



Competitive Market Analysis

Competitive Market Analysis – Copper Ridge

The Copper Ridge Development offers retailers an opportunity to tap into a rapidly growing population of consumers with tremendous buying power. Overlooking the water on the western side of Traverse City, the complex is appealing not only because of its scenic views and impeccable construction but also the incredible amount of high-volume of traffic. Approximately 17,400 vehicles per day are passing by Copper Ridge currently and this is estimated to increase to 27,597 vehicles per day by the end of 2005.

Additionally, the development offers retailers the opportunity to grow their business outside of an increasingly competitive environment. Unlike downtown Traverse City, direct competitors won't be just a few doors away.

Below are the results of a comprehensive demographic statistical analysis comparing the projected growth of Copper Ridge to downtown and eastern Traverse City.

Comparative Geography

Copper Ridge/West TC = West of Division; the Copper Ridge Area
Traverse City Polygon = represents a 20-minute drive time (approximately 10 mile radius)
East Side TC = East of Division
Michigan State Boundaries

Promising Population Growth

Copper Ridge's population is growing at a fast rate, especially compared to the state of Michigan.

Projected Population Growth in Next Five Years

Copper Ridge/West TC	8.2%
Traverse City Polygon	6.5%
East Side TC	4.5%
Michigan State Boundaries	1.9%

The Preferred Place to Call Home

Most of Traverse City's growth is in the Copper Ridge area; Copper Ridge households are increasing at a 65% faster rate than eastern Traverse City and are expected to reach double-digit growth in the next five years.

Projected Number of Households in Next Five Years

Copper Ridge/West TC	10.0%
Traverse City Polygon	8.2%
East Side TC	6.4%
Michigan State Boundaries	2.8%

More New Houses

Copper Ridge has more new homes (houses built from 1970-79) than any other area.

Copper Ridge/West TC	22.2%
Traverse City Polygon	20.8%
East Side TC	19.2%



Competitive Market Analysis

Greater Earning Power

The average household (HH) income for Western Traverse City is 16% higher than Eastern Traverse City; and the gap is expected to grow to 24% in the next five years. Over the next five years, incomes in each are projected to increase:

Copper Ridge/West TC	13.7%
Traverse City Polygon	10.7%
East Side TC	6.5%

Income Variable	Traverse City Polygon	East Side TC	Copper Ridge / West TC
2004 Median HH Inc	\$45,699	\$39,680	\$51,305
2004 Avg. HH Inc	\$61,019	\$56,164	\$65,392

More Married Couples

The Copper Ridge area has a greater concentration of married couples and fewer widowed than the rest of Traverse City.

Copper Ridge/West TC	61.8% couples are married
Traverse City Polygon	56.4% couples are married
East Side TC	49.9% couples are married

Disposable Income

Copper Ridge has a higher average effective buying income (EBI/disposable income) than Traverse City.

Note: Effective Buying income/disposable income is defined as money income less personal tax and non-tax payments, such as fines and contributions to social insurance. The measurement is commonly referred to as "disposable" or "after tax" income.

Effective Buying Income	Traverse City Polygon	East Side TC	Copper Ridge / West TC
2004 Median EBI	\$48,216	\$44,600	\$51,471

Sources of Income

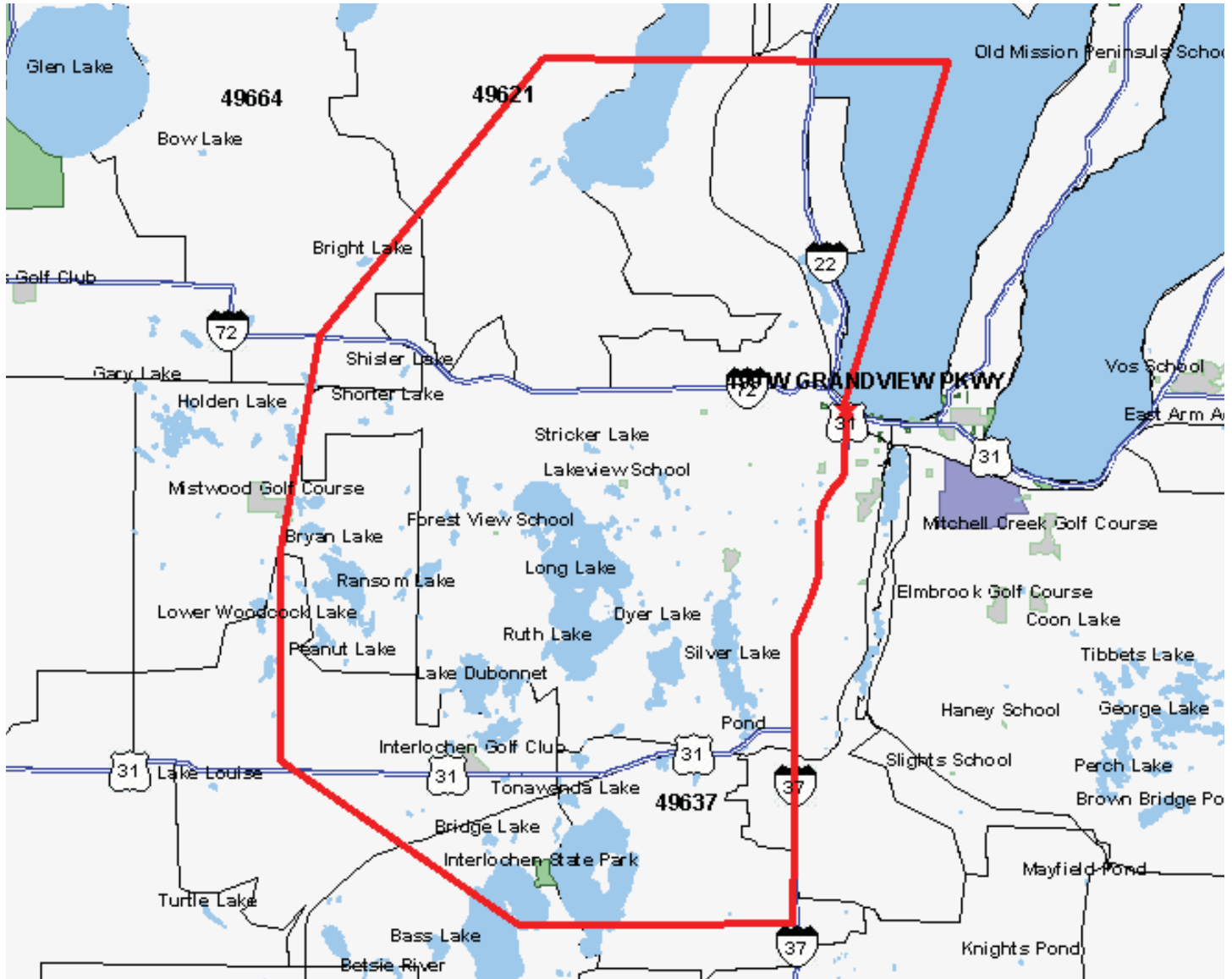
Not all income comes from a standard wage or salary base. The table below isolates out the different sources of income and how they contribute to the total (aggregate) household income of all households in the geography. This table shows that a significant amount (7%) of Traverse City's income is generated by the category: Interest/Dividends/Rent and is even a greater proportion for the East Side (10%). All Traverse City areas have more self-employment dollars than the state of Michigan.

	Michigan State Boundries	% Down	Traverse City Polygon	% Down	East Side TC	% Down	West Side / Copper Ridge	% Down
2004 Aggregate HH Income			\$					
Wage or Salary	\$ 188,192,269,481	77%	1,163,154,839	71%	\$ 484,128,831	67%	\$ 683,318,885	74%
Self-Employment	\$ 10,308,718,077	4%	\$ 131,392,023	8%	\$ 51,369,159	7%	\$ 80,438,346	9%
Interest / Dividends/ Rent	\$ 13,510,700,357	6%	\$ 120,257,451	7%	\$ 71,250,975	10%	\$ 49,419,214	5%
Social Security	\$ 13,071,234,167	5%	\$ 90,523,991	6%	\$ 48,467,054	7%	\$ 42,410,364	5%
Supplemental Security	\$ 1,129,685,487	0%	\$ 5,989,341	0%	\$ 2,847,998	0%	\$ 3,154,517	0%
Public Assistance	\$ 387,475,327	0%	\$ 1,408,688	0%	\$ 673,506	0%	\$ 735,891	0%
Retirement Inc	\$ 13,315,217,862	5%	\$ 92,528,792	6%	\$ 44,296,935	6%	\$ 48,596,307	5%
Other Types	\$ 4,300,606,742	2%	\$ 30,894,778	2%	\$ 14,276,337	2%	\$ 16,726,672	2%
All Aggregate HH Inc	\$ 244,215,907,500	100%	\$ 1,636,149,903	100%	\$ 717,310,795	100%	\$ 924,800,196	100%

Information Source: All data is projected to 2004 from the 2000 Census. Data calculations provided by Claritas, Inc.



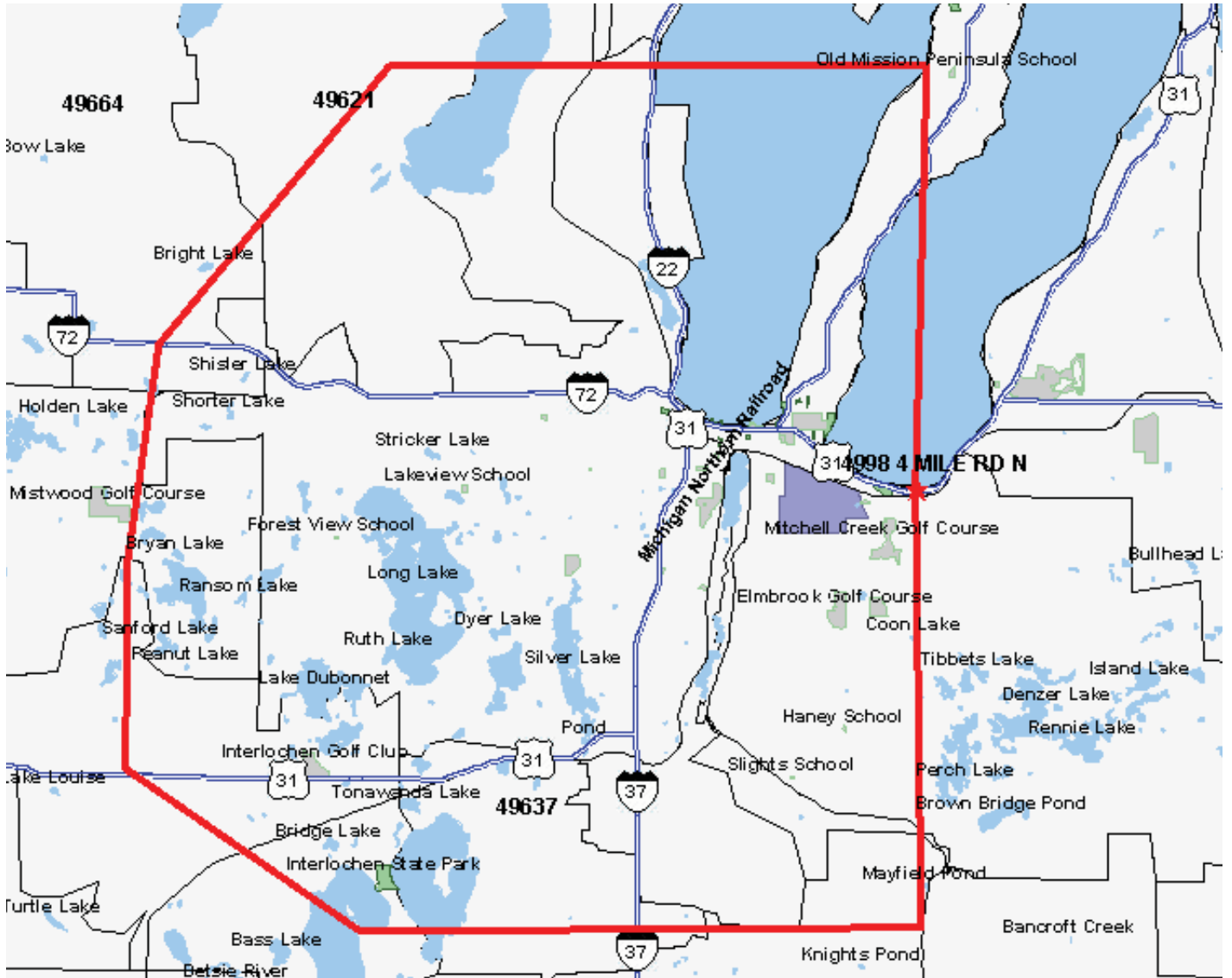
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Copper Ridge/West TC



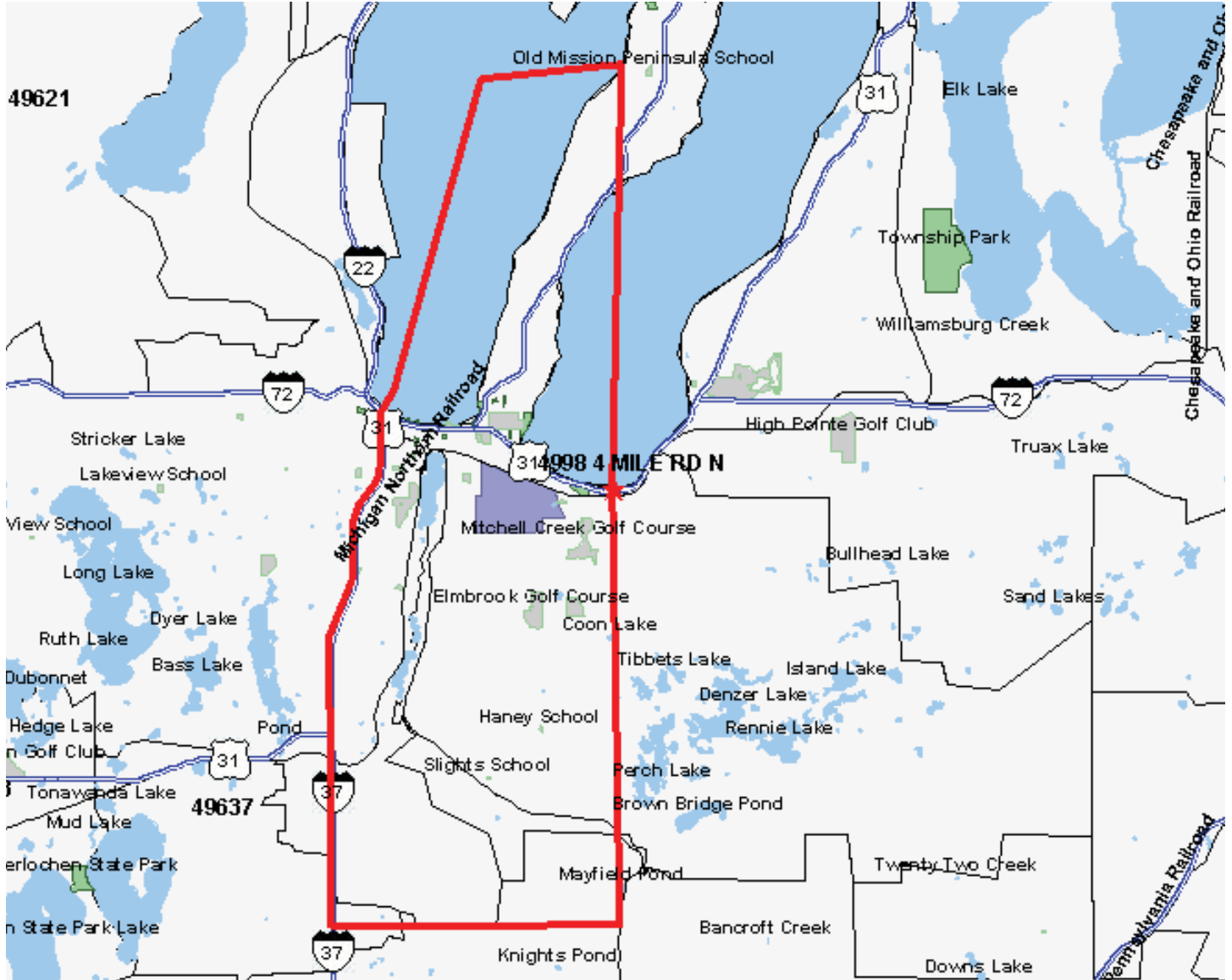
Competitive Market Analysis



Traverse City Polygon



Competitive Market Analysis



East Side TC