

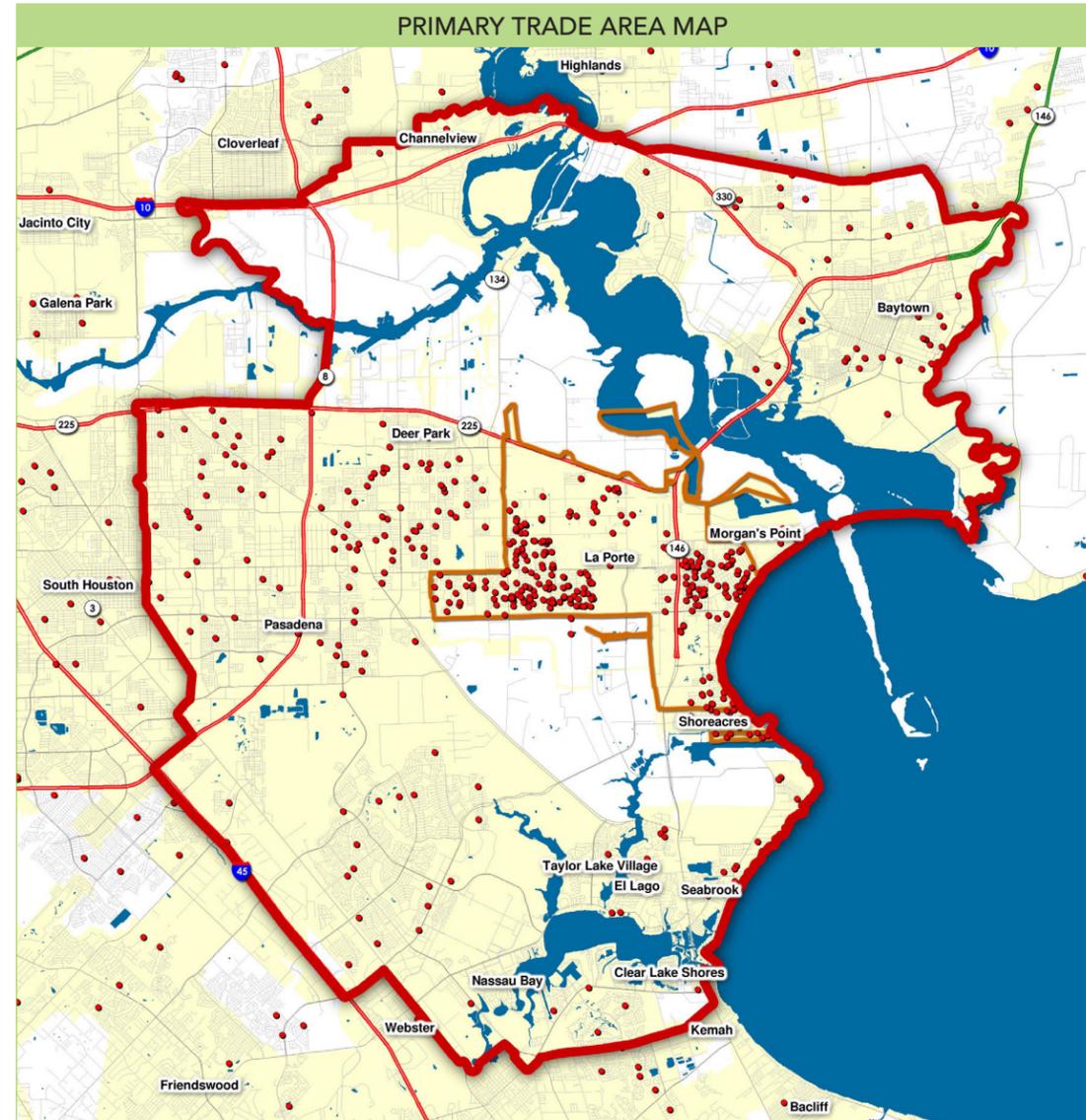
PRIMARY TRADE AREA

Understanding where your target customers originate is a crucial step in any retail recruitment initiative, and an accurate delineation of the trade area in which retailers can reasonably expect to attract customers is the first step in this process. Additionally, identifying the demographic profile of the consumers which are currently shopping at a specific location is helpful in understanding success factors, identifying potential complementary tenants and developing marketing strategies for a particular retail district and corridor, as well as, individual businesses. Catalyst delineated the Primary Trade Area (PTA) by sampling retail customers from various retail locations in and around La Porte to determine the customer's point of origin in relation to various retail locations in and around La Porte. While retailers, land developers, and real estate brokers have traditionally used radius rings and/or drive times to quickly compare prospective sites against one another, more often than not, such arbitrary measures do not accurately depict actual consumer trading patterns and there are alternate methods available for the decision making process of retailers today.

To delineate the Primary Trade Area (PTA), Catalyst collected approximately 1,600 customer intercepts between the dates of March 26, 2013 and March 29, 2013. Catalyst collected samples from multiple locations in La Porte including:

1. Downtown on Main Street between State Highway 146 and Broadway Street
2. Fairporte Green on the southwest corner of Fairmont Parkway and State Highway 146 (Burger King, Pizza Hut, Subway, and WingStreet)
3. Gringo's Mexican Restaurant on Underwood Road, north of Spencer Highway
4. Fairmont Kroger Center on the northwest corner of Fairmont Parkway and State Highway 146 (Denny's, Jack in the Box, KFC, Kroger, Quizno's, Pizza Hut, Taco Bell)

A Primary Trade area is defined as the geography which represents the closest 65% - 75% of the customer base. For the purposes of this study, Catalyst used 65% catchment, net of the furthest 5% customer base (outliers), within the closest census tracts as one method of determining the Primary Trade Area for La Porte.



(Source: Catalyst)

LA PORTE PRIMARY TRADE AREA SUMMARY	
2012 Population	382,969
2017 Population	403,956
Median Household Income	\$53,917
Average Household Income	\$72,023
Average Household Size	2.75
Median Age	33.9

(Source: ESRI)

The La Porte Primary Trade Area is approximately 19 miles tall, 18 miles wide, and has a population of 382,969 people.

DRIVE TIME ANALYSIS

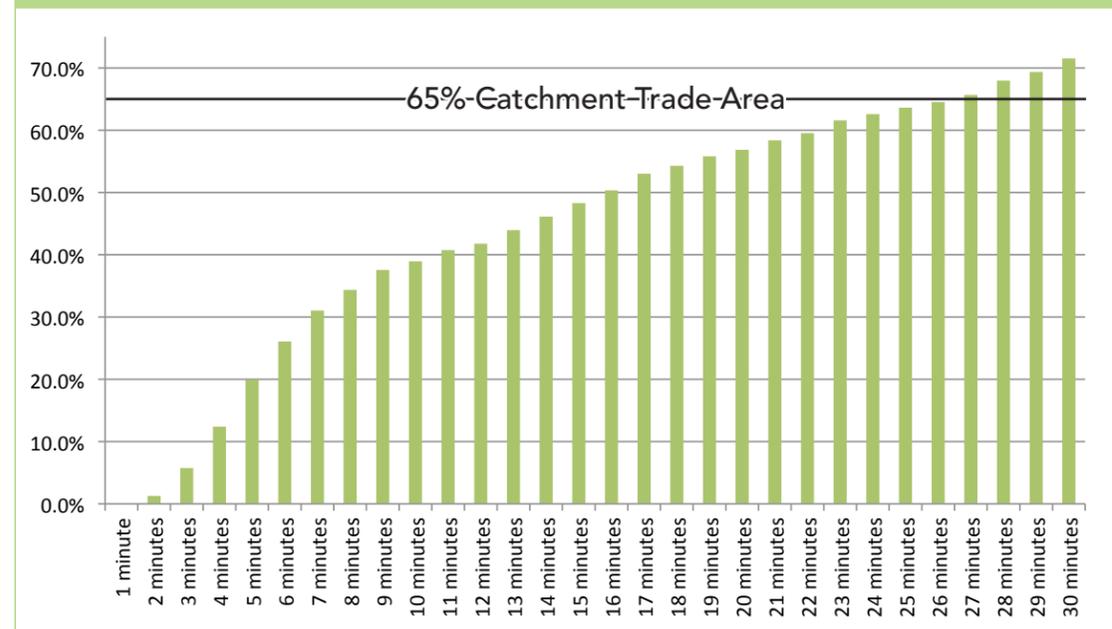
Drive time analysis is useful when understanding impact from one region or store to another, but is not as accurate in identifying the constraints of the actual Primary Trade Area (PTA) for the City of La Porte. Drive time based trade areas are often used to analyze trade area characteristics and are useful for comparison of proposed sites and against both existing store locations, as well as, other prospective site locations. Using a drive time geography, a 27 minute drive time from the intersection of Sens Road and Spencer Highway (red dot on map) captures approximately 65.7% of the customer samples collected by Catalyst.

As seen in the map to the right, the La Porte Drive Time geography is greatly impacted by the access to State Highway 146 and State Highway 225, as well as the proximity to Galveston Bay.

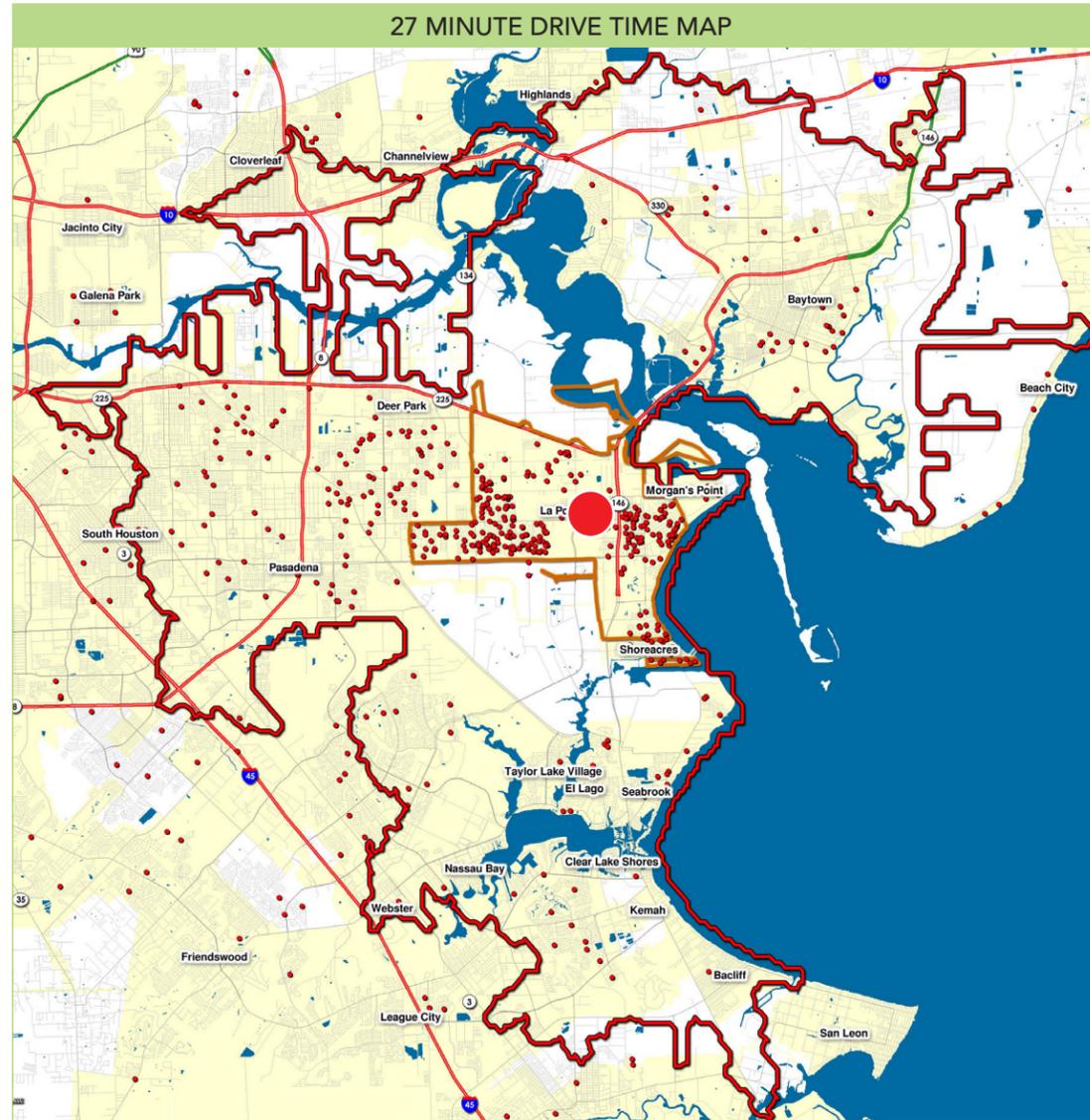
GEOGRAPHY	CATCHMENT
1 Minute Drive Time	0.0%
5 Minute Drive Time	19.9%
10 Minute Drive Time	39.0%
15 Minute Drive Time	48.3%
20 Minute Drive Time	56.8%
21 Minute Drive Time	58.4%
22 Minute Drive Time	59.5%

GEOGRAPHY	CATCHMENT
23 Minute Drive Time	61.6%
24 Minute Drive Time	62.6%
25 Minute Drive Time	63.6%
26 Minute Drive Time	64.5%
27 Minute Drive Time	65.7%
28 Minute Drive Time	68.0%
29 Minute Drive Time	69.4%

DRIVE TIME CATCHMENT CHART



(Source: Catalyst)



(Source: Catalyst)

DRIVE TIME TRADE AREA SUMMARY

2012 Population	1,063,729
2017 Population	1,126,529
Median Household Income	\$44,146
Average Household Income	\$60,542
Average Household Size	2.94
Median Age	31.8

(Source: ESRI)

Using Drive Time methodology, the La Porte Primary Trade Area is approximately 27 minutes in size, and home to over 1 million people.

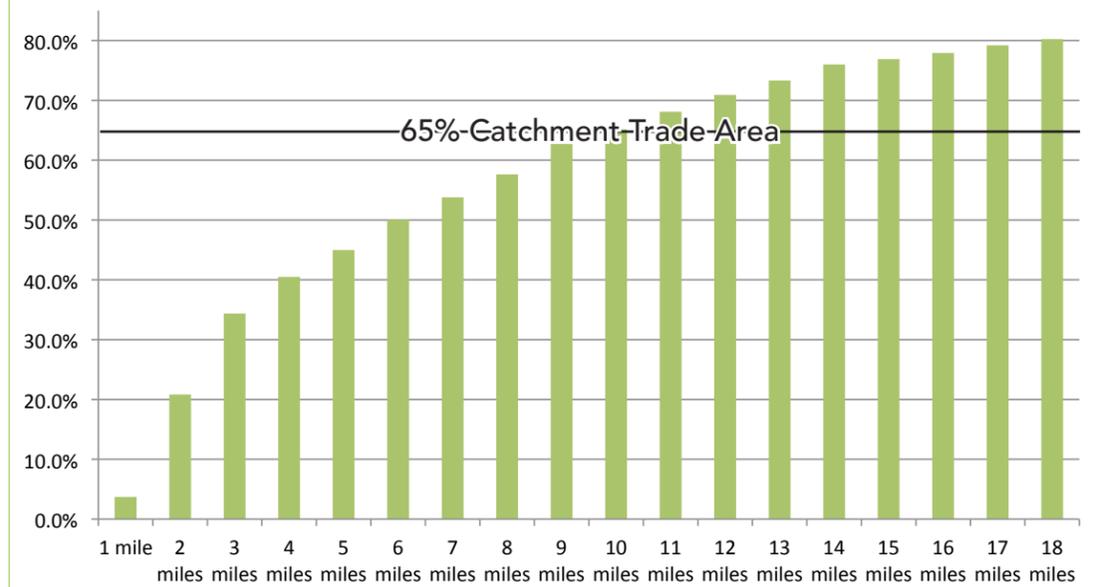
CONCENTRIC RING ANALYSIS

Traditional concentric rings are another method used to quickly analyze trade area characteristics, but are not as accurate in identifying existing constraints of the actual Primary Trade Area (PTA) for the City of La Porte. Retailers use concentric ring studies for quick comparisons of both existing stores and prospective new locations. Using a concentric ring geography, a 10 mile radius from the intersection of Sens Road and Spencer Highway (red dot on map) captures approximately 65.2% of the customer samples collected by Catalyst.

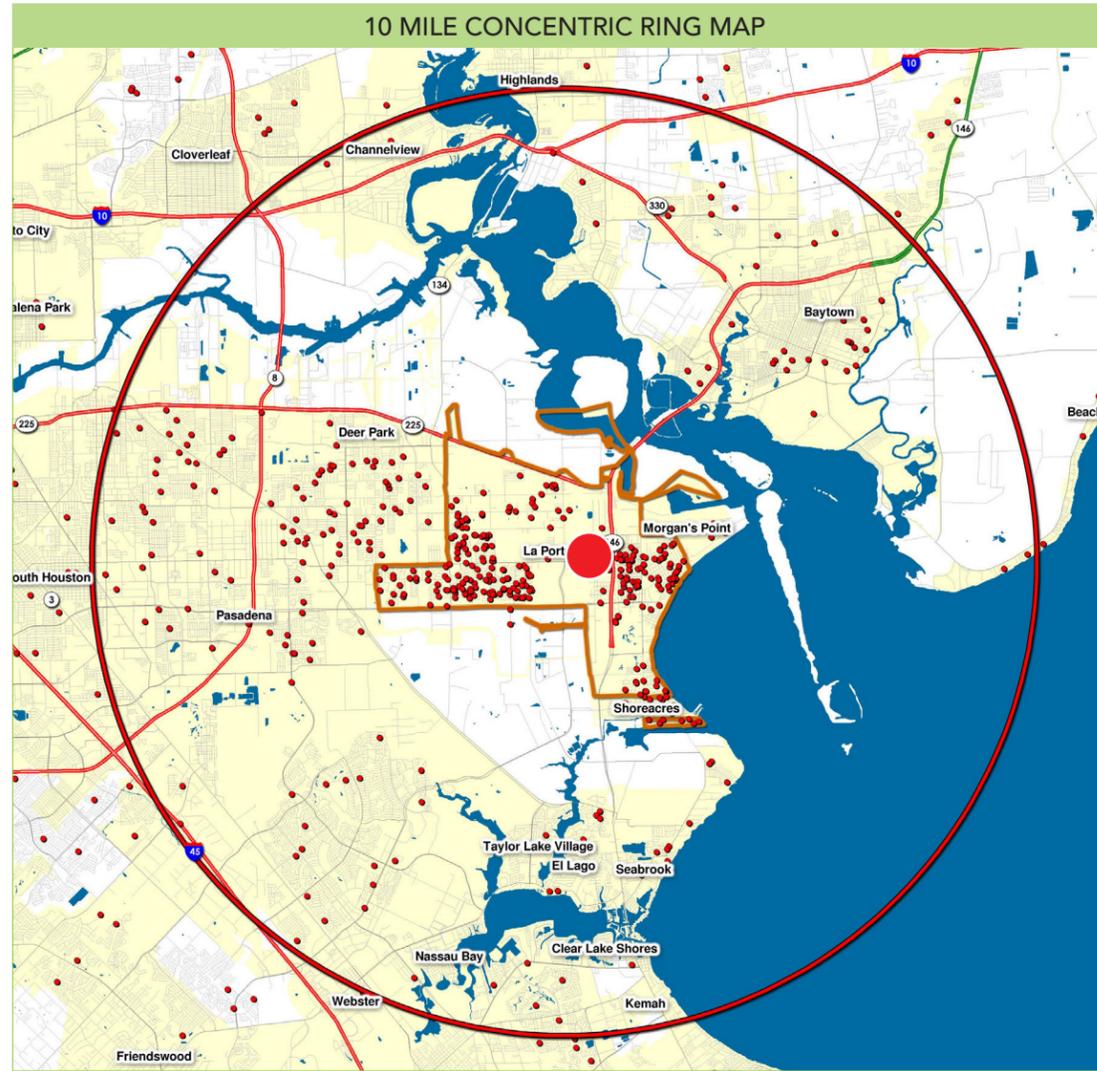
GEOGRAPHY	CATCHMENT
1 Mile Ring	3.7%
2 Mile Ring	20.8%
3 Mile Ring	34.4%
4 Mile Ring	40.5%
5 Mile Ring	45.0%
6 Mile Ring	50.1%
7 Mile Ring	53.8%
8 Mile Ring	57.6%
9 Mile Ring	62.7%
10 Mile Ring	65.2%

GEOGRAPHY	CATCHMENT
11 Mile Ring	68.1%
12 Mile Ring	70.9%
13 Mile Ring	73.3%
14 Mile Ring	76.0%
15 Mile Ring	76.9%
16 Mile Ring	77.9%
17 Mile Ring	79.2%
18 Mile Ring	80.2%
19 Mile Ring	81.4%
20 Mile Ring	82.1%

RING CATCHMENT CHART



(Source: Catalyst)



(Source: Catalyst)

CONCENTRIC RING TRADE AREA SUMMARY

2012 Population	401,143
2017 Population	423,233
Median Household Income	\$53,675
Average Household Income	\$71,621
Average Household Size	2.75
Median Age	33.8

(Source: ESRI)

Using Concentric Ring methodology, the La Porte Primary Trade Area has a radius of 10 miles and a population of 401,143 people.