



CAPITAL PROJECT REQUEST

Capital Expenditure Committee: November 2006

Project: **"Gopher Place"**
 Market: Gopherville
 Prototype: P04.383-MSP
 Developer: Henderson Associates
 Address: SWC of Hudson and Elk
 Anchors: Freestanding
 Open: October, 2007
 Size: 127,000
 Own/Lease: Own

FINANCIAL SUMMARY

TOTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$26,000	\$2,745
5th year 2005 Equivalent	\$35,100	\$5,688
Sales maturity	1.35	0.09

INCREMENTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$22,800	(\$455)
5th year 2005 Equivalent	\$35,100	\$5,688
Sales maturity	1.54	0.27

INVESTMENT	Project	B/(P) Proto
Land	\$3,205	\$264
Sitework	3,164	(580)
Subtotal	\$6,369	(\$315)
Building	15,420	(5,052)
Other	1,227	(96)
Total Net Investment	\$23,016	(\$5,463)

VALUE	IRR	NPV	B/(P) Proto
Store	12.7%	\$13,201	\$2,493
Credit	8.1%	\$3,554	\$544
TOTAL	12.3%	\$16,755	\$3,038

STORE SENSITIVITIES

HURDLE ADJUSTMENT	NPV	IRR
Sales	(5.3%)	2.2%
Gross Margin	(0.72)	0.29
Construction (Building & Sitework)	\$3,102	(\$751)
Full Transfer Impact	2.3%	9.3%

RISK/OPPORTUNITY

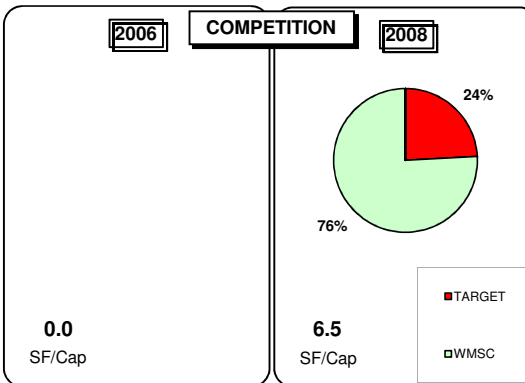
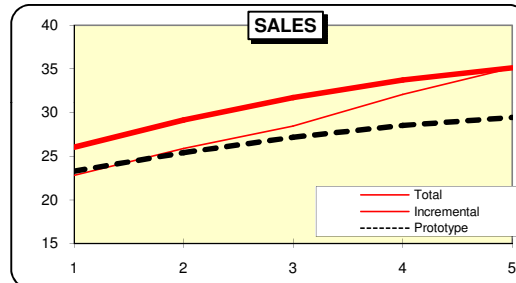
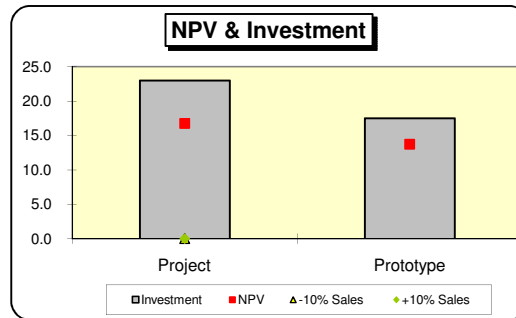
10% sales decline	(\$4,722)	(1.3)
1 pp GM decline	(\$3,481)	(0.9)
10% Const. cost increase	(\$1,494)	(0.6)
Market margin, wage rate, etc.	(\$5,434)	(1.5)
10% sales increase	\$4,621	1.2

VARIANCE TO PROTOTYPE

Land	\$287	0.1
Non-Land Investment	(\$4,741)	(2.6)
Sales	\$6,331	1.9
Real Estate Tax	\$615	0.2

P&L SUMMARY

EBIT IMPACT	Project	B/(P) Proto
Thru Open Yr	(\$567)	(\$97)
5th Yr	\$4,452	\$886



INVESTMENT DETAIL

Land	Acres:	9.78	Sitework	Pro Rata, Maximum
	PSF:	\$7.52	RE Tax-Per Corp Tax	\$136
	Closing:	11/2006	B/(P) Proto	\$62
Options	Garden Center, Seismic			

BUILDING COST VS. PROTOTYPE

Subgeographic	(\$1,238)
Proto Update	(117)
Market Conditions	(1,158)
Government Fees	(1,049)
Architectural	(485)
Technical	(615)
Procurement	(239)
A/E Fees	(81)
Signs	6
Contingency	(75)
Total Variance	(\$5,052)

INCENTIVE SUMMARY

None Available	Vendor Fee	\$0
	Legal Fee	\$0

DEMOGRAPHICS

Characteristics	MSA	Trade Area	3-Mile Radius
2005 Population (000's)	650	70	16
2000-2005 Growth	15.0%	27.0%	20.0%
Median HH Income	\$46,700	\$56,400	\$59,400
# HH +\$50,000 (000's)	97	11	3
% Adults 4+ Yrs. College, 2005	15%	12%	11%

- ## COMMENTS
- Target currently operates 5 stores in the market.
 - Transfer Sales: T-1526: 8% (7 miles E) derives 19% of sales from the proposed trade area.
 - R&P Sales assume Wal-Mart relocates a store to a Supercenter in 2007; Wal-Mart adds an additional Supercenter in Badgerville in 2008.



CAPITAL PROJECT REQUEST

Capital Expenditure Committee: November 2006

Project: **"Whalen Court"**
 Market: Buildback Open: October, 2008
 Prototype: Unique Single Level Size: 173,585
 Developer: Sawicky and Co. Own/Lease: Lease
 Address: NWQ of Gopher and High Investment Blvd.
 Anchors: Home Depot, Best Buy

FINANCIAL SUMMARY

TOTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$86,000	\$52,185
5th year 2005 Equivalent	\$111,800	\$69,031
Sales maturity	1.30	0.04

INCREMENTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$79,600	\$45,785
5th year 2005 Equivalent	\$111,800	\$69,031
Sales maturity	1.40	0.14

INVESTMENT	Project	B/(P) Proto
Lease	\$87,309	(\$78,855)
Sitework	0	3,796
Subtotal	\$87,309	(\$75,059)
Building	29,434	(15,128)
Other	2,520	93
Total Net Investment	\$119,263	(\$90,094)

VALUE	IRR	NPV	B/(P) Proto
Store	9.9%	\$14,225	(\$3,174)
Credit	8.2%	\$11,650	\$7,164
TOTAL	9.8%	\$25,875	\$3,989

STORE SENSITIVITIES

HURDLE ADJUSTMENT	NPV	IRR
Sales	1.9%	31.1%
Gross Margin	0.28	4.58
Construction (Building & Sitework)	(\$4,289)	(\$41,070)
Full Transfer Impact	7.7%	36.3%

RISK/OPPORTUNITY

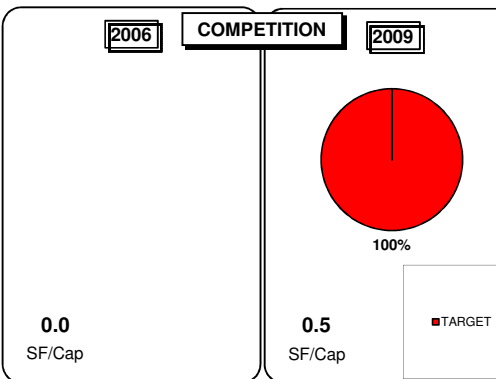
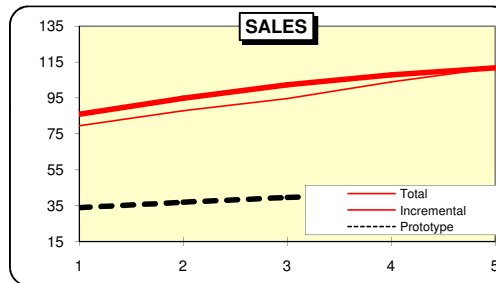
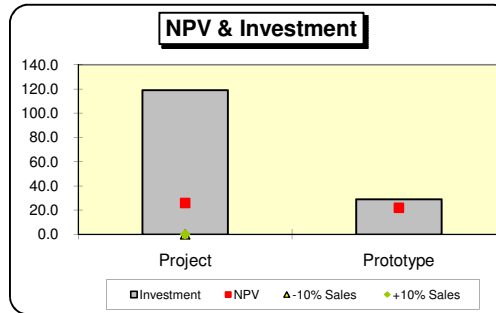
10% sales decline	(\$16,611)	(1.0)
1 pp GM decline	(\$11,494)	(0.7)
10% Const. cost increase	(\$2,178)	(0.1)
Market margin, wage rate, etc.	(\$16,877)	(1.1)
10% sales increase	\$16,647	1.0

VARIANCE TO PROTOTYPE

Lease	(\$78,912)	(15.1)
Non-Land Investment	(\$10,168)	(7.9)
Sales	\$99,963	22.9
Real Estate Tax	(\$637)	(0.2)

P&L SUMMARY

EBIT IMPACT	Project	B/(P) Proto
Thru Open Yr	(\$1,599)	(\$1,136)
5th Yr	\$14,034	\$8,509



INVESTMENT DETAIL

Lease	Type: Building Lease	Sitework	N/A
	Rent: Prepay+\$3.3K	RE Tax (net of abatement)	\$358
	Closing: 10/2006	B/(P) Proto	(\$60)
Options	L4: Unique Risk Security, District Office, 13k sf Exp. Stock, 2nd Lvl Stock		

BUILDING COST VS. PROTOTYPE

Subgeographic	(\$1,200)
Proto Update	(124)
Market Conditions	0
Government Fees	0
Architectural	0
Technical	(7,927)
Procurement	(2,429)
A/E Fees	(428)
Signs	(18)
Contingency	(3,000)
Total Variance	(\$15,128)

INCENTIVE SUMMARY

Vendor Fee	\$92
Legal Fee	\$0

DEMOGRAPHICS

Characteristics	MSA	Trade Area	3-Mile Radius
2005 Population (000's)	18,768	632	1,248
2000-2005 Growth	2.0%	3.0%	2.0%
Median HH Income	\$57,200	\$48,500	\$43,800
# HH +\$50,000 (000's)	3,750	143	238
% Adults 4+ Yrs. College, 2005	30%	45%	37%

COMMENTS

See attached for additional information.



CAPITAL PROJECT REQUEST

Capital Expenditure Committee: November 2006

Project: **"The Barn"**
 Market: Moose Land Open: March, 2007
 Prototype: P04.383-MSP Size: 126,842
 Developer: Hulbert Ventures Own/Lease: Own
 Address: NWQ of Badger and Wolverine
 Anchors: Lowe's

FINANCIAL SUMMARY

TOTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$24,000	\$2,043
5th year 2005 Equivalent	\$30,500	\$2,729
Sales maturity	1.27	0.01

INVESTMENT

	Project	B/(P) Proto
Land	\$10	\$3,390
Sitework	2,303	290
Subtotal	\$2,313	\$3,680
Building	9,705	(378)
Other	998	121
Total Net Investment	\$13,017	\$3,423

VALUE	IRR	NPV	B/(P) Proto
Store	17.5%	\$17,406	\$7,326
Credit	8.2%	\$3,121	\$279
TOTAL	16.4%	\$20,527	\$7,605

STORE SENSITIVITIES

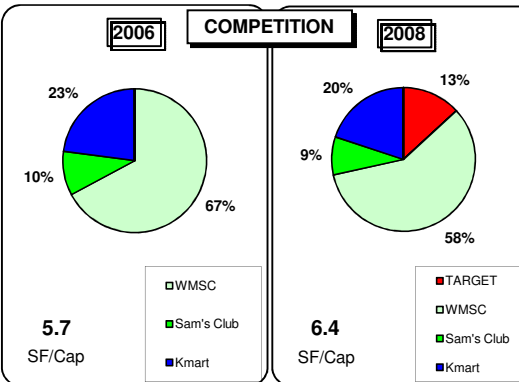
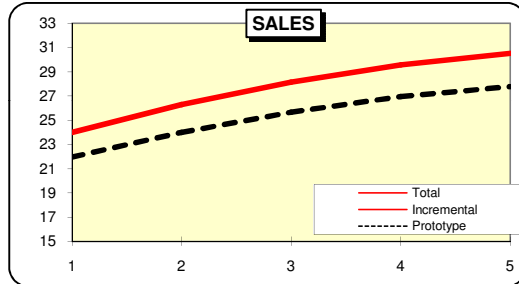
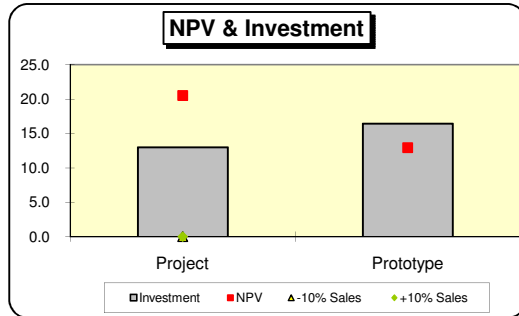
HURDLE ADJUSTMENT	NPV	IRR
Sales	(18.1%)	(23.2%)
Gross Margin	(2.35)	(3.04)
Construction (Building & Sitework)	\$8,908	\$6,973

RISK/OPPORTUNITY

10% sales decline	(\$4,066)	(1.9)
1 pp GM decline	(\$3,111)	(1.5)
10% Const. cost increase	(\$988)	(1.0)
Market margin, wage rate, etc.	(\$2,999)	(1.4)
10% sales increase	\$4,096	1.9

VARIANCE TO PROTOTYPE

Land	\$3,675	3.2
Non-Land Investment	(\$570)	(0.3)
Sales	\$3,603	1.4
Real Estate Tax	\$617	0.2



INVESTMENT DETAIL

Land	Acres: 11.48	Sitework	Fixed Cost
	PSF: \$0.02	RE Tax-Per Corp Tax	\$136
	Closing: 4/2006	B/(P) Proto	\$62
Options	L3: Enhanced Risk Security		

BUILDING COST VS. PROTOTYPE

Subgeographic	\$523
Proto Update	(22)
Market Conditions	(410)
Government Fees	0
Architectural	(95)
Technical	(122)
Procurement	(91)
A/E Fees	(76)
Signs	(9)
Contingency	(75)
Total Variance	(\$378)

INCENTIVE SUMMARY

None Available	Vendor Fee	\$0
	Legal Fee	\$0

DEMOGRAPHICS

Characteristics	MSA	Trade Area	3-Mile Radius
2005 Population (000's)	135	151	19
2000-2005 Growth	3.0%	3.0%	7.0%
Median HH Income	\$36,600	\$38,200	\$47,300
# HH +\$50,000 (000's)	20	22	4
% Adults 4+ Yrs. College, 2005	16%	17%	34%

COMMENTS

- Target is entering a new small market. The nearest Target stores are 80 miles NE, 80 miles S, 90 miles NW.
- R&P Sales assume Target is part of a major retail development of 600K sf.
- See attached Resubmission Summary.



CAPITAL PROJECT REQUEST

Capital Expenditure Committee: November 2006

Project: **"Goldie's Square"**
 Market: Goldie Country Open: October, 2007
 Prototype: SUP04M Size: 173,770
 Developer: Barsky Enterprises Own/Lease: Own
 Address: SWQ of Ocean and Beach
 Anchors: JC Penney, Circuit City, Borders, Bed Bath & Beyond, Ross

FINANCIAL SUMMARY

TOTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$34,000	(\$10,304)
5th year 2005 Equivalent	\$42,000	(\$14,036)
Sales maturity	1.24	(0.03)

INCREMENTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$25,900	(\$18,404)
5th year 2005 Equivalent	\$42,000	(\$14,036)
Sales maturity	1.62	0.36

INVESTMENT	Project	B/(P) Proto
Land	\$3,615	\$1,385
Sitework	3,695	(425)
Subtotal	\$7,310	\$960
Building	14,969	(313)
Other	1,660	48
Total Net Investment	\$23,939	\$694

VALUE	IRR	NPV	B/(P) Proto
Store	8.1%	(\$3,319)	(\$18,222)
Credit	8.1%	\$3,635	(\$1,294)
TOTAL	8.1%	\$317	(\$19,516)

STORE SENSITIVITIES

HURDLE ADJUSTMENT	NPV	IRR
Sales	45.1%	47.2%
Gross Margin	4.64	4.91
Construction (Building & Sitework)	(\$22,167)	(\$14,576)
Full Transfer Impact	62.5%	63.1%

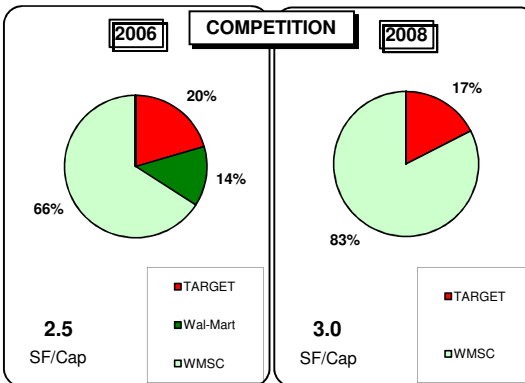
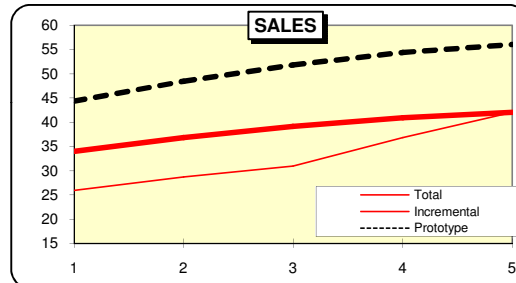
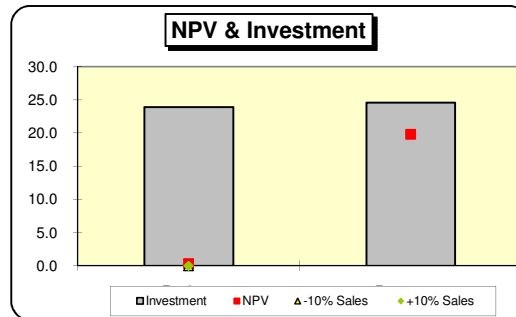
RISK/OPPORTUNITY	NPV	IRR
10% sales decline	(\$4,073)	(1.1)
1 pp GM decline	(\$3,929)	(1.1)
10% Const. cost increase	(\$1,470)	(0.3)
Market margin, wage rate, etc.	\$6,059	1.6
10% sales increase	\$4,008	1.1

VARIANCE TO PROTOTYPE

Land	\$1,501	0.3
Non-Land Investment	(\$581)	(0.1)
Sales	(\$16,455)	(4.4)
Real Estate Tax	(\$2,682)	(0.7)

P&L SUMMARY

EBIT IMPACT	Project	B/(P) Proto
Thru Open Yr	(\$1,921)	(\$654)
5th Yr	\$2,951	(\$2,343)



INVESTMENT DETAIL

Land	Acres: 11.69	Sitework	Fixed Cost
	PSF: \$7.10	RE Tax-Per Corp Tax	\$539
	Closing: 8/2006	B/(P) Proto	(\$269)
Options	None		

BUILDING COST VS. PROTOTYPE

Subgeographic	\$829
Proto Update	(153)
Market Conditions	545
Government Fees	0
Architectural	(469)
Technical	(799)
Procurement	(170)
A/E Fees	(71)
Signs	50
Contingency	(75)
Total Variance	(\$313)

INCENTIVE SUMMARY

None Available	Vendor Fee	\$0
	Legal Fee	\$0

DEMOGRAPHICS

Characteristics	MSA	Trade Area	3-Mile Radius
2005 Population (000's)	1,415	222	67
2000-2005 Growth	13.0%	16.0%	4.0%
Median HH Income	\$56,100	\$56,000	\$50,000
# HH +\$50,000 (000's)	291	41	12
% Adults 4+ Yrs. College, 2005	36%	24%	26%

COMMENTS

- Target currently operates 12 stores in the market. Total Target buildout for this market is currently estimated at 24 of which 7 are active/near term opportunities. Build out will include 12 SuperTarget units, 50% of the total.
- Transfer Sales: 25% from a store located 2.1 miles NE; 4% from a store located 7 miles N; 25% of sales from a store 4 miles away.
- General Merchandise/Hardlines C Mix: 82/18.
- Alternatives to this buildback scenario:
 - >Relo: T-683 closes when Goldie's Square opens: Total NPV: \$6M; Total IRR: 9.3%.
 - >T-683 closes 1 yr after Goldie's Square opens: Total NPV: \$3.9M; Total IRR: 8.9%.
 - >T-683 closes 2 yrs after Goldie's Square opens: Total NPV: \$3.6M; Total IRR: 8.9%.



CAPITAL PROJECT REQUEST

Capital Expenditure Committee: November 2006

Project: **"Stadium Remodel"**
 Market: Boardwalk
 Scope: Interior Remodel
 Prototype Before & After: SUP1.1 / S04
 Expansion Availability: Not Site Constrained
 Offsite Whse/Dist Office: N/A
 Remodel Cycle: Cycle 3 2007
 Last Remodel: NA
 Own/Lease: Own
 Sides Before & After: 484 / 455
 POG Length: 24/28'

FINANCIAL SUMMARY

TOTAL R&P SALES	Project	B/(P) Proto
1st year 2005 Equivalent	\$64,000	\$19,677
5th year 2005 Equivalent	\$64,000	\$7,940
Sales maturity	1.00	(0.26)

INCREMENTAL R&P SALES

	Project	
1st year 2005 Equivalent	\$9,300	
5th year 2005 Equivalent	\$9,300	
Sales maturity	1.00	

INVESTMENT

	Project	B/(P) Proto
Land	\$0	\$5,000
Sitework	1,173	2,097
Subtotal	\$1,173	\$7,097
Building	12,411	2,245
Other	3,271	(1,618)
Total Net Investment	\$16,855	\$7,724

VALUE	IRR	NPV
Store	12.5%	\$14,911
Credit	4.6%	\$828
TOTAL	10.8%	\$15,739

STORE SENSITIVITIES

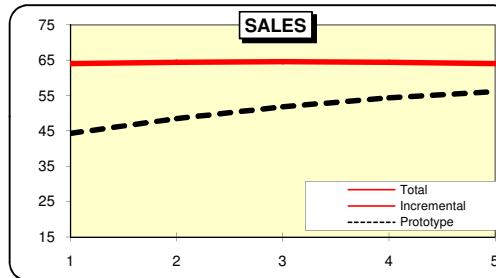
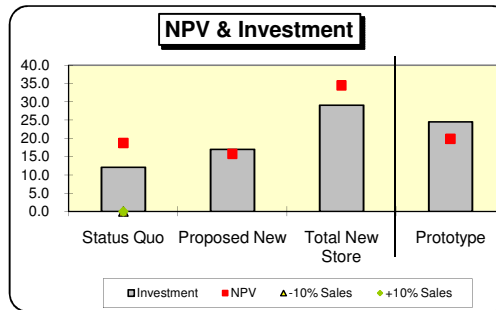
HURDLE ADJUSTMENT	NPV	IRR
Sales		
Gross Margin		
Construction (Building & Sitework)	Remodel	

RISK/OPPORTUNITY

10% sales decline	(\$7,854)	(1.8)
1 pp GM decline	(\$6,457)	(1.5)
10% Const. cost increase	(\$910)	(0.3)
Market margin, wage rate, etc.	(\$11,317)	(2.7)
10% sales increase	\$6,216	1.5

P&L SUMMARY

EBIT IMPACT	Project	B/(P) Proto
Thru Open Yr	(\$6,103)	(\$4,812)
5th Yr	\$1,272	(\$4,025)



PROJECT DETAIL

Write Off	\$1061 (\$657 Bldg, \$43 Roof, \$361 Other)
RE Tax-Per Corp Tax	\$332
B/(P) Proto	(\$62)

SQUARE FOOTAGE

	Total	Sales	Stock	Support
Original Sq Ft	203,300	153,019	35,245	15,036
Additional Sq Ft	-	(10,544)	12,870	(2,326)
Total Sq Ft After Remodel	203,300	142,475	48,115	12,710

SUP04 Prototype	177,376	136,616	27,500	13,260
B/(P) Prototype	25,924	5,859	20,615	(550)
B/(P) Guide 1st FY			20,615	

DEMOGRAPHICS

Characteristics	MSA	Trade Area	3-Mile Radius
2005 Population (000's)	806	113	84
2000-2005 Growth	5.0%	16.0%	15.0%
Median HH Income	\$50,774	\$65,931	\$64,597
# HH +\$50,000 (000's)	158	29	21
% Adults 4+ Yrs. College, 2005	28%	42%	44%

COMMENTS

- Entered market in 1972. Currently operate 8 stores in this market.
- A successful store at a strong long-term location serving an affluent family-oriented trade area.
- 2006 YTD Sales Trend: -0.9%.
- Post-remodel sales assume a 17% sales lift over R&P base case sales. Base case sales assume a (10%) impact from buildback (3.3 miles, October 2007); the store is also in the process of being impacted by Park Place South.
- Current Value of T-0530: \$18.8M; R&P base case sales; Prototypical Interior Remodel in 2007; Tax benefit of depreciable property write-off: \$0.4M; Rank: 783 of 1395.
- General Merchandise/Hardlines C Mix: 68/32; based on T-0530 historical trend.
- Options: New Entrance System, Relocate Pharmacy, Relocate Electrical Room.
- Scope: Refrigeration Replacement, 4 Phases of Grocery Staging, Flooring Replacement, Roof Replacement, Temp Pharmacy, New Food Avenue, New Starbucks, New Optical, New Portrait Studio, New Signage.