputs used in the demand model represent current conditions in the primary market area, so it is possible that actual demand is suppressed by a lack of available product. For example, there are few examples of a mixed-use residential rental community in the area, so the demonstrated demand for this product type could be low despite a high underlying demand for such a product. Although it is extremely difficult to determine the extent to which current supply suppresses latent demand, there is potential upside if there is in fact a structural imbalance between what residential developers are providing and what customers actually want. If this is the case, the total size of the opportunity could be bumped up substantially.

	growth and propensity to choose for-sale product in the primary market area.	
Senior Housing	Senior housing that is able to garner market to above-market rents often locates in areas that are considered more affluent and safer than Route 9.	The demographics of the corridor are very favorable, with 28% of households aged 65+, and 49% of households aged 55+.The need is also compelling, as there is great demand from residents for the ability to age in place. In addition, the majority of this age cohort already lives in multifamily housing, so would have a natural transition to senior housing. There is also an opportunity to create affordable senior housing that can attract seniors from outside the corridor, which will increase demand moderately. Real estate and economic development experts, which RCLCO has interviewed have all mentioned senior housing as the best opportunity for the corridor, especially if it can be oriented towards the burgeoning library node. The critical success factors would be to find an excellent operator who is familiar with the area, and can understand how to speak to the core customer. In this case, the core customer would be existing households along the corridor which wish to age in place. There is an opportunity

Development Program

As described in the Route 9 Innovation District Plan, “creating retail spaces primarily to address local serving needs and pedestrian-scale spaces to accommodate existing residents and library visitors are a key to neighborhood-building amenities.” The development program for the retail component of RCLCO’s study is centered around an analysis of population growth in the primary market area, and the effects that library visitation will have on the retail environment around the library site. According to RCLCO’s models, demand from library visitation will account for 1,300 sf of retail, while population growth will create demand for 7,400 sf of retail (See Exhibit II-5). This retail will be locally serving and primarily oriented towards visitors to the library node. The optimal phasing strategy for this 7,400 sf of retail will be in conjunction with the stabilization of library visitation. It will probably take a year for visitation to the library to stabilize to its long-term visitation numbers. This will provide data for prospective retailers and retail developers to size the magnitude of the opportunity, which RCLCO projects to be 7,400 sf of retail. Therefore, the phasing would probably happen in one single development oriented towards the library node a year after the library opens. It is important to note that there are no open lots directly adjacent to the library currently. However, any site plan that could accommodate a retail development directly around the library would be extremely helpful to the viability of that retail and be helpful in creating a sense of place for library visitors. Any public action or incentive that would make it easier to locate retail proximate to the new library would be very helpful in catalyzing retail development in the optimal location. Retail rents will probably come in around their current rates, which will place the new retail at rents of $14.00-$15.00 per square foot.

Office demand is based on projected employment growth in office-using sectors, namely information, financial activities, professional and business services, and government. Based on extrapolating growth from May 2015-May 2016 out to a five year time horizon, the total cumulative office demand will be 50,000 sf. The optimal phasing strategy for office development of that magnitude would be as two 25,000 sf buildings, based on the existing scale of office in the area. The location of the buildings would have to happen on vacant lots, preferably located proximate to the library node. Because there is a lack of clear vacant lots in close proximity to the library, the office demand will probably move to a site like the Rosehill Plantery. Although that is not adjacent to the library, the positive effects of the library in terms of investment and energy will help office become successful at a site that close-in (See Exhibit II-4). Office rents will probably be pegged at their current levels around the PMA, leaving rates for new developmental office construction at $18.00 per square foot.

Industrial demand is based on projected employment growth in industrial-based sectors, namely construction, manufacturing, and trade, transportation, and utilities. Based on extrapolating growth from May 2015-May 2016 out to a five year time horizon, the total cumulative office demand will be 3.3 million square feet. These projections include a factor for the effects of the port expansion. However, the timeline of the port expansion will move past this five year timetable, so the majority of the employment effects will be felt in future phases of development. The 3.3 million square feet of industrial will be oriented towards the Port of Wilmington, which is extremely feasible due to the numerous open plots of land in the area. These would take the form of large distribution centers focused on the influx of goods from the expanded port infrastructure (See Exhibit II-4). The rents will probably be pegged at their current levels, leaving rates for the new industrial construction at around $5.00 per square foot.

Available Land and Parcel Context

The Route 9 Innovation District Plan has described the corridor in the following terms, "Motorists passing through the Route 9 Corridor in New Castle County only see the veneer of marginal and vacant commercial and industrial properties along the roadway, and despite its location at a major highway interchange that leads to I-95 and the Delaware Memorial Bridge, where nearly 3 million drivers pass by each month, the corridor does not host much significant economic activity."

The veneer of marginal and vacant commercial and industrial properties points to two major facts in terms of land and parcel availability, 1. That most of the land is already taken up by existing buildings 2. These buildings are extremely unattractive and unlikely to be converted into a compelling space for retail, office, or residential (with the costs of demolition making the economics difficult for complete teardowns). Therefore, vacant land is the only land which will be attractive for redevelopment.

Due to these limitations, there are very few attractive parcels for redevelopment along the Route 9 Corridor, despite the fact that there are many marginal and vacant commercial and industrial properties along the roadway. This might come as a surprise to many people, but is a concept that RCLCO believes correctly reflects market realities in the corridor. Therefore, most of the sites not oriented somewhat towards the new library node will require significant public intervention if they are to be positioned for eventual redevelopment. This means that even moderate public effort will not be enough action to induce redevelopment activity along the corridor.

However, there are opportunities to repurpose current land uses between residential and industrial. Right now, there is a series of land-use conflicts along the corridor, most pronounced in the Hamilton Park and Eden Park Gardens residential neighborhoods. These residential neighborhoods are surrounded or substantially affected by industrial land uses. Repurposing those two neighborhoods along with the various scattered residential land uses proximate to the port would insure that people are living in safe, healthy areas and that industrial can continue to have room to operate and potentially expand.

Retail Context

The state of retail in the Route 9 Corridor struggles in terms of available metrics, with very few deliveries of new retail and net absorption since 2007. Meanwhile, the amount of vacant square footage has increased dramatically, from around 3,000 sf in 2010 to 14,000 sf today, not including the market near Stamm Boulevard This has led to an increase in vacancy from 1% to 5.2%. At the same time, the rental rates found along the corridor have been decreasing dramatically, from a rental rate of $17.00 NNN in 2010 to $14.37 NNN today. This represents a decrease in rental rates of 15% over the last six years. This area was consistently achieving rental rates of $17.00 before the last recession, and this is a market which did not experience a huge downturn during the recession. Subsequently it has underperformed dramatically, and demand has been extremely weak in the post-recession period (See Exhibit I-27).

In this context, the lack of new retail delivery, low vacancy rates, and stagnant rental rate growth demonstrates a market that has struggled to provide the kinds of new, contemporary retail that can drive rent growth higher (See Exhibit-31). The retail in the corridor is dominated by under-performing, local tenants which have not been able to capture a higher share of retail dollars in the region or from the Route 9 residents. The relatively low vacancy suggests that the owners and operators of these retail spaces have not tried to get new tenants, instead being satisfied with stability over growth. This suggests an opportunity for a "first mover" to lay out a new vision for what is possible in terms of retail development in the corridor. This first mover would have the advantage of having no existing competition for attracting the kinds of higher end retail tenants that would differentiate it from the competition. However, this is an extremely risky option for any potential retail operator, and the facts on the ground bear out the fact that any potential upside is far outweighed by unfavorable trends in recent vacancy and rental rates, and unsupportive economics and demographics. It would take substantial concession from the state and county to induce major retail to locate along the corridor, but this retail could be a game-changer in terms of creating a node to build upon. The node could be critical in showing that new, contemporary retail is feasible along the corridor, which could then present a demonstrated success story for other retailers. However, ultimately without that major incentive provided by state, county, or local government, no retail will choose to locate there currently.

The retail environment along the Route 9 Corridor can be broken up into 4 Typology Zones, each with different drivers of demand. The zone furthest south is the area that is oriented towards Route 295. This is the area that is performing the best of all the zones along the corridor. This zone is achieving rental rates of between $16.72-$17.00, with vacancy rates of 4.5% overall. The next zone to the north is predominately car oriented, meaning that it offers services oriented towards automobiles such as car washes and auto repair services. It is achieving rental rates of around $12.00 with vacancy rates of 4.6% overall. The next zone to the north is a retail desert. Here, there is very little retail to speak of, and development opportunities are the weakest in this zone for that reason. Finally the most northern zone, and zone closest to downtown Wilmington is made up by denser corner stores and locally owned businesses. The retail establishments are garnering extremely low rents here, $8.00 on average with vacancy rates of 8.6% (Exhibit I-28).

RCLCO also conducted a supply-demand analysis to measure the leakage or surplus of demand for retail by specific retail types. In the PMA, there is a significant broad oversupply of retail based on economics and demographics in the area (supply substantially more than household demand). This is primarily made up by a huge surplus of motor vehicle & parts dealers, health and personal care stores and gasoline stations. However, the overall surplus of demand somewhat hides other retail type leakages (supply substantially less than household demand warrants) such as general merchandise, food services and drinking places, and clothing and clothing accessories stores. These leakages show that the area is currently getting very little retail traffic from people outside of the PMA other than for gas stations and motor vehicle oriented retail, suggesting an opportunity to address these underserved retail uses at existing and new retail development along the corridor. However, there are some qualitative factors that suggest that the corridor is particularly unsuited to supporting these kinds of retailers, such as the lack of attractive streetscapes and issues with existing retail quality. For more comprehensive information on supply-demand leakage (See Exhibit I -26). There is one new grocery store which has arrived along Route 9, and this analysis suggests that there will not be the demand for a similar new development along the corridor for some time.

Therefore, a substantial weakness of the retail environment is the food desert along the corridor, especially with the temporary loss of the one supermarket in the area. However, counterintuitively, the existence of the food desert implies two positive opportunities. The first implication is that the recently arrived grocery store will have the kind of demand supporting continued success. This store can also provide the kinds of healthy products that can support the community demand for these items. The other implication is that currently underserved neighborhoods can provide necessary demand for these retail land uses above and beyond the current demand shed. This means that developing foods sources along the corridor meets both a need and a feasible land use based on unmet demand.

Office Context

The office opportunity is limited by the lack of existing large employment centers in the I-40 corridor and the relatively small distance to existing cores in Newark and Wilmington. These existing cores are the areas where new development will occur unless major concessions are offered and demand drivers increase in the mid-term. Current vacancy rates (9%) and low rent growth suggest that the office stock is adequately meeting demand for office space in the area (See Exhibit I-36). With low projected office demand in the near term (2015-2020), the core relationship between office stock and office demand should not drift dramatically. RCLCO estimates that the next opportunity to develop a substantial office component would be during the next economic cycle. Although the exact timeline of broad economic cycles is difficult to model, this broadly suggests that in the short-term (1-5 years, 2016-2021) there will be a small office opportunity, with a slightly stronger opportunity in the mid-term (5-8 years) and a much higher probability of development in the longer-term (8+ years). Office demand is based on projected employment growth in office-using sectors, namely information, financial activities, professional and business services, and government. Based on extrapolating growth from May 2015-May 2016 out to a five year time horizon, the total cumulative office demand will be 50,000 sf. The optimal phasing strategy for office development of that magnitude would be as two 25,000 sf buildings, based on the existing scale of office in the area.

The office construction history (See Exhibit I-32) shows the path of growth for office development in New Castle County. The path of growth has emanated from a limited core in Wilmington before 1970 and has consistently grown south along I-95 to the present. These spatial patterns show that the path of growth of office development has followed the favored corridor, emanating west and north of downtown Wilmington and away from the Route 9 Corridor (See Exhibit I-20 to Exhibit I-25). One solution to the lack of development infrastructure and investment to the corridor is to take advantage of the inexpensive land to attract small start-ups or an incubator seeking a large amount of cheap space. These office use typologies would be most logical to locate in areas oriented directly towards the new high-tech library.

RCLCO believes that the Route 9 Corridor is not yet ready to attract substantial office space because there is no precedent for office development in this section of the corridor. Because offices generally cluster and gain value from agglomerations, the lack of any existing office presents a significant issue to future development. Office developers do not see development opportunities along the Route 9 Corridor for many of the same reasons that retail struggles. The corridor is not located in the favored corridor of growth, so has been working against headwinds in terms of drawing upon outside capital and investment. This is a trend that will continue into the long-term, so office represents a low opportunity in the short-term period.

Industrial Context

Industrial rates are extremely low, averaging less than $5.00 per sq. ft. in the area. However, there has been an upward trajectory in rates since the Great Recession, with rates moving up substantially from lows in the high $3.00 per sq. ft. to present day rates. Another metric supportive of new development is the extremely low vacancy rate of 4.5%. Rates at this level demonstrate that supply and demand is in relative balance, and that there has been a trend towards greater demand in relation to existing supply in the last four years. A key driver of success will be the expansion to the Port. Any exogenous new variable which brings jobs, investment, and new development will create more dollars and development momentum for the corridor. This will probably take the form of greater industrial warehousing and business development, but other uses like retail will follow any possible influx of jobs to the port.

Residential Opportunity

RCLCO also analyzed the market support in the primary market area for residential development, specifically considering development forms and the appropriate scale of development. The competitive set of newly delivered multifamily buildings is extremely limited in the area, in fact there are zero multifamily buildings that have delivered in the last 10 years. The specific underwriting assumptions of the multifamily developer at the subject site will ultimately determine if these prevailing rental rates at the specific time of development will be supportable for a higher density, mixed use product. With the lack of rental product to compare as competitive supply for rental rates, the degree of uncertainty in this regard is a key deterrent to any development activity in the present or moving forward.

The next consideration for rental residential development is the supportable demand in the market. RCLCO's base statistical demand model is calculated using household data cut by age and income, with inputs provided by the American Community Survey 2012-2013 data. RCLCO's analysis shows a low opportunity for for-rent development along the corridor. RCLCO expected total annual for-rent demand in the PMA is 1,400 households. However, the data demonstrates that the majority of the PMA's rental households in turnover will choose existing older renter product based on their underlying age and income levels. Therefore, although there is a fairly large overall rental opportunity, the specific opportunity for top of the market, contemporary development is much weaker. After applying the expected capture rates for Route 9, the total supportable market demand at the subject site is calculated to be between 18 units (with conservative capture rates) and 28 units (with aggressive capture rates) annually. Given a lease up time period of 18 months, the supportable size of a mixed use development would be a total of 24 units (under the conservative capture scenario) up to 41 units (under the aggressive capture scenario). The majority of demand will emanate from the $75,000-$100,000 income band, so it is possible it could be quite well-designed, quality product. Given the supportable demand of the opportunity, the rental development at this site would most likely take the form of a small townhome or garden style (building surrounded by parking) apartment building. Given the small total demand, this is still likely unfeasible until a node of activity can be built up around the library catalyst (See Exhibit II-1).

The for-sale opportunity is similarly moderate given prevailing household growth and propensity to choose for-sale product in the primary market area. Of the annual owners in turnover in the market, 50% choose single-family detached product and 50% choose single-family attached product. In addition, based on the propensity to choose condominium products in the market, there is supportable demand for 11 condominium units in the primary market overall. This means that in the current development cycle, new condominium product could be supportable based on market fundamentals. The largest existing for-sale development opportunity in this market is single-family attached/townhome product. With a total demand of 152 townhome units in the market, a handful of townhome units in a prospective development in the Route 9 Corridor could be supported. The main challenge for a limited (10-15 units) townhome development would be the extent to which it could make economic sense at that scale. Given developer's ability to scale products and available inexpensive land along the corridor, this could be worked around with a creative site plan. Assuming a conservative 10% capture rate of existing owners in turnover considering townhomes, an offering of 10-15 units of townhomes would be the feasible scale of development (See Exhibit II-2).

Finally, throughout this residential analysis, it is important to note that the inputs used in the demand model represent current conditions in the primary market area, so it is possible that actual demand is suppressed by a lack of available product. For example, there are few examples of a mixed-use residential rental community in the area, so the demonstrated demand for this product type could be low despite a high underlying demand for such a product. Although it is extremely difficult to determine the extent to which current supply suppresses latent demand, there is potential upside if there is in fact a structural imbalance between what residential developers are providing and what customers actually want. If this is the case, the total size of the opportunity could be bumped up substantially. However, RCLCO is comfortable using these potentially conservative inputs because in most markets the current conditions do reflect household's underlying propensity to choose products. Although RCLCO is confident in the underlying assumptions, it is important to point out the upside potential of these scenarios.

Senior Housing Opportunity

Finally, RCLCO estimates the senior housing land use as one of the most compelling opportunities in the corridor. The demographics of the corridor are very favorable, with 28% of households aged 65+, and 49% of households aged 55+ (See Exhibit I-12). The need is also compelling, as there is great demand from residents for the ability to age in place. In addition, the majority of this age cohort already lives in multifamily housing, so would have a natural transition to senior housing (See Exhibit II-3). However, there is currently no infrastructure to allow that to happen because of a lack of product in the market. An assisted or independent living facility is the most likely form of senior housing supportable in the market. Assisted living is a long-term senior care option that provides support services such as meals, transportation, and personal care. This personal care often involves assistance with bathing, laundry, and keeping track of medicine and taking a greater involvement in medical care. Independent living facilities provide less personal care services, but offer the same benefits of receiving meals and housekeeping, as well as having a centralized service for socialization. These facilities can offer much to the broader corridor because they generally house individuals that engage with the community and use the surrounding services such as retail and civic buildings (such as the new library). Real estate and economic development experts, which RCLCO has interviewed have all mentioned senior housing as the best opportunity for the corridor, especially if it can be oriented towards the burgeoning library node. The critical success factors would be to find an excellent operator who is familiar with the area, and can understand how to speak to the core customer. In this case, the core customer would be existing households along the corridor which wish to age in place.

Engagement with Public

It is important that the public is involved in all efforts to incent catalytic properties. Such public involvement will be essential in defining the needs of the community and the extent to which communities will support the new development, both in terms of political support and support with their pocket books. Because much of the retail demand is based on demand from existing users and from new households, it will be important to match the communities needs to the prospective development. A great match between retail and the community will be defined by this engagement with the public.

Engagement with New Castle County, Delaware Economic Development Strategic Plan

There are strong tie-ins with the New Castle Economic Development Strategic Plan. These relate specifically to the kinds of actions that can be taken by the county to spur development, the kinds of development activities that will be critical to the successful transformation of the Route 9 corridor. The county outlines the need to streamline the development review process. The plan notes the need to, "streamline the development review, transportation, permitting, and licensing processes by creating an effective and timely process which reduces risk." It continues," Business climate is one of the key factors in determining the success of a place in its business development efforts (that is, the full range of retention, expansion, recruitment, and start-up activities.) This is an area where New Castle County does not get high grades." The continued improvement in this regard is critical to inducing business development along the Route 9 corridor in the short, mid, and long-term periods.

Incubator or small-business development is also an important aspect of the Route 9 development plan that ties into present initiatives in the economic development strategic plan. This particularly ties into the economic development closing fund, which will "create a "closing fund" to support new business creation, retention, expansion, and recruitment by providing funding for necessary business development actions including infrastructure funding for desired projects." This fund could be critical in providing the kinds of funds that can incentivize small businesses to locate in the Route 9 corridor. These two aspects of the Delaware Economic Development plan are the business development actions that relate to the critical incentives and regulatory simplicity that can spur development.

Engagement with Route 9 Innovation District Plan

Finally, RCLCO believes there are strong tie-ins with New Castle County's Department of Community Services' Route 9 Innovation District Plan.

The Route 9 Innovation District Plan is centered on solving the problem of there being no commercial or civic center (a walkable downtown area) to tie the various compact suburban neighborhoods along the corridor. They describe the corridor in the following quote, "Motorists passing through the Route 9 Corridor in New Castle County only see the veneer of marginal and vacant commercial and industrial properties along the roadway, and despite its location at a major highway interchange that leads to I-95 and the Delaware Memorial Bridge, where nearly 3 million drivers pass by each month, the corridor does not host much significant economic activity."

Within the proposed district, all of the Route 9 frontage is zoned Commercial Regional (CR), the purpose of which is to provide for community and regional commercial services with a suburban transitional character.

Considering these needs, commercial activity is driven by those who will shop and utilize the available professional services. Route 9 competes with the Route 13 Corridor, where there are more retail opportunities including higher quality convenience stores, and restaurants. That is an additional challenge to business attraction here, but the community feedback was clear: residents need establishments that meet basic needs; not more package stores selling liquor or cigarettes.

The decision to invest a sizable sum to create a catalytic development on Route 9 has enlivened and excited the Route 9 neighborhoods and mobilized multiple County departments to focus attention on this traditionally underserved area.

1. Improve Neighborhood Services through Commercial Redevelopment
2. Create Senior Housing to Foster "Aging in Place"
3. Anchor the Neighborhood Center

The plan outlined in the amps above lay out a conceptual framework centered on the future library and innovation campus, with senior housing, commercial spaces, and residential over office/commercial. The updated Rose Hill Community Center will provide another redeveloped space framing the entire district. Although RCLCO believes in the concept of this rendering, we deem it to be unfeasible over the short and mid-term periods. The reason it is unfeasible is because the agglomeration of development activity will line the existing roads and not take the form of the master plan laid out above. It will be difficult to incentivize many of these uses because the area will evolve extremely slowly, and organically form based on market fundamentals of small business owners. The likelihood of residential over office/commercial is very low based on demand for multifamily housing, and the scale of the retail development is too large to be supportable. Therefore, this plan is extremely optimistic in both the scale and form that future development will take. Although RCLCO does see opportunities for senior housing and small amounts of retail, there will never be the variety and critical mass of uses outlined in the master plan as presently constituted.

The Downtown Development District (DDD) designation is meant to provide incentives and subsidies to promote development and redevelopment of residential development opportunities. The overall goal is to maintain high levels of homeownership, but there are opportunities for mixed use residential, senior housing, and redevelopment of existing projects. RCLCO processes the senior housing option as the most likely to succeed for the reasons outlined in the memorandum. Mixed use residential simply lacks the demand dynamics to truly succeed, while redevelopment of existing projects runs into similar problems of demand balance.

Commercial is also an important aspect of the Route 9 plan. As the plan pronounces, “There are sites within the proposed district suitable for building both small- to medium-sized developments and to improve low-intensity uses. Currently the physical spaces available along the corridor are too large to serve these types of uses. Creating new retail opportunities would enable small businesses or entrepreneurs to occupy these spaces.” RCLCO agrees with the assessment that there are commercially feasible sites outside of the innovation district that can support small businesses or entrepreneurs. In the present, the only supportable commercial will come in the innovation district, where outside investment, buzz, and outside dollars will agglomerate. There is simply not enough energy, internal demand, and outside dollars to support smaller retail along the rest of Route 9 currently.

Finally, RCLCO believes strongly that community security initiatives laid out in the Route 9 Innovation District plan are the correct approach and a sensible use of available funds. Creating a safer and more secure community will require action from the New Castle County Police Department, the State Police, County Code Enforcement, and the civic associations of the corridor as outlined in the report. Without safety, the entire corridor will continue to exist in a condition of disarray and struggle to bring in outside investment. This is an important first step in drawing retail, residential, and office to the area in the long-term.

Critical Assumptions

Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

We assume that the economy and real estate markets will grow at a stable and moderate rate to 2020 and beyond. However, stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is very difficult to predict when an economic and real estate upturn will end.

With the above in mind, we assume that the long term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said average rates.

Our analysis does not consider the potential impact of future economic shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology.

As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, the project and investment economics should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause failure.

In addition, we assume that the following will occur in accordance with current expectations:

- Economic, employment, and household growth.
- Other forecasts of trends and demographic and economic patterns, including consumer confidence levels.
- The cost of development and construction.
- Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth).
- Availability and cost of capital and mortgage financing for real estate developers, owners and buyers.
- Competitive projects will be developed as planned (active and future) and that a reasonable stream of supply offerings will satisfy real estate demand.
- Major public works projects occur and are completed as planned.

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).

General Limiting Conditions

Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its 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 to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our 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 RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.

Exhibit I-1

MAJOR REAL ESTATE AND ECONOMIC DEVELOPMENT STUDY GOALS
RCLCO
2016

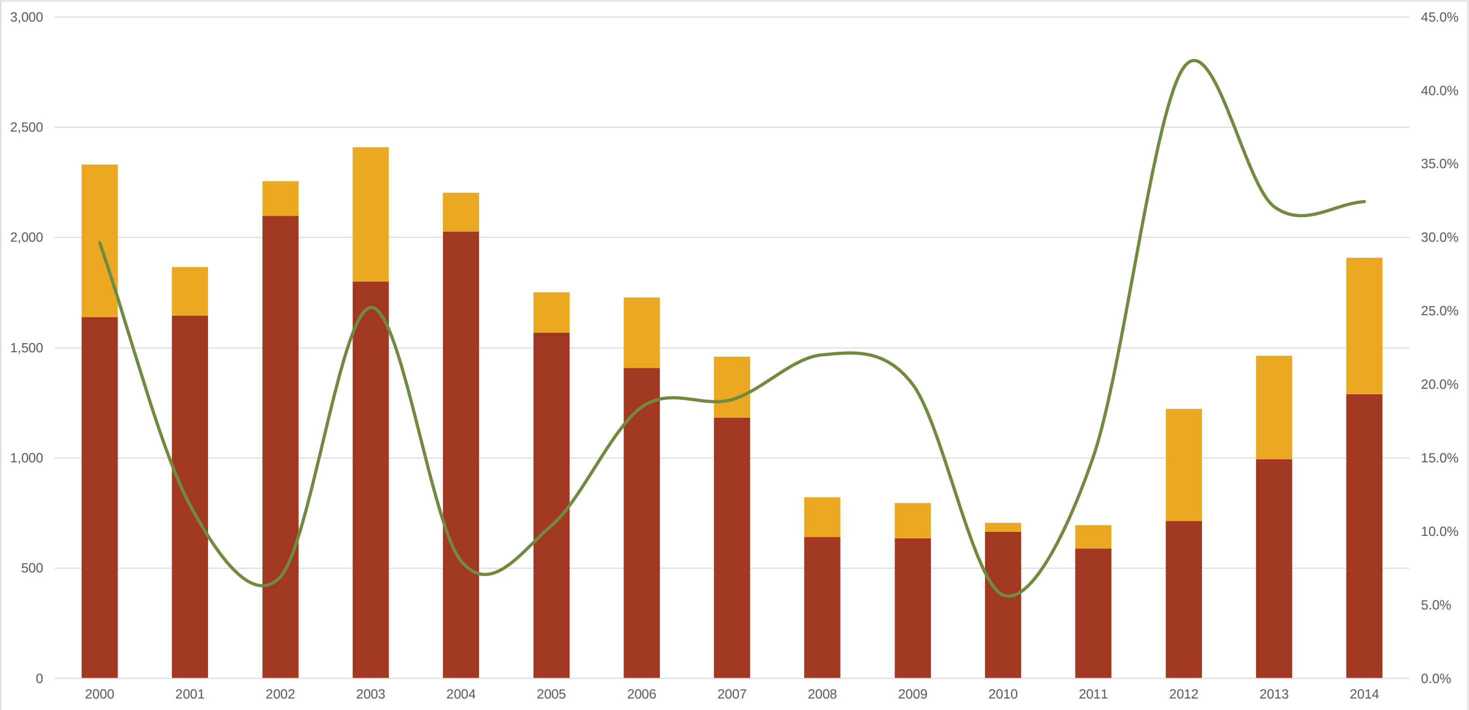
Task 2: Real Estate and Economic Development

- Make sure the vision aligns with market feasibility
- Analyze the corridor's existing conditions and context to better understand its relationship and market potential
- Identify development opportunities, specifically nodes or specific segments to identify appropriate uses
- Communicate and maximize the economic potential while preserving the local history to align with the community's vision and needs
- ***Goal:*** Provide redevelopment strategies for the corridor
- ***Recommendation from participants:*** Talk to City, State, County Economic Development Departments and coordinate efforts
- ***Needs noted by participants***: Highest cancer cluster rate in the area; need for senior housing; reduce likelihood of displacement as reinvestment occurs (Councilmember Jea Street?)

SOURCE: Design Collective; Wilmapco; RCLCO

Exhibit I-2

PERMITTING
NEW CASTLE COUNTY, DE
2000-2014

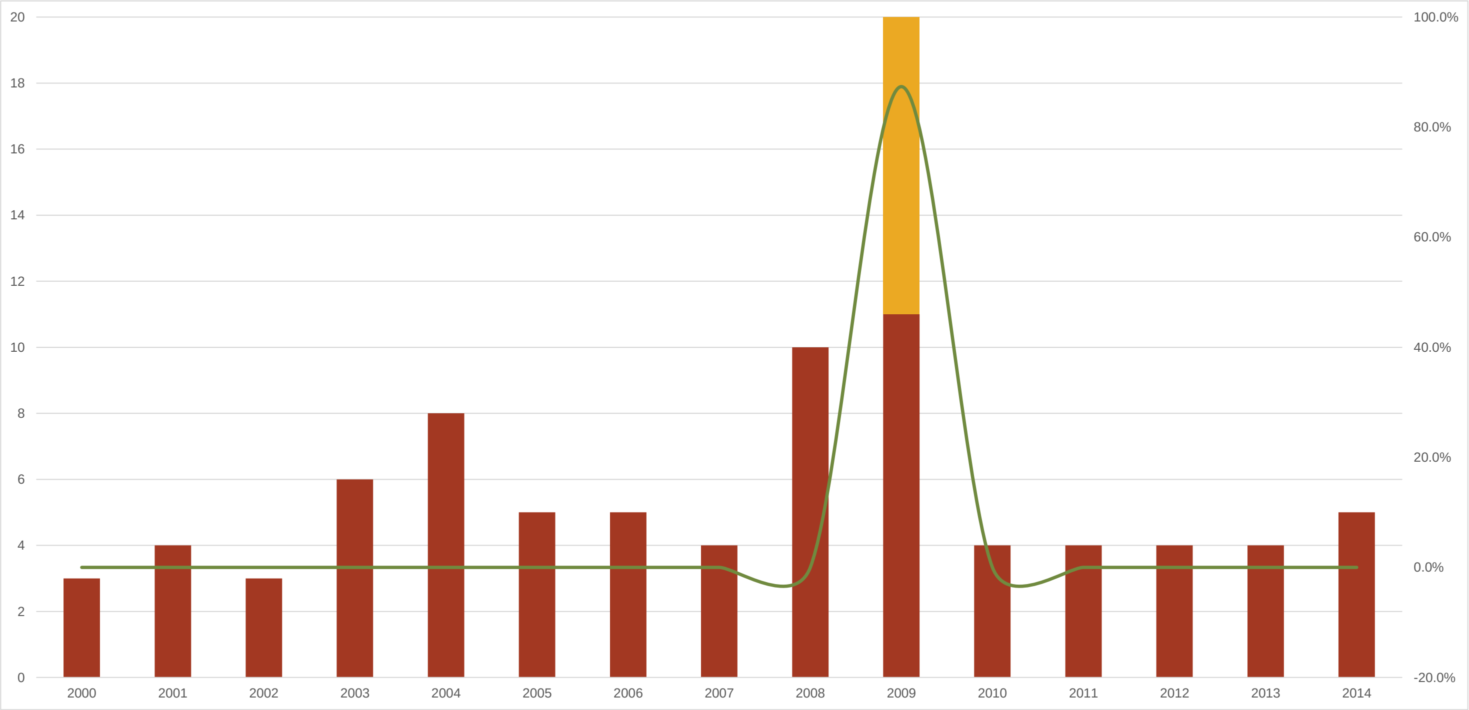


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Single-Family Units	1,640	1,646	2,099	1,801	2,027	1,569	1,409	1,183	641	636	665	590	714	994	1,289
Multifamily Units	691	220	156	608	176	182	319	277	181	159	40	105	508	470	619
% Multifamily Units	30%	12%	7%	25%	8%	10%	18%	19%	22%	20%	6%	15%	42%	32%	32%

SOURCE: SOCDS; RCLCO

Exhibit I-3

PERMITTING
NEW CASTLE CITY, NEW CASTLE COUNTY, DE
2000-2014

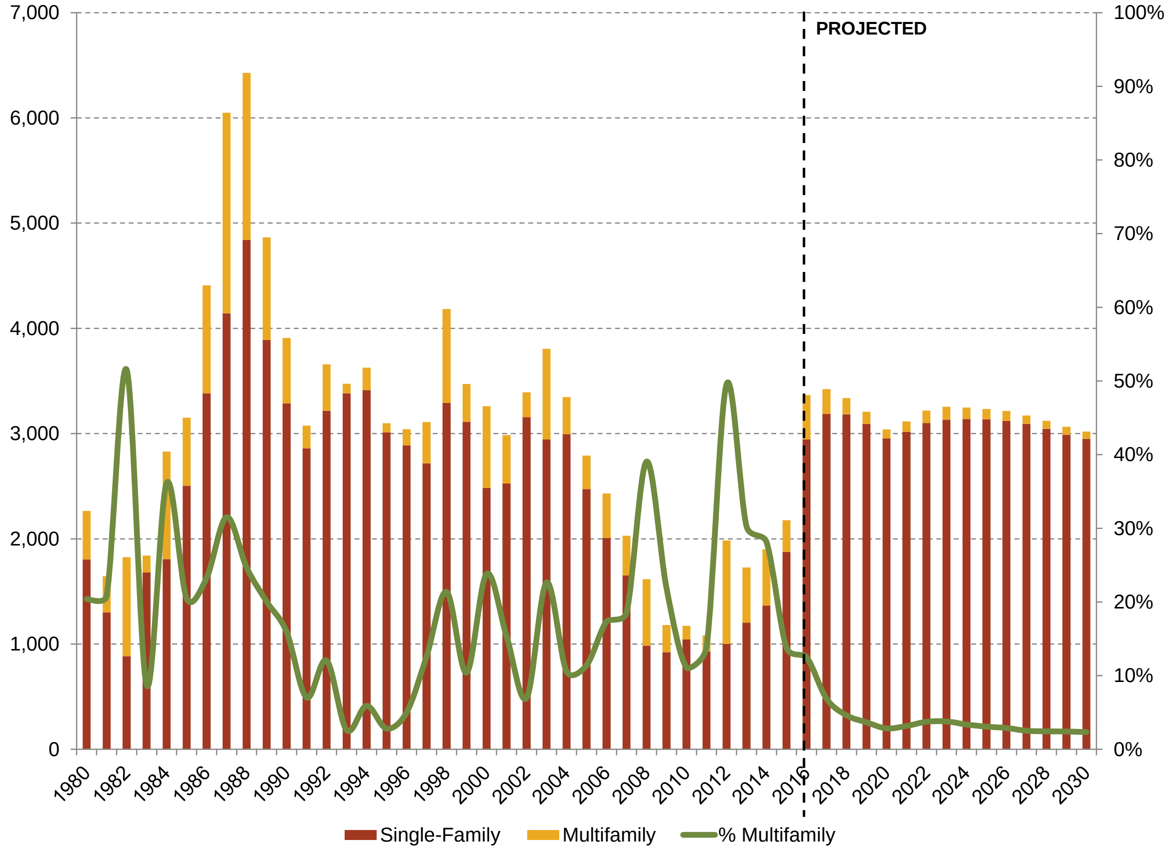


	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Single-Family Units	3	4	3	6	8	5	5	4	10	11	4	4	4	4	5
Multifamily Units	0	0	0	0	0	0	0	0	0	76	0	0	0	0	0
% Multifamily Units	0%	0%	0%	0%	0%	0%	0%	0%	0%	87%	0%	0%	0%	0%	0%

SOURCE: SOCDS; RCLCO

Exhibit I-4

SINGLE-FAMILY AND MULTIFAMILY BUILDING PERMITS
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030

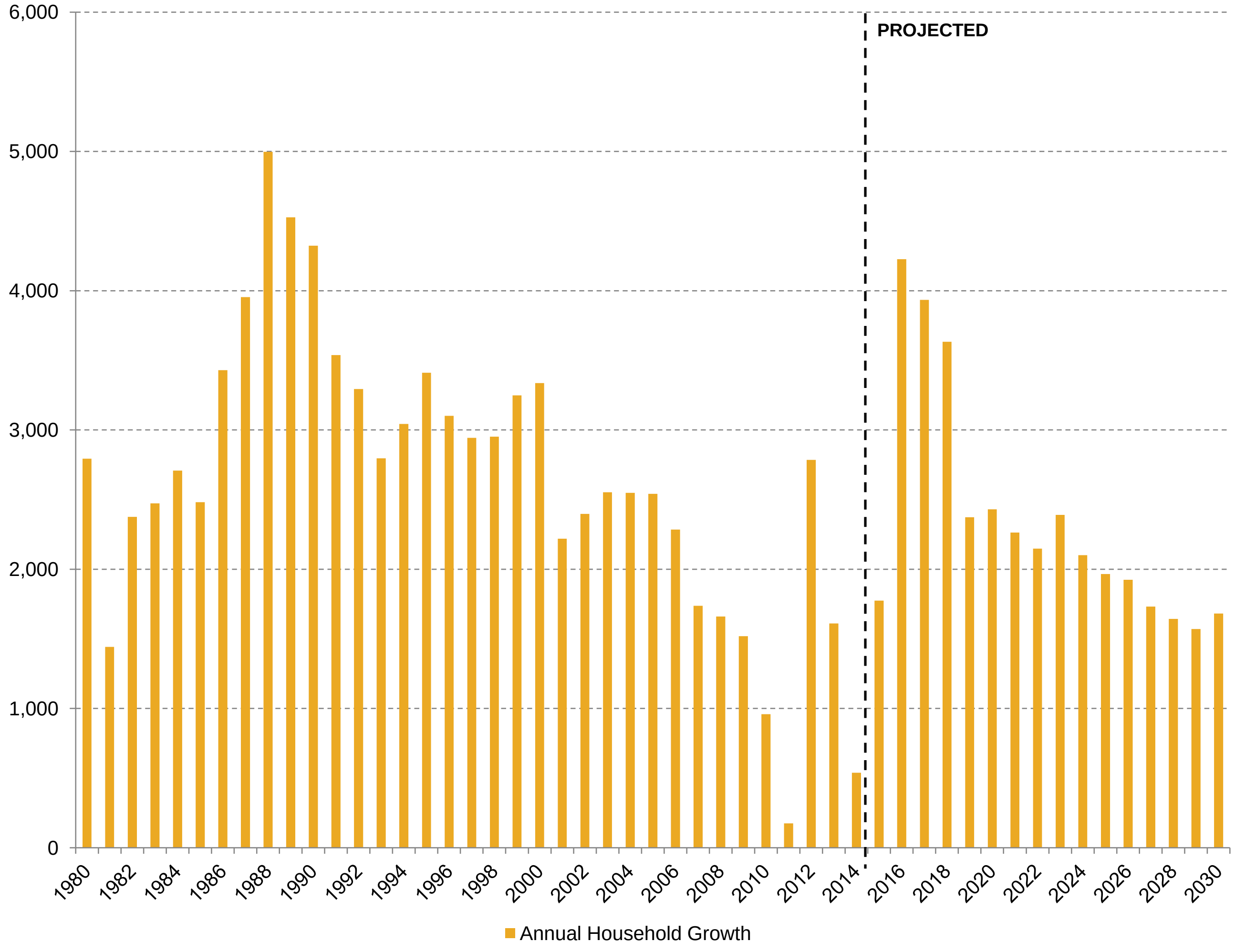


Year	Avg. Annual Permits	SF	%	MF	%
1986 - 1990	5,133	3,909	76%	1,224	24%
1991 - 1995	3,387	3,177	94%	210	6%
1996 - 2000	3,413	2,898	85%	515	15%
2001 - 2005	3,265	2,819	86%	445	14%
2006 - 2010	1,686	1,323	78%	364	22%
2011 - 2015	1,774	1,276	72%	498	28%
2016 - 2020	3,274	3,072	94%	203	6%
2021 - 2025	3,215	3,104	97%	110	3%
2026 - 2030	3,118	3,040	97%	79	3%

SOURCE: Moody's Analytics

Exhibit I-5

HOUSEHOLD GROWTH
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030



Year	Total Households	CAGR
1980	180,863	
1985	192,343	1.24%
1990	213,575	2.12%
1995	229,657	1.46%
2000	245,239	1.32%
2005	257,500	0.98%
2010	265,660	0.63%
2015	272,544	0.51%
2020	289,139	1.19%
2025	300,008	0.74%
2030	308,560	0.56%
2035	316,135	0.49%
2040	320,978	0.30%

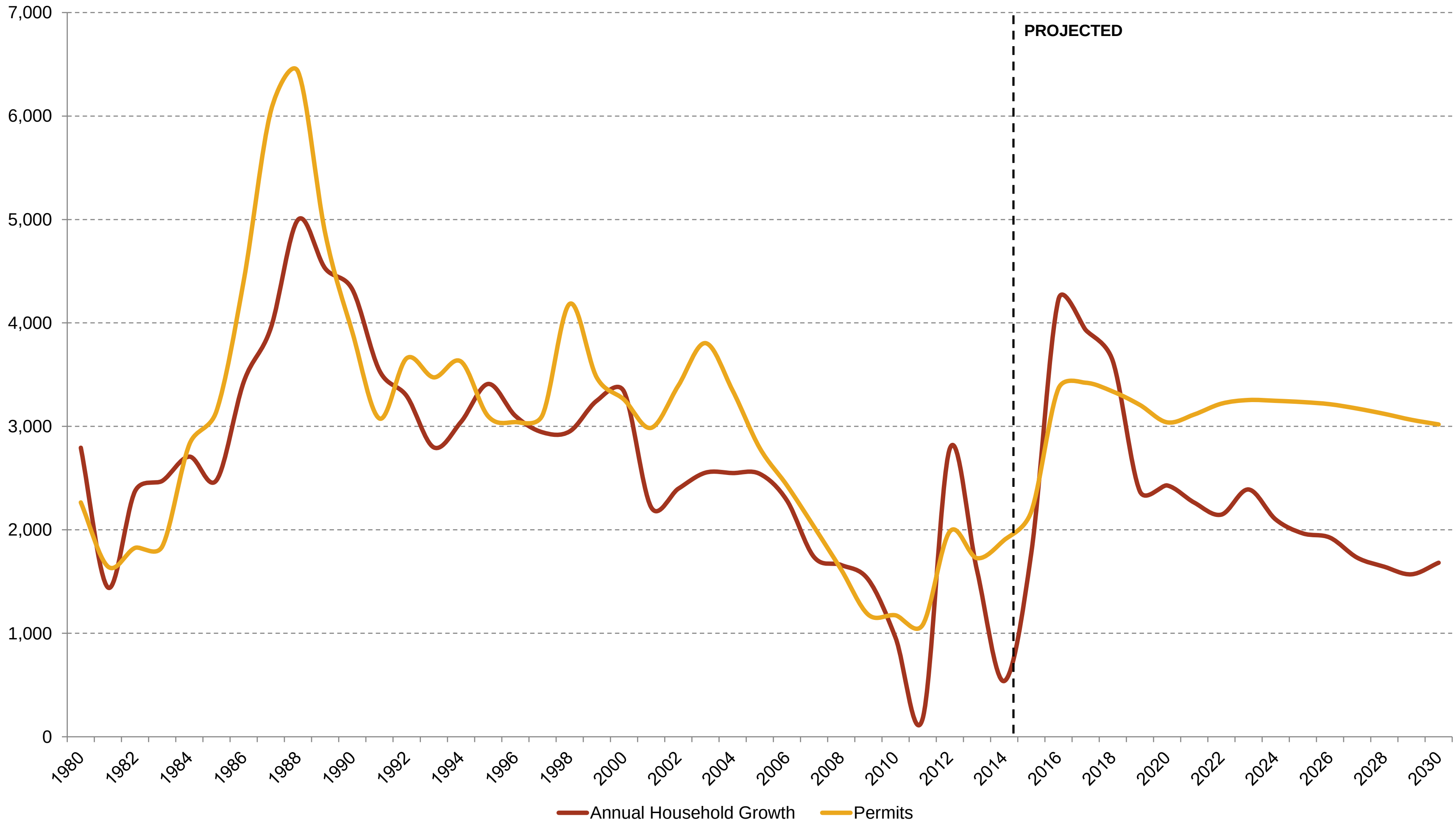
Avg. Annual Growth	
1980 - 1990	3,271
1990 - 2000	3,166
2000 - 2010	2,042
2010 - 2020	2,348

SOURCE: Moody's Analytics

Exhibit I-5
P#-13495.0002
Printed: 7/13/2016

Exhibit I-6

COMPARISON OF ANNUAL HOUSEHOLD GROWTH AND BUILDING PERMIT ISSUANCE
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030

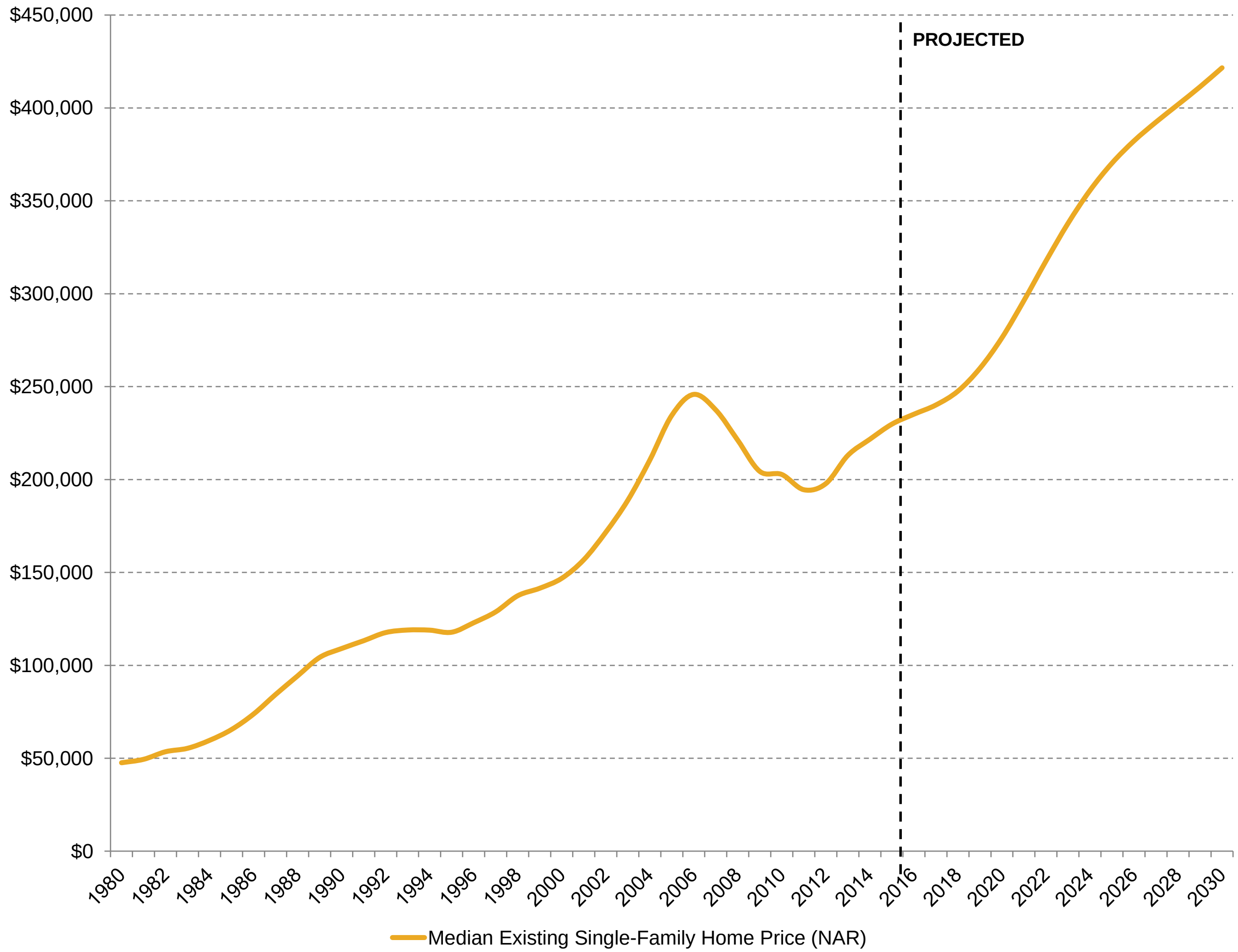


SOURCE: Moody's Analytics

Exhibit I-6
P#-13495.0002
Printed: 7/13/2016

Exhibit I-7

MEDIAN EXISTING SINGLE-FAMILY HOME PRICE
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030

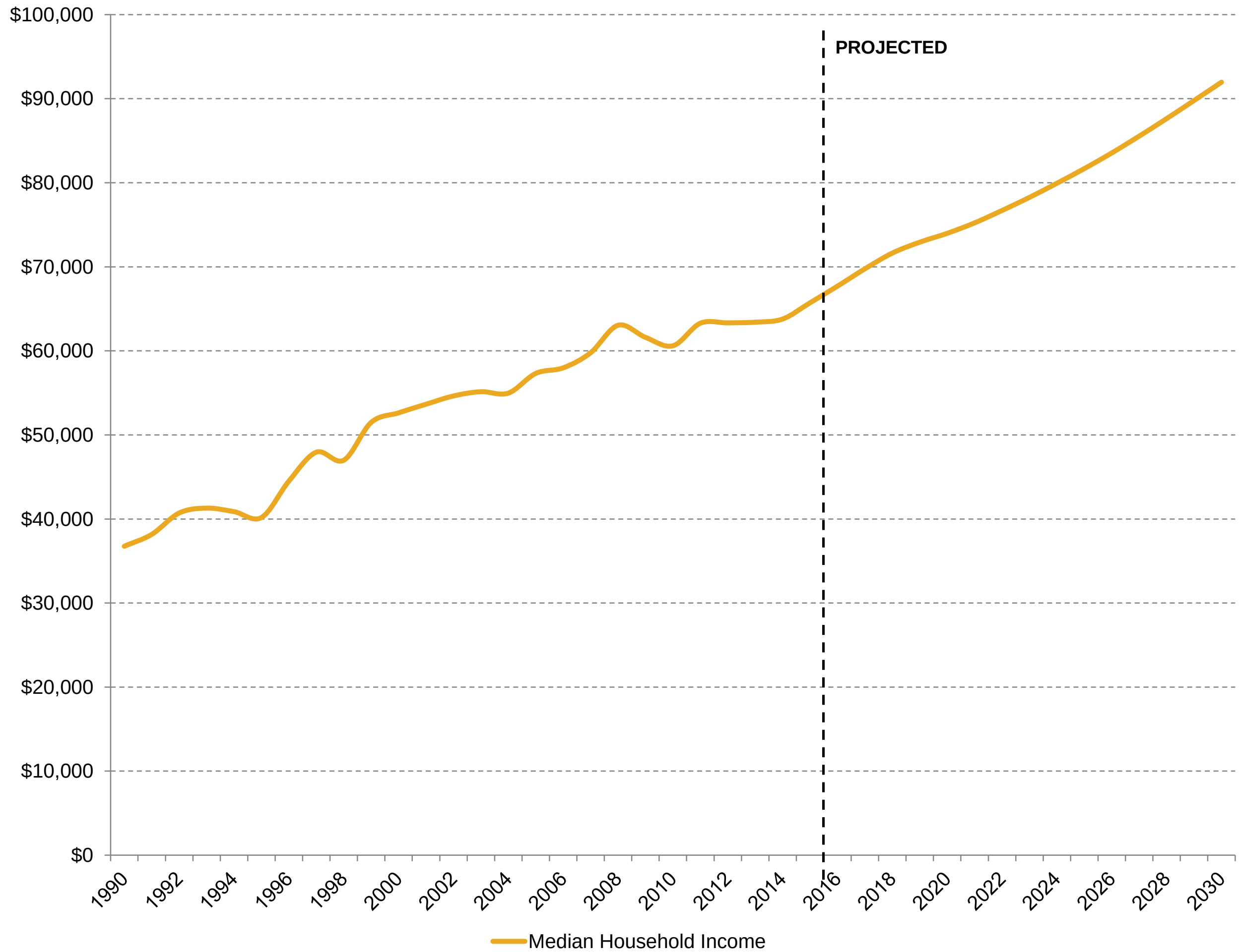


Year	Median Price	CAGR
1980	$47,568	
1985	$65,463	6.59%
1990	$109,046	10.74%
1995	$117,817	1.56%
2000	$146,831	4.50%
2005	$234,539	9.82%
2010	$202,713	-2.87%
2015	$229,804	2.54%
2020	$276,278	3.75%
2025	$370,289	6.03%
2030	$421,598	2.63%
2035	$493,718	3.21%
2040	$600,839	4.01%
1980 - 2010		4.95%

SOURCE: Moody's Analytics

Exhibit I-8

MEDIAN HOUSEHOLD INCOME
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030

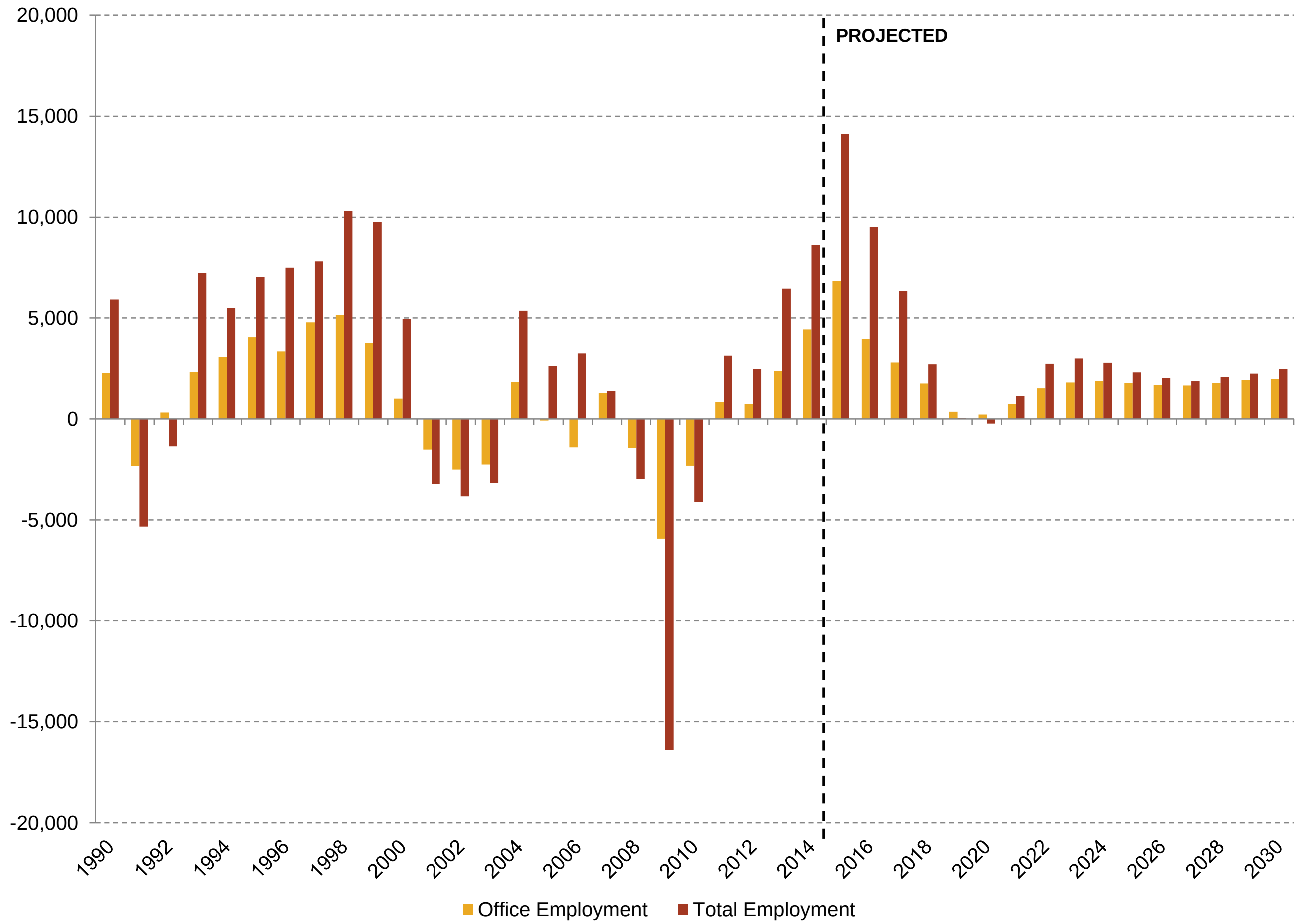


Year	Median Household Income	CAGR
1980	$21,230	
1985	$27,945	5.65%
1990	$36,756	5.63%
1995	$40,173	1.79%
2000	$52,625	5.55%
2005	$57,319	1.72%
2010	$60,602	1.12%
2015	$65,720	1.63%
2020	$73,982	2.40%
2025	$81,685	2.00%
2030	$91,967	2.40%
2035	$105,018	2.69%
2040	$120,970	2.87%
1990 - 2010		3.56%
2000-2030		1.88%

SOURCE: Moody's Analytics

Exhibit I-9

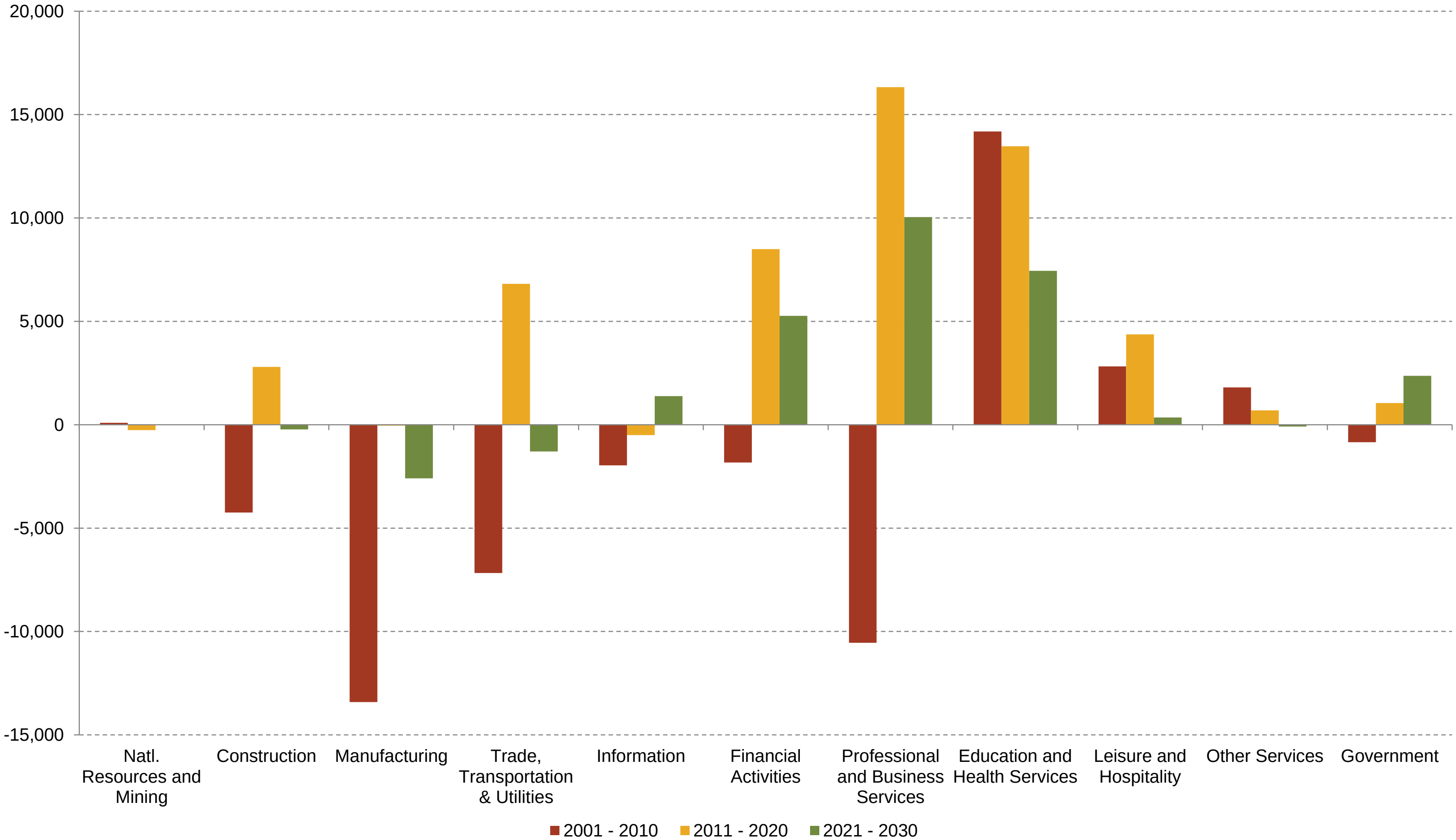
ANNUAL EMPLOYMENT GROWTH
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030



SOURCE: Moody's Analytics

Exhibit I-10

JOB GROWTH BY SECTOR
WILMINGTON, DE-MD-NJ METROPOLITAN DIVISION
1980 - 2030



SOURCE: Moody's Analytics

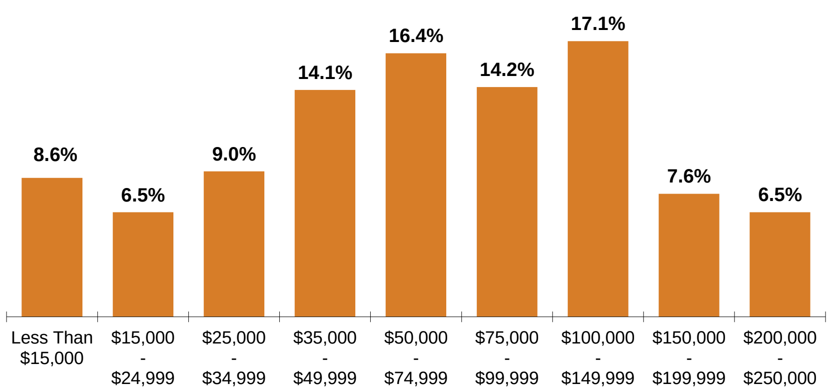
Exhibit I-10
P#-13495.0002
Printed: 7/13/2016

Exhibit I-11

AGE OF HOUSEHOLDER BY INCOME
NEW CASTLE COUNTY, DE
2015

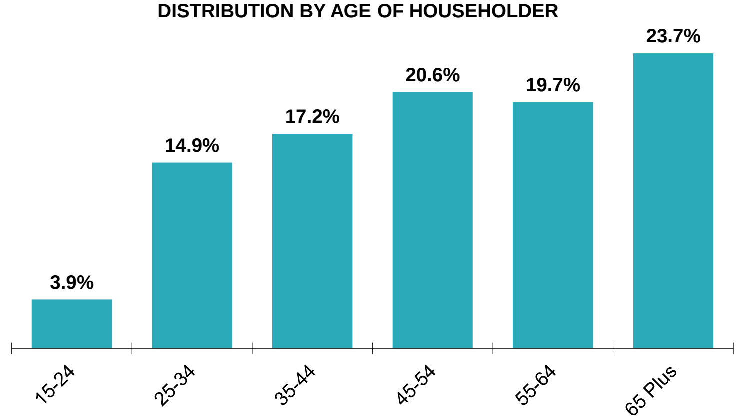
INCOME RANGE	15-24 #	15-24 %	25-34 #	25-34 %	35-44 #	35-44 %	45-54 #	45-54 %	55-64 #	55-64 %	65 Plus #	65 Plus %	TOTAL #	TOTAL %
Less Than $15,000	2,023	24.9%	2,781	9.0%	1,944	5.5%	2,553	6.0%	3,568	8.7%	4,957	10.1%	17,826	8.6%
$15,000 - $24,999	929	11.5%	1,858	6.0%	1,877	5.3%	1,909	4.5%	2,387	5.8%	4,452	9.1%	13,412	6.5%
$25,000 - $34,999	1,077	13.3%	3,187	10.3%	2,539	7.1%	2,560	6.0%	3,057	7.5%	6,237	12.7%	18,657	9.0%
$35,000 - $49,999	1,504	18.5%	5,066	16.4%	4,185	11.7%	4,541	10.7%	4,389	10.7%	9,419	19.2%	29,104	14.1%
$50,000 - $74,999	1,226	15.1%	5,865	19.0%	5,474	15.4%	6,289	14.8%	5,781	14.2%	9,194	18.8%	33,829	16.4%
$75,000 - $99,999	736	9.1%	5,081	16.5%	5,512	15.5%	6,570	15.5%	5,798	14.2%	5,776	11.8%	29,473	14.2%
$100,000 - $149,999	476	5.9%	4,891	15.9%	8,068	22.6%	8,972	21.1%	7,955	19.5%	5,011	10.2%	35,373	17.1%
$150,000 - $199,999	104	1.3%	1,344	4.4%	3,579	10.0%	4,958	11.7%	4,051	9.9%	1,754	3.6%	15,790	7.6%
$200,000 Or More	34	0.4%	758	2.5%	2,445	6.9%	4,167	9.8%	3,860	9.5%	2,158	4.4%	13,422	6.5%
TOTAL	**8,109**	**100%**	**30,831**	**100%**	**35,623**	**100%**	**42,519**	**100%**	**40,846**	**100%**	**48,958**	**100%**	**206,886**	**100%**
Percent of Total	4%		15%		17%		21%		20%		24%		100%	

HOUSEHOLD INCOME DISTRIBUTION



Income Ranges

DISTRIBUTION BY AGE OF HOUSEHOLDER



Age of Householder

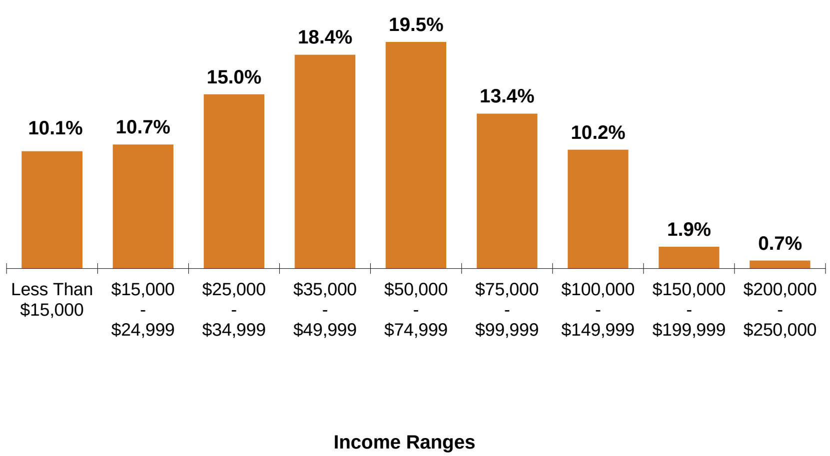
SOURCE: ESRI

Exhibit I-12

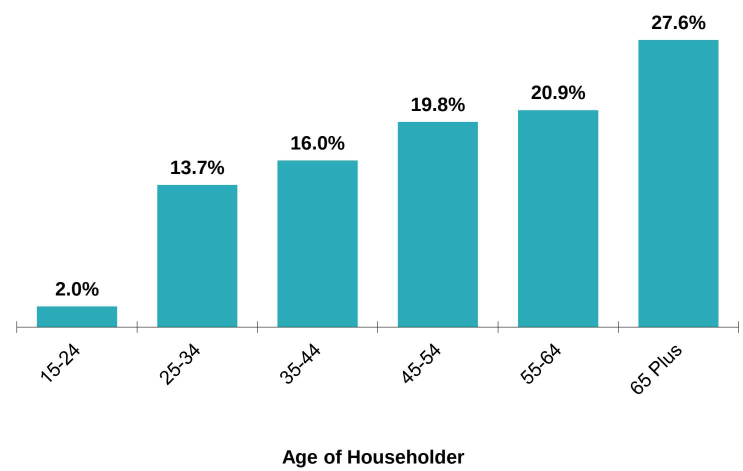
AGE OF HOUSEHOLDER BY INCOME
PMA
2015

INCOME RANGE	15-24		25-34		35-44		45-54		55-64		65 Plus		TOTAL	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Less Than $15,000	21	20.2%	67	9.4%	71	8.5%	85	8.3%	131	12.0%	152	10.6%	527	10.1%
$15,000 - $24,999	19	18.3%	67	9.4%	73	8.7%	77	7.5%	100	9.2%	221	15.3%	557	10.7%
$25,000 - $34,999	12	11.5%	92	12.9%	95	11.4%	104	10.1%	128	11.8%	352	24.4%	783	15.0%
$35,000 - $49,999	21	20.2%	109	15.3%	130	15.6%	152	14.8%	198	18.2%	351	24.4%	961	18.4%
$50,000 - $74,999	17	16.3%	172	24.1%	194	23.2%	250	24.3%	227	20.9%	158	11.0%	1,018	19.5%
$75,000 - $99,999	9	8.7%	128	18.0%	139	16.6%	158	15.4%	148	13.6%	114	7.9%	696	13.4%
$100,000 - $149,999	5	4.8%	65	9.1%	114	13.6%	154	15.0%	127	11.7%	69	4.8%	534	10.2%
$150,000 - $199,999	0	0.0%	10	1.4%	11	1.3%	36	3.5%	21	1.9%	20	1.4%	98	1.9%
$200,000 Or More	0	0.0%	3	0.4%	9	1.1%	13	1.3%	8	0.7%	3	0.2%	36	0.7%
TOTAL	**104**	**100%**	**713**	**100%**	**836**	**100%**	**1,029**	**100%**	**1,088**	**100%**	**1,440**	**100%**	**5,210**	**100%**
Percent of Total	2%		14%		16%		20%		21%		28%		100%	

HOUSEHOLD INCOME DISTRIBUTION



DISTRIBUTION BY AGE OF HOUSEHOLDER



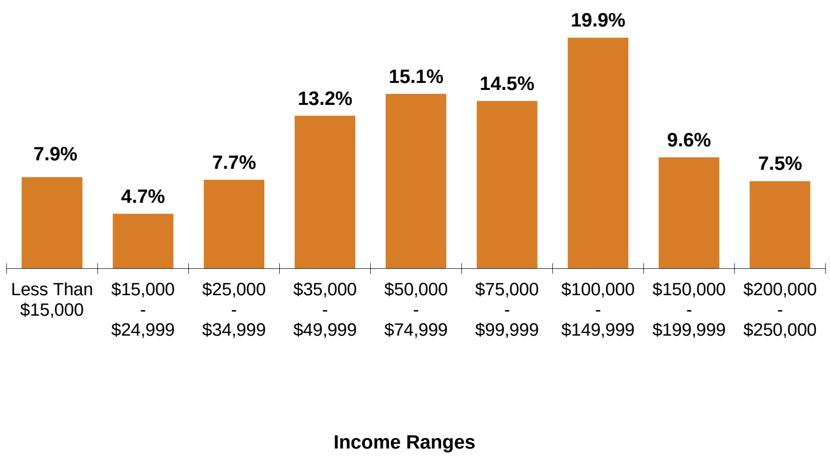
SOURCE: ESRI

Exhibit I-13

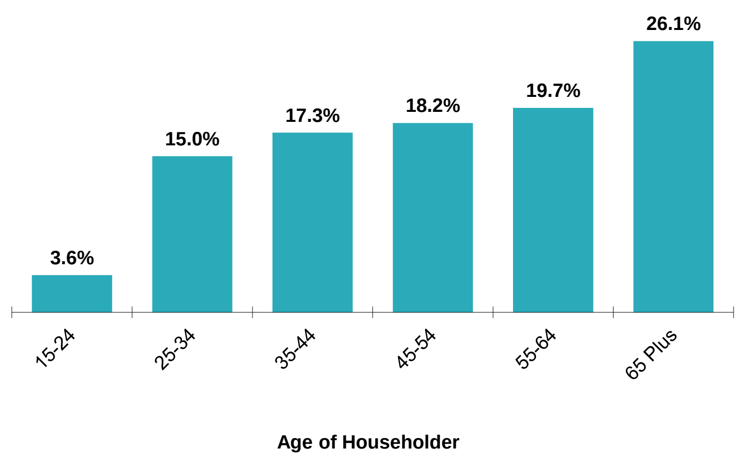
AGE OF HOUSEHOLDER BY INCOME
NEW CASTLE COUNTY, DE
2020

INCOME RANGE	15-24 #	15-24 %	25-34 #	25-34 %	35-44 #	35-44 %	45-54 #	45-54 %	55-64 #	55-64 %	65 Plus #	65 Plus %	TOTAL #	TOTAL %
Less Than $15,000	1,940	25.6%	2,595	8.1%	1,816	4.9%	2,020	5.2%	3,148	7.5%	5,232	9.4%	16,751	7.9%
$15,000 - $24,999	702	9.3%	1,496	4.7%	1,342	3.7%	1,182	3.1%	1,506	3.6%	3,791	6.8%	10,019	4.7%
$25,000 - $34,999	918	12.1%	2,815	8.8%	2,156	5.9%	1,881	4.9%	2,446	5.8%	6,038	10.9%	16,254	7.7%
$35,000 - $49,999	1,381	18.2%	4,936	15.5%	3,853	10.5%	3,501	9.0%	4,079	9.8%	10,213	18.4%	27,963	13.2%
$50,000 - $74,999	1,151	15.2%	5,587	17.5%	4,965	13.5%	4,856	12.5%	5,378	12.9%	10,021	18.1%	31,958	15.1%
$75,000 - $99,999	771	10.2%	5,445	17.1%	5,551	15.1%	5,931	15.3%	5,892	14.1%	7,096	12.8%	30,686	14.5%
$100,000 - $149,999	556	7.3%	6,190	19.4%	9,610	26.2%	9,181	23.7%	9,432	22.6%	7,306	13.2%	42,275	19.9%
$150,000 - $199,999	131	1.7%	1,859	5.8%	4,487	12.2%	5,846	15.1%	5,299	12.7%	2,721	4.9%	20,343	9.6%
$200,000 Or More	39	0.5%	1,008	3.2%	2,961	8.1%	4,314	11.1%	4,635	11.1%	3,056	5.5%	16,013	7.5%
TOTAL	**7,589**	**100%**	**31,931**	**100%**	**36,741**	**100%**	**38,712**	**100%**	**41,815**	**100%**	**55,474**	**100%**	**212,262**	**100%**
Percent of Total	4%		15%		17%		18%		20%		26%		100%	

HOUSEHOLD INCOME DISTRIBUTION



DISTRIBUTION BY AGE OF HOUSEHOLDER



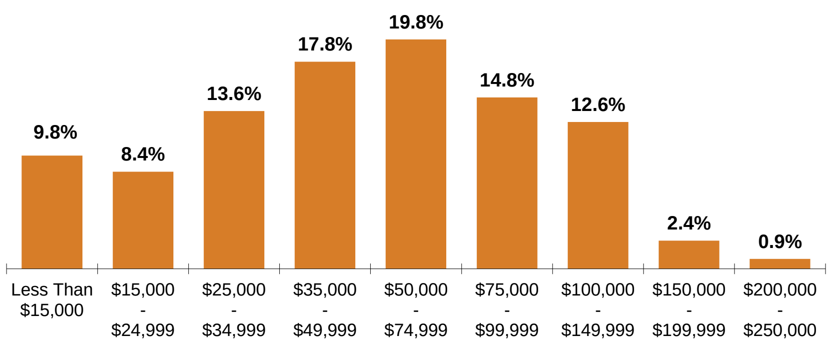
SOURCE: ESRI

Exhibit I-14

AGE OF HOUSEHOLDER BY INCOME
PMA
2020

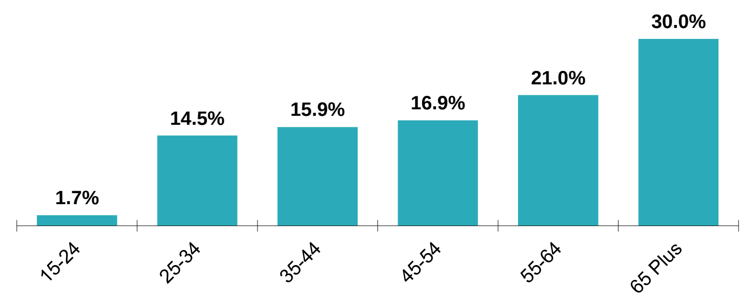
INCOME RANGE	15-24 #	15-24 %	25-34 #	25-34 %	35-44 #	35-44 %	45-54 #	45-54 %	55-64 #	55-64 %	65 Plus #	65 Plus %	TOTAL #	TOTAL %
Less Than $15,000	21	23.6%	67	8.8%	63	7.6%	68	7.6%	124	11.3%	169	10.7%	512	9.8%
$15,000 - $24,999	13	14.6%	58	7.6%	57	6.8%	48	5.4%	69	6.3%	194	12.3%	439	8.4%
$25,000 - $34,999	9	10.1%	90	11.8%	83	10.0%	75	8.4%	106	9.6%	351	22.3%	714	13.6%
$35,000 - $49,999	19	21.3%	107	14.1%	121	14.5%	120	13.5%	188	17.1%	382	24.2%	937	17.8%
$50,000 - $74,999	14	15.7%	187	24.6%	193	23.2%	209	23.5%	236	21.4%	199	12.6%	1,038	19.8%
$75,000 - $99,999	9	10.1%	153	20.1%	150	18.0%	148	16.6%	169	15.3%	146	9.3%	775	14.8%
$100,000 - $149,999	4	4.5%	80	10.5%	142	17.0%	168	18.9%	170	15.4%	100	6.3%	664	12.6%
$150,000 - $199,999	0	0.0%	15	2.0%	14	1.7%	40	4.5%	27	2.5%	31	2.0%	127	2.4%
$200,000 Or More	0	0.0%	4	0.5%	10	1.2%	14	1.6%	13	1.2%	4	0.3%	45	0.9%
TOTAL	**89**	**100%**	**761**	**100%**	**833**	**100%**	**890**	**100%**	**1,102**	**100%**	**1,576**	**100%**	**5,251**	**100%**
Percent of Total	2%		14%		16%		17%		21%		30%		100%	

HOUSEHOLD INCOME DISTRIBUTION



Income Ranges

DISTRIBUTION BY AGE OF HOUSEHOLDER

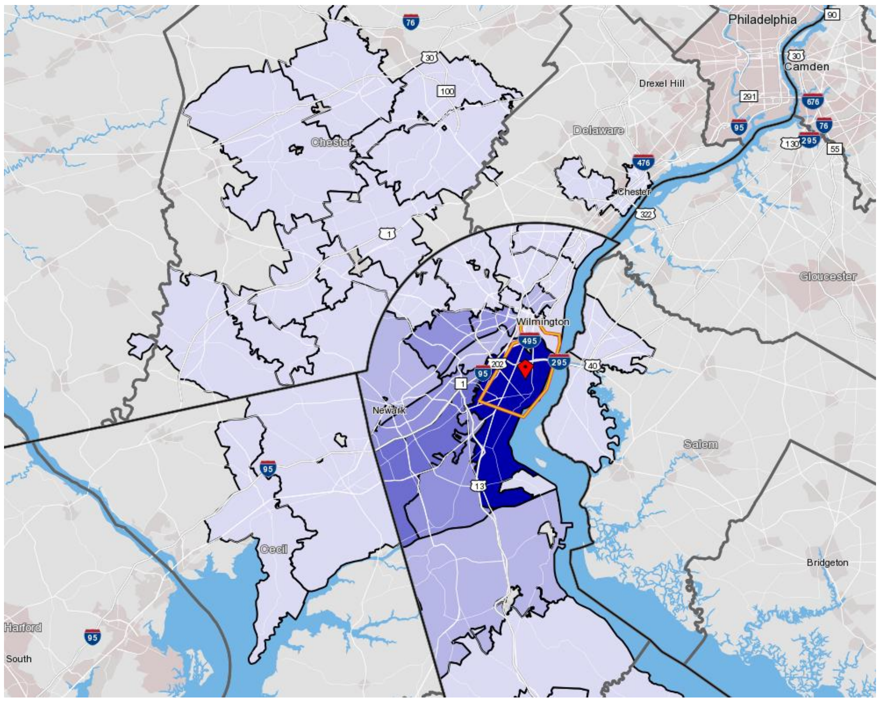


Age of Householder

SOURCE: ESRI

Exhibit I-15

WHERE RESIDENTS OF SUBJECT AREA WORK BY ZIPCODE
ROUTE 90 CORRIDOR AND ADJACENT AREAS
2013



KEY

- 3,927 - 4,566 Jobs
- 3,288 - 3,926 Jobs
- 2,649 - 3,287 Jobs
- 2,010 - 2,648 Jobs
- 1,371 - 2,009 Jobs
- 732 - 1,370 Jobs
- 92 - 731 Jobs

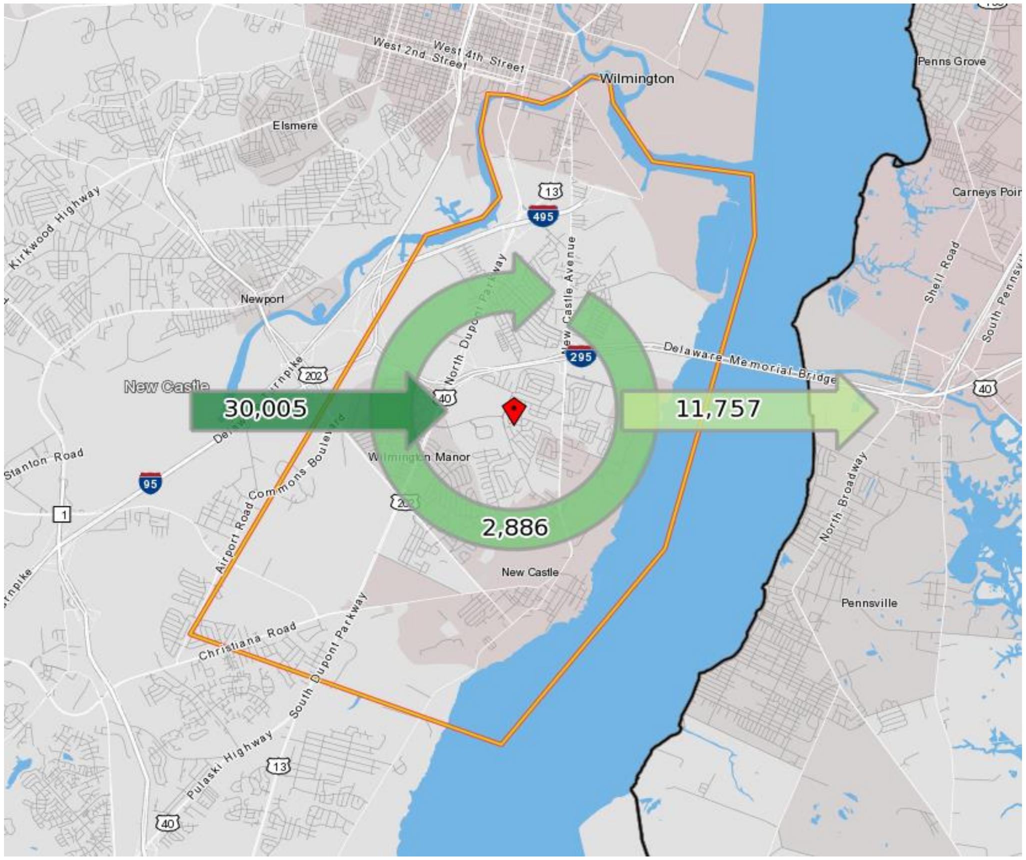
Top 5 Zip Codes

Zip Code	Count	Share	Town
19720	4,566	14%	New Castle
19702	2,285	7%	Newark/Glasgow
19701	1,928	6%	Bear
19805	1,662	5%	Elsmere
19808	1,451	4%	Pike Creek
Total	32,891		

SOURCE: U.S. Census OnTheMap.gov; RCLCO

Exhibit I-16

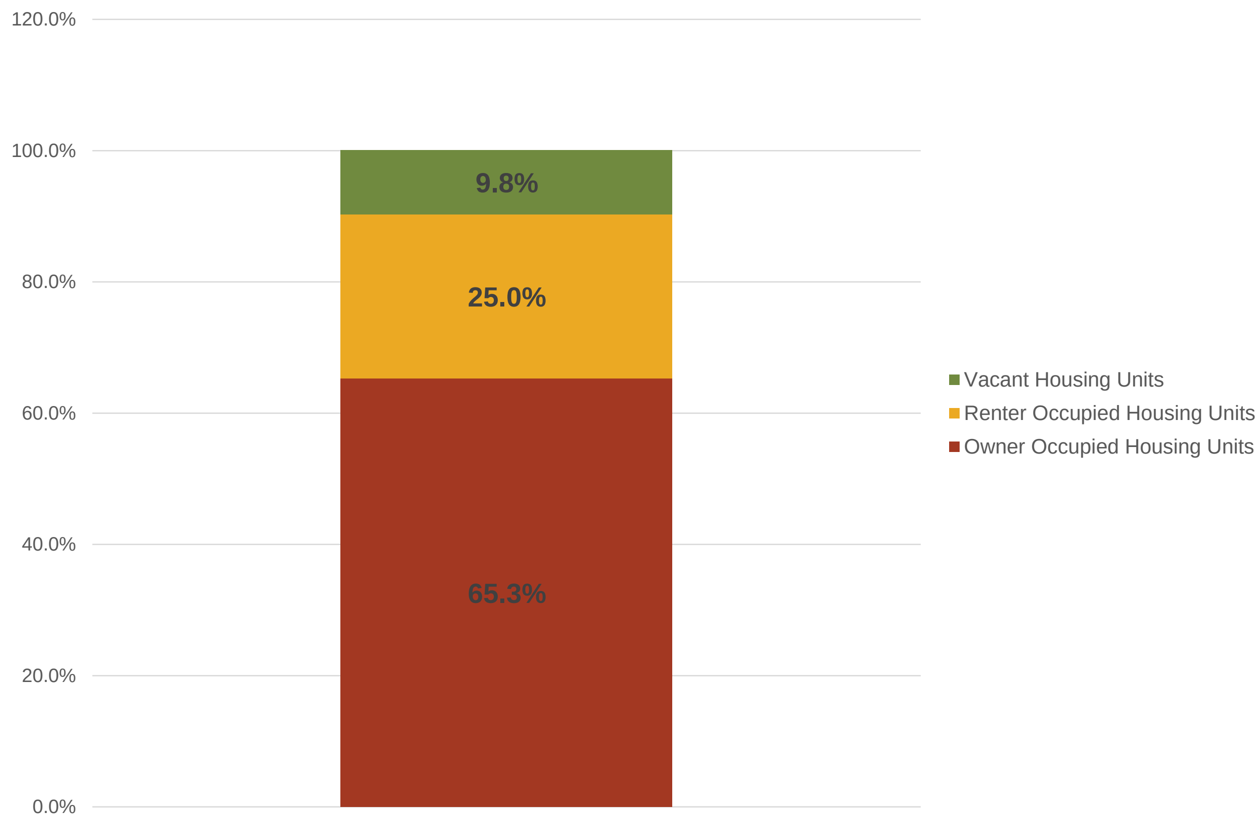
EMPLOYMENT INFLOW/OUTFLOW
ROUTE 90 CORRIDOR AND ADJACENT AREAS
2013



SOURCE: U.S. Census OnTheMap.gov; RCLCO

Exhibit I-17

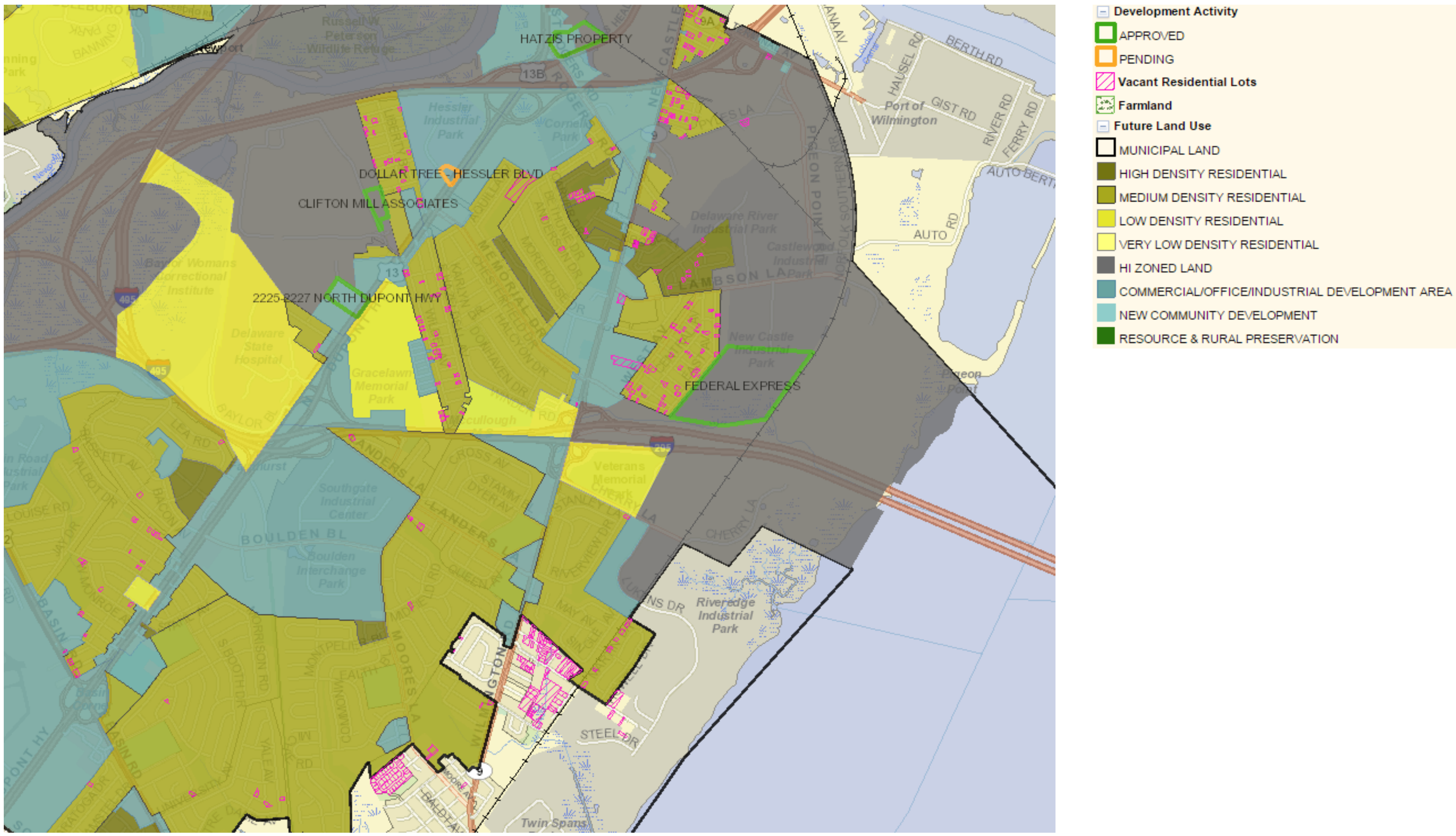
TENURE TRENDS
PMA
2016



SOURCE: Esri; RCLCO

Exhibit I-18

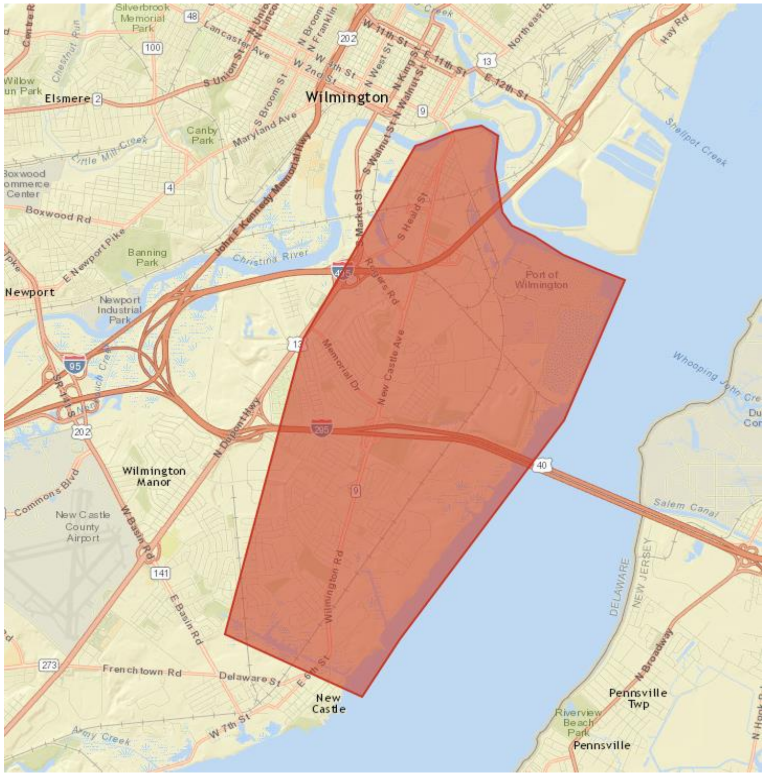
LAND USE MAP
ROUTE 9 CORRIDOR
2016



SOURCE: New Castle County; RCLCO

Exhibit I-19

DEFINITION OF SUBJECT CORRIDOR
PMA
2016

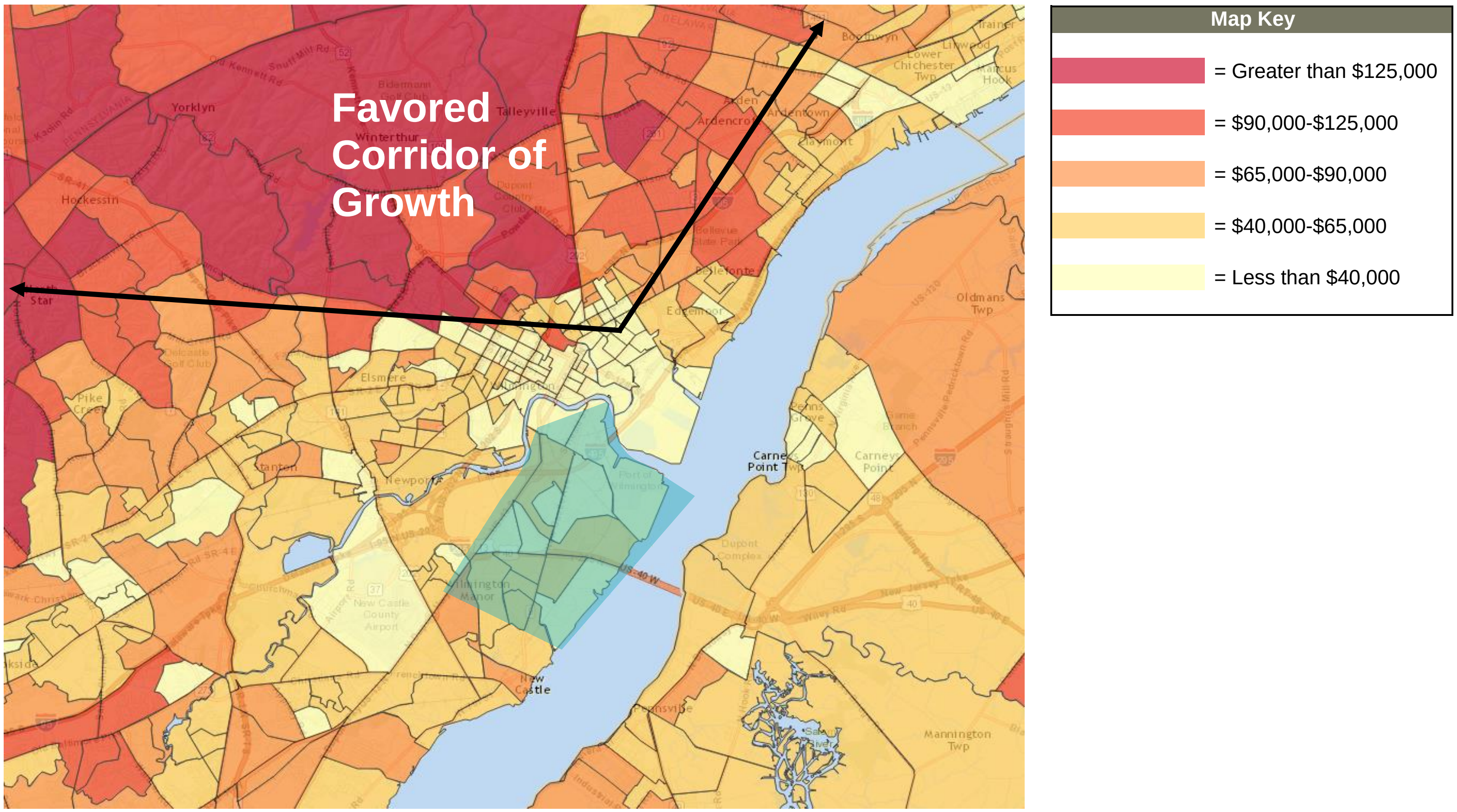


SOURCE: Esri; RCLCO

Exhibit I-19
P#-13495.0002
Printed: 7/13/2016

Exhibit I-20

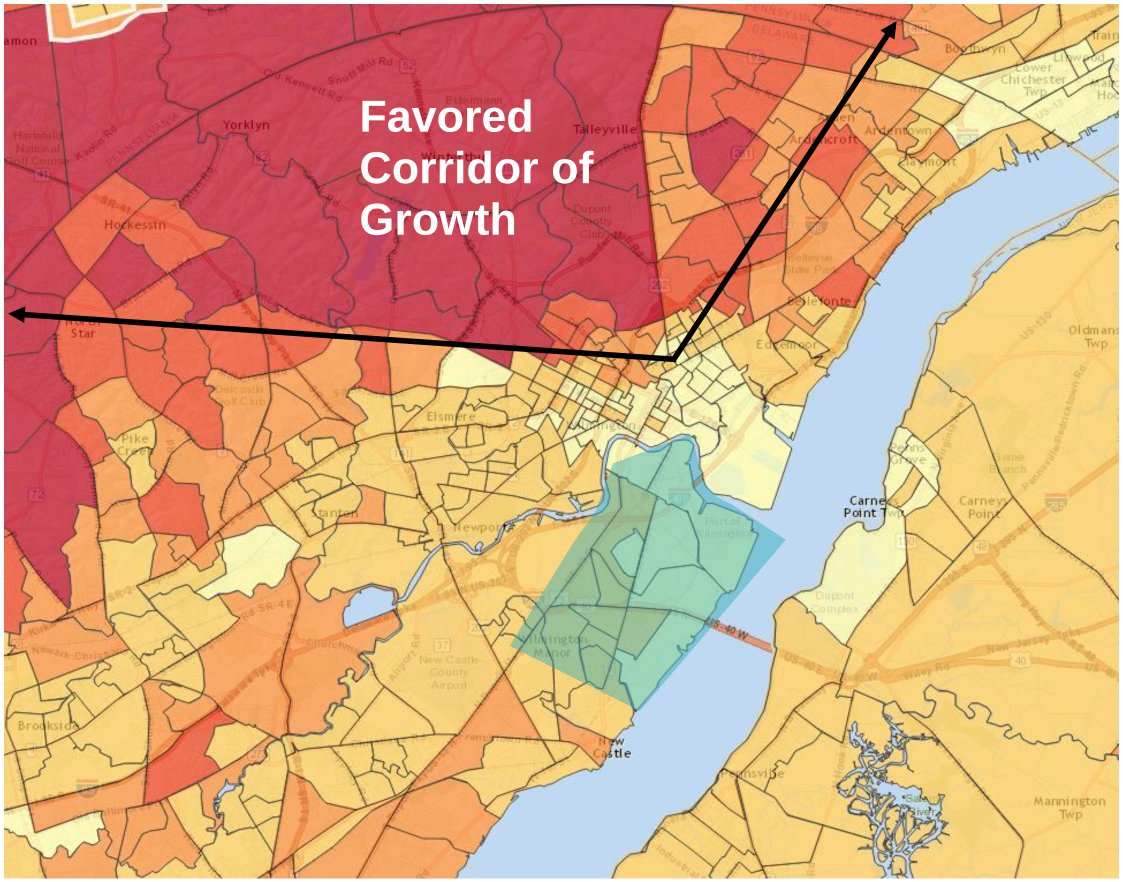
MEDIAN INCOME BY BLOCK GROUP (RETAIL, OFFICE, AND MULTIFAMILY FOLLOW FAVORED CORRIDOR)
WILMINGTON, DE
2016



SOURCE: Esri; RCLCO

Exhibit I-21

MEDIAN HOME VALUE (RETAIL, OFFICE, AND MULTIFAMILY FOLLOW FAVORED CORRIDOR)
WILMINGTON, DE
2016



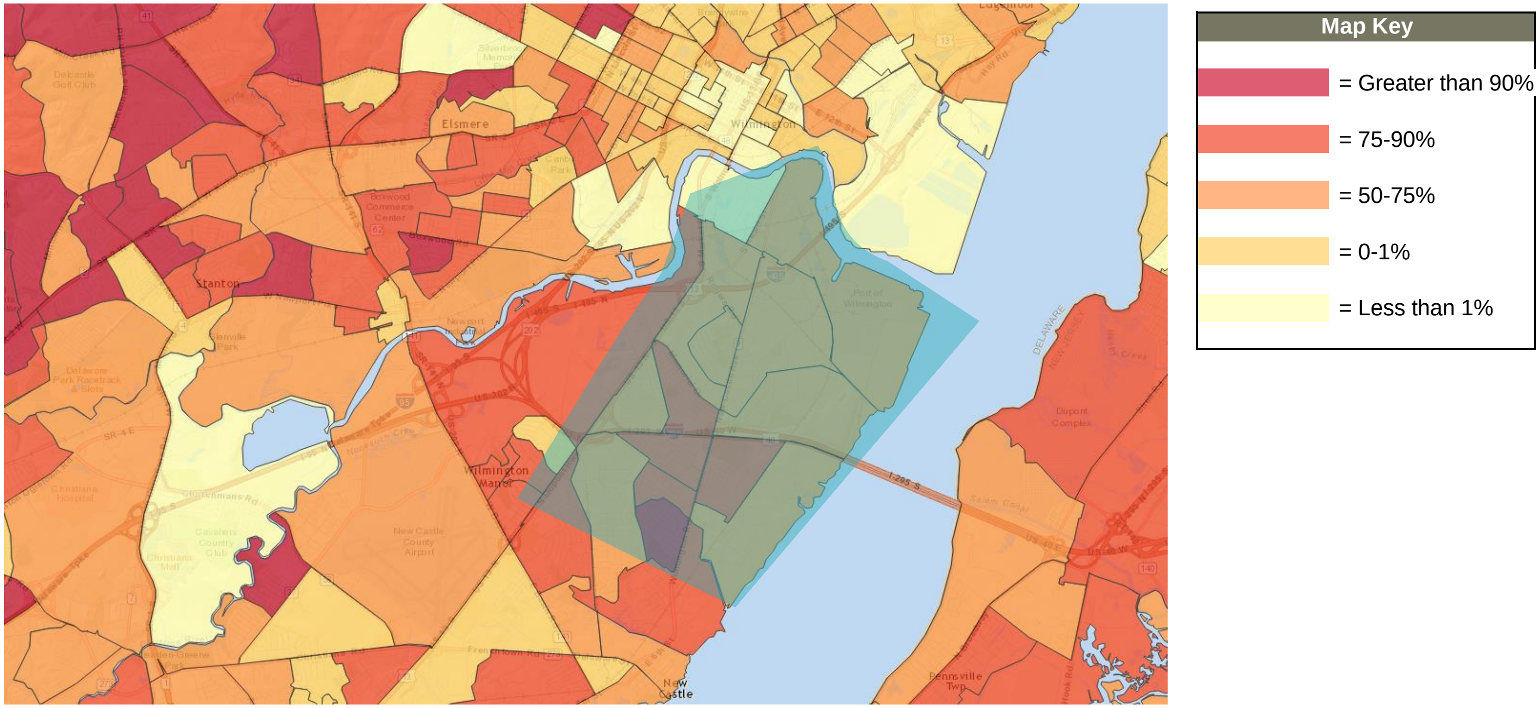
Map Key

- = Greater than $500,000
- = $350,000-$500,000
- = $250,000-$350,000
- = $150,000-$250,000
- = Less than $150,000

SOURCE: Esri; RCLCO

Exhibit I-22

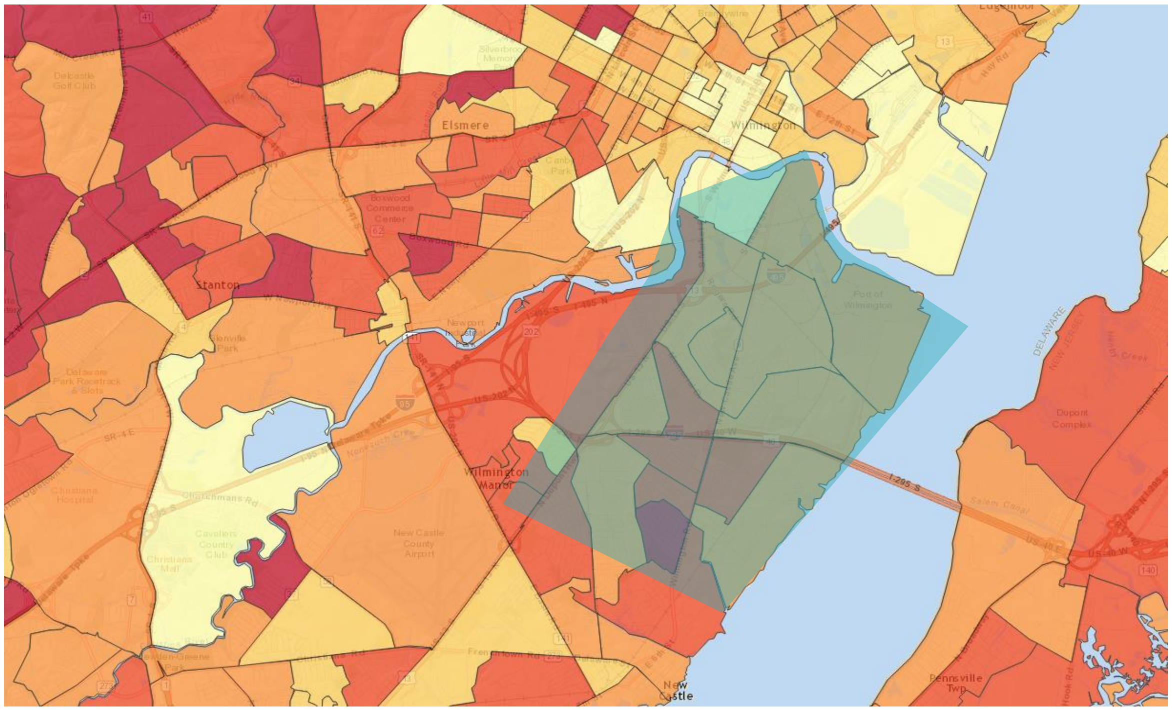
OWNER-OCCUPIED HOUSING UNITS BY BLOCK GROUP
WILMINGTON, DE
2015



SOURCE: Esri; RCLCO

Exhibit I-23

MEDIAN-INCOMES BY BLOCK GROUP
WILMINGTON, DE
2015



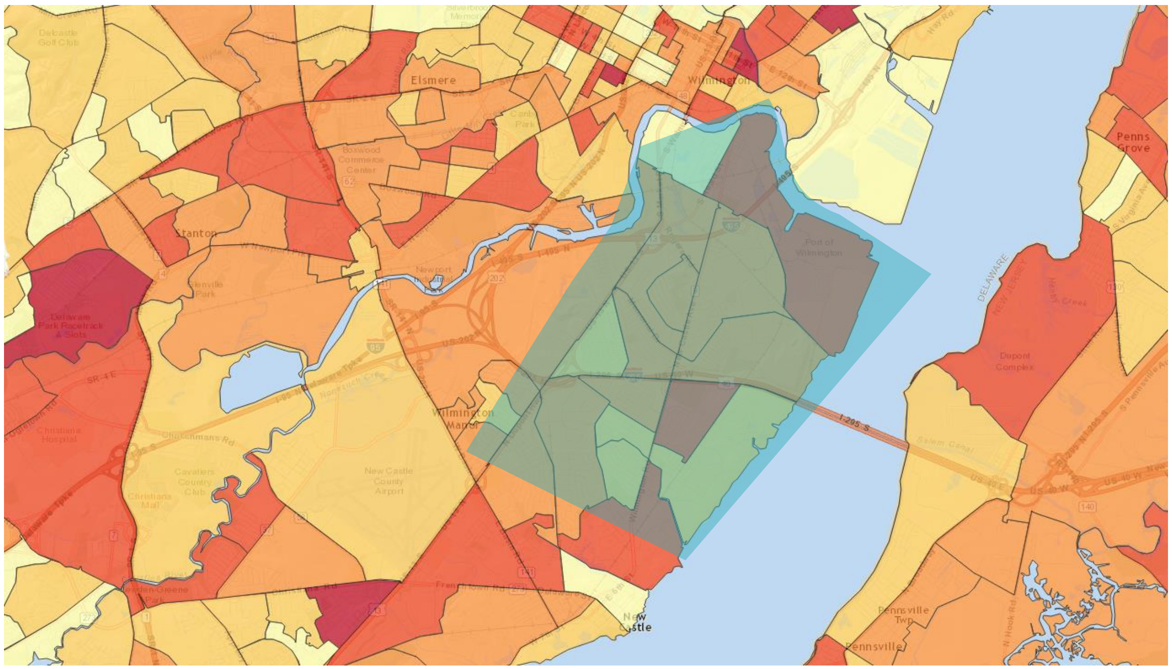
Map Key

- = Greater than $100,000
- = $75,000-$100,000
- = $50,000-$75,000
- = $35,000-$50,000
- = Less than $35,000

SOURCE: Esri; RCLCO

Exhibit I-24

POPULATION 25+ HS GRADUATION %
WILMINGTON, DE
2015



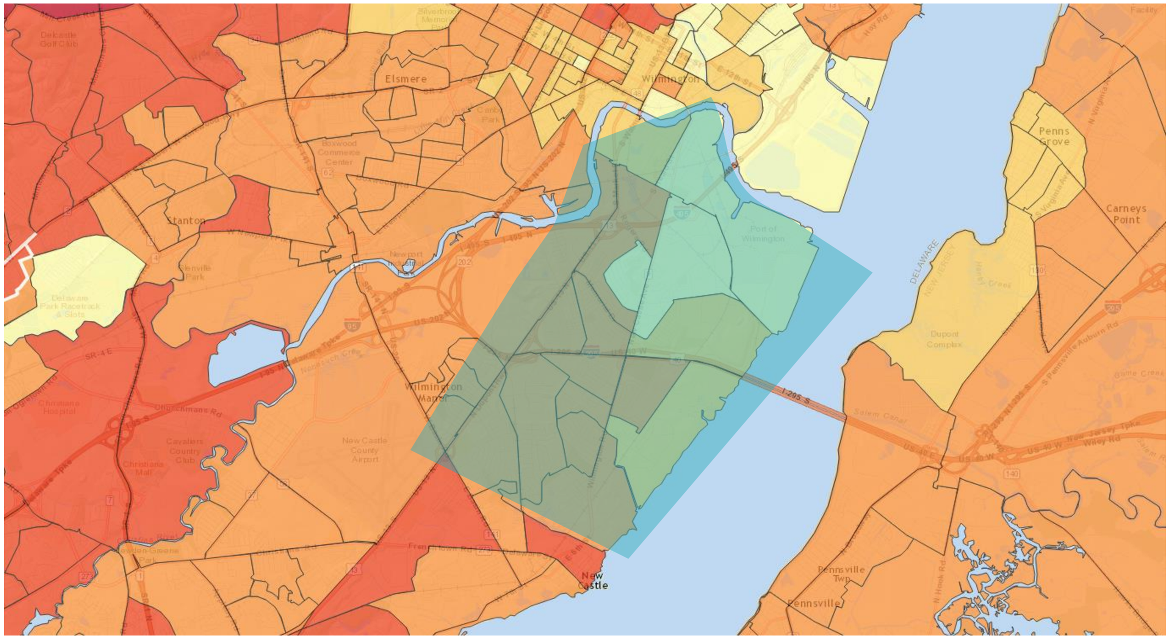
Map Key

- = Greater than 50%
- = 40%-50%
- = 30%-40%
- = 20%-30%
- = Less than 20%

SOURCE: Esri; RCLCO

Exhibit I-25

MEDIAN HOME VALUES
WILMINGTON, DE
2015



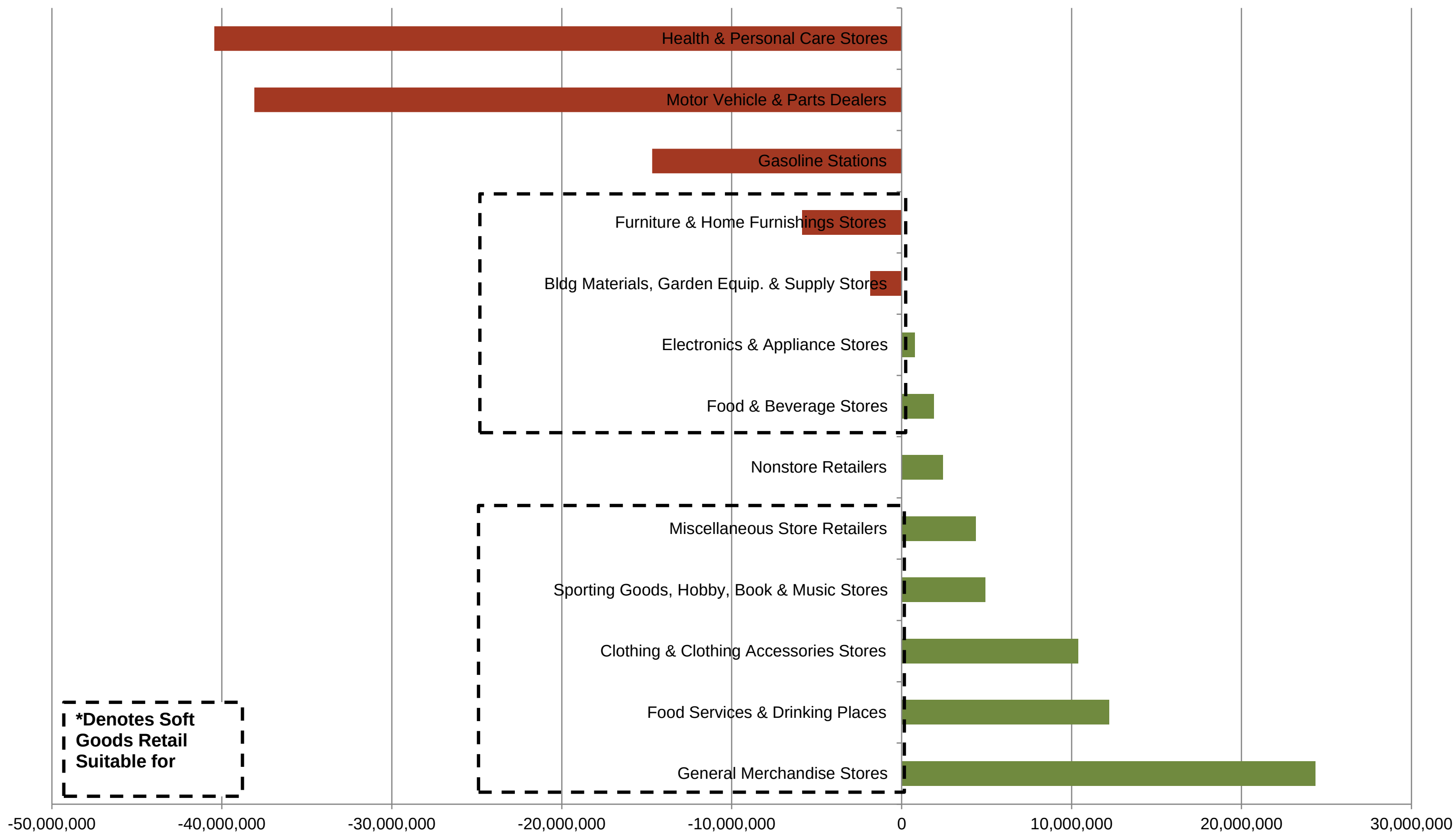
Map Key

- = Greater than $400,000
- = $250,000-$400,000
- = $150,000-$250,000
- = $100,000-$150,000
- = Less than $100,000

SOURCE: Esri; RCLCO

Exhibit I-26

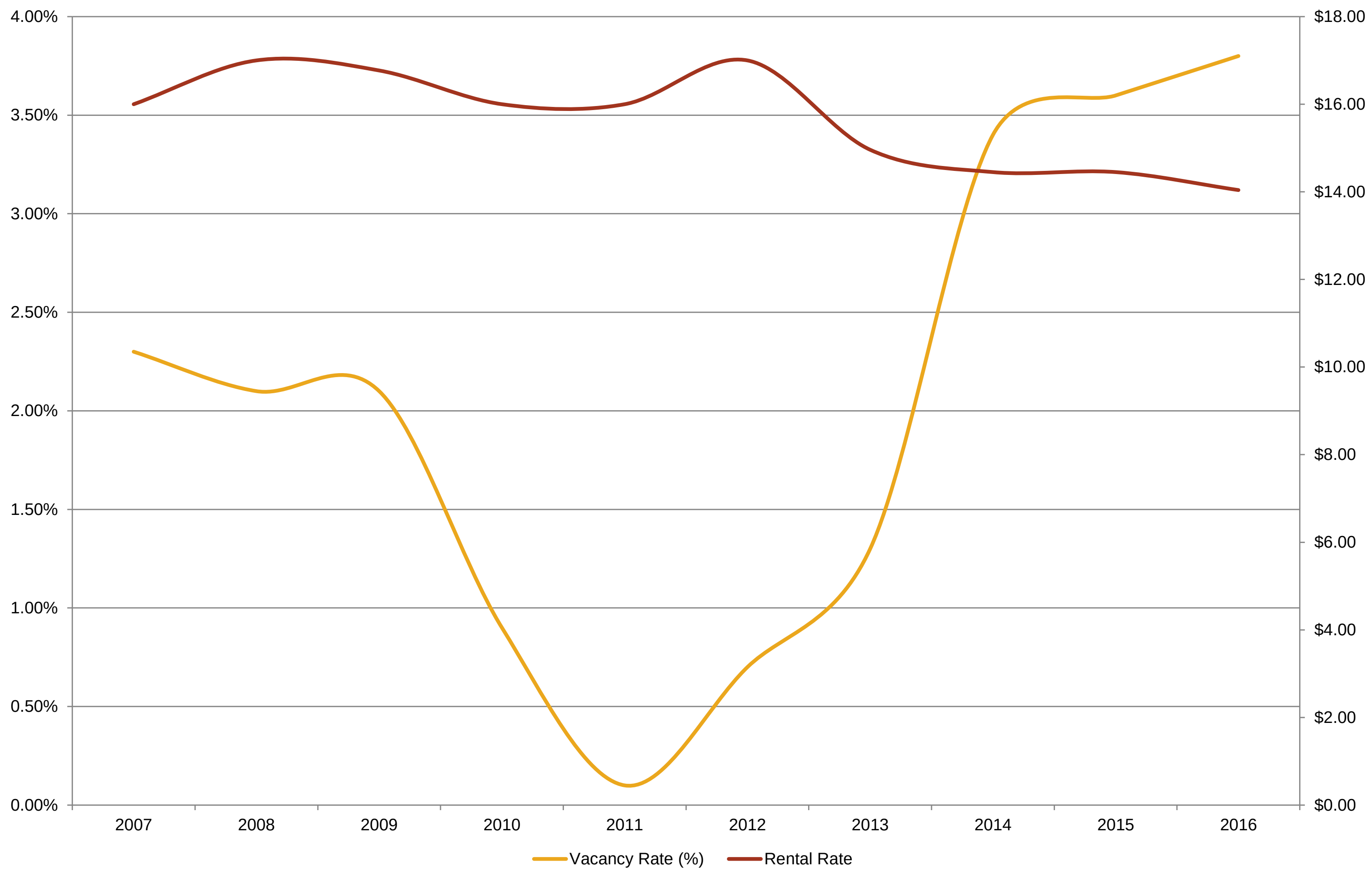
RETAIL SUPPLY AND DEMAND
ROUTE 9 CORRIDOR
2015



SOURCE: Esri; RCLCO

Exhibit I-27

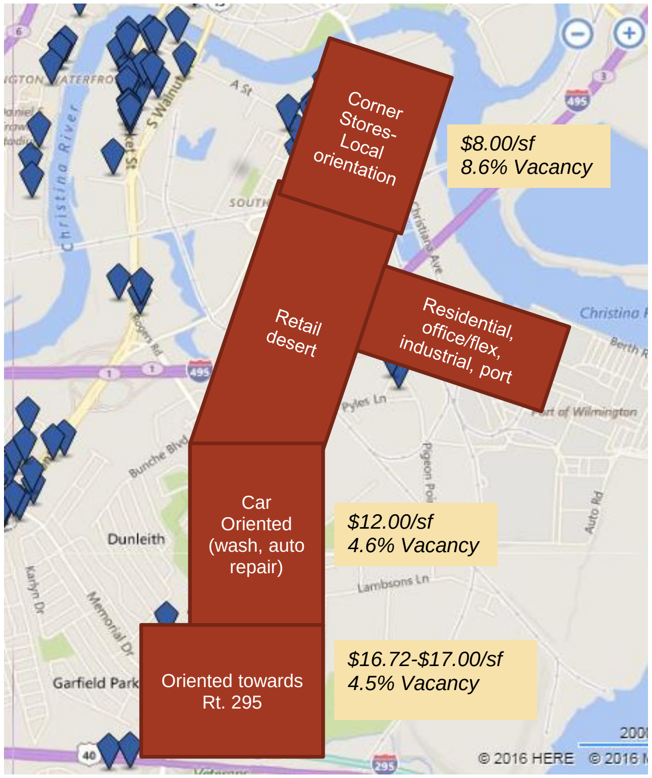
RETAIL RENTAL RATE AND VACANCY RATE
PMA, DE
2007-2016



SOURCE: CoStar; RCLCO

Exhibit I-28

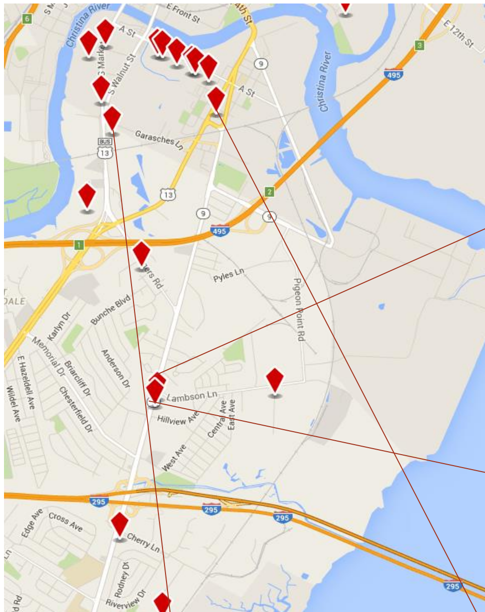
RETAIL TYPOLOGIES
ROUTE 9 CORRIDOR
2016



SOURCE: CoStar; RCLCO

Exhibit I-29

DIRECT VACANT NEW CASTLE PARCELS
ROUTE 9, DE
2016



Name	Cost	Acreage	$ Per Acre
601 Garasches Land	$1,275,000	9	$141,667

Name	Cost	Acreage	$ Per Acre	Use
Rosehill Plantery	$2,200,000	3.05	$721,311	Vacant

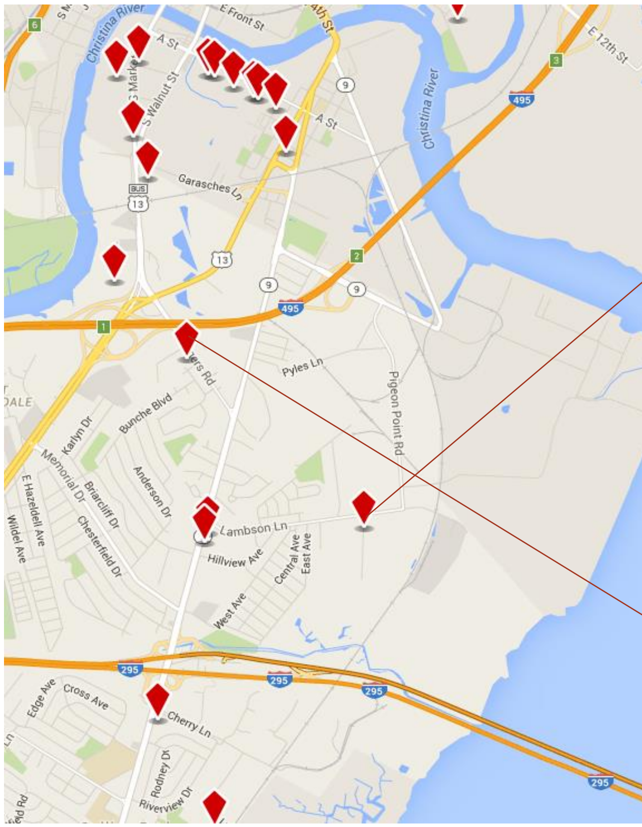
Name	Cost	Acreage	$ Per Acre	Use
3056 New Castle	$250,000	1	$250,000	Vacant

Name	Cost	Acreage	$ Per Acre	Use
723 New Castle Ave	-	2.95	-	Vacant

SOURCE: CoStar; RCLCO

Exhibit I-30

INDUSTRIAL PARCELS FOR SALE
ROUTE 9 CORRIDOR, DE
2016



Name	Cost	Acreage	$ Per Acre	Use
Industrial Parcel	$2,395,000	2.96	$809,122	Industrial

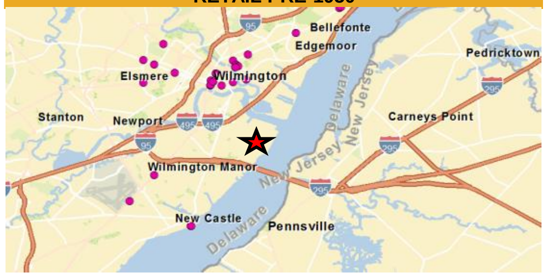
Name	Cost	Acreage	$ Per Acre	Use
Cornell Development Sites	$1,203,600	4.08	$295,000	Industrial

SOURCE: CoStar; RCLCO

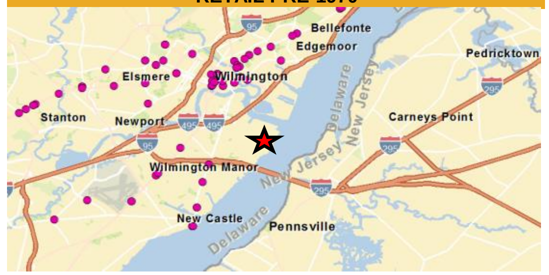
Exhibit I-31

RETAIL TIME-SERIES MAPS-OVER 5,000 SF
WILMINGTON AREA, DE
1950-PRESENT

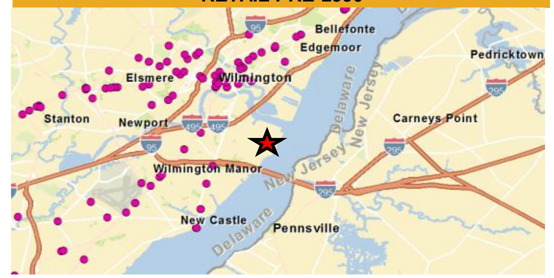
RETAIL PRE-1950



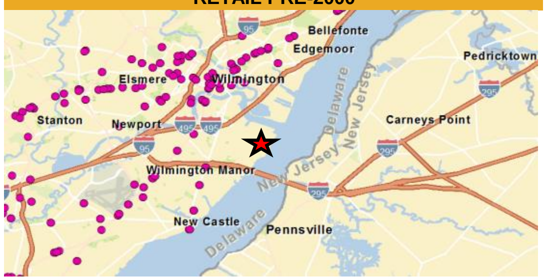
RETAIL PRE-1970



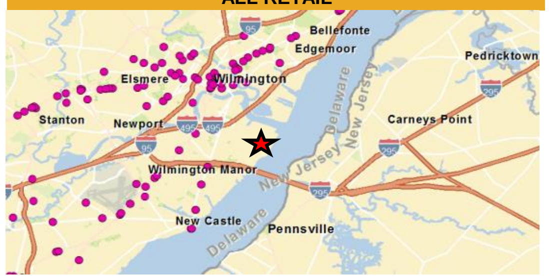
RETAIL PRE-1990



RETAIL PRE-2000



ALL RETAIL

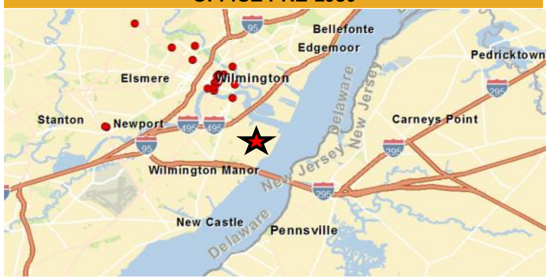


SOURCE: CoStar; RCLCO

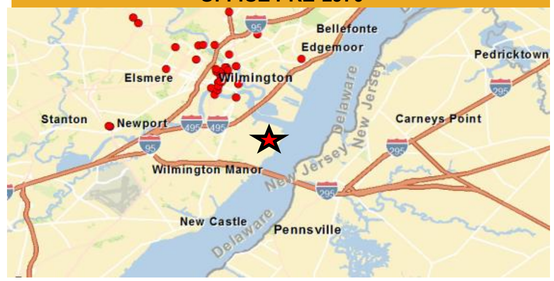
Exhibit I-32

OFFICE TIME-SERIES MAPS-OVER 15,000 SF
WILMINGTON AREA, DE
1950-PRESENT

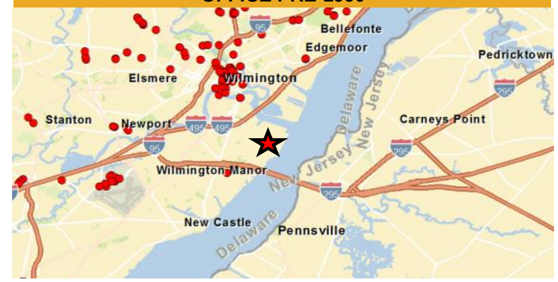
OFFICE PRE-1950



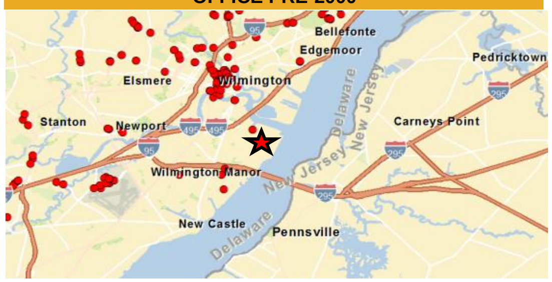
OFFICE PRE-1970



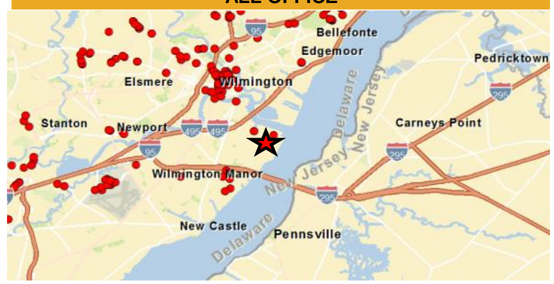
OFFICE PRE-1990



OFFICE PRE-2000



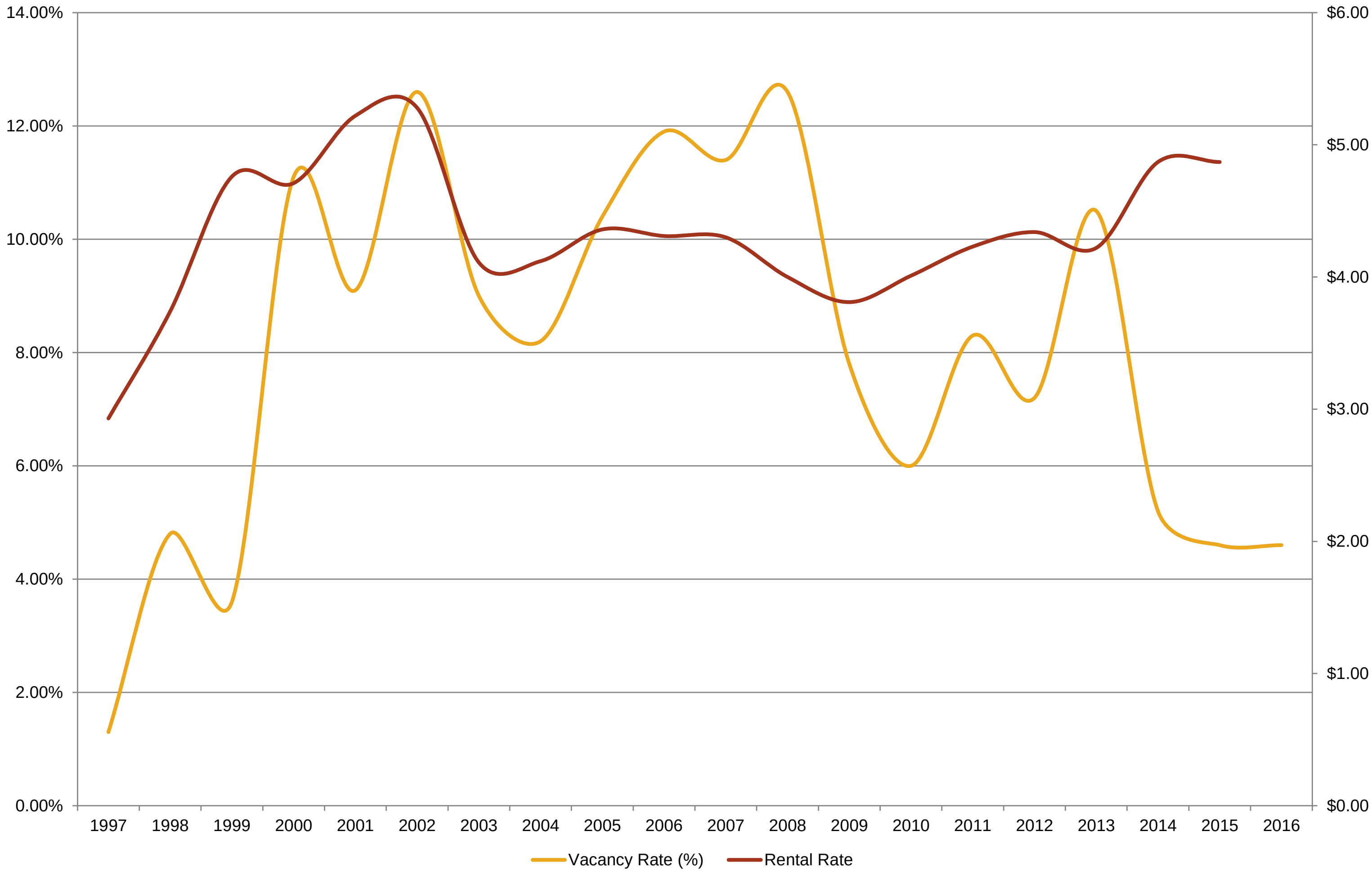
ALL OFFICE



SOURCE: CoStar; RCLCO

Exhibit I-33

INDUSTRIAL RATE AND VACANCY RATE
PMA, DE
2007-2016



SOURCE: CoStar; RCLCO

Exhibit II-1

ANNUAL FOR-RENT RESIDENTIAL DEMAND
PRIMARY MARKET AREA
2014-2019

					DEMAND FROM EXISTING HOUSEHOLDS						DEMAND FROM NEW HOUSEHOLDS				PRODUCT TYPE		CAPTURE RATE		
Age and Income	Rent as a % of Income	Affordable Monthly Rent Range[1]	Total HHs[2]	%	% Renters[3]	Renters	% Renters in Turnover[3]	Annual Renters in Turnover	% Renters becoming Owners	Total Existing HH Renter Demand	Net New HHs[2]	% Renters	Total Net New HH Renter Demand	Total For-Rent Demand	% Choose MF[3]	Total MF Demand	Low	Moderate	High
UNDER 35			**2,169**							**424**	**198**			**536**		**174**	**4**	**5**	**7**
UNDER $35,000	35% - 35%	UNDER $1,000	722	33%	86%	618	30%	186	0%	186	66	86%	56	243	32%	77	0%	0%	0%
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	319	15%	55%	174	27%	48	2%	47	29	55%	16	62	32%	20	0%	0%	0%
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	494	23%	45%	225	50%	112	5%	107	45	45%	20	127	33%	42	1%	2%	3%
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	304	14%	46%	140	42%	59	15%	50	28	46%	13	63	33%	21	10%	12.5%	15%
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	240	11%	29%	70	57%	40	20%	32	22	29%	6	38	36%	14	10%	12.5%	15%
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	90	4%	9%	8	28%	2	20%	2	8	9%	1	2	35%	1	10%	12.5%	15%
35 - 54			**4,310**							**599**	**16**			**605**		**276**	**10**	**13**	**16**
UNDER $35,000	35% - 35%	UNDER $1,000	1,065	25%	62%	659	38%	250	3%	243	4	62%	2	245	39%	95	0%	0%	0%
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	587	14%	49%	286	25%	71	5%	68	2	49%	1	69	68%	47	0%	0%	0%
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	983	23%	40%	390	28%	110	7%	102	4	40%	1	104	36%	37	1%	2%	3%
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	723	17%	44%	315	55%	173	15%	147	3	44%	1	148	53%	79	10%	12.5%	15%
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	731	17%	11%	83	47%	39	20%	31	3	11%	0	32	40%	13	10%	12.5%	15%
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	221	5%	12%	27	35%	9	20%	7	1	12%	0	8	86%	7	10%	12.5%	15%
55 - 64			**2,594**							**133**	**23**			**139**		**79**	**1**	**2**	**2**
UNDER $35,000	35% - 35%	UNDER $1,000	750	29%	52%	387	19%	73	3%	71	7	52%	3	75	65%	48	0%	0%	0%
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	400	15%	14%	57	19%	11	5%	10	4	14%	1	11	40%	4	0%	0%	0%
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	557	21%	28%	156	18%	28	7%	26	5	28%	1	28	52%	14	1%	2%	3%
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	358	14%	22%	80	19%	15	10%	14	3	22%	1	14	48%	7	10%	12.5%	15%
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	372	14%	12%	44	24%	11	10%	9	3	12%	0	10	29%	3	10%	12.5%	15%
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	157	6%	5%	8	25%	2	10%	2	1	5%	0	2	100%	2	10%	12.5%	15%
65+			**3,344**							**102**	**-205**			**101**		**61**	**2**	**3**	**3**
UNDER $35,000	35% - 35%	UNDER $1,000	1,434	43%	41%	593	5%	32	3%	31	-88	41%	0	31	88%	27	0%	0%	0%
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	888	27%	18%	156	10%	16	4%	15	-54	18%	0	15	64%	10	0%	0%	0%
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	440	13%	9%	38	12%	5	5%	4	-27	9%	0	4	59%	3	1%	2%	3%
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	312	9%	27%	85	13%	11	5%	11	-19	27%	0	11	40%	4	10%	12.5%	15%
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	189	6%	27%	51	78%	40	5%	38	-12	27%	0	38	40%	15	10%	12.5%	15%
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	81	2%	9%	7	40%	3	5%	3	-5	9%	0	3	100%	3	10%	12.5%	15%
Summary of Demand by Age Group																			
UNDER - 34			2,169	17%	57%	1,235	36%	448		424	198		112	536	33%	174	4	5	7
35 - 54			4,310	35%	41%	1,759	37%	653		599	16		6	605	46%	276	10	13	16
55 - 64			2,594	21%	28%	732	19%	140		133	23		6	139	57%	79	1	2	2
65 - AND OVER			3,344	27%	28%	929	11%	106		102	-205		0	101	61%	61	2	3	3
Total			**12,417**		**37%**	**4,655**	**29%**	**1,347**		**1,257**	**32**		**125**	**1,382**	**43%**	**591**	**18**	**23**	**28**
Summary of Demand by Income and Price Band																			
UNDER $35,000		UNDER $1,000	3,971	32%	57%	2,256	24%	542		531	-11		62	593		247	0	0	0
$35,000 - $50,000		$1,000 - $1,400	2,194	18%	31%	673	22%	145		140	-20		17	157		81	0	0	0
$50,000 - $75,000		$1,400 - $1,800	2,474	20%	33%	808	32%	255		239	27		23	263		96	1	2	3
$75,000 - $100,000		$1,800 - $2,100	1,697	14%	37%	621	42%	258		222	14		15	236		110	11	14	17
$100,000 - $150,000		$2,100 - $3,100	1,532	12%	16%	248	52%	130		111	16		7	118		44	4	6	7
$150,000 AND OVER		$3,100 AND OVER	549	4%	9%	50	33%	16		14	5		1	15		12	1	1	2
Total			**12,417**		**37%**	**4,655**	**29%**	**1,347**		**1,257**	**32**		**125**	**1,382**		**591**	**18**	**23**	**28**

[1] RCLCO estimates based on review of American Community Survey PUMS data.

[2] Esri

[3] American Community Survey, 2009-2011

Exhibit II-2

ANNUAL FOR-SALE RESIDENTIAL DEMAND
PRIMARY MARKET AREA
2014-2019

					DEMAND FROM EXISTING HOUSEHOLDS						DEMAND FROM NEW HOUSEHOLDS				PRODUCT TYPE							
Age and Income	Rent as a % of Income	Affordable Monthly Rent Range[1]	Total HHs[2]	%	% Owners	Owners	% Owners in Turnover[3]	Annual Owners in Turnover	% Owners becoming Renters	Total Existing HH Owner Demand	Net New HHs[2]	% Owners	Total Net New HH Renter Demand	Total Owner Demand	% Choose SFD	% Choose SFA	% Choose Condo	% Choose Other	Total For-Sale SFD Demand	Total For-Sale SFA Demand	Total For-Sale Condo Demand	Total For-Sale Other Demand
UNDER 35			**2,169**							**39**	**198**			**124**					**57**	**64**	**3**	**0**
UNDER $35,000	35% - 35%	UNDER $1,000	722	33%	14%	104	4%	4	1%	4	66	14%	9	13	34%	56%	6%	4%	4	7	1	0
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	319	15%	45%	145	4%	6	1%	5	29	45%	13	19	44%	55%	1%	0%	8	10	0	0
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	494	23%	55%	269	4%	11	1%	11	45	55%	25	35	41%	57%	2%	0%	15	20	1	0
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	304	14%	54%	164	4%	7	1%	7	28	54%	15	22	40%	60%	0%	0%	9	13	0	0
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	240	11%	71%	170	6%	11	1%	10	22	71%	15	26	63%	33%	4%	0%	16	8	1	0
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	90	4%	91%	82	3%	2	1%	2	8	91%	7	10	44%	53%	3%	0%	4	5	0	0
35 - 54			**4,310**							**115**	**16**			**125**					**47**	**74**	**3**	**1**
UNDER $35,000	35% - 35%	UNDER $1,000	1,065	25%	38%	406	4%	18	2%	17	4	38%	1	19	31%	66%	0%	4%	6	12	0	1
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	587	14%	51%	301	8%	25	2%	24	2	51%	1	25	39%	60%	1%	0%	10	15	0	0
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	983	23%	60%	593	4%	24	3%	23	4	60%	2	25	38%	54%	8%	0%	10	14	2	0
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	723	17%	56%	408	5%	19	4%	19	3	56%	1	20	27%	73%	0%	0%	5	15	0	0
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	731	17%	89%	648	4%	26	5%	25	3	89%	2	27	48%	51%	1%	0%	13	14	0	0
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	221	5%	88%	194	4%	8	5%	7	1	88%	1	8	44%	49%	6%	0%	4	4	1	0
55 - 64			**2,594**							**105**	**23**			**121**					**61**	**58**	**1**	**1**
UNDER $35,000	35% - 35%	UNDER $1,000	750	29%	48%	363	9%	34	10%	31	7	48%	3	34	49%	49%	0%	2%	16	17	0	1
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	400	15%	86%	343	6%	21	10%	19	4	86%	3	22	62%	38%	0%	0%	13	8	0	0
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	557	21%	72%	401	5%	20	10%	18	5	72%	4	22	40%	57%	3%	0%	9	12	1	0
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	358	14%	78%	278	5%	14	13%	12	3	78%	2	15	33%	67%	0%	0%	5	10	0	0
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	372	14%	88%	328	6%	20	16%	17	3	88%	3	19	62%	38%	0%	0%	12	7	0	0
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	157	6%	95%	149	7%	10	16%	9	1	95%	1	10	58%	42%	0%	0%	6	4	0	0
65+			**3,344**							**35**	**-205**			**33**					**14**	**15**	**4**	**0**
UNDER $35,000	35% - 35%	UNDER $1,000	1,434	43%	59%	841	3%	25	50%	13	-88	59%	-1	12	48%	32%	18%	2%	6	4	2	0
$35,000 - $50,000	35% - 33%	$1,000 - $1,400	888	27%	82%	732	2%	14	50%	7	-54	82%	0	7	46%	52%	3%	0%	3	3	0	0
$50,000 - $75,000	33% - 29%	$1,400 - $1,800	440	13%	91%	402	4%	16	50%	8	-27	91%	-1	8	37%	49%	15%	0%	3	4	1	0
$75,000 - $100,000	29% - 25%	$1,800 - $2,100	312	9%	73%	227	3%	7	50%	3	-19	73%	0	3	35%	65%	0%	0%	1	2	0	0
$100,000 - $150,000	25% - 25%	$2,100 - $3,100	189	6%	73%	138	4%	6	50%	3	-12	73%	0	3	33%	53%	14%	0%	1	1	0	0
$150,000 AND OVER	25% - 25%	$3,100 AND OVER	81	2%	91%	74	2%	1	50%	1	-5	91%	0	1	44%	49%	7%	0%	0	0	0	0
Summary of Demand by Age Group																						
UNDER - 34			2,169	17%	43%	934	4%	40		39	198		85	124	45%	52%	3%	0%	57	64	3	0
35 - 54			4,310	35%	59%	2,551	5%	119		115	16		9	125	38%	59%	2%	1%	47	74	3	1
55 - 64			2,594	21%	72%	1,862	6%	119		105	23		17	121	50%	48%	1%	1%	61	58	1	1
65 - AND OVER			3,344	27%	72%	2,415	3%	69		35	-205		-2	33	42%	45%	12%	1%	14	15	4	0
Total			**12,417**		**63%**	**7,762**	**4%**	**347**		**294**	**32**		**109**	**403**	**44%**	**52%**	**3%**	**1%**	**178**	**211**	**11**	**2**
Summary of Demand by Income and Price Band																						
UNDER $35,000		UNDER $1,000	3,971	32%	43%	1,715	5%	81		64	-11		13	78					32	40	3	2
$35,000 - $50,000		$1,000 - $1,400	2,194	18%	69%	1,521	4%	65		55	-20		17	72					34	37	1	0
$50,000 - $75,000		$1,400 - $1,800	2,474	20%	67%	1,666	4%	71		60	27		30	90					36	50	4	0
$75,000 - $100,000		$1,800 - $2,100	1,697	14%	63%	1,076	4%	47		41	14		19	60					20	39	0	0
$100,000 - $150,000		$2,100 - $3,100	1,532	12%	84%	1,284	5%	62		54	16		21	75					42	31	2	0
$150,000 AND OVER		$3,100 AND OVER	549	4%	91%	499	4%	22		19	5		9	29					14	14	1	0
Total			**12,417**		**63%**	**7,762**	**4%**	**347**		**294**	**32**		**109**	**403**					**178**	**211**	**11**	**2**

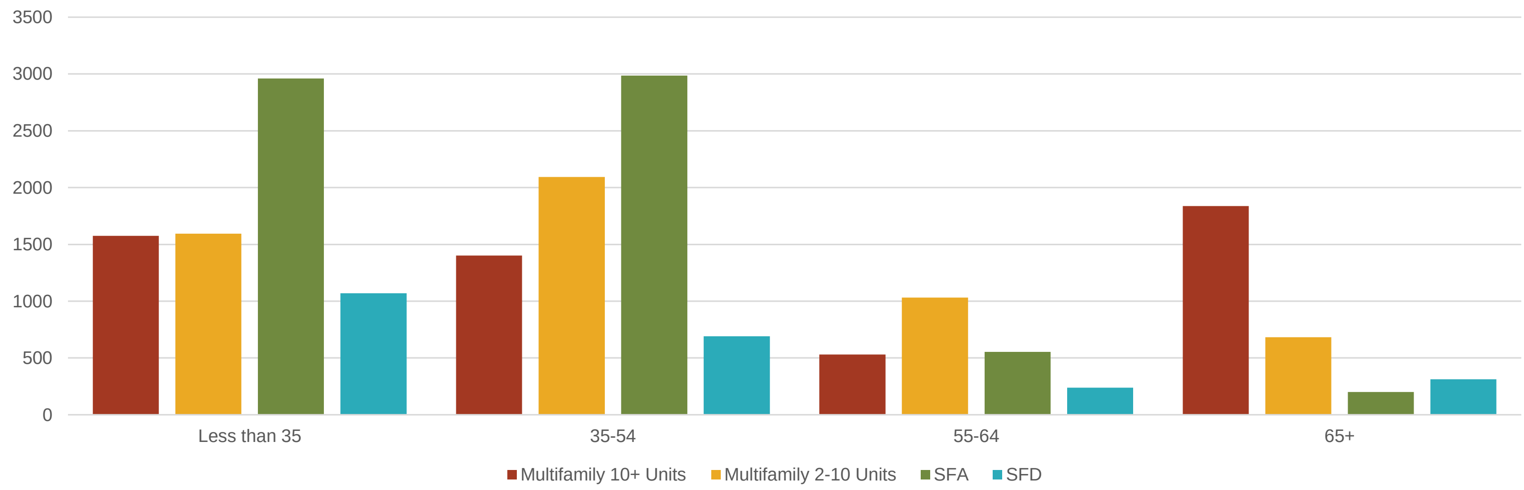
[1] RCLCO estimates based on review of American Community Survey PUMS data.

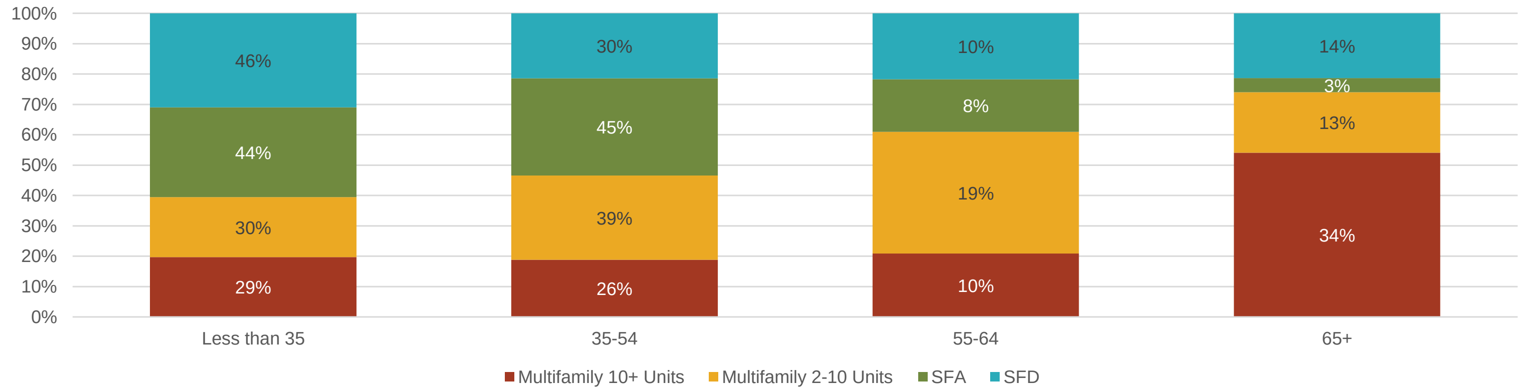
[2] Esri

[3] American Community Survey, 2009-2011

Exhibit II-3

UNIT TYPE CHOICE BY AGE
PMA
2016





SOURCE: PUMS ACS CENSUS 2013-2014

Exhibit II-3
P#-13495.0002
Printed: 7/13/2016

Exhibit II-4

OFFICE DEMAND
STATE OF DELAWARE AND PMA, DE
2015-2020

OFFICE DEMAND					
State of Delaware	**Relevant to:**	**May-15**	**May-16**	**Total Growth**	**% Growth**
Total Nonag Employment	Other	444,300	458,300	14,000	3%
Construction	Industrial	21,100	20,800	-300	-1%
Manufacturing	Industrial	25,500	27,600	2,100	8%
Trade, Transp., Util	Industrial	79,600	82,600	3,000	4%
Information	Office	4,700	4,400	-300	-6%
Financial Activities	Office	46,200	46,900	700	2%
Professional and Business Services	Office	61,400	62,500	1,100	2%
Education and Health	Other	74,100	78,000	3,900	5%
Leisure and Hospitality	Other	48,400	51,300	2,900	6%
Other Services	Other	18,700	18,600	-100	-1%
Government	Office	64,600	65,600	1,000	2%
Industrial-Using Employment		**126,200**	**131,000**	**4,800**	**4%**
Office-Using Employment		**176,900**	**179,400**	**2,500**	**1%**

Office Square Feet per Employee[1]	**175**
Industrial Square Feet per Employee[2]	**500**

Yearly State Demand	
State Office SF	437,500
State Industrial SF	2,400,000

PMA Share of State Demand	
PMA Initial Share of Industrial	28%
PMA Initial Share of Office SF	2%

Yearly PMA Demand	Year 1	Year 2	Year 3	Year 4	Year 5	Cumulative
Office SF	9,912	9,912	9,912	9,912	9,912	49,560
Industrial SF	660,485	660,485	660,485	660,485	660,485	3,302,427

[1] CCIM (Certified Commercial Investment Member)
[2] USGBC (US Green Building Council)
SOURCE:

Exhibit II-5

RETAIL DEVELOPMENT RECOMMENDATIONS
ROUTE 9 CORRIDOR
2015

Library Demand	
New Castle County Libraries	
Appoquinimink	11,600
Bear	25,000
Brandywine	40,000
Claymont	17,500
Elsmere	7,000
Hockessin	23,000
Kirkwood	22,500
Newark	26,500
Woodlawn	17,600
Total[1]	**190,700**
Total County Library Visitors[2]	2,000,000
Library Visitors per sf of library space	10.5
Route 9 Library sf[2]	40,000
Visitors to Route 9 Innovation Library	419,507
Percentage of Visitors Utilizing Adjacent Retail	5%
Total Visitors Utilizing Adjacent Retail	20,975
Spending/Visitor	$15
Total Spending	$314,630.31
Supportable retail at Sales of $250/sf	**1,259**

Population Growth Demand	
2015 Population	
15,317	
2020 Population	
15,435	
2015-2020 Population Growth	118
Current Total Retail Spending	$240,252,696
Spending Per Capita	$15,685.36
Total Additional Spending From Population Growth	$1,850,872.76
Supportable retail at Sales of $250/sf	**7,403**

Total Supportable Retail over the next 5 Years	**8,662**

[1] Delaware Division of Libraries

[2] District Plan Route 9 Innovation District: A Proposed Downtown Development District in New Castle County, DE

SOURCE: Esri; RCLCO