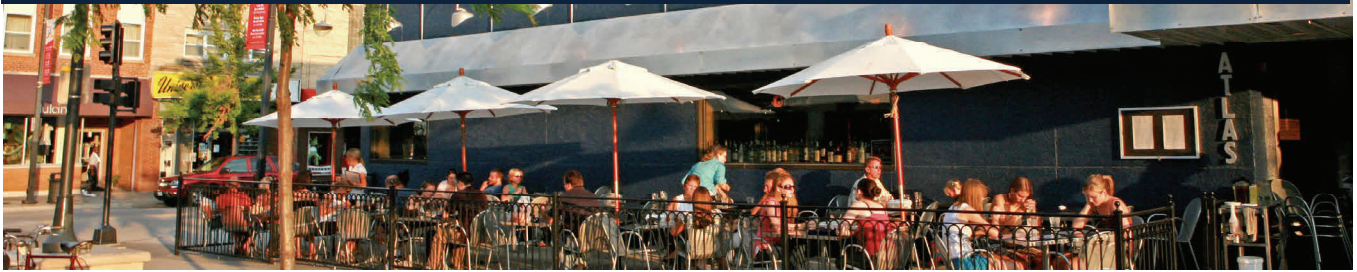


ESRI MARKETPLACE PROFILE



DOWNTOWN IOWA CITY

- Census Population: 24,151
- Median Disposable Income: \$22,093
- Households: 8,291
- Per Capita Income: \$18,159

Data from October 2012

ESRI TAPESTRY SEGMENTATION AREA PROFILE* REPRESENTING 96.1% OF HOUSEHOLDS WITHIN 1 MILE

58.7%

DORMS TO DIPLOMAS

Median age of 21.9 years, 79 percent of residents are enrolled in a college or university. Ethnic diversity is slightly lower in this segment than in the United States. Three-fourths of the

employed residents work part-time in low-paying service jobs. Forty-three percent live in dormitories on campus; the remainder rent apartments in multi-unit buildings off campus. Spending patterns reflect a carefree lifestyle and focus on education. While not eating at the dining hall, they eat fast food or convenient frozen meals. A computer is a necessity; they prefer laptops and use the Internet for daily needs, including communication. Most own cell phones and bank online. Get exercise from college sports and walking around campus, enjoy playing football, basketball, volleyball, and yoga.

26.3%

COLLEGE TOWNS

Most residents aged between 18 and 34 years old and live in single-person or shared households. One-fourth of households are occupied by married-couples.

Focused on their education, 59% are enrolled in college or graduate school. Many students work part-time, with a median household income of \$31,271. Most work in the service industry, holding on-and off-campus jobs in educational services, health care, and food preparation. 30% of housing is owner-occupied, typically by town residents, who live with their families in single-family dwellings. Convenience and speed dictates food choices; they often buy ready-made meals, eat out, or order fast food. Cell phones and the Internet is essential for school and career, as well as keeping in touch. Rank high for participation in outdoor sports and athletic activities.

METROPOLITAN

Residents pursue an active, urban lifestyle and travel frequently.

11.1%

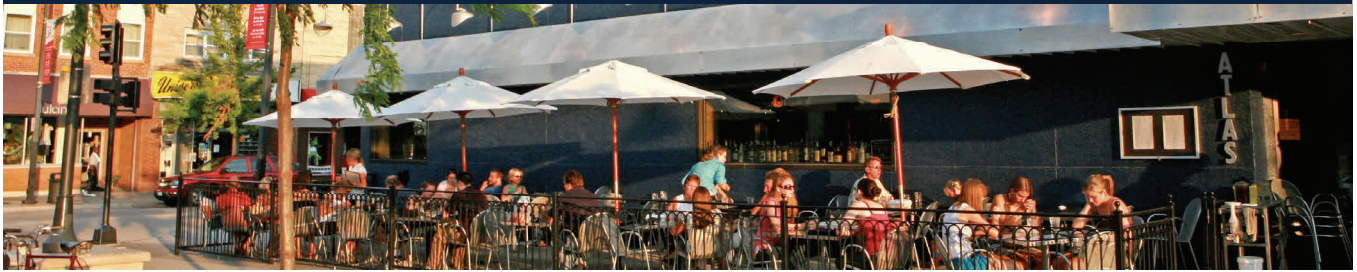
METROPOLITAN

Prefer living in older city neighborhoods, median age 37, and diversity is low, most of the population is white. Half employed in professional or managerial positions. More than

75% of those over 25 attended college or completed a degree program. Median household income is \$53,486. Due to older homes, many contract for lawn maintenance and professional housekeeping services. Own shares in investment funds and hold large life insurance policies. Residents pursue an active, urban lifestyle and travel frequently. Active members of their community and prefer to own and use a laptop computer, preferably an Apple. Go online daily to download music, buy books, airline tickets and clothes.



ESRI MARKETPLACE PROFILE



DOWNTOWN IOWA CITY

MARKET POTENTIAL ANALYSIS (0-1 MILE)*

Market Potential Index (MPI) measures relative likelihood of the adults in a specified trade area to exhibit certain consumer behavior or purchasing patterns.

PRODUCT/CONSUMER BEHAVIOR	% OVER U.S. AVERAGE
Avg. monthly cell/mobile phone/PDA bill \$1-\$49	36%
Spent less than \$500 on most recent PC purchase	106%
Spent \$1000- \$1499 on most recent PC purchase	20%
3 DVDs rented (last 30 days)	65%
3 – 4 DVDs purchased (last 30 days)	105%
Owns one TV	83%
Purchased audio equipment (last 12 months)	56%
Purchased MP3 player (last 12 months)	28%
Less than \$1000 spent on domestic vacations (last 12 months)	112%
\$1000- \$2999 spent on foreign vacations (last 12 months)	46%

PRODUCT/CONSUMER BEHAVIOR	% OVER U.S. AVERAGE
Carry renter insurance	53%
Did online banking (last 12 months)	35%
Bought book (last 12 months)	15%
Bought any men's apparel (last 12 months)	10%
Bought kitchen appliances (last 12 months)	13%
Exercises at club 2 times per week	18%
Went to a bar/night club in last 12 months	57%
Drank beer/ale (last 6 months)	17%
Visited a theme park (last 12 months)	43%
Fast food take out/walk-in (last 30 days)	31%
Fast food home delivery (last 6 months)	64%
Bought cigarettes at a convenience store (last 30 days)	35%

RETAIL OPPORTUNITIES (0-1 MILE)*

RETAIL GAP: Represents the difference between Retail Potential and Retail Sales.

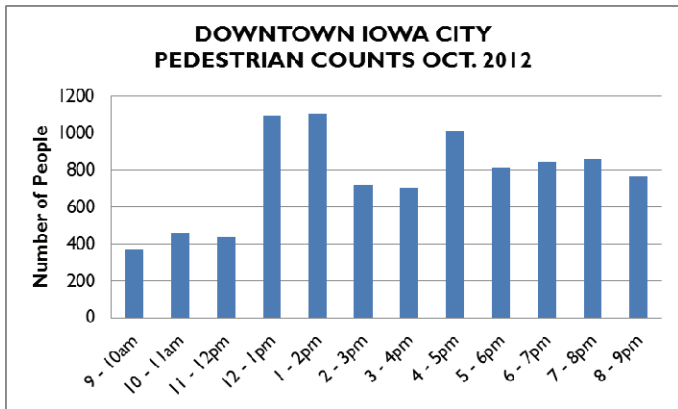
LEAKAGE FACTOR: A positive value represents a "leakage" of retail opportunity outside the trade area.

A negative value represents a surplus of retail sales. +100 (total leakage) to -100 (total surplus)

INDUSTRY GROUPS	RETAIL GAP	LEAKAGE FACTOR
Motor Vehicle/Parts Dealers	\$10,171,288	25.5
Food & Beverage Stores	\$3,348,011	4.8
Grocery Stores	\$4,361,674	12.3
General Merchandise Stores	\$10,337,288	42.8
Shoe Stores	\$399,488	100
Furniture & Home Furnishing Stores	\$271,081	4
Electronic Shopping & Mail-Order Houses	\$143,043	100

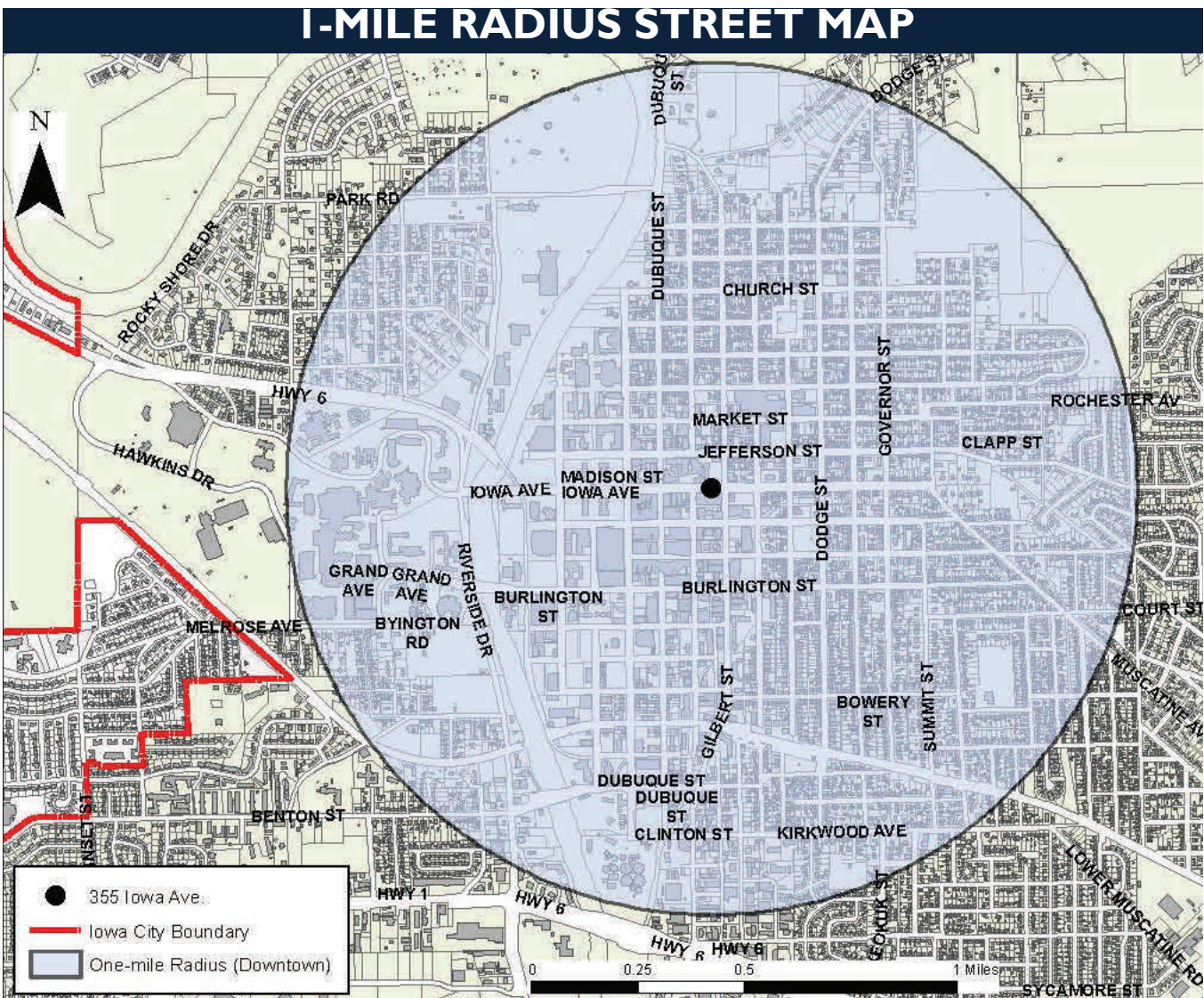
* FULL ESRI ANALYSIS available upon request, including 3 and 5-mile radius reports.

DOWNTOWN IOWA CITY



Source: City of Iowa City

On two weekdays in October, pedestrians were counted on the 100 block of East College Street in Iowa City's downtown pedestrian mall during normal business hours of 9am and 9pm. Totalling 9,184 people, the count was taken over a two-day period due to rain: 9am to 5pm Tuesday, October 9th and 5pm to 9pm Thursday, October 11th. The graph depicts steady foot traffic at an average of 765 people per hour, despite the overcast days and chilly temperatures. Counts peak at lunchtime, totaling 2,199 people between 12 noon and 2pm, and peaks again from 4pm to 5pm, as people return home from work. Study counts over the next four hours could indicate foot traffic due to dinner and downtown nightlife.



DOWNTOWN IOWA CITY'S HIDDEN ECONOMY

HIGHER THAN REPORTED INCOME

The United States Census reports 125,000 people within a ten-mile radius of downtown Iowa City, with a reported average household income of \$66,000. The University of Iowa is a major economic driver in Iowa City and Johnson County. The Census reports 21% of Iowa City's population falling within 18 - 24 years of age. With the large college-aged population, average household incomes reported around the University of Iowa Campus and downtown are greatly reduced. **The average household income in the one mile area around downtown increases from \$44,136 to \$92,205 when students are removed from Census data.**

DOWNTOWN IOWA CITY AVERAGE HOUSEHOLD INCOME WITHOUT STUDENT POPULATION



STUDENTS, EMPLOYEES, AND VISITORS GENERATE REVENUE

THE COMBINED HIDDEN ECONOMIC IMPACT OF STUDENTS, DAYTIME WORKERS, AND VISITORS IN DOWNTOWN IOWA CITY IS \$513.1 MILLION.



The University employs 19,513 people in the health sector and 9,264 people in the education service sector. **There are 19,133 daytime workers in a one-mile radius around downtown.**

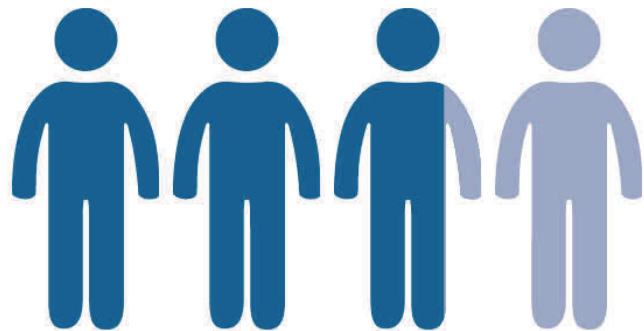
U.S. Census data does not consider the household income of University students' hometowns. Students bring consumption habits with them to Iowa City. **Students with higher hometown incomes have purchasing tendencies toward higher end consumer goods.** The hometown average household income of University of Iowa students is \$81,600. Students from Illinois have an average household income of \$116,806 compared to \$69,818 for students from Iowa. As a result, the University demands an estimated \$105 million in shopping center goods, which would support 270,000 SF of shopping center space.



Visitors primarily include students' families and those visiting for sporting events. **Direct visitors to the University generate an estimated \$408 million in expenditures which can support more than 992,000 SF of retail and restaurant space.** Based on current retail space in Iowa City, the potential exists for an additional 492,000 SF of retail and restaurant space.

MOST PEOPLE SHOP DOWNTOWN

Almost three-fourths (71.5%) of UI students, UI faculty/staff, and Iowa City/Johnson County residents shop in downtown Iowa City. The consumers choose shopping locations based on convenience, selection, and price. Consumers like downtown because they can walk to destinations, support local businesses, and shop in an ambient environment. **Specific demands of local consumers include quick service restaurants, locally owned retailers and restaurants, women's and men's fashion, and groceries downtown¹.** Opportunities for a wider range of merchandise and the inclusion of some national retailers and restaurants exist downtown.



72% STUDENTS, UI FACULTY/STAFF & RESIDENTS SHOP DOWNTOWN

¹ Results of a web-based survey with 3,500 respondents including UI students, UI faculty/staff, and Iowa City/Johnson County residents. Source: Millar, John M. and Anne Millar Wright. 2011. Divaris Real Estate, Inc. Virginia Beach, Virginia