



2013

CITY OF SKIATOOK, OKLAHOMA

MARKET ASSESSMENT

Prepared and presented to
City of Skiatook
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ABOUT THE CITY OF SKIATOOK

LOCATION AND ACCESSIBILITY

The City of Skiatook, Oklahoma is a suburb of Tulsa just minutes from Tulsa's historic downtown business district. State Highways 20 and 11 intersect on the east side of Skiatook's downtown, and SH 20 connects Skiatook with US 75 on its eastern city limits. Skiatook's central retail corridor is a five mile stretch of SH20 that literally dissects the community and funnels thousands of people every year to the area's main destination, Skiatook Lake. Seasonal lake traffic brings visitors from all over northeast Oklahoma and southern Kansas through the retail district of Skiatook on their way to the lake.

DEVELOPMENT ASSETS AND CONCERNS

The City of Skiatook has created an environment in the community that is pro-growth and pro-business. Although growth has been slow, Skiatook did show positive growth over the last decade unlike countless other rural Oklahoma communities. Residential construction totals show an increase of 655 new residential permits in the city limits over the past ten years totaling nearly \$86 million in value. Skiatook benefits from its location on Highway 20 with average daily traffic counts of more than 11,700 vehicles per day travel to and through Skiatook making the area a regional collection point for retail shopping opportunities. The City administration understands the necessity for public-private partnerships to facilitate retail development and works to make the development process as streamlined as possible.

BUSINESS ENVIRONMENT

The City of Skiatook is actively seeking retail development projects to provide its businesses and residents with the convenience of local shopping and dining. Skiatook is ready to begin a retail growth phase to reflect the residential growth phase of the past ten years. Incentives are available for retailers fitting the city's timeline and identified needs.

POPULATION GROWTH

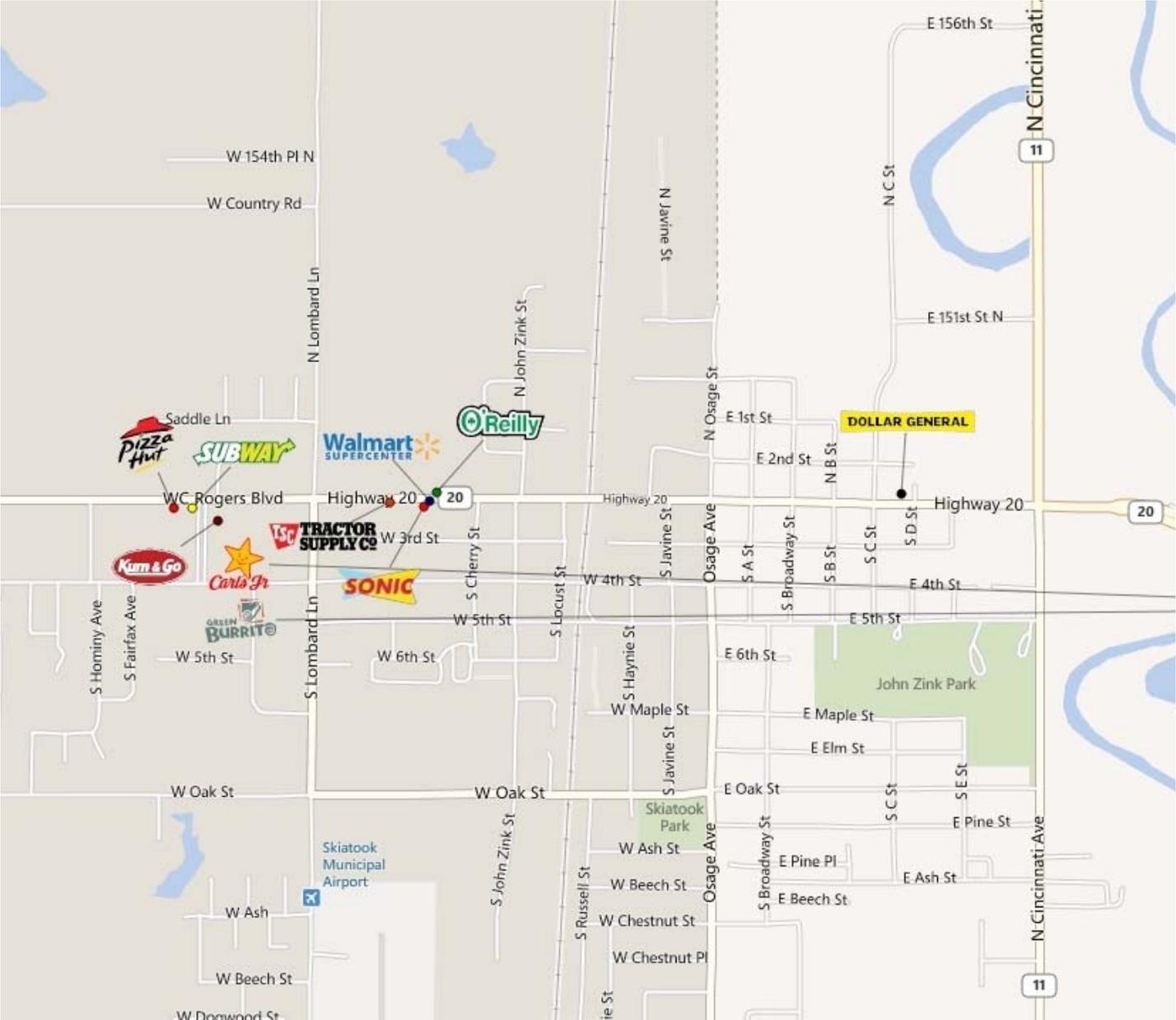
Population Growth / 2013 / Skiatook

	Estimated 2013 Population	Annual Growth 2000-13	Estimated Annual Growth 2013-18
CITY LIMITS	7,438	1.74%	0.30%
PRIMARY TRADE	25,882	0.97%	0.40%

ABOUT THE CITY OF SKIATOOK

RETAIL ENVIRONMENT

Several national chains are currently located in Skiatook including Walmart, Hibbett Sports, McDonalds, Subway, Pizza Hut, Sonic, O'reillys, and Dollar General. However, the opportunity gap shows that there are still significant leakages in the food & beverage and health & personal care sectors.



Skiatook serves as the retail source for the nearby towns of Avant, Barnsdall, and Sperry. Residential construction totals show an increase of 655 new residential homes in the past ten years. Benefiting from its location on Highway 20, average daily traffic counts of more than 11,700 vehicles per day travelling to and through Skiatook makes the Skiatook area a regional collection point for retail shopping opportunities.

RETAIL ENVIRONMENT

A category with retail leakage indicates revenue leaving a market and an unmet demand in that category. When consumers from an area are spending more for goods than the businesses in that area are providing, that area has retail leakage. Categories with retail leakage suggest that the area can support additional retailers in those categories. Several categories in the Skiatook primary trade area show significant leakages as shown below. The total retail leakage includes categories not listed in the table below. The categories listed are highlighted categories which show substantial leakage in the market.

RETAIL CATEGORY	PRIMARY TRADE ANNUAL LEAKAGE
Food and Beverage Stores	\$45,465,418
Non-Store Retailers	\$28,732,795
Health and Personal Care	\$17,622,908
Clothing and Clothing Accessories	\$15,979,792
Other Build Materials	\$15,941,323
Full Service Restaurants	\$15,081,784
Limited Service Restaurants	\$11,977,172
Electronics and Appliances	\$6,579,234
Furniture and Home Furnishings	\$6,211,096
Office Supplies, Stationery, Gift	\$3,146,723
Special Food	\$2,769,453
Drinking Places	\$1,170,108
TOTAL RETAIL LEAKAGE	\$234,970,274

ACTION ITEMS

For Skiatook to maximize its retail potential moving forward, Retail Attractions would recommend the following considerations:

Engage the entire community to establish ownership, support, and participation from a broad cross-section of the stakeholders.

Develop a cooperative effort from local governing bodies including city, county, state, school and other community organizations.

Develop and enhance the depth and consistency of the pool of individuals for local leadership and develop a shared vision for leadership of the community.

Improve the image of the community in terms of aesthetics. Cleanup, beautify, and do whatever is feasible to present the best "look" for the city.

Develop short and long-range plans to deal with new growth and the maintenance of infrastructure systems including transportation, water, sanitary sewer, and storm sewer. This will allow the community to be able to accommodate potential development investments in an efficient and timely manner.

Develop and modernize IT infrastructure including an up to date city and ED website, staying active in social media, and providing adequate internet speeds to businesses and residents.

Develop modern, up-to-date, accurate and informative marketing material.

Develop a strategy for incentives and public-private partnerships that are effective and make sense for the community. Evaluate opportunities to pursue Tax Increment Financing (TIF) Districts and Tax Increment Reinvestment Zones.

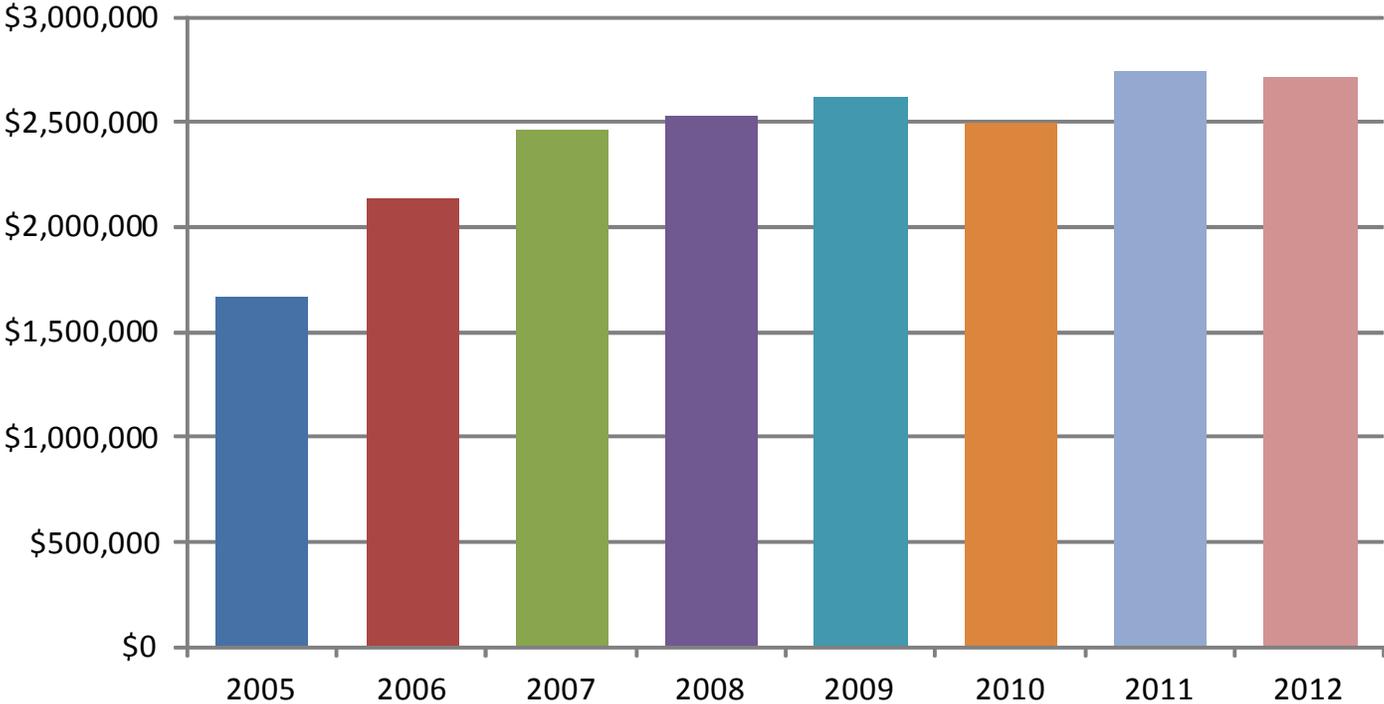
Identify and pursue grant funding opportunities when available.

Assess city's development protocol with the goal of making the process as efficient as possible. Identify and train key personnel so that when opportunity knocks, the community responds immediately.

SALES TAX REVENUE

Sales Tax Revenue / 2013 / Skiatook

City Sales Tax Revenue

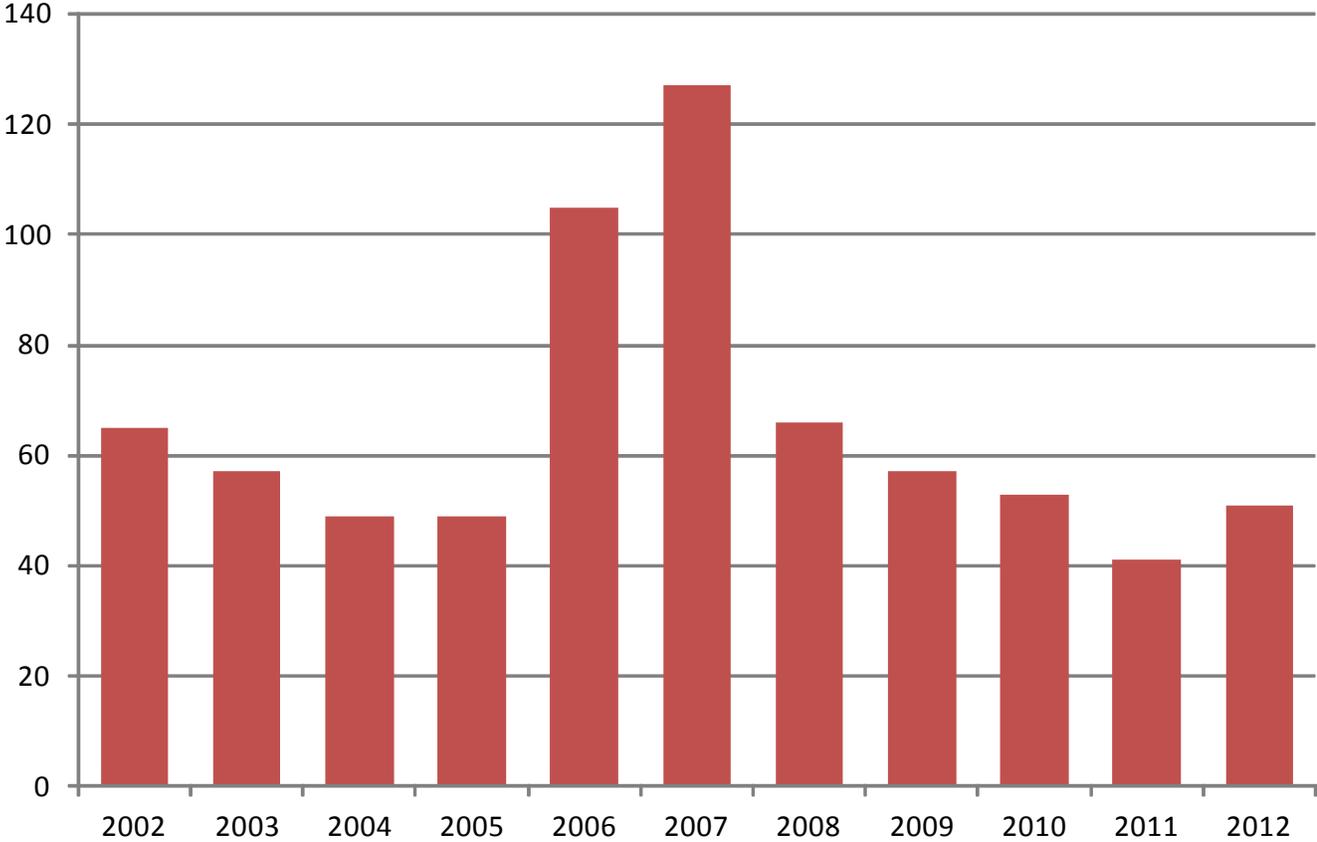


Sales tax revenue is an indicator of the health of the existing retailers and in turn the city government. As shown in the above chart, the sales tax revenue has shown a steady increase in retail sales in the community over the last 8 years indicating fiscal health.

BUILDING PERMIT INFORMATION

Building Permits / 2013 / Skiatook

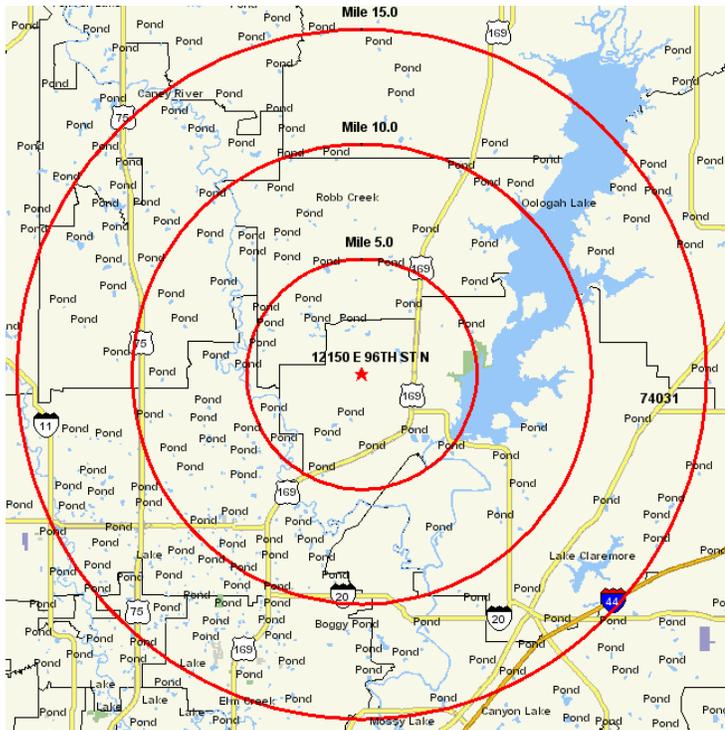
Residential Building Permits



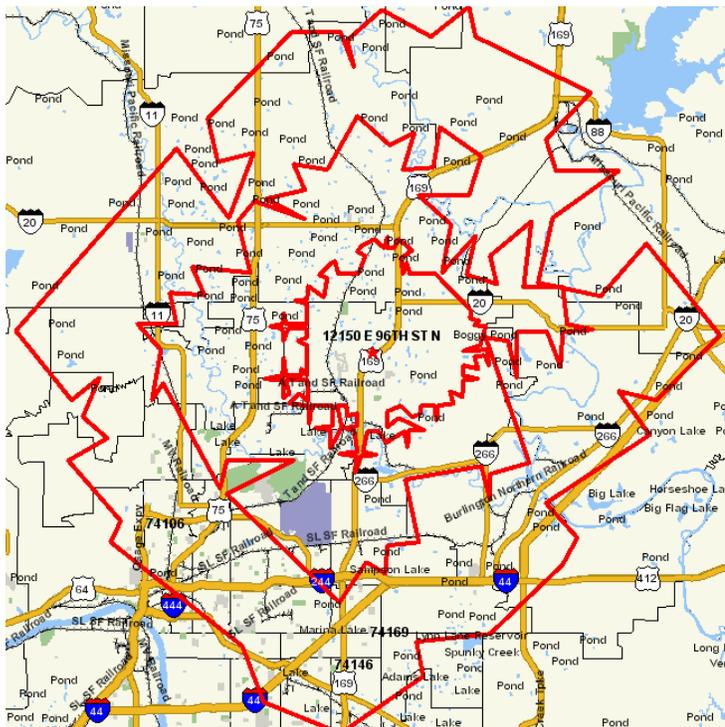
Building permits reflect the residential and commercial growth of a community. The data indicates strong residential growth which increases the customer base and the amount of disposable income available to new and existing retailers.

WHY WE USE THE CUSTOM POLYGON METHOD

Of critical importance to any community trade area research is accurately defining the trade area, the geographic area from which the majority of consumers are drawn. Estimating trade areas requires skilled judgment and experience. Simply using concentric rings or drive times is not an accurate method of determining trade area.



This map shows 5-, 10- and 15-mile concentric rings around the Retail Attractions office in Owasso, Oklahoma. A 15-mile ring is a conservative trade area, but because Owasso is located 10 miles from the Tulsa metro, this is not an accurate depiction of the trade area. Owasso cannot include the Tulsa metro as part of their trade area, but they can include the area 15-miles to their north. Concentric rings do not give an accurate depiction of trade area.



This map shows 5-, 10- and 15-minute drive times from the Retail Attractions office in Owasso, Oklahoma. Consumers will travel 15-minutes to shop or dine especially if they are used to commuting, but as with the radius map shown above a portion the Tulsa metro is included in the trade area. However, there is little retail to the north and west of Owasso, and a 25-minute drive time could be justified for these directions. Drive times do not give an accurate depiction of trade area.

WHY WE USE THE CUSTOM POLYGON METHOD (cont)

There are many factors that affect the trade area. Retail Attractions uses real world experience and research to analyze the factors affecting trade area and define accurate trade areas. The most accurate estimated trade areas take into account factors such as population densities, competitive locations, natural barriers, traffic flow, accessibility and convenience. Other less accurate methods are radii, drive-time, or county based trade area definitions.

The effect of competition is best defined by Reilly's Law of Retail Gravitation which is based on the premise that people want to shop in larger towns, but their desire declines in direct relation to the distance and time they must travel to reach those places. At Retail Attractions, our preliminary trade area is defined using Reilly's Law. We assess the population and offerings of the surrounding communities to get a starting point for the trade area. Reilly's Law defines the maximum distance consumers will travel to a market as:

$$\text{Distance consumers will travel to } Y = \frac{\text{Distance between } X \text{ and } Y}{1 + \sqrt{\frac{\text{Population of Larger Town } X}{\text{Population of Smaller Town } Y}}}$$

From there, the area is adjusted to account for natural barriers. For example, the nearest major shopping district could be 2 miles from a potential site, but if a river or body of water forces a consumer to drive 15 miles out of the way to access the nearest bridge, the trade area for that potential site has just grown exponentially. There is no way to account for natural barriers when using a trade area defined by a radius.

Traffic flow also plays a role in the trade area definition. For example, a community located to the east of a metropolitan area where there are affluent residential developments to the east, north or south will be able to head off consumers before they reach the metropolitan area. Likewise, sites located where people live or work will benefit from the consumer's natural traffic patterns.

Accessibility is another key to defining trade area. Communities situated along highways and interstates have a natural advantage of accessibility. Intersections of major thoroughfares are even more appealing to retailers. It is much easier to justify a 10 mile drive if they are highway miles with limited delays. Along with traffic flow and accessibility is convenience. Convenient retail is successful retail.

Once we have analyzed all of these factors, we adjust our preliminary trade area to account for our findings. The result is a custom polygon that represents a true consumer base. This methodology has been perfected through years of experience and diligent research. This approach provides a result far superior to concentric rings or drive times which are obsolete when considering natural barriers, competition and traffic flow. The results of our method are justifiable and proven to be effective marketing information.

Please keep in mind the trade area will vary for different types of retail; convenience locations will have a smaller trade area than destination locations. For example, the trade area for a grocery store will be tighter than the primary trade area, and the trade area for electronics or other specialty items will be wider than the primary area. If a specific retailer has shown interest in a location and the trade area is different due to the type of retail, custom demographics reports can be prepared to provide the pertinent information.

AREA MAP

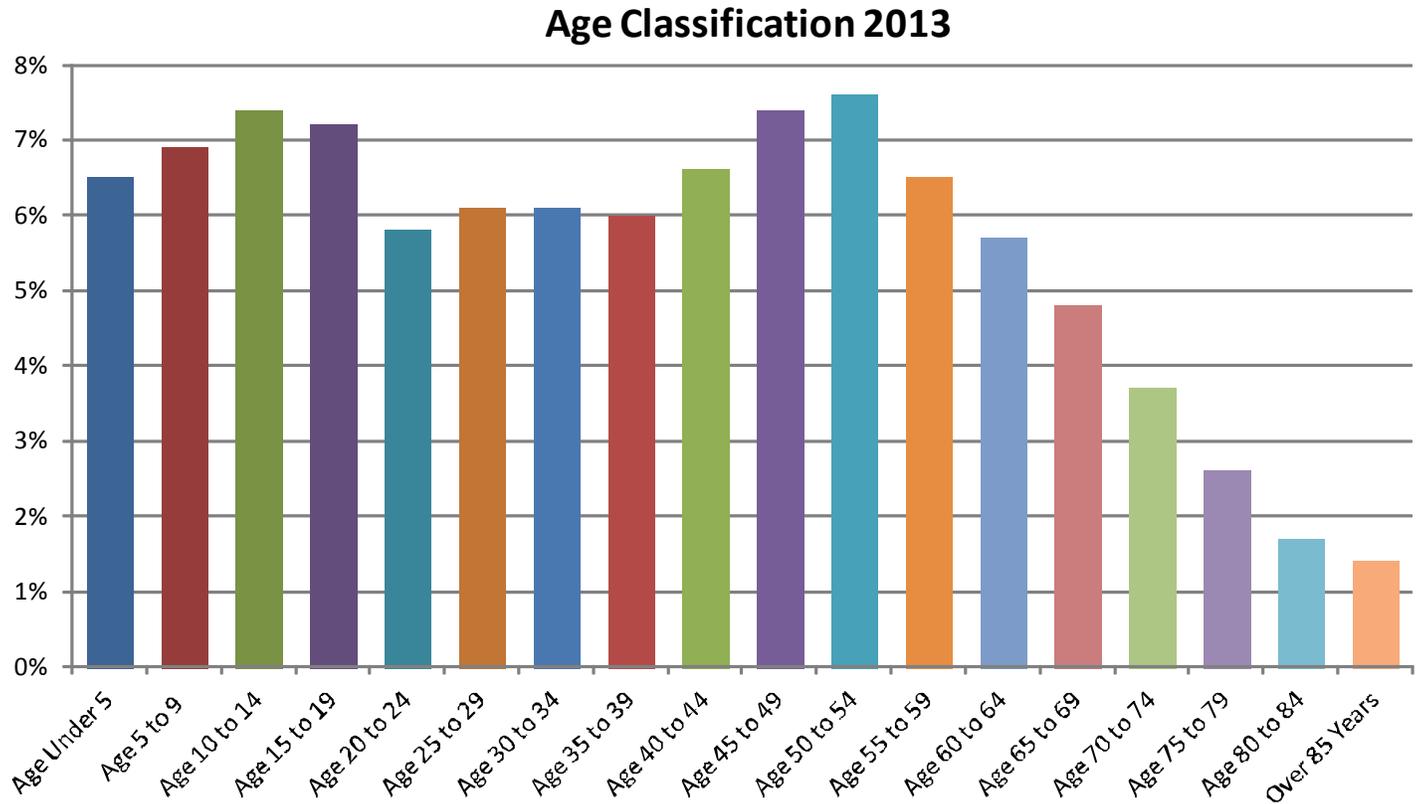
This trade area should be used for the vast majority of retailers including shopping and dining establishments.



Skiatook, Oklahoma is one of the State's fastest growing communities. Located just minutes from Tulsa International Airport, Downtown Tulsa, and the beautiful Skiatook Lake, Skiatook is the perfect place for residents and visitors to shop and dine. Skiatook is significantly under-retailed and represents a tremendous development opportunity as supported by the opportunity gap.

POPULATION BY AGE

Population by Age / 2013 / Skiatook Primary Trade

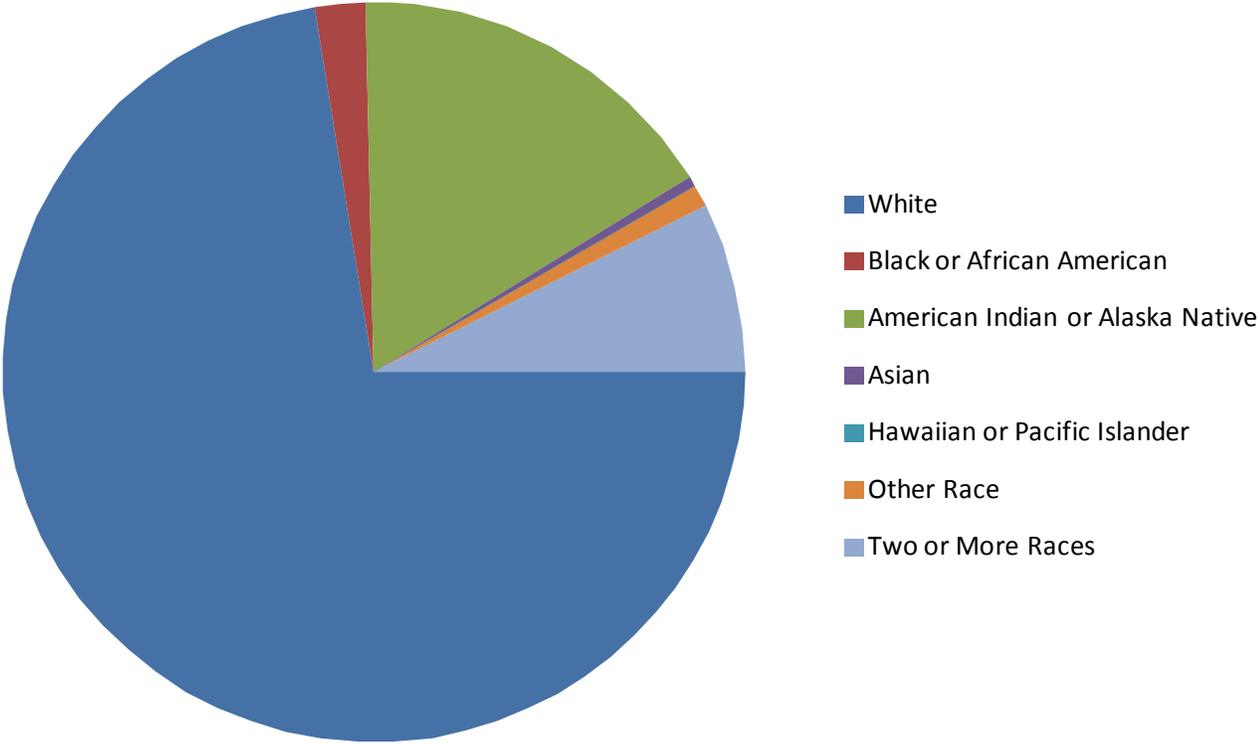


Most retailers desire a market with a heavy concentration of consumers between the ages of 25 and 44 years old. The population in the primary trade area of Skiatook has 24.80 percent of their market between the ages of 25 and 44, and the median age is 37.30 years old.

POPULATION BY RACE

Population by Race / 2013 / Skiatook Primary Trade

Single Race Classification 2013

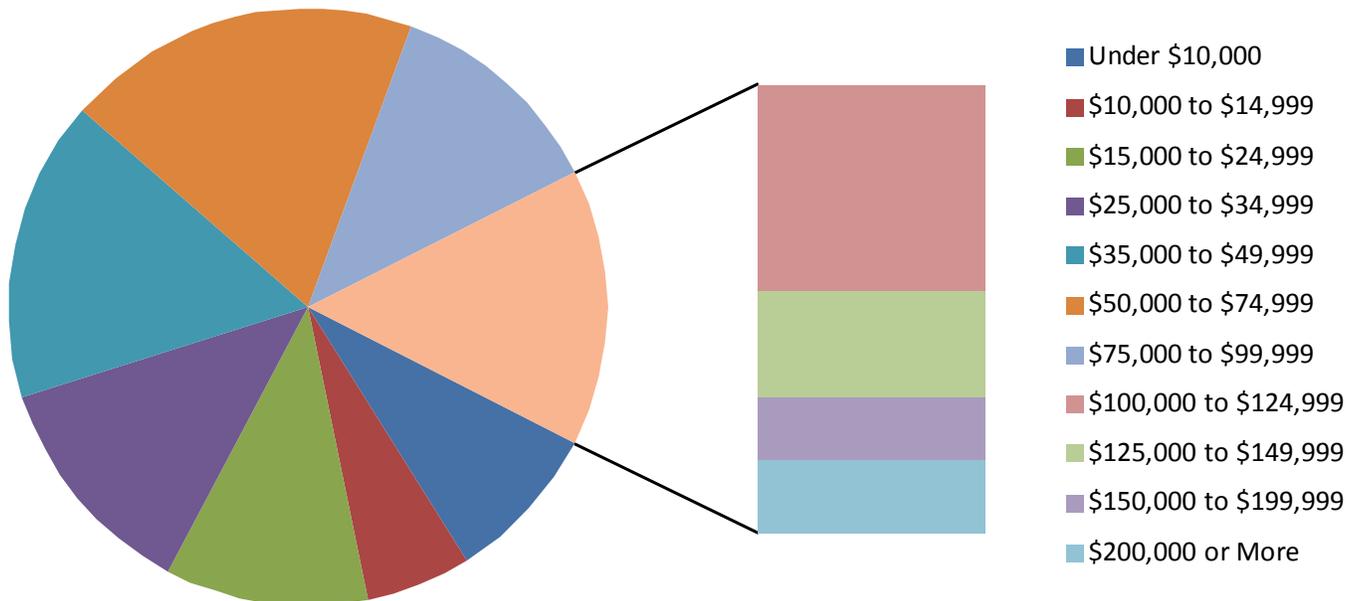


The population in the primary trade area of Skiatook has 61.90% White residents, 1.20% Black or African American residents, and 23.10% American Indian or Alaska Native residents. 3.50% of the population is Hispanic or Latino by origin.

POPULATION BY INCOME

Population by Income / 2013 / Skiatook Primary Trade

Household Income 2013



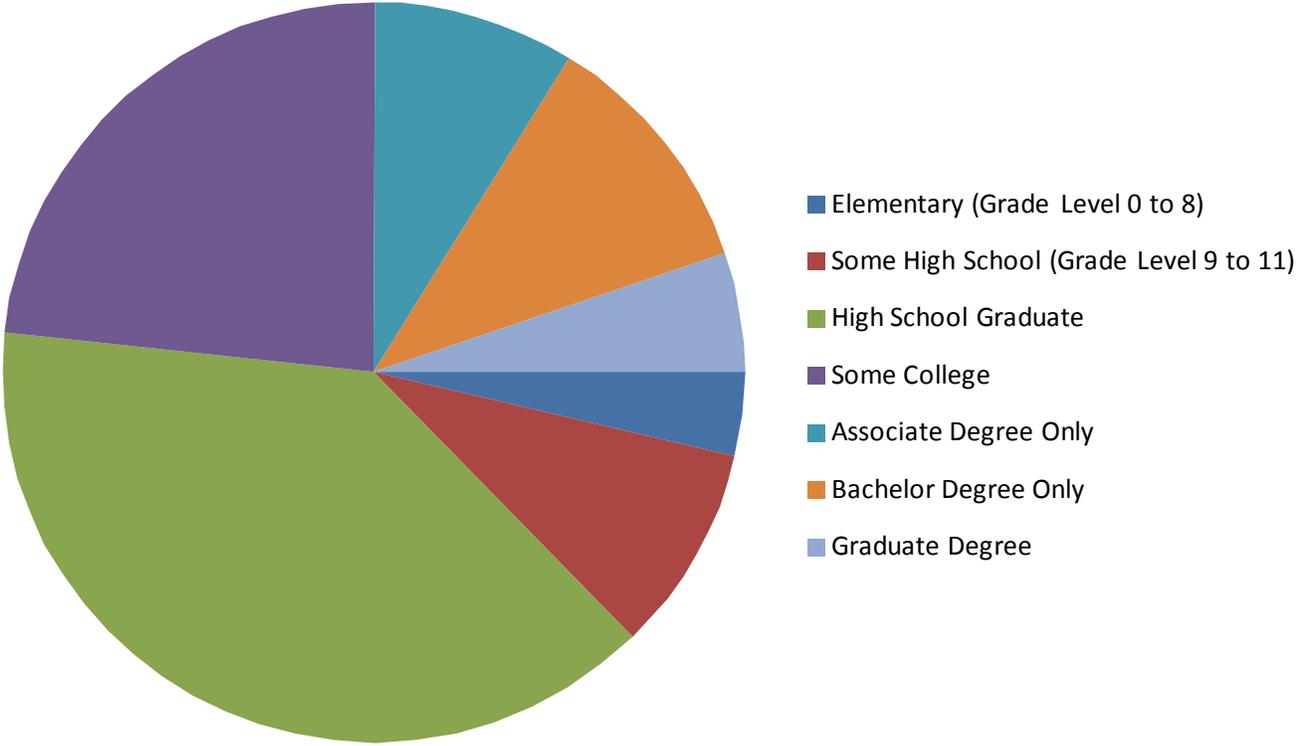
The average household income in the primary trade area of Skiatook is \$65,978.00. Of the households in the primary trade area of Skiatook, 46.10% have an average annual income at or above \$50,000, and 82.80% are family households.

2013 Household Income (Estimated)	
CITY LIMITS	\$68,100
PRIMARY TRADE	\$65,978

POPULATION BY EDUCATION

Population by Education / 2013 / Skiatook Primary Trade

Educational Attainment 2013

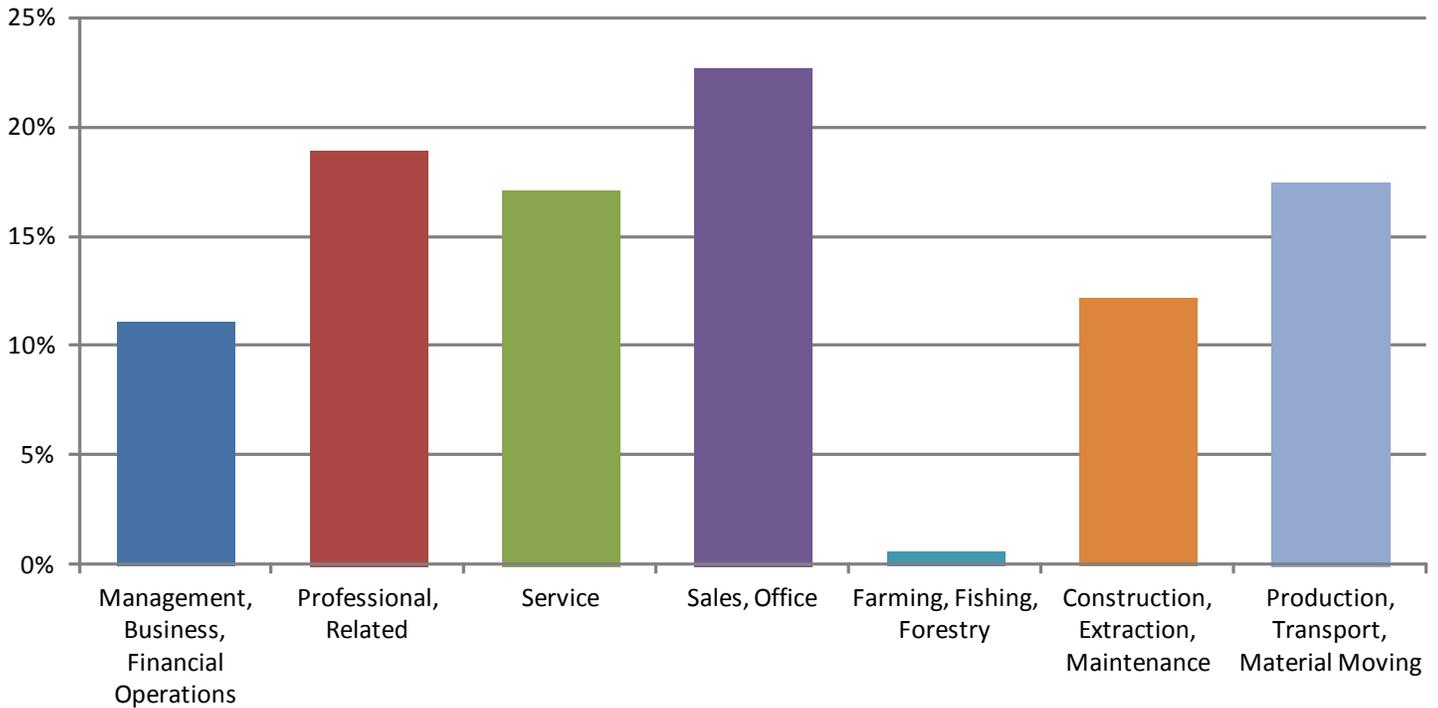


Of the population age 16 and over in the primary trade area of Skiatook, 48.30% have some post-secondary education, and 25.00% have a college degree.

POPULATION BY OCCUPATION

Population by Occupation / 2013 / Skiatook Primary Trade

**Occupational Classification,
Employed Population Aged 16+**

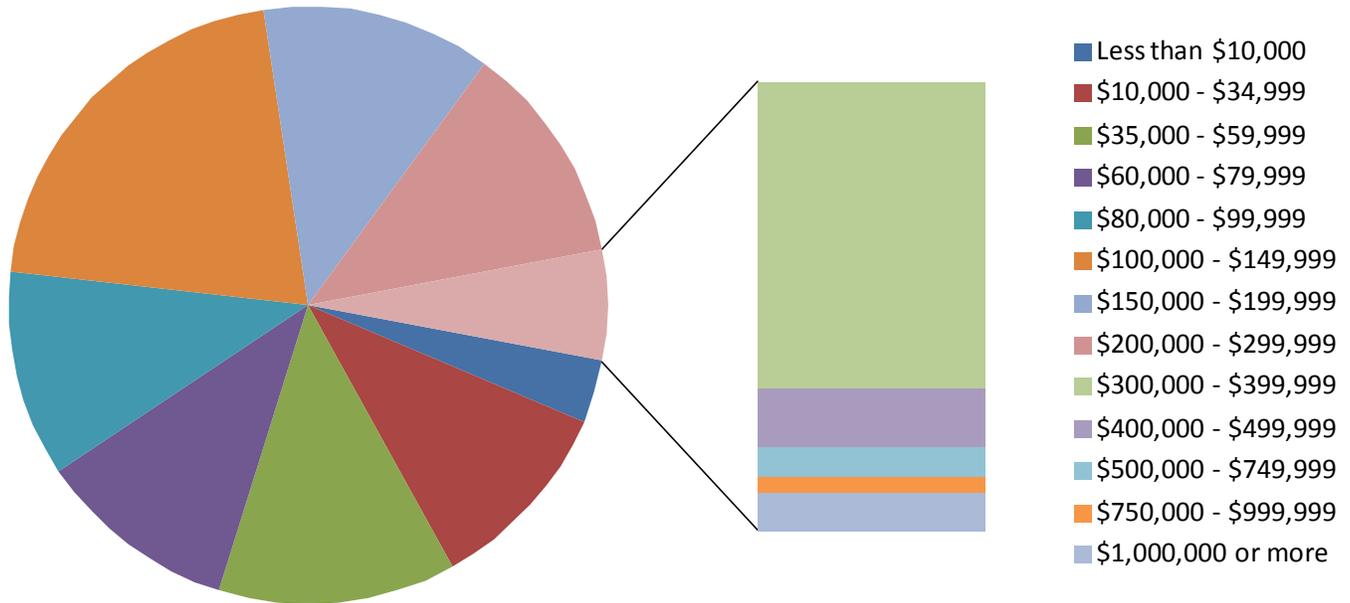


Of the population in the primary trade area of Skiatook, 52.60% is engaged in white collar occupations, with 18.90% in professional occupations and another 11.10% in management, business and financial operations. Of the population in the primary trade area of Skiatook, 47.40% is engaged in blue collar occupations with 12.20% in construction and maintenance and 17.50% in production and transport.

HOUSING VALUE DISTRIBUTION

Housing Value Distribution / 2013 / Skiatook Primary Trade

Housing Value Distribution 2013

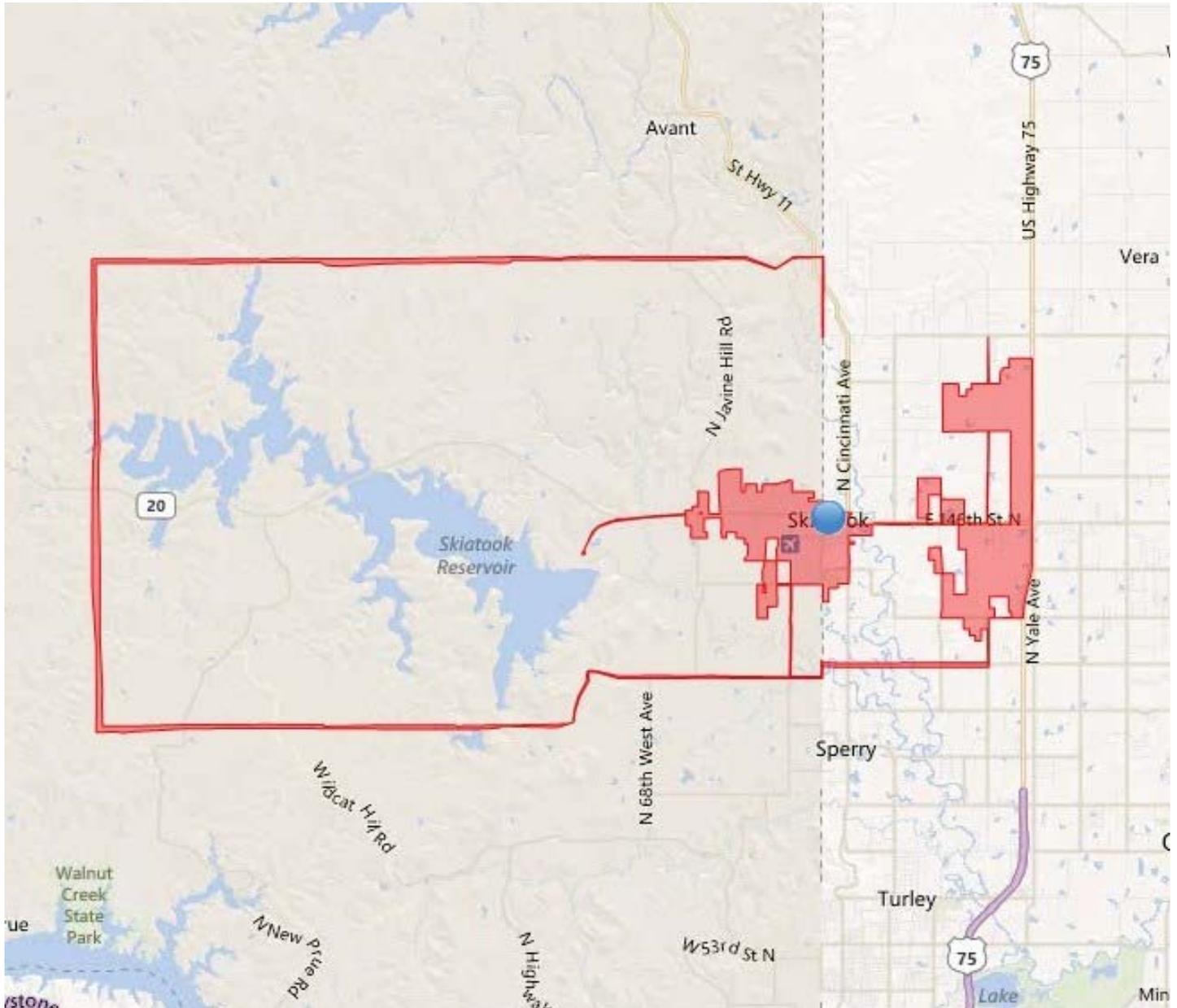


The median value of a home in the primary trade area of Skiatook is \$106,989.00. Of these homes, 77.80% are owner occupied and 16.00% were built between 2000 and 2010.

DEMOGRAPHIC PROFILE - CITY LIMITS

AREA MAP

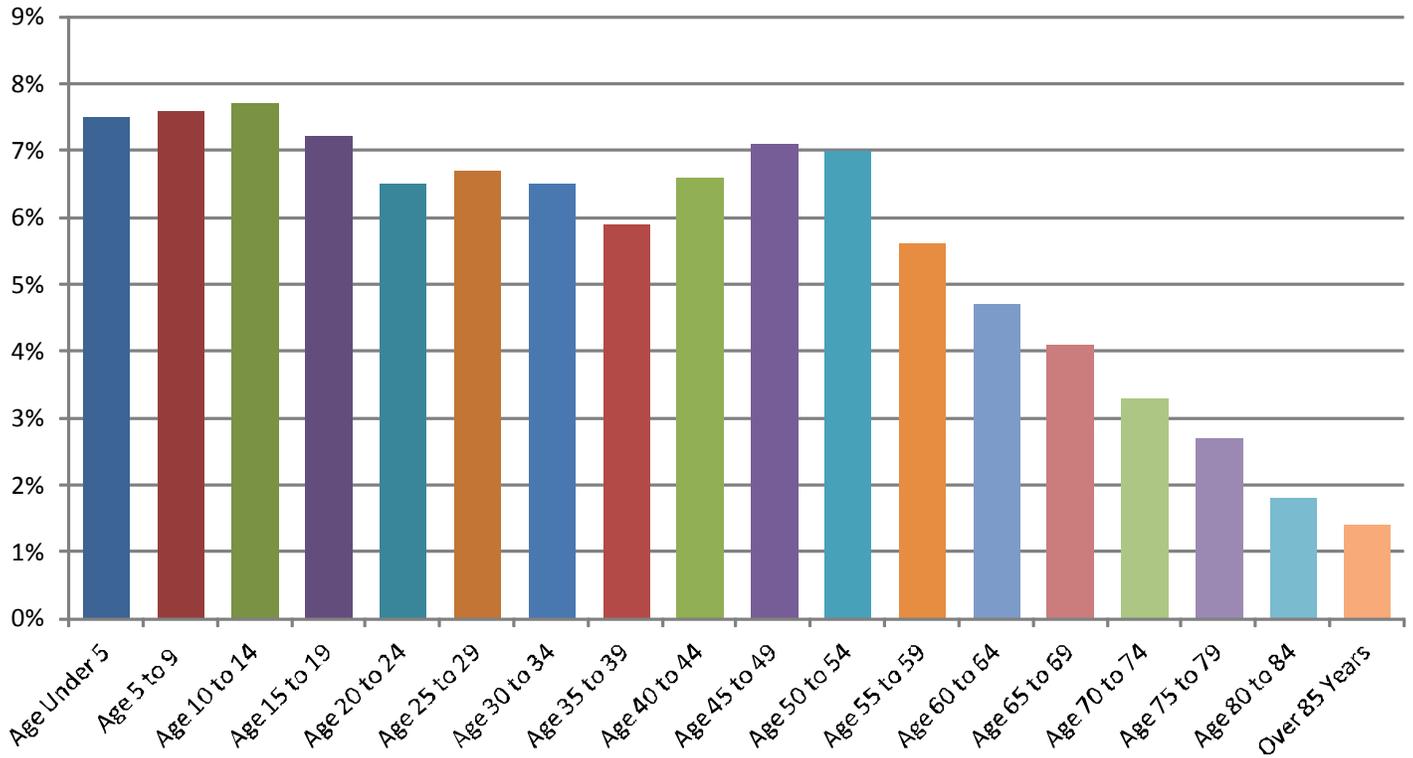
This map shows the highways that service the area and the surrounding communities. The city limits data gives a good representation of the centrally concentrated population in an area.



POPULATION BY AGE

Population by Age / 2013 / Skiatook City Limits

Age Classification 2013

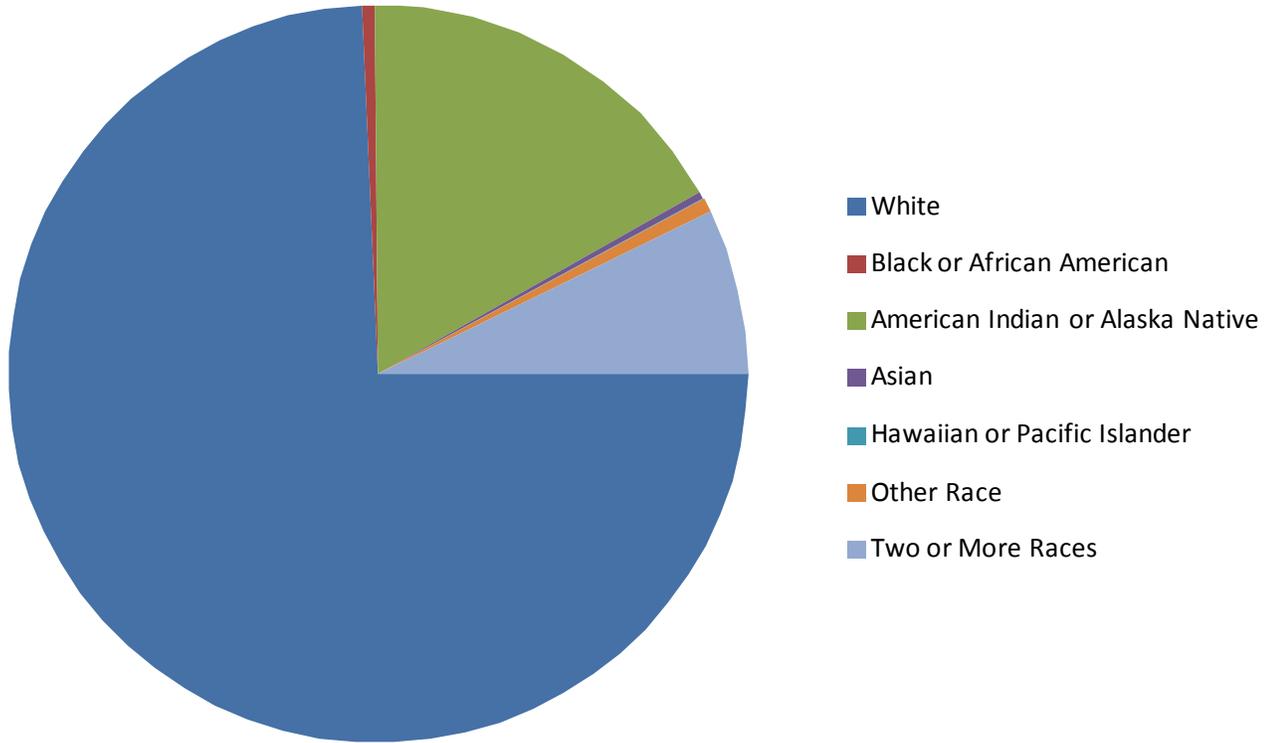


Most retailers desire a market with a heavy concentration of consumers between the ages of 25 and 44 years old. The population in the city limits of Skiatook has 25.70 percent of their market between the ages of 25 and 44, and the median age is 34.20 years old.

POPULATION BY RACE

Population by Race / 2013 / Skiatook City Limits

Single Race Classification 2013

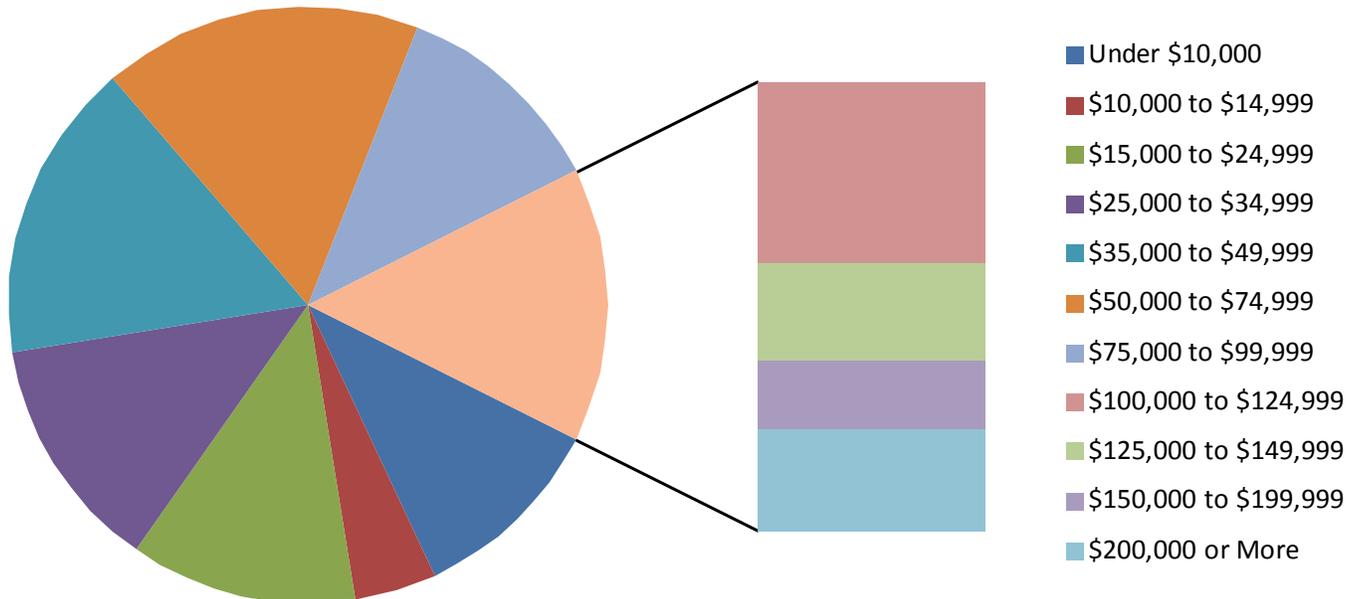


The population in the city limits of Skiatook has 65.00% White residents, 0.60% Black or African American residents, and 22.40% American Indian or Alaska Native residents. 3.30% of the population is Hispanic or Latino by origin.

POPULATION BY INCOME

Population by Income / 2013 / Skiatook City Limits

Household Income 2013



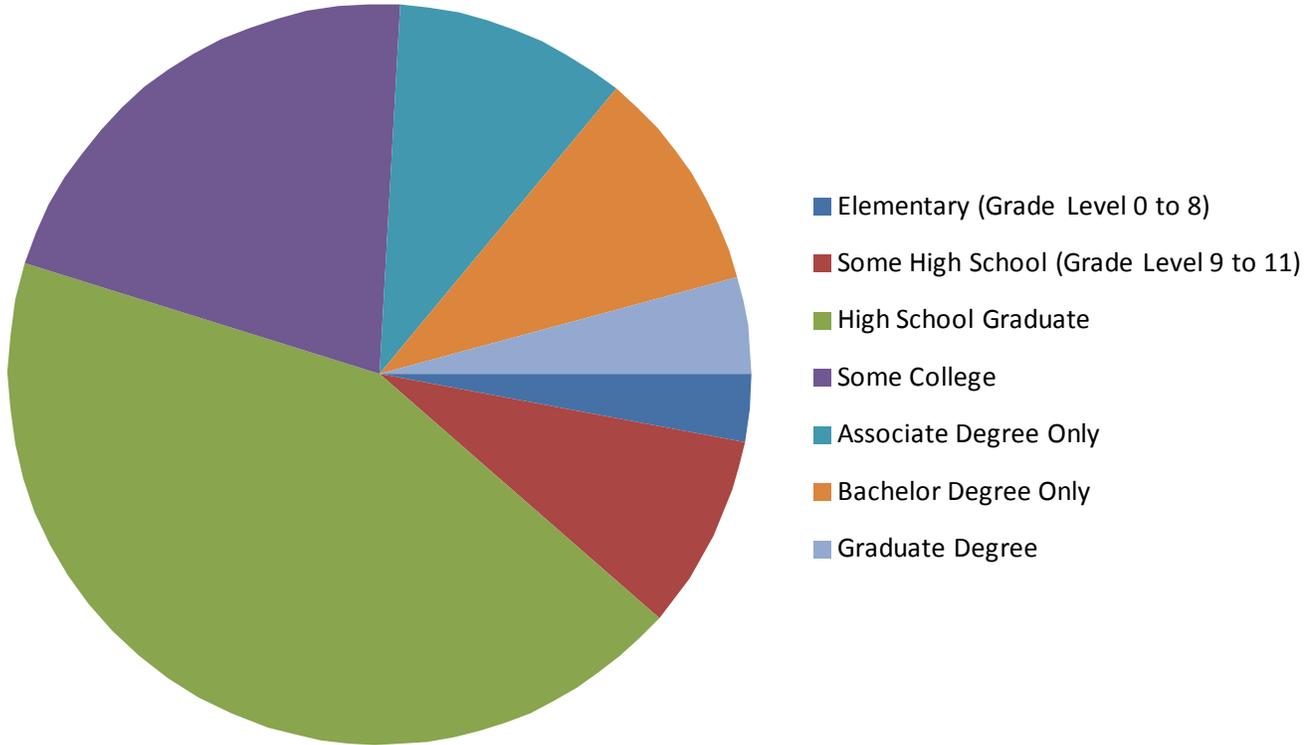
The average household income in the city limits of Skiatook is \$68,100.00. Of the households in the city limits of Skiatook, 43.70% have an average annual income at or above \$50,000, and 84.60% are family households.

2013 Household Income (Estimated)	
CITY LIMITS	\$68,100
PRIMARY TRADE	\$65,978

POPULATION BY EDUCATION

Population by Education / 2013 / Skiatook City Limits

Educational Attainment 2013

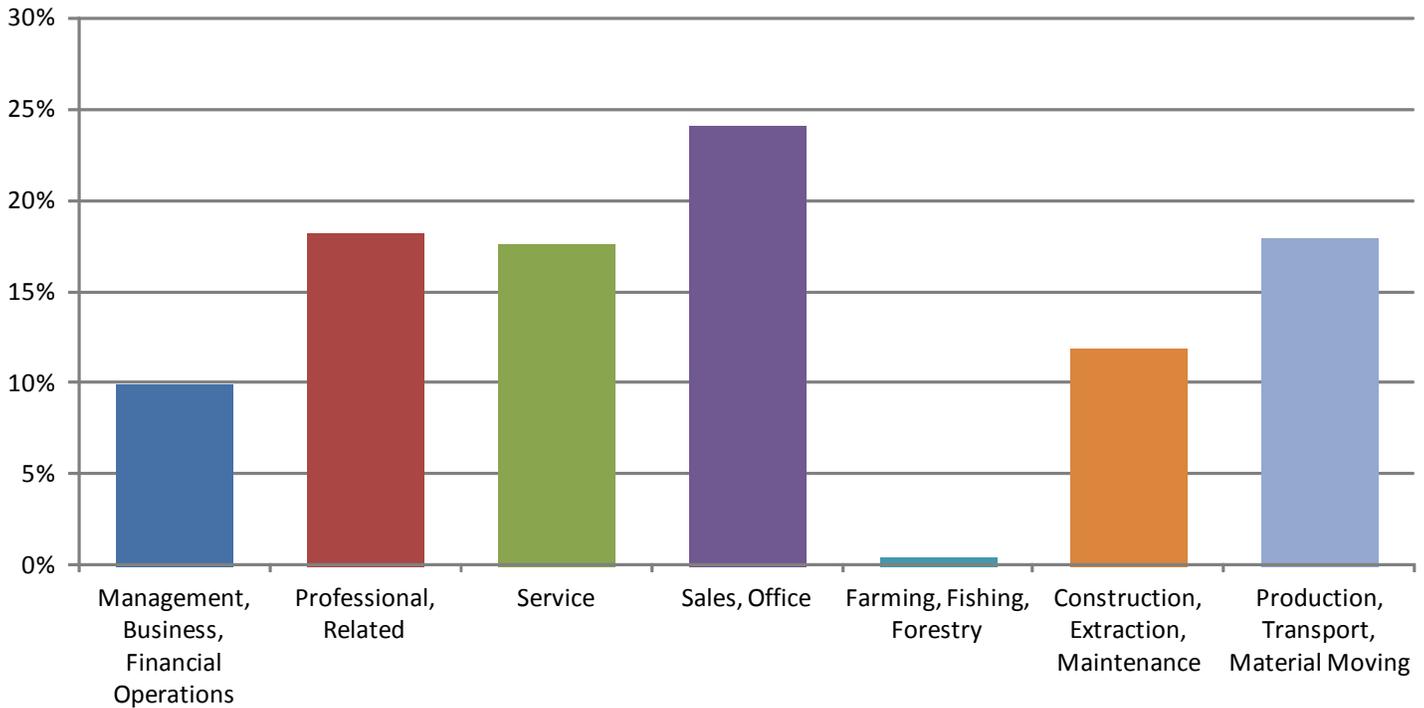


Of the population age 16 and over in the city limits of Skiatook, 45.10% have some post-secondary education, and 24.10% have a college degree.

POPULATION BY OCCUPATION

Population by Occupation / 2013 / Skiatook City Limits

**Occupational Classification,
Employed Population Aged 16+**

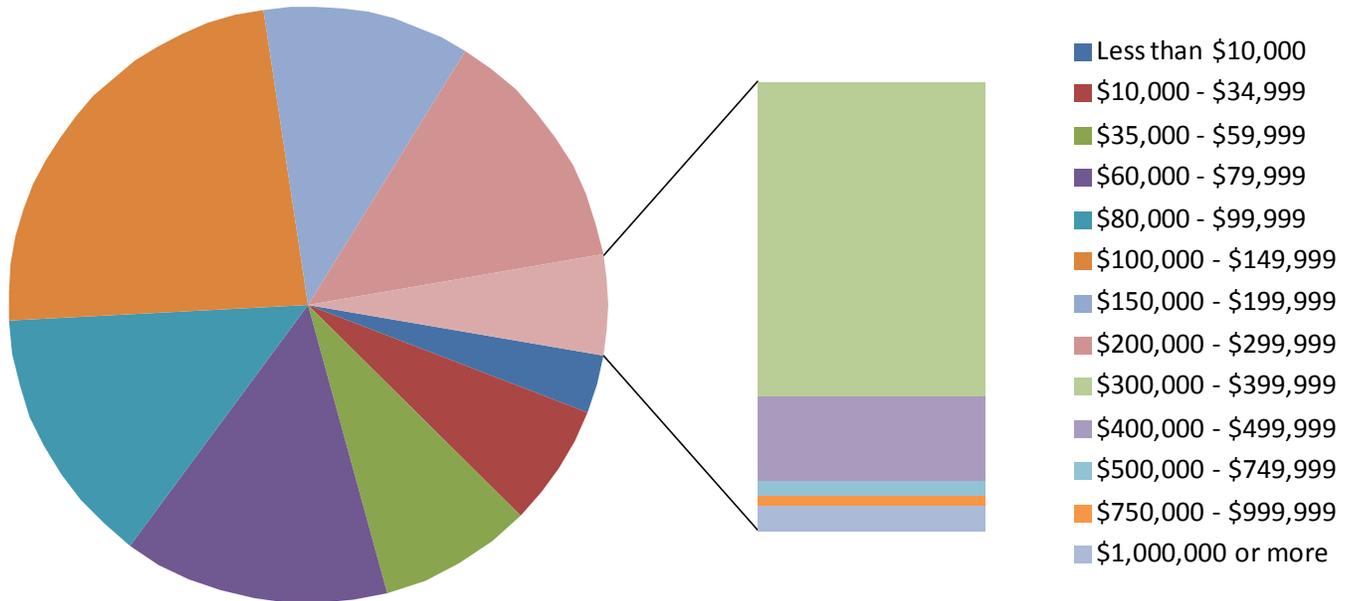


Of the population in the city limits of Skiatook, 52.20% is engaged in white collar occupations, with 18.20% in professional occupations and another 9.90% in management, business and financial operations. Of the population in the city limits of Skiatook, 47.80% is engaged in blue collar occupations with 11.90% in construction and maintenance and 17.90% in production and transport.

HOUSING VALUE DISTRIBUTION

Housing Value Distribution / 2013 / Skiatook City Limits

Housing Value Distribution 2013



The median value of a home in the city limits of Skiatook is \$109,096.00. Of these homes, 71.90% are owner occupied and 18.40% were built between 2000 and 2010.

NIELSEN CLARITAS RETAIL MARKET POWER

The Nielsen Claritas Retail Market Power™ (RMP) database provides an actionable portrait of sales opportunity for optimal site and market analysis, allowing you to maximize your growth strategies by accurately targeting the sales gaps that exist in the marketplace. By using sales potential to depict supply and geography-based estimates of potential annual consumer expenditures to depict demand within a specific market, RMP enables an opportunity gap analysis of the retail environment. The database was developed using the Consumer Expenditure (CEX) surveys conducted by the Bureau of Labor Statistics and the Census of Retail Trade conducted by the US Census. Current-year (CY) supply and demand estimates and five-year (5Y) demand projections are available for all standard census, postal, and marketing geographies.

Data Sources for Potential Sales:

- Census of Retail Trade (CRT) Annual Survey of Retail Trade
- Claritas Business-Facts
- Census of Employment Wages
- State Sales Tax reports
- Trade Associations
- Demand Side Estimates

Data Sources for Potential Expenditures:

- Consumer Expenditure Survey (CEX) Global Insights
- Claritas Current Year demographics
- Trade Associations

The Nielsen Claritas Retail Market Power™ (RMP) allows you to compare supply and demand to determine potential sources of revenue growth at any standard or user defined geographic level. Such comparison can be achieved at the retail outlet level or the merchandise line level. An opportunity gap appears when household expenditure levels for a specific geography are higher than the corresponding retail sales estimates. This difference signifies that resident households are meeting the available supply and supplementing their additional demand potential by going outside of their own geography. The opposite is true in the event of an opportunity surplus which occurs when the levels of household expenditures are lower than the retail sales estimates. In this case, local retailers are attracting residents from other areas to their stores.

RETAIL CATEGORIES

Vehicle and Parts Dealers

New and used automobile dealers, motorcycle dealers, recreational vehicle dealers, all terrain vehicle dealers, boat dealers, auto parts stores, auto accessories stores and tire dealers

Furniture and Home Furnishings Stores

Furniture stores, home furnishing stores, home decorating stores and floor covering stores

Electronics and Appliance Stores

Household appliance stores, electronics stores, computer and software stores and camera and photographic equipment stores

Building Materials and Garden Supply Stores

Building material and supply dealers, home improvement centers, paint and wallpaper stores, hardware stores, lumberyards, lawn and garden stores, outdoor power equipment stores, nursery and garden centers

Food and Beverage Stores

Grocery stores, supermarkets, convenience stores, specialty food stores and beer, wine and liquor stores

Health and Personal Care Stores

Pharmacies, drug stores, cosmetic dealers, beauty supply stores, perfume stores, optical goods stores, health care stores and personal care stores

Gasoline Stations

Gasoline stations and gasoline stations with convenience stores

Clothing and Clothing Accessories Stores

Men's clothing stores, women's clothing stores, children's and infant's clothing stores, family clothing stores, clothing accessories stores, shoe stores, jewelry stores, luggage stores, leather goods stores

Sporting Goods and Hobby Stores

Sporting goods stores, hobby stores, toy stores, sewing and needlework stores, musical instrument and supplies stores, book stores, newsstands, music stores

General Merchandise Stores

Department stores and other general merchandise stores

Miscellaneous Store Retailers

Florists, office supply stores, stationery stores, gift and souvenir stores, used merchandise stores and other miscellaneous retailers

Foodservice and Drinking Places

Full-service restaurants, limited-service eating places, special foodservices, taverns and bars

OPPORTUNITY GAP - PRIMARY TRADE

RETAIL CATEGORY	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Motor Vehicle and Parts Dealers	\$54,573,145	\$16,505,312	\$38,067,833
Automotive Dealers	\$38,004,772	\$13,093,180	\$24,911,592
Other Motor Vehicle Dealers	\$11,116,944	\$2,559,947	\$8,556,997
Automotive Parts and Accessories	\$5,451,429	\$852,185	\$4,599,244
Furniture and Home Furnishings	\$7,277,405	\$1,066,309	\$6,211,096
Furniture	\$3,797,802	\$857,988	\$2,939,814
Home Furnishings	\$3,479,603	\$208,321	\$3,271,282
Electronics and Appliances	\$7,453,606	\$874,372	\$6,579,234
Appliances, TVs, Electronics	\$5,458,711	\$364,862	\$5,093,849
Household Appliances	\$962,622	\$11,894	\$950,728
Radio, Television, Electronics	\$4,496,089	\$352,968	\$4,143,121
Computer and Software	\$1,825,894	\$509,510	\$1,316,384
Photographic Equipment	\$169,001	\$0	\$169,001
Building Materials and Garden Eqpt	\$37,348,497	\$33,783,233	\$3,565,264
Building Materials	\$33,267,417	\$31,157,231	\$2,110,186
Home Centers	\$13,382,429	\$31,157,231	(\$17,774,802)
Paint and Wallpaper	\$547,202	\$0	\$547,202
Hardware	\$3,396,463	\$0	\$3,396,463
Other Build Materials	\$15,941,323	\$0	\$15,941,323
Lumberyards	\$6,174,731	\$0	\$6,174,731
Lawn and Garden Supplies	\$4,081,080	\$2,626,002	\$1,455,078
Outdoor Power Equipment	\$821,381	\$371,491	\$449,890
Nursery and Garden Centers	\$3,259,699	\$2,254,511	\$1,005,188
Food and Beverage Stores	\$53,602,755	\$8,137,337	\$45,465,418
Grocery Stores	\$46,593,322	\$5,018,449	\$41,574,873
Supermarkets	\$44,080,922	\$3,855,660	\$40,225,262
Convenience Stores	\$2,512,400	\$1,162,789	\$1,349,611
Specialty Food Stores	\$3,801,497	\$2,430,552	\$1,370,945
Beer, Wine and Liquor Stores	\$3,207,936	\$688,335	\$2,519,601
Health and Personal Care	\$26,021,398	\$8,398,490	\$17,622,908
Pharmacies and Drug Stores	\$20,805,427	\$7,468,745	\$13,336,682
Cosmetics and Beauty Supplies	\$1,858,237	\$0	\$1,858,237
Optical Goods	\$1,012,872	\$493,571	\$519,301
Other Health and Personal Care	\$2,344,863	\$436,174	\$1,908,689
Gasoline Stations	\$41,725,809	\$31,635,705	\$10,090,104
Gasoline with Convenience Store	\$31,154,527	\$22,283,289	\$8,871,238
Other Gasoline Stations	\$10,571,282	\$9,352,415	\$1,218,867

OPPORTUNITY GAP - PRIMARY TRADE

RETAIL CATEGORY (cont)	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Clothing and Clothing Accessories	\$17,165,469	\$1,185,677	\$15,979,792
Clothing	\$13,080,801	\$973,927	\$12,106,874
Men's Clothing	\$737,931	\$0	\$737,931
Women's Clothing	\$2,866,420	\$0	\$2,866,420
Children's Clothing	\$869,343	\$0	\$869,343
Family Clothing	\$6,893,543	\$101,164	\$6,792,379
Clothing Accessories	\$523,111	\$728,067	(\$204,956)
Other Clothing	\$1,190,453	\$144,696	\$1,045,757
Shoes	\$2,256,885	\$53,775	\$2,203,110
Jewelry	\$1,669,833	\$141,910	\$1,527,923
Luggage and Leather Goods	\$157,949	\$16,065	\$141,884
Sporting Goods, Hobby, Book Music	\$6,893,653	\$896,001	\$5,997,652
Sporting Goods	\$2,921,245	\$505,990	\$2,415,255
Hobby, Toys, Games	\$1,676,541	\$33,842	\$1,642,699
Sew, Needlework, Piece Goods	\$584,034	\$0	\$584,034
Musical Instruments	\$400,126	\$356,169	\$43,957
Book Stores	\$922,105	\$0	\$922,105
News Dealers and Newsstand	\$133,039	\$0	\$133,039
Prerecorded Tapes, CDs, Record	\$256,563	\$0	\$256,563
General Merchandise	\$52,044,767	\$119,590,215	(\$67,545,448)
Miscellaneous Retailers	\$12,237,814	\$4,352,955	\$7,884,859
Florists	\$468,187	\$0	\$468,187
Office Supplies, Stationery, Gifts	\$3,322,388	\$175,665	\$3,146,723
Used Merchandise	\$888,400	\$77,812	\$810,588
Other Miscellaneous	\$7,558,839	\$4,099,478	\$3,459,361
Non-Store Retailers	\$30,386,187	\$1,653,392	\$28,732,795
Food and Drink	\$40,680,962	\$9,682,445	\$30,998,517
Full Service Restaurants	\$18,725,042	\$3,643,258	\$15,081,784
Limited Service Restaurants	\$16,698,578	\$4,721,406	\$11,977,172
Special Food	\$3,226,051	\$456,598	\$2,769,453
Drinking Places	\$2,031,291	\$861,183	\$1,170,108
TOTAL LEAKAGE			\$234,970,274
TOTAL SURPLUS			(\$85,320,250)
BALANCE			\$149,650,024

OPPORTUNITY GAP - CITY LIMITS

RETAIL CATEGORY	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Motor Vehicle and Parts Dealers	\$15,525,927	\$4,776,353	\$10,749,574
Automotive Dealers	\$10,577,209	\$4,146,031	\$6,431,178
Other Motor Vehicle Dealers	\$3,409,066	\$173,703	\$3,235,363
Automotive Parts and Accessories	\$1,539,652	\$456,619	\$1,083,033
Furniture and Home Furnishings	\$2,098,465	\$640,317	\$1,458,148
Furniture	\$1,104,832	\$591,726	\$513,106
Home Furnishings	\$993,633	\$48,591	\$945,042
Electronics and Appliances	\$2,109,507	\$574,078	\$1,535,429
Appliances, TVs, Electronics	\$1,545,794	\$225,895	\$1,319,899
Household Appliances	\$271,907	\$170	\$271,737
Radio, Television, Electronics	\$1,273,887	\$225,725	\$1,048,162
Computer and Software	\$515,320	\$348,183	\$167,137
Photographic Equipment	\$48,393	\$0	\$48,393
Building Materials and Garden Eqpt	\$10,482,494	\$1,797,804	\$8,684,690
Building Materials	\$9,323,055	\$0	\$9,323,055
Home Centers	\$3,773,403	\$0	\$3,773,403
Paint and Wallpaper	\$151,923	\$0	\$151,923
Hardware	\$960,331	\$0	\$960,331
Other Build Materials	\$4,437,398	\$0	\$4,437,398
Lumberyards	\$1,735,539	\$0	\$1,735,539
Lawn and Garden Supplies	\$1,159,439	\$1,797,804	(\$638,365)
Outdoor Power Equipment	\$245,051	\$233,471	\$11,580
Nursery and Garden Centers	\$914,388	\$1,564,333	(\$649,945)
Food and Beverage Stores	\$15,303,519	\$1,350,368	\$13,953,151
Grocery Stores	\$13,301,742	\$586,695	\$12,715,047
Supermarkets	\$12,579,304	\$19,968	\$12,559,336
Convenience Stores	\$722,438	\$566,727	\$155,711
Specialty Food Stores	\$1,087,415	\$506,971	\$580,444
Beer, Wine and Liquor Stores	\$914,362	\$256,702	\$657,660
Health and Personal Care	\$7,264,226	\$5,456,032	\$1,808,194
Pharmacies and Drug Stores	\$5,808,681	\$5,102,441	\$706,240
Cosmetics and Beauty Supplies	\$517,675	\$0	\$517,675
Optical Goods	\$282,906	\$0	\$282,906
Other Health and Personal Care	\$654,964	\$353,591	\$301,373
Gasoline Stations	\$11,989,865	\$17,995,357	(\$6,005,492)
Gasoline with Convenience Store	\$8,958,881	\$10,942,431	(\$1,983,550)
Other Gasoline Stations	\$3,030,984	\$7,052,926	(\$4,021,942)

OPPORTUNITY GAP - CITY LIMITS

RETAIL CATEGORY (cont)	POTENTIAL SALES	ACTUAL SALES	SURPLUS/LEAKAGE
Clothing and Clothing Accessories	\$4,985,511	\$159,379	\$4,826,132
Clothing	\$3,799,473	\$13,341	\$3,786,132
Men's Clothing	\$212,979	\$0	\$212,979
Women's Clothing	\$826,057	\$0	\$826,057
Children's Clothing	\$262,591	\$0	\$262,591
Family Clothing	\$2,004,830	\$1,449	\$2,003,381
Clothing Accessories	\$150,552	\$0	\$150,552
Other Clothing	\$342,464	\$11,892	\$330,572
Shoes	\$664,093	\$37,087	\$627,006
Jewelry	\$476,622	\$97,871	\$378,751
Luggage and Leather Goods	\$45,323	\$11,080	\$34,243
Sporting Goods, Hobby, Book Music	\$1,961,659	\$311,666	\$1,649,993
Sporting Goods	\$849,394	\$135,060	\$714,334
Hobby, Toys, Games	\$456,663	\$0	\$456,663
Sew, Needlework, Piece Goods	\$167,849	\$0	\$167,849
Musical Instruments	\$110,359	\$176,606	(\$66,247)
Book Stores	\$267,445	\$0	\$267,445
News Dealers and Newsstand	\$38,151	\$0	\$38,151
Prerecorded Tapes, CDs, Record	\$71,798	\$0	\$71,798
General Merchandise	\$14,886,157	\$72,050,231	(\$57,164,074)
Miscellaneous Retailers	\$3,491,505	\$693,660	\$2,797,845
Florists	\$130,359	\$0	\$130,359
Office Supplies, Stationery, Gifts	\$945,600	\$150,709	\$794,891
Used Merchandise	\$257,101	\$66,757	\$190,344
Other Miscellaneous	\$2,158,445	\$476,194	\$1,682,251
Non-Store Retailers	\$8,615,647	\$94,804	\$8,520,843
Food and Drink	\$11,721,037	\$3,386,836	\$8,334,201
Full Service Restaurants	\$5,395,676	\$1,573,174	\$3,822,502
Limited Service Restaurants	\$4,813,885	\$1,204,375	\$3,609,510
Special Food	\$928,834	\$456,598	\$472,236
Drinking Places	\$582,642	\$152,689	\$429,953
TOTAL LEAKAGE			\$64,968,145
TOTAL SURPLUS			(\$63,819,511)
BALANCE			\$1,148,634

ABOUT US

Retail Attractions is an economic development consulting firm specializing in market research, creating workable incentive packages and retail recruiting. Our firm believes healthy economic development is a process. Retail Attractions partners with our clients in a coordinated and strategic course of action resulting in extraordinary results. Retail Attractions believes smart, successful retail development is a vital part of a community's economic development program. We leverage our national network of relationships and our proven expertise to bring retailers, developers, landowners and communities together to grow new retail business... one relationship at a time. We partner with our client cities to achieve their community goals through retail development. Far beyond concentric rings, drive times or just another bound report, we develop actionable information and make sure the right people have access to it. In short, we make a difference for your community.

The truth is that anyone or any competent firm can pull demographics for a location based on a radius or a drive time. What makes us different is our custom approach to developing a community's trade area. We evaluate the existing retail options nearby, physical barriers to traffic, natural existing shopping patterns, and the potential draw of new shopping opportunities to develop a custom trade area for each community we serve. Your trade area is prepared by seasoned retail recruitment professionals based on criteria we know is important to the audience who will be receiving the finished marketing materials. We integrate demographic data with data we develop from other sources to create a complete picture of a community... one that will resonate with developers, brokers and retailers. We work with a community to prepare materials and get them in the hands of interested parties rather than merely deliver data that then the community has to send out on its own. We also recognize that "one size DOESN'T fit all" when it comes to trade areas. Some sites may be perfect for a grocery store, with a more localized trade area, while others may support a more regional draw. If your community has unique opportunities that require more than one trade area, we deliver what you need rather than forcing your community into our "standard offering."

Retail Attractions sends our custom marketing material, developed for each city based on the unique characteristics and demographic indicators for that city, to our network of developers, brokers and retailers. In addition, we contact retailers through our accurate, proprietary database to make sure they are aware of opportunities in your city that match their specs.

We have an extensive knowledge of various types of incentives, and their practical application, and the experience to work with city staff to develop a framework for evaluating opportunities and providing creative incentives that result in win-win scenarios for both the public and private sector. Beyond merely a list of incentive possibilities, Retail Attractions serves as an ongoing advisor to city staff, helping to craft incentives that make sense for the city, meet developer's needs and truly encourage new business development.

Retail Attractions understands municipal government and the interplay of political, financial, and regulatory environments. We also understand how development works and what site selectors, developers and retail tenants need to see, hear, and feel from a potential location to move forward. Retail Attractions features a team of research and marketing professionals who assist retail recruiters in developing the necessary data and marketing materials to prove the case for investment in your community. Since beginning Retail Attractions, we have helped our clients launch millions of square feet of retail and reap the associated benefits of additional city revenues, plus new goods and services for citizens, and increasing the quality of life in the community.

OUR STAFF

RICKEY HAYES, PRINCIPAL

During his six years as Economic Development Director for the City of Owasso, Rickey Hayes facilitated new commercial construction totaling more than 4.2 million square feet with more than a quarter of a billion dollars in total value, resulting in a city sales tax base more than double what it had been. Since beginning Retail Attractions, Rickey has helped cities launch millions of square feet of additional retail space and reap the associated benefits in additional revenues, goods and services for their citizens. Rickey has developed an extensive personal network of relationships in the areas of government, retail, land development, real estate and site selection, leasing and tenancing, engineering, creative financing for development projects, and architecture and planning. Rickey holds a Bachelors Degree in Criminal Justice and a Masters Degree in Counseling from Great Plains Baptist College. Rickey is a member of International Council of Shopping Centers (ICSC). Rickey and his wife, Wendy, have four children, and one grandchild.

BETH NICHOLS, PROJECT MANAGEMENT

Beth has a Bachelor of Science in Electrical Engineering from Purdue University. She has been with Retail Attractions since inception and manages marketing and recruitment projects at Retail Attractions. Beth is a member of the International Council of Shopping Centers (ICSC).

ROBERT NICHOLS, INFORMATION TECHNOLOGY

Rob has a Bachelor of Science in Electrical Engineering from Oklahoma State University. He has been with Retail Attractions since inception and manages the website, data storage and access for Retail Attractions.

OUR METHODOLOGY

Our Approach

Just as every city has distinctive characteristics, every consulting project is unique. Retail Attractions employs proven strategies to achieve economic development and growth in your community. We offer three tiers of contract service in addition to project-based and short-term engagements, allowing us to tailor our services to each client community's individual needs. Unlike "cookie-cutter" approaches to retail development that return little more than a bound document, partnering with Retail Attractions means you gain an experienced, dedicated staff who will work diligently on your behalf to grow your city. In addition to our tiered services under contract, additional services such as municipal web site development (for the city overall or specifically for economic development), experienced city and economic development PR efforts, and public meetings/input process management are available as well. These types of services may either be included in the contract for an additional cost or may be utilized on a project / as-needed basis by a client city for an additional estimated cost.

Market Assessment

Retail Attractions uses data from a variety of sources to accurately portray the trade area, retail potential and opportunities within a market. Sources used in this report include Nielsen-Claritas, Applied Geographic Solutions (AGS), the City, various state agencies, US Census Bureau, US Economic Survey and US Bureau of Labor information. Retail Attractions combines physical observation, data-driven research and information, retail site selection methodologies and competitive analysis with personal experience and a reputation for finding the right sites for the right retail to create our market assessment reports.

Retail Recruitment

Our relationships with our clients do not end when we deliver our market assessment report. We promote and actively recruit for our clients throughout the term of their contracts through mail, email, web, phone and personal contacts in our comprehensive nationwide contact database. Our diligent pursuit of development for your community assures your community will be on the radar of appropriate national retailers.

The Benefits

Employing Retail Attractions to fulfill the city's need for an economic development professional allows the city to conserve resources that would otherwise be spent for no direct gain including insurance, employment taxes and other benefits. The city can reap the benefit of utilizing an experienced, successful economic development professional without incurring the expense of a full-time exempt employee. Retail Attractions is intimately familiar with development dynamics and can bring our experience, network and concentrated approach to bear immediately on behalf of the city. No valuable time is lost through a "learning the process" or "learning the area" acclimation period. Commercial development often feels painfully slow when observing the process from the outside. From initial interest in a site to doors open for business is often an 18- to 24-month process. Retail Attractions will be with you every step of the way to help your community reach its maximum retail potential.

OUR DATA

Retail Attractions compiles data from a number of sources including Nielsen-Claritas, Applied Geographic Solutions (AGS), the client City, various state agencies, the US Census Bureau, the US Economic Survey and information from the US Bureau of Labor. The primary sources for the demographic information included in this report are Nielsen-Claritas SiteReports and Applied Geographic Solutions (AGS).

Both Nielsen-Claritas and AGS pull data from public and private sources and apply their proprietary algorithm to determine demographic projections and estimates. Retail Attractions has carefully analyzed the resulting statistics and determined the algorithms that best represent the client community and trade area.

Nielsen-Claritas and AGS are highly respected data providers in the retail industry, and both sources calculate estimates for the current year and projections for five years in the future. Both companies produce data at varying geographic levels including national, state, county, city/town, zip code, and block group. These estimates and projections on a defined population can be analyzed according to population characteristics such as age, sex, race, Hispanic ethnicity, income, education, occupation, housing or rate of growth.

The demographic data contained in this report comes from AGS, and the opportunity gap data comes from Nielsen Claritas Retail Market Power™ (RMP). The RMP data allows the comparison of supply and demand to determine potential sources of revenue growth at any standard or user defined geographic level.

If there are any questions about the data used in this report, please contact Retail Attractions, and we will be happy to answer your questions.

ACKNOWLEDGEMENTS AND DISCLAIMER

ACKNOWLEDGEMENTS

Nielsen and Applied Geographic Solutions are both highly respected data providers. However, these companies use algorithms to make estimates and projections. While these estimates and projections are based on years of research and adjustment, they are still only estimates and projections.

DISCLAIMER

All information is believed to be accurate and is presented in good faith by Retail Attractions, LLC under the terms and protections of the contract between the Client and Retail Attractions, LLC.

While we do expect to successfully complete the objective of increasing commercial investment in your community, it is impossible to guarantee a level of investment or even any investment since market conditions, retailer's business plans, city policies and other market drivers are subject to change at any time and are beyond the control of Retail Attractions, LLC. You understand and agree that any advice provided under this proposal is true and correct to the best knowledge and ability of Retail Attractions, LLC and will be provided in good faith. The city accepts full responsibility for its decisions to act or not act according to said advice and agrees to indemnify and hold harmless Retail Attractions, LLC; its principals, employees, sub-contractors and associates pertaining to outcomes or situations that arise from the advice, materials or other items provided under this proposal agreement.