Development Proposal

Ritchie Marketplace

Ritchie Marlboro Road
Prince George's County, Maryland

Prepared By:
Casey Masters
Johns Hopkins University
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Ritchie Marketplace
Prince George's County, Maryland

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Exhibits

- Detailed Proforma

EXECUTIVE

SUMMARY

CWM Development, Inc. ("CWM") is pleased to present the following proposal to develop **Ritchie Marketplace**, a one-million square foot retail power center located at the intersection of Ritchie Marlboro Road and I-495 (the Capital Beltway) in Prince George's County, Maryland. The project will be located on a 120.58 acre site and consist of two phases of approximately 746,441 square feet and 275,305 square feet, respectively. Total project costs are estimated at $150.4 million and the projected return on cost is 8.47%. The estimated project level leveraged IRR based on a 5-year hold after construction completion is 15.54%.

Design Overview

The project design features two main centers separated by a multi-lane access road. Phase I will be a traditional power center that will likely attract major "big box" national retailers such as Wal-Mart, Target, BJ's, and Best Buy. Phase II will be a traditional grocery anchored center, with a 24-hour grocer and traditional in-line auxiliary retail stores. Pad sites are included throughout the center. The table below outlines the most likely space use mix based on current leasing prospects:

Phase I

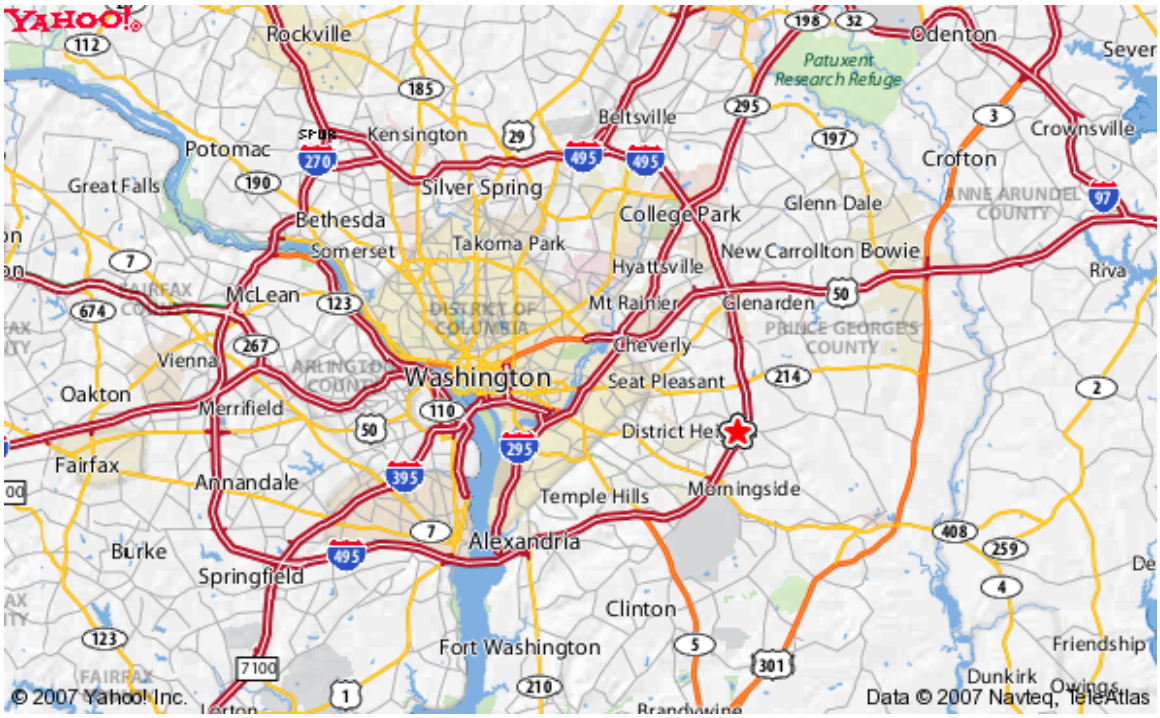
Space Type	Square Feet	%
Anchor	539,341 sf	72%
Junior Anchor	130,000 sf	18%
In-line/Pad	77,100 sf	10%

Phase II

Space Type	Square Feet	%
Grocery Anchor	66,021 sf	24%
Junior Anchor	125,500 sf	46%
In-line/Pad	83,784 sf	30%

The design of the center has been influenced by the sites' historic use as a train rail yard in the late 1800's. The exterior façade, entrance walls, and signage pylons will incorporate this "train station" theme. To aid movement throughout the center by both by vehicle and on foot, the design will feature wide roadways and pedestrian friendly walkways. Textured pavement intersections will be featured at all major crossings, and an attractive brick wall and landscaping will surround

the entire project. A total of 5,245 surface parking spaces (5.30 spaces per 1,000 SF) will be developed on the site, which is in-line with the market average. The development will set aside 17.39 acres as a preservation area, with 11.52 acres devoted to greenspace per Prince George's County requirements. The total site size of 121 acres yields approximately 101 net usable acres for development.



Location

The project is located in the Capital Heights neighborhood of Prince George's County, Maryland on the south side of Ritchie Marlboro Road, immediately west of the Capital Beltway (I-495/I-95). The site benefits from direct access off I-495/I-95 and has considerable frontage along the west side of the Capital Beltway and the south side of Ritchie Marlboro Road. The site sits on a hill, which will enhance its visibility from the Capital Beltway. Due to the site's access and visibility, there is tremendous signage potential for the retail tenants. The site will attract shoppers from the immediate neighborhood, as well as from the 204,826 average daily commuters who pass the site as they travel around the Washington, DC region. There are very few undeveloped sites of this scale that also offer such access and visibility to/from I-495.

The subject's 5- and 10-mile trade area contains retail space of 22 and 23 square feet per capita, which falls at the low end of the range typical of the overall Washington, DC marketplace. This implies less retail competition in the subject's trade area relative to most areas of DC. The trade area's relatively low retail space per capita coupled with solid underlying income metrics results in relatively high levels of household income per square foot of retail space.

The surrounding neighborhood consists of primarily industrial development to the west and residential development to the east. The Prince George's County Planning Board is developing a new community plan known as the Westphalia Sector, directly to the southeast of the site. The proposed plan calls for primarily large residential development, along with a mixed-use town

center, parks, and other amenities. The increase in residential development in the immediate vicinity of the site is anticipated to significantly increase retail demand over the long term.

Demographics
Selected neighborhood demographics for a one, three, and five-mile radius from the subject are summarized below:

- From 1990 to 2000, population within a one-mile radius grew at an annual average rate of 1.22%. Population is projected to continue to remain stable over the next five years, with a projected annual average growth rate of 1.43%.

- Similar to population, the number of households within a one-mile radius grew at an annual average growth rate of 1.46%. Projections for the near term are for continued stability, with an annual average growth rate of 1.60%.

- The average household income level for the one-mile radius is $73,877, only slightly lower than Prince George's County ($75,941) and lower than the State of Maryland ($79,965).

Status
Land
CWM purchased the site in June 2007 for $20,000,000 and has spent approximately $1.5 million in predevelopment and carry costs.

Entitlements
The site has been approved for development of up to one million square feet of retail space (see Zoning & Entitlement Analysis). Prior to issuance of a building permit, a final site plan must be approved by Prince George's County. The remaining site plan approval is a purely administrative process.

Design/Drawings
CWM has engaged **BWS Architects** to provide preliminary project design and drawings and **SACO Construction** to provide initial cost estimates. SACO will be invited to bid as the General Contractor when final plans are complete. BWS Architects is a full service Washington based firm with significant experience designing retail centers in the DC region. SACO Construction is a full service general contractor that has been in business in the Washington region since 1950.

All project costs as presented herein are based on current initial estimates from SACO. The current project budget contains significant hard and soft cost contingencies to account for potential cost increases and scope of work changes between now and a final GMP contract.

Leasing
CWM has had preliminary discussions with major big-box retailers and believes there is strong leasing demand for this site, even in the current uncertain retail environment.

Project Status
In order to move forward, CWM will need to identify both debt and equity sources to fund the development, as well as secure major tenants for the retail space.

Project Funding
Sources and Uses of Funds for the development are estimated as follows:

Sources	**Amount**	**%**
Equity	$60,165,788	40%
Debt	$90,248,683	60%
Total	$150,414,471	100%
Uses		
Land & Carry Costs	$21,000,000	14%
Hard Costs	$107,333,921	71%
Soft Costs	$21,234,163	14%
Interim NOI/Deficit	($3,284,650)	-2%
Financing Costs	$4,131,037	3%
Total	$150,414,471	100%

Equity funding will be provided by CWM Development, Inc. and a to-be-identified institutional equity investor. Likely sources of equity in the current real estate market include domestic pension funds, sovereign wealth funds, and investment banks. CWM is proposing to invest 20% of the required equity, or $12 million. CWM and its equity partner will form a joint venture to own and develop the project.

Total construction financing for the project totals $90.2 million, or 60% of the total project costs. In the current lending environment, it will likely be difficult to obtain a loan of this size without significant levels of pre-leasing. Even with adequate levels of pre-leasing, it is likely that a loan this size will need to be syndicated by three to five banks and that the lenders will require recourse guaranties from the equity partners.

Both equity and debt funding for the project are further discussed in the Financial Analysis and Conclusion sections of this proposal.

Projected Schedule/Timeline

Venture Closing	March 2009
Final Design / Drawings / GMP	June 2009
Construction Start	August 2009
Construction Completion	March 2011
Final Project Stabilization	January 2012

Leasing and Property Management
CWM is anticipated to provide leasing and property management services. CWM has a strong track record in retail leasing and has a dedicated retail leasing and property management staff.

Conclusion
The proposed center is located in a growing area of Prince George's County with 29,325 housing units within a three-mile radius and 92,347 units within a five-mile radius. Overall, the subject's location along the Capital Beltway will allow it to benefit from the immediate neighborhood, and from the region-wide traffic on this thoroughfare, both key positive factors for a retail oriented use.

In summary, key attributes of the project are as follows:

- The proposed development represents a unique opportunity to add high quality retail to an area underserved by this type of commercial activity;

- The subject has excellent scale along with visibility and access off I-495. These characteristics provide the subject a strategic competitive advantage over existing centers in its immediate trade-area;

- The scarcity of properly-zoned sites in the area coupled with the area's desirable demographic profile provide the site a significant competitive leasing advantage over potential new development in the area;

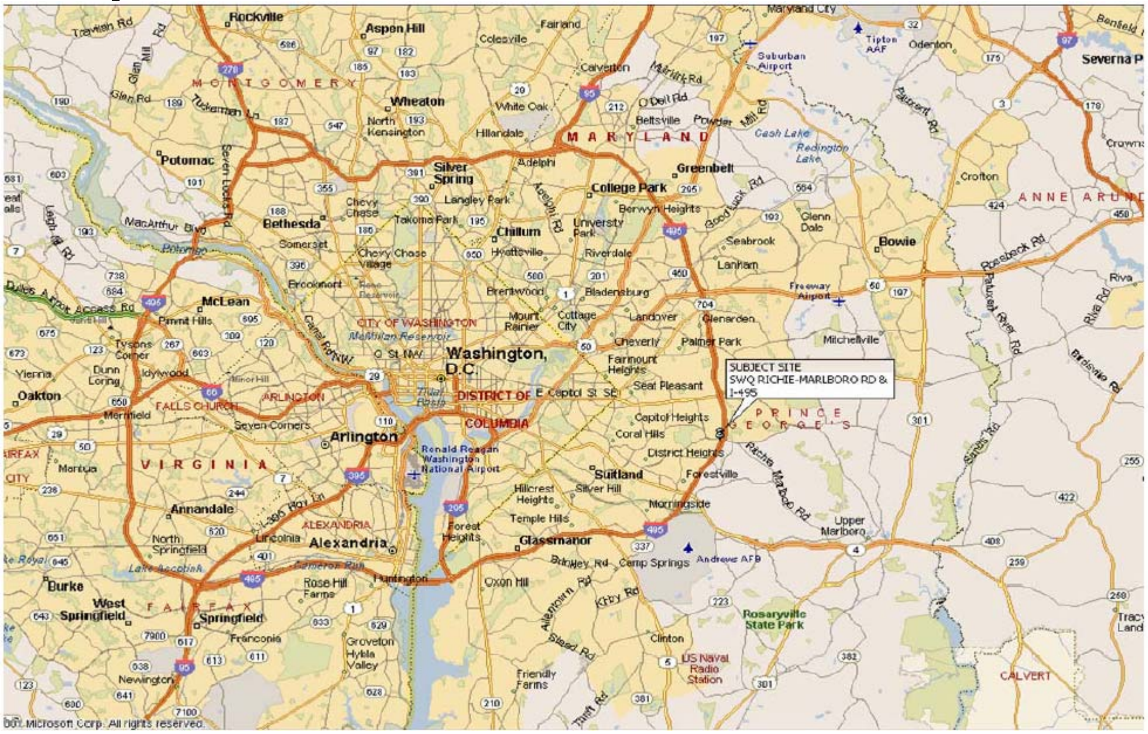
- Demographics and household income figures are desirable – major retailers will be limiting new store growth in the current environment to only those sites with the best income and growth profiles;

- The projected return on equity (8.47%) and project level IRR (15.54%) are adequate given the level of risk associated with development of the center.

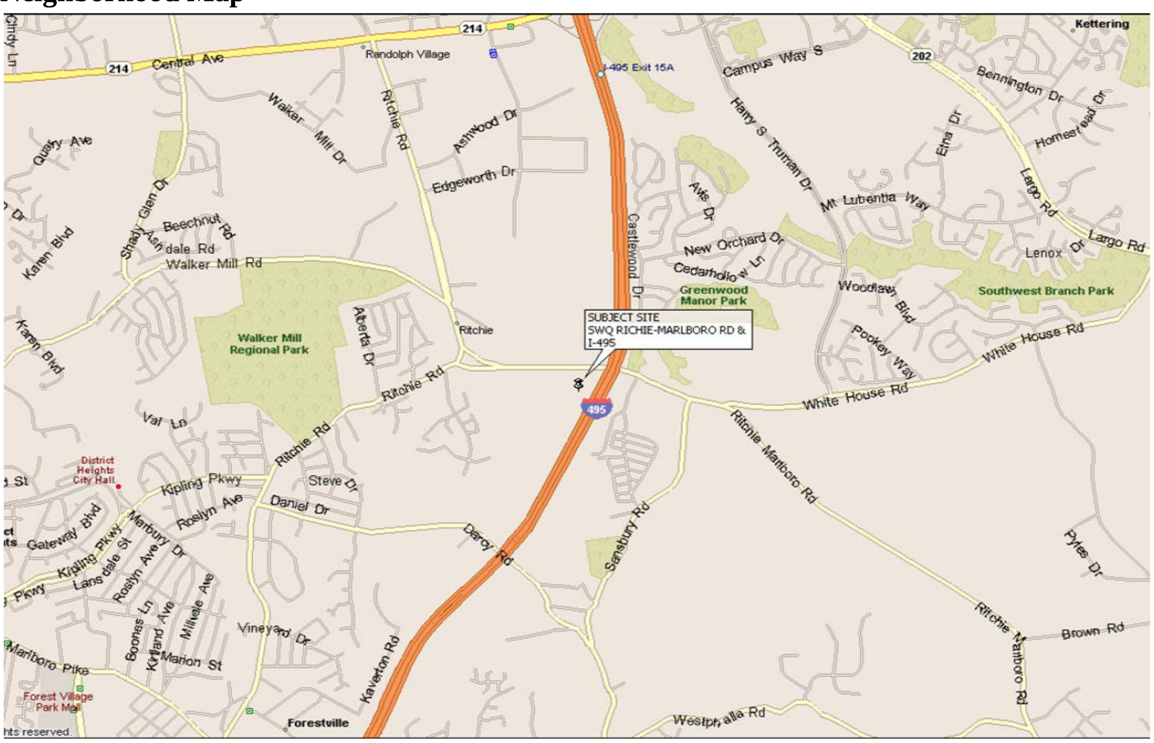
Please see the Conclusion section of this report for the final investment recommendation.

SITE DESCRIPTION & LOCATION SUMMARY

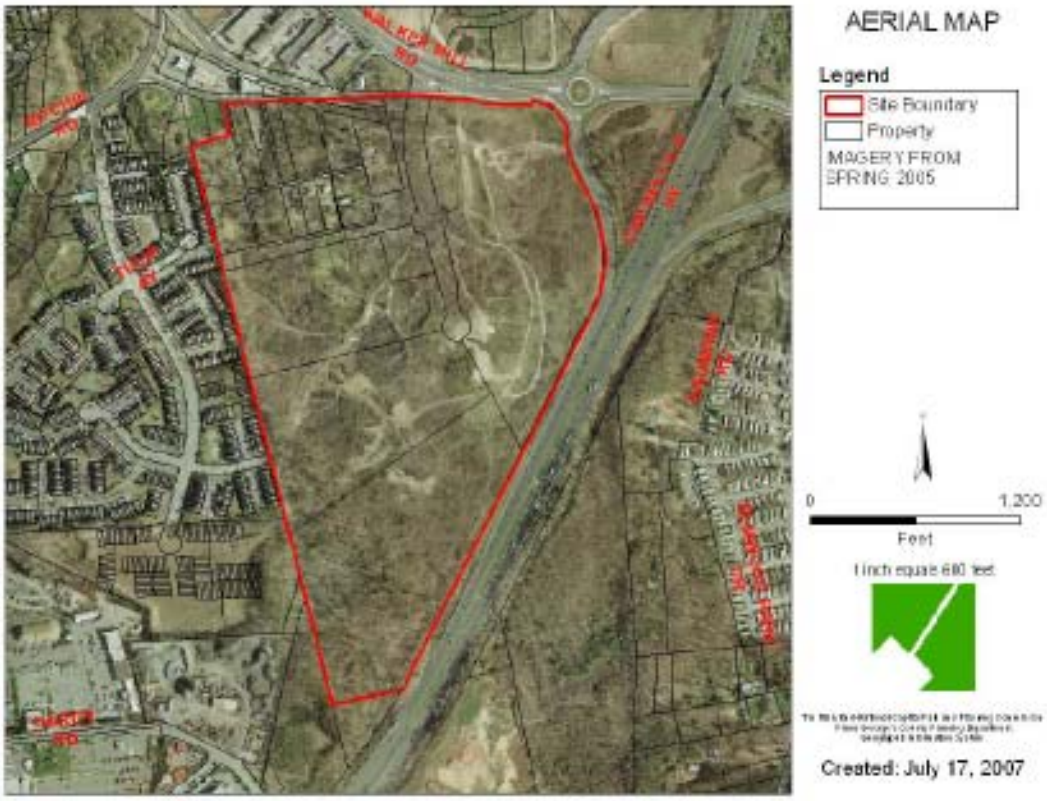
Area Map

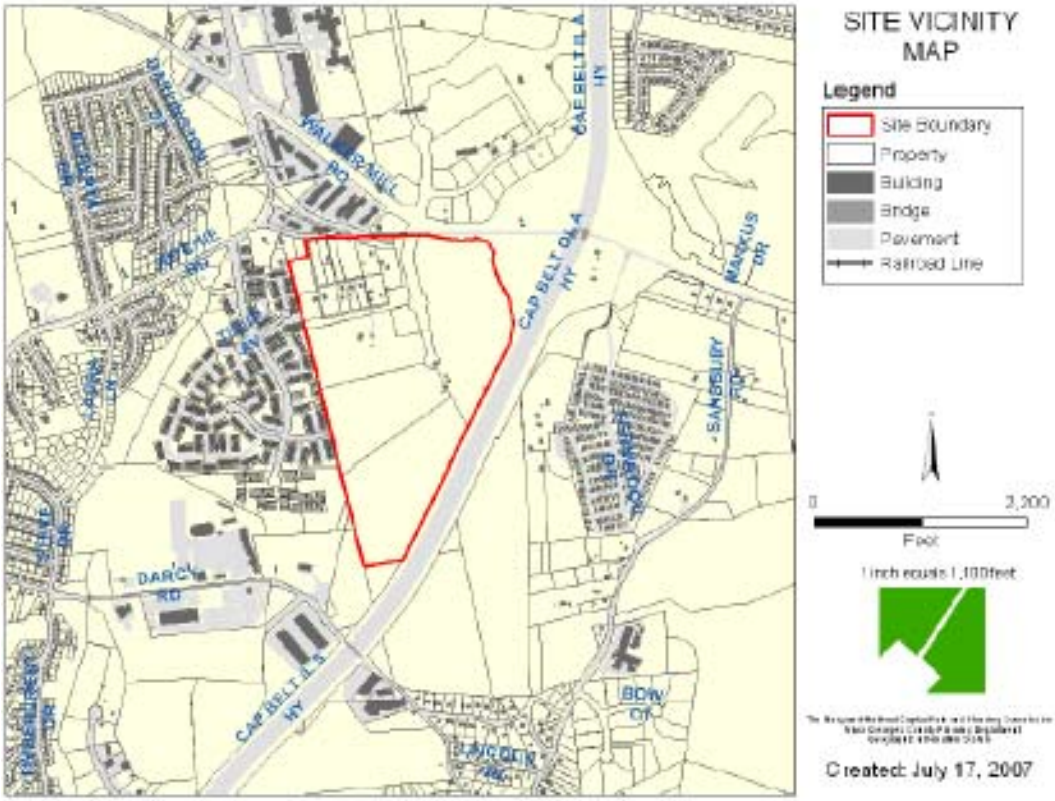


Neighborhood Map



Aerial/Site Vicinity Map





Address
Ritchie Marlboro Road & I-495
Capitol Heights, Prince George's County, Maryland 20743

The site is located on the south side of Ritchie Marlboro Road and the west side of I-495 (Capital Beltway) in the Capitol Heights area of Prince George's County, which is situated in the central portion of the county, approximately 10 miles east of downtown Washington, D.C.

Site Size
120.58 gross acres (5,252,464 SF-land)

Frontage & Visibility
The property is bordered by I-495 to the east with approximately 2,400 feet of frontage. Given the site's considerable frontage along the west side of the Capital Beltway and the south side of Ritchie Marlboro Road, access and visibility are excellent.

Access
The site has excellent access via a combination of state routes and local roads.

Regional:	Major regional roadways include I-95 and I-495 (Capital Beltway).
Local:	There are numerous local roadways serving the area including Ritchie Marlboro Road, Central Avenue (Route 214), Pennsylvania Avenue (Route 4), and Largo Road (Route 202).
Direct Access:	Direct access to the property is provided via Ritchie Marlboro Road, which has an interchange with the Capital Beltway immediately east of the property.

Public Transportation
The area is served by public transportation provided by the Washington Metro Transit Authority (WAMATA), or "Metro." Bus service is available along the major roadways (Walker Mill Road, Central Avenue, Harry S. Truman Drive, Largo Road, Pennsylvania Avenue), with links to the District of Columbia and Metrorail. The nearest Metrorail stop is located approximately four miles north of the property at Largo Towne Center, located near the intersection of Harry S. Truman Drive and Lottsford Road. This station is currently the last stop on the Blue Line, which conveys high volumes of commuters through Prince George's County into the District of Columbia.

Proposed transportation initiatives include extending the Blue Line out to the Westphalia Town Center and building two new stations.

Local Area Characteristics
Land uses within the neighborhood consist primarily of industrial and residential development. There is an overall lack of retail space in the site's immediate vicinity. Most of the existing shopping centers are located north of the property in Largo or to the south in Forestville. In general, there is an overall lack of large retail centers (250,000+ square feet) located within Prince George's County.

The property is located across from Steeplechase 95 International Business Park, a 60± acre parcel of land located along the north side of Ritchie Marlboro Road in the County's Enterprise Zone. Steeplechase 95 is a comprehensive complex encompassing warehousing, office space, and light manufacturing activities, as well as 16 acres of retail land. The site is zoned I-1 and can accommodate a total of 1.0± million square feet of space. The developer intends to incorporate restaurants, banks, gas and convenience store and other services to support the major employers, as well as enhance the retail and service base for the surrounding community. A preliminary subdivision plan for the project was approved by Prince George's County on March 4, 2004 and site work commenced on June 30, 2004, with the groundbreaking in October 2005. To date, development has consisted of industrial / warehouse buildings, with pad fast-food retail along Ritchie Marlboro Road.

Residential development consists primarily of single-family detached and attached homes. According to Claritas, 43 percent of all housing units within a one-mile radius of the property comprise single-family detached dwellings, 32 percent comprise single-family attached dwellings and 10 percent comprise multi-family units. Approximately 27 percent of the housing units were constructed subsequent to 1989, indicating some residential growth within the past 15± years. Approximately 85 percent of all occupied housing units are owner-occupied and 15 percent are renter-occupied. The 2006 median housing value was $207,349.

At the present time, there are 29,325 housing units within a three mile radius of the property and 92,347 units within a five mile radius. Major housing subdivisions include the Forest Park subdivision, which borders the property on the east, and the newly completed Heritage Glen, located just across I-495. Heritage Glen is currently selling single family homes starting at $570,000.

Shape
As assembled, the site is irregular in shape.

Tax Map Identification
The site is an assemblage of currently subdivided parcels, as noted in the table below. Prior to construction, the site will be re-subdivided to reflect the development plan.

SUBJECT PROPERTY - TAX PARCELS			
	Account #	Site Site (ACRES)	Site Site (SF)
Richie Station	15-3806759	30.30	1,319,868
	15-3806767	27.74	1,208,354
	15-3806775	19.62	854,647
	15-3806783	15.29	666,032
	15-3806791	1.64	71,438
	15-3806809	3.36	146,362
	15-3866811	19.65	855,954
	15-3866829	2.98	129,809
Subject Totals		120.58	5,252,465

(1) 17.39-acres will be set aside as preservation area (11.52-acres Greenspace & 5.87-acres Floodplain); 4.12-acres will be needed to accommodate right-of-way for Richie Court.

Soil Conditions
Preliminary geotechnical consulting reports indicate the soil's load-bearing capacity is sufficient to support existing and/or proposed structure(s). Soil conditions will be further evaluated through the due diligence process.

Zoning
I-1, I-3 & R-R (Note: Prince George's County zoning text permits big-box retail use in the I-1, I-3, and R-R zones for property inside the Beltway. Alternatively, the site would need to be re-zoned to C-S-C to permit the proposed use.)

Easements
The site is impacted by normal utility easements and public street rights-of-way of record.

Utilities
Per a report from Prince George's County Department of Public Works, all public utilities are available to the site.

Flood Map
The majority of the site is located in Zone C, an area outside the 100 and 500 year flood plain (National Flood Insurance Rate Map Community Panel Number 245208 0045D as of September 6, 1996). A 5.9-acre portion of the site is located in a floodplain.

Topography
The site has a rolling topography that generally slopes toward the west and south of the property and drains into an unnamed tributary of the Southwest Branch watershed in the Patuxent River basin. The site is undeveloped and partially wooded.

SITE PLAN
&
RENDERINGS

Retail
146,750 SF
FFE: 222
Retail
135,441 SF
FFE: 222
Retail
39,200 SF
FFE: 222
Retail
88,405 SF
FFE: 222
Retail
Retail / Rest.
Retail
Retail
Retail
Retail
Retail
Retail
Retail
Retail
Retail
Retail
Stormwater Management
x170
x160
x150
x190
x220

RITCHIE STATION
TENANT

WASHINGTON
MSA
ANALYSIS

Washington, DC Regional Overview

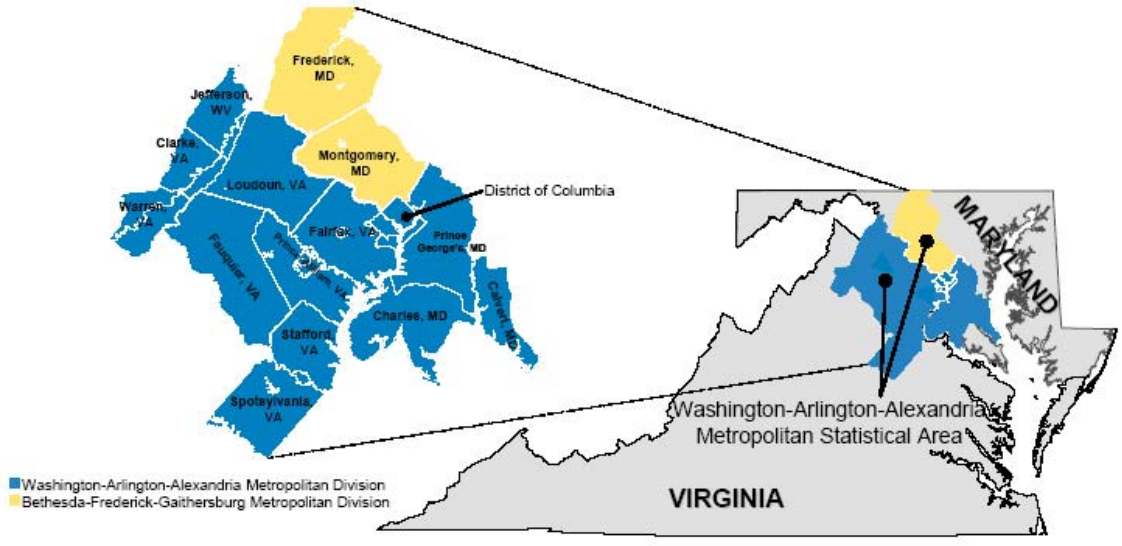
The Washington region is the location of the nation's capital and thus the center of federal government activity. Washington also serves as the headquarters for the World Bank, the International Monetary Fund, and the Organization of American States, among other international (and national) institutions, as well as the site of numerous national landmarks, cultural and educational institutions, and sports teams.

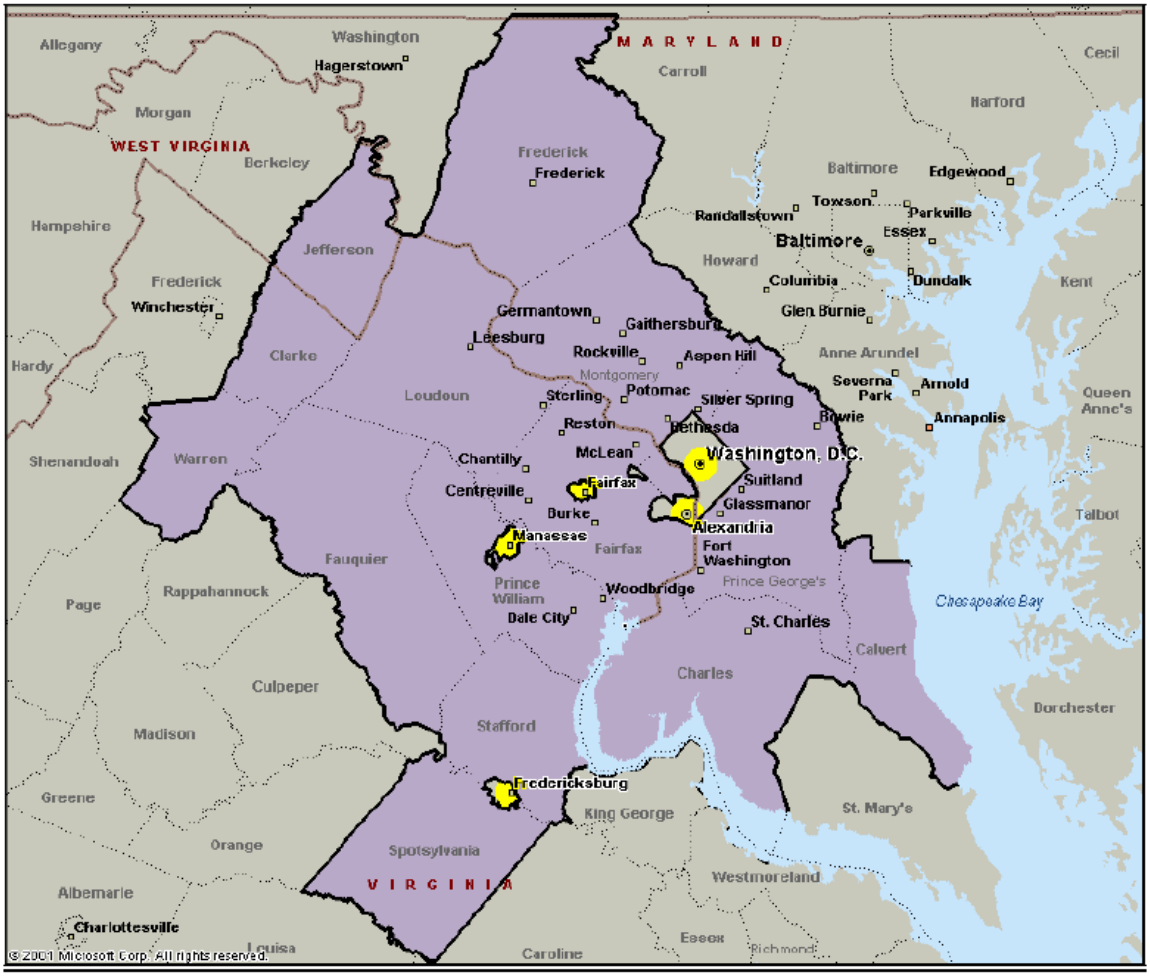
Washington, DC Metropolitan Area (MSA) Overview

The Washington-Arlington-Alexandria MSA is centrally located along the nation's mid-Atlantic coast – equidistant between Norfolk, Virginia and New York City – and bisected by the Potomac River. The core of this area is the nation's capital, the District of Columbia (the District), which is located along the Potomac, and totals 68.2 square miles. In addition to the District, the area encompasses 21 counties and independent cities located in three states – Maryland, Virginia, and West Virginia – and covers a total of 5,627 square miles.

The MSA includes the following jurisdictions:

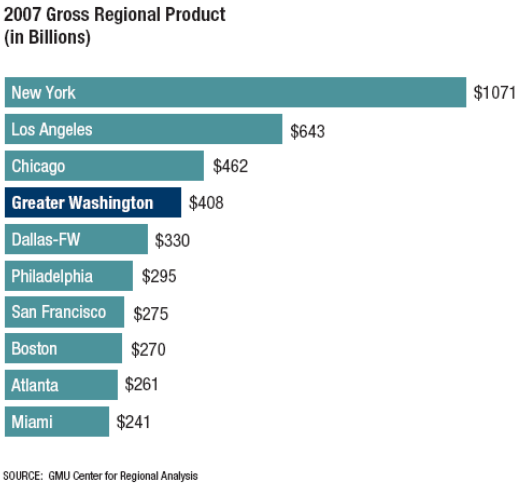
- District of Columbia, DC
- Loudoun, VA
- Calvert, MD
- Stafford, VA
- Charles, MD
- Warren, VA
- Frederick, MD
- Alexandria (City), VA
- Montgomery, MD
- Fairfax, Fairfax City + Falls Church, VA
- Prince George's, MD
- Prince William, Manassas + Manassas Park, VA
- Arlington, VA
- Spotsylvania + Fredericksburg, VA
- Clarke, VA
- Jefferson, WV
- Fauquier, VA





Robust Economy

The Washington MSA's economy is like no other. Buoyed by the federal workforce, and in recent years, the growth of the high-tech and service sectors, it ranks fourth in the United States with a 2007 Gross Regional Product of $408 billion. Of the ten major metropolitan areas in the United States, the Greater Washington economy, due in part to federal spending, is perhaps the most stable and least affected by business cycles.

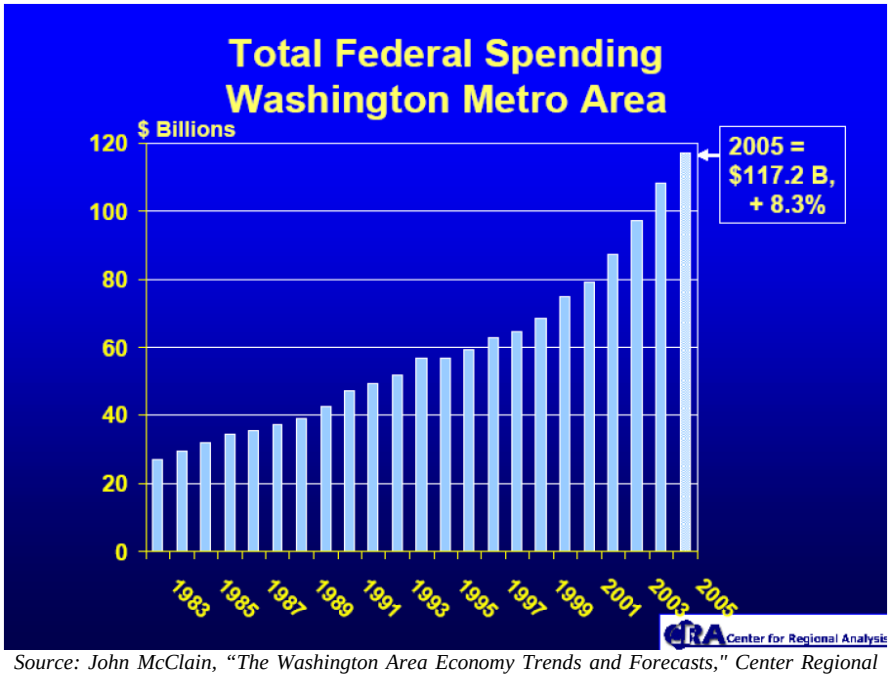


Job Growth

From 1997-2007, Washington generated an average of 72,100 net new jobs annually, which was surpassed by just one metro area, New York. Because Washington is a service-based economy, it boasts one of the largest office employment populations in the country.

Economy & Demographics

The Washington metropolitan area is one of the strongest and most resilient economies in the country. The federal government makes up a very large component of the Washington area economy and, the Washington economy is, therefore, less dependent on the private sector growth than are other metropolitan areas. According to the Center for Regional Analysis (CRA), federal spending accounts for more than 35% of the region's direct GRP and federal spending is currently growing at more than double its historic 4% annual rate. The majority of this growth has come in the form of procurements rather than new jobs within the federal government.



Source: John McClain, "The Washington Area Economy Trends and Forecasts," Center Regional Analysis, George Mason University.

In May 2006, Forbes rated the Washington region in its top twenty "Best Places for Business and Careers"—their annual ranking of the 150 largest metro areas in the nation. The following chart shows how Washington ranked in each category—the lower the ranking the better. As shown in the table, Washington ranked well in income & job growth, educational attainment, and culture & leisure but not so well in terms of cost of living and cost of doing business. Overall, the Washington area ranked seventeenth, down from fourth place in the 2005 survey.

#17 Washington DC-Northern VA	
Population: 4,054,900	
Category	**RANK**
Colleges[1]	**5**
Cost of Doing Business[2]	**159**
Cost Of Living[3]	**178**
Crime Rate[4]	**87**
Culture & Leisure[5]	**11**
Educational Attainment[6]	**8**
Income Growth*	**95**
Job Growth*	**30**
Net Migration*	**72**
Overall	**17**
Source: Forbes 6/2006	

1 Engineers as a percent of total employment.
2 Index based on cost of labor, energy, taxes and office space.
3 Index based on cost of housing, utilities, transportation and other expenditures.
4 Crimes per 100,000 residents.
5 Index based on museums, theaters, golf course, sports teams and other activities.
6 Share of Population over age 25 with a bachelor's degree or higher.
* 5-year annualized figures.
NA: Not available, not applicable.
Sources: Economy.com; Sperling's BestPlaces; FBI Index of Crime.

Population Trends

In terms of total population, the Washington, D.C. MSA ranked 8th among U.S. metropolitan areas in 2003. Over the last 30 years, the population of the Washington MSA has grown at about 1.5% per year. As shown in the table below, the population of the Houston MSA surpassed that of the Washington, DC MSA between 2000 and 2003.

	Population					Avg. Annual
AreaName	1970	1980	1990	2000	2003	Growth
New York-Northern New Jersey-Long Island, NY-NJ-PA (MSA)	17,089,280	16,377,893	16,888,902	18,358,957	18,669,826	0.3%
Los Angeles-Long Beach-Santa Ana, CA (MSA)	8,475,377	9,454,611	11,297,143	12,402,817	12,820,531	1.3%
Chicago-Naperville-Joliet, IL-IN-WI (MSA)	7,895,845	8,052,943	8,203,210	9,119,706	9,329,621	0.5%
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD (MSA)	5,331,133	5,244,018	5,445,186	5,693,583	5,772,285	0.2%
Dallas-Fort Worth-Arlington, TX (MSA)	2,429,717	3,040,317	4,014,341	5,196,340	5,585,889	2.6%
Miami-Fort Lauderdale-Miami Beach, FL (MSA)	2,255,202	3,254,936	4,078,578	5,028,727	5,277,451	2.6%
Houston-Sugar Land-Baytown,TX (MSA)	2,213,853	3,184,357	3,792,007	4,741,338	5,073,419	2.5%
Washington-Arlington-Alexandria, DC-VA-MD-WV (MSA)	3,151,300	3,414,159	4,138,586	4,821,321	5,070,685	1.5%

Source: U.S. Bureau of Economic Analysis (BEA)

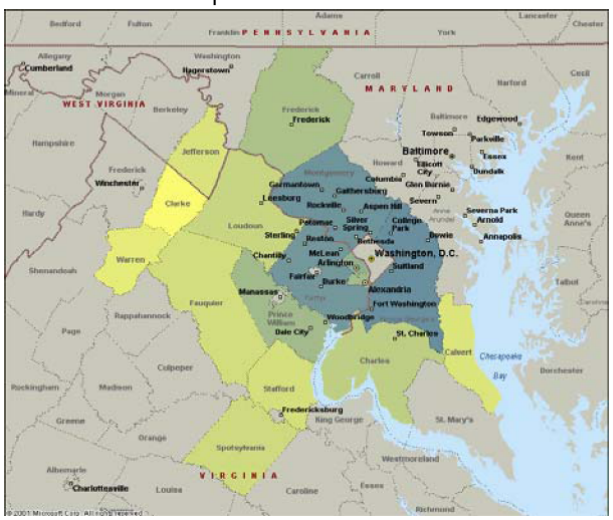
According to the Metropolitan Washington Council of Governments (MWCOG), approximately 5.3 million people now live in the Washington, DC MSA. As shown below, the population in outlying suburbs, such as Loudon County, Calvert County, and Spotsylvania County, has grown more quickly than the inner core (highlighted). The population in DC proper declined between 1970 and 2003 and has only recently begun to reverse this trend.

County	State	1970	1980	1990	2000	2003	2005	Avg. Annual Growth
District of Columbia	DC	755,087	638,284	605,321	571,045	557,620	577,500	-0.8%
Montgomery	Maryland	524,400	582,053	760,296	877,699	915,058	942,000	1.7%
Prince George's	Maryland	666,136	666,369	731,076	803,581	836,369	852,900	0.7%
Arlington	VA	173,825	153,363	171,164	189,249	187,439	198,300	0.4%
Alexandria (Independent City)	VA	110,508	103,620	111,491	129,130	128,673	135,900	0.6%
Fairfax, Fairfax City + Falls Church	VA	489,999	631,502	851,111	1,007,152	1,029,365	1,073,600	2.3%
Frederick	Maryland	85,309	115,706	151,345	196,579	213,623	220,900	2.8%
Loudoun	VA	37,288	57,765	87,208	173,961	221,150	247,300	5.6%
Prince William, Manassas + Manassas Park	VA	112,424	168,538	251,587	329,542	371,936	402,600	3.7%
Calvert	Maryland	20,932	34,884	51,954	75,187	84,155	82,800	4.0%
Charles	Maryland	48,232	73,466	101,751	121,282	132,286	138,000	3.0%
Clarke	VA	8,130	10,001	12,079	12,708	13,444	13,896	1.5%
Fauquier	VA	26,483	36,070	48,908	55,579	61,207	64,828	2.6%
Stafford	VA	24,735	40,712	62,600	93,571	110,236	107,100	4.3%
Warren	VA	15,420	21,256	26,313	31,721	33,803	35,096	2.4%
Spotsylvania + Fredericksburg	VA	31,136	50,136	78,237	110,886	127,907	138,951	4.4%
Jefferson	WV	21,256	30,434	36,145	42,449	46,414	49,069	2.4%
TOTAL		3,151,300	3,414,159	4,138,586	4,821,321	5,070,685	5,280,740	1.5%

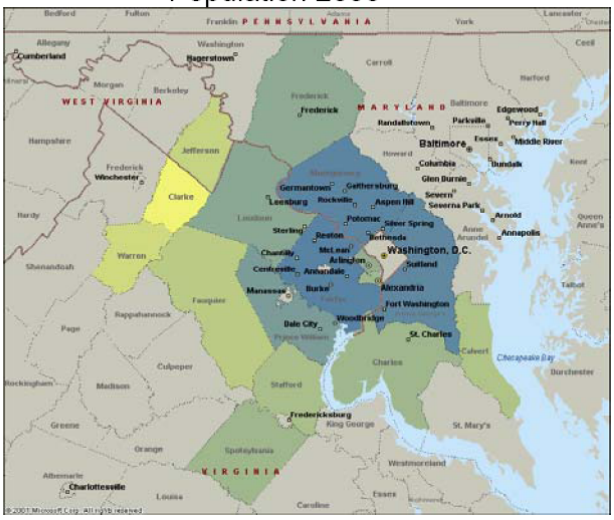
Source: BEA, MWCOG, and DemographicsNow

The two maps below depict the population growth in the outlying suburbs over the last 30 years.

Population 1970

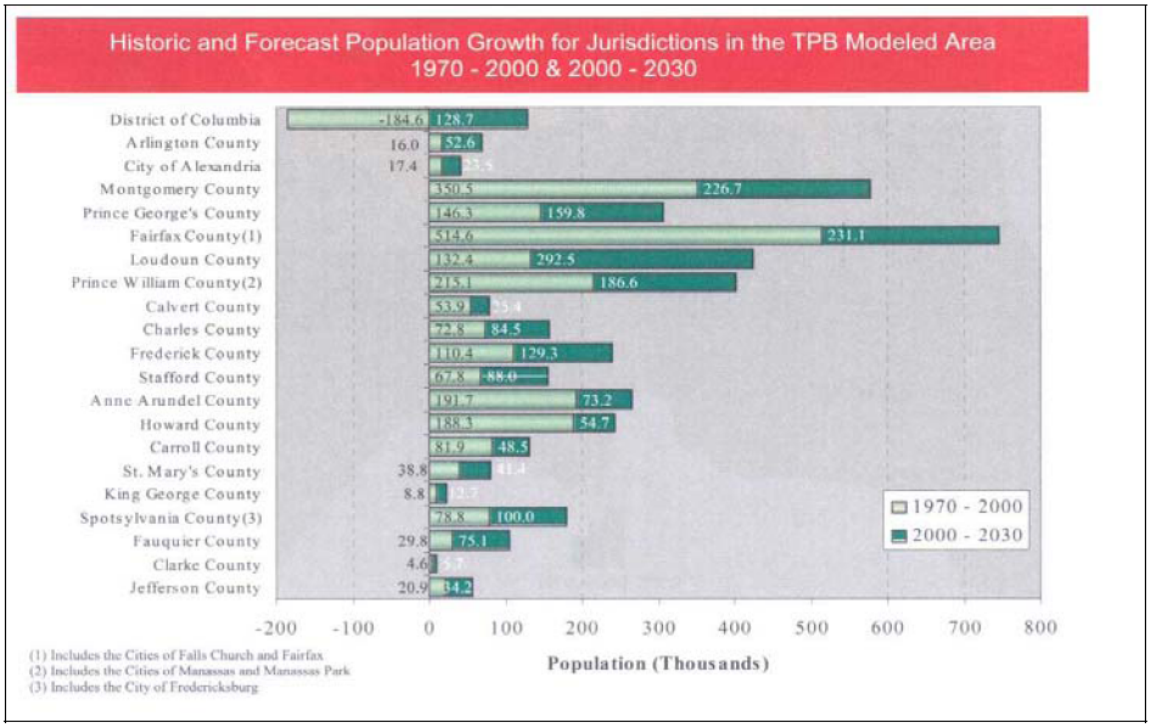


Population 2005



MWCOG expects the region's population to grow steadily (about 1% a year) over the next 25 years, spurred primarily by the long-term strength of the local economy and high rates of in-migration and international immigration. They also project that the inner core will continue to have the highest population density but anticipate that the outer suburbs will continue to experience the fastest growth in population. Additionally, MWCOG expects DC proper to continue to experience an increase in population over the next 25 years.

The following graph summarizes MWCOG's population forecast:



Income Trends

According to the Bureau of Economic Analysis (BEA), the per capita income in the Washington, DC Metro area (Washington-Arlington-Alexandria DC VA MD WVA Metro Area) ($34,662) as of 2006 was $34,662, ranking it in the top ten for the entire country and was over 140% of the U.S. per capita income level of $24,529 for that year. The following table displays the 2006 median household income and per capita income for each of the counties in the Washington, DC MSA

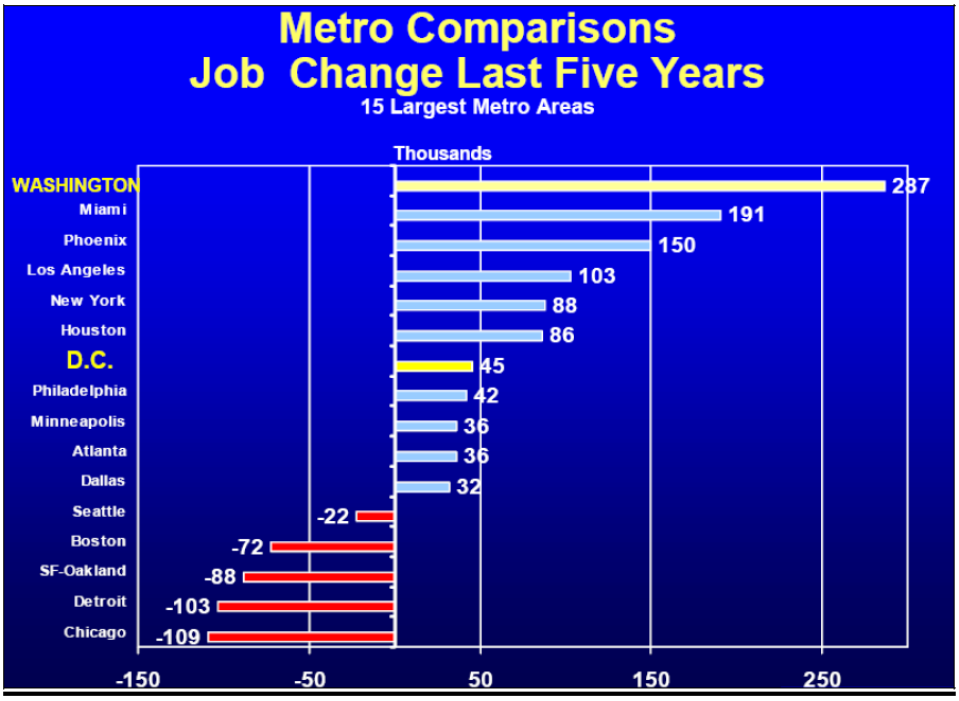
Washington, DC Metro Area - Income levels by County - 2006

	Average HH Income	Median HH Income	Per Capita Income
Loudoun County	$106,367	$94,481	$37,392
Fairfax County	$113,336	$93,001	$41,255
Montgomery County	$108,304	$82,240	$40,542
Prince William County	$83,892	$77,588	$28,284
Stafford County	$83,569	$76,263	$27,946
Calvert County	$83,538	$74,889	$28,644
Arlington County	$91,649	$72,994	$42,355
Charles County	$78,460	$71,688	$27,843
Fauquier County	$88,578	$70,893	$32,583
Spotsylvania County	$72,977	$65,462	$25,584
Prince George's County	$72,872	$63,283	$26,846
Clarke County	$68,750	$59,582	$28,226
Warren County	$56,992	$48,342	$22,951
District of Columbia	$71,755	$44,593	$34,255

Source: Demographicsnow.com

Employment Trends

The Washington area has added more jobs than any other metropolitan area over the last five years. As of September 2008, the Washington MSA had an unemployment rate of 4.0%. CRA estimates that growth in federal spending has supported more than half of the region's recent job growth across all sectors.

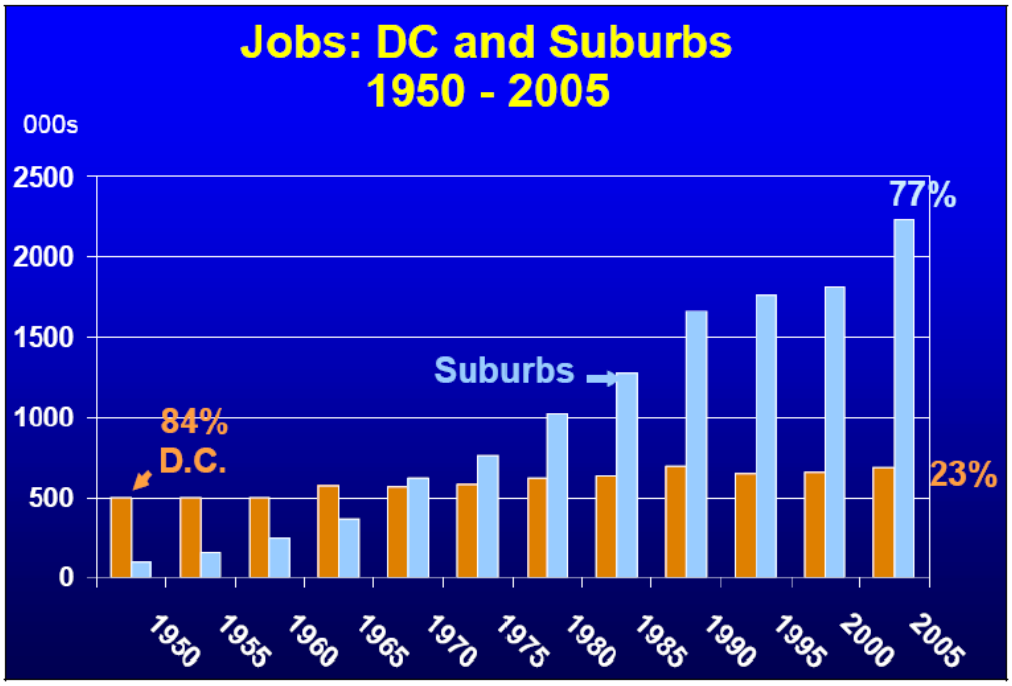


Source: John McClain, "The Washington Area Economy Trends and Forecasts," Center Regional Analysis, George Mason University.

Source: John McClain, "The Washington Area Economy Trends and Forecasts," Center Regional Analysis, George Mason University.

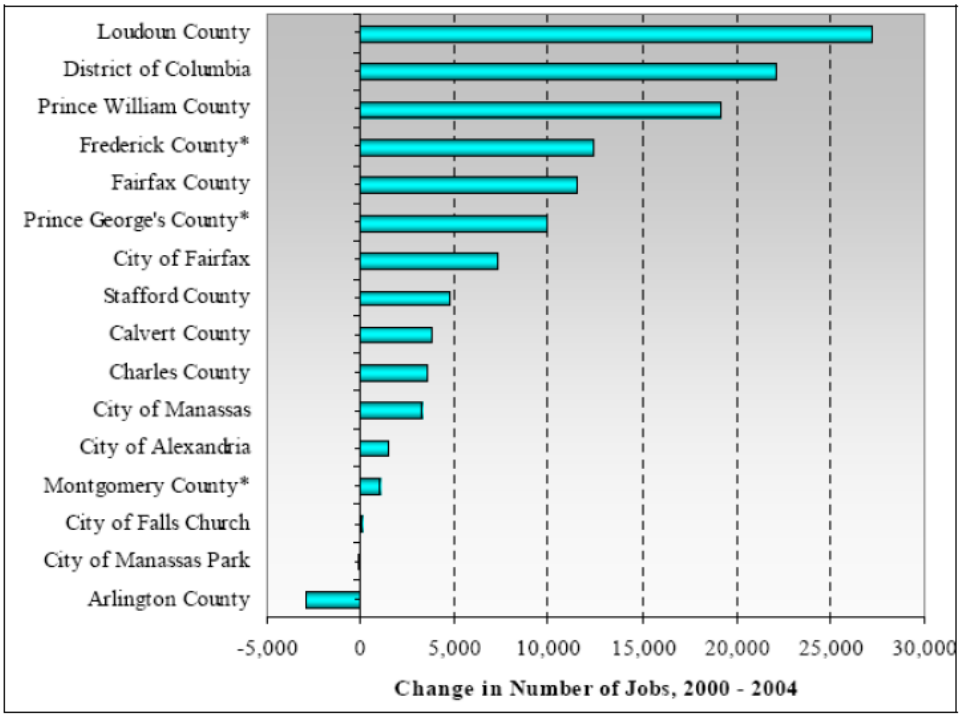
According to MWCOG, the federal government accounts for about 12 percent of the region's jobs (versus almost 20% in the mid-80s). However, as mentioned above, federal contracting generates thousands of additional jobs in the region, primarily in the professional and business service sectors.

The location of the jobs in the Washington region has made a dramatic shift over the last 50 years. In 1950, 84% of the region's jobs were located in the District but today only 23% of the regions jobs are in the city. The number of jobs in the District grew over this time period but this growth was dwarfed by job creation in the suburbs.



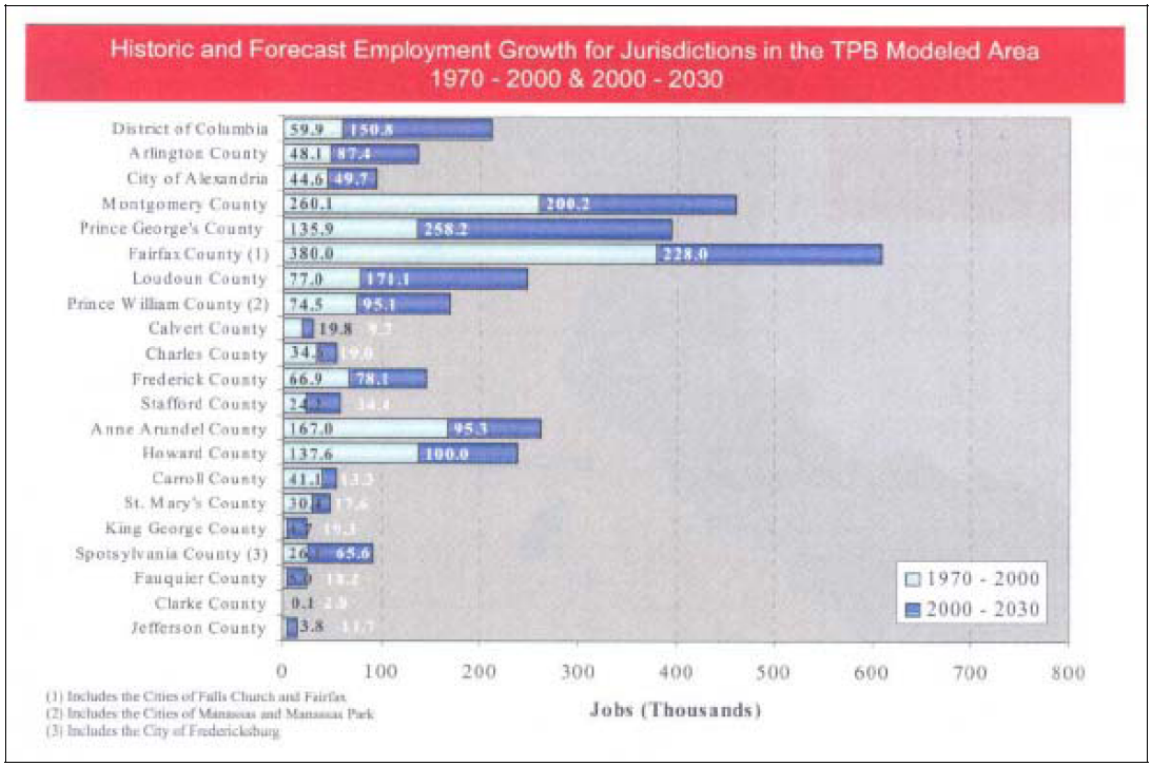
Source: John McClain, "The Washington Area Economy Trends and Forecasts," Center Regional Analysis, George Mason University.

After dropping off in the 1990s, job growth for the District has rebounded in recent years. In fact, over the last five years, more jobs were created in the District than any other jurisdiction except Loudoun County. The following chart summarizes job growth by location between 2000 and 2004.



Source: Metropolitan Washington Council of Governments, Growth Trends to 2030: Cooperative Forecasting in the Washington Region, Fall 2005.

MWCOG expects that job growth in the District will continue this upward trend, however, they anticipate the majority of job growth in the region over the next 25 years will take place in the suburbs:



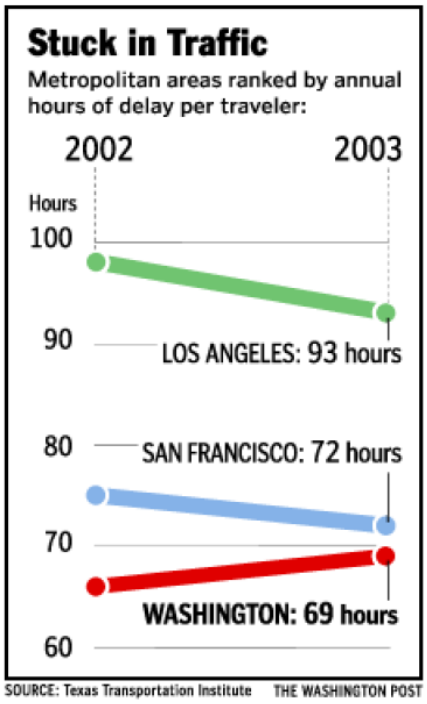
Source: Metropolitan Washington Council of Governments, Growth Trends to 2030: Cooperative Forecasting in the Washington Region, Fall 2005.

The MWCOG employment forecast was completed before the Department of Defense released its recent Base Realignment and Closure (BRAC) initiative. Delta Associates recently completed a BRAC study in which they conclude that BRAC will have a limited impact on the regional economy (specifically employment) as a whole. However, they did conclude that BRAC will have a larger impact at the jurisdictional level, with the District, Arlington, and Alexandria standing to lose a larger portion of their work force and Fairfax, Prince William and Anne Arundel Counties standing to gain employees.8

A major drawback to the region's continued economic growth is the high cost of living in the DC area. Affordability issues sometimes limit the ability of employers to attract and import new employees. With high land and housing costs relative to other competitive areas, as well as major needs for infrastructure improvements, no near-term solution is foreseen for this escalating problem.

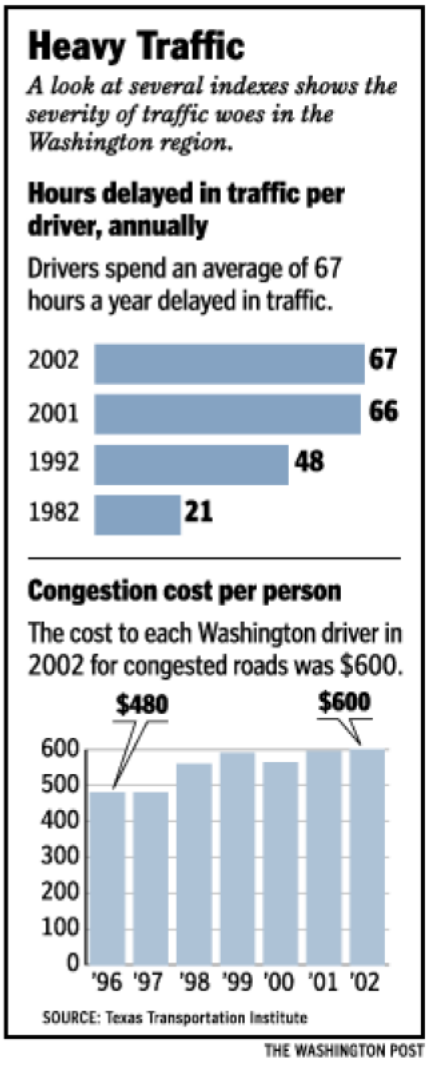
Transportation

Transportation is a major issue in the Washington area. The region has some of the worst traffic in the nation but also has a fairly extensive public transportation network. According to a Texas Transportation Institute (TTI) study released in May 2005, the Washington area had the third-worst traffic congestion in the United States, behind Los Angeles and San Francisco, for the fifth year in a row.



The study indicated that traffic congestion in many of the nation's largest cities actually improved over last year but Washington was not one of them as shown in the "Stuck in Traffic" graph from the report.

As shown below, the average Washington area commuter spent 21 hours stuck in traffic in 1982 but this number more than tripled by 2002. Nationally, commuters spent about 46 hours stuck in traffic in 2002, on average.



Development in the region, especially suburban sprawl, only promises to worsen traffic, as many area jurisdictions continue to approve thousands of homes in areas where roads already are strained. As mentioned previously, the region's population has expanded outward and the outlying suburbs are expected to continue to experience significant growth in future years. Development in many of these outlying areas is very low density and people often live far from shopping and job centers and public transportation networks, leaving them increasingly dependent on the automobile.

However, the report from TTI also showed that traffic congestion in the Washington area would be the worst in the nation if not for its public transportation systems. In their 2004 report, TTI estimated that public transit reduces by 35 the peak-time hours the average commuter loses in traffic annually and cuts commuting costs by an estimated $1.2 billion a year.

The region's public transportation network includes:

Metro Rail
A 103-mile rail network with 86 stations—40 in DC, 26 in Maryland, and 20 in Virginia—that logged 190 million passenger trips in 2004, making it the 2nd largest rail transit system in the country. More people rode Metrorail in the past year than in any year since the subway opened in

1976. Ridership increased by 2.7 % between 2004 and 2005 to mark the ninth consecutive year of increased ridership.

Construction of the Metro Rail ("Metro") system began in 1969, a time when almost half of the regions jobs were located in the District (see graph under the employment discussion above). As a result, the system is designed to most efficiently carry passengers between the city center and inner suburbs (see map below).

Metro Rail System Map

The Metro system has impacted development patterns in downtown Washington and the inner-ring suburban areas, for example, dramatic office and mixed-use developments have been constructed around the Metro stops. Certain portions of downtown Washington and Arlington County have experienced economic revitalization around Metro stations.

Metro Bus

WMATA's bus system includes 350 routes, almost 12,500 bus stops, and a fleet of almost 1,500 buses, making it the 5th largest bus network in the country. According to WMATA, the Metro Bus system recorded 146 million passenger trips in 2004.

Commuter Rail
There are two major commuter rail systems serving the Washington, DC area:

*VRE***:** Provides commuter rail service from the Northern Virginia suburbs to Alexandria, Crystal City and downtown Washington, D.C.

*MARC***:** Is a 187-mile commuter rail system, providing service on three lines, between Washington, DC and Baltimore, MD; Washington, DC and Perryville, MD; and Washington, DC and Martinsburg, WV.

In addition to the systems described above, a number of jurisdictions operate their own commuter bus services to carry commuters from outer suburbs to job centers closer to the city center. For example, OmniRide carries commuters from locations throughout Prince William County to destinations that include the Vienna, West Falls Church, the Pentagon, Crystal City, and downtown Washington, D.C.

Airports & Regional Train Service
In terms air transportation, the region is "blessed" with three major airports which offer non-stop service to hundreds of domestic and international destinations:

• *Ronald Reagan/Washington National Airport (DCA)* is located just 4 miles from downtown Washington, DC, along Arlington County's waterfront. At last count, the airport was served by 14 airlines which offered non-stop service to more than 70 destinations. In 2004, DCA recorded almost 16 million passenger enplanements and the airport has its own stop on the Metro rail system.

• *Baltimore/Washington International Airport (BWI)* is located about 10 miles south of downtown Baltimore, and 30 miles north of Washington, D.C. The airport recently completed a new terminal to be used primarily by its largest airline, low cost carrier Southwest Airlines. The airport served about 20 million passengers in 2004 and offers non-stop service to more than 60 destinations, including 10 international destinations. The airport offers easy access to the Amtrak and MARC rail station and offers passengers a direct link to downtown Baltimore via a new light-rail station.

• *Washington Dulles International Airport (IAD)* is located about 26 miles west of Washington, DC and sits on the Loudoun County/Fairfax County line of Northern Virginia. The airport hosts more than 40 airlines, offering non-stop service to more than 120 destinations, including 40 international destinations. Additionally, the Smithsonian Institute recently erected a $200 million Air and Space museum annex at the airport.

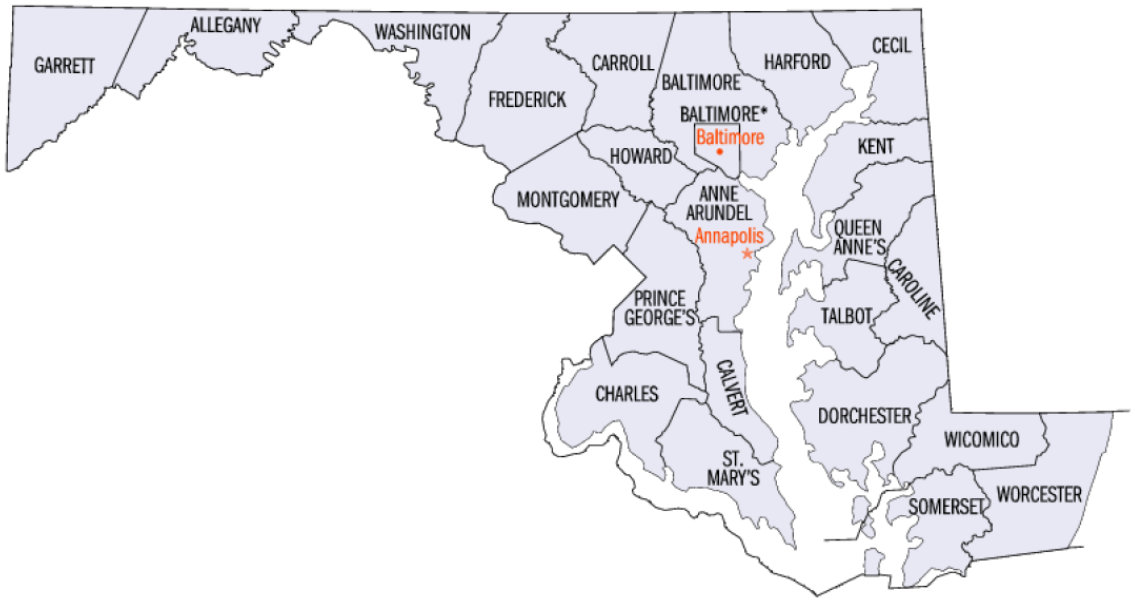
• *The Amtrak rail hub* of Union Station is situated near the US Capitol on the eastern end of the downtown Washington, D.C. office market. Amtrak offers frequent regional and high-speed rail service along the northeast corridor, including New York City and Boston.

Conclusion
Overall, the DC metro area is rated to be strong on all fronts. The Ritchie Marketplace property is located in the relatively close-in suburb of Capitol Heights within the broader Suburban Maryland market. Long-term prospects for the region are rated to be good.

LOCAL AREA ANALYSIS

Prince George's County

Prince George's County is one of the largest counties in the Washington, DC metropolitan area. The county covers an area of 487 square miles and contains some 27 incorporated municipalities. It is bound on the north by Montgomery and Howard Counties, on the east by Anne Arundel County, on the south by Charles County, and on the west by Washington, DC and the Potomac River. Its location directly east of the District of Columbia and with Baltimore to its north make Prince George's County a prime suburban location within close proximity to major employment nodes. Highway distances to central Prince George's County are 19 miles from Washington, DC, 37 miles from Baltimore, 233 miles from New York City, 133 miles from Philadelphia, and 100 miles from Richmond, VA.

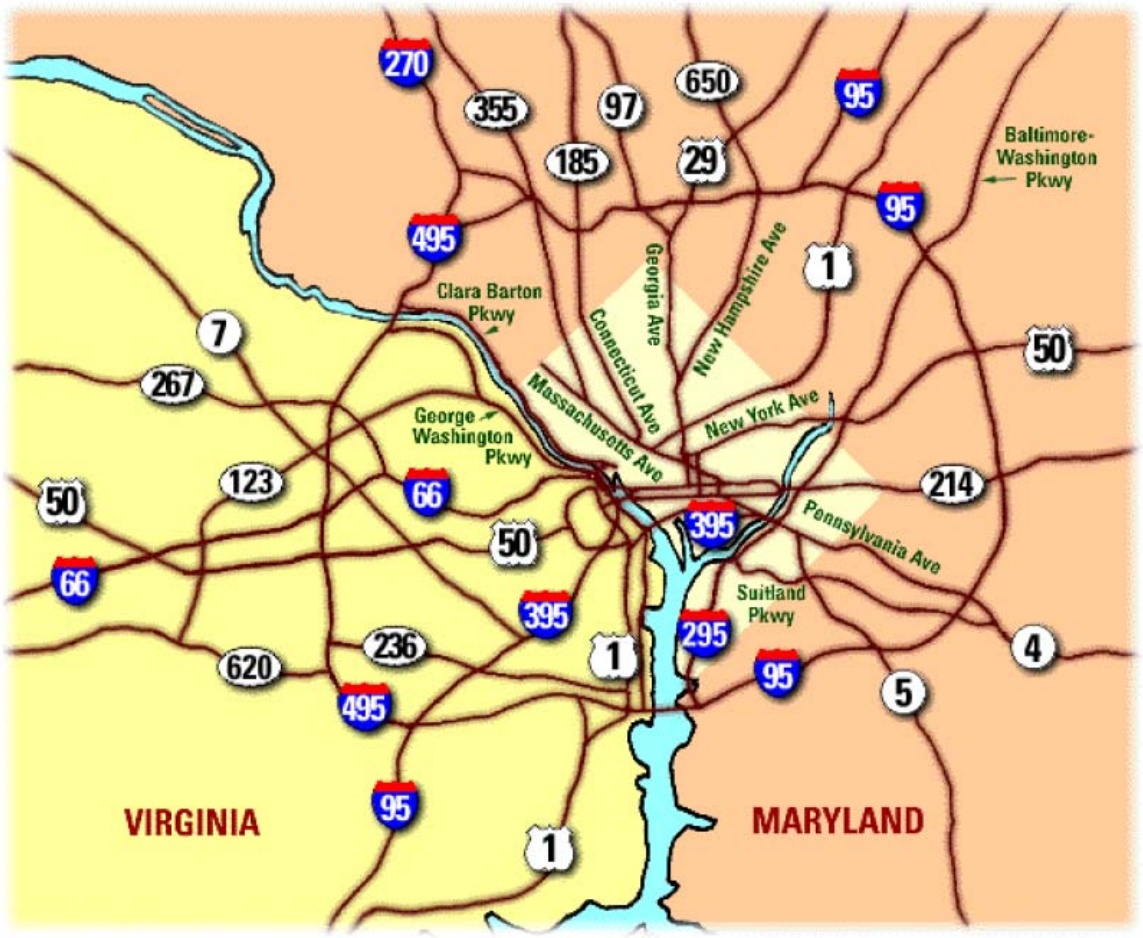


PRINCE GEORGE'S AND SURROUNDING COUNTIES

Prince George's County is a diverse "inner-ring" suburb of Washington, DC containing several distinct submarkets. Some parts of the county enjoy a unique identity while many older, fully developed areas contain a mixture of residential, industrial and "spot" retail uses. The Capital Beltway (I-95/495) generally splits the county between the latter older areas of the county "inside the beltway" and current and future growth areas "outside the beltway". Business development in the County is predominantly located in the northern and central portions of the County, with the southern section remaining as older, high-density residential neighborhoods along the I-95 and the DC border, or rural areas several miles south of the Capital Beltway.

Transportation

Prince George's County is served by an excellent transportation network of state highways and U.S. interstates, although the overall road network is strained during weekday rush hours at close to full capacity as already discussed in the prior Washington MSA Analysis.



PRINCE GEORGE'S COUNTY TRANSPORTATION

I-95 provides intra-regional access along the entire eastern seaboard of the United States and slices through the entire north-south length of the County. Additional north/south road access within the Baltimore/Washington region is provided by the Baltimore Washington Parkway (I-295), a four-lane limited access roadway connecting the Baltimore and Capital Beltways, located between Route 50 and I-95.

I-495 (Capital Beltway) is a limited access highway which circles around Washington DC. The Capital Beltway not only provides access to five major interstates, but also connects to the other major counties.

Route 50 represents the primary east/west route from Washington DC to Annapolis (the Maryland State Capitol) and to the eastern shore of Maryland. The interchange for I-495 and Route 50 recently underwent massive reconstruction to include a new "fly over" exit and entrance ramps along with the widening of Route 50 from a four-lane highway to six lanes of limited access travel.

Prince George's County is well served by Regan National Airport (located in Arlington 15 miles south) and Baltimore-Washington International (BWI) (located in Anne Arundel County 20 miles north). The Port of Baltimore is also easily accessible via aforementioned federal and state highways in the county.

Public transportation is available by bus and rail. The County has three stations along the Orange Line that terminates in New Carrollton and one station on the Blue Line that terminates at Largo Town Center.

Demographic Profile

The chart below provides current and projected demographic information for Prince George's County with regards to population, households, housing units, income, and educational attainment levels. For comparison purposes, profiles for the overall US and the Washington, DC Metro area are also included.

As shown, Prince George's County witnessed steady, solid growth between 2000 and 2006 from a population, household, and income perspective. Looking forward, the County is expected to garner similar growth trends from a population and household perspective, although growth in income levels is expected to slow moderately. This slowdown in income isn't surprising given the County's already elevated income position relative to the country (14.5% and 31.1% higher average and median household income levels). Reversion to the mean is not uncommon. Relative to the overall DC Metro area, Prince George's County is expected to fall slightly off-pace with respect to population and income growth, along with median income growth. However, it should keep pace from an average income and per capita income perspective. The substantially higher population density found in Prince George's County is indicative of a more mature, built-out marketplace when compared with the overall Metro area. This profile helps explain the County's lower projected population and household growth over the next five years.

Overall, Prince George's County compares very favorably against the nation demographically. Against the DC Metro area, however, resident's of Prince George's maintain moderately lower average and median household income levels (19.7% and 13.4% lower, respectively) and slower median income growth prospects. It is notable that Prince George's County is home to the largest concentration of government oriented workers (24%) than any other county in the region, which is driven by its close-in location to Washington, DC. This fact leads to overall employment stability, even during recessionary periods.

	Prince George's County Demographic Profile				US Demographic Profile			DC Metro Area Demographic Profile		
Current (2006) & Projected (2011) Population, Housholds, Income, and Educational Attainment										
	Estimated 2006	Projected 2011	Annual Growth 00-'06	Annual Growth 06-'11	Estimated 2006	Projected 2011	Annual Growth 06-'11	Estimated 2006	Projected 2011	Annual Growth 06-'11
Total Population	861,078	909,670	1.2%	1.1%	861,078	909,670	1.1%	5,318,846	5,733,760	1.5%
Total Households	307,925	325,687	1.2%	1.1%	307,925	325,687	1.1%	1,994,377	2,152,233	1.5%
Pop. Density (per Sq. Mi.)	1,733				83			902		
Median Age	34.7	35.9			36.5	37.5		36.4	37.7	
Housing Units										
Total Housing Units	318,572	332,944	0.9%	0.9%	125,895,757	134,192,370	1.3%	2,105,026	2,282,443	1.6%
Owner Occ. Housing Units	62%	65%			60%	60%		63%	64%	
Renter Occ. Housing Units	35%	33%			29%	28%		32%	30%	
Vacant Housing Units	3%	2%			11%	13%		5%	6%	
Bachelor's Degree	20%	21%			18%	19%		26%	27%	
Graduate Degree	14%	17%			10%	11%		22%	24%	
Some College, No Degree	20%	17%			20%	19%		16%	14%	
AVG HH Income	$72,872	$78,932	2.1%	1.6%	$63,629	$68,881	1.6%	$90,801	$98,399	1.6%
MEDIAN HH Income	$63,283	$68,875	2.2%	1.7%	$48,271	$52,633	1.7%	$73,051	$80,316	1.9%
Per Capita Income	$26,846	$29,069	2.6%	1.6%	$24,529	$26,492	1.6%	$34,662	$37,525	1.6%

Employment

Many federal agencies are located within Prince George's County, including the Internal Revenue Service, Andrew's Air Force Base, the U.S. Bureau of the Census, Goddard Space Flight Center, and the National Agricultural Research Center. In addition, the University of Maryland in College Park serves more than 34,000 students, both graduate and undergraduate. The top major employers and estimated work force are summarized below.

As shown in the following chart, the total resident labor force in the County is approximately 445,700+ with 425,500+ residents employed resulting in an unemployment rate of 4.5%. It should be noted that this unemployment rate has hovered in the low- to mid-4% range over the past several years.

EMPLOYMENT

(2005, by place of work) Industry	Annual Average Employment	%	Average Weekly Wage
Federal government	26,193	8.4	$1,469
State government	16,742	5.4	777
Local government	37,842	12.1	873
Private sector	231,862	74.2	779
Nat'l. resources and mining	238	0.1	785
Construction	31,682	10.1	930
Manufacturing	11,045	3.5	1,054
Trade, transp. and utilities	62,598	20.0	672
Information	6,435	2.1	1,220
Financial activities	13,766	4.4	884
Prof. and business services	44,249	14.2	1,003
Educ. and health services	25,979	8.3	737
Leisure and hospitality	25,548	8.2	288
Other services	10,137	3.2	625
Unclassified	185	0.1	575
Total	312,639	100.0	848

Note: Percentages may not add due to rounding.

Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information and Performance.

LABOR AVAILABILITY

(by place of residence)		Prince George's County
Civilian Labor Force (2005 annual averages):		
Total civilian labor force		445,772
Employment		425,537
Unemployment		20,235
Unemployment rate		4.5%
Residents commuting outside the county to work (2005):	250,033	61.0%
Employment in selected occupations (2005):		
Management, professional and related	159,631	38.2%
Service	73,014	17.5%
Sales and office	108,450	26.0%
Production, transp. and material moving	37,799	9.1%

Maryland Department of Labor, Licensing and Regulation, Office of Workforce Information and Performance; U.S. Bureau of the Census.

Prince George's County maintained an employment base of over 312,000 at the end of 2005 according to the Department of Labor, Licensing and Regulation. Federal, State and Local Government comprise just over 25% of the employment in the County. Trade, transportation, and utilities comprise the largest of the private sector employment base, with nearly 63,000 of the 312,000 jobs in the county. Professional and Business Services and Construction generate the second and third largest number of private sector jobs in the County.

It is notable that the Washington, DC area's three largest grocery food chains, Giant Food, Safeway Stores and Shoppers Food Warehouse, maintain their headquarters in Prince George's County, in addition to several retail stores within the county included in the above figures.

Andrews Air Force Base is, by a large margin, the largest employer in Prince George's County with employment of 17,400+. These figures are projected to grow moderately by 2010, as an additional 1,000 to 2,000 new jobs are moved to Andrews as a result of the Base Realignment and Closure Act ("BRAC").

The University of Maryland at its main campus in College Park (1 1/2 miles north of Ritchie Marketplace) is the largest college/university in the Washington, DC region (about 6,000 students more than the second largest, George Mason University). The University of Maryland also has substantial joint-venture research and educational activities with nearby area employers, including the nearby National Aeronautics and Space Administration's Goddard Space Flight Center and the National Agricultural Research Center. The NASA Goddard Space Flight Center

is situated on an approximate 1,100-acre campus in the City of Greenbelt and is one of the largest county employers, both directly and via subcontractors.

The local economy in this area has been and continues to be susceptible to congressional cuts in the national defense budget, but the Goddard Space Flight Center functions have remained relatively untouched to date. Besides the University of Maryland, NASA and the National Agricultural Research Center, other government agencies in this area include the Food and Drug Administration's Center for Food Safety and Applied Nutrition, the Army Research Lab and the U.S. Census Bureau's supercomputer facility in the southern part of the County (Oxon Hill).

MAJOR EMPLOYERS

Firm	Product/Service	Employment
Andrews Air Force Base	Military installation	17,410
University System of MD	Higher education	11,730
NASA - Goddard Space Flight Center	Space research	7,000
Giant Food	Groceries	5,394
United Parcel Service	Mail and package delivery	4,220
U.S. Census Bureau	Demographic research and analysis	4,158
U.S. Internal Revenue Service	Revenue collection and data processing	3,840
Dimensions Health	Medical services	3,000
Verizon	Telecommunications	2,738
Safeway	Groceries	2,400
Shoppers Food Warehouse	Groceries	1,975
Prince George's Community College	Higher education	1,863
USDA - Beltsville Agricultural Research Center	Agricultural research	1,700
Chevy Chase Bank	Banking services	1,456
Southern Maryland Hospital Center	Medical services	1,300
Computer Sciences Corp.	Computers	1,200
Prince George's Hosp. Ctr.	Medical services	1,100
District Photo	HQ / photographic serv.	1,000
Home Depot	Building supplies	968
Honeywell Technology Solutions	Engineering, aerospace	900
Swales Aerospace	Aerospace R&D and mfg.	900
Doctors Community Hosp.	Medical services	850
Northrop Grumman	IT services, system integ.	736

Prince George's County Economic Development Corporation; Maryland Department of Business and Economic Development.

Commercial Hubs in Prince George's County

Greenbelt

Greenbelt is an incorporated city in northern Prince George's County at the junction of the Capital Beltway and the Baltimore Washington Parkway. Greenbelt is one of the original "greenbelt towns" established by the Federal Government in 1937 to provide low- and middle-income families the opportunity to live in a planned community with a town center, parks, and housing owned by the government. The government eventually sold the housing and some of the undeveloped land. Greenbelt's residential neighborhoods are more formal and distinguishing than practically all other areas of the county in close proximity to I-95 & I-495 and its retail inventory is more community- and regional oriented than the scattered neighborhood retail in other proximate beltway locations. In addition, Greenbelt is the closest commercial market to the more prosperous Montgomery County submarket to the west and therefore is the first Prince

George's County submarket to benefit from tenant migration due to "rent spikes" in Montgomery County.

New Carrollton

The New Carrollton submarket at the junction of I-95 and State Route 50, with rail stations for Amtrak, MARC and the Metro, includes the county's largest office park, Metro East. Similar to Greenbelt, the New Carrollton metro station area contains substantial remaining development capacity.

The New Carrollton metro station has seen "spin off" development activity centered around the massive 1.2 million SF office complex delivered in 1997 for the Internal Revenue Service (IRS). While the complex is somewhat isolated being self-contained, having high security and having limited outside foot traffic, the contract spin-offs that were originally envisioned to stimulate the overall Prince George's County office market have begun in earnest after initial delays. In December 1998, the IRS "signed" a $5 billion dollar subcontract to CSC, a major computer services company. As a result of the contractual agreement, CSC signed a 10-year lease in April 2001 for the development of a 325,000 SF build-to-suit Class A Office building.

Landover/Largo

Several miles south of the I-95/Route 50 junction in New Carrollton is the next significant commercial hub at the I-95 junction with Route 202/Landover Road on the north and Route 214/Central Avenue on the south, about two miles apart. The aforementioned Blue Line of the metro rail system terminates at Addison Road, on the District of Columbia/Prince George's County border and Route 214, but is not well integrated with significant existing uses in this Landover/Largo area. The retail hub for the entire "inside the beltway" area of Prince George's County is the 1.3 million SF Landover Mall at the northwest quadrant of I-95 and Route 202, about four miles from a metro rail station on an 85-acre site. This center was built in 1972 and will require renovations and possible tenant repositioning for long-term economic viability. Currently, this mall is closed.

At the southwest quadrant of this junction is the 80,000-seat Fed-Ex Field, which opened in 1998 for the Washington Redskins.

Residents, businesses and developers alike in this Landover-Largo area are now benefiting from expansion of the Blue Line that was completed in 2004/2005. The $96 million +/- project resulted in the addition of two metro stops (i.e., Morgan Boulevard and Largo) from the previous terminus at Addison Road. While the project was stalled for several years, its completion is no doubt a relief to employers and commuters alike. Further, the addition of the Largo Metro Station serves to enhance demand for both commercial and residential development.

The Cordish Company recently delivered the 460,000 SF Boulevard at The Capital Centre in 2004. The lifestyle center is anchored by a Borders Books & Music, DSW, Linens-N-Things, Magic Johnson Theatre, and the Sports Authority. The 70-acre property is ground leased from the State of Maryland. The project is 99% leased and has been well received by the market, although it has limited visibility from the Capital Beltway and many retailers complain of its poor signage.

Bowie

With the county's "inside-the-beltway" locations being close to fully developed, the Route 50 Corridor outside the Capital Beltway in an eastward direction towards the Maryland state capitol of Annapolis is the primary future growth corridor for Prince George's County. The focal point of new residential and commercial development is the traditional "bedroom community" of Bowie,

which is situated at the crossroads of Routes 50 (state highway in east-west direction) & 301 (state highway in north-south direction).

National Harbor

A major mixed-use development named "National Harbor" recently delivered with 2,000 hotel rooms and 400,000 SF of meeting/exhibition space. The project is located on the Potomac River adjacent to the Woodrow Wilson Bridge. The Gaylord National Resort and Convention Center is the largest non-gaming hotel and convention center on the Eastern Seaboard.

Neighborhood Analysis

The following chart summarizes pertinent demographic data around a 1- and 3-mile radius around the proposed development.

NEIGHBORHOOD DEMOGRAPHICS										
Hist. (2000), Current (2006) & Proj. (2011) Population, Housholds, Income, and Educational Attainment										
	2000 1 Mile:	2006 1 Mile:	% Annual Growth	Proj. 2011 1 Mile:	% Annual Growth	2000 3 Miles:	2006 3 Miles:	% Annual Growth	Proj. 2011 3 Miles:	% Annual Growth
Total Population	5,202	**5,929**	**2.2%**	6,526	**1.6%**	70,301	**79,628**	**2.1%**	87,325	**1.5%**
Total Households	1,815	**2,060**	**2.1%**	2,263	**1.6%**	25,544	**28,873**	**2.1%**	31,652	**1.5%**
Pop. Density/ Sq. Mi.		**1,887**					**2,816**			
Total Housing Units	1,906	2,123	1.8%	2,300	1.3%	27,104	30,042	1.7%	32,472	1.3%
Bachelor's Degree	14%	18%	3.6%	20%	2.0%	14%	18%	3.7%	20%	2.1%
Graduate Degree	4%	7%	11.8%	10%	5.6%	6%	9%	8.8%	12%	4.5%
AVG HH	$64,856	**$79,950**	**3.5%**	$85,766	**1.2%**	$60,152	**$68,196**	**2.1%**	$73,756	**1.3%**
Median HH	$56,380	**$64,723**	**2.3%**	$70,735	**1.5%**	$53,967	**$61,573**	**2.2%**	$67,158	**1.5%**
Per Capita Inc.	$22,628	**$28,339**	**3.8%**	$30,339	**1.1%**	$21,856	**$25,207**	**2.4%**	$27,222	**1.3%**

As shown, the local area has experienced positive population growth between 2000 and 2006, growing at just over 2.0% over that time frame. Projections call for moderately lower growth at roughly 1.5% through 2011. Income metrics generally mirror those found throughout Prince George's County, although income growth is projected to slightly lag the county on the whole. From a retail perspective, the area benefits from strong population density of roughly 1,900 and 2,800 people per square mile between a 1- and 3-mile radius, respectively. These figures compare favorably against population density metrics found in Prince George's County (1,700 people/sq. mi.), the DC Metro area (900 people/sq. mi.), and the US (80 people/sq. mi.).

Conclusion

Prince George's County provides a well-established and convenient location proximate to downtown Washington, DC and the surrounding DC suburbs and north towards Baltimore, via I-95 or the B/W Parkway. While the peak years for residential growth occurred in the 1960's as one of the first developed suburbs of Washington, DC, residential growth trends are anticipated to continue inline with statewide growth patterns for the foreseeable future in "outside-the-beltway" locations and metro rail station areas.

Revitalization efforts of the older residential and industrial neighborhoods "inside the beltway" are being planned or are actively under development. Several projects evidencing these changes are underway or already completed (i.e., Vista Gardens (Landover), Boulevard at Capital Center

(Landover-Largo), National Harbor (Oxon Hill). A large majority of the planned or underway projects are centered on Metro served areas, proximate to the Redskins Stadium, or near Andrews Air Force Base.

While lagging the overall DC Metro area, Prince George's County has benefited from several years of steady employment growth, low unemployment, and increasing income levels. Commercial real estate fundamentals have firmed and increasing rent levels for retail, office, and industrial have supported a modest amount of new development. Even with these improvements, there is some concern as to the sustainability of the more recent momentum due to the impacts of the current issues in the credit markets due to flattening to declining housing values and the current economic slowdown. Fortunately, Prince George's County enjoys the presence of the "steadiest" tenant available in the form of GSA. As much of the nation leans toward a slowdown, the base employer (GSA) is expected to help the local economy weather the potential negative impacts a slowdown might have on the underlying economy.

The Ritchie Marketplace immediate area enjoys solid demographics around a 1- and 3-mile radius, with income levels generally in-line with County averages and superior population density relative to the County and DC Metro on the whole.

RETAIL MARKET ANALYSIS
&
TRADE AREA OVERVIEW

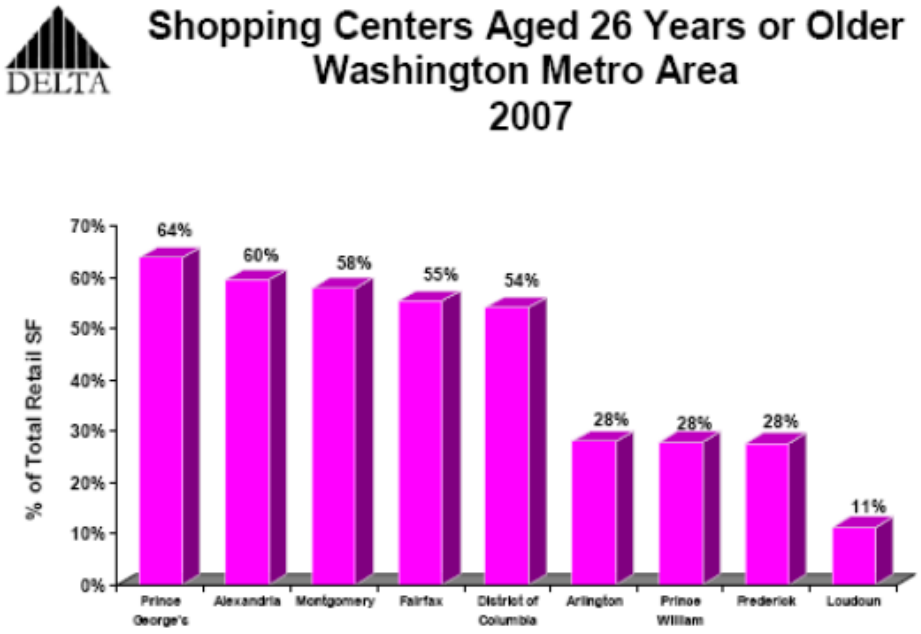
Retail Market Analysis

According to Delta Associates Spring 2008 Retail Outlook, the DC Metro area contains 112 million SF+/- of retail space in 1,000 different shopping centers. While a market-wide vacancy rate was not available, the vacancy rate within the 50 million square foot grocery-anchored segment ranged from 0.08% in Loudoun to a high of 6.67% in Alexandria. Grocery-anchored centers in Suburban Maryland reported vacancy levels in the mid-3.0% range.

The DC Metro area offers its residents 23.3 square feet of retail space per capita, which is 55% over the national average of 15 square feet per capita but remains underserved relative to population growth and disposable income levels. At the same time, many "prime" retail locations have more than 30 SF per person. In fact, DC's disposable household income of $56,000 as of 2005 is substantially higher than the national average of $46,400.

Prince George's County Retail

Prince George's County contains the oldest stock of retail space in the entire DC Metro-area, with 64% of shopping centers in the county being over 20 years in age (see chart on following page). Even so, vacancy rates are materially below the national average of 7.2% (Reuters) and underlying demographics are strong with solid income levels, and steady population growth. Further, the area offers a somewhat less competitive and more attractive environment for retailers, as new projects have been relatively slow to evolve and feasibility has not been evident until recently in many parts of the county. The market has demonstrated an ability to absorb new projects and retailers appear to be operating profitably. A majority of the new construction is being developed with large-scale mixed-use projects that are centered on Metro-served locations.



Source: CoStar, *Shopping Center Directory*, Claritas, Delta Associates; May 2007.

5- and 10-mile Trade Area

With specific regard to the proposed project's competitive landscape, a survey of existing and proposed shopping center and stand-alone retail space over 50,000 SF within a 5- and 10-mile radius of the subject was conducted via CoStar. The results of these surveys are illustrated in the following chart:

Retail Fundamentals – Supply/Demand
5- and 10-mile Trade Area Around Subject

Radius	Inventory	Vacancy Rate
5-mile	5,463,351	5.0%
10-mile	20,755,131	3.9%

Source: Costar

As shown, the subject's 5-and 10-mile trade area is in relative equilibrium, with vacancy levels in the 4.0% to 5.0% range.

Trade-Area Competition/Proposed Development

The most relevant existing shopping centers in the subject 5-mile trade area are illustrated below:

Notable Shopping Centers within 5-mile Radius of Subject Property

	Yr Built	Type	Size (GLA)	Occupancy	Anchor	Asking on Vacant Space (NNN)
Largo Plaza	1973/Ren 1998	Power Center	525,451	99.6%	Lowe's Target	Negotiable
Boulevard at the Capital Centre	2004	Lifestyle Center	479,021	99.4%	Border's Books & Music, DSW, Linens-N-Things, Majic Johnson theatre, The Sports Authority	Negotiable
Centre at Forestville	1980/Ren 2003	Regional Mall	470,000	100.0%	Target, JC Penney	N/A
Pen-Mar SC	1958/Ren 1998	Community Center	381,297	94.2%	Burlington Coat Factory, Marshalls, Payless Shoe Source, Penn Laundry, Shoppers Food Warehouse	2nd Fl space - $16.50/SF-FS//Retail- negotiable
Largo Towne Center	1991	Community Center	260,797	97.7%	Regency Furniture, Shoppers Food Warehouse	Negotiable
Kingdom Square	1971/Ren 1989	Community Center	256,648	98.1%	Bally's Total Fitness, Home Depot, Staples	Negotiable
Penn Station SC	1989	Community Center	244,959	95.0%	Save-a-lot, National Wholesale Liquidators, Penn Station Bowling Alley, Safeway	Negotiable
Forestville Plaza Shopping Center	1974	Community Center	218,337	57.8%	Temporary Tenants / Near-term Redevelopment is Planned	$7 to $16/SF-FS + Utilities
Landover Crossing	1971/Ren 1990	Community Center	178,926	98.9%		$14/SF-NNN
Totals/Averages			**3,015,436**	**93.4%**		

Most of the existing competition in the subject's immediate 5-mile trade area is older, as all but one of the centers was developed prior to 2000. The most comparable center from a vintage standpoint is the Boulevard at the Capital Center lifestyle-center. This 470,000 SF+ lifestyle center was developed by the Cordish Companies and maintains a near 100% occupancy level. The remaining centers on the list, on the whole, are not considered directly competitive to the subject property due to their older vintage, inferior locations, and substantially smaller scale. However, it is notable that several of the centers do include individual tenants that compete directly with tenants being targeted for the subject center. For example, a Home Depot leases space at Kingdom Square, which would complete directly with Lowe's if they leased space at Ritchie Marketplace. A Lowe's already exists at Largo Plaza. In addition, several grocery centers are also found in the 5-mile trade area including two Shoppers Food Warehouses and one Safeway.

When Forestville Plaza is removed from the list, overall occupancy within the competitive 5-mile trade is over 95% as of October 2008, which is in-line with vacancy levels found for all centers over 50,000 SF within 5- and 10-mile trade area.

There is only one project currently under construction within the subject's 10-mile trade area as illustrated on the following chart:

Under Construction / Proposed Centers within a 10-mile Radius

Name	Delivery Date	Type	Size	Comments
Woodmore Towne Center	Under Construction	Lifestyle Center	684,617	Costco, Wegmans. Part of larger mixed-used site.

Woodmore Towne Center is the most proximate direct competitor to Ritchie Marketplace. Based on information provided by Costar, two anchors, Costco and Wegman's, have already committed to the center. The project recently broke ground and is expected to be complete over the next 18 to 24 months.

Rental Rates

Rental rates for retail space are determined by a number of factors, including size, location, projected store sales, and comparable lease transactions. Comparable lease terms for tenants in select DC area centers are noted in the chart on the following page:

	TENANT	BEGIN	GROUND LEASE (Y/N)	SF	Rent (/SF)	ESC.	EXP. REIM.	INITIAL TERM	RENEW OPTIONS
ANCHORS									
Vista Gardens Market Place, Lanham, MD	Home Depot	Early-2006	Y	123,326	$3.89	N/A	NNN	25	4, 10 yr options
	Target	Early-2006	Y	123,735	$3.25	N/A	NNN	20	8, 10 yr options
	Office Depot	Early 2006	N	18,585	$19.00	N/A	NNN	10	2, 5 yr options
JUNIOR ANCHORS									
Vista Gardens Market Place, Lanham, MD	Office Depot	Early 2006	N	18,585	$19.00	N/A	NNN	10	2, 5 yr options
DC USA, Washington, DC	Bed Bath & Beyond	Early-2008	N	32,000	$17.50	FLAT	NNN	15	N/A
	Best Buy	Early-2008	N	32,500	$24.25	7% bump yr 6	NNN	15	N/A
Shops at Arcola, Arcola, VA	Staples	N/A	N	20,400	$16.00	10% bump yr 6	NNN	10	N/A
	Circuit City	N/A	N	20,300	$17.00	$.50/SF bump yr 6	NNN	10	N/A
Gateway Center, Gainsville, VA	Home Goods	N/A	N	25,400	$14.50	$1 bump in yr 6	NNN	10	N/A
Cosner's Corner, Fredericksburg, VA	Ross Dress for Less	N/A	N	30,200	$14.50	$1 bump in yr 6	NNN	10	N/A
PADS									
Vista Gardens Market Place, Lanham, MD	Ruby Tuesday's	2006	Y	5,200	$23.08	N/A	NNN	20	4, 5 yr options
	Jerry's Seafood	2007	N	9,682	$41.31	N/A	NNN	20	N/A
	Starbucks	2006	N	3,833	$23.48	N/A	NNN	20	4, 5 yr options
	Chic-Fil-A	2006	N	4,193	$18.60	N/A	NNN	20	2, 10 yr options
	Chevy Chase Bank	2006	N	3,650	$46.58	N/A	NNN	20	2, 10 yr options
Gateway Overlook Benson, MD	In-Lines & Pads	Late-2007	N	Various	$40 to $60	N/A	NNN	10 to 15	Varies
IN-LINE									
Vista Gardens Market Place, Lanham, MD	Grace's Steak & Seafood	2006	N	5,963	$30.00	3%	NNN	10	2, 5 yr options
	Panera Bread	2006	N	5,145	$29.00	3%	NNN	10	2, 5 yr options
	Quizno's	2006	N	1,701	$37.00	3%	NNN	10	2, 5 yr options
	Cingular Wireless	2006	N	2,662	$42.00	3%	NNN	10	2, 5 yr options
	Pink Beauty	2006	N	3,398	$36.00	3%	NNN	10	2, 5 yr options
	Blissful Day Spa	2006	N	1,992	$39.00	3%	NNN	10	None
	Dry Cleaners	2007	N	1,006	$45.00	3%	NNN	10	2, 5 yr options
	Benito's Brick Oven Pizza	2007	N	3,000	$37.00	3%	NNN	10	2, 5 yr options
GROCERY STORES									
Vista Gardens Market Place, Lanham, MD	Shoppers Food Warehouse	Early-2006	N	66,926	$17.50	N/A	NNN	20	10, 5 yr options
DC USA Washington, DC	Whole Foods	Early-2008	N	58,600	$22.78	9% bump in yrs 6 & 11	NNN	15	N/A
City Vista, Washington, DC	Safeway	Early-2008	N	57,600	$15.00	$1 bump in yrs 7, 11, & 16	NNN	20	N/A
Stafford Marketplace, Stafford, VA	Shoppers Food Warehouse	2004	N	68,000	$12.25	FLAT	NNN	20	N/A

Sales Comparables

A summary of comparable retail center sales are illustrated in the chart below. Given the deteriorating capital markets conditions, there have been no significant retail sales transactions in 2008. It is generally assumed that cap rates for these transactions have likely increased 100-150 bps.

SUMMARY OF RECENT IMPROVED SALES TRANSACTIONS

PRIMARY SALES

Sale #	Address	Year Built	Bldg. Type	Sale Date	Total Price	Size (SF-GBA)	$/SF	Cap Rate
1	63-center PORTFOLIO TRANSACTION (FL, GA, NC, OH, PA, CA, MD)	VARIOUS	Grocery-Anchored & Community SC	Jun-07	$1,500,000,000	8,300,000	$181	6.2%
2	Harundale Plaza 7700-50 Richie Highway Glen Burnie, MD	1999, Ren 2001	Grocery-anchored Community Center	Jun-07	$37,472,251	217,619	$172	N/A
3	Fairwood Green 12420 Fairwood Plaza Bowie, MD	2006	Grover-anchored SC	Apr-07	$42,500,000	130,000	$327	N/A
4	White Marsh Portfolio SWQ Rte 43 & I-95, White March, MD (off Honeygo Blvd)	VARIOUS	Lifestyle Center, Strip Retail, Ground Leases	Mar-07	$95,400,000	608,000	$157	5.8%
5	Free State SC 15500 Annapolis Rd Bowie, MD	1970, Ren 1995	Community, Grocer-anchored SC	Feb-07	$64,093,000	281,291	$228	5.8%
6	Penn Station SC 5692-5800 Silver Hill Road District Heights, MD	1989	Community, Grocer-anchored SC	Aug-06	$44,266,000	244,959	$181	N/A
	AVERAGES [1]	**1998**			**$297,288,542**	**1,630,312**	**$208**	**5.9%**

SUPPLEMENTAL SALES

1	Somerset Crossing Gainesville, VA	2003	Grocery-anchored center	Mar-07	$33,350,000	104,128	$320	6.2%
2	Tacoma Langley Crossroads 7601-09 New Hamp. Ave Takoma Park, MD	1949	Grover-anchored SC	Feb-07	$35,500,000	135,000	$263	6.3%
3	Van Dorn Plaza 229-99 S. Van Dorn Street, Alexandria, VA	1979	Grover-anchored SC	Jan-07	$30,214,000	120,192	$251	5.2%
4	Eastpoint Mall 7839 Eastern Avenue Baltimore, MD	1950, Ren 1991	Enclosed Mall	Jan-06	$115,000,000	844,175	$136	7.3%
5	Lorton Station 9409-64 Lorton Market St Lorton, VA	2006	Grocery-anchored SC	Sep-06	$40,351,000	132,445	$305	5.9%
6	Germantown Commons SC	--	--	Jun-05	$48,250,000	216,430	$223	N/A
	AVERAGES	**1984**			**$50,883,000**	**267,188**	**$255**	**6.2%**

Conclusion

The Ritchie Marketplace development is one of the largest retail-specific projects being planned within the DC Metro-area. The sheer size of the subject provides the critical-mass likely to enhance the performance of its tenant base upon completion. Further, the site benefits from excellent access and visibility off I-495, one of the most traveled thoroughfares in the DC MSA. Very few undeveloped sites of such scale and access are available for development within the market. As such, the proposed project will compete at a significant advantage to existing centers that do not have similar visibility or access.

The subject's retail submarket is strong, with an overall vacancy rate of 5.0%, which is slightly higher than the region at 4.4%. Most of the large shopping centers in the region are exhibiting strong occupancy rates, with an average occupancy of 98%.

Trade Area Overview

A retail center's trade area contains people who are likely to patronize that particular center. These customers are drawn by a given class of goods and services from a particular tenant mix. A center's fundamental drawing power comes from the strength of the anchor tenants, as well as the regional and local tenants, which complement and support the anchors. A successful combination of these elements creates a destination for customers seeking a variety of goods and services while enjoying the comfort and convenience of an integrated shopping environment.

The subject is best described as a power center. Traditionally, a retail center's sales are principally generated from within its primary trade area, which is typically within reasonably close geographic proximity to the center itself. Generally, between 55-65% of a center's sales are generated within its primary trade area. The secondary trade area generally refers to more outlying areas, which provide less frequent customers to the center. Residents within the secondary trade area would be more likely to shop closer to home due to time and travel constraints. Typically, an additional 20-25% of a center's sales will be generated from within the secondary area. The tertiary or peripheral trade area refers to more distant areas from which occasional customers to the property reside. These residents may be drawn to the center by a particular service or store that is not found locally. Industry experience shows that between 10-15% of a center's sales are derived from customers residing outside of the trade area. This potential is commonly referred to as inflow.

In defining boundaries for the subject's trade area, several factors have been considered. First, the property's location with respect to transportation provides the basis for regional access to the area. Second, regional competition and geographic boundaries help to define the potential size of the trade area as a measure of distance from the property. Third, the merchandising mix and anchor alignment provides the basic draw of customers that are likely to patronize the property.

Given all of the above, we believe that a primary trade area for the subject property would likely span an area encompassing about 3.00 miles around the center. The subject's secondary trade area might span up to 5.00 miles from the site given its regional accessibility and location of competitive properties. To add perspective to the analysis of the primary and secondary trade area, comparison data for the city and state has been included.

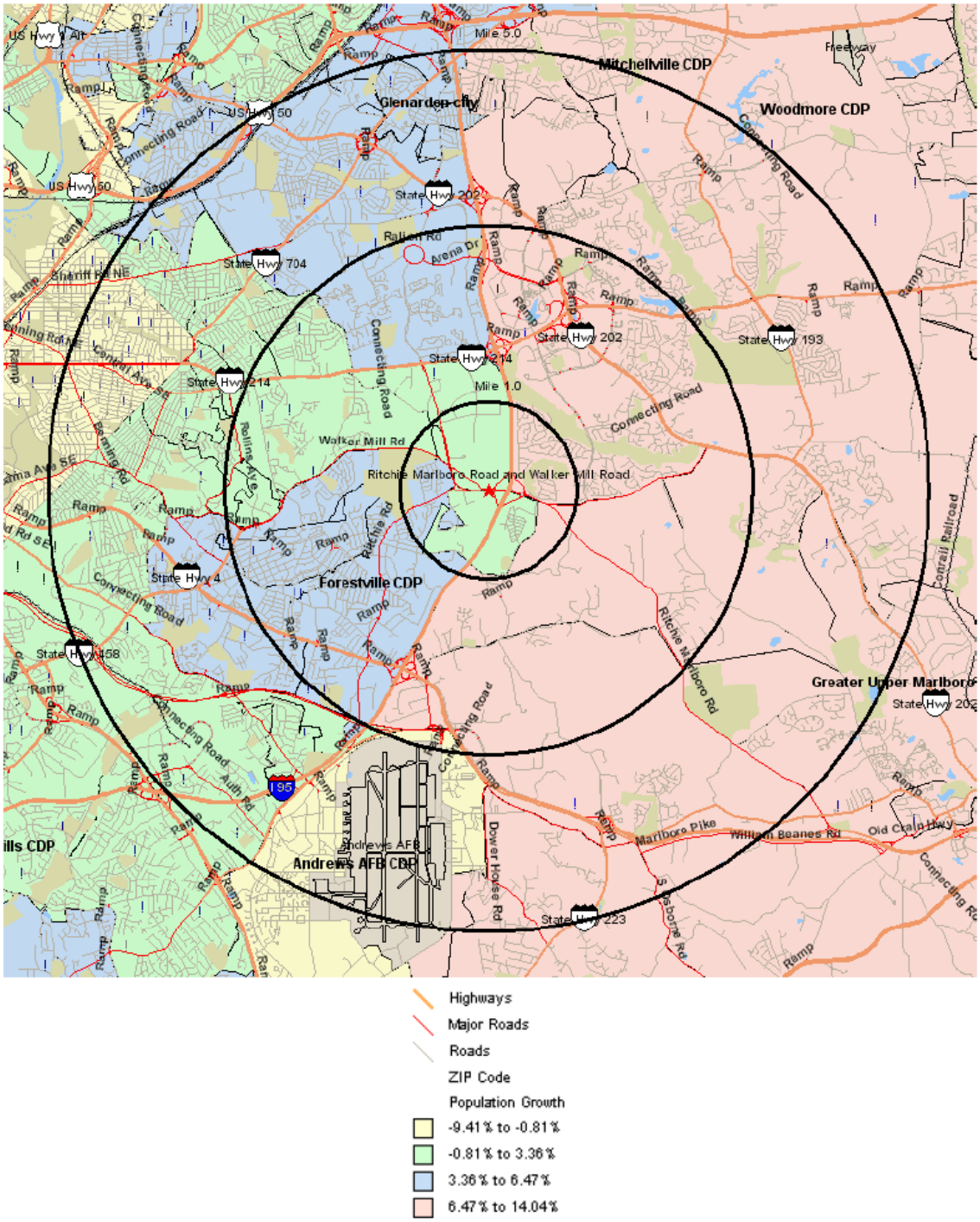
TRADE AREA DEMOGRAPHICS

	1.0 MILE RADIUS	3.0 MILES RADIUS	5.0 MILES RADIUS	FORESTVILLE	PRINCE GEORGE'S COUNTY	STATE OF MARYLAND
POPULATION STATISTICS						
1990	4,025	60,707	209,430	12,468	723,901	4,781,461
2000	4,544	68,767	222,618	12,707	801,515	5,296,486
2006	5,050	76,183	238,312	13,415	855,332	5,643,321
2011	5,421	82,027	251,223	14,026	899,556	5,934,444
Compound Annual Change						
1990 - 2000	1.22%	1.25%	0.61%	0.19%	1.02%	1.03%
2000 - 2006	1.78%	1.72%	1.14%	0.91%	1.09%	1.06%
2006 - 2011	1.43%	1.49%	1.06%	0.89%	1.01%	1.01%
HOUSEHOLD STATISTICS						
1990	1,414	21,358	72,016	4,443	255,870	1,748,988
2000	1,635	25,041	79,642	4,642	286,610	1,980,859
2006	1,844	27,997	85,949	4,976	307,422	2,131,079
2011	1,996	30,304	90,999	5,256	324,264	2,251,714
Compound Annual Change						
1990 - 2000	1.46%	1.60%	1.01%	0.44%	1.14%	1.25%
2000 - 2006	2.03%	1.88%	1.28%	1.16%	1.18%	1.23%
2006 - 2011	1.60%	1.60%	1.15%	1.10%	1.07%	1.11%
AVERAGE HOUSEHOLD INCOME						
2000	$64,004	$61,921	$57,063	$60,612	$64,431	$67,485
2006	$73,877	$71,304	$67,581	$68,150	$75,941	$79,965
2011	$80,755	$78,470	$75,891	$75,193	$84,541	$89,577
Compound Annual Change						
2000 - 2006	2.42%	2.38%	2.86%	1.97%	2.78%	2.87%
2006 - 2011	1.80%	1.93%	2.35%	1.99%	2.17%	2.30%
RETAIL SALES ANALYSIS						
Total Retail Sales ($Mil)	$192	$1,098	$2,359	$416	$10,599	$89,345
General Merchandise	$4	$126	$242	$45	$870	$9,407
Apparel & Accessory	$1	$98	$153	$71	$555	$4,695
Furniture & Home Furnish.**	$13	$39	$72	$27	$403	$2,665
Other Sales***	$8	$46	$99	$17	$445	$3,753
Total GAFO Sales	$26	$310	$565	$160	$2,274	$20,520
Total Expenditure Potential*	$136	$1,996	$5,809	$339	$23,346	$170,412
GAFO % of Total Retail Sales	13.56%	28.24%	23.97%	38.56%	21.45%	22.97%
GAFO % of Total Expenditure Potential	19.14%	15.53%	9.74%	47.27%	9.74%	12.04%

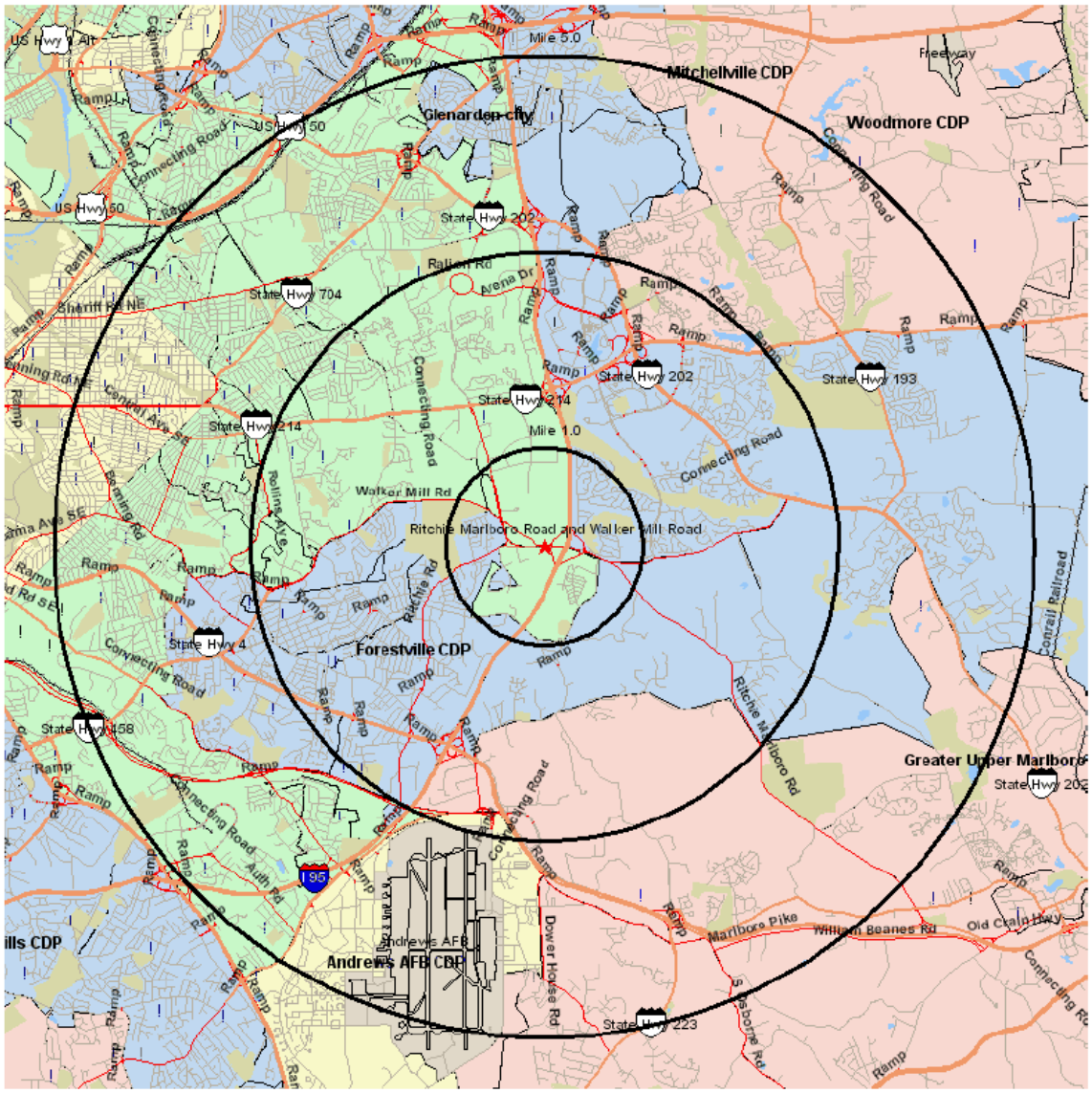
SOURCE: Claritas, Inc.
* Households x Total Household Income
** Includes Home Appliance, Radio, T.V. Stores
*** "Other" Sales Estimated at 4.2% of Total Retail Sales

CURRENT POPULATION DISTRIBUTION MAP

POPULATION GROWTH MAP



MEDIAN HOUSEHOLD INCOME DISTRIBUTION MAP



A good measure of the underlying health of any retail market is to compare per capita and household income levels per square foot of retail space. The more income available per square foot of retail space in any given trade area is more desirable than trade areas with lower income per square foot of retail space ratios. Simply put, retailers will pay higher rents for locations with superior income per square foot of retail space than for locations with lower ratios. An analysis of the 5- and 10-mile trade areas for the subject property and several existing lifestyle/community centers found within the immediate trade area and broader Metro-area is included in the following chart:

INCOME PER SF OF RETAIL SPACE - SUBJECT AND SELECT COMPARABLES

	Richie Station, Capitol Heights, MD		Vista Gardens Market Place, Landover-Largo, MD		Shops at Arcola, Arcola, VA		Cosner's Corner, Fredericksburg, VA		DC USA, Washington, DC	
2006 Demographics	5 Miles:	10 Miles:	5 Miles:	10 Miles:	5 Miles:	10 Miles:	5 Miles:	10 Miles:	3 Miles:	5 Miles:
Total Population	238,322	933,921	227,732	896,274	35,182	389,621	72,488	203,381	310,992	656,188
Total Households	85,891	353,087	81,726	331,871	11,964	133,876	27,247	70,868	145,530	295,724
Population Density (per Sq. Mi.)	3,034	2,973								
Total Retail Inventory (per Costar)	5,463,351	20,755,131	7,820,143	27,014,363	1,709,841	14,142,250	9,803,608	10,118,460	4,725,009	14,312,570
Retail SF per Capita	23	22	34	30	49	36	135	50	15	22
Per Cap. Inc. / SF Retail	$1,035	$1,135	$792	$807	$875	$1,039	$196	$545	$2,142	$1,654
HH Inc. / SF Retail	$2,777	$2,885	$2,206	$2,181	$2,599	$2,997	$510	$1,542	$4,361	$3,531
Average HH Income	$63,654	$64,116	$75,769	$65,728	$126,295	$108,791	$68,926	$76,738	$66,262	$77,020
Median HH Income	$54,988	$53,235	$64,561	$53,877	$111,757	$96,700	$57,781	$68,225	$44,898	$50,946
Per Capita Income	$23,738	$25,222	$27,191	$24,338	$42,533	$37,709	$26,557	$27,136	$32,537	$36,067

As shown, the subject property maintains per capita and household income levels per square foot of retail space that compares favorably with Vista Gardens Market Place, which is within the subject's immediate trade area. Areas with higher incomes per square foot of retail can generally demand higher rents than areas with lower ratios, assuming relatively similar income and population growth projections. Therefore, the development as proposed should be capable of generating higher rents per square foot than Vista Gardens (assuming similarly sized space). The subject maintains far superior income to per square foot of retail ratios than the two Virginia centers. Although these areas have superior growth prospects, the disparity is so dramatic that the subject should be capable of generating higher rent levels. The DC USA project provides the most desirable retail ratios of the centers analyzed and, again, should be capable of generating higher rent levels to the subject.

Based on available rental rate data from the centers notes above, in general, higher rents were in-fact evident for trade areas with superior ratios, while centers with lower ratios garnered relatively lower rent levels. The above analysis has been considered as secondary support in determining achievable rent levels at the subject property.

Conclusion

The following summarizes key conclusions based on an analysis of the primary trade area for Ritchie Marketplace:

- The subject's trade area (3.00 mile radius) is well populated with a current population of 76,183 persons. The area has experienced stable population and household growth over the past decade. Over the next five years, population is projected to increase at an annual average rate of 1.49%.

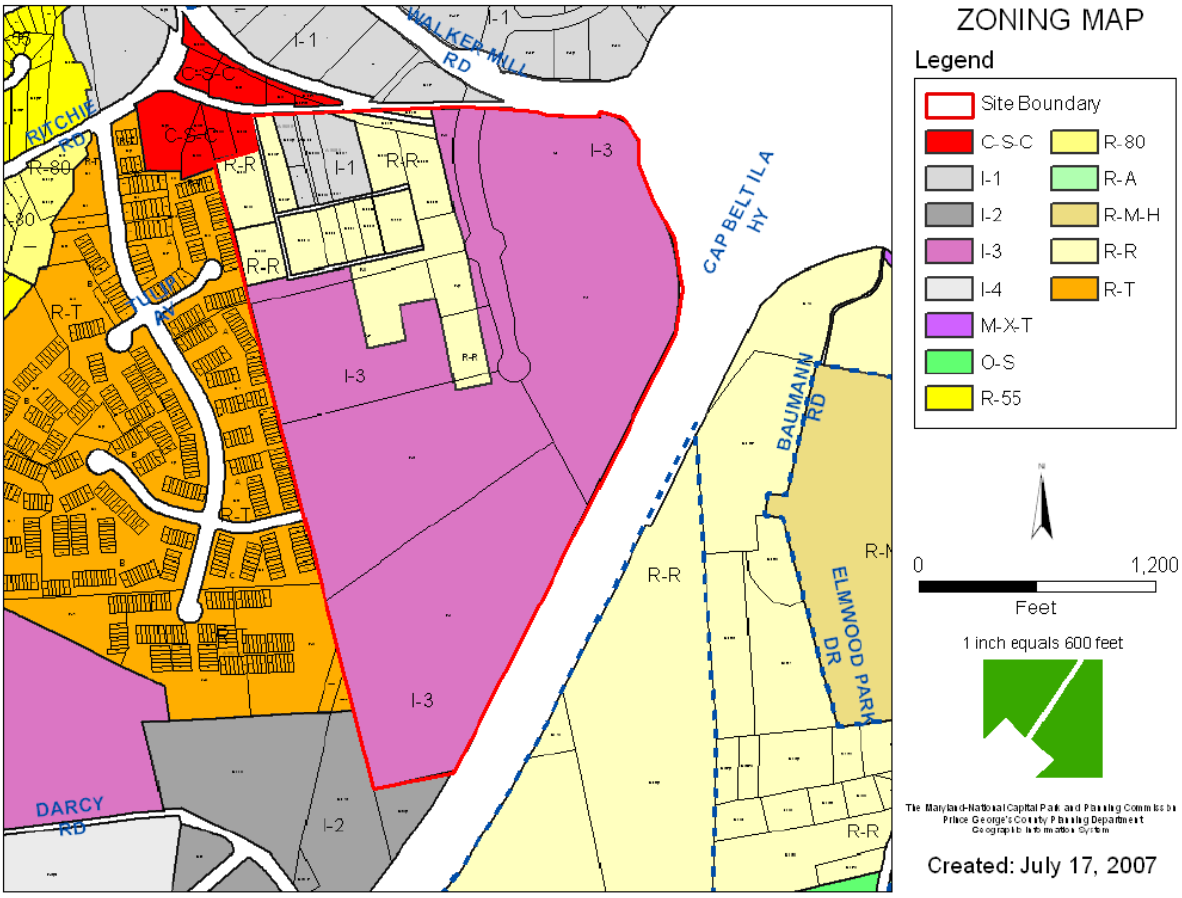
- The trade area has an average household income of $71,304 in comparison to $75,941 and $79,965 for the county and state, respectively. Average household income is projected to increase at an annual average rate of 1.93% over the next five years.

- The subject's 5- and 10-mile trade area exhibits a profile that should be attractive to numerous retailers. In fact, the subject trade area's income levels per square foot of retail space are superior to Vista Gardens Marketplace, a recently completed Community Shopping Center within four miles of the subject site. Vista Garden's success would imply the potential for similar success at the subject property at even slightly higher rent levels.

ZONING
&
ENTITLEMENT
ANALYSIS

Current Zoning and Approvals

The assembled site is zoned R-R, I-1 and I-3 by Prince George's County. Approximately 78% of the site is zoned I-3, 3% is zoned I-1, and 15% is zoned R-R.



The purposes of the **I-3 zone** are described in the Prince George's County Zoning Ordinance as follows:

(A) To provide increased and enhanced employment opportunities for the residents of the County and areas for industries, research facilities, and offices which have common characteristics with respect to site requirements, desired amenities, compatibility of operations, general functional classifications, and access;

(B) To provide for a mixture of industrial, research, office, and in certain instances specific retail commercial uses (along with compatible institutional, recreational, and service uses) in a manner which will retain the dominant industrial/employment character of the area, while also providing for the enhanced viability of the zone by providing for the location of certain retail commercial uses on the periphery of the area, specifically when the periphery fronts on, and is adjacent to, arterial roadways;

(C) To permit uses which, when compared to the uses permitted in other Industrial Zones, will minimize detrimental effects on uses of adjacent land, especially where adjacent land is being used commercially; and

(D) To provide development standards which assure the compatibility of proposed land uses with surrounding land uses, maximize open space so as to create a park-like setting, and improve the overall quality of industrial/employment areas in Prince George's County.

The purposes of the **I-1 zone** are described in the Prince George's County Zoning Ordinance as follows:

(A) To attract a variety of labor-intensive light industrial uses;

(B) To apply site development standards which will result in an attractive, conventional light industrial environment;

(C) To create a distinct light industrial character, setting it apart from both the more intense Industrial Zones and the high-traffic-generating Commercial Zones; and

(D) To provide for a land use mix which is designed to sustain a light industrial character.

The purposes of the **R-R zone** are described in the Prince George's County Zoning Ordinance as follows:

(A) To provide for and encourage variation in the size, shape, and width of one-family detached residential subdivision lots, in order to better utilize the natural terrain;

(B) To facilitate the planning of one-family residential developments with moderately large lots and dwellings of various sizes and styles;

(C) To encourage the preservation of trees and open spaces; and

(D) To prevent soil erosion and stream valley flooding.

On November 25, 2003, the County Council of Prince George's County enacted Council Bill 65-2003, which amended the residential, commercial and industrial zone use tables to permit retail uses generally permitted in the C-S-C Zone in the R-R, I-1 and I-3 Zones if specific conditions are satisfied. The conditions require 1) that the property be located on and inside the Capital Beltway at an existing interchange with the Beltway; 2) the site contain a minimum of 80 acres that is split-zoned I-3 and R-R, with no more than 20% zoned R-R; and 3) that the property shall be proposed for employment use in the most recently approved applicable master plan. The bill also requires that a detailed site plan be approved in accordance with the Zoning Ordinance and that the site plan include at least two stores containing 100,000+ square feet of gross floor area.

The subject site has received site plan approval (4-04184) for development of +/- 1,000,000 square feet of retail space.

Zoning History

A history of the subject's zoning is as follows:

A 1986 Sectional Map Amendment (SMA) rezoned the majority of the subject property (parcels 172, 177, 228, and 229) from the R-R Zone to the 1-3 Zone in SMA Change EA-201. The remainder in the subject property, designated as the "long-term redevelopment area" (LTRA) was retained in the R-R Zone. The SMA also retained a narrow strip of

the subject property having frontage along the south side of Ritchie Marlboro Road (approximately 0.6 acre) in the C-1 Zone. This C-1-zoned portion of the subject property, along with Parcels 11, 105-107, and Lot 1, were later rezoned from the C-1 and R-R Zones to the I-1 Zone in zoning map amendment applications A-9689-C and A-9698-C based on mistakes in adopting the 1986 SMA. Final approval was granted for these companion applications on January 23, 1989, changing the zoning on 2.88 acres from the R-R Zone to the I-1 Zone (A-9689-C), and changing the zoning on 1.21 acres from the C-1 and R-R Zones to the I-1 Zone, and generally requiring site plan review conditions.

On November 25, 2003, the District Council adopted Council Bill CB-65-2003, which amended the use tables in the R-R and 1-3 Zones to permit any use allowed in the C-S-C Zone subject to certain specific criteria (as noted above).

On July 14, 2005, Preliminary Plan of Subdivision 4-04184 was approved for 101.83 acres of the subject property in the 103 Zone to allow development of +/- 1,000,000 square feet of retail space or equivalent development, generating no more than 554 AM and 1,802 PM new peak-hour vehicle trips, among other conditions (PGCPB Resolution No. 05-115).

On June 2, 2005, Detailed Site Plan DSP-04080 for rough grading and installation of infrastructure was approved for the 101.83 acres (PGCPB Resolution No. 05-118).

On May 4, 2006, DSP-4080/01 was approved for the 101.83 acres to allow a Sam's Club, a retaining wall, fence, parking, and a welcome center as part of an integrated shopping center (PGCPB Resolution No. 06-76).

On October 30, 2006, the District Council affirmed the Planning Board's action in adopting PGCPB Resolution No. 06-76 for DSP-04080/01 to allow the uses therein approved as part of an integrated shopping center on the majority of the subject property.

On June 15, 2006, Preliminary Plan of Subdivision 4-05133 was approved for 22.85 acres of the subject project within the I-1 and R-R Zones, including the applicant's property in the adjacent C-S-C Zone that is not part of this instant application (PGCPB No. 06-143). Total development of the subject 22.85 acres and the applicant's adjacent 101.83-acre property (subject to Preliminary Plan of Subdivision 4-04184) was limited to a combined 1,000,000 square feet of retail space of equivalent generating no more than 554 AM and 1,802 PM new peak-hour vehicle trips.

On June 22, 2006, Departure from Sign Design Standards DSDS-6434 was approved by the Planning Board to allow a freestanding sign along the Beltway advertising the Ritchie Marketplace integrated shopping center approved for the subject property.

On November 11, 2006, DSP-04080/02 was accepted for processing to add the 22.85 acres of I-1, R-R, and C-S-C zoned land (included in Preliminary Plan of Subdivision 4-

05133) to the 101.83 acres previously approved in order to revise the rough grading plan approved in DSP-04080.

Prince George's County – Big Box Legislation

In October 2005, Prince George's County enacted legislation banning big box/department stores such as Wal-Mart. There are stipulations in the legislation which allow locations which meet certain specific zoning criteria to build these types of stores. **The Ritchie Marketplace site is the only current undeveloped site in the county which meets these requirements**.

Conclusion

The property has all necessary zoning and entitlement approvals in place to build approximately 1 million square feet of retail space. Remaining governmental approvals required to physically construct the improvements are administrative in nature and do not pose a significant risk to executing the development plan. In addition, the fact this site is one of the only sites in Prince George's County to be approved to have a Wal-Mart store is a significant leasing advantage, and will aid in the quick lease-up of the project.

FINANCIAL ANALYSIS

Construction Budget

Ritchie Marketplace
Prince George's County, Maryland
Development Budget

		TOTAL BUDGET	/SF
Land & Carry Costs			
Land		$20,000,000	$19.57
Misc. Carry Costs		$1,000,000	$0.98
Total Land & Carry Costs		**$21,000,000**	**$20.55**
Hard Costs			
Core & Shell		$60,973,260	$59.68
Site Work		$44,000,000	$43.06
Tenant Improvements		$1,210,000	$1.18
Contingency	8%	$7,950,661	$7.78
Site Reimbursement / Pad Sales		($6,800,000)	($6.66)
Total Hard Costs		**$107,333,921**	**$105.05**
Soft Costs:			
A&E - Architectural		$1,200,000	$1.17
A&E - Civil Engineering		$1,950,000	$1.91
Consultants - Traffic		$390,000	$0.38
Consultants - Geotechnical		$320,000	$0.31
Consultants - Third Party Inspections		$400,000	$0.39
Consultants - Investor Rep		$175,000	$0.17
Legal/Accounting - Accounting		$50,000	$0.05
Legal/Accounting - Land Use Legal		$350,000	$0.34
Legal/Accounting - Leasing Legal		$1,250,000	$1.22
Legal/Accounting - Partnership Legal		$120,000	$0.12
Legal/Accounting - Legal Contingency	3%	$51,600	$0.05
Permits & Fees - Utility Hook-Ups		$1,600,000	$1.57
Permits & Fees - Building Permits		$800,000	$0.78
Permits & Fees - Mitigation Fees		$600,000	$0.59
Permits & Fees - Bonds/Bonding		$165,000	$0.16
Permits & Fees - Forest Conservation		$1,459,000	$1.43
Property Taxes/Insurance - RE Taxes		$1,200,000	$1.17
Property Taxes/Insurance - Gen Liability		$84,000	$0.08
Marketing/Leasing - Space Planning		$100,000	$0.10
Marketing/Leasing - Leasing Commissions		$4,086,984	$4.00
Marketing/Leasing - Advertising		$300,000	$0.29
Soft Cost Contingency	5%	$832,579	$0.81
Total Soft Costs		**$17,484,163**	**$17.11**
Development Fee/Reimbursables			
Development Fee	3%	$3,750,000	$3.67
Total Development Fee		**$3,750,000**	**$3.67**
Project Costs Before Financing		**$149,568,084**	**$146.38**
Financing Costs			
Construction Interest		$3,214,037	$3.15
Loan Costs	1.00%	$917,000	$0.90
Total Financing Costs		**$4,131,037**	**$4.04**
Interim Income			
NOI During Lease-Up		($3,284,650)	($3.21)
Total Interim Income		**($3,284,650)**	**($3.21)**
Project Costs After Financing		**$150,414,471**	**$147.21**

DEVELOPMENT BUDGET

Land & Carry Costs
This represents CWM's land basis as well as carry-costs for the site to date.

Hard Costs
Hard Cost estimates are based primarily on preliminary estimates from SACO Construction, the proposed General Contractor, as well as the project architect. Core & Shell estimates are individual to each tenant space, and based on either current letters of intent or market assumptions.

Since a Guaranteed Maximum Price (GMP) contract is not in place yet, an 8% Hard Cost Contingency has been included in the budget to cover potential unexpected cost increases.

Site Reimbursement/Pad Site Sales represent a cash inflow to the project based on tenants who either purchase their site outright, or reimburse the owner for site work costs (often how pad site ground leases are structured). This estimate appears as a negative dollar amount in the project budget. In the underwriting model, cash in-flows from this category go to pay down the construction loan.

Soft Costs
Soft Costs as presented in the budget are the preliminary costs estimated to be incurred in relation to building the center, outside of pure "sticks and bricks" construction. As a conservative measure, a 5% Soft Cost Contingency has been included in the budget to cover any unexpected additional soft costs.

Development Fee
A Development Fee of 3% of the project budget (less land) has been included. This fee is payable to CWM Development and shall cover all overhead and project personnel for the site.

Financing Costs
Financing Costs include interest on the construction loan as well as fees/costs paid to the lender. In addition, a 1% lender fee has been included to cover lender fees and costs.

Interim Net Operating Income
Interim Net Operating Income represents income collected from tenants prior to stabilization and permanent financing. Any Interim NOI collected prior to stabilization will be used to pay down the construction loan.

INCOME ANALYSIS

Market Leasing Assumptions
To date, CWM has been actively pursuing high-profile national tenants to kick-start development of the Center. Negotiations with several retailers are at the letter of intent stage.

The chart on the following pages outlines the proposed tenant mix for the center as well as lease-up assumptions, including market rent, escalations, TI's/Core & Shell Cost.

For modeling purposes, retail space has been generally separated the data into six separate space categories:

1) Anchors
2) Grocery Anchors
3) Junior Anchors
4) In-Line
5) Pad Site (Ground Lease)
6) Pad Site (Lease)

Retail rental rates are often segmented by space type/size, as substantial differences in rent levels are common within community/power centers. These rent disparities are the result of several factors, including:

(1) Space size differentials – Smaller/larger spaces are more/less expensive to construct and result in varied rental rates based on developer's/investor's return requirements;

(2) Negotiating leverage - Large anchor-tenants such as Wal-Mart, Target, etc. represent the "main attraction" to most centers and enhance the potential sales volume of retailers operating in close proximity. These tenants are aware of their leverage and generally negotiate very favorable terms. However, once these anchors are signed, enhanced demand and rents for subsequently-signed junior-anchor, pad, and in-line leases normally follow.

(3) Positioning within the center - Spaces adjacent to anchor tenants benefit from enhanced foot traffic versus spaces adjacent to junior anchor spaces, resulting in materially higher or lower rental rates.

Phase I

	Tenant	Status	Type	Bldg. SF	Const. Commence	Const. Duration	Rent Commence	Term (yrs)	Term (mts)	Annual Rent PSF	Annual Rent	Escalations % (or) $	Escalations Every	Operating Expenses Tax, Ins. CAM	Operating Expenses Admin Fee	Operating Expenses Mgt Fee	TI's & LC's TI PSF	TI's & LC's TI Total	TI's & LC's LC's	CORE + SHELL PSF	CORE + SHELL Total	SITE WORK Or SALE
A	SPEC Target (or) Wal-Mart	LOI	Sale	160,000	Oct-09														$640,000			-$5,000,000
B	SPEC Furniture Store	LOI	BTS	64,029	Oct-09	7 months	May-10	20 years	240 months	$13.00	$832,377	5%	5 years	Net	5%	No	$0.00	$0	$256,116	$70.00	$4,482,030	
C	SPEC Jr. Anchor	Estimate	BTS	16,000	Oct-09	8 months	Jun-10	15 years	180 months	$15.00	$240,000	10%	5 years	Net	10%	No	$0.00	$0	$64,000	$75.00	$1,200,000	
D	SPEC Jr. Anchor	Estimate	BTS	26,000	Oct-09	8 months	Jun-10	15 years	180 months	$13.00	$338,000	10%	5 years	Net	10%	No	$0.00	$0	$104,000	$75.00	$1,950,000	
E	SPEC Wholesale Club	LOI	BTS	117,875	Oct-09	7 months	May-10	20 years	240 months	$10.00	$1,178,750	5%	5 years	Net	5%	No	$0.00	$0	$471,500	$70.00	$8,251,250	
F	SPEC Fashion Retailer	LOI	BTS	88,408	Oct-09	7 months	May-10	20 years	240 months	$11.00	$972,488	5%	5 years	Net	5%	No	$0.00	$0	$353,632	$70.00	$6,188,560	
G	SPEC Toy Store	LOI	BTS	64,029	Oct-09	7 months	May-10	20 years	240 months	$15.00	$960,435	5%	5 years	Net	5%	No	$0.00	$0	$256,116	$70.00	$4,482,030	
H	SPEC Discount Apparel	LOI	BTS	25,000	Oct-09	8 months	Jun-10	15 years	180 months	$13.00	$325,000	10%	5 years	Net	10%	No	$0.00	$0	$100,000	$75.00	$1,875,000	
I	SPEC Home Goods Tenant	LOI	BTS	25,000	Oct-09	8 months	Jun-10	15 years	180 months	$13.00	$325,000	10%	5 years	Net	10%	No	$0.00	$0	$100,000	$75.00	$1,875,000	
J	SPEC Discount Apparel	LOI	BTS	12,000	Oct-09	8 months	Jun-10	15 years	180 months	$15.00	$180,000	10%	5 years	Net	10%	No	$0.00	$0	$48,000	$75.00	$900,000	
K	SPEC Jr. Anchor	Estimate	BTS	26,000	Oct-09	8 months	Jun-10	15 years	180 months	$13.00	$338,000	10%	5 years	Net	10%	No	$0.00	$0	$104,000	$75.00	$1,950,000	
L	SPEC Home Electronics	LOI	BTS	45,000	Oct-09	7 months	May-10	20 years	240 months	$18.00	$810,000	5%	5 years	Net	5%	No	$0.00	$0	$180,000	$70.00	$3,150,000	
M	SPEC PAD - Grnd Lease	Estimate	GL	7,400	Nov-09	7 months	Jun-10	20 years	240 months	$18.24	$135,000	10%	5 years	Net	10%	No	$4.73	$35,000	$29,600	$0.00	$0	-$200,000
N-1	SPEC PAD - Lease	Estimate	BTS	3,800	Nov-09	7 months	Jun-10	10 years	120 months	$35.00	$133,000	3%	1 years	Net	No	Yes	$10.00	$38,000	$15,200	$90.00	$342,000	
N-2	SPEC PAD - Lease	Estimate	BTS	3,800	Nov-09	7 months	Jun-10	10 years	120 months	$35.00	$133,000	3%	1 years	Net	No	Yes	$10.00	$38,000	$15,200	$90.00	$342,000	
N-3	SPEC PAD - Lease	Estimate	BTS	3,800	Nov-09	7 months	Jun-10	10 years	120 months	$35.00	$133,000	3%	1 years	Net	No	Yes	$10.00	$38,000	$15,200	$90.00	$342,000	
N-4	SPEC PAD - Lease	Estimate	BTS	3,800	Nov-09	7 months	Jun-10	10 years	120 months	$35.00	$133,000	3%	1 years	Net	No	Yes	$10.00	$38,000	$15,200	$90.00	$342,000	
N-5	SPEC PAD - Lease	Estimate	BTS	3,800	Nov-09	7 months	Jun-10	10 years	120 months	$35.00	$133,000	3%	1 years	Net	No	Yes	$10.00	$38,000	$15,200	$90.00	$342,000	
O	SPEC PAD - Grnd Lease	Estimate	GL	5,600	Dec-09	7 months	Jul-10	20 years	240 months	$24.11	$135,000	10%	5 years	Net	10%	No	$6.25	$35,000	$22,400	$0.00	$0	-$200,000
P	SPEC PAD - Grnd Lease	Estimate	GL	5,100	Dec-09	7 months	Jul-10	20 years	240 months	$26.47	$135,000	10%	5 years	Net	10%	No	$6.86	$35,000	$20,400	$0.00	$0	-$200,000
Q	SPEC PAD - Grnd Lease	Estimate	GL	6,500	Dec-09	7 months	Jul-10	20 years	240 months	$20.77	$135,000	10%	5 years	Net	10%	No	$5.38	$35,000	$26,000	$0.00	$0	-$200,000
R	SPEC PAD - Grnd Lease	Estimate	GL	6,000	Dec-09	7 months	Jul-10	20 years	240 months	$22.50	$135,000	10%	5 years	Net	10%	No	$5.83	$35,000	$24,000	$0.00	$0	-$200,000
S-1	SPEC PAD - Lease	Estimate	BTS	2,500	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$87,500	3%	1 years	Net	No	Yes	$10.00	$25,000	$10,000	$90.00	$225,000	
S-2	SPEC PAD - Lease	Estimate	BTS	2,500	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$87,500	3%	1 years	Net	No	Yes	$10.00	$25,000	$10,000	$90.00	$225,000	
S-3	SPEC PAD - Lease	Estimate	BTS	2,500	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$87,500	3%	1 years	Net	No	Yes	$10.00	$25,000	$10,000	$90.00	$225,000	
T-1	SPEC PAD - Lease	Estimate	BTS	5,000	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$175,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
T-2	SPEC PAD - Lease	Estimate	BTS	5,000	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$175,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
T-3	SPEC PAD - Lease	Estimate	BTS	5,000	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$175,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
T-4	SPEC PAD - Lease	Estimate	BTS	5,000	Dec-09	7 months	Jul-10	10 years	120 months	$35.00	$175,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
				746,441							**$8,802,550**							**$640,000**	**$2,985,764**		**$40,488,870**	**-$6,000,000**

Phase II

	Tenant	Deal Status	Type	Bldg. SF	Const. Commence	Const. Duration	Rent Commence	Term (yrs)	Term (mts)	Annual Rent PSF	Annual Rent	Escalations % (or) $	Escalations Every	Operating Expenses Tax, Ins. CAM	Operating Expenses Admin Fee	Operating Expenses Mgt Fee	TI's & LC's TI PSF	TI's & LC's TI Total	TI's & LC's LC's	CORE + SHELL PSF	CORE + SHELL Total	SITE WORK Or SALE
A-1	SPEC Inline Tenant	Estimate	GL	5,500	Dec-09	7 months	Jul-10	10 years	120 months	$30.00	$165,000	3%	1 years	Net	No	Yes	$10.00	$55,000	$22,000	$90.00	$495,000	
A-2	SPEC Inline Tenant	Estimate	GL	5,500	Dec-09	7 months	Jul-10	10 years	120 months	$30.00	$165,000	3%	1 years	Net	No	Yes	$10.00	$55,000	$22,000	$90.00	$495,000	
A-3	SPEC Inline Tenant	Estimate	GL	5,500	Dec-09	7 months	Jul-10	10 years	120 months	$30.00	$165,000	3%	1 years	Net	No	Yes	$10.00	$55,000	$22,000	$90.00	$495,000	
A-4	SPEC Inline Tenant	Estimate	GL	5,500	Dec-09	7 months	Jul-10	10 years	120 months	$30.00	$165,000	3%	1 years	Net	No	Yes	$10.00	$55,000	$22,000	$90.00	$495,000	
B	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**25,000**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$13.00**	**$325,000**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$100,000**	**$75.00**	**$1,875,000**	
C	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**21,500**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$13.00**	**$279,500**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$86,000**	**$75.00**	**$1,612,500**	
D	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**21,500**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$13.00**	**$279,500**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$86,000**	**$75.00**	**$1,612,500**	
E	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**15,000**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$15.00**	**$225,000**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$60,000**	**$75.00**	**$1,125,000**	
F	**GROCERY STORE**	**LOI**	**BTS**	**66,021**	**Dec-09**	**7 months**	**Jul-10**	**20 years**	**240 months**	**$19.00**	**$1,254,399**	5%	5 years	Net	5%	No	**$0.00**	**$0**	**$264,084**	**$90.00**	**$5,941,890**	
G	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**15,000**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$15.00**	**$225,000**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$60,000**	**$75.00**	**$1,125,000**	
H-1	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-2	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-3	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-4	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-5	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-6	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
H-7	SPEC Inline Tenant	Estimate	BTS	5,000	Jan-10	7 months	Aug-10	10 years	120 months	$30.00	$150,000	3%	1 years	Net	No	Yes	$10.00	$50,000	$20,000	$90.00	$450,000	
I	**SPEC Jr. Anchor**	**Estimate**	**BTS**	**27,500**	**Jan-10**	**8 months**	**Sep-10**	**15 years**	**180 months**	**$13.00**	**$357,500**	10%	5 years	Net	10%	No	**$0.00**	**$0**	**$110,000**	**$75.00**	**$2,062,500**	
J	Cracker Barrell	Estimate	BTS	9,984	Dec-09	7 months	Jul-10	20 years	240 months	$17.53	$175,000	10%	5 years	Net	10%	No	$0.00	$0	$39,936	$0.00	$0	-$200,000
K	SPEC PAD - Grnd Lease	Estimate	BTS	5,600	Dec-09	7 months	Jul-10	20 years	240 months	$27.00	$135,000	10%	5 years	Net	10%	No	$0.00	$0	$22,400	$0.00	$0	-$200,000
L	SPEC PAD - Grnd Lease	Estimate	BTS	5,600	Dec-09	7 months	Jul-10	20 years	240 months	$27.00	$135,000	10%	5 years	Net	10%	No	$0.00	$0	$22,400	$0.00	$0	-$200,000
M	SPEC PAD - Grnd Lease	Estimate	BTS	5,600	Dec-09	7 months	Jul-10	20 years	240 months	$27.00	$135,000	10%	5 years	Net	10%	No	$0.00	$0	$22,400	$0.00	$0	-$200,000
				275,305							**$5,235,899**							**$570,000**	**$1,101,220**		**$20,484,390**	**-$800,000**

Free Rent and Concessions

Free rent and significant rental concessions are not a significant factor in the marketplace at the present time. As such, no free or reduced rent is modeled in the cash flow projection.

Percentage Rent

In addition to base rent and annual rent increases, retail tenants oftentimes pay percentage rent, usually calculated as a percentage of a tenant's gross sales over a natural or other specified breakpoint. The percentage paid varies depending on the type of tenant.

Percentage rent is generally not included when underwriting new retail centers as there is no verifiable income history to support assumptions. No percentage rent has been included in the cash flow projection.

Expense Recovery Income

The vast majority of retail leases are transacted on a triple-net (NNN) basis. Under a triple-net expense structure, tenants typically pay their pro rata share of common area maintenance (CAM), insurance, and real estate tax expenses, while most other expenses (such as utilities) are paid directly by the individual tenants. Oftentimes expenses such as general and administrative charges, property management, and marketing expenditures are not passed through to tenants, or only partially passed through. Larger tenants oftentimes pay an administrative fee as a percentage of the CAM amount in lieu of a management fee.

Based on the above, we have assumed the following expense reimbursement structure by type of tenant in the cash flow projection:

Anchor Tenants - Reimburse 100% of Real Estate Taxes, Insurance and CAM, and pay a 5% Admin charge.

Junior Anchor Tenants - Reimburse 100% of Real Estate Taxes, Insurance, CAM, and pay a 10% Admin charge.

In-Line Tenants / Pad Lease Tenants - Reimburse 100% of Real Estate Taxes, Insurance, CAM, property management fees

Pad Ground Lease - Reimburse 100% of Real Estate Taxes, Insurance, CAM, and 10% CAM Admin charge.

Vacancy and Collection Loss

Vacancy and collection loss reflects the fact that most income-producing properties experience a certain amount of vacancy and rental loss from operations. The vacancy factor is determined primarily by current market conditions; however, other determinants such as management, location, and property age and condition (maintenance), and tenancy can have pronounced effects.

As noted in the market section, nearly all the retail centers in the subject's immediate trade area are presently operating at stabilized (±95%) levels. The vast majority of retail shopping centers in suburban areas of the Washington Metro that have strong anchor tenants in place (grocery stores, big boxes, etc.) are operating at occupancy levels in excess of 90%, with the vast majority being at stabilized (±95%) levels.

As such, a general vacancy rate of 4% and a credit loss rate of 1% credit has been included in the cash flow projection. National anchor tenants with strong balance sheets/operating statements have been excluded from the vacancy calculation.

EXPENSE ANALYSIS

Operating Expenses

Operating Expense assumptions have been determined after reviewing data from the 2006 version of the Dollars & Cents of Shopping Center publication compiled by the Urban Land Institute, and from data received from comparable centers within the Washington, DC region.

Operating statistics compiled are as noted below:

Expense Comparables

Name of Center	US Regional SC's	Community	Neighborhood	Neighborhood/ Community	Neighborhood	Neighborhood/ Community	Neighborhood	Neighborhood
Location	In East ** Average Neighborhood SC	Rockville MD	McLean VA	Manassas VA	Bowie MD	SE DC	Falls Church VA	Fairfax VA
Square Footage	+/- 30,000-100,000	334,830	89,817	163,697	72,000	144,446	89,800	72,200
	2006	2007 Budgeted	2007 Budgeted	2006 Actual	2006 Budget	2006 Budget	2006 Actual	2005 Actual
OPERATING EXPENSES	$/SF	$/SF	$/SF	$/SF	$/SF	$/SF	$/SF	$/SF
Insurance	$0.35	$0.32	$0.27	$0.13	$0.43	$0.44	N/A	$0.40
CAM Expenses	$1.49	$1.81	$1.55	$0.85	$1.41	$2.19	$1.06	$1.23
Utilities	$0.17	$0.44	$0.10	$0.25	$0.00	$0.42	$0.22	$0.23
Advertising & Promotional	$0.07	$0.00	$0.00	$0.00	$0.00	$0.00	N/A	$0.10
Administrative/Other	$0.71	$0.03	$0.01	$0.00	$0.21	$0.55	$0.33	$0.96
Management Fees	$0.62	$0.17	$0.47	$0.56	$0.78	$0.67	$0.75	$0.12
Total Operating Expenses (Excluding RE Taxes)	$3.41	$2.77	$2.40	$1.79	$2.83	$4.27	$2.36	$3.04

All figures are adjusted to 2007 $'s

** Regional SC information was obtained from the 2006 *Dollars & Cents of Shopping Centers* publication.

OPERATING EXPENSES	Low	High	Average
Insurance	$0.13	$0.44	$0.34
CAM Expenses	$0.85	$2.19	$1.45
Utilities	$0.00	$0.44	$0.23
Advertising & Promotional	$0.00	$0.10	$0.02
Administrative/Other	$0.00	$0.96	$0.35
Management Fees	$0.12	$0.78	$0.52
Total Operating Expenses (Excluding RE Taxes)	$1.79	$4.27	$2.86

Source: RCDH & Co. 4/07

Community Shopping Centers – East Region

Number of Centers in Sample: 51	Average	Median	Lower Decile	Upper Decile	Median	Lower Decile	Upper Decile	Number Reporting
Center Size			**Square Feet**					
Total floor space (GLA and all other floor area)	208,034	196,960	128,130	334,363				51
Owned gross leasable area	200,053	186,702	109,784	331,588				51
Unowned gross leasable area	115,568	110,275						5
Center Sales			**Dollars per Square Foot of GLA**					
All tenants	$327.56	$349.14	$181.90	$439.64				11
Operating Results			**Dollars per Square Foot of GLA**			**Percent of Total Receipts**		
Total Operating Receipts	**$14.04**	**$13.30**	**$6.65**	**$24.73**	**100.00 %**	**100.00 %**	**100.00 %**	**51**
Total rent	**10.26**	**9.71**	**4.52**	**17.75**	**74.41**	**62.19**	**81.25**	**51**
Rental income—minimum	10.10	9.71	4.52	17.75	73.87	61.12	80.14	51
Rental income—overages	0.28	0.14	0.03	0.89	1.02	0.16	7.27	26
Total common area charges	**1.48**	**1.33**	**0.64**	**2.81**	**10.20**	**5.36**	**14.65**	**28**
CAM administration fee	0.10	0.08			0.44			7
CAM charges (excluding administration fee)	1.35	1.30	0.56	2.52	9.51	4.09	13.87	23
Total other charges	**1.90**	**1.74**	**0.88**	**3.85**	**13.51**	**9.84**	**20.97**	**18**
Property taxes and insurance revenue	1.47	1.55	0.87	2.08	13.03	6.08	17.19	18
Property taxes revenue	1.58	1.45	0.70	3.32	10.95	5.39	15.42	28
Insurance revenue	0.18	0.19	0.01	0.48	1.15	0.12	2.89	17
Security revenue								3
Marketing/promotion fund (excluding merchants assn.)	0.55	0.34			1.80			7
Total HVAC energy revenue								1
Common area								1
Tenant space								0
Total other utilities	0.56	0.20	0.01	2.22	0.90	0.09	8.81	13
Common area	0.07	0.08			0.37			6
Tenant space								4
Other escalation charges								1
Total miscellaneous income	**0.18**	**0.11**	**0.03**	**0.61**	**0.52**	**0.12**	**1.56**	**11**
Operating Results			**Dollars per Square Foot of GLA**			**Percent of Total Receipts**		
Total Operating Expenses	**$6.50**	**$6.42**	**$3.10**	**$12.78**	**50.56 %**	**25.42 %**	**77.05 %**	**51**
Total maintenance and housekeeping	**1.79**	**1.63**	**1.01**	**3.22**	**12.36**	**7.39**	**21.62**	**28**
Parking lot, mall, other common areas	1.28	1.38	0.73	1.85	9.64	5.60	19.59	24
Parking lot	0.21	0.21	0.06	0.36	1.31	0.32	4.39	23
Common area utilities	0.16	0.13	0.06	0.37	1.07	0.46	2.45	20
HVAC energy								1
Other utilities	0.15	0.11	0.06	0.37	0.89	0.41	2.45	20
Security	0.30	0.26	0.03	0.92	1.40	0.18	1.81	13
Snow removal	0.30	0.27	0.14	0.54	2.34	1.04	4.03	23
Trash removal	0.11	0.07	0.01	0.28	0.47	0.10	3.30	19
Landscaping	0.17	0.14	0.06	0.34	1.06	0.32	2.03	24
Elevator/escalator								4
Housekeeping	0.18	0.06	0.01	0.76	0.25	0.10	2.97	13
Other common area maintenance repair	0.11	0.09	0.02	0.24	0.81	0.15	3.03	18
Total building maintenance/repair	0.26	0.20	0.02	0.70	1.45	0.39	5.46	24
Roof maintenance/repair	0.08	0.06	0.01	0.28	0.42	0.09	3.24	20
Systems equipment maintenance: HVAC	0.02	0.02	0.01	0.05	0.14	0.03	0.36	10
Systems equipment maintenance: other	0.07	0.08	0.02	0.12	0.42	0.10	0.78	13
Other building maintenance/repair	0.16	0.08	0.01	0.46	0.70	0.05	3.22	17
Total tenant space utilities	0.34	0.04			0.32			9
HVAC energy								1
Other utilities	0.39	0.07			0.56			8
Tenant office services								1
Total advertising and promotion	**0.13**	**0.03**	**0.01**	**1.11**	**0.26**	**0.05**	**2.04**	**20**
Advertising	0.09	0.00	0.00	0.62	0.04	0.00	2.28	12
Promotions/special events	0.07	0.08			0.31			5
Christmas decor/events	0.02	0.02			0.09			9
Marketing administration								3
Merchants association (center contribution)								3
Total real estate taxes	**1.85**	**1.44**	**0.98**	**4.51**	**11.89**	**6.72**	**19.20**	**28**
Total insurance	**0.33**	**0.28**	**0.15**	**0.74**	**2.05**	**1.16**	**5.16**	**28**
Liability insurance	0.15	0.13	0.06	0.30	0.93	0.70	1.77	15
Property insurance	0.13	0.10	0.05	0.30	1.06	0.40	1.58	13
Terrorism insurance								1
Special (earthquake/fire/flood/other event)								1
Other insurance								2
Total general and administrative	**0.93**	**0.74**	**0.16**	**2.42**	**5.55**	**1.09**	**13.67**	**28**
Management agent fees	0.53	0.48	0.22	1.00	3.56	1.61	6.48	23
Leasing agent fees and commissions	0.34	0.40	0.05	0.57	2.04	0.33	6.60	11
Bad debt allowance	0.13	0.14	-0.02	0.37	0.54	-0.27	3.43	12
On-site management payroll and benefits	0.35	0.13			0.71			9
Legal and audit expenses	0.17	0.11	0.05	0.41	1.21	0.34	2.42	14
Other professional services (excluding legal and audit)								3
Other general and administrative	0.06	0.03	0.01	0.14	0.27	0.09	0.79	11
Net Operating Balance	**$6.72**	**$6.56**	**$2.71**	**$14.60**	**49.44 %**	**22.95 %**	**74.58 %**	**51**

Community Shopping Centers – Centers 1, 2, and 3 YRS Old

Number of Centers in Sample: 13	Average	Median	Lower Decile	Upper Decile	Median	Lower Decile	Upper Decile	Number Reporting
Center Size		**Square Feet**						
Total floor space (GLA and all other floor area)	273,051	272,703	118,384	522,789				13
Owned gross leasable area	198,895	167,854	74,290	355,210				13
Unowned gross leasable area	129,588	146,301						6
Center Sales		**Dollars per Square Foot of GLA**						
All tenants	$302.42	$287.36						8
Operating Results		**Dollars per Square Foot of GLA**				**Percent of Total Receipts**		
Total Operating Receipts	**$21.40**	**$21.47**	**$12.63**	**$27.63**	**100.00 %**	**100.00 %**	**100.00 %**	**13**
Total rent	**16.97**	**18.35**	**9.20**	**23.34**	**79.03**	**68.50**	**85.18**	**13**
Rental income—minimum	16.68	18.31	9.20	23.14	77.34	68.50	84.96	13
Rental income—overages	0.28	0.28			0.98			6
Total common area charges	**1.82**	**1.72**	**0.98**	**2.91**	**9.75**	**5.96**	**13.62**	**12**
CAM administration fee	0.35	0.35			1.64			8
CAM charges (excluding administration fee)	1.61	1.45	0.94	2.25	8.19	5.15	11.58	12
Total other charges	**2.01**	**2.07**	**0.58**	**3.31**	**9.75**	**3.92**	**15.47**	**11**
Property taxes and insurance revenue	1.87	1.67	0.40	3.31	9.75	3.92	15.47	11
Property taxes revenue	1.90	1.73	0.34	3.41	9.27	3.37	14.78	12
Insurance revenue	0.12	0.11	0.09	0.19	0.59	0.40	1.10	11
Security revenue								3
Marketing/promotion fund (excluding merchants assn.)	0.19	0.24			1.24			5
Total HVAC energy revenue								0
Common area								0
Tenant space								0
Total other utilities								2
Common area								3
Tenant space								3
Other escalation charges								2
Total miscellaneous income	**0.50**	**0.07**	**0.00**	**3.59**	**0.49**	**0.01**	**10.16**	**10**
Operating Results		**Dollars per Square Foot of GLA**				**Percent of Total Receipts**		
Total Operating Expenses	**$6.01**	**$5.06**	**$3.03**	**$10.74**	**30.54 %**	**19.08 %**	**48.80 %**	**13**
Total maintenance and housekeeping	**1.74**	**1.35**	**0.93**	**2.75**	**8.35**	**5.00**	**20.07**	**13**
Parking lot, mall, other common areas	1.54	1.20	0.70	2.66	6.71	4.48	18.18	13
Parking lot	0.11	0.11	0.03	0.21	0.57	0.12	1.29	13
Common area utilities	0.23	0.23	0.06	0.37	1.10	0.47	3.09	12
HVAC energy								2
Other utilities	0.21	0.23	0.04	0.37	0.95	0.23	3.09	12
Security	0.26	0.13	0.04	0.95	0.68	0.26	4.11	10
Snow removal	0.18	0.15			0.65			7
Trash removal	0.10	0.12	0.02	0.17	0.62	0.13	0.67	11
Landscaping	0.46	0.36	0.14	1.05	2.10	0.55	4.12	13
Elevator/escalator								1
Housekeeping	0.19	0.16			0.82			6
Other common area maintenance repair	0.08	0.02	0.01	0.31	0.11	0.03	1.70	11
Total building maintenance/repair	0.13	0.10	0.03	0.36	0.50	0.15	2.65	13
Roof maintenance/repair	0.01	0.01	0.00	0.06	0.02	0.01	0.42	10
Systems equipment maintenance: HVAC	0.02	0.01			0.04			6
Systems equipment maintenance: other	0.04	0.04	0.00	0.09	0.22	0.04	0.39	11
Other building maintenance/repair	0.09	0.05	0.02	0.29	0.19	0.10	1.09	11
Total tenant space utilities								3
HVAC energy								0
Other utilities								3
Tenant office services								4
Total advertising and promotion	**0.26**	**0.17**			**0.79**			**8**
Advertising	0.22	0.21			0.54			6
Promotions/special events	0.05	0.07			0.15			5
Christmas decor/events								4
Marketing administration								2
Merchants association (center contribution)								0
Total real estate taxes	**2.40**	**2.19**	**1.15**	**3.99**	**10.78**	**7.87**	**18.31**	**13**
Total insurance	**0.23**	**0.15**	**0.10**	**0.76**	**0.79**	**0.59**	**2.97**	**13**
Liability insurance	0.10	0.09			0.43			8
Property insurance	0.05	0.06			0.27			8
Terrorism insurance								0
Special (earthquake/fire/flood/other event)								3
Other insurance								2
Total general and administrative	**1.50**	**1.00**	**0.35**	**3.51**	**4.84**	**2.93**	**12.78**	**13**
Management agent fees	0.66	0.76	0.23	1.03	2.65	1.87	3.99	12
Leasing agent fees and commissions	0.21	0.19			1.01			6
Bad debt allowance	0.42	0.32			1.48			5
On-site management payroll and benefits	0.47	0.35			1.82			6
Legal and audit expenses	0.15	0.05			0.29			7
Other professional services (excluding legal and audit)	0.10	0.10			0.32			6
Other general and administrative	0.17	0.17			1.09			8
Net Operating Balance	**$13.91**	**$14.86**	**$7.24**	**$21.00**	**69.46 %**	**51.20 %**	**80.92 %**	**13**

Real Estate Taxes

The subject property is located in Prince George's County, Maryland and is assessed by the Maryland Department of Assessment and Taxation. Maryland's assessment system is currently based on a three-year cycle in which one-third of all taxable real estate is physically inspected and reassessed each year. The state assessor utilizes the three traditional approaches to value: Cost, Sales Comparison, and Income Capitalization.

Property owners receive an assessment notice once every three years. These notices are generally issued in December of the year in which the assessor reviewed the property. The notice shows the proposed full cash value as of January 1, which is known as the date of finality. The proposed full cash value is the basis upon which assessments for the following three taxable years will be based. The fiscal year runs from July 1 through June 30 of the following year, with taxes due by September 30.

It is assumed the property is re-assessed at completion and stabilization based on the proposed market value of approximately $166 million. The resulting per square foot tax estimate based on the estimated market value is **$2.50 per square foot**.

Insurance

Based on the above data, Insurance expenses for the Center are projected to be **$0.20 per square foot**, escalating at 3.0% throughout the holding period.

Common Area Maintenance (CAM)

This line item includes maintenance, repair and services required to maintain the parking lot and all commons areas (i.e., snow removal, lighting, trash removal, landscaping, and common area utilities). Based on the above data, CAM expenses for the Center are estimated at **$1.50 per square foot,** escalating at 3.0% throughout the holding period.

General and Administrative Expenses

This line item includes on-site management payroll, legal and audit expenses, and other professional services. Based on the above data, General & Administrative expenses are estimated to be **$0.35 per square foot,** escalating at 3.0% throughout the holding period.

Marketing & Promotion

This line item includes advertising, promotion, special event, and holiday-oriented expenditures. Based on the above data, Marketing & Promotion expenses are estimated at **$0.10 per square foot**, escalating at 3.0% throughout the holding period.

Property Management Fees

Given the large size of the proposed project and achievable scale, a property management fee of **2.25% of EGI** is used in the cash flow projection.

Tenant Utilities

All tenants are expected to reimburse ownership for utilities or pay their utility bills directly. Tenant utilities have not been included in the analysis, as it has no material impact on cash flow. Common area utilities are included in the CAM line item.

OTHER UNDERWRITING ASSUMPTIONS

Growth Rates
For projection purposes, a growth rate of 3% per annum on both income and expenses has been assumed. These growth rates have a limited impact on the cash flow projection due to the expected long-term nature of the prospective leases. Escalations within contract leases play a far greater role in determining NOI growth than market growth rates over the projected hold period.

Lease Terms
Projected lease term assumptions for tenants by type are noted in the chart below.

Anchor	20 years
Jr. Anchor	15 years
In-Line / Pad Lease	10 years
Pad Ground Lease	20 years

Escalations
In-term escalation assumptions are noted as follows:

Anchor	5% every 5 years
Jr. Anchor	10% every 5 years
In-Line / Pad Lease	3% per annum
Pad Ground Lease	10% every 5 years

NON-OPERATING EXPENSES

Tenant Improvements
First generation Tenant Improvements are included the development budget. For second generation leases, $10/SF for new leases and $0/SF for renewal leases has been assumed for all space in the center. Given the long term nature of retail leases, this Tenant Improvement assumption is inconsequential, except when looking at a hold period beyond 10-years.

Leasing Commissions
Leasing commissions for new projects in the Washington, DC market are oftentimes paid on a $/SF basis, especially for large anchor and junior-anchor leased where the long-term nature of the lease plus size of the tenant would result in much higher commissions if a traditional percentage of total rent was applied. The following Leasing Commission assumptions have been used for lease-up as well as second generation leasing:

First Generation – Anchor/ Jr. Anchor	$5/SF
First Generation – Pad/In-Line	$12.50/SF
Second Generation – Anchor/Jr. Anchor	$5/SF (new) / $2/SF (renewal)
Second Generation – Pad/In-Line	$12.50/SF (new) / $7/SF (renewal)

Capital Reserves
Capital Reserves are estimated to be $0.05/SF in year 1 and 2 after completion, increasing to $0.10/SF in year 3 for the duration of the cash flow projection. Capital Reserves are projected to increase 3% per annum thereafter.

DEBT FINANCING

Construction Loan

The current capitalization structure for the project envisions obtaining a construction loan for 60% of the total project costs, or approximately $90.2 million.

CAPITALIZATION STRUCTURE	%	Amount	/ Net Sqft.
Construction Debt	60%	$90,248,683	$88
Equity	40%	$60,165,788	$59
Total Project Costs	**100%**	**$150,414,471**	**$147**

Construction loan interest rates are usually floating rates with a set spread over LIBOR. While it is difficult to predict interest rate movements in the current environment, we have based our financing assumption on the following:

LIBOR:	2.25% (as of 11/16/08)
Spread:	400bps
Rate:	6.25%
Time/Volatility Adjustment:	50bps
Rate:	6.75%

In addition, a 1% lender fee has been included to cover lender fees and costs.

Permanent Financing

Upon stabilization, it is assumed the permanent financing in the amount of 70% of the stabilized value will be obtained. The assumed permanent loan interest rate is based on rates achievable in today's market, adjusted to reflect a likely increase in borrowing costs over the near term:

10-Year Treasury:	3.75% (as of 11/16/08)
Spread	300 bps
Rate:	7.00%
Time/Volatility Adjustment:	50 bps
Rate:	7.50%

EQUITY FINANCING

Joint Venture Structure

Required equity needed to develop the center is estimated to be approximately $60.1 million. CWM will seek a joint venture equity partner to contribute 80% of the required equity. CWM will contribute the land and any costs spent to date, up to 20% of the required equity. The equity participation percentages are estimated as follows:

EQUITY STRUCTURE	%	Amount
Invstor Equity	80%	$48,132,631
Developer Equity	20%	$12,033,158
Total Equity	**100%**	**$60,165,788**

CWM will attempt to negotiate a standard promote oriented joint venture structure, whereby CWM can participate in an increased portion of project proceeds should venture returns meet or exceed certain levels. The proposed joint venture promote structure is as follows:

PROMOTES/HURDLE RATES			
	Inv. Share	Dev. Share	IRR Hurdle
Up to First IRR Hurdle	80.0%	20.0%	11.00%
Up to Second IRR Hurdle	75.0%	25.0%	12.00%
Up to Third IRR Hurdle	65.0%	35.0%	13.00%
Up to Fourth IRR Hurdle	55.0%	45.0%	14.00%
Residual Split	50.0%	50.0%	15.00%

REVERSION ASSUMPTIONS

Hold Period
The projected hold period for the investment is five years following stabilization.

Terminal Capitalization Rate
A 7.5% terminal capitalization rate has been assumed upon disposition of the project. This assumption is based on an estimated 150 bps increase in capitalization rates from those seen in sales of competing centers in the 2006-2007 time period (see Retail Market Analysis).

Cost of Sale
A 2.25% cost of sale factor has been deducted from the gross sale price at reversion to cover the anticipated cost of brokerage sales commissions, transfer taxes, recordation costs, legal, accounting and other closing costs.

PROJECTED RETURNS

The projected Return on Cost based on stabilized Year 1 Net Operating Income is 8.47%. This is an adequate spread over the estimated reversion cap rate of 7.5%.

Projected IRRs and equity multiples for both CWM and the equity investor are presented below:

BASE CASE HOLD PERIOD RETURNS				
	IRR	Profit	Original Equity	Multiple
UNLEV. PROJECT IRR	9.94%	$94,414,171	$150,414,471	1.6X
LEV. PROJECT IRR	15.54%	$52,645,740	$60,165,788	1.9X
LEV. INVESTOR IRR	14.55%	$38,122,779	$48,132,631	1.8X
LEV. DEVELOPER IRR	19.05%	$14,522,961	$12,033,158	2.2X

SENSITITY ANALYSIS

Reversion Cap Rate Sensitivity

The affect on the property level IRR for the project based on various reversion cap rates is as follows:

PROJECT IRR SENSITIVITY					
			Exit Cap		
	7.00%	**7.25%**	**7.50%**	**7.75%**	**8.00%**
5-Year Hold	19.00%	17.19%	15.54%	14.05%	12.69%

Hold Period Sensitivity

The affect on the projected returns for the project based on various hold periods is as follows:

RETURN / HOLD PERIOD SENSITIVITY				
	Unleveraged Project	**Leveraged Project**	**Leveraged Investor**	**Leveraged Developer**
From Stabilization	**IRR**	**IRR**	**IRR**	**IRR**
Merchant Build	11.28%	16.99%	14.97%	24.84%
1-Year Hold	10.03%	15.50%	14.08%	20.89%
2-Year Hold	9.57%	14.72%	13.59%	18.94%
3-Year Hold	9.34%	14.20%	13.26%	17.67%
4-Year Hold	9.58%	14.77%	13.70%	18.57%
5-Year Hold	9.94%	15.54%	14.55%	19.05%

Note: 4 and 5-Year IRR's are higher because following 12-month NOI captures year 5 rent increase from tenants.

Rental Rate Sensitivity

The affect on returns assuming rental rates are 10% below proforma are as follows. Return on cost under this scenario would be 7.85%.

BASE CASE HOLD PERIOD RETURNS - 10% Rent Decrease				
	IRR	**Profit**	**Original Equity**	**Multiple**
UNLEV. PROJECT IRR	**8.37%**	**$77,132,684**	**$150,762,131**	**1.5X**
LEV. PROJECT IRR	**10.92%**	**$37,901,651**	**$60,304,852**	**1.6X**
LEV. INVESTOR IRR	**10.92%**	**$30,321,321**	**$48,243,882**	**1.6X**
LEV. DEVELOPER IRR	**10.92%**	**$7,580,330**	**$12,060,970**	**1.6X**

Lease-Up Sensitivity

The affect on returns assuming absorption/lease-up of space is delayed four months from proforma are as follows. Return on cost under this scenario would be 8.41%.

BASE CASE HOLD PERIOD RETURNS - Delayed Lease-Up				
	IRR	Profit	Original Equity	Multiple
UNLEV. PROJECT IRR	9.35%	$94,410,976	$150,662,201	1.6X
LEV. PROJECT IRR	14.11%	$52,581,154	$60,264,881	1.9X
LEV. INVESTOR IRR	13.58%	$39,708,579	$48,211,904	1.8X
LEV. DEVELOPER IRR	16.09%	$12,872,575	$12,052,976	2.1X

DEVELOPMENT TEAM

Construction Management

The following groups will be charged with successful development of the Center:

Developer - CWM Development, Inc.

- Responsible for oversight of all players in the development process
- Will employ an in-house Development Director and Construction Manager to work full-time on the project.

General Contractor – SACO Construction

- Responsible for building the project in accordance with the plans and specifications developed by the Architect
- Responsible for oversight of all subcontractors

Architect – BWS Architects

- Responsible for administration of construction documents and ensuring the building is constructed in accordance with the plans and specifications.

Leasing/Marketing Team

CWM Development employs in-house leasing and marketing personnel who will play a vital role in ensuring the prompt lease-up of the Center. CWM's Director of Leasing has already been involved in negotiation several letters of intent with national retailers. In addition, he presented the Center to numerous retailers at the annual ICSC Conference in Las Vegas earlier this year.

CWM's Director of Leasing will continue to actively pursue national tenants directly and through their brokerage contacts.

CONCLUSION

CWM is confident the development plan, if executed as presented herein, will ultimately be successful. Base case returns are adequate given both CWM's return requirements, as well as return requirements of potential equity investors. However, development of a retail center of this size carriers significant inherent risks, particularly in the current economic environment. A summary of these risks and possible mitigating factors is as follows:

Entitlement Risk
Given current zoning and the existing site plan approval, entitlement risk relating to the proposed development is minimal.

Construction Risk
The sheer size of the proposed development poses significant construction risk. A general contractor capable of managing such a large project will be of critical importance. In addition, as a GMP contract has yet to be obtained, construction costs as underwritten are purely estimates. Retail construction is relatively simple (ie, tilt-up concrete), although site preparation / site work costs for a site of this size can be significant. Above average rainfall during the site work phase could cause significant delays.

As noted earlier, ample cost contingencies (8% of Hard Costs, 3% of Soft Costs) have been included in the project budget to mitigate any potential cost increases.

Capital Markets Risk
Perhaps the greatest risk to the project in today's economic environment is Capital Markets risk. Recent volatility in both the debt and equity markets has had significant impacts for real estate. Interest rates, capitalization rates, and property valuations are all in a significant state of disarray at the present time.

The relatively large construction loan ($90 million) needed to develop the project as proposed may be the biggest challenge. Banks and Insurance companies are reluctant to provide debt financing in the current marketplace, particularly for retail product. Lenders that would provide financing would likely syndicate the loan to several banks, adding to the complexity of the loan and its structure. Recourse obligations required by lenders today may be beyond what CWM and its equity partner may be able to provide. Floating rate construction loans are subject to fluctuations in LIBOR, which fortunately has been trending back to normal levels of late.

The availability of equity financing is also limited in today's real estate market. Traditional pension funds and investment advisors are reluctant to invest in new projects or take on undue risk. Mark-to-market investors face the prospect of several years of declining asset values in their own portfolios. Their return requirements change every day, as investors are unsure how to price their equity.

Leasing Risk
As a likely US recession takes hold, retailers are now beginning to feel significant effects. Consumer spending – the stalwart of the economy for the last decade – has hit a dramatic

downturn. ULI's Emerging Trends in Real Estate 2008 notes that "America's consumer-based economy has been whipsawed acutely by job losses, high energy costs, the housing crisis, reignited inflation, and the near collapse of the credit markets." Recently, Linens N' Things and Circuit City have both filed for bankruptcy. It is likely that only the strongest and most financially secure retailers will make it through the current downturn unscathed.

Despite the uncertain retail environment, large retail tenants such as Wal-Mart, Target, Best Buy, and Kohl's all state they are continuing to open new stores, albeit at a much less aggressive pace than recent years. Smaller Jr. Anchor retail and inline space is much more difficult to predict – there simply may not be enough of these tenants out there to fully lease the project as planned.

The outstanding location and demographics offered by the Ritchie Marketplace site are significant mitigates to the current retail downturn, as the site should prove to be one of the stronger locations available in the marketplace. Significant pressure will be on CWM leasing personnel to keep retailers interested and to execute the leasing plan as presented. As noted in the Financial Analysis section, any softening of rental rates or the absorption schedule could have a dramatic impact on projected returns.

Final Conclusion

CWM recommends proceeding with the development plan, albeit with an abundance of caution. CWM will continue to market the center and negotiate letters of intent with potential tenants. As a critical mass of leasing is secured and construction costs are locked down through a GMP, the project will be more attractive to debt and equity providers. Success of the development plan depends on the right mix and timing of leasing, debt, and equity commitments. If leasing, debt, and equity commitments cannot be obtained, CWM will need to postpone development of the site until market conditions improve, or consider selling the land, likely at a discount to its basis.

EXHIBITS

Ritchie Marketplace
Prince George's County, Maryland

Last Updated: 11/16/2008

Project Data / Assumptions

TIMELINE	Start	End	Months
Development Period			
Closing	3/1/09	3/31/09	1
Site Work/Lease Negotiations	4/1/09	9/30/09	6
Construction	10/1/09	6/30/10	9
Total Development Period			16
Occupancy Period			
Lease-Up	5/1/10	9/30/10	5
Stabilization	10/1/10	9/30/15	60
Total Occupany Period			65
Reversion	10/1/15		
JV/Model Start	3/1/09		
Total Through Stabilization	3/1/09	9/30/10	20
Total Hold Period	3/1/09	9/30/15	81

AREA MEASURES	Net Sqft.
Phase I	746,441
Phase II	275,305
Total Sqft.	1,021,746

LOAN TERMS	Construction	Permanent*
Interest Rate	6.75%	7.00%
LTC/LTV	60.0%	70%
Term	14 months	10 years
Amortization	I/O	30 years
Monthly Payment	-	$790,659

** Calculation uses lower of 70% or 1.25 DSCR*

EXIT CAP + COSTS	
Cap Rate	7.50%
Trans. Costs	2.25%

RECAPITALIZATION	
Stabilized NOI	$12,732,992
Cap Rate	7.50%
Stab. Value	$169,780,000
Stab. Value/Unit	$166
Value Creation	$19,366,000
Loan Proceeds	$118,842,000
DSCR	1.34

REVERSION	
Next Year's NOI	$13,809,669
Cap Rate	7.50%
Gross. Value	$184,130,000
Value/Unit	$180
Cost of Sale	-$4,143,000
Net Proceeds	$179,987,000

VACANCY/CONCESSIONS	
Collection Loss	1.00%
General Vacancy	4.00%

Ritchie Marketplace
Prince George's County, Maryland

Capitalization/Return Summary

CAPITALIZATION STRUCTURE	%	Amount	/ Net Sqft.
Construction Debt	60%	$90,248,683	$88
Equity	40%	$60,165,788	$59
Total Project Costs	**100%**	**$150,414,471**	**$147**

EQUITY STRUCTURE	%	Amount
Invstor Equity	80%	$48,132,631
Developer Equity	20%	$12,033,158
Total Equity	**100%**	**$60,165,788**

PROMOTES/HURDLE RATES	Inv. Share	Dev. Share	IRR Hurdle
Up to First IRR Hurdle	80.0%	20.0%	11.00%
Up to Second IRR Hurdle	75.0%	25.0%	12.00%
Up to Third IRR Hurdle	65.0%	35.0%	13.00%
Up to Fourth IRR Hurdle	55.0%	45.0%	14.00%
Residual Split	50.0%	50.0%	15.00%

BASE CASE HOLD PERIOD		
Hold Period -->	**5 year hold**	**<-- from stabilization**
Exit Date -->	**Oct-15**	
Exit Cap Rate -->	**7.50%**	

RETURN ON COST	
Return on Cost --->	**8.47%**

BASE CASE HOLD PERIOD RETURNS	IRR	Profit	Original Equity	Multiple
UNLEV. PROJECT IRR	**9.94%**	**$94,414,171**	**$150,414,471**	**1.6X**
LEV. PROJECT IRR	**15.54%**	**$52,645,740**	**$60,165,788**	**1.9X**
LEV. INVESTOR IRR	**14.55%**	**$38,122,779**	**$48,132,631**	**1.8X**
LEV. DEVELOPER IRR	**19.05%**	**$14,522,961**	**$12,033,158**	**2.2X**

Ritchie Marketplace
Prince George's County, Maryland

Capitalization/Return Summary

PROJECT IRR SENSITIVITY					
			Exit Cap		
	7.00%	**7.25%**	**7.50%**	**7.75%**	**8.00%**
5-Year Hold	19.00%	17.19%	15.54%	14.05%	12.69%

RETURN / HOLD PERIOD SENSITIVITY				
	Unleveraged Project	**Leveraged Project**	**Leveraged Investor**	**Leveraged Developer**
From Stabilization	**IRR**	**IRR**	**IRR**	**IRR**
Merchant Build	11.28%	16.99%	14.97%	24.84%
1-Year Hold	10.03%	15.50%	14.08%	20.89%
2-Year Hold	9.57%	14.72%	13.59%	18.94%
3-Year Hold	9.34%	14.20%	13.26%	17.67%
4-Year Hold	9.58%	14.77%	13.70%	18.57%
5-Year Hold	9.94%	15.54%	14.61%	18.87%

Note: 5-Year IRR's are higher because following 12-month NOI captures year 5 rent increase from tenants.

Ritchie Marketplace
Prince George's County, Maryland

Financing Detail

CONSTRUCTION FINANCING	
Assume loan or preferred equity?	**Loan**
Assumptions:	
Interest Rate:	6.75%
Loan to Cost	60.0%
Total Costs (Acq., Dev., & Financing)	150,414,471
Maximum Construction Loan	(90,248,683)
Land Value (if already owned)	0
Required Equity	**60,165,788**

Loan Calculation		
Development Period (Mos) Due Diligence thru Construction		16
Lease-Up To Stabilization		5
Permanent Financing Date (Stabilized Date)		10/01/10
Average Outstanding Construction Loan		42%
Development / Acquisition Costs / Operating Costs		**Costs**
Acquisition Costs		21,000,000
Operating Costs		0
Construction - Hard Costs (includes contingency)		107,333,921
Construction - Soft Costs (includes contingency)		17,484,163
Development Fee		3,750,000
Total		149,568,084
Financing Costs		
Loan Fee	1.00%	917,000
Construction Loan Interest Reserve	9 Mos	3,214,037
Equity Placement Fee		0
Total		4,131,037
Interim Income		(3,284,650)
Total Acq., Development, Operating & Financing Costs		150,414,471
Percentage financed (Loan to Cost)		60.0%
Loan for improvements		**90,248,683**

Interest Reserve Requirement:	
Projected Interest Paid	3,214,037
Projected Interest Reserve Requirement	3,214,037
Calculated Interest Reserve	3,214,037
Difference	0

PERMANENT LOAN FINANCING		
Assumptions:		
Interest Rate:		7.000%
Mortgage Term - (Years)		30
Loan to Value (LTV)		70.0%
Stabilized Cap Rate		7.50%
Stabilized Debt Service Coverage Requirement		1.25
Maximum Loan (lower of two scenarios):		**Max Loan**
1) Loan to Value	70.0%	118,841,259
2) Debt Service Coverage	1.25	127,591,004
Lower of two Scenarios		118,841,259
Maximum Estimated Total Loan Amount		**118,841,259**
Maximum Estimated Debt Service - Monthly		**790,654**
Permanent Equity:		
Permanent Loan		118,841,259
Permanent Loan Fee	0.50%	(595,000)
Permanent Loan Closing Costs		-
Construction Loan Balance	10/1/10	(90,248,683)
Equity Recapture (Contribution)		**27,997,576**
Loan Scenarios:		
1) Loan to Value		
Stabilization Date		10/1/10
Stabilized NOI (Annual)		12,732,992
Stabilized Value 7.5% Cap Rate		169,773,227
Maximum Loan at 70% LTV		118,841,259
Monthly Debt Service at 7% Interest Rate & 30 Yr Term		790,654
Maximum Loan using Loan to Value @ Stabilization		**118,841,259**
2) Debt Service Coverage		
Stabilized NOI (Monthly)		1,061,083
Maximum Debt Service at 1.25 Coverage		848,866
Maximum Loan at 6.25% Interest Rate & 30 Yr Term		127,591,004
Maximum Loan using Debt Service Coverage Reqmt.		**127,591,004**

Reversion Value Calculation		
Reversion Date		10/01/15
Annual NOI on Reversion Date		13,809,669
Cap Rate		7.50%
Value		$184,128,920
Selling Costs	2.3%	(4,142,901)
Debt		(111,729,071)
Net Proceeds at Reversion		68,256,948

Ritchie Marketplace
Prince George's County, Maryland
Development Budget

		TOTAL BUDGET	/SF
Land & Carry Costs			
Land		$20,000,000	$19.57
Misc. Carry Costs		$1,000,000	$0.98
Total Land & Carry Costs		**$21,000,000**	**$20.55**
Hard Costs			
Core & Shell		$60,973,260	$59.68
Site Work		$44,000,000	$43.06
Tenant Improvements		$1,210,000	$1.18
Contingency	8%	$7,950,661	$7.78
Site Reimbursement / Pad Sales		($6,800,000)	($6.66)
Total Hard Costs		**$107,333,921**	**$105.05**
Soft Costs:			
A&E - Architectural		$1,200,000	$1.17
A&E - Civil Engineering		$1,950,000	$1.91
Consultants - Traffic		$390,000	$0.38
Consultants - Geotechnical		$320,000	$0.31
Consultants - Third Party Inspections		$400,000	$0.39
Consultants - Investor Rep		$175,000	$0.17
Legal/Accounting - Accounting		$50,000	$0.05
Legal/Accounting - Land Use Legal		$350,000	$0.34
Legal/Accounting - Leasing Legal		$1,250,000	$1.22
Legal/Accounting - Partnership Legal		$120,000	$0.12
Legal/Accounting - Legal Contingency	3%	$51,600	$0.05
Permits & Fees - Utility Hook-Ups		$1,600,000	$1.57
Permits & Fees - Building Permits		$800,000	$0.78
Permits & Fees - Mitigation Fees		$600,000	$0.59
Permits & Fees - Bonds/Bonding		$165,000	$0.16
Permits & Fees - Forest Conservation		$1,459,000	$1.43
Property Taxes/Insurance - RE Taxes		$1,200,000	$1.17
Property Taxes/Insurance - Gen Liability		$84,000	$0.08
Marketing/Leasing - Space Planning		$100,000	$0.10
Marketing/Leasing - Leasing Commissions		$4,086,984	$4.00
Marketing/Leasing - Advertising		$300,000	$0.29
Soft Cost Contingency	5%	$832,579	$0.81
Total Soft Costs		**$17,484,163**	**$17.11**
Development Fee/Reimbursables			
Development Fee	3%	$3,750,000	$3.67
Total Development Fee		**$3,750,000**	**$3.67**
Project Costs Before Financing		**$149,568,084**	**$146.38**
Financing Costs			
Construction Interest		$3,214,037	$3.15
Loan Costs	1.00%	$917,000	$0.90
Total Financing Costs		**$4,131,037**	**$4.04**
Interim Income			
NOI During Lease-Up		($3,284,650)	($3.21)
Total Interim Income		**($3,284,650)**	**($3.21)**
Project Costs After Financing		**$150,414,471**	**$147.21**

Ritchie Marketplace
Prince George's County, Maryland
Funding Schedule

				Development --->	Cost To Date	PD	PD	PD	PD	PD	PD	C	C	C	C	C	C	C
				Occupancy ----->	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			TOTAL BUDGET		Mar-09 Month 0	Apr-09 Month 1	May-09 Month 2	Jun-09 Month 3	Jul-09 Month 4	Aug-09 Month 5	Sep-09 Month 6	Oct-09 Month 7	Nov-09 Month 8	Dec-09 Month 9	Jan-10 Month 10	Feb-10 Month 11	Mar-10 Month 12	Apr-10 Month 13
Land & Carry Costs	***Model Check***																	
Land	OK	$0	$20,000,000		$20,000,000													
Misc. Carry Costs	OK	$0	$1,000,000		$1,000,000													
Subtotal	OK	$0	**$21,000,000**		**$21,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Hard Costs																		
Core & Shell	OK	$0	$60,973,260		$0	$0	$0	$0	$0	$0	$0	$0	$5,012,160	$5,256,446	$6,741,716	$8,368,278	$8,368,278	$8,368,278
Site Work	OK	$0	$44,000,000			$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000	$4,400,000			
Tenant Improvements	OK	$0	$1,210,000		$0	$0	$0	$0	$0	$0	$0	$0	$225,000	$635,000	$350,000	$0	$0	$0
Contingency	OK	$0	$7,950,661			$0	$0	$0	$0	$0	$0	$666,830	$743,771	$872,008	$1,051,539	$1,282,365	$1,051,539	$872,008
Site Reimbursement / Pad Sales	OK	$0	-$6,800,000		$0	$0	$0	$0	$0	$0	$0	-$5,000,000	-$200,000	-$1,600,000	$0	$0	$0	$0
Subtotal	OK	$0	**$107,333,921**		**$0**	**$4,400,000**	**$4,400,000**	**$4,400,000**	**$4,400,000**	**$4,400,000**	**$4,400,000**	**$66,830**	**$10,180,931**	**$9,563,454**	**$12,543,255**	**$9,650,643**	**$9,419,817**	**$9,240,286**
Soft Costs																		
A&E - Architectural	OK	$0	$1,200,000		$100,000	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	$91,667	
A&E - Civil Engineering	OK	$0	$1,950,000		$75,000	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	$156,250	
Consultants - Traffic	OK	$0	$390,000		$25,000	$60,833	$60,833	$60,833	$60,833	$60,833	$60,833							
Consultants - Geotechnical	OK	$0	$320,000		$25,000	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667	$19,667
Consultants - Third Party Inspections	OK	$0	$400,000		$0	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529	$23,529
Consultants - Investor Rep	OK	$0	$175,000		$0	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294	$10,294
Legal/Accounting - Accounting	OK	$0	$50,000		$0	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941	$2,941
Legal/Accounting - Land Use Legal	OK	$0	$350,000		$50,000	$37,500	$37,500	$37,500	$37,500	$37,500	$37,500	$37,500	$37,500					
Legal/Accounting - Leasing Legal	OK	$0	$1,250,000		$0	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	$104,167	
Legal/Accounting - Partnership Legal	OK	$0	$120,000		$120,000	$0	$0	$0	$0	$0	$0							
Legal/Accounting - Legal Contingency	OK	$0	$51,600		$0	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	$4,300	
Permits & Fees - Utility Hook-Ups	OK	$0	$1,600,000		$0	$0	$0	$0	$0	$0	$0	$800,000	$0	$0	$0	$800,000		
Permits & Fees - Building Permits	OK	$0	$800,000		$0	$0	$0	$0	$0	$0	$400,000	$0	$0	$0	$400,000			
Permits & Fees - Mitigation Fees	OK	$0	$600,000		$0	$0	$0	$0	$0	$0	$600,000							
Permits & Fees - Bonds/Bonding	OK	$0	$165,000		$0	$0	$0	$0	$0	$0	$0	$165,000						
Permits & Fees - Forest Conservation	OK	$0	$1,459,000		$0	$0	$0	$0	$0	$0	$1,459,000							
Property Taxes/Insurance - RE Taxes	OK	$0	$1,200,000		$450,000	$0	$0	$0	$0	$0	$450,000	$0	$0	$0	$0	$0	$0	$0
Property Taxes/Insurance - Gen Liability	OK	$0	$84,000		$12,386	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774	$4,774
Marketing/Leasing - Space Planning	OK	$0	$100,000		$0	$16,667	$16,667	$16,667	$16,667	$16,667	$16,667							
Marketing/Leasing - Leasing Commissions	OK	$0	$4,086,984		$0	$0	$0	$0	$0	$0	$0	$1,658,682	$52,800	$331,010	$321,000	$0	$0	$0
Marketing/Leasing - Advertising	OK	$0	$300,000		$0						$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000	$25,000
Soft Cost Contingency	OK	$0	$832,579							$69,382	$69,382	$69,382	$69,382	$69,382	$69,382	$69,382	$69,382	$69,382
Subtotal	OK	$0	**$17,484,163**		**$857,386**	**$532,589**	**$532,589**	**$532,589**	**$532,589**	**$601,971**	**$3,535,971**	**$3,173,153**	**$602,271**	**$842,981**	**$1,232,971**	**$1,311,971**	**$511,971**	**$155,587**
Development Fee/Reimbursables																		
Development Fee	OK	$0	$3,750,000							$0	$0	$0	$312,500	$312,500	$312,500	$312,500	$312,500	$312,500
Subtotal	OK	$0	**$3,750,000**		**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$312,500**	**$312,500**	**$312,500**	**$312,500**	**$312,500**	**$312,500**	**$312,500**
Financing Costs																		
Construction Interest	OK	$0	$3,214,037		$0	$0	$0	$0	$0	$0	$0	$0	-$6,585	$55,792	$116,399	$196,303	$260,830	$319,921
Loan Costs	OK	$0	$917,000				$0		$917,000									
Subtotal	OK	$0	**$4,131,037**		**$0**	**$0**	**$0**	**$0**	**$917,000**	**$0**	**$0**	**$0**	**-$6,585**	**$55,792**	**$116,399**	**$196,303**	**$260,830**	**$319,921**
Interim Income																		
NOI During Lease-Up	OK	$0	-$3,284,650		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	OK	$0	**-$3,284,650**		**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Project Cost			**$150,414,471**		**$21,857,386**	**$4,932,589**	**$4,932,589**	**$4,932,589**	**$5,849,589**	**$5,001,971**	**$7,935,971**	**$3,552,482**	**$11,089,117**	**$10,774,726**	**$14,205,125**	**$11,471,417**	**$10,505,118**	**$10,028,295**
Cumulative Project Cost			*$150,414,471*		***$21,857,386***	***$26,789,975***	***$31,722,564***	***$36,655,153***	***$42,504,742***	***$47,506,713***	***$55,442,683***	***$58,995,165***	***$70,084,283***	***$80,859,008***	***$95,064,133***	***$106,535,550***	***$117,040,667***	***$127,068,962***
Cumulative Project Cost PSF			*$147*		***$21***	***$26***	***$31***	***$36***	***$42***	***$46***	***$54***	***$58***	***$69***	***$79***	***$93***	***$104***	***$115***	***$124***

Ritchie Marketplace
Prince George's County, Maryland
Funding Schedule

Development --->			C	C	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->			L	L	L	L	L	S	S	S	S	S	S	S	S	S	S	S
			TOTAL BUDGET	**May-10** Month 14	**Jun-10** Month 15	**Jul-10** Month 16	**Aug-10** Month 17	**Sep-10** Month 18	**Oct-10** Month 19	**Nov-10** Month 20	**Dec-10** Month 21	**Jan-11** Month 22	**Feb-11** Month 23	**Mar-11** Month 24	**Apr-11** Month 25	**May-11** Month 26	**Jun-11** Month 27
Land & Carry Costs	***Model Check***																	
Land	OK	$0	$20,000,000															
Misc. Carry Costs	OK	$0	$1,000,000															
Subtotal	OK	$0	**$21,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Hard Costs																		
Core & Shell	OK	$0	$60,973,260	$8,368,278	$4,574,868	$3,111,833	$1,626,563	$1,176,563	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Site Work	OK	$0	$44,000,000															
Tenant Improvements	OK	$0	$1,210,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contingency	OK	$0	$7,950,661	$743,771	$666,830	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Site Reimbursement / Pad Sales	OK	$0	-$6,800,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	OK	$0	**$107,333,921**	**$9,112,050**	**$5,241,698**	**$3,111,833**	**$1,626,563**	**$1,176,563**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Soft Costs																		
A&E - Architectural	OK	$0	$1,200,000															
A&E - Civil Engineering	OK	$0	$1,950,000															
Consultants - Traffic	OK	$0	$390,000															
Consultants - Geotechnical	OK	$0	$320,000	$19,667	$19,667													
Consultants - Third Party Inspections	OK	$0	$400,000	$23,529	$23,529	$23,529	$23,529								$0	$0	$0	
Consultants - Investor Rep	OK	$0	$175,000	$10,294	$10,294	$10,294	$10,294											
Legal/Accounting - Accounting	OK	$0	$50,000	$2,941	$2,941	$2,941	$2,941											
Legal/Accounting - Land Use Legal	OK	$0	$350,000															
Legal/Accounting - Leasing Legal	OK	$0	$1,250,000															
Legal/Accounting - Partnership Legal	OK	$0	$120,000															
Legal/Accounting - Legal Contingency	OK	$0	$51,600															
Permits & Fees - Utility Hook-Ups	OK	$0	$1,600,000															
Permits & Fees - Building Permits	OK	$0	$800,000															
Permits & Fees - Mitigation Fees	OK	$0	$600,000															
Permits & Fees - Bonds/Bonding	OK	$0	$165,000															
Permits & Fees - Forest Conservation	OK	$0	$1,459,000															
Property Taxes/Insurance - RE Taxes	OK	$0	$1,200,000	$0	$0	$0	$0	$300,000										
Property Taxes/Insurance - Gen Liability	OK	$0	$84,000	$4,774	$4,774													
Marketing/Leasing - Space Planning	OK	$0	$100,000															
Marketing/Leasing - Leasing Commissions	OK	$0	$4,086,984	$758,682	$312,800	$331,010	$70,000	$251,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marketing/Leasing - Advertising	OK	$0	$300,000	$25,000	$25,000	$25,000	$25,000											
Soft Cost Contingency	OK	$0	$832,579	$69,382	$69,382	$69,382												
Subtotal	OK	$0	**$17,484,163**	**$914,269**	**$468,387**	**$462,156**	**$131,765**	**$551,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Development Fee/Reimbursables																		
Development Fee	OK	$0	$3,750,000	$312,500	$312,500	$312,500	$312,500	$312,500										
Subtotal	OK	$0	**$3,750,000**	**$312,500**	**$312,500**	**$312,500**	**$312,500**	**$312,500**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Financing Costs																		
Construction Interest	OK	$0	$3,214,037	$376,330	$435,826	$469,889	$489,958	$499,373	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Loan Costs	OK	$0	$917,000															
Subtotal	OK	$0	**$4,131,037**	**$376,330**	**$435,826**	**$469,889**	**$489,958**	**$499,373**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Interim Income																		
NOI During Lease-Up	OK	$0	-$3,284,650	-$138,159	-$402,723	-$788,540	-$887,032	-$1,068,196	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	OK	$0	**-$3,284,650**	**-$138,159**	**-$402,723**	**-$788,540**	**-$887,032**	**-$1,068,196**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Project Cost			**$150,414,471**	**$10,576,990**	**$6,055,688**	**$3,567,838**	**$1,673,753**	**$1,471,240**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Cumulative Project Cost			*$150,414,471*	***$137,645,952***	***$143,701,640***	***$147,269,478***	***$148,943,232***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***
Cumulative Project Cost PSF			*$147*	***$135***	***$141***	***$144***	***$146***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***

Ritchie Marketplace
Prince George's County, Maryland
Funding Schedule

			TOTAL BUDGET	Jul-11 Month 28	Aug-11 Month 29	Sep-11 Month 30	Oct-11 Month 31	Nov-11 Month 32	Dec-11 Month 33	Jan-12 Month 34	Feb-12 Month 35	Mar-12 Month 36	Apr-12 Month 37	May-12 Month 38	Jun-12 Month 39	Jul-12 Month 40	Aug-12 Month 41
Development --->			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->			s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
Land & Carry Costs	***Model Check***																
Land	OK	$0	$20,000,000														
Misc. Carry Costs	OK	$0	$1,000,000														
Subtotal	OK	$0	**$21,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Hard Costs																	
Core & Shell	OK	$0	$60,973,260	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Site Work	OK	$0	$44,000,000														
Tenant Improvements	OK	$0	$1,210,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Contingency	OK	$0	$7,950,661	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Site Reimbursement / Pad Sales	OK	$0	-$6,800,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	OK	$0	**$107,333,921**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Soft Costs																	
A&E - Architectural	OK	$0	$1,200,000														
A&E - Civil Engineering	OK	$0	$1,950,000														
Consultants - Traffic	OK	$0	$390,000														
Consultants - Geotechnical	OK	$0	$320,000														
Consultants - Third Party Inspections	OK	$0	$400,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Consultants - Investor Rep	OK	$0	$175,000														
Legal/Accounting - Accounting	OK	$0	$50,000														
Legal/Accounting - Land Use Legal	OK	$0	$350,000														
Legal/Accounting - Leasing Legal	OK	$0	$1,250,000														
Legal/Accounting - Partnership Legal	OK	$0	$120,000														
Legal/Accounting - Legal Contingency	OK	$0	$51,600														
Permits & Fees - Utility Hook-Ups	OK	$0	$1,600,000														
Permits & Fees - Building Permits	OK	$0	$800,000														
Permits & Fees - Mitigation Fees	OK	$0	$600,000														
Permits & Fees - Bonds/Bonding	OK	$0	$165,000														
Permits & Fees - Forest Conservation	OK	$0	$1,459,000														
Property Taxes/Insurance - RE Taxes	OK	$0	$1,200,000														
Property Taxes/Insurance - Gen Liability	OK	$0	$84,000														
Marketing/Leasing - Space Planning	OK	$0	$100,000														
Marketing/Leasing - Leasing Commissions	OK	$0	$4,086,984	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Marketing/Leasing - Advertising	OK	$0	$300,000														
Soft Cost Contingency	OK	$0	$832,579														
Subtotal	OK	$0	**$17,484,163**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Development Fee/Reimbursables																	
Development Fee	OK	$0	$3,750,000														
Subtotal	OK	$0	**$3,750,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Financing Costs																	
Construction Interest	OK	$0	$3,214,037	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Loan Costs	OK	$0	$917,000														
Subtotal	OK	$0	**$4,131,037**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Interim Income																	
NOI During Lease-Up	OK	$0	-$3,284,650	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	OK	$0	**-$3,284,650**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Project Cost			**$150,414,471**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Cumulative Project Cost			*$150,414,471*	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***	***$150,414,471***
Cumulative Project Cost PSF			*$147*	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***	***$147***

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Mar-09 Month 0	Apr-09 Month 1	May-09 Month 2	Jun-09 Month 3	Jul-09 Month 4	Aug-09 Month 5	Sep-09 Month 6	Oct-09 Month 7	Nov-09 Month 8	Dec-09 Month 9	Jan-10 Month 10	Feb-10 Month 11	Mar-10 Month 12	Apr-10 Month 13	May-10 Month 14	Jun-10 Month 15
Development ---->		DD	PD	PD	PD	PD	PD	PD	C	C	C	C	C	C	C	C	C
Occupancy ----->		-	-	-	-	-	-	-	-	-	-	-	-	-	-	L	L
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Draw (+)	97,048,683	0	0	0	0	0	0	0	3,829,377	11,289,117	12,374,726	14,205,125	11,471,417	10,505,118	10,028,295	10,576,990	6,055,688
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	5,000,000	200,000	1,600,000	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Contribution (+)	60,165,788	21,857,386	4,932,589	4,932,589	4,932,589	5,849,589	5,001,971	7,935,971	4,723,105	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**21,857,386**	**4,932,589**	**4,932,589**	**4,932,589**	**5,849,589**	**5,001,971**	**7,935,971**	**13,552,482**	**11,489,117**	**13,974,726**	**14,205,125**	**11,471,417**	**10,505,118**	**10,028,295**	**10,576,990**	**6,055,688**
Uses																	
Land & Closing Costs (-)	(21,000,000)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	(857,386)	(532,589)	(532,589)	(532,589)	(532,589)	(601,971)	(3,535,971)	(3,173,153)	(602,271)	(842,981)	(1,232,971)	(1,311,971)	(511,971)	(155,587)	(914,269)	(468,387)
Hard Cost (-)	(114,133,921)	0	(4,400,000)	(4,400,000)	(4,400,000)	(4,400,000)	(4,400,000)	(4,400,000)	(5,066,830)	(10,380,931)	(11,163,454)	(12,543,255)	(9,650,643)	(9,419,817)	(9,240,286)	(9,112,050)	(5,241,698)
Development Fee (-)	(3,750,000)	0	0	0	0	0	0	0	(312,500)	(312,500)	(312,500)	(312,500)	(312,500)	(312,500)	(312,500)	(312,500)	(312,500)
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	(917,000)	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	0	0	0	0	0	0	0	0	6,585	(55,792)	(116,399)	(196,303)	(260,830)	(319,921)	(376,330)	(435,826)
NOI During Lease-Up (+)	3,284,650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	138,159	402,723
Construction Loan Repayment (-)	(97,048,683)	0	0	0	0	0	0	0	(5,000,000)	(200,000)	(1,600,000)	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (-)	(112,811,529)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Uses	**(526,242,985)**	**(21,857,386)**	**(4,932,589)**	**(4,932,589)**	**(4,932,589)**	**(5,849,589)**	**(5,001,971)**	**(7,935,971)**	**(13,552,482)**	**(11,489,117)**	**(13,974,726)**	**(14,205,125)**	**(11,471,417)**	**(10,505,118)**	**(10,028,295)**	**(10,576,990)**	**(6,055,688)**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	0	(21,857,386)	(26,789,975)	(31,722,564)	(36,655,153)	(42,504,742)	(47,506,713)	(55,442,683)	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)
Equity Contribution (-)	(60,165,788)	(21,857,386)	(4,932,589)	(4,932,589)	(4,932,589)	(5,849,589)	(5,001,971)	(7,935,971)	(4,723,105)	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance (Recapture)	**52,645,740**	**(21,857,386)**	**(26,789,975)**	**(31,722,564)**	**(36,655,153)**	**(42,504,742)**	**(47,506,713)**	**(55,442,683)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**
Construction Loan Schedule																	
Beginning Principal Balance		0	0	0	0	0	0	0	0	(1,170,623)	9,918,494	20,693,220	34,898,345	46,369,761	56,874,879	66,903,173	77,480,164
Draw	**97,048,683**	0	0	0	0	0	0	0	3,829,377	11,289,117	12,374,726	14,205,125	11,471,417	10,505,118	10,028,295	10,576,990	6,055,688
Interest	**3,214,037**	0	0	0	0	0	0	0	0	(6,585)	55,792	116,399	196,303	260,830	319,921	376,330	435,826
Refinancing	**(97,048,683)**	0	0	0	0	0	0	0	(5,000,000)	(200,000)	(1,600,000)	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	0	0	0	0	0	0	0	(1,170,623)	9,918,494	20,693,220	34,898,345	46,369,761	56,874,879	66,903,173	77,480,164	83,535,852
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11
Development --->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->		L	L	L	S	S	S	S	S	S	S	S	S	S	S	S	S
		Month 16	Month 17	Month 18	Month 19	Month 20	Month 21	Month 22	Month 23	Month 24	Month 25	Month 26	Month 27	Month 28	Month 29	Month 30	Month 31
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	0	0	0	1,063,892	1,063,882	1,063,989	1,064,563	1,064,563	1,049,204	1,049,117	1,049,124	1,050,836	1,054,695	1,057,274	1,057,364	1,057,294
Construction Draw (+)	97,048,683	3,567,838	1,673,753	1,471,240	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Contribution (+)	60,165,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**3,567,838**	**1,673,753**	**1,471,240**	**119,310,151**	**1,063,882**	**1,063,989**	**1,064,563**	**1,064,563**	**1,049,204**	**1,049,117**	**1,049,124**	**1,050,836**	**1,054,695**	**1,057,274**	**1,057,364**	**1,057,294**
Uses																	
Land & Closing Costs (-)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	(462,156)	(131,765)	(551,000)	0	0	0	0	0	0	0	0	0	0	0	0	0
Hard Cost (-)	(114,133,921)	(3,111,833)	(1,626,563)	(1,176,563)	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee (-)	(3,750,000)	(312,500)	(312,500)	(312,500)	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	(469,889)	(489,958)	(499,373)	0	0	0	0	0	0	0	0	0	0	0	0	0
NOI During Lease-Up (+)	3,284,650	788,540	887,032	1,068,196	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Loan Repayment (-)	(97,048,683)	0	0	0	(90,248,683)	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	0	0	0	0	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (-)	(112,811,529)	0	0	0	(29,061,468)	(273,228)	(273,335)	(273,909)	(273,909)	(258,550)	(258,463)	(258,470)	(260,182)	(264,041)	(266,620)	(266,710)	(266,640)
Total Uses	**(526,242,985)**	**(3,567,838)**	**(1,673,753)**	**(1,471,240)**	**(119,310,151)**	**(1,063,882)**	**(1,063,989)**	**(1,064,563)**	**(1,064,563)**	**(1,049,204)**	**(1,049,117)**	**(1,049,124)**	**(1,050,836)**	**(1,054,695)**	**(1,057,274)**	**(1,057,364)**	**(1,057,294)**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	(60,165,788)	(60,165,788)	(60,165,788)	(60,165,788)	(31,104,321)	(30,831,092)	(30,557,757)	(30,283,848)	(30,009,939)	(29,751,389)	(29,492,926)	(29,234,456)	(28,974,273)	(28,710,232)	(28,443,612)	(28,176,902)
Equity Contribution (-)	(60,165,788)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	0	0	0	29,061,468	273,228	273,335	273,909	273,909	258,550	258,463	258,470	260,182	264,041	266,620	266,710	266,640
Ending Balance (Recapture)	**52,645,740**	**(60,165,788)**	**(60,165,788)**	**(60,165,788)**	**(31,104,321)**	**(30,831,092)**	**(30,557,757)**	**(30,283,848)**	**(30,009,939)**	**(29,751,389)**	**(29,492,926)**	**(29,234,456)**	**(28,974,273)**	**(28,710,232)**	**(28,443,612)**	**(28,176,902)**	**(27,910,262)**
Construction Loan Schedule																	
Beginning Principal Balance		83,535,852	87,103,690	88,777,443	90,248,683	0	0	0	0	0	0	0	0	0	0	0	0
Draw	**97,048,683**	3,567,838	1,673,753	1,471,240	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	**3,214,037**	469,889	489,958	499,373	0	0	0	0	0	0	0	0	0	0	0	0	0
Refinancing	**(97,048,683)**	0	0	0	(90,248,683)	0	0	0	0	0	0	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	87,103,690	88,777,443	**90,248,683**	0	0	0	0	0	0	0	0	0	0	0	0	0
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13
Development ---->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
		Month 32	Month 33	Month 34	Month 35	Month 36	Month 37	Month 38	Month 39	Month 40	Month 41	Month 42	Month 43	Month 44	Month 45	Month 46	Month 47
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	1,057,263	1,057,370	1,056,037	1,056,037	1,055,412	1,055,330	1,055,316	1,057,079	1,061,074	1,063,714	1,063,804	1,063,724	1,063,724	1,063,839	1,058,006	1,058,006
Construction Draw (+)	97,048,683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Contribution (+)	60,165,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**1,057,263**	**1,057,370**	**1,056,037**	**1,056,037**	**1,055,412**	**1,055,330**	**1,055,316**	**1,057,079**	**1,061,074**	**1,063,714**	**1,063,804**	**1,063,724**	**1,063,724**	**1,063,839**	**1,058,006**	**1,058,006**
Uses																	
Land & Closing Costs (-)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hard Cost (-)	(114,133,921)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee (-)	(3,750,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NOI During Lease-Up (+)	3,284,650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Loan Repayment (-)	(97,048,683)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (-)	(112,811,529)	(266,609)	(266,716)	(265,383)	(265,383)	(264,758)	(264,676)	(264,662)	(266,425)	(270,420)	(273,060)	(273,150)	(273,070)	(273,070)	(273,185)	(267,352)	(267,352)
Total Uses	**(526,242,985)**	**(1,057,263)**	**(1,057,370)**	**(1,056,037)**	**(1,056,037)**	**(1,055,412)**	**(1,055,330)**	**(1,055,316)**	**(1,057,079)**	**(1,061,074)**	**(1,063,714)**	**(1,063,804)**	**(1,063,724)**	**(1,063,724)**	**(1,063,839)**	**(1,058,006)**	**(1,058,006)**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	(27,910,262)	(27,643,653)	(27,376,937)	(27,111,553)	(26,846,170)	(26,581,412)	(26,316,736)	(26,052,074)	(25,785,649)	(25,515,229)	(25,242,168)	(24,969,018)	(24,695,948)	(24,422,878)	(24,149,693)	(23,882,341)
Equity Contribution (-)	(60,165,788)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	266,609	266,716	265,383	265,383	264,758	264,676	264,662	266,425	270,420	273,060	273,150	273,070	273,070	273,185	267,352	267,352
Ending Balance (Recapture)	**52,645,740**	**(27,643,653)**	**(27,376,937)**	**(27,111,553)**	**(26,846,170)**	**(26,581,412)**	**(26,316,736)**	**(26,052,074)**	**(25,785,649)**	**(25,515,229)**	**(25,242,168)**	**(24,969,018)**	**(24,695,948)**	**(24,422,878)**	**(24,149,693)**	**(23,882,341)**	**(23,614,989)**
Construction Loan Schedule																	
Beginning Principal Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Draw	**97,048,683**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Refinancing	**(97,048,683)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
														0			
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Mar-13 Month 48	Apr-13 Month 49	May-13 Month 50	Jun-13 Month 51	Jul-13 Month 52	Aug-13 Month 53	Sep-13 Month 54	Oct-13 Month 55	Nov-13 Month 56	Dec-13 Month 57	Jan-14 Month 58	Feb-14 Month 59	Mar-14 Month 60	Apr-14 Month 61	May-14 Month 62	Jun-14 Month 63
Development --->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	1,057,272	1,057,174	1,057,272	1,058,979	1,063,100	1,065,933	1,065,906	1,065,835	1,065,911	1,065,838	1,064,376	1,064,376	1,063,584	1,063,503	1,063,593	1,065,358
Construction Draw (+)	97,048,683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Contribution (+)	60,165,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**1,057,272**	**1,057,174**	**1,057,272**	**1,058,979**	**1,063,100**	**1,065,933**	**1,065,906**	**1,065,835**	**1,065,911**	**1,065,838**	**1,064,376**	**1,064,376**	**1,063,584**	**1,063,503**	**1,063,593**	**1,065,358**
Uses																	
Land & Closing Costs (-)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hard Cost (-)	(114,133,921)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee (-)	(3,750,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NOI During Lease-Up (+)	3,284,650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Loan Repayment (-)	(97,048,683)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (-)	(112,811,529)	(266,618)	(266,520)	(266,618)	(268,325)	(272,446)	(275,279)	(275,252)	(275,181)	(275,257)	(275,184)	(273,722)	(273,722)	(272,930)	(272,849)	(272,939)	(274,704)
Total Uses	**(526,242,985)**	**(1,057,272)**	**(1,057,174)**	**(1,057,272)**	**(1,058,979)**	**(1,063,100)**	**(1,065,933)**	**(1,065,906)**	**(1,065,835)**	**(1,065,911)**	**(1,065,838)**	**(1,064,376)**	**(1,064,376)**	**(1,063,584)**	**(1,063,503)**	**(1,063,593)**	**(1,065,358)**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	(23,614,989)	(23,348,370)	(23,081,850)	(22,815,232)	(22,546,907)	(22,274,461)	(21,999,182)	(21,723,930)	(21,448,748)	(21,173,491)	(20,898,307)	(20,624,585)	(20,350,863)	(20,077,933)	(19,805,084)	(19,532,145)
Equity Contribution (-)	(60,165,788)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	266,618	266,520	266,618	268,325	272,446	275,279	275,252	275,181	275,257	275,184	273,722	273,722	272,930	272,849	272,939	274,704
Ending Balance (Recapture)	**52,645,740**	**(23,348,370)**	**(23,081,850)**	**(22,815,232)**	**(22,546,907)**	**(22,274,461)**	**(21,999,182)**	**(21,723,930)**	**(21,448,748)**	**(21,173,491)**	**(20,898,307)**	**(20,624,585)**	**(20,350,863)**	**(20,077,933)**	**(19,805,084)**	**(19,532,145)**	**(19,257,440)**
Construction Loan Schedule																	
Beginning Principal Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Draw	**97,048,683**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Refinancing	**(97,048,683)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15
Development ---->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	-
		Month 64	Month 65	Month 66	Month 67	Month 68	Month 69	Month 70	Month 71	Month 72	Month 73	Month 74	Month 75	Month 76	Month 77	Month 78	Month 79
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	1,069,613	1,072,509	1,072,495	1,072,413	1,072,516	1,072,386	1,070,981	1,070,981	1,068,891	1,068,775	1,088,251	1,105,402	1,123,975	1,126,998	1,140,508	0
Construction Draw (+)	97,048,683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	179,986,019
Equity Contribution (+)	60,165,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**1,069,613**	**1,072,509**	**1,072,495**	**1,072,413**	**1,072,516**	**1,072,386**	**1,070,981**	**1,070,981**	**1,068,891**	**1,068,775**	**1,088,251**	**1,105,402**	**1,123,975**	**1,126,998**	**1,140,508**	**179,986,019**
Uses																	
Land & Closing Costs (-)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hard Cost (-)	(114,133,921)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee (-)	(3,750,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NOI During Lease-Up (+)	3,284,650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Loan Repayment (-)	(97,048,683)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)	(790,654)
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(111,729,071)
Equity Recapture / Profit (-)	(112,811,529)	(278,959)	(281,855)	(281,841)	(281,759)	(281,862)	(281,732)	(280,327)	(280,327)	(278,237)	(278,121)	(297,597)	(314,748)	(333,321)	(336,344)	(349,854)	(67,466,295)
Total Uses	**(526,242,985)**	**(1,069,613)**	**(1,072,509)**	**(1,072,495)**	**(1,072,413)**	**(1,072,516)**	**(1,072,386)**	**(1,070,981)**	**(1,070,981)**	**(1,068,891)**	**(1,068,775)**	**(1,088,251)**	**(1,105,402)**	**(1,123,975)**	**(1,126,998)**	**(1,140,508)**	**(179,986,019)**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	(19,257,440)	(18,978,481)	(18,696,626)	(18,414,785)	(18,133,026)	(17,851,164)	(17,569,432)	(17,289,104)	(17,008,777)	(16,730,540)	(16,452,419)	(16,154,822)	(15,840,074)	(15,506,753)	(15,170,408)	(14,820,554)
Equity Contribution (-)	(60,165,788)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	278,959	281,855	281,841	281,759	281,862	281,732	280,327	280,327	278,237	278,121	297,597	314,748	333,321	336,344	349,854	67,466,295
Ending Balance (Recapture)	**52,645,740**	**(18,978,481)**	**(18,696,626)**	**(18,414,785)**	**(18,133,026)**	**(17,851,164)**	**(17,569,432)**	**(17,289,104)**	**(17,008,777)**	**(16,730,540)**	**(16,452,419)**	**(16,154,822)**	**(15,840,074)**	**(15,506,753)**	**(15,170,408)**	**(14,820,554)**	**52,645,740**
Construction Loan Schedule																	
Beginning Principal Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Draw	**97,048,683**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Refinancing	**(97,048,683)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George's County, Maryland
Sources & Uses

	Total	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17
Development --->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Month 80	Month 81	Month 82	Month 83	Month 84	Month 85	Month 86	Month 87	Month 88	Month 89	Month 90	Month 91	Month 92	Month 93	Month 94	Month 95
Sources & Uses of Funds																	
Sources																	
Stabilized Cash Flow (+)	63,996,236	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Draw (+)	97,048,683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan (Refinance Proceeds) (+)	118,246,259	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pad Sales / Site Reimbursement (+)	6,800,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residual (Property Sale) (+)	179,986,019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Contribution (+)	60,165,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Sources	**526,242,985**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Uses																	
Land & Closing Costs (-)	(21,000,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Soft Costs (-)	(17,484,163)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hard Cost (-)	(114,133,921)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Development Fee (-)	(3,750,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Fees & Closing Costs (-)	(917,000)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Interest Payment (-)	(3,214,037)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NOI During Lease-Up (+)	3,284,650	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Construction Loan Repayment (-)	(97,048,683)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt Service - Permanent Loan (-)	(47,439,232)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Permanent Loan Repayment (-)	(111,729,071)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (-)	(112,811,529)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Uses	**(526,242,985)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Schedule																	
Beginning Balance	0	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740	52,645,740
Equity Contribution (-)	(60,165,788)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Recapture / Profit (+)	112,811,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance (Recapture)	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**	**52,645,740**
Construction Loan Schedule																	
Beginning Principal Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Draw	**97,048,683**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Refinancing	**(97,048,683)**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ending Principal Balance	**3,214,037**	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maximum Equity	60,165,788																
Maximum Construction Loan Balance	90,248,683																
Maximum Allowable Construction Loan	90,248,683																

Ritchie Marketplace
Prince George'

Development ---->	DD	PD	PD	PD	PD	PD	PD	C	C	C	C	C	C	C	C	C	-	-	-
Occupancy ----->	-	-	-	-	-	-	-	-	-	-	-	-	-	-	L	L	L	L	L
	Mar-09	**Apr-09**	**May-09**	**Jun-09**	**Jul-09**	**Aug-09**	**Sep-09**	**Oct-09**	**Nov-09**	**Dec-09**	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**
Operating Statement																			
Revenue																			
Base Rental Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	396,171	608,336	941,409	1,028,908	1,167,374
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**396,171**	**608,336**	**941,409**	**1,028,908**	**1,167,374**
Expense Reimbursement Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	196,876	255,366	316,992	330,253	377,118
Potential Gross Revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**593,047**	**863,702**	**1,258,401**	**1,359,161**	**1,544,492**
General Vacancy															(27,615)	(27,615)	(27,615)	(27,616)	(27,615)
Collection Loss															(6,903)	(6,904)	(6,904)	(6,904)	(6,903)
Effective Gross Revenue	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**558,529**	**829,183**	**1,223,882**	**1,324,641**	**1,509,974**
Operating Expenses																			
Real Estate Taxes															(219,249)	(219,250)	(219,250)	(219,249)	(219,250)
Insurance															(17,540)	(17,540)	(17,540)	(17,540)	(17,540)
CAM															(131,549)	(131,550)	(131,549)	(131,551)	(131,549)
Management Fee															(12,567)	(18,656)	(27,537)	(29,805)	(33,974)
General & Administrative															(30,695)	(30,694)	(30,696)	(30,694)	(30,695)
Marketing & Leasing															(8,770)	(8,770)	(8,770)	(8,770)	(8,770)
Total Operating Expenses	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(420,370)**	**(426,460)**	**(435,342)**	**(437,609)**	**(441,778)**
Net Operating Income	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**138,159**	**402,723**	**788,540**	**887,032**	**1,068,196**
Leasing & Capital Costs																			
Tenant Improvements															0	0	0	0	0
Leasing Commissions															0	0	0	0	0
Capital Reserve															(4,291)	(4,190)	(4,291)	(4,292)	(4,189)
Total Leasing & Capital Costs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**(4,291)**	**(4,190)**	**(4,291)**	**(4,292)**	**(4,189)**
Cash Flow Before Debt Service	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**133,868**	**398,533**	**784,249**	**882,740**	**1,064,007**
Forward 12-Month NOI	0	0	138,159	540,882	1,329,422	2,216,454	3,284,650	4,352,833	5,421,006	6,489,185	7,558,039	8,626,893	9,680,286	10,733,694	11,648,950	12,301,253	12,571,699	12,746,233	12,739,590

Ritchie Marketplace
Prince George'

	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
Operating Statement																			
Revenue																			
Base Rental Revenue	1,167,374	1,167,364	1,167,379	1,167,369	1,167,369	1,167,361	1,167,382	1,167,369	1,169,027	1,173,095	1,175,718	1,175,711	1,175,720	1,175,716	1,175,708	1,175,717	1,175,717	1,175,711	1,175,721
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,167,374**	**1,167,364**	**1,167,379**	**1,167,369**	**1,167,369**	**1,167,361**	**1,167,382**	**1,167,369**	**1,169,027**	**1,173,095**	**1,175,718**	**1,175,711**	**1,175,720**	**1,175,716**	**1,175,708**	**1,175,717**	**1,175,717**	**1,175,711**	**1,175,721**
Expense Reimbursement Revenue	377,107	377,105	377,096	390,313	390,313	390,317	390,312	390,332	390,321	390,306	390,322	390,313	390,340	390,311	390,329	401,946	401,946	401,952	401,966
Potential Gross Revenue	**1,544,481**	**1,544,469**	**1,544,475**	**1,557,682**	**1,557,682**	**1,557,678**	**1,557,694**	**1,557,701**	**1,559,348**	**1,563,401**	**1,566,040**	**1,566,024**	**1,566,060**	**1,566,027**	**1,566,037**	**1,577,663**	**1,577,663**	**1,577,663**	**1,577,687**
General Vacancy	(27,615)	(27,615)	(27,616)	(27,615)	(27,615)	(40,265)	(40,265)	(40,266)	(40,265)	(40,265)	(40,266)	(40,265)	(40,265)	(40,265)	(40,266)	(40,265)	(40,265)	(40,860)	(40,860)
Collection Loss	(6,904)	(6,904)	(6,903)	(6,904)	(6,904)	(10,066)	(10,067)	(10,065)	(10,066)	(10,067)	(10,066)	(10,066)	(10,067)	(10,066)	(10,067)	(10,066)	(10,066)	(10,215)	(10,216)
Effective Gross Revenue	**1,509,962**	**1,509,950**	**1,509,956**	**1,523,163**	**1,523,163**	**1,507,347**	**1,507,362**	**1,507,370**	**1,509,017**	**1,513,069**	**1,515,708**	**1,515,693**	**1,515,728**	**1,515,696**	**1,515,704**	**1,527,332**	**1,527,332**	**1,526,588**	**1,526,611**
Operating Expenses																			
Real Estate Taxes	(219,249)	(219,250)	(219,249)	(225,827)	(225,827)	(225,827)	(225,827)	(225,827)	(225,827)	(225,827)	(225,828)	(225,827)	(225,827)	(225,827)	(225,828)	(232,602)	(232,602)	(232,602)	(232,602)
Insurance	(17,540)	(17,539)	(17,541)	(18,066)	(18,066)	(18,066)	(18,067)	(18,066)	(18,066)	(18,066)	(18,066)	(18,066)	(18,067)	(18,066)	(18,066)	(18,608)	(18,608)	(18,608)	(18,609)
CAM	(131,550)	(131,550)	(131,549)	(135,496)	(135,496)	(135,497)	(135,496)	(135,497)	(135,496)	(135,496)	(135,497)	(135,495)	(135,497)	(135,496)	(135,497)	(139,561)	(139,561)	(139,561)	(139,561)
Management Fee	(33,974)	(33,974)	(33,974)	(34,271)	(34,271)	(33,915)	(33,916)	(33,916)	(33,953)	(34,044)	(34,103)	(34,103)	(34,103)	(34,104)	(34,104)	(34,365)	(34,365)	(34,348)	(34,349)
General & Administrative	(30,696)	(30,694)	(30,695)	(31,616)	(31,616)	(31,616)	(31,615)	(31,616)	(31,616)	(31,616)	(31,615)	(31,616)	(31,616)	(31,616)	(31,616)	(32,564)	(32,564)	(32,564)	(32,565)
Marketing & Leasing	(8,770)	(8,770)	(8,769)	(9,033)	(9,033)	(9,033)	(9,033)	(9,033)	(9,033)	(9,034)	(9,033)	(9,033)	(9,033)	(9,033)	(9,033)	(9,304)	(9,304)	(9,304)	(9,304)
Total Operating Expenses	**(441,779)**	**(441,777)**	**(441,777)**	**(454,309)**	**(454,309)**	**(453,954)**	**(453,954)**	**(453,955)**	**(453,991)**	**(454,083)**	**(454,142)**	**(454,140)**	**(454,143)**	**(454,142)**	**(454,144)**	**(467,004)**	**(467,004)**	**(466,987)**	**(466,990)**
Net Operating Income	**1,068,183**	**1,068,173**	**1,068,179**	**1,068,854**	**1,068,854**	**1,053,393**	**1,053,408**	**1,053,415**	**1,055,026**	**1,058,986**	**1,061,566**	**1,061,553**	**1,061,585**	**1,061,554**	**1,061,560**	**1,060,328**	**1,060,328**	**1,059,601**	**1,059,621**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(4,291)	(4,291)	(4,190)	(4,291)	(4,291)	(4,189)	(4,291)	(4,291)	(4,190)	(4,291)	(4,292)	(4,189)	(4,291)	(4,291)	(4,190)	(4,291)	(4,291)	(4,189)	(4,291)
Total Leasing & Capital Costs	**(4,291)**	**(4,291)**	**(4,190)**	**(4,291)**	**(4,291)**	**(4,189)**	**(4,291)**	**(4,291)**	**(4,190)**	**(4,291)**	**(4,292)**	**(4,189)**	**(4,291)**	**(4,291)**	**(4,190)**	**(4,291)**	**(4,291)**	**(4,189)**	**(4,291)**
Cash Flow Before Debt Service	**1,063,892**	**1,063,882**	**1,063,989**	**1,064,563**	**1,064,563**	**1,049,204**	**1,049,117**	**1,049,124**	**1,050,836**	**1,054,695**	**1,057,274**	**1,057,364**	**1,057,294**	**1,057,263**	**1,057,370**	**1,056,037**	**1,056,037**	**1,055,412**	**1,055,330**
					790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654
Forward 12-Month NOI	12,732,992	12,726,373	12,719,754	12,711,228	12,702,702	12,708,910	12,715,123	12,721,315	12,727,558	12,733,937	12,740,377	12,746,817	12,753,247	12,759,708	12,766,177	12,772,590	12,779,003	12,785,408	12,791,802

Ritchie Marketplace
Prince George'

	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13
Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
Operating Statement																			
Revenue																			
Base Rental Revenue	1,175,716	1,177,419	1,181,604	1,184,304	1,184,302	1,184,306	1,184,319	1,184,308	1,184,303	1,184,303	1,184,306	1,184,316	1,184,307	1,186,068	1,190,379	1,193,160	1,193,157	1,193,172	1,193,158
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,175,716**	**1,177,419**	**1,181,604**	**1,184,304**	**1,184,302**	**1,184,306**	**1,184,319**	**1,184,308**	**1,184,303**	**1,184,303**	**1,184,306**	**1,184,316**	**1,184,307**	**1,186,068**	**1,190,379**	**1,193,160**	**1,193,157**	**1,193,172**	**1,193,158**
Expense Reimbursement Revenue	401,953	401,952	401,956	401,960	401,947	401,965	401,952	401,980	413,943	413,943	413,955	413,955	413,952	413,939	413,954	413,963	413,936	413,956	413,944
Potential Gross Revenue	**1,577,669**	**1,579,371**	**1,583,560**	**1,586,264**	**1,586,249**	**1,586,271**	**1,586,271**	**1,586,288**	**1,598,246**	**1,598,246**	**1,598,261**	**1,598,271**	**1,598,259**	**1,600,007**	**1,604,333**	**1,607,123**	**1,607,093**	**1,607,128**	**1,607,102**
General Vacancy	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(40,860)	(41,473)	(41,473)	(41,473)	(41,473)	(41,474)	(41,473)	(41,473)	(41,473)	(41,473)
Collection Loss	(10,215)	(10,215)	(10,214)	(10,215)	(10,216)	(10,215)	(10,214)	(10,216)	(10,215)	(10,215)	(10,369)	(10,369)	(10,367)	(10,369)	(10,368)	(10,369)	(10,368)	(10,368)	(10,368)
Effective Gross Revenue	**1,526,594**	**1,528,296**	**1,532,486**	**1,535,189**	**1,535,173**	**1,535,196**	**1,535,197**	**1,535,212**	**1,547,171**	**1,547,171**	**1,546,419**	**1,546,429**	**1,546,419**	**1,548,165**	**1,552,491**	**1,555,281**	**1,555,252**	**1,555,287**	**1,555,261**
Operating Expenses																			
Real Estate Taxes	(232,601)	(232,603)	(232,602)	(232,602)	(232,602)	(232,601)	(232,603)	(232,602)	(239,580)	(239,580)	(239,580)	(239,580)	(239,580)	(239,580)	(239,580)	(239,580)	(239,581)	(239,579)	(239,580)
Insurance	(18,608)	(18,608)	(18,608)	(18,609)	(18,607)	(18,608)	(18,608)	(18,609)	(19,166)	(19,166)	(19,166)	(19,167)	(19,166)	(19,166)	(19,167)	(19,166)	(19,166)	(19,167)	(19,167)
CAM	(139,561)	(139,561)	(139,562)	(139,561)	(139,561)	(139,561)	(139,561)	(139,562)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,748)	(143,749)
Management Fee	(34,349)	(34,387)	(34,480)	(34,542)	(34,542)	(34,542)	(34,542)	(34,541)	(34,811)	(34,811)	(34,795)	(34,795)	(34,794)	(34,833)	(34,931)	(34,994)	(34,993)	(34,994)	(34,994)
General & Administrative	(32,564)	(32,564)	(32,565)	(32,564)	(32,564)	(32,565)	(32,564)	(32,565)	(33,542)	(33,542)	(33,541)	(33,541)	(33,541)	(33,542)	(33,540)	(33,542)	(33,541)	(33,541)	(33,541)
Marketing & Leasing	(9,304)	(9,304)	(9,304)	(9,305)	(9,304)	(9,304)	(9,304)	(9,304)	(9,583)	(9,583)	(9,583)	(9,583)	(9,583)	(9,583)	(9,584)	(9,583)	(9,583)	(9,583)	(9,583)
Total Operating Expenses	**(466,987)**	**(467,027)**	**(467,121)**	**(467,183)**	**(467,180)**	**(467,181)**	**(467,182)**	**(467,183)**	**(480,430)**	**(480,430)**	**(480,413)**	**(480,414)**	**(480,412)**	**(480,452)**	**(480,550)**	**(480,613)**	**(480,612)**	**(480,612)**	**(480,614)**
Net Operating Income	**1,059,607**	**1,061,269**	**1,065,365**	**1,068,006**	**1,067,993**	**1,068,015**	**1,068,015**	**1,068,029**	**1,066,741**	**1,066,741**	**1,066,006**	**1,066,015**	**1,066,007**	**1,067,713**	**1,071,941**	**1,074,668**	**1,074,640**	**1,074,675**	**1,074,647**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(4,291)	(4,190)	(4,291)	(4,292)	(4,189)	(4,291)	(4,291)	(4,190)	(8,735)	(8,735)	(8,734)	(8,841)	(8,735)	(8,734)	(8,841)	(8,735)	(8,734)	(8,840)	(8,736)
Total Leasing & Capital Costs	**(4,291)**	**(4,190)**	**(4,291)**	**(4,292)**	**(4,189)**	**(4,291)**	**(4,291)**	**(4,190)**	**(8,735)**	**(8,735)**	**(8,734)**	**(8,841)**	**(8,735)**	**(8,734)**	**(8,841)**	**(8,735)**	**(8,734)**	**(8,840)**	**(8,736)**
Cash Flow Before Debt Service	**1,055,316**	**1,057,079**	**1,061,074**	**1,063,714**	**1,063,804**	**1,063,724**	**1,063,724**	**1,063,839**	**1,058,006**	**1,058,006**	**1,057,272**	**1,057,174**	**1,057,272**	**1,058,979**	**1,063,100**	**1,065,933**	**1,065,906**	**1,065,835**	**1,065,911**
	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654
Forward 12-Month NOI	12,798,202	12,804,646	12,811,222	12,817,884	12,824,531	12,831,191	12,837,823	12,844,471	12,851,103	12,857,735	12,864,310	12,870,903	12,877,487	12,884,128	12,890,905	12,897,743	12,904,596	12,911,439	12,918,304

Ritchie Marketplace
Prince George'

Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
	Dec-13	**Jan-14**	**Feb-14**	**Mar-14**	**Apr-14**	**May-14**	**Jun-14**	**Jul-14**	**Aug-14**	**Sep-14**	**Oct-14**	**Nov-14**	**Dec-14**	**Jan-15**	**Feb-15**	**Mar-15**	**Apr-15**	**May-15**	**Jun-15**
Operating Statement																			
Revenue																			
Base Rental Revenue	1,193,160	1,193,162	1,193,162	1,193,153	1,193,166	1,193,162	1,194,966	1,199,418	1,202,277	1,202,275	1,202,284	1,202,273	1,202,281	1,202,280	1,202,280	1,202,280	1,202,276	1,222,089	1,239,637
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,193,160**	**1,193,162**	**1,193,162**	**1,193,153**	**1,193,166**	**1,193,162**	**1,194,966**	**1,199,418**	**1,202,277**	**1,202,275**	**1,202,284**	**1,202,273**	**1,202,281**	**1,202,280**	**1,202,280**	**1,202,280**	**1,202,276**	**1,222,089**	**1,239,637**
Expense Reimbursement Revenue	413,972	426,311	426,311	426,297	426,315	426,304	426,298	426,312	426,308	426,295	426,312	426,317	426,289	439,101	439,101	439,113	439,113	439,111	439,103
Potential Gross Revenue	**1,607,132**	**1,619,473**	**1,619,473**	**1,619,450**	**1,619,481**	**1,619,466**	**1,621,264**	**1,625,730**	**1,628,585**	**1,628,570**	**1,628,596**	**1,628,590**	**1,628,570**	**1,641,381**	**1,641,381**	**1,641,393**	**1,641,389**	**1,661,200**	**1,678,740**
General Vacancy	(41,474)	(41,473)	(41,473)	(42,104)	(42,105)	(42,105)	(42,105)	(42,104)	(42,106)	(42,104)	(42,105)	(42,105)	(42,105)	(42,104)	(42,104)	(43,822)	(43,823)	(43,823)	(43,822)
Collection Loss	(10,367)	(10,369)	(10,369)	(10,526)	(10,526)	(10,526)	(10,526)	(10,525)	(10,527)	(10,526)	(10,526)	(10,527)	(10,525)	(10,526)	(10,526)	(10,956)	(10,956)	(10,956)	(10,955)
Effective Gross Revenue	**1,555,291**	**1,567,631**	**1,567,631**	**1,566,820**	**1,566,850**	**1,566,835**	**1,568,633**	**1,573,101**	**1,575,952**	**1,575,940**	**1,575,965**	**1,575,958**	**1,575,940**	**1,588,751**	**1,588,751**	**1,586,615**	**1,586,610**	**1,606,421**	**1,623,963**
Operating Expenses																			
Real Estate Taxes	(239,581)	(246,767)	(246,767)	(246,768)	(246,767)	(246,768)	(246,767)	(246,767)	(246,768)	(246,767)	(246,768)	(246,767)	(246,768)	(254,170)	(254,170)	(254,170)	(254,171)	(254,170)	(254,170)
Insurance	(19,167)	(19,741)	(19,741)	(19,741)	(19,741)	(19,742)	(19,741)	(19,742)	(19,741)	(19,742)	(19,741)	(19,741)	(19,743)	(20,334)	(20,334)	(20,334)	(20,334)	(20,334)	(20,332)
CAM	(143,747)	(148,060)	(148,060)	(148,060)	(148,060)	(148,062)	(148,060)	(148,060)	(148,060)	(148,061)	(148,061)	(148,060)	(148,062)	(152,502)	(152,502)	(152,502)	(152,502)	(152,502)	(152,503)
Management Fee	(34,994)	(35,271)	(35,271)	(35,253)	(35,255)	(35,254)	(35,294)	(35,395)	(35,459)	(35,459)	(35,459)	(35,460)	(35,458)	(35,747)	(35,747)	(35,699)	(35,699)	(36,145)	(36,539)
General & Administrative	(33,540)	(34,548)	(34,548)	(34,547)	(34,548)	(34,547)	(34,547)	(34,548)	(34,548)	(34,547)	(34,547)	(34,548)	(34,546)	(35,584)	(35,584)	(35,584)	(35,584)	(35,584)	(35,584)
Marketing & Leasing	(9,585)	(9,871)	(9,871)	(9,870)	(9,871)	(9,871)	(9,870)	(9,871)	(9,870)	(9,871)	(9,871)	(9,870)	(9,871)	(10,166)	(10,166)	(10,168)	(10,166)	(10,168)	(10,166)
Total Operating Expenses	**(480,614)**	**(494,258)**	**(494,258)**	**(494,239)**	**(494,242)**	**(494,244)**	**(494,279)**	**(494,383)**	**(494,446)**	**(494,447)**	**(494,447)**	**(494,446)**	**(494,448)**	**(508,503)**	**(508,503)**	**(508,457)**	**(508,456)**	**(508,903)**	**(509,294)**
Net Operating Income	**1,074,677**	**1,073,373**	**1,073,373**	**1,072,581**	**1,072,608**	**1,072,591**	**1,074,354**	**1,078,718**	**1,081,506**	**1,081,493**	**1,081,518**	**1,081,512**	**1,081,492**	**1,080,248**	**1,080,248**	**1,078,158**	**1,078,154**	**1,097,518**	**1,114,669**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(8,839)	(8,997)	(8,997)	(8,997)	(9,105)	(8,998)	(8,996)	(9,105)	(8,997)	(8,998)	(9,105)	(8,996)	(9,106)	(9,267)	(9,267)	(9,267)	(9,379)	(9,267)	(9,267)
Total Leasing & Capital Costs	**(8,839)**	**(8,997)**	**(8,997)**	**(8,997)**	**(9,105)**	**(8,998)**	**(8,996)**	**(9,105)**	**(8,997)**	**(8,998)**	**(9,105)**	**(8,996)**	**(9,106)**	**(9,267)**	**(9,267)**	**(9,267)**	**(9,379)**	**(9,267)**	**(9,267)**
Cash Flow Before Debt Service	**1,065,838**	**1,064,376**	**1,064,376**	**1,063,584**	**1,063,503**	**1,063,593**	**1,065,358**	**1,069,613**	**1,072,509**	**1,072,495**	**1,072,413**	**1,072,516**	**1,072,386**	**1,070,981**	**1,070,981**	**1,068,891**	**1,068,775**	**1,088,251**	**1,105,402**
	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654	790,654					
Forward 12-Month NOI	12,925,119	12,931,994	12,938,869	12,944,446	12,949,992	12,974,919	13,015,234	13,069,869	13,124,628	13,192,910	13,261,182	13,329,448	13,397,722	13,465,969	13,534,216	13,603,124	13,671,994	13,721,545	13,755,816

Ritchie Marketplace
Prince George'

Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	s	s	s	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Jul-15	**Aug-15**	**Sep-15**	**Oct-15**	**Nov-15**	**Dec-15**	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**Jun-16**	**Jul-16**	**Aug-16**	**Sep-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Jan-17**
Operating Statement																			
Revenue																			
Base Rental Revenue	1,258,762	1,261,709	1,275,561	1,275,555	1,275,559	1,275,551	1,275,562	1,275,562	1,275,556	1,275,559	1,275,562	1,277,484	1,282,185	1,285,238	1,285,226	1,285,228	1,285,237	1,285,222	1,285,234
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,258,762**	**1,261,709**	**1,275,561**	**1,275,555**	**1,275,559**	**1,275,551**	**1,275,562**	**1,275,562**	**1,275,556**	**1,275,559**	**1,275,562**	**1,277,484**	**1,282,185**	**1,285,238**	**1,285,226**	**1,285,228**	**1,285,237**	**1,285,222**	**1,285,234**
Expense Reimbursement Revenue	439,095	439,127	439,097	439,119	439,099	439,097	452,296	452,296	452,315	452,271	452,315	452,306	452,292	452,293	452,334	452,266	452,317	452,299	465,825
Potential Gross Revenue	**1,697,857**	**1,700,836**	**1,714,658**	**1,714,674**	**1,714,658**	**1,714,648**	**1,727,858**	**1,727,858**	**1,727,871**	**1,727,830**	**1,727,877**	**1,729,790**	**1,734,477**	**1,737,531**	**1,737,560**	**1,737,494**	**1,737,554**	**1,737,521**	**1,751,059**
General Vacancy	(43,822)	(43,822)	(43,822)	(43,822)	(43,822)	(43,823)	(43,822)	(43,822)	(45,004)	(45,004)	(45,005)	(45,004)	(45,005)	(45,004)	(45,005)	(45,005)	(45,004)	(45,005)	(45,004)
Collection Loss	(10,956)	(10,955)	(10,956)	(10,955)	(10,956)	(10,955)	(10,956)	(10,956)	(11,250)	(11,251)	(11,252)	(11,251)	(11,250)	(11,252)	(11,251)	(11,251)	(11,252)	(11,251)	(11,251)
Effective Gross Revenue	**1,643,079**	**1,646,059**	**1,659,880**	**1,659,897**	**1,659,880**	**1,659,870**	**1,673,080**	**1,673,080**	**1,671,617**	**1,671,575**	**1,671,620**	**1,673,535**	**1,678,222**	**1,681,275**	**1,681,304**	**1,681,238**	**1,681,298**	**1,681,265**	**1,694,804**
Operating Expenses																			
Real Estate Taxes	(254,171)	(254,170)	(254,171)	(254,171)	(254,170)	(254,171)	(261,796)	(261,796)	(261,796)	(261,795)	(261,796)	(261,796)	(261,795)	(261,796)	(261,796)	(261,794)	(261,796)	(261,795)	(269,650)
Insurance	(20,334)	(20,334)	(20,334)	(20,334)	(20,333)	(20,333)	(20,943)	(20,943)	(20,944)	(20,943)	(20,944)	(20,944)	(20,944)	(20,943)	(20,944)	(20,943)	(20,944)	(20,945)	(21,571)
CAM	(152,502)	(152,502)	(152,502)	(152,502)	(152,503)	(152,503)	(157,078)	(157,078)	(157,077)	(157,078)	(157,077)	(157,077)	(157,077)	(157,078)	(157,077)	(157,078)	(157,076)	(157,077)	(161,790)
Management Fee	(36,969)	(37,036)	(37,348)	(37,348)	(37,346)	(37,347)	(37,644)	(37,644)	(37,612)	(37,611)	(37,611)	(37,655)	(37,760)	(37,829)	(37,829)	(37,827)	(37,829)	(37,829)	(38,133)
General & Administrative	(35,584)	(35,584)	(35,584)	(35,584)	(35,584)	(35,582)	(36,652)	(36,652)	(36,651)	(36,652)	(36,651)	(36,651)	(36,651)	(36,652)	(36,651)	(36,652)	(36,652)	(36,650)	(37,751)
Marketing & Leasing	(10,166)	(10,168)	(10,166)	(10,168)	(10,166)	(10,168)	(10,472)	(10,472)	(10,471)	(10,472)	(10,472)	(10,472)	(10,472)	(10,471)	(10,473)	(10,471)	(10,472)	(10,472)	(10,786)
Total Operating Expenses	**(509,726)**	**(509,794)**	**(510,105)**	**(510,107)**	**(510,102)**	**(510,104)**	**(524,585)**	**(524,585)**	**(524,551)**	**(524,551)**	**(524,551)**	**(524,595)**	**(524,699)**	**(524,769)**	**(524,770)**	**(524,765)**	**(524,769)**	**(524,768)**	**(539,681)**
Net Operating Income	**1,133,353**	**1,136,265**	**1,149,775**	**1,149,790**	**1,149,778**	**1,149,766**	**1,148,495**	**1,148,495**	**1,147,066**	**1,147,024**	**1,147,069**	**1,148,940**	**1,153,523**	**1,156,506**	**1,156,534**	**1,156,473**	**1,156,529**	**1,156,497**	**1,155,123**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(9,378)	(9,267)	(9,267)	(9,379)	(9,267)	(9,377)	(9,545)	(9,545)	(9,545)	(9,660)	(9,545)	(9,544)	(9,660)	(9,545)	(9,545)	(9,660)	(9,545)	(9,660)	(9,831)
Total Leasing & Capital Costs	**(9,378)**	**(9,267)**	**(9,267)**	**(9,379)**	**(9,267)**	**(9,377)**	**(9,545)**	**(9,545)**	**(9,545)**	**(9,660)**	**(9,545)**	**(9,544)**	**(9,660)**	**(9,545)**	**(9,545)**	**(9,660)**	**(9,545)**	**(9,660)**	**(9,831)**
Cash Flow Before Debt Service	**1,123,975**	**1,126,998**	**1,140,508**	**1,140,411**	**1,140,511**	**1,140,389**	**1,138,950**	**1,138,950**	**1,137,521**	**1,137,364**	**1,137,524**	**1,139,396**	**1,143,863**	**1,146,961**	**1,146,989**	**1,146,813**	**1,146,984**	**1,146,837**	**1,145,292**
	9896.873																		
Forward 12-Month NOI	13,775,986	13,796,227	13,802,986	13,809,669	13,816,420	13,823,151	13,829,779	13,836,407	13,843,587	13,850,817	13,858,002	13,865,266	13,872,651	13,880,143	13,887,598	13,895,117	13,902,584	13,910,027	13,917,447

Ritchie Marketplace
Prince George'

Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18
Operating Statement																			
Revenue																			
Base Rental Revenue	1,285,234	1,285,223	1,285,235	1,285,238	1,287,206	1,292,062	1,295,195	1,295,194	1,295,192	1,295,199	1,295,192	1,295,195	1,295,195	1,295,197	1,295,192	1,295,198	1,297,230	1,302,223	1,305,461
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,285,234**	**1,285,223**	**1,285,235**	**1,285,238**	**1,287,206**	**1,292,062**	**1,295,195**	**1,295,194**	**1,295,192**	**1,295,199**	**1,295,192**	**1,295,195**	**1,295,195**	**1,295,197**	**1,295,192**	**1,295,198**	**1,297,230**	**1,302,223**	**1,305,461**
Expense Reimbursement Revenue	465,825	465,801	465,797	465,797	465,820	465,779	465,805	465,800	465,802	465,801	465,750	479,709	479,709	479,703	479,697	479,702	479,709	479,701	479,714
Potential Gross Revenue	**1,751,059**	**1,751,024**	**1,751,032**	**1,751,035**	**1,753,026**	**1,757,841**	**1,761,000**	**1,760,994**	**1,760,994**	**1,761,000**	**1,760,942**	**1,774,904**	**1,774,904**	**1,774,900**	**1,774,889**	**1,774,900**	**1,776,939**	**1,781,924**	**1,785,175**
General Vacancy	(45,004)	(45,694)	(45,695)	(45,694)	(45,694)	(45,694)	(45,694)	(45,694)	(45,694)	(45,694)	(45,695)	(45,694)	(45,694)	(46,405)	(46,405)	(46,405)	(46,404)	(46,405)	(46,405)
Collection Loss	(11,251)	(11,424)	(11,423)	(11,424)	(11,423)	(11,424)	(11,423)	(11,424)	(11,423)	(11,424)	(11,424)	(11,424)	(11,424)	(11,601)	(11,601)	(11,601)	(11,601)	(11,601)	(11,602)
Effective Gross Revenue	**1,694,804**	**1,693,906**	**1,693,914**	**1,693,917**	**1,695,909**	**1,700,723**	**1,703,883**	**1,703,876**	**1,703,877**	**1,703,882**	**1,703,823**	**1,717,786**	**1,717,786**	**1,716,894**	**1,716,883**	**1,716,894**	**1,718,934**	**1,723,918**	**1,727,168**
Operating Expenses																			
Real Estate Taxes	(269,650)	(269,649)	(269,650)	(269,649)	(269,650)	(269,649)	(269,649)	(269,650)	(269,649)	(269,650)	(269,648)	(277,739)	(277,739)	(277,739)	(277,739)	(277,738)	(277,740)	(277,738)	(277,740)
Insurance	(21,571)	(21,573)	(21,571)	(21,573)	(21,571)	(21,573)	(21,571)	(21,573)	(21,571)	(21,573)	(21,573)	(22,219)	(22,219)	(22,219)	(22,220)	(22,219)	(22,219)	(22,218)	(22,220)
CAM	(161,790)	(161,789)	(161,790)	(161,789)	(161,790)	(161,789)	(161,791)	(161,789)	(161,790)	(161,789)	(161,790)	(166,643)	(166,643)	(166,643)	(166,644)	(166,643)	(166,643)	(166,644)	(166,643)
Management Fee	(38,133)	(38,112)	(38,113)	(38,114)	(38,158)	(38,267)	(38,338)	(38,337)	(38,338)	(38,336)	(38,336)	(38,650)	(38,650)	(38,631)	(38,629)	(38,630)	(38,677)	(38,788)	(38,861)
General & Administrative	(37,751)	(37,751)	(37,751)	(37,751)	(37,750)	(37,751)	(37,751)	(37,751)	(37,751)	(37,752)	(37,750)	(38,883)	(38,883)	(38,884)	(38,883)	(38,884)	(38,883)	(38,884)	(38,883)
Marketing & Leasing	(10,786)	(10,786)	(10,785)	(10,787)	(10,786)	(10,786)	(10,785)	(10,787)	(10,786)	(10,786)	(10,786)	(11,109)	(11,109)	(11,110)	(11,109)	(11,110)	(11,109)	(11,109)	(11,111)
Total Operating Expenses	**(539,681)**	**(539,660)**	**(539,660)**	**(539,663)**	**(539,705)**	**(539,815)**	**(539,885)**	**(539,887)**	**(539,885)**	**(539,886)**	**(539,883)**	**(555,243)**	**(555,243)**	**(555,226)**	**(555,224)**	**(555,224)**	**(555,271)**	**(555,381)**	**(555,458)**
Net Operating Income	**1,155,123**	**1,154,246**	**1,154,254**	**1,154,254**	**1,156,204**	**1,160,908**	**1,163,998**	**1,163,989**	**1,163,992**	**1,163,996**	**1,163,940**	**1,162,543**	**1,162,543**	**1,161,668**	**1,161,659**	**1,161,670**	**1,163,663**	**1,168,537**	**1,171,710**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(9,831)	(9,831)	(9,950)	(9,831)	(9,831)	(9,950)	(9,831)	(9,832)	(9,950)	(9,831)	(9,949)	(10,126)	(10,126)	(10,127)	(10,247)	(10,127)	(10,126)	(10,248)	(10,126)
Total Leasing & Capital Costs	**(9,831)**	**(9,831)**	**(9,950)**	**(9,831)**	**(9,831)**	**(9,950)**	**(9,831)**	**(9,832)**	**(9,950)**	**(9,831)**	**(9,949)**	**(10,126)**	**(10,126)**	**(10,127)**	**(10,247)**	**(10,127)**	**(10,126)**	**(10,248)**	**(10,126)**
Cash Flow Before Debt Service	**1,145,292**	**1,144,415**	**1,144,304**	**1,144,423**	**1,146,373**	**1,150,958**	**1,154,167**	**1,154,157**	**1,154,042**	**1,154,165**	**1,153,991**	**1,152,417**	**1,152,417**	**1,151,541**	**1,151,412**	**1,151,543**	**1,153,537**	**1,158,289**	**1,161,584**
																		10787.948	
Forward 12-Month NOI	13,924,867	13,932,289	13,939,694	13,947,110	13,954,569	13,962,198	13,969,910	13,977,628	13,985,322	13,993,034	14,000,782	14,008,453	14,016,124	14,023,774	14,031,415	14,039,059	14,046,775	14,054,624	14,062,557

Ritchie Marketplace
Prince George'

Development --	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupancy ----	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20
Operating Statement																			
Revenue																			
Base Rental Revenue	1,305,460	1,305,454	1,305,460	1,305,446	1,305,461	1,305,461	1,305,453	1,305,454	1,305,461	1,307,556	1,312,701	1,316,030	1,316,027	1,316,027	1,316,025	1,316,011	1,316,030	1,316,030	1,316,018
Absorption & Turnover Vacancy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Base Revenue	**1,305,460**	**1,305,454**	**1,305,460**	**1,305,446**	**1,305,461**	**1,305,461**	**1,305,453**	**1,305,454**	**1,305,461**	**1,307,556**	**1,312,701**	**1,316,030**	**1,316,027**	**1,316,027**	**1,316,025**	**1,316,011**	**1,316,030**	**1,316,030**	**1,316,018**
Expense Reimbursement Revenue	479,707	479,694	479,709	479,706	494,033	494,033	494,039	494,020	494,031	494,042	494,022	494,022	494,043	494,029	494,019	493,985	508,575	508,575	508,581
Potential Gross Revenue	**1,785,167**	**1,785,148**	**1,785,169**	**1,785,152**	**1,799,494**	**1,799,494**	**1,799,492**	**1,799,474**	**1,799,492**	**1,801,598**	**1,806,723**	**1,810,052**	**1,810,070**	**1,810,056**	**1,810,044**	**1,809,996**	**1,824,605**	**1,824,605**	**1,824,599**
General Vacancy	(46,405)	(46,405)	(46,405)	(46,405)	(46,405)	(46,405)	(47,135)	(47,135)	(47,136)	(47,135)	(47,135)	(47,135)	(47,135)	(47,136)	(47,135)	(47,136)	(47,135)	(47,135)	(6,270)
Collection Loss	(11,601)	(11,601)	(11,601)	(11,601)	(11,601)	(11,601)	(11,784)	(11,784)	(11,784)	(11,784)	(11,783)	(11,784)	(11,784)	(11,784)	(11,784)	(11,784)	(11,784)	(11,784)	(11,067)
Effective Gross Revenue	**1,727,161**	**1,727,142**	**1,727,163**	**1,727,146**	**1,741,488**	**1,741,488**	**1,740,573**	**1,740,555**	**1,740,572**	**1,742,679**	**1,747,805**	**1,751,133**	**1,751,151**	**1,751,136**	**1,751,125**	**1,751,076**	**1,765,686**	**1,765,686**	**1,807,262**
Operating Expenses																			
Real Estate Taxes	(277,738)	(277,739)	(277,739)	(277,739)	(286,071)	(286,071)	(286,071)	(286,071)	(286,072)	(286,070)	(286,072)	(286,070)	(286,072)	(286,071)	(286,071)	(286,071)	(294,653)	(294,653)	(294,653)
Insurance	(22,219)	(22,219)	(22,219)	(22,219)	(22,885)	(22,885)	(22,886)	(22,885)	(22,887)	(22,885)	(22,886)	(22,885)	(22,887)	(22,885)	(22,885)	(22,887)	(23,572)	(23,572)	(23,573)
CAM	(166,643)	(166,644)	(166,643)	(166,644)	(171,642)	(171,642)	(171,643)	(171,643)	(171,642)	(171,643)	(171,643)	(171,642)	(171,643)	(171,642)	(171,643)	(171,643)	(176,792)	(176,792)	(176,792)
Management Fee	(38,861)	(38,861)	(38,861)	(38,861)	(39,183)	(39,183)	(39,163)	(39,163)	(39,163)	(39,210)	(39,326)	(39,400)	(39,401)	(39,400)	(39,401)	(39,399)	(39,728)	(39,728)	(40,663)
General & Administrative	(38,884)	(38,883)	(38,884)	(38,884)	(40,050)	(40,050)	(40,050)	(40,050)	(40,050)	(40,050)	(40,049)	(40,051)	(40,050)	(40,049)	(40,051)	(40,049)	(41,251)	(41,251)	(41,252)
Marketing & Leasing	(11,109)	(11,110)	(11,109)	(11,111)	(11,443)	(11,443)	(11,442)	(11,443)	(11,444)	(11,442)	(11,443)	(11,442)	(11,444)	(11,443)	(11,442)	(11,443)	(11,786)	(11,786)	(11,787)
Total Operating Expenses	**(555,454)**	**(555,456)**	**(555,455)**	**(555,458)**	**(571,274)**	**(571,274)**	**(571,255)**	**(571,255)**	**(571,258)**	**(571,300)**	**(571,419)**	**(571,490)**	**(571,497)**	**(571,490)**	**(571,493)**	**(571,492)**	**(587,782)**	**(587,782)**	**(588,720)**
Net Operating Income	**1,171,707**	**1,171,686**	**1,171,708**	**1,171,688**	**1,170,214**	**1,170,214**	**1,169,318**	**1,169,300**	**1,169,314**	**1,171,379**	**1,176,386**	**1,179,643**	**1,179,654**	**1,179,646**	**1,179,632**	**1,179,584**	**1,177,904**	**1,177,904**	**1,218,542**
Leasing & Capital Costs																			
Tenant Improvements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Leasing Commissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Reserve	(10,126)	(10,249)	(10,126)	(10,248)	(10,430)	(10,430)	(10,429)	(10,556)	(10,430)	(10,430)	(10,555)	(10,431)	(10,430)	(10,555)	(10,430)	(10,556)	(10,743)	(10,743)	(10,742)
Total Leasing & Capital Costs	**(10,126)**	**(10,249)**	**(10,126)**	**(10,248)**	**(10,430)**	**(10,430)**	**(10,429)**	**(10,556)**	**(10,430)**	**(10,430)**	**(10,555)**	**(10,431)**	**(10,430)**	**(10,555)**	**(10,430)**	**(10,556)**	**(10,743)**	**(10,743)**	**(10,742)**
Cash Flow Before Debt Service	**1,161,581**	**1,161,437**	**1,161,582**	**1,161,440**	**1,159,784**	**1,159,784**	**1,158,889**	**1,158,744**	**1,158,884**	**1,160,949**	**1,165,831**	**1,169,212**	**1,169,224**	**1,169,091**	**1,169,202**	**1,169,028**	**1,167,161**	**1,167,161**	**1,207,800**
Forward 12-Month NOI	14,070,504	14,078,464	14,086,388	14,094,284	14,101,974	14,109,664	14,158,888	14,208,132	14,277,701	14,281,722	14,098,311	13,870,794	13,823,060	13,832,986	13,842,920	13,852,875	13,862,802	13,872,727	13,803,118