



## ORDINANCE 2007-006

**AN ORDINANCE APPROVING A PLAN MAP AMENDMENT CHANGING THE ZONE FOR THE PROPERTY IDENTIFIED AS TAX LOT 600 ON ASSESSOR MAP 2S132BA FROM MEDIUM DENSITY RESIDENTIAL HIGH TO HIGH DENSITY RESIDENTIAL, AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the subject property was reviewed in response to a request for a plan map amendment, changing the zoning district of the parcel from Medium Density Residential High (MDRH) to High Density Residential (HDR); and

**WHEREAS**, the Sherwood Planning Commission conducted a public hearing on the proposed Plan Map Amendment on February 13, 2007, and adopted findings recommending approval of the plan map amendment with conditions to the City Council on February 27, 2007; and

**WHEREAS**, the Zoning and Community Development Code Section 4.203.02 specifies the criteria to approve a change in the Comprehensive Plan Map, and that the Sherwood City Council finds that the subject proposal complies based on the findings of the Planning Commission; and

**WHEREAS**, the Sherwood City Council has received the application materials, the Planning Commission recommendation report and findings, and the Council reviewed the materials submitted and the facts of the proposal and conducted a public hearing on April 3, 2007.

### **NOW, THEREFORE, THE CITY ORDAINS AS FOLLOWS:**

**Section 1. Commission Review & Public Hearings.** The application for a Plan Map Amendment (city file No. PA 06-05) to change the zone from MDRH to HDR for Tax Lot 600 of WASHINGTON COUNTY TAX ASSESSOR'S MAP 2S 1 32BA was subject to full and proper review, and public hearings were held before the Planning Commission on February 13, 2007, and the City Council on April 3, 2007.

**Section 2. Findings.** After full and due consideration of the application, the Planning Commission recommendation, report and findings and the record, including evidence presented at the public hearing, the Council finds that the


criteria for a re-zone have been satisfied and the requested zone change is appropriate. Council hereby adopts the findings of fact contained in the Planning Commission report and recommendation attached as Exhibit A.

Section 3. Approval. That a request for a Plan Map Amendment is hereby **APPROVED** as stipulated in the attached Exhibit A including the condition that a deed restriction be recorded limiting the development on the site to an assisted living facility. In the event that the property owner wishes to have the deed restriction removed in the future, Council approval must be obtained via an appropriate public process.

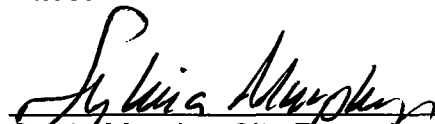
Section 4. Manager Authorized. The Planning Director is hereby directed to take such action as may be necessary to document this amendment, including preparation of a certified modification of the Official Zoning Map, at such time as all conditions of the approval have been fully satisfied in accordance with City ordinances and regulations.

Section 5. Effective Date. This ordinance shall become effective 30 days after signature by the Mayor.

Duly passed by the City Council this 3<sup>rd</sup> day of April 2007.

  
\_\_\_\_\_  
Keith S. Mays, Mayor

Attest:

  
\_\_\_\_\_  
Sylvia Murphy, City Recorder

	<u>AYE</u>	<u>NAY</u>
Weislogel	<u>Abstain</u>	_____
Luman	✓	_____
King	✓	_____
Henderson	✓	_____
Heironimus	✓	_____
Grant	✓	_____
Mays	✓	_____

PLANNING COMMISSION

Pre App. Meeting: November 2, 2005  
App. Submitted: July 20, 2006  
App. Complete: October 9, 2006  
120-Day Deadline: May 6, 2007

Patrick Allen, Planning Commission Chair

**Proposal:**

The applicant is proposing to change the zone of an existing 1.68 parcel of land from MDRH to HDR. The specified intent of the zone change is to allow the future development of a 40 unit assisted living facility (ALF) for the elderly in association with the existing Cedar Creek Assisted Living Facility to the north. There is no site plan to be considered as part of this zone change application. The applicant's submittal is included as Attachment 1.

**I. BACKGROUND**

- A. Applicant/Owner:  
Glenn H. Gregg, Trustee  
10415 SW Terwilliger Place  
Portland, OR 97219
- B. Location: The site is located at 15667 SW Oregon Street (formerly 360 NE Oregon Street) and is identified as tax lot 600 on Washington County Tax Assessor's map 2S1W32BA.
- C. Parcel Size: The parcel is 1.68 acres. The proposal is to enlarge the existing assisted living facility to the north which is on 2.42 acres for an ultimate development area of 4.1 acres.
- D. Existing Development and Site Characteristics: The lot is currently vacant. Historically, there has been a single family dwelling on the property and remnants, such as a grape arbor, play structure and non-native vegetation are visible, but no structures remain. The Tooze house was a 1920, A-frame bungalow and listed as a primary historic resource (Field No. 127) according to the Cultural Resource Inventory (1989). The structures were demolished in 2003, but a final inspection was never done to verify that all utilities were capped according to the applicable codes. There is a 0.4 acre wetland on the property to the north and a portion of the subject property. This wetland has been approved for removal by the Department of State Lands (DSL). The wetland was not identified on Metro's Regionally Significant Fish and Wildlife Habitat Map and was not identified on the City's Local Wetland Inventory.
- E. Zoning Classification and Comprehensive Plan Designation: The existing zone is Medium Density Residential High (MDRH). Section 2.104 of the Sherwood Zoning and Community Development Code (SZCDC) lists the permitted uses in this zone. The proposed zone is High Density Residential (HDR). Compliance with the permitted uses in the HDR zone is identified in Section 2.105 of the SZCDC.
- F. Adjacent Zoning and Land Use: The subject property is south of the existing Cedar Creek Assisted Living Facility, east of the Sherwood Middle School, north of two properties zoned MDRH and developed with single family residences, and west of re-developable property zoned MDRH and owned by the St Francis Catholic Church located at the end of a shared private access road.

- G. Review Type: The proposed Plan Amendment requires a Type V review, which involves a public hearing before the Planning Commission and City Council. The Planning Commission will make a recommendation to the City Council who will make the final decision. Any appeal of the City Council decision would go directly to the Land Use Board of Appeals.
- H. Public Notice and Hearing: Notice of the December 12, 2006 Planning Commission hearing and the tentatively scheduled January 16, 2007 City Council public hearing on the proposed application was published in the *Tigard-Tualatin Times* on November 30<sup>th</sup> and December 7<sup>th</sup> 2006 and posted on-site and mailed to property owners within 100 feet of the site on November 20, 2006 in accordance with Section 3.202 and 3.203 of the SZCDC. The hearing was continued to February 13, 2007 at the applicant's request.
- I. Review Criteria:  
The required findings for the Plan Map Amendment are identified in Section 4.203.02 of the Sherwood Zoning and Community Development Code. In addition, applicable Comprehensive Plan criteria are: Chapter 4 – E (Residential); applicable Metro standards are: Functional Plan Title 1; and applicable State standards are: Statewide Planning Goals 10 and 12 as well as applicable Oregon Administrative Rules (OARs).

## II. PUBLIC COMMENTS

No public comments were received as of the date of this report.

## III. AGENCY COMMENTS

Staff e-mailed notice to affected agencies on October 13, 2006. The following is a summary of comments received. Copies of full written comments are attached to the staff report.

**Kinder Morgan Energy** indicated that they have no concerns with this development. They indicate that their easement is well to the Northwest and will not be affected by this zone change.

**Department of Land Conservation and Development (DLCD)** – Verbally indicated in a phone conversation on October 16, 2006 that they did not see any conflict or concern with the proposed amendment.

**The Engineering Department** had an outside consultant review the project for compliance with the Transportation Planning Rule. Their analysis is included in this report. No other engineering comments were received at the time of this report.

**ODOT** responded indicating that they had no comment.

**Clean Water Services, Bonneville Power Administration, Tualatin Valley Fire and Rescue, Pride Disposal, Division of State Lands, Portland General Electric, NW Natural Gas, Washington County, Tualatin Valley Water District, the Sherwood Police Department and Metro** were provided the opportunity to comment, but provided no comments at the time this report was prepared.

## IV. PLAN AMENDMENT REQUIRED FINDINGS

### 4.203.02 - Map Amendment

**This section states that an amendment to the City Zoning Map may be granted, provided that the proposal satisfies all applicable requirements of the adopted Sherwood Comprehensive Plan, the Transportation System Plan and this Code, and A-D below.**

The applicable Comprehensive Plan policies are discussed under Section V. below. Section 1.101.08 requires that all development adhere to all applicable regional, State and Federal regulations. Applicable Regional regulations are discussed under Section VI. and applicable State regulations are discussed under Section VII.

**FINDING:** This is discussed in detail below.

**A. The proposed amendment is consistent with the goals and policies of the Comprehensive Plan and the Transportation System Plan.**

Compliance with this standard is addressed below under 4.203.03.

**FINDING:** This is discussed in detail below.

**B. There is an existing and demonstrable need for the particular uses and zoning proposed, taking into account the importance of such uses to the economy of the City, the existing market demand for any goods or services which such uses will provide, the presence or absence and location of other such uses or similar uses in the area, and the general public good.**

The applicant has submitted a narrative indicating that the fact that there is a waiting list for the existing care facility (to the north), demonstrating the demand for additional units. The applicant further states that a larger facility (98 units as opposed to 76 units using the current zoning) would allow them to provide more services to residents, more opportunities to their staff for advancement and more money being spent in the City. At the Public Hearing on February 13, 2007, the Planning Commission was presented a market analysis indicating that there is an existing and demonstrable need for assisted care facilities. The Market analysis indicates that there is significant more demand than the applicant will be providing even with the zone change.

**FINDING:** This standard has been met.

**C. The proposed amendment is timely, considering the pattern of development in the area, surrounding land uses, any changes which may have occurred in the neighborhood or community to warrant the proposed amendment, and the availability of utilities and services to serve all potential uses in the proposed zoning district.**

The applicant states that the amendment is timely because the site is more of an expansion of an existing zone to facilitate the expansion of the Cedar Creek Assisted Living Facility. When combined with the existing facility on tax lot 4400, the facility is surrounded on three sides by institutional uses. The applicant states that tax lot 4400 was re-zoned to HDR in 2000 (Ordinance 2000-1082) to accommodate the existing facility and that the location and approval of the existing facility supports the zone change. While staff recommended denial of the original zone change application, it was approved by the Planning Commission and City Council. However, a prior policy change to “upzone” does not constitute approval for another zone change on the basis of changing neighborhood conditions and prior findings made for the zone change (PA 99-04) do not support the current request.

At the Public Hearing, the Planning Commission found that the development pattern in the area and specifically, the fact that there is already an established care facility to the north of the proposed zone change makes the zone change timely. The Commission also finds that the project is timely when considering growth of the community in general and the demographic changes incumbent with that growth. Further the proximity to Old Town and the construction of the new

library, pedestrian plaza of Oregon Street and the downtown streets project demonstrate a change in the area that encourages more density and more pedestrian activity.

Staff raised concerns that the development is currently accessed by the private street and the applicant has not discussed how the increased density provided by this zone change will blend with the surrounding street pattern and property development. The Planning Commission finds that the proposed use of the property will provide minimal new trips onto the private street, but recognizes that the zone itself could potentially allow a use that triggers significantly more trips. For that reason, the Planning Commission recommends a condition for a deed restriction be applied limiting the use of the property in order to address the staff concerns regarding location.

**FINDING:** Based on the information provided and as conditioned this standard is met.

**D. Other lands in the City already zoned for the proposed uses are either unavailable or unsuitable for immediate development due to location, size or other factors.**

The applicant paid staff time for the Planning Department to prepare a map identifying High Density Residential land that was vacant and/or re-developable in the City. The analysis segregated properties less than .25 acres and those greater than .25 acres from developed HDR property. The premise of the requested zone change is the need to accommodate a 40 unit ALF on property that is large enough to accommodate the proposed intensity. The existing zoning would only allow 18 units on the 1.68 property. The applicant states that there are only three HDR properties large enough to accommodate the planned 40 unit facility. Their narrative indicates that these sites are generally encumbered by floodplain and/or topography that make them unsuitable for the density of development needed. The applicant has established that there are no sites currently zoned and sized appropriately for a 40 unit development. The applicant has also indicated that the subject site is the most appropriate site for a rezone to accommodate the proposed density due to the proximity to the existing Cedar Creek Assisted Living Facility.

**FINDING:** Based on the quantitative analysis provided by the applicant, staff finds that the applicant meets this standard.

**4.203.03 - Transportation Planning Rule (TPR) Consistency**

- A. Review of plan and text amendment applications for effect on transportation facilities. Proposals shall be reviewed to determine whether it significantly affects a transportation facility, in accordance with OAR 660-12-0060 (the TPR). Review is required when a development application includes a proposed amendment to the Comprehensive Plan or changes to land use regulations.**
- B. "Significant" means that the transportation facility would change the functional classification of an existing or planned transportation facility, change the standards implementing a functional classification, allow types of land use, allow types or levels of land use that would result in levels of travel or access that are inconsistent with the functional classification of a transportation facility, or would reduce the level of service of the facility below the minimum level identified on the Transportation System Plan**
- C. Per OAR 660-12-0060, Amendments to the Comprehensive Plan or changes to land use regulations which significantly affect a transportation facility shall assure that allowed land uses are consistent with the function, capacity, and level of service of the facility identified in the Transportation System Plan.**

The City Engineer sent the submitted transportation data to Jeff Wise of HDJ Engineers for a third party review of the application information for compliance with the TPR. Mr. Wise indicated that he had reviewed the traffic study portion of this application and agrees with their trip generation for all scenarios. He also agrees that the addition of 7 PM peak hour

trips as indicated in a comparison of the best and highest uses for the current and proposed zoning is insignificant. He indicates that this number of trips in a planning mode analysis of future capacity would not change the results of the analysis in the TSP and that this proposed change in land use is consistent with the identified function, capacity, and performance standards (e.g. level of service, volume to capacity ratio, etc.) of the adjacent roadways. He further indicated that no reduction in the performance of an existing or planned transportation facility below the minimum acceptable performance standard identified in the TSP or comprehensive plan is expected with the proposed zone change. It should be noted that the TSP did identify several areas that may operate below minimum performance standards, however, none of these facilities are in the vicinity of the access of this parcel to the roadway system. Therefore, it can not be said without question that additional trips from this development will worsen the performance of an existing or planned transportation facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the TSP or comprehensive plan.

**FINDING:** Based on the traffic analysis of a professional traffic engineer the City consulted, the proposed zone change is consistent with the Transportation Planning Rule.

## **V. APPLICABLE COMPREHENSIVE PLAN POLICIES**

The applicable portions of the Comprehensive Plan include Chapter 4, Land Use, Section E – Residential; and Section H - Economic Development.

### **Residential Land Use**

**Policy 1** Residential areas will be developed in a manner which will insure that the integrity of the community is preserved and strengthened.

**Policy 2** The City will insure that an adequate distribution of housing styles and tenures are available.

**Policy 3** The City will insure the availability of affordable housing and locational choice for all income groups.

**Policy 4** The City shall provide housing and special care opportunities for the elderly, disadvantaged and children.

**Policy 5** The City shall encourage government assisted housing for low to moderate income families.

**Policy 6** The City will create, designate and administer five residential zones specifying the purpose and standards of each consistent with the need for a balance in housing densities, styles, prices and tenures.

While the proposal does provide special care opportunities for the elderly, the City's zoning ordinance already complies with this policy by allowing residential care facilities in most residential and commercial zones. The proposed amendment would allow greater density, which would provide more opportunity for elderly housing opportunities consistent with Policy 4. While it is acknowledged that under the residential zone objectives (Chapter 4, pages 15 and 16) the locational criteria suggests High Density Residential is most appropriate adjacent to collector and arterial streets, the care facility use is not desirable for such location and the objectives are not policy direction. That being said, however, the Planning Commission recommends that a condition of approval be required for a deed restriction limiting the use on this property to an Assisted Living

Facility. The deed restriction should specify that removal of the deed restriction may only occur with authorization from the City Council.

### **Economic Development Policies and Strategies**

**Policy 2** The City will encourage economic growth that is consistent with the management and use of its environmental resources.

**Policy 5** The City will seek to diversify and expand commercial and industrial development in order to provide nearby job opportunities, and expand the tax base.

By changing the zone to HDR, the assisted living facility will develop an additional 40 units on the subject site. The expansion of the assisted living facility will create some new jobs, which would not necessarily be found in the existing zone. The applicant has demonstrated verbally at the Public Hearing that the expansion will result in an increase in the gross earnings of existing employees as well as add additional jobs.

**FINDING:** Because the proposal is not consistent with the locational objectives identified in Chapter 4.2.c.5, but the objectives are not policies, a condition is recommended to ensure that the intent of the HDR zone is met while recognizing the established need for the use.

## **VI. APPLICABLE REGIONAL (METRO) STANDARDS**

The only applicable Urban Growth Management Functional Plan criteria are found in Title 1 – Housing. The City of Sherwood is currently in compliance with the Functional Plan and any amendment to the Sherwood Plan & Zone Map must show that the community continues to comply. The applicant has provided no discussion or evidence to demonstrate how this Plan Amendment will continue to comply with the applicable Functional Plan elements.

However, this Title requires that cities provide, and continue to provide, at least the capacity specified in Table 3.01-7. Table 3.01-7 indicates that Sherwood's dwelling unit capacity is 5,216 and the job capacity is 9,518. The proposed amendment will provide greater housing opportunity and will not result in the loss of jobs. In fact, by increasing the housing capacity of the zone, thereby enabling the existing assisted living facility to expand onto the property at the density they have found necessary, the zone change will add units and a few jobs that would not have otherwise been provided in the MDRH zone.

**FINDING:** Based on staff's analysis, the proposed zone change is consistent with the Metro Functional Plan criteria and the City would continue to be in compliance if the zone change were approved.

## **VII. APPLICABLE STATE STANDARDS**

The applicable Statewide Planning Goals include: Goal 10 and Goal 12.

### **Goal 10 - HOUSING**

**This goal specifies that each city must plan for and accommodate needed housing types, such as multifamily and manufactured housing. It requires each city to inventory its buildable residential lands, project future needs for such lands, and plan and zone enough buildable land to meet those needs. It also prohibits local plans from discriminating against needed housing types.**



This goal is addressed by the existing Comprehensive Plan. While the City anticipates the need to complete an update to the Comprehensive Plan in 2008, the current plan is acknowledged and addresses housing needs identified in the Comprehensive Plan. However, increasing the density without the loss of commercial or industrial zoning will not result in a conflict with other land use needs.

**Goal 12 - TRANSPORTATION**

**The goal aims to provide "a safe, convenient and economic transportation system." It asks for communities to address the needs of the "transportation disadvantaged."**

Goal 12 is implemented by OAR 660-012-0000. Compliance with this Goal and the OAR was discussed above.

**FINDING:** The proposed zone change is generally consistent with State standards have been met.

Planning Commission assessment and recommendation on Plan Amendment:  
Based on the analysis above, the staff report, the applicant submittal and information provided at the Public Hearing on February 13, 2007, the applicant has provided evidence supporting the requested amendment. Therefore, Planning Commission recommends APPROVAL WITH CONDITIONS of the proposed plan amendment.

**VIII. RECOMMENDED CONDITIONS OF APPROVAL**

Prior to final zone change approval and use of the property as High Density Residential, Planning Commission recommends the following conditions be applied:

1. The applicant shall submit a deed restriction for review and approval that specifies the use of the property is limited to an Assisted Living Facility and that specifies any removal of the deed restriction may only occur by Council authorization. The deed restriction must be recorded before the zone change becomes fully effective.

**IX. ATTACHMENTS**

1. Applicant submittal packet
2. Market Analysis dated January 17, 2007

**GLENN H. GREGG**  
**10415 SW TERWILLIGER PLACE**  
**PORTLAND, OR 97219**  
**PHONE / FAX 503 636-0847**  
**ghgwiz@msn.com**

October 5, 2006

Julia Hajduk  
Senior Planner  
City of Sherwood  
22560 SW Pine Street  
Sherwood, OR 97140

RE: PA 06-05 Cedar Creek Assisted Living Facility Zone Change

Dear Julia:

In response to your letter dated August 17, 2006, regarding land use application PA 06-05, I hand you herewith:

15 copies of the entire corrected application packet.

An electronic copy of all document elements.

Mailing labels for property owners of record within 100 feet of the subject site.

Regarding the zone change application as submitted, your letter requested two clarifications and three requests for additional information. I will answer these in the order in which they were presented:

**Based on the legal description, the site does have frontage (16 feet) on SW Oregon Street. While access would still most likely be from the private drive, the narrative should correctly reflect the site as it exists.**

RESPONSE: Please see "Site Location" on Page 2. of the application. The rewritten sections are shown in *italics*.

**The narrative indicates that off-site mitigation for the wetland will be in Rickreal, Oregon; however the Clean Water Services documents indicate mitigation will occur in town. Please provide clarification.**

RESPONSE: Please see paragraph one on Page 2. of the application. The rewritten section is shown in *italics*.

Julia Hajduk  
Senior Planner  
October 5, 2006  
Page 2.

**Provide market analysis to document the need for this use. I believe your argument is that you can not build what is necessary on the MRDH zoned land, therefore you need to document the market demand for the 40 units and why fewer units will not pencil. It is also suggested that you document the market need for full dwelling units (thus having to comply with density standards) versus the assisted living facility design that we see to the north. This distinction is important because assisted living facilities are permitted either outright or conditionally in several zones.**

RESPONSE: The application is for 40 assisted living units, not 40 “full dwelling units”. See “Exhibit B” in the “Appendix” of this application.

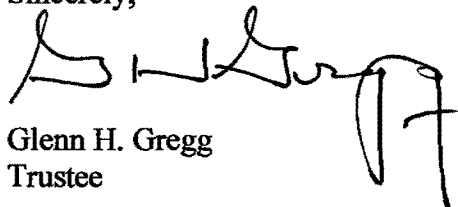
**Discuss in more depth the timeliness issue. Why this zone change, in this location, at this time? Anytime we are considering re-zoning one parcel only we have to consider what the bigger picture is.**

RESPONSE: See “Exhibit C” in the “Appendix” of this application.

**I have concern about your documentation of compliance with Transportation Planning rule (TPR) (OAR 660-012-060). Your analysis from your traffic consultant concludes that because the proposed use is less than worst case build-out under the current zone, you do not have any TPR compliance issues. However, based on our recent experience with a similar zone change request, the City has been informed that the TPR and case law requires us to look at worst case for the proposed zoning as well as the existing zoning.**

RESPONSE: The above stated “concern” has been communicated to Christopher S. Maciejewski, PE, of DKS Associates, our transportation engineering consultant, who has since been in contact with you on this matter. The DKS August 23, 2006, “Sherwood Assisted Living Expansion (Phase III) Transportation Analysis – REVISED”, see “Exhibit A” in the “Appendix” of this application, supersedes and replaces the prior June 23, 2006, DKS analysis that had been provided in the application.

Sincerely,



Glenn H. Gregg  
Trustee

**APPLICATION FOR LAND USE ACTION**

**Tax Lot 2S 132 BA, Lot 600  
15667 SW Oregon  
City Of Sherwood, Oregon**

**Zone Change From MDRH To HDR**

(Revised 10/5/06)

**Applicant / Owner  
Glenn H. Gregg, Trustee  
10415 SW Terwilliger Place  
Portland, Oregon**

**Phone / Fax 503 636-0847  
E-mail: [ghgwiz@msn.com](mailto:ghgwiz@msn.com)**

## BACKGROUND INFORMATION

### Site History

SHNW Properties, LLC, hereinafter (SHNW), acquired the 2.42-acre Tax Lot 4400 property located immediately north of the subject Tax Lot 600 site in 1998. A combined zone change (from MDRH to HDR), conditional use, and site plan application for a 38 unit assisted living facility was applied for on June 28, 1999, and approved by the City on January 25, 2000. The Cedar Creek Assisted Living facility was subsequently built and currently operates at or near capacity with a waiting list.

As a testament to the quality of the elder care services provided at Cedar Creek, and the support of Sherwood community activities provided by the facility and its staff, Cedar Creek Assisted Living was named Sherwood "Business of the Year" in 2005.

At the time that Tax Lot 4400 was acquired by SHNW in 1998, the abutting 1.68-acre subject Tax Lot 600 was the site of a sub-standard house with a yard used for storage of various pieces of earth moving equipment together with other diverse and unsightly objects and materials. In order to clean up this visual blight, and to provide for future expansion of the Cedar Creek Assisted Living campus, Tax Lot 600 was purchased in 2001 by Glenn H. Gregg, one of the owners of SHNW. Subsequently the house was donated to Tualatin Valley Fire & Rescue for training purposes and, following the burning exercise, the overall site was cleared.

Access to Tax Lot 600, to Cedar Creek Assisted Living's Tax Lot 4400, and to the St. Francis Catholic Church and School property, is via a private drive off of Oregon Street. A condition of City approval of a building permit for the Cedar Creek facility required that SHNW bring the private drive up to City of Sherwood street standards. In addition to widening and resurfacing the drive, the project included installing a concrete sidewalk fronting along Tax Lots 600 and 4400 and the planting and maintenance of new street trees. In addition, SHNW was required to make improvements to the city sanitary sewer line serving the two tax lots.

*Further, a previously identified low quality wetland located on Tax Lot 4400 (and a related buffer area located on Tax Lots 4400 and 600) was determined to be of such marginal quality that the designation has been removed by the appropriate government agencies in exchange for a SHNW payment of \$30,000 to the Mud Slough Mitigation Bank, in Rickreall, Oregon - for wetland mitigation. SHNW has also committed to financing invasive species removal followed by the planting of native trees, shrubs and grasses on a 1.83 acre City of Sherwood owned parcel on Woodhaven Drive - for buffer area mitigation.*

The subject Tax Lot 600 is now an attractive, cleaned up, 1.68 acre site, adequately served by all necessary city and public utilities and accessed by a beautiful private drive constructed to city street standards. As such, it is ready to be put to work serving the special housing needs of older persons in Sherwood and the surrounding areas. The proposed zone change from MDRH to HDR will make it possible for SHNW to add up to 40 assisted living residential units by way of a Phase III expansion of space and services at the Cedar Creek campus.

#### Site Location

*The subject tax Lot 600 is located approximately two city blocks north of the new City of Sherwood Library / City Hall complex, approximately two city blocks south of the St. Francis Catholic Church and elementary school complex, and abuts the south boundary of the Tax Lot 4400, Cedar Creek Assisted Living site. While the site has 16 feet of frontage on SW Oregon (and a 15667 SW Oregon address) vehicle access is via the private drive that intersects with SW Oregon and presently serves the Cedar Creek Assisted Living and St. Francis church sites.*

*The new pedestrian walkway located on that portion of SW Oregon now closed to automobile use will provide future residents of the proposed facility with excellent pedestrian access to the new Library and to all the shops and services in the Sherwood Old Town area.*

Abutting Zoning

Properties abutting Tax Lot 600 are zoned as follows: North – HDR (Cedar Creek Assisted Living); West – IP (Sherwood Middle School); South – MDRL; East – MDRL (Vacant Land – owned by the St. Francis Catholic Church & IP (Assembly of God Church).

**NOTE:**

**The sole purpose of this HDR zone change application is to make it possible to use the subject site for construction of 40 units of assisted living housing for the elderly.**

**If there is concern by the City of Sherwood staff that, once rezoned, the property might be used for a multi-family use not related to elderly housing, the applicant requests that HDR approval be conditioned specifically to housing for the elderly use.**

## **4.203 REVIEW CRITERIA**

### **4.203.02 Map Amendment**

**An Amendment to the City Zoning Map may be granted, provided that the proposal satisfies all applicable requirements of the Comprehensive Plan and this Code, and that:**

**A. The proposed amendment is consistent with the Goals and policies of the Comprehensive Plan and the Transportation System Plan.**

**Response:** The Comprehensive Plan in Sherwood was adopted in March 1991. The City participated in periodic review in 1997, but little was changed at that time in the growth forecast; furthermore, no study was done to assess the community's need for additional land use categories or any change to the ratio of residential-to-commercial lands.

The proposed rezoning of Tax Lot 600 is consistent with Chapter 4, Land Use policy goals, which are designed to locate land uses so as to: Minimize the adverse effects of one use on another, provide for convenient and energy-efficient movement of persons, vehicle and goods among major categories of land use activity, and minimize the adverse effects of human activity on the natural environment. The proposal will provide for development which accomplishes these goals by: grouping new HDR residential use with existing HDR residential use; placing such use adjacent to the existing Sherwood Middle School, St. Frances Catholic Church, and Assembly of God Church properties -- all of which are zoned IP; locating assisted living elderly housing use on a quiet private drive well away from major traffic arteries; locating additional assisted living use attached to an existing elderly housing facility; locating elderly housing use adjacent to the beautiful new pedestrian walkway that serves the new Library/City Hall complex and leads into Sherwood Old Town; redeveloping a previously blighted property; creating no adverse effect on the natural environment; and providing the community with needed assisted living housing and services for the elderly.

Specific Land Use Policies that are supported by the proposal are listed below:

#### **Residential Planning Designations**

**Policy 6** *The City will create, designate and administer five residential zones specifying the purpose and standards of each consistent with the need for a balance in housing densities, styles, prices and tenures.*

#### **(5) High Density Resident (HDR)**

*—Where related public, institutional and commercial uses may be mixed with, or are in close proximity to, compatible high density residential uses.*



***–Where a full range of urban facilities and services are available at adequate levels to support high density residential development.***

**Response:** The Comprehensive Plan allows high density residential housing through provision of the HDR category in the Zoning and Development Code. Public, institutional and commercial uses are adjacent to or close by the subject Tax Lot 600 property. Those uses are compatible with the proposed assisted living use and assisted living use of the subject tax lot is compatible with surrounding uses. Also, the City staff has acknowledged that a full range of urban facilities and services are in place and adequate to support the proposed high density use

#### **Transportation Planning Rule Consistency**

**Response:** See “Exhibit A” in the “Appendix” of this application.

**B. There is an existing and demonstrable need for the particular uses and zoning proposed, taking into account the importance of such uses to the economy of the City, the existing market demand for goods or services which such services will provide, the presence or absence and location of other such uses or similar uses in the area, and the general public good.**

**Response:** The applicant’s 38-unit Cedar Creek Assisted Living facility, located adjacent to the subject Tax Lot 600, serves the needs of the elderly who at this stage in their lives require various levels of care not easily and consistently obtainable in the private single family residence setting. The community’s need for the availability of these services is well established. Cedar Creek Assisted Living operates at or near 100% occupancy and a 20-unit, Phase II, expansion of the facility is now under construction, with opening planned for summer 2007. Given the strong demand we are experiencing at our existing Cedar Creek facility, and at our similar facilities in Wilsonville and Lake Oswego, we anticipate full occupancy of Phase II by late 2007 – early 2008. Subject to the necessary approvals from the City of Sherwood, we would hope to start construction on Phase III in summer, 2008, with opening planned for spring 2009.

As the ageing of the U.S., Oregon, and Portland Metropolitan Area populations continues to accelerate, and as the level of affluence among the elderly continues to increase, the applicant has found that, while the demand for studio and small one bedroom units has held steady, the desire for larger one bedroom and two bedroom assisted living apartments with bath and a half and in suite washer/dryers has greatly increased. Because of this emerging market demand, a preponderance of larger units together with

enhanced dining and other amenities is planned for Cedar Creek Assisted Living – Phase III.

The Tax Lot 600 – Phase III site is perfectly located for easy and safe pedestrian access to the shops and services in Sherwood Old Town, to the new Library and City Hall building, to the Old Cannery site redevelopment area, and to the St. Francis Catholic Church. The applicant believes that some of the future residents at Cedar Creek Assisted Living will be physically able to enjoy short walks to these destinations.

**C. The proposed amendment is timely, considering the pattern of development in the area, surrounding land uses, any changes which may have occurred in the neighborhood or community to warrant the proposed amendment, and the availability of utilities and services to serve all potential uses in the proposed zoning district.**

**Response:** Institutional uses (Sherwood Middle School, St. Francis Catholic Church and School, and Assembly of God Church) are on three sides of the overall Cedar Creek Assisted Living – Tax Lot 4400 / Tax Lot 600 site. Tax Lot 4400 was rezoned from MDRH to HDR in 2000. Because of the subject site’s general location advantages outlined above, and because it serves as an extension of the Cedar Creek Assisted Living property, the site works perfectly for the planned Phase III expansion of the Cedar Creek facility. Moreover, a senior housing facility located here greatly benefits from the short emergency response time made possible by the location of the Tualatin Valley Fire & Rescue station just three blocks away.

During the November 2, 2005, Pre-Application Conference held for the proposed zone change for the subject site, members of the City’s public works staff confirmed that all roads, sidewalks, utilities and services necessary to serve the site are adequately sized and in place.

**D. Other lands in the City already zoned for the proposed uses are either unavailable or unsuitable for immediate development due to location, size or other factors.**

**Response:** At the request of the applicant, the City of Sherwood planning staff prepared an inventory of HDR properties in the city. That inventory is provided as “Sherwood HDR Properties” in the attached “Appendix”.

The inventory separates HDR zoned properties into three color-coded classifications as follows:

Yellow	HDR – Not vacant or redevelopable
Orange	HDR – Vacant or redevelopable (<0.25 acres)
Red	HDR – Vacant or redevelopable (>0.25 acres)

By definition, the properties in the Yellow classification are already fully developed and occupied. Therefore, they are not available as a site for the planned Phase III 40 unit expansion of the Cedar Creek Assisted Living facility.

Properties shown in the Orange classification, at less than 0.25 acres, are all too small to accommodate 40 assisted living apartments. Moreover, these properties consist of single-family, small lot, residential subdivisions that are fully built out and occupied. As a practical matter, then, none of these properties are actually available for new HDR development. The lone exception is a portion of the of the Old Cannery Site property owned by the City of Sherwood. The City staff has advised the applicant that this site is not currently being offered for sale. Moreover, the site lends itself to high value office and retail uses that will provide greater economic benefit to the Old Town area than 40 new units of assisted living housing.

There are three large (>0.25 acres) parcels on the HDR properties map shown in Red. These are further identified as “A”, “B” and “C” on the map. Property “A” is fully occupied by a large and deep natural area ravine. The ravine serves as a natural drainage system for the surrounding area, contains ground cover grasses, bushes, trees and a creek. As such, it constitutes a valuable natural habitat area for the city. Property “A” is designated as a “Floodplain” on the “Sherwood Plan and Zone Map – September 2005” and, therefore, is clearly not buildable.

Property “B” is located immediately to the south of, and is connected to, property “A”. The northerly portion of property “B” contains a continuation of the ravine system on property “A”, is in the same “Floodplain” and, therefore, is also not buildable. Assuming that the balance of property “B” is currently served with all the necessary city services, it is a good HDR building site. It is an appropriate site for a high-density apartment or condominium project that can be adequately screened from the noise generated by the heavy traffic on Pacific Hwy. and for tenants or owners who rely primarily on their cars for transportation.

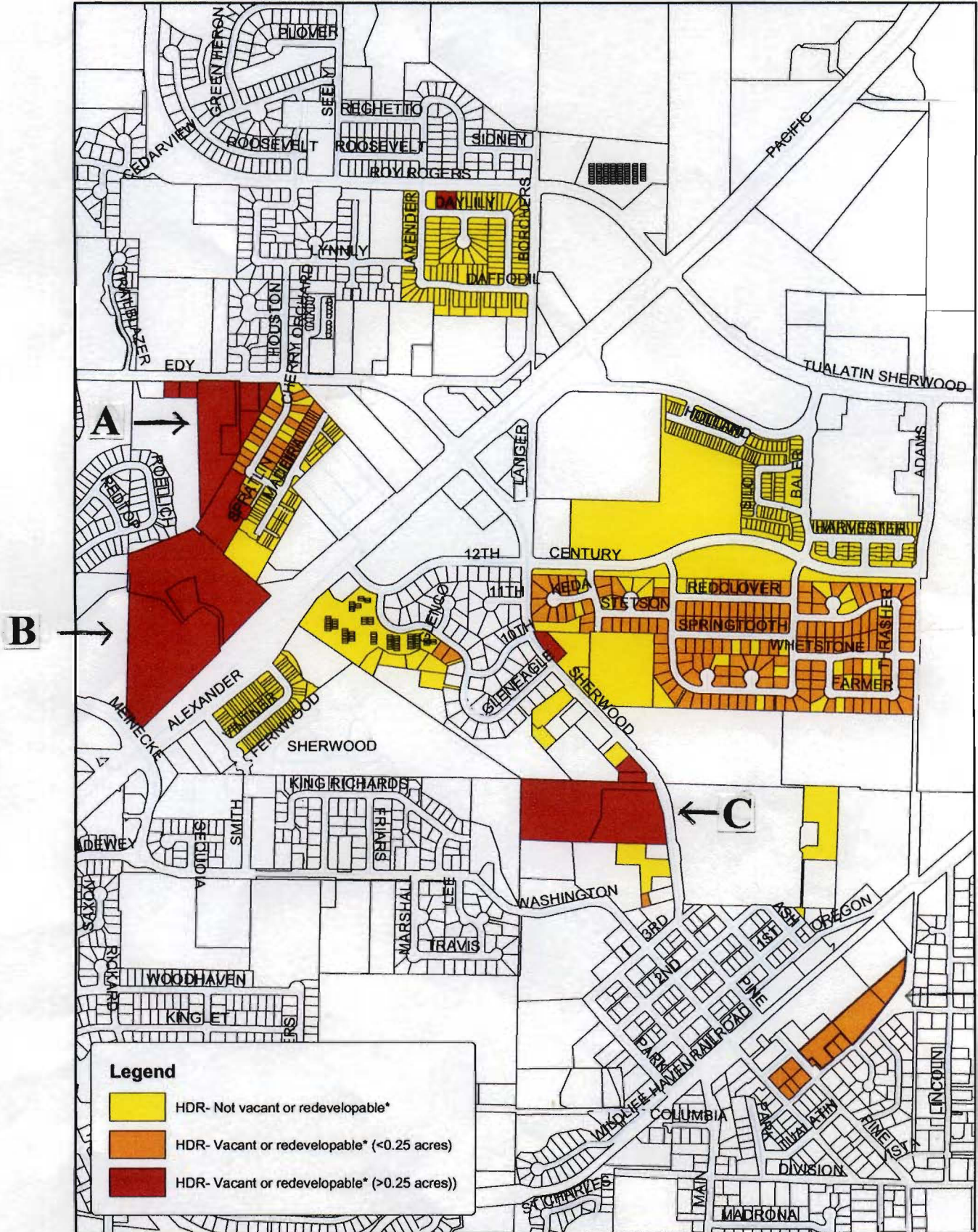
The City staff has informed the applicant that a condominium project to be located on this site is in for approval. Therefore, the property will not be available for elderly housing use.

Property "C" on the HDR properties map is located on Sherwood Blvd. directly across the street from the Sherwood Middle School. The front, approximately one-half, of the site is misclassified on the map as "Vacant or Redevelopable". The front portion of the property is completely occupied by the Sherwood Park Senior Apartments (for the disabled) facility and, as such, it is neither vacant nor currently available for redevelopment. The back portion of the property is a ravine area somewhat similar to the natural ravine area on properties "A" and "B". This is steep potentially unstable land performing service as a natural drainage area for the developed properties that surround it. The site serves admirably as natural habitat in the very heart of the city and should be rigorously protected for that purpose. Like site "A" and site "B", the undeveloped portion of site "C" is also listed by the City as a "Floodplain" area. As such, it too is off limits for development.

In sum, then, within the entire city limits of Sherwood, there are no unbuilt and currently useable HDR zoned development sites. Tax Lot 600 is the only site in the city that is both available and appropriate for conversion to HDR zone – high density residential assisted living use.

## **APPENDIX**

# Sherwood HDR Properties



\*Redevelopable: land value > building value

Map Created March 13, 2006

Data: City of Sherwood Shapefiles and Metro RLIS LITE 2005



**ANDY PARIS & ASSOCIATES, INC.**

**Registered Professional Land Surveyors**

**16057 S.W. Boones Ferry Road**

**Lake Oswego, Oregon 97035**

**Ph: (503)-636-3341 Fax: (503) 636-0477**

**PROPERTY DESCRIPTION:** Tax Lot 600 (Map 2S-1-32BA)

**DATE:** July 10, 2006

**JOB NO:** 04094

**FOR:** Glenn Gregg

**LOCATION:** NE Oregon Street

New description to correct the description in the deed dated September 18, 2001, to the Glenn H. Gregg Trust

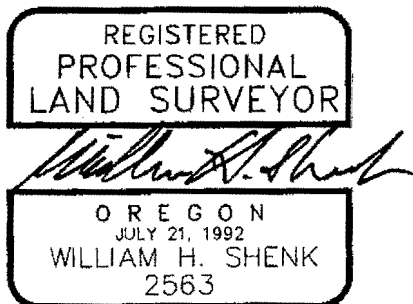
**FOR USE ON LEGAL INSTRUMENT**

**EXHIBIT "A"**

A tract of land situated in the Northwest one-quarter of Section 32, Township 2 South, Range 1 West of the Willamette Meridian, City of Sherwood, Washington County, Oregon, being more particularly described as follows:

**Beginning** at the easterly-most Southeast corner of Parcel 2 of Partition Plat No. 1997-042, Washington County Plat Records, which bears South 89°45'00" West, a distance of 523.82 feet, and South 00°34'26" East, a distance of 475.93 feet from a 2" Brass Disc in concrete at the Northeast corner of the Northwest one-quarter of said Section 32; thence South 89°45'11" West, along the easterly-most South line of said Parcel 2, a distance of 220.30 feet a 5/8" inch iron rod at an interior angle corner thereof; thence South 00°30'38" East, along the southerly-most East line of said Parcel 2, a distance of 324.27 feet to an interior angle corner thereof; thence North 89°38'41" East, a distance of 16.50 feet to an one-half inch iron pipe at an exterior corner thereof on the North line of Tract 2, "SMOCK ADDITION TO SHERWOOD", Washington County Plat Records; thence leaving said East line, North 89°17'16" East along the North line of said Tract 2, a distance of 188.09 feet to an one-half inch iron pipe; thence leaving said North line, South 00°33'44" East, parallel with and 16.00 feet from (when measured at right angles) the East line of said Tract 2, a distance of 120.59 feet to an one-half inch iron pipe on the Northerly right-of-way line of N.E. Oregon Street; thence North 67°14'16" East, along said Northerly right-of-way line, a distance of 17.28 feet to an one-half inch iron pipe on the East line of said Tract 2; thence leaving said Northerly right-of-way line, North 00°33'44" West, along the East line of said Tract 2 and prolongation thereof, a distance of 436.68 feet to the **Point of Beginning**.

Containing 73,185 square feet, more or less.



EXPIRES: JUNE 30, 2008

RC

SHERWOOD VILLAGE  
PUD 95 HDR

RC

MDRH

CENTURY DR

NW 11TH CT

KEDA COURT

WALLACE PL

STETSON STREET

HDR

REDCLOVER LN

SW THRASHER WAY

LDR

SPRINGTOOTH LN

SW WHETSTONE WAY

MDRH

MDRH

NC

HDR

IP

VICINITY MAP

HDR

HDR

MDRH

SITE

NC

IP

IP

IP

RC

MDRL

LDR

NW WASHINGTON ST

MDRL

RC

RC

HC

MDRL

IP

HDR

NW TRAVIS CT

3RD ST

N OAK ST

ASH ST

OREGON ST

WASHINGTON ST

PINE ST

MAIN ST

1ST ST

WASHINGTON ST

RAILROAD AVE

COLUMBIA ST

ORCHARD

PINE

MDRL

MDRL

MDRL



NW1/4 SECTION 32 T2S R1W W.M.

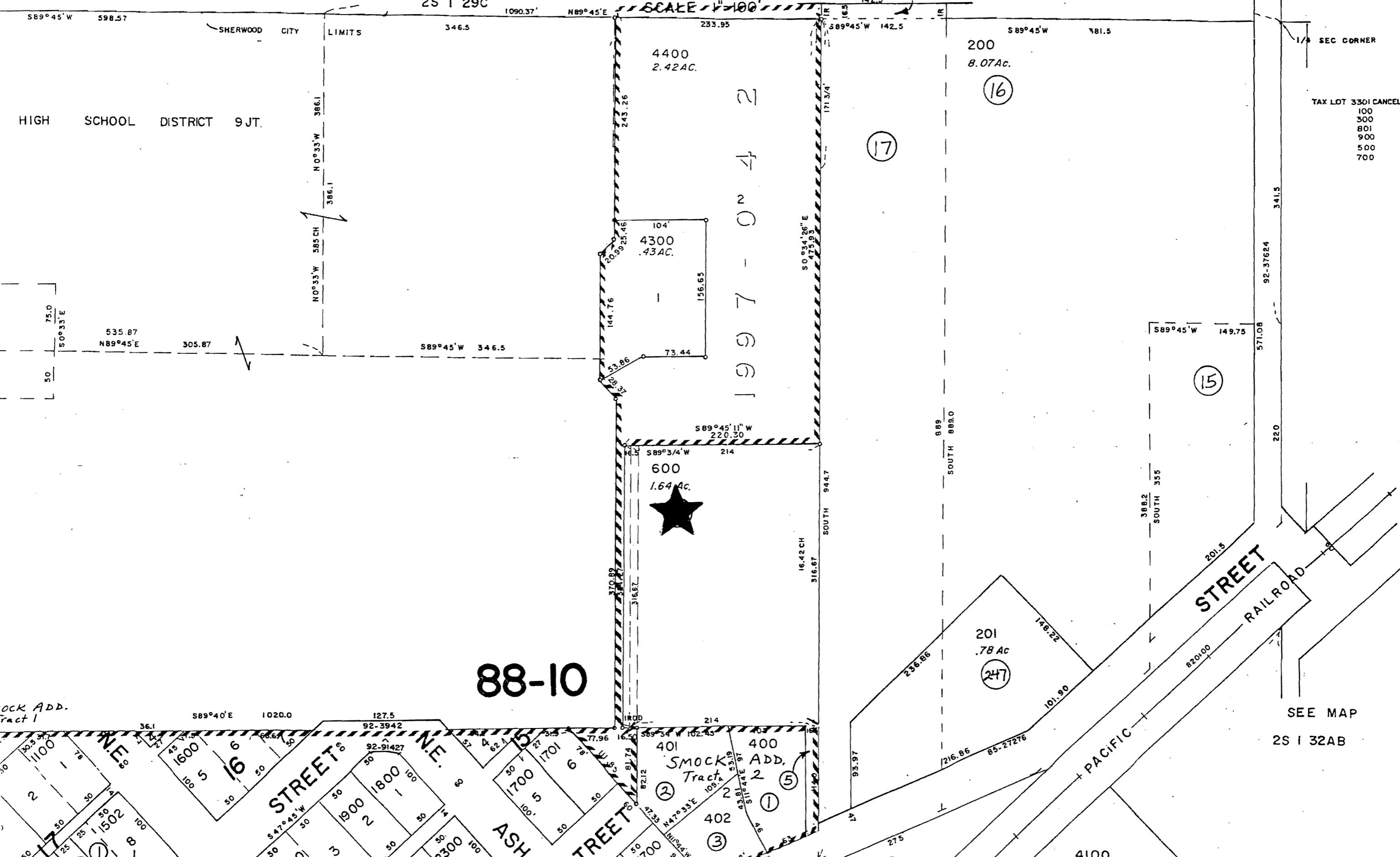
2S 1 32 BA

SEE MAP  
2S 1 29C

WASHINGTON COUNTY OREGON

28 of Sec. 29

SCALE 1"=100'



TAX LOT 3301 CANCELLED  
 100  
 300  
 801  
 900  
 500  
 700

SEE MAP  
 2S 1 32AB

88-10

1997-0242



SMOCK ADD.  
 Tract 1

SMOCK ADD.  
 Tract 2



4100

**EXHIBIT A**

**Sherwood Assisted Living Expansion**

**(Phase III)**

**Transportation Analysis**

**MEMORANDUM**

**DATE:** August 23, 2006  
**TO:** Craig Smith, Grayco LLC  
**FROM:** Christopher S. Maciejewski, PE  
**SUBJECT:** Sherwood Assisted Living Expansion (Phase III) Transportation Analysis - REVISED



P# 06104-001-000

This memorandum describes the transportation analysis conducted for a proposed property rezone for the expansion of the Sherwood Assisted Living facility, located in Sherwood, Oregon. The existing development is a 38 unit assisted living facility. The Phase II expansion project (application submitted to the City of Sherwood) would add 20 units to the site for a total of 58 units. The Phase III expansion proposes to rezone the parcel immediately south of the site to accommodate an additional 40 units (for a total of 98 units). The proposed re-zone would change the 1.68 acre parcel (located at 15677 SW Oregon Street) from MDRH (Medium Density Residential High – 11 single family units per acre) to HDR (High Density Residential – 24 multi-family units per acre). The following sections discuss the trip generation and site access analysis conducted for the proposed project.

***Trip Generation***

To determine the potential trip generation of the proposed rezone site, residential use trip generation estimates were made for daily and peak hour trips based on rates provided by the Institute of Transportation Engineers<sup>1</sup> (ITE) for similar land use types. This analysis represents a worst-case development comparison. In addition, trip generation for the proposed facility expansion was analyzed for comparison to the worst-case analysis (utilizing trip generation rates observed at the site<sup>2</sup>). Table 1 lists the estimated trips for the existing zoning worst-case buildout, the proposed zoning worst-case buildout, and the proposed project.

The MDRH residential use was assumed to be similar to single family units (ITE Code 210), with a worst-case buildout of 18 units (1.68 acres x 11 units/acre = 18 units). The HDR residential use was assumed to be similar to apartment units (ITE Code 220), with a worst-case buildout of 40 units (1.68 acres x 24 units/acre = 40 units).

<sup>1</sup> *Trip Generation Manual, 7<sup>th</sup> Edition*, Institute of Transportation Engineers, 2003.

<sup>2</sup> Memorandum – *Sherwood Assisted Living Expansion (Phase II) Transportation Analysis*, DKS Associates, May 24, 2006.



1400 S.W. 5<sup>th</sup> Avenue  
Suite 500  
Portland, OR 97201-5502

(503) 243-3500  
(503) 243-1934 fax  
www.dksassociates.com

As listed in Table 1, the proposed rezone worst-case development could increase trips to the site by 97 trips per weekday (269 – 172 = 97) and by up to 7 trips during weekday peak hours (20 – 13 = 7). The proposed use would generate significantly fewer total trips than the residential buildout, with approximately 76 weekday trips and up to 5 trips during weekday peak hours.

**Table 1: Estimated Vehicle Trip Generation**

<b>Trip Generation Scenario</b>	<b>Weekday Daily</b>	<b>Weekday AM Peak Hour</b>	<b>Weekday PM Peak Hour</b>
Current MDRH Zoning – 18 Units (ITE Code 210)	172	13	18
Proposed HDR Zoning – 40 Units (ITE Code 220)	269	20	25
Proposed Use (40 Units)	76	4	5

**Site Access**

The City of Sherwood designates Oregon Street as a collector roadway in the project vicinity<sup>3</sup>. To ensure consistency with the TSP designation and compatibility of the site access onto Oregon Street with the recent roundabout improvements located just south of the site, intersection safety and operations were reviewed at the site driveway.

The site access is located approximately 175 feet north of the recently constructed roundabout on Oregon Street at Ash Street (measured from the site access to entrance to the circulating roadway within the roundabout). For southbound traffic, the entrance to the roundabout is uncontrolled as the northbound left-turn is required to stop (instead of the circulating traffic having right-of-way and the entering traffic yielding). With this unique roundabout control, southbound traffic entering the roundabout should not queue back from the roundabout towards the site access point. However, northbound traffic leaving the roundabout could be obstructed by vehicles turning left into the site driveway, which could potentially cause queuing impacts to the operation of the roundabout. To analyze this potential condition, left-turn lane warrants<sup>4</sup> were examined at the site access utilizing future year 2020 volumes on Oregon Street<sup>5</sup>. During both the year 2020 AM and PM peak hours, traffic volumes on Oregon Street would be significantly lower than levels required to warrant a left-turn lane at the site access (including the worst-case buildout of the site with the proposed rezone). Therefore, turning traffic at the site access does not warrant a left-turn lane and should not impact the operations of the roundabout at Oregon Street/Ash Street.

<sup>3</sup> City of Sherwood Transportation System Plan, prepared by DKS Associates, March 15, 2005.

<sup>4</sup> Left turn lane warrants based on Highway Research Record Number 211 – Aspects of Traffic Control Services, Highway Research Board, 1967.

<sup>5</sup> Based on future forecasts provided in the Downtown Streetscapes Railroad Traffic Study – Technical Memorandum #2, DKS Associates, September 16, 2005.

In addition to the left-turn lane warrant analysis, sight distance at the access point was reviewed in the field. Based on a posted speed of 25 mile per hour (mph), 275 feet of sight distance should be provided in each direction<sup>6</sup>. Looking south from the site access, sight distance is unobstructed to the roundabout (where vehicle speeds should be lower than 25 mph), which is located approximately 175 feet south. Looking north from the site access, over 300 feet of sight distance is available. Therefore, adequate sight distance can be provided to serve the site access (vegetation should be maintained within the sight-distance triangle).

### **Conclusions**

The proposed rezone has the potential to add up to 7 vehicle trips per hour (during peak weekday hours) to the surrounding roadway system under the worst-case buildout scenario (40 multi-family units compared to 18 single family units). This level of additional site trips would not have significant traffic impacts to roadways surrounding the project site<sup>7</sup>. In addition, the site access on Oregon Street was found to be compatible with the recent roundabout construction at Oregon Street/Ash Street and should not have operational impacts on the roundabout. Based on these findings, the following conclusions were made:

- The proposed rezone would not significantly impact the surrounding transportation system based on motor vehicle volume.
- The *City of Sherwood Transportation System Plan (TSP)* programmed roadway improvements would not require modification to support the proposed rezone.
- The collector designation of Oregon Street would not be required to change to support the rezone.

Therefore, the proposed rezone meets the Transportation Planning Rule consistency requirement (OAR 660-12-0060).

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<sup>6</sup> *A Policy on the Geometric Design of Highways and Streets*, American Association of State Highway and Transportation Officials, 2004.

<sup>7</sup> Discussed with Gene Thomas, City Engineer, City of Sherwood, April 17, 2006.



## **EXHIBIT B**

**Sherwood Assisted Living Expansion**

**(Phase III)**

**Market Analysis**

**REQUEST FOR ADDITIONAL INFORMATION  
CITY OF SHERWOOD  
PLANNING REVIEW LETTER  
DATED AUGUST 17, 2006**

**Requested Information:**

**Provide market analysis to document the need for this use. I believe your argument is that you can not build what is necessary on the MRDH zoned land, therefore you need to document the market demand for the 40 units and why fewer units will not pencil. It is also suggested that you document the market need for full dwelling units (thus having to comply with density standards) versus the assisted living facility design that we see to the north. This distinction is important because assisted living facilities are permitted either outright or conditionally in several zones.**

**Response:**

The application is for 40 assisted living units, not 40 "full dwelling units". As discussed in paragraph "B", page 5 of the Application, we are experiencing an expanding market demand for two bedroom assisted living units. Often the situation is that one spouse needs a moderate to high level of care while the other spouse needs relief from the mental and physical demands of being the primary caregiver in the private home setting. If memory care is or becomes the requirement, the needs of early Alzheimer's individuals can be met in the two bedroom assisted living apartment with support from a spouse in conjunction with the Cedar Creek professional staff. When the disease has progressed, the individual can be moved to the advanced Alzheimer's care wing and the spouse can still be on site. Then too, there are people needing various levels of assisted living care that just want the additional living space provided by two bedrooms. These may use the second bedroom as a study or for hobbies. The small kitchenettes are used for snacks, etc.; however three meals a day are served in the Cedar Creek dining room and are included in the monthly occupancy fee.

The issue of market analysis is an interesting one. While the potential developer, potential investors, the bank and the municipal government may derive some comfort from market studies, they have proven to be a poor predictor of actual market need and of probable absorption rates. In the thirty years of my experience I have learned that a professional market analysis will virtually always tell the developer what he has paid for and wants to hear. That is, that there is a demand for what he wants to build. There have been instances in which two or more developers do their analysis not knowing the other developers are doing an analysis for the same, or a close by, market area. The resulting



“demand” later proves illusory. There have been instances where a study showed a strong potential market, followed by construction, followed by a national crisis such as 9/11, followed by a sharp recession, followed by painfully slow fill up, followed by a bankrupt project. There have been instances where a study showed a strong potential market relied upon by an inexperienced developer. The developer then either picked a poor location within that market area, or a poor facility design, or was just a poor operator -- in which case the project was never financially successful and never provided good service to the community.

A better predictor of market demand for an assisted living facility is the locational advantage of the proposed site and the established reputation of the developer/operator in the community to be served. The current Cedar Creek Assisted Living facility is so well situated and has such a fine reputation in the community that it is full with a waiting list. This has led to the current construction of our Phase II project that will add 20 additional apartments to the 38 unit original facility. Phase II will be ready for occupancy early next summer. Short of some local or national calamity, we expect full occupancy by late 2007 – early 2008.

We are an experienced, conservative, well financed organization. The Phase III subject of this zone change application will require an investment of over \$8,000,000. It will not be built until we are convinced there is a need for the services it will provide. Our and the community’s success with the Phase II project will provide all the market analysis needed for us to move forward with Phase III. Based on our track record we expect we will be ready to start construction in summer, 2008. The timeliness issue for the zone change request, at this time, is addressed in “Exhibit C” attached.

Why 40 units? With addition of 40 apartments to the soon to be 58 unit Cedar Creek Assisted Living Facility, the overall campus will contain 98 care units for the elderly. Why is this an optimal size for assisted living care and a good thing for the Sherwood community? To answer this question I have asked Mary B. Joy, Regional Director of Grayco LLC, (the in house organization that manages Cedar Creek) to prepare the attached report entitled “Cedar Creek Assisted Living – Planning for the Future”. Mary is possibly the most experienced professional in the Pacific Northwest in the field of retirement, assisted living and Alzheimer’s care facilities management. She has worked in the field since 1987. Her resume includes a BA from the University of Colorado; Director, for seven years, of the 112 unit Park Place Assisted Living Community – Oregon’s first assisted living facility; Manager, for five years, of a 96 unit retirement and assisted living community in Boulder, Colorado, and; Manager, for two years, of the St. Aidan’s Place Alzheimer’s care facility (then owned by Legacy Health Systems). She is certified by the State of Oregon as an Administrator and has served as a mentor for new administrators. We are extremely fortunate to have Mary Joy as a member of our organization.

## Cedar Creek Assisted Living - Planning for the Future

Cedar Creek Assisted Living has established itself as a true member of the local community of Sherwood. Since 2002 we have been involved in events and fundraisers for the City of Sherwood, The Chamber of Commerce and The Rotary. We have been a continued sponsor of Crusin Sherwood and Concerts on the Green.

Even with only 38 apartments Cedar Creek has been involved with The Senior Center, supporting the Run for the Roses and delivering Meals on Wheels. Our residents attend the Senior Center on a weekly basis. We have used our bus to ferry people to Crusin Sherwood and helped St Francis Church by lending our bus and driver from time to time. Cedar Creek staff has adopted a family in need at Christmas time from one of the local churches. Staff loved buying gifts and helping to create a memorable Christmas for a Sherwood family. Our residents enjoy shopping in local stores, The Senior Center, the Library and the weekly Farmer's Market especially now that it is so close to us.

As a business we offer jobs to citizens of Sherwood and neighboring communities. We provided a house to the local Fire Department to use for a Burn to Learn. The opportunity to grow would enable us to be even more involved in the community because of the expanded resources we would have to offer.

### More Jobs for the Local Community

Currently we provide approximately 25 jobs at Cedar Creek. The addition of 40 more units would provide fifty to seventy jobs, some of them at entry level, with opportunities for growth for those employees who wish to expand their skills. Employment opportunities would range from entry-level dining room servers to cooks, office staff, maintenance staff, nursing assistants, medication assistants, activity assistants and Nursing staff. We have found it beneficial to draw from the local community for positions at Cedar Creek since it reduces commuting time and the employees who live in the community of Sherwood and Newberg have a greater understanding of our resident's core values.

### Space for local gatherings

Our existing building has limited community space. Even with this constraint, we have hosted local elementary school children for reading programs, the local 4H for intergenerational programs and High School students for a place to earn their volunteer hours. The Eagle Scouts earned badges by providing our Flagpole. Students from George Fox University volunteer at Cedar Creek. Currently we offer a place for a Sherwood Girl Scout troop to meet twice per month in our building. We find it healthy to have this "extended family," within our walls as this provides a sense of community for our residents also.

Cedar Creek has a strong connection with some of the Churches in Sherwood. Local choir groups have performed for our residents, and Cedar Creek has also provided a venue for other church functions. Women from The Methodist Church have held luncheons at Cedar Creek and St Francis Church has brought their Cub Scouts to Cedar Creek on many occasions even hosting a luncheon for our residents at our location. We would like to be able to offer our residents even more in the way of spiritual support by having more programs in conjunction with the local Churches in Sherwood.

As we grow in size we anticipate being able to hold many more functions at Cedar Creek, and more educational programs for local seniors. We would like to expand our intergenerational programs creating more ongoing programs for students who can benefit from the wisdom of the elderly. As students spend more time with our residents they may decide to choose working with seniors for their career path. This is a national need that will only grow as the baby boomers age. We want to be innovative and flexible to meet the needs of the large group of seniors who are not many years away from needing assisted living services. Today many residents are moving in with their computers so that they can email their friends and families and keep in touch. This would have been unheard of only a short while ago. Things are changing and so are the needs of seniors.

With expanded space for exercise we can open up some classes to health conscious seniors who may benefit from Tai Chi or other movement classes. Seniors living in Sherwood could take classes for little or no cost, as we would see this as giving back to the community. Through events and classes, seniors who may want to have contact with our residents or staff would have an avenue to spend some time at Cedar Creek even though they are not a resident.

#### More Business Opportunities for Sherwood

A larger community means more patronage of local merchants for supplies. We are locally owned and in all of our assisted living communities we believe in supporting the local economy. We buy locally whenever possible. Our employees who live in the community also shop locally.

#### Cedar Creek has earned a Reputation for Involvement and Excellence

Our motto of putting residents first is a cornerstone of our business. Simply put, we want all of our residents to feel special. As a company we are dedicated to our mission. At Cedar Creek we believe that our residents can expect more and they receive it. We hold ourselves to a high standard and seek out the best employees who love the work that they do. We are constantly seeking ways to improve. Sometimes people think that larger a building can mean less personal service. However a Motel 6 does not necessarily provide greater service than an established, larger, well respected, hotel. With Cedar Creek being a larger community, we can offer more in terms of programs, space and specialized attention. Greater choice of activities can appeal to many different preferences from concerts to classes to country rides. A larger staff allows for more levels of distinction such as primary caregivers, those who give special service to their cluster of residents.

This also provides job growth for our staff something that we have found to be very important to them. Additional staff will provide more opportunities to drive residents to appointments and services in Sherwood/Newberg allowing greater use of our bus. Additional staff will also serve as resources to provide more holistic and innovative approaches to dealing with the challenges of aging. Even with the best intentions, a small staff and program limits what can be offered in terms of assisted living amenities and outreach to the community. It is not size that determines the quality it is how the programs are run. There are some companies who do just want to grow. This is not who we are. We want to do what we know how to do and continue to do it well. Our values are a good match for the City of Sherwood. As the citizens of Sherwood, Newberg, Tigard and Tualatin advance in years, we want them to have the opportunity to choose an assisted living community where company values mirror their own.

Mary B Joy  
Director of Assisted Living for Grayco LLC  
October 5, 2006

## **EXHIBIT C**

### **Sherwood Assisted Living Expansion**

**(Phase III)**

**Timeliness**

**REQUEST FOR ADDITIONAL INFORMATION  
CITY OF SHERWOOD  
PLANNING REVIEW LETTER  
DATED AUGUST 17, 2006**

**Requested Information:**

**Discuss in more depth the timeliness issue. Why this zone change, in this location, at this time? Anytime we are considering re-zoning one parcel only we have to consider what the bigger picture is.**

**Response:** In a very real sense PA 06-05 is not a request for a re-zoning of “one parcel only”. Rather it is a request for an expansion of the HDR zone abutting the subject Tax Lot 600 to the north. The HDR zoned Tax Lot 4400 to the north currently houses the 38 unit Cedar Creek Assisted Living Facility owned and operated by SHNW Properties, LLC. The applicant, Glenn H. Gregg, Trustee, owner of Tax Lot 600, is also one of the owners of SHNW Properties. Tax Lot 600 was purchased by the applicant in 2001 to provide for future expansion of the Cedar Creek Assisted Living campus. SHNW Properties and the applicant have a written agreement that provides for SHNW’s future acquisition of Tax Lot 600. Prior to an application for development of Tax Lot 600, Tax Lots 4400 and 600 will be combined into a single tax lot to be owned by SHNW Properties.

SHNW Properties has been approved by the City of Sherwood for a building permit to construct 20 additional assisted living units on Tax Lot 4400. That project is now under construction. The internal building layout and the site plan for the 20 additional units have been designed to facilitate direct connection to the proposed 40 future assisted living units on Tax Lot 600. City approval of the requested zone change, at this time, will provide assurance to SHNW that it can make corporate plans for financing, building, staffing and operating the final addition to Cedar Creek Assisted Living in Sherwood. We believe that the resulting, over all, 98 unit assisted living facility will be one of the finest of its type in the Pacific Northwest and will come to be recognized as both an asset to the greater Sherwood community and to historic Old Town.

**CLEAN WATER SERVICES**  
**SERVICE PROVIDER LETTER**

**The following Clean Water Services Service Provider Letter (File No. 06.001830) Dated 7/6/2006, covers the subject Tax Lot 600 as well as the adjoining Tax Lot 4400. Under the old address system, which were the "Site Addresses" used on the Clean Water Services Letter, the address for Tax Lot 600 was 360 NE Oregon St., and the address for Tax Lot 4400 was 380 NE Oregon St. Under the current address system, the address for Tax Lot 600 is 15667 SW Oregon, and the address for Tax Lot 4400 is 15677 SW Oregon.**

**The full "Map & Tax Lot" descriptions for the two tax lots are: Tax Lot 600 2S132BA00600 & Tax Lot 400 2S132BA04400.**



File Number  
06.001890

**Clean Water Services  
Service Provider Letter**

Jurisdiction	City of Sherwood	Date	7/6/2006
Map & Tax Lot	Development to occur on 2S132BA04400/ 2S132BA00600 (Mitigation site 2S131BD14800)	Owner	SHNW Properties, LLC Craig Smith
Site Address	360 and 380 NE Oregon St. Sherwood, OR	Applicant	Pacific Habitat Services: Shawn Eisner
Proposed Activity	Expansion of assisted living facility- filling wetland and vegetated corridor	Address	PO Box 566 Gresham, OR 97030
		Phone	503-681-7750 X 105

**This form and the attached conditions will serve as your Service Provider Letter in accordance with Clean Water Services Design and Construction Standards (R&O 04-9).**

	YES	NO		YES	NO
Natural Resources Assessment (NRA) Submitted	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Alternatives Analysis Required (Section 3.02.6)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
District Site Visit Date: June 2005	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tier 1 Alternatives Analysis	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Concur with NRA/or submitted information	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tier 2 Alternatives Analysis	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sensitive Area Present On-Site	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Tier 3 Alternatives Analysis	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sensitive Area Present Off-Site	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Vegetated Corridor Averaging	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Vegetated Corridor Present On-Site	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Vegetated Corridor Mitigation Required	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Width of Vegetated Corridor (feet)	<b>25'</b>		On-Site Mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Condition of Vegetated Corridor	<b>Degraded</b>		Off-Site Mitigation ( <i>Tax lot 2S131BD14800</i> ) 34,296 SF	<input checked="" type="checkbox"/> 34,296 SF	<input type="checkbox"/>
Enhancement Required (Vegetated corridor to be filled-mitigation to occur off-site)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Planting Plan Attached	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Encroachment into Vegetated Corridor (Section 3.02.4)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Enhancement/restoration completion date	<b>Concurrent with site development.</b>	
Type and Square Footage of Encroachment	<b>11,226SF</b> (entire vegetated corridor to be filled)		Geotechnical Report required	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Allowed Use (Section 3.02.4)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Conditions Attached	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**This Service Provider Letter does NOT eliminate the need to evaluate and protect water quality sensitive areas if they are subsequently discovered on your property.**



In order to comply with Clean Water Services (the District) water quality protection requirements the project must comply with the following conditions:

1. No structures, development, construction activities, gardens, lawns, application of chemicals, uncontained areas of hazardous materials as defined by Oregon Department of Environmental Quality, pet wastes, dumping of materials of any kind, or other activities shall be permitted within the sensitive area which may negatively impact water quality, except those allowed by Section 3.02.3. *Wetland on tax lot 2S132BA00600 is proposed to be filled and must follow permit requirements as per DSL permit No 35595-FP.*
2. No structures, development, construction activities, gardens, lawns, application of chemicals, uncontained areas of hazardous materials as defined by Oregon Department of Environmental Quality, pet wastes, dumping of materials of any kind, or other activities shall be permitted within the vegetated corridor which may negatively impact water quality, except those allowed by Section 3.02.4. *Wetland and Vegetated Corridor on tax lots 2S132BA00600 and 04400 are proposed to be filled. Vegetated Corridor mitigation is proposed to occur on tax lot 2S131BD14800.*
3. Prior to any activity within the sensitive area, the applicant shall gain authorization for the project from the Oregon Division of State Lands (DSL) and US Army Corps of Engineers (USACE). The applicant shall provide the District or its designee (appropriate city) with copies of all DSL and USACE project authorization permits.
4. An approved Oregon Department of Forestry Notification is required for one or more trees harvested for sale, trade, or barter, on any non-federal lands within the State of Oregon.
5. Appropriate Best Management Practices (BMP's) for Erosion Control, in accordance with the CWS Erosion Control Technical Guidance Manual shall be used prior to, during, and following earth disturbing activities.
6. Prior to construction, a Stormwater Connection Permit from the District or its designee is required pursuant to Ordinance 27, Section 4.B.
7. The District or City/County may require an easement over the vegetated corridor on the mitigation site conveying storm, surface water management, and/or sanitary sewer rights to the District or City that would prevent the owner of the vegetated corridor from activities and uses inconsistent with the purpose of the corridor and any easements therein.
8. Activities located within the 100-year floodplain shall comply with Section 3.13 of R&O 04-9.
9. Should final development plans differ significantly from those submitted for review by the District, the applicant shall provide updated drawings, and if necessary, obtain a revised Service Provider Letter.

#### SPECIAL CONDITIONS

10. The vegetated corridor width for sensitive areas within the project site is 25 feet wide, as measured horizontally from the delineated boundary of the sensitive area. This vegetated corridor is proposed to be filled entirely.
11. The vegetated Corridor with for the sensitive areas within the mitigation area shall be a minimum of 15 to 90 feet wide, as measured horizontally from the delineated boundary of the sensitive

area. **The entire vegetated Corridor on the mitigation site (tax lot 2S131BD14800) shall be enhanced to good corridor condition as defined in Section 3.02.7, Table 3.2.**

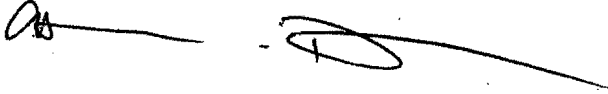
12. Clean Water Services shall be notified 72 hours prior to the start and completion of enhancement/restoration activities. Enhancement/restoration activities shall comply with the guidelines provided in Landscape Requirements (R&O 04-9: Appendix D).
13. **Prior to installation of plant materials, all invasive vegetation within the vegetated corridor shall be removed. During removal of invasive vegetation care shall be taken to minimize impacts to existing native trees and shrub species.**
14. **Enhancement/restoration of the vegetated corridor shall be provided in accordance with R&O 04-9, Appendix D.**
15. Prior to any site clearing, grading or construction, the applicant shall provide the District with the required vegetated corridor enhancement/restoration plan in compliance with R&O 04-9.
16. Maintenance and monitoring requirements on the off-site mitigation site (Tax Lot 2S131BD14800) shall comply with Section 2.11.2 of R&O 04-9. If at any time during the warranty period the landscaping falls below the 80% survival level, the Owner shall reinstall all deficient planting at the next appropriate planting opportunity and the two year maintenance period shall begin again from the date of replanting.
17. Performance assurances for the vegetated corridor shall comply with Section 2.06.2, Table 2-1 and Section 2.10, Table 2-2.
18. For any developments, which create multiple parcels or lots intended for separate ownership, the District may require that the sensitive area and vegetated corridor be contained in a separate tract and subject to a **"STORM SEWER, SURFACE WATER, DRAINAGE AND DETENTION EASEMENT OVER ITS ENTIRETY"** to be granted to the city or Clean Water Services.
19. Any water quality swale and/or detention pond shall be planted with District approved native species, and designed to blend into the natural surroundings.

#### **CONDITIONS TO BE INCLUDED ON CONSTRUCTION PLANS**

20. **Final construction plans shall include landscape plans.** Plans shall include in the details a description of the methods for removal and control of exotic species, location, distribution, condition and size of plantings, existing plants and trees to be preserved, and installation methods for plant materials. Plantings shall be tagged for dormant season identification. Tags to remain on plant material after planting for monitoring purposes.
21. **A Maintenance Plan shall be included on final plans** including methods, responsible party contact information, and dates (minimum two times per year, by June 1 and September 30).
22. **Final construction plans shall clearly depict the location and dimensions of the sensitive area and the vegetated corridor (indicating good, marginal, or degraded condition).** Sensitive area boundaries shall be marked in the field.
23. Protection of the vegetated corridors and associated sensitive areas shall be provided by the installation of permanent fencing and signage between the development and the outer limits of the vegetated corridors. **Fencing details to be included on final construction plans.**

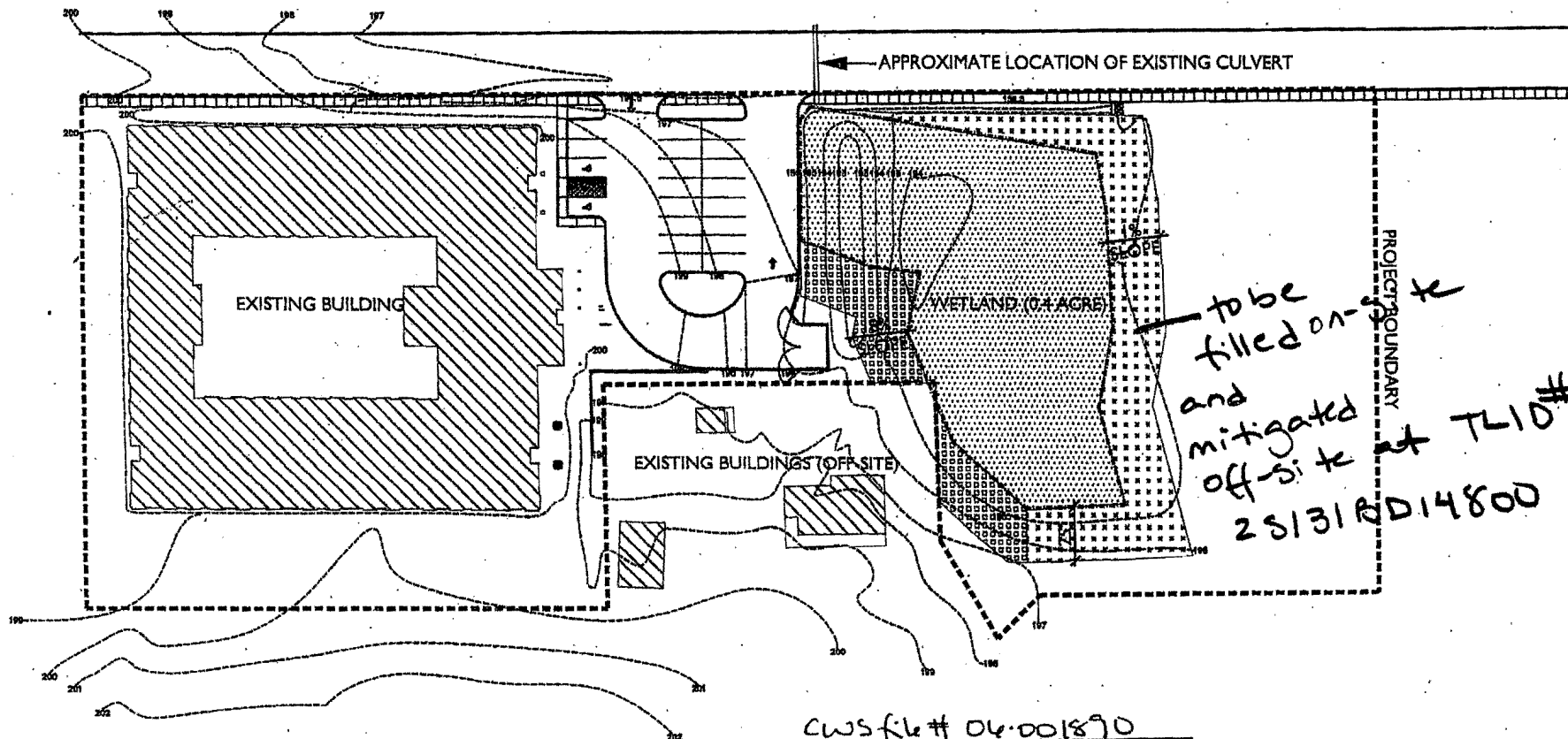
**This Service Provider Letter is not valid unless CWS-approved site plan is attached.**



Please call (503) 681-5157 with any questions.



**Astrid Dragoy  
Environmental Plan Review**

**Attachments (3)**



-  PLANT COMMUNITY A (7,667 SF/0.18 ACRE) DEGRADED CONDITION
-  PLANT COMMUNITY B (3,559 SF/0.08 ACRE) DEGRADED CONDITION

CWS file # 04-001890

Approved  
Clean Water Services  
for review only

By AD Date 7/6/06

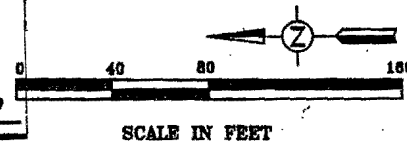
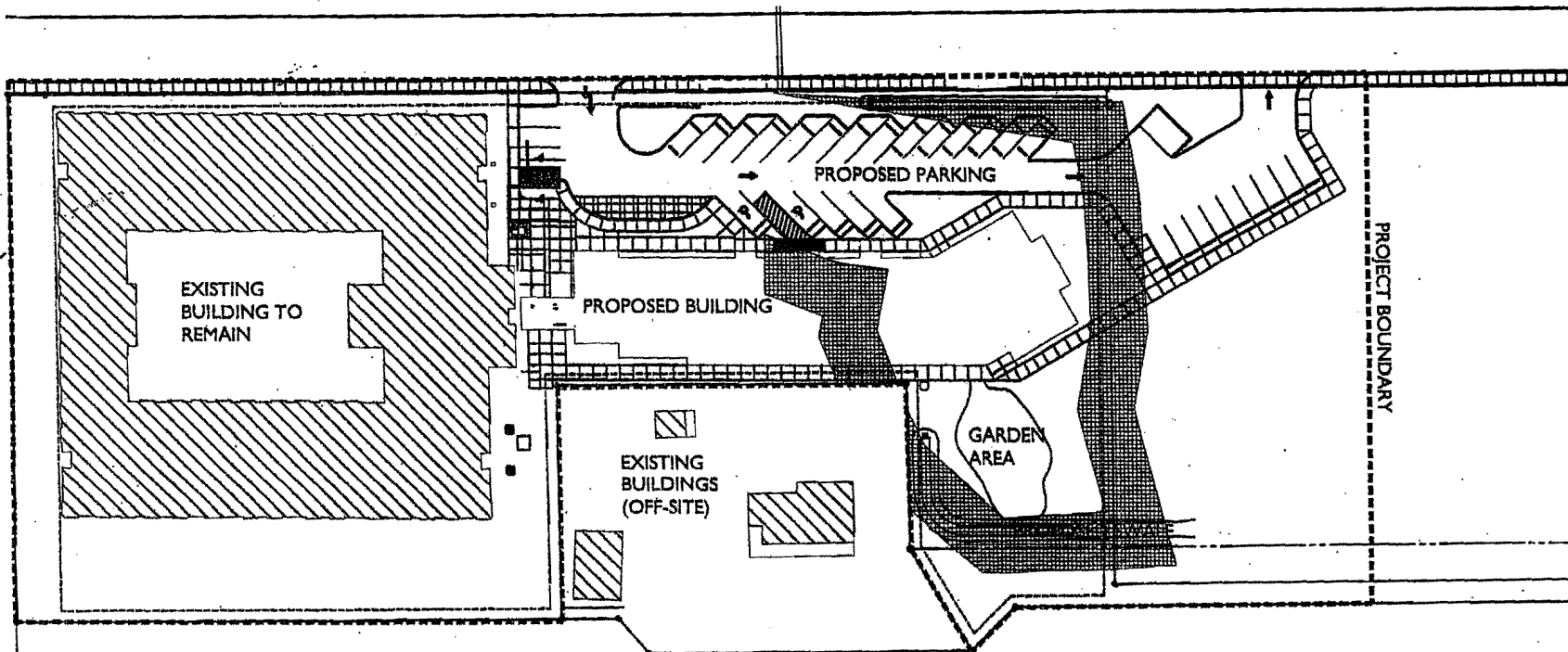


FIGURE  
3

Regulated 25' vegetated corridor and plant communities A and B at the Cedar Creek Assisted Living facility in Sherwood, Oregon (base map provided by Ankrom Moisan, 2005).

3289  
6/6/06





 BUFFER IMPACT (11,226 SF/0.26 ACRE)

CWS file # 06-001890  
 Approved  
 Clean Water Services  
 for environ review only  
 By AD Date 7/6/06

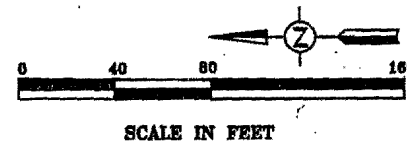


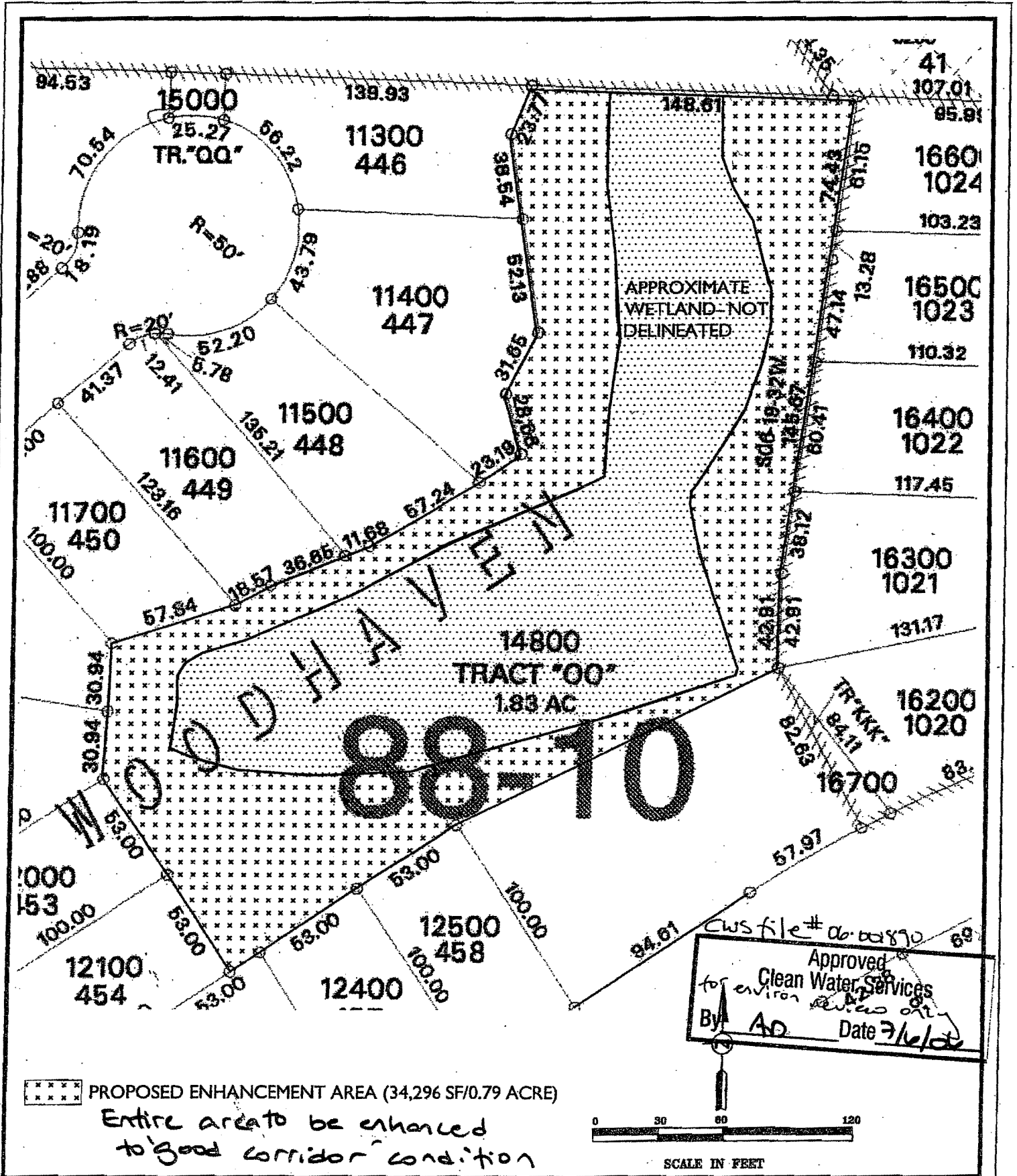
FIGURE  
6

Buffer impact at the Cedar Creek Assisted Living facility in Sherwood, Oregon (base map provided by Ankrom Moisan, 2005).

3289  
6/6/06



# OFF-SITE MITIGATION



3289  
 6/7/06



Pacific Habitat Services, Inc.

Off-site vegetated corridor mitigation enhancement area (shown on Washington County tax map 2S 1 31BD).

FIGURE  
 7

**MARKET STUDY FOR**  
**PHASE III EXPANSION TO CEDAR CREEK  
IN SHERWOOD, OREGON**

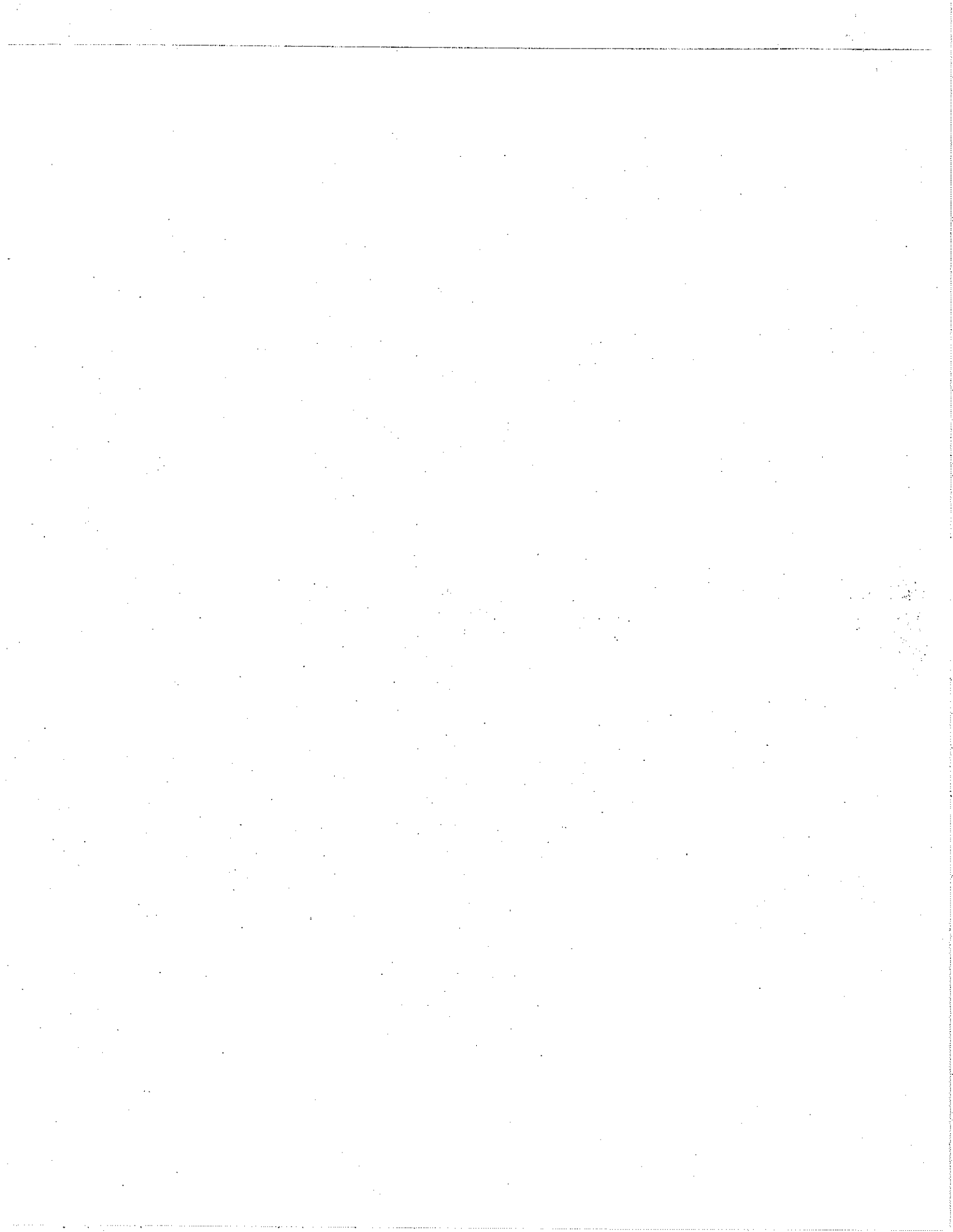
Prepared For  
Craig Smith  
SHNW Properties  
PO Box 566  
212 NE Cleveland Street  
Gresham, Oregon 97030

By  
James Brown & Associates, Inc.  
P.O. Box 4344  
2765 12th Street SE  
Salem, Oregon 97302  
Phone: (503) 363-5969

E-Mail Address  
valuation@jbappraiser.com

Home Page Address  
<http://www.jbappraiser.com>

As Of  
January 17, 2007







**JAMES BROWN & ASSOCIATES, INC.**

2765 12th Street S.E. • P.O. Box 4344  
Salem, OR 97302-4344  
(503) 363-5969 • FAX (503) 363-5988

January 24, 2007

J.B. & Assoc. File No. 06-1270

Craig Smith  
SHNW Properties  
PO Box 566  
212 NE Cleveland Street  
Gresham, Oregon 97030

RE: A market study of the demand versus supply for an assisted living expansion of the existing Cedar Creek Assisted Living at 15677 NE Oregon Street, Sherwood, Oregon 97140.

Dear Mr. Smith:

As requested we have conducted a market study of the demand for elderly care housing at the above mentioned location for an additional 40 units/55 beds of assisted living. This is Phase III of the Cedar Creek facility. The 38 existing units and the 20 units under construction are considered as existing supply in this analysis. The market study also considers assisted living capacity as well as residential care as required by the Oregon Department of Human Services, Seniors and People with Disabilities.

**Concluded Demand**

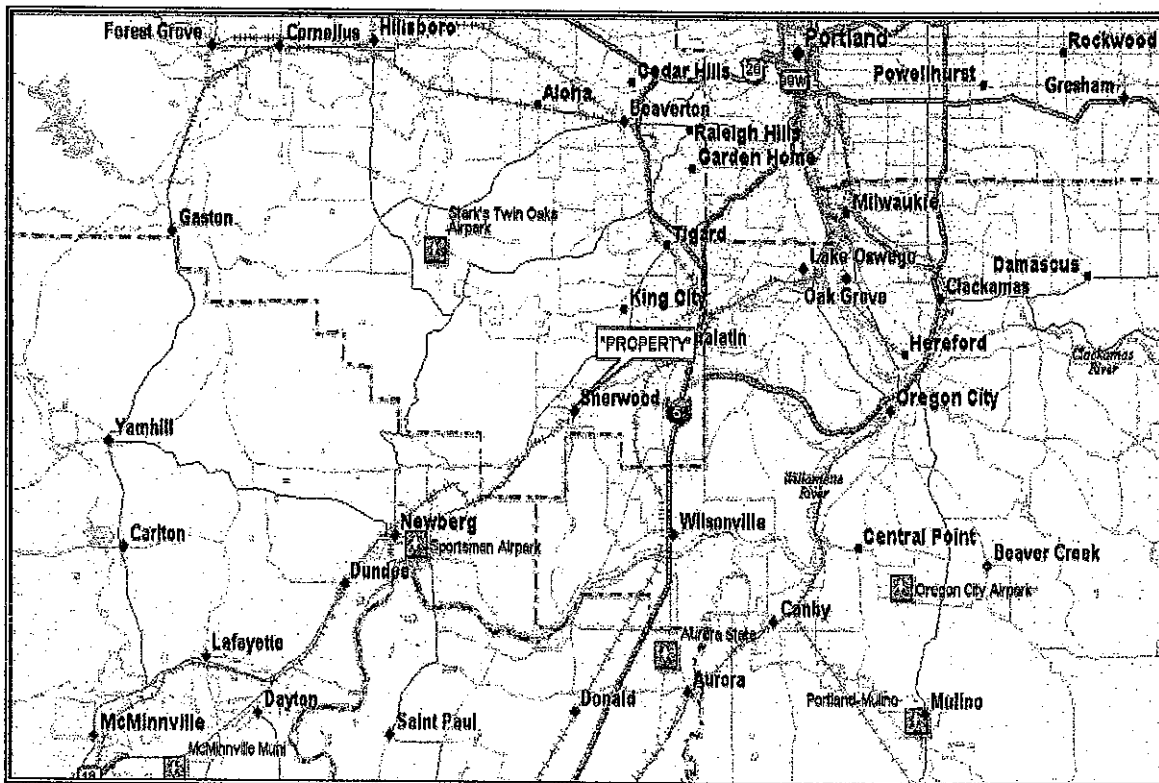
Based on demographic information and a survey of the existing supply of assisted living and residential facilities in both the 4-mile and the 15-mile radius market areas, the market is sufficiently underserved to justify the construction of an additional 40 units/55 beds of assisted living.

Submitted By,

Aaron J Brown, MAI  
Senior Appraiser

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## INTRODUCTION



LOCATIONAL MAP

## PURPOSE

The purpose of the market study is to project demand for elderly assisted living housing in both a 4-mile and a 15-mile radius centered around 15677 NE Oregon Street, Sherwood, Oregon 97140 versus existing supply.

## USE/FUNCTION

The Market study is to be used by the Client (Craig Smith) to aid in applying for the approval in licensing for an additional 40 units/55 beds of assisted living with the Department of Human Services, Senior and People with Disabilities as outlined under rule 411-056-0007 License Moratorium as well as zoning decisions by the City of Sherwood for construction of the proposed expansion.

## SCOPE

This study identifies and describes the market area of a 15-mile radius, the service area as required by state regulation (Oregon Administrative Rules 411-056-0000 Definitions (30)), surrounding the "property" at 15677 NE Oregon Street, Sherwood, Oregon. *Claritas, Inc.* demographics are used to compare primary (4-mile radius) and secondary market (the 15-mile radius) areas to state and national figures. The general and elderly demographics are analyzed. General demographics, median household income, and home values of the market area are compared to trends experienced by the county, state and nation.

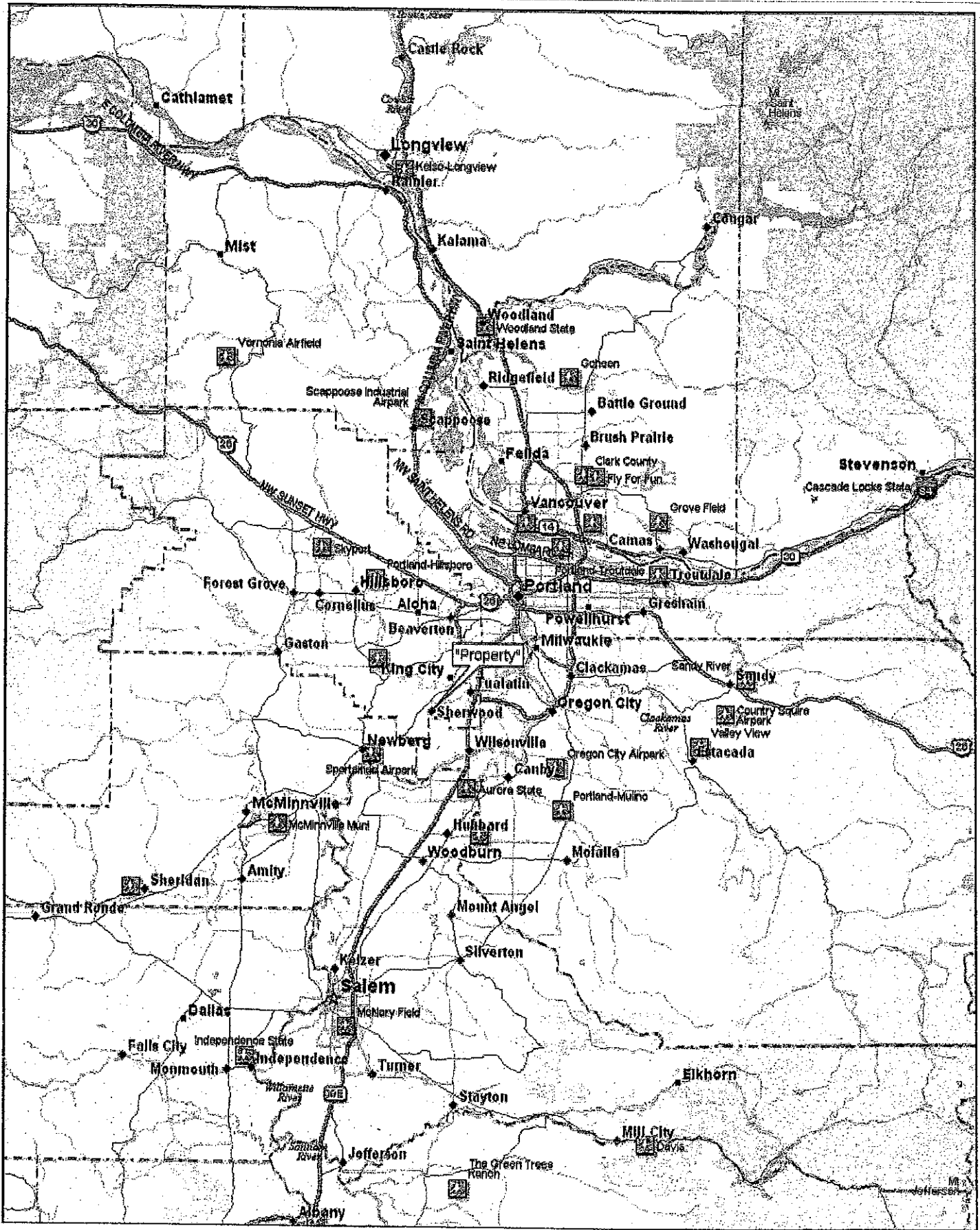
Elderly demographics are segregated into two market segments; middle to upper middle income (private pay) and lower to lower middle income (subsidized/Medicaid). Middle age demographics are also reviewed for the potential of elderly relocation from afar to the primary market by a relative.

Quantitative information such as demographics and qualitative issues such as overall location and available health care are considered and an overall estimate of demand is concluded. This is compared to supply to determine if the market is underserved.

## LIMITING CONDITIONS

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2. Staff of James Brown And Associates Inc., are not required to provide consultation, testimony, or court attendance about the report or its conclusions unless prior arrangements have been made.
3. No part of this report or the identity of the appraiser, and James Brown And Associates, Inc. is to be disseminated to the public media.

**DESCRIPTION  
SECTION**



**REGIONAL MAP**

## PORTLAND-VANCOUVER PMSA/SHERWOOD ANALYSIS

### LOCATION

The "property" is in Sherwood, an incorporated city in Washington County, which is part of the Portland-Vancouver primary metropolitan statistical area (PMSA). The Portland-Vancouver PMSA includes Clackamas, Multnomah, Washington, Columbia and Yamhill Counties in Oregon and Clark County in Washington.

Portland is the population, employment and cultural center for Oregon and southwest Washington. It is situated at the confluence of the Willamette and Columbia Rivers, 150± miles south of Seattle, Washington and 50 miles north of Salem, Oregon. Vancouver, Washington lies to the north across the Columbia River. The Pacific Coast is 75± miles to the west. Mount Hood, at an elevation of 11,235± feet, is 55± miles to the east and visible from the city.

### GEOGRAPHY

Area terrain varies from level to mountainous. Major geographic features are Mount Hood, the Willamette River, and Lake Oswego.

### CLIMATE

The Portland PMSA has a mild but wet climate. Temperature averages 38° Fahrenheit in the winter and 66° Fahrenheit in the summer. Average precipitation is 37 inches per year, 88 percent of which falls between the months of October and May. Snowfalls are seldom more than a couple of inches; server storms are rare. There are only 62 clear days per year.

### FREEWAY AND AIRPORTS

Due to its excellent highway system and location at the confluence of the Columbia and Willamette Rivers, the Portland PMSA is the largest distribution center within the Northwest. The Portland PMSA is a major rail distribution point for the Northwest and offers competitive rail service to and from the east, midwest, south, and Pacific Coast points. Portland is also a major world seaport, being 110± miles inland from the Pacific Ocean via the Columbia River, and ranks among the most active ports on the US West Coast.



Interstate freeways serving the region are Interstate 5 is the principal north-south route through Portland, and extends to the south as far as the California State/Mexican border, and to the north as far as the Washington State/Canadian border to the north. Interstate 84 is a major freeway traveling east from Portland through Oregon and Idaho.

Major regional arterials include Interstates 205 and 405, which circumnavigate the metropolitan area and connect to state and local highways and streets within the Portland PMSA.

The nearest commercial airport is the Portland International Airport, 19± miles to the northeast.

Public transit consists of Tri-Met, which operates bus lines in the greater Portland Metro area and the MAX light rail system.

#### **GOVERNMENTAL SERVICES, TAXES, AND UTILITIES**

The governmental service center is for the “property” is Multnomah County. Major institutions of higher learning include Oregon Health Sciences University, Portland State University, University of Portland, Reed College, Tokyo College of Commerce, and Portland Community College. The regional property tax rate is roughly 1.5 percent of market value. There is state income tax which discourages wealthy retiree relocation. There is no sales tax. Governmental services are average for an urban area.

Utility providers are PGE for electrical and NW Natural for natural gas services. Local municipalities or private companies provide water and sewer service.

#### **COMMERCIAL RETAIL CENTER**

The retail center is the Portland PMSA. There are several major malls in the Portland-Vancouver PMSA, including Bridgeport Plaza, Clackamas promenade and Clackamas Town Center, Beaverton Mall, Eastport Plaza, Jantzen Beach Center, Lloyd Center, Mall 205, Pioneer Place, Sunset Esplanade, Vancouver Mall, and Washington Square.

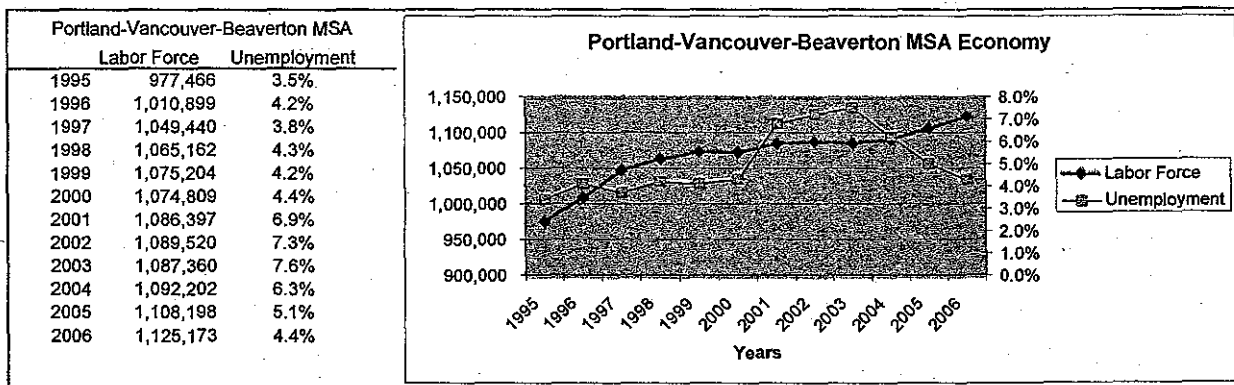
**MEDICAL SERVICE CENTER**

The area is a regional medical service center with major hospitals being Oregon Health Science University (OHSU) Medical Center, Legacy Emanuel and Good Samaritan Hospitals, Pacific Gateway Hospital, and Providence Portland Medical Center. The closest medical center is Legacy Meridian Park Hospital, 5± to the northeast of the “property” in Tualatin. Health services encourage elderly relocation into the area.

**ECONOMY**

According to the Bureau of Labor Statistics, the Portland-Vancouver-Beaverton MSA’s February 2006 civilian labor force is 1,125,172 with 4.4 percent unemployed. This compares to state and national unemployment rates of 4.5 and 4.4 percent. The civilian labor force increased by 16,974 or 1.5 percent in the last year. Those employed increased by 24,093 or 2.3 percent. The unemployment rate decreased from 5.1 percent for October 2005 to the October 2006 rate of 4.4 percent.

The following graph summarizes the 10-year labor force and unemployment trends for the Portland-Vancouver-Beaverton MSA.



**SUMMARY AND TRENDS**

The Portland-Vancouver PMSA is comprised of six counties. The economy is dominated by a wide variety of smaller businesses as opposed to being dominated by one or two large-scale employers. Employment is increasing. Transportation sources are excellent, making the area a transportation hub on a major transportation route connected to the Interstate freeway system with major airport service off of the Interstate freeway system. Economic growth should lag national trends. The area is a medical service center. It is a destination retirement locale with health services a positive influence on relocation.

## **SURROUNDING AREA DESCRIPTION**

### **LOCATION**

The "property" is in the central section of the incorporated city limits of Sherwood on the north side of NE Oregon Street. State Highway 99W is  $\frac{3}{4} \pm$  miles to the west. Interstate 5 is  $3.7 \pm$  miles to the east.

### **TERRAIN**

Terrain within the city ranges from level to rolling hills. From the city center moving north terrain is relatively level. There are rolling hills in the southeast and southwest regions of the city.

### **TRANSPORTATION**

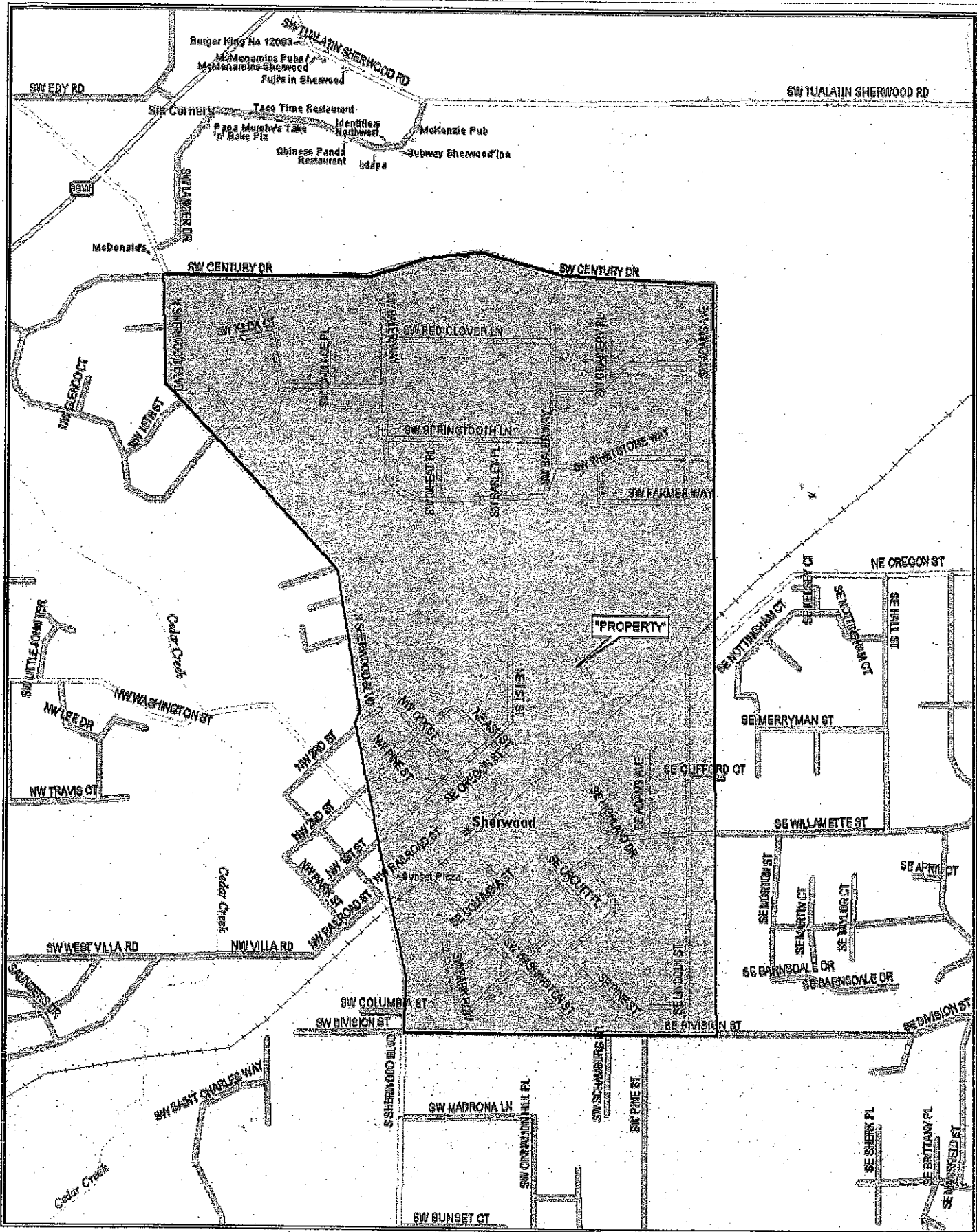
Thoroughfares include Interstate 5 freeway, and Highway 99 traveling north-south and NE Oregon Street and Tualatin-Sherwood Road, and SW Sunset Boulevard traveling east-west. The nearest freeway is Interstate 5,  $3.7 \pm$  miles to the east. SW Nyberg Street provides access to it.

The nearest commercial airport is Portland International Airport,  $20 \pm$  miles to the north. It provides full interconnected air service.

Mass transit is available via Tri-Met.

### **AREA BOUNDARIES**

The surrounding area is suburban in character with most development occurring between 1960 and 1980. The dominate development trend is single family low rise of above average quality construction. Surrounding area boundaries are SW Century Drive approximately  $\frac{1}{2} \pm$  mile to the north, N Sherwood Boulevard  $\frac{1}{4} \pm$  mile to the west, SW Adams Avenue,  $\frac{1}{4} \pm$  mile to the east, and SW Division Street  $\frac{1}{2} \pm$  mile to the south.



**SURROUNDING AREA MAP**

## **RETAIL**

The nearest local shopping center is located along Highway 99W at the intersection with SW Tualatin-Sherwood Road,  $\frac{3}{4} \pm$  mile to the north. Anchors are Albertson's grocery and Target. The nearest major shopping center or mall is Bridgeport Plaza  $5 \pm$  miles to the northwest.

## **PUBLIC SERVICES**

Police and fire protection is provided by the City of Sherwood and Washington County. Typical levels of public services are provided in the area.

## **MEDICAL SERVICE CENTERS**

Legacy Meridian Park has 150 beds and Providence Newberg Hospital has 40 beds.

## **SUMMARY AND MARKET TRENDS**

The area is characterized by single family, industrial and quasi special purpose uses. Single family uses are primarily older, one story, wood frame structures of fair to average quality in fair to average condition. Industrial uses can be found along Oregon Street. Single family land is limited. The city of Sherwood is expected to continue to expand in the near future. The "property's" immediate area is expected to remain relatively stable. The city as a whole has a good mixture of residential, commercial and industrial development. The close proximity of industrial uses in the "property's" immediate area is not ideal for congregate care development.



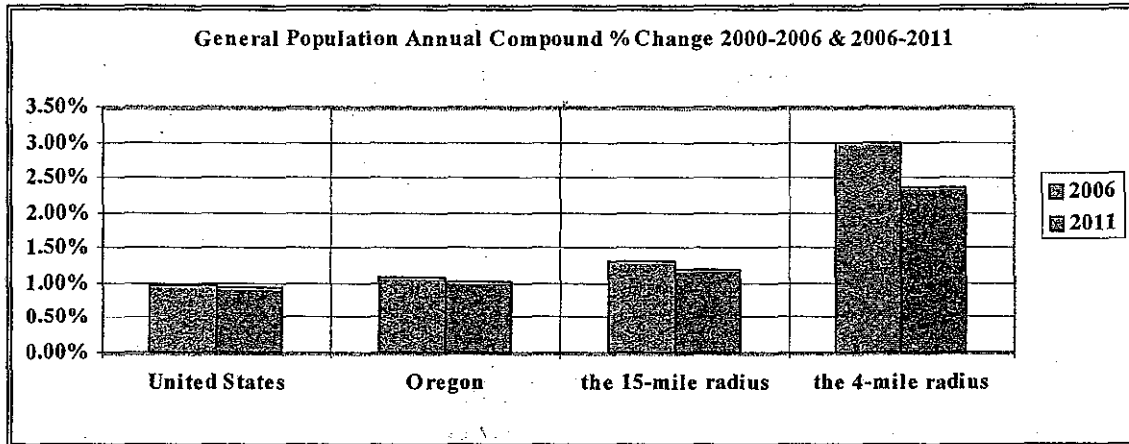
## DEMOGRAPHICS

This section utilizes demographic data which is most likely to influence demand for elderly care properties within a defined market area. Data is from *Claritas, Inc.*, a national demographic research company and is correlated to a Primary Market Area (PMA) and Secondary Market Area (SMA) as defined by James Brown and Associates. State and national data is also provided and analyzed on a comparison basis to acquaint the reader with differences between the Primary Market Area, the larger Secondary Market Area, the state, and national figures. This allows direct comparison of PMA demographic characteristics to the SMA and reveals differences in such characteristics. At the same time, it allows both the PMA and SMA to be compared to statewide and national figures. Demographics analyzed include both general data and elderly specific data. General data includes general population, median household income, and median home value data. Elderly specific demographics include data of the late middle aged population segment age 55 to 65, elderly age 65 and over, and those 75 and over. The age 75 and over group is most germane and is further subdivided into householders by annual income.

In addition to comparing demographics by geographic area, demographics are compared for time trends utilizing the last census, current estimates, and 5 year projections.

### GENERAL POPULATION

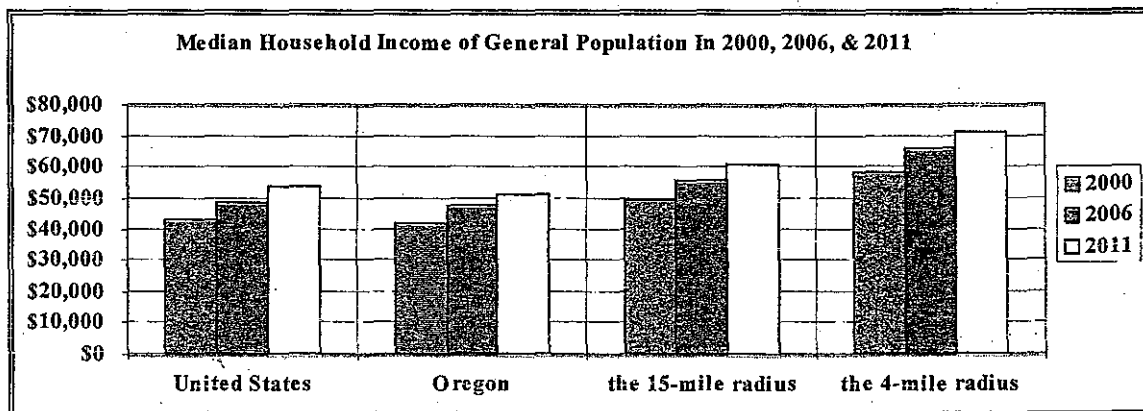
General population demographics for the four geographical regions are compared, utilizing the most recent national census data, current area statistics, and results of a projected five year analysis. The PMA, SMA, national, and state figures are compared to determine general population trend variances. If the PMA general population is increasing more rapidly than the other geographic categories, it indicates an influx of new residents and a more robust economy. The converse indicates a trend of migration out of the area and a weak or flat economy. The following bar chart compares general population percentage changes from the most recent national census, the area's current statistics, and five year projected data for the four geographical regions analyzed (national, state, secondary market area, and primary market area).



**MEDIAN HOUSEHOLD INCOME**

Median household income is the best measure of general purchasing power in the PMA. Differences between the PMA and other geographical areas determine relative affluence and economic trend. A PMA with a lower median household income than the national average may still be a relatively affluent area if its median household income exceeds state or secondary market area figures. The reverse is also true. A PMA with a median household income that exceeds national figures may remain comparatively poor if significantly below statewide and SMA median household incomes.

The second consideration is the median income trend over time. Inflation consistently influences median household income upward. The trend, however, for a particular PMA can differ from a larger geographical area such as county, or from the state or national trend. The following chart shows median household income nationally, statewide, for the SMA, and the PMA. It is based on 2000 census data, the current estimate, and 5-year projections.





## **MEDIAN HOME VALUE**

Median home value is a reliable measure of an area's real estate market trend and economic health. As with median household income, it is important to compare the local or PMA home value with the larger SMA, statewide, and national data. An area with a lower median home value than the nation can still be in an affluent area if its median household income significantly surpasses the secondary market or state median household income. The converse is also true.

A primary market area with a high median home value indicates the likelihood that householders age 75 and over have greater assets to draw against when their home is sold and they relocate to an elderly care facility. This suggests a greater ability to pay higher monthly rent and enhances the prospects of more upscale facilities in the area.

### **LATE MIDDLE AGE DEMOGRAPHICS (AGE 55-65)**

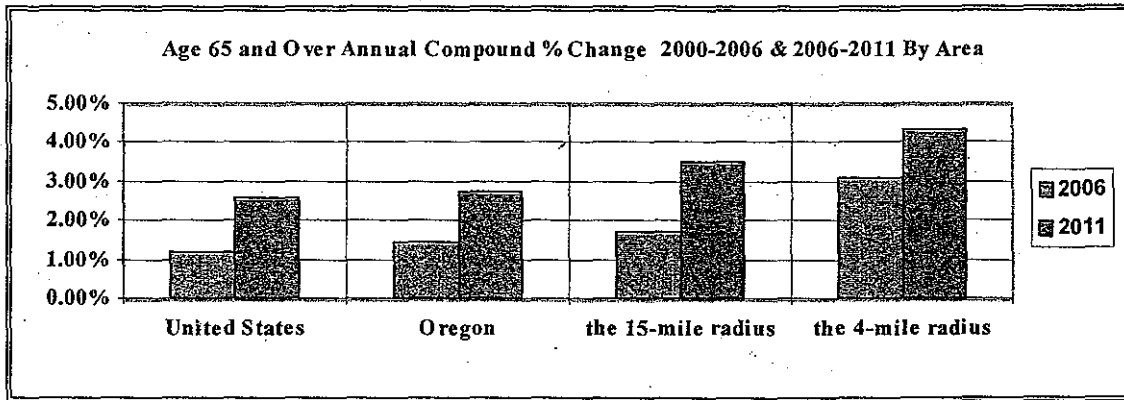
Those in need of elderly care services tend to have children in the 45 to 65 year age bracket. This group is divided into early middle age (45 to 55) and late middle age (55 to 65). The best indicator for comparison is the age 55 to 65 or the late middle age category.

The analysis is made by comparing the PMA with the SMA, state, and national percentages of this age group as a percentage of total population. The higher the general population percentage of this age group in PMA, the greater the likelihood that significant elderly relocation from outside the PMA will be initiated by children of elderly age 75 and over. The late middle age population is compared as a percentage of total population within the four geographic areas, based on 2000 census data, current estimates, and the next 5-year projection. The result is not only an indicator of relocation into the primary market area, but also one of shifting trends.

## **ELDERLY DEMOGRAPHICS**

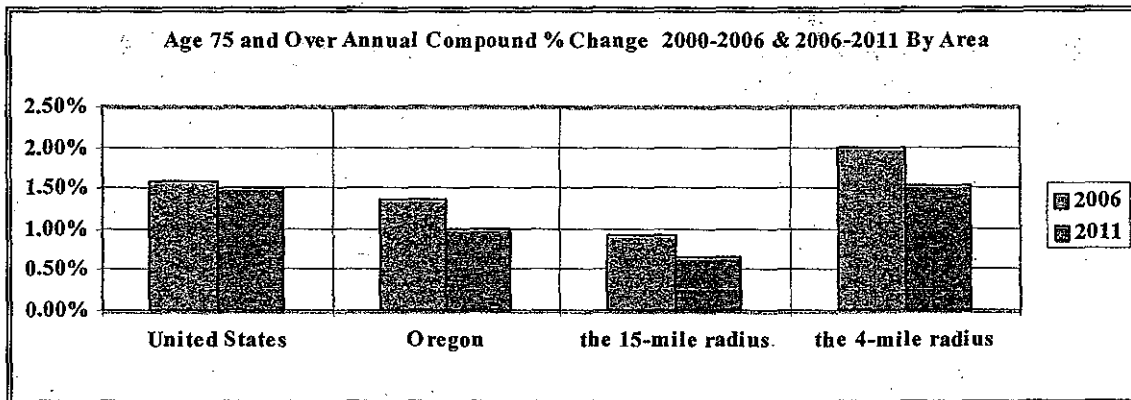
### **AGE 65 AND OVER**

The first elderly group to consider is age 65 and over. Elderly age 65 through 74 are not a significant resident base for an elderly care facility. The age 65 and over general demographics, therefore, provides an elderly care demographic trend barometer for the future rather than current demand. It can be compared to increasing (occasionally decreasing) general population percentage trends of elderly age 75 and over to determine differences between the two age groups. An age 65 and over growth trend greater than the age 75 and over growth trend suggests future increasing demand for elderly care. The following chart shows the percentage change between the 2000 census date, current estimate, and the next 5-year projection for the United States, the state, the SMA, and the PMA.



**AGE 75 AND OVER**

Elderly aged 75 and over represent the demographic group most in need of elderly care. Trends for this age group most accurately indicate changing demand patterns for elderly care housing. Like elderly aged 65 and over, the percentage change is shown on the subsequent chart nationally, statewide, for the SMA and the PMA. Percentage changes for these geographical areas are shown for data from the 2000 census, the current Claritas estimate, and the 5 year projection.



**INCOME QUALIFIED HOUSEHOLDERS AGE 75 AND OVER**

In the elderly care industry, the householder group age 75 and over is the demographic group analyzed most by operators and developers to determine demand. Householders age 75 and over, however, are broken down into 3 income categories. The first is generally described as the subsidized (Medicaid or SSI) or low to moderate income group. These are householders aged 75 and over with annual incomes below \$25,000.

The second and most important income category are those considered true private pay residents. True private pay residents typically have an annual household income from \$25,000 up to \$100,000. This is the group that is most capable of paying the monthly costs of elderly care from independent living through skilled nursing care.

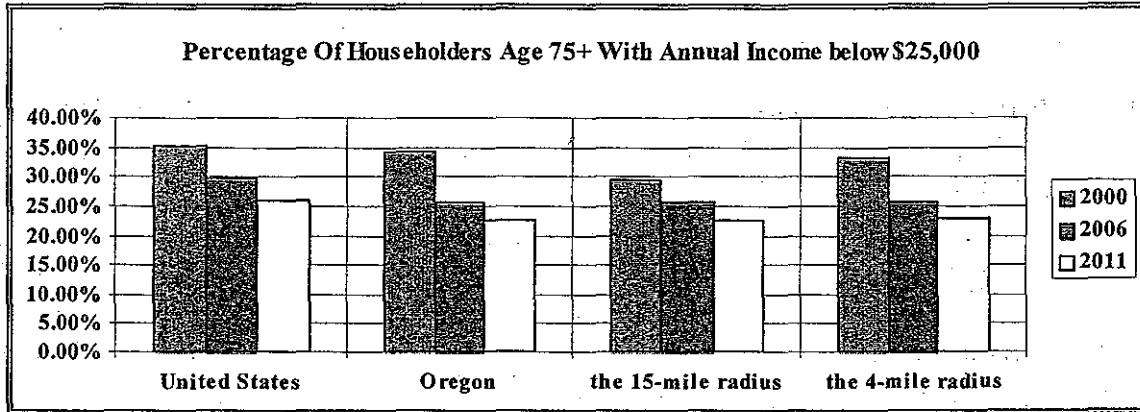
The last and smallest category consists of elderly age 75 and over with annual incomes above \$100,000. This income group is typically targeted only by very upscale projects. The rationale for this is the general preference of elderly to remain in their own homes when needing assistance with activities of daily living. Those with household income above \$100,000 have sufficient income to afford home health care. Age 75 and over householders with incomes of \$100,000 and above may be attracted to an upscale project. Likewise, elderly in this income group needing a high level of care may seek out a facility with appropriate care, as in-home care costs may become too costly or impractical.

The three income categories represent generalizations for target marketing. There are elderly with incomes below \$25,000 annually who are potential true private pay residents due to home equity. Householders age 75 and over typically have a house which is paid for or one with a very low loan balance. While homes owned by the elderly tend to be older and more modest than those owned by the general public, even a \$200,000 home equity payout after sale allows a \$3,000 monthly payment at 5 percent for 6½ years. If an annual income of only \$12,000 (\$1,000 per month social security as an example) is added, the resident is able to pay \$3,000 per month for 10¾ years, which is typically well beyond resident occupancy expectation in a elderly care facility.

The percentages of householders age 75 and over with incomes below \$25,000 and between \$25,000 and \$99,999 provide a good indication of elderly affluence (or lack thereof) in a typical PMA.

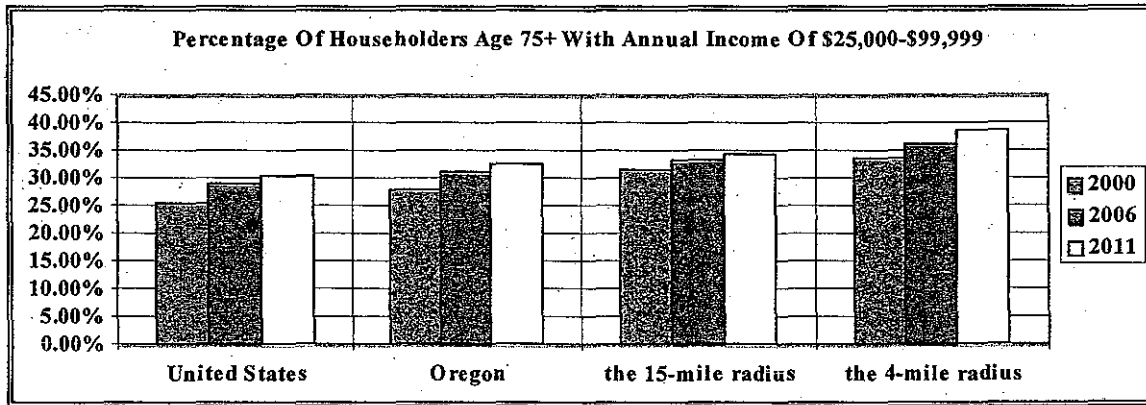
#### **AGE 75+ HOUSEHOLDERS BELOW \$25,000 ANNUAL INCOME (LOWER INCOME OR SUBSIDIZED)**

The next chart shows the percentage of householders age 75 and over with incomes below \$25,000 annually. The comparison chart shows figures nationally, statewide, for the SMA and the PMA. Time periods shown use 2000 census data, current estimates by Claritas, and 5 years hence. The general trend is for all areas to experience a decline due to inflation.



**AGE 75+ HOUSEHOLDERS \$25,000 TO \$99,999 (MIDDLE TO UPPER MIDDLE INCOME OR PRIVATE PAY)**

Most elderly care facilities target the true private pay market niche or those householders aged 75 and over with incomes between \$25,000 and \$99,999. The next chart shows the percentage of householders for the nation, state, SMA, and PMA as a percentage of householders aged 75 and over. The general trend is upward due to inflation. The time spans shown are for the 2000 census, currently based on Claritas estimates, and in 5 years. A PMA or SMA exceeding national and statewide figures suggests a strong elderly care market area. This positive trend, however, needs to be conditioned by the extent of competition within the PMA.



## DEMOGRAPHIC SUMMARY CHART

The next chart summarizes national, state, SMA, and PMA trends from the 2000 census to 5 years into the future. In addition to demographics already considered, the percentage of householders age 65 and over who reside in owner occupied units is shown for the last census, as are persons in nursing homes versus other types of group quarters, persons in non-institutionalized group quarters versus total individuals in other groups, and elderly aged 65 and over with a self care disability as a percentage of elderly age 65 and over.

## Elderly Demographic Comparison By National, State, Secondary, and Primary/Local Market Areas

Demographic Group And Area Covered						
	United States		Oregon		the 15-mile radius	
	National	%Change	State	%Change	Secondary Area	%Change
<b>General Population &amp; Annual Compound Percentage Change</b>						
2000	281,421,906		3,421,399		899,437	
2006	298,021,266	0.96%	3,650,191	1.08%	973,076	1.32%
2011	312,383,955	0.95%	3,841,162	1.03%	1,032,995	1.20%
<b>Age 55 to 65 As Percentage of General Population</b>						
2000	8.63%		8.90%		7.84%	
2006	10.41%	3.18%	11.26%	4.00%	10.67%	5.27%
2011	11.90%	2.71%	13.13%	3.12%	12.80%	3.71%
<b>Age 65 &amp; Over Population &amp; Annual Compound Percentage Change</b>						
2000	34,991,753		438,177		92,430	
2006	37,551,340	1.18%	477,409	1.44%	102,388	1.72%
2011	42,621,596	2.57%	546,119	2.73%	121,661	3.51%
<b>Age 75 &amp; Over Population &amp; Annual Compound Percentage Change</b>						
2000	16,600,767		218,835		47,978	
2006	18,240,436	1.58%	237,390	1.37%	50,660	0.91%
2011	19,657,989	1.51%	249,514	1.00%	52,320	0.65%
<b>Age 75 &amp; Over Population As Percentage of General Population:</b>						
2000	5.90%		6.40%		5.33%	
2006	6.12%	3.8%	6.50%	1.7%	5.21%	-2.4%
2011	6.29%	2.8%	6.50%	-0.1%	5.06%	-2.7%
<b>General Population Median Household Income &amp; % Of US, State, and Secondary/Larger Market Area</b>						
2000	\$42,729	100.0%	\$41,417	96.9%	\$49,252	118.9%
2006	\$48,775	100.0%	\$47,074	96.5%	\$55,780	118.5%
2011	\$53,973	100.0%	\$51,354	95.1%	\$60,582	118.0%
<b>General Population Median Home Value &amp; % Of US, State, and Secondary/Larger Market Area</b>						
2000	\$112,467	100.0%	\$145,501	129.4%	\$184,543	126.8%
2006	\$161,602	100.0%	\$192,707	119.2%	\$249,551	129.5%
2011	\$185,858	100.0%	\$221,841	119.4%	\$273,185	123.1%
<b>Householder 65 &amp; Over Owner Occupied Unit Based On 2000 Data With % Of Total Householders</b>						
2006	17,553,827	77.55%	220,303	77.89%	43,604	72.50%
<b>Householders 75 &amp; Over @ Incomes Below \$25,000 &amp; % Of Aged 75 &amp; Over</b>						
2000	5,870,956	35.37%	75,164	34.35%	14,148	29.49%
2006	5,415,310	29.69%	67,732	28.53%	12,944	25.55%
2011	5,077,413	25.83%	61,748	24.75%	11,764	22.48%
<b>Householders 75 &amp; Over @ Incomes \$25,000 to \$99,999 &amp; % Of Aged 75 &amp; Over</b>						
2000	4,238,909	25.53%	61,284	28.00%	15,111	31.50%
2006	5,283,055	28.96%	73,440	30.94%	16,848	33.26%
2011	5,998,111	30.51%	80,868	32.41%	17,990	34.38%
<b>Persons in Nursing Homes Based on 2000 Data With % Versus Total Individuals in Group Quarters</b>						
	1,720,500	22.12%	14,677	18.94%	3,100	21.02%
<b>Persons In Non Institutionalized Group Qtrrs Based on 2000 Data With % Vs. Total Individuals in Group Qtrrs</b>						
	3,719,594	47.82%	39,590	51.09%	8,866	60.11%
<b>Aged 65 &amp; Over with Self-Care Disability Based on 2000 Data With % Of Aged 65 and Over</b>						
	3,183,840	11.43%	38,199	10.94%	7,661	11.19%

Claritas Demographics Key Comparison By James Brown & Associates, Inc.

## **SITE DESCRIPTION**

### **OVERVIEW**

The site is a 1.64 acre (71,438 square foot), rectangular shaped, interior parcel. It has level terrain, adequate access but lacks primary thoroughfare street frontage and exposure. There is no view value. Full utility service is available.

### **ZONING**

Zoning is MDRH (Medium Density Residential High) by the city of Sherwood. Zoning is intended for residential uses including single-family, multi-family, group homes, parks, and residential care facilities, to name a few. Elderly care use is a specifically approved use.

It was noted that the developer is intending to upzone the proposed site to reflect that of the adjoining site (High Density Residential, HDR). By increasing the zoning to HDR, the developer increases the maximum allowable units per acre from 11 units/acre (under the current zoning), to 24 units/acre.

### **UTILITIES**

Water, sewer, electric, natural gas and telephone services are to the site.

### **STREET FRONTAGE**

The site has no improved street frontage.

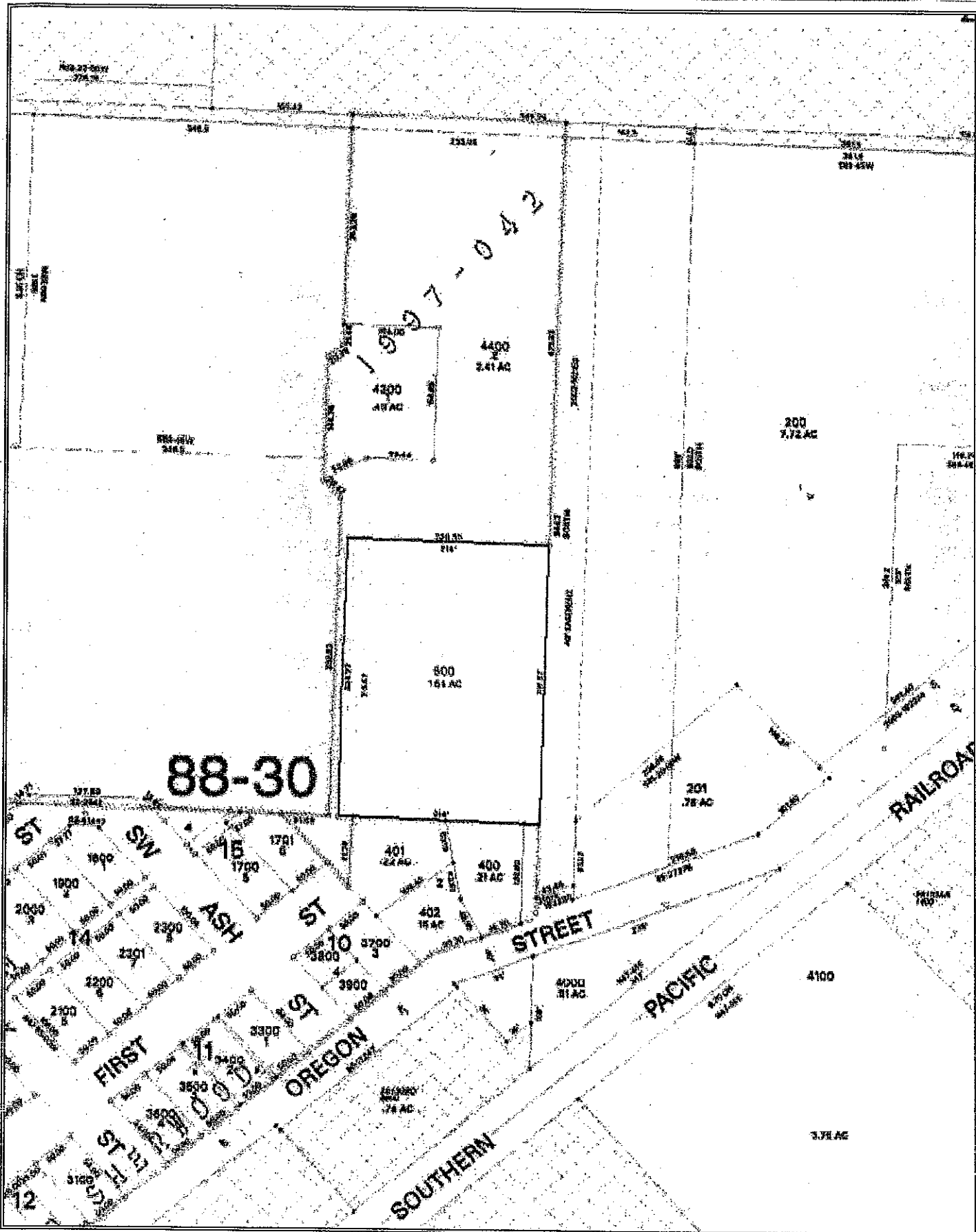
### **ACCESS AND VISIBILITY**

Current access to the site is provided by a gravel driveway extending off the end of NE 1<sup>st</sup> Street and also via a 40± foot wide asphalt paved access easement from NE Oregon Street (which is the primary access).

As a site with no direct street frontage on Oregon Street, visibility of the site is limited.

### **FIRE PROTECTION**

Fire hydrants are located within reasonable proximity. The Tualatin Valley Fire and Rescue Sherwood Station 223 is located approximately 1/8 of a mile from the "property" NE on Oregon Street.



**PLAT MAP**



## **SURROUNDING USES**

To the north of the "property" is the existing Cedar Creek Assisted Living (to be operated in conjunction with the "property" expansion) and further to the north is St. Francis Catholic Church. To the northwest is a single-family home (with gravel driveway access off 1<sup>st</sup> street). To the east is vacant land (farm land) with a single-family residential home. To the south is single family and the west is Union High School. None of the surrounding uses are detrimental to the "property's" proposed congregate care use.

## **EASEMENTS AND ENCROACHMENTS**

No adverse easements or encroachments encumbering or accruing to the "property" are known of. There are standard utility easements.

## **SOIL LOAD-BEARING CHARACTERISTICS**

No significant improvement settling or soil subsidence was noted on inspection and none were reported. The appraiser, however, is not qualified to determine soil load-bearing capability, which is beyond the appraisal scope.

## **FLOOD ZONE AND WETLANDS CLASSIFICATION**

No indication of flooding or wetlands was noted and none were reported. The flood zone classification is Zone C, which is outside the 100- and 500-year flood zones. The FEMA Community Panel is 410273 0001A, dated January 6, 1982. None of the site is reported. The scope of flooding and wetlands analysis is limited to reporting FEMA flood zone status.

## **ENVIRONMENTAL HAZARDS AND FLORA/FAUNA**

No vegetation stress or environmental hazards were noted and none were reported. No natural flora or fauna of environmental significance were evident. The appraiser, however, is not qualified to determine environmental issues, which are beyond the appraisal scope.

## **VIEW**

There is no enhanced view value.

## **SURPLUS/EXCESS LAND**

The site lacks surplus or excess land for proposed use.

## **IMPROVEMENT DATA**

### **OVERVIEW OF IMPROVEMENTS**

The proposed improvements represent a 40 unit/55 bed addition to an existing Cedar Creek assisted living elderly care facility. This is Phase III of the facility with the Phase I being the original 38 units and Phase II the 20 units already under construction. No architectural plans for the Phase III addition have been completed at this time.

### **DESIGN AND ACCESS**

As there are no available architectural plans, it is assumed that the facility will be of modern standards with the proper amenities, common areas, medical/staffing areas, and interior/exterior access for an assisted living facility.

### **BUILDING COMPONENTS**

As the building has yet to be designed, building components are unknown, however, typical components of assisted living facilities include the following.

The foundation is a combination of reinforced 4" concrete slab.

Exterior walls are 2" x 6" load-bearing wood framing, 16" on-center with reinforced posts and wood sheathing. The exterior wall cover is vinyl lap siding. Windows are in vinyl casements with thermo panes. The main entry door are of wood construction and is in a wood frame.

Roofing is of wood frame and plywood deck construction with average pitch. There are gutters and downspouts around the perimeter. Cover consists of composition shingles. The roof includes a small front entry canopy.

The building is insulated in the ceiling and exterior walls.

### **OPERATION**

The subject represents a proposed 40 unit/55 bed addition to an existing assisted living elderly care facility. The client is applying for licensure for the proposed addition to the existing operation.

Planned market niche is subsidized to private pay elderly.

## **GOVERNMENT OVERSIGHT**

The proposed facility is seeking government licensing under the existing Oregon Moratorium. The governmental agency responsible for facility care licensure is the Oregon Department of Health Services, Senior and People with Disabilities.

## **CONDITIONAL AND FUNCTIONAL FEATURES**

### **PHYSICAL**

The building is proposed with no architectural plans. If approved it is tentatively scheduled to be completed within a year of approval date.

### **FUNCTIONAL**

The improvements, as proposed, represent a 40 unit/55 bed addition to an existing assisted living elderly care facility. As there are no construction designs currently it is assumed that the improvements will be of modern design and units mix to functionally operate a facility of its size and market niche.

### **ECONOMIC/EXTERNAL**

No adjoining uses are detrimental to use. External economic obsolescence is not a factor.

## **"PROPERTY" MARKET ANALYSIS (SUPPLY VERSUS DEMAND)**

### **INTRODUCTION**

A Market Analysis defines an area and compares supply to demand both presently and for the foreseeable future in the defined area. Investors seek markets in equilibrium or with barriers to entry. Property type influences supply/demand equilibrium. Elderly care has a relatively elastic supply/demand equilibrium formula which is influenced by intangible components. Each elderly care property has its own business operation which expands or contracts its market area. As a result, use of scientific formulas to calculate supply/demand equilibrium are prone to error.

While market studies quote national data, supply and demand is a local phenomenon. National formulas are useful for reviewing a local market but a survey of local marketing staff is necessary to understand a market and adjust national formulas. Local absorption and occupancy should never be disregarded despite what a formula indicates. Market studies indicating a strong or weak market based on "scientific formula" where competing and/or subject occupancy demonstrates the contrary are suspect.

Elderly care properties vary significantly in income niche and care level. Facilities also vary in design and amenity service package even when targeting a similar income and/or care market niche. Due to location and improvement differences, but also due to care level, rent structure, amenities, ambience, resident census, and staffing, which are operation differences, one facility can have 100 percent occupancy where competing facilities are unable to achieve stabilized occupancy. This is due to residents being attracted to a facility for reasons other than the need for shelter. With nursing homes, this is more often reputation for quality care.

Although there are many "formulas" to determine supply/demand equilibrium, there is no uniform standard especially among operators. A "formula" utilized by one operator is not suitable to a competing operator due to variances in operation.

Our office has reviewed numerous appraisals of elderly care facilities. All use "formulas" that differ. Estimating supply/demand equilibrium remains speculative despite claims to the contrary. It is still necessary, however, to review market supply and demand. To do this, it is first necessary to understand the subject's location, physical and operational characteristics.

## **SUBJECT "PROPERTY"**

The subject site is average plus for intended use (located next to an existing elderly care facility). The market area is suburban within small city with acute hospital care. There are nearby competing facilities.

The site is a suitable location for designed market niche. There are 40 proposed additional units (55 beds) of assisted living.

The level of care provided is planned for assisted living. The target income niche served is subsidized to upper middle income elderly. The resident census is expected to be generic and open (not religious or cultural).

"Property" combined locational, physical and operational characteristics suggest a standard market area.

## **"PROPERTY" PRIMARY MARKET AREA (PMA) AND MARKET NICHE**

Market area expands or shrinks based on "property" characteristics but also population density and competition. A PMA, while having common physical or community interest boundaries, is not homogeneous and encompasses a variety of social and income groups. A facility, therefore, focuses marketing to sub-districts or groups containing its targeted resident type.

A PMA's size, income characteristics, care needs, and competition influence a facility's ideal location, size, quality and operation. Actual location, improvements, and operation, in contrast, determine ideal market niche. A good quality facility of superior location attracts upper-middle income residents, while an old facility of lesser quality attracts lower income residents, if competition is in balance. Care provided also needs to be in balance to income niche.

"Property" project size is small. The target resident census is generic in character. Its income niche is middle to upper middle income oriented. The spectrum of care provided is Alzheimer's/dementia residential care.

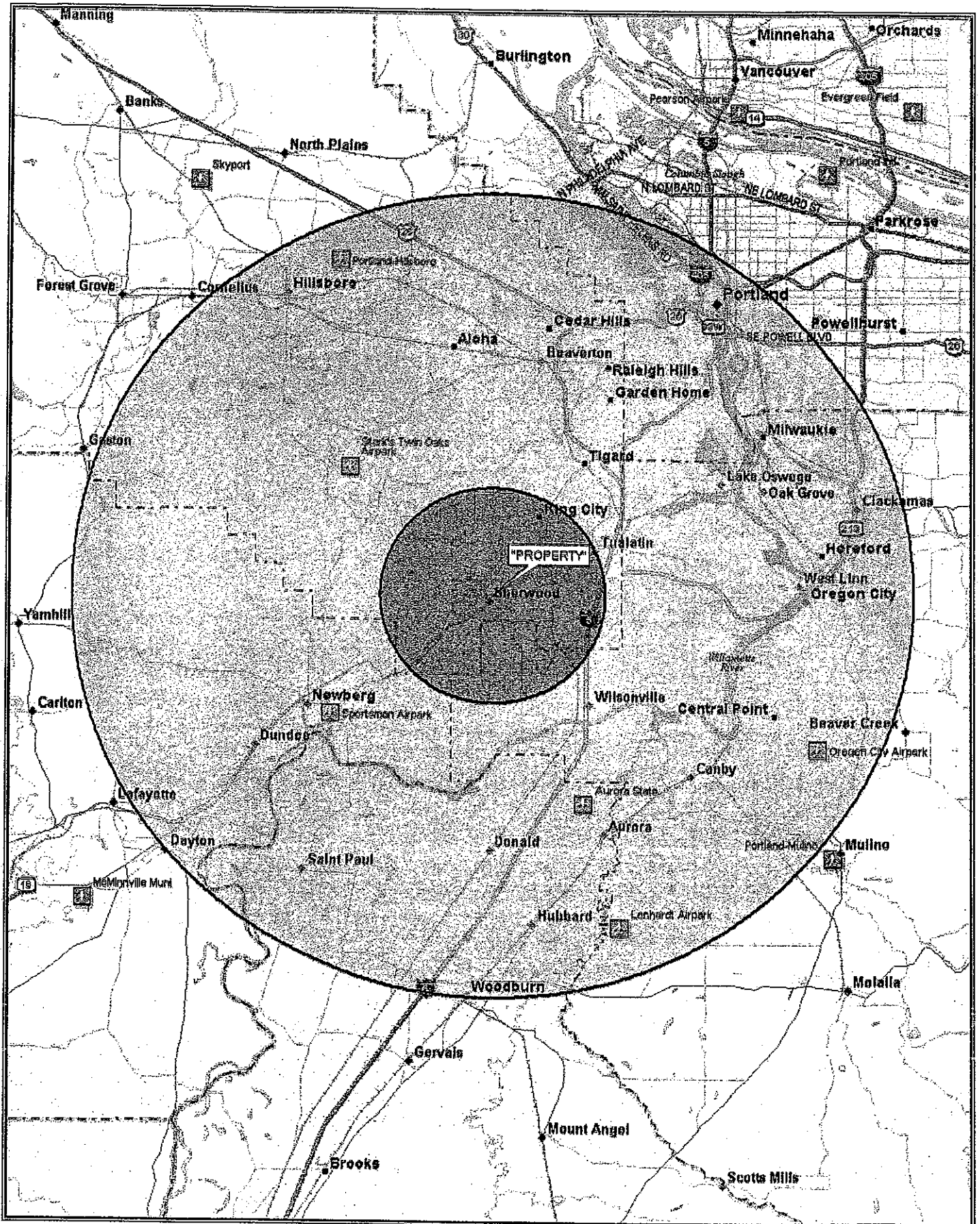
Based on location and area demographics, the subject's area (PMA) is the 4-mile radius which is used as the PMA and represents the "property's" most competitive market. The appraiser is utilizing this as the PMA.

### "PROPERTY" SECONDARY MARKET AREA (SMA) (Service Area)

Some facilities have an important secondary market area (SMA). The 2001 overview of the Assisted Living Industry by the Assisted Living Federation of America (ALFA) concluded 73± percent of an assisted living facility's residents came from the defined PMA and 27± percent from the SMA. Allowing for independent living influence, 75± percent of a facility's residents should come from its defined PMA and 25± percent from the SMA. If less than 20 or more than 30 percent of the residents come from the SMA, an adjustment factor for other relocation is necessary. The SMA is set at the 15-mile radius surrounding the "property". Secondary market area matches the service area as defined by the state of Oregon (Oregon Administrative Rules 411-056-0000 Definitions (30)).

Note that both market areas are analyzed in detail with the PMA representing the primary competitive market for the "property" for Alzheimer's/dementia care facilities specifically, which is discussed in a later section of this report, while the SMA (15-mile radius) represents the service area of assisted living and residential care as defined by the Oregon Department of Human Services.

Shown Following is a map of the four and fifteen mile radiuses.



**MARKET / SERVICE AREAS**

## SECONDARY MARKET AREA ANALYSIS (15-MILE RADIUS)

### SUPPLY

When inventorying supply, it is necessary to determine the care level as well as income niche. Facilities in distinctly different care or income market niches do not compete with one another.

#### SUPPLY BY CARE LEVEL

Supply inventory includes independent living (serving meals) and assisted living as well as residential care units/beds but excludes cottages and Alzheimer's/dementia units. Although independent living units are not licensed, they can compete with assisted living units using home health care. Assisted living and residential care units attract residents needing less than assisted living care who wish to avoid relocation later as a result of aging. Large entry fee CCRC's and small residential care group homes are excluded, as are true independent living (no meals), cottage units, and Alzheimer's/dementia care rooms/beds.

#### SUPPLY BY INCOME NICHE

Unit inventory is segregated into those targeting elderly with annual incomes under \$25,000 (lower income) and those with annual incomes of between \$25,000 and \$99,999 (true private-pay). Elderly with incomes over \$100,000 can afford care at home and are not typically a target market. Very upscale units, if any, are also excluded.

Units intended for the lower income group include governmental reimbursed, (Medicaid or SSI), spend-down to government reimbursed (temporary private-pay), rent restricted, and lower income private-pay (substandard facilities) residents.

Units targeting the middle to upper-middle income elderly are for true private-pay residents.

#### SUBJECT UNITS

The "property" units are first inventoried by care and income niche on the next chart. Note the income niche is based on the average Medicaid census for a typical assisted living facility (based on Oregon DHSS data).

<b>Subject Property Units And Market Income Niche</b>				
Subject Property Cedar Creek Expansion Income Niche Subsidized to Upper Middle	Percentage Lower Income	Percentage Private Pay	Beds Lower Income	Beds Private Pay
Assisted Living Beds 40	30%	70%	12	28
Total 40	30.0%	70.0%	12	28
Copyright James Brown & Associates., Inc.				

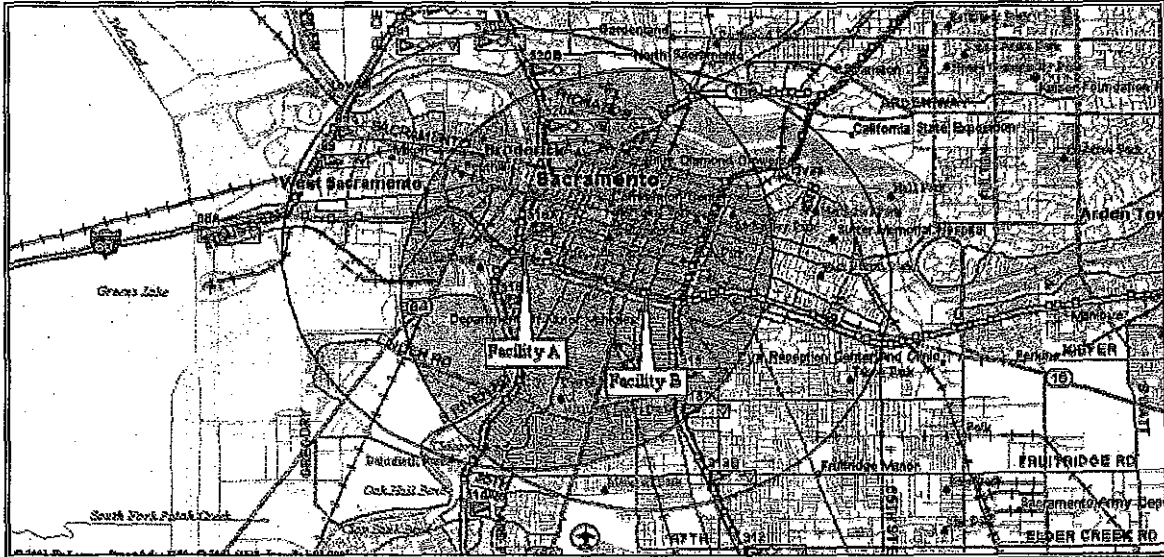


## 15-Mile Radius Competing Units

### Market Area Overlap

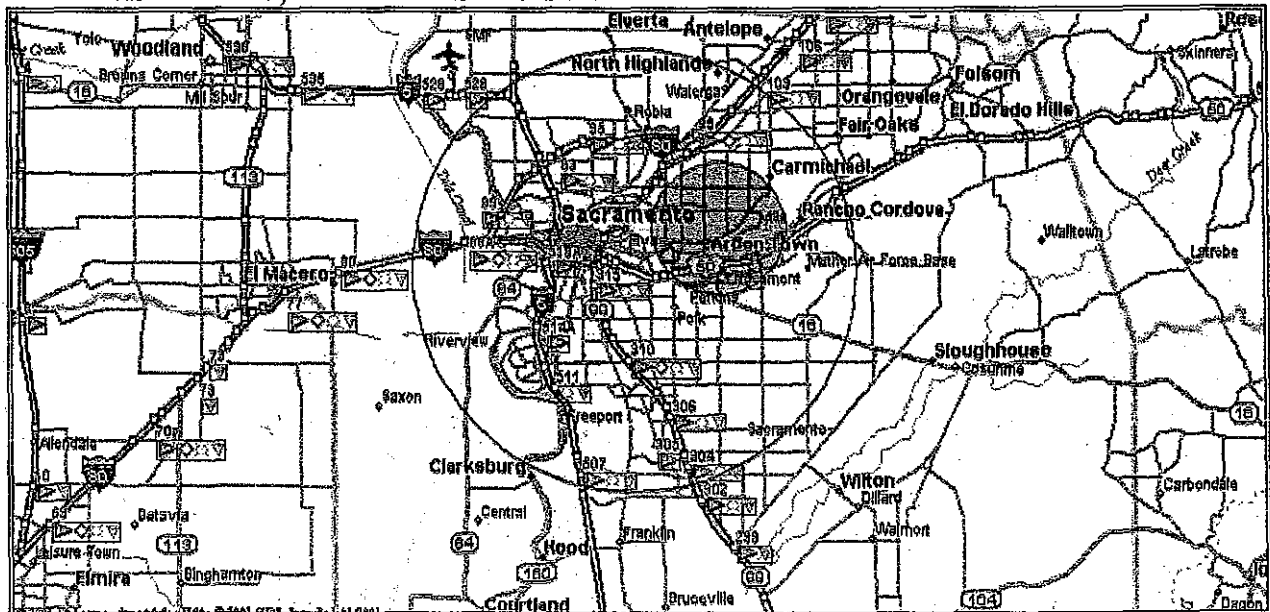
Prior to counting competing units, it is necessary to consider market area overlap. Two facilities in a PMA rarely have identical PMAs. This is illustrated by identical facilities, each with a 3-mile radius PMA 2-miles apart. The shaded area created by their overlapping circles represents competing overlap. Their remaining areas are non-competing.

**\*\*\*SAMPLE MAP, NOT THE SUBJECT\*\*\***



Overlap is also created when a facility has a larger or smaller PMA than another. As an example, a specialized facility by income or care with an expanded 10-mile radius PMA can entirely overlap one with a smaller generic PMA with a 3-mile radius. This is shown on the following chart with the non-shaded area being non-competing.

**\*\*\*SAMPLE MAP, NOT THE SUBJECT\*\*\***



There are 106 elderly care facilities in the SMA (15-mile radius) divided between 47 assisted living facilities totaling 2,971 units, and 59 residential care facilities totaling 2,444 units/beds. These facilities do not necessarily compete directly with the subject but do need to be accounted for as required by the state when a proposed facility is seeking state licensure approval under the state Moratorium. Facilities competing directly with the "property" as mentioned above are discussed in a later section of this report. The following chart shows facilities in the SMA (15-mile radius) by income and care market niche with appraiser estimated SMA overlap.

<b>Existing Competition Excluding The Subject Facility In Market Area</b>						
<b>Average/Totals For 15-mile Radius</b>			<b>Occupancy 89.0%</b>		<b>Unit Occ. 89.0%</b>	
<b>Average Distance From Subject</b>	<b>8 Miles</b>	<b>Income Niche</b>	<b>Subsidized to Upper Middle</b>		<b>% Market</b>	<b>Number</b>
<b>Lower Income</b>	<b>Total Units/ Beds</b>	<b>% Of Total</b>	<b>Units/ Beds</b>	<b>Area Overlap</b>	<b>Competing</b>	
Assisted Living	Units/ Beds 2,971	36%	1070	100%	1070	
Residential Care	Units/ Beds 2,444	31%	758	100%	758	
<b>Total</b>	<b>Units/ Beds 5,415</b>	<b>34%</b>	<b>1827</b>	<b>100%</b>	<b>1827</b>	
<b>Private Pay</b>	<b>Total Units/ Beds</b>	<b>% Of Total</b>	<b>Units/ Beds</b>	<b>Area Overlap</b>	<b>Competing</b>	
Assisted Living	Units/ Beds 2,971	64%	1901	100%	1901	
Residential Care	Units/ Beds 2,444	69%	1686	100%	1686	
<b>Total</b>	<b>Units/ Beds 5,415</b>	<b>66%</b>	<b>3588</b>	<b>100%</b>	<b>3588</b>	

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The following is a list allocates assisted living and residential care facilities in the SMA (15-mile radius) by location, and licensed capacity. Capacity data comes from the Oregon Department of Human Services, and the Oregon Health Care Association.

**ASSISTED LIVING**

<b>Facilities/City</b>	<b>UNITS</b>
<b>Newberg</b>	
Avamere at Newberg	54
Huffman House	26
<b>Portland</b>	
Avamere at Bethany	71
Catered Living at Laurelhurst Village-The Gardens	25
Oswego Springs Assisted Living	75
The Fountains at Town Center Village	77
Laurelhurst Village Assisted Living	60
Macdonald Residence	54
Markham House Retirement Community	54
Park Place Assisted Living Community	112
Raleigh Hills Assisted Living	79
Regency Park Assisted Living	99
Rose Schnitzer Manor	141
Sellwood Landing Assisted Living Community	85
Terwilliger Terrace Assisted Living Facility	44
Willamette View Health Center	45

<b>Hillsboro</b>	
Avamere at Hillsboro	65
Cornell Estates Retirement and Assisted Living	59
Rosewood Park Retirement and Assisted Living	82
<b>Woodburn</b>	
Country Meadows Village	40
Silver Creek Assisted Living	43
<b>Oregon City</b>	
Gilman Park	101
McGloughlin Place Senior Living ALF	70
<b>Gladstone</b>	
Somerset Assisted Living	86
<b>Milwaukie</b>	
Clackamas Woods Assisted Living	72
Deerfield Village Assisted Living Residence	40
Homewood Heights Assisted Living	44
<b>West Linn</b>	
Tanner Spring Assisted Living Community	90
<b>Lake Oswego</b>	
Carman Oaks Assisted Living	29
Greenridge Estates at Mountain Park	71
Marie Rose Center	72
Oswego Place Assisted Living Community	72
<b>Tigard</b>	
Woodland Heights	48
<b>Tualatin</b>	
Riverwood Assisted Living Residence	60
<b>Canby</b>	
Marquis Vintage Suites at Hope Village	80
Rackleff House	25
<b>Clackamas</b>	
Miramont Pointe	14
<b>Sherwood</b>	
Avamere at Sherwood	55
Cedar Creek Assisted Living	38
<b>Wilsonville</b>	
Marquis Vintage Suites at Wilsonville	60
SpringRidge Court	70

Wilsonville Senior Living Community	65
<b>Beaverton</b>	
Beaverton Hills Assisted Living Residence	60
Canfield Place	88
Edgewood Point Assisted Living	49
Hearthstone at Murrayhill	64
Hearthstone of Beaverton	58
<b>Total Assisted Living</b>	<b>2,991</b>

**RESIDENTIAL CARE**

<b>Facilities/City</b>	<b>BEDS</b>
<b>Newberg</b>	
Avamere at Newberg	22
Friendsview Retirement Community	44
Golden Villa	12
<b>Portland</b>	
All Comfort Residential Care	10
Autumn Garden Home	10
Avamere at Bethany	26
Calaroga Terrace	64
Cornerstone Residential Option	15
Emerson House	40
Marquis Care at Autumn Hills	22
Monterey Court Alzheimer's Care	48
Mt. Scott Residential Care Home	50
Odd Fellows Home of Oregon	40
Our House of Portland	14
Raleigh Hills Enhanced Care Community	21
Regency Park Alzheimer's Care	45
Robison Jewish Health Center	36
Senior Care	28
The Taft Home	80
Terwilliger Plaza – Metcalf Unit	29
West Hills Village	150
Willamette View Health Center	21
Willamette View Terrace	96

<b>Hillsboro</b>	
Avamere at Hillsboro	24
Harmony Guest Home	40
Rosewood Specialty Care	48
<b>Woodburn</b>	
Cascade Park Retirement Center	30
Colonial Gardens	59
Heritage House of Woodburn	15
<b>Oregon City</b>	
McLoughlin Place Senior Living	45
Meadows Courtyard	34
Oregon City Retirement Center	50
<b>Gladstone</b>	
River View Care Center	15
<b>Milwaukie</b>	
Elite Care Oatfield Estates – Adam’s House	15
Elite Care Oatfield Estates – Ashland House	15
Elite Care Oatfield Estates - Helen’s House	15
Elite Care Oatfield Estates – Hood House	15
Elite Care Oatfield Estates – Jefferson House	15
Elite Care Oatfield Estates – Rainier House	15
Milwaukie Care Center	24
Golden Age Living	15
Aldercrest	25
Ivy Court Senior Living	16
<b>West Linn</b>	
Rose Linn Vintage Place	70
<b>Lake Oswego</b>	
The Pearl at Kruse Way	47
<b>Tigard</b>	
Elderly Care Home	15
<b>Tualatin</b>	
Farmington Square – Tualatin	64
Cedar Crest Alzheimer’s Special Care	56
River Valley Landing Senior Community	120
<b>Canby</b>	
Countryside Living of Canby	33
<b>Clackamas</b>	
Miramont Pointe	168

**Sherwood**  
Avamere at Sherwood 24

**Wilsonville**  
The Hampton Alzheimer's Community 47  
SpringRidge Court 16  
Windfield Village Retirement & Residential Care 32

**Beaverton**  
Alterra Clare Bridge-Beaverton 60  
Farmington Square – Beaverton 70  
Edgewood Arbor Memory Care 27  
Hearthstone at Murrayhill 142

**Total Residential Care 2,444**

Occupancy for the 15-mile radius was found using county occupancies provided by the Oregon Department of Human Services, as of March 31, 2006. Because the 15-mile radius incorporates a sizable portion of five counties, (Washington County, Clackamas County, Yamhill County, Marion County and Multnomah County) the occupancy for the 15-mile radius is a blended average of the five county occupancies for assisted living and residential care (further review from the existing supply chart on page 31).

Occupancy	Assisted Living	Residential Care
Washington County	100%	85%
Clackamas County	93%	76%
Yamhill County	100%	83%
Marion County	98%	83%
Multnomah County	91%	77%
<b>Average</b>	<b>96%</b>	<b>81%</b>
<b>Blended Average</b>		<b>89%</b>

Medicaid as a percent of occupancy percentages are analyzed in the same manner as accounting for the occupancy. This indicates 34 percent or 1,827 lower income units/beds and 66 percent or 3,588 private-pay units/beds in the 15-mile radius. This can be further segregated to 36 percent lower income and 64 percent private pay for assisted living and 31 percent lower income and 69 percent private pay for residential care (further review from the existing supply chart on page 31).

Medicaid	Assisted Living	Residential Care
Washington County	30%	26%
Clackamas County	34%	21%
Yamhill County	49%	41%
Marion County	39%	29%
Multnomah County	26%	39%
<b>Average</b>	<b>36%</b>	<b>31%</b>

**PROPOSED AND/OR UNDER DEVELOPMENT FACILITIES IN SMA (15-MILE RADIUS)**

In addition to subject and existing units, new development is considered.

The Sherwood Planning Department reports no units proposed or under development other than the 20 units under construction at the existing Cedar Creek facility. The Oregon Department of Human Services reports 19 assisted living facilities with a capacity for 1,000 units, and 17 residential care facilities with a capacity for 539 beds in the SMA (15-mile radius). This includes an assisted living facility in nearby Newberg (recent plans show this facility to be proposed at 80 assisted living units). Other than the facility in Newberg, these facilities will have little impact on the subject "property." In addition to known proposed development, it is possible additional unknown units will also be created in the next 5 years. Based on the characteristics of the PMA/SMA, it is estimated additional unknown new units will be generated in the next 5-years.

The following list displays all proposed assisted living and residential care facilities in the SMA (15-mile radius).

<b>Proposed Assisted Living</b>	<b>Units</b>
Beaver Creek Manor	63
Brookwood Court	32
Edgewood Point	17
Newberg ALF	70
Boones Ferry Place	70
Colonial Gardens	47
Oswego Place Senior Community	59
Hinson Baptist	61
Stafford Heights	16
Clackamas Woods ACU	N/A
Milwaukie ALF	77
Bethany Assisted	80
Brandwein Meadows	90
Baptist Manor	66
Rose City Manor	50
University House	40
Arbor House	40
Peterkort Woods	60
Marquis Hawthorne Garden	62
<b>Total Proposed Assisted Living</b>	<b>1,000</b>

<b>Proposed Residential Care</b>	<b>Beds</b>
Cornell Estates	66
Farmington Beaverton	15
Woodburn House	15
Boones Ferry Place	16
Canby NF Conversion	35
Gepford RCF # 1	16
Gepford RCF # 2	16
Tanner Springs Spec Cr	20
Oswego Sr. Community	23
Grant Street RCF	30
Mt. St. Joseph	113
Multnomah RCF	30
Jantzen Beach Sr. Living	48
Pribeagu - Facility # 2	16
Foster Residential Care	20
Knoll Acres	45
South Shore	15
<b>Total Proposed Residential Care</b>	<b>539</b>

Potential units are shown on the following list by income and care niche with appraiser estimated overlap adjustment.

<b>Proposed And/Or Under Development New Competition In Market Area</b>						
<b>Average/Totals For 15-mile Radius</b>						
Average Distance From Subject		8.0	Miles	Income Niche Subsidized to Upper Middle		
		Percentage Of		% Market	Number	
<b>Lower Income</b>	Total Units/Beds	Total	Units/Beds	Area Overlap	Competing	
Assisted Living Units/Beds	1,000	36%	360	100%	360	
Residential Care Units/Beds	539	31%	167	100%	167	
<b>Total Units/Beds</b>	<b>1,539</b>	<b>34%</b>	<b>527</b>	<b>100%</b>	<b>527</b>	
<b>Private Pay</b>	Total Units/Beds	% Of Total	Units/Beds	Area Overlap	Number	
Assisted Living Units/Beds	1,000	64%	640	100%	640	
Residential Care Units/Beds	539	69%	372	100%	372	
<b>Total Units/Beds</b>	<b>1,539</b>	<b>66%</b>	<b>1012</b>	<b>100%</b>	<b>1012</b>	

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Note that lower income and private pay percentages are estimated following the trend of existing facility market niche trends.

**TOTAL SMA (15-Mile Radius) UNIT SUPPLY**

The subject and competing units are combined on the next chart, by income and care with appraiser estimated overlap adjustment for the SMA (15-mile radius).



### 15-mile Radius nits/Beds In Market Summary

<b>15-mile Radius nits/Beds In Market Summary</b>							
2006 Market Supply Of Existing Units/Beds And Their Market Percentage	# Total Units/Bed	Lower Income Percentage	% Market Overlap	Lower Income Units/Beds	Private Pay Percentage	% Market Overlap	Private Pay Units/Beds
Existing Assisted Living	3,031	36%	100%	1,089	64%	100%	1,942
Existing Residential Care	2,444	31%	100%	758	69%	100%	1,686
<b>Total Elderly Congregate Care</b>	<b>5,475</b>	<b>34%</b>	<b>100%</b>	<b>1,846</b>	<b>66%</b>	<b>100%</b>	<b>3,629</b>
*Includes Subject Units At 100% Overlap					Copyright James Brown & Associates, Inc.		
2011 Prospective Market Supply Of Units/Beds And Their Market Percentage	# Total Units/Bed	Lower Income Percentage	% Market Overlap	Lower Income Units/Beds	Private Pay Percentage	% Market Overlap	Private Pay Units/Beds
Existing Assisted Living	3,031	36%	100%	1,089	64%	100%	1,942
New Assisted Living	1,000	36%	100%	360	64%	100%	640
<b>Total Assisted Living</b>	<b>4,031</b>	<b>36%</b>	<b>100%</b>	<b>1,449</b>	<b>64%</b>	<b>100%</b>	<b>2,582</b>
Existing Residential Care	2,444	31%	100%	758	69%	100%	1,686
New Residential Care	539	31%	100.0%	167	69%	100%	372
<b>Total Residential Care</b>	<b>2,983</b>	<b>31%</b>	<b>100%</b>	<b>925</b>	<b>69%</b>	<b>100%</b>	<b>2,058</b>
<b>Total Elderly Congregate Care</b>	<b>7,014</b>	<b>34%</b>	<b>100%</b>	<b>2,373</b>	<b>66%</b>	<b>100%</b>	<b>4,641</b>
*Includes Subject Units At 100% Overlap					Copyright James Brown & Associates, Inc.		

The potential for unknown or unforeseen supply needs to be considered. Additional supply is restricted not only by economic demand, but barriers to entry. Barriers to entry are caused by development restrictions in place with the Oregon Moratorium on new assisted living and residential care facilities. The potential of new development from unknown or unforeseen sources as of the appraisal date is unlikely.

## 15-MILE AREA DEMAND

After PMA supply is estimated, it is compared to demand. Nationally, combined independent and assisted living demand has historically been estimated at 25 percent of income-qualified householders age 75 and over prior to relocation adjustments for 95 percent PMA occupancy equilibrium. This formula, originally developed by HUD, is recognized by elderly care developers who use it as the basis point for estimating their specific demand. This formula is supported by the percentage aged 75 and over needing at least one element of assistance in daily living. The formula, like supply, excludes cottage units providing true independent living (no meal services) and Alzheimer's/dementia care (historically served by nursing homes). Demand for these is calculated separately. It also excludes entry fee continuum of care (CCRC) projects and small residential care (under 20-licensed beds) group homes. Our office formulas use the 25 percent factor, but excludes those with annual incomes of \$100,000 or more.

### INDUSTRY PUBLISHED DATA SUPPORTING THE 25 PERCENT FORMULA

The National Investment Conference (NIC), a leading publisher of statistical data for the elderly care industry, publication "*The Case for Investing in Senior Housing and Long Term Care Properties with Updated Projections*" supports the 25 percent formula. This publication has formulas estimating demand as a percentage of those aged 65 and over, by householders 75 and over, and by persons aged 55 to 64. These are calculated as a percentage of the target population in a PMA. The formula using those aged 65 and over is useful for nursing home demand. The NIC householders age 75 and over formula is useful as a cross check on the 25 percent of income qualified householders aged 75 and over formula. The NIC published data indicates achievable penetration rates for householders aged 75 and over with incomes over \$25,000 of 14.75 percent for assisted living and 14.77 percent for independent living. Combined, it suggests an achievable penetration rate of 29.52 percent. This must be tempered, however, by crossover and commingling between independent and assisted living suggesting a lower overall achievable penetration rate. This higher penetration rate and its inclusion of those with incomes over \$100,000 indicates our formula of 25 percent of householders aged 75 and over with incomes between \$25,000 and \$99,999 is well supportive albeit conservative.

The NIC publication *The Case for Investing in Senior Housing and Long Term Care Properties with Updated Projections* also has an achievable penetration rate for a PMA's middle age population (those 55 through 64). It is 1.14 percent for both independent and assisted living. Combined, it suggests an achievable penetration rate of 2.28 percent. Due to cross over and commingling of independent and assisted living, however, our office experience is a 2 percent penetration rate is appropriate. This formula is useful in estimating demand where the middle aged population is significantly different in the PMA than nationally. It is used as a cross check against our 25 percent formula after our formula has been adjusted for relocation and other possible factors.

## **25 PERCENT FORMULA ADJUSTMENTS**

Our 25 percent penetration rate formula of income qualified householders aged 75 and over is supported by over 3,000 appraisals completed by our office nation wide. It is still necessary, however, for the appraiser to review local conditions that can significantly skew this formula. The formula is primarily skewed by relocation of elderly into or out of the primary market area, however, PMA climate, culture, and familiarity with the elderly care industry product, as well as an atypical SMA can also skew the 25 percent formula.

Relocation into or out of a PMA is due to middle-age relatives in or out of the PMA moving elderly in or away from the PMA; elderly returning from or to retirement destinations; availability or lack of healthcare in the PMA; and other factors. Other factors also include influences that result in a higher ratio of elderly residing in elderly care facilities than typical.

Other factors include an SMA stronger or weaker than the norm, new upscale housing suggesting upper income middle-aged relatives who are more likely to relocate elderly in (or lack of), a major continuum of care facility in the PMA that appeals to elderly over a large area, or facilities in the PMA of a particular religious, ethnic, or cultural orientation that attracts elderly from a wide area. Influences on ratio of elderly in facilities includes PMA climate, culture, and familiarity and acceptance of elderly care facilities. The many nuances combined can significantly skew the 25 percent formula. This is evident in states like Arizona, where relocation back to historic roots and climate has resulted in a penetration for demand/supply equilibrium closer to 20 percent in destination retirement areas, and a penetration rate closer to 35 percent in healthcare centers like Bismark, North Dakota.

## **MIDDLE AGE RELATIVE RELOCATION ADJUSTMENT FACTOR**

For middle aged relative relocation (those 55 to 64 in PMA/SMA), the percentage of this age group in the PMA/SMA is compared to the national percentage. This generates a relocation adjustment factor for middle-aged relatives moving elderly into or out of the PMA/SMA area.

The SMA (15-mile radius) middle aged population is 10.67 percent of total population versus 10.41 percent nationally. Adjustment factors of 1.02 currently and 1.08 in 5 years are as shown on the subsequent adjustment chart, with 1 being neutral.

## **DESTINATION RETIREMENT RELOCATION ADJUSTMENT FACTOR**

In "young" destination retirement locals, elderly may be relocated from outside the PMA into the PMA/SMA. The rationale is young elderly (those between 65 and 75) relocate elderly relatives into the PMA/SMA.

It is more common, however, for elderly destination locals to have elderly relocate out of the PMA/SMA back to an area of historic roots with advanced aging. This explains successful penetration rates greater than expected in states like North Dakota versus lower than expected in states like Arizona/Florida. Estimating this relocation adjustment factor is based on the appraiser's survey of PMA/SMA marketing personnel. From this survey, a factor is estimated with 1 being neutral. Typically destination retirement locals have a number below 1 (except for young elderly retirement destinations). Snowbird states have a number greater than 1 as elderly relocate back to historic roots with advanced aging.

Estimated destination retirement relocation factor for the SMA (15-mile radius) is 1 with 1 being neutral.

## **MEDICAL/HOSPITAL SERVICE RELOCATION ADJUSTMENT FACTOR**

Medical care availability is a major influence on elderly relocation. Small towns or rural areas tend to experience relocation out to centers of health care especially hospital care. Regional health care centers also experience relocation into their PMA/SMA from elderly in PMA/SMAs with lesser medical services.

A PMA/SMA without health care services has a relocation adjustment factor of less than 1 with 1 representing neutral relocation. Health care centers have a number greater than 1. Major urban areas, however, in which health care is widely dispersed, typically have a relocation factor of 1 unless the PMA/SMA has a regional hospital.

The health care relocation factor is estimated based on the PMA/SMA medical care availability especially acute hospital care. For the "property" PMA/SMA, an adjustment factor of 1 is estimated with 1 being neutral.

## **OTHER ADJUSTMENT FACTORS**

The SMA (15-mile radius) is not experiencing an additional adjustment factor skewing the 25 percent formula.

The other relocation adjustment factor based on its PMA/SMA characteristics and opinions of marketing staff is estimated at 1 with 1 being neutral.

## 15-MILE RADIUS 25 PERCENT FORMULA ADJUSTMENT SUMMARY

The following chart combines the adjustment factors. After adjustment, the 25 percent formula is adjusted to 25.6 percent currently, and 26.9 percent in 5 years for the SMA (15-mile radius).

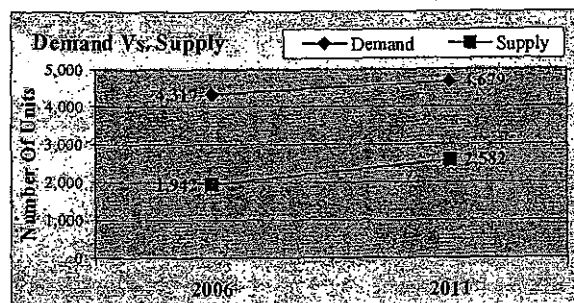
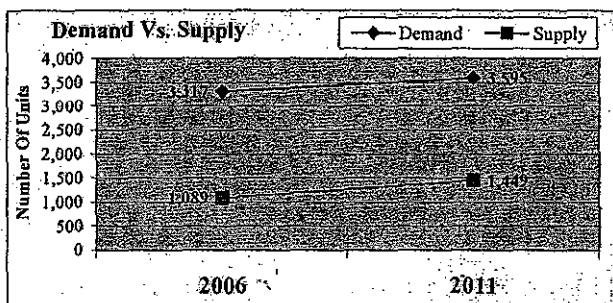
Demand Formula Adjustment Factors 15-mile Radius						
Lower Income Aged 75+ Householders \$0 To \$24,999			Private Pay Aged 75+ Householders \$25,000 To \$99,999			
Year	2006	12,944 Householders	Year	2006	16,848 Householders	
Year	2011	13,368 Householders	Year	2011	17,400 Householders	
15-mile Radius	2006	Middle Age Population %	10.67%	U.S. Middle Aged Population %	10.41%	
15-mile Radius	2011	Middle Age Population %	12.80%	U.S. Middle Aged Population %	11.90%	
Elderly Demand Adjustment Factors For Years Analyzed			2006	2011	(Current Data & In 5 Years)	
Middle Aged % Adjustment Factor For Market Area Versus U.S.			1.02	1.08	(Middle Age Relocation Factor)	
Return From Destination Retirement Locale Adjustment Factor			1.00	1.00	(Snowbird Return Factor)	
Hospital/Medical Service Center Adjustment Factor			1.00	1.00	(Hospital Relocation Factor)	
Copyright James Brown & Associates, Inc.			Other Adjustment Factors		1.00	
Combined Elderly Demand Factor Adjustment			102.5%	107.6%		
Standard Elderly Demand Percentage Formula In U.S.			25%	25%	(Based On HUD U.S. Formula)	
Market Area	Adjusted Elderly Demand Formula		25.6%	26.9%	15-mile Radius	

\*2011 income-qualified householders are calculating using age 75+ growth rate. This eliminates inflation.

## SMA (15-MILE RADIUS) SUPPLY VERSUS DEMAND CONCLUSION

The next chart compares current and future supply versus demand showing under or over supply of units for 95 percent occupancy equilibrium. The penetration percentage of those is also shown for comparison to the relocation adjusted demand percentage formula.

Demand Vs. Supply, Penetration Rates, And Subject Market Share Conclusions							
2006 Demand Versus Supply @ 25.6% Demand Factor For Elderly		Number Elderly	Demand Factor %	Units/Beds Demand	Units/Beds Supply	Demand Of Units/Beds	Actual % Rate Of Penetration
Aged 75+ Householders \$0 To \$24,999		12,944	25.6%	3,317	1,089	2,228	8.4%
Aged 75+ Householders \$25,000 To \$99,999		16,848	25.6%	4,317	1,942	2,375	11.5%
Total Householders 75+ \$0-\$99,999		29,792	25.6%	7,634	3,031	4,603	10.2%
Equals Lower Income		Equals Private Pay		Copyright James Brown & Associates, Inc.			
2011 Demand Versus Supply @ 26.9% Demand Factor For Elderly		Number Elderly	Demand Factor %	Units/Beds Demand	Units/Beds Supply	+/- Demand Of Unit Demand	Actual % Rate Of Penetration
Aged 75+ Householders \$0 To \$24,999		13,368	26.9%	3,595	1,449	2,146	10.8%
Aged 75+ Householders \$25,000 To \$99,999		17,400	26.9%	4,679	2,582	2,097	14.8%
Total Householders 75+ \$0-\$99,999		30,768	26.9%	8,274	4,031	4,243	13.1%



Aged 75+ Householders \$0 To \$24,999 Equals Lower Income Aged 75+ Householders \$25,000 To \$99,999 Private Pay

The chart shows currently an under unit/bed supply (including the subject facility) of 2,228 units/beds for the lower income category, and 2,375 units/beds for the private-pay category. Unit/bed to demand formula percentage (penetration rate) for lower income is 8.4 percent and 11.5 percent for private-pay. These are below the adjusted demand formula of 25.6 percent indicating more than adequate demand for the subject's units.

In 5-years there is an under supply of 2,146 units/beds for the lower income group, and 2,097 units/beds for private-pay. The penetration rates are 10.8 percent for lower income and 14.8 percent for private-pay versus the adjusted demand formula of 26.9 percent. Demand is greater than supply. Penetration rates are below the adjusted demand formula for the SMA (15-mile radius).

Supply versus demand analysis indicates strong demand for the subject's units currently and for the next 5-years.

## PRIMARY MARKET AREA ANALYSIS (4-MILE RADIUS)

While the 15-mile radius analysis is required by the state demand for assisted living services is a more local phenomenon. It is unlikely, for example, that a potential resident in Oregon City would choose a facility in Sherwood unless it was to move next to a relative. The same analysis as above is performed using supply and demographics from a 4-mile radius.

### SUPPLY

There are 12 elderly care facilities in or near the PMA (4-mile radius) with a total of 608 units. Spring Ridge Court in Charbonneau is excluded, as it is part of a larger age-restricted development. It does not compete directly with facilities like the "property".

The following chart shows facilities in the PMA (4-mile radius) by income and care market niche with appraiser estimated SMA overlap.

<b>Existing Competition Excluding The Subject Facility In Market Area</b>					
<b>Average/Totals For 4-Mile Radius</b>			Occupancy	92.6%	Unit Occ.
Average Distance From Subject	4.5	Miles	Income Niche Middle to Upper		92.8%
<b>Lower Income</b>	<b>Total Units</b>	<b>% Of Total</b>	<b>Units</b>	<b>% Market Area Overlap</b>	<b>Number Competing</b>
Assisted Living Units	628	28%	178	52%	94
Total Units	628	28%	178	52%	94
<b>Private Pay</b>	<b>Total Units</b>	<b>% Of Total</b>	<b>Units</b>	<b>% Market Area Overlap</b>	<b>Number Competing</b>
Assisted Living Units	628	72%	450	52%	232
Total Units	628	72%	450	52%	232

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The following is a list allocates assisted living and residential care facilities in the SMA (15-mile radius) by location, and licensed capacity. Capacity data comes from the Oregon Department of Human Services, and the Oregon Health Care Association.

<b>1st Competitor Cedar Creek (Phase I and II)</b>			Occupancy 100%			
Distance From Subject	0.001	Miles	Income Niche Subsidized to Uppermiddle			
<b>Lower Income Units</b>			<b>% Of Total</b>	<b>Units</b>	<b>% Market Area Overlap</b>	<b>Number Competing</b>
Assisted Living Units	58		30%	17.4	100%	17.4
Total Units	58		50%	17.4	100%	17.4
<b>Private Pay Units</b>			<b>% Of Total</b>	<b>Units</b>	<b>% Market Area Overlap</b>	<b>Number Competing</b>
Assisted Living Units	58		70%	40.6	100%	40.6
Total Units	58		70%	40.6	100%	40.6

<b>2nd Competitor Avamere at Sherwood</b>				Occupancy 98%		
Distance From Subject		0.5 Miles	Income Niche Subsidized to Uppermiddle			
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		55	30%	16.5	100%	16.5
Total Units		55	30%	16.5	100%	16.5
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		55	70%	38.5	100%	38.5
Total Units		55	70%	38.5	100%	38.5

<b>3rd Competitor Riverwood Assisted</b>				Occupancy 98%		
Distance From Subject		2.5 Miles	Income Niche Subsidized to Middle			
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		60	30%	18.0	75%	13.5
Total Units		60	30%	18.0	75%	13.5
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		60	70%	42.0	75%	31.5
Total Units		60	70%	42.0	75%	31.5

<b>4th Competitor Woodland Heights</b>				Occupancy 95%		
Distance From Subject		5.0 Miles	Income Niche Subsidized to Middle			
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		48	30%	14.4	35%	5.04
Total Units		48	30%	14.4	35%	5.0
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		48	70%	33.6	35%	11.76
Total Units		48	70%	33.6	35%	11.8

<b>5th Competitor Avamere at Newberg</b>				Occupancy 95%		
Distance From Subject		7 Miles	Income Niche Subsidized to Middle			
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		54	30%	16.2	20%	3.24
Total Units		54	30%	16.2	20%	3.2
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		54	70%	37.8	20%	7.56
Total Units		54	70%	37.8	20%	7.6

<b>6th Competitor Huffman House</b>				Occupancy 95%		
Distance From Subject		7.5 Miles	Income Niche Subsidized to Middle			
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		26	30%	7.8	20%	1.6
Total Units		26	30%	7.8	20%	1.6
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing	
Assisted Living Units		26	70%	18.2	20%	4
Total Units		26	70%	18.2	20%	3.6



7th Competitor Friendsview Retirement				Occupancy 85%	
Distance From Subject		7 Miles	Income Niche Subsidized to Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	31	25%	7.8	20%	1.55
Total Units	31	25%	7.8	20%	1.6
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	31	75%	23.3	20%	4.65
Total Units	31	75%	23.3	20%	4.7

8th Competitor Farmington Square				Occupancy 85%	
Distance From Subject		3 Miles	Income Niche Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	30	25%	7.5	75%	6
Total Units	30	25%	7.5	75%	5.6
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	30	75%	22.5	75%	17
Total Units	30	75%	22.5	75%	16.9

9th Competitor Riverview Landing Senior Comm				Occupancy 85%	
Distance From Subject		5 Miles	Income Niche Subsidized to Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	114	25%	28.5	40%	11.4
Total Units	114	25%	28.5	40%	11.4
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	114	75%	85.5	40%	34.2
Total Units	114	75%	85.5	40%	34.2

10th Competitor Windfield Village				Occupancy 85%	
Distance From Subject		5 Miles	Income Niche Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	27	25%	6.8	40%	2.7
Total Units	27	25%	6.8	40%	2.7
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	27	75%	20.3	40%	8.1
Total Units	27	75%	20.3	40%	8.1

11th Competitor Wilsonville Senior Living				Occupancy 95%	
Distance From Subject		5 Miles	Income Niche Subsidized to Upper Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	65	30%	19.5	40%	7.8
Total Units	65	30%	19.5	40%	7.8
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	65	70%	45.5	40%	18.2
Total Units	65	70%	45.5	40%	18.2

12th Competitor Marquis Vintage - Wilsonville				Occupancy 95%	
Distance From Subject		6 Miles	Income Niche Subsidized to Upper Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	60	30%	18.0	40%	7.2
Total Units	60	30%	18.0	40%	7.2
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	60	70%	42.0	40%	16.8
Total Units	60	70%	42.0	40%	16.8

**PROPOSED AND/OR UNDER DEVELOPMENT FACILITIES IN PMA (4-MILE RADIUS)**

In addition to subject and existing units, new development is considered.

Only one facility (other than the "property") is proposed nearby. This is a 80 unit facility (listed in the moratorium as 70 units) in Newberg. Details of this proposed facility is given below:

<b>Proposed Competitor Sunwest Newberg</b>					
Distance From Subject		7 Miles	Income Niche Subsidized to Upper Middle		
<b>Lower Income Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	80	30%	24.0	20%	4.8
Total Units	80	30%	24.0	20%	4.8
<b>Private Pay Units</b>		% Of Total	Units	% Market Area Overlap	Number Competing
Assisted Living Units	80	70%	56.0	20%	11.2
Total Units	80	70%	56.0	20%	11.2

**TOTAL PMA (4-Mile Radius) UNIT SUPPLY**

The subject and competing units are combined on the next chart, by income and care with appraiser estimated overlap adjustment for the SMA (4-mile radius).

<b>4-Mile Radius Units In Market Summary</b>							
<b>2006 Market Supply Of Existing Units And Their Market Percentage</b>	<b># Total Units</b>	<b>Lower Income Percentage</b>	<b>% Market Overlap</b>	<b>Lower Income Units</b>	<b>Private Pay Percentage</b>	<b>% Market Overlap</b>	<b>Private Pay Units</b>
Existing Assisted Living	668	28%	55%	106	72%	55%	260
Total Elderly Congregate Care	668	28%	55%	106	72%	55%	260
*Includes Subject Units At 100% Overlap					Copyright James Brown & Associates, Inc.		
<b>2011 Prospective Market Supply Of Units And Their Market Percentage</b>	<b># Total Units</b>	<b>Lower Income Percentage</b>	<b>% Market Overlap</b>	<b>Lower Income Units</b>	<b>Private Pay Percentage</b>	<b>% Market Overlap</b>	<b>Private Pay Units</b>
Existing Assisted Living	668	28%	55%	106	72%	55%	260
New Assisted Living	80	30%	20%	5	70%	20%	11
Total Assisted Living	748	29%	51%	110	71%	51%	271
Total Elderly Congregate Care	748	29%	51%	110	71%	51%	271
*Includes Subject Units At 100% Overlap					Copyright James Brown & Associates, Inc.		

**4-MILE RADIUS 25 PERCENT FORMULA ADJUSTMENT SUMMARY**

The following chart combines the adjustment factors which were projected at similar levels to the 15-mile radius. After adjustment, the 25 percent formula is adjusted to 24.1 percent currently, and 24.7 percent in 5 years for the PMA (4-mile radius).

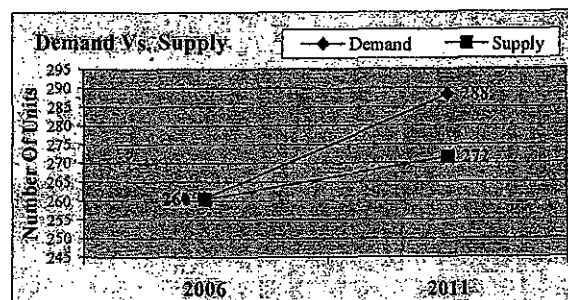
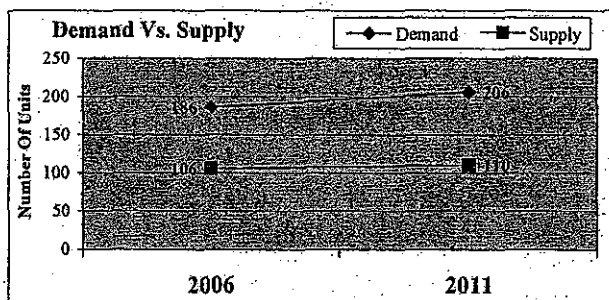
Demand Formula Adjustment Factors 4-Mile Radius						
Lower Income Aged 75+ Householders \$0 To \$24,999			Private Pay Aged 75+ Householders \$25,000 To \$99,999			
Year	2006	771 Householders	Year	2006	1,080 Householders	
Year	2011	832 Householders	Year	2011	1,165 Householders	
4-Mile Radius	2006	Middle Age Population %	10.05%	U.S. Middle Aged Population %	10.41%	
4-Mile Radius	2011	Middle Age Population %	11.78%	U.S. Middle Aged Population %	11.90%	
Elderly Demand Adjustment Factors For Years Analyzed			2006	2011	(Current Data & In 5 Years)	
Middle Aged % Adjustment Factor For Market Area Versus U.S.			0.97	0.99	(Middle Age Relocation Factor)	
Return From Destination Retirement Locale Adjustment Factor			1.00	1.00	(Snowbird Return Factor)	
Hospital/Medical Service Center Adjustment Factor			1.00	1.00	(Hospital Relocation Factor)	
Copyright James Brown & Associates, Inc. Other Adjustment Factors			1.00	1.00		
Combined Elderly Demand Factor Adjustment			96.5%	99.0%		
Standard Elderly Demand Percentage Formula In U.S.			25%	25%	(Based On HUD U.S. Formula)	
Market Area	Adjusted Elderly Demand Formula		24.1%	24.7%	4-Mile Radius	

\*2011 income-qualified householders are calculating using age 75+ growth rate. This eliminates inflation.

### PMA (4-MILE RADIUS) SUPPLY VERSUS DEMAND CONCLUSION

The next chart compares current and future supply versus demand showing under or over supply of units for 95 percent occupancy equilibrium. The penetration percentage of those is also shown for comparison to the relocation adjusted demand percentage formula.

Demand Vs. Supply, Penetration Rates, And Subject Market Share Conclusions							
2006 Demand Versus Supply @		Number	Demand	Units	Units	Demand Of	Actual % Rate
24.1% Demand Factor For Elderly		Elderly	Factor %	Demand	Supply	Units	Of Penetration
Aged 75+ Householders \$0 To \$24,999		771	24.1%	186	106	81	13.7%
Aged 75+ Householders \$25,000 To \$99,999		1,080	24.1%	261	260	0	24.1%
Total Householders 75+ \$0-\$99,999		1,851	24.1%	447	366	81	19.3%
Equals Lower Income		Equals Private Pay		Copyright James Brown & Associates, Inc.			
2011 Demand Versus Supply @		Number	Demand	Units	Units	+/- Demand Of	Actual % Rate
24.7% Demand Factor For Elderly		Elderly	Factor %	Demand	Supply	Unit Demand	Of Penetration
Aged 75+ Householders \$0 To \$24,999		832	24.7%	206	110	96	13.3%
Aged 75+ Householders \$25,000 To \$99,999		1,165	24.7%	288	272	17	23.3%
Total Householders 75+ \$0-\$99,999		1,997	24.7%	494	382	112	19.1%



Aged 75+ Householders \$0 To \$24,999 Equals Lower Income Aged 75+ Householders \$25,000 To \$99,999 Private Pay

The chart shows currently an under unit supply (including the subject facility) of 81 units for the lower income category, and 0 units (equilibrium) for the private-pay category. Unit to demand formula percentage (penetration rate) for lower income is 13.7 percent and 24.1 percent for private-pay. These are below the adjusted demand formula of 24.1 percent indicating adequate demand for the subject's units.

In 5-years there is an under supply of 96 units for the lower income group, and 17 units for private-pay. The penetration rates are 13.3 percent for lower income and 23.3 percent for private-pay versus the adjusted demand formula of 24.7 percent. Demand is greater than supply. Penetration rates are below the adjusted demand formula for the PMA (4-mile radius).

Supply versus demand analysis indicates adequate demand for the subject's units currently and for the next 5-years.

### **Actual Occupancy and Absorption Versus Supply and Demand Formulas**

Supply and demand formulas are useful tools but require subjective adjustments including but not limited to estimates of the PMA and SMA size, competing facility inventory, adjustments for overlap, relocation adjustments, etc. The many adjustments make supply/demand formulas a rough gauge of supply/demand equilibrium. Primary emphasis is placed on actual experience.

Of significant importance are facilities within the PMA (4-mile radius) that specialize in assisted living as the market niche for the proposed "property" is planned for subsidized to private pay assisted living care. In the PMA there are three assisted living facilities (including the existing Cedar Creek Assisted Living) providing assisted living care. The other facilities are Avamere at Sherwood and Riverwood Assisted Living Residence. Occupancy of Avamere at Sherwood is currently 98 percent, while the occupancy at Riverwood Assisted Living Residence is also 98 percent. The occupancy of the existing units at Cedar Creek is 100 percent. These high occupancies support the demographic conclusion that there is a undersupply of assisted living units on the local level.

### **CONCLUSION**

For the 15-mile radius analysis required by the state there is a large undersupply of 2,228 units/beds for the lower income category (Medicaid subsidized) in 2006 and 2,375 units/beds for the private pay income group. In 2011 this undersupply decreases to 2,146 units/beds for the lower income category and 2,097 units/beds for the private pay income niche.

The 15-mile radius as a gauge of demand can be misleading as it covers a large geographic area. Assisted living facilities, in contrast, typically serve a local market. A potential resident in Oregon City, for example, is unlikely to relocate to Sherwood.

The most pertinent data is the supply and demand indications for the 4-mile radius surrounding the "property". This analysis indicates an undersupply of 81 units for the lower income niche (Medicaid subsidized niche) and 0 units (market equilibrium) for the private pay income niche. This is after consideration of the 40 unit addition of the "property" and the 20 units under construction at Cedar Creek. Current excess demand for private pay, therefore, is 42± units and 99+ units for the lower income/Medicaid subsidized niche (excluding the "property" and Phase II of Cedar Creek under construction). The calculation for this is shown as follows:

	No. of Units
Cedar Crest Phase II Expansion	20
"Property" Proposed Units (Phase III)	40
Total	60
Medicaid Units (30%)	18
Private Pay Units (70%)	42
Previously Calculated Excess Demand Medicaid	81
Previously Calculated Excess Demand Private Pay	0
Total Excess Demand exclude above units Medicaid	99
Total Excess Demand exclude above units Private Pay	42

Local occupancies support this conclusion with the three closest facilities to the "property" ranging between 98 to 100 percent in occupancy.

Demand is projected to grow over the next five years with an undersupply of 96 units for the lower income category in 2011 (Medicaid subsidized) and a 17 unit undersupply for private pay in 2011. Note this includes the "property" 40 unit addition and the 20 units under construction for Phase II of Cedar Creek.

Excluding the "property", but including the 20 new units at Cedar Creek currently under construction the excess demand for the private pay income group is 45 units and 108 Medicaid subsidized units.

	No. of Units
"Property" Proposed Units (Phase III)	40
Medicaid Units (30%)	12
Private Pay Units (70%)	28
Previously Calculated Excess Demand Medicaid	96
Previously Calculated Excess Demand Private Pay	17
Total Excess Demand exclude above units Medicaid	108
Total Excess Demand exclude above units Private Pay	45

**ADDENDA**

**FLOOD ZONE  
DETERMINATION**

Flood Insights test results for :

15667 SW OREGON ST, SHERWOOD, OR 97140  
 Geocoding Accuracy: S5 - Matched to Street Address (Best)

Flood Zone Determinations

*Test Description*

SFHA (Flood Zone) Within 250 feet of multiple flood zones?

Out No

Community	Community Name	Zone Panel	Panel Date	Cobra
410273	SHERWOOD, TOWN OF	C 0001A	January 06, 1982	OUT

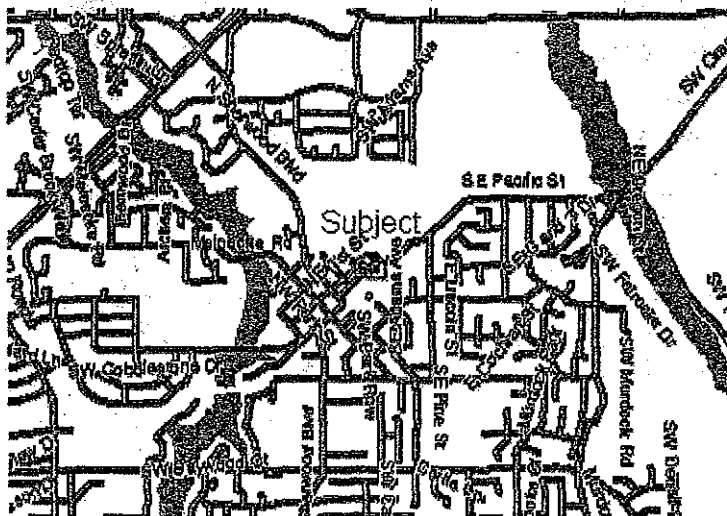
FIPS Code

41067

Census Tract

0321.03

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FloodMap Legend

Flood Zones

- Areas inundated by 500-year flooding
- Areas outside of the 100- and 500-year floodplains
- Areas inundated by 100-year flooding
- Areas inundated by 100-year flooding with velocity hazard
- Floodway areas
- Floodway areas with velocity hazard
- Areas of undetermined but possible flood hazards
- Areas not mapped on any published FIRI



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**RAW**

**DEMOGRAPHICS**

### Senior Life

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Population by Age	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>Total Population</b>	<b>41,161</b>		<b>49,087</b>		<b>55,193</b>	
Age 55 - 59	1,880	4.57%	2,788	5.68%	3,595	6.51%
Age 60 - 64	1,286	3.12%	2,143	4.37%	2,909	5.27%
Age 65 - 69	1,013	2.46%	1,488	3.03%	2,205	4.00%
Age 70 - 74	1,057	2.57%	1,205	2.45%	1,598	2.90%
Age 75 - 79	1,036	2.52%	1,070	2.18%	1,179	2.14%
Age 80 - 84	869	2.11%	949	1.93%	940	1.70%
Age 85 and over	752	1.83%	971	1.98%	1,107	2.01%
<b>Age 55 and over</b>	<b>7,895</b>	<b>19.18%</b>	<b>10,615</b>	<b>21.62%</b>	<b>13,532</b>	<b>24.52%</b>
<b>Age 65 and over</b>	<b>4,728</b>	<b>11.49%</b>	<b>5,684</b>	<b>11.58%</b>	<b>7,029</b>	<b>12.74%</b>
<b>Total Population: Male</b>	<b>19,811</b>		<b>23,898</b>		<b>26,951</b>	
Age 55 - 59	923	4.66%	1,355	5.67%	1,761	6.53%
Age 60 - 64	600	3.03%	1,031	4.31%	1,395	5.18%
Age 65 - 69	444	2.24%	699	2.92%	1,033	3.83%
Age 70 - 74	427	2.16%	501	2.10%	711	2.64%
Age 75 - 79	369	1.86%	421	1.76%	464	1.72%
Age 80 - 84	316	1.60%	360	1.51%	375	1.39%
Age 85 and over	218	1.10%	293	1.23%	340	1.26%
<b>Age 55 and over</b>	<b>3,297</b>	<b>16.64%</b>	<b>4,659</b>	<b>19.50%</b>	<b>6,079</b>	<b>22.56%</b>
<b>Age 65 and over</b>	<b>1,774</b>	<b>8.95%</b>	<b>2,274</b>	<b>9.52%</b>	<b>2,923</b>	<b>10.85%</b>
<b>Total Population: Female</b>	<b>21,350</b>		<b>25,189</b>		<b>28,242</b>	
Age 55 - 59	957	4.48%	1,433	5.69%	1,833	6.49%
Age 60 - 64	686	3.21%	1,113	4.42%	1,514	5.36%
Age 65 - 69	569	2.67%	789	3.13%	1,172	4.15%
Age 70 - 74	629	2.95%	704	2.79%	887	3.14%
Age 75 - 79	667	3.12%	649	2.58%	715	2.53%
Age 80 - 84	554	2.59%	590	2.34%	565	2.00%
Age 85 and over	535	2.51%	678	2.69%	767	2.72%
<b>Age 55 and over</b>	<b>4,597</b>	<b>21.53%</b>	<b>5,956</b>	<b>23.65%</b>	<b>7,453</b>	<b>26.39%</b>
<b>Age 65 and over</b>	<b>2,954</b>	<b>13.84%</b>	<b>3,410</b>	<b>13.54%</b>	<b>4,106</b>	<b>14.54%</b>

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### Senior Life

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Population by Single Race Classification	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>White Alone</b>	<b>37,398</b>		<b>43,713</b>		<b>48,387</b>	
Age 65 and over	4,592	12.28%	5,444	12.45%	6,665	13.77%
<b>Black or African American Alone</b>	<b>243</b>		<b>332</b>		<b>407</b>	
Age 65 and over	5	2.06%	18	5.42%	22	5.41%
<b>American Indian and Alaska Native Alone</b>	<b>217</b>		<b>241</b>		<b>251</b>	
Age 65 and over	17	7.83%	13	5.39%	18	7.17%
<b>Asian Alone</b>	<b>1,179</b>		<b>1,643</b>		<b>2,029</b>	
Age 65 and over	67	5.68%	99	6.03%	163	8.03%
<b>Native Hawaiian and Other Pacific Islander Alone</b>	<b>67</b>		<b>96</b>		<b>130</b>	
Age 65 and over	1	1.49%	3	3.12%	7	5.38%
<b>Some Other Race Alone</b>	<b>967</b>		<b>1,493</b>		<b>1,994</b>	
Age 65 and over	10	1.03%	24	1.61%	34	1.71%
<b>Two or More Races</b>	<b>1,090</b>		<b>1,569</b>		<b>1,996</b>	
Age 65 and over	37	3.39%	83	5.29%	120	6.01%
<b>Population by Hispanic or Latino</b>	<b>2,299</b>		<b>3,467</b>		<b>4,562</b>	
Hispanic or Latino	43	1.87%	85	2.45%	115	2.52%
Age 65 and over	43	1.87%	85	2.45%	115	2.52%
<b>Not Hispanic or Latino</b>	<b>38,862</b>		<b>45,619</b>		<b>50,631</b>	
Age 65 and over	4,685	12.06%	5,599	12.27%	6,913	13.65%

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**Senior Life**

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Householder Age 55 - 59	1,153		1,651		2,097	
Income less than \$10,000	58	5.03%	80	4.84%	92	4.39%
Income \$10,000 - \$14,999	25	2.17%	33	2.00%	42	2.00%
Income \$15,000 - \$19,999	34	2.95%	36	2.18%	43	2.05%
Income \$20,000 - \$24,999	37	3.21%	52	3.15%	61	2.91%
Income \$25,000 - \$29,999	42	3.64%	55	3.33%	63	3.00%
Income \$30,000 - \$34,999	40	3.47%	50	3.02%	54	2.58%
Income \$35,000 - \$39,999	60	5.20%	69	4.17%	78	3.72%
Income \$40,000 - \$44,999	55	4.77%	73	4.42%	79	3.77%
Income \$45,000 - \$49,999	72	6.24%	59	3.57%	78	3.72%
Income \$50,000 - \$59,999	122	10.58%	152	9.20%	169	8.06%
Income \$60,000 - \$74,999	166	14.40%	192	11.62%	238	11.35%
Income \$75,000 - \$99,999	181	15.70%	297	17.97%	350	16.69%
Income \$100,000 - \$124,999	130	11.27%	187	11.31%	267	12.73%
Income \$125,000 - \$149,999	25	2.17%	141	8.53%	185	8.82%
Income \$150,000 - \$199,999	63	5.46%	72	4.36%	150	7.15%
Income \$200,000 - \$249,999	15	1.30%	46	2.78%	57	2.72%
Income \$250,000 - \$499,999	12	1.04%	33	2.00%	57	2.72%
Income \$500,000 or more	16	1.39%	26	1.57%	34	1.62%

Median Household Income \$62,874 \$73,057 \$78,704

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Householder Age 60 - 64	855		1,303		1,734	
Income less than \$10,000	50	5.85%	75	5.76%	105	6.06%
Income \$10,000 - \$14,999	21	2.46%	35	2.69%	41	2.36%
Income \$15,000 - \$19,999	30	3.51%	37	2.84%	45	2.60%
Income \$20,000 - \$24,999	33	3.86%	54	4.14%	52	3.00%
Income \$25,000 - \$29,999	35	4.09%	44	3.38%	57	3.29%
Income \$30,000 - \$34,999	30	3.51%	40	3.07%	44	2.54%
Income \$35,000 - \$39,999	46	5.38%	59	4.53%	69	3.98%
Income \$40,000 - \$44,999	42	4.91%	58	4.45%	73	4.21%
Income \$45,000 - \$49,999	56	6.55%	53	4.07%	67	3.86%
Income \$50,000 - \$59,999	95	11.11%	129	9.90%	134	7.73%
Income \$60,000 - \$74,999	108	12.63%	141	10.82%	181	10.44%
Income \$75,000 - \$99,999	127	14.85%	205	15.73%	262	15.11%
Income \$100,000 - \$124,999	89	10.41%	136	10.44%	202	11.65%
Income \$125,000 - \$149,999	19	2.22%	100	7.67%	149	8.59%
Income \$150,000 - \$199,999	45	5.26%	57	4.37%	118	6.81%
Income \$200,000 - \$249,999	9	1.05%	31	2.38%	50	2.88%
Income \$250,000 - \$499,999	9	1.05%	26	2.00%	49	2.83%
Income \$500,000 or more	11	1.29%	22	1.69%	36	2.08%

Median Household Income \$58,854 \$67,130 \$74,876

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**Senior Life**

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Householder Age 65 - 69	681		947		1,369	
Income less than \$10,000	29	4.26%	37	3.91%	48	3.51%
Income \$10,000 - \$14,999	51	7.49%	44	4.65%	55	4.02%
Income \$15,000 - \$19,999	74	10.87%	67	7.07%	77	5.62%
Income \$20,000 - \$24,999	61	8.96%	74	7.81%	81	5.92%
Income \$25,000 - \$29,999	64	9.40%	83	8.76%	97	7.09%
Income \$30,000 - \$34,999	43	6.31%	74	7.81%	102	7.45%
Income \$35,000 - \$39,999	52	7.64%	52	5.49%	85	6.21%
Income \$40,000 - \$44,999	55	8.08%	72	7.60%	83	6.06%
Income \$45,000 - \$49,999	34	4.99%	54	5.70%	95	6.94%
Income \$50,000 - \$59,999	48	7.05%	65	6.86%	105	7.67%
Income \$60,000 - \$74,999	57	8.37%	102	10.77%	140	10.23%
Income \$75,000 - \$99,999	61	8.96%	109	11.51%	171	12.49%
Income \$100,000 - \$124,999	18	2.64%	50	5.28%	98	7.16%
Income \$125,000 - \$149,999	4	0.59%	15	1.58%	42	3.07%
Income \$150,000 - \$199,999	19	2.79%	24	2.53%	40	2.92%
Income \$200,000 - \$249,999	7	1.03%	12	1.27%	22	1.61%

Income \$250,000 - \$499,999	3	0.44%	10	1.06%	22	1.61%
Income \$500,000 or more		0.00%	3	0.32%	7	0.51%
<b>Median Household Income</b>	<b>\$36,745</b>		<b>\$42,945</b>		<b>\$47,995</b>	
<b>Householder Age 70 - 74</b>	<b>626</b>		<b>795</b>		<b>1,032</b>	
Income less than \$10,000	29	4.63%	35	4.40%	39	3.78%
Income \$10,000 - \$14,999	49	7.83%	46	5.79%	45	4.36%
Income \$15,000 - \$19,999	79	12.62%	71	8.93%	73	7.07%
Income \$20,000 - \$24,999	62	9.90%	65	8.18%	72	6.98%
Income \$25,000 - \$29,999	65	10.38%	71	8.93%	81	7.85%
Income \$30,000 - \$34,999	38	6.07%	61	7.67%	78	7.56%
Income \$35,000 - \$39,999	48	7.67%	47	5.91%	74	7.17%
Income \$40,000 - \$44,999	47	7.51%	59	7.42%	60	5.81%
Income \$45,000 - \$49,999	31	4.95%	43	5.41%	64	6.20%
Income \$50,000 - \$59,999	44	7.03%	57	7.17%	78	7.56%
Income \$60,000 - \$74,999	47	7.51%	80	10.06%	97	9.40%
Income \$75,000 - \$99,999	47	7.51%	76	9.56%	114	11.05%
Income \$100,000 - \$124,999	15	2.40%	37	4.65%	65	6.30%
Income \$125,000 - \$149,999	3	0.48%	13	1.64%	34	3.29%
Income \$150,000 - \$199,999	15	2.40%	18	2.26%	30	2.91%
Income \$200,000 - \$249,999	4	0.64%	12	1.51%	19	1.84%
Income \$250,000 - \$499,999	3	0.48%	3	0.38%	8	0.78%
Income \$500,000 or more		0.00%		0.00%	2	0.19%

**Median Household Income** \$33,782      \$40,125      \$44,508  
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### Senior Life

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>Householder Age 75 - 79</b>	<b>881</b>		<b>699</b>		<b>756</b>	
Income less than \$10,000	59	6.70%	43	6.15%	44	5.82%
Income \$10,000 - \$14,999	121	13.73%	67	9.59%	54	7.14%
Income \$15,000 - \$19,999	98	11.12%	68	9.73%	63	8.33%
Income \$20,000 - \$24,999	100	11.35%	69	9.87%	68	8.99%
Income \$25,000 - \$29,999	112	12.71%	67	9.59%	68	8.99%
Income \$30,000 - \$34,999	82	9.31%	89	12.73%	93	12.30%
Income \$35,000 - \$39,999	54	6.13%	49	7.01%	69	9.13%
Income \$40,000 - \$44,999	56	6.36%	44	6.29%	44	5.82%
Income \$45,000 - \$49,999	35	3.97%	47	6.72%	43	5.69%
Income \$50,000 - \$59,999	52	5.90%	47	6.72%	67	8.86%
Income \$60,000 - \$74,999	33	3.75%	38	5.44%	53	7.01%
Income \$75,000 - \$99,999	21	2.38%	18	2.58%	35	4.63%
Income \$100,000 - \$124,999	26	2.95%	16	2.29%	16	2.12%
Income \$125,000 - \$149,999	11	1.25%	14	2.00%	11	1.46%
Income \$150,000 - \$199,999		0.00%	4	0.57%	9	1.19%
Income \$200,000 - \$249,999	15	1.70%	5	0.72%	4	0.53%
Income \$250,000 - \$499,999	6	0.68%	13	1.86%	13	1.72%
Income \$500,000 or more		0.00%		0.00%	2	0.26%

<b>Median Household Income</b>	<b>\$27,788</b>		<b>\$31,972</b>		<b>\$34,335</b>	
<b>Householder Age 80 - 84</b>	<b>593</b>		<b>659</b>		<b>644</b>	
Income less than \$10,000	50	8.43%	56	8.50%	48	7.45%
Income \$10,000 - \$14,999	92	15.51%	69	10.47%	53	8.23%
Income \$15,000 - \$19,999	75	12.65%	74	11.23%	71	11.02%
Income \$20,000 - \$24,999	69	11.64%	79	11.99%	72	11.18%
Income \$25,000 - \$29,999	71	11.97%	61	9.26%	65	10.09%
Income \$30,000 - \$34,999	53	8.94%	79	11.99%	61	9.47%
Income \$35,000 - \$39,999	35	5.90%	47	7.13%	59	9.16%
Income \$40,000 - \$44,999	35	5.90%	24	3.64%	39	6.06%
Income \$45,000 - \$49,999	20	3.37%	44	6.68%	28	4.35%
Income \$50,000 - \$59,999	31	5.23%	37	5.61%	52	8.07%
Income \$60,000 - \$74,999	18	3.04%	38	5.77%	45	6.99%
Income \$75,000 - \$99,999	12	2.02%	13	1.97%	19	2.95%
Income \$100,000 - \$124,999	12	2.02%	14	2.12%	7	1.09%
Income \$125,000 - \$149,999	7	1.18%	9	1.37%	5	0.78%
Income \$150,000 - \$199,999		0.00%	3	0.46%	6	0.93%
Income \$200,000 - \$249,999	8	1.35%	2	0.30%	3	0.47%
Income \$250,000 - \$499,999	4	0.67%	7	1.06%	8	1.24%
Income \$500,000 or more		0.00%	3	0.46%	4	0.62%

**Median Household Income** \$25,729      \$29,194      \$31,129  
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### Senior Life

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>Householder Age 85 and over</b>	<b>413</b>		<b>618</b>		<b>701</b>	
Income less than \$10,000	41	9.93%	44	7.12%	49	6.99%

Income \$10,000 - \$14,999	79	19.13%	76	12.30%	67	9.56%
Income \$15,000 - \$19,999	52	12.59%	69	11.17%	77	10.98%
Income \$20,000 - \$24,999	47	11.38%	57	9.22%	69	9.84%
Income \$25,000 - \$29,999	49	11.86%	66	10.68%	66	9.42%
Income \$30,000 - \$34,999	33	7.99%	80	12.94%	76	10.84%
Income \$35,000 - \$39,999	22	5.33%	44	7.12%	63	8.99%
Income \$40,000 - \$44,999	20	4.84%	28	4.53%	37	5.28%
Income \$45,000 - \$49,999	15	3.63%	33	5.34%	31	4.42%
Income \$50,000 - \$59,999	18	4.36%	40	6.47%	47	6.70%
Income \$60,000 - \$74,999	12	2.91%	35	5.66%	50	7.13%
Income \$75,000 - \$99,999	6	1.45%	12	1.94%	29	4.14%
Income \$100,000 - \$124,999	7	1.69%	10	1.62%	14	2.00%
Income \$125,000 - \$149,999	5	1.21%	8	1.29%	8	1.14%
Income \$150,000 - \$199,999		0.00%	5	0.81%	9	1.28%
Income \$200,000 - \$249,999	4	0.97%	1	0.16%	1	0.14%
Income \$250,000 - \$499,999	2	0.48%	10	1.62%	6	0.86%
Income \$500,000 or more		0.00%		0.00%	1	0.14%

Median Household Income: \$23,594      \$29,739      \$31,461

Households by Household Income	2000 Census	%	2006 Estimate	%	2011 Projection	%
Total Households	16,040		18,900		21,101	
Income less than \$15,000	1,245	7.76%	1,214	6.42%	1,227	5.81%
Income \$15,000 - \$24,999	1,463	9.12%	1,391	7.36%	1,391	6.59%
Income \$25,000 - \$34,999	1,857	11.58%	1,816	9.61%	1,762	8.35%
Income \$35,000 - \$49,999	2,302	14.35%	2,636	13.95%	2,770	13.13%
Income \$50,000 - \$74,999	3,580	22.32%	3,796	20.08%	4,015	19.03%
Income \$75,000 - \$99,999	2,425	15.12%	2,818	14.91%	3,176	15.05%
Income \$100,000 - \$149,999	2,045	12.75%	3,337	17.66%	4,024	19.07%
Income \$150,000 - \$249,999	855	5.33%	1,401	7.41%	1,995	9.45%
Income \$250,000 - \$499,999	184	1.15%	331	1.75%	504	2.39%
Income \$500,000 or more	82	0.51%	160	0.85%	238	1.13%

Average Household Income: \$70,107      \$83,215      \$91,209

Median Household Income: \$58,046      \$65,759      \$71,175

Per Capita Income: \$27,478      \$32,176      \$34,995

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**Senior Life**

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

All Owner-Occupied Housing Unit Values	2000 Census	%	2006 Estimate	%	2011 Projection	%
Total All Owner-Occupied Housing Unit Value	11,475		13,506		15,047	
Value Less than \$20,000	328	2.86%	324	2.40%	305	2.03%
Value \$20,000 - \$39,999	318	2.77%	236	1.75%	270	1.79%
Value \$40,000 - \$59,999	283	2.47%	298	2.21%	274	1.82%
Value \$60,000 - \$79,999	255	2.22%	226	1.67%	242	1.61%
Value \$80,000 - \$99,999	297	2.59%	231	1.71%	215	1.43%
Value \$100,000 - \$149,999	1,517	13.22%	801	5.93%	735	4.88%
Value \$150,000 - \$199,999	3,617	31.52%	1,751	12.96%	1,287	8.55%
Value \$200,000 - \$299,999	3,017	26.29%	5,261	38.95%	5,520	36.69%
Value \$300,000 - \$399,999	1,108	9.66%	2,271	16.81%	2,774	18.44%
Value \$400,000 - \$499,999	325	2.83%	1,020	7.55%	1,601	10.64%
Value \$500,000 - \$749,999	285	2.48%	747	5.53%	1,210	8.04%
Value \$750,000 - \$999,999	69	0.60%	224	1.66%	430	2.86%
Value \$1,000,000 or more	57	0.50%	114	0.84%	183	1.22%

Median All Owner-Occupied Housing Unit Value: \$187,873      \$254,837      \$275,992

Group Quarters by Population Type*	2000 Census	%	2006 Estimate	%	2011 Projection	%
Institutionalized	92		89		91	
Correctional Institutions		0.00%		0.00%		0.00%
Nursing Homes	92	100.00%	89	100.00%	91	100.00%
Other Institutions		0.00%		0.00%		0.00%

Noninstitutionalized: 153      157      161

Tenure of Occupied Housing Units	2000 Census	2006 Estimate	2011 Projection
Owner Occupied	11,470	13,506	15,047
Renter Occupied	4,530	5,394	6,054

**Senior Life**

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

2000 Tenure: By Age of Householder		Total	%
Total Households:		16,014	
<b>Owner Occupied</b>		11,475	
Householder 55 to 59 Years		938	8.17%
Householder 60 to 64 Years		740	6.45%
Householder 65 to 74 Years		1,095	9.54%
Householder 75 to 84 Years		934	8.14%
Householder 85 and over		321	2.80%
<b>Renter Occupied</b>		4,538	
Householder 55 to 59 Years		209	4.61%
Householder 60 to 64 Years		119	2.62%
Householder 65 to 74 Years		221	4.87%
Householder 75 to 84 Years		372	8.20%
Householder 85 and over		212	4.67%
2000 Pop 65 and over by HH Type and Relationship		Total	%
Total for Pop 65 and over:		4,747	
<b>In Households:</b>		4,533	
<b>In Family Households:</b>		2,711	57.11%
Householder		1,429	30.10%
Male		1,146	24.14%
Female		282	5.94%
Spouse		1,033	21.76%
Parent		112	2.36%
Other Relatives		126	2.65%
Nonrelatives		12	0.25%
<b>In Non-Family Households:</b>		1,821	38.36%
Male householder		353	7.44%
Living Alone		341	7.18%
Not Living Alone		12	0.25%
Female householder		1,412	29.75%
Living Alone		1,392	29.32%
Not Living Alone		20	0.42%
Nonrelatives		56	1.18%
<b>In Group Quarters:</b>		214	
Institutionalized population		93	1.96%
Noninstitutionalized population		121	2.55%

**Senior Life**

ION ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

2000 Mobility and Disability: Civilian		65 Yrs		75 Yrs			
Noninstitutionalized Persons Age 26 and over		Totals	%	Yrs	%	And Over	%
Total Disability:		6,683		3,637			
Sensory Disability		1,093	16.35%	677		18.61%	
Physical Disability		2,158	32.29%	1,166		32.06%	
Mental Disability		1,274	19.06%	519		14.27%	
Self-Care Disability		678	10.15%	439		12.07%	
Go-Outside-Home Disability		1,480	22.15%	837		23.01%	
2000 Mobility and Disability: Civilian		65-74		75 Yrs			
Noninstitutionalized Persons Age 26 and over		Totals	%	Yrs	%	And Over	%
Disability by Sex by Age:		31,220		2,020		2,633	
<b>Male</b>		14,780	47.34%	821	40.64%	934	35.47%
With a Disability		2,050	6.57%	161	7.97%	445	16.90%
No Disability		12,729	40.77%	661	32.72%	489	18.57%
<b>Female</b>		16,440	52.66%	1,199	59.36%	1,699	64.53%
With a Disability		2,572	8.24%	287	14.21%	866	32.89%
No Disability		13,868	44.42%	912	45.15%	833	31.64%
2000 Occupied Housing Units		65-74		75 Yrs			
Total Units:		16,014		1,316		1,840	
With Telephone		15,906	99.33%	1,316	100.00%	1,832	99.57%
No Telephone		107	0.67%		0.00%	8	0.43%

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### Senior Life

1000 ST, SHERWOOD, OR 97140-9386, 0.00 - 4.00 Miles, Total

2000 Census Poverty Status in 1999 Families	Total	%	65-74 Yrs	%	75+ Yrs	%
Population with Known Poverty Status	40,994		2,020		2,633	
Married-Couple Families	30,454	74.29%	1,245	61.63%	1,171	44.47%
In other Families	4,551	11.10%	118	5.84%	178	6.76%
Male householder, no wife present	1,364	3.33%	21	1.04%		0.00%
Female householder, no husband present	3,187	7.77%	97	4.80%	178	6.76%
Unrelated individuals	5,988	14.61%	657	32.52%	1,285	48.80%
Income At or Above Poverty Level	39,382	96.07%	1,943	96.19%	2,504	95.10%
Married-Couple Families	29,991	73.16%	1,218	60.30%	1,168	44.36%
In other Families	4,026	9.82%	113	5.59%	170	6.46%
Male householder, no wife present	1,260	3.07%	21	1.04%		0.00%
Female householder, no husband present	2,766	6.75%	92	4.55%	170	6.46%
Unrelated individuals	5,366	13.09%	611	30.25%	1,167	44.32%
Income Below Poverty Level	1,612	3.93%	78	3.86%	129	4.90%
Married-Couple Families	463	1.13%	27	1.34%	3	0.11%
In other Families	526	1.28%	5	0.25%	8	0.30%
Male householder, no wife present	104	0.25%		0.00%		0.00%
Female householder, no husband present	421	1.03%	5	0.25%	8	0.30%
Unrelated individuals	623	1.52%	46	2.28%	118	4.48%

\*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

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### Senior Life

#### Appendix: Area Listing

Area Name:

Type:

Radius Definition:

15677 SW OREGON ST  
 SHERWOOD, OR 97140-9386

Project Information:

Site:

Order Number:

Prepared On:

Project Code:

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Radius

Reporting Detail:

Aggregate

Reporting Level:

Block Group

Latitude/Longitude  
 Radius

45.357939  
 0.00

-122.839015  
 4.00

1

964881338

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## Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Population by Age	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>Total Population</b>	<b>899,437</b>		<b>973,076</b>		<b>1,032,995</b>	
Age 55 - 59	42,003	4.67%	60,706	6.24%	72,489	7.02%
Age 60 - 64	28,478	3.17%	43,088	4.43%	59,734	5.78%
Age 65 - 69	22,689	2.52%	29,783	3.06%	41,510	4.02%
Age 70 - 74	21,763	2.42%	21,945	2.26%	27,831	2.69%
Age 75 - 79	20,216	2.25%	19,068	1.96%	19,549	1.89%
Age 80 - 84	14,505	1.61%	15,607	1.60%	14,969	1.45%
Age 85 and over	13,257	1.47%	15,985	1.64%	17,802	1.72%
<b>Age 55 and over</b>	<b>162,912</b>	<b>18.11%</b>	<b>206,181</b>	<b>21.19%</b>	<b>253,882</b>	<b>24.58%</b>
<b>Age 65 and over</b>	<b>92,431</b>	<b>10.28%</b>	<b>102,387</b>	<b>10.52%</b>	<b>121,660</b>	<b>11.78%</b>
<b>Total Population, Male</b>	<b>447,243</b>		<b>486,388</b>		<b>516,645</b>	
Age 55 - 59	20,791	4.65%	29,866	6.14%	35,651	6.90%
Age 60 - 64	13,742	3.07%	20,998	4.32%	28,858	5.59%
Age 65 - 69	10,538	2.36%	14,275	2.93%	19,885	3.85%
Age 70 - 74	9,487	2.12%	9,960	2.05%	12,991	2.51%
Age 75 - 79	8,087	1.81%	8,029	1.65%	8,386	1.62%
Age 80 - 84	5,355	1.20%	5,859	1.20%	5,816	1.13%
Age 85 and over	3,936	0.88%	4,918	1.01%	5,477	1.06%
<b>Age 55 and over</b>	<b>71,936</b>	<b>16.08%</b>	<b>93,905</b>	<b>19.31%</b>	<b>117,064</b>	<b>22.66%</b>
<b>Age 65 and over</b>	<b>37,403</b>	<b>8.36%</b>	<b>43,041</b>	<b>8.85%</b>	<b>52,555</b>	<b>10.17%</b>
<b>Total Population, Female</b>	<b>452,195</b>		<b>486,689</b>		<b>516,350</b>	
Age 55 - 59	21,212	4.69%	30,840	6.34%	36,838	7.13%
Age 60 - 64	14,736	3.26%	22,090	4.54%	30,875	5.98%
Age 65 - 69	12,152	2.69%	15,508	3.19%	21,625	4.19%
Age 70 - 74	12,277	2.71%	11,985	2.46%	14,840	2.87%
Age 75 - 79	12,129	2.68%	11,038	2.27%	11,163	2.16%
Age 80 - 84	9,151	2.02%	9,748	2.00%	9,153	1.77%
Age 85 and over	9,321	2.06%	11,066	2.27%	12,324	2.39%
<b>Age 55 and over</b>	<b>90,976</b>	<b>20.12%</b>	<b>112,276</b>	<b>23.07%</b>	<b>136,818</b>	<b>26.50%</b>
<b>Age 65 and over</b>	<b>55,029</b>	<b>12.17%</b>	<b>59,346</b>	<b>12.19%</b>	<b>69,105</b>	<b>13.38%</b>

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Prepared By:

## Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Population by Single Race Classification	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
<b>White Alone</b>	<b>766,738</b>		<b>803,735</b>		<b>830,229</b>	
Age 65 and over	87,529	11.42%	94,043	11.70%	111,011	13.37%
<b>Black or African American Alone</b>	<b>11,537</b>		<b>14,204</b>		<b>16,593</b>	
Age 65 and over	455	3.94%	705	4.96%	893	5.38%
<b>American Indian and Alaska Native Alone</b>	<b>6,556</b>		<b>7,156</b>		<b>7,658</b>	
Age 65 and over	257	3.92%	280	3.91%	363	4.74%
<b>Asian Alone</b>	<b>45,944</b>		<b>57,607</b>		<b>68,380</b>	
Age 65 and over	2,865	6.24%	4,403	7.64%	5,711	8.35%
<b>Native Hawaiian and Other Pacific Islander Alone</b>	<b>2,171</b>		<b>2,706</b>		<b>3,192</b>	
Age 65 and over	46	2.12%	72	2.66%	93	2.91%
<b>Some Other Race Alone</b>	<b>39,105</b>		<b>53,255</b>		<b>66,169</b>	
Age 65 and over	492	1.26%	1,178	2.21%	1,528	2.31%
<b>Two or More Races</b>	<b>27,386</b>		<b>34,414</b>		<b>40,775</b>	
Age 65 and over	787	2.87%	1,706	4.96%	2,060	5.05%



Population by Hispanic or Latino	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Hispanic or Latino	76,405		105,541		132,141	
Age 65 and over	1,347	1.76%	3,137	2.97%	4,037	3.06%
Not Hispanic or Latino	823,033		867,536		900,854	
Age 65 and over	91,084	11.07%	99,250	11.44%	117,623	13.06%

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### Senior Life

REGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Householder Age 55 - 59	24,124		35,964		42,266	
Income less than \$10,000	1,385	5.74%	1,920	5.34%	2,080	4.92%
Income \$10,000 - \$14,999	780	3.23%	1,093	3.04%	1,188	2.81%
Income \$15,000 - \$19,999	764	3.17%	1,049	2.92%	1,197	2.83%
Income \$20,000 - \$24,999	1,042	4.32%	1,213	3.37%	1,306	3.09%
Income \$25,000 - \$29,999	1,201	4.98%	1,475	4.10%	1,453	3.44%
Income \$30,000 - \$34,999	1,312	5.44%	1,631	4.54%	1,706	4.04%
Income \$35,000 - \$39,999	1,312	5.44%	1,737	4.83%	1,845	4.37%
Income \$40,000 - \$44,999	1,124	4.66%	1,732	4.82%	1,893	4.48%
Income \$45,000 - \$49,999	1,234	5.12%	1,613	4.49%	1,880	4.45%
Income \$50,000 - \$59,999	2,315	9.60%	3,115	8.66%	3,495	8.27%
Income \$60,000 - \$74,999	2,970	12.31%	4,280	11.90%	4,767	11.28%
Income \$75,000 - \$99,999	3,407	14.12%	5,298	14.73%	6,243	14.77%
Income \$100,000 - \$124,999	1,957	8.11%	3,390	9.43%	4,345	10.28%
Income \$125,000 - \$149,999	1,125	4.66%	2,097	5.83%	2,797	6.62%
Income \$150,000 - \$199,999	1,035	4.29%	1,963	5.46%	2,674	6.33%
Income \$200,000 - \$249,999	513	2.13%	978	2.72%	1,399	3.31%
Income \$250,000 - \$499,999	440	1.82%	935	2.60%	1,345	3.18%
Income \$500,000 or more	210	0.87%	444	1.23%	652	1.54%
Median Household Income	\$58,245		\$64,919		\$69,721	
Householder Age 60 - 64	18,809		25,972		35,475	
Income less than \$10,000	1,251	6.65%	1,491	5.74%	1,975	5.57%
Income \$10,000 - \$14,999	700	3.72%	874	3.37%	1,123	3.17%
Income \$15,000 - \$19,999	667	3.55%	868	3.34%	1,105	3.11%
Income \$20,000 - \$24,999	903	4.80%	991	3.82%	1,182	3.33%
Income \$25,000 - \$29,999	1,009	5.36%	1,155	4.45%	1,355	3.82%
Income \$30,000 - \$34,999	1,073	5.70%	1,291	4.97%	1,537	4.33%
Income \$35,000 - \$39,999	1,079	5.74%	1,306	5.03%	1,679	4.73%
Income \$40,000 - \$44,999	908	4.83%	1,279	4.92%	1,630	4.59%
Income \$45,000 - \$49,999	1,002	5.33%	1,234	4.75%	1,626	4.58%
Income \$50,000 - \$59,999	1,755	9.33%	2,300	8.86%	3,064	8.64%

Income \$60,000 - \$74,999	2,160	11.48%	2,918	11.24%	3,888	10.96%
Income \$75,000 - \$99,999	2,477	13.17%	3,618	13.93%	4,910	13.84%
Income \$100,000 - \$124,999	1,418	7.54%	2,344	9.03%	3,436	9.69%
Income \$125,000 - \$149,999	843	4.48%	1,429	5.50%	2,209	6.23%
Income \$150,000 - \$199,999	744	3.96%	1,313	5.06%	2,116	5.96%
Income \$200,000 - \$249,999	365	1.94%	687	2.65%	1,105	3.11%
Income \$250,000 - \$499,999	311	1.65%	589	2.27%	1,022	2.88%
Income \$500,000 or more	144	0.77%	284	1.09%	513	1.45%

**Median Household Income** \$54,630 2006 Estimate \$61,012 2011 Projection \$65,639  
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**Senior Life**

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Household Income by Age of Householder	2000 Census	%	2006 Estimate	%	2011 Projection	%
Householder Age 65 - 69	14,697		18,061		24,812	
Income less than \$10,000	1,159	7.89%	1,269	7.03%	1,553	6.26%
Income \$10,000 - \$14,999	1,081	7.36%	1,047	5.80%	1,262	5.09%
Income \$15,000 - \$19,999	1,128	7.68%	1,182	6.54%	1,421	5.73%
Income \$20,000 - \$24,999	999	6.80%	1,149	6.36%	1,469	5.92%
Income \$25,000 - \$29,999	1,132	7.70%	1,165	6.45%	1,455	5.86%
Income \$30,000 - \$34,999	1,004	6.83%	1,255	6.95%	1,527	6.15%
Income \$35,000 - \$39,999	1,001	6.81%	1,150	6.37%	1,528	6.16%
Income \$40,000 - \$44,999	813	5.53%	1,094	6.06%	1,463	5.90%
Income \$45,000 - \$49,999	821	5.59%	918	5.08%	1,355	5.46%
Income \$50,000 - \$59,999	1,402	9.54%	1,650	9.14%	2,204	8.88%
Income \$60,000 - \$74,999	1,402	9.54%	1,910	10.58%	2,694	10.86%
Income \$75,000 - \$99,999	1,254	8.53%	1,774	9.82%	2,695	10.86%
Income \$100,000 - \$124,999	586	3.99%	1,010	5.59%	1,574	6.34%
Income \$125,000 - \$149,999	293	1.99%	517	2.86%	932	3.76%
Income \$150,000 - \$199,999	282	1.92%	419	2.32%	715	2.88%
Income \$200,000 - \$249,999	176	1.20%	234	1.30%	372	1.50%
Income \$250,000 - \$499,999	127	0.86%	226	1.25%	395	1.59%
Income \$500,000 or more	38	0.26%	93	0.51%	198	0.80%

**Median Household Income** \$39,224 2006 Estimate \$43,719 2011 Projection \$47,686

Household Income by Age of Householder	2000 Census	%	2006 Estimate	%	2011 Projection	%
Householder Age 70 - 74	13,290		13,674		17,061	
Income less than \$10,000	1,184	8.91%	1,005	7.35%	1,177	6.90%
Income \$10,000 - \$14,999	1,107	8.33%	857	6.27%	924	5.42%
Income \$15,000 - \$19,999	1,134	8.53%	1,015	7.42%	1,109	6.50%
Income \$20,000 - \$24,999	977	7.35%	977	7.14%	1,142	6.69%
Income \$25,000 - \$29,999	1,079	8.12%	937	6.85%	1,100	6.45%
Income \$30,000 - \$34,999	924	6.95%	983	7.19%	1,117	6.55%
Income \$35,000 - \$39,999	917	6.90%	870	6.36%	1,074	6.30%
Income \$40,000 - \$44,999	750	5.64%	851	6.22%	998	5.85%
Income \$45,000 - \$49,999	745	5.61%	726	5.31%	948	5.56%
Income \$50,000 - \$59,999	1,167	8.78%	1,241	9.08%	1,514	8.87%
Income \$60,000 - \$74,999	1,106	8.32%	1,328	9.71%	1,715	10.05%
Income \$75,000 - \$99,999	973	7.32%	1,196	8.75%	1,693	9.92%
Income \$100,000 - \$124,999	474	3.57%	662	4.84%	956	5.60%
Income \$125,000 - \$149,999	244	1.84%	363	2.65%	549	3.22%
Income \$150,000 - \$199,999	244	1.84%	309	2.26%	485	2.84%
Income \$200,000 - \$249,999	143	1.08%	158	1.16%	255	1.49%
Income \$250,000 - \$499,999	91	0.68%	151	1.10%	232	1.36%
Income \$500,000 or more	32	0.24%	44	0.32%	70	0.41%

**Median Household Income** \$36,313 2006 Estimate \$41,133 2011 Projection \$44,437  
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**Senior Life**

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Household Income by Age of Householder	2000 Census	%	2006 Estimate	%	2011 Projection	%
Householder Age 75 - 79	15,045		12,194		12,305	

Income less than \$10,000	1,450	9.64%	993	8.14%	911	7.40%
Income \$10,000 - \$14,999	1,693	11.25%	979	8.03%	832	6.76%
Income \$15,000 - \$19,999	1,592	10.58%	1,182	9.69%	1,038	8.44%
Income \$20,000 - \$24,999	1,446	9.61%	1,124	9.22%	1,055	8.57%
Income \$25,000 - \$29,999	1,585	10.54%	1,047	8.59%	1,039	8.44%
Income \$30,000 - \$34,999	1,171	7.78%	1,094	8.97%	1,049	8.52%
Income \$35,000 - \$39,999	855	5.68%	768	6.30%	849	6.90%
Income \$40,000 - \$44,999	922	6.13%	701	5.75%	743	6.04%
Income \$45,000 - \$49,999	649	4.31%	665	5.45%	644	5.23%
Income \$50,000 - \$59,999	906	6.02%	892	7.32%	957	7.78%
Income \$60,000 - \$74,999	900	5.98%	769	6.31%	937	7.61%
Income \$75,000 - \$99,999	686	4.56%	746	6.12%	807	6.56%
Income \$100,000 - \$124,999	489	3.25%	432	3.54%	525	4.27%
Income \$125,000 - \$149,999	173	1.15%	298	2.44%	319	2.59%
Income \$150,000 - \$199,999	186	1.24%	166	1.36%	245	1.99%
Income \$200,000 - \$249,999	188	1.25%	133	1.09%	122	0.99%
Income \$250,000 - \$499,999	123	0.82%	161	1.32%	166	1.35%
Income \$500,000 or more	29	0.19%	43	0.35%	69	0.56%

Median Household Income: \$29,228      \$33,525      \$36,353

Householder Age 90 - 94	9,778		10,561		9,978	
Income less than \$10,000	1,117	11.42%	1,008	9.54%	844	8.46%
Income \$10,000 - \$14,999	1,259	12.88%	941	8.91%	700	7.02%
Income \$15,000 - \$19,999	1,156	11.82%	1,163	11.01%	951	9.53%
Income \$20,000 - \$24,999	964	9.86%	1,072	10.15%	1,016	10.18%
Income \$25,000 - \$29,999	1,015	10.38%	915	8.66%	878	8.80%
Income \$30,000 - \$34,999	741	7.58%	959	9.08%	836	8.38%
Income \$35,000 - \$39,999	531	5.43%	638	6.04%	736	7.38%
Income \$40,000 - \$44,999	558	5.71%	554	5.25%	532	5.33%
Income \$45,000 - \$49,999	390	3.99%	561	5.31%	522	5.23%
Income \$50,000 - \$59,999	509	5.21%	752	7.12%	790	7.92%
Income \$60,000 - \$74,999	501	5.12%	597	5.65%	702	7.04%
Income \$75,000 - \$99,999	401	4.10%	563	5.33%	521	5.22%
Income \$100,000 - \$124,999	236	2.41%	276	2.61%	302	3.03%
Income \$125,000 - \$149,999	108	1.10%	185	1.75%	201	2.01%
Income \$150,000 - \$199,999	118	1.21%	142	1.34%	178	1.78%
Income \$200,000 - \$249,999	96	0.98%	86	0.81%	98	0.98%
Income \$250,000 - \$499,999	68	0.70%	119	1.13%	127	1.27%
Income \$500,000 or more	12	0.12%	32	0.30%	46	0.46%

Median Household Income: \$26,941      \$30,953      \$33,593

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### Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

Household Income by Age of Householder	2000		2006		2011	
	Census	%	Estimate	%	Projection	%
Householder Age 65 and over	6,631		9,836		10,804	
Income less than \$10,000	975	14.70%	1,190	12.10%	1,165	10.78%
Income \$10,000 - \$14,999	1,031	15.55%	1,123	11.42%	999	9.25%
Income \$15,000 - \$19,999	820	12.37%	1,190	12.10%	1,193	11.04%
Income \$20,000 - \$24,999	645	9.73%	979	9.95%	1,060	9.81%
Income \$25,000 - \$29,999	668	10.07%	811	8.25%	944	8.74%
Income \$30,000 - \$34,999	448	6.76%	807	8.20%	846	7.83%
Income \$35,000 - \$39,999	331	4.99%	555	5.64%	706	6.53%
Income \$40,000 - \$44,999	295	4.45%	447	4.54%	531	4.91%
Income \$45,000 - \$49,999	251	3.79%	377	3.83%	455	4.21%
Income \$50,000 - \$59,999	309	4.66%	643	6.54%	688	6.37%
Income \$60,000 - \$74,999	291	4.39%	560	5.69%	735	6.80%
Income \$75,000 - \$99,999	198	2.99%	427	4.34%	543	5.03%
Income \$100,000 - \$124,999	127	1.92%	248	2.52%	321	2.97%
Income \$125,000 - \$149,999	83	1.25%	153	1.56%	185	1.71%
Income \$150,000 - \$199,999	65	0.98%	131	1.33%	189	1.75%
Income \$200,000 - \$249,999	58	0.87%	87	0.88%	104	0.96%
Income \$250,000 - \$499,999	32	0.48%	90	0.92%	109	1.01%
Income \$500,000 or more	6	0.09%	17	0.17%	30	0.28%

<b>Median Household Income</b>	\$23,800		\$27,685		\$30,242	
<b>Households by Household Income</b>	2000 Census	%	2006 Estimate	%	2011 Projection	%
<b>Total Households</b>	361,997		391,527		415,823	
Income less than \$15,000	40,328	11.14%	37,351	9.54%	36,069	8.67%
Income \$15,000 - \$24,999	38,786	10.71%	35,891	9.17%	34,406	8.27%
Income \$25,000 - \$34,999	45,520	12.57%	41,914	10.71%	40,141	9.65%
Income \$35,000 - \$49,999	59,324	16.39%	62,141	15.87%	62,088	14.93%
Income \$50,000 - \$74,999	76,215	21.05%	79,871	20.40%	83,178	20.00%
Income \$75,000 - \$99,999	43,720	12.08%	51,458	13.14%	56,247	13.53%
Income \$100,000 - \$149,999	36,248	10.01%	50,912	13.00%	61,213	14.72%
Income \$150,000 - \$249,999	15,684	4.33%	22,433	5.73%	29,496	7.09%
Income \$250,000 - \$499,999	4,212	1.16%	6,480	1.66%	8,728	2.10%
Income \$500,000 or more	1,961	0.54%	3,075	0.79%	4,257	1.02%
<b>Average Household Income</b>	\$64,329		\$73,832		\$80,615	
<b>Median Household Income</b>	\$49,252		\$55,780		\$60,582	
<b>Per Capita Income</b>	\$26,193		\$29,951		\$32,682	

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### Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

<b>All Owner-Occupied Housing Unit Values</b>	2000 Census	%	2006 Estimate	%	2011 Projection	%
<b>Total All Owner-Occupied Housing Unit Values</b>	214,489		233,275		248,227	
Value Less than \$20,000	3,331	1.55%	2,671	1.15%	2,404	0.97%
Value \$20,000 - \$39,999	3,198	1.49%	3,124	1.34%	3,104	1.25%
Value \$40,000 - \$59,999	3,045	1.42%	2,428	1.04%	2,467	0.99%
Value \$60,000 - \$79,999	3,728	1.74%	2,596	1.11%	2,451	0.99%
Value \$80,000 - \$99,999	6,903	3.22%	3,087	1.32%	2,637	1.06%
Value \$100,000 - \$149,999	43,447	20.26%	17,581	7.54%	12,932	5.21%
Value \$150,000 - \$199,999	63,100	29.42%	43,331	18.58%	30,939	12.46%
Value \$200,000 - \$299,999	51,979	24.23%	84,397	36.18%	91,793	36.98%
Value \$300,000 - \$399,999	18,482	8.62%	36,898	15.82%	43,565	17.55%
Value \$400,000 - \$499,999	8,022	3.74%	15,477	6.63%	24,303	9.79%
Value \$500,000 - \$749,999	5,937	2.77%	13,970	5.99%	19,208	7.74%
Value \$750,000 - \$999,999	1,767	0.82%	4,875	2.09%	8,054	3.24%
Value \$1,000,000 or more	1,552	0.72%	2,840	1.22%	4,369	1.76%

**Median All Owner-Occupied Housing Unit Value** \$184,543 \$249,551 \$273,185

<b>Group Quarters by Population Type*</b>	2000 Census	%	2006 Estimate	%	2011 Projection	%
<b>Institutionalized</b>	5,883		5,994		6,046	
Correctional Institutions	2,063	35.07%	2,118	35.34%	2,121	35.08%
Nursing Homes	3,100	52.69%	3,113	51.94%	3,100	51.27%
Other Institutions	720	12.24%	763	12.73%	825	13.65%
<b>Noninstitutionalized</b>	8,866		9,040		9,140	

<b>Tenure of Occupied Housing Units</b>	2000 Census		2006 Estimate		2011 Projection	
Owner Occupied	214,584		233,275		248,227	
Renter Occupied	147,462		158,252		167,596	

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### Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

2000 Tenure By Age of Householder	Total	%
<b>Total Households</b>	<b>362,073</b>	
<b>Owner Occupied</b>	<b>214,489</b>	
Householder 55 to 59 Years	19,916	9.29%
Householder 60 to 64 Years	13,679	6.38%
Householder 65 to 74 Years	21,993	10.25%
Householder 75 to 84 Years	16,941	7.90%
Householder 85 and over	4,670	2.18%
<b>Renter Occupied</b>	<b>147,584</b>	
Householder 55 to 59 Years	5,815	3.94%
Householder 60 to 64 Years	4,150	2.81%
Householder 65 to 74 Years	6,157	4.17%
Householder 75 to 84 Years	6,513	4.41%
Householder 85 and over	3,872	2.62%

2000 Pop 65 and over by HH Type and Relationship	Total	%
<b>Total Pop 65 and over</b>	<b>92,066</b>	
<b>In Households:</b>	<b>87,908</b>	
<b>In Family Households:</b>	<b>56,854</b>	<b>61.75%</b>
Householder	29,479	32.02%
Male	24,905	27.05%
Female	4,574	4.97%
Spouse	21,148	22.97%
Parent	3,176	3.45%
Other Relatives	2,274	2.47%
Nonrelatives	777	0.84%
<b>In Non-Family Households:</b>	<b>31,055</b>	<b>33.73%</b>
Male householder	7,140	7.76%
Living Alone	6,511	7.07%
Not Living Alone	629	0.68%
Female Householder	22,823	24.79%
Living Alone	22,239	24.16%
Not Living Alone	584	0.63%
Nonrelatives	1,092	1.19%
<b>In Group Quarters:</b>	<b>4,158</b>	
Institutionalized population	3,000	3.26%
Noninstitutionalized population	1,159	1.26%

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### Senior Life

LEGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

2000 Mobility and Disability: Civilian	Total	%	65 Yrs	%
Noninstitutionalized Persons Age 16 and over			And Over	
<b>Total Disability</b>	<b>162,970</b>		<b>68,464</b>	
Sensory Disability	23,822	14.62%	12,134	17.72%
Physical Disability	52,426	32.17%	23,820	34.79%
Mental Disability	31,825	19.53%	9,178	13.41%
Self-Care Disability	14,887	9.13%	7,661	11.19%
Go-Outside-Home Disability	40,010	24.55%	15,670	22.89%

2000 Mobility and Disability: Civilian

65 Yrs

75 Yrs

Noninstitutionalized Persons Age 18 and over		Totals	%	Yrs	%	And Over	%
Disability by Sex by Age		698,539		44,003		45,064	
Male		344,262	49.28%	20,024	45.51%	16,552	36.73%
With a Disability		59,765	8.56%	5,693	12.94%	7,634	16.94%
No Disability		284,497	40.73%	14,331	32.57%	8,918	19.79%
Female		354,277	50.72%	23,979	54.49%	28,512	63.27%
With a Disability		61,687	8.83%	6,130	13.93%	15,149	33.62%
No Disability		292,589	41.89%	17,850	40.57%	13,363	29.65%

2000 Occupied Housing Units		Totals	%	65-74 Yrs	%	75 Yrs And Over	%
Total Units		362,073		28,150		31,995	
With Telephone		357,845	98.83%	27,813	98.80%	31,761	99.27%
No Telephone		4,228	1.17%	336	1.19%	234	0.73%

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### Senior Life

OREGON ST, SHERWOOD, OR 97140-9386, 0.00 - 15.00 Miles, Total

2000 Census Poverty Status in 1999 Families		Totals	%	65-74 Yrs	%	75 Yrs And Over	%
By Household Type by Age of Householder		886,720		44,003		45,064	
Population with Known Poverty Status							
Married-Couple Families		581,578	65.59%	28,771	65.38%	21,393	47.47%
In other Families		124,404	14.03%	2,976	6.76%	3,714	8.24%
Male householder, no wife present		39,750	4.48%	917	2.08%	943	2.09%
Female householder, no husband present		84,654	9.55%	2,059	4.68%	2,770	6.15%
Unrelated individuals		180,738	20.38%	12,256	27.85%	19,957	44.29%
Income At or Above Poverty Level		812,998	91.69%	41,513	94.34%	41,691	92.52%
Married-Couple Families		559,162	63.06%	28,002	63.64%	20,696	45.93%
In other Families		102,465	11.56%	2,796	6.35%	3,534	7.84%
Male householder, no wife present		33,740	3.81%	864	1.96%	878	1.95%
Female householder, no husband present		68,725	7.75%	1,932	4.39%	2,656	5.89%
Unrelated individuals		151,372	17.07%	10,715	24.35%	17,461	38.75%
Income Below Poverty Level		73,722	8.31%	2,489	5.66%	3,373	7.48%
Married-Couple Families		22,416	2.53%	768	1.75%	697	1.55%
In other Families		11,939	2.47%	180	0.41%	180	0.40%
Male householder, no wife present		6,010	0.68%	53	0.12%	65	0.14%
Female householder, no husband present		15,929	1.80%	128	0.29%	115	0.26%
Unrelated individuals		29,366	3.31%	1,541	3.50%	2,496	5.54%

\*In contrast to Claritas Demographic Estimates, "smoothed" data items are Census 2000 tables made consistent with current year estimated and 5 year projected base counts.

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### Senior Life

#### Appendix: Area Listing

Area Name:  
 Type: Radius Reporting Detail: Aggregate Reporting Level: Block Group  
 Radius Definition: 15677 SW OREGON ST Latitude/Longitude 45.358827  
 SHERWOOD, OR 97140-9386 Radius 0.00  
 Project Information:  
 Site: 1  
 Order Number: 964814341  
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**ENGAGEMENT LETTER**

06-1270A

**JAMES BROWN & ASSOCIATES, INC.**

**CONTRACT FOR PROFESSIONAL SERVICES**

AGREEMENT made on December 8, 2006, between Craig Smith, SHNW Properties, referred to as "Client", and James Brown and Associates, Inc., hereinafter referred to as "Company", agree as follows:

15677 NE Oregon St Sherwood OR 97140

**I - IDENTIFICATION:** Clients hereby engages Company, and Company hereby agrees to perform valuation services described as follows: market study of the following: Cedar Creek Assisted Living at 15677 NE., Sherwood, OR 97140.

~~15677 NE Oregon St Sherwood OR 97140~~

**II - PURPOSE AND USE OF MARKET STUDY:** Company agrees to furnish Client three (3) copies of written documents for the purpose of analyzing future demand for an expansion of the facility. The use of the market study is limited to the use by the Client and the City of Sherwood for determining feasibility of an expansion. No other use is authorized unless agreed previously.

**III - PROFESSIONAL STANDARDS:** The market study will be written to meet the Uniform Standards of Professional Market study Practice (USPAP) of the Appraisal Foundation and the Standards of Professional Appraisal Practice of the Appraisal Institute in effect as of the contract date. It is understood by the Client that the market study is subject to review by duly authorized committee members working within the scope of the bylaws and regulations of the Appraisal Institute.

**IV - CLIENT PROVIDED DATA:** Client agrees that data supplied to the Company for the purpose of the market study will be true and accurate to the best of the Client's knowledge. The Client also agrees that all data in his possession that materially impacts value will be forwarded to the Company in a timely manner.

**V - COMPENSATION AND RETAINER:** Client agrees to pay the Company for services, a flat fee of \$2,500, which includes all market study-related expenses. Company requires a receipt of \$1,250.00 as a retainer herein, to be credited against the compensation designated in Article V of this agreement.

**VI - COMPLETION DATE ESTIMATE:** Company agrees to use his best efforts to complete the market study in five (5) weeks from date of receiving signed contract and retainer. Said completion date is an estimate and does not take into consideration pretrial or court time, as well as delays beyond the control of the Company, such as illness, lack of specific necessary data, or Acts of God.

**VII - CANCELLATION:** If Client cancels the assignment, the Client will pay the Company for time at the rate of \$125.00 per hour and expenses to faxed notice of cancellation to the Company's fax number shown below.

**VIII - LIABILITY:** The Company's liability regarding the above services is limited to the amount of the fee and does not extend to third parties.

**IX - COLLECTION:** Client and Company agree that simple interest of one percent (1.0%) per month with a maximum of twelve percent (12%) per annum will accrue on any balance for compensation or expense reimbursement due to Company and remaining unpaid as of the date due. Client also agrees to pay Company reasonable expenses incurred in collecting all amounts due and owing under the terms of this agreement, including court costs and reasonable attorney's fees. Terms: Due on delivery of report, with interest due if not paid within 30 days of delivery.

Approved by Client and Company the date and year first above written. **NOTE:** This proposal may be withdrawn if not accepted within 7 days.

Company  
James Brown  
and Associates, Inc.

Client  
Craig Smith  
SHNW Properties

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Salem, OR 97302  
FAX (503) 363-5988  
PH. (503) 363-5969  
E-Mail james@jbappraiser.com

Appraiser: AARON J. BROWN DATE: December 12, 2006  
Client: CRAIG SMITH DATE: 12/15/06

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