



Pearland Economic and Demographic Profile 2015 Update

Prepared for:

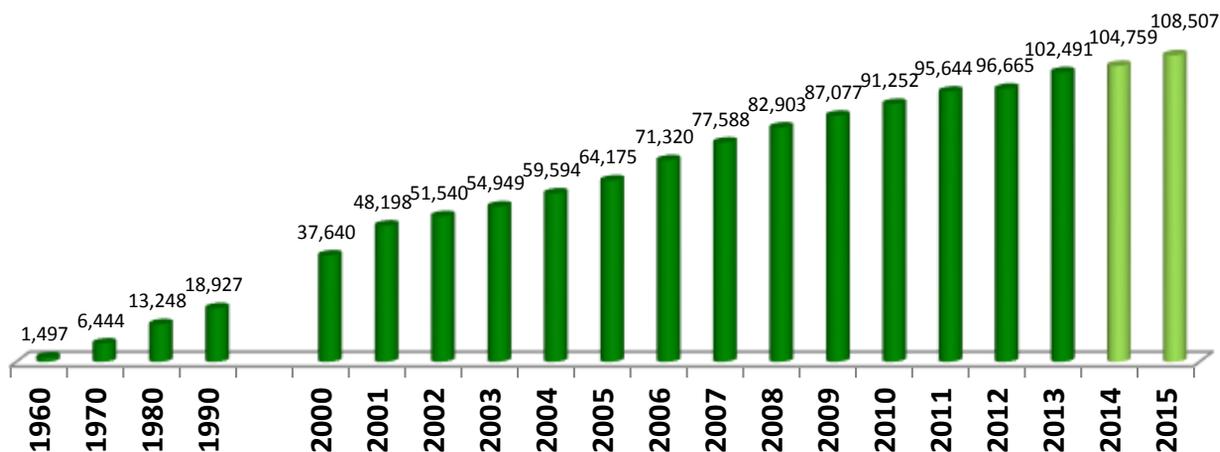
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Pearland Population has Grown Rapidly

Pearland Historical Population



Pearland's population has grown rapidly since its incorporation, and especially since the year 2000. The 2010 US Census counted the city's population at 91,252, a 142.4% increase since the 2000 Census. The number of housing units also increased during this time, to 33,169, a 138.7% increase. As of 2015, Pearland's population is an estimated 108,507, an increase of 17,255 or 18.9% since 2010

Pearland Census Demographics 2000, 2010, 2013, 2015

Pearland, TX	2000 Census		2010 Census		2014 Census ACS		2015 Claritas		Change 2015-2010	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	% Change
White, not Hispanic	27,629	73.4%	44,522	48.8%	50,855	48.5%	44,932	41.4%	410	0.9%
Black or African American, not Hispanic	1,968	5.2%	14,709	16.1%	14,399	13.7%	20,693	19.1%	5,984	40.7%
American Indian/ Alaska Native, not Hispanic	111	0.3%	255	0.3%	100	0.1%	275	0.3%	20	7.8%
Asian, not Hispanic	1,355	3.6%	11,206	12.3%	13,677	13.1%	15,513	14.3%	4,307	38.4%
Native Hawaiian/Pacific Islander, not Hispanic	14	0.0%	29	0.0%	0	0.0%	49	0.0%	20	69.0%
Some Other Race, not Hispanic	47	0.1%	194	0.2%	6	0.0%	215	0.2%	21	10.8%
Two or More Races, not Hispanic	409	1.1%	1,643	1.8%	2,750	2.6%	2,271	2.1%	628	38.2%
Hispanic or Latino	6,107	16.2%	18,694	20.5%	22,972	21.9%	24,559	22.6%	5,865	31.4%
Total Population	37,640		91,252		104,759		108,507		17,255	18.9%
Occupied Housing Units/Households	13,192	94.9%	31,222	94.1%	35,128	97.0%	35,825	95.0%	4,603	14.7%
Total Housing Units	13,895		33,169		36,225		37,723		4,554	13.7%

Sources: Population data from US Census for 2000 and 2010 and the American Community Survey. 2011-2014 data from the American Community Survey 1 year estimates. The 2015 estimates are from Nielsen/Claritas Demographics.



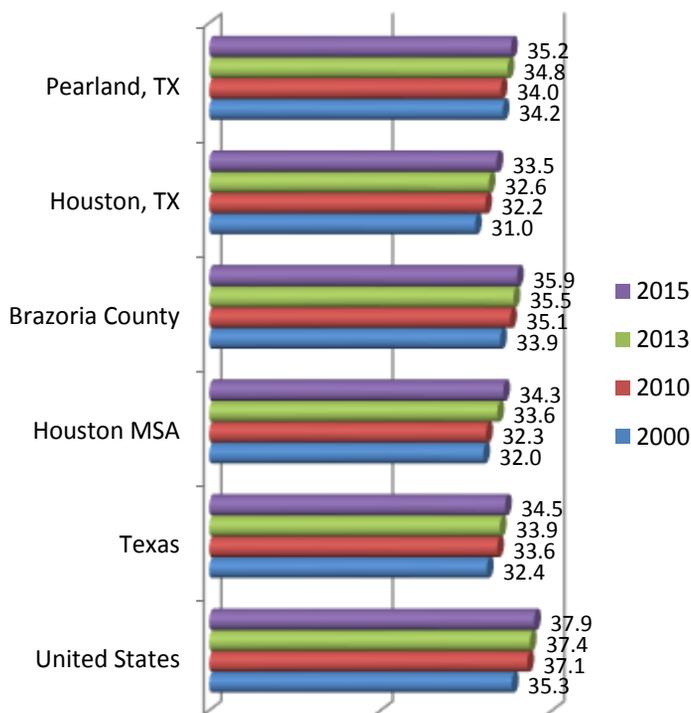
The Age of Pearland's Population Has Fluctuated

Pearland Age and Gender Demographic Comparison – 2000 to 2015

Pearland, TX	2000 Census		2010 Census		2014 Census ACS		2015 Claritas	
	Count	Share	Count	Share	Count	Share	Count	Share
Male	18,468	49.1%	44,354	48.6%	50,311	48.0%	52,962	48.8%
Female	19,172	50.9%	46,898	51.4%	54,448	52.0%	55,545	51.2%
Total Population	37,640		91,252		104,759		108,507	
Under Age 10	6,031	16.0%	16,002	17.5%	17,354	16.6%	17,767	16.4%
Age 10 to 17	4,824	12.8%	10,865	11.9%	12,356	11.8%	13,626	12.6%
Age 18 to 24	2,762	7.3%	7,816	8.6%	8,230	7.9%	8,874	8.2%
Age 25 to 34	5,681	15.1%	13,945	15.3%	13,551	12.9%	13,647	12.6%
Age 35 to 44	7,205	19.1%	15,775	17.3%	20,220	19.3%	18,127	16.7%
Age 45 to 54	5,164	13.7%	12,763	14.0%	13,131	12.5%	15,529	14.3%
Age 55 to 64	2,814	7.5%	8,540	9.4%	10,331	9.9%	11,287	10.4%
Age 65 and Over	3,159	8.4%	7,037	7.7%	9,586	9.2%	9,650	8.9%
Median Age	34.2		34.0		35.5		35.2	

Median Age 2000, 2010, 2013, 2015

Pearland's population is older than that in the city of Houston, the Houston MSA, and the entire state of Texas. It is, however, younger than the population in Brazoria County as a whole and significantly younger than the United States as a whole. Pearland's median age decreased slightly between 2000 and 2010, but recent estimates find that it has increased by around a full year since.



Sources: 2000 and 2010 figures from the US Census and 2013-2014 figures from the American Community Survey. 2015 estimates from Nielsen/Claritas.



Pearland is the third largest city in the MSA

Houston MSA Largest Cities

	City or CDP	2015 Estimate	2010 Population	2000 Population	2000 Rank
1	Houston	2,261,602	2,099,451	1,953,631	1
2	Pasadena	157,574	149,043	141,674	2
3	Pearland	108,507	91,252	37,640	10
4	The Woodlands	104,597	93,847	63,135	5
5	League City	95,515	83,560	45,444	7
6	Sugar Land	86,334	78,817	63,328	4
7	Baytown	77,363	71,802	66,430	3
8	Missouri City	72,447	67,358	52,913	7
9	Conroe	63,123	56,207	36,811	11
10	Galveston	47,825	47,743	57,247	5
11	Texas City	47,448	45,099	41,521	9

Pearland's rapid population increase has moved it from the tenth largest city in the Houston MSA to the third. Pearland passed several cities that also saw significant growth between 2000 and 2010, including League City, Sugar Land, Missouri City, and the Woodlands

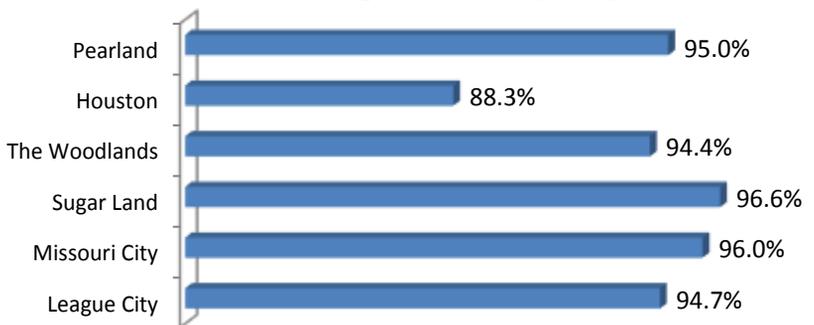
Houston MSA Large City Growth Comparison

	Pearland	Houston	The Woodlands	Sugar Land	Missouri City	League City	Pasadena
2000 Population	37,640	1,953,631	63,135	63,328	52,913	45,444	141,674
2010 Population	91,252	2,099,451	93,847	78,817	67,358	83,560	149,043
2015 Population	108,507	2,261,602	104,597	86,334	72,447	95,515	157,574
Population % Growth '10-'15	18.9%	7.7%	11.5%	9.5%	7.6%	14.3%	5.7%
Avg. Annual Pop Growth '00-'15	7.3%	1.0%	3.4%	2.1%	2.1%	5.1%	0.7%
2000 Housing Units	13,895	782,378	21,008	21,159	17,439	17,244	50,229
2010 Housing Units	33,169	892,646	37,339	27,727	23,374	32,119	53,899
2015 Housing Units	37,723	956,799	41,529	30,941	25,244	35,532	56,864
Housing Unit % Growth '10-'15	13.7%	7.2%	11.2%	11.6%	8.0%	10.6%	5.5%
Avg. Annual HU Growth '00-'15	6.9%	1.4%	4.6%	2.6%	2.5%	4.9%	0.8%

Pearland's population growth percentage between 2010 and 2015 was the highest among large cities in the Houston MSA. According to the 2015 Claritas estimates, Pearland's 6.9% average annual population and housing growth rate since 2000 continues to lead other cities in the region by a significant margin.

The housing unit occupancy in Pearland compares favorably with comparable cities in the Houston MSA.

Housing Unit Occupancy, 2015



Sources: 2000 and 2010 US Census, 2015 Estimates from Nielsen/Claritas Demographics.



Pearland is one of the fastest growing cities in the US

Pearland compared to rapidly growing cities across the nation

	Pearland, TX	Cary, NC	Franklin, TN	Frisco, TX	League City, TX	McKinney, TX	Olathe, KS	Plano, TX	Rancho Cucamonga, CA
2000 Population	37,640	96,147	46,521	33,714	46,978	54,647	92,705	224,037	127,047
2010 Population	91,252	135,234	62,487	116,989	83,560	131,117	125,872	259,841	165,269
2015 Population Estimate	108,507	149,705	71,112	143,040	95,515	155,102	135,233	273,525	173,798
Population % Growth '10-'15	18.9%	10.7%	13.8%	22.3%	14.3%	18.3%	7.4%	5.3%	5.2%
Avg. Annual Pop Growth '00-'15	12.6%	3.7%	3.5%	21.6%	6.9%	12.3%	3.1%	1.5%	2.5%
2000 Housing Units	13,895	36,850	19,296	13,692	17,280	19,462	33,343	86,078	42,134
2010 Housing Units	33,169	55,303	25,586	42,306	32,119	47,915	46,851	103,672	56,618
2015 Housing Unit estimate	37,723	61,718	28,981	49,914	35,532	55,190	50,089	110,748	58,648
Housing Unit % Growth '10-'15	13.7%	11.6%	13.3%	18.0%	10.6%	15.2%	6.9%	6.8%	3.6%
Avg. Annual HU Growth '00-'15	11.4%	4.5%	3.3%	17.6%	7.0%	12.2%	3.3%	1.9%	2.6%

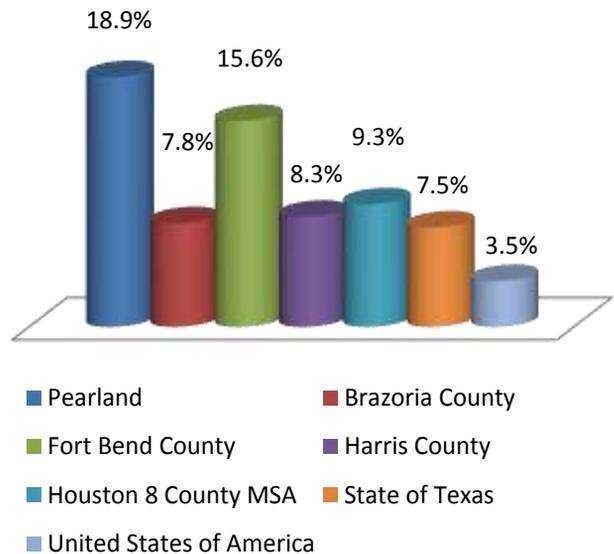
Pearland's population growth compares favorably with similarly sized cities located in other fast-growing metropolitan areas. Only Frisco grew at a faster rate than Pearland in population, and only McKinney and Frisco outpaced Pearland in housing unit growth.

Pearland ranks well among the nation's fastest growing cities

Rank	Place	State	2010 Population	2014 Estimate	% Change
1	San Marcos	TX	45,068	58,892	30.7%
2	Georgetown	TX	47,455	59,102	24.5%
3	South Jordan	UT	50,420	62,781	24.5%
4	Frisco	TX	117,084	145,035	23.9%
5	Cedar Park	TX	51,743	63,574	22.9%
6	McKinney	TX	131,025	156,767	19.6%
7	Dublin	CA	46,036	54,695	18.8%
8	Doral	FL	45,709	54,116	18.4%
9	Ankeny	IA	45,582	53,801	18.0%
10	Lehi	UT	47,735	56,275	17.9%
11	Irvine	CA	211,906	248,531	17.3%
12	Buckeye	AZ	50,891	59,470	16.9%
13	Meridian	ID	75,130	87,743	16.8%
14	Goodyear	AZ	65,225	75,664	16.0%
15	Conroe	TX	56,992	65,871	15.6%
16	Castle Rock	CO	48,262	55,747	15.5%
17	Midland	TX	111,127	128,037	15.2%
18	Pearland	TX	89,891	103,441	15.1%
19	New Braunfels	TX	57,727	66,394	15.0%
20	Gilbert	AZ	208,399	239,277	14.8%

For 2014, Pearland ranked 18th in the nation in population growth percentage among cities that had 50,000 people or more in 2010.

Population Growth 2010-2015



Pearland's population has grown at more than double the rate of Harris County, Brazoria County, the Houston MSA as a whole, and the entire State of Texas. The city has grown at nearly 6 times the rate of the United States.

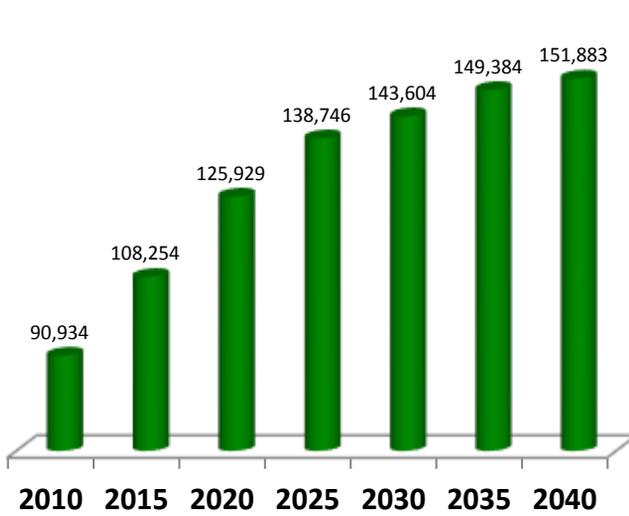


Sources: 2000 and 2010 US Census, 2015 Nielsen/Claritas estimates, 2014 American Community Survey

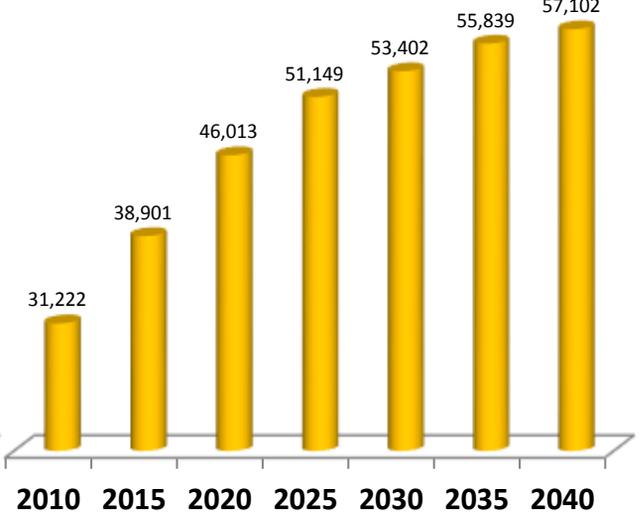


Population Projections

Pearland Population Projections

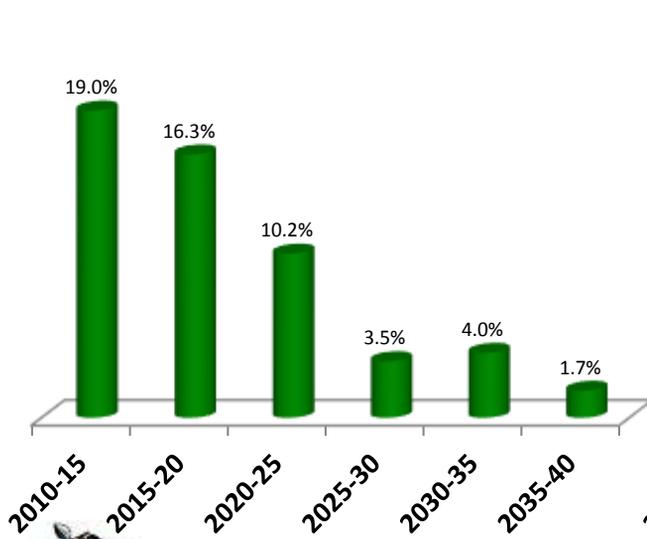


Pearland Household Projections

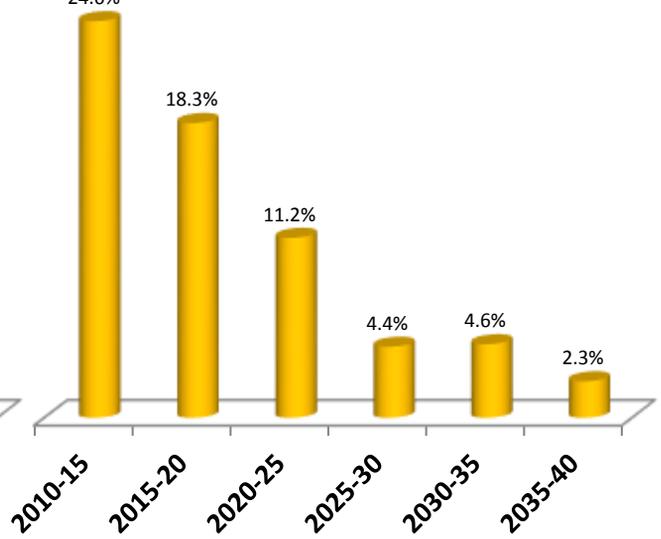


Based on the Houston-Galveston Area Council's (H-GAC) definition of Pearland, the city's population is forecast to grow by over 60,000 from 2010 to 2040, coupled with an increase nearly 26,000 households. The overwhelming majority of this growth is forecast in the 15-year period of 2010 to 2025 with the largest percent and total number increases occurring in the first 5-year period (2010 to 2015). Overall growth rates of population and households during this 30-year period are 67.0% and 82.9% respectively. The significantly higher rate of growth of households in the forecast illustrates the expectation that average household size will fall from 2.9 to 2.6 by 2040.

Pearland Population Projections Growth Rate



Pearland Household Projections Growth Rate



Sources: Houston-Galveston Area Council, 2Q 2015 Population and Employment Forecast



Family Households/Characteristics of Migrants

Family Household Growth 2000-2010-2015

Geography	Family Households				
	2000 Census	2010 Census	2015 Estimate	% Change 00-10	% Change 10-15
Pearland, TX	10,654	24,442	28,422	129.4%	16.3%
Cary, NC	25,146	36,333	40,271	44.5%	10.8%
Franklin, TN	11,232	16,857	19,312	50.1%	14.6%
Frisco, TX	9,652	31,181	37,063	223.1%	18.9%
League City, TX	12,471	22,573	25,298	81.0%	12.1%
McKinney, TX	13,974	34,043	39,570	143.6%	16.2%
Olathe, KS	24,627	33,306	35,698	35.2%	7.2%
Plano, TX	60,578	69,453	73,832	14.7%	6.3%
Rancho Cucamonga, CA	31,827	41,304	42,577	29.8%	3.1%
Sugar Land, TX	17,524	22,046	24,497	25.8%	11.1%
Houston MSA	1,175,986	1,463,328	1,598,280	24.4%	9.2%
Texas	5,247,794	6,237,148	6,717,310	18.9%	7.7%
United States	71,787,347	77,538,296	80,429,423	8.0%	3.7%

Pearland's growth in family households compares favorably with peer cities, trailing only Frisco and McKinney, as well as the Houston MSA, State of Texas, and nation as a whole.

Characteristics of Migrants, Brazoria County 2009-2013

Year	In-Migrant Households		Out-Migrant Households		Difference in AGI	
	Count	Avg. Size	Count	Avg. Size	Household	Per Capita
2009-2010	10,107	2.07	8,523	2.07	-\$7,432	-\$3,587
2010-2011	9,194	2.05	8,116	2.07	-\$8,097	-\$3,656
2011-2012	7,725	2.07	7,019	2.04	-\$4,408	-\$2,491
2012-2013	7,967	2.07	7,190	2.03	-\$2,209	-\$1,546
2009-2013 Average	8,748	2.07	7,712	2.05	-\$5,537	-\$2,820

AGI = Adjusted Gross Income

More households are moving into Pearland and Brazoria County than moving out, and those households moving in are larger, on average than those leaving.

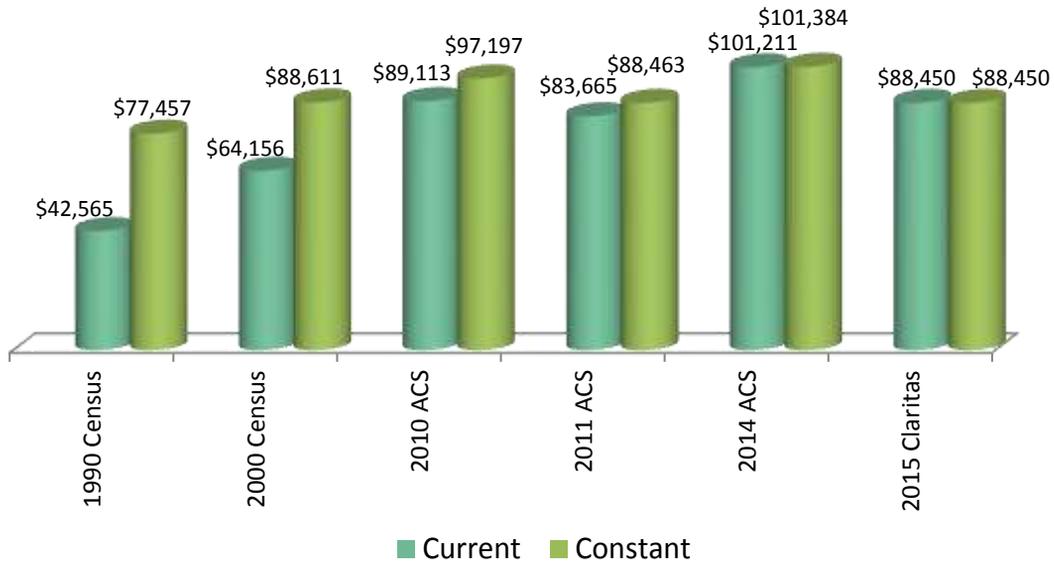


Sources: 2000 and 2010 figures from the US Census and 2015 estimates from Nielsen/Claritas. Characteristics of migrants from IRS Statistics of Income (SOI) tax stats



Household Income is increasing in Pearland

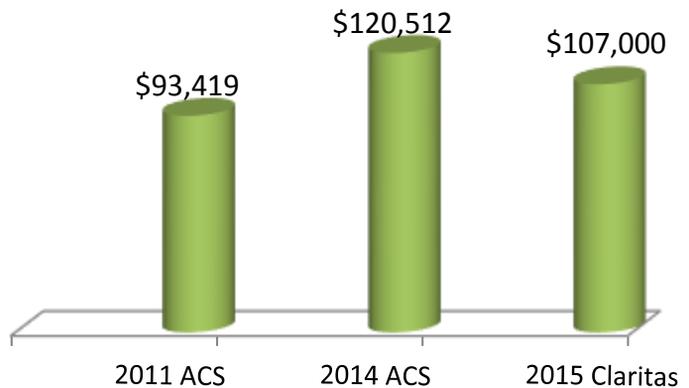
Median Household Income
Current Year and Constant 2015 Dollars



Median household income in Pearland has more than doubled in the 20 years between the 1990 and 2010 decennial census. Adjusting for inflation, Pearland median household income has plateaued since 2000.

Mean Household Income

Mean (average) household income in Pearland exceeds \$100,000, one of the highest income communities in the Houston region.



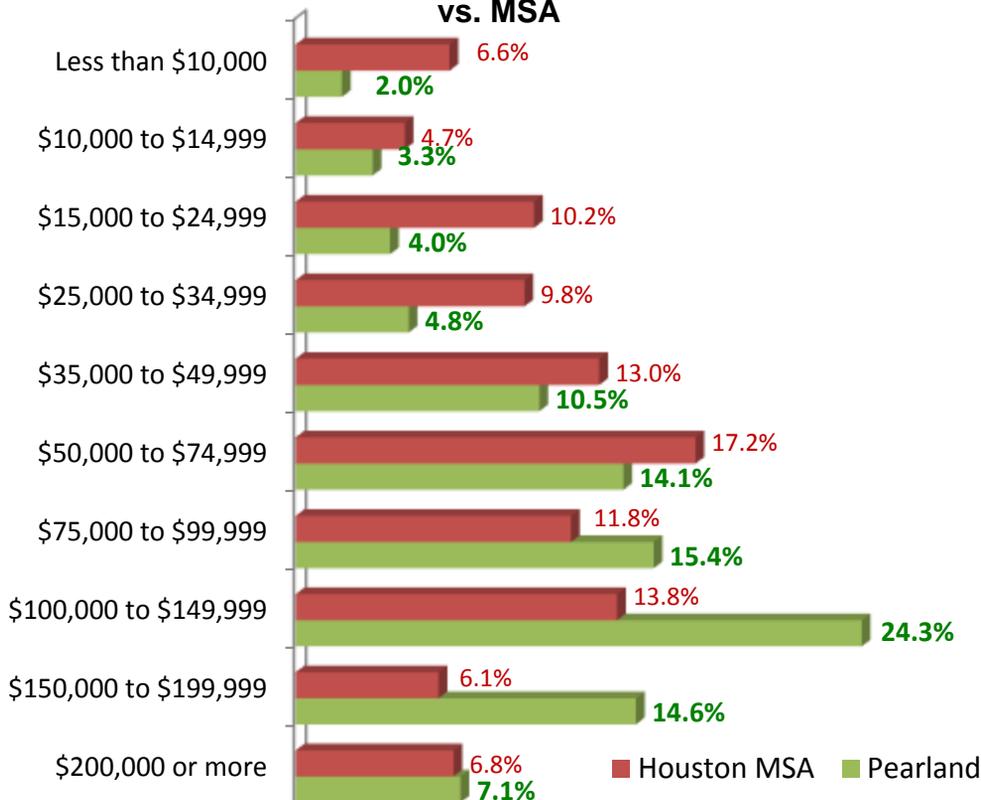
Sources: Income data from the 1990, and 2000 decennial census, 2010, 2011, and 2014 estimates from the Census American Community Survey and 2015 estimates from Nielsen/Claritas Demographics



Pearland Household Incomes Compare Favorably

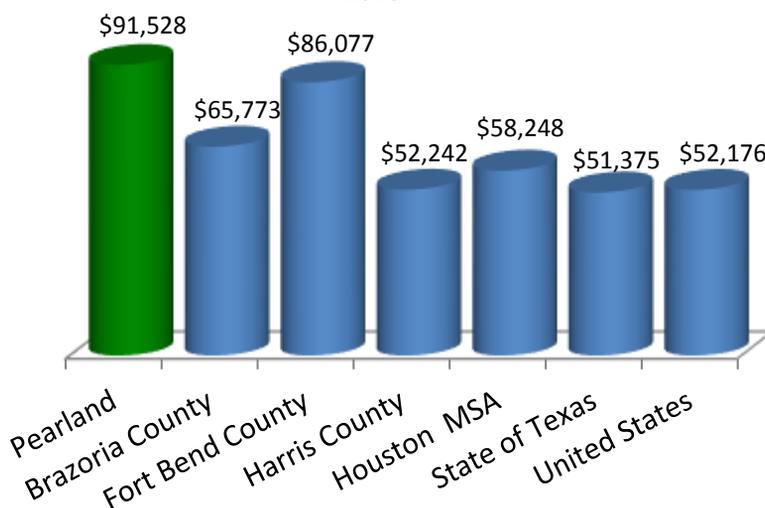
41% of Pearland households have incomes greater than \$100,000 as compared with the Houston MSA percentage over \$100,000 of 23.8%. Only 6% of the households in Pearland have incomes below \$25,000 while 22.7% of MSA households are below \$25K.

Percentage of Households by Income Group, Pearland vs. MSA



Pearland's median household income is 66% higher than the national median

Median HH Income 2013

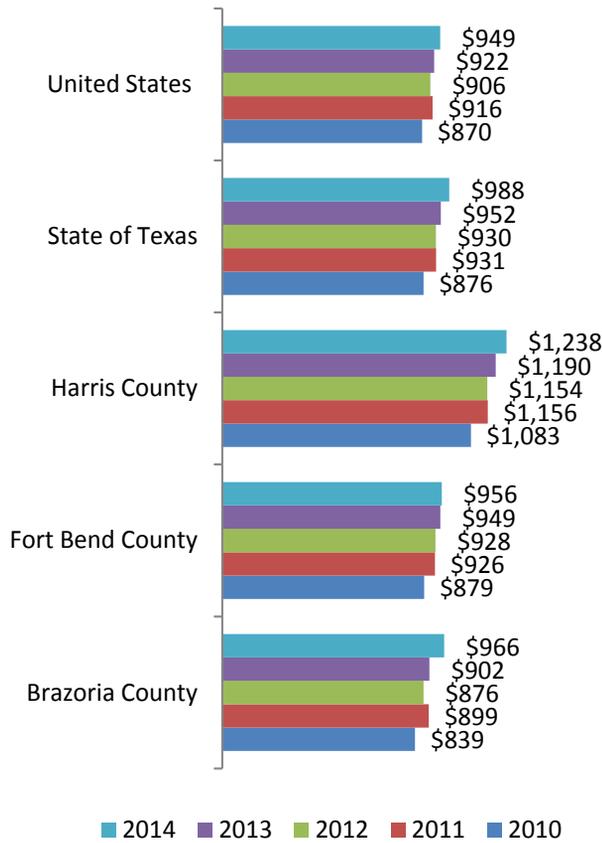


Source: U.S. Bureau of the Census, American Community Survey 2013



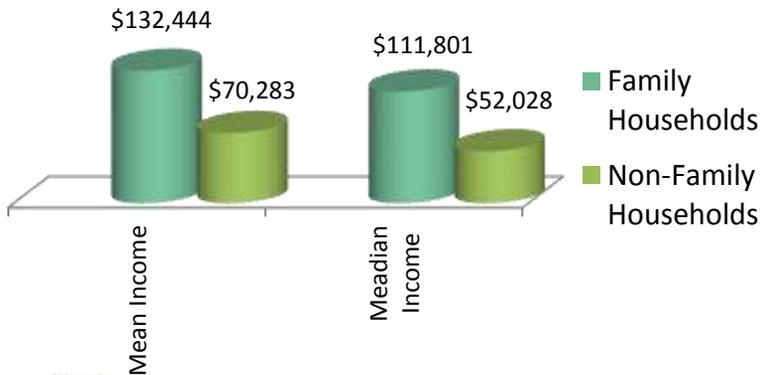
Wage/Household Type Comparison

2010-2014 Average Weekly Wage Comparison



Average weekly wages in Brazoria county are lower than the state and Harris County averages, but now higher than the national average. At \$966, they are higher than the wages in other local suburban counties in the area (Fort Bend at \$956, Montgomery at \$954, and Galveston at \$824) and grew by 10.3% from 2012 to 2014. The state and national wage growth rates during this time were 6.2% and 4.7% respectively.

Family vs. Non-Family Households by 2014 Income



Family households in Pearland earn 88.4% more in average income and 114.9% more in median income than non-family and individual households.

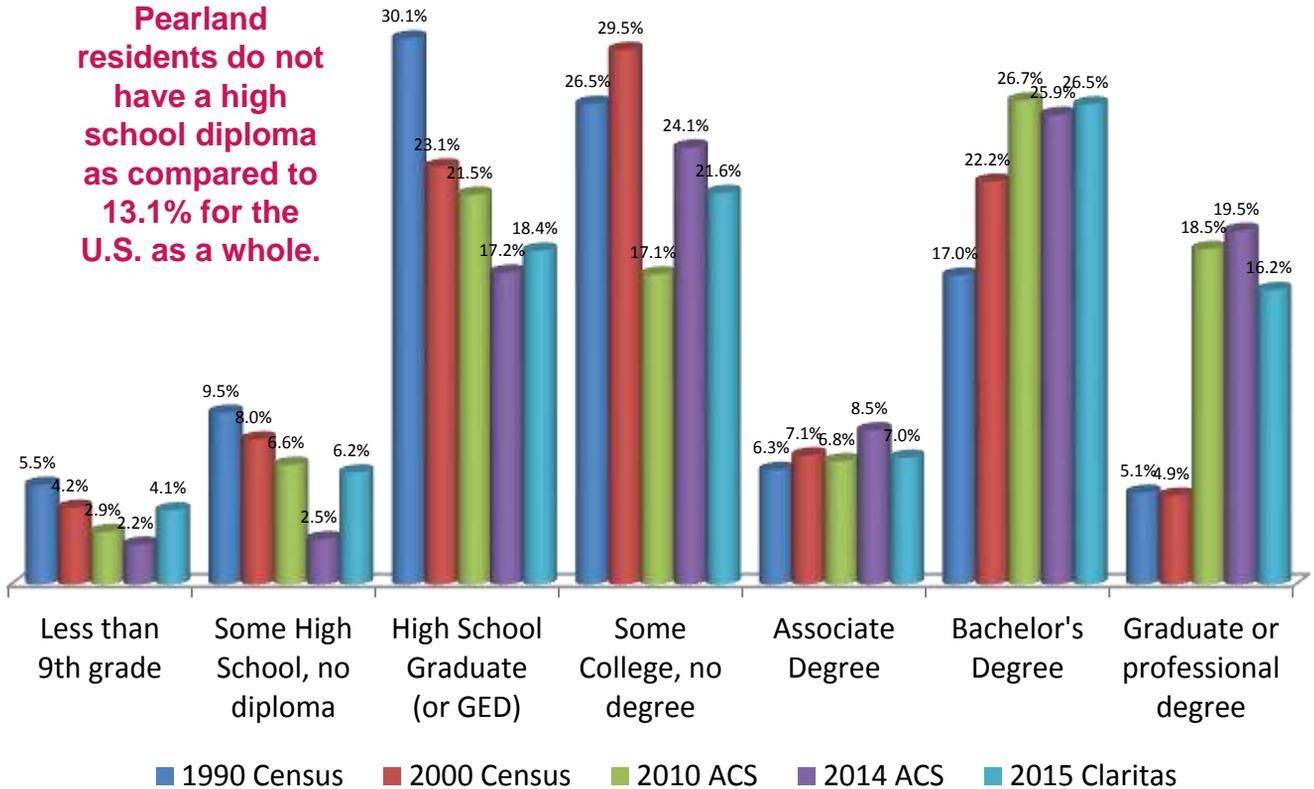
Source: Bureau of Labor Statistics 3rd quarter 2011, 2012, 2013, and 2014 reports, Texas Workforce Commission, American Community Survey 2014 1 year



Pearland adult residents are highly educated

Only 4.7% of Pearland residents do not have a high school diploma as compared to 13.1% for the U.S. as a whole.

Historical Percentages of Residents by Educational Attainment



In 2014, almost one-half (45.4%) of Pearland residents had college degrees (bachelor's degree or higher) and 19.5% have graduate or professional degrees.

Historical Pearland Educational Attainment Compared to U.S. 2014

Population Age 25+	Pearland					US
	1990	2000	2010	2014	2015	2014 %
Less than 9th grade	5.5%	4.2%	2.9%	2.2%	4.1%	5.6%
Some High School, no diploma	9.5%	8.0%	6.6%	2.5%	6.2%	7.5%
High School Graduate (or GED)	30.1%	23.1%	21.5%	17.2%	18.4%	27.7%
Some College, no degree	26.5%	29.5%	17.1%	24.1%	21.6%	21.0%
Associate Degree	6.3%	7.1%	6.8%	8.5%	7.0%	8.2%
Bachelor's Degree	17.0%	22.2%	26.7%	25.9%	26.5%	18.7%
Graduate or professional degree	5.1%	4.9%	18.5%	19.5%	16.2%	11.4%
Percent high school graduate or higher	85.0%	86.8%	90.5%	95.2%	89.7%	87.0%
Percent bachelor's degree or higher	22.1%	27.1%	45.1%	45.4%	42.7%	30.1%

Source: US Bureau of the Census, 1990 and 2000 Census, American Community Survey, 2010 and 2014. Nielsen/Claritas for 2015.



Pearland K-12 schools are exceptional

The overwhelming majority of the City of Pearland is located in the Pearland Independent School District (PISD) and the Alvin Independent School District (AISD). Small portions of the city are also located in Houston ISD and Pasadena ISD.

Pearland ISD has been one of the fastest growing school districts in the state of Texas. In 2004 Pearland ISD had 13,586 students compared to 19,226 in Fall 2013, an average annual increase of 627 students. Pearland ISD presently includes 21 conventional campuses and 1,200 teachers.

Alvin ISD has nine campuses that draw students from the Pearland city limits, up from five just three years ago. Nearly 9,000 students attend these campuses.

Among the 29 schools graded, 20 achieved a grade of A- or above from Children at Risk (CAR). A grade of A- or above indicates that a campus ranked in the top quarter of all schools in the state of Texas in CAR's 2015 public school rankings. These grades are used in lieu of the TEA's school ratings, which offer no distinction beyond "Met Standard". Elementary and middle schools achieved an average grade of A, while high schools averaged a B.

Pearland Public Schools Enrollment and Ratings

		13-14	Children at
	Grades	Enrollment	Risk Grade
PEARLAND ISD			
Barbara Cockrell Elementary	PK-4	805	A-
C J Harris Elementary	PK-4	676	A
Challenger Elementary	PK-4	671	A
E A Lawhon Elementary	PK-4	682	B-
H C Carleston Elementary	PK-4	788	A
Magnolia Elementary	PK-4	802	A
Massey Ranch Elementary	PK-4	695	B+
Shadycrest Elementary	PK-4	583	A
Silvercrest Elementary	PK-4	832	A+
Silverlake Elementary	PK-4	711	A
Rustic Oak Elementary	PK-4	560	A
Alexander Middle School	5-6	660	A-
Leon H Sablatura Middle School	5-6	825	A-
Rogers Middle School	5-6	923	A
Sam Jamison Middle School	5-6	818	A-
Berry Miller Jr High School	7-8	895	A
Pearland Junior High East	7-8	668	B
Pearland Junior High South	7-8	849	B+
Pearland Junior High West	7-8	773	A-
Glenda Dawson High School	9-12	2,114	A
Pearland High School	9-12	2,896	B
	SubTotal	19,226	
ALVIN ISD			
Don Jeter Elementary	PK-5	916	B
Dr. Red Duke Elementary	PK-5	N/A	N/A
Glenn York Elementary	PK-5	823	A
Laura Ingalls Wilder Elementary	PK-5	896	A+
Mary Marek Elementary	PK-5	927	A+
Savannah Lakes Elementary	PK-5	814	B+
Manvel Junior High	6-8	879	F
Nolan Ryan Junior High	6-8	1,180	A-
Manvel High School	9-12	2,521	C
	SubTotal	8,956	
	Total	28,182	



Source: Texas Education Agency, Pearland Independent School District, Alvin Independent School District, Houston Chronicle, Children at Risk 2015 public school ratings



Pearland benefits from higher education institutions

UHCL Pearland Campus

In 2009, the City of Pearland donated 40 acres (south of Beltway 8) to the University of Houston-Clear Lake (UHCL) to build a Pearland Campus. The UHCL Pearland Campus shares the 30,659-square-foot modern facility with Pearland Economic Development Corporation, which occupies 8,043 square feet. The university's space includes classrooms, a library, a student lounge, teaching labs, offices and a faculty suite. Classes began for 530 students in Fall 2010. The nationally accredited, upper-level university offers junior, senior and graduate courses. Undergraduate degrees are offered in business, education, and human sciences/humanities. Graduate degrees are offered in education and human sciences/humanities.

Other nearby colleges and universities serving Pearland are Alvin Community College, San Jacinto Community College, UHCL, UH Main Campus, and Brazosport Community College.



University of Houston - Clear Lake, Pearland campus and Pearland EDC building



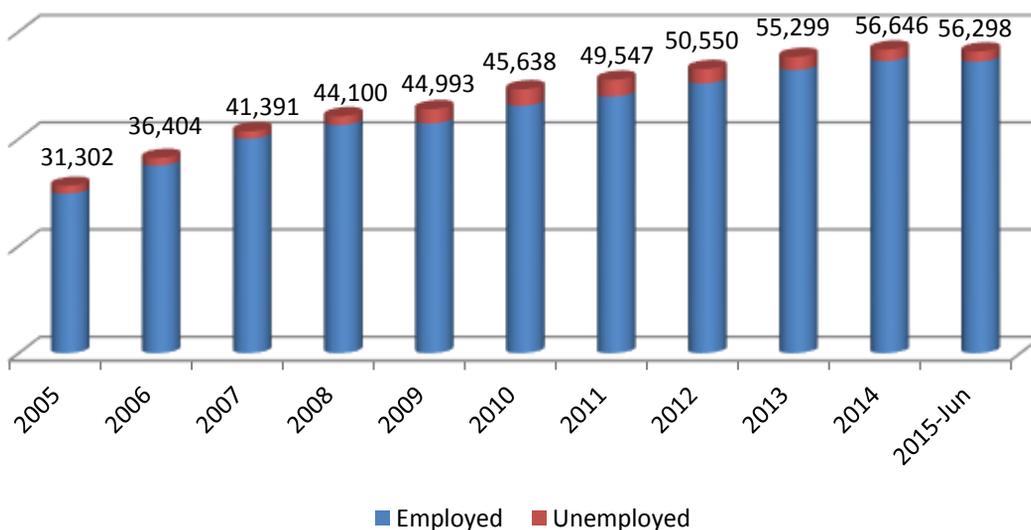
Pearland's labor force is strong and growing

Pearland Labor Force – 2010 to 2013

	2010 ACS		2013 ACS		Change	
	Count	Share	Count	Share	Count	% Change
Population 16 to 64	56,891		63,904		7,013	12.3%
In Labor Force	46,168	81.2%	52,074	81.5%	5,906	12.8%
Not in Labor Force	10,723	18.8%	11,830	18.5%	1,107	10.3%

Pearland's labor force in the prime labor force age range (16 to 64) has increased by nearly 6,000 since 2010. Notably, the share of the population between the ages of 16 to 64 participating in the labor force has increased slightly as well.

Pearland Labor Force – Bureau of Labor Statistics



The labor force has shown substantial growth just since 2005. Unemployment increased during the recession that began in 2009, but had recovered to pre-recession levels by 2013 and has been shrinking since. Between 2005 and 2014, Pearland added more than 25,000 to the labor force (an 81.4% increase). Labor force growth has slowed since 2013 as unemployment has fallen below 4%.

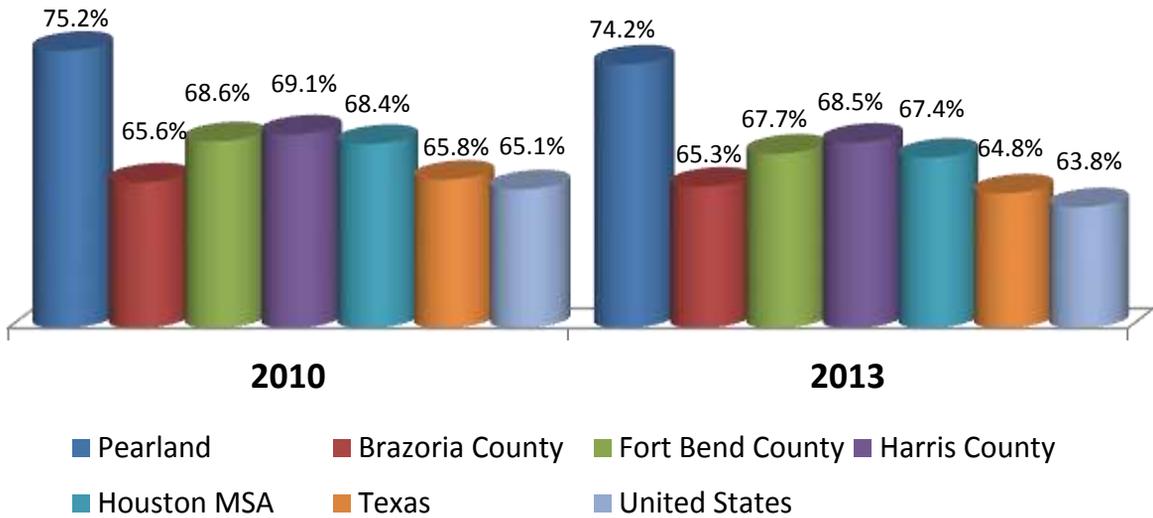


Sources: 2010 and 2013 American Community Survey, 2015 Estimates from Nielsen/Claritas Demographics, Bureau of Labor Statistics and Texas Workforce Commission



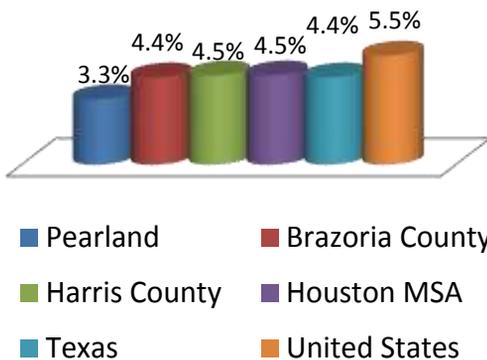
Pearland's labor force compares well

Percent of Population Over Age 16 in the Labor Force



Pearland's slight decrease in percentage of population over age 16 in the labor force mirrored the local, state, and national trends. Roughly three out of every four Pearland residents age 16 and over are in the workforce, a substantially higher percentage than the 3 county area, MSA, State of Texas, or national levels.

June 2015 Pearland Unemployment Compared



Pearland's unemployment rate compares favorably to the local, regional, state, and national rates. At 3.3% in June of 2015, it is at least a whole point below the rates in the five areas compared. While Pearland contains 34% of Brazoria County's labor force, it contains only 26% of its unemployed persons.



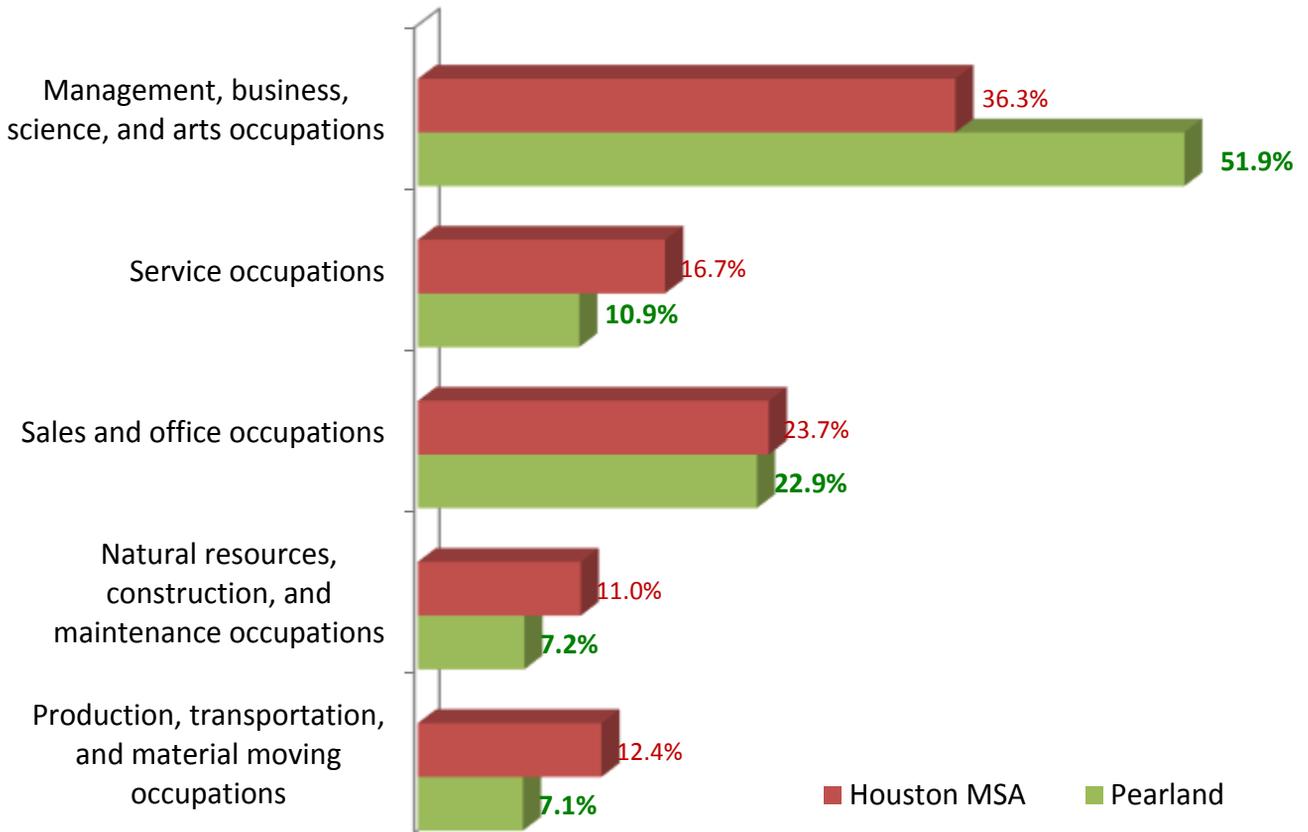
Sources: The 2010 and 2013 American Community Survey, Texas Workforce Commission and Bureau of Labor Statistics



Pearland residents cross many occupations

Pearland residents are much more likely to be in “management, business, science, and art” occupations than the Houston region

Percentage of Workers by Occupation , Pearland vs. MSA, 2013



Sources: 2013 American Community Survey 3 Year figures



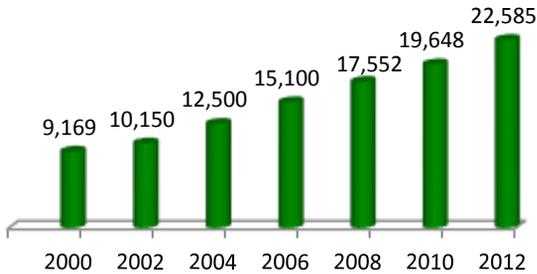
Pearland job base is expanding rapidly

Business Expansion Metrics*

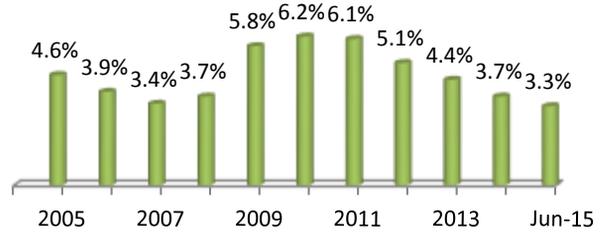
Business continues to expand in Pearland – with employment increasing by 34.2% and payroll by 44.2% over the most recent 5 year period tracked.

Measure↓ Year→	2000	2008	2010	2013	Change 2013-2008
Establishments	746	1,575	1,751	2,005	+ 430
Jobs	8,869	17,552	19,648	23,552	+ 6,000
Payroll, millions	\$230.70	\$502.70	\$543.60	\$724.84	+ \$222.14

Growth in Payroll Jobs



Historical Unemployment



Pearland's job has continued to expand, even through regional and national recessions. The unemployment rate has tumbled since 2011. Pearland's unemployment rate has continued to be slightly better than the Houston MSA as a whole, which ranged from 4% to 8% during the past five years.

Estimated Pearland Jobs by Sector*

Sector	2000	2008	2010	2013	13-08 Change
Agriculture, Forestry, Fishing and Hunting	2	6	0	17	11
Mining, Quarrying, and Oil and Gas Extraction	253	188	185	137	-51
Utilities	2	0	2	3	3
Construction	989	1,379	1,175	1,465	86
Manufacturing	847	1,364	1,410	1,530	166
Wholesale Trade	727	742	500	569	-173
Retail Trade	1,926	4,618	5,320	6,001	1,383
Transportation and Warehousing	273	443	300	417	-26
Information	35	132	160	146	14
Finance and Insurance	276	582	580	674	92
Real Estate and Rental and Leasing	186	329	315	506	177
Professional, Scientific, and Technical Services	330	623	840	1,020	397
Management of Companies and Enterprises	82	79	90	84	5
Administrative and Support and Waste Management and Remediation Services	296	374	500	559	185
Educational Services	59	335	325	435	100
Health Care and Social Assistance	618	1,610	2,250	3,094	1,484
Arts, Entertainment, and Recreation	233	360	460	555	195
Accommodation and Food Services	1,039	3,212	4,150	4,947	1,735
Other Services (except Public Administration)	676	1,142	1,080	1,391	249
Industries not classified	24	36	6	3	-33

Pearland sectors with the greatest growth are retail, accommodation/ food services, and health care. Professional and other service job categories are also expanding.

*All jobs data are for Zip Codes 77581 and 77584 the core of Pearland (does not include the area of the Bass Pro Shop which is in zip 77047)

Source: US Bureau of the Census, County Business Patterns, <http://www.census.gov/epcd/cbp/>

Unemployment data from the Texas Workforce Commission



Job Growth/Largest Economic Sectors

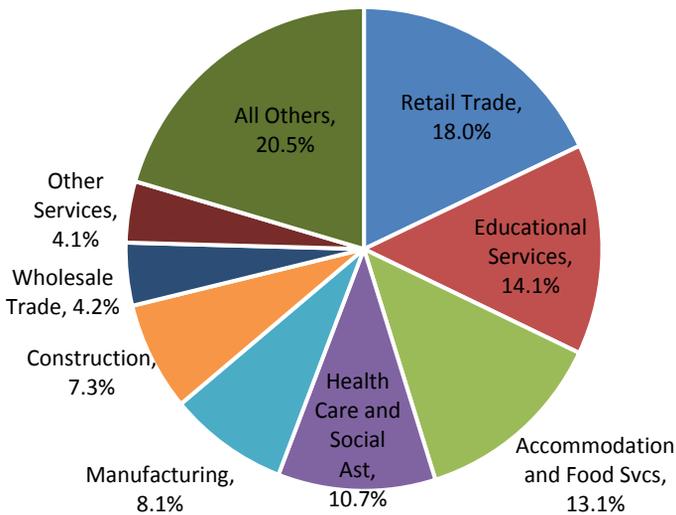
Public and Private Job Growth 2005-2008-2010

Geography	All Jobs			2010-2013		2005-2013		Annual Growth Rate	2013 Jobs per working age adult (20-64)
	2005	2010	2013	Net Change	% Change	Net Change	% Change		
Pearland, TX	15,967	21,948	26,100	4,152	18.9%	10,133	63.5%	6.3%	0.36
Cary, NC	58,273	69,021	78,306	9,285	13.5%	20,033	34.4%	3.8%	0.87
Franklin, TN	42,287	50,351	60,944	10,593	21.0%	18,657	44.1%	4.7%	1.50
Frisco, TX	19,599	26,841	46,166	19,325	72.0%	26,567	135.6%	11.3%	0.61
League City, TX	14,618	21,221	22,960	1,739	8.2%	8,342	57.1%	5.8%	0.41
McKinney, TX	33,355	39,056	38,476	-580	-1.5%	5,121	15.4%	1.8%	0.46
Olathe, KS*	50,451	53,934	60,879	6,945	12.9%	10,428	20.7%	2.4%	0.78
Plano, TX	133,253	154,649	180,531	25,882	16.7%	47,278	35.5%	3.9%	1.07
Rancho Cucamonga, CA	60,514	63,646	71,425	7,779	12.2%	10,911	18.0%	2.1%	0.67
Sugar Land, TX	42,819	51,083	62,313	11,230	22.0%	19,494	45.5%	4.8%	1.22
Houston MSA	2,247,451	2,528,846	2,778,616	249,770	9.9%	531,165	23.6%	2.7%	0.88
Texas	9,214,386	10,152,390	10,957,410	805,020	7.9%	1,743,024	18.9%	2.2%	0.55

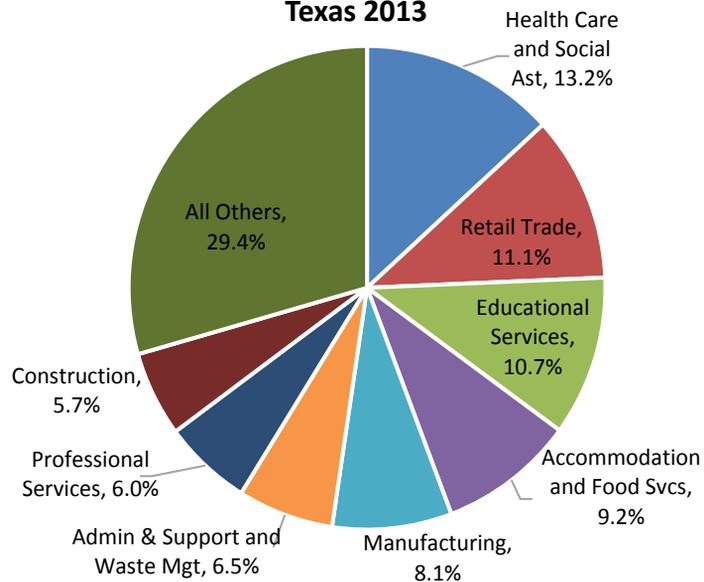
Pearland's job growth from 2005 to 2013 tops all peer cities (except for Frisco, TX), the Houston MSA, and the State of Texas as a whole. However, it continues to have the lowest ratio of jobs to working age adults among all geographies compared.

Largest Economic Sectors, Pearland and Texas 2013

Pearland 2013



Texas 2013



Pearland's economy is more retail and education-oriented than the State of Texas as a whole. The percentage of both attributed to manufacturing is identical at 8.1% of the economy.



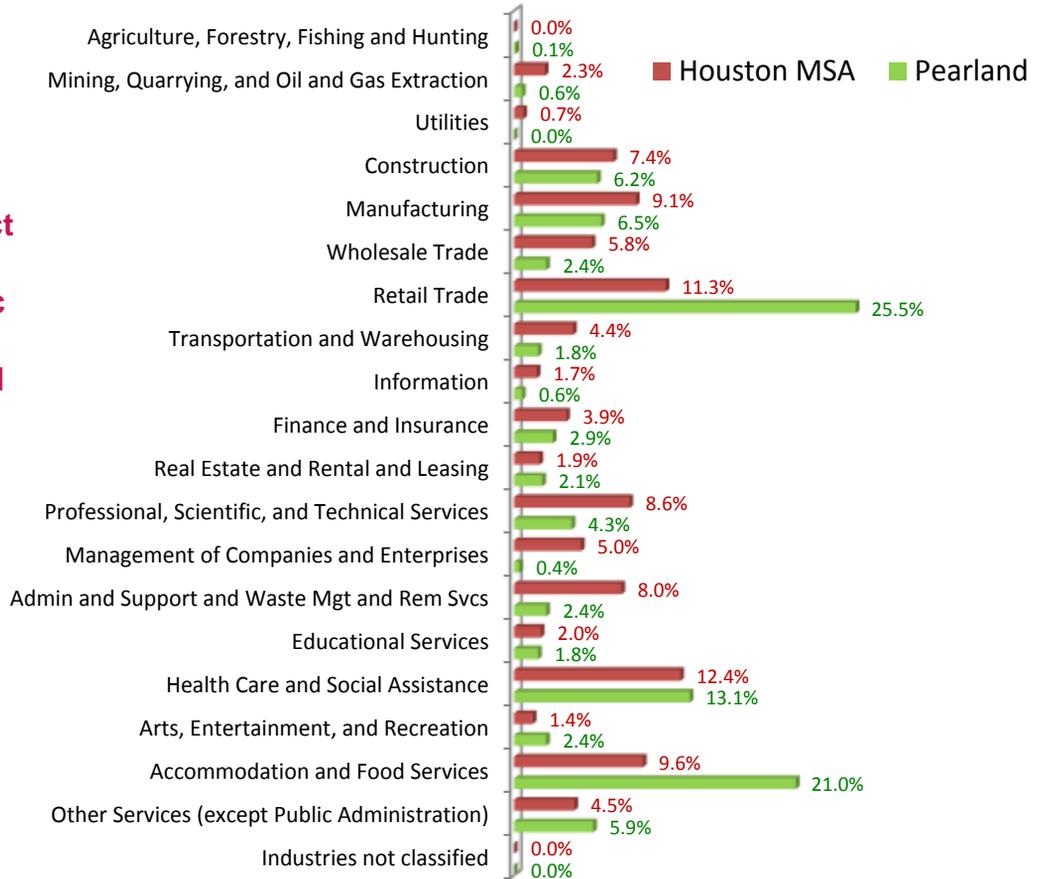
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics via On The Map, American Community Survey 2013



Pearland's jobs base is a strong part of the MSA

Percent of Jobs by Sector, Pearland vs. MSA, 2013

Pearland jobs by industry generally reflect the Houston MSA economic base but are more weighted toward retail and services.



Pearland sectors with the highest number of jobs are retail, accommodation/ food services, health care, construction, manufacturing, and professional services.

2013 Employees By Industry Sector	Pearland	Houston MSA
Total for all sectors	23,552	2,449,510
Agriculture, Forestry, Fishing and Hunting	17	587
Mining, Quarrying, and Oil and Gas Extraction	137	56,101
Utilities	3	16,531
Construction	1,465	180,800
Manufacturing	1,530	223,777
Wholesale Trade	569	142,313
Retail Trade	6,001	276,145
Transportation and Warehousing	417	106,886
Information	146	42,858
Finance and Insurance	674	95,571
Real Estate and Rental and Leasing	506	46,079
Professional, Scientific, and Technical Services	1,020	210,426
Management of Companies and Enterprises	84	121,705
Administrative and Support and Waste Mgt and Remediation Svcs	559	196,531
Educational Services	435	48,894
Health Care and Social Assistance	3,094	302,885
Arts, Entertainment, and Recreation	555	34,985
Accommodation and Food Services	4,947	236,337
Other Services (except Public Administration)	1,391	109,902
Industries not classified	3	197

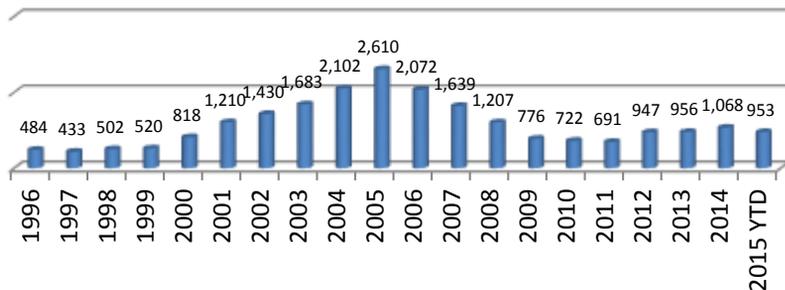
*All jobs data are for Zip Codes 77581 and 77584 the core of Pearland (does not include the area of the Bass Pro Shop which is in zip 77047)

Source: US Bureau of the Census, County Business Patterns, <http://www.census.gov/epcd/cbp/>

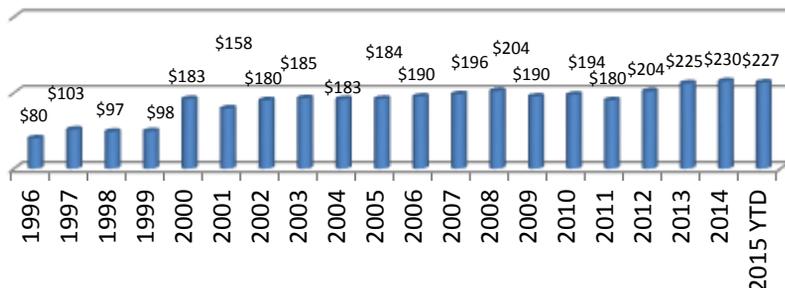


Single Family Housing

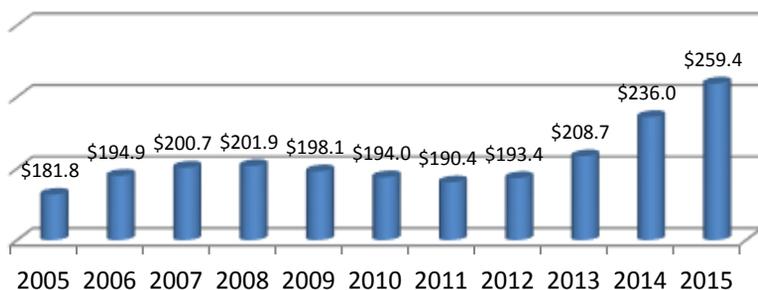
Single Family Permits



Permit Average Value (in thousands)



Average Sale Price (in thousands)



Pearland Owner-Occupied Home Values 2000 and 2013

	2000		2013		Change	
	Count	Share	Count	Share	Count	% Change
Less than \$50,000	905	8.7%	1284	4.8%	379	41.9%
\$50,000 to \$99,999	3,226	30.8%	528	2.0%	-2,698	-83.6%
\$100,000 to \$149,999	3,697	35.3%	5421	20.3%	1724	46.6%
\$150,000 to \$199,999	1,776	17.0%	8754	32.8%	6,978	392.9%
\$200,000 to \$299,999	684	6.5%	7917	29.6%	7,233	1057.5%
\$300,000 to \$499,999	156	1.5%	2,760	10.3%	2604	1669.2%
\$500,000 to \$999,999	17	0.2%	0	0.0%	-17	-100.0%
\$1,000,000 or more	0	0.0%	42	0.2%	42	0.0%
Owner-Occupied Units	10,461		26,706		16,245	155.3%
Median Value	\$114,870		\$180,200		\$65,330	56.9%

Pearland saw single family home permit activity rise and fall dramatically over the past decade. Permits peaked at over 2,500 in 2005, though activity remains higher than it was at any point in the late 1990s. Permitting began to rebound in 2012. Permit values have held steady over the past decade and are roughly double what they were in the late 1990s.

Average home sale price increased to around \$200,000 in 2006 and remained stagnant until 2014. Prices have increased dramatically since then.

The median home value in Pearland increased nearly 57% between 2000 and 2013. In 2000, 75% of homes were valued under \$150,000. In 2013, 73% of homes were valued at that mark or greater.



Sources: Permit data provided the City of Pearland. Home value data provided by the 2000 US census and 2013 American Community Survey. Sale Price Data from HAR/MLS.

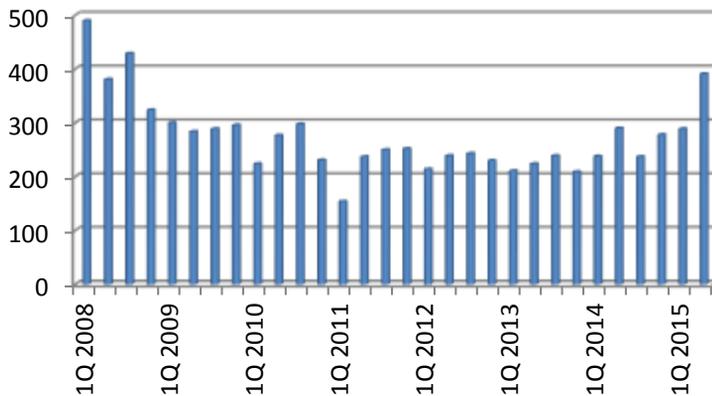


Subdivisions

Selected Subdivisions - Recent Activity as of 2Q 2015

Subdivision	Builders	Total Lots	Occupied Homes	Last 4 Quarter Closings	Vacant Lots	Future Lots	Low Price (000s)	High Price (000s)
Avalon Terrace	Plantation	533	354	35	70	91	\$243	\$323
Canterbury Park	KB Home	325	190	26	51	58	\$195	\$241
Enclave at Highland Glen	Beazer, Ryland	186	0	0	149	0	\$218	\$380
Highland Crossing	Beazer, Pulte	227	88	88	45	34	\$225	\$318
Oakbrook Estates	Brighton	556	508	2	35	0	\$222	\$314
Orchard Glen	Brighton	155	106	29	39	0	\$217	\$305
Pearland Lakes	Beazer	79	0	0	55	0	\$313	\$436
Pomona/Mustang Creek*	Coventry, Highland, Plantation	1,752	0	0	298	1,450	\$351	\$567
Preserve at Highland Glen	Beazer, Lennar	238	234	69	1	0	\$198	\$355
Riverstone Ranch	Meritage	291	48	48	183	0	\$212	\$326
Sedona Lakes	Coventry, Emerald, Highland, J. Patrick, Trendmaker	800	295	63	81	366	\$242	\$610
Shadow Creek Ranch	Perry	2,834	2,312	259	203	211	\$154	\$565
Shadow Grove Preserve	KB Home	377	4	4	73	248	\$202	\$282
Shadow Ridge	Newmark	115	3	3	81	0	\$265	\$378
Southern Trails	Ashton Woods, Trendmaker, Village	1,104	828	105	67	149	\$148	\$609
Southfork *	KB Home	817	815	23	2	0	\$175	\$275
Southlake	Perry	529	173	125	230	56	\$246	\$544
Spring Meadows	Anglia	138	125	40	1	0	\$181	\$237

Pearland Area Subdivision New Home Closings



New home closings in the Pearland area declined from 2008 to 2012 and remained stagnant for two years before beginning to rebound in 2014. This is likely due to a constrained amount of available lots in Pearland and the Houston region from 2009 to 2013.

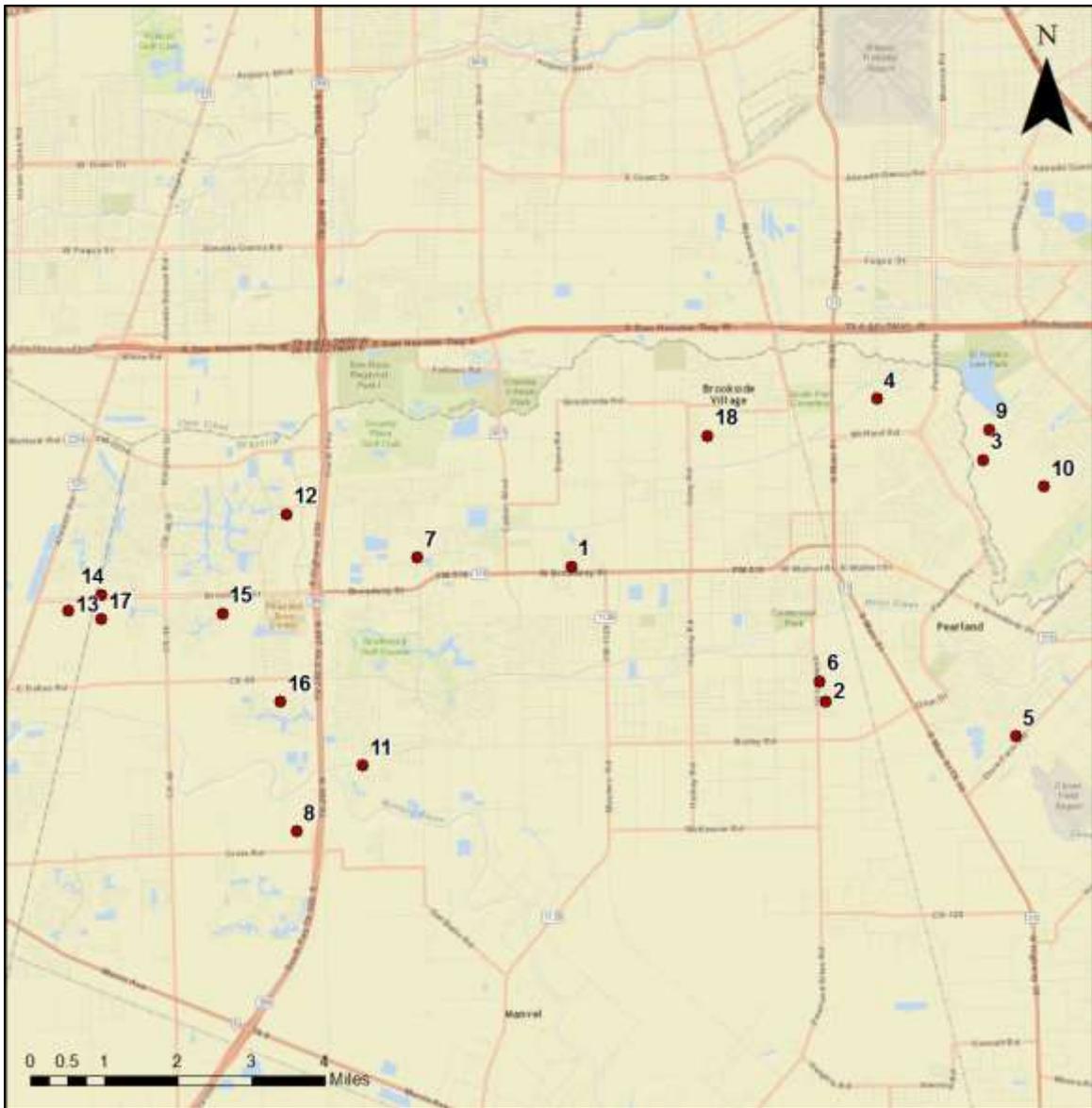


Sources: Data from the CDS database archives.
* Subdivision located in Manvel's jurisdiction



Subdivisions Map

Selected Subdivisions - Location



Number	Subdivision	Number	Subdivision
1	Avalon Terrace	10	Riverstone Ranch
2	Canterbury Park	11	Sedona Lakes
3	Enclave at Highland Glen	12	Shadow Creek Ranch
4	Highland Crossing	13	Shadow Grove Preserve
5	Oakbrook Estates	14	Shadow Ridge
6	Orchard Glen	15	Southern Trails
7	Pearland Lakes	16	Southfork
8	Pomona/Mustang Creek	17	Southlake
9	Preserve at Highland Glen	18	Spring Meadows

Source: CDS Market Research



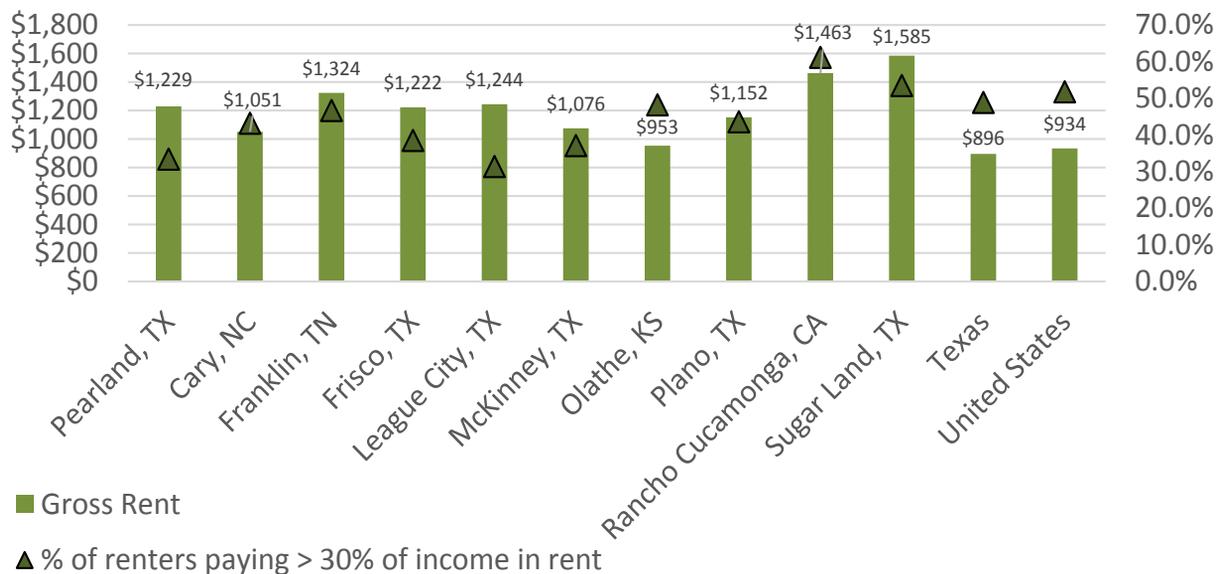
Home Affordability/Gross Rent %

Home Affordability Index, 2014

Geography	Median Home Value	Median Household Income	Home Affordability
Pearland, TX	\$182,100	\$101,211	1.80
Cary, NC	\$298,800	\$92,000	3.25
Franklin, TN	\$335,000	\$80,536	4.16
Frisco, TX	\$294,100	\$115,603	2.54
League City, TX	\$204,600	\$98,578	2.08
McKinney, TX	\$221,700	\$79,346	2.79
Olathe, KS	\$203,800	\$77,008	2.65
Plano, TX	\$236,000	\$81,571	2.89
Rancho Cucamonga, CA	\$410,800	\$71,742	5.73
Sugar Land, TX	\$281,300	\$115,069	2.44
Texas	\$139,600	\$53,035	2.63
United States	\$181,200	\$53,657	3.38

The home affordability index number for the City of Pearland is significantly lower than peer cities, the State of Texas, and the nation as a whole. Pearland homes are especially more affordable than those outside of the state of Texas.

Gross Rent and Percent of Renters paying more than 30% of Income in Rent 2013



Rents in Pearland compare well with peer cities, the State of Texas, and the United States as a whole. The percentage of renters paying more than 30% of their income on rent is in the lower-middle of the areas compared and is significantly lower than the share in the United States as a whole. Gross rent is understood to include utilities.



Sources: US Census Bureau, American Community Survey 2014 (1 year estimates)

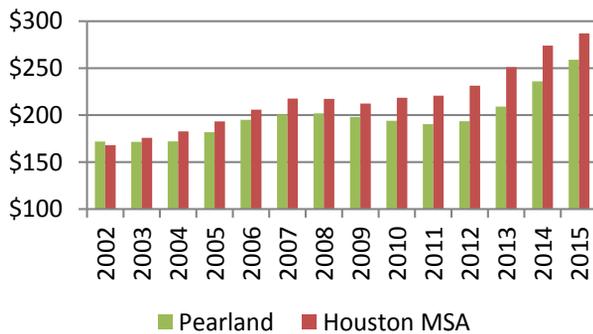


Home Sales Comparison

Sales, Price, and Starts 2002-2015 – Pearland vs. Houston MSA

Year	Sales		Average Price		Starts	
	Pearland	Houston MSA	Pearland	Houston MSA	Pearland	Houston MSA
2015 June	1,149	34,170	\$259,393	\$286,710	179	13,858
2014	2,279	72,974	\$236,022	\$274,003	420	30,368
2013	2,219	71,194	\$208,742	\$251,488	428	28,120
2012	1,856	60,350	\$193,384	\$231,389	395	23,550
2011	1,546	51,828	\$190,412	\$220,627	359	18,344
2010	1,435	49,794	\$194,031	\$218,534	310	22,006
2009	1,593	52,711	\$198,124	\$212,280	341	22,410
2008	1,795	56,713	\$201,855	\$217,294	538	27,516
2007	2,121	67,613	\$200,688	\$217,600	831	41,583
2006	2,105	70,388	\$194,933	\$205,770	1,123	53,012
2005	1,827	63,373	\$181,779	\$193,234	1,151	51,004
2004	1,616	58,010	\$171,966	\$182,662	1,090	42,388
2003	1,395	52,316	\$171,463	\$175,787	1,005	39,530
2002	1,284	48,759	\$171,817	\$167,858	1,176	34,631

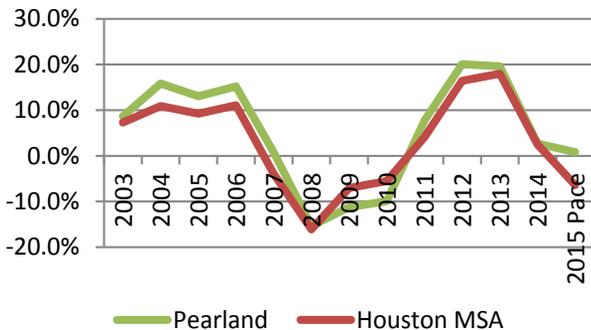
Average Home Price (in 000s)



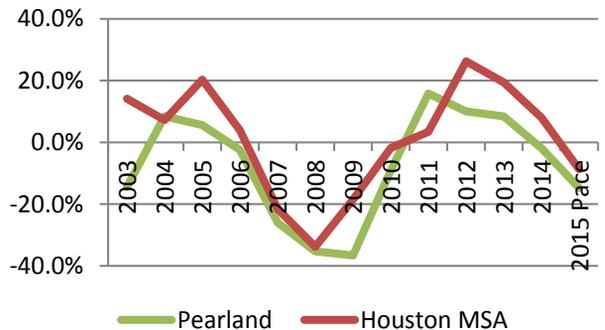
Average home sale prices in Pearland have rebounded from the 2008-2011 recession. Since 2012, Pearland's average home sale price increased 34%, compared with 24% for the region.

Home sales and home starts in Pearland have generally risen and fallen with the region as a whole. Pearland home starts have trended slightly above the region's on the basis of change versus the prior year.

Change in Home Sales vs Prior Year



Change in Home Starts vs Prior Year



Sources: HAR.com, CDS Data Archives

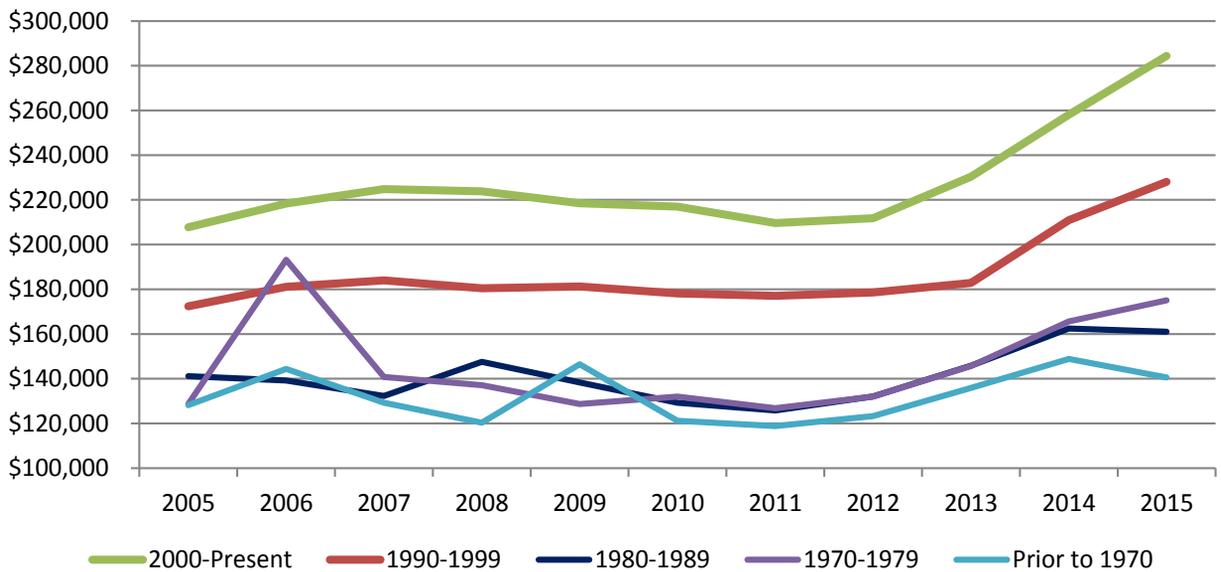


Home Sale Price Appreciation

Home Sale Price 2005-2015 – Pearland by Age of House

Year Built	2005	2015	Change	% Change
2000-Present	\$207,777	\$284,388	\$76,611	36.9%
1990-1999	\$172,373	\$228,055	\$55,682	32.3%
1980-1989	\$141,160	\$160,988	\$19,828	14.0%
1970-1979	\$128,663	\$175,080	\$46,417	36.1%
Prior to 1970	\$128,208	\$140,569	\$12,361	9.6%

Home Sale Price by Age of Housing – 10 Year Trend



Home sales prices in Pearland have appreciated considerably during the past decade, especially for homes built in the last 25 years. Homes built since 2000, during the 1990s and during the 1970s have seen sale price appreciation of greater than 30% since 2005. Most of that appreciation has occurred since 2012. Growth in sales price for older homes has been more volatile, but change from 2005 to 2015 has been flatter than what newer homes have seen.

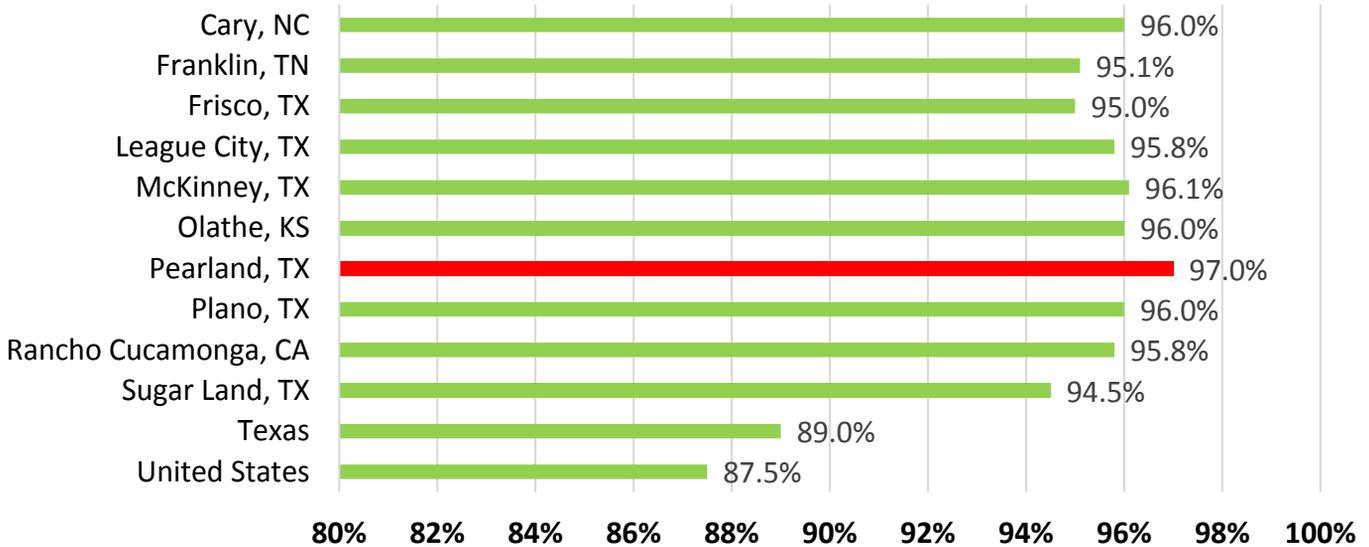


Sources: HAR.com

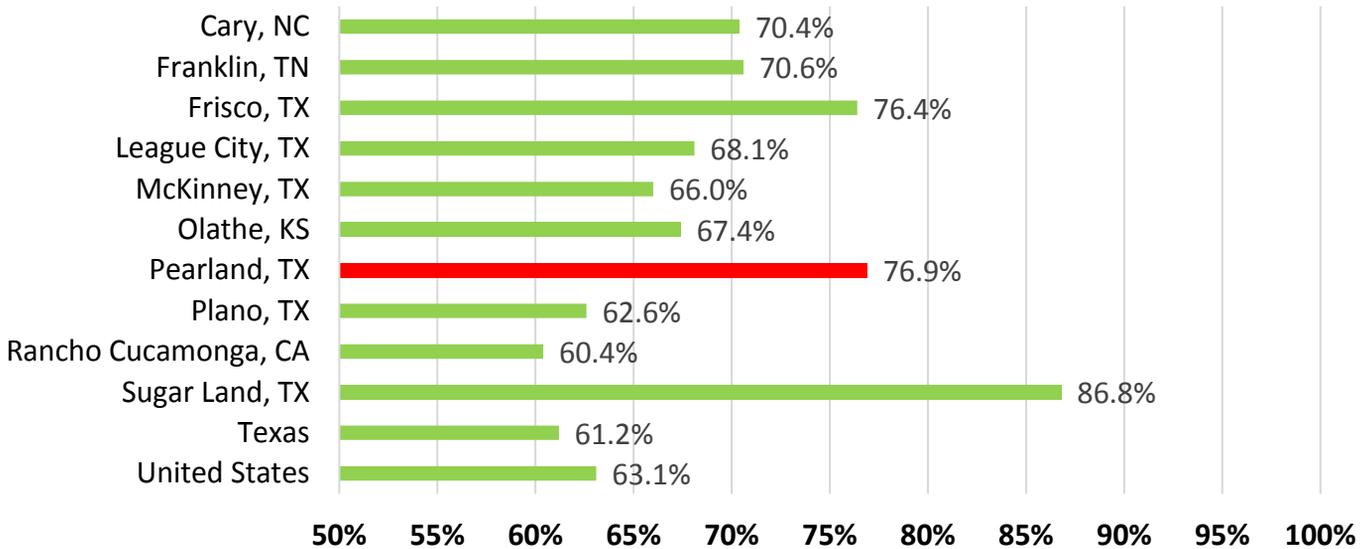


Housing Statistics Compared

Housing Occupancy



Owner-Occupied Housing



Pearland ranks highest among compared cities in housing occupancy and second in share of occupied housing that is owned and not rented. The city compares favorably to state and national rates in both categories as well.

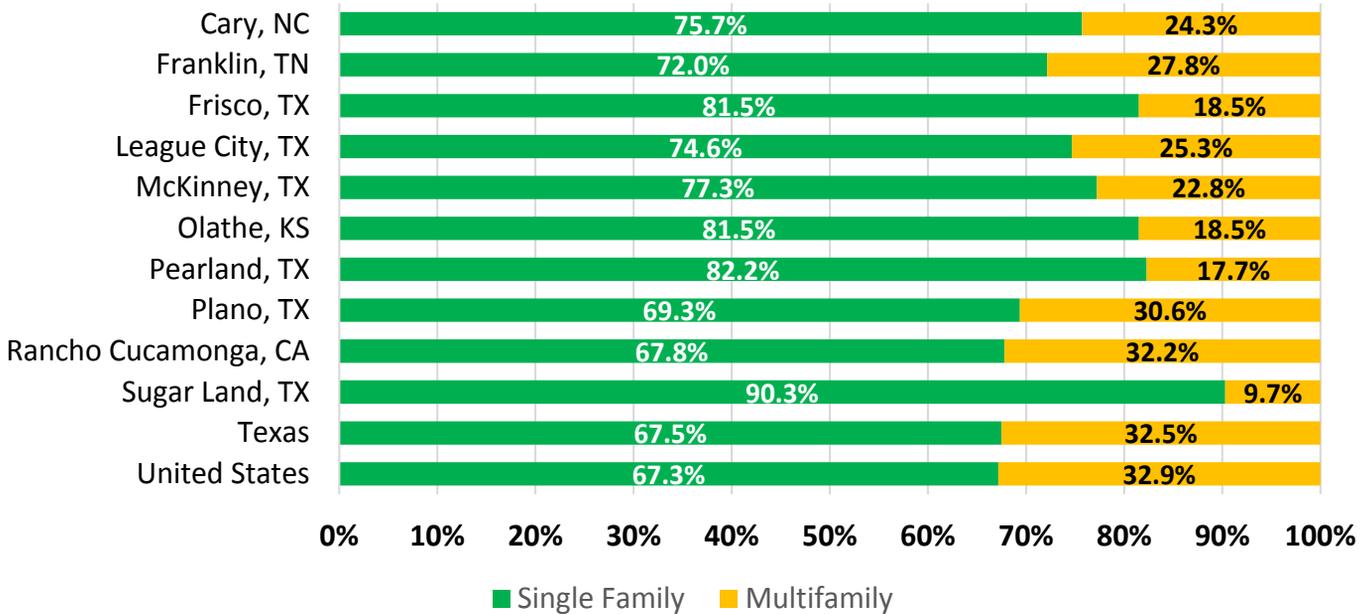


2014 American Community Survey 1 Year figures

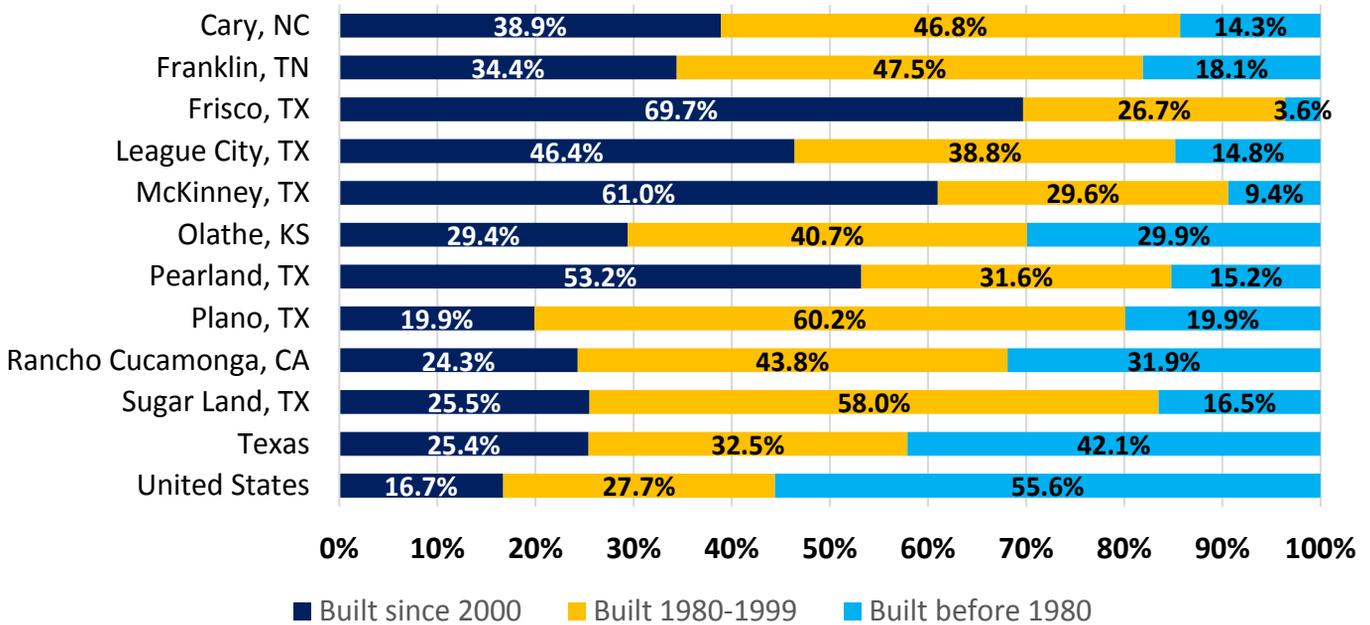


More Housing Statistics Compared

Housing Types



Age of Housing



Pearland has the second highest share of single family homes versus multifamily units among compared areas. It also ranks third among compared cities in share of housing built since the year 2000.

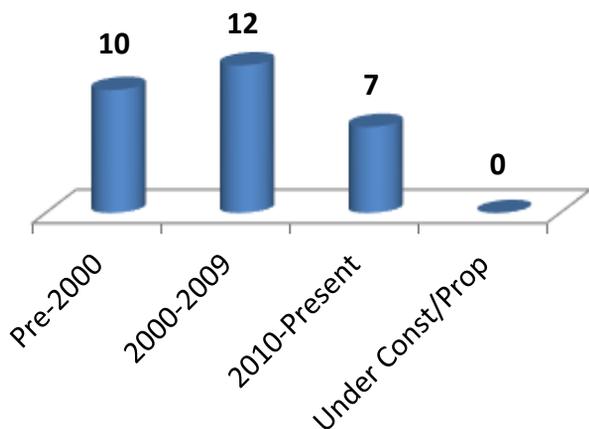


Sources: 2014 American Community Survey 1 Year figures



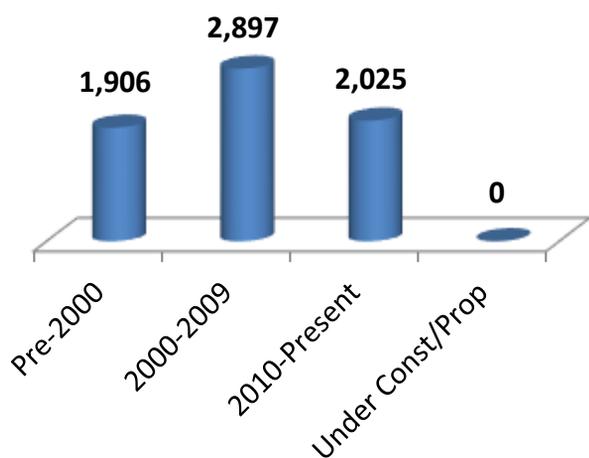
Multi-family Development

Historical Construction - Projects



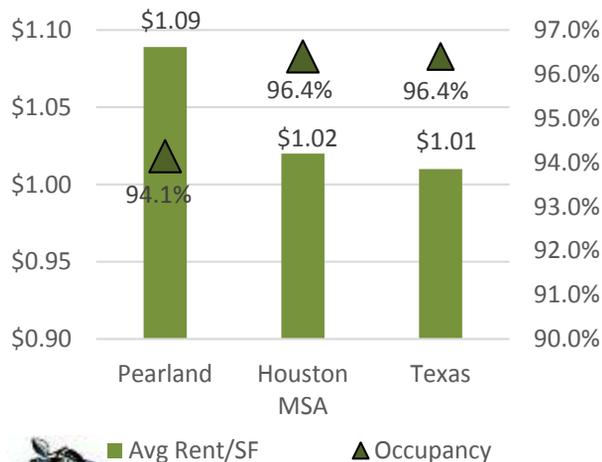
The majority of Pearland's multi-family housing complexes have been built since 2000, with about a quarter being built in the last 5 years.

Historical Construction - Units



As with the complexes, a majority (72%) of Pearland's multi-family units have been built since 2000. The last 5 years has seen the construction of 30% of the city's multi-family units.

Rent and Occupancy Compared



Compared to the Houston MSA, Pearland apartments command higher rents on average than those in the Houston MSA and the State of Texas as a whole. Occupancy is lower, but only slightly.

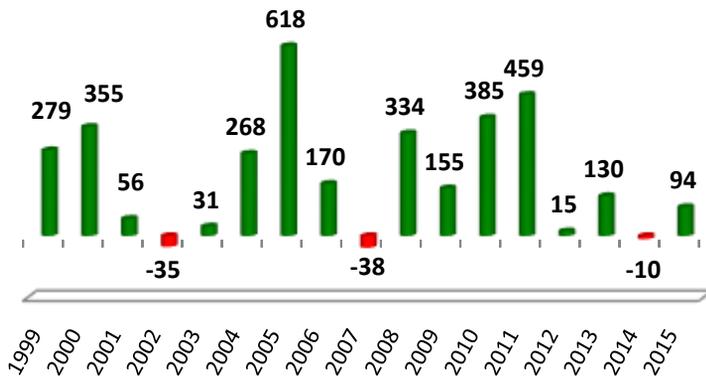


Sources: O'Connor and Associates and ALN Apartment Data



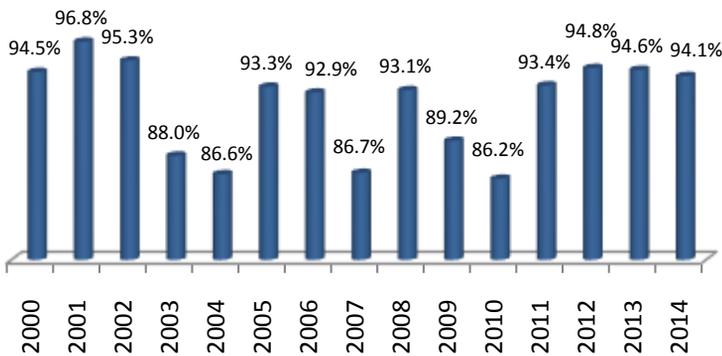
Multi-family Trends

Historical Absorption



With the exception of three years, multi-family unit absorption in Pearland has been quite positive since 1999. The abundance of new construction during this time is the driving factor behind the larger absorption numbers.

Historical Occupancy



Multi-family occupancy in Pearland has fluctuated over the last decade, again, likely due to the abundance of new construction. Despite the fluctuations, occupancy has remained healthy during this time and has topped 93% every year since 2011.

Historical Rent/SF



In contrast to occupancy, the rent per square foot has gradually increased since 1999, exceeding \$1.00 in recent years. Most of the new multi-family complexes in Pearland have been classified as Class A.



Sources: O'Connor and Associates



Multifamily Complexes in Pearland

List of Multifamily Complexes - Pearland

Complex	Class	Total Units	Occupancy	Avg Rent / SF	Year Built
Alexan Shadow Creek Ranch	A	392	98.0%	\$ 1.19	2009
Avenues at Shadow Creek Ranch, The	A	300	97.0%	\$ -	2013
Carroll at Shadow Creek Ranch	A	360	98.7%	\$ -	2010
Discovery at Shadow Creek Ranch, The	A	347	98.0%	\$ 1.35	2011
Enclave at Mary's Creek, The	A	240	98.0%	\$ 1.08	1999
Oakbridge Apts.	B	168	80.0%	\$ 1.15	2004
Park Place	B	100	93.0%	\$ 0.97	1974
Pearland Senior Village	B	126	98.0%	\$ 0.90	2011
Pearland Village	B	130	99.0%	\$ 1.04	1978
Radius at Shadow Creek Ranch	A	350	99.0%	\$ -	2015
Remington, The	A	152	97.0%	\$ 1.19	1993
Reserve at Tranquility Lake, The	A	314	95.0%	\$ 0.98	2004
Residences at Pearland Town Center Ph I, The	A	62	96.0%	\$ -	2009
Residences at Pearland Town Center Ph II, The	A	172	94.0%	\$ -	2012
Retreat at Shadow Creek Ranch	A	370	93.0%	\$ -	2013
Royal Oaks	B	298	97.0%	\$ 0.91	1972
Salem Village	B	141	100.0%	\$ 1.04	1972
Silver Maples	B	152	99.4%	\$ 0.99	1976
Southwind	A	312	90.0%	\$ 1.13	2003
St. Andrews Ph I	A	236	96.4%	\$ 1.04	1999
St. Andrews Ph II	A	236	96.4%	\$ 1.11	2000
Strawbridge	B	171	99.2%	\$ 1.12	1983
Summer Wind Apts.	A	197	97.0%	\$ 1.18	2005
Tranquility Bay Ph I & II	B	274	95.0%	\$ 0.96	2005
Villages of Town Lake	B	126	93.0%	\$ 1.33	2008
Villas at Shadow Creek, The Ph I	A	296	92.0%	\$ 1.16	2006
Villas at Shadow Creek, The Ph II	A	264	92.0%	\$ -	2008
Westlake Residential	A	256	93.0%	\$ 1.01	2000
Whispering Winds	B	286	95.1%	\$ 1.08	1985



Sources: O'Connor and Associates, ALN, Apartment MarketData Research



Retail District Drive Time Analysis

SH 288 at FM 518 – Pearland Town Center



The Pearland Town Center contains the largest concentration of retail square footage in Pearland. In addition to Pearland Town Center, other shopping centers located at this intersection include: Silverlake Village, Crossing at 288, and the Shadow Creek Ranch Town Center. Improved roads in the area have significantly increased the site's drive time ranges. The 5 minute drive time area contains much of fast-growing eastern Pearland, the 10 and 15 minute drive times contain nearly all of it. Access to the site, provided by SH 288 and FM 518, is quite good. The Sam Houston Tollway and SH 6 are both within 10 minutes of the Town Center while Loop 610 and SH 35 are within 15 minutes.

	2010 Census						2015 Census					
	5 minute		10 minute		15 minute		5 minute		10 minute		15 minute	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
White	12,165	39.2%	25,063	32.6%	43,343	21.1%	12,598	34.0%	26,927	28.5%	44,580	19.2%
Black or African American	6,940	22.4%	22,989	29.9%	83,548	40.7%	9,689	26.2%	30,610	32.4%	92,427	39.9%
American Indian and Alaska Native	68	0.2%	160	0.2%	379	0.2%	79	0.2%	184	0.2%	423	0.2%
Asian	6,727	21.7%	11,860	15.4%	16,399	8.0%	8,413	22.7%	15,386	16.3%	20,258	8.7%
Native Hawaiian and Other Pacific Islander	5	0.0%	15	0.0%	42	0.0%	7	0.0%	20	0.0%	61	0.0%
Some Other Race	74	0.2%	178	0.2%	355	0.2%	82	0.2%	210	0.2%	397	0.2%
Two or More Races	731	2.4%	1,477	1.9%	2,627	1.3%	1,021	2.8%	2,138	2.3%	3,561	1.5%
Hispanic or Latino	4,301	13.9%	15,245	19.8%	58,677	28.6%	5,156	13.9%	18,985	20.1%	69,915	30.2%
Total Population	31,011		76,987		205,370		37,045		94,461		231,623	
Occupied Housing Units	10,739	94.2%	26,529	93.6%	69,214	91.7%	12,424	95.0%	31,435	94.5%	77,060	92.6%
Total Housing Units	11,396		28,346		75,505		13,076		33,270		83,194	

2015 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$98,267	\$84,372	\$60,715
HH Consumer Buying Power	\$74,531	\$68,488	\$57,518
2010 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$90,913	\$79,297	\$55,896
HH Consumer Buying Power	\$63,930	\$60,091	\$50,290

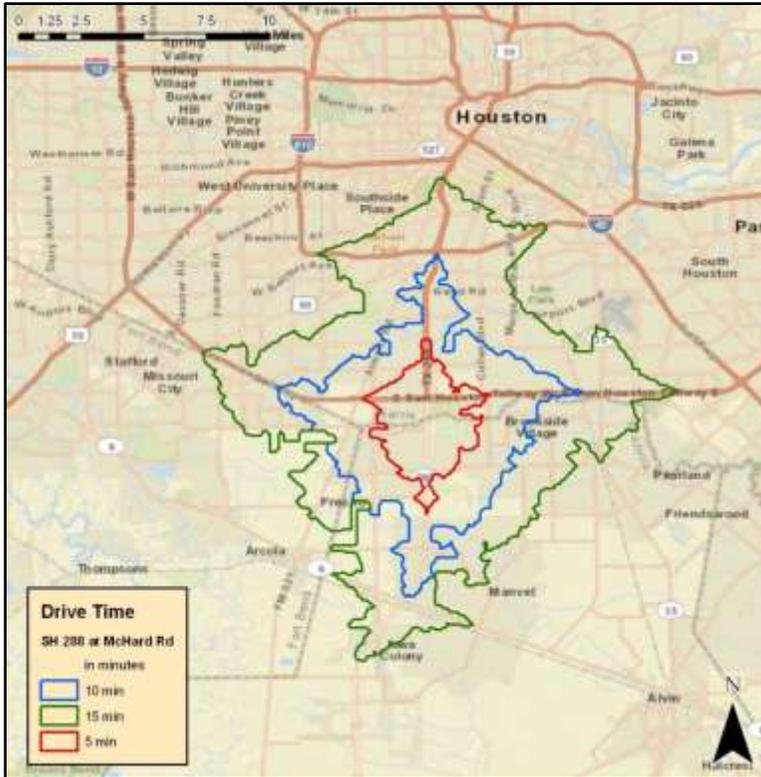


Sources: 2010 US Census and 2015 Nielsen/Claritas, PCensus for ArcView, and Freeway Drivetime Mapping



Retail District Drive Time Analysis

SH 288 at McHard – Northern Pearland Retail



Northern Pearland's retail is concentrated at the Kroger shopping center at SH 288 and McHard Rd and at the Bass Pro Shops store and Spectrum site located at the corner of SH 288 and the Sam Houston Tollway. Like the Town Center site, drive times from the SH 288 and McHard intersection have improved in recent years. Both the Sam Houston Tollway and FM 518 are within 5 minutes of the site. The 10 minute area contains most of eastern Pearland and many of the newest subdivisions of southern Houston. Both the Fort Bend Tollway and SH 6 are within 15 minutes of the site, as are US 90 and the 610 South Loop.

	2010 Census						2015 Census					
	5 minute		10 minute		15 minute		5 minute		10 minute		15 minute	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
White	7,330	35.1%	22,922	23.0%	46,097	16.1%	8,184	30.2%	24,565	21.1%	48,948	15.4%
Black or African American	5,897	28.2%	37,616	37.8%	133,891	46.7%	8,369	30.9%	44,044	37.8%	141,548	44.4%
American Indian and Alaska Native	44	0.2%	180	0.2%	491	0.2%	53	0.2%	215	0.2%	588	0.2%
Asian	3,796	18.2%	11,592	11.6%	22,477	7.8%	5,404	19.9%	14,946	12.8%	27,937	8.8%
Native Hawaiian and Other Pacific Islander	6	0.0%	17	0.0%	64	0.0%	8	0.0%	23	0.0%	84	0.0%
Some Other Race	48	0.2%	188	0.2%	474	0.2%	66	0.2%	219	0.2%	540	0.2%
Two or More Races	461	2.2%	1,511	1.5%	3,401	1.2%	697	2.6%	2,161	1.9%	4,612	1.4%
Hispanic or Latino	3,319	15.9%	25,524	25.6%	79,784	27.8%	4,332	16.0%	30,320	26.0%	94,563	29.7%
Total Population	20,901		99,550		286,679		27,112		116,490		318,819	
Occupied Housing Units	7,767	94.5%	33,218	93.5%	101,266	89.8%	9,270	95.3%	38,019	94.3%	111,354	90.7%
Total Housing Units	8,219		35,522		112,741		9,727		40,300		122,787	

2015 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$87,339	\$71,058	\$50,690
HH Consumer Buying Power	\$69,844	\$63,170	\$53,046
2010 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$77,655	\$64,417	\$48,299
HH Consumer Buying Power	\$56,390	\$54,666	\$46,469



Sources: 2010 US Census and 2015 Nielsen/Claritas, PCensus for ArcView, and Freeway Drivetime Mapping



Retail District Drive Time Analysis

SH 35 at Broadway – Old Central Pearland



The retail district old central Pearland is centered on SH 35 and Broadway Street. This location contains a substantial established population within all drive time ranges, but contains less vacant land and fewer new subdivisions than the previous two retail sites. The 5 minute drive time range is the largest of the three retail district sites due to the well-established road grid, though it ranks second to the Town Center site in total population. Access to major freeways is more limited than previous sites, but still quite good. The Sam Houston Tollway is just inside of the 5 minute drive time range and well within the 10 minute range. Within 15 minutes are SH 288, Interstate 45, Loop 610, and Houston's Hobby Airport.

	2010 Census						2015 Census					
	5 minute		10 minute		15 minute		5 minute		10 minute		15 minute	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
White	14,519	52.8%	34,949	39.8%	81,447	29.5%	14,105	47.1%	34,131	35.4%	79,371	26.5%
Black or African American	2,852	10.4%	11,004	12.5%	51,030	18.5%	3,663	12.2%	12,978	13.5%	55,479	18.5%
American Indian and Alaska Native	90	0.3%	211	0.2%	539	0.2%	98	0.3%	221	0.2%	575	0.2%
Asian	1,575	5.7%	5,775	6.6%	19,378	7.0%	1,803	6.0%	6,444	6.7%	21,665	7.2%
Native Hawaiian and Other Pacific Islander	9	0.0%	30	0.0%	109	0.0%	14	0.0%	48	0.0%	158	0.1%
Some Other Race	42	0.2%	158	0.2%	471	0.2%	45	0.2%	160	0.2%	489	0.2%
Two or More Races	418	1.5%	1,108	1.3%	3,132	1.1%	523	1.7%	1,307	1.4%	3,732	1.2%
Hispanic or Latino	8,001	29.1%	34,586	39.4%	119,755	43.4%	9,722	32.4%	41,118	42.6%	137,749	46.0%
Total Population	27,506		87,821		275,861		29,973		96,408		299,217	
Occupied Housing Units	9,548	93.6%	28,481	93.9%	90,750	91.6%	10,240	93.9%	30,607	94.3%	96,913	91.9%
Total Housing Units	10,196		30,327		99,082		10,906		32,468		105,443	

2015 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$73,862	\$71,292	\$59,766
HH Consumer Buying Power	\$63,002	\$62,698	\$57,529
2010 Estimate	5 minute	10 minute	15 minute
Median HH Income	\$68,813	\$67,357	\$57,099
HH Consumer Buying Power	\$54,571	\$55,193	\$51,194



Sources: 2010 US Census and 2015 Nielsen/Claritas, PCensus for ArcView, and Freeway Drivetime Mapping



Retail District Drive Time Analysis

FM 518 at Dixie Farm Road – Far East Pearland



The retail district of far east Pearland is centered on FM 518 and Dixie Farm Road. This district is anchored by a Walmart Supercenter and a Home Depot store. The drive times around this retail district contains numerous mature subdivisions in older Pearland, Friendswood, and parts of Alvin and south Pasadena. This is reflected by the fact that these drive times are smaller than those of the other three retail districts. Despite this, access is still quite good, with a well established grid of major thoroughfares and sizable portions of Interstate 45 and the Sam Houston Tollway accessible within 15 minutes.

	2010 Census						2015 Census					
	5 minute		10 minute		15 minute		5 minute		10 minute		15 minute	
	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share	Count	Share
White	15,432	65.3%	45,725	52.8%	84,210	45.8%	16,119	60.3%	45,196	48.3%	83,547	41.7%
Black or African American	1,509	6.4%	8,392	9.7%	20,081	10.9%	1,948	7.3%	9,901	10.6%	23,138	11.5%
American Indian and Alaska Native	56	0.2%	215	0.2%	434	0.2%	64	0.2%	235	0.3%	456	0.2%
Asian	2,090	8.8%	7,926	9.1%	14,428	7.8%	2,926	10.9%	9,263	9.9%	16,719	8.3%
Native Hawaiian and Other Pacific Islander	12	0.1%	49	0.1%	111	0.1%	21	0.1%	71	0.1%	155	0.1%
Some Other Race	36	0.2%	150	0.2%	341	0.2%	34	0.1%	146	0.2%	340	0.2%
Two or More Races	291	1.2%	1,212	1.4%	2,616	1.4%	345	1.3%	1,414	1.5%	3,194	1.6%
Hispanic or Latino	4,204	17.8%	22,962	26.5%	61,696	33.5%	5,284	19.8%	27,280	29.2%	72,861	36.4%
Total Population	23,630		86,631		183,917		26,739		93,507		200,410	
Occupied Housing Units	8,154	95.6%	29,344	95.5%	62,878	94.4%	8,762	95.8%	31,214	95.7%	67,338	94.8%
Total Housing Units	8,533		30,726		66,641		9,147		32,615		71,065	

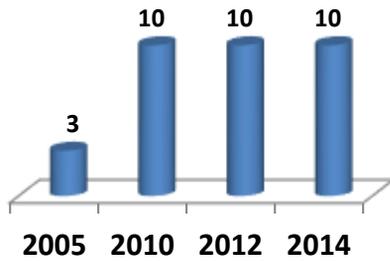
	2015 Estimate	5 minute	10 minute	15 minute
Median HH Income		\$98,075	\$81,548	\$71,890
HH Consumer Buying Power		\$76,364	\$68,470	\$63,528
	2010 Estimate	5 minute	10 minute	15 minute
Median HH Income		\$85,730	\$79,918	\$68,563
HH Consumer Buying Power		\$63,927	\$61,119	\$55,668



Sources: 2010 US Census and 2015 Nielsen/Claritas, PCensus for ArcView, and Freeway Drivetime Mapping

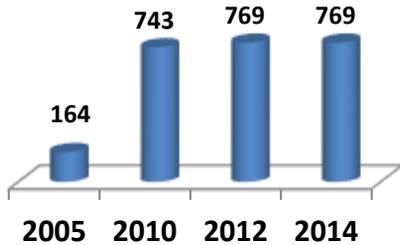


Hotels/Motels



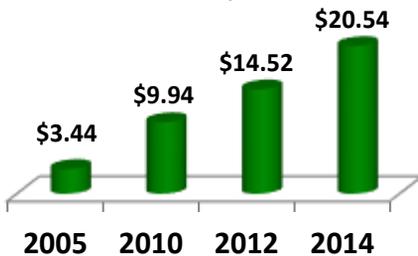
Pearland zip codes 77581 and 77584 contained only three market rate hotels or motels in 2005. This had increased to ten by 2010 and has held there since.

Rooms



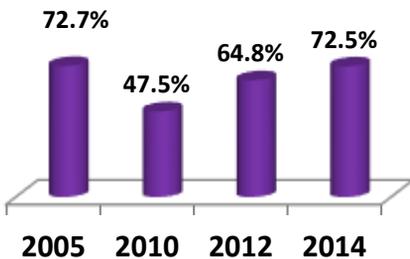
While no hotels have been constructed, Source Strategies reports that the number of rooms has remained steady at 769, a sizable increase over 2005's 164 rooms.

Revenue, Millions



Room revenues increased by 41.5% between 2012 and 2014, 497.1% between 2005 and 2014.

Occupancy

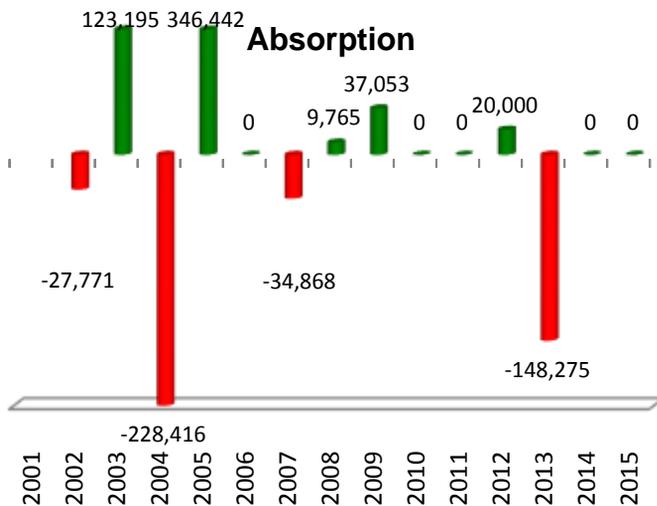


Hotel/motel occupancy has rebounded after the economic downturn that began between 2005 and 2010 and is now near the level seen in 2005's less competitive market.

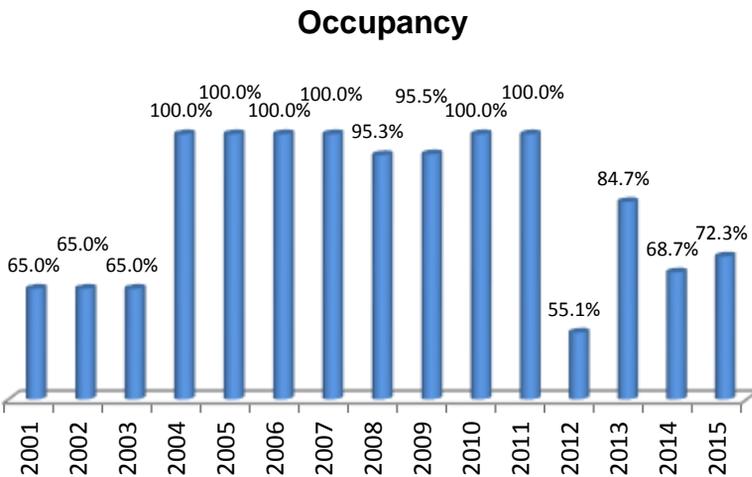
Revenue per Available Room, or REVPAR, increased 41.5% from 2012 to 2014.



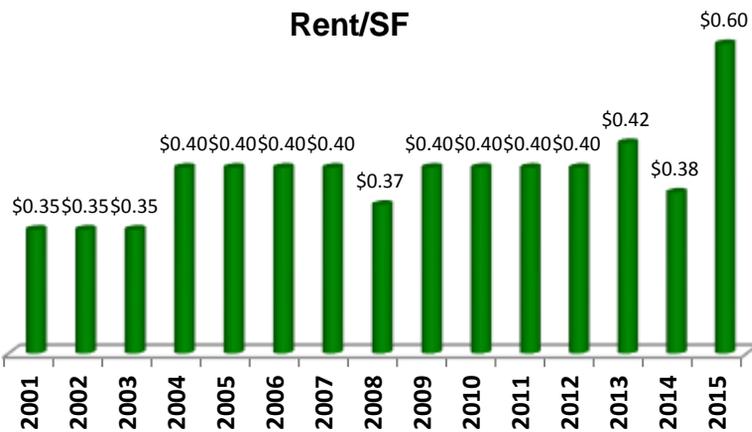
Industrial Trends



Recent absorption, both positive and negative, has largely been the result of new facilities coming online.



Pearland's occupancy rates have typically been high. The largest facilities presently are well-occupied, but overall occupancy is only fair.



Rent per Square Foot has remained steady over the past decade plus, but spiked in 2015.



Sources: O'Connor and Associates

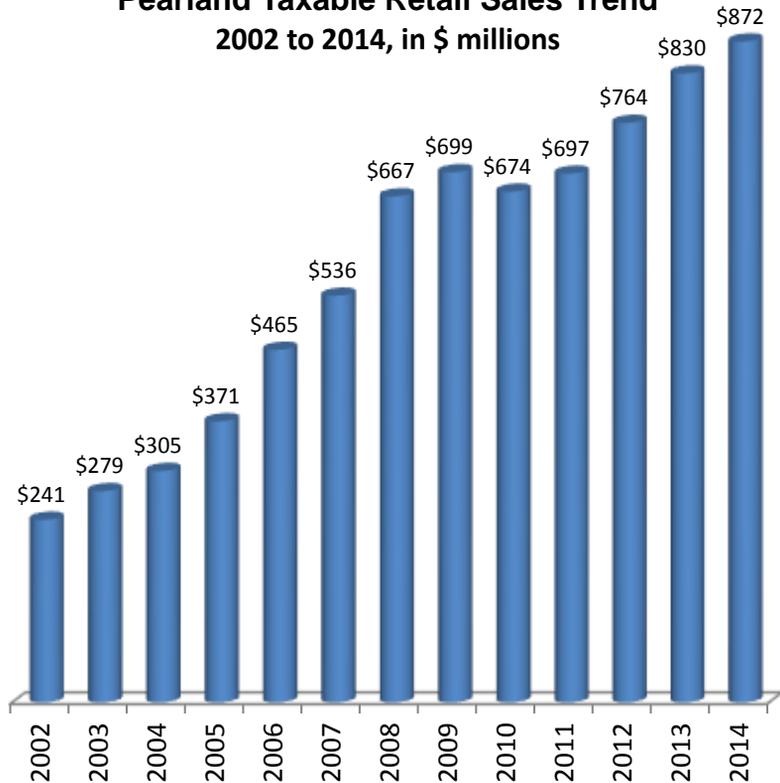


Retail Sales Tax Trends

Pearland's taxable retail sales have increased considerably over the past decade, though growth has slowed since 2008.

From 2000 to 2014, Pearland's annual taxable retail sales increased by over \$630 million. That increase equates to an annual average compound growth rate of 10.4%.

Pearland Taxable Retail Sales Trend
2002 to 2014, in \$ millions



Pearland Retail Sales Trend – 2010 and 2015 in (\$ 000s)

	2010	2014	Change	% Change	CAGR
Motor Vehicle and Parts Dealers	\$49,430	\$52,220	\$2,790	5.6%	1.1%
Furniture and Home Furnishings Stores	\$26,103	\$39,983	\$13,880	53.2%	8.9%
Electronics and Appliance Stores	\$49,978	\$56,237	\$6,259	12.5%	2.4%
Building Material and Garden Equipment and Supplies Dealers	\$97,710	\$132,771	\$35,062	35.9%	6.3%
Food and Beverage Stores	\$246,758	\$397,262	\$150,504	61.0%	10.0%
Health and Personal Care Stores	\$78,323	\$100,028	\$21,705	27.7%	5.0%
Gasoline Stations	\$82,400	\$127,200	\$44,800	54.4%	9.1%
Clothing and Clothing Accessories Stores	\$67,086	\$100,473	\$33,387	49.8%	8.4%
Sporting Goods, Hobby, Book, and Music Stores	\$60,717	\$75,864	\$15,148	24.9%	4.6%
General Merchandise Stores	\$375,993	\$478,318	\$102,325	27.2%	4.9%
Miscellaneous Store Retailers	\$54,517	\$54,478	-\$39	-0.1%	0.0%
Nonstore Retailers	\$5,199	\$33,741	\$28,542	549.0%	45.4%
Food Services and Drinking Places	\$161,286	\$519,221	\$357,935	221.9%	26.3%

CAGR is compound annual growth rate over the period 2010 to 2015

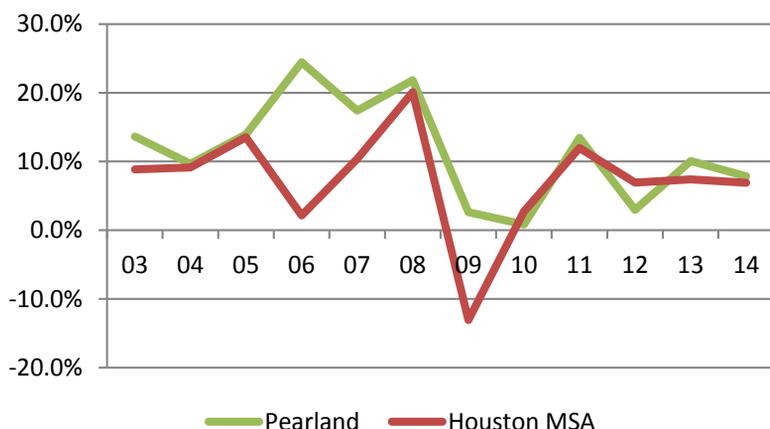


Sources: Texas Comptroller



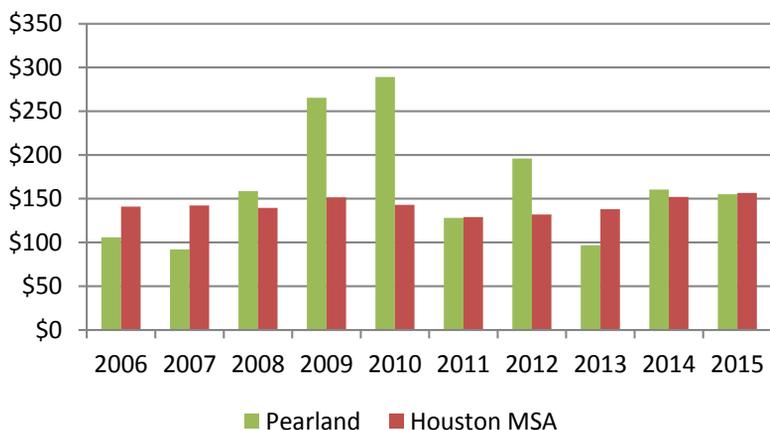
Retail Comparisons

Change in Retail Sales vs Prior Year



Pearland's gross retail sales have grown on a year-to-year basis in each of the past 10 years. This is a trend that is mirrored by the Houston area as a whole, with the exception of 2009. Pearland's retail sales changes have been slightly less volatile than the Houston MSA's.

Average Retail Property Sales Price (per SF)



Due to a relatively small sample size, the average sales price per square foot of retail properties in Pearland has fluctuated significantly over the years. Prices in the Houston MSA have been much steadier, cresting in 2009 and rising again beginning in 2014.

Historical Retail Starts

	Pearland	Houston MSA
Pre-1991	17	2,510
1991-1995	1	314
1996-2000	12	502
2001-2005	31	1,034
2006-2010	23	686
2011-Present	1	97

While roughly half of all retail starts in the Houston area came prior to 1991, only 20% of Pearland's starts did. A majority of Pearland retail starts have occurred since 2001.



Sources: Texas Comptroller, Loopnet sales data, O'Connor & Associates construction summary



Retail Sales Comparison

Texas' 50 Largest City Retail Markets Ranked By Average Annual Retail Sales Growth Rate 2010-2014

Rank	City	Avg. Annual Growth	Rank	City	Avg. Annual Growth
1	Lewisville	21.0%	26	Hurst	7.1%
2	Midland	14.5%	27	Grand Prairie	6.3%
3	Odessa	14.2%	28	College Station	6.1%
4	Frisco	13.0%	29	Laredo	5.8%
5	Houston	10.0%	30	Richardson	5.7%
6	Round Rock	9.8%	31	Waco	5.5%
7	Pasadena	9.7%	32	Abilene	5.5%
8	Baytown	9.7%	33	Carrollton	5.4%
9	Conroe	9.6%	34	Amarillo	5.3%
10	New Braunfels	9.4%	35	Killeen	5.1%
11	Corpus Christi	9.4%	36	Arlington	5.0%
12	McKinney	9.3%	37	Tyler	5.0%
13	Austin	9.3%	38	Brownsville	4.8%
14	Victoria	8.8%	39	El Paso	4.6%
15	Plano	8.8%	40	Mesquite	4.5%
16	San Angelo	8.7%	41	Harlingen	4.4%
17	Lubbock	8.7%	42	Sherman	4.1%
18	Fort Worth	8.6%	43	Wichita Falls	3.8%
19	Pearland	8.4%	44	Beaumont	3.1%
20	San Marcos	8.3%	45	Longview	2.9%
21	Georgetown	8.3%	46	Irving	2.9%
22	Denton	8.1%	47	McAllen	2.9%
23	Grapevine	8.0%	48	Garland	2.4%
24	Sugar Land	7.9%	49	Dallas	-1.8%
25	San Antonio	7.2%	50	Temple	-4.0%

Pearland ranked 19th in the state of Texas among the top 50 retail markets in average annual retail sales growth from 2010 to 2014, well in the top half of all large markets. Annual retail sales growth for the entire state of Texas during this period was 6.9%.

Pearland is one of six cities (Houston, Sugar Land, Baytown, Conroe, Pasadena) in the Houston MSA that are among the state's top 50 retail markets.



Sources: Texas Comptroller 2015

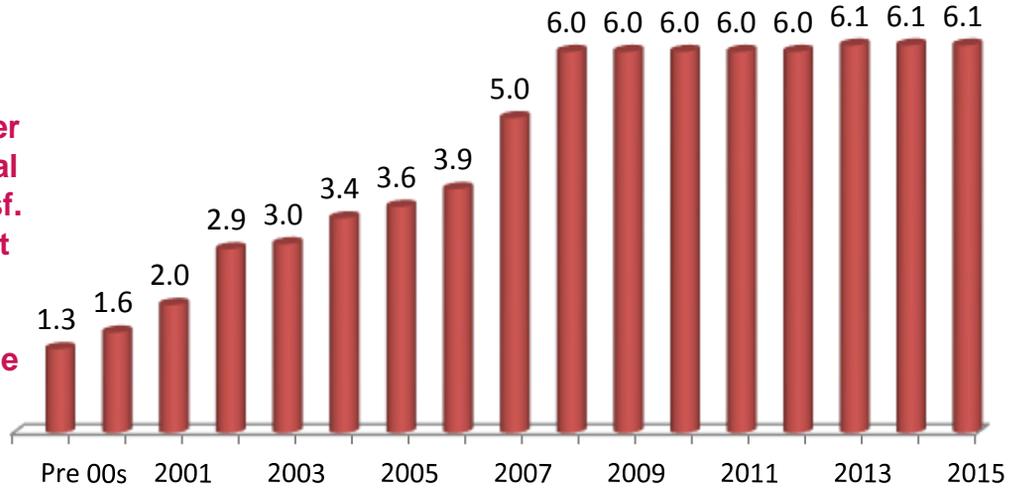


Retail Development Trends

First class shopping can be found in the 6,130,600 square feet of retail space in Pearland (86 retail buildings).

Pearland Town Center is the largest regional center with 700,000 sf. completed in 2008, it is a mixed-use "lifestyle center" including retail, office and apartments.

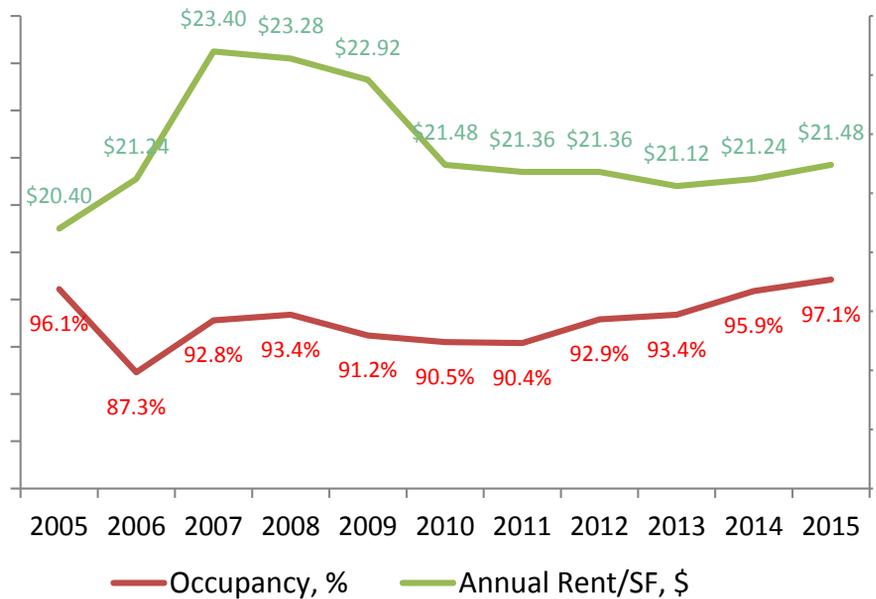
Pearland Retail Space Trend, Square Feet millions



Overall retail occupancy in Pearland has topped 90% every year since 2007.

Rents have not recovered to the levels seen prior to the 2008 recession. They have held steady since.

Retail Occupancy and Rental Rates

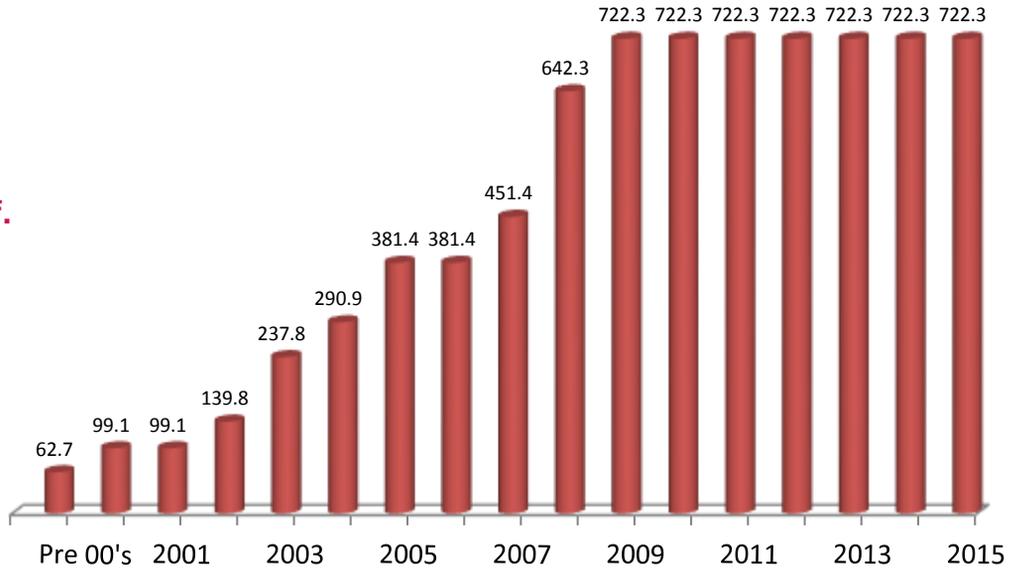


Sources: O'Connor and Associates



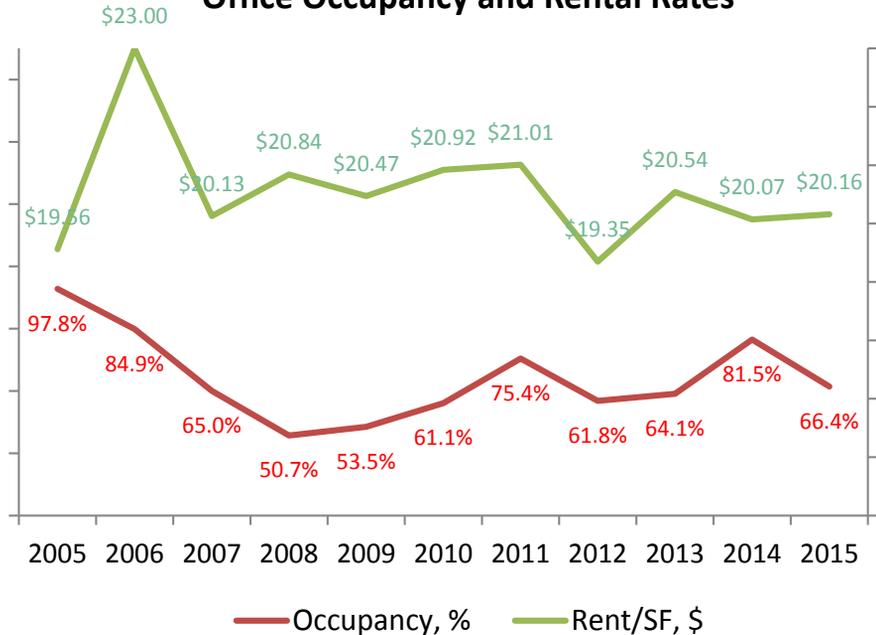
Office Trends

**Pearland Office Space Trend,
Square Feet 1,000s**



The Pearland office market includes 26 buildings containing 722,300 net rentable sf.

Office Occupancy and Rental Rates



Occupancy declined significantly since 2005 as new spaces become available in the market. Current occupancy is 66.4%. Rents have held steady since 2006.



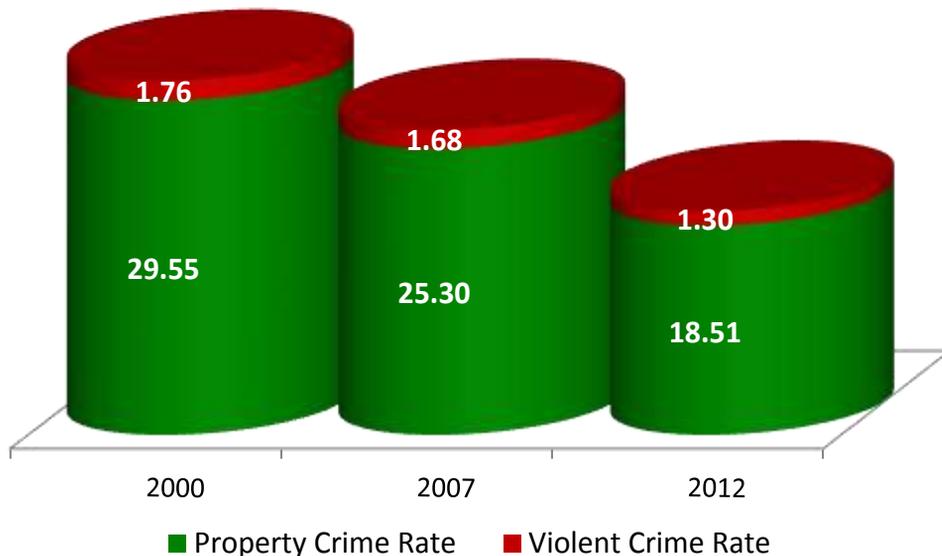
Sources: O'Connor and Associates



Crime

Pearland Crime Rate Trend,
Crimes per 1,000 Residents

Pearland's crime rate has declined dramatically since 2000. The property crime rate is down 37% and the violent crime rate is down 26% -- a reduction better than the national reductions of 21% and 24% and the statewide drops of 24% and 25% respectively.



Crime Rate Comparison
Crimes per 1,000 Population

The Crime Rate in Pearland is substantially lower than the United States and the Houston MSA as a whole and lower than most cities in the region.

Geographical Area	Violent Crime Rate				Property Crime Rate			
	2007	2012	Change	% Change	2007	2012	Change	% Change
Pearland, TX	1.68	1.30	-0.38	-22.7%	25.30	18.51	-6.79	-26.8%
Baytown, TX	4.26	3.32	-0.94	-22.1%	45.02	49.50	4.48	10.0%
League City, TX	1.27	0.92	-0.35	-27.8%	24.92	20.13	-4.79	-19.2%
Pasadena, TX	4.32	4.02	-0.30	-6.9%	34.52	36.30	1.78	5.1%
Sugar Land, TX	1.21	1.31	0.10	8.2%	19.15	18.58	-0.57	-3.0%
Houston Metro Area	6.79	5.59	-1.20	-17.7%	41.09	34.89	-6.20	-15.1%
Texas	5.11	4.09	-1.02	-20.0%	41.21	33.62	-7.59	-18.4%
United States	4.67	3.87	-0.80	-17.2%	32.64	28.59	-4.05	-12.4%



Source: FBI Uniform Crime Reporting Database

