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RETAIL ANALYSIS & MERCHANDISING PLAN

presented to:

CITY OF LA PORTE TEXAS

October 2013

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City of La Porte, Texas
604 W Fairmont Parkway
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Mr. Livingston,

Catalyst Commercial, Inc. has been retained by the City of La Porte to delineate and conduct an analysis of La Porte's retail Primary Trade Area (PTA). The purpose of the retail trade area analysis is to develop a retail strategy that has the highest propensity for success to fill vacant retail space and attract new retailers given the assets and demand drivers already in existence in La Porte.

Catalyst has observed the retail trading patterns from retail located within the City of La Porte and the surrounding competing nodes (Baybrook, Baytown, Clear Lake/Kemah, Deer Park, and Pasadena) to delineate the City of La Porte Primary Trade Area (PTA). Demographic and pyschographic profiles of this PTA were analyzed to determine customer spending propensities to determine the retail categories that should be best received by the La Porte retail market. The results of this Merchandising Plan are reflective of current market trends within the PTA. The intent of seeking these results has been to ensure that future development within La Porte will be consistent with market and economic factors and align with the internal objectives of the City of La Porte and its residents. The following is the result of the analysis conducted by Catalyst, as well as, the methodologies and rationales used to generate those outputs.

We look forward to working with the City of La Porte in its continued success.

Best Regards,

Jason Claunch
President
Catalyst Commercial, Inc.

PRIMARY TRADE AREA

The La Porte Primary Trade Area (PTA) is home to 382,969 people. This PTA is similar in size to a 27 minute drive time or a 10 mile ring. The average suburban market in Texas is 16 minutes and 7 miles. The proximity to Galveston Bay increases the size of the trade area due to the lack of supply in surrounding region, or willingness of customers to travel further than average for uses in La Porte. The people that make up this PTA currently have a median household income of $53,917 and is expected to grow to $60,765 by 2017, a 12.7% growth. The 2012 average income for the La Porte PTA is $72,023 and is expected to grow to $80,794, a 12.2% growth. The population of the PTA is expected to grow to 403,956 by 2017, a 1.1% annual growth rate. The average household size is 2.75 and the median age is 33.9. The population is 74.0% white, 40.3% Hispanic, and 32.0% college graduates.

TRAFFIC COUNTS

The traffic counts in La Porte are highest along State Highway 146 and State Highway 225. The highest counts are State Highway 146, south of State Highway 225 at 116,710 vehicles per day (source: MPSI 2013) and State Highway 225, east of Underwood Road at 101,624 vehicles per day (source: MPSI 2013).

Most suburban intersections have an average traffic volume of 20,000-40,000 vehicles per day (VPD) on the low end, and average 40,000-60,000 VPD on the high end. State Highway 146 is a significant corridor and affords strong access, good visibility to surrounding retail, and higher than average traffic counts.

RETAIL SUMMARY

Catalyst conducted a merchant matrix within the city limits of La Porte. In this process, retailers were mapped and categorized. The categories with the highest count of retailers are as follows:

1. Convenience Store (NAICS 445120) - 28 locations
2. Hair Cutter/Salon (NAICS 812112) - 12 locations
3. Bank (NAICS 522110) - 9 locations
4. Hotel (NAICS 721110) - 9 units
5. Fast Food - Burger (NAICS 722211) - 7 locations

VISITOR ECONOMY

The City of La Porte has four major visitor generators: These are the, 1. San Jacinto Monument, which has 250,000 visitors annually, 2. the Battleship Texas, which has 100,000 visitors annually, 3. Sylvan Beach Park, which is the only public beach in Harris County, with approximately 100,000 visitors annually, and 4. the Bay Forest Golf Course which has 22,000 visitors annually.

Catalyst research shows local visitors spend approximately $70/day and non-local visitors spend approximately $90/day. A strong visitor economy can strengthen hotel demand, provide additional demand for retail and restaurants, and increase the footprint of the regional economy with entertainment uses. Catalyst recommends a strategy to strengthen visitor economy with additional entertainment and destination uses which enhance visitor traffic to La Porte.

WORKFORCE

The City of La Porte and the La Porte ETJ has significant workforce population. The following are a few major employers in La Porte and the La Porte ETJ:

1. Aker Industrial Contractors, Inc. - 1,500 employees
2. Total Petrochemicals USA, Inc. - 1,500 employees
3. La Porte Independent School District - 1,200 employees
4. International Plant Services LLC - 1,000 employees
5. Rockwood Service Corporation - 700 employees
6. Longview Inspection, Inc. - 664 employees
7. J P & D Digital Satellite Systems, Inc. - 600 employees
8. E. I. Du Pont De Nemours And Company - 500 employees
9. Katoen Natie USA, Inc. - 500 employees
10. Sulzer Turbo Systems Int'l - 400 employees

With La Porte's high concentration of daytime employees (34,440 daytime population in La Porte and 154,565 daytime employees in the La Porte PTA), the city has the chance to capture a large amount of employee spending. According to previous research, the average employee spends approximately $12/day an on average eats out approximately 4.4 times/week. Most of these dollars are spent on convenience items, restaurants, and service retail.

RETAIL DEMAND

The City of La Porte has an estimated retail demand of 490,387 square feet.

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PRIMARY TRADE AREA

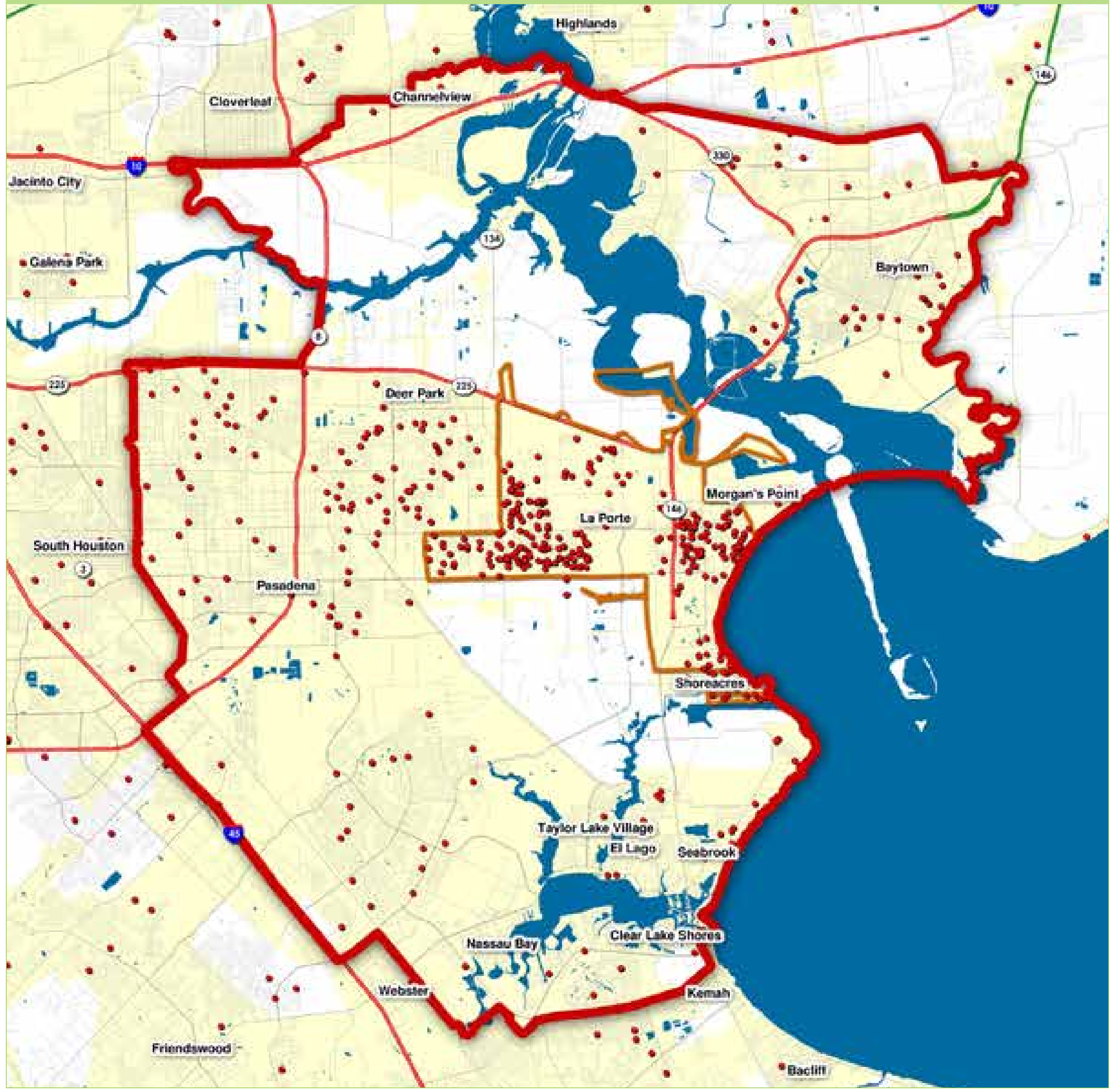
Understanding where your target customers originate is a crucial step in any retail recruitment initiative, and an accurate delineation of the trade area in which retailers can reasonably expect to attract customers is the first step in this process. Additionally, identifying the demographic profile 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.

PRIMARY TRADE AREA MAP



(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

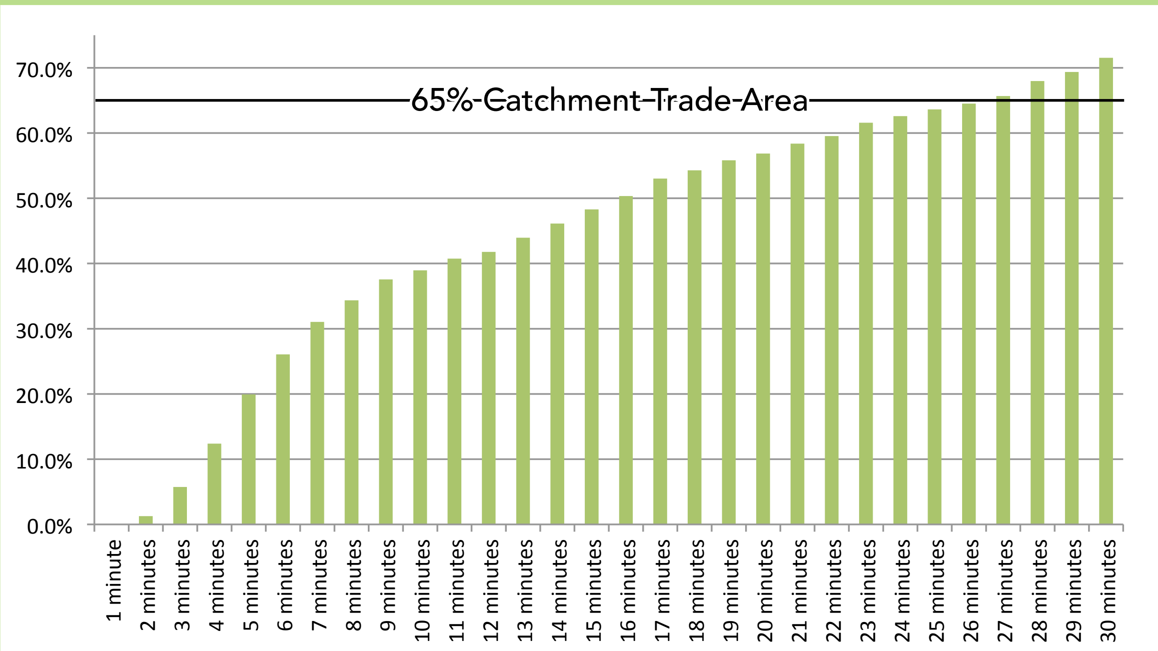
Drive time analysis is useful when understanding impact from one region or store to another, but is not as accurate in identifying the constraints of the actual Primary Trade Area (PTA) for the City of La Porte. Drive time based trade areas are often used to analyze trade area characteristics and are 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%

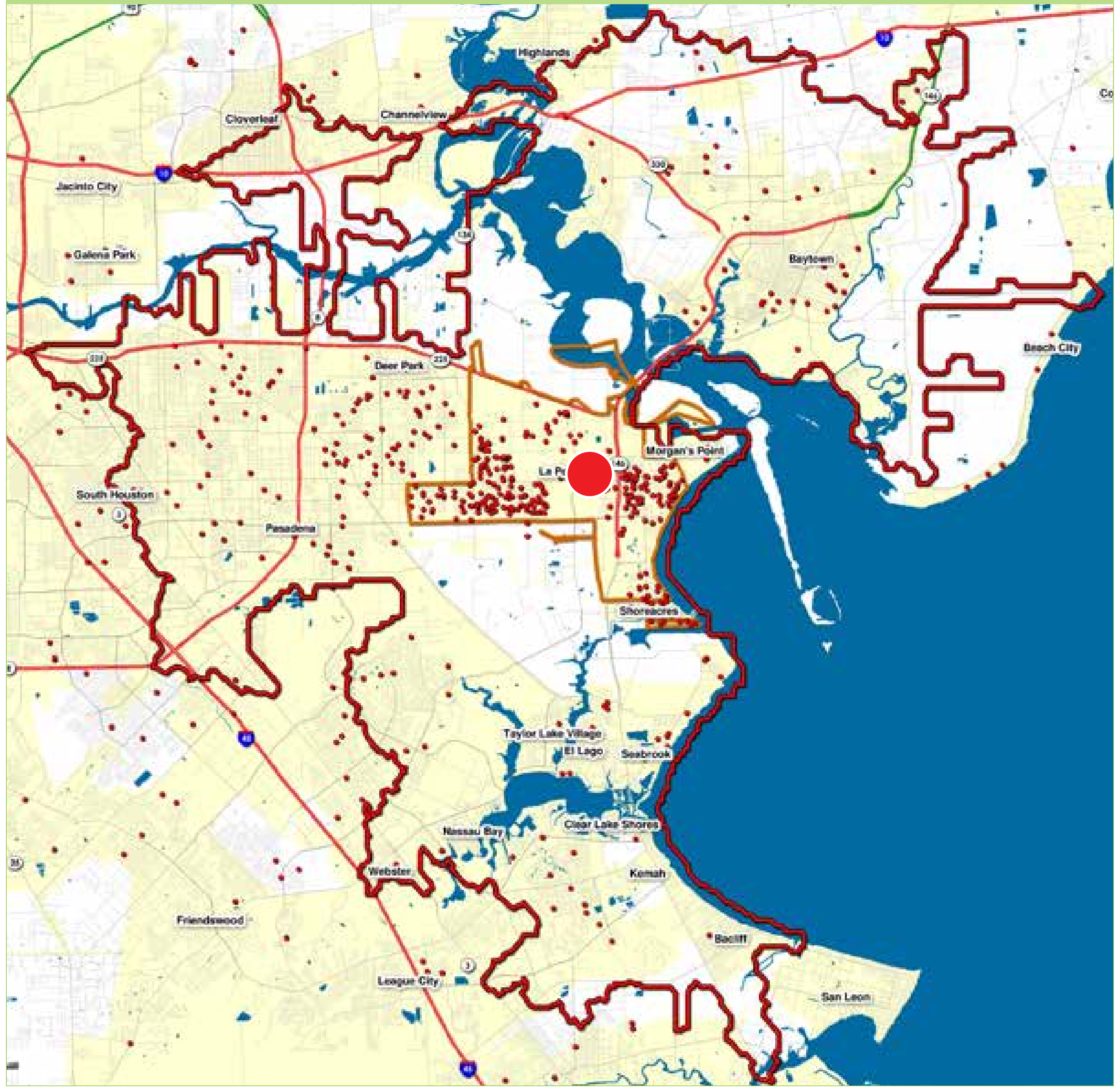
GEOGRAPHY	CATCHMENT
23 Minute Drive Time	61.6%
24 Minute Drive Time	62.6%
25 Minute Drive Time	63.6%
26 Minute Drive Time	64.5%
27 Minute Drive Time	65.7%
28 Minute Drive Time	68.0%
29 Minute Drive Time	69.4%

DRIVE TIME CATCHMENT CHART



(Source: Catalyst)

27 MINUTE DRIVE TIME MAP



(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.

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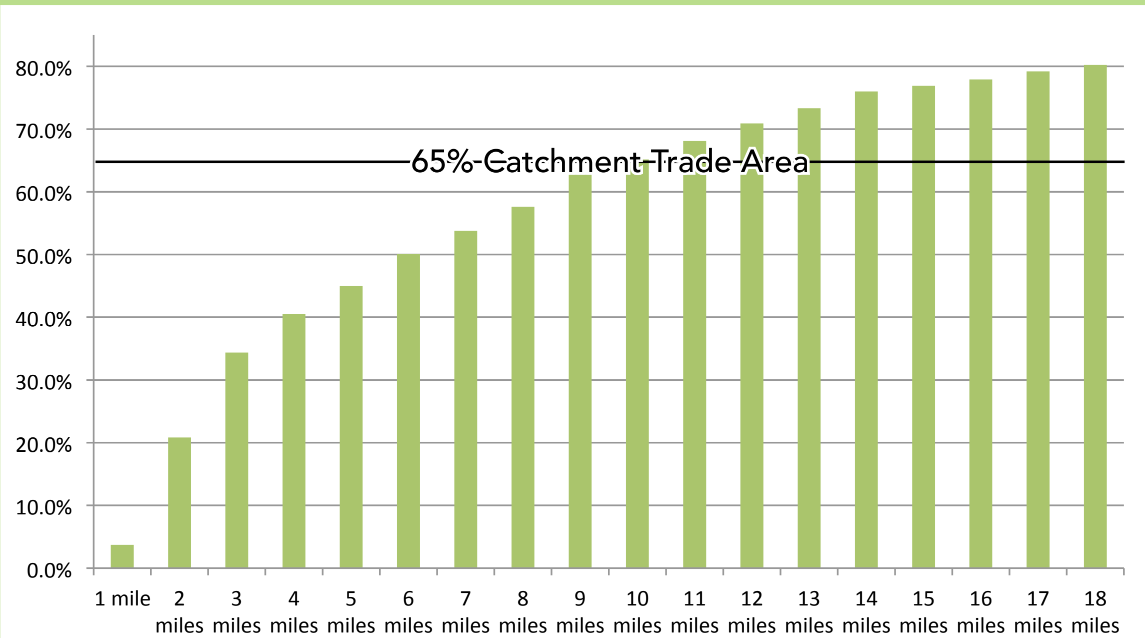
CONCENTRIC RING ANALYSIS

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%

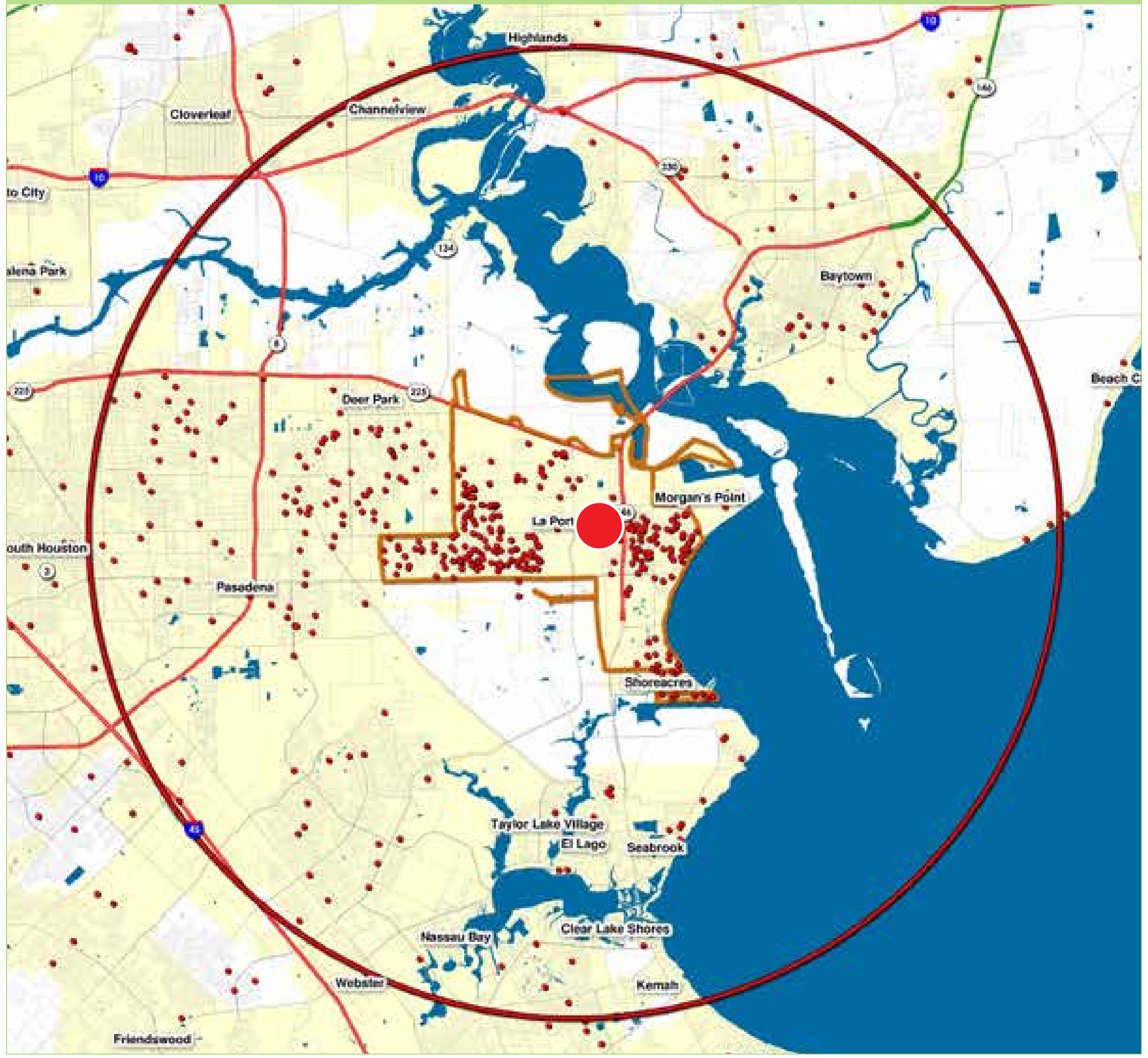
GEOGRAPHY	CATCHMENT
11 Mile Ring	68.1%
12 Mile Ring	70.9%
13 Mile Ring	73.3%
14 Mile Ring	76.0%
15 Mile Ring	76.9%
16 Mile Ring	77.9%
17 Mile Ring	79.2%
18 Mile Ring	80.2%
19 Mile Ring	81.4%
20 Mile Ring	82.1%

RING CATCHMENT CHART



(Source: Catalyst)

10 MILE CONCENTRIC RING MAP



(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.

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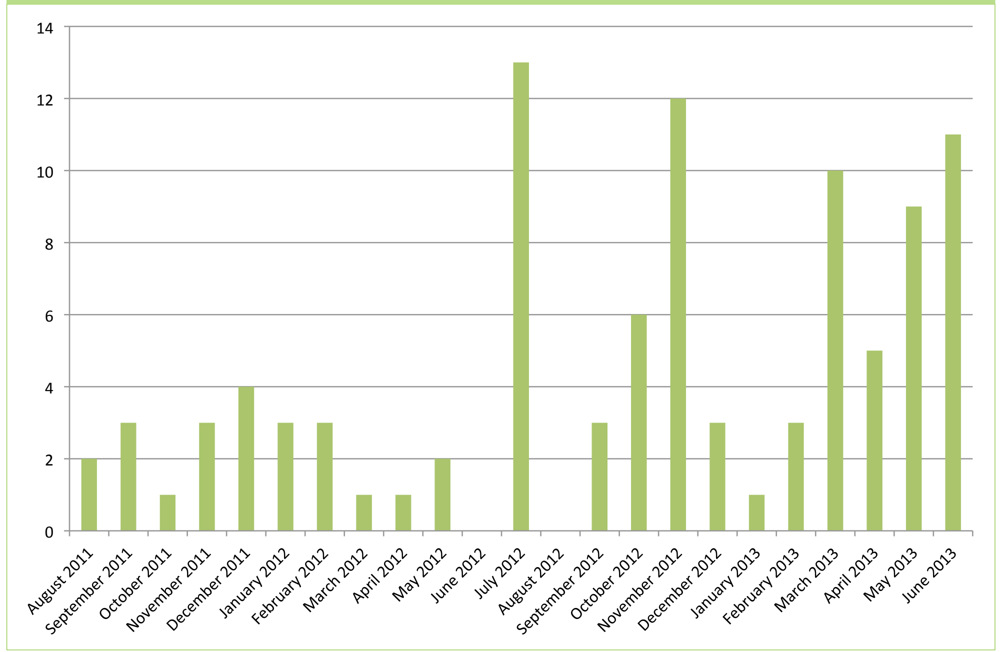
POPULATION ANALYSIS

The City of La Porte is situated just east of Houston, Texas and is within the Houston–Sugar Land-Baytown Metropolitan Statistical Area (population of 6,153,249).

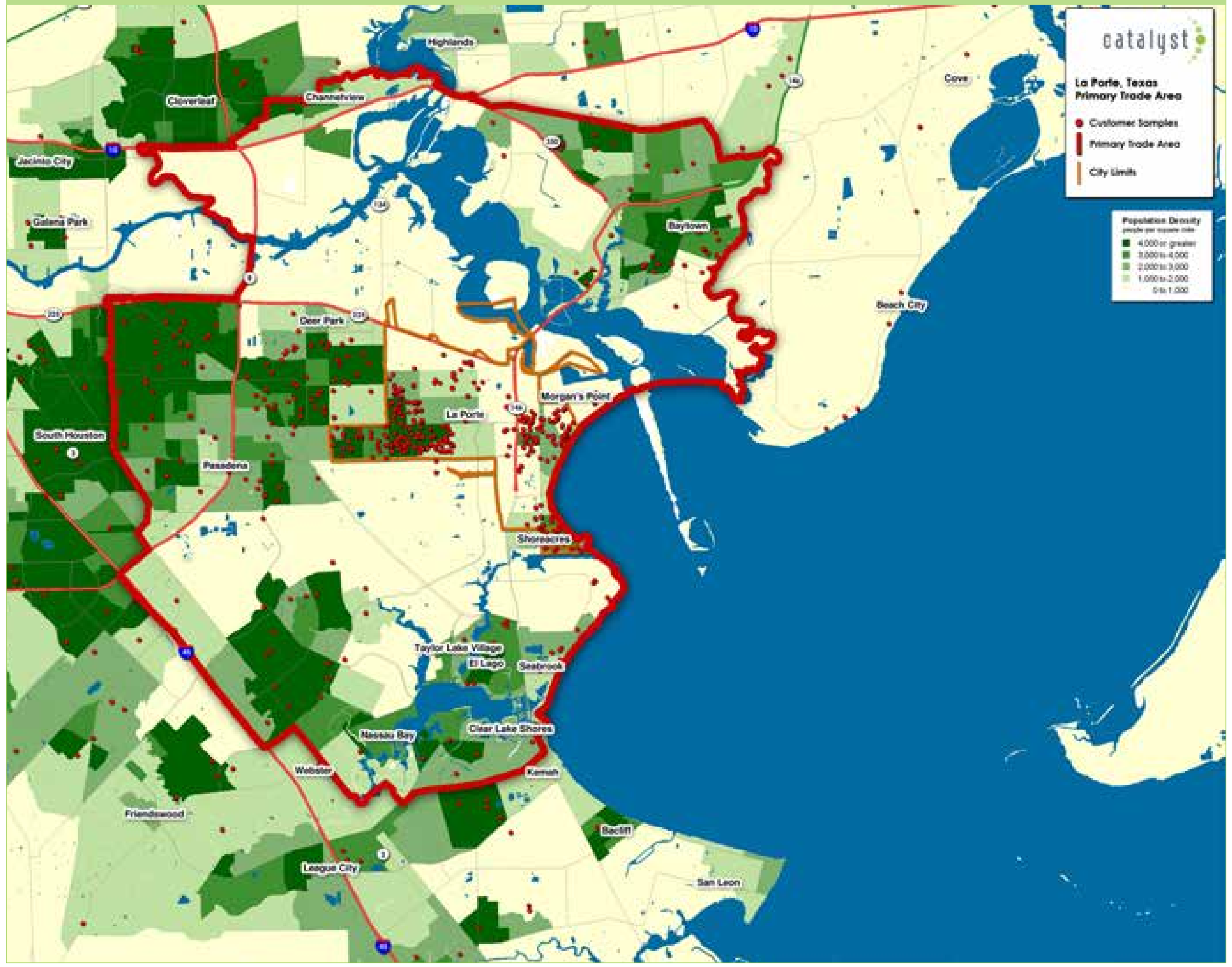
The City of La Porte, has a current population of approximately 35,000. The historical population growth rate was 6.0% (0.6% annually) between 2000 and 2010. The growth rate from 2012 to 2017 is expected to be 4.6% (0.9% annually). The estimated population for La Porte in 2017 is 35,607. The La Porte Primary

BUILDING PERMITS CHART



(Source: La Porte, Catalyst)

POPULATION DENSITY MAP



(Source: Catalyst)

Trade Area (PTA) population is 382,969 and is expected to grow to 403,956 by 2017, a 5.5% increase. Within 27 minutes, La Porte has access to over 1,000,000 people, or approximately 50% of the total population of Houston (2,100,000 as of 2012).

There are several areas within La Porte that have additional residential development potential. Since August 2011, La Porte has issued 99 residential building permits.

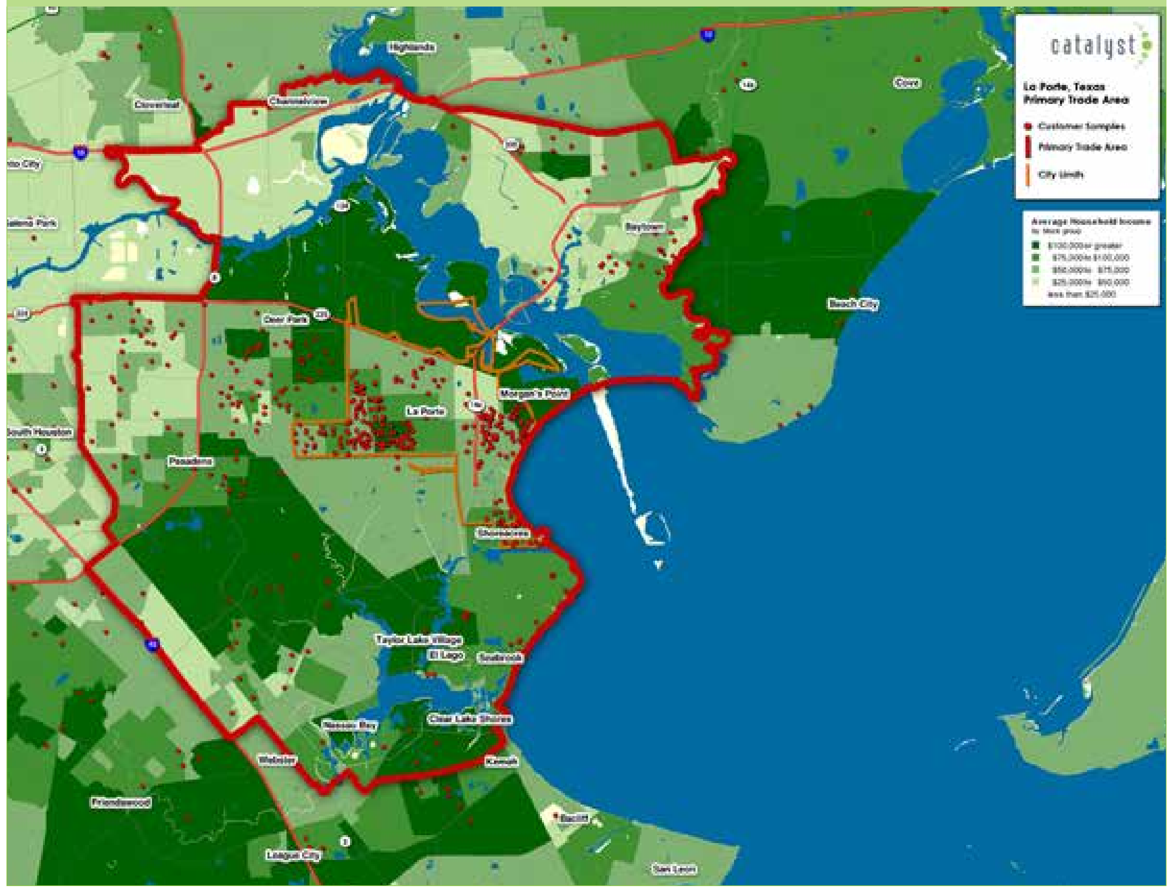
POPULATION TABLE	LA PORTE	PTA	1 MILE	3 MILES	5 MILES	10 MILES	27 MINUTES
2012 Population	34,056	382,969	2,630	28,922	65,367	401,143	1,063,729
Projected 2017 Population	35,607	403,956	2,844	30,526	68,689	423,233	1,126,529

(Source: ESRI)

INCOME ANALYSIS

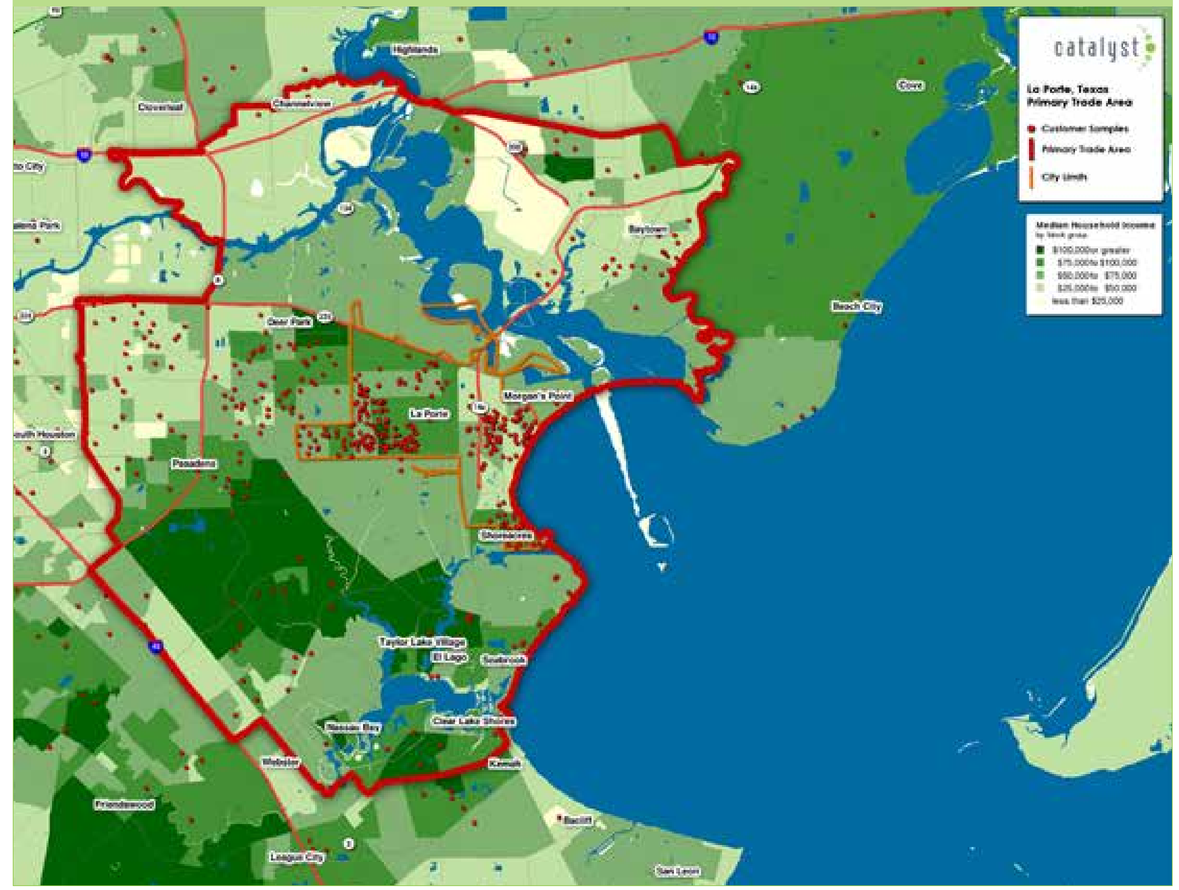
As seen in the maps below, La Porte's Primary Trade Area (PTA) encompasses a significant number of block groups with higher median and average incomes than the metro area. The City of La Porte has an overall median income of $59,337, which is 19.1% higher than the median income of Harris County ($49,811) and 12.6% higher than the Houston-Sugar Land-Baytown Metropolitan Statistical Area ($52,674). The forecasted median income in 2017 for the City of La Porte is $64,938, an 8.6% increase (1.7% annually). The forecasted average income in 2017 for the city of la Porte is $76,589, a 9.4% increase (1.9% annually). The per capita income for the City of La Porte is also increasing at similar rates. The 2012 per capita income for the City of La Porte is $24,941 and is expected to grow 8.2% (1.6% annually) to $26,985 by 2017.

AVERAGE HH INCOME MAP



(Source: Catalyst)

MEDIAN HH INCOME MAP



(Source: Catalyst)

INCOME TABLE	LA PORTE	PTA	1 MILE	3 MILES	5 MILES	10 MILES	27 MINUTES
Average Household Income	$70,533	$72,023	$75,917	$71,659	$75,771	$71,621	$60,542
Median Household Income	$59,337	$53,917	$70,204	$60,488	$62,274	$53,675	$44,146

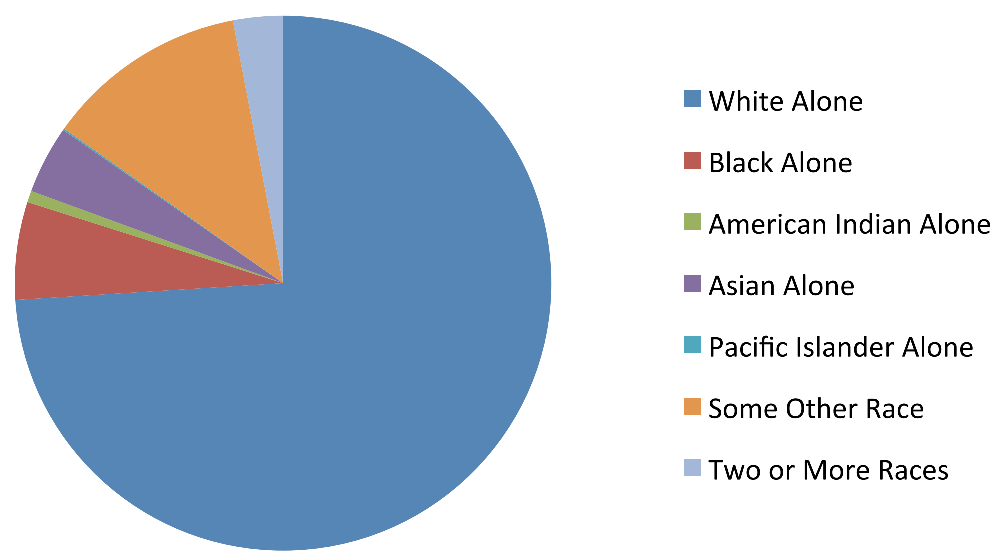
(Source: ESRI)

RACE	LA PORTE	PTA	1 MILE	3 MILES	5 MILES	10 MILES	27 MINUTES
White Alone	79.6%	74.0%	78.9%	79.8%	80.8%	73.7%	61.9%
Black Alone	6.1%	5.9%	7.2%	6.1%	4.5%	6.3%	13.8%
American Indian Alone	0.6%	0.7%	0.6%	0.6%	0.7%	0.7%	70.0%
Asian Alone	1.2%	4.1%	1.2%	1.1%	1.6%	4.0%	3.6%
Pacific Islander Alone	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	10.0%
Some Other Race	9.5%	12.2%	9.4%	9.4%	9.6%	12.3%	16.8%
Two or More Races	2.8%	3.0%	2.7%	2.9%	2.6%	3.0%	3.1%
ETHNICITY	**LA PORTE**	**PTA**	**1 MILE**	**3 MILES**	**5 MILES**	**10 MILES**	**27 MINUTES**
Hispanic (Any Race)	30.9%	40.3%	31.1%	30.8%	31.6%	40.4%	51.2%
Non-Hispanic	69.1%	59.7%	68.9%	69.2%	68.4%	59.6%	48.8%

(Source: ESRI)

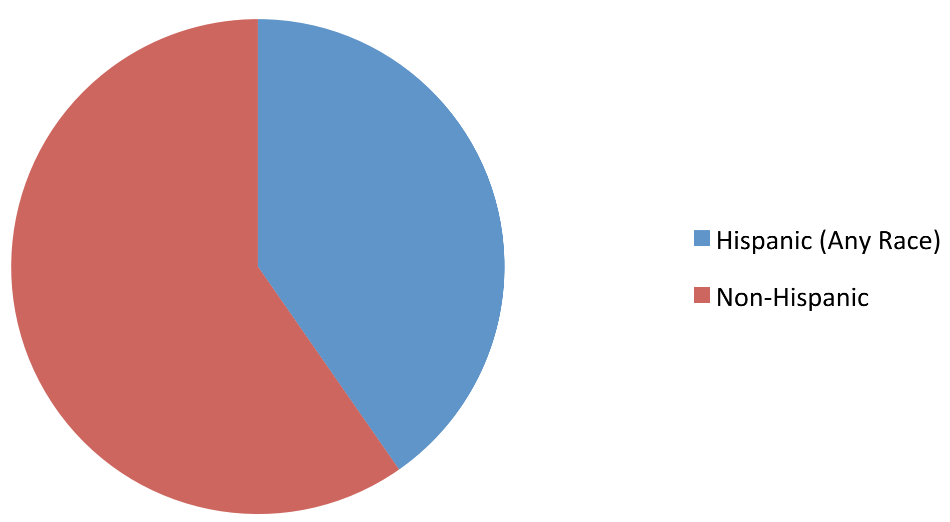
RACE AND ETHNICITY PROFILE
As seen in the table to the left, Race and Ethnicity are separated. Race is based on biological factors and Ethnicity is based on cultural factors.

RACE CHART



(Source: Catalyst)

ETHNICITY CHART



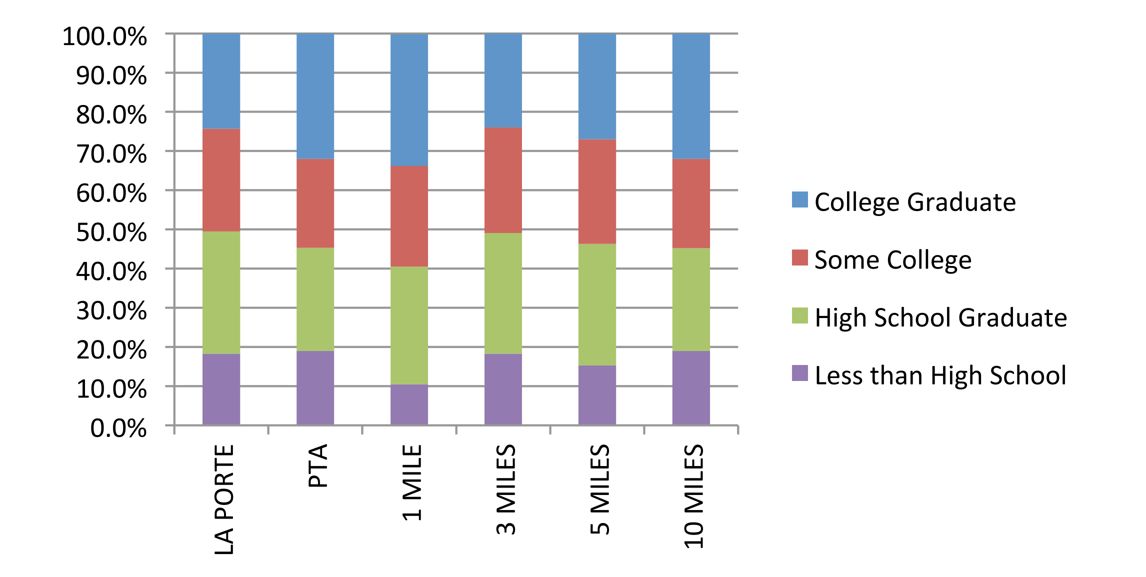
(Source: Catalyst)

EDUCATION PROFILE

Educational attainment is reported for persons age 25 and older, as this is the traditional age by which most people have completed their formal education. However, a trend has developed in recent years for persons to return for schooling past age 25. Still, these figures provide a picture of the general educational level of the population. Educational attainment is usually associated with income. Education levels can also have a measurable impact on what types of products consumers buy and is a variable often included in retailer analyses.

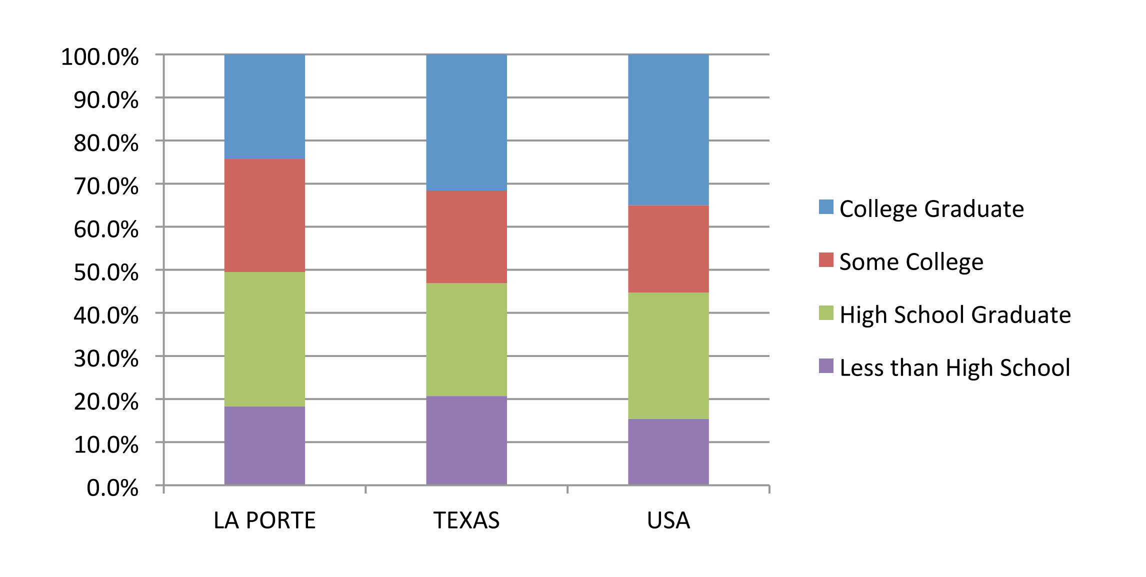
50.5% of the residents of the City of La Porte have attended college, of which 24.3% have a degree and 26.2% have some college education. 54.7% of the residents of the La Porte PTA have attended college, of which 32.0% have a degree and 22.7% have some college education. There is also a strong employment base with technical skills which require certifications and other skills as a supplement to college, or outside of college. 81.7% of La Porte residents graduated high school, a higher high school graduate rate than the La Porte Primary Trade Area (81.0%), Harris County (77.3%), and the Houston-Sugar Land-Baytown MSA (79.6%).

EDUCATION PROFILE CHART



(Source: Catalyst)

EDUCATION PROFILE CHART



(Source: Catalyst)

EDUCATION TABLE	LA PORTE	PTA	1 MILE	3 MILES	5 MILES	10 MILES	27 MINUTES
College Graduate	24.3%	32.0%	33.6%	24.0%	27.0%	32.0%	23.8%
Some College	26.2%	22.7%	25.7%	26.9%	26.7%	22.8%	20.2%
High School Graduate	31.2%	26.3%	30.0%	30.8%	31.0%	26.2%	27.5%
Less than High School	18.3%	19.0%	10.5%	18.3%	15.3%	19.0%	28.5%

(Source: ESRI)

TRAFFIC COUNTS

Average daily traffic volume is an important measurement by which retailers evaluate potential sites. Generally speaking, higher traffic counts are more attractive to retailers as they are typically translated into greater retail sales potential. A map of the traffic count table can be found on the next page.

Traffic counts on State Highway 146 at the southern edge of La Porte are between 30,000 vehicles per day (VPD) and 40,000 VPD and increase significantly when travelling northbound. The highest traffic count in La Porte is on State Highway 146, just south of State Highway 225 at 116,000 VPD. On State Highway 146, north of Main Street, the traffic counts were higher travelling northbound (36,897 VPD) than southbound (34,514 VPD). On State Highway 146, north of Fairmont Parkway, the traffic counts were also higher travelling northbound (34,172 VPD) than southbound (33,843 VPD).

Traffic counts on State Highway 225 increase travelling from east to west, as residents of La Porte and employees working in the Battleground Industrial District enter and exit State Highway 225. A count near State Highway 146 is 83,592 VPD and just east of Underwood Road is 101,624 VPD.

The most prominent retail node in La Porte, Fairmont Parkway and State Highway 146, has a traffic count of 26,789 VPD, west of State Highway 146. At this same location, traffic counts were slightly higher travelling eastbound (13,743 VPD) than westbound (13,046 VPD). Traffic counts along Fairmont Parkway from 16th Street to Luella Boulevard, on the western edge of La Porte, fluctuate between 30,000 VPD and 40,000 VPD. This fluctuation is due to a number or residents that live on the north side of Fairmont Parkway that are entering and exiting Fairmont Parkway.

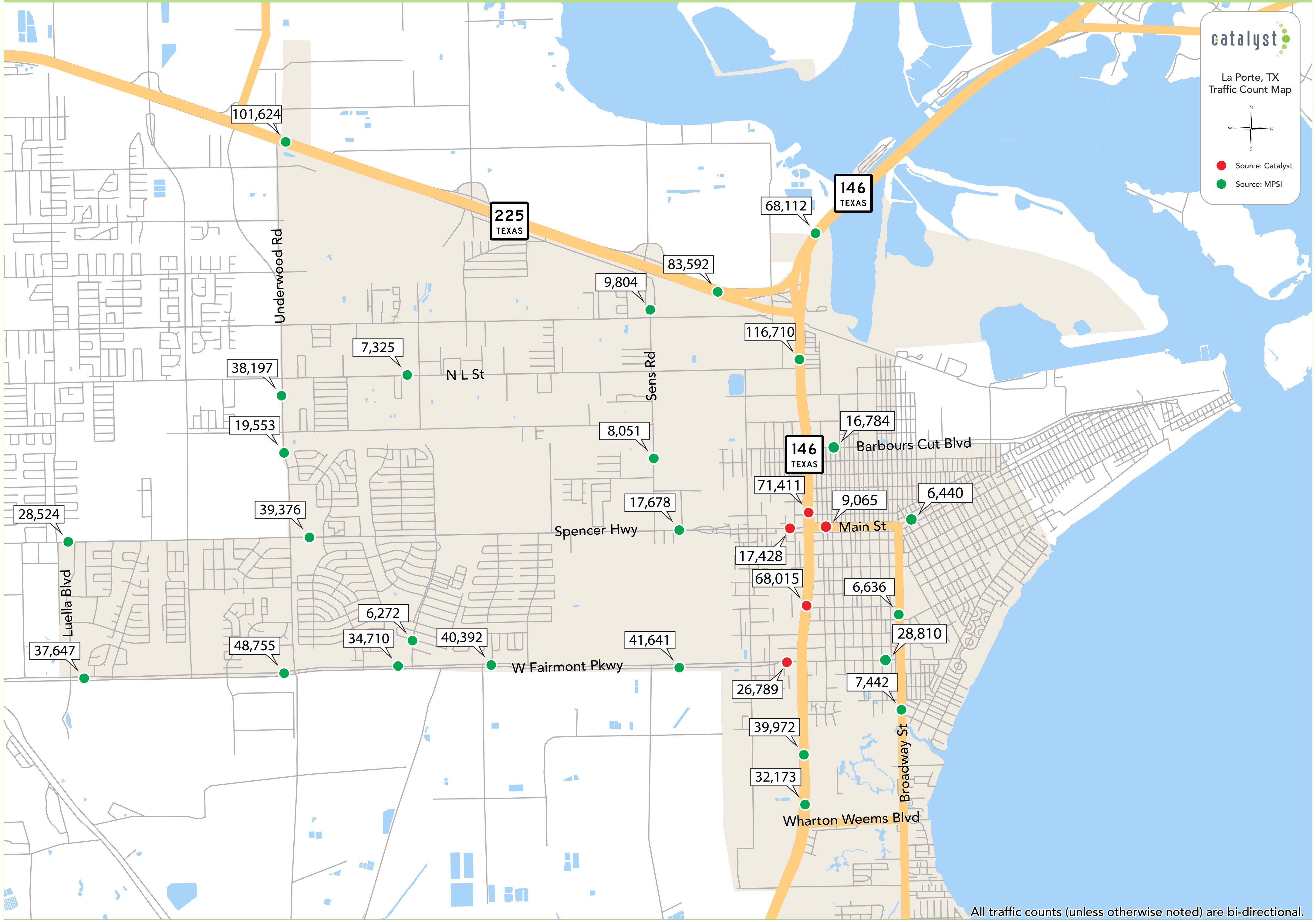
Traffic counts along Spencer Highway are much lower at State Highway 146 than on the western edge of La Porte. One reason for this is retail is mainly situated along Fairmont Parkway and there are not as many housing developments for residents to be entering and exiting between State Highway 146 and the La Porte Municipal Airport. Spencer Highway, west of 11th Street had a traffic count of 17,428 VPD, with 9,030 VPD travelling eastbound and 8,398 VPD travelling westbound.

On Main Street, east of State Highway 146, traffic counts were more than three times higher travelling eastbound (7,058 VPD) than westbound (2,007 VPD).

TRAFFIC COUNTS TABLE

LOCATION	INTERSECTION	24 HOUR COUNTS	SOURCE
State Highway 146	s of State Highway 225	116,710	MPSI 2013
State Highway 225	e of Underwood Road	101,624	MPSI 2013
State Highway 225	w of State Highway 146	83,592	MPSI 2013
State Highway 146	n of Main Street	71,411	Catalyst 2013
State Highway 146	n of State Highway 225	68,112	MPSI 2013
State Highway 146	n of Fairmont Parkway	68,015	Catalyst 2013
Fairmont Parkway	w of Underwood Road	48,755	MPSI 2013
Fairmont Parkway	e of Bay Area Boulevard	41,641	MPSI 2013
Fairmont Parkway	e of Farrington Boulevard	40,392	MPSI 2013
State Highway 146	s of Fairmont Parkway	39,972	MPSI 2013
Spencer Highway	e of Underwood Road	39,376	MPSI 2013
Underwood Road	s of N L Street	38,197	MPSI 2013
Fairmont Parkway	e of Luella Boulevard	37,647	MPSI 2013
Fairmont Parkway	w of Farrington Boulevard	34,710	MPSI 2013
State Highway 146	n of Wharton Weems Boulevard	32,173	MPSI 2013
Fairmont Parkway	w of Broadway Street	28,810	MPSI 2013
Spencer Highway	w of Luella Boulevard	28,524	MPSI 2013
Fairmont Parkway	w of State Highway 146	26,789	Catalyst 2013
Underwood Road	s of N H Street	19,553	MPSI 2013
Spencer Highway	e of Sens Road	17,678	MPSI 2013
Spencer Highway	w of 11th Street	17,428	Catalyst 2013
E Barbours Cut Boulevard	e of State Highway 146	16,784	MPSI 2013
Sens Road	s of State Highway 225	9,804	MPSI 2013
Main Street	e of State Highway 146	9,065	Catalyst 2013
Sens Road	s of N H Street	8,051	MPSI 2013
Broadway Street	s of Fairmont Parkway	7,442	MPSI 2013
N L Street	w of Lomax School Road	7,325	MPSI 2013
Broadway Street	n of D Street	6,636	MPSI 2013
Main Street	e of Broadway Street	6,440	MPSI 2013
Farrington Boulevard	n of Fairmont Parkway	6,272	MPSI 2013

TRAFFIC COUNTS MAP



(Source: Catalyst)

LEASE COMPARABLES

Currently there are 122 retail properties in La Porte. Of the currently available properties, the average rent is $12.47 per square foot, the average total rentable building area (RBA) is 25,405 square feet, and the average available space (space that is either vacant or is occupied with a lease ending soon and ready to be leased) is 8,187. The chart to the right shows the number of square feet available for rent in seven rental ranges. Within the City of La Porte, retail space has a vacancy rate of 8.5%, which is similar to the retail vacancy of Harris County at 6.7%.

The property in the $20+ rental range is a proposed property at 1501 W Fairmont Parkway (east of 16th Street between Waffle House and Taco Bell). 1501 W Fairmont Parkway will have a total of 8,540 square feet of Class A retail space. The asking rent is $24.00 per square foot.

There are currently three properties for lease in the $18 - $19.99 range. The first property in this range is a 1,220 square foot former Sonic location (closed in 2009) at 216 S Broadway Street. The second property in this range is Somerton Plaza Shopping Center at 8610 Spencer Highway on the western edge of the La Porte city limits. There are currently 11,825 square feet of space available in this rental range. The third property is the strip retail at the Kroger Center on the northwest corner of Fairmont Parkway and State Highway 146. This property has a total of 5,300 square feet that are vacant and available.

LA PORTE RETAIL MARKET OVERVIEW	
Existing Properties	119
Rentable Building Area	1,285,585
Vacant	115,148
Vacancy	9.0%
Rental Range	$6.49 - $24.00 PSF
Rental Average	$14.01 PSF

(Source: CoStar) PSF = Per Square Foot

RETAIL RENTS RANGE CHART

(Source: CoStar, Catalyst)

BUILDING ADDRESS	BUILDING NAME	AVERAGE WEIGHTED RENT	RENTABLE BUILDING AREA	AVAILABLE SPACE (SF)	YEAR BUILT
1501 W Fairmont Pkwy		$24.00	8,540	8,540	Proposed
216 S Broadway St		$19.67	1,220	1,220	1977
8610 Spencer Hwy	Somerton Plaza	$19.00	16,500	11,825	2008
1400-1438 W Fairmont	Fairmont Kroger	$18.00	21,308	5,300	1998
1309 W Fairmont Pkwy	Fairporte Green	$15.75	48,229	8,891	1984
11001 W Fairmont Pkwy	Fairwood Plaza	$13.80	16,500	10,800	2009
9615-9701 Spencer Hwy	Spencerwood	$12.00	62,156	3,700	1982
1444 Sens Rd		$12.00	10,342	7,000	2007
909-923 S Broadway St		$12.00	32,409	3,996	1972
9901 Spencer Hwy		$12.00	9,750	6,150	1982
1101-1139 S Broadway St	La Porte Center	$11.73	29,940	12,720	1984
1001-1023 S Broadway St	Sylvan Plaza	$9.00	32,000	6,290	1972
301 Fairmont Pkwy		$8.50	41,372	20,000	1987
	AVERAGE	$12.47	25,405	8,187	1989

Properties For Lease (Source: CoStar)

MARKET POTENTIAL ANALYSIS BY CATEGORY

The following tables represent Sales Potential and Consumer Spending Data within the Primary Trade Area (PTA) and La Porte City Limits. Consumer spending data is derived from the Bureau of Labor Statistics with ESRI forecasts for 2010 and 2015 projections. Supply estimates are sales to consumers by establishment, and exclude business to business sales. Demand estimates reflect the expected amount spent by consumers at retail outlets. A positive value (+) represents "leakage" or "under-supply" and negative values (-) reflect "over-supply". Data for this section is provided by ESRI, MediaMark and InfoUSA. Note that the following table is an aggregate of sales and demand for the La Porte PTA.

The most undersupplied categories in the La Porte PTA include:

1. Automobile Dealers (NAICS 4411): $320,111,095

Currently, most of the automobile dealers in La Porte are located on Spencer Highway at State Highway 146 or between East Boulevard and Underwood Road. This category is also undersupplied in La Porte by $48,420,041. Currently, in La Porte city limits, there are $5,925,672 in sales and $54,345,713 in demand.

2. Clothing Stores (NAICS 4481): $90,795,203

Most of the clothing stores in La Porte are located east of State Highway 146. This category is also undersupplied in La Porte. Currently, in La Porte city limits, there are $13,980,568 of demand and only $1,668,168 of supply.

3. Department Stores Excluding Leased Depts. (NAICS 4521): $50,551,857

Department stores are also undersupplied in La Porte city limits. Currently, there are $20,498,272 of demand and $1,006,426 of supply in this category in La Porte city limits. The major Department Store locations are San Jacinto Mall and Baybrook Mall.

4. Other General Merchandise Stores (NAICS 4529): $43,189,455

The closest shopping area for Other General Merchandise Stores would be Pasadena or Kemah. Currently, there is no supply within the La Porte city limits that is satisfying the $35,617,812 demand of the residents of La Porte. A good portion of this demand is most likely being satisfied by the Walmart in Deer Park at East Boulevard and Spencer Highway.

5. Furniture Stores (NAICS 4421): $33,651,048

There are a few furniture stores in La Porte city limits, but only making up $320,023 in supply. There is currently a residential demand of $4,440,693 in La Porte.

The most oversupplied categories include:

1. Gasoline Stations (NAICS 4471): -$698,457,280

A majority of the 28 Gasoline Station locations in La Porte are located along Main Street/ Spencer Highway or Fairmont Parkway.

2. Grocery Stores (NAICS 4451): -$244,586,150

The only major grocer in La Porte city limits is Kroger on the northwest corner of Fairmont Parkway and State Highway 146. Within La Porte city limits there is $51,610,932 in demand and $24,879,110 of supply (sales). From these numbers, it is apparent that over half of the grocery demand from La Porte residents is being satisfied in the surrounding areas outside of La Porte city limits.

3. Limited-Service Eating Places (NAICS 7222): -$99,579,445

Most of the 17 Limited-Service Eating Places in La Porte are located at or near the intersection of Fairmont Parkway and State Highway 146. This category is oversupplied in the Primary Trade Area, but is undersupplied in the city limits by $2,294,739.

4. Bldg Material & Supplies Dealers (NAICS 4441): -$25,279,935

Building material and supplies dealers are mostly located at State Highway 225 and Battleground Road or on Broadway Street in east La Porte. This category is oversupplied in the Primary Trade Area but undersupplied in the city limits by $7,266,354.

	LA PORTE PTA			LA PORTE CITY LIMITS		
INDUSTRY GROUP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP
Total Retail Trade and Food & Drink	$4,101,783,163	$4,487,642,414	-$385,859,251	$351,602,820	$246,621,239	$104,981,581
Total Retail Trade (NAICS 44-45)	$3,685,589,395	$3,975,231,528	-$289,642,133	$316,746,731	$214,205,814	$102,540,917
Total Food & Drink (NAICS 722)	$416,193,767	$512,410,886	-$96,217,118	$34,856,089	$32,415,425	$2,440,664

	LA PORTE PTA			LA PORTE CITY LIMITS		
INDUSTRY GROUP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP
Automobile Dealers (NAICS 4411)	$623,317,089	$303,205,994	$320,111,095	$54,345,713	$5,925,672	$48,420,041
Other Motor Vehicle Dealers (NAICS 4412)	$38,449,145	$62,515,712	-$24,066,567	$3,355,663	$4,060,070	-$704,407
Auto Parts, Accessories, and Tire Stores (NAICS 4413)	$60,179,363	$76,041,063	-$15,861,700	$5,134,040	$26,004,800	-$20,870,760

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INDUSTRY GROUP	LA PORTE PTA			LA PORTE CITY LIMITS		
	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL GAP
Furniture Stores (NAICS 4421)	$52,021,907	$18,370,859	$33,651,048	$4,440,693	$320,023	$4,120,670
Home Furnishings Stores (NAICS 4422)	$34,700,222	$14,127,143	$20,573,079	$2,945,444	$865,427	$2,080,017
Electronics & Appliance Stores (NAICS 443/4431)	$108,425,988	$94,403,682	$14,022,305	$9,316,243	$1,407,115	$7,909,128
Building Material and Supplies Dealers (NAICS 4441)	$107,132,859	$132,412,794	-$25,279,935	$9,357,576	$2,091,222	$7,266,354
Lawn and Garden and Supplies Stores (NAICS 4442)	$13,104,543	$9,183,963	$3,920,580	$1,197,149	$658,297	$538,852
Grocery Stores (NAICS 4451)	$605,786,991	$850,373,141	-$244,586,150	$51,610,932	$24,879,110	$26,731,822
Specialty Food Stores (NAICS 4452)	$18,465,543	$18,360,581	$104,962	$1,563,559	$1,479,354	$84,205
Beer, Wine, and Liquor Stores (NAICS 4453)	$27,980,664	$38,637,978	-$10,657,314	$2,375,023	$2,077,608	$297,415
Health & Personal Care Stores (NAICS 446/NAICS 4461)	$274,218,235	$295,480,097	-$21,261,862	$23,896,408	$19,719,725	$4,176,683
Gasoline Stations (NAICS 447/NAICS 4471)	$428,236,812	$1,126,694,093	-$698,457,280	$37,150,020	$112,831,785	-$75,681,765
Clothing Stores (NAICS 4481)	$167,224,403	$76,429,199	$90,795,203	$13,980,568	$1,668,168	$12,312,400
Shoe Stores (NAICS 4482)	$28,150,642	$17,690,820	$10,459,822	$2,339,851	$516,250	$1,823,601
Jewelry, Luggage, and Leather Goods (NAICS 4483)	$34,564,373	$16,973,067	$17,591,306	$2,934,763	$317,129	$2,617,634
Sporting Goods/Hobby/Musical (NAICS 4511)	$72,160,705	$81,472,807	-$9,312,102	$6,145,686	$1,946,677	$4,199,009
Book, Periodical, and Music Stores (NAICS 4512)	$23,332,638	$10,767,349	$12,565,289	$1,964,977	$445,302	$1,519,675
Department Stores Excl Leased Depts. (NAICS 4521)	$241,177,933	$190,626,076	$50,551,857	$20,498,272	$1,006,426	$19,491,846
Other General Merchandise Stores (NAICS 4529)	$416,976,845	$373,787,390	$43,189,455	$35,617,812	$0	$35,617,812
Florists (NAICS 4531)	$4,032,736	$4,171,961	-$139,225	$364,014	$394,733	-$30,719
Office Supplies, Stationery, and Gifts(NAICS 4532)	$23,142,379	$23,956,404	-$814,025	$1,988,764	$974,342	$1,014,422
Used Merchandise Stores (NAICS 4533)	$20,327,902	$10,170,629	$10,157,272	$1,715,707	$2,014,728	-$299,021
Other Miscellaneous Store Retailers (NAICS 4539)	$51,468,291	$40,733,509	$10,734,782	$4,551,411	$1,551,953	$2,999,458
Full-Service Restaurants (NAICS 7221)	$163,113,108	$144,707,288	$18,405,821	$13,651,721	$12,034,735	$1,616,986
Limited-Service Eating Places (NAICS 7222)	$213,013,199	$312,592,644	-$99,579,445	$17,883,639	$15,588,900	$2,294,739
Special Food Services (NAICS 7223)	$11,519,326	$24,651,375	-$13,132,049	$959,832	$1,281,634	-$321,802
Drinking Places - Alcoholic Beverages (NAICS 7224)	$28,548,134	$30,459,578	-$1,911,445	$2,360,897	$3,510,156	-$1,149,259

(Source: ESRI)

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DEMAND BY RANGE

The following tables show demand broken down by distance. Each band is mutually exclusive. For instance the 3 - 5 mile band only is taking into account demand and supply within that band and does not include the demand and supply within the 0 - 3 mile band. Using this method, there is a demand for 490,387 square feet of additional retail in the City of La Porte. The table starting below (Demand Summary) is a summation of the four tables on pages 22 through 24. The map on page 21 gives a reference of the size of each of the ranges (0 - 3 miles, 3 - 5 miles, 5 - 10 miles, and 10 - 20 miles). The pages following the map is the breakdown of how each range's demand was calculated.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Furniture Stores	2,299	3,138	7,953	1,212	14,601

The Furniture Store industry has been hurt recently by declines in disposable income, homeownership rates, and increases in competition. From 2008 to 2013, the annual revenue growth for this industry was 0.0%. From 2013 to 2018, the annual revenue growth for this industry is expected to be 2.1%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Home Furnishings Stores	1,089	2,238	5,250	5,129	13,706

The Home Furnishings industry has been hurt recently by declines in disposable income, but is on an upward trend due to consumers seeking higher end furnishings that mass merchandise retailers cannot cater to. From 2008 to 2013, the annual revenue growth for this industry was 1.0%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Electronics & Appliance Stores	10,872	5,911	805	-	17,588

The Electronics & Appliance stores industry has been hurt recently by declines in disposable income and online purchases. From 2008 to 2013, the annual revenue growth for this industry was -4.6%. 96% of the industry's revenue is reported by Best Buy, Apple, Fry's, and RadioShack.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Building Material & Supplies Dealers	11,968	16,963	-	3,680	32,611

The Building Material and Supplies Dealers industry is on the rise as more people are becoming homeowners have more disposable income that can be spent on remodeling their home. From 2008 to 2013, the annual revenue growth for this industry was 0.5%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Lawn & Garden Equipment & Supply Stores	1,211	1,996	875	1,862	5,944

The Lawn & Garden Equipment & Supply Stores industry is expected to continue the trend of declining revenue over the next five years as consumers look towards home improvement stores as a one stop shop. From 2008 to 2013, the annual revenue growth for this industry was -2.0%.

(Source: Catalyst, ESRI, IBISWorld)

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DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Grocery Stores	36,686	9,190	-	-	45,876

The Grocery industry will slowly be growing and recovering from the recent economic downturn as consumers with more disposable income will increase purchases of name brand items. From 2008 to 2013, the annual revenue growth for this industry was -0.4%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Specialty Food Stores	-	-	309	-	309

The Specialty Food Stores industry is expected to grow as disposable incomes of consumers grow, but larger grocery stores that function as a one stop shop will continue to impede growth. From 2008 to 2013, the annual revenue growth for this industry was 0.1%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Health & Personal Care Stores	2,618	36,259	-	-	38,878

The Health & Personal Care Stores industry is expected to grow with the aging population, product innovation, and increased sales of name brand items as disposable incomes increase. From 2008 to 2013, the annual revenue growth for this industry was 1.3%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Gasoline Stations	-	8,412	-	-	8,412

The Gasoline Station industry is expected to continue to grow as consumers with more disposable incomes are driving more. From 2008 to 2013, the annual revenue growth for this industry was 0.8%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Clothing Stores	18,541	24,928	22,433	3,678	69,581

As with many soft goods, as disposable incomes increase, so will spending in the Clothing Store category. From 2008 to 2013, the annual revenue growth for this industry was 0.4%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Shoe Stores	6,605	6,109	3,149	-	15,863

As with many soft goods, as disposable incomes increase, so will spending in the Shoe Stores category. From 2008 to 2013, the annual revenue growth for this industry was 1.8%.

(Source: Catalyst, ESRI, IBISWorld)

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Jewelry, Luggage & Leather Goods Stores	1,110	4,309	2,327	1,966	9,712

Demand for luxury accessories is expected to increase spending in the Jewelry, Luggage, and Leather Goods categories. From 2008 to 2013, the annual revenue growth for this industry was 0.5%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Sporting Goods/Hobby/Musical Instrument Stores	8,218	2,980	-	2,033	13,231

Small, independent retailers in these industries are finding it hard to compete with better merchandised, super-stores. The retailers in the super-store category will continue to do well. From 2008 to 2013, the annual revenue growth for this industry was -0.8%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Book, Periodical & Music Stores	2,374	413	2,386	1,054	6,228

As technology increases its presence in our modern lives, this industry will continue to decline in growth. From 2008 to 2013, the annual revenue growth for this industry was -2.8%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Department Stores Excluding Leased Departments	5,455	16,155	-	29,889	51,499

As disposable incomes increase, so will spending on soft goods and luxury items. This category isn't in the clear though, as online retailers will give the brick and mortar retailers stiff competition. From 2008 to 2013, the annual revenue growth for this industry was -1.2%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Other General Merchandise Stores	500	-	50,666	38,947	90,113

Growth in this category will continue to grow as consumers watch their dollar and spend more at one stop shops, rather than specialty retailers. This category capitalized on the recession by offering goods at a discount. From 2008 to 2013, the annual revenue growth for this industry was 4.7%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Florists	7	247	-	-	255

Florist shops are hurting from the increase of consumers purchasing flowers and arrangements at grocery stores and general merchandise stores. These one stop shops generally offer a similar product at a discount. From 2008 to 2013, the annual revenue growth for this industry was -0.4%.

(Source: Catalyst, ESRI, IBISWorld)

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DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Office Supplies, Stationery & Gift Stores	1,325	1,123	-	-	2,447

Increased spending by businesses, due to a recovering economy, is a probable cause for the growth in the Office Supply category. Similar to office supplies, Stationery and Gift stores will From 2008 to 2013, the annual revenue growth for this industry was -0.4%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Used Merchandise Stores	-	905	3,217	5,745	9,867

The demand for used goods was up during the recession but is expected to decline as disposable incomes increase. From 2008 to 2013, the annual revenue growth for this industry was 5.1%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Other Miscellaneous Store Retailers	5,641	3,691	1,894	2,393	13,619

This category includes Pet Stores, Art Dealers, Manufactured Home Dealers, and Small Specialty Retail Stores. From 2008 to 2013, the annual revenue growth for this industry was 1.3%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Full-Service Restaurants	4,845	-	10,476	9,955	25,277

As consumer spending increases, restaurant spending will also increase. From 2008 to 2013, the annual revenue growth for this industry was 2.3%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Drinking Places - Alcoholic Beverages	-	4,770	-	-	4,770

This industry is still recovering from the tight wallets of the recession, and will continue to do so over the next five years. From 2008 to 2013, the annual revenue growth for this industry was 0.0%.

DEMAND SUMMARY	0 - 3 MILES	3 - 5 MILES	5 - 10 MILES	10 - 20 MILES	TOTAL (SF)
Total Demand (SF)	**121,364**	**149,737**	**111,740**	**107,545**	**490,387**

(Source: Catalyst, ESRI, IBISWorld)

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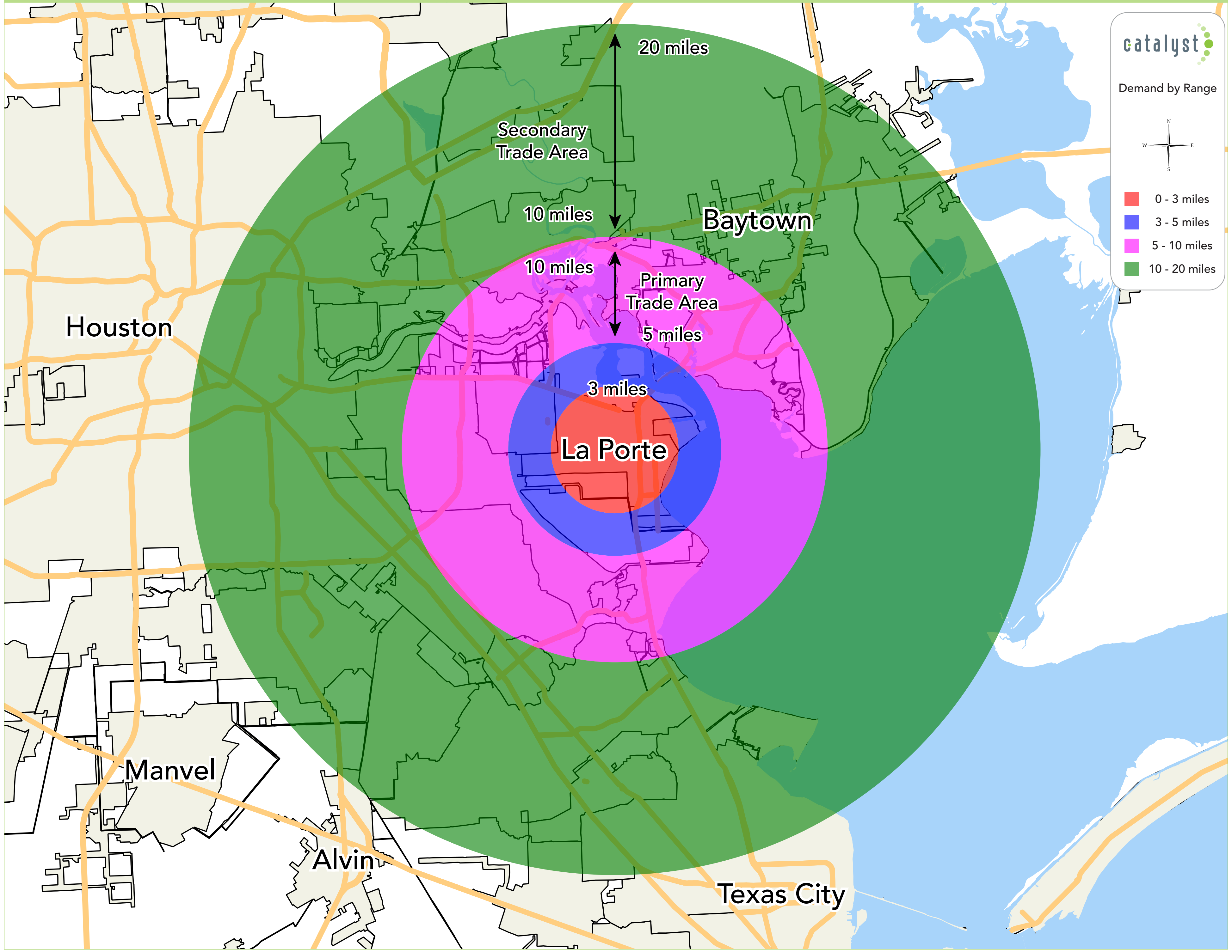
DEMAND BY RANGE MAP



(Source: Catalyst)

0 - 3 MILES	DEMAND ($)	SUPPLY ($)	GAP ($)	ESTIMATED CAPTURE (%)	SALES/SF	DEMAND (SF)
Furniture Stores	$3,767,864	$320,022	$3,447,842	20%	$300	2,299
Home Furnishings Stores	$2,499,321	$865,427	$1,633,894	20%	$300	1,089
Electronics & Appliance Stores	$7,892,195	$1,368,783	$6,523,412	50%	$300	10,872
Bldg Material & Supplies Dealers	$7,913,516	$1,929,533	$5,983,983	60%	$300	11,968
Lawn & Garden Equip & Supply Stores	$999,845	$636,599	$363,246	100%	$300	1,211
Grocery Stores	$43,593,623	$24,231,431	$19,362,191	90%	$475	36,686
Health & Personal Care Stores	$20,184,574	$19,202,712	$981,862	80%	$300	2,618
Clothing Stores	$11,867,746	$1,670,371	$10,197,375	50%	$275	18,541
Shoe Stores	$1,982,165	$542	$1,981,623	50%	$150	6,605
Jewelry, Luggage & Leather Goods Stores	$2,499,870	$168,730	$2,331,140	15%	$315	1,110
Sporting Goods/Hobby/Musical Instr Stores	$5,189,244	$2,107,458	$3,081,786	80%	$300	8,218
Book, Periodical & Music Stores	$1,667,075	$242,851	$1,424,224	50%	$300	2,374
Department Stores Excluding Leased Depts.	$17,372,158	$1,006,426	$16,365,732	10%	$300	5,455
Other General Merchandise Stores	$30,084,877	$29,984,924	$99,953	100%	$200	500
Florists	$305,254	$303,100	$2,154	100%	$300	7
Office Supplies, Stationery & Gift Stores	$1,682,173	$887,392	$794,781	50%	$300	1,325
Other Miscellaneous Store Retailers	$3,839,423	$1,413,853	$2,425,570	50%	$215	5,641
Full-Service Restaurants	$11,570,095	$8,996,054	$2,574,041	80%	$425	4,845
0 - 3 Miles Total Demand (SF)						**121,364**

(Source: Catalyst, ESRI)

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3 - 5 MILES	DEMAND ($)	SUPPLY ($)	GAP ($)	ESTIMATED CAPTURE (%)	SALES/SF	DEMAND (SF)
Furniture Stores	$5,242,213	$535,287	$4,706,926	20%	$300	3,138
Home Furnishings Stores	$3,580,864	$223,773	$3,357,091	20%	$300	2,238
Electronics & Appliance Stores	$10,986,777	$2,120,934	$8,865,843	20%	$300	5,911
Bldg Material & Supplies Dealers	$11,455,930	$1,277,983	$10,177,948	50%	$300	16,963
Lawn & Garden Equip & Supply Stores	$1,411,900	$214,264	$1,197,636	50%	$300	1,996
Grocery Stores	$60,763,068	$38,937,204	$21,825,863	20%	$475	9,190
Health & Personal Care Stores	$28,101,464	$6,345,912	$21,755,552	50%	$300	36,259
Gasoline Stations	$42,955,168	$37,907,954	$5,047,214	50%	$300	8,412
Clothing Stores	$16,719,133	$3,008,636	$13,710,497	50%	$275	24,928
Shoe Stores	$2,794,521	$961,967	$1,832,553	50%	$150	6,109
Jewelry, Luggage & Leather Goods Stores	$3,479,034	$764,104	$2,714,930	50%	$315	4,309
Sporting Goods/Hobby/Musical Instr Stores	$7,298,606	$2,828,866	$4,469,741	20%	$300	2,980
Book, Periodical & Music Stores	$2,304,936	$1,684,912	$620,024	20%	$300	413
Department Stores Excluding Leased Depts.	$24,243,937	$12,175	$24,231,762	20%	$300	16,155
Florists	$438,068	$289,584	$148,484	50%	$300	247
Office Supplies, Stationery & Gift Stores	$2,353,325	$669,494	$1,683,831	20%	$300	1,123
Used Merchandise Stores	$2,018,788	$661,043	$1,357,745	10%	$150	905
Other Miscellaneous Store Retailers	$5,263,740	$1,295,768	$3,967,973	20%	$215	3,691
Drinking Places - Alcoholic Beverages	$2,866,205	$958,062	$1,908,144	75%	$300	4,770
3 - 5 Miles Total Demand (SF)						**149,737**

(Source: Catalyst, ESRI)

5 - 10 MILES	DEMAND ($)	SUPPLY ($)	GAP ($)	ESTIMATED CAPTURE (%)	SALES/SF	DEMAND (SF)
Furniture Stores	$45,030,520	$21,171,768	$23,858,752	10%	$300	7,953
Home Furnishings Stores	$29,950,279	$14,201,634	$15,748,645	10%	$300	5,250
Electronics & Appliance Stores	$93,771,511	$91,356,592	$2,414,918	10%	$300	805
Lawn & Garden Equip & Supply Stores	$11,205,287	$8,579,654	$2,625,633	10%	$300	875
Specialty Food Stores	$16,011,169	$15,083,590	$927,579	5%	$150	309
Clothing Stores	$145,059,517	$83,367,470	$61,692,047	10%	$275	22,433
Shoe Stores	$24,456,064	$19,732,455	$4,723,609	10%	$150	3,149
Jewelry, Luggage & Leather Goods Stores	$29,932,401	$22,602,528	$7,329,873	10%	$315	2,327
Book, Periodical & Music Stores	$20,265,591	$13,106,454	$7,159,137	10%	$300	2,386
Other General Merchandise Stores	$361,216,958	$310,551,024	$50,665,934	20%	$200	50,666
Used Merchandise Stores	$17,642,152	$7,990,985	$9,651,167	5%	$150	3,217
Other Miscellaneous Store Retailers	$44,392,802	$40,321,392	$4,071,411	10%	$215	1,894
Full-Service Restaurants	$141,609,152	$126,768,137	$14,841,015	30%	$425	10,476
5 - 10 Miles Total Demand (SF)						**111,740**

(Source: Catalyst, ESRI)

10 - 20 MILES	DEMAND ($)	SUPPLY ($)	GAP ($)	ESTIMATED CAPTURE (%)	SALES/SF	DEMAND (SF)
Furniture Stores	$105,428,924	$98,157,237	$7,271,687	5%	$300	1,212
Home Furnishings Stores	$68,651,674	$37,878,122	$30,773,552	5%	$300	5,129
Bldg Material & Supplies Dealers	$211,876,075	$189,796,668	$22,079,406	5%	$300	3,680
Lawn & Garden Equip & Supply Stores	$26,517,173	$15,347,726	$11,169,447	5%	$300	1,862
Clothing Stores	$336,009,068	$315,777,414	$20,231,654	5%	$275	3,678
Jewelry, Luggage & Leather Goods Stores	$68,409,855	$56,026,180	$12,383,675	5%	$315	1,966
Sporting Goods/Hobby/Musical Instr Stores	$145,082,537	$132,882,115	$12,200,422	5%	$300	2,033
Book, Periodical & Music Stores	$46,781,014	$30,965,248	$15,815,766	2%	$300	1,054
Department Stores Excluding Leased Depts.	$490,947,582	$401,280,063	$89,667,519	10%	$300	29,889
Other General Merchandise Stores	$860,229,616	$808,299,631	$51,929,984	15%	$200	38,947
Used Merchandise Stores	$40,783,687	$23,547,884	$17,235,804	5%	$150	5,745
Other Miscellaneous Store Retailers	$107,061,532	$101,915,864	$5,145,668	10%	$215	2,393
Full-Service Restaurants	$330,718,865	$246,098,550	$84,620,315	5%	$425	9,955
10 - 20 Miles Total Demand (SF)						**107,545**

(Source: Catalyst, ESRI)

LIFESTYLE SEGMENTATION/PSYCHOGRAPHIC ANALYSIS

The 72-segment Community Tapestry system classifies U.S. neighborhoods based on their socioeconomic and demographic compositions. The versatility of Community Tapestry provides several methods of dividing the 72 Neighborhood segments into summary groups for a broader view of U.S. neighborhoods. There are 15 summary groups that include traditional geo-demographic factors, including family status, affluence, age, family status, ethnicity, and degree of urbanization. The table below shows the top 10 categories represented in the La Porte Primary Trade Area (PTA).

TOP TAPESTRY SEGMENTS (PRIMARY TRADE AREA) TABLE 10			
RANK	TAPESTRY SEGMENT	CATEGORY	% OF HOUSEHOLDS
1	Los Padres	Espaniola	12%
2	Sitting Pretty	Urban Cliff Climbers	8%
3	Anos de Quincenera	Espaniola	7%
4	Great Generations	Married in the Suburbs	6%
5	Bonds and Babies	Married in the Suburbs	5%
6	American Knights	Creme de la Creme	5%
7	Middle of the Road	Urban Cliff Climbers	5%
8	Educated Earners	Single in the Suburbs	5%
9	Couples with Capital	Married in the Suburbs	4%
10	Los Novios	Espaniola	4%

(Source: STI PopStats)

LOS PADRES

As anyone who knows anything about Hispanic culture knows, family is very important to this demographic. In particular, parents are regarded as the kings and queens of their castles. The aptly named Los Padres (Spanish for "parents") neighborhoods weight in with the second-largest percentage of children — which, of course, means there are many parents as well. In these highly urban Espaniola neighborhoods, the percentage of married-couple households is just below the national-norm; the level of single-female-parent homes is 25-percent-above-average; and (interestingly) the level of single-male-parent homes is more than 50-percent-aboveaverage. The children in the homes span all ages, but show the highest ranking in kids under-six (nearly 50-percent-above-average). This is obviously because of the residents' relatively young age: The median age of Los Padres areas is in the 30s. The median household income in these areas is too broad to classify without misleading market researchers. But by looking at other factors, one can assume the income levels are lower than-average. These residents have two-and-a-half-times-average number of people with less-than-high-school educations. They also rank very high in four blue-collar occupations: farming/fishing/forestry (two-and-a-half-times-average), building maintenance (two-times-average), construction (over 50-percent-above-average), and production (over 50-percent-above-average). This group also shows a 50-percent to two times-average level of income from public-assistance.

SITTING PRETTY

Among the Urban Cliff Climbers neighborhoods that are home to the backbone of America's workforce are the Sitting Pretty segments. This group is young (20s to 30s), but enjoying good income levels (between $50,000 and $60,000). Their relatively high earnings range comes from middle-class white-collar jobs in several occupations, including management, protective services, personal care, sales, office administration, and repair services. Their higher than-average salaries keep them and their mostly newborn to 13-year-old children very comfortable in their urban abodes, in all probability surrounded by all of the creature comforts required to please all of the senses — from big-screen-high-def TVs to fully equipped SUVs. With good college educations and good jobs, the Sitting Pretty residents have earned their comforts they enjoy.

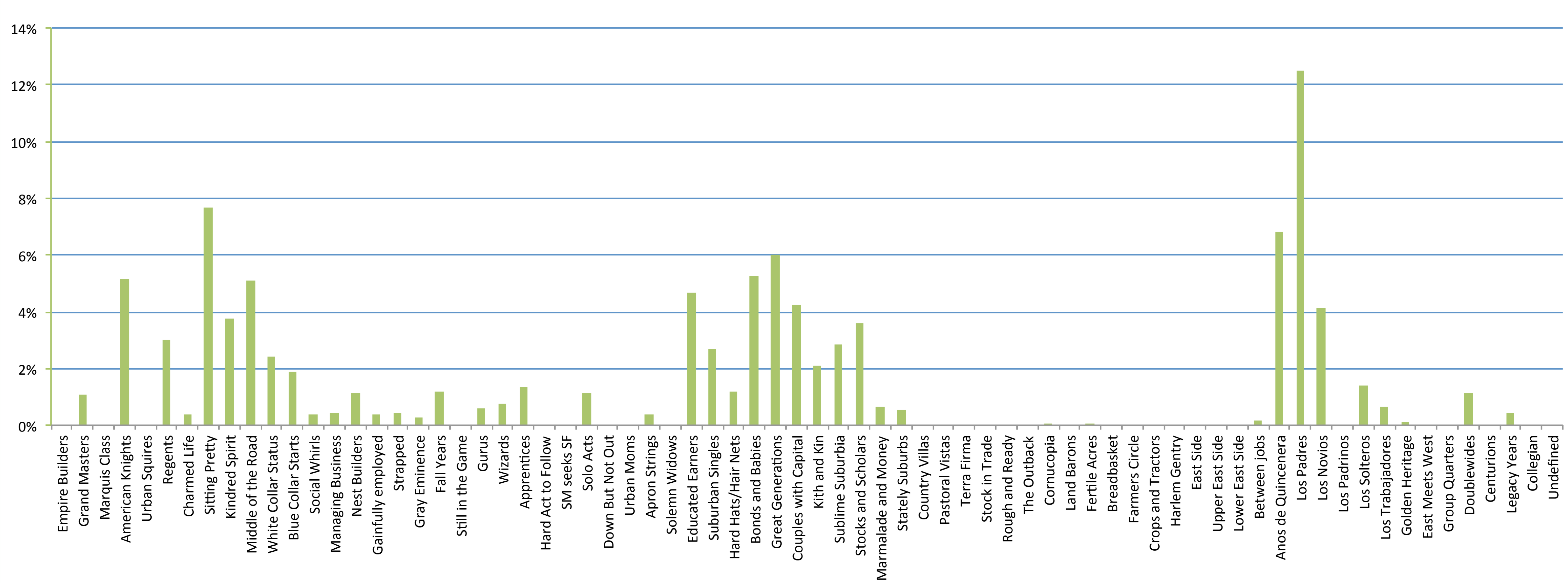
ANOS DE QUINCENERA

Among the six predominantly Hispanic Espaniola market segments, two of them share the highest median age range — Anos de Quincenera is one of them. That fact, combined with the fact that these areas are home to the largest percent of married-with children families, has given the segment its name, which is a Spanish term that means "parents with daughters coming of marriage age." As a result, with older children under their roofs, these residents may very likely be at the peak of their purchasing years. While the median household income of the areas is too broad to classify without misleading market researchers, one indicator in particular points to the lower-end of the income scale: Residents living in these areas are seeking public assistance at a rate of over-50-percent-above-average. Bolstering this assumption are the facts that these areas rank as blue-collar, and show only some high-school education, but very little higher education. In fact, the highly urban neighborhoods ranks at a nearly two-times-average-level of resident without high-school degrees. The largely urban Anos de Quincenera areas show an average-level-of-income from wages/salaries, with particularly high standings in building maintenance (over-50-percent-above-average) and transportation (over-25-percent-above-average).

GREAT GENERATIONS

Living happily in the land that previous generations created as an escape from city life — including large rambling homes on an acre or two of land — are the Great Generations suburban segments. They are home to Americans who are able to enjoy all that suburban life has to offer thanks to their college educations (ranking at rank 75-percent-above-averge) and well-paying white-collar careers. The Great Generations good-life in all likelihood includes a never-ending source of new toys, the latest fashions, and other high-life material possessions. The residents of these Married in the Suburbs segments earn incomes in the

PSYCHOGRAPHICS SEGMENT CHART



(Source: Catalyst)

$70,000s and $80,000s. While a high percent of the income comes from their salaries in management, professional, and sales jobs, they also earn well above the national average in interest/dividend income. Great Generations are also home to a slightly-above-average level of people earning self-employment income. These 30-year-olds are overwhelmingly married and raising a slightly-above-average number of children of all ages, from babies to 17-year-olds — and will no doubt pass on their comfortable-living legacy to their kids.

BONDS AND BABIES

If your dream customer is a smart, well-off, white-collar, two-parent family with lots of children under 17-years-old — drive to almost any home in a Bonds & Babies suburban neighborhood. These Married in the Suburbs areas are the epitome of the classic American dream — surrounded by everything from big, green lawns (for their many children to play in) to big, new vehicles (to drive into their white-collar jobs). Plus, ranked between the $70,000s and $80,000s income levels, they have the funds to support these high-end lifestyles. Bonds & Babies areas rank well over two-times-average in college education. They have a similarly high ranking of white-collar managerial, professional, and sales jobs. Along with incomes from these positions, they also generate a 75-percent-higher-than-average level of income from interest/dividends. These neighborhoods are also home to a relatively high number of people generating well-above-the-average in self-employment income. Other above-average rankings of Bonds & Babies includes the percent of married households with children. While there are children of all ages in these areas, they show a slightly higher percent of kids ages six to 17.

AMERICAN KNIGHTS

American Knights are the “youngsters” of the highly urban Crème de la Crème category of neighborhood segments. Not only is the median age range in the 20s and 30s, but also these areas have an above-average number of children below the age of six. These characteristics correlate to the higher-than-average number of married-with-children-under-18 households. Though young, these urban neighborhoods are home to higher-than-average number of earners in white-collar management and professional occupations.

These mostly college-educated residents enjoy incomes in the $70,000s and $80,000s, largely from salaries and wages. They also earn incomes at a slightly-higher-than-average level from interest/dividends. However, unlike many other Crème de la Crème neighborhoods, who have higher self-employment income levels, the American Knights residents are just at the national average in this measurement.

MIDDLE OF THE ROAD

If you're looking for higher-than-average earners in the nation's blue-collar occupations, you're in the right neighborhood. Middle of the Road areas are a cross-section of America's heartland, but in an urban setting. Middle of the Road sectors are one of two blue-collar segments within the Urban Cliff Climbers category. While lower-than-the national-average in white-collar workers, these areas have an above-average percent of people employed in construction, repair services, production, and transportation. These jobs give these married-with-children 20-to-30-year-olds an average annual income of between $40,000 to $50,000 — a relatively good income level, owing to a strong work ethic. And with their good incomes, they can probably be found playing as hard as they work.

EDUCATED EARNERS

Residents of Educated Earners segments are an anomaly: They have a relatively high level of college education (50-percent-above-average) and are employed in a slightly above-average level of professional, white-collar jobs, yet their annual income is only in the $30,000s and $40,000s. Contributing to this relatively low-income level could be their young age, which is in the 20s and low-30s. However, they could also be held down by their relatively high rate of single-parent households. This Single in the Suburbs segments has a 50-percent-higher-thanaverage level of single parents (both male and female) with children, especially kids under six years old. Some of the singles have never been married (50-percent-aboveaverage) and a slightly lower divorce rate. One could easily presume that because these suburbanites have a 50-percent-above-average level of college education and an average level of employment in fields such as management, sales, and office support, they may one day work their way into a higher income level. However, reaching that goal may mean moving out of the suburbs and into a city.

COUPLES WITH CAPITAL

When people think of suburbs, they invariably think of kids, bicycles, ice cream trucks, and baseball games. But Couples & Capital neighborhoods defy this stereotypical suburb scenario — simply because they are home to a below-the-national-average level of children. Since these areas also rank below-average in single residences, what you'll find if you knock on most doors are white-collar working couples. Most likely, the doors on which you knock are located in some pretty impressive homes — because people in these areas earn annual incomes of $70,000s and $80,000s. Since residents of these Married in the Suburbs segments aren't spending their money on children, it's logical to assume their spending it on nice homes, nice vacations, and other luxuries. However, since these 30-somethings are relatively young, the possibility of adding children to their homes is alive and well. But for now they'll continue to spend their days driving to their white-collar management and professional jobs — instead of to soccer games. And they'll continue looking for the wise investments that have them ranking well-above-average in interest/dividend income.

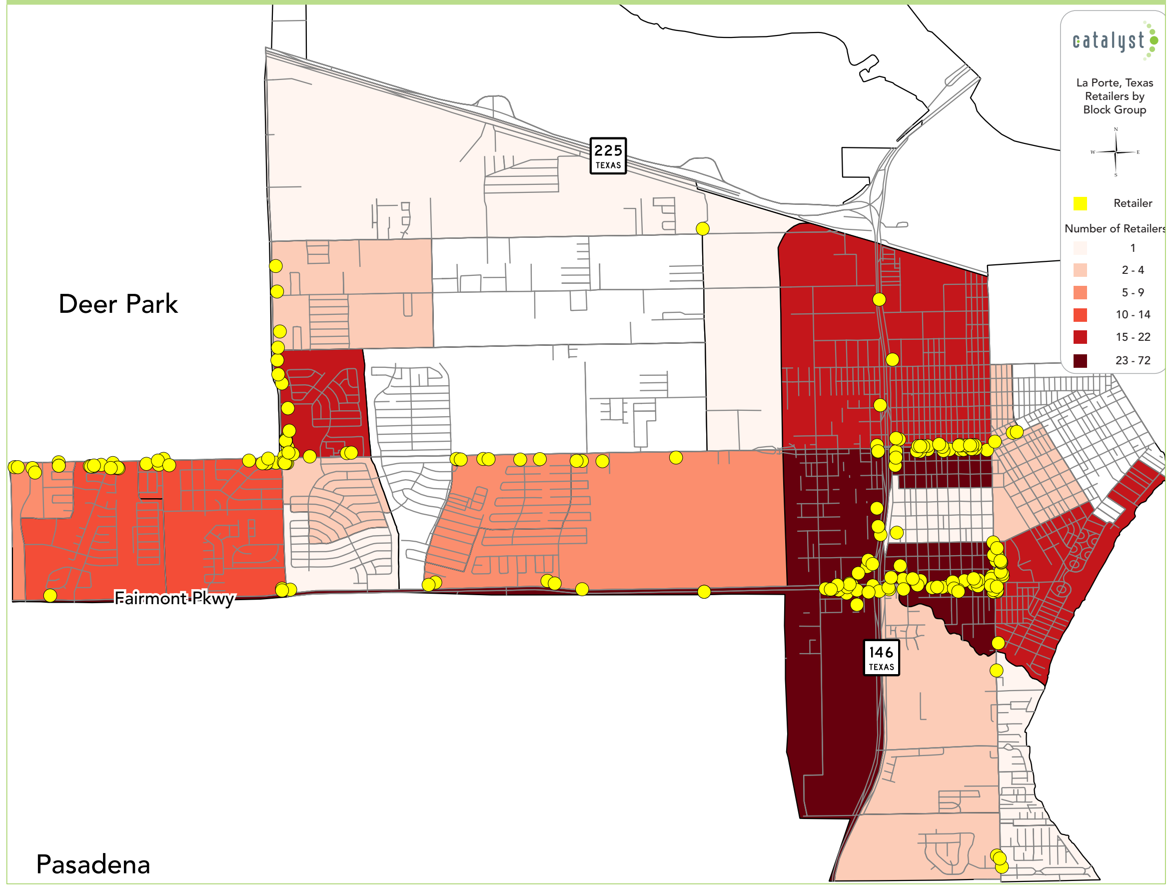
LOS NOVIOS

Los Novios neighborhoods are neighborhoods with the highest percentage of married-with-children households. So their Spanish name, which means "newlyweds" is a perfect fit. What's more the median-age range of residents is in the lowest category — 20s and low-30s. Fittingly, these areas rank highest in children under six at nearly 75-percent-above-average. But they also have a 50-percent-higher-than-average level of kids six- to 13-years-old. While many of the residents are married, there are also above-average levels of single-parent households: with the highest level (interestingly) in single-male-with-children at over 75-percent-aboveaverage. The highly urban Los Novios areas share several demographics with their fellow Espaniola segments, including a high percent of residents without high-school educations (three-times-the national-average); median household incomes too broad to classify without misleading market researchers; and high rankings on income from public-assistance (three-times-above-average). However, the residents also rank at an average level of income from their predominantly blue-collar jobs. They rank extremely high in five occupations: farming/fishing/forestry (a whooping seven-times-the-average), building maintenance (two-and-a-half-times-average), construction and production (both at nearly two-times-average), and transportation (about 75-percent-above-average).

EXISTING RETAIL USES AND CATEGORIES

In an effort to better understand the retail potential of the Primary Trade Area (PTA), Catalyst completed a comprehensive scan of the existing retailers within La Porte. Data included the use by category and location. Further analysis of the Catalyst Merchant Matrix allows for deeper insight into the distribution of uses of the retail market within the PTA. The results paint the picture of the retail categories which exist and are oversaturated, under supplied or void of representation. This data is useful in developing a clearer understanding of what types of retail are existing in the market, as well as, what types of retail are missing in the market for one reason or another. From the data compiled, Catalyst can begin to formulate a game plan as to which retail categories should be considered further. Categories which already have optimal market penetration and those which appear to be oversaturated should be evaluated further to determine if these uses should be eliminated from consideration. Void or underrepresented categories are evaluated based upon factors such as alignment with the vision of the city, co-tenancy, demand/leakage analysis and demographic and psychographic profiles within the study area.

RETAILER DENSITY MAP



(Source: Catalyst)

CATEGORY TABLE	COUNT
Apparel Retail - 448110	2
Automotive Retailer - 4413	5
Automotive Service - 447190	5
Bank - 522110	9
Beer/Wine (no liquor) - 445310	1
Boats/Marine Store - 441222	1
Check Cashing/Pawn/Thrift - 522390	6
Child Care/Education - 624410	4
Computer & Software Retailers - 443120	1
Convenience Store - 445120	28
Dollar/Variety Stores - 452990	3
Dry Cleaning/Laundry - 812320 - 812310	4
Fabric Retail - 451130	1
Financial/Tax Service - 523930 - 541213 - 541211	5
Florist - 453110	2
General Merchandise Stores - 452910	2
Grocery - 445110	1
Hair Cutter/Salon - 812112	12
Hardware/Home Improvement - 444130 - 444110	1
Health & Beauty Care Locations - 453998	1
Health Clubs/Gyms - 713940	3
Home Furnishings - 442210 - 442291	1
Hotel - 721110	10
Insurance - 524210	6
Jewelry - 448310	1
Liquor stores - 445310	1
Medical - 621111 - 621112 - 621493	1
Medical - Family Practice - 621111	2
Medical - Other - 621111	3
Medical - Supplies & Equipment - 446199	1
Nail Salon - 812113	3
Office - Real Estate Company - 531210	1
Optical Retailer - 446130 - 621320	1
Other	10
Paper/Party Goods - 453220	1
Pet Store - 453910	1

CATEGORY TABLE	COUNT
Pharmacy - 446110	1
Photocopy/Printing - 323114	1
Photofinishing/Portrait Studios - 812921 - 541921	1
Postal retail - 561431	1
Rental Centers - 532310	1
Restaurant - American - 722110	1
Restaurant - Bakery - 722110	4
Restaurant - Bar/Nightclub - 722410	4
Restaurant - Barbecue - 722110 - 72211	2
Restaurant - Casual Dining - 722110	1
Restaurant - Chinese - 722110	2
Restaurant - Coffee - 722211	2
Restaurant - Full service/Sit Down - 722110	3
Restaurant - Ice Cream/Yogurt - 722211	1
Restaurant - Italian - 722110	1
Restaurant - Limited Service & Fast food - Burger - 722211	7
Restaurant - Limited Service & Fast food - Chicken - 722211	2
Restaurant - Limited Service & Fast food - Mexican - 722211	2
Restaurant - Limited Service & Fast food - Other - 722211	2
Restaurant - Limited Service & Fast food - Pizza - 722211	4
Restaurant - Mexican - 722110	6
Restaurant - Pizza - 722110 - 722211	2
Restaurant - Sandwhich/Deli - 722110 - 722111	2
Restaurant - Seafood - 722110	1
Restaurant - Southern - 722110	1
Restaurant - Wings - 722110	1
Self Storage - 531130	2
Sign Company -339350 - 541890	1
Tailor / Alterations - 811490	1
Tanning - 812199	1
Tax and Investment Services - 541213 - 523930	2
Tobacco - 453991	1
Video Game - 451120	1
Wireless Store - 443112	2
GRAND TOTAL	207

SAN JACINTO MONUMENT

The San Jacinto Monument commemorates the Battle of San Jacinto and is 567 feet tall. The monument has over 250,000 visitors annually.

BATTLESHIP TEXAS

The USS Texas was a battleship commissioned on March 12, 1914. The USS Texas served in Mexican waters during World War I and the Atlantic and Pacific during World War II. The battleship was decommissioned on April 21, 1948 and is now docked in La Porte. The USS Texas has over 100,000 visitors annually.

SYLVAN BEACH PARK

Sylvan Beach is the only public beach in Harris County and is the beginning of La Porte's tourism economy stretching back to the turn of the 20th century. Sylvan Beach Park is estimated to have over 100,000 visitors annually. On Sylvan Beach is also the Sylvan Beach Pavilion, which is on both the national and state registers of historical places. The pavilion is undergoing significant renovation, and is scheduled to re-open in August 2013.

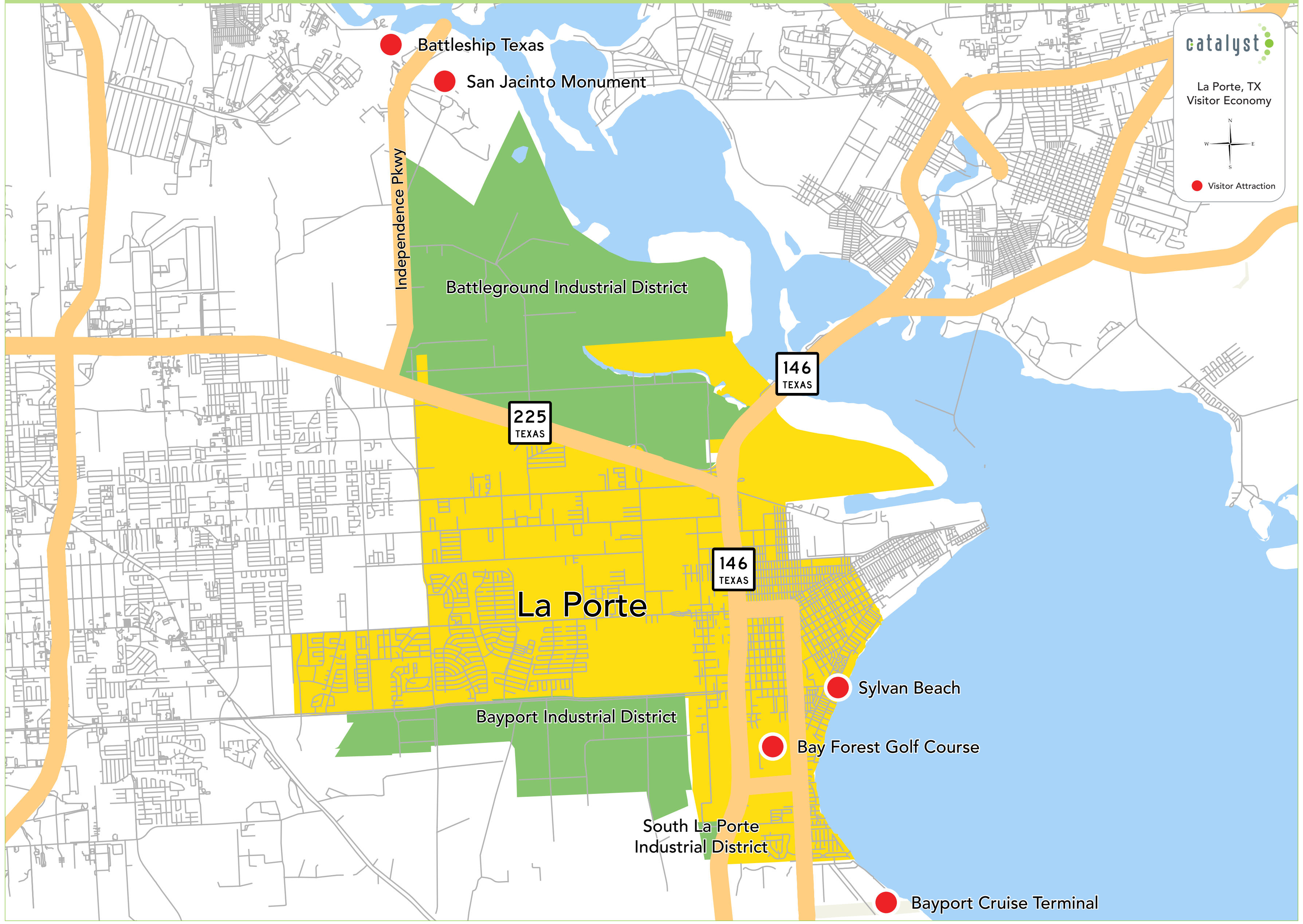
BAY FOREST GOLF COURSE

Bay Forest Golf Course is an 18-hole course on the southern end of La Porte off of S Broadway Street and Wharton Weems Boulevard. There are an estimated 22,000 people that play golf course annually.

BAYPORT CRUISE TERMINAL

The Bayport Cruise Terminal will soon be home to over 50 cruise departures annually. Using an average of 2,500 to 3,000 passengers per departure, there will be an estimated 100,000 people departing from the Bayport Cruise terminal annually.

VISITOR ECONOMY MAP



(Source: Catalyst)

HOTELS

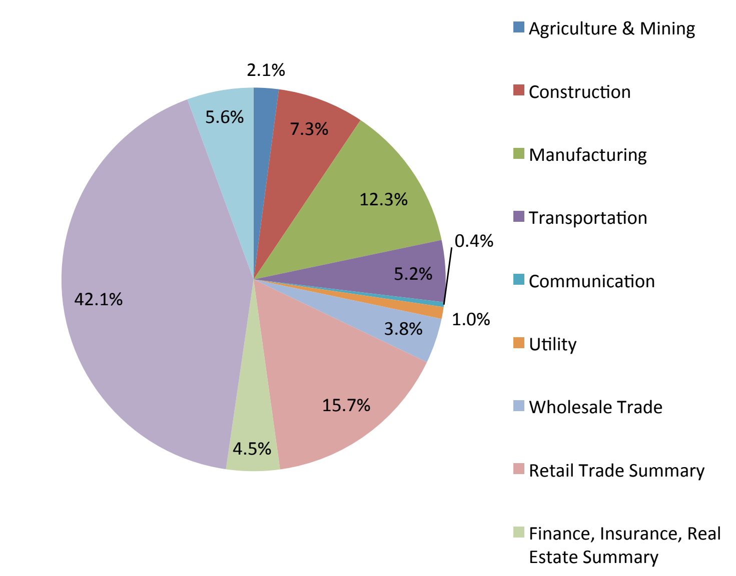
There are 14 hotels representing approximately 825 hotel rooms in the City of La Porte. Using the 65% occupancy rate for the Houston hotel market and a conservative occupancy of 1 person per room night, there is approximately 197,000 room nights in La Porte, annually.

The City of La Porte (including it's ETJ) has a number of large scale employers. Many of these companies are in the manufacturing, petrochemical, oil, or manufacturing services industries. The rankings below are broken down first by businesses (with number of businesses and percent of total number of businesses) and then by employees (with number of employees and percent of total number of employees). In the La Porte city limits and ETJ, the top five industries by number of businesses are:

1. Administrative & Support & Waste Management & Remediation Services (NAICS 56) - 382 businesses/19.5%
2. Professional, Scientific & Tech Services (NAICS 54) - 230 businesses/11.7%
3. Retail Trade (NAICS 44-45) - 217 businesses/11.1%
4. Other Services (except Public Administration) (NAICS 81) - 192 businesses/9.8%
5. Construction (NAICS 23) - 179 businesses/9.1%

The top five industries in the La Porte city limits and ETJ by number of employees are:
1. Manufacturing (NAICS 31-33) - 5,178 employees/28.7%
2. Construction (NAICS 23) - 2,775 employees/15.4%
3. Transportation & Warehousing (NAICS 48-49) - 1,616 employees/9.0%
4. Administrative & Support & Waste Management & Remediation Services (NAICS 56) - 1,318 employees/7.3%
5. Other Services (except Public Administration) (NAICS 81) - 966 employees/5.4%

PTA EMPLOYMENT BY INDUSTRY CHART



(Source: ESRI)

BY SIC CODES	BUSINESSES		EMPLOYEES	
	NUMBER	PERCENT	NUMBER	PERCENT
Agriculture & Mining	459	2.1%	3,197	2.1%
Construction	1,672	7.6%	11,312	7.3%
Manufacturing	884	4.0%	19,045	12.3%
Transportation	898	4.1%	7,999	5.2%
Communication	130	0.6%	673	0.4%
Utility	81	0.4%	1,506	1.0%
Wholesale Trade	1,019	4.7%	5,825	3.8%
Retail Trade	3,432	15.7%	24,279	15.7%
Finance, Insurance, Real Estate	1,714	7.8%	7,007	4.5%
Services	11,429	52.2%	65,069	42.1%
Government	159	0.7%	8,653	5.6%
Totals	**21,879**	**100%**	**154,565**	**100%**

(Source: ESRI)

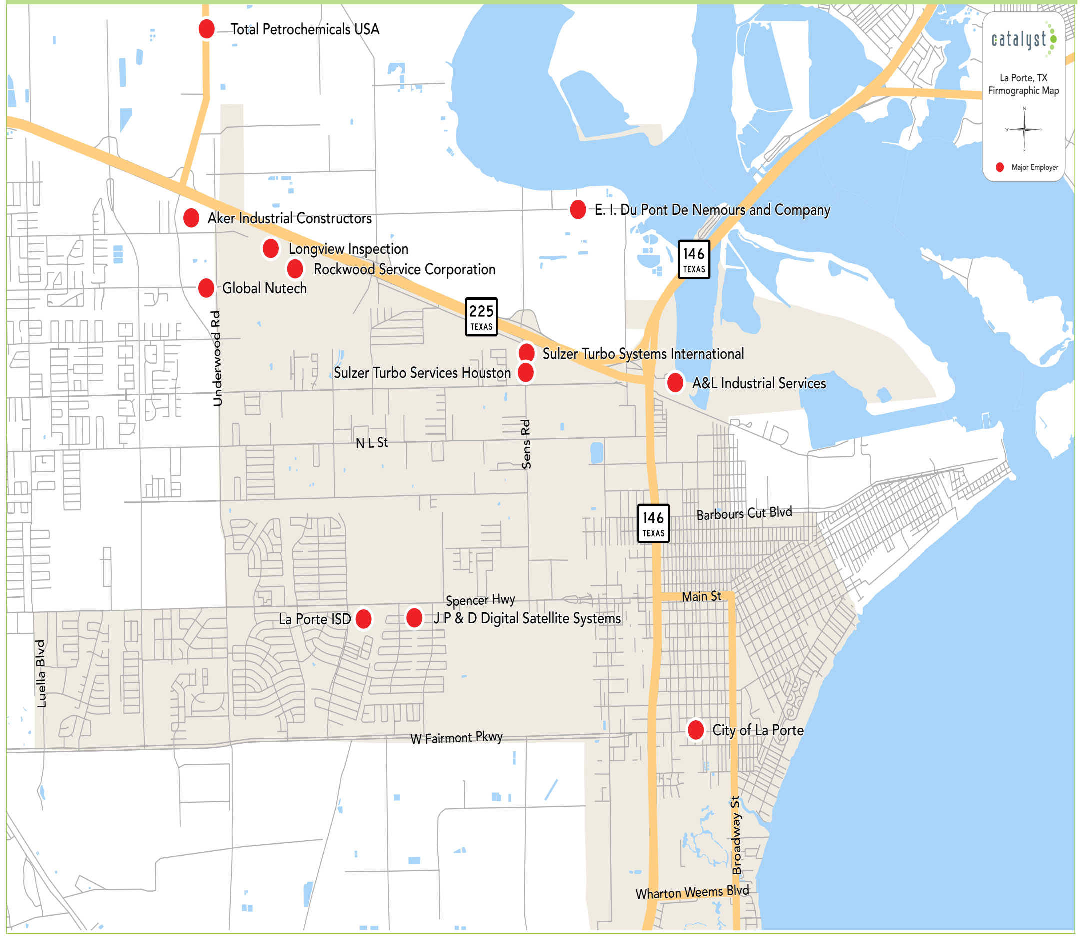
DAYTIME POPULATION OVERVIEW	
Residents - La Porte	34,056
Employees - Live and Work in La Porte	3,950
Employees - Live in La Porte and Work Elsewhere	12,310
Employees - Live Elsewhere and Work in La Porte	12,694
Total Daytime Population	34,440
Employees - La Porte PTA	154,565

(Source: US Census)

MAJOR EMPLOYERS IN THE CITY OF LA PORTE AND LA PORTE ETJ (BY NUMBER)			
COMPANY NAME	EMPLOYEES	ADDRESS	INDUSTRY
Aker Industrial Constructors	1,500	2801 E 13th St	Construction
Total Petrochemicals USA	1,500	1902 Independence Pkwy S	Petroleum Refinery
La Porte ISD	1,200	3201 Farrington Blvd	Government
International Plant Services	1,000	1602 Old Underwood Rd	Engineering Services
Rockwood Service Corp.	700	101 Old Underwood Rd	Engineering Services
Longview Inspection, Inc.	664	101 Old Underwood Rd, #J	Testing Laboratory
J P & D Digital Satellite Systems	600	10916 Spencer Highway	Manufacturing
E. I. Du Pont De Nemours And Company	500	12501 Strang Rd	Freight
Katoen Natie Usa, Inc.	500	10925 State Hwy 225	Transportation Services
Sulzer Turbo Systems Int'l	400	11518 Old La Porte Rd	Manufacturing
City Of La Porte	368	604 W Fairmont Parkway	Government
Sulzer Turbo Services Houston	350	11518 Old La Porte Road	Manufacturing
Global Nutech, Inc.	317	1602 Old Underwood Road	Engineering Services
A&L Industrial Services, Inc.	300	1728 State Highway 146 N	Industrial Services
Cat-Spec, Ltd.	300	225 S 16th St	Industrial Services
Contech Control Services, Inc.	300	2801 Sens Rd	Engineering Services
Other	9,566		
Total	**20,065**		

(Source: Bay Area Houston Economic Partnership)

MAJOR EMPLOYERS MAP



(Source: Catalyst)

COMPETITIVE ANALYSIS

The following pages are the result of the competitive analysis sampling done by Catalyst between March 26, 2013 and March 29, 2013. The purpose of this competitive analysis is to see how the surrounding competing nodes' retail trades in comparison with La Porte's retail nodes. This process included collecting approximately 2,200 customer samples from the following locations:

1. Baybrook - W Bay Area Boulevard
2. Baytown - San Jacinto Mall
3. Clear Lake/Kemah - FM 146 and FM 2094
4. Deer Park - Center Street and Pasadena Boulevard
5. Pasadena - Fairmont Parkway and the Sam Houston Tollway

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 the method of determining the Primary Trade Area Baybrook, Baytown, Clear Lake/Kemah, Deer Park, and Pasadena.

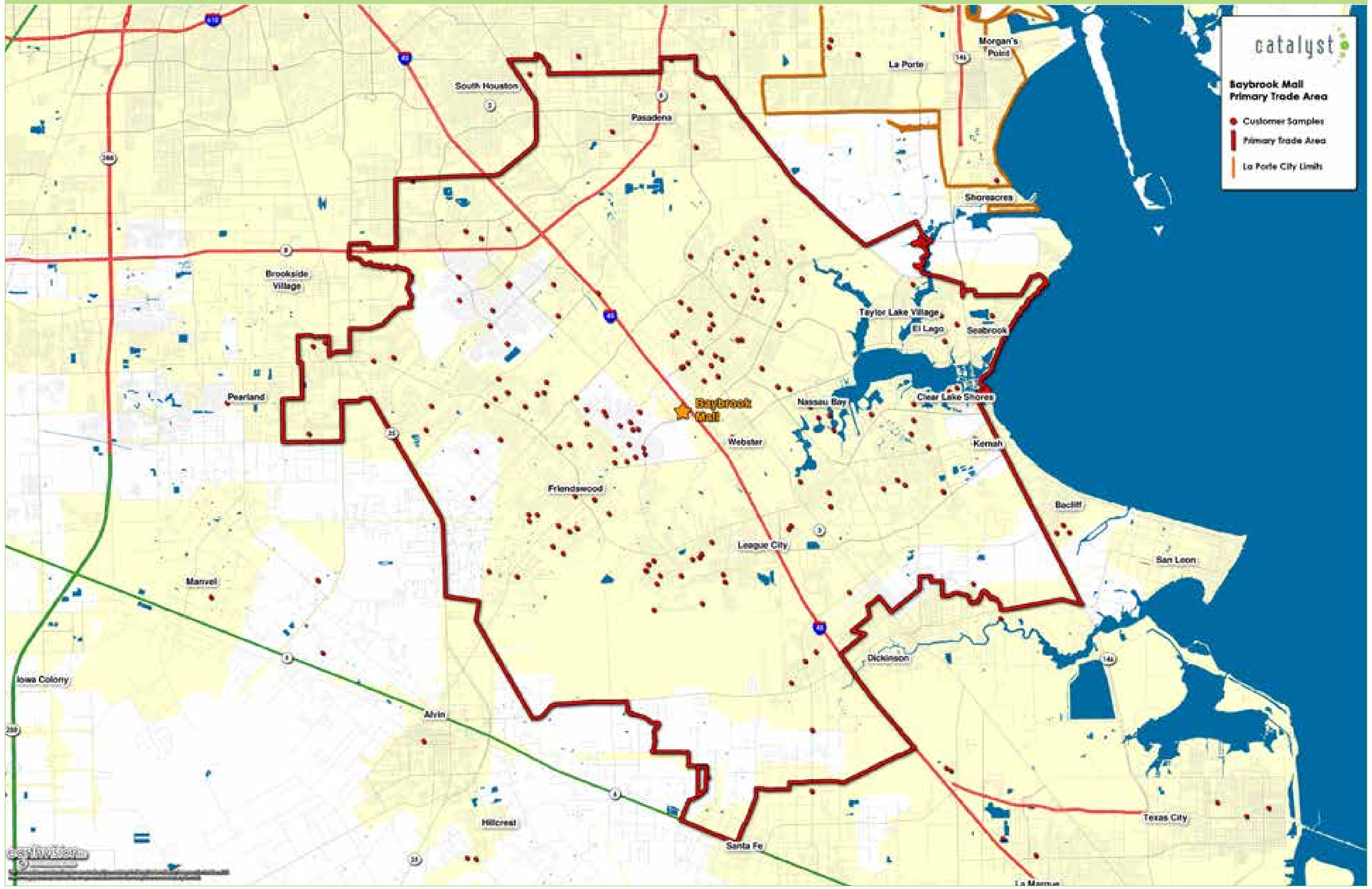
BAYBROOK COMPETITIVE ANALYSIS
Catalyst collected 454 samples from the Baybrook Mall and surrounding retail at Interstate 45 and W Bay Area Boulevard. This location was chosen due to the Baybrook Mall that many residents of La Porte likely shop.

The Baybrook Mall is located on the northwest corner of Bay Area Boulevard and Interstate 45 in Friendswood, Texas. The mall is 1,293,593 square feet in size and is home to over 170 stores. The surrounding retail (on the northwest corner of Interstate 45 and Bay Area Boulevard) comprises an additional 391,896 square feet. This same corner has a very low vacancy rate of 0.6% and all of the vacancy is located in the mall (9,759 square feet). This low vacancy rate is indicative of a very healthy retail node.

The Baybrook Mall has many of the standard national retailers that locate in malls. Some of the retailers include: JC Penney, Macy's, Sears, Forever 21, Dillard's, Fossil, and an Apple Store. The retail surrounding the mall includes retailers such as Plato's Closet, Men's Wearhouse, Rooms To Go, and Olive Garden.

Baybrook Mall is approximately 12.3 miles by car from La Porte and is roughly the same distance from La Porte as San Jacinto Mall in Baytown.

BAYBROOK MALL PRIMARY TRADE AREA MAP



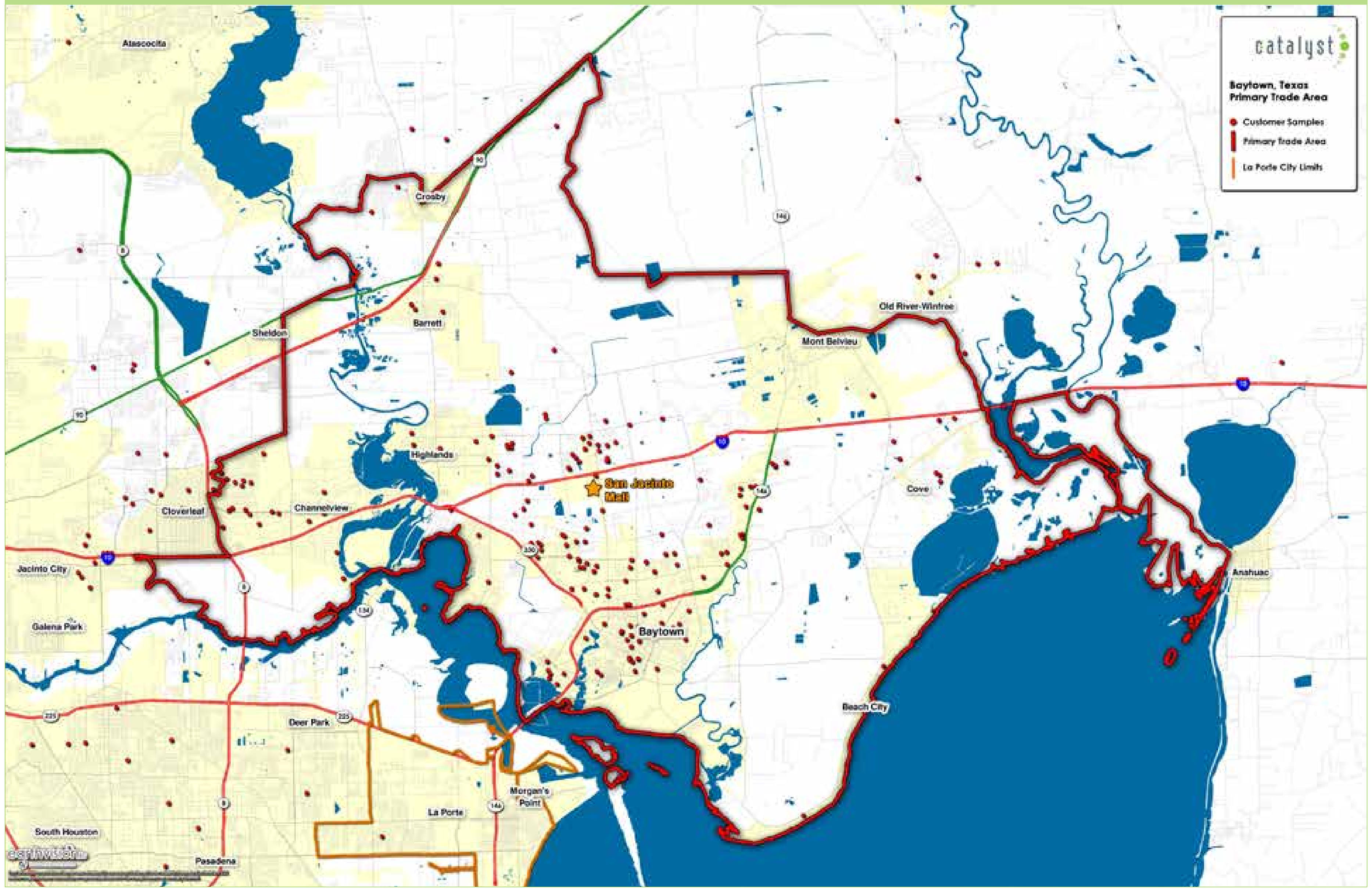
(Source: Catalyst)

BAYTOWN COMPETITIVE ANALYSIS
Catalyst collected 452 samples from the San Jacinto Mall and the surrounding retail. Baytown was chosen to sample because of the close proximity to La Porte.

The San Jacinto Mall is located on the southwest corner of Garth Road and Interstate 10 in Baytown, Texas. The mall is 1,478,998 square feet in size and home to over 100 stores. The retail surrounding the mall is an additional 27,993 square feet. The total vacancy for the San Jacinto Mall and the surrounding retail is 9.9% with 98% of the vacant space located inside the mall. As shown by the numbers above, the mall isn't as healthy as the surrounding retail. The retail surrounding the mall is made up of retailers such as Texas Roadhouse, Carino's Italian, and Al's Formal Wear.

San Jacinto Mall is approximately 12.2 miles by car from La Porte and is roughly the same distance from La Porte as Baybrook Mall in Friendswood.

BAYTOWN PRIMARY TRADE AREA MAP



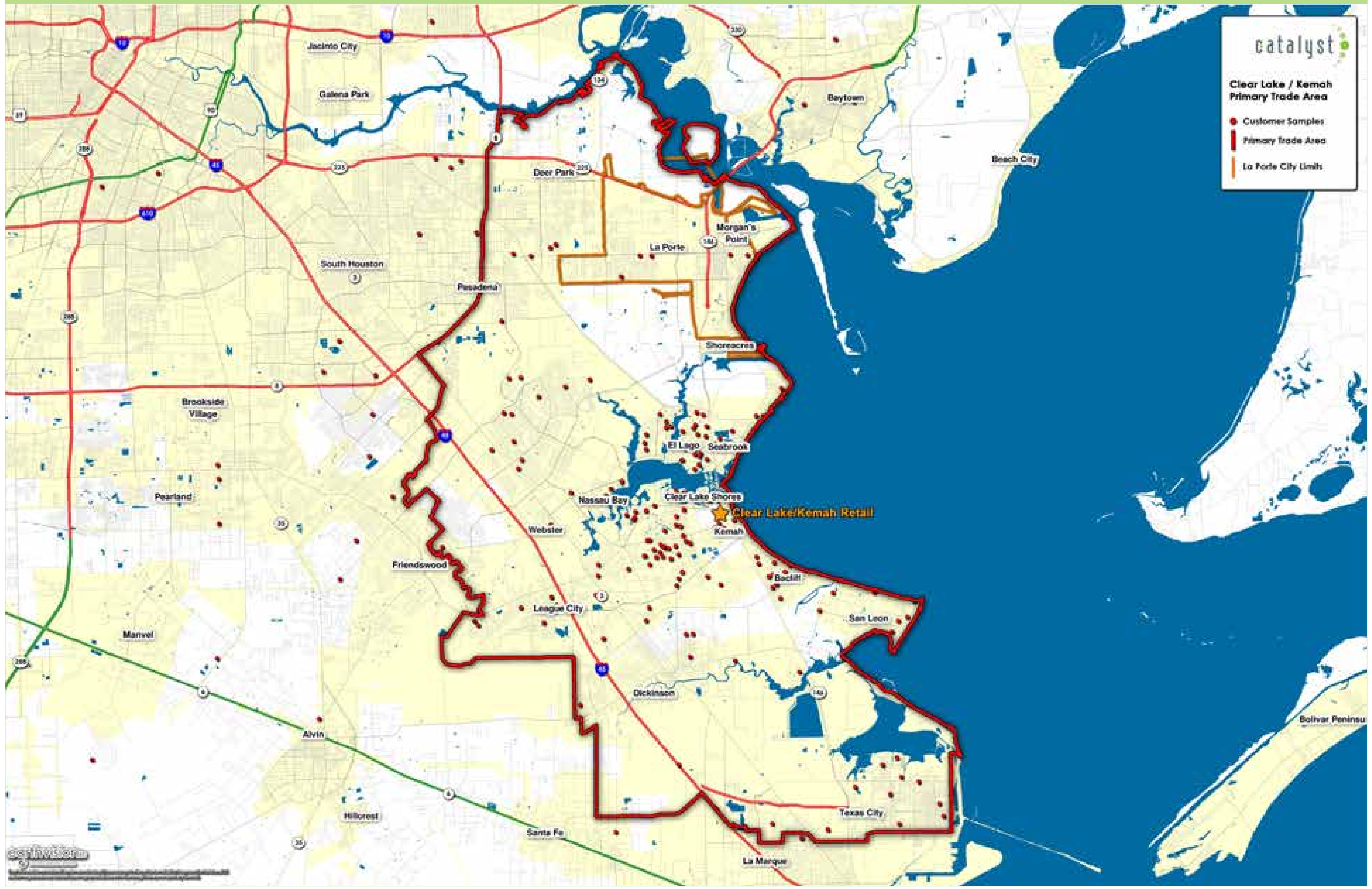
(Source: Catalyst)

CLEAR LAKE/KEMAH COMPETITIVE ANALYSIS

Catalyst collected 447 samples from the State Highway 146 and FM 2094 intersection in Clear Lake/Kemah. This location was chosen as it is the closest southern retail node that has a significant amount of entertainment and restaurant uses as well as some regional and neighborhood serving uses.

The southwest corner of State Highway 146 and FM 2094 is home to national retailers such as Home Depot, Target, Chili's, Wendy's, IHOP, Discount Tire, Chick-fil-A, Taco Cabana, and Pier 1 Imports. This corner has a total of 346,950 square feet of rentable building area and 2,700 square feet are vacant (0.8%). This vacancy rate is very low and is an indicator of how healthy this retail node is. The Target and Home Depot in Pasadena are both closer in mileage to the centroid of La Porte (Sens Road and Spencer Highway), but the driving time to the Clear Lake/Kemah Target and Home Depot is approximately 1 minute shorter. Residents of La Porte may also shop at this intersection due to less congestion and the ease of access when compared to Pasadena.

CLEAR LAKE/KEMAH PRIMARY TRADE AREA MAP



(Source: Catalyst)

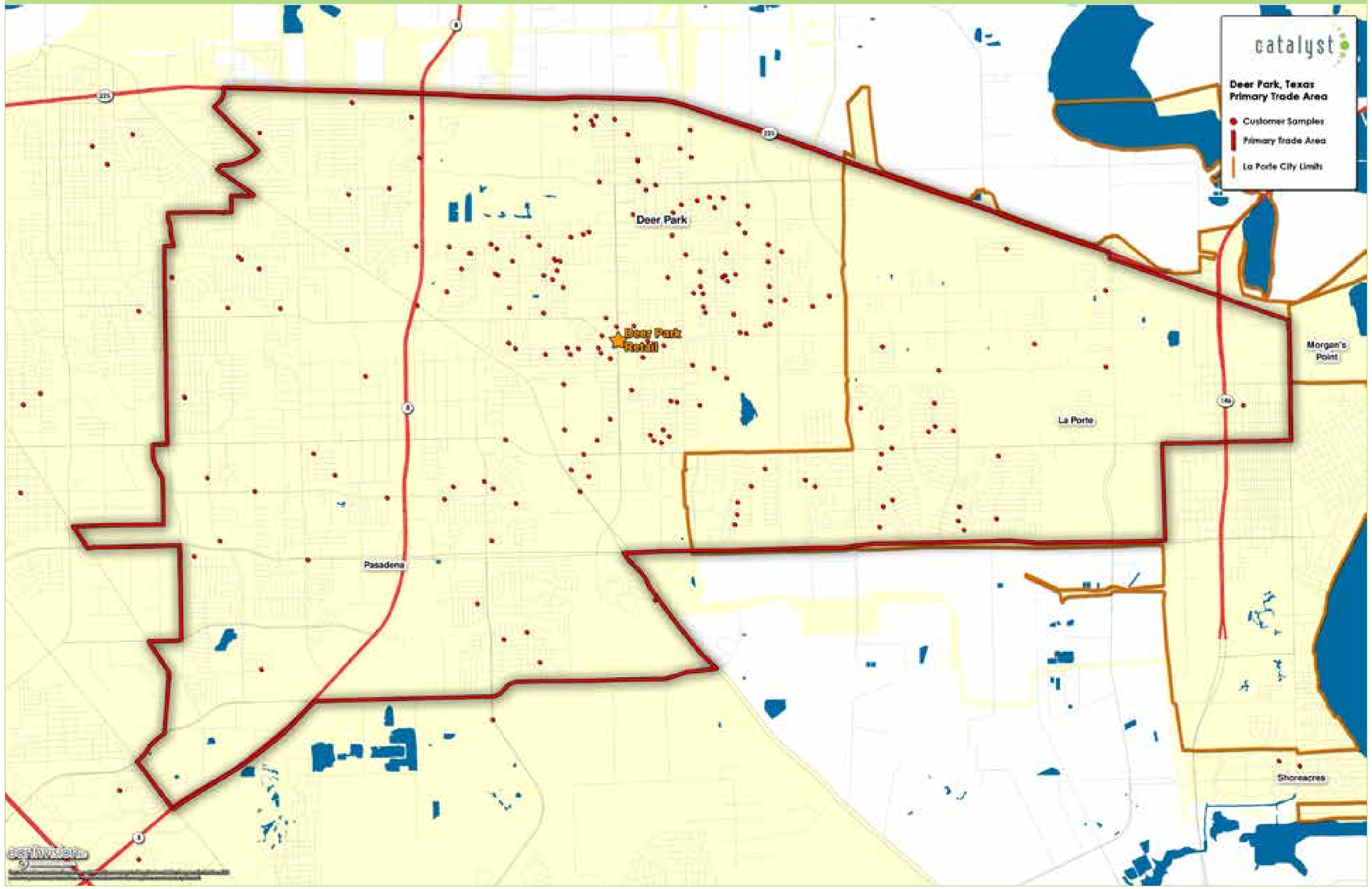
DEER PARK COMPETITIVE ANALYSIS

Catalyst collected 428 samples from the intersection of Center Street and Pasadena Boulevard in Deer Park. This intersection is very accessible to the residents of La Porte by way of Spencer Highway and Center Street.

This intersection is home to many national retailers such as Walgreens, Fantastic Sams, Pizza Hut, Taco Bell, CVS, HEB, Starbucks, and Sonic. This intersection has a total rentable building area of 226,397 of which 12,802 square feet are vacant (5.7%).

As seen in the map, many residents of the western side of La Porte shop at this intersection.

DEER PARK PRIMARY TRADE AREA MAP



(Source: Catalyst)

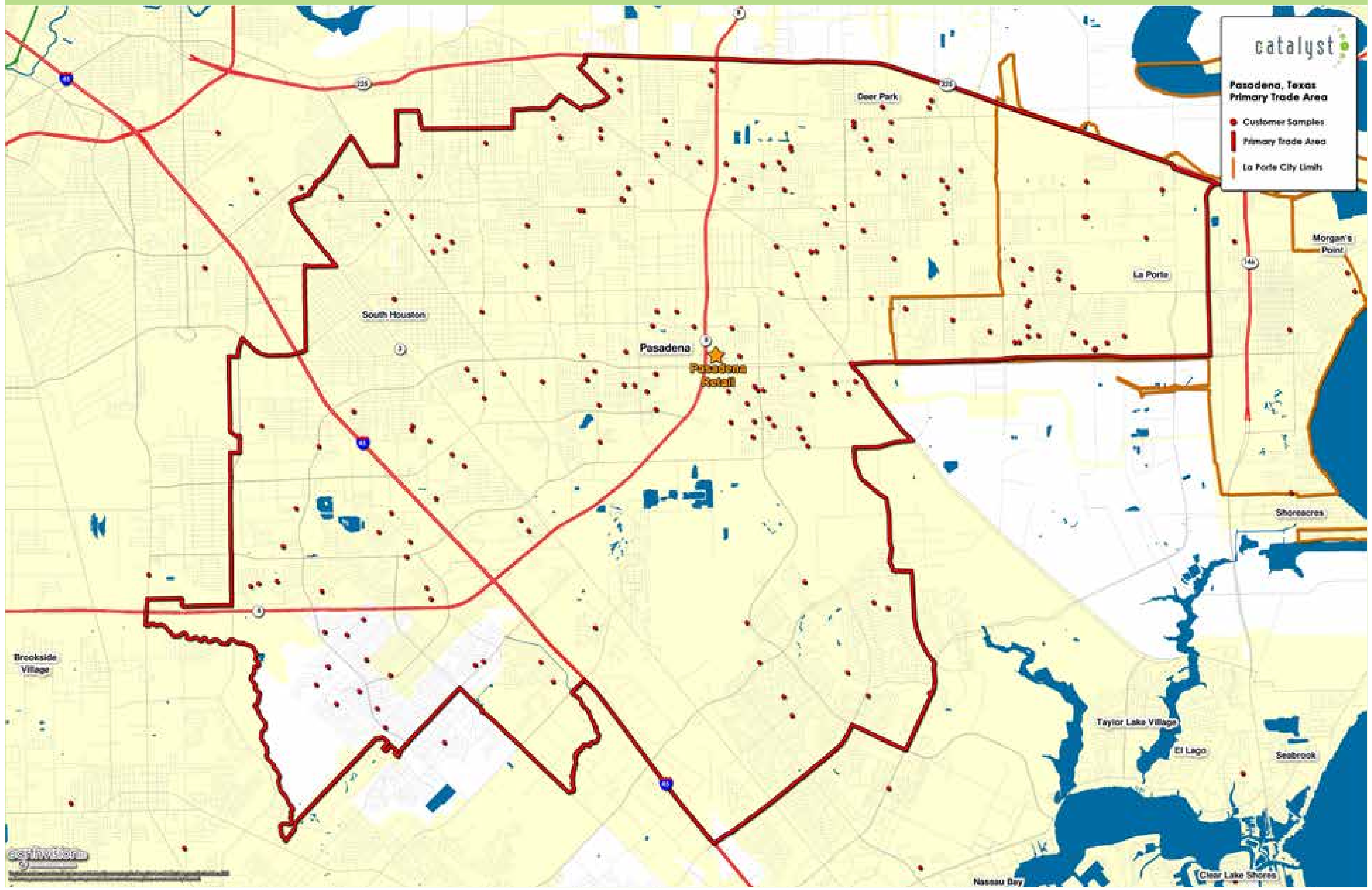
PASADENA COMPETITIVE ANALYSIS

Catalyst collected 444 samples from the intersection of Fairmont Parkway and Sam Houston Parkway/Beltway 8. The retail in Pasadena is likely the west gateway into La Porte and already has a substantial base of existing retail. Understanding who customers are and what uses they shop at will be informative in forming a strategy for La Porte in context with the customer base in Pasadena and along Beltway 8.

The intersection of Fairmont Parkway and Sam Houston Parkway is home to many national retailers such as Kohl's, Target, Office Depot, Chipotle, Starbucks, Conn's, Sports Authority, Buffalo Wild Wings, Cavender's, Sally Beauty Supply, Dress Barn, PetSmart, Best Buy, Bath & Body Works, Ross, Chili's, Lowe's, Walmart, and Home Depot. This intersection has a total rentable building area of 1,596,609 square feet, of which 16,487 square feet are vacant (1.0%).

As seen in the map, many residents of the western side of La Porte shop at this intersection.

PASADENA PRIMARY TRADE AREA MAP



(Source: Catalyst)

catalyst

APPENDIX

presented to:

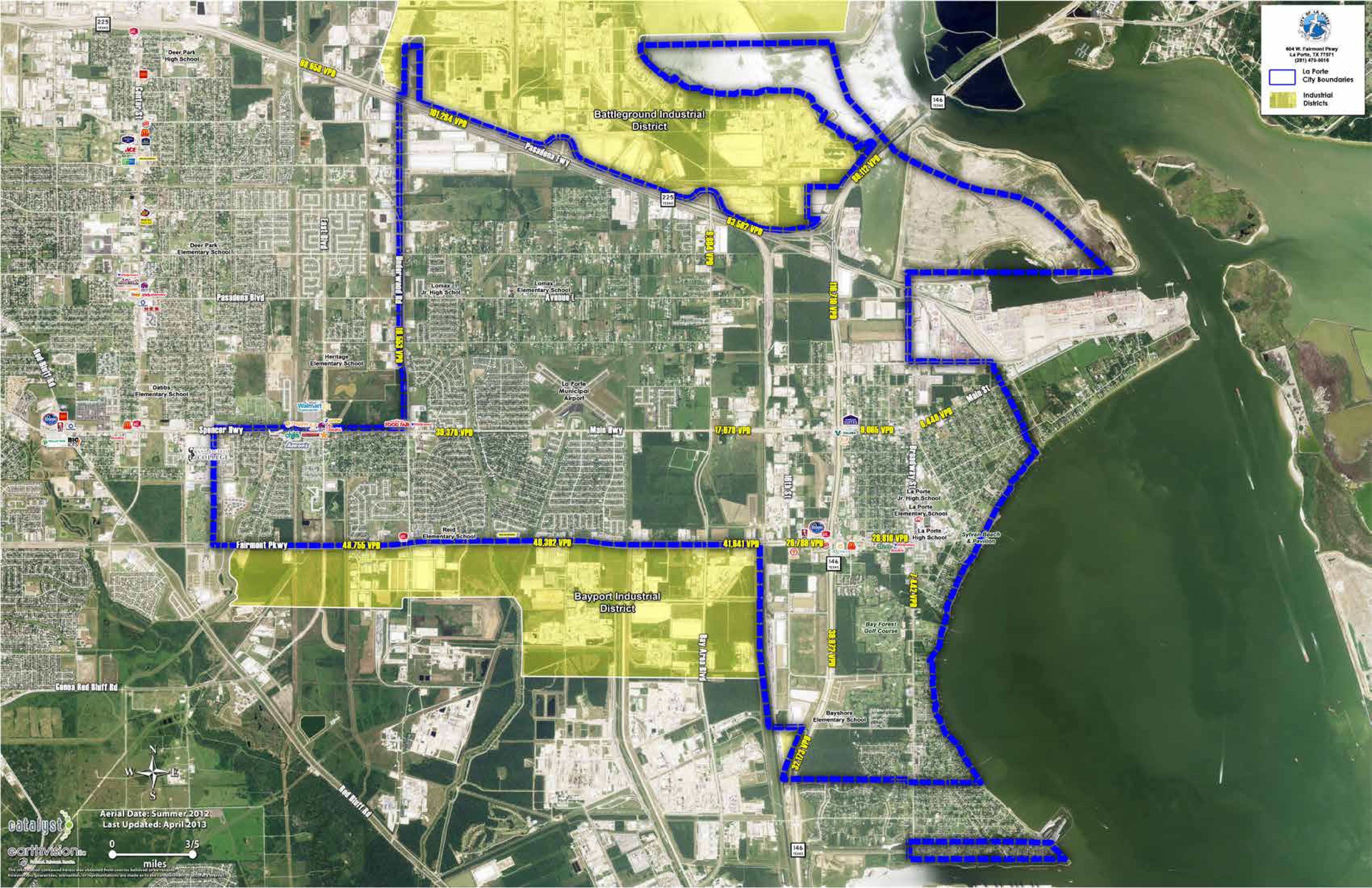
October 2013

AERIAL MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013



604 W. Fairmont Pkwy
La Porte, TX 77571
(281) 470-5016
La Porte City Boundaries
Industrial Districts
Battleground Industrial District
Bayport Industrial District
Pasadena Fwy
Spencer Hwy
Main Hwy
Fairmont Pkwy
Pasadena Blvd
Underwood Rd
Center St
East Blvd
Red Bluff Rd
Genoa Red Bluff Rd
Bay Area Blvd
Broadway St
Main St
16th St
Avenue L
88,650 VPD
101,264 VPD
83,582 VPD
68,112 VPD
18,653 VPD
39,376 VPD
17,678 VPD
8,065 VPD
6,440 VPD
118,710 VPD
48,755 VPD
40,382 VPD
41,641 VPD
26,788 VPD
28,810 VPD
38,872 VPD
32,173 VPD
Deer Park High School
Deer Park Elementary School
Lomax Jr. High School
Lomax Elementary School
Heritage Elementary School
Dabbs Elementary School
La Porte Municipal Airport
Reid Elementary School
La Porte Jr. High School
La Porte Elementary School
La Porte High School
Sylvan Beach & Pavilion
Bay Forest Golf Course
Bayshore Elementary School
Aerial Date: Summer 2012
Last Updated: April 2013
miles
0
3/5

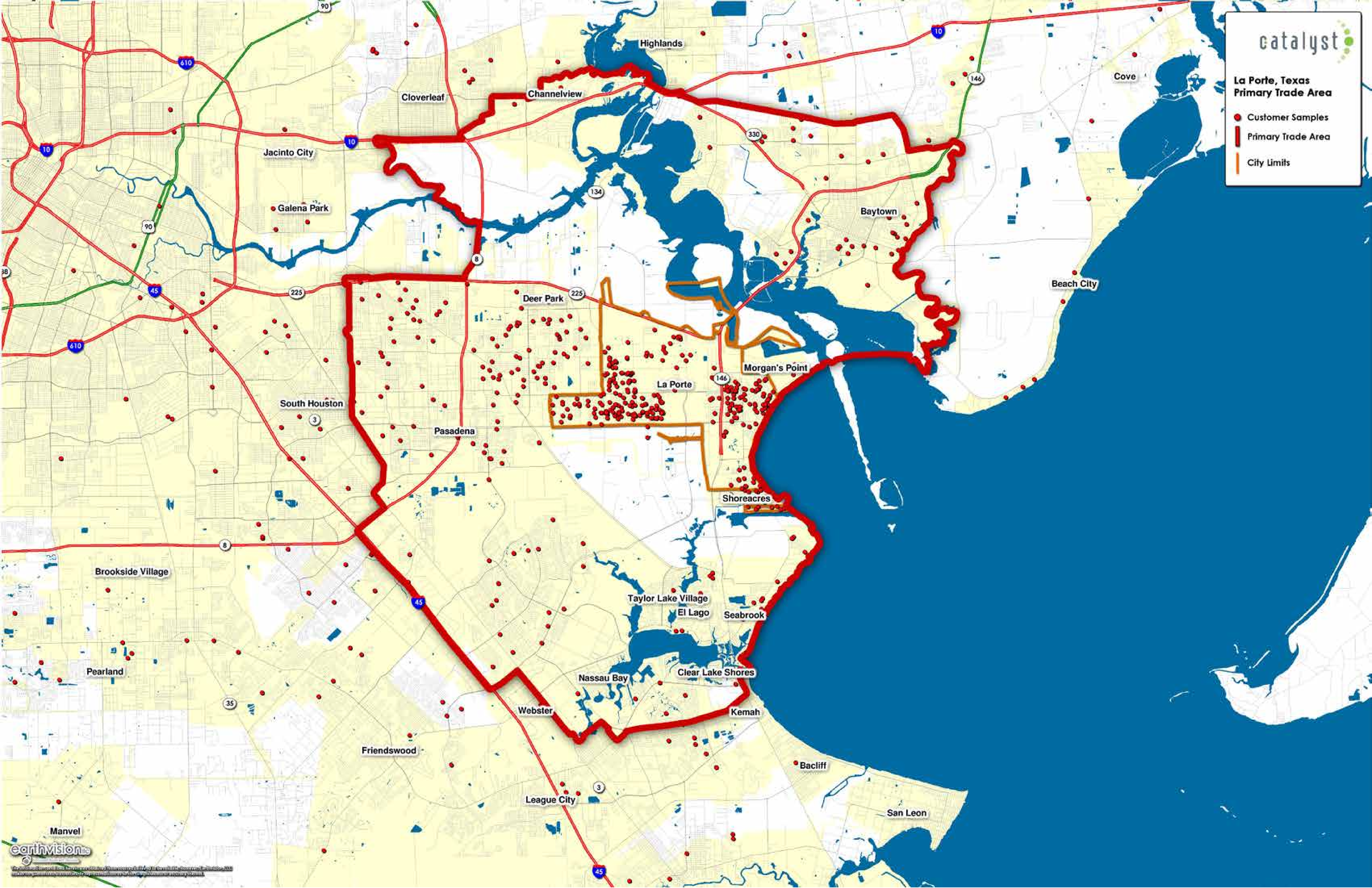
catalyst

TRADE AREA MAPS

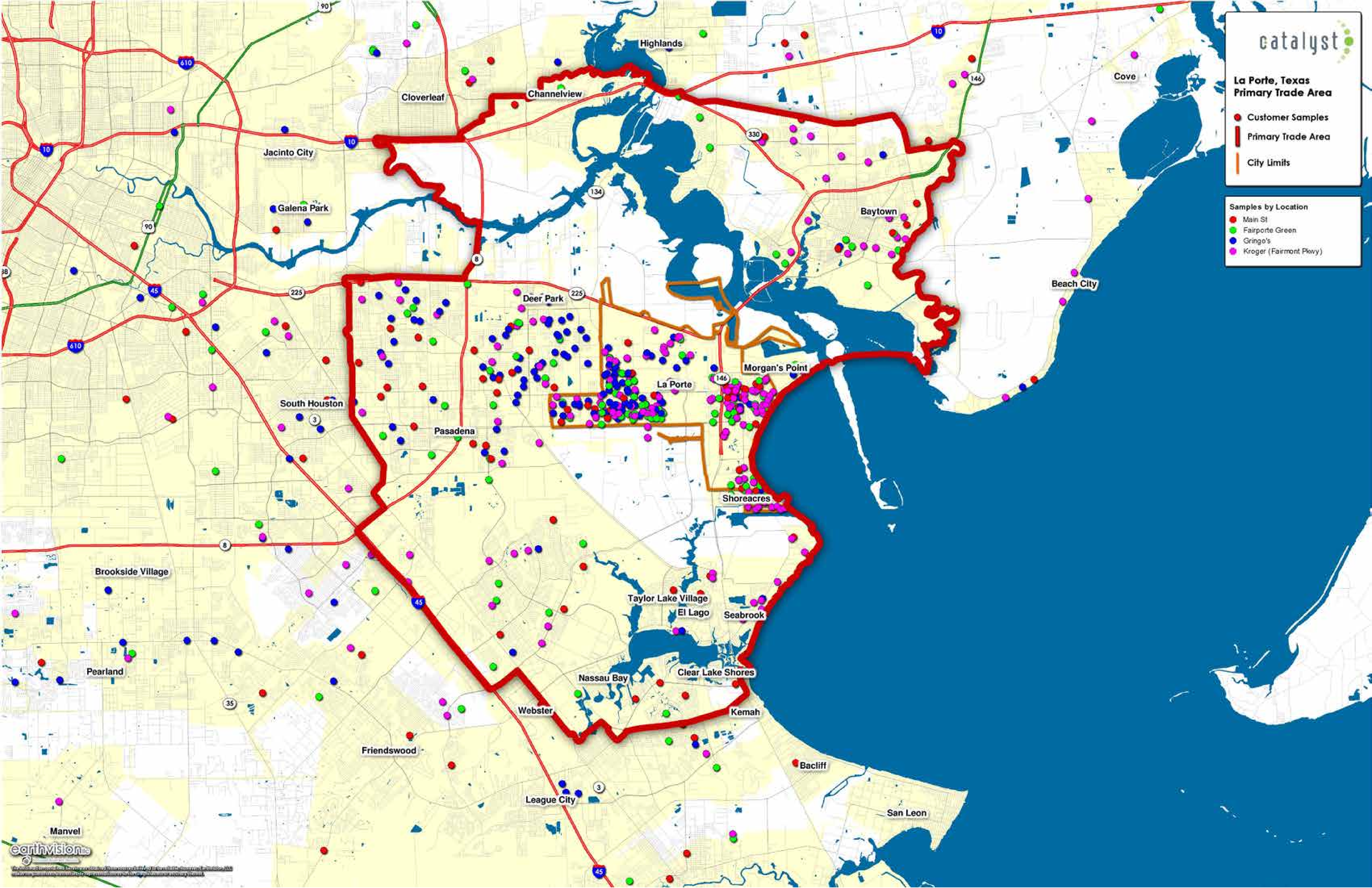
presented to:

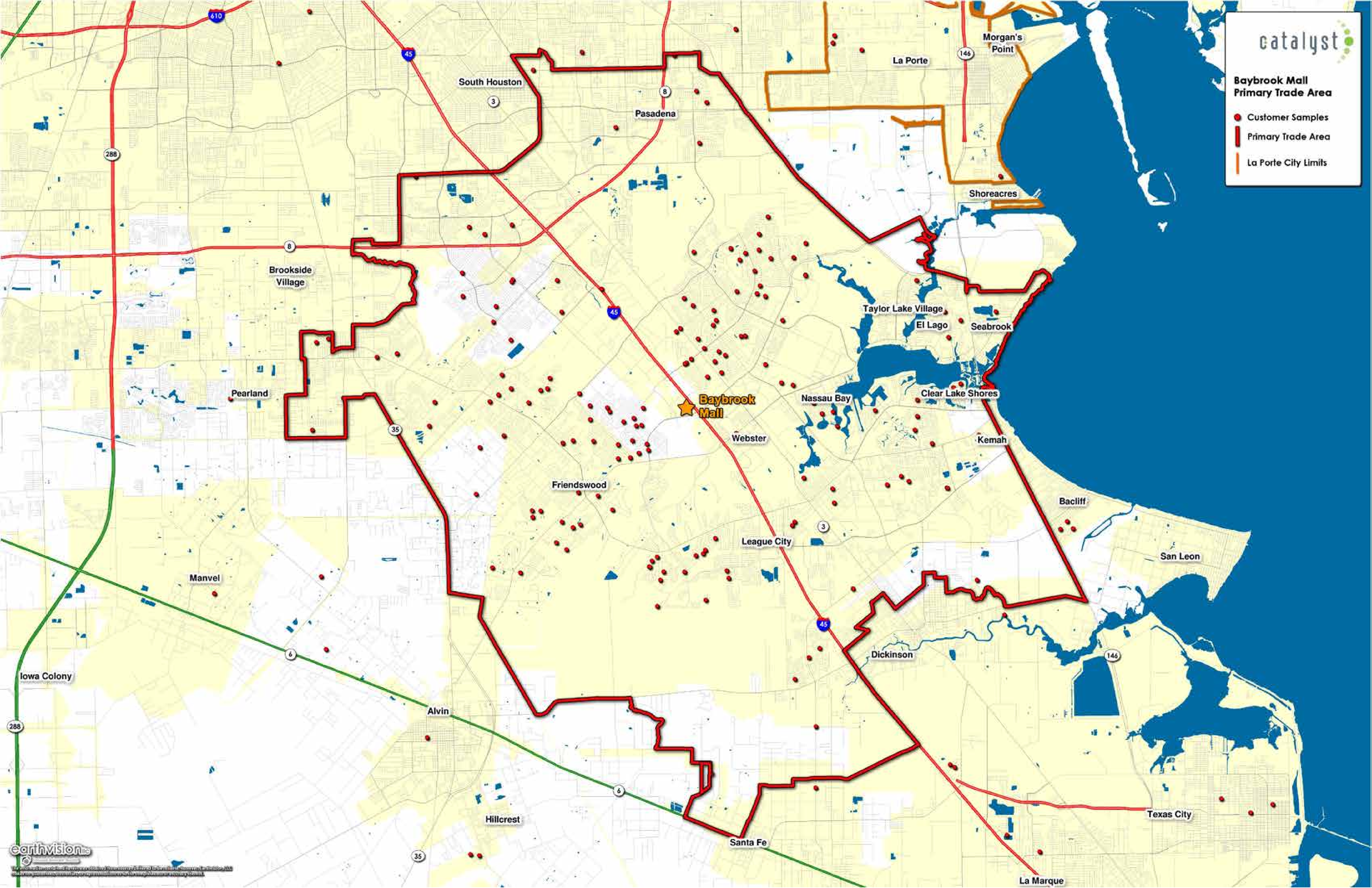
CITY OF LA PORTE TEXAS

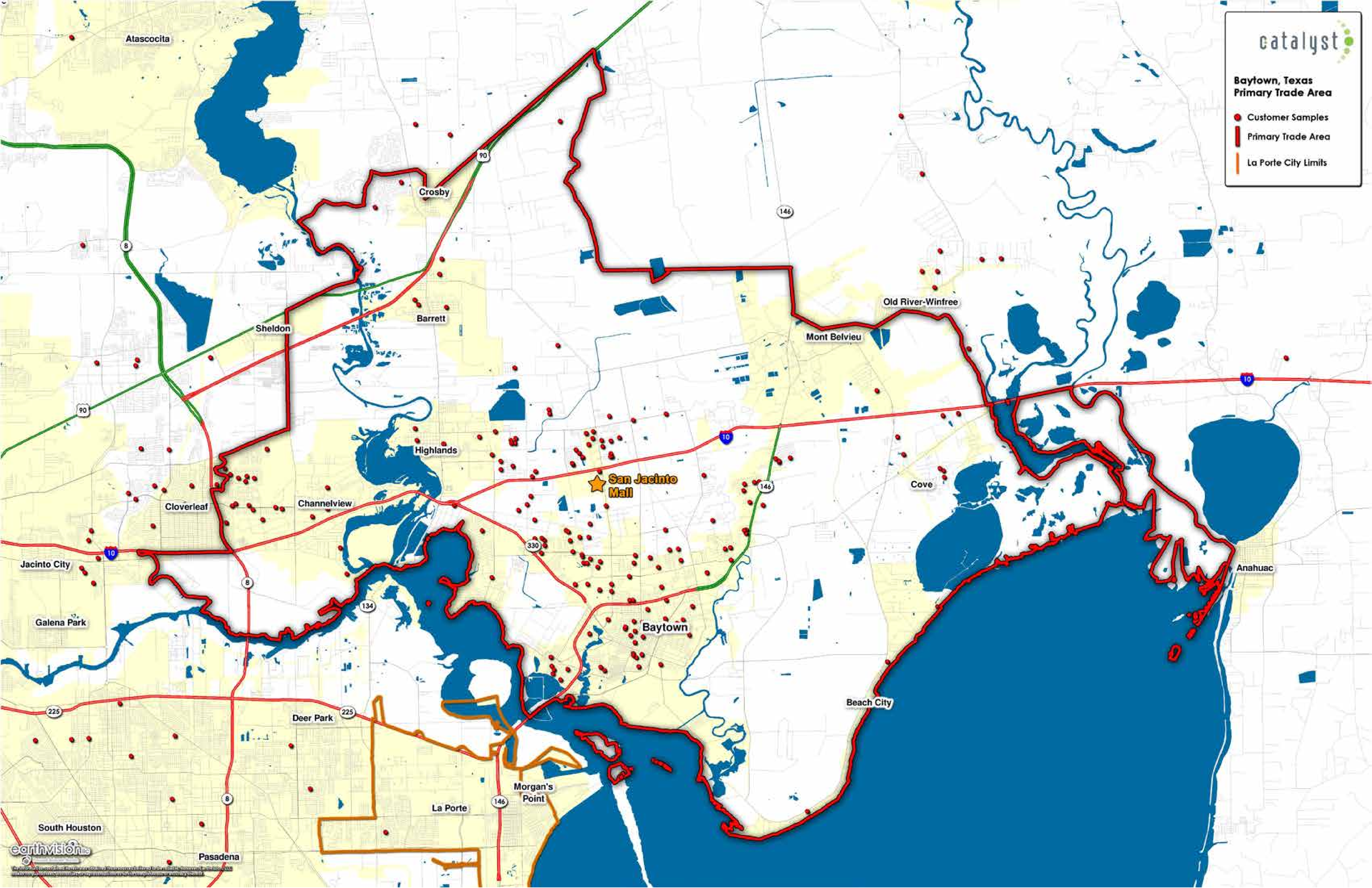
October 2013

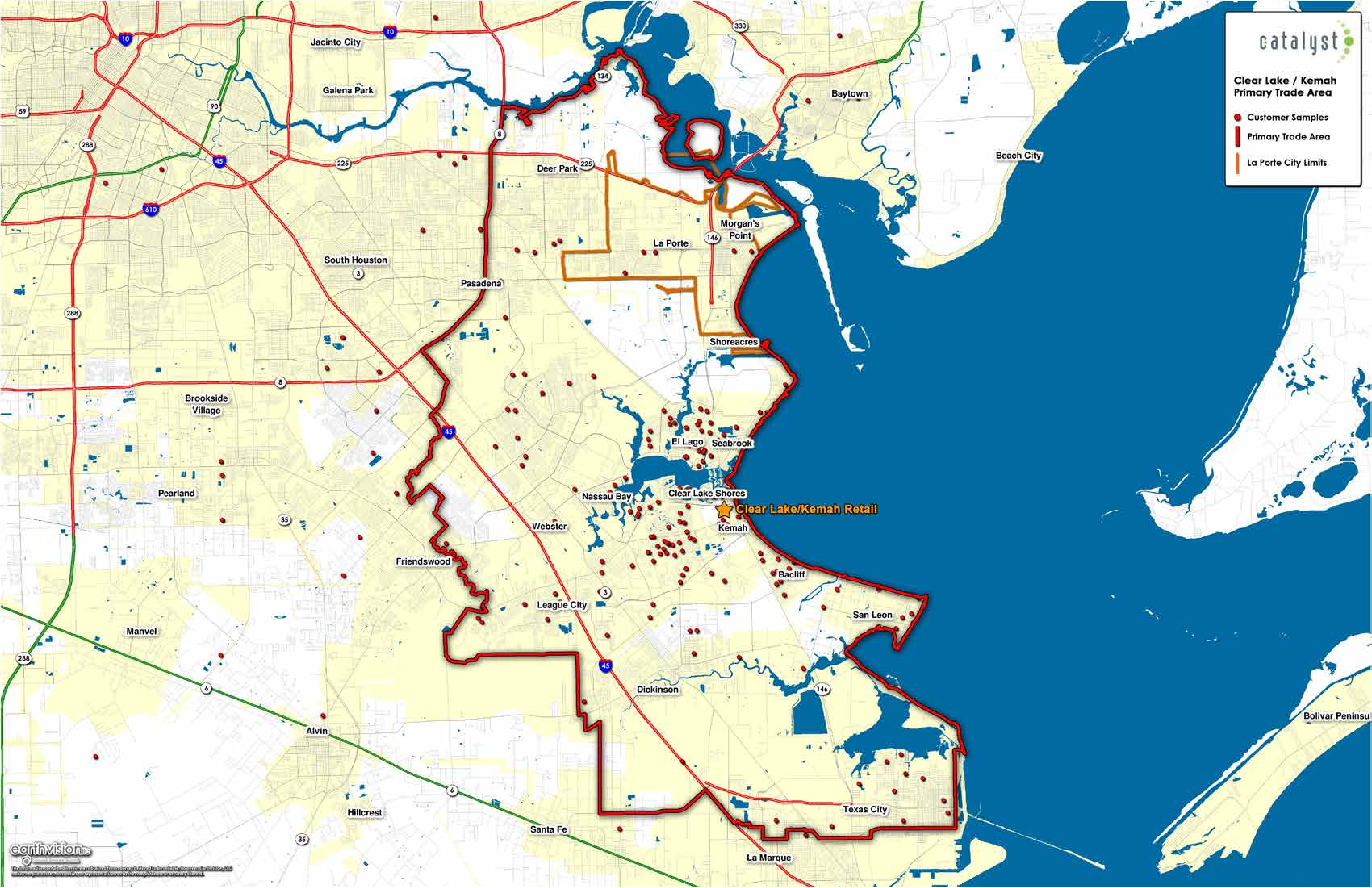


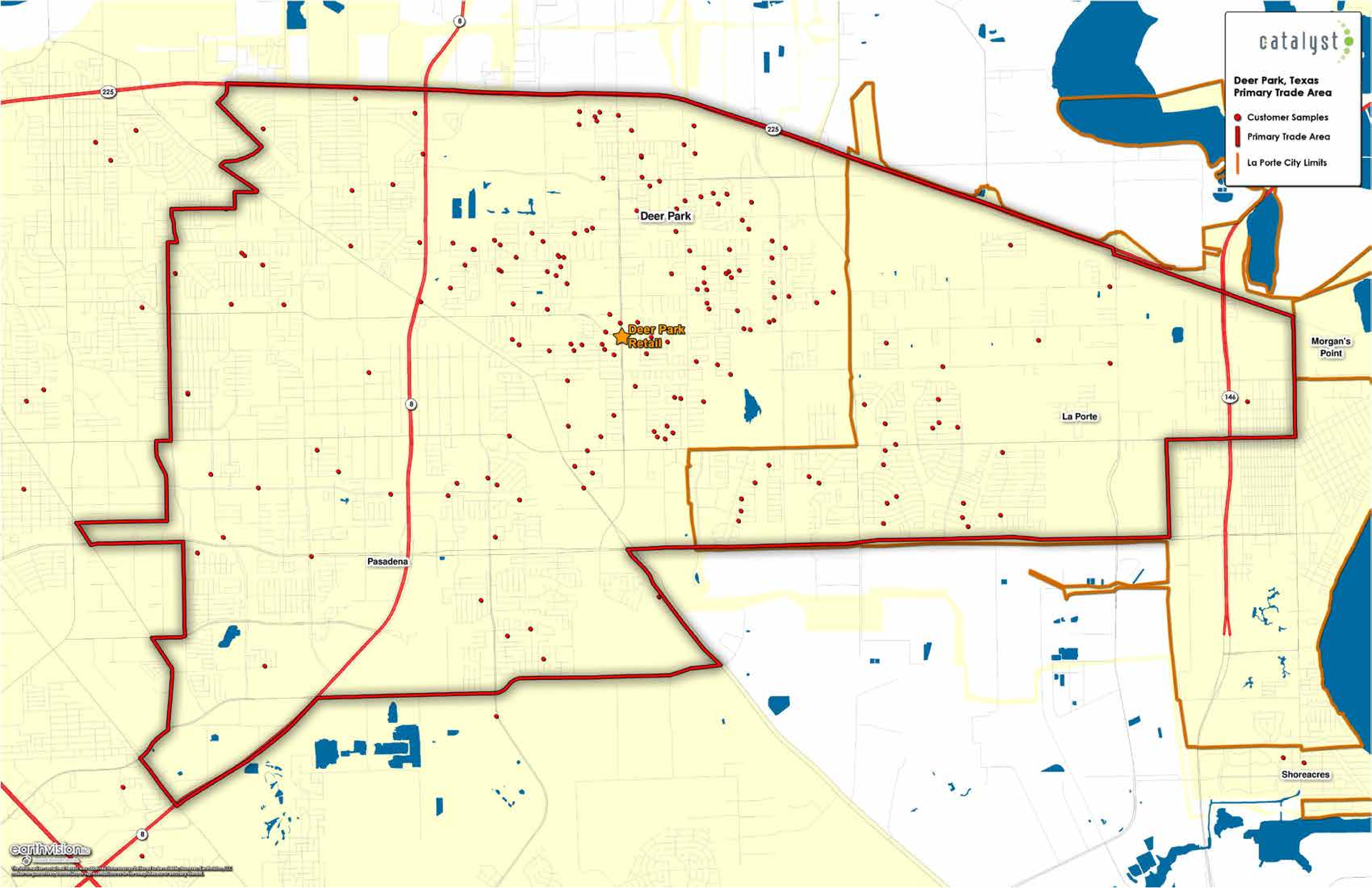
catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
City Limits
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
Morgan's Point
La Porte
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision

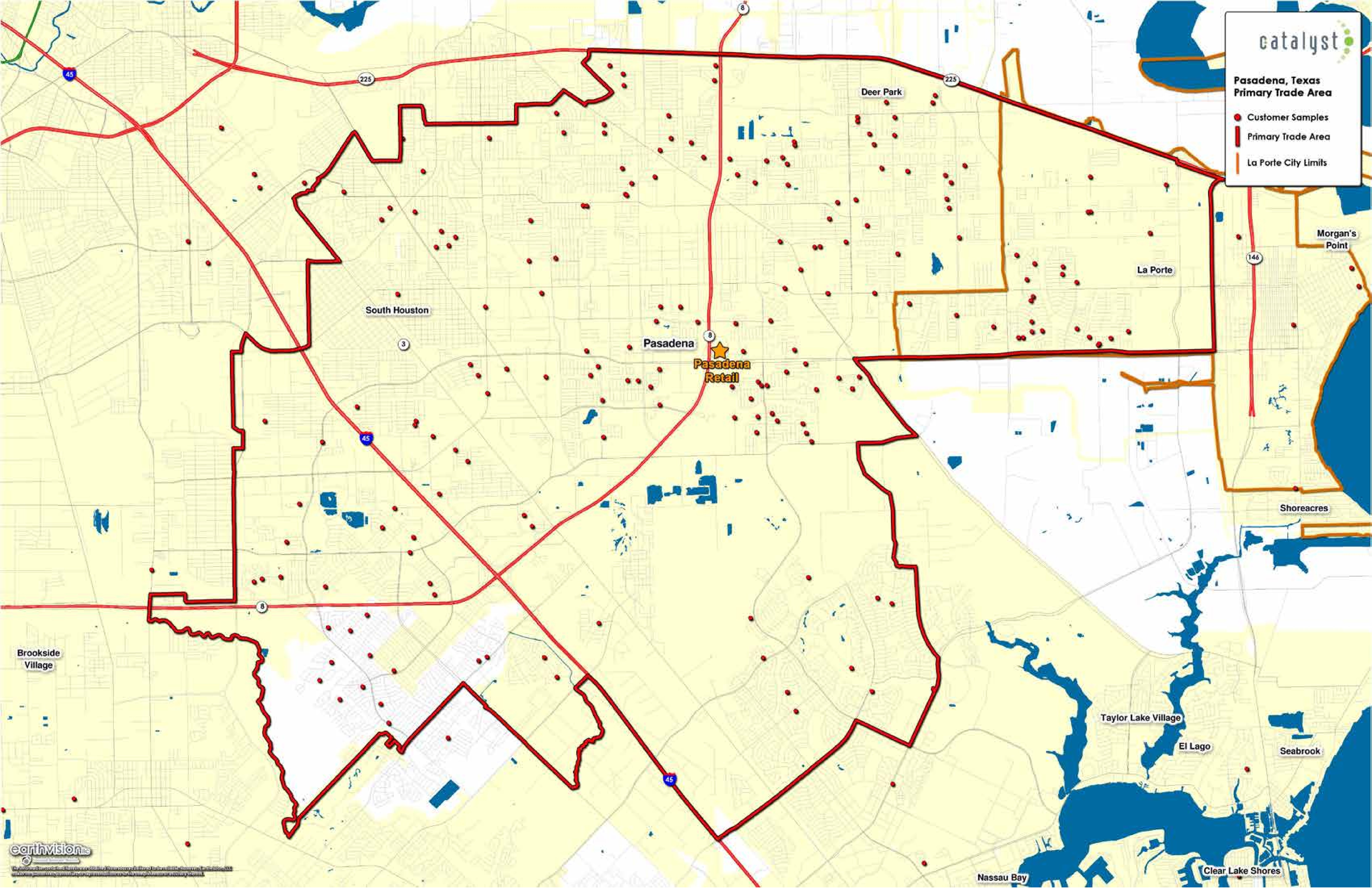

catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
City Limits
Samples by Location
Main St
Fairporte Green
Gringo's
Kroger (Fairmont Pkwy)
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision


catalyst
Baybrook Mall
Primary Trade Area
Customer Samples
Primary Trade Area
La Porte City Limits
South Houston
Pasadena
La Porte
Morgan's Point
Shoreacres
Brookside Village
Pearland
Taylor Lake Village
El Lago
Seabrook
Baybrook Mall
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
Dickinson
Iowa Colony
Alvin
Hillcrest
Santa Fe
Texas City
La Marque
earthvision


catalyst
Baytown, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
La Porte City Limits
Atascocita
Crosby
Barrett
Sheldon
Highlands
San Jacinto Mall
Channelview
Cloverleaf
Jacinto City
Galena Park
Mont Belvieu
Old River-Winfree
Cove
Anahuac
Baytown
Beach City
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
earthvision


catalyst
Clear Lake / Kemah Primary Trade Area
Customer Samples
Primary Trade Area
La Porte City Limits
Clear Lake/Kemah Retail
Jacinto City
Galena Park
Baytown
Beach City
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
Shoreacres
Brookside Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Kemah
Webster
Friendswood
Bacliff
League City
San Leon
Manvel
Dickinson
Alvin
Texas City
Hillcrest
Santa Fe
La Marque
Bolivar Peninsu
earthvision


catalyst
Deer Park, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
La Porte City Limits
Deer Park
Deer Park Retail
La Porte
Pasadena
Morgan's Point
Shoreacres
225
8
146
earthvision


catalyst
Pasadena, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
La Porte City Limits
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
Pasadena Retail
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Nassau Bay
Clear Lake Shores
earthvision
45
225
8
3
146

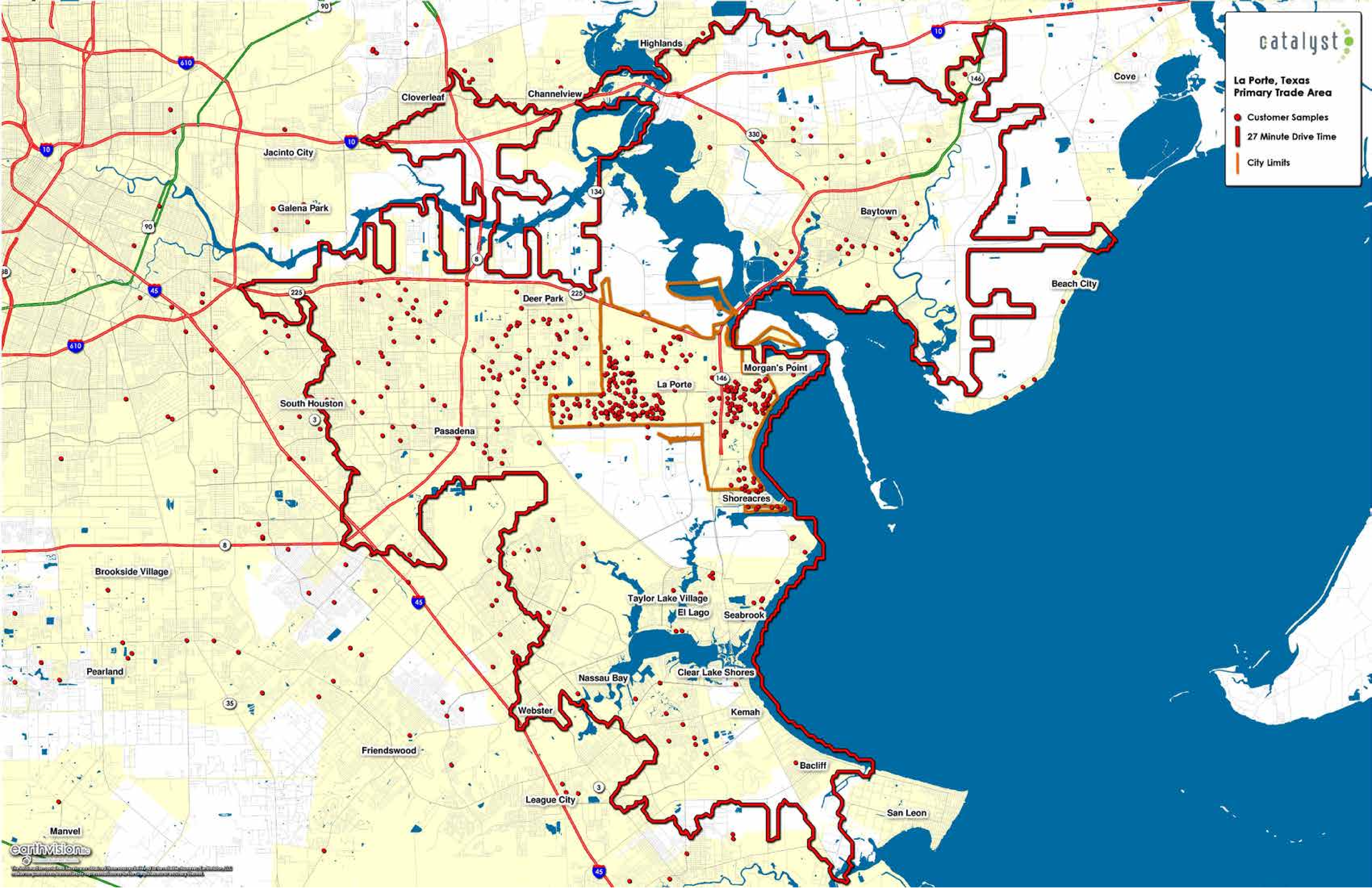
catalyst

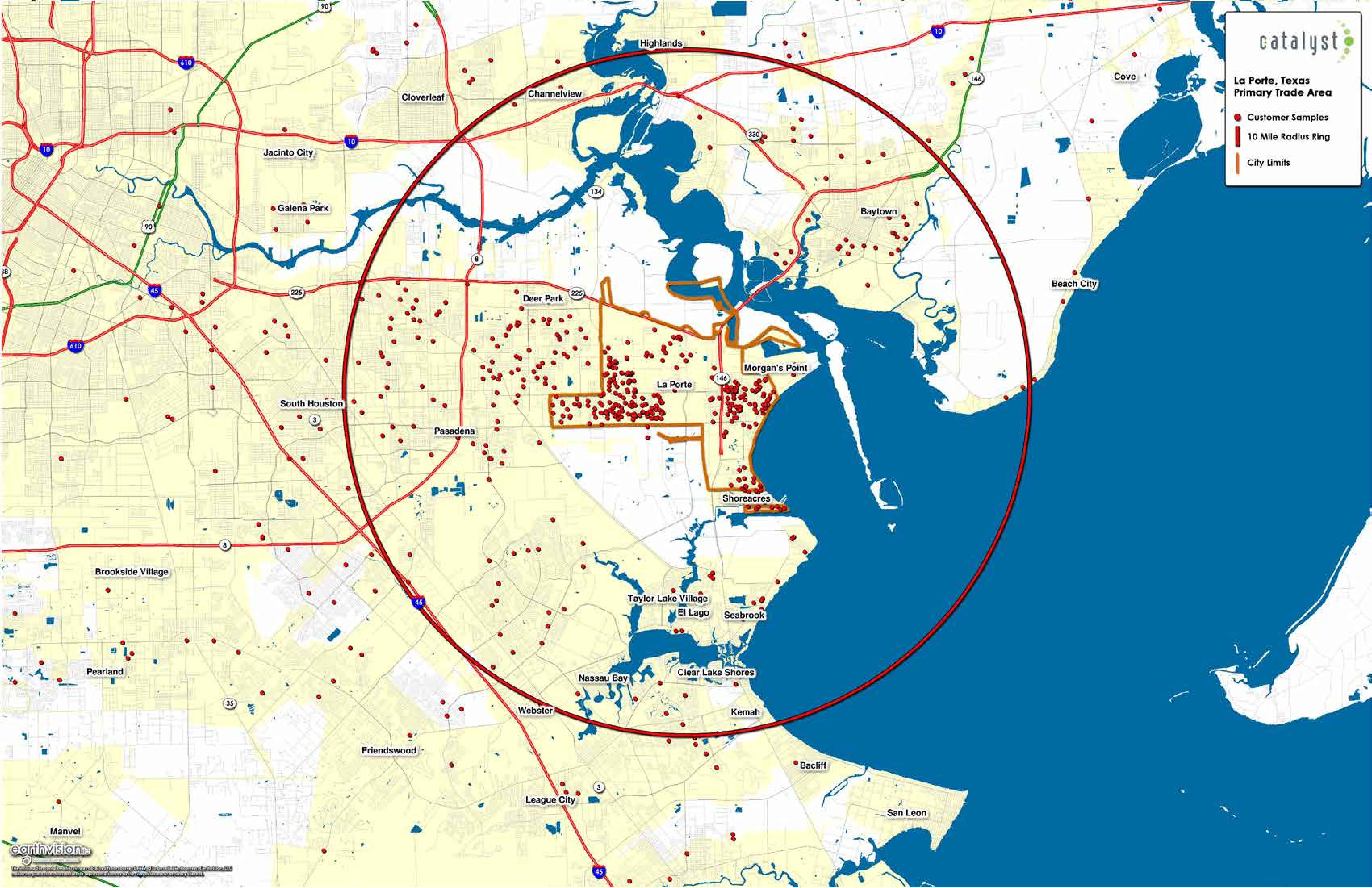
DRIVE TIME & CONCENTRIC RING MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013


catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
27 Minute Drive Time
City Limits
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
Morgan's Point
La Porte
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision


catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
10 Mile Radius Ring
City Limits
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
Morgan's Point
La Porte
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision

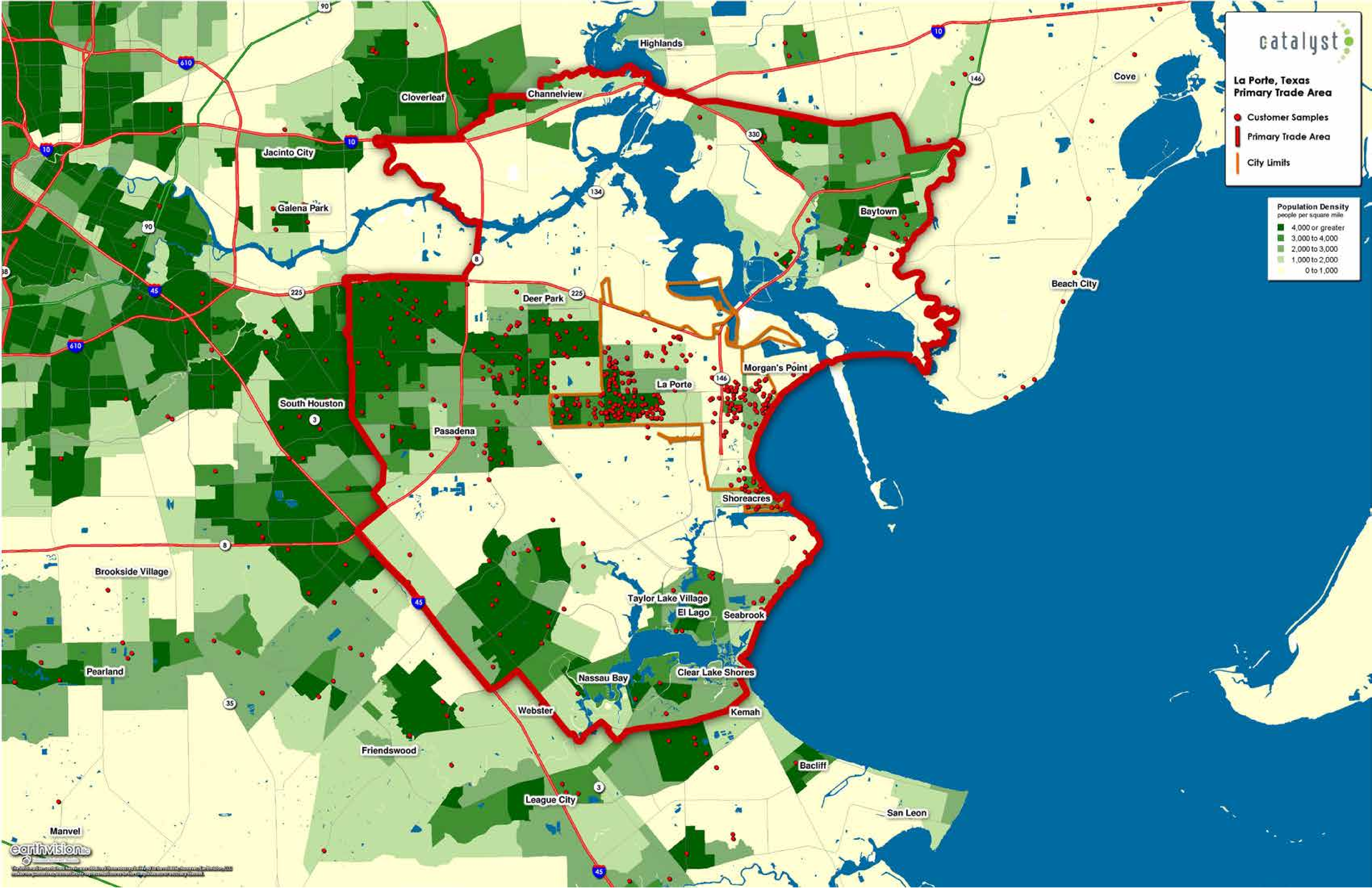
catalyst

POPULATION MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013



catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
City Limits
Population Density
people per square mile
4,000 or greater
3,000 to 4,000
2,000 to 3,000
1,000 to 2,000
0 to 1,000
Highlands
Cove
Cloverleaf
Channelview
Jacinto City
Galena Park
Baytown
Beach City
Deer Park
Morgan's Point
La Porte
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision llc

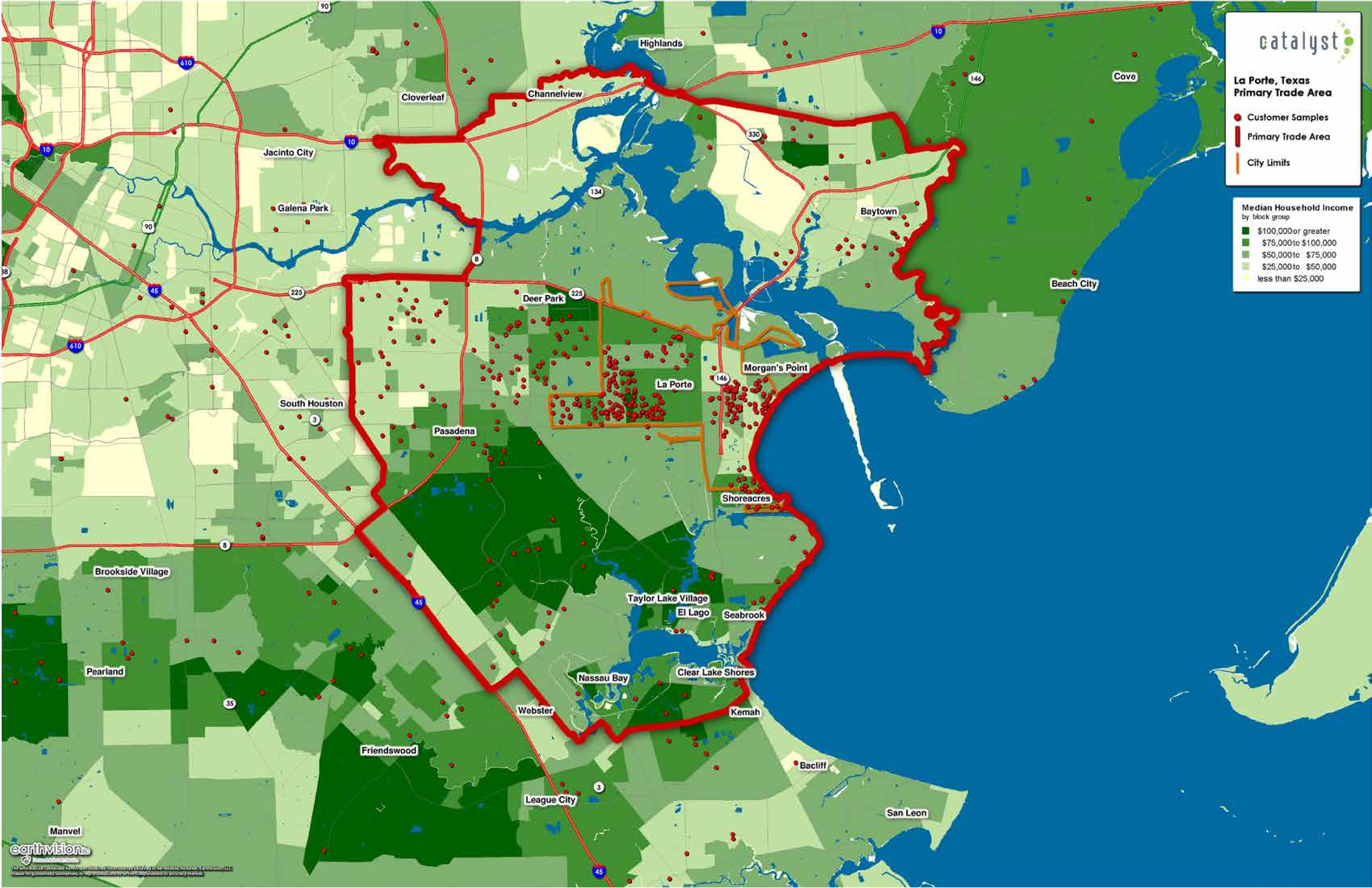
catalyst

MEDIAN INCOME MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013



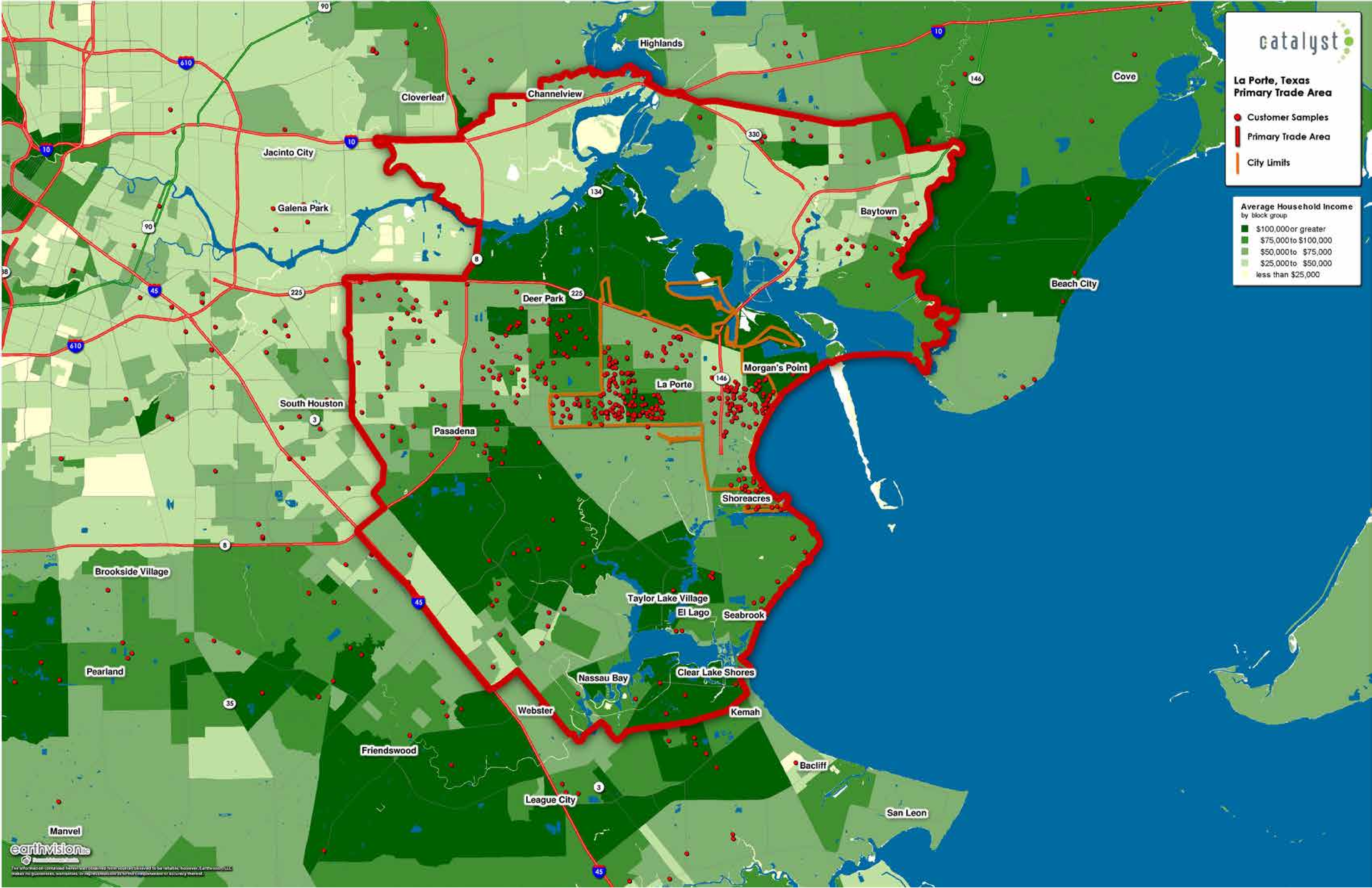
catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
City Limits
Median Household Income
by block group
$100,000 or greater
$75,000 to $100,000
$50,000 to $75,000
$25,000 to $50,000
less than $25,000
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
Shoreacres
Brookside Village
Pearland
Taylor Lake Village
El Lago
Seabrook
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision

AVERAGE INCOME MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013


catalyst
La Porte, Texas
Primary Trade Area
Customer Samples
Primary Trade Area
City Limits
Average Household Income
by block group
$100,000 or greater
$75,000 to $100,000
$50,000 to $75,000
$25,000 to $50,000
less than $25,000
Highlands
Channelview
Cloverleaf
Jacinto City
Galena Park
Cove
Baytown
Beach City
Deer Park
La Porte
Morgan's Point
South Houston
Pasadena
Shoreacres
Brookside Village
Taylor Lake Village
El Lago
Seabrook
Pearland
Nassau Bay
Clear Lake Shores
Webster
Kemah
Friendswood
Bacliff
League City
San Leon
Manvel
earthvision

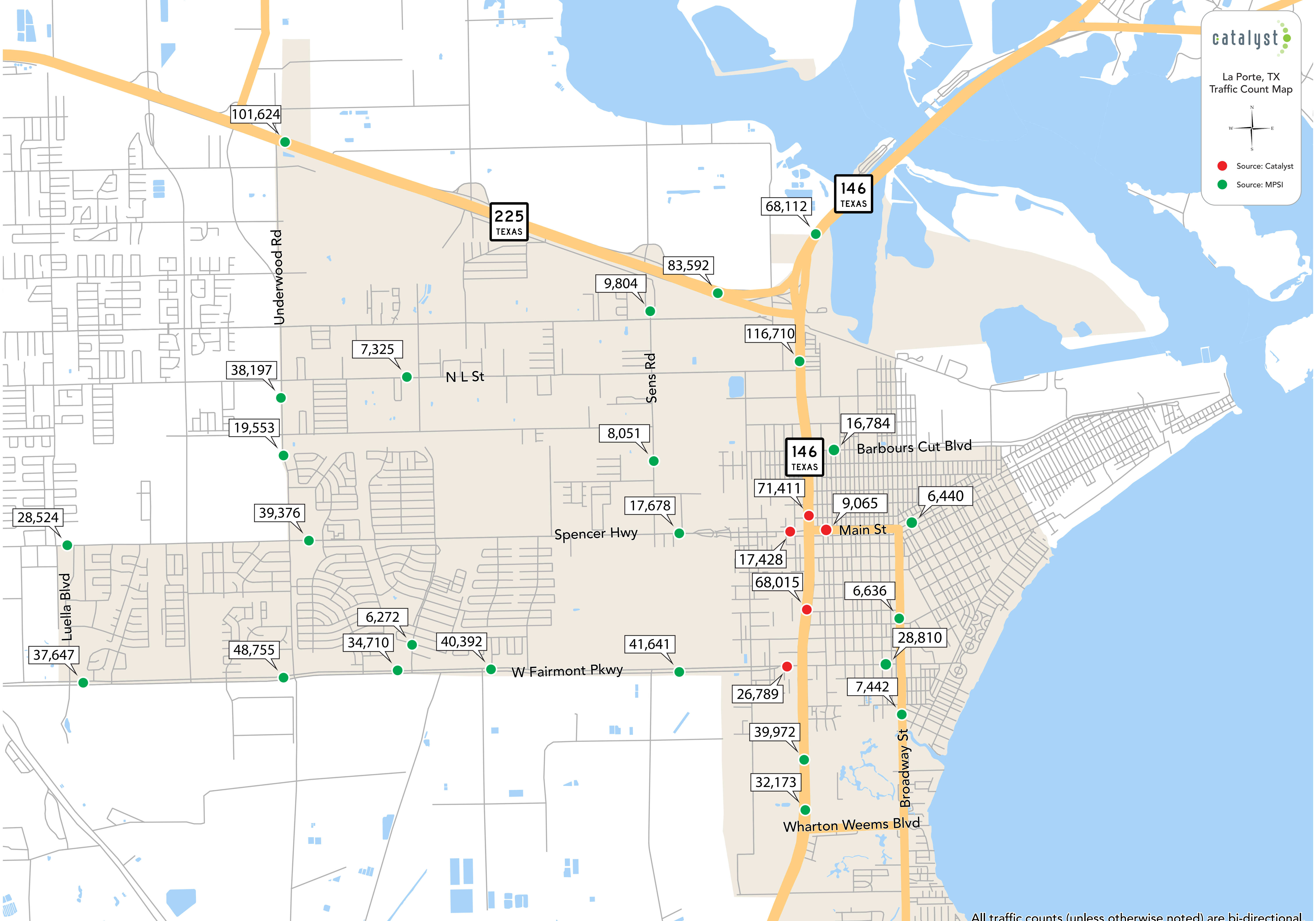
catalyst

TRAFFIC COUNT MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013


catalyst
La Porte, TX
Traffic Count Map
N
W
E
S
Source: Catalyst
Source: MPSI
225 TEXAS
146 TEXAS
146 TEXAS
Underwood Rd
Sens Rd
N L St
Barbours Cut Blvd
Spencer Hwy
Main St
Luella Blvd
W Fairmont Pkwy
Broadway St
Wharton Weems Blvd
101,624
68,112
83,592
9,804
116,710
7,325
38,197
19,553
8,051
16,784
71,411
9,065
6,440
17,678
39,376
28,524
17,428
68,015
6,636
6,272
34,710
40,392
41,641
48,755
37,647
28,810
26,789
7,442
39,972
32,173
All traffic counts (unless otherwise noted) are bi-directional.

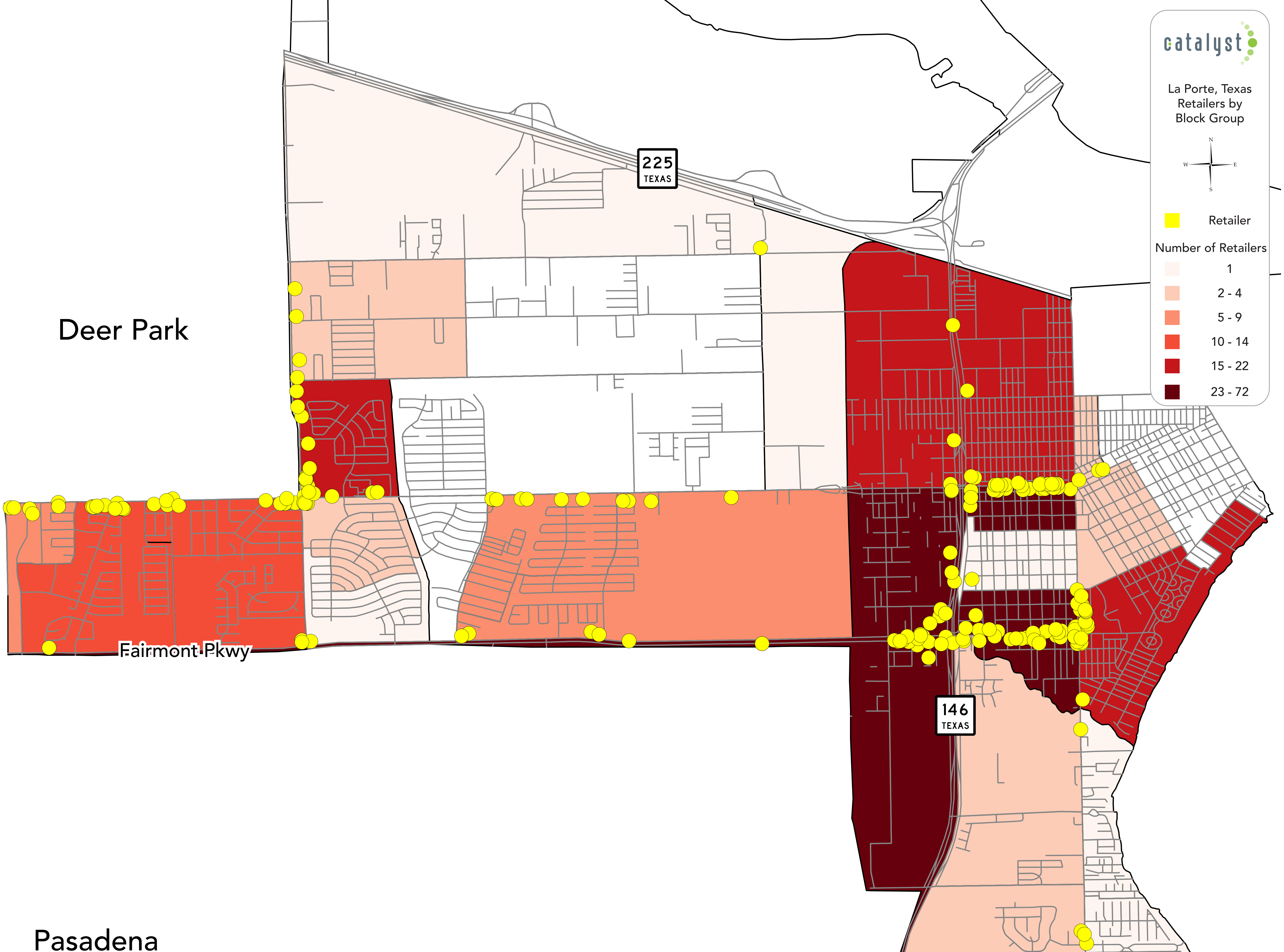
catalyst

RETAILER DENSITY MAP

presented to:

CITY OF LA PORTE
TEXAS

October 2013

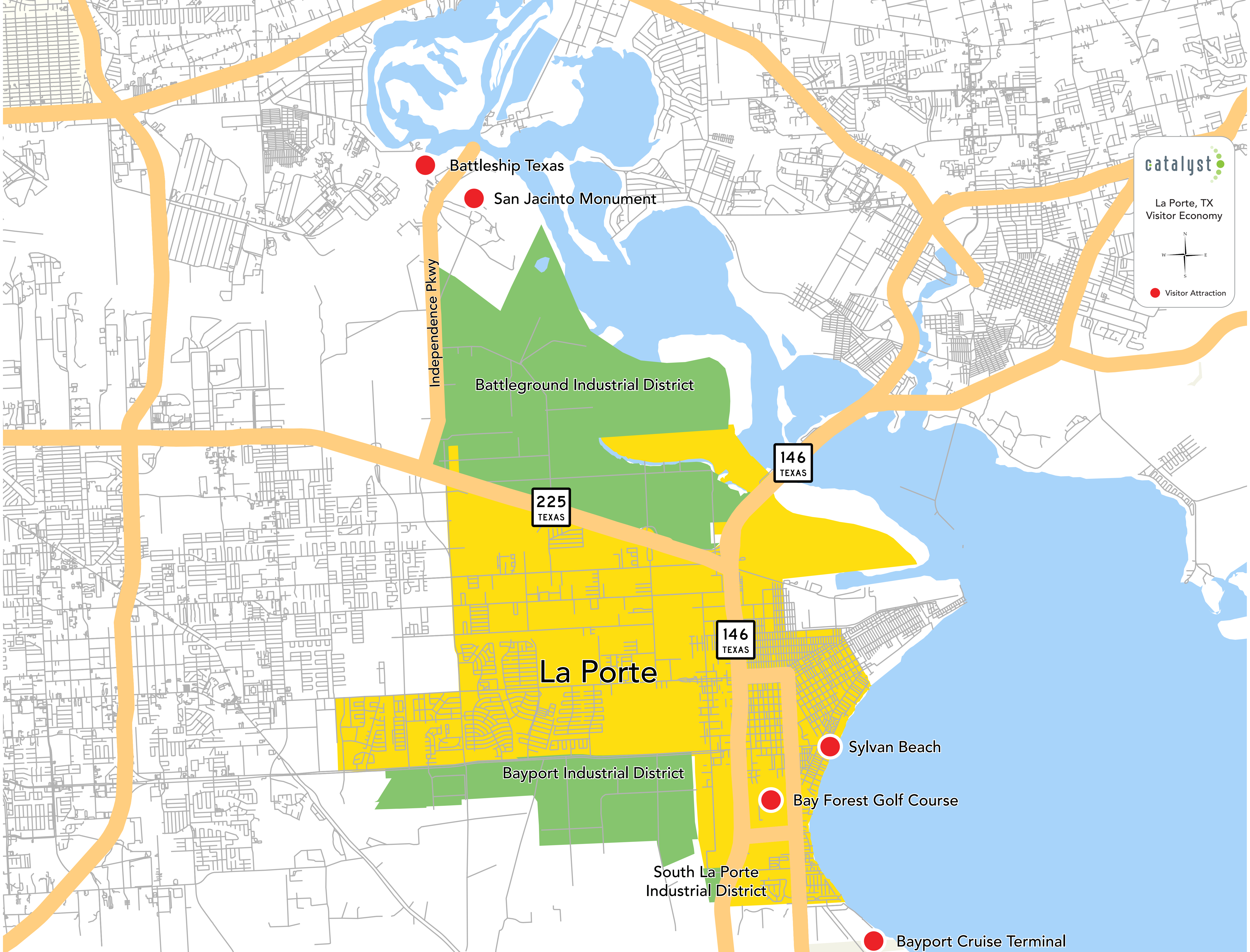


catalyst
La Porte, Texas
Retailers by
Block Group
N
W
E
S
Retailer
Number of Retailers
1
2 - 4
5 - 9
10 - 14
15 - 22
23 - 72
Deer Park
Pasadena
Fairmont Pkwy
225
TEXAS
146
TEXAS

VISITOR ECONOMY MAP

presented to:

October 2013



catalyst
La Porte, TX
Visitor Economy
Visitor Attraction
Battleship Texas
San Jacinto Monument
Independence Pkwy
Battleground Industrial District
146
TEXAS
225
TEXAS
146
TEXAS
La Porte
Sylvan Beach
Bayport Industrial District
Bay Forest Golf Course
South La Porte
Industrial District
Bayport Cruise Terminal

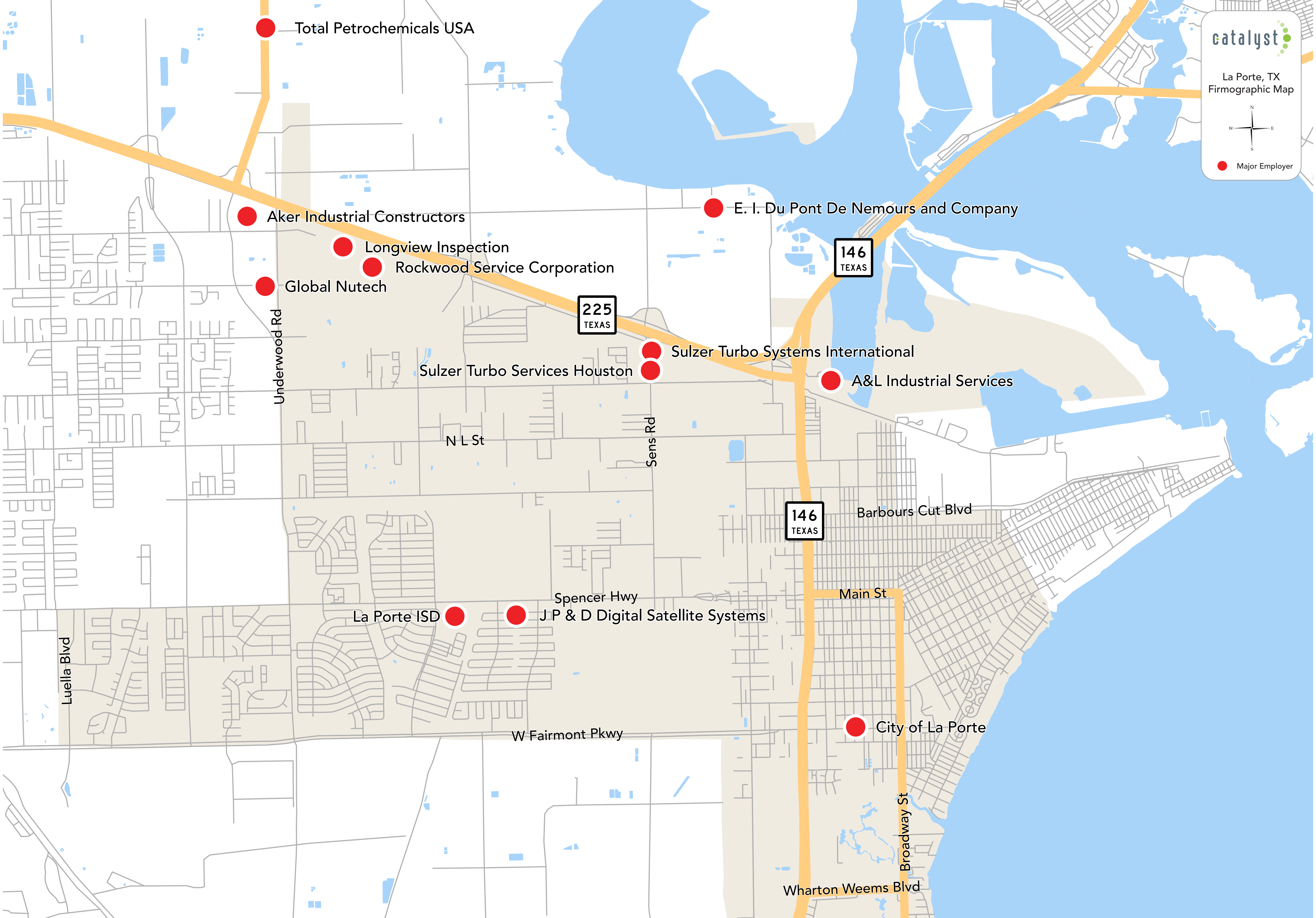
catalyst

MAJOR EMPLOYERS MAP

presented to:

CITY OF LA PORTE
TEXAS

October 2013

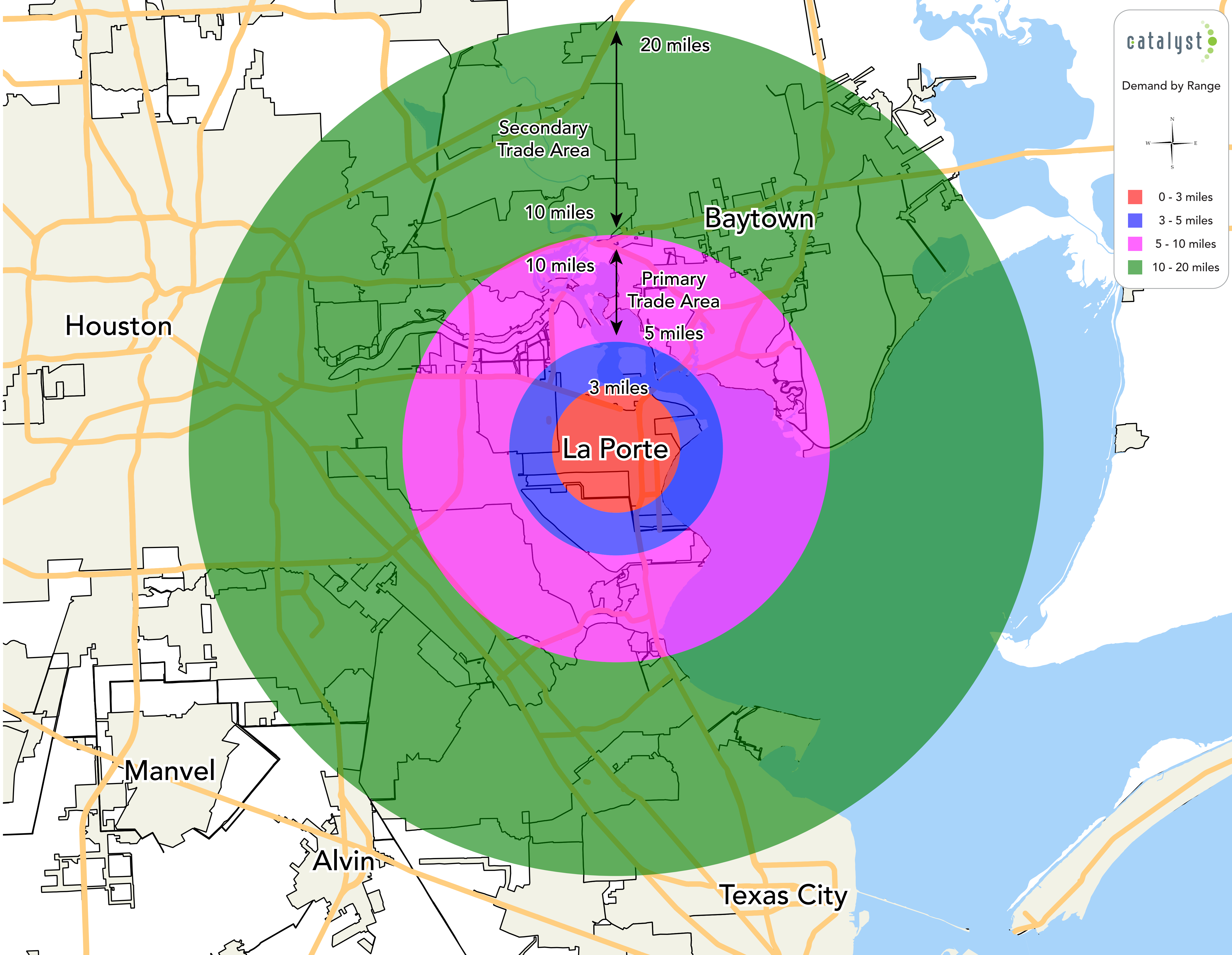

catalyst
La Porte, TX
Firmographic Map
Major Employer
Total Petrochemicals USA
Aker Industrial Constructors
Longview Inspection
Rockwood Service Corporation
Global Nutech
E. I. Du Pont De Nemours and Company
146 TEXAS
225 TEXAS
Sulzer Turbo Systems International
Sulzer Turbo Services Houston
A&L Industrial Services
Underwood Rd
N L St
Sens Rd
Barbours Cut Blvd
146 TEXAS
Main St
Spencer Hwy
La Porte ISD
J P & D Digital Satellite Systems
Luella Blvd
W Fairmont Pkwy
City of La Porte
Broadway St
Wharton Weems Blvd

DEMAND BY RANGE MAP

presented to:

CITY OF LA PORTE TEXAS

October 2013


catalyst
Demand by Range
N
W
E
S
0 - 3 miles
3 - 5 miles
5 - 10 miles
10 - 20 miles
20 miles
Secondary
Trade Area
10 miles
Baytown
10 miles
Primary
Trade Area
5 miles
Houston
3 miles
La Porte
Manvel
Alvin
Texas City

catalyst

RETAIL ANALYSIS & MERCHANDISING PLAN

presented to:

CITY OF LA PORTE TEXAS

October 2013