

MARKET ASSESSMENT
CITY OF ELMHURST

April 2007

By
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Chicago, Illinois

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ADDENDA

- Claritas Opportunity Analysis

I. INTRODUCTION AND CONCLUSIONS

Background to the Assignment

HNTB Corporation has been retained by the City of Elmhurst to update its comprehensive plan. As part of this planning process, HNTB has contracted with Goodman Williams Group to assess the current and future development environment in Elmhurst. Goodman Williams Group has identified areas that may be subject to development pressure or land use changes over the next ten years and suggested development opportunities that already exist or may emerge. This report presents overviews of the residential, retail, industrial, and office markets.

Methodology

As part of this analysis, Goodman Williams Group completed the following tasks in the winter of 2006/2007:

- Interviewed business owners, civic leaders, and representatives of the real estate industry.
- Met with the Elmhurst Economic Development Commission to discuss issues of concern and interest.
- Analyzed current demographic and household characteristics as well as population and employment projections to gain an understanding of future demand for various land uses.
- Visited residential and commercial developments in Elmhurst and surrounding communities to determine their competitive market positions.
- Inventoried proposed residential and commercial developments that are likely to be built in the foreseeable future.

The preliminary findings and recommendations by land use are summarized below, and more detailed information is presented in the remaining sections of this report. These findings are intended to inform the comprehensive planning process as it moves forward.

Summary of Findings and Recommendations

Residential. Elmhurst has a number of impressive assets that will continue to make it a desirable community in which to live, including quality schools, outstanding recreational and cultural opportunities, and a central location within the Chicago metropolitan area. Notwithstanding the current softness in the housing market, the availability of appropriate sites and regulatory restrictions, rather than lack of market support, will be the biggest constraints to new residential development in Elmhurst over the next decade. Opportunities exist for a variety of housing types to be developed over the next ten years, including single-family detached homes, townhomes, and multifamily units. With the completion of several new age-restricted senior developments, demand from that segment of the market has largely been satisfied.

Retail. In recent years, the city's economic development staff has done an admirable job of enhancing the variety of retail and service offerings in City Centre. New restaurants and specialty retailers serve the growing downtown population, other Elmhurst residents, students, workers and visitors. Efforts to recruit and assist business should continue in City Centre as well as in the Vallette and York and Spring Road business districts. Other commercial corridors will also see some additional retail activity in future years. Market support for up to 200,000 square feet of additional retail, restaurant, and service uses is likely over the next ten years.

If larger sites can be assembled on one or more of the City's visible, well-trafficked commercial arteries, Elmhurst could support several additional large-format retailers, particularly in the electronics and discount department store categories. Careful planning will be needed to ensure that this type of development does not negatively impact surrounding neighborhoods.

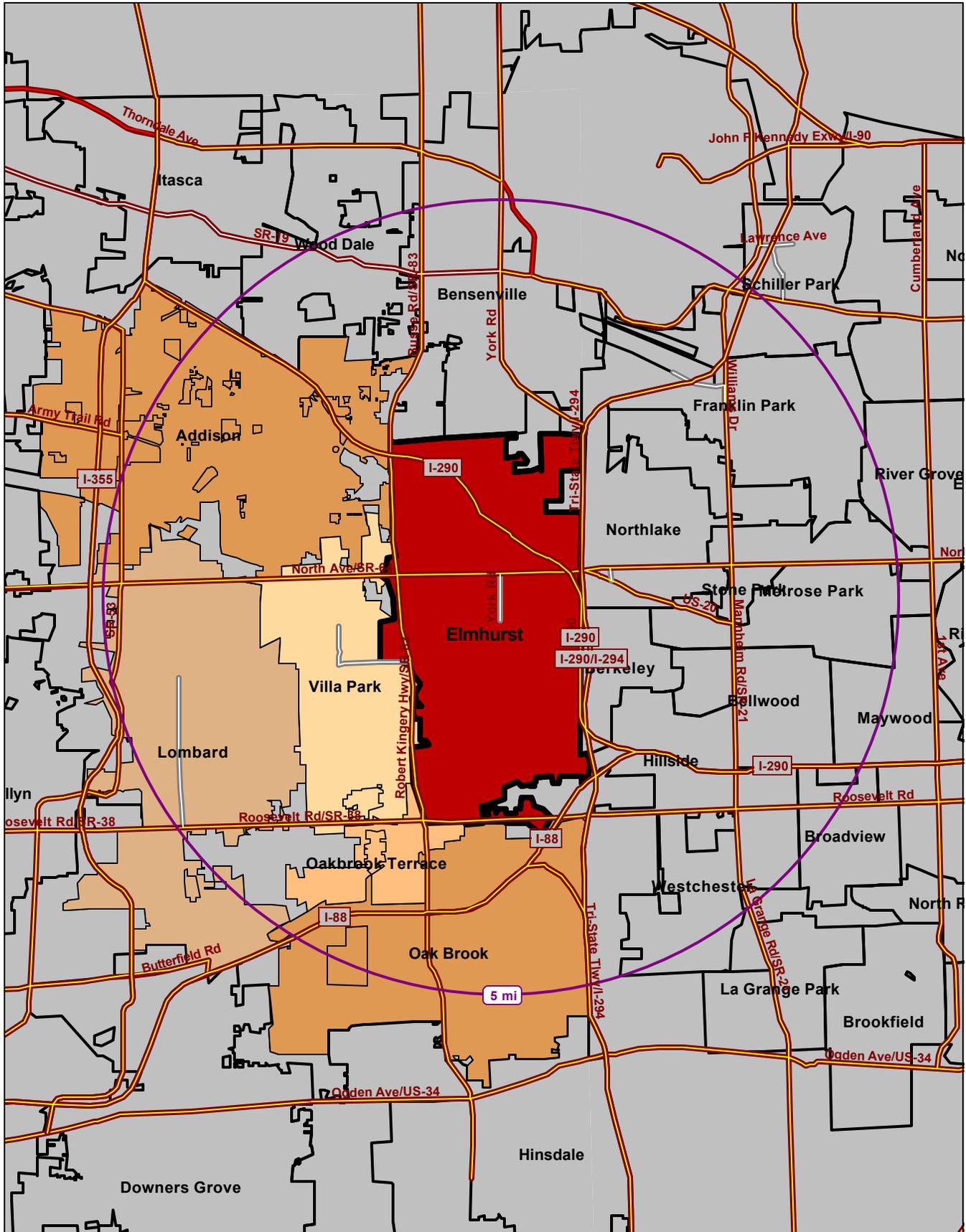
Given the importance of the automobile dealerships to Elmhurst's financial health, continued attention should be given to this sector of the retail base. Meeting the needs of the dealerships and their customers will help ensure their on-going success.

Office and Industrial. The cluster of businesses in the Lake and Grand industrial area is an important economic engine for Elmhurst, boosting the tax base and bringing employees into the community. It provides a place for smaller businesses seeking comparatively affordable and flexible space in an outstanding location. The types of tenants located here—primarily small manufacturing, distribution, and service companies—are appropriate in this setting, and demand for space in these buildings should remain high for the foreseeable future. Consideration should be given to “branding” and marketing this area, perhaps as the Elmhurst Business Park. Most of the future development activity will involve building replacement and upgrading. There is not likely to be a significant net addition to the square footage within this area.

In addition to the office uses located in the industrial area, a number of professional and service businesses are located in City Centre and other commercial corridors in Elmhurst. These firms typically occupy small, freestanding office buildings or space in mixed-use buildings. Growth of these small office-using firms is, however, often tied to major population increases, which are not projected for Elmhurst.

A significant increase in the demand for office space in Elmhurst over the next decade is unlikely, particularly if the growing space requirements of Elmhurst Memorial Hospital and Elmhurst College can be met within their respective campus expansions. There will, however, be some net increase in office space to serve residents and local businesses that could amount to 75,000 square feet over a ten-year period.

Location Map



Map produced by Goodman Williams Group

II. SOCIOECONOMIC ANALYSIS

Location

Elmhurst is located in the geographic heart of the Chicago metropolitan area and enjoys unparalleled access to the regional transportation network. The city is situated 15 miles west of downtown Chicago at the confluence of Interstates 290, 294, and 88 in eastern DuPage County. O'Hare International Airport is approximately ten miles northeast of downtown Elmhurst.

I-290, which parallels the eastern boundary of Elmhurst, divides Cook and DuPage Counties. Interchanges at St. Charles Road and North Avenue (Route 64) provide major entry points into Elmhurst. Route 83 is roughly coterminous with Elmhurst's western boundary, separating it from the community of Villa Park. Butterfield Road (Route 56) is major east-west arterial located in the southern part of Elmhurst. Roosevelt Road (Route 38) is a major east-west arterial that serves as the southern boundary of Elmhurst. The accompanying map shows the locations of these key roadways that serve Elmhurst and this portion of the Chicago metropolitan area.

Population Trends

Elmhurst is a mature residential community that grew rapidly in the decades following World War II. The 2000 Census reported a population of 42,762, a 1.7% increase from the 1990 total. Fueled by significant new multifamily development, Scan/US estimates Elmhurst's 2006 population to be 43,842, an increase of 2.5% from 2000. This estimate exceeds the conservative projection for 2030 made by the Northeastern Illinois Planning Commission (NIPC) in 2000. Significant population growth is also projected for Lombard, Addison and Oakbrook Terrace.

	POPULATION TRENDS				
	2000	Estimated	Estimated	% Change	NIPC 2030
	Population	2006 Estimate	2000-2006 Growth	2000-2006	Projections*
Addison	35,914	37,914	2,000	5.57%	38,561
Elmhurst	42,762	43,842	1,080	2.53%	43,075
Lombard	42,322	44,618	2,296	5.43%	50,618
Oak Brook	8,702	8,739	37	0.43%	9,613
Oakbrook Terrace	2,300	2,730	430	18.70%	4,447
Villa Park	22,075	23,292	1,217	5.51%	22,991

**Made in 2000*

Source: U.S. Census, Scan/US for estimates, and Northeastern Illinois Planning Commission for projections.

Demographic Characteristics

The following table presents selected demographic characteristics from the 2000 Census for Elmhurst and DuPage County. Elmhurst can be characterized as a family-oriented community with an average household size of 2.6 persons. The population is predominantly white, with small percentages of Asian and Hispanic residents.

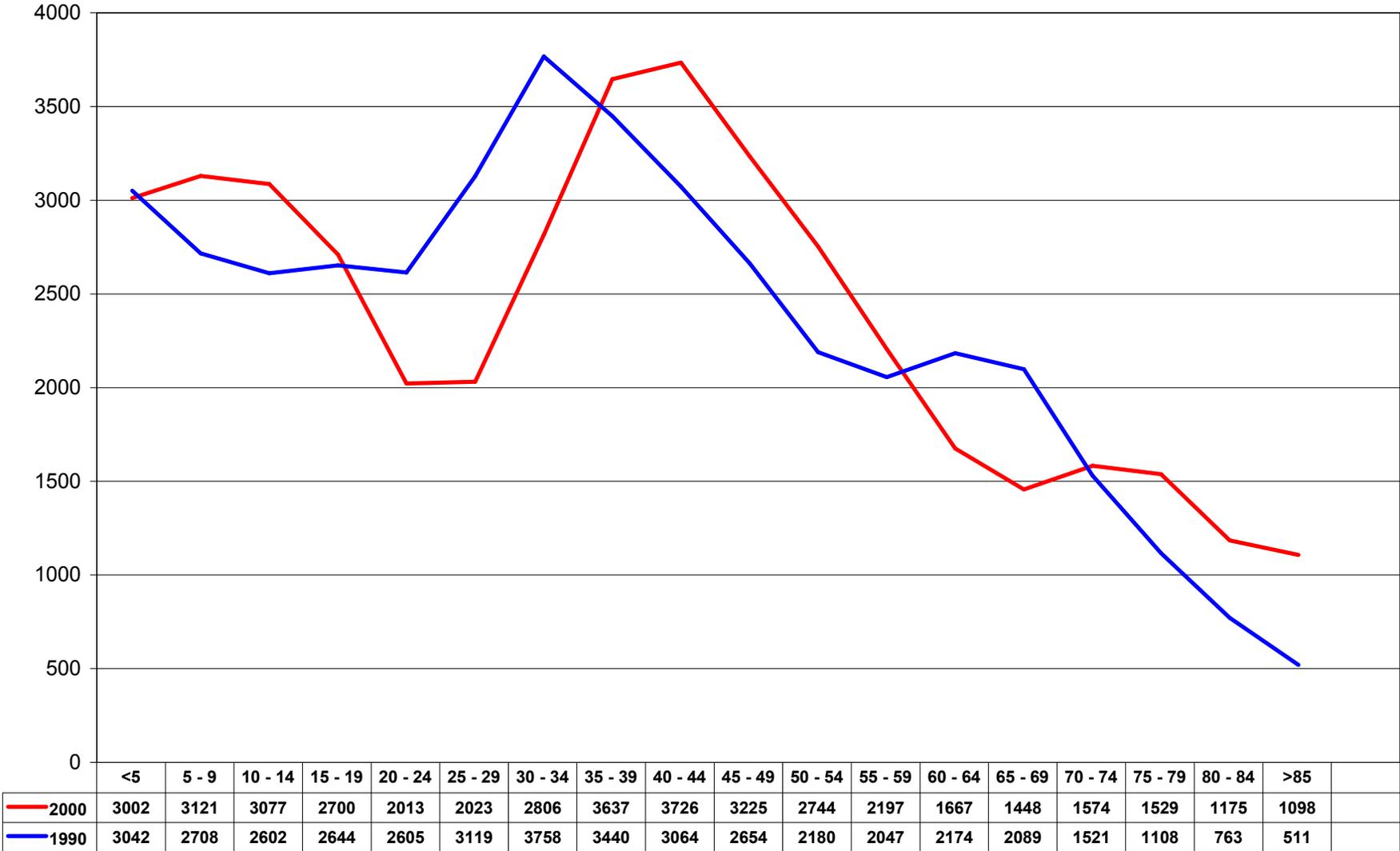
The age distribution graph on the following page illustrates a number of demographic shifts in the Elmhurst population from 1990 to 2000, including an increase in the number of school-aged children, the aging of the 35-59 cohort, a decrease in the number of 60 to 70 year olds, and an increase in older seniors.

SELECT DEMOGRAPHIC AND HOUSEHOLD CHARACTERISTICS
2000 CENSUS

	<u>DuPage County</u>		<u>Elmhurst</u>	
Persons	904,161	100%	42,762	100%
Hispanic or Latino	81,366	9%	1,717	4%
Race				
White alone	759,924	84%	39,940	93%
Black or African American alone	27,600	3%	400	1%
Asian alone	71,252	8%	1,568	4%
Households	325,601	100%	15,627	100%
Family Households	234,354	72%	11,233	72%
Average HH Size	2.7		2.6	

Source: 2000 Census

Elmhurst Population Distribution by Age



Household Incomes

Elmhurst is a relatively affluent community, with an estimated median household income of \$78,281. As shown in the table below, 35.9% of Elmhurst households are estimated to have incomes above \$100,000. Only 11.3% of households have incomes below \$25,000.

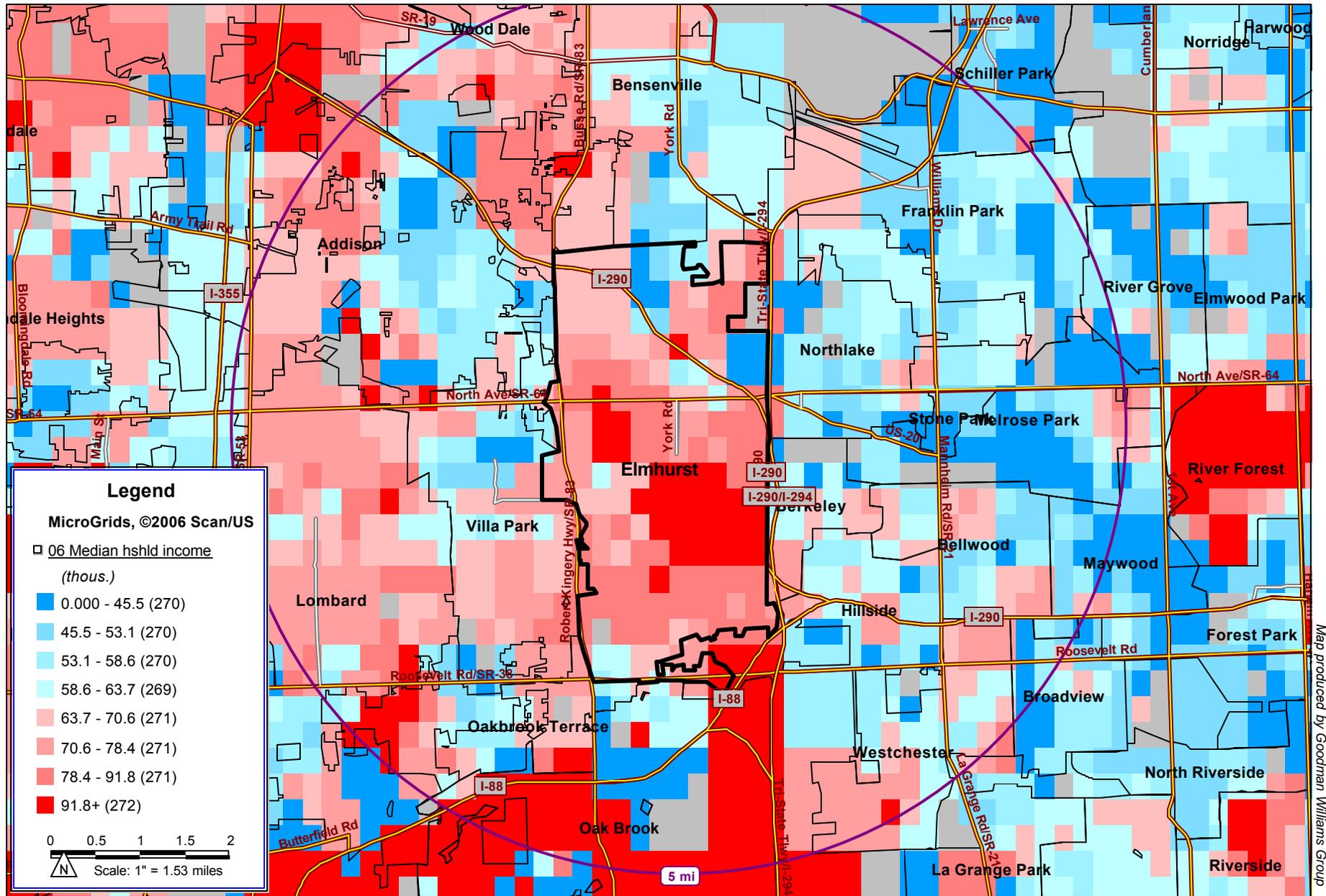
2006 ESTIMATED HOUSEHOLD INCOMES ELMHURST		
	<u>Households</u>	<u>Percent</u>
Less than \$15,000	881	5.3%
\$15,000 to \$24,999	994	6.0%
\$25,000 to \$34,999	957	5.8%
\$35,000 to \$49,999	1,949	11.7%
\$50,000 to \$74,999	3,173	19.1%
\$75,000 to \$99,999	2,689	16.2%
\$100,000 to \$149,999	3,336	20.1%
\$150,000 to \$249,999	1,911	11.5%
\$250,000 to \$499,999	505	3.0%
\$500,000 or more	218	1.3%
Total	16,613	100.0%
Median household income	\$78,281	

Source: Claritas

As shown on the following map, more middle-income households are found to the north of Elmhurst, in communities such as Northlake and Bensenville, adjacent to O'Hare. The communities located east of I-294 in western Cook County also do not have household incomes comparable to those in Elmhurst. Nor does Elmhurst's neighbor to the west, Villa Park. More of the high-income households in this part of the metropolitan area are found to the south and southwest of Elmhurst in the communities of Oak Brook, Oakbrook Terrace, and Glen Ellyn.

Median Household Income

Scan/US, Inc.



04/06/07

Metra Commuter Station

Metra's Union Pacific West Line provides commuter rail service between Geneva and Ogilvie Transportation Center in downtown Chicago, with a stop in downtown Elmhurst. According to Metra, weekday passenger boardings in 2002 averaged 1,785 riders, making it the busiest station along the route. There are 27 inbound trains and 28 outbound trains that stop at Elmhurst's Station each weekday. There are 10 inbound and 10 outbound trains on Saturdays and 9 inbound and 9 outbound trains on Sundays and holidays.

Metra's Union Pacific West Line Weekday Station Passenger Boardings Over Time

Station	1993	1995	1997	1999	2002
Geneva	1,370	1,623	1,607	1,642	1,698
West Chicago	495	520	518	499	585
Winfield	540	495	538	538	449
Wheaton	2,188	2,027	1,990	1,865	1,655
College Ave.	970	1,031	973	981	840
Glen Ellyn	1,948	1,844	1,949	1,889	1,665
Lombard	1,261	1,211	1,285	1,269	1,213
Villa Park	1,055	973	1,015	949	914
Elmhurst	1,730	1,768	1,805	1,776	1,785
Berkeley	201	201	205	194	162
Bellwood	205	173	196	205	221
Melrose Park	166	168	117	149	109
Maywood	117	132	95	84	93
River Forest	327	407	375	406	390
Oak Park	1,307	1,910	1,237	1,038	960
Kedzie	42	32	44	18	36
Ogilvie	12,758	13,299	12,770	12,383	11,594
Total UP-W	26,680	27,814	26,719	25,885	24,369

Source: Metra



III. RESIDENTIAL MARKET OVERVIEW

Characteristics of the Housing Stock

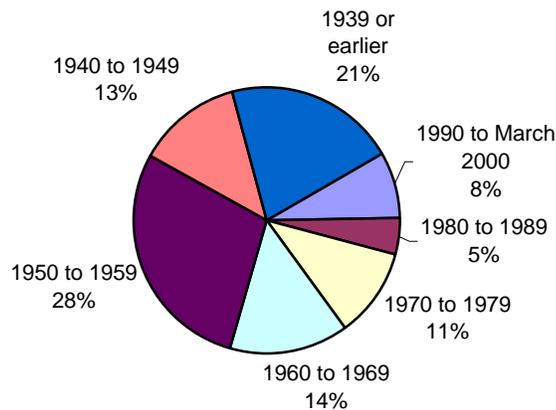
According to the 2000 Census, approximately 83% of Elmhurst's 15,627 occupied housing units were owner-occupied, with the majority of those units being single-family detached homes. Buildings with five or more units comprise 16.9% of Elmhurst's housing stock.

PROFILE OF ELMHURST HOUSING STOCK		
	Number	Percent
Total Housing Units	16,252	
Occupied Units	15,627	100.0%
Owner-Occupied	13,017	83.3%
Renter-Occupied	2,610	16.7%
Single-Family Detached	12,564	77.3%
Single-Family Attached	518	3.2%
2-4 Units	406	2.5%
5 or More Units	2,745	16.9%

Source: 2000 Census.

The housing stock in Elmhurst was built primarily prior to 1960, with 21% of the homes in the community built before 1939 and another 41% between 1940 and 1960. As shown in the chart below, this community has continued to see a fair amount of housing development in recent decades.

Elmhurst Housing Stock By Year Constructed



Source: 2000 Census

Recent permit activity

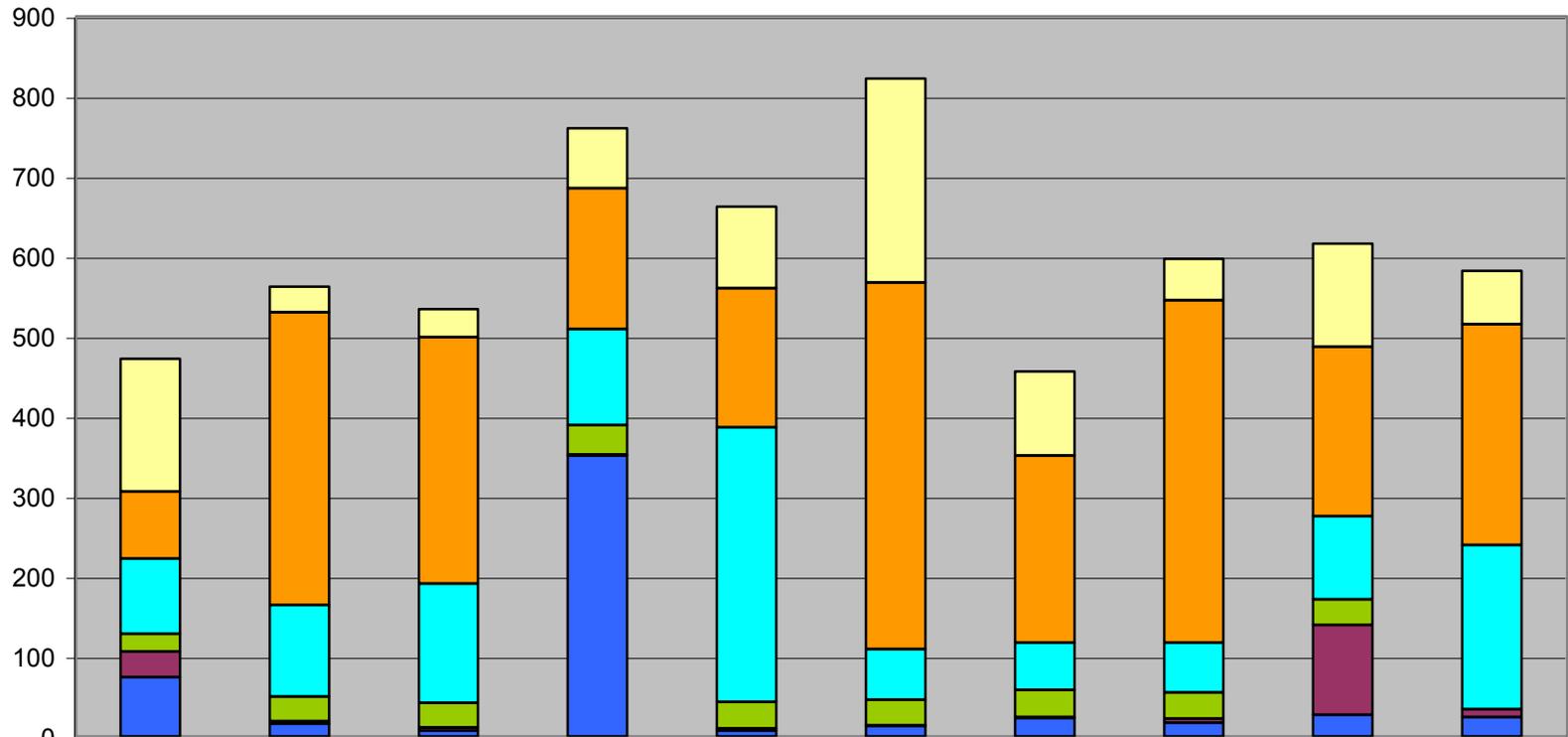
The following table tracks permit activity from 1997 through 2006. Over this ten-year period, a total of 2,716 new units were permitted and presumably built, an annual average of 271.6 units per year. Eighty-six percent of the total units permitted were for single-family homes. As will be discussed later, many of the building permits for single-family homes represent replacement housing.

ELMHURST RESIDENTIAL BUILDING PERMITS			
	<u>Single Family</u>	<u>Multi Family</u>	
	<u>Units</u>	<u>Units</u>	<u>Total</u>
1997	84	0	84
1998	198	168	366
1999	254	54	308
2000	152	24	176
2001	174	0	174
2002	458	0	458
2003	234	0	234
2004	305	123	428
2005	212	0	212
2006	252	24	276
Total	2,323	393	2,716
Annual Average	232.3	39.3	271.6

Source: U.S. Census

As the chart on the following tables shows, Elmhurst has generally issued more permits, and therefore seen more development, than its neighboring communities over the last decade. Lombard, with an annual average of 131.3 permitted units, and Addison, with an average of 101.8 permitted units, have also seen significant residential development in the past decade.

Permits Issued By Elmhurst and Surrounding Communities



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Addison	166	32	35	75	102	255	105	52	129	67
Elmhurst	84	366	308	176	174	458	234	428	212	276
Lombard	94	114	149	120	343	63	59	62	104	205
Oak Brook	22	31	31	37	33	32	34	33	32	0
Oakbrook Terrace	32	3	4	1	3	1	1	5	112	10
Villa Park	74	16	7	351	7	13	23	17	27	24

Source: U.S. Census

Note: The permit data from the U.S. Census is not consistent with permit information obtained from the City of Elmhurst. For consistency sake, data from the Census was used for each community.

Data from Multiple Listing Service

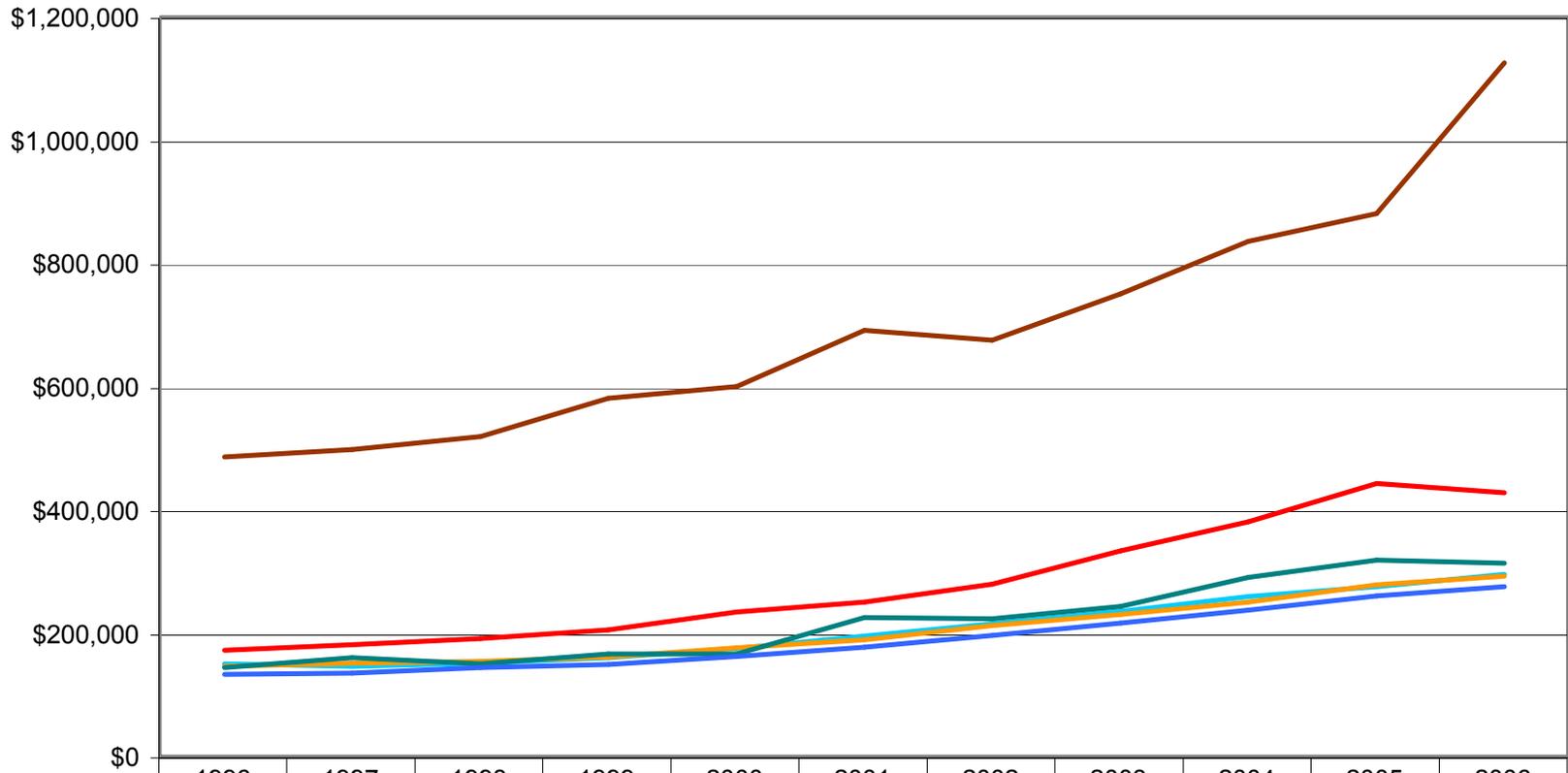
The tables on the following pages provide information compiled by the Multiple Listing Service of Northern Illinois, and include only homes sold by Realtors. In 2006, a total of 448 single-family detached homes were sold in Elmhurst, with a median price of \$427,000. These numbers reflect the larger slowdown in the national and regional housing markets. The 2006 median price in Elmhurst reflects a drop of 3.5% from the previous year, based on a 43 fewer sales. Elmhurst's median sales price for single family homes has been consistently higher than that of its neighboring communities with the exception of Oak Brook.

In 2006, the median sales price of single-family attached homes, a category that includes townhouses and condominiums, was \$258,000, a 5.3% increase over 2005. These median prices do not include new residential projects where units are being sold directly by the developer. Newly constructed units, particularly those built in downtown Elmhurst, have been selling for much higher prices. As shown on the accompanying table, the median price in Elmhurst has been higher than those of Addison, Lombard and Villa Park, but lower than those of Oak Brook and Oakbrook Terrace.

ELMHURST RESIDENTIAL SALES: 2001-2005					
Year	SF Detached		SF Attached		
	Units	Median Sales Price	Units	Median Sales Price	
2001	557	\$250,000	81	\$150,000	
2002	624	\$278,800	100	\$219,500	
2003	607	\$333,000	97	\$229,000	
2004	559	\$380,000	95	\$327,000	
2005	491	\$442,500	107	\$245,000	
2006	448	\$427,000	83	\$258,000	
Total	3,286		563		
Annual Average	548		94		

Source: Multiple Listing Service of Illinois

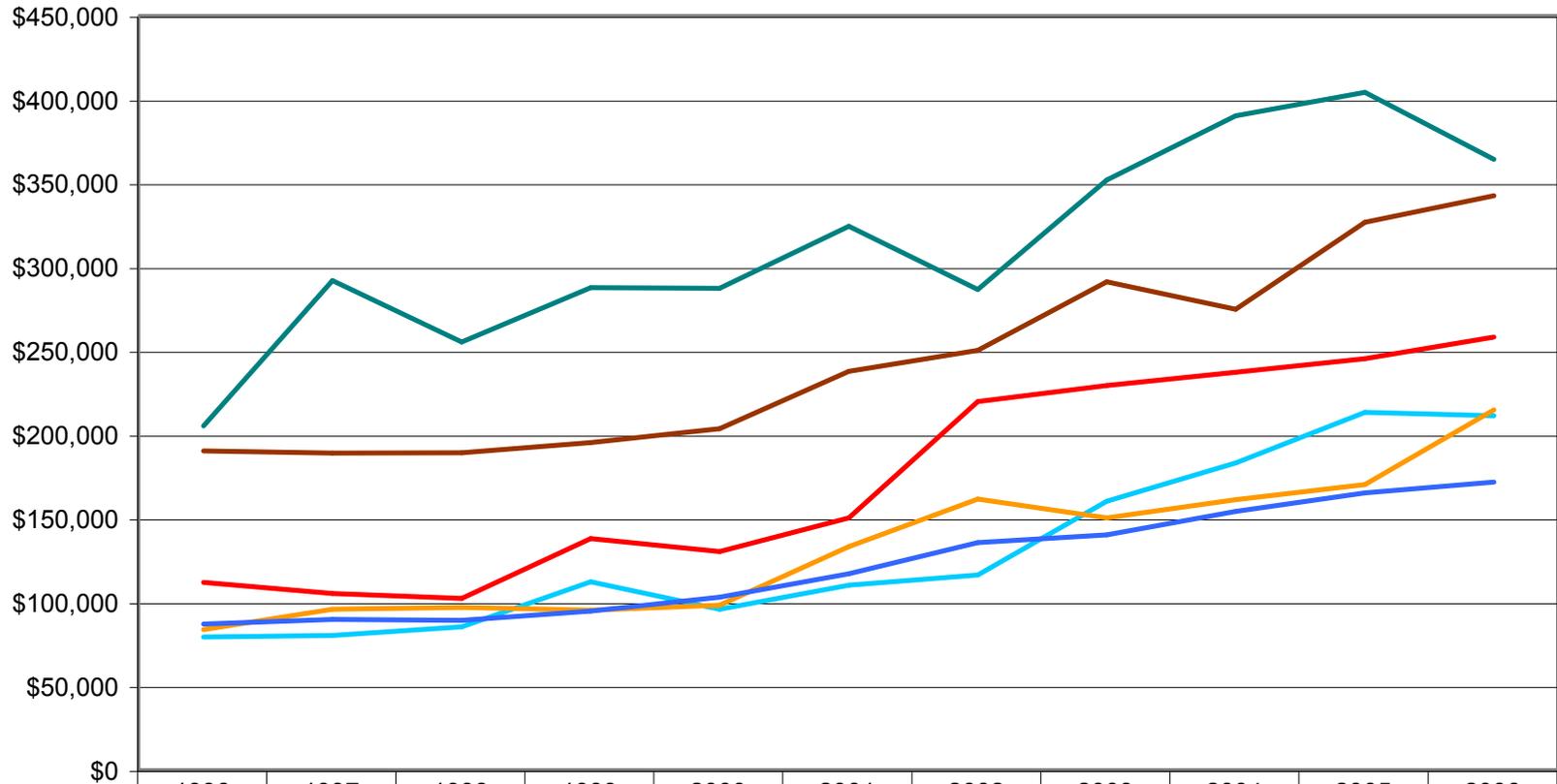
Median Sales Price of Detached Residential Units



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Addison	\$149,125	\$145,625	\$150,000	\$159,250	\$174,000	\$194,700	\$215,000	\$234,333	\$259,000	\$274,950	\$295,000
Elmhurst	\$171,500	\$180,000	\$190,000	\$205,000	\$234,000	\$250,000	\$278,800	\$333,000	\$380,000	\$442,500	\$427,000
Lombard	\$145,000	\$150,500	\$153,000	\$160,500	\$175,000	\$188,500	\$212,000	\$230,000	\$250,000	\$278,000	\$291,500
Oak Brook	\$485,000	\$497,500	\$518,500	\$580,000	\$600,000	\$691,000	\$675,000	\$750,000	\$835,000	\$880,000	\$1,125,000
Oak Brook Terrace	\$143,000	\$159,750	\$149,750	\$165,500	\$165,000	\$225,000	\$223,050	\$242,500	\$290,000	\$317,500	\$312,500
Villa Park	\$132,000	\$134,000	\$143,000	\$148,000	\$161,900	\$175,950	\$195,000	\$215,900	\$236,500	\$260,000	\$274,250

Source: Multiple Listing Service of Northern Illinois

Median Sale Price of Attached Residential Units



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Addison	\$79,000	\$80,000	\$85,000	\$112,000	\$95,500	\$110,000	\$115,950	\$160,000	\$182,900	\$213,000	\$211,000
Elmhurst	\$111,500	\$105,000	\$102,000	\$137,750	\$130,000	\$150,000	\$219,500	\$229,000	\$237,000	\$245,000	\$258,000
Lombard	\$83,500	\$95,500	\$96,750	\$95,000	\$98,000	\$133,000	\$161,341	\$150,000	\$161,000	\$170,000	\$214,500
Oak Brook	\$190,000	\$188,750	\$189,000	\$195,000	\$203,250	\$237,500	\$250,000	\$291,000	\$274,500	\$326,500	\$342,250
Oakbrook Terrace	\$205,000	\$291,650	\$255,000	\$287,500	\$287,000	\$324,000	\$286,250	\$351,750	\$390,000	\$404,000	\$364,000
Villa Park	\$86,750	\$89,500	\$89,000	\$94,500	\$102,700	\$116,750	\$135,250	\$140,000	\$153,950	\$165,000	\$171,500

Source: Multiple Listing Service of Northern Illinois

New Multifamily Residential Development

In the past fifteen years, Elmhurst has added 386 units to its downtown housing stock. Redevelopment began in the early 1990s with the development of two apartment rental projects. Development continued in the 2000s with condominium and townhouse developments that have been met with strong market acceptance. The following provides a brief summary of the residential projects recently built in downtown Elmhurst:

- Two rental apartment buildings were developed in downtown Elmhurst in the 1990s: ***Elmhurst Place***, a 90-unit high-rise developed in 1991 by Walsh Partners, and ***Charlestown Place***, a 20-unit building also developed by Walsh Partners in 1994.



Elmhurst Place



Charlestown Place

- ***Market Square*** was developed by Gammonley Group in 2001 on the west side of Addison, south of Third Street. This project included 48 condominium units and 26 townhomes.



Market Square

- **Park Elm**, a 24-unit condominium development, was built in 2001 by Homewerks Development Company at 111 Larch Street.
- **Museum Square**, a development with 43 condominium units and 13 townhomes was built in 2002 by Morningside Group and Teng Companies at Cottage Hill Avenue and Adeline Street.



Museum Square

- **Crescent Court**, located on York Street just south of the Metra Station, was developed by Morningside Group in 2005. The first phase of this project included 66 condominium units and sold out in just eight days. The second phase included 56 condominium units that were sold through a lottery within one month. The project included shared public parking, a public park extension of the downtown streetscape elements and adaptive reuse of the existing bank building.



Crescent Court

Other new residential developments in Elmhurst are described below.

- Elmhurst College is currently building a new residence hall behind the Hammerschmidt Chapel, which will be 85,000 square feet and will accommodate 170 beds in “semi-suite style” units. Occupancy is scheduled for Fall 2008.
- ***Emerald Towers at Essex Place*** is an 82-unit condominium complex by Hartz Construction located near Roosevelt Road in the southern portion of Elmhurst. The project has been developed in three phases of 24, 28, and 30 units. Marketing for the first phase began in March of 2000. Marketing of the units in the third phase continues, and as of February 2007, a total of 61 units have been sold with an average price of \$310,420.

Senior Housing

There are currently five senior housing developments located in Elmhurst. As shown in the table below, these developments include 546 independent living units and 442 skilled nursing units. Two new senior developments are planned, but construction has not yet begun. ***Park Place*** is planned to be built on Euclid Avenue near Butterfield Road and will include 185 independent living units, 37 assisted units, 16 memory assisted units, and 32 skilled nursing beds. ***Elmhurst Pointe*** will offer 32 independent living units near Elmhurst’s City Centre at 111 West Third Street. ***Lexington Square***, an existing development, also has plans to add 85 assisted living units. These new units will bring Elmhurst’s total senior housing inventory to 763 independent living units, 138 assisted living units, and 474 skilled nursing beds.

Summary of Senior Housing in Elmhurst			
	Unit Types		
	Independent	Assisted	Skilled Nursing
Planned:			
Park Place	185	53	32
Elmhurst Pointe	32	0	0
Lexington Square	<u>0</u>	<u>85</u>	<u>0</u>
Total Planned	217	138	32
Existing:			
Lexington Square	362	0	150
Elmbrook Centre	0	0	180
Elmhurst Extended Care	0	0	112
Greencastle	80	0	0
Liberty Village	<u>104</u>	<u>0</u>	<u>0</u>
Total Existing	546	0	442
TOTAL:	763	138	474

Source: City of Elmhurst

Single-Family Replacement

The City of Elmhurst has issued a total of 1,180 residential demolition permits in the past six years. Most of these are for obsolete or smaller single family homes that are being replaced with larger homes.

Demolition Permits By Year	
Year	Permits
2000	135
2001	113
2002	151
2003	206
2004	256
2005	179
2006	140
Total	1,180

Source: City of Elmhurst

Residential Conclusions and Opportunities

Elmhurst has a number of impressive assets that will continue to make it a desirable community in which to live, including quality schools, outstanding recreational and cultural opportunities, and a central location within the Chicago metropolitan area. Notwithstanding the current softness in the housing market, the availability of appropriate sites and regulatory restrictions, rather than lack of market support, will be the biggest constraints to new residential development in Elmhurst over the next decade. Opportunities exist for a variety of housing types, including single-family detached homes, townhomes, and multifamily units, as discussed below.

Single-Family Homes. Unless undeveloped properties in unincorporated areas are annexed or significant industrial parcels are rezoned, large-scale new single-family residential subdivisions in the community are unlikely. New homes will continue to be built on individual lots, oftentimes replacing smaller, less functional homes. Over the past 10 years, Elmhurst has permitted an annual average of 232 new single-family homes. Development of new single-family homes, accompanied by demolition of older homes, is likely to continue, although the pace can be expected to slow over the next ten years.

Townhomes. Attached townhomes are a sought-after housing type in desirable communities such as Elmhurst where single-family home prices are high. Townhomes can serve as a useful buffer between single-family neighborhoods and commercial development while providing more variety in the housing stock. This type of residential product is a popular choice for younger households with few or no children. Typical densities for high-end townhomes in suburban Chicago are 12 - 15 units per acre. In Elmhurst, demand for townhomes remains strong and numerous townhome developments could be supported if appropriate sites become available.

Multifamily Housing. Elmhurst’s new multifamily developments have generally met with strong market acceptance. Buyers typically include households in the 55 to 74 age category who own a home in the community and may be looking to downsize. Younger households, typically made up of one or two wage-earners and no children, have also been attracted to the downtown area, given its transit options and commercial amenities. These developments can be single-use residential buildings or mixed-use buildings with residential units above ground-floor commercial. Over the course of the next ten years, some of this housing demand may be satisfied by rental buildings, depending on development economics.

Senior Housing. Developers recognized that Elmhurst has a shortage of senior housing options in the community, and have responded with a variety of new projects that will add 217 independent units and 138 assisted-living units. It is very likely that these new units will satisfy demand for this product in the foreseeable future. However, some new units may be added over a ten-year period.

The following table summarizes potential residential market opportunities in Elmhurst over the next ten years.

POTENTIAL RESIDENTIAL DEVELOPMENT OPPORTUNITIES		
<u>Housing Type</u>	<u>Annual Average Units</u>	<u>Ten-Year Total Units</u>
Single-Family	100	1,000
Net New Single Family	5	50
Townhome	20	200
Multifamily	25	250
Senior Housing	5	50

Source: Goodman Williams Group.

IV. RETAIL MARKET OVERVIEW

Retail Concentrations in Elmhurst

Elmhurst has a Downtown commercial area, known as City Centre, as well as two smaller commercial nodes located along the Illinois Prairie Path (Spring Road and the York/Vallette area). Other community-scale shopping centers are located along Route 83 at the western end of the City and in the southern portion of Elmhurst near Butterfield and York. Commercial uses also extend along York Street north of North Avenue. The following paragraphs briefly describe these commercial areas.

City Centre stretches along York Road and Addison Street between North Avenue (IL Rte 64) on the north and Church Street on the south. Major retailers include a Jewel-Osco, CVS Pharmacy, Walgreen's, Ace Hardware, and approximately 222 specialty retailers and service businesses. Nearly 40 restaurants, coffee shops, and other food establishments offer a variety of dining options. The renovated York Theatre and the 14-lane Lucky Strike bowling alley are among the entertainment options. A summary table of the types of businesses in Elmhurst City Centre appears on the following page.

The City of Elmhurst has recently released a request for proposals for a site known as the Hahn Street Project. The site is comprised of 2.72 acres on Hahn Street between Addison Avenue and York Street. The city is seeking a mixed-use, destination-oriented development that includes a public parking deck, retail, and public open space.

The intersection of **Vallette and York Streets** is a neighborhood-serving commercial district with a variety of free-standing establishments and smaller strip shopping centers. Some sites appear to be under-utilized. Most of the businesses are located south of the Illinois Prairie Path, a former railroad right-of-way now used for recreational purposes.

The Spring Road business district is anchored by several well-established restaurants and other local retail and service businesses.

Elmhurst Crossing is a community shopping center located at Route 83 and St. Charles Road. It has approximately 350,000 square feet of retail space and is anchored by a Sears Essentials, Dominick's, and Kohl's. Other stores in this center include Pier 1 and Petco. The City of Elmhurst participated in the development of this center by contributing city-owned property and establishing a Tax Increment Financing (TIF) district.

SUMMARY OF ELMHURST CITY CENTRE BUSINESSES BY CATEGORY

<u>Category</u>	<u>No. of Establishments</u>	<u>Percent of Total</u>
Professional Service	35	12.6%
Medical/Dental	40	14.4%
Miscellaneous Services	33	11.9%
Financial Institution	6	2.2%
Cleaners/Tailors	7	2.5%
Hair Salon/Spa	30	10.8%
Public Building	5	1.8%
Non-profit Organization	7	2.5%
Automotive	<u>5</u>	<u>1.8%</u>
Subtotal: Services	168	60.6%
Gift/Specialty	25	9.0%
Specialty Food/Drink	4	1.4%
Clothing/Accessories	10	3.6%
Jewelry	3	1.1%
Home Improvement	4	1.4%
Home Furnishings	7	2.5%
Pharmacy	3	1.1%
Grocery/Convenience	<u>2</u>	<u>0.7%</u>
Subtotal: Retail	58	20.9%
Restaurant	40	14.4%
Museum/Cultural Attraction/School	9	3.2%
Entertainment/Recreation	<u>2</u>	<u>0.7%</u>
Subtotal: Cultural/Entertainment	51	18.4%
Total	277	100.0%

Source: Elmhurst City Centre and Goodman Williams Group

Route 83 at North Avenue is a major intersection with five restaurants, a furniture store, a banquet hall and a Courtyard by Marriott. Additional retail space is currently under development, and more retail opportunities may exist; however, floodplain restrictions on the west side of Route 83 in this area significantly limit future redevelopment opportunities.

At the intersection of **Butterfield Road and York Street** near the Elmhurst Memorial Center for Health, are several shopping centers with tenants that include Jewel Food Store, Ace Hardware, and a handful of smaller retailers and restaurants.

Commercial development also extends along **North York Street** north of City Centre, with a variety of strip centers and service businesses. As will be demonstrated, a cluster of car dealerships located along Lake Street and Grand Avenue contribute significantly to the City's tax base.

Competitive Retail Environment

To identify additional retail opportunities within Elmhurst, it is necessary to understand the competitive environment and identify the major retail concentrations where residents of Elmhurst and adjacent communities typically shop. The locations of the major shopping centers and free-standing big-box retailers in this market are shown on the accompanying map and are discussed below.

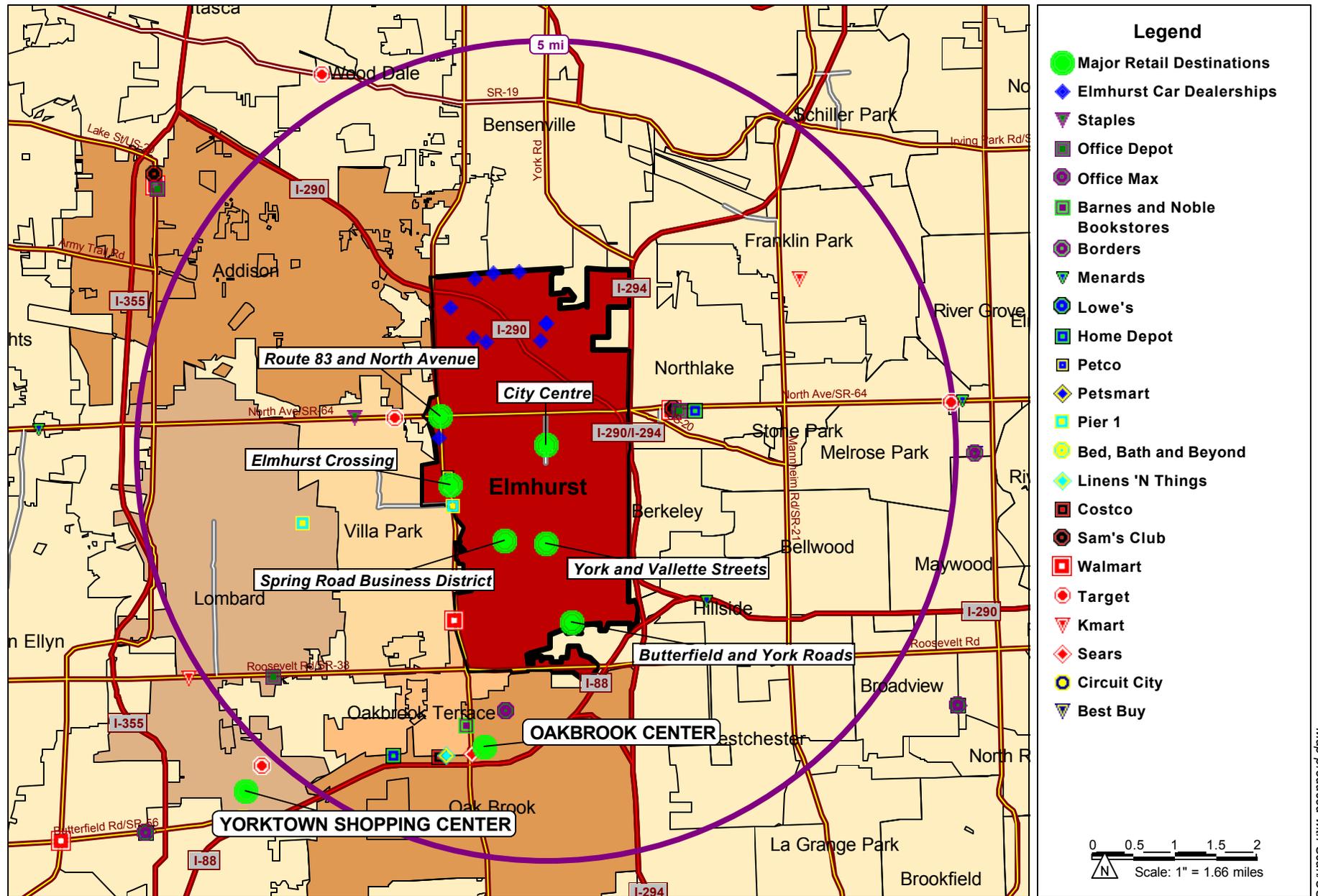
Oakbrook Center is one of the most successful regional malls in the Chicago market. It is located less than four miles south of downtown Elmhurst at the intersection of Route 83 and 22nd Street. First constructed in 1962, Oakbrook Center has undergone several expansions and renovations, and now contains nearly 1.4 million square feet of gross leaseable area. Its anchors include Lord & Taylor, Macy's, Neiman Marcus, Nordstrom, Bloomingdales Home Store, and Sears. In late 2000, Oakbrook Center changed owners, as Rodamco North American NV, a Dutch company, acquired Oakbrook Center's previous owner, Chicago-based Urban Shopping Centers Inc. In 2004, General Growth Properties acquired a half-interest in the mall and took over management responsibilities.

Yorktown Mall, another major regional center with 1.7 million square feet of retail space, is located three miles west of Oakbrook Center at the intersection of Highland Avenue and Butterfield Road in Lombard. Yorktown is anchored by Carson Pirie Scott, JC Penney, Von Maur, and Target, and serves a more middle-market clientele than Oakbrook Center. The mall is currently undergoing a major redevelopment that includes the addition of The Shops on Butterfield, a 200,000-square-foot lifestyle center. This new addition is currently under construction and is expected to open in 2007.

Other concentrations of large format retailers can be found off of I-88 in Oak Brook just north of Oakbrook Center; on **Butterfield Road** in Lombard and Downers Grove; on North Avenue in Villa Park and Northlake; and on **Roosevelt Road** in Lombard, Villa Park and Oakbrook Terrace. A number of retailers are also located on **Lake Street** in Addison. Table 7 lists a complete inventory of the major retailers found at these and other locations.

Competitive Retail Environment

Scan/US, Inc.



03/30/07

RETAILERS BY CATEGORY

<u>Retail Category</u>	<u>Store Name</u>	<u>Address</u>	<u>Distance (mi)*</u>
Discount Department Stores			
	Kmart	10205 Grand Ave	Franklin Park 3.7
	Kmart	345 W Roosevelt Road	Lombard 5.1
	Sears	265 S Route 83	Elmhurst 1.2
	Sears	2 Oakbrook Center	Oak Brook 3.8
	Target	50 E North Avenue	Villa Park 1.9
	Target	850 W North Ave	Melrose Park 4.9
	Target	60 Yorktown Shopping Center	Lombard 5.1
	Target	401 Irving Park Rd	Wood Dale 5.4
	Target	800 Broadview Village Square	Broadview 5.9
	Wal-Mart	137 W North Avenue	North Lake 1.6
	Wal-Mart	900 S Route 83	Villa Park 2.4
	Wal-Mart	1050 N Rohlwing Road	Addison 5.7
Warehouse Clubs			
	Sam's Club	141 W North Avenue	Northlake 1.7
	Sam's Club	1006 Rohlwing Road	Addison 5.8
	Costco	1901 W 22nd Street	Oak Brook 4.0
Electronics Stores			
	Best Buy	1334 Winston Plaza	Melrose Park 5.2
	Best Buy	1038 N Rohlwing Road	Addison 5.7
	Best Buy	1432 Butterfield Road	Downers Grove 6.7
	Circuit City	2900 Highland Avenue	Downers Grove 5.8
Home Accessories and Furniture			
	Linens N Things	17 W 22nd Street	Oakbrook Terrace 3.9
	Bed Bath & Beyond	1548 Butterfield Road	Downers Grove 6.7
	Pier 1 Imports	355 S Route 83	Elmhurst 1.3
	Pier 1 Imports	2830 S Highland Aveue	Lombard 3.1
Pet Supplies			
	Petco	199 S Route 83	Elmhurst 1.3
	PETsMART	500 Broadview Village Square	Broadview 5.8
	PETsMART	1550 Butterfield Rd	Downers Grove 6.7
Home Improvement Stores			
	Home Depot	37 W North	Northlake 1.8
	Home Depot	17w734 22nd Street	Oakbrook Terrace 4.1
	Home Depot	700 Broadview Village Square	Broadview 5.9
	Home Depot	2000 Butterfield Road	Downers Grove 6.7
	Menards	101 N Wolf Road #4	Hillside 2.7
	Menards	8311 W. North Ave	Melrose Park 5.1
	Menards	521 E. North Ave	Glendale Heights 6.2
Book Stores			
	Barnes & Noble	1 S 550 Route 83	Oakbrook Terrace 3.1
	Borders	1500 16th Street, Suite D	Oak Brook 3.2
Office Supply Stores			
	Office Depot	53 W North Avenue	Northlake 1.7
	Office Depot	511 E Roosevelt Road	Lombard 4.3
	Office Depot	1020 N Rohlwing Road	Addison 5.7
	Office Depot	120 Ogden Avenue	Downers Grove 6.8
	Office Max	1500 16th Street, Suite C	Oak Brook 3.2
	Office Max	1060 Winston Plaza	Melrose Park 5.2
	Office Max	1000 Broadbiew Village Square	Broadview 5.9
	Office Max	1516A Butterfield Road	Downers Grove 6.8
	Staples	304 W North Ave	Villa Park 2.4

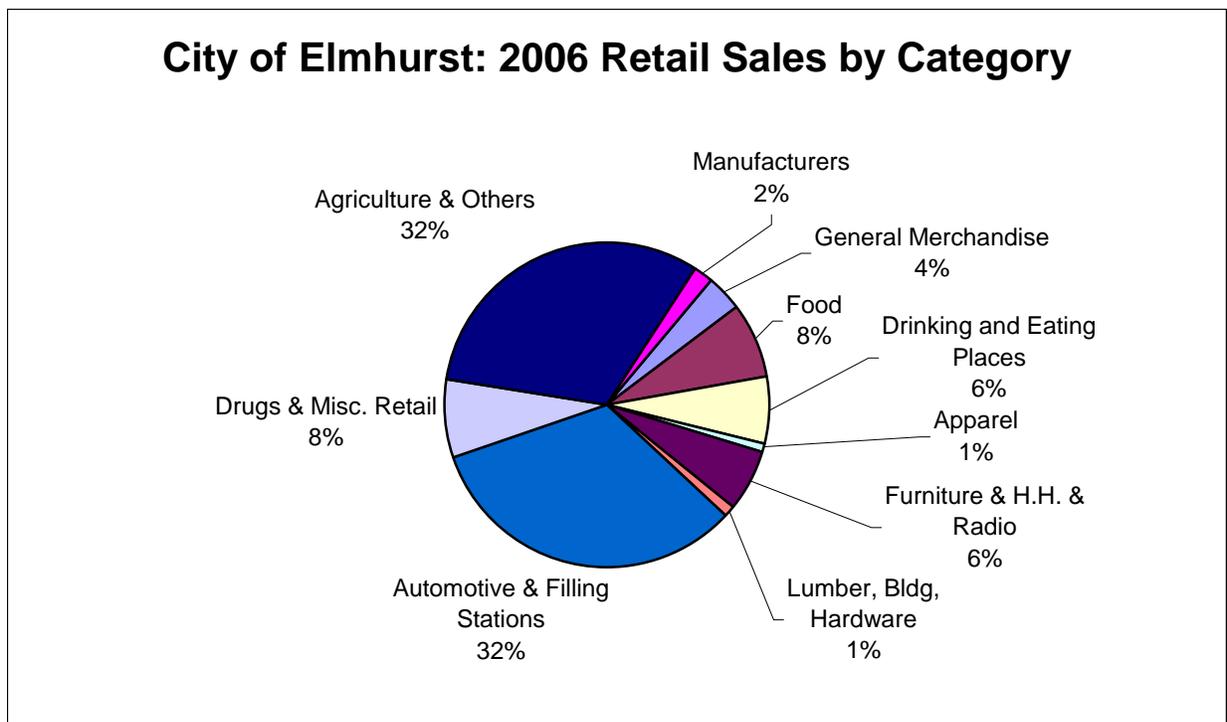
*Distance from 1st and York in Downtown Elmhurst

Sources: Goodman Williams Group based on information from retailers' web sites and Shopping Center Directory.

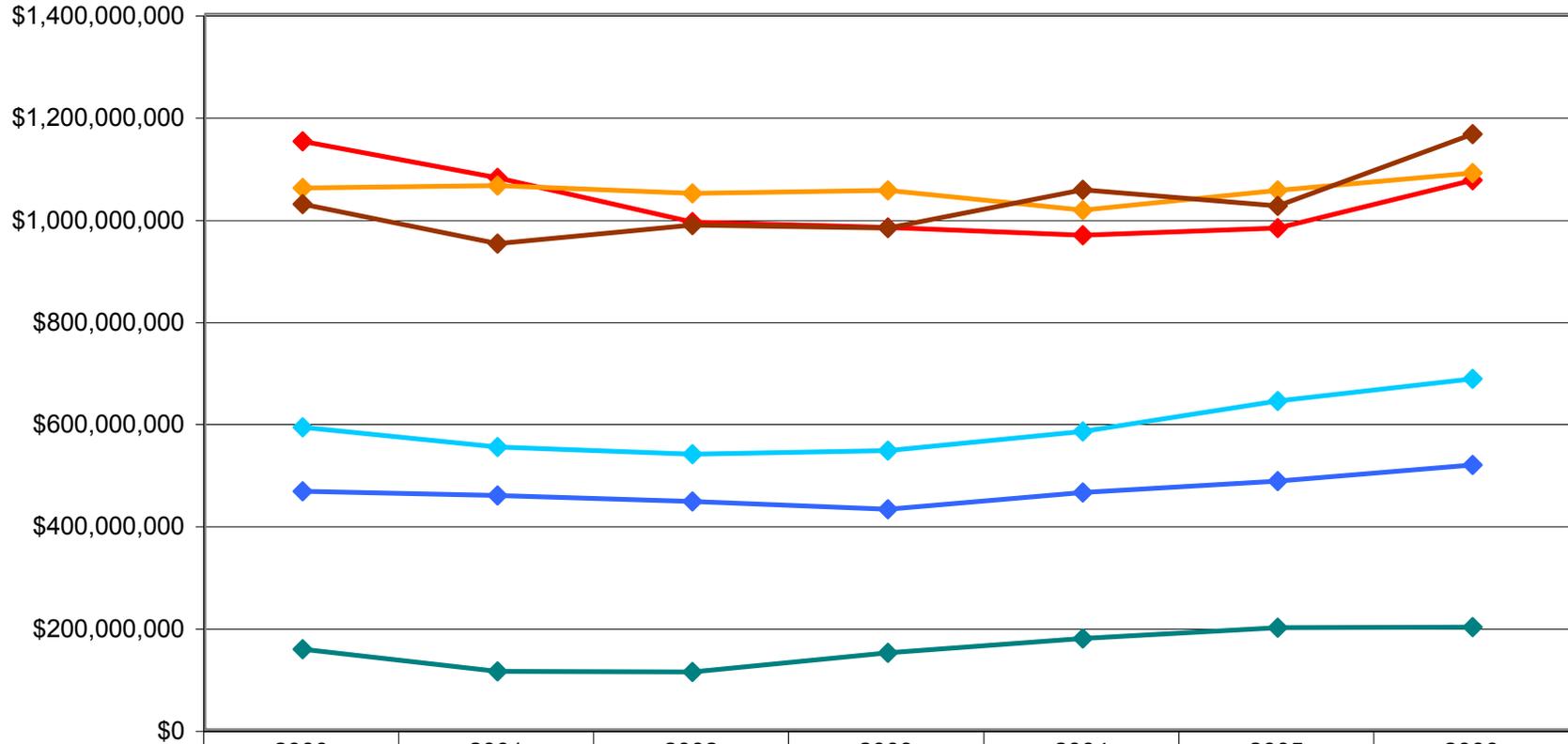
Trends in Retail Sales Tax Receipts

The graph on the following page shows taxable retail sales from 2000 through 2006 for the communities of Addison, Elmhurst, Lombard, Oak Brook, Oakbrook Terrace, and Villa Park. Oak Brook, Lombard, and Elmhurst all generated more than \$1 billion in taxable retail sales in 2006. Elmhurst's cluster of car dealerships, rather than a regional mall, is responsible for the community's high level of sales tax revenue.

The financial impact of the automobile dealerships in Elmhurst is revealed when 2006 taxable retail sales for the city are broken down by category. As shown in the pie chart below, the Automotive and Filling Stations category comprises 32% of the total taxable retail sales in the community.



ANNUAL TAXABLE RETAIL SALES



	2000	2001	2002	2003	2004	2005	2006
◆ Addison	\$590,706,736	\$552,251,387	\$538,009,577	\$545,846,264	\$583,407,823	\$642,458,111	\$685,488,364
◆ Elmhurst	\$1,150,458,407	\$1,079,647,036	\$992,578,208	\$981,858,698	\$966,945,667	\$981,171,739	\$1,074,003,752
◆ Lombard	\$1,059,448,288	\$1,063,566,536	\$1,049,352,736	\$1,054,180,542	\$1,016,484,525	\$1,055,095,808	\$1,088,865,350
◆ Oak Brook	\$1,027,340,915	\$951,029,305	\$986,789,805	\$980,931,364	\$1,055,797,522	\$1,024,245,149	\$1,164,957,187
◆ Oakbrook Terrace	\$156,952,774	\$113,932,664	\$112,845,747	\$149,711,832	\$178,285,883	\$199,183,057	\$200,623,830
◆ Villa Park	\$466,142,693	\$458,274,295	\$445,640,114	\$430,794,179	\$463,835,436	\$486,082,652	\$516,894,124

Source: Illinois Department of Revenue

Retail Analysis

To determine the potential for additional retail development in Elmhurst, we first performed an opportunity (or gap) analysis, which compares the expenditure potential and retail sales estimates within a specified area. For this exercise, we used the City of Elmhurst as our market area. The estimates were provided by Claritas, a data firm used by many national retailers.

The expenditure potential figures are based on estimates of what households typically spend for various types of retail items, using sources such as the Consumer Expenditure Survey. These estimates of demand are then compared to retail sales estimates (the supply).

If the expenditure potential exceeds the sales estimates in a particular category, dollars are being “leaked” to other communities, indicating a potential opportunity for additional retail development that can capture those dollars. When the opposite is true, and sales estimates exceed expenditure potential, the existing stores in that category are attracting patrons from outside the community. While additional retail developments are still possible in that case, it is indicative of a more competitive market, and new projects would have to be carefully analyzed relative to the competition and the business strategies of individual retailers.

A summary of this retail opportunity analysis is shown on the following page. Claritas’ more detailed analysis is contained in the Addenda to this report. The retail categories where the gap numbers appear in black indicate more expenditure potential than sales, and thus potential opportunity to capture dollars that are being leaked. The red numbers indicate a surplus of sales.

Retail Opportunity Analysis for the City of Elmhurst

	<u>City of Elmhurst</u>		
	<u>Demand</u> (Expenditure Potential)	<u>Supply</u> (Retail Sales)	<u>Opportunity</u> (Gap/Surplus)
Total Retail Sales (Incl Eating & Drinking Places)	840,129,112	1,074,534,653	(234,405,541)
Motor Vehicle and Parts Dealers	152,046,762	508,168,912	(356,122,150)
Furniture and Home Furnishings	25,970,540	28,581,250	(2,610,710)
Electronics and Appliance	21,371,966	13,952,169	7,419,797
Building Material, Garden Equip	102,926,068	139,264,710	(36,338,642)
Food and Beverage	92,136,696	116,174,269	(24,037,573)
Health and Personal Care	40,413,363	36,056,050	4,357,313
Gasoline Stations	77,893,516	34,004,275	43,889,241
Clothing and Clothing Accessories	44,088,026	13,657,330	30,430,696
Sporting Goods, Hobby, Book, Music	17,218,859	22,071,270	(4,852,411)
Sportng Goods, Hobby, Musical Inst	11,617,739	15,217,312	(3,599,573)
Book, Periodical and Music	5,601,120	6,853,958	(1,252,838)
General Merchandise	105,759,353	66,335,301	39,424,052
Miscellaneous Store Retailers	23,292,869	23,197,225	95,644
Florists	1,794,810	3,394,159	(1,599,349)
Office Supplies, Stationery, Gift	9,690,545	10,434,496	(743,951)
Used Merchandise	2,077,958	1,161,327	916,631
Other Miscellaneous Store Retailers	9,729,556	8,207,243	1,522,313
NonStore Retailers	53,626,274	15,469,476	38,156,798
Foodservice and Drinking Places	83,384,820	57,602,416	25,782,404
FullService Restaurants	37,729,644	14,444,474	23,285,170
LimitedService Eating Places	34,731,236	34,564,126	167,110
Special Foodservices	6,945,434	7,299,624	(354,190)
Drinking Places Alcoholic Beverages	3,978,506	1,294,192	2,684,314

2006 Demographics

Population	44,945
Households	16,613
Median Household Income	\$78,281

Claritas' RMP data is derived from two major sources of information. The demand data is derived from the Consumer Expenditure Survey (CE Survey), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census of Retail Trade (CRT), which is made available by the U.S. Census.

The difference between demand and supply represents the opportunity gap or surplus available for each retail outlet in the specified reporting geography. When the demand is greater than (less than) the supply, there is an opportunity gap (surplus) for that retail outlet. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

Source: Goodman Williams Group based on data from Claritas, Inc.

While overall sales in Elmhurst exceed the expenditure potential, the following categories might represent opportunities for additional retail development:

- **Electronics and Appliance.** A retailer such as Best Buy might find this market appealing, although the \$7.4 million “opportunity” is not sufficient in and of itself to support a new 30,000 to 45,000-square-foot store. The nearest Best Buy is located in Melrose Park, just over five miles from Elmhurst’s City Centre.
- **Clothing and Clothing Accessories.** While this category shows more than \$30 million in leakage, national retailers that are located in Oakbrook Center would be unlikely to open a store in Elmhurst. Typically, mall tenants have prohibitions in their leases that restrict the opening of new stores within a five-mile radius. That restriction, however, would have no effect on the ability or interest of smaller locally owned, independent apparel and accessory stores from opening in Elmhurst.
- **General Merchandise.** This category includes both traditional department stores as well as discounters like Target and Meijer. Although no traditional department stores would locate in Elmhurst, given its proximity to Oakbrook Center, it is possible that a discounter might find this market attractive if an appropriate site were identified. Target has a store on North Avenue in Villa Park, which serves the Elmhurst market, but other discount department stores might be interested. A Meijer, for example, typically contains 175,000 – 225,000 square feet and would need a site of approximately 20 acres.
- **Foodservice and Drinking Places.** The Full Service Restaurant portion of this category shows an opportunity of \$23.3 million. If we assume a healthy \$400 per square foot in sales, this excess expenditure potential could theoretically support more than 58,000 square feet of additional restaurant space. While this calculation seems aggressive, it is likely that Elmhurst could support a number of new restaurants to serve area residents, workers, and students.

Retail Conclusions and Opportunities

In recent years, the city’s economic development staff has done an admirable job of enhancing the variety of retail and service offerings in City Centre. New restaurants and specialty retailers serve the growing downtown population, other Elmhurst residents, students, workers and visitors. Efforts to recruit and assist business should continue in City Centre as well as in the Vallette and York, and Spring Road business districts. Focus should be on independent or regional retailers in the following categories:

- Restaurants
- Specialty food and beverage
- Gifts and specialty items
- Toys and hobbies
- Home improvement and accessories
- Apparel and accessories

Some of the older strip centers in the York and Vallette area, as well as on North York, could benefit from physical enhancements, such as façade improvements, better signage, and more landscaping, as well as selective re-tenanting. On underutilized parcels, where appropriate, consideration should be given to redevelopment scenarios that include mixed-use buildings or townhouse developments.

If larger sites can be assembled on one or more of the City’s visible, well-trafficked commercial arteries, Elmhurst could support several additional large-format retailers, particularly in the electronics and discount department store categories. Careful planning will be needed to ensure that this type of development does not negatively impact surrounding neighborhoods.

Given the importance of the automobile dealerships to Elmhurst’s financial health, continued attention should be given to this sector of the retail base. Meeting the needs of the dealerships and their customers will help ensure their on-going success.

The following table summarizes potential retail market opportunities in Elmhurst over the next ten years. The square footage estimates represent net new retail space in the City, not the total square footage of retail activity.

POTENTIAL RETAIL MARKET OPPORTUNITIES		
<u>Category</u>	<u>Annual Average (Square Feet)</u>	<u>Ten-Year Total (Square Feet)</u>
Big Box - Electronics	-	45,000
Big-Box - Discount Dept.	-	225,000
Smaller Format Retail	10,000	100,000
Restaurant	5,000	50,000
Services	5,000	50,000

Source: Goodman Williams Group

V. OFFICE AND INDUSTRIAL MARKET OVERVIEW

Overview of Elmhurst Employers

DuPage County is one of the major employment centers in the Chicago region, with large-scale office developments, distribution centers, and regional malls located along the major Interstates. Elmhurst has an employment base of more than 28,000 private-sector jobs. In addition, Elmhurst residents benefit from their proximity to major employment centers located elsewhere in the County. As shown on the following table, the largest sources of private-sector employment in the community are in the Health Services and Wholesale Trade categories. Manufacturing comprises 9.1% of the total.

2006 PRIVATE SECTOR EMPLOYMENT IN ELMHURST AND DUPAGE COUNTY				
	<u>City of</u>		<u>DuPage</u>	
	<u>Elmhurst</u>	<u>Percent</u>	<u>County</u>	<u>Percent</u>
ALL INDUSTRIES BY NAICS CATEGORIES	28,169	100.0%	533,701	100.0%
MANUFACTURING (31-33)	2,569	9.1%	58,878	11.0%
WHOLESALE TRADE (42)	3,886	13.8%	52,027	9.7%
RETAIL TRADE (44-45)	2,292	8.1%	68,734	12.9%
TRANSPORTATION & WAREHOUSING (48-49)	624	2.2%	22,897	4.3%
INFORMATION (51)	1,233	4.4%	13,226	2.5%
FINANCE & INSURANCE (52)	966	3.4%	35,630	6.7%
REAL ESTATE & RENTAL & LEASING (53)	696	2.5%	10,304	1.9%
PROFESSIONAL, SCIENTIFIC & TECH. SVCS. (54)	1,937	6.9%	48,134	9.0%
MNGMT. OF COMPANIES & ENTERPRISES (55)	1,011	3.6%	15,892	3.0%
ADMIN. & SUP. & WASTE MGMT. & REMED. SVCS. (56)	775	2.8%	52,521	9.8%
EDUCATIONAL SERVICES (61)	773	2.7%	10,729	2.0%
HEALTH CARE & SOCIAL ASSISTANCE (62)	5,940	21.1%	45,623	8.5%
ARTS, ENTERTAINMENT & RECREATION (71)	119	0.4%	5,255	1.0%
ACCOMMODATIONS & FOOD SERVICES (72)	1,733	6.2%	39,114	7.3%
OTHER SERVICES (except PUBLIC ADMIN.) (81)	1,147	4.1%	20,054	3.8%

Source: Illinois Bureau of Employment Security.

The following table lists the employers in Elmhurst with more than 200 workers. Topping the list is Elmhurst Memorial Hospital, which is planning to build a new hospital facility on the grounds of the Elmhurst Memorial Center for Health on South York Road near Roosevelt Road. It is anticipated that the existing hospital facility at 200 North Berteau Avenue will continue to be used for medical purposes, although a residential redevelopment of the site would be possible from a market standpoint.

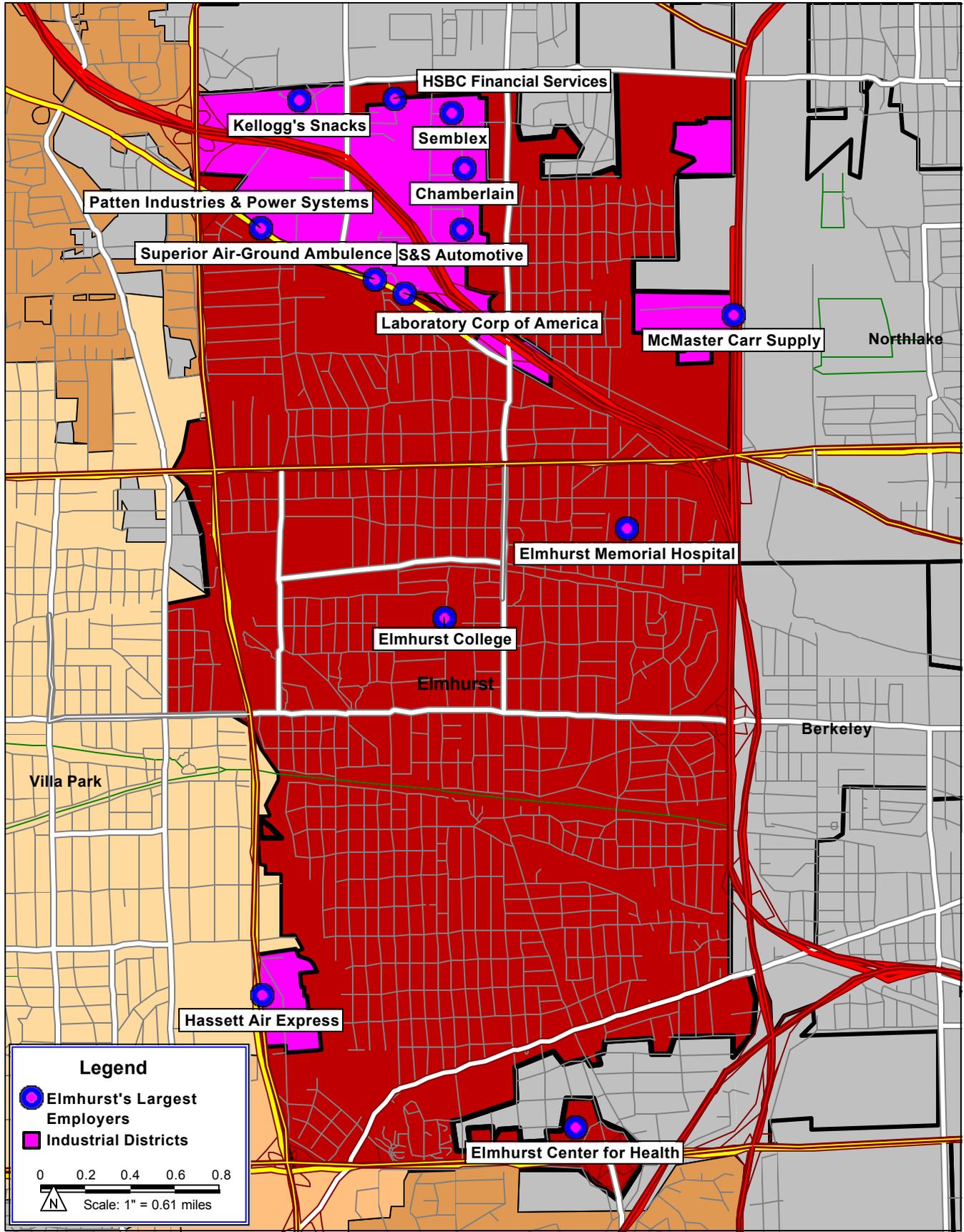
MAJOR EMPLOYERS IN ELMHURST		
<u>Employer</u>	<u>Address</u>	<u>Number of Employees</u>
Elmhurst Memorial Hospital	200 N Berteau Avenue	2,400
HSBC Financial Services	961 Weigel Drive	1,800
McMaster Carr Supply	600 County Line Road	850
Patten Industries & Power Systems	635 / 615 W Lake Street	800
Elmhurst College	190 S Prospect Avenue	500
Chamberlain	845 N Larch Avenue	330
Hassett Air Express	877 S Rte 83	300
S & S Automotive, Inc	740 N Larch	300
Laboratory Corp of America	321 W Lake Street	250
Superior Air-Ground Ambulance	395 W Lake Street	250
Semplex	199 W Diversey Avenue	225
Kellogg's Snacks	545 W Lamont Road	200

Source: Illinois Department of Commerce and Economic Opportunity & Illinois Services Directory 2006

Elmhurst College, one of the City's other major institutions, is also moving forward with expansion plans. In addition to building residence halls, the 2007 Master Plan includes an overhaul of the Science Center and a new performing arts center.

As shown on the following map, most of the remaining large employers are concentrated in the industrial area north of Lake Street and west of York Street.

Largest Employers in Elmhurst



Lake and Grand Industrial Area

Elmhurst has a base of smaller industrial and office buildings, most of which are located north of Lake Street and west of York Street. This area is not developed or organized as a cohesive industrial park; rather, it is a collection of tenant- and owner-occupied buildings involved in light manufacturing and service businesses. These companies enjoy the advantages of proximity to the expressway system, O'Hare airport, a large and diverse labor pool, as well as several hotels.

Many of the industrial buildings in this area were built in the 1970s. While not state-of-the-art with regard to ceiling heights and building systems, they are, for the most part, functional and well maintained. Most of the buildings are 15,000 to 40,000 square feet in size. Typical rental rates are \$5.50 to \$7.00 per square foot on a net basis (exclusive of taxes and operating expenses). These 1970s-era buildings are typically priced at \$60 to \$80 per square foot. The following table provides a current sample of industrial space available for lease in Elmhurst.

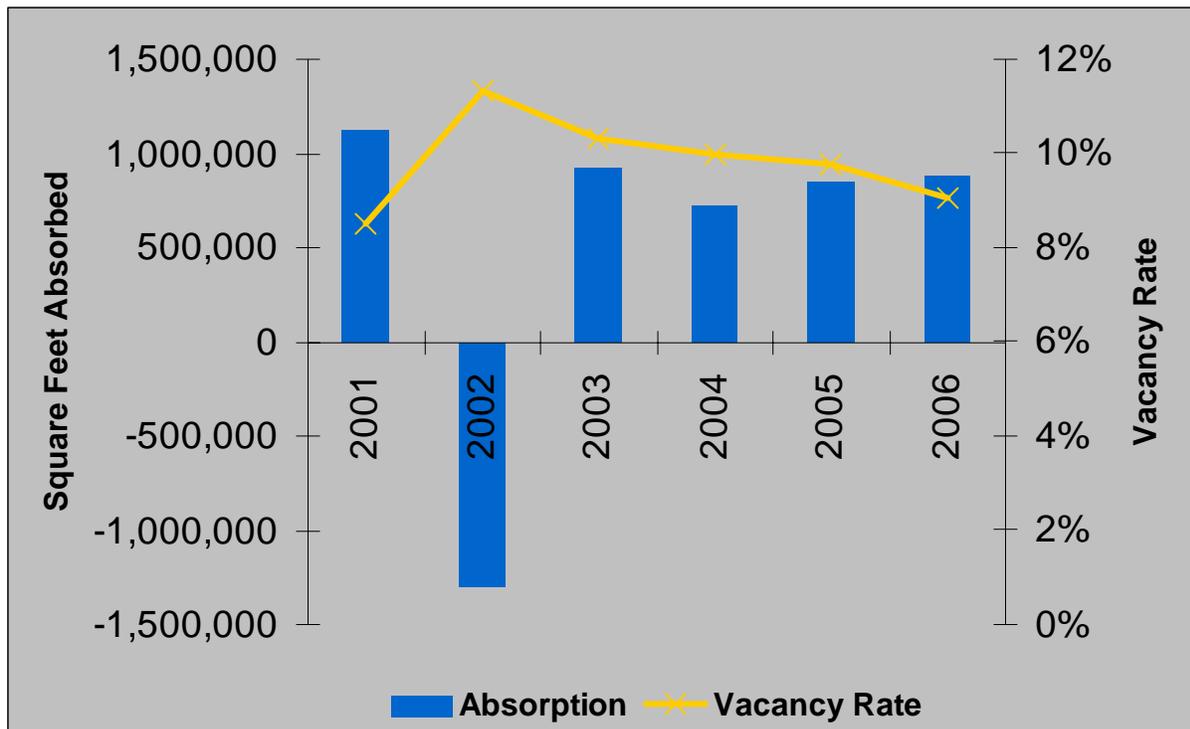
ELMHURST AVAILABLE INDUSTRIAL SPACE				
<u>Property Name</u>	<u>Space Available (SF)</u>	<u>Rental Rate (SF/Year)</u>	<u>Lease Type</u>	<u>Year Built</u>
1000 N County Line Rd	50,000-250,000	\$7.25	NNN	2007
474-506 Wrightwood	2,850-3,218	\$8.75-8.86	G	1972
475-539 Wrightwood	2,134-2,275	\$8.75-9.28	G	1973
727 N Church Road	13,984	\$12.50	NNN	1978
736-776 Industrial Drive	2,400-10,800	\$7.50-8.25	G	N/A
770 N Church Road	1,645-2,237	\$11-\$11.50	IG/MG	1988
857 Larch Avenue	37,330	\$5.50	NNN	N/A
867 Addison Road	1,300	\$12.00	MG	N/A
934 N Church Road	25,000	\$5.95	NNN	1978
940 Industrial Drive	32,000	\$5.35	NNN	1970

Source: LoopNet

Industrial Market Trends

Industrial buildings in Elmhurst are a desirable commodity for smaller users. The vacancy rate in Elmhurst is estimated to be less than 5%, well below that of the larger Central DuPage market. Historical data from Colliers, Bennett & Kahnweiler (CBK) shows that while the vacancy rate has been falling in Central DuPage County, it currently stands at 9.1%. Overall, the entire Chicago industrial market has a reported vacancy rate of 8.8%

Central DuPage: Historical Vacancy and Absorption



Source: Colliers, Bennett & Kahnweiler

Office and Industrial Conclusions and Opportunities

The cluster of businesses in the Lake and Grand industrial area are an important economic engine for Elmhurst, boosting the tax base and bringing employees into the community. It provides a place for smaller businesses seeking comparatively affordable and flexible space in an outstanding location. The types of tenants located here—primarily small manufacturing, distribution, and service companies—are appropriate in this setting, and demand for space in these buildings should remain high for the foreseeable future.

As appropriate, attention should be paid to any unmet infrastructure needs in this area. Non-conforming uses, or those that do not contribute to the business environment, should be eliminated over time. Thought should be given to “branding” and marketing this area as the Elmhurst Business Park. Most of the future development activity will involve building replacement and upgrading. There is not likely to be a significant net addition to the square footage within this area.

Local-Serving Office Market

In addition to the office uses located in the industrial area, a number of professional businesses are located in City Centre and other commercial corridors in Elmhurst. These office users typically serve the local population and include:

- Medical and dental professionals
- Financial institutions
- Attorneys and accountants
- Insurance and real estate companies
- Educational support
- Non-profit organizations

These firms may occupy small, freestanding office buildings or space in mixed-use buildings. A significant increase in the demand for office space in Elmhurst over the next decade is unlikely, particularly if the growing space requirements of Elmhurst Memorial Hospital and Elmhurst College can be met within their respective campus expansions. There will, however, be some net increase in office space to serve residents and local businesses. Over a ten-year period, we estimate net new demand for office space of approximately 75,000 square feet, or 7,500 on an annual basis.

ADDENDA

Retail Opportunity Analysis for the City of Elmhurst

	City of Elmhurst		
	Demand (Consumer Expenditures \$)	Supply (Retail Sales \$)	Opportunity Gap/Surplus \$
Total Retail Sales (Incl Eating & Drinking Places)	840,129,112	1,074,534,653	(234,405,541)
Motor Vehicle and Parts Dealers	152,046,762	508,168,912	(356,122,150)
Automotive Dealers	127,333,289	491,845,193	(364,511,904)
Other Motor Vehicle Dealers	12,282,002	2,296,116	9,985,886
Automotive Parts/Accsrs, Tire	12,431,471	14,027,603	(1,596,132)
Furniture and Home Furnishings	25,970,540	28,581,250	(2,610,710)
Furniture	13,634,020	14,925,512	(1,291,492)
Home Furnishing	12,336,520	13,655,738	(1,319,218)
Electronics and Appliance	21,371,966	13,952,169	7,419,797
Appliances, TVs, Electronics	16,044,358	13,181,890	2,862,468
Household Appliances	3,679,974	3,066,462	613,512
Radio, Television, Electronics	12,364,384	10,115,428	2,248,956
Computer and Software	4,422,391	770,279	3,652,112
Camera and Photographic Equipment	905,217		905,217
Building Material, Garden Equip	102,926,068	139,264,710	(36,338,642)
Building Material and Supply Dealers	93,530,082	137,838,804	(44,308,722)
Home Centers	36,706,316		36,706,316
Paint and Wallpaper	2,575,886	2,452,777	123,109
Hardware	7,058,776	6,351,671	707,105
Other Building Materials Dealers	47,189,104	129,034,356	(81,845,252)
Building Materials, Lumberyards	16,551,348	44,002,157	(27,450,809)
Lawn, Garden Equipment, Supplies	9,395,986	1,425,906	7,970,080
Outdoor Power Equipment	1,356,403		1,356,403
Nursery and Garden Centers	8,039,583	1,425,906	6,613,677
Food and Beverage	92,136,696	116,174,269	(24,037,573)
Grocery	82,994,580	106,724,194	(23,729,614)
Supermarkets, Grocery (Ex Conv)	78,790,051	103,573,271	(24,783,220)
Convenience	4,204,529	3,150,923	1,053,606
Specialty Food	2,763,035	1,991,518	771,517
Beer, Wine and Liquor	6,379,081	7,458,557	(1,079,476)
Health and Personal Care	40,413,363	36,056,050	4,357,313
Pharmancies and Drug	34,491,232	33,147,018	1,344,214
Cosmetics, Beauty Supplies, Perfume	1,448,010	1,456,965	(8,955)
Optical Goods	1,924,650	109,401	1,815,249
Other Health and Personal Care	2,549,471	1,342,666	1,206,805
Gasoline Stations	77,893,516	34,004,275	43,889,241
Gasoline Stations With Conv	58,590,424	27,929,825	30,660,599
Other Gasoline Stations	19,303,092	6,074,450	13,228,642

Retail Opportunity Analysis for the City of Elmhurst

	City of Elmhurst		
	Demand (Consumer Expenditures \$)	Supply (Retail Sales \$)	Opportunity Gap/Surplus \$
Clothing and Clothing Accessories	44,088,026	13,657,330	30,430,696
Clothing	30,960,964	5,386,800	25,574,164
Men's Clothing	1,942,121	836,771	1,105,350
Women's Clothing	8,014,073	2,668,251	5,345,822
Childrens, Infants Clothing	1,634,738	582,613	1,052,125
Family Clothing	16,488,445	428,582	16,059,863
Clothing Accessories	818,350	649,741	168,609
Other Clothing	2,063,237	220,842	1,842,395
Shoe	5,357,014	3,173,038	2,183,976
Jewelry, Luggage, Leather Goods	7,770,048	5,097,492	2,672,556
Jewelry	7,217,083	5,097,492	2,119,591
Luggage and Leather Goods	552,965		552,965
Sporting Goods, Hobby, Book, Music	17,218,859	22,071,270	(4,852,411)
Sportng Goods, Hobby, Musical Inst	11,617,739	15,217,312	(3,599,573)
Sporting Goods	5,844,102	4,182,687	1,661,415
Hobby, Toys and Games	3,745,189	6,734,037	(2,988,848)
Sew/Needlework/Piece Goods	908,918	362,243	546,675
Musical Instrument and Supplies	1,119,530	3,938,345	(2,818,815)
Book, Periodical and Music	5,601,120	6,853,958	(1,252,838)
Book and News Dealers	4,008,159	6,061,125	(2,052,966)
Book	3,808,277	5,170,460	(1,362,183)
News Dealers and Newsstands	199,882	890,665	(690,783)
Prerecorded Tapes, CDs, Record	1,592,961	792,833	800,128
General Merchandise	105,759,353	66,335,301	39,424,052
Department Stores Excl Leased Depts	51,492,702	65,001,645	(13,508,943)
Other General Merchandise	54,266,651	1,333,656	52,932,995
Warehouse Clubs	45,927,667		45,927,667
All Other General Merchandise	8,338,984	1,333,656	7,005,328
Miscellaneous Store Retailers	23,292,869	23,197,225	95,644
Florists	1,794,810	3,394,159	(1,599,349)
Office Supplies, Stationery, Gift	9,690,545	10,434,496	(743,951)
Office Supplies and Stationery	5,419,636	7,441,596	(2,021,960)
Gift, Novelty and Souvenir	4,270,909	2,992,900	1,278,009
Used Merchandise	2,077,958	1,161,327	916,631
Other Miscellaneous Store Retailers	9,729,556	8,207,243	1,522,313
NonStore Retailers	53,626,274	15,469,476	38,156,798
Electronic Shopping, MailOrder	38,578,024	8,259,488	30,318,536
Vending Machine Operators	2,006,779	2,713,002	(706,223)
Direct Selling Establishments	13,041,471	4,496,986	8,544,485

Retail Opportunity Analysis for the City of Elmhurst

	City of Elmhurst		
	Demand (Consumer Expenditures \$)	Supply (Retail Sales \$)	Opportunity Gap/Surplus \$
Foodservice and Drinking Places	83,384,820	57,602,416	25,782,404
FullService Restaurants	37,729,644	14,444,474	23,285,170
LimitedService Eating Places	34,731,236	34,564,126	167,110
Special Foodservices	6,945,434	7,299,624	(354,190)
Drinking Places Alcoholic Beverages	3,978,506	1,294,192	2,684,314

2006 Demographics

Population	44,945
Households	16,613
Average Household Size	2.6
Median Household Income	\$78,281

Claritas' RMP data is derived from two major sources of information. The demand data is derived from the Consumer Expenditure Survey (CE Survey), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census Survey (CE Survey), which is fielded by the U.S. Bureau of Labor Statistics (BLS). The supply data is derived from the Census of Retail Trade (CRT), which is made available by the U.S. Census.

The difference between demand and supply represents the opportunity gap or surplus available for each retail outlet in the specified reporting geography. When the demand is greater than (less than) the supply, there is an opportunity gap (surplus) for that retail outlet. For example, a positive value signifies an opportunity gap, while a negative value signifies a surplus.

Source: Goodman Williams Group based on data from Claritas, Inc.
