



Corinth Merchandising Plan

April 2013

Catalyst is a solution oriented consulting firm which engages with public, private and institutional uses to conduct market analysis, merchandising strategies, and economic evaluation.

Merchandising Plan: Corinth, Texas

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Jason Claunch, President

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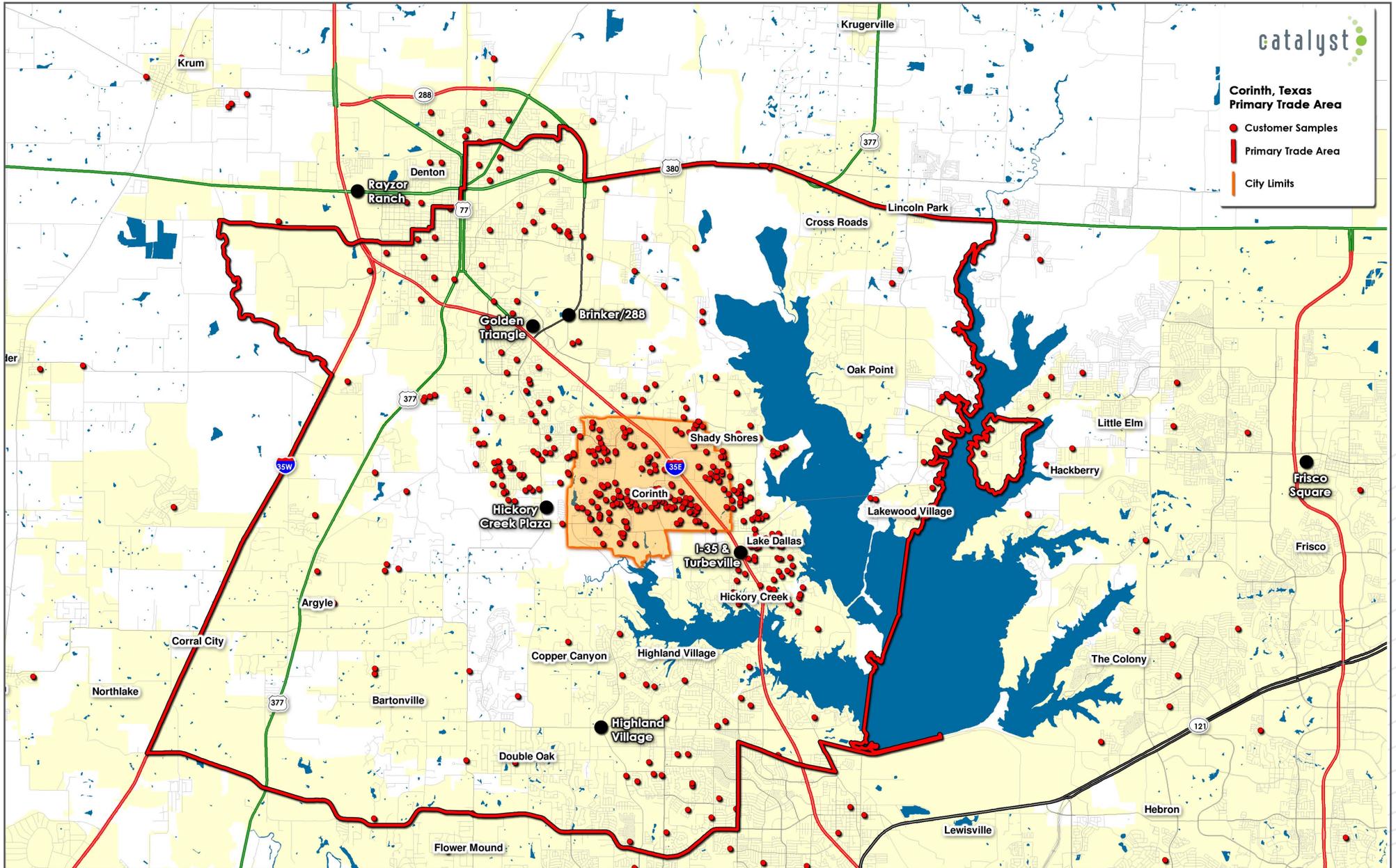
Study Overview

Catalyst was hired by the Corinth Economic Development Corporation on behalf of the City of Corinth in September 2012 to create a retail market analysis and merchandising plan. The intention of these efforts is to identify and recruit the highest and best fit retailers to the City of Corinth. The result of this analysis can be found in the following pages and includes trade area delineation, demographic and psychographic profiles, property analysis, and retail leakage analysis.

Primary Trade Area

The first step in understanding your retail customer is customer sampling. Catalyst took approximately 1,400 customer samples from retailers at the intersection of FM 2181 and Interstate 35 in November and December of 2012. These locations included Albertson's, Chick-fil-A, McDonald's, QuikTrip, Walmart, and Whataburger.

After collecting these customer samples, Catalyst removes the farthest 5%, as they would be considered outliers. Catalyst bases the Primary Trade Area (PTA) on the closest 65% of the remaining 95% of the samples. This method ensures that the Primary Trade Area represents the geography containing actual or feasible customers, not one time shoppers.



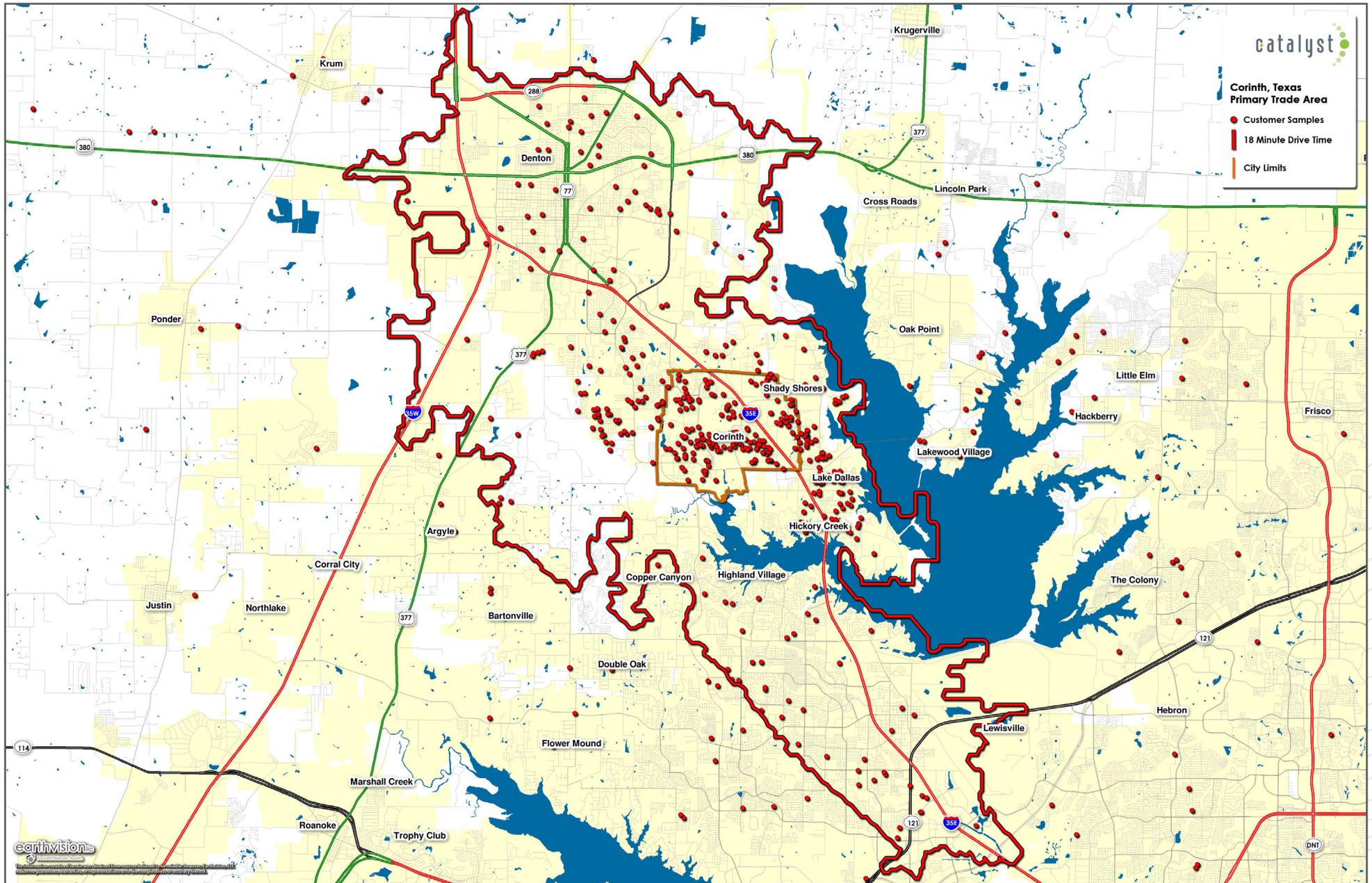
Primary Trade Area Map (Source: Catalyst)

Drive Time Analysis

To ease communication of the size of the Primary Trade Area geography, Catalyst also uses the same method to portray the Primary Trade Area in drive time format. The 18 minute drive time geography, just like the Primary Trade Area, captures 65% of the closest 95% of the customer samples taken. As seen in the map to the right, the drive time geography is greatly influenced by the ease of access to Interstate 35 in north by northwest and south by southwest directions.

GEOGRAPHY	CATCHMENT
1 Minute Drive Time	2.0%
2 Minute Drive Time	7.5%
3 Minute Drive Time	13.5%
4 Minute Drive Time	20.1%
5 Minute Drive Time	31.0%
6 Minute Drive Time	36.4%
7 Minute Drive Time	40.8%
8 Minute Drive Time	43.5%
9 Minute Drive Time	47.2%
10 Minute Drive Time	49.9%
11 Minute Drive Time	51.4%
12 Minute Drive Time	53.1%
13 Minute Drive Time	54.8%
14 Minute Drive Time	56.8%
15 Minute Drive Time	59.2%
16 Minute Drive Time	61.5%
17 Minute Drive Time	63.6%
18 Minute Drive Time	65.5%
19 Minute Drive Time	65.9%
20 Minute Drive Time	67.4%
21 Minute Drive Time	67.8%
22 Minute Drive Time	68.3%
23 Minute Drive Time	69.5%
24 Minute Drive Time	70.3%

(Source: Catalyst)



18 Minute Drive Time Map (Source: Catalyst)

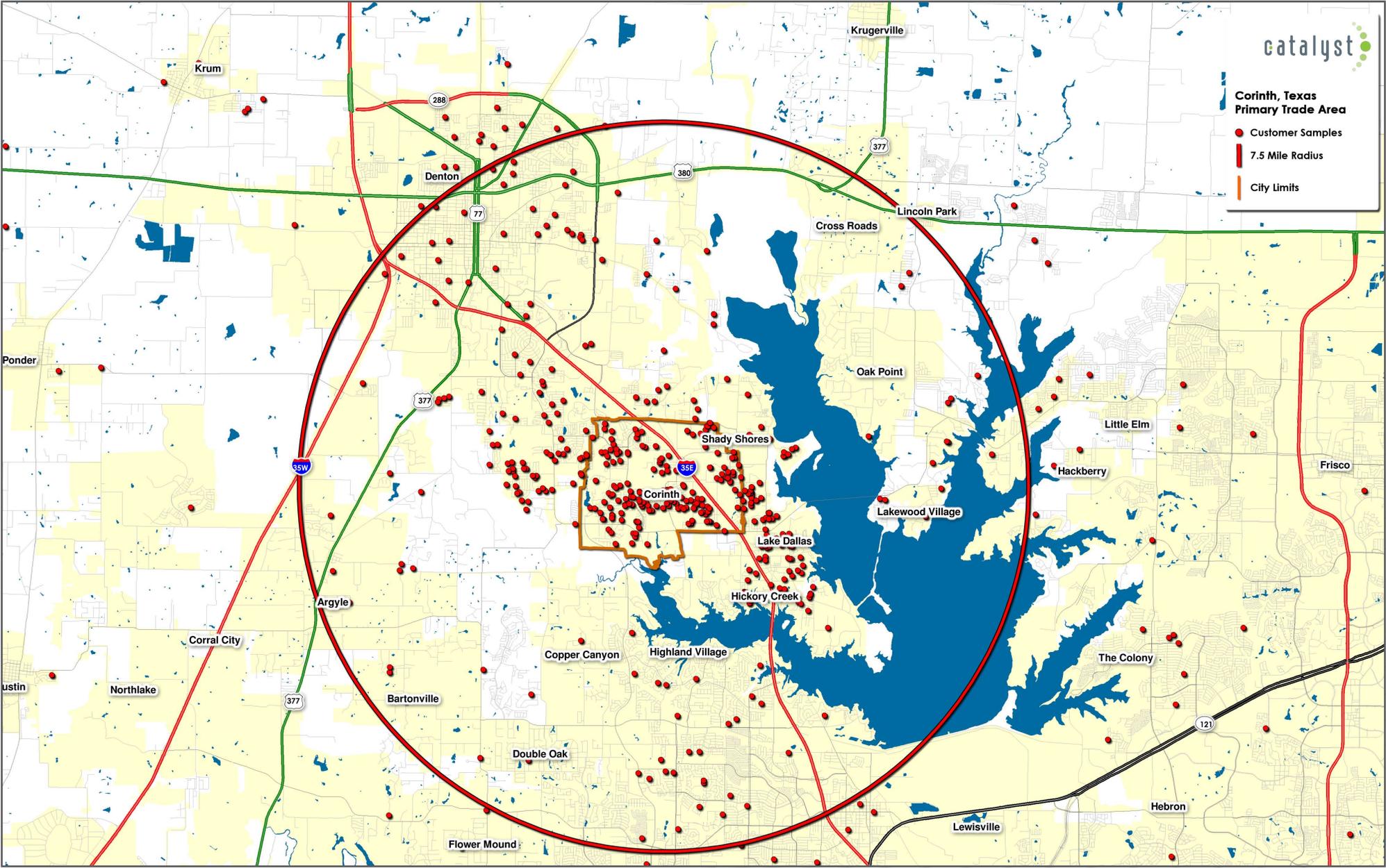
Concentric Ring Analysis

To ease communication of the size of the Primary Trade Area geography, Catalyst also uses the same method to portray the Primary Trade Area in concentric ring format. The 7.5 mile concentric ring geography, just like the Primary Trade Area, captures 65% of the closest 95% of the customer samples taken.

GEOGRAPHY	CATCHMENT
1 Mile Ring	11.7%
2 Mile Ring	31.1%
3 Mile Ring	43.8%
4 Mile Ring	51.0%
5 Mile Ring	54.8%
6 Mile Ring	59.1%
7 Mile Ring	63.8%
7.5 Mile Ring	65.1%
8 Mile Ring	67.1%
9 Mile Ring	70.0%

(Source: Catalyst)

Concentric Ring Analysis



7.5 Mile Radius Map (Source: Catalyst)

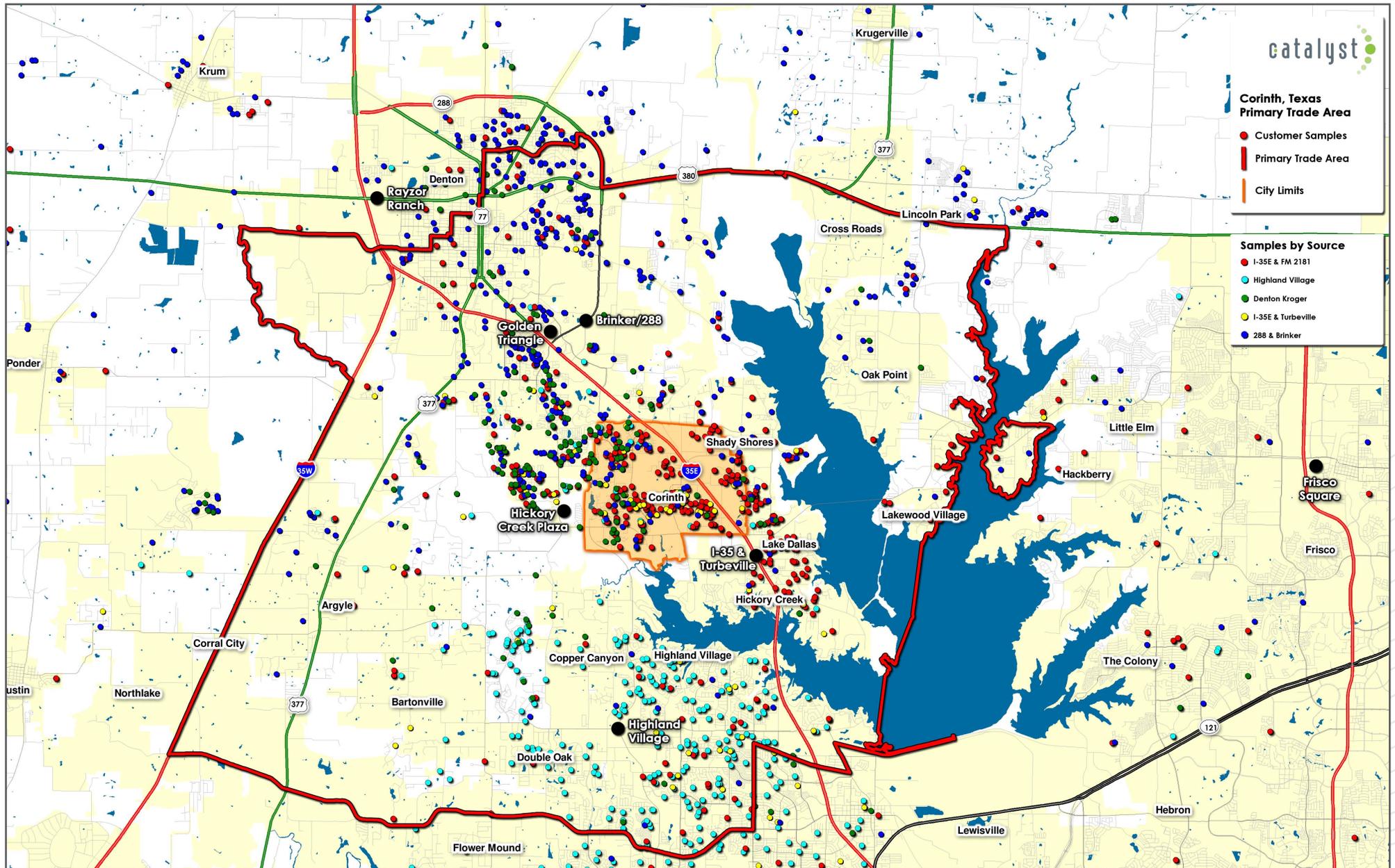
Competing Nodes

In order to establish market context, Catalyst also took customer samples from three competing nodes. These samples can be seen on the map to the right with the Corinth city limits and Primary Trade Area Geographies shown as well.

The first competing node samples were taken from is the Denton Kroger at 5021 Teasley Lane, Denton and shown as the green samples on the map to the right. Approximately 400 samples were taken from this locastion.

The second competing node samples were taken from is the intersection of Interstate 35 and Turbeville Road in Hickory Creek. Approximately 300 samples were taken from Rave Theater and Texas Land & Cattle and are shown as the yellow samples on the map to the right.

The third competing node samples were taken from is the intersection of Loop 288 and Brinker Road in Denton. Approximately 1500 samples were taken from Target, Walmart, and Kroger and are shown as the blue samples on the map to the right.



Competing Nodes Sample Map (Source: Catalyst)

Property Analysis

As seen in the aerial to the right, most of the retail and most prominent properties are located at the intersection of FM 2181 and Interstate 35. For this study, Catalyst analyzed six properties, as seen in the following pages. This analysis includes a description, demographics and site plans or aerials.

The City of Corinth currently has a very healthy retail market. As seen in the table below, Corinth currently has 317,392 square feet of retail spread across 19 properties. The vacancy in Corinth at 6.2% is much less than the vacancy of the DFW CBSA at 8.2%.

The forecast chart below contains data on Net Deliveries (how many square feet of retail space was built during that quarter), Net Absorption (how many square feet of retail space was leased during

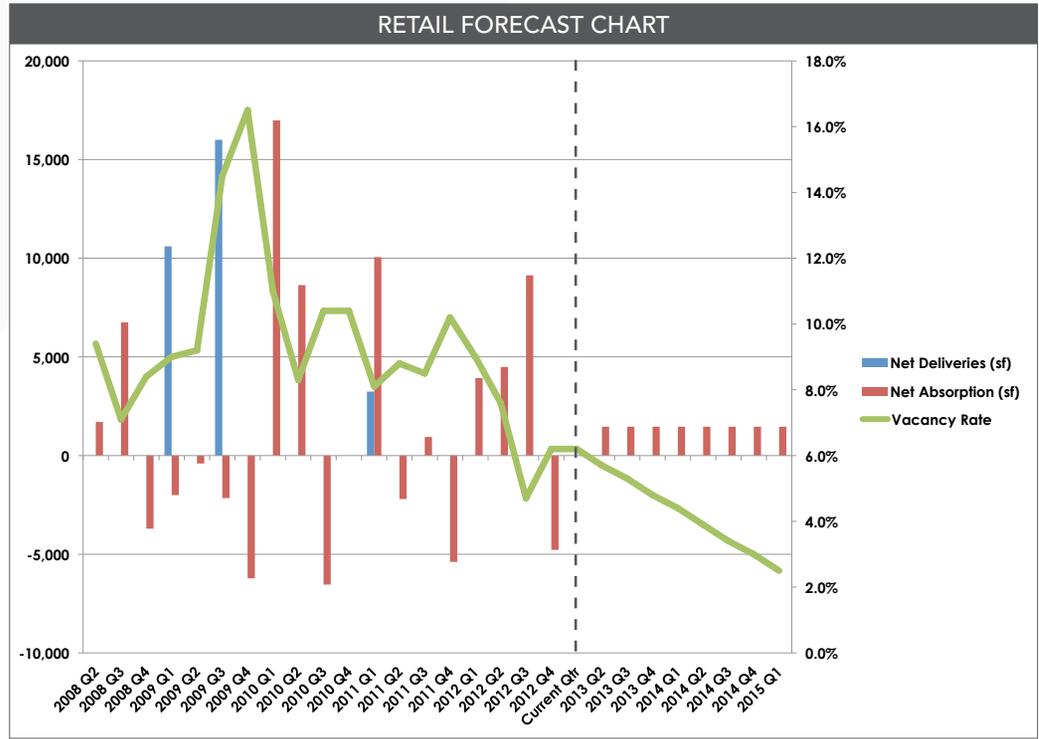
that quarter), and the Vacancy Rate of retail space during that quarter. The chart shows historical data back to 2008 Q2 and forecasted data until 2015 Q1.

From 2008 Q2 to 2012 Q4 the average vacancy has been declining on average. Currently the vacancy in the City of Corinth is 6.2% and from 2013 Q2 to 2015 Q1 the vacancy is expected to drop to 2.5% due to the lack of deliveries of retail space and the

absorption of existing retail space.

RETAIL MARKET	CORINTH	DFW CBSA
Existing Properties	19	25,648
Existing RBA	317,392	378,418,846
Vacant	19,658	30,876,315
Vacancy	6.2%	8.2%
Occupied	297,734	347,542,531
Leased	303,484	350,060,183
Retail Range	\$11.50 - \$17.00	\$2.50 - \$60.00
Retail Average	\$14.51	\$13.44

(Source: Costar)



(Source: CoStar, Catalyst)

Property 1 - Pinnell Square

OVERVIEW

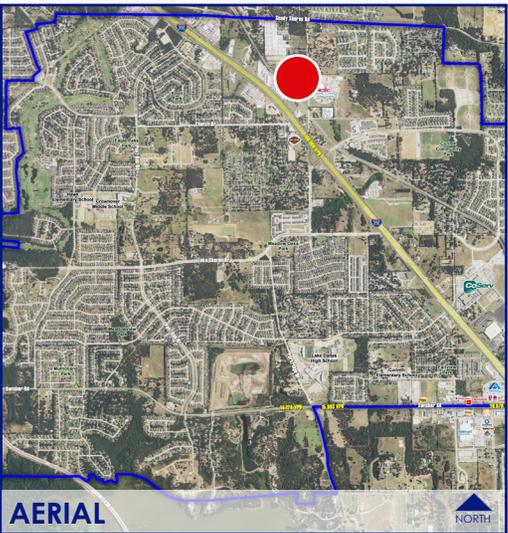
Pinnell Square is located on the west side of N Corinth Street, across from North Central Texas College - Corinth and approximately 0.25 miles north of Interstate 35. Visibility and access are good from N Corinth Street.

EXISTING TENANTS

- Denton County Republican Party
- Don Camillo Italian Cuisine
- Angelina's Mexican
- Corinth Gymnastics

SPACE AVAILABLE

- Suite 107 - ±1,925 sf
- Suite 109 - ±1,700 sf
- Suite - ±3,850 sf
- Suite - ±3,050 sf
- Suite - ±8,500 sf



RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	5,622	49,768	105,262
	2017	244,646	6,305	55,471	117,904
Median Age	2012	31.7	36.3	33.8	32.6
Median HH Income	2012	\$64,729	\$76,533	\$69,952	\$62,851
	2017	\$72,700	\$79,484	\$76,359	\$71,289

TRAFFIC COUNTS VPD

Interstate 35, s of Corinth Pkwy	128,822
N Corinth Pkwy, n of Walton Rd	7,162

EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

INCOME (PTA) 2012 2017

Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

DAYTIME POPULATION 31,912 (5 MILES)

RACE (PTA) 2012 2017

White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



Property 2 - NEC FM 2499 and FM 2181

OVERVIEW

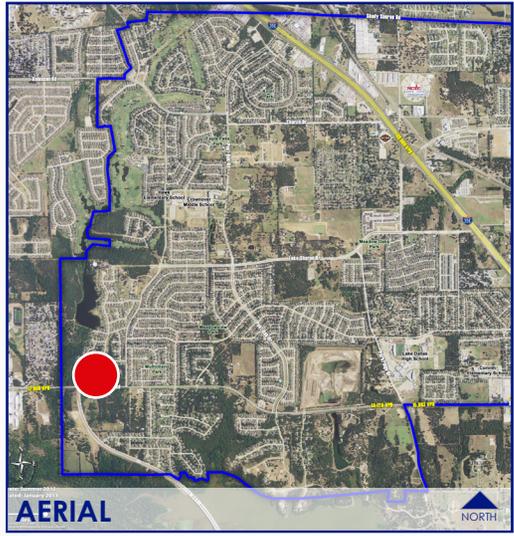
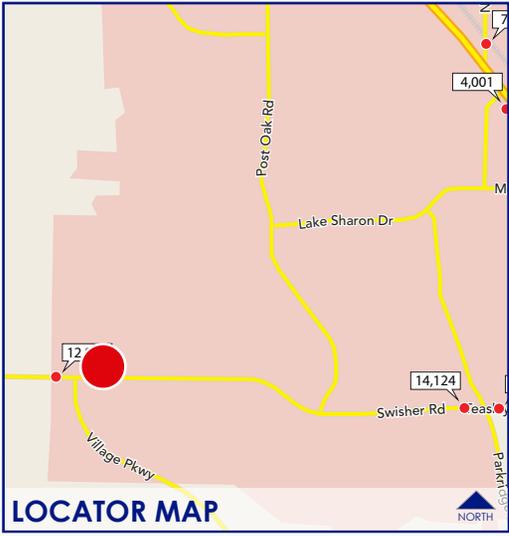
This property is located on the northeast corner of the intersection of FM 2499 and FM 2181. This property is 18.5 acres in size. Visibility and access are good from FM 2181 to the south and Oakmont Drive to the east.

EXISTING TENANTS

none

SPACE AVAILABLE

±18.5 acres



RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	7,079	48,717	111,331
	2017	244,646	7,875	54,624	124,802
Median Age	2012	31.7	32.9	34.7	34.8
Median HH Income	2012	\$64,729	\$78,685	\$81,062	\$78,596
	2017	\$72,700	\$83,457	\$85,414	\$83,821

TRAFFIC COUNTS

	VPD
FM 2181, w of FM 2499	12,909

EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

INCOME (PTA) 2012 2017

Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

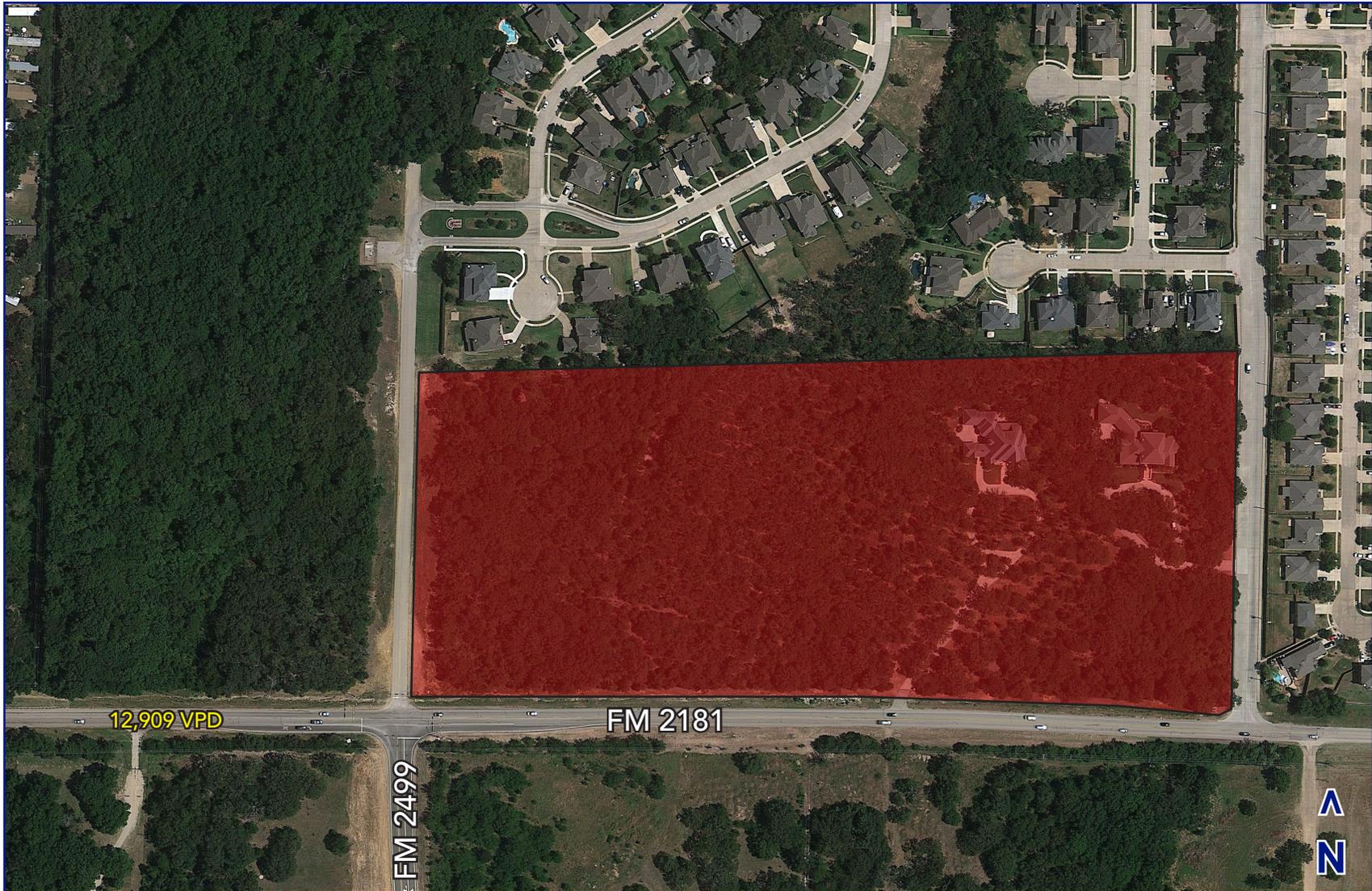
DAYTIME POPULATION 31,741 (5 MILES)

RACE (PTA) 2012 2017

White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



Property 3 - Kensington Square

OVERVIEW

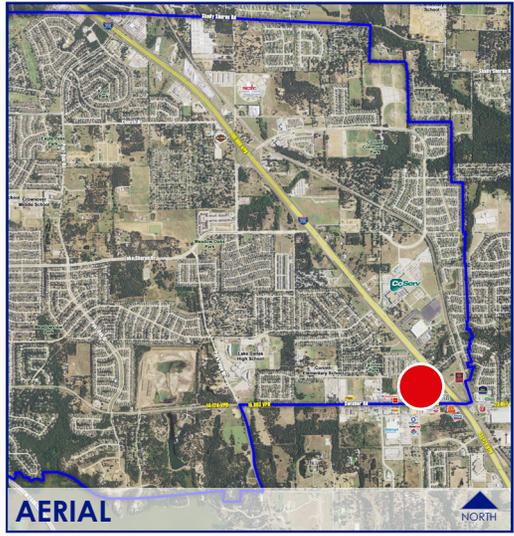
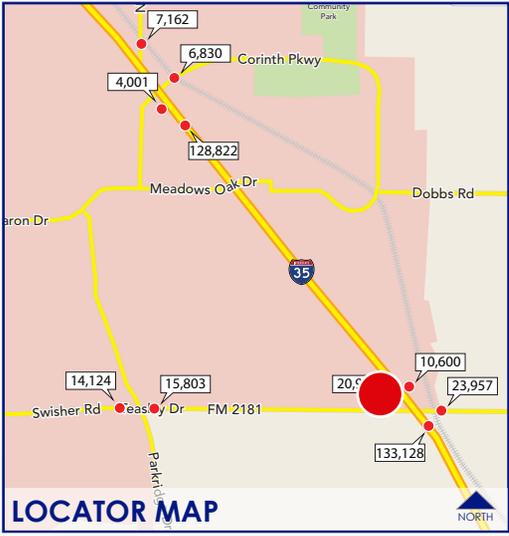
This property is located on the northwest corner of the intersection of FM 2181 and Interstate 35. Visibility and access are good from the Interstate 35 frontage road as well as FM 2181. There is currently one 1,083 square foot space for lease and rent is in the \$14.00 - \$18.00 range.

EXISTING TENANTS

- Albertson's
- Hallmark
- Radioshack
- Comet Cleaners
- Pack N Mail
- Massage Envy Spa

SPACE AVAILABLE

Suite A130 - ±1,083 sf



RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	8,185	37,225	101,603
	2017	244,646	8,766	40,927	113,140
Median Age	2012	31.7	34.0	36.8	35.8
Median HH Income	2012	\$64,729	\$69,091	\$80,820	\$80,443
	2017	\$72,700	\$75,293	\$85,618	\$84,869

TRAFFIC COUNTS

	VPD
Interstate 35, s of FM 2181	133,128
FM 2181, w of Interstate 35	20,970

EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

INCOME (PTA) 2012 2017

Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

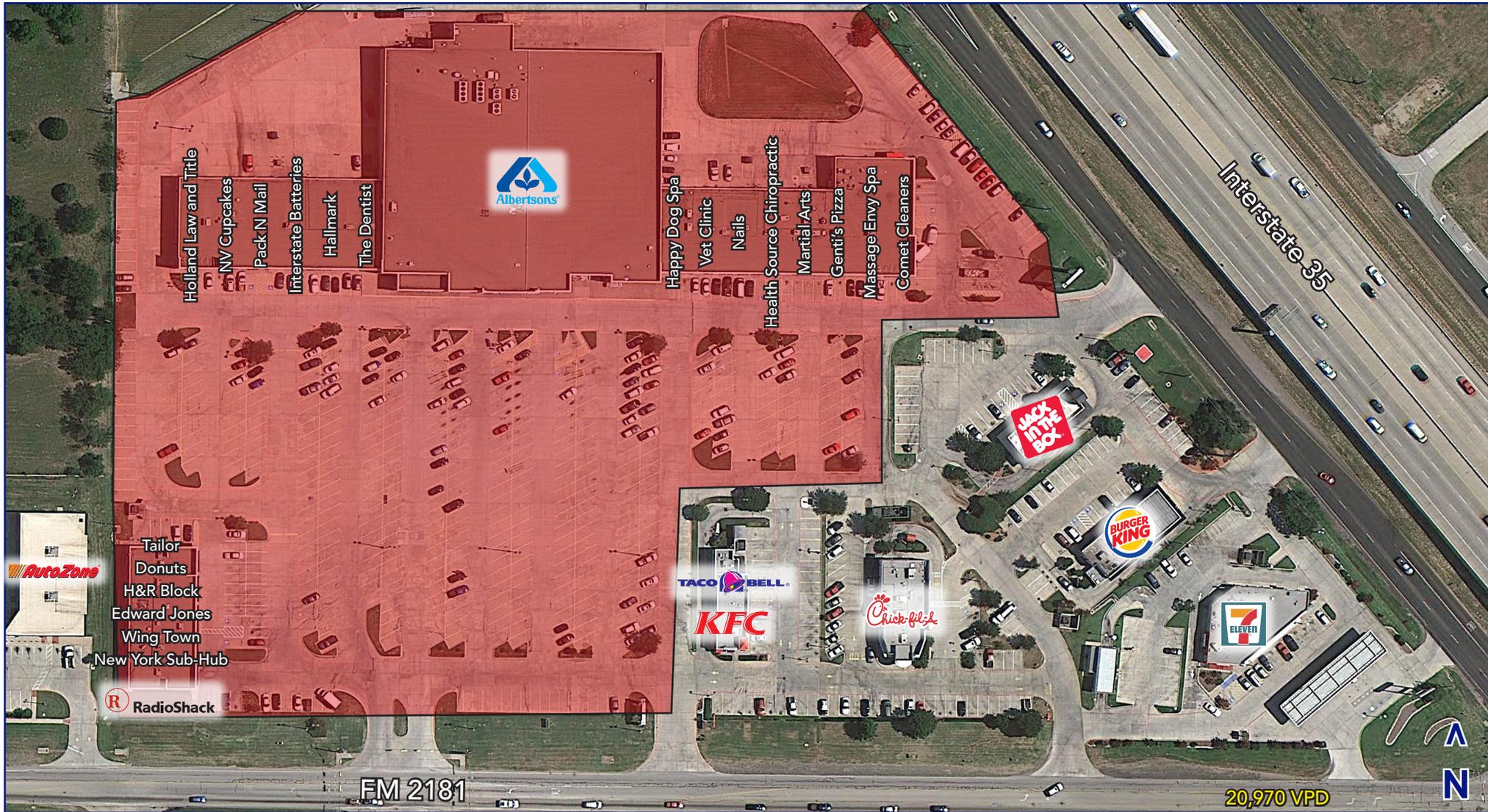
DAYTIME POPULATION 24,282 (5 MILES)

RACE (PTA) 2012 2017

White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander	0.1%	0.1%
Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



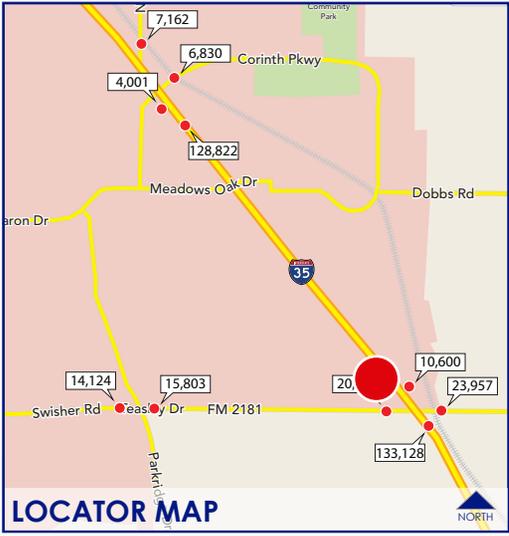
Property 4 - Corinth Commons

OVERVIEW

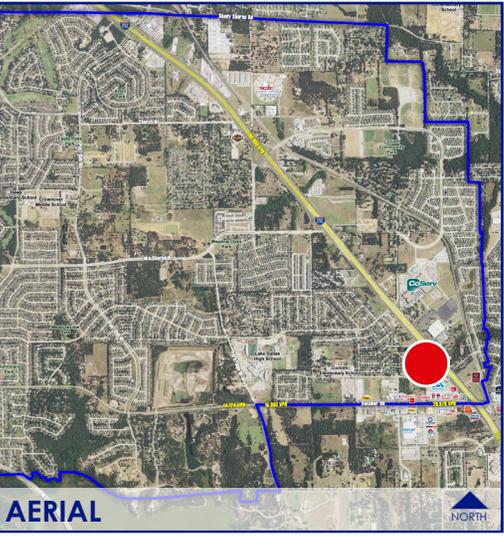
This property is located on the west side of Interstate 35, and approximately 0.25 miles northwest of the intersection of Interstate 35 and FM 2181. Visibility and access are good from the southbound Interstate 35 frontage road.

EXISTING TENANTS

- State Farm
- Ivy Nails
- Little Asia
- Pizza Hut
- Monarch Dental
- Quick Cuts Fast Tans



SPACE AVAILABLE



RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	8,392	37,245	101,073
	2017	244,646	9,016	41,013	112,618
Median Age	2012	31.7	33.9	36.5	35.7
Median HH Income	2012	\$64,729	\$69,593	\$79,778	\$80,100
	2017	\$72,700	\$75,423	\$84,546	\$84,573

TRAFFIC COUNTS VPD

Interstate 35, s of FM 2181	133,128
FM 2181, w of Interstate 35	20,970

INCOME (PTA)

	2012	2017
Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

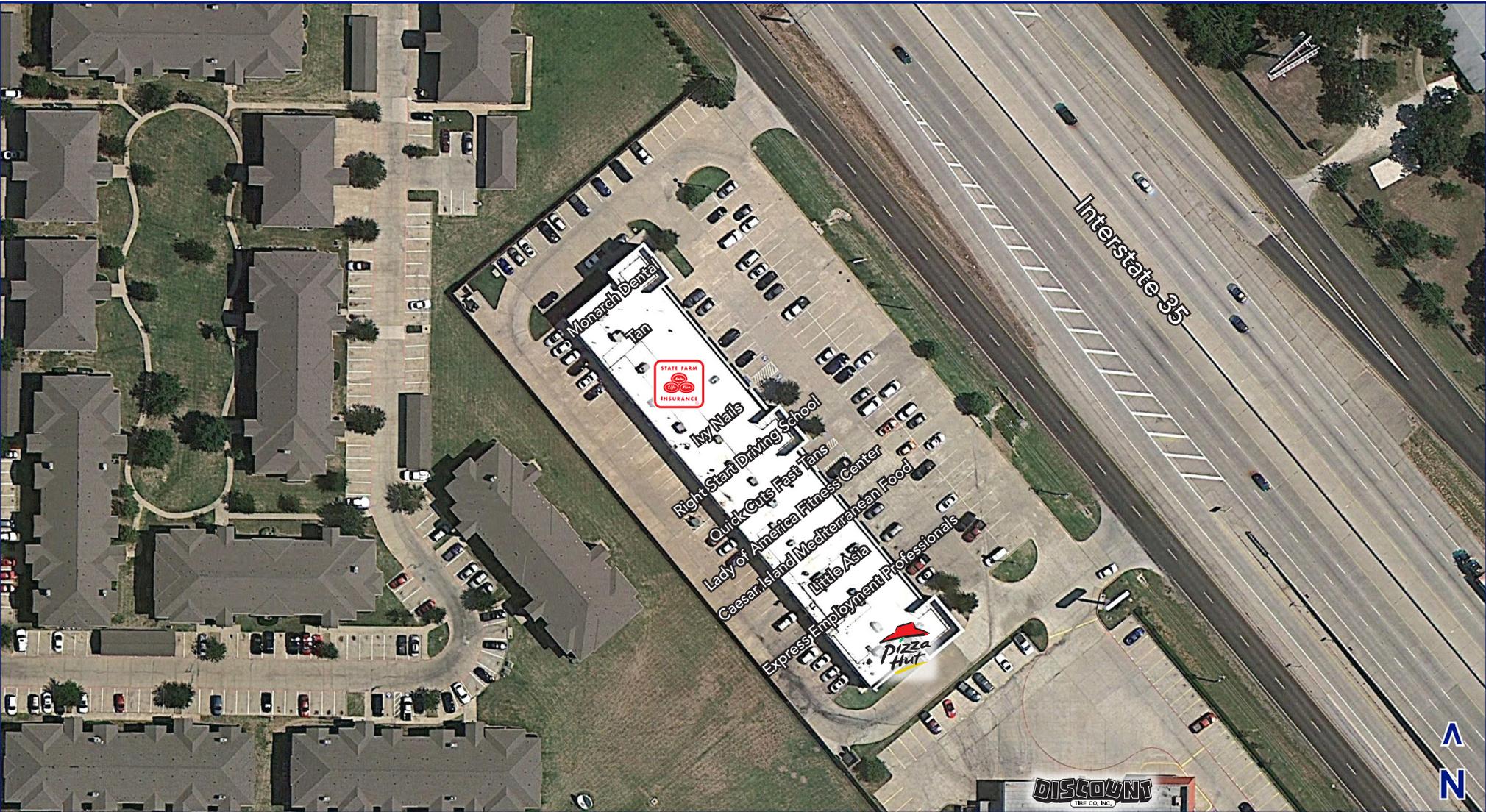
RACE (PTA)

	2012	2017
White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander	0.1%	0.1%
Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

DAYTIME POPULATION 23,586 (5 MILES)

AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



Property 5 - NEC I-35 and FM 2181

OVERVIEW

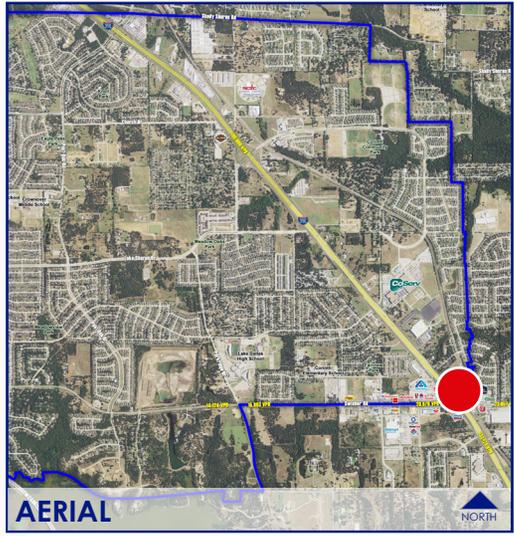
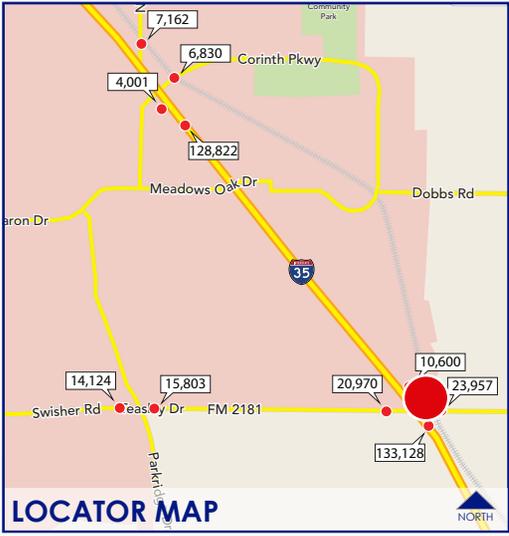
This property is located on the northeast corner of Interstate 35 and FM 2181. Visibility and access are good from FM 2181 and the northbound Interstate 35 frontage road. The property is 57,800 square feet in size.

EXISTING TENANTS

none

SPACE AVAILABLE

±57,800 sf



RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	8,236	34,768	99,831
	2017	244,646	8,741	38,235	111,250
Median Age	2012	31.7	33.9	36.5	35.7
Median HH Income	2012	\$64,729	\$64,291	\$79,333	\$79,680
	2017	\$72,700	\$70,949	\$84,097	\$84,013

TRAFFIC COUNTS

	VPD
Interstate 35, s of FM 2181	133,128
FM 2181, e of Interstate 35	23,957

EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

INCOME (PTA) 2012 2017

Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

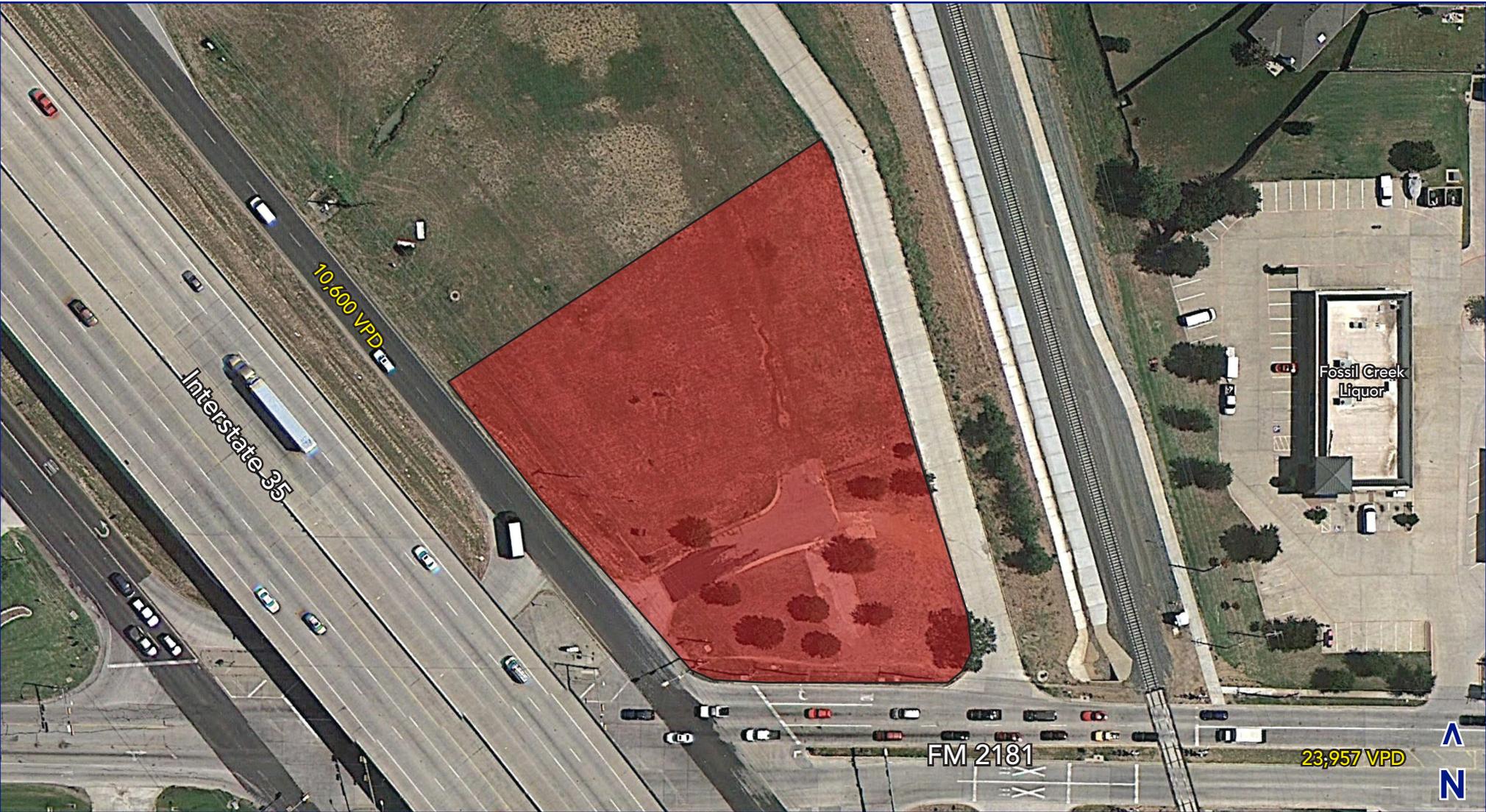
DAYTIME POPULATION 23,428 (5 MILES)

RACE (PTA) 2012 2017

White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander		
Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



Property 6 - NEQ I-35 and FM 2181

OVERVIEW

This property is located on the northeast quadrant of Interstate 35 and FM 2181. Visibility and access are good from the northbound Interstate 35 frontage road. This property is comprised of five lots for a total of 354,698 square feet or 8.14 acres.

RETAIL PRIMARY TRADE AREA STATISTICS

OVERVIEW	YR	PTA	1 MILE	3 MILES	5 MILES
Population	2012	219,100	8,236	34,768	99,831
	2017	244,646	8,741	38,235	111,250
Median Age	2012	31.7	33.9	36.5	35.7
Median HH Income	2012	\$64,729	\$64,291	\$79,333	\$79,680
	2017	\$72,700	\$70,949	\$84,097	\$84,013

EXISTING TENANTS

Comfort Inn and Suites

SPACE AVAILABLE

Lot 1 - ± 43,156 sf Lot 5 - ± 41,307 sf
 Lot 2 - ± 126,331 sf Lot 6 - ± 77,569 sf
 Lot 3 - ± 66,335 sf

TRAFFIC COUNTS

	VPD
Interstate 35, s of FM 2181	133,128
FM 2181, e of Interstate 35	23,957

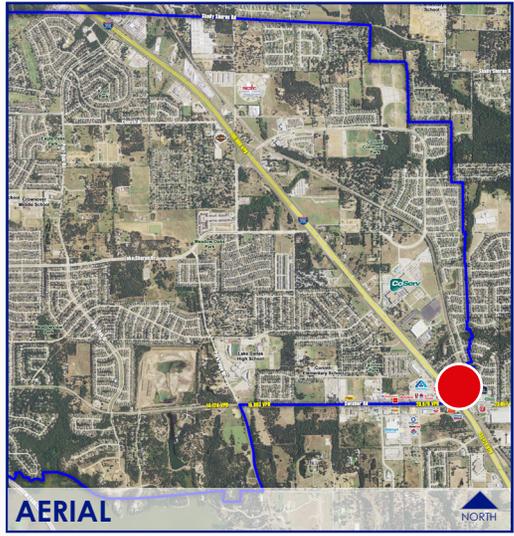
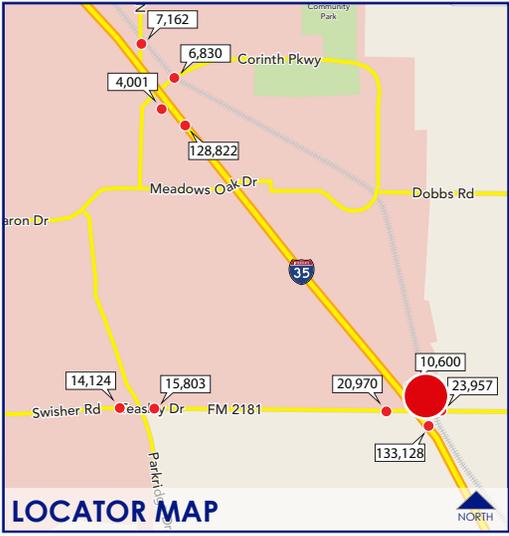
EDUCATION (PTA) 2012

College Graduate	42.8%
Some College, no Degree	25.7%
High School Graduate	19.6%
Less than High School	11.8%

INCOME (PTA) 2012 2017

Average Household	\$88,660	\$99,667
Median Household	\$64,729	\$72,700
Per Capita	\$32,828	\$36,509

DAYTIME POPULATION 23,428 (5 MILES)

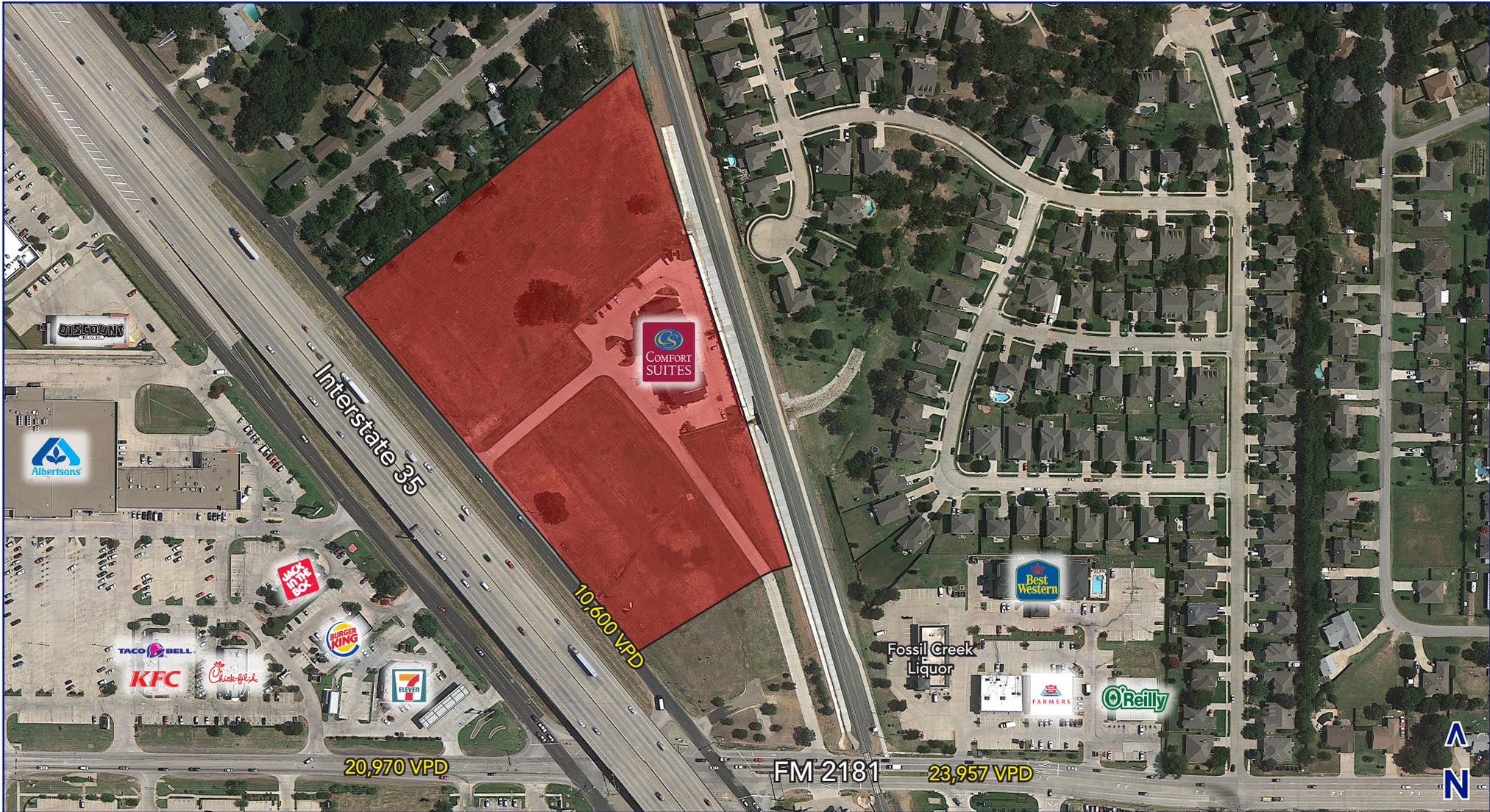


RACE (PTA) 2012 2017

White Alone	78.5%	75.6%
Black Alone	7.9%	9.4%
Amer. Indian Alone	0.7%	0.8%
Asian Alone	3.8%	4.2%
Pacific Islander Alone	0.1%	0.1%
Some Other Race	5.9%	6.6%
Two or More Races	3.0%	3.3%
Hispanic (Any Race)	18.0%	20.6%

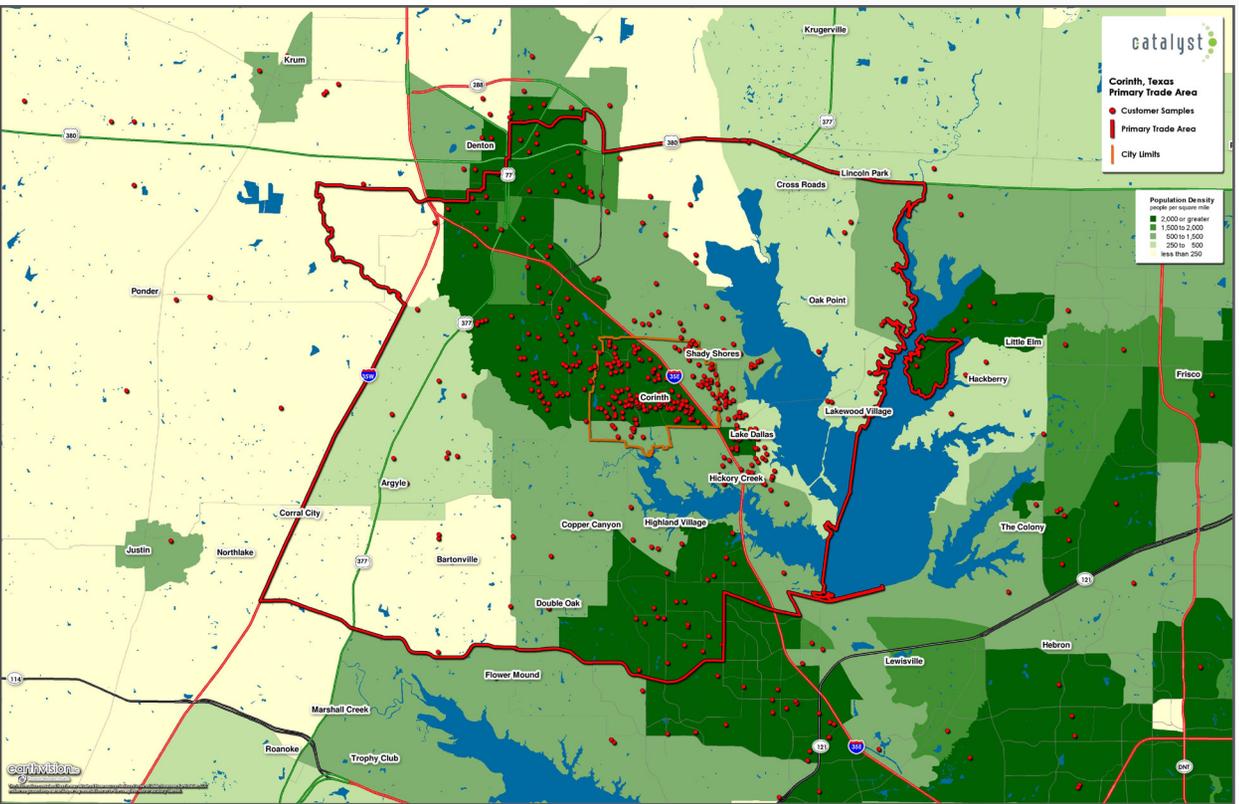
AGE GROUPS (PTA) 2012

Under 4 years	6.5%
5 - 14 years	14.7%
15 - 19 years	8.4%
20 - 24 years	11.3%
25 - 34 years	13.4%
35 - 44 years	14.2%
45 - 54 years	13.8%
55 years & older	17.6%



Population Analysis

As seen in the map to the right, the City of Corinth contains some of the highest density census tracts within the Primary Trade Area (PTA).



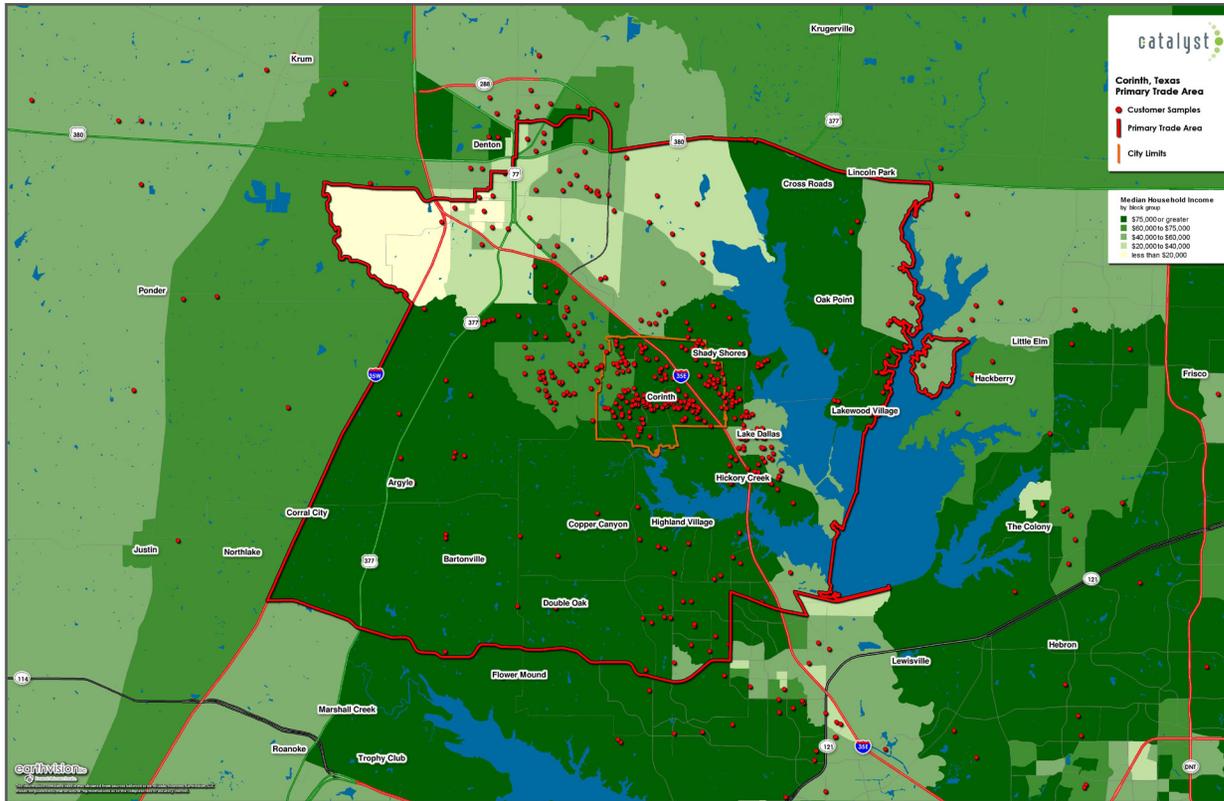
Population Density Map (Source: Catalyst)

POPULATION TABLE	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
2012 Population	20,595	219,100	8,371	50,110	104,437	235,219	215,076
Projected 2017 Population	22,881	244,646	9,392	55,826	117,022	262,621	240,484

(Source: ESRI)

Median Income Analysis

As seen in the map to the above, the City of Corinth contains some of the highest median income census tracts within the Primary Trade Area (PTA).



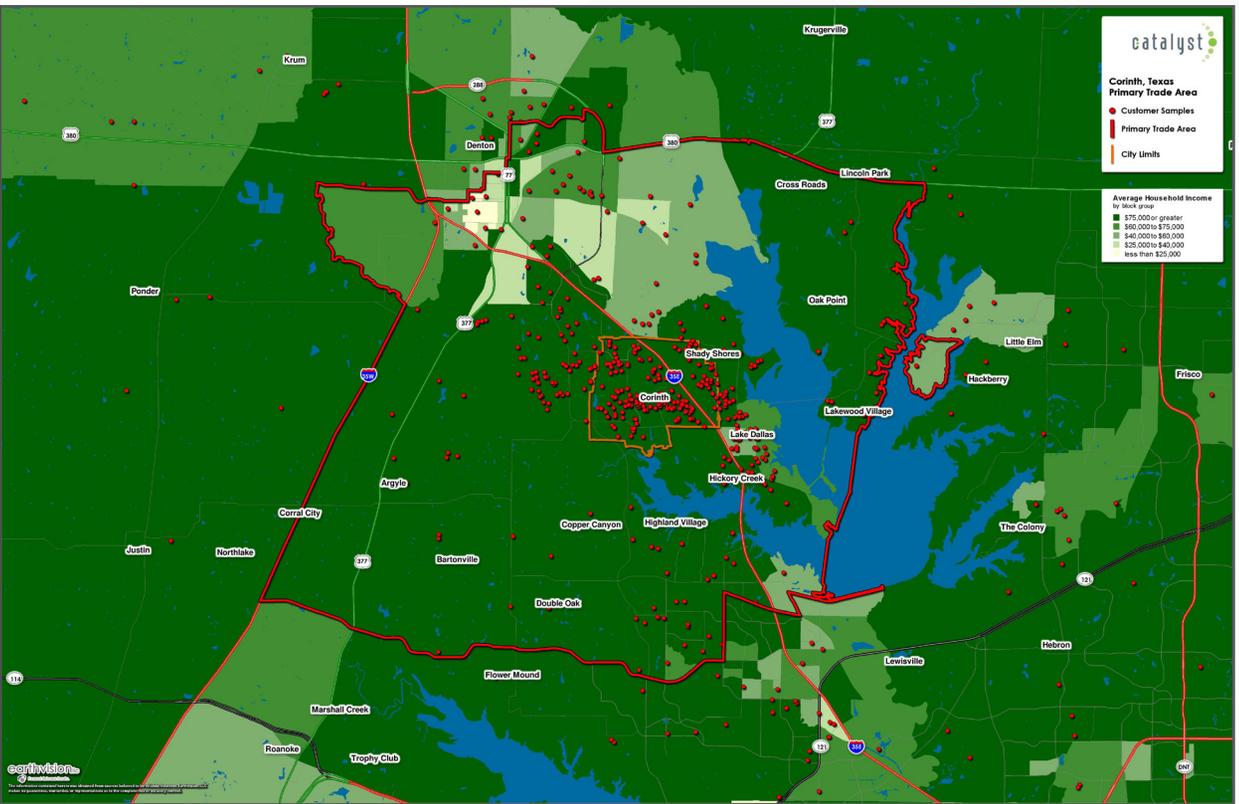
Median HH Income Map (Source: Catalyst)

INCOME TABLE	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
Average HH Income	\$101,176	\$88,660	\$95,127	\$87,779	\$96,183	\$87,610	\$80,912
Median HH Income	\$84,772	\$64,729	\$79,406	\$72,610	\$75,721	\$64,226	\$58,636

(Source: ESRI)

Average Income Analysis

As seen in the map to the right, the City of Corinth contains some of the highest average income census tracts within the Primary Trade Area (PTA).



Average HH Income Map (Source: Catalyst)

INCOME TABLE	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
Average HH Income	\$101,176	\$88,660	\$95,127	\$87,779	\$96,183	\$87,610	\$80,912
Median HH Income	\$84,772	\$64,729	\$79,406	\$72,610	\$75,721	\$64,226	\$58,636

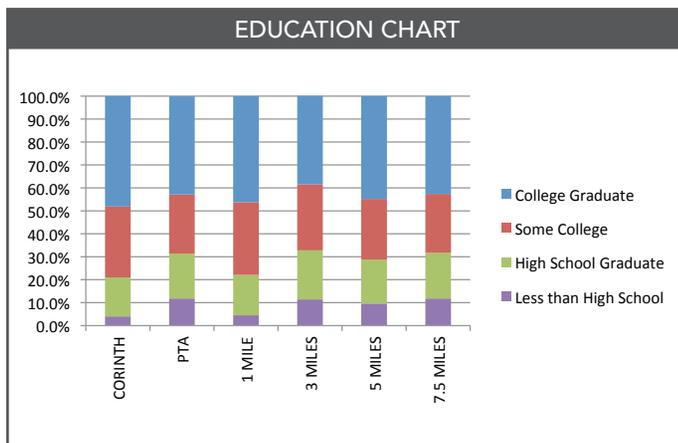
(Source: ESRI)

EDUCATION TABLE	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
College Graduate	48.1%	42.8%	46.2%	38.6%	44.8%	42.6%	43.4%
Some College	30.9%	25.7%	31.7%	28.7%	26.4%	25.7%	25.0%
High School Graduate	17.0%	19.6%	17.6%	21.4%	19.2%	19.9%	19.6%
Less than High School	4.0%	11.8%	4.5%	11.4%	9.6%	11.8%	12.0%

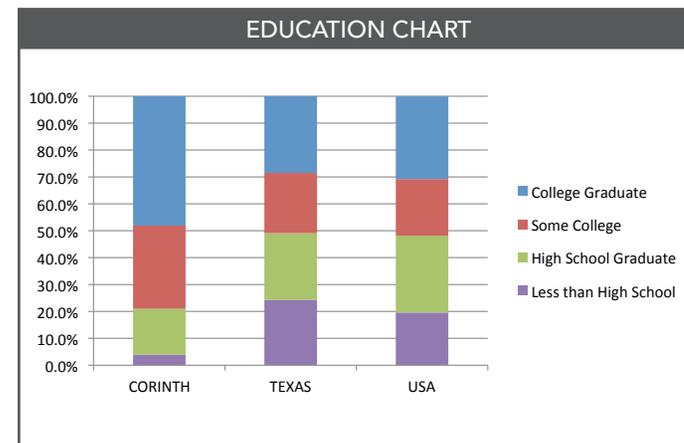
(Source: ESRI)

The City of Corinth is served by both the Denton ISD (80.3%) and the Lake Dallas ISD. There are two elementary schools, one middle school, and one high school.

As seen in the table above, Corinth has a higher percentage of college graduates, 48.1%, compared to 42.8% of the surrounding Primary Trade Area (PTA). The percentage of high school graduates in Corinth (96.0%) and the Corinth PTA (88.1%) are much higher than the state of Texas (75.7%) and the United States



(Source: Catalyst)



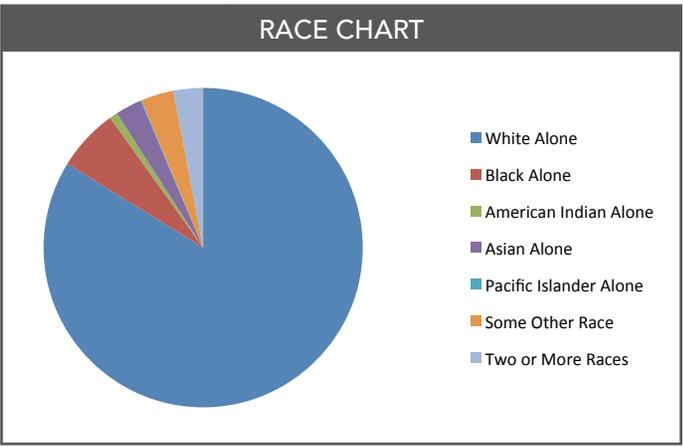
(Source: Catalyst)

Racial and Ethnic Profile

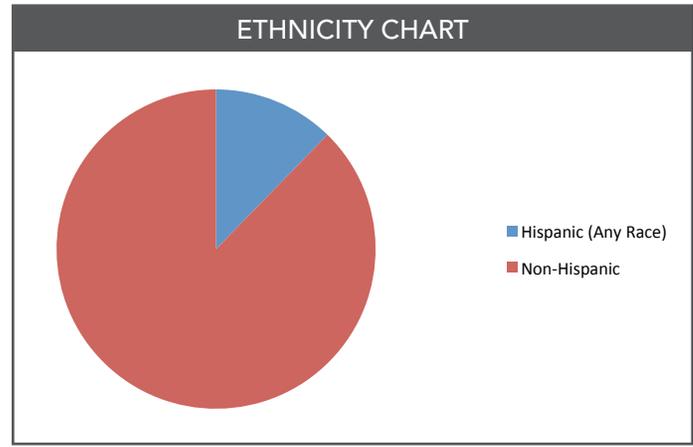
RACE	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
White Alone	83.8%	78.5%	82.5%	80.4%	80.5%	78.1%	73.5%
Black Alone	6.3%	7.9%	7.6%	6.9%	7.0%	8.1%	9.8%
American Indian Alone	0.8%	0.7%	0.8%	0.9%	0.7%	0.7%	0.7%
Asian Alone	2.7%	3.8%	2.1%	3.0%	3.2%	4.0%	4.8%
Pacific Islander Alone	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
Some Other Race	3.3%	5.9%	3.7%	5.7%	5.4%	5.9%	8.0%
Two or More Races	3.0%	3.0%	3.3%	3.0%	3.0%	3.0%	3.2%

ETHNICITY	CORINTH	PTA	1 MILE	3 MILES	5 MILES	7.5 MILES	18 MINUTES
Hispanic (Any Race)	12.3%	18.0%	13.4%	17.5%	16.4%	18.5%	21.9%
Non-Hispanic	87.7%	82.0%	86.6%	82.5%	83.6%	81.5%	78.1%

(Source: ESRI)



(Source: Catalyst)



(Source: Catalyst)

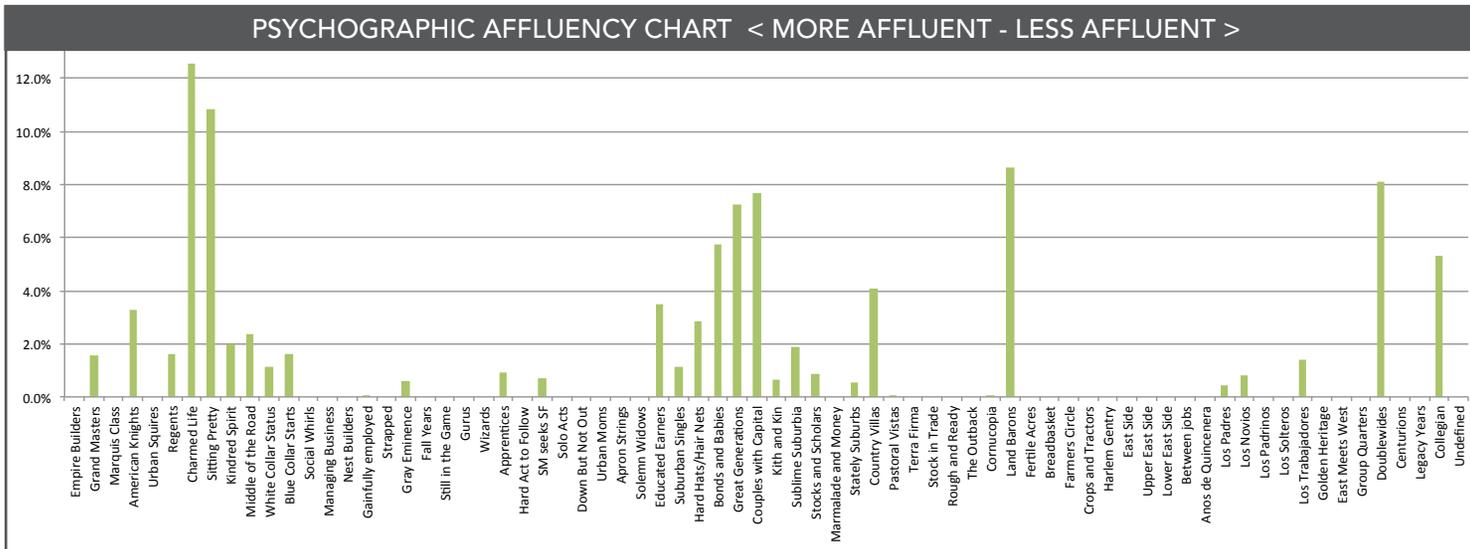
TOP 10 PSYCHOGRAPHIC SEGMENTS

SEGMENT	CATEGORY	% OF HH
1 Charmed Life	Urban Cliff Climbers	14%
2 Sitting Pretty	Urban Cliff Climbers	12%
3 Land Barons	Working with Nature	10%
4 Doublewides	Specialties	9%
5 Couples with Capital	Married in the Suburbs	9%
6 Great Generations	Married in the Suburbs	8%
7 Bonds and Babies	Married in the Suburbs	7%
8 Collegian	Specialties	6%
9 Country Villas	Living with Nature	5%
10 Educated Earners	Single in the Suburbs	4%

(Source: STI LandScape)

CHARMED LIFE

Married. 20- to 30-something-years-old. Children of all ages. Some college education. Incomes between \$50,000 and \$60,000. White-collar jobs in management, sales, and personal care industries. Based on these fundamental demographics, it's clear that the residents of Charmed Life neighborhood segments are a cross-section of young, working Americana. It's easy to imagine these neighborhoods filled with the middle-class cars, toys, and home furnishings — all of the merchandise that helps keep commerce humming at a pleasant pace in the United States. Positioned at the high-end of the Urban Cliff Climbers category, Charmed Life areas are home to Norman Rockwell-esk family images — hard-working citizens, who are in the full swing of their children-rearing years: housing, schooling, and entertaining children ranging from babies to teenagers.



(Source: STI LandScape)

Psychographic Profile

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.

LAND BARONS

With their college educations, high income levels, white-collar jobs, and high level of occupational independence, the Land Barons are truly the kings of the Working With Nature hill ... and fields ... and dales in today's rural areas. Though residents of Land Barons segments aren't necessarily working the land, they may have inherited smart land-investments in rural America. In fact, the residents of these areas earn well over 50-percent-above-average levels of income from self-employment ventures. But since they rank at only slightly above 25-percent-average in the farming, fishing, and forestry occupations, they are presumably not out tilling the fields. Instead they rank higher in management jobs and other professional positions. Contributing also to their incomes, which are in the \$70,000s and \$80,000s, is a 50-percent-higher-than-average level of interest/dividend income and a 25-percent-above-average level of retirement income. Though they show only a slight up-tick over average on being the home of 65-plus-year-olds, Land Barons are likely to be married and have none or only a couple of children still living in the household.

DOUBLEWIDES

In America there tends to be a particular stigma attached to living in mobile homes and mobile home parks. But they are not all so called "trailer trash." In fact, many people chose this lifestyle as a preference for several reasons, including mobility and low-cost housing. In fact, the median income of residents of Doublewides neighborhoods is a very respectable high-\$30,000s and \$40,000s. Doublewides are areas where mobile homes dictate the lifestyles of the residents, who share a median age in the 30s. While residents in Doublewides do have a higher-than-average level of income from public-assistance, many others are hardworking Americans, with a higher-than-average representation in several manual-labor blue-collar occupations, including farming/fishing/forestry (nearly three-times-average), construction (75-percent-above-average), repair services (over-50-percent-above-average), transportation (50-percent-above-average), and production (nearly 50-percent-above-average). These occupations are a reflection of the residents' low educational achievements: There is an over-50-percent-average number of people with less-than-high-school educations. However, 25-percent-

above-average have high-school degrees. Also owing to their residents' ages, these areas have slightly more younger children than older. They tend to have married-couple households, but also have a nearly 50-percent-higher-than-average number of single-fathers.

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.

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-average) 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 \$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.

Psychographic Profile

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.

COLLEGIAN

According to the U.S. Dept. of Labor's Bureau of Labor Statistics, in October 2004, 66.7% of highschool graduates from the class of 2004 were enrolled in colleges or universities across the United States. This is obviously a huge annual boon to retailers who sell the staples of college life, including low-cost dorm-style furniture, pens and notebooks, and inexpensive home furnishings. Market researchers will find many of these students in Collegians neighborhood segments. Collegians areas are home to currently enrolled college students living in either dorms or off campus areas dedicated to college students. Market researchers will find a very homogenous group of young adults within these unique areas. Collegians are home to residents sharing a median-age-range in the 20s and low-30s. They are predominately not married, and have no children. Naturally, they all have high-school degrees. For those students who are working to help pay the ever-increasing cost of higher education, they are employed a mix of white- and blue-collar occupations, such as protective services (over-two-times-average), personal care (nearly two-times-average), and management and sales (nearly 50-percent-above-average). Through

these jobs they generate annual incomes at the low-\$30,000s-or-less range. Residents in these areas generate almost no public-assistance income.

COUNTRY VILLAS

If you're single and looking for a partner, don't drive out to Country Villas rural neighborhoods: They are overridingly home to married couples.

These residents share demographics that make (Source: STI LandScape) them perfect partners in living the good life in the country. Residents in these Living With Nature areas are predominately in their 30s, college-educated, employed in white-collar management and other professions, rather than the more common blue-collar rural occupations. What's more, Country Villas' residents are members of one of the highest-income levels in rural environs — the \$70,000s and \$80,000s. With all of this going for them, living must really be good in their sparsely populated areas. But that's not all of their advantages: Country Villas also rank high in entrepreneurs earning self-employment income (50-percent-higher-than-average) and smart investors earning nearly the same level of interest/dividend income. These good income levels are helping to support a slightly above-average number of children, especially ages six to 17.

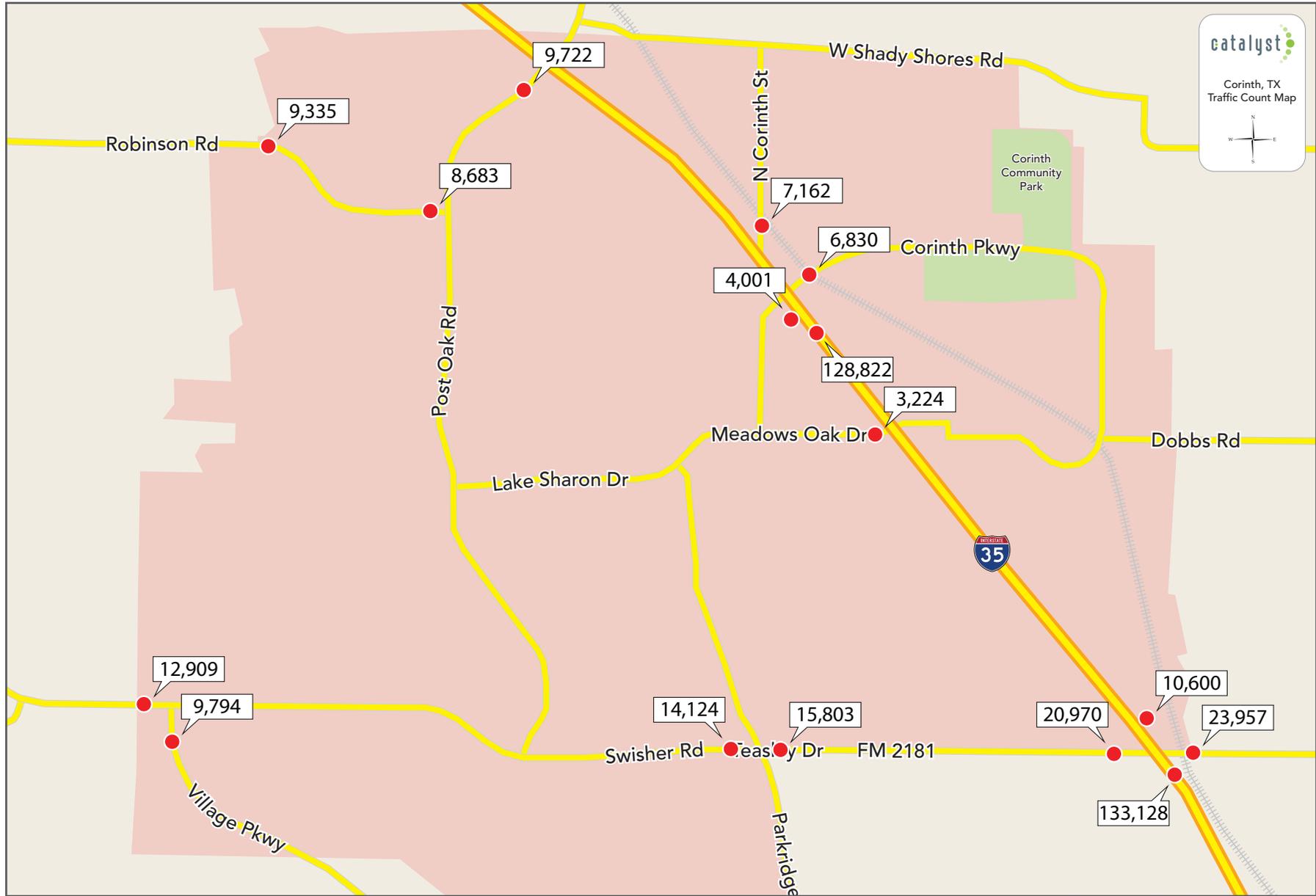
EDUCATED EARNERS

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-than-average 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.

Traffic Counts

Traffic counts are important to retailers as higher traffic counts usually correlate with higher retail sales. As expected, the highest traffic counts in Corinth are along Interstate 35 at 133,128 south of FM 2181 and 128,822 south of Corinth Parkway. The second most travelled road in Corinth is FM 2181 at the intersection of FM 2181 and Interstate 35. FM 2181 has a daily traffic count of 23,957 on the east side of Interstate 35, and 20,970 on the west side of Interstate 35.

TRAFFIC COUNTS TABLE					
LOCATION	INTERSECTION	24 HOUR COUNTS	DIRECTION	DIRECTION	SOURCE
FM 2181	e of Interstate 35	23,957	EB: 11,168	WB: 12,789	Catalyst 2012
FM 2181	w of Interstate 35	20,970	EB: 9,438	WB: 11,532	Catalyst 2012
FM 2181	e of Parkridge Dr	15,803	EB: 6,809	WB: 8,994	Catalyst 2012
FM 2181	w of Parkridge Dr	14,124	EB: 6,692	WB: 7,432	Catalyst 2012
Interstate 35 (frontage)	n of FM 2181	10,600	NB: 10,600	SB: -	Catalyst 2012
FM 2499	s of FM 2181	9,794	NB: 5,953	SB: 3,841	Catalyst 2013
Robinson Rd	w of State School Rd	9,335	EB: 4,510	WB: 4,825	Catalyst 2013
Robinson Rd	w of Post Oak Rd	8,683	EB: 4,337	WB: 4,346	Catalyst 2013
Corinth Pkwy	e of Interstate 35	6,830	EB 2,924	WB: 3,906	Catalyst 2012
Interstate 35	s of Corinth Pkwy	4,001	NB: -	SB: 4,001	Catalyst 2012
Meadow Oaks Dr	w of Interstate 35	3,224	EB: 2,297	WB: 927	Catalyst 2013
Interstate 35	s of FM 2181	133,128			MPSI
Interstate 35	s of Corinth Pkwy	128,822			MPSI
FM 2181	w of Village Pkwy	12,909			MPSI
Post Oak Rd	w of Interstate 35	9,772			MPSI
N Corinth St	n of Walton Rd	7,162			MPSI



Traffic Count Map (Source: Catalyst)

Primary Trade Area Retail Demand

The following data is based upon Sales Potential and Consumer Spending Data within the Primary Trade Area (PTA). Consumer spending data is derived from the Bureau of Labor Statistics with ESRI forecasts. 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" and negative values (-) reflect "over supply". Data for this section is provided by ESRI, MediaMark and InfoUSA.

As seen in the table below, the Corinth PTA has an overall undersupply. Retail demand (what the

residents of the PTA should be spending based upon income data) within the PTA is \$2.6B. Retail supply (actual sales) within the PTA is \$2.0B. Based upon these calculations the residents of the PTA have incomes and spending propensity to support an additional \$600M or 28% of current sales in retail shopping.

INDUSTRY GROUP	DEMAND	SUPPLY	GAP
Total Retail Trade and Food & Drink (NAICS 44-45, 722)	\$2,584,457,177	\$2,015,922,282	\$568,534,895
Total Retail Trade (NAICS 44-45)	\$2,206,332,028	\$1,705,129,996	\$501,202,032
Total Food & Drink (NAICS 722)	\$378,125,149	\$310,792,286	\$67,332,863

The categories with the largest retail gap, or undersupply, are: Grocery Stores (\$160M), Other General Merchandise Stores (\$120M), and Gasoline Stations (\$71M).

INDUSTRY GROUP	DEMAND	SUPPLY	GAP
Furniture Stores (NAICS 4421)	\$36,784,763	\$20,534,774	\$16,249,989
Home Furnishings Stores (NAICS 4422)	\$18,787,241	\$10,816,535	\$7,970,706
Electronics & Appliance Stores (NAICS 443/NAICS 4431)	\$45,493,838	\$34,274,883	\$11,218,955
Building Material and Supplies Dealers (NAICS 4441)	\$87,997,580	\$81,789,479	\$6,208,101
Lawn and Garden Equipment and Supplies Stores (NAICS 4442)	\$7,543,684	\$5,159,453	\$2,384,231
Grocery Stores (NAICS 4451)	\$390,673,243	\$230,544,076	\$160,129,167
Specialty Food Stores (NAICS 4452)	\$5,816,724	\$4,489,224	\$1,327,500
Beer, Wine, and Liquor Stores (NAICS 4453)	\$15,379,950	\$12,508,849	\$2,871,101
Health & Personal Care Stores (NAICS 446/NAICS 4461)	\$52,872,627	\$55,727,600	-\$2,854,973

The categories with the smallest retail gap, or oversupply, are: Clothing Stores (\$31M), Sporting Goods/Hobby/Musical Instrument Stores (\$19M), and Department Stores Excluding Leased Departments (\$15M).

Primary Trade Area Retail Demand

INDUSTRY GROUP	DEMAND	SUPPLY	GAP
Gasoline Stations (NAICS 447/NAICS 4471)	\$351,835,909	\$280,795,602	\$71,040,307
Clothing Stores (NAICS 4481)	\$62,771,350	\$94,074,673	-\$31,303,323
Shoe Stores (NAICS 4482)	\$5,595,094	\$7,731,367	-\$2,136,273
Jewelry, Luggage, and Leather Goods Stores (NAICS 4483)	\$6,423,185	\$12,316,116	-\$5,892,931
Sporting Goods/Hobby/Musical Instrument Stores (NAICS 4511)	\$20,463,955	\$39,596,639	-\$19,132,684
Book, Periodical, and Music Stores (NAICS 4512)	\$9,484,955	\$11,900,808	-\$2,415,853
Department Stores Excluding Leased Depts. (NAICS 4521)	\$187,357,959	\$202,189,121	-\$14,831,162
Other General Merchandise Stores (NAICS 4529)	\$195,484,641	\$75,571,781	\$119,912,860
Florists (NAICS 4531)	\$2,470,648	\$1,875,026	\$595,622
Office Supplies, Stationery, and Gift Stores (NAICS 4532)	\$7,618,057	\$15,441,000	-\$7,822,943
Used Merchandise Stores (NAICS 4533)	\$1,947,956	\$605,059	\$1,342,897
Other Miscellaneous Store Retailers (NAICS 4539)	\$10,736,064	\$9,836,841	\$899,223
Full-Service Restaurants (NAICS 7221)	\$148,392,310	\$112,820,942	\$35,571,368
Limited-Service Eating Places (NAICS 7222)	\$205,586,621	\$169,200,698	\$36,385,923
Special Food Services (NAICS 7223)	\$16,894,198	\$20,254,357	-\$3,360,159
Drinking Places - Alcoholic Beverages (NAICS 7224)	\$7,252,020	\$8,516,289	-\$1,264,269

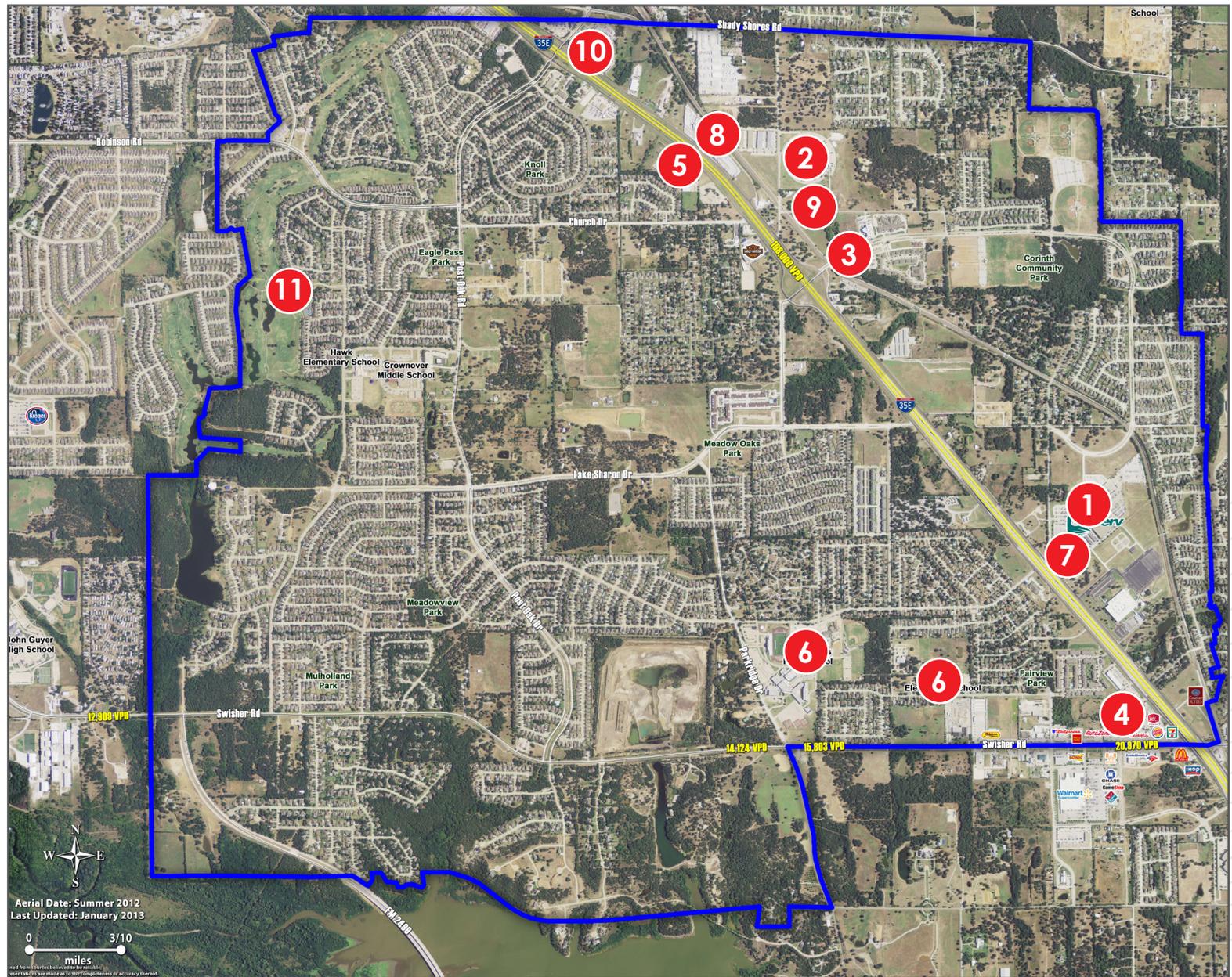
(Source: Catalyst)

Firmographic Analysis

Catalyst conducted a census of existing top employers within the City of Corinth and are shown on the map to the right. Employers 1 through 9 have given a verified employee count. Employers 10 and 11 data was gathered through InfoUSA.

MAP	EMPLOYER	APPROXIMATE EMPLOYEES	VERIFIED EMPLOYEES
1	CoServ		350
2	North Central Texas College		200
3	City of Corinth		156
4	Albertsons		100
5	Orr Nissan		100
6	Lake Dallas ISD (multiple locations)		80
7	HD Supply Utilities		60
8	McClain's RV Fort Worth Inc		60
9	Metroplex Cabinets		50
10	Bill Utter Ford	100 - 249	
11	Oakmont Country Club	50 - 99	

(Source: Catalyst, InfoUSA)



Top Employers Map (Source: Catalyst)

Retail Summary

In an effort to better understand the retail potential of the Primary Trade Area (PTA), Catalyst completed a comprehensive market wide study of the existing retailers within a 5 mile radius of Corinth. 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.

CATEGORY	COUNT
Apparel Retail - 448110	47
Automotive - Rental - 532111	1
Automotive Retailer - 4413	8
Automotive Service - 447190	11
Bank - 522110	26
Book Store - 451211	2
Check Cashing/Pawn/Thrift - 522390	5
Child Care/Education - 624410	8
Consumer Electronics Retail - 443112	4
Convenience Store - 445120	20
Discount Department Store - 452111	2
Dollar/Variety Stores - 452990	3
Dry Cleaning/Laundry - 812320 - 812310	18
Entertainment - 71	1
Financial/Tax Service - 523930 - 541213 - 541211	15
Floor Covering - 442210	5
Florist - 453110	2
General Merchandise Stores - 452910	6
Grocery - 445110	8
Hair Cutter/Salon - 812112	22
Hardware/Home Improvement - 444130 - 444110	6
Health & Beauty Care Locations - 453998	11
Health Clubs/Gyms - 713940	18
Hobbies/Craft/Art Supplies - 453998 - 451120	3
Home Furnishings - 442210 - 442291	8
Hotel - 721110	9
Household Appliance - 443111	1
Houseware/Giftware - 442299	2
Insurance - 524210	9
Jewelry - 448310	5
Liquor stores - 445310	7
Medical - Dentist - 621210	16

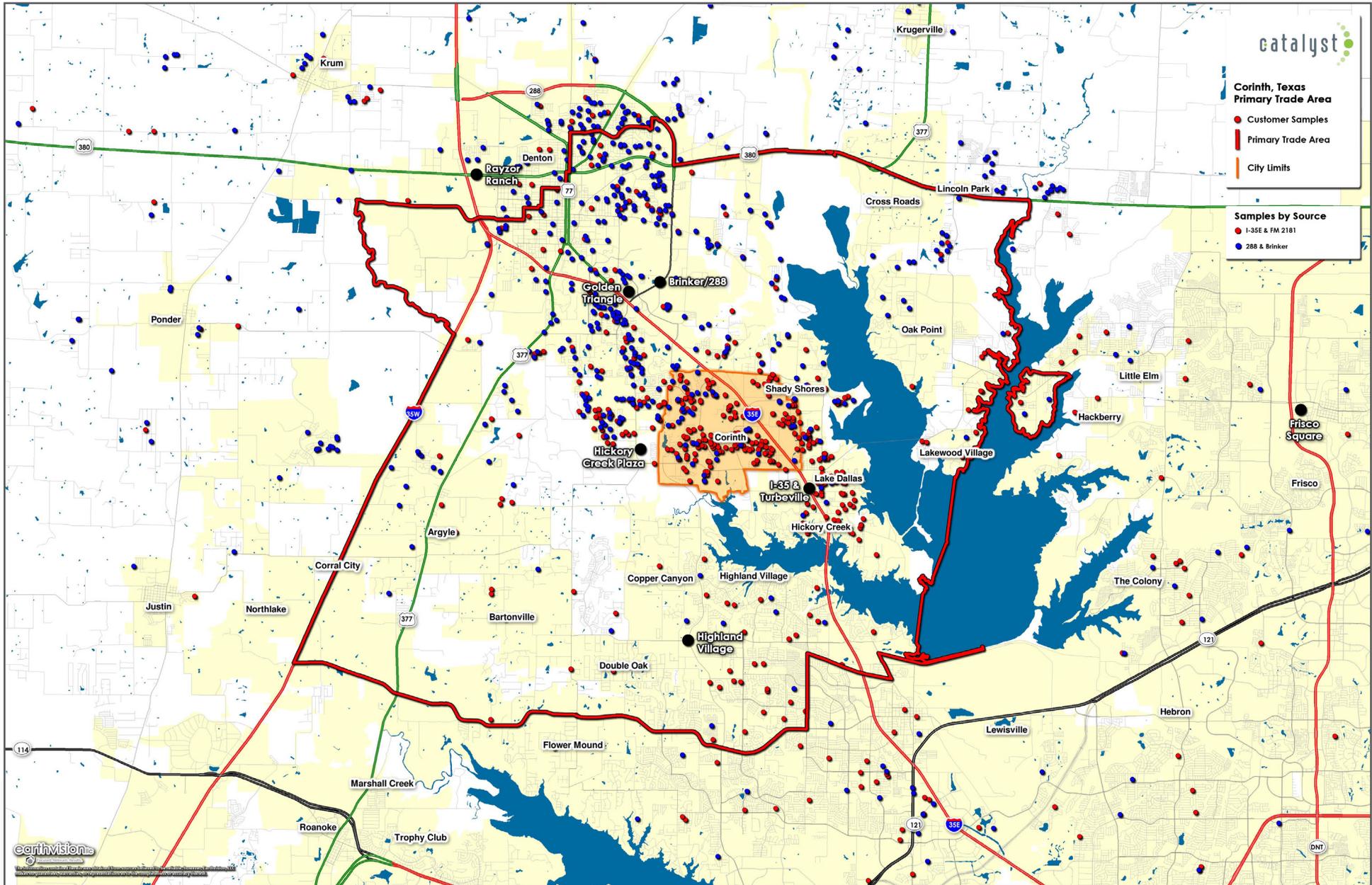
Retail Summary

CATEGORY	COUNT
Medical - Orthodontist - 621210	2
Medical - Other - 621111	29
Movie Theater - 512131	3
Music/Video - 443111	1
Nail Salon - 812113	19
Office Products/Stationary - 322231	6
Other	32
Paint & Wallcoverings store - 444120	1
Paper/Party Goods - 453220	1
Pet Store - 453910	5
Pharmacy - 446110	7
Photocopy/Printing - 323114	2
Postal retail - 561431	7
Rental Centers - 532310	1
Restaurant - American - 722110	21
Restaurant - Asian - 722110	12
Restaurant - Bakery - 722110	6
Restaurant - Bar/Nightclub - 722410	2
Restaurant - Barbecue - 722110 - 72211	3
Restaurant - Burgers - 722110	5
Restaurant - Chinese - 722110	1
Restaurant - Coffee - 722211	5
Restaurant - Deli - 722110	1
Restaurant - Dessert - 722110	9
Restaurant - Ice Cream/Yogurt - 722211	8
Restaurant - Italian - 722110	4
Restaurant - Limited Service & Fast food - Burger - 722211	19
Restaurant - Limited Service & Fast food - Chicken - 722211	10
Restaurant - Limited Service & Fast food - Mexican - 722211	8
Restaurant - Limited Service & Fast food - Pizza - 722211	13
Restaurant - Limited Service & Fast food - Seafood - 722211	1
Restaurant - Mediterranean - 722110	1

CATEGORY	COUNT
Restaurant - Mexican - 722110	10
Restaurant - Other - 722110	2
Restaurant - Pizza - 722110 - 722211	6
Restaurant - Sandwich/Deli - 722110 - 722111	16
Restaurant - Seafood - 722110	2
Restaurant - Sushi - 722110	4
Restaurant - Wings - 722110	6
Self Storage - 531130	8
Shoe Store - 448210	5
Spa - 812199	9
Sporting Goods Store - 451110	2
Tailor / Alterations - 811490	2
Tanning - 812199	4
Tobacco - 453991	1
Toys - 451120	1
Video Game - 451120	3
Wireless Store - 443112	10
GRAND TOTAL	645

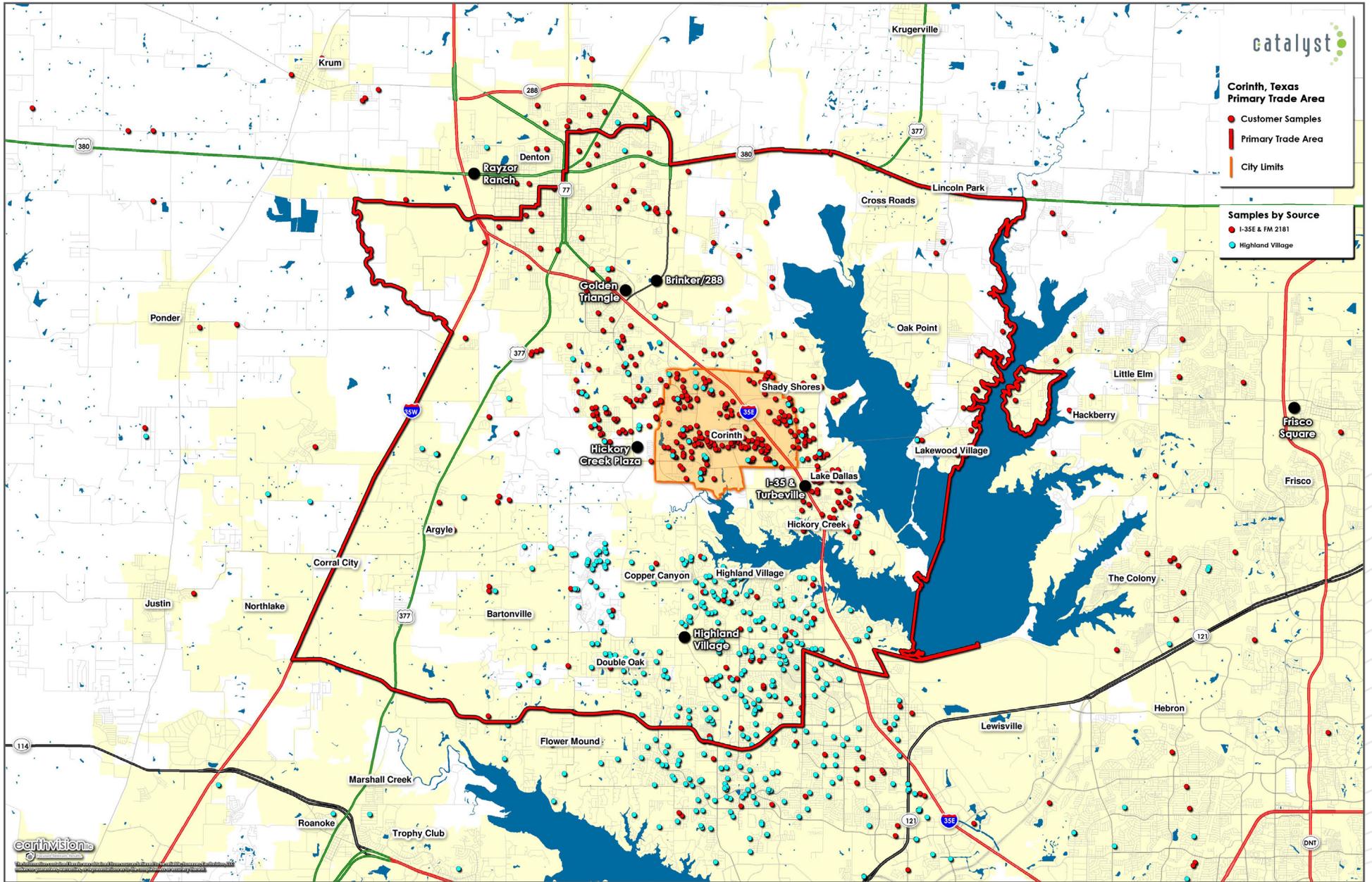


Appendix - Loop 288 and Brinker Rd Samples



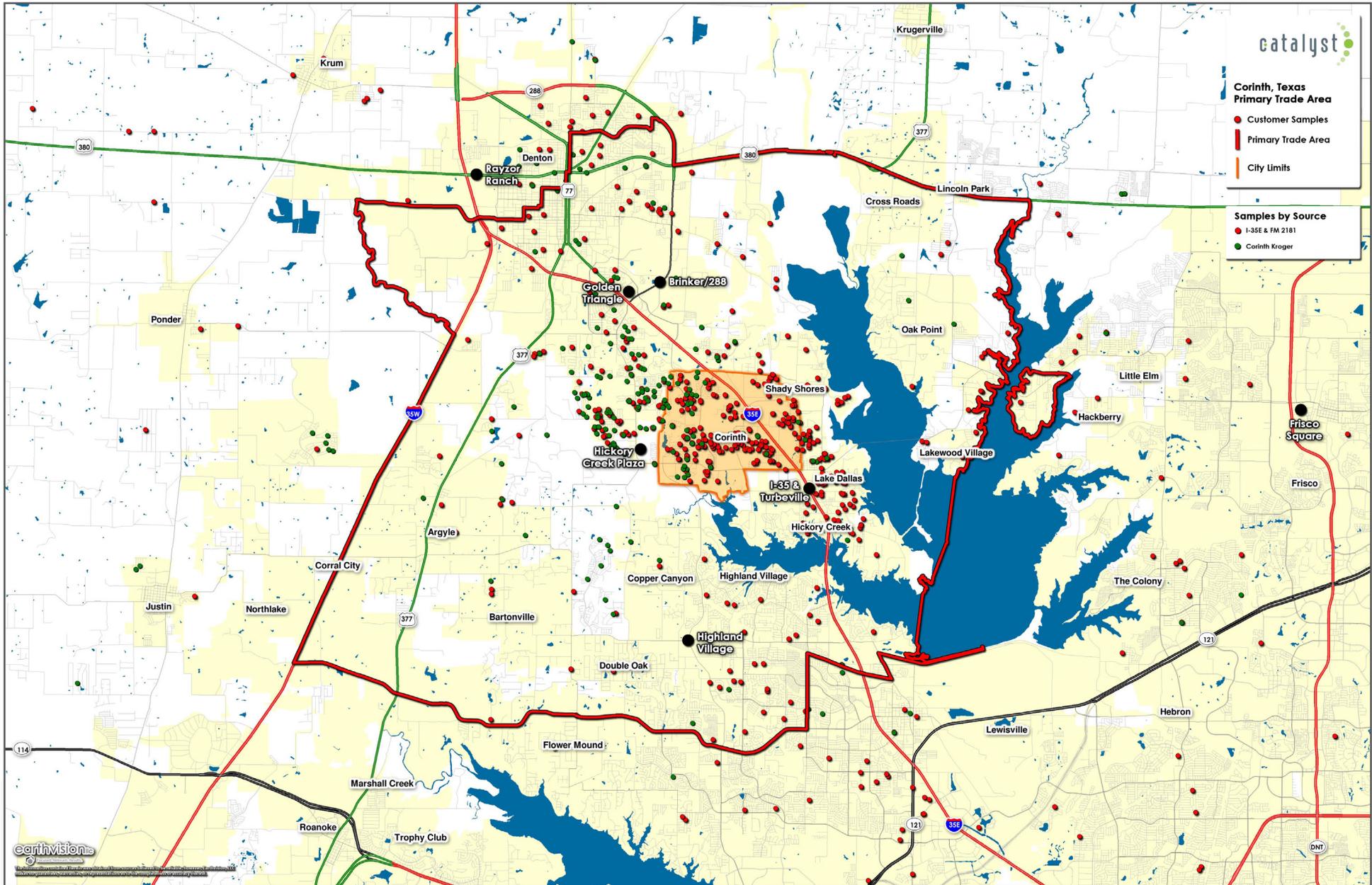
(Source: Catalyst)

Appendix - Highland Village Samples



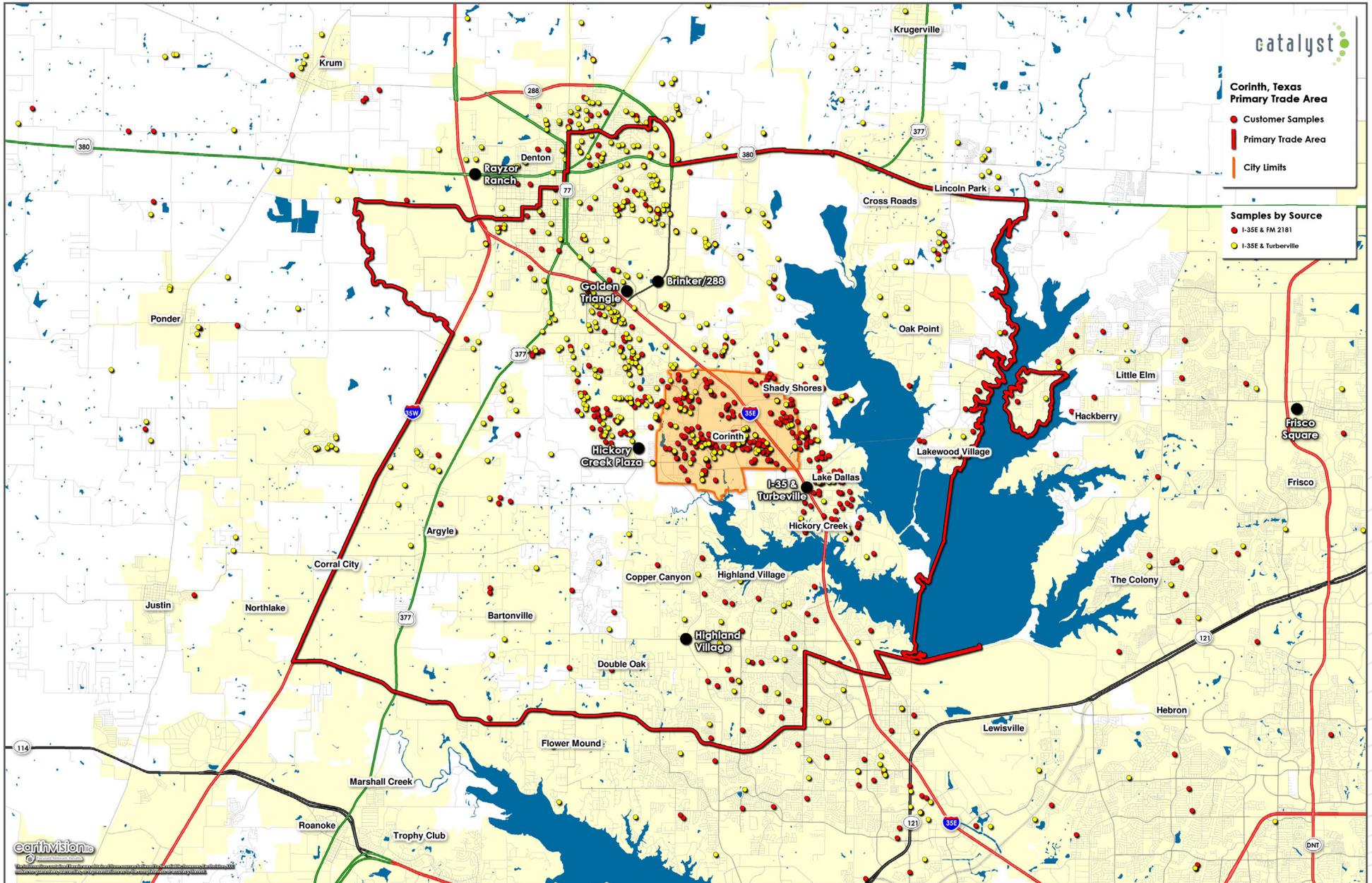
(Source: Catalyst)

Appendix - Denton Kroger (5021 Teasley Ln) Samples



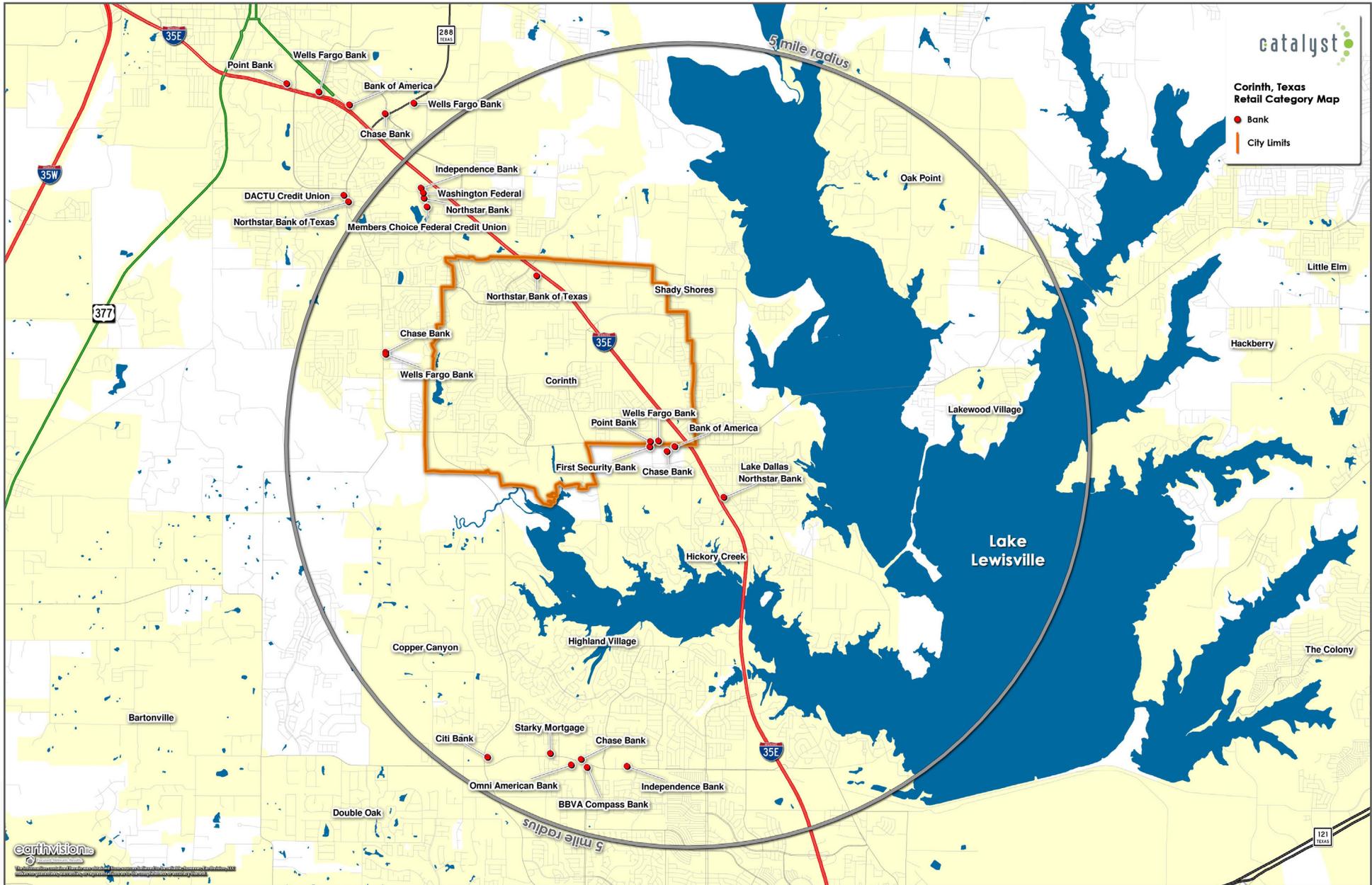
(Source: Catalyst)

Appendix - Interstate 35 and Turbeville Rd Samples



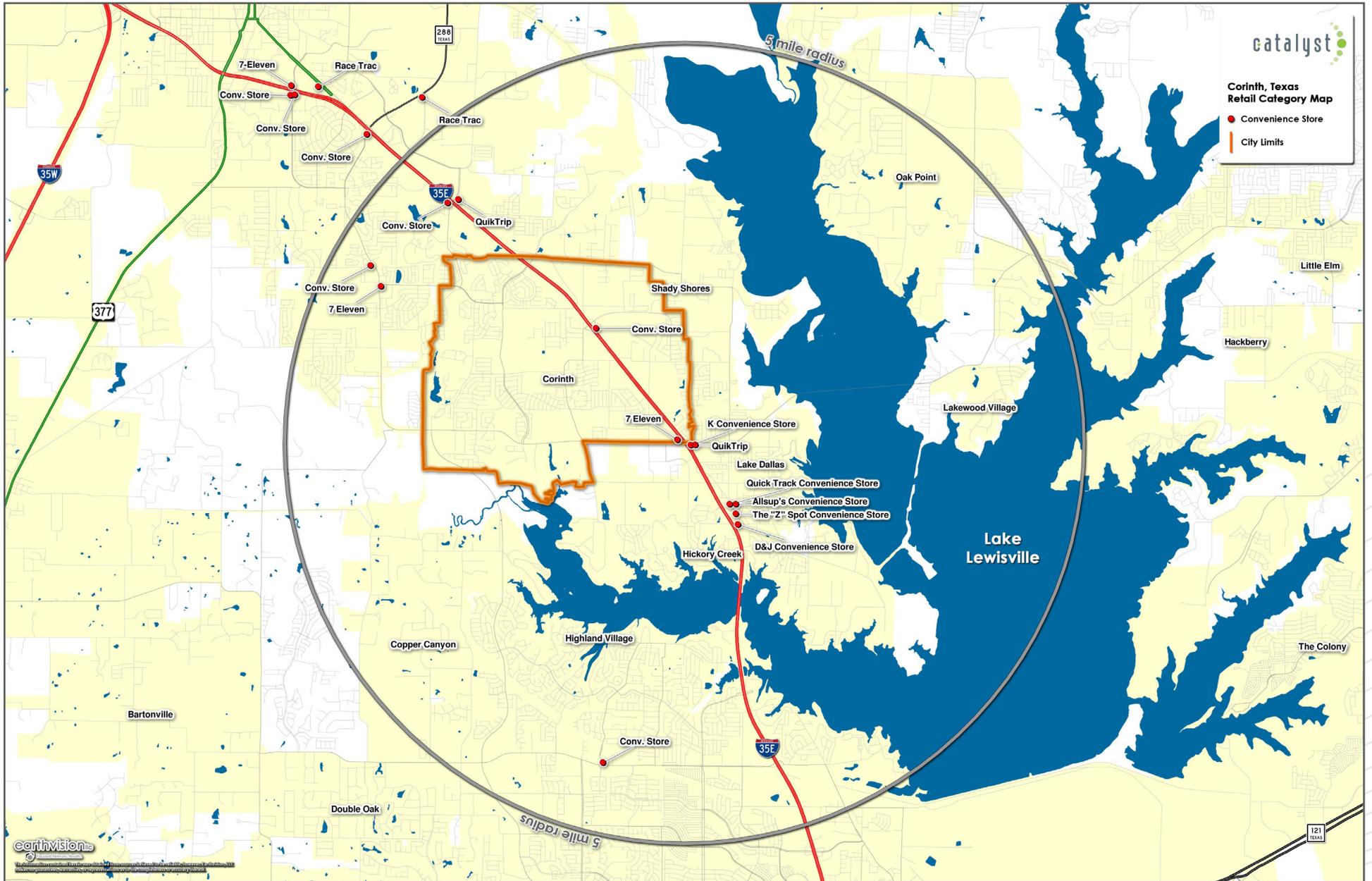
(Source: Catalyst)

Appendix - Category Maps (Bank)



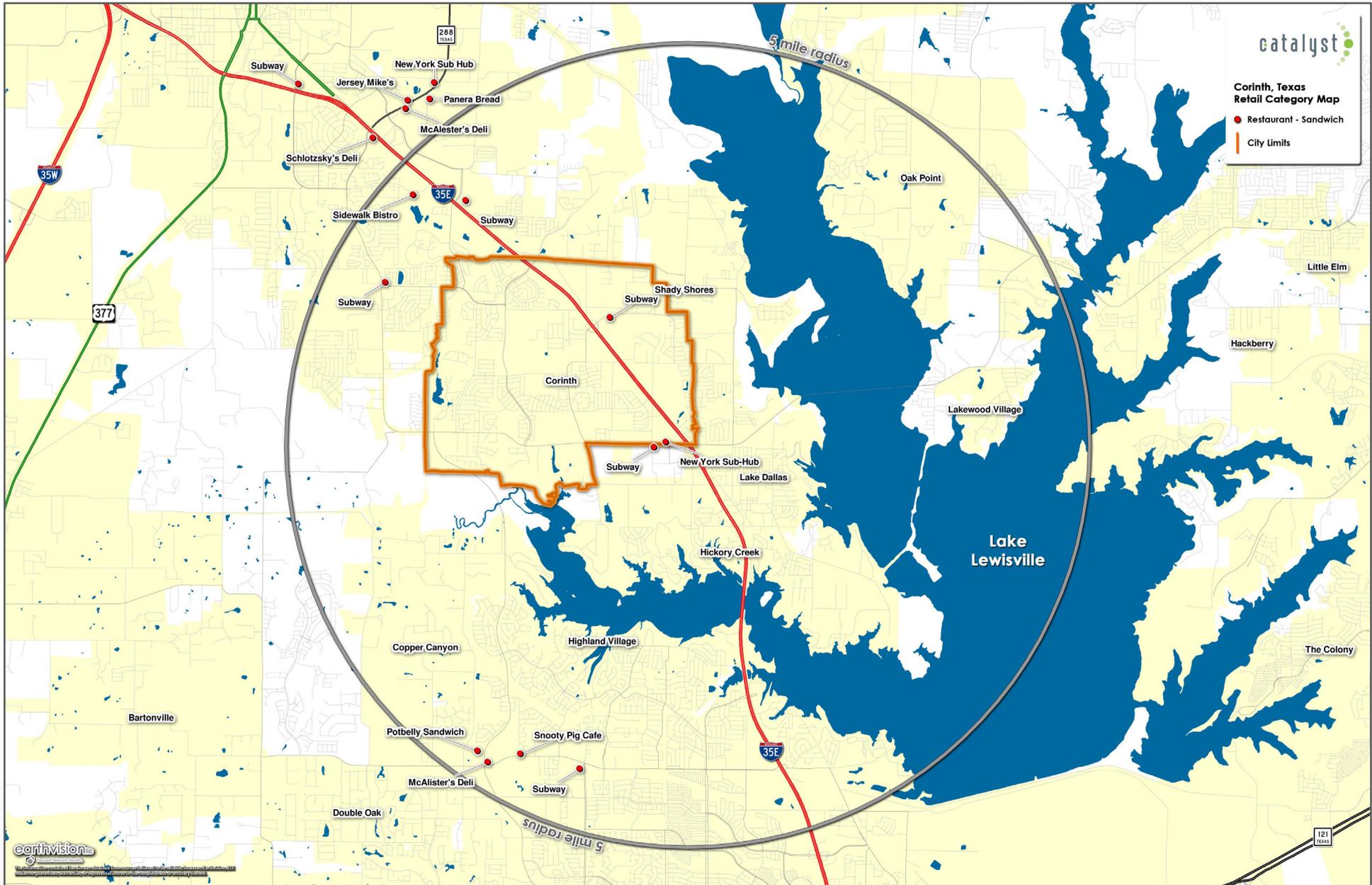
(Source: Catalyst)

Appendix - Category Maps (Convenience Store)



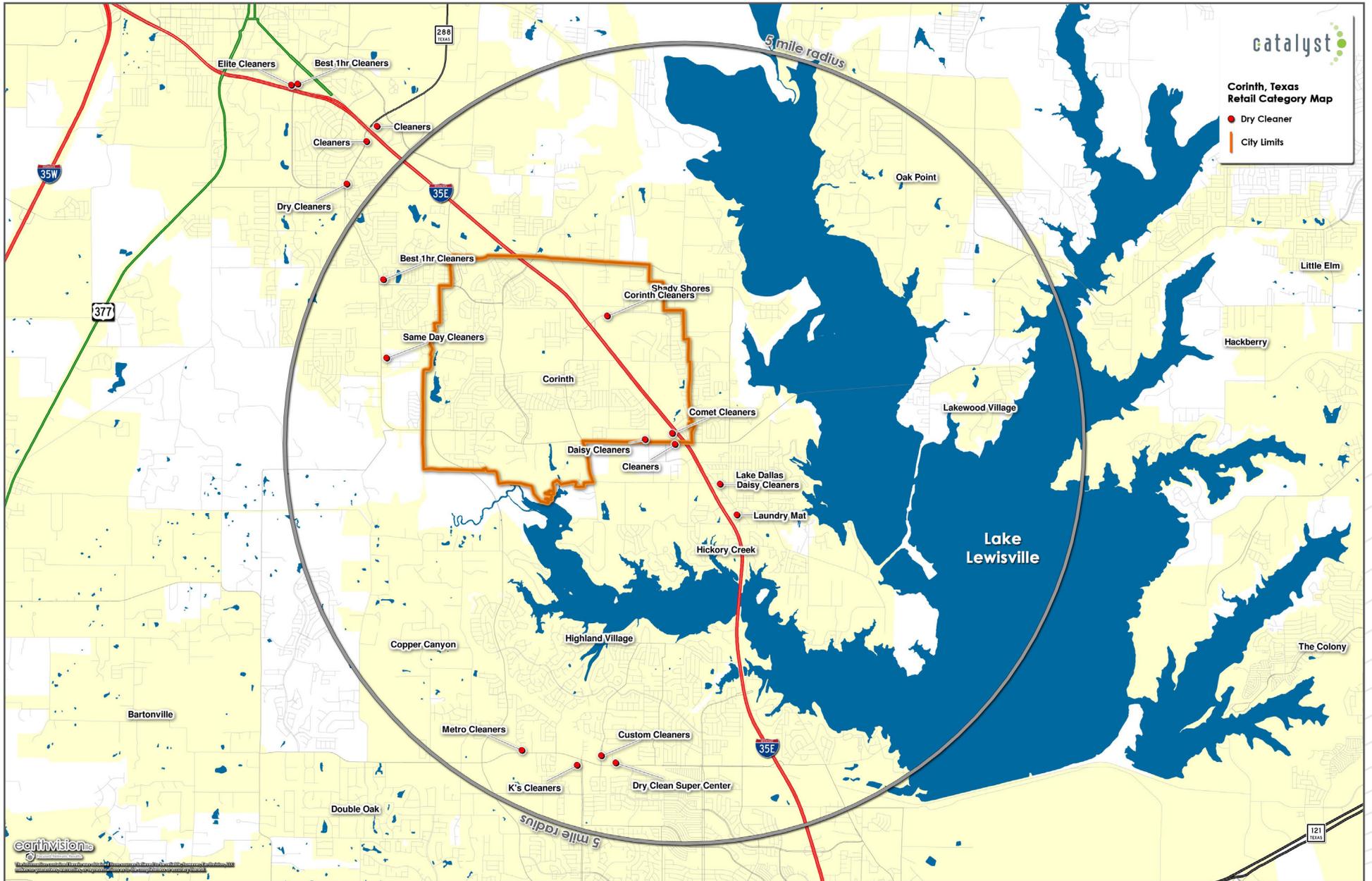
(Source: Catalyst)

Appendix - Category Maps (Restaurant - Sandwich)



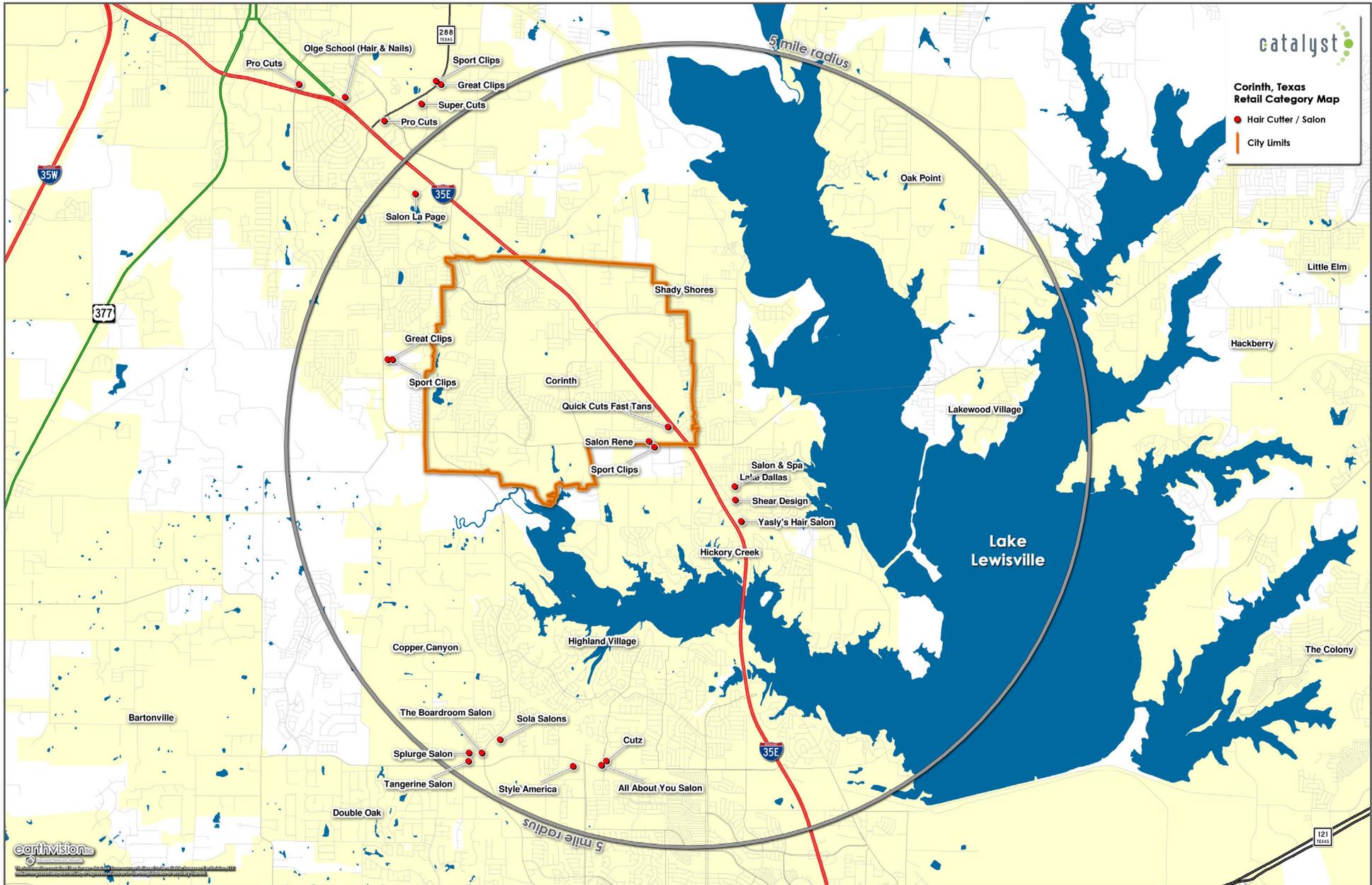
(Source: Catalyst)

Appendix - Category Maps (Dry Cleaner)



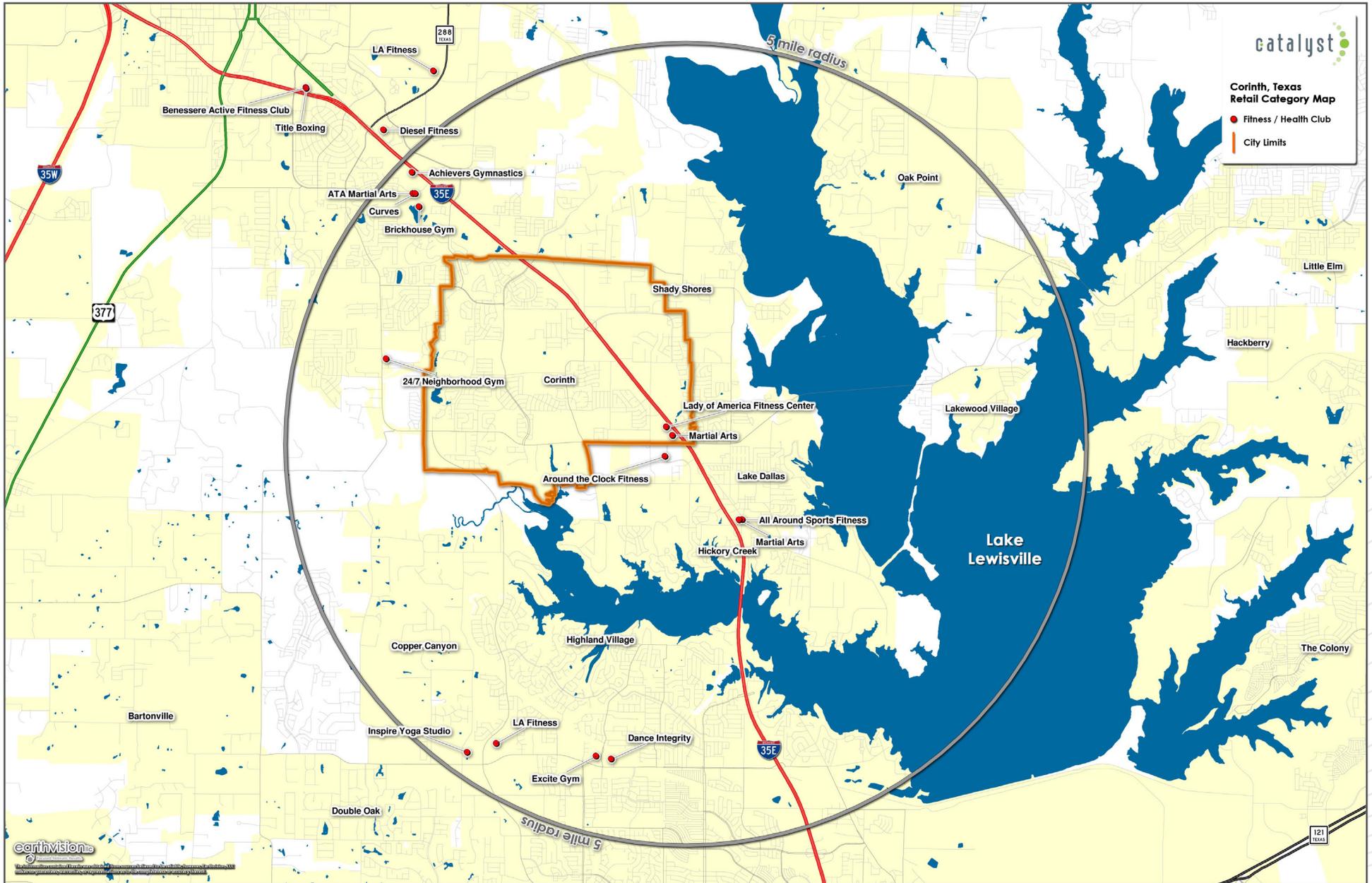
(Source: Catalyst)

Appendix - Category Maps (Hair Cutter / Salon)



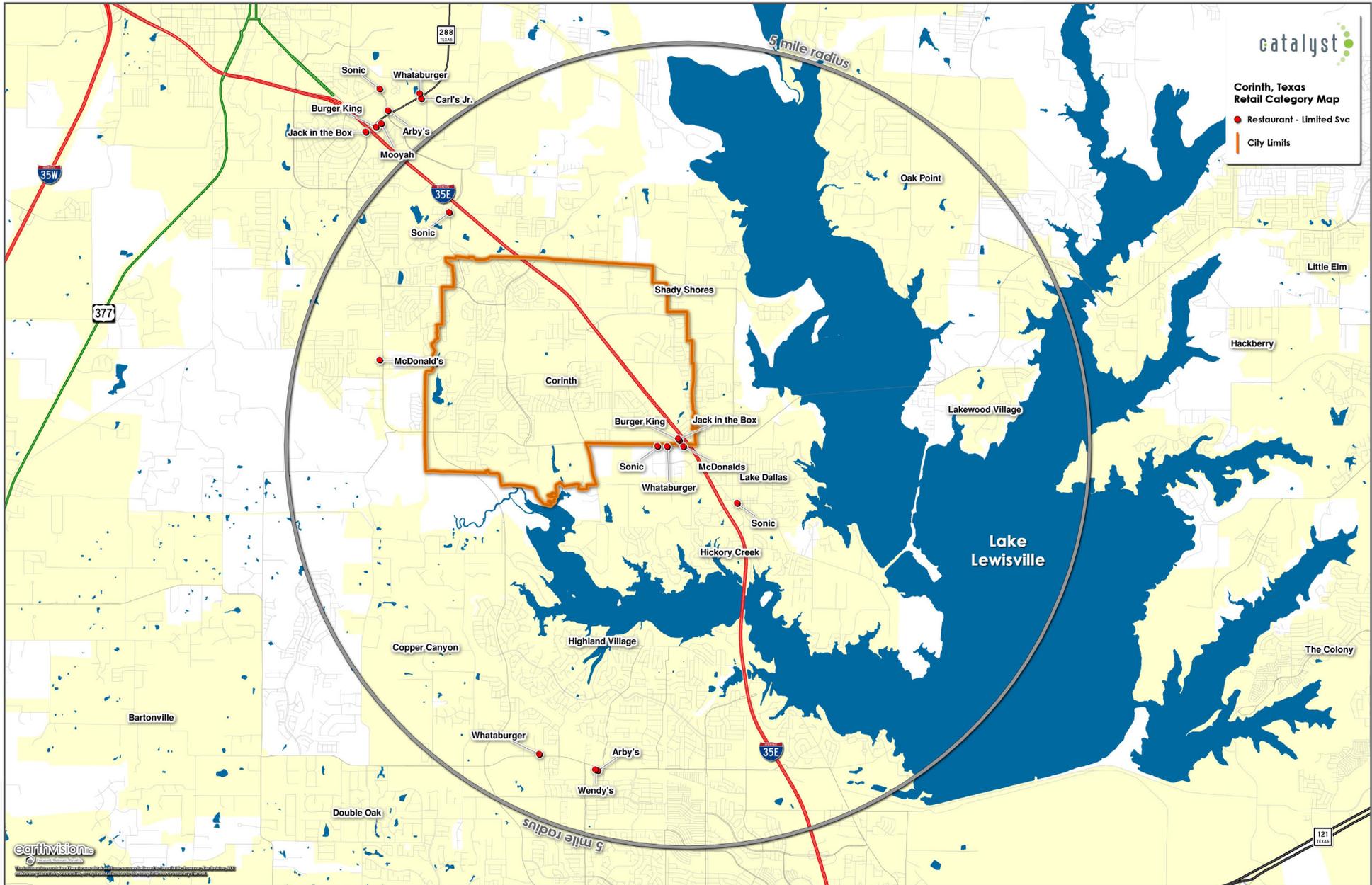
(Source: Catalyst)

Appendix - Category Maps (Fitness / Health Club)



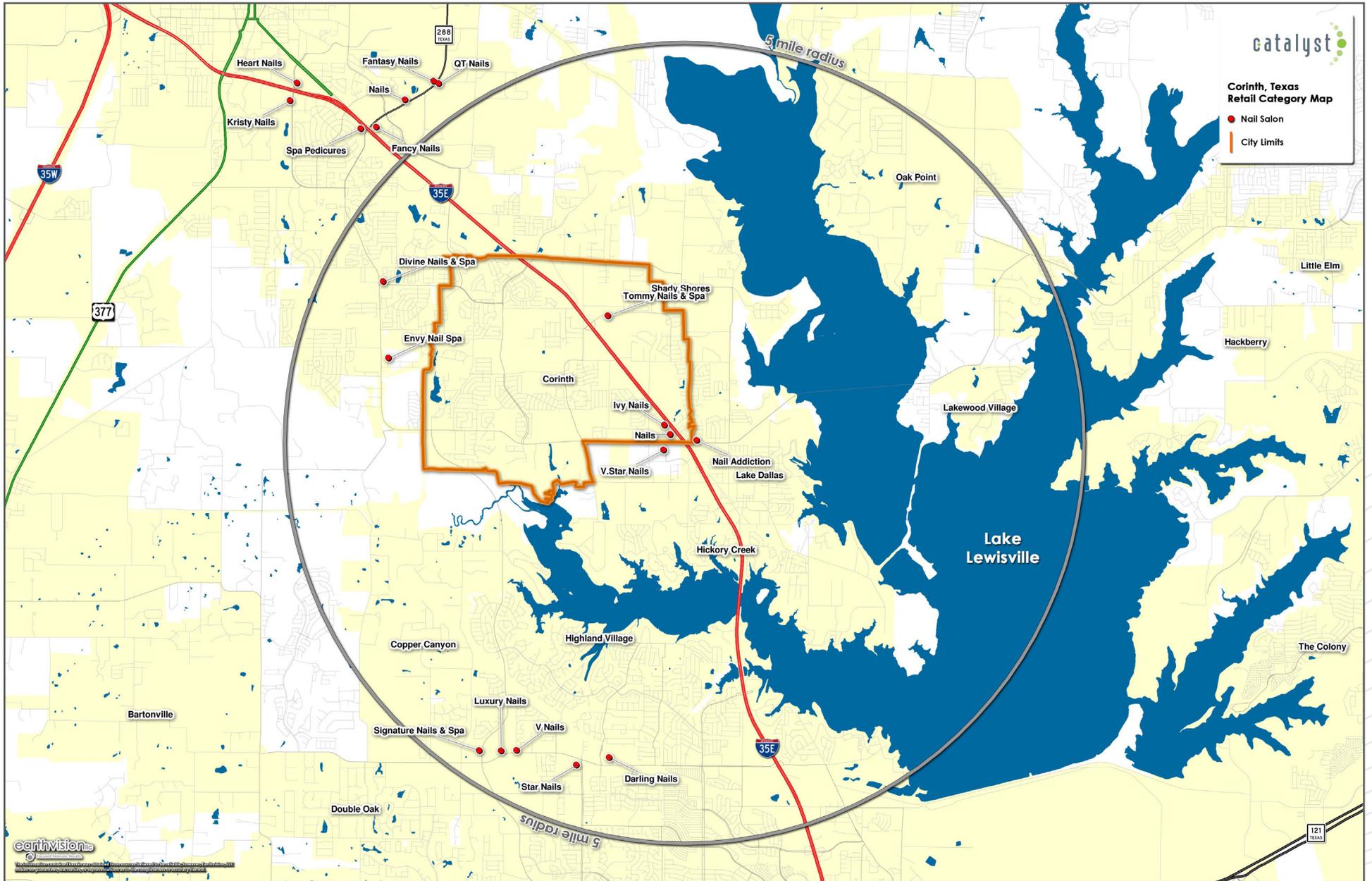
(Source: Catalyst)

Appendix - Category Maps (Restaurant - Limited Service)



(Source: Catalyst)

Appendix - Category Maps (Nail Salon)



(Source: Catalyst)



Corinth
Merchandising Plan

January 2012