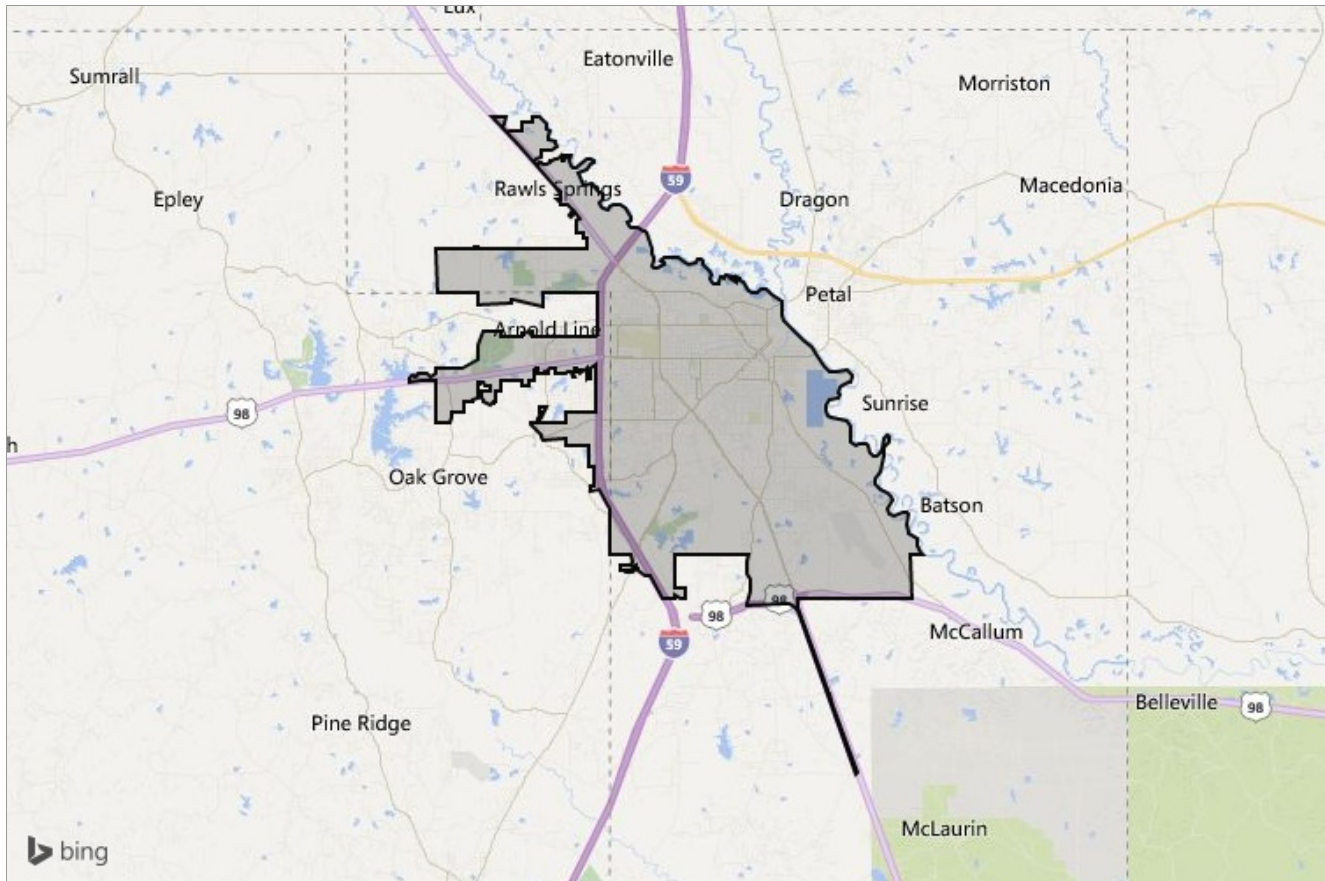


COMMERCIAL TRADE AREA REPORT

Hattiesburg, Mississippi

Prepared for Hattiesburg, MS Commercial Appraisal Prospect



Presented by

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I offer commercial appraisal and real estate consulting services in Hattiesburg, Forrest County, Lamar County, and across the Pine Belt area.

Criteria Used for Analysis

Income:
Median Household Income
\$27,947

Age:
Median Age
28.6

Population Stats:
Total Population
47,513

Segmentation:
1st Dominant Segment
Young and Restless

Consumer Segmentation

Life Mode

What are the people like that live in this area?

Midtown Singles

Millennials on the move; single, diverse and urban

Urbanization

Where do people like this usually live?

Metro Cities

Affordable city life, including smaller metros, satellite cities

Top Tapestry Segments

	Young and Restless	City Commons	College Towns	Set to Impress	Modest Income Homes
% of Households	3,075 (16.1%)	2,320 (12.1%)	2,311 (12.1%)	2,028 (10.6%)	1,848 (9.7%)
% of Forrest County	1,213 (4.1%)	2,320 (7.8%)	2,311 (7.7%)	2,028 (6.8%)	1,848 (6.2%)
Lifestyle Group	Midtown Singles	Midtown Singles	Scholars and Patriots	Midtown Singles	Hometown
Urbanization Group	Metro Cities	Metro Cities	Metro Cities	Metro Cities	Urban Periphery
Residence Type	Multi-Unit Rentals	Multi-Unit Rentals; Single Family	Multi-Unit Rentals; Single Family	Multi-Unit Rentals; Single Family	Single Family
Household Type	Singles	Single Parents	Singles	Singles	Singles
Average Household Size	2.02	2.66	2.12	2.1	2.56
Median Age	29.4	27.6	24.3	33.1	36.1
Diversity Index	76	49.5	53.5	64.9	33.3
Median Household Income	\$36,000	\$17,000	\$28,000	\$29,000	\$22,000
Median Net Worth	\$11,000	\$10,000	\$11,000	\$12,000	\$13,000
Homeownership	13.7 %	24.1 %	25.5 %	28.8 %	46.3 %
Average Monthly Rent	\$920	\$650	\$890	\$750	\$720
Employment	Services or Professional	Services, Administration or Professional	Students, Services or Professional	Services, Professional or Administration	Services or Administration
Education	College Degree	High School Graduate	College Degree	High School Graduate	High School Graduate
Preferred Activities	Text, redeem coupons from cell phone. Go dancing; play pool; buy organic food.	Shop warehouse clubs/discount. Buy baby/children's products.	Use computers, cell phones for everything. Shop impulsively.	Go to rock concerts, nightclubs, zoos. Shop at Walgreens.	Shop at low-cost retailers, warehouse clubs. Play basketball.
Financial	Bank online	Own private health care policy	Pay bills online	Manage finances online	Pay bills in person
Media	Listen to blues, jazz, rap, hip-hop, dance music	Listen to urban radio	Customize cell phones	Download latest music online	Watch BET; listen to gospel, R&B radio
Vehicle	Take public transportation	Take public transportation	Prefer vehicle with good gas mileage	Own used, imported vehicles	Take public transportation

About this segment

Young and Restless

This is the
#1
dominant segment
for this area

In this area
16.1%
of households fall
into this segment

In the United States
1.7%
of households fall
into this segment

An overview of who makes up this segment across the United States

Who We Are

Gen Y comes of age: Well-educated young workers, some of whom are still completing their education, are employed in professional/technical occupations, as well as sales and office/administrative support roles. These residents are not established yet, but striving to get ahead and improve themselves. This market ranks in the top 5 for renters, movers, college enrollment and labor-force participation rate. Almost 1 in 5 residents move each year. Close to half of all householders are under the age of 35, the majority living alone or in shared non-family dwellings. Median household income is still below the U.S. average. Smartphones are a way of life, and they use the Internet extensively. Young and Restless consumers are diverse, favoring densely populated neighborhoods in large metropolitan areas; more than 50 percent are located in the South (almost a fifth in Texas), with the rest chiefly in the West and Midwest.

Our Neighborhood

- One of the youngest markets: Half the householders under age 35; median age 29.4.
- Primarily single-person households with some shared households.
- Highly mobile market, beginning careers and changing addresses frequently.
- Naturally, one of the top five renter markets.
- Apartment rentals popular: 45% in 5-19 unit buildings, 26% in 20+ unit buildings.
- Majority of housing built in 1970 or later (83%).

Socioeconomic Traits

- Education completed: 2 out of 3 have some college, an associate's degree, or a bachelor's degree or higher. Education in progress: almost 15% are still enrolled in college.
- Labor force participation rate is exceptionally high at 75.4%; unemployment is low at 7.8%.
- These are careful shoppers, aware of prices, and demonstrate little brand loyalty.
- They like to be the first to try new products, but prefer to do research before buying the latest electronics.
- Most of their information comes from the Internet and TV, rather than traditional media.
- Carry their cell phone everywhere they go.

Market Profile

- No landline telephone for majority of households, preferring a cell phone only.
- Use their cell phone to text, listen to music, pay bills, redeem coupons, look up directions and access financial information.
- Online activities include banking (with paperless statements), purchasing items on eBay, accessing Twitter and Facebook, and watching movies and TV shows.
- Enjoy dancing, playing pool, watching MTV and Comedy Central programs, reading fashion magazines and playing volleyball.
- Listen to blues, jazz, rap, hip hop, and dance music and read music magazines.
- Purchase natural/organic food, but frequent fast food restaurants.

The demographic segmentation shown here can help you understand the lifestyles and life stages of consumers in a market. Data provider Esri classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics. Data Source: Esri 2014. Update Frequency: Annually.

About this segment City Commons

This is the
#2
dominant segment
for this area

In this area
12.1%
of households fall
into this segment

In the United States
0.9%
of households fall
into this segment

An overview of who makes up this segment across the United States

Who We Are

The City Commons segment is one of the youngest and largest markets, primarily comprising single-parent and single-person households living within large, metro cities. While more than a third have a college degree or spent some time in college, nearly a third have not finished high school, which has a profound effect on their economic circumstance. However, that has not dampened their aspiration to strive for the best for themselves and their children.

Our Neighborhood

- Single parents, primarily female, and singles head these young households.
- Average household size is slightly higher than the U.S. average at 2.66.
- City Commons are found in large metropolitan cities, where most residents rent apartments in midrise buildings.
- Neighborhoods are older, built before 1960, with high vacancy rates.
- Typical of the city, many households own either one vehicle or none, and use public transportation or taxis.

Socioeconomic Traits

- Although some have college degrees, nearly one in three have not graduated from high school.
- Unemployment is very high at 24%; labor force participation is low at 54%.
- Most households receive income from wages or salaries, but nearly one in four receive contributions from Social Security and public assistance.
- Consumers endeavor to keep up with the latest fashion trends.
- Most families prefer the convenience of fast-food restaurants to cooking at home.

Market Profile

- Baby and children's products, like food and clothing, are the primary purchases.
- They shop primarily at warehouse clubs like Sam's Club and discount department stores such as Kmart.
- While most residents obtain privately issued medical insurance plans, some are covered by Federal programs like Medicaid.
- They subscribe to cable TV; children-oriented programs are popular, as are game shows and home shopping channels.
- Magazines are extremely popular sources of news and the latest trends, including baby, bridal and parenthood types of magazines.
- They enjoy listening to urban radio.

The demographic segmentation shown here can help you understand the lifestyles and life stages of consumers in a market. Data provider Esri classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics. Data Source: Esri 2014. Update Frequency: Annually.

About this segment

College Towns

This is the

#3

dominant segment for this area

In this area

12.1%

of households fall into this segment

In the United States

0.9%

of households fall into this segment

An overview of who makes up this segment across the United States

Who We Are

About half the residents of College Towns are enrolled in college, while the rest work for a college or the services that support it. Students have busy schedules, but make time between studying and part-time jobs for socializing and sports. Students that are new to managing their own finances tend to make impulse buys and splurge on the latest fashions. This digitally engaged group uses computers and cell phones for all aspects of life including shopping, school work, news, social media and entertainment. College Towns are all about new experiences, and residents seek out variety and adventure in their lives.

Our Neighborhood

- These are non-family households with many students living alone or with roommates for the first time.
- This segment is a mix of densely developed student housing and dorms with local residences.
- Off-campus, low rent apartments comprise half of the housing stock.
- Over three-quarters of the households are renter occupied, with one in ten remaining vacant.
- One-third of homes are single family; mostly occupied by local residents who own their homes.
- This market is bike and pedestrian friendly.

Market Profile

- Own a laptop and a portable MP3 player.
- Watch movies and TV programs online; MTV and Comedy Central on TV.
- Use the Internet for social media connections, blogging, paying bills and downloading music.
- Have cell phones only (no landlines) and enjoy customizing them.
- Popular activities: backpacking, Pilates and Frisbee.
- Go out to the movies and out for drinks.

Socioeconomic Traits

- Their limited incomes result in thrifty purchases.
- They do not eat the healthiest foods, nor do they see a doctor regularly.
- They dress to impress with the latest fashions of the season.
- They prefer environmentally friendly products and vehicles that get good gas mileage.
- They're heavily influenced by celebrity endorsements and trends in magazines.
- They feel anything that can be done online is easier than in person.
- They have liberal political views.

The demographic segmentation shown here can help you understand the lifestyles and life stages of consumers in a market. Data provider Esri classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics. Data Source: Esri 2014. Update Frequency: Annually.

About this segment

Set to Impress

This is the
#4
dominant segment
for this area

In this area
10.6%
of households fall
into this segment

In the United States
1.4%
of households fall
into this segment

An overview of who makes up this segment across the United States

Who We Are

Set to Impress is depicted by medium to large multi-unit apartments with lower than average rents. These apartments are often nestled into neighborhoods with other businesses or single-family housing. Nearly one in three residents is 20 to 34 years old, and more than half of the homes are non-family households. Although many residents live alone, they preserve close connections with their family. Income levels are low; many work in food service while they are attending college. This group is always looking for a deal. They are very conscious of their image and seek to bolster their status with the latest fashion. Set to Impress residents are tapped into popular music and the local music scene.

Our Neighborhood

- Residents are better educated and mobile.
- Unemployment is higher, although many are still enrolled in college.
- They always have an eye out for a sale and will stock up when the price is right.
- They prefer name brands, but will buy generic when it is a better deal.
- Quick meals on the run are a reality of life.
- They're image-conscious consumers who dress to impress and often make impulse buys.
- They maintain close relationships with family.

Socioeconomic Traits

- Apartment complexes represented by multiple multi-unit structures are often nestled in neighborhoods with single-family homes or businesses.
- Renters make up nearly three quarters of all households.
- They're found mostly in urban areas, but also in suburbs.
- Single-person households make up over 40% of all households.
- It is easy enough to walk or bike to work for many residents.

Market Profile

- They listen to a variety of the latest music and download music online.
- Majority have cell phones only, no landlines.
- They use the Internet for social media and managing finances.
- They own used, imported vehicles.
- They shop at Walgreens.
- They enjoy leisure activities including going to rock concerts, night clubs and the zoo.

The demographic segmentation shown here can help you understand the lifestyles and life stages of consumers in a market. Data provider Esri classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics. Data Source: Esri 2014. Update Frequency: Annually.

About this segment

Modest Income Homes

This is the
#5
dominant segment
for this area

In this area
9.7%
of households fall
into this segment

In the United States
1.4%
of households fall
into this segment

An overview of who makes up this segment across the United States

Who We Are

Families in this urban segment may be non-traditional; however, their religious faith and family values guide their modest lifestyles. Many residents are primary caregivers to their elderly family members. Jobs are not always easy to come by, but wages and salary income are still the main sources of income for most households. Reliance on Social Security and public assistance income is necessary to support single-parent and multi-generational families. High poverty rates in this market make it difficult to make ends meet. Nonetheless, rents are relatively low. Public transportation is available, and Medicaid can assist families in need.

Our Neighborhood

- Households are single person or single parent (usually female householders). Multigenerational families are also present.
- Homes are predominantly single family; values reflect the age of the housing, built more than 60 years ago.
- Over half of the homes are renter occupied; average rent is lower than the U.S. average.
- Most households have no vehicle or one car, with a high dependence on public transportation.

Socioeconomic Traits

- Almost a quarter of adults aged 25 or more have no high school diploma.
- Labor force participation is only 50%, with unemployment at more than double the U.S. rate.
- Income is less than half of the U.S. median income; one in three households are in poverty, dependent on Social Security, public assistance and Supplemental Security Income.
- Consumers in this market consider traditional gender roles and religious faith very important.
- This market lives for today, choosing to save only for a specific purpose.
- They favor TV as their media of choice and will purchase a product with a celebrity endorsement.

Market Profile

- To make ends meet, consumers shop at warehouse clubs and low-cost retailers.
- Unlikely to own a credit card, they pay their bills in person.
- This market supports multigenerational families; they are often primary caregivers for elderly family members. On average, Modest Income Homes residents have a higher reliance on Medicaid.
- For entertainment, they listen to gospel and R&B music and prefer to watch BET.
- The recreational activity of choice for residents is basketball.

The demographic segmentation shown here can help you understand the lifestyles and life stages of consumers in a market. Data provider Esri classifies U.S. residential neighborhoods into 67 unique market segments based on socioeconomic and demographic characteristics. Data Source: Esri 2014. Update Frequency: Annually.

Hattiesburg, Mississippi: Population Comparison

Total Population

This chart shows the total population in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Population Density

This chart shows the number of people per square mile in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



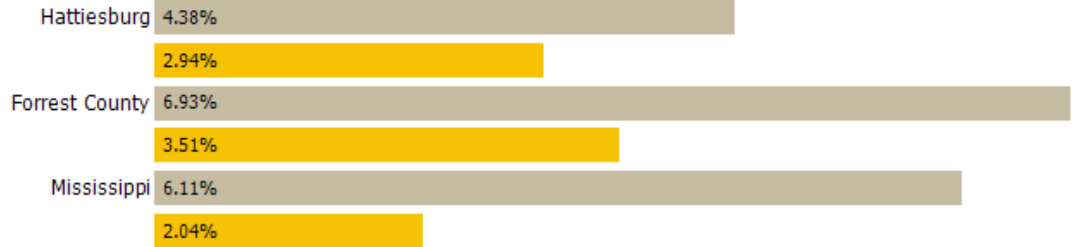
Population Change Since 2000

This chart shows the percentage change in area's population from 2000 to 2014, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Average Household Size

This chart shows the average household size in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Population Living in Family Households

This chart shows the percentage of an area's population that lives in a household with one or more individuals related by birth, marriage or adoption, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

- 2014
- 2019 (Projected)



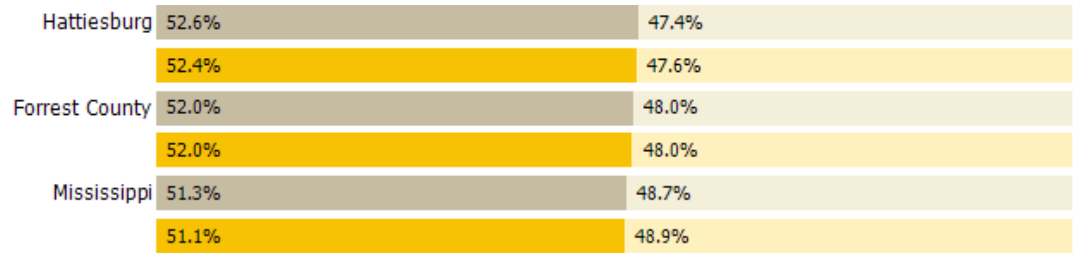
Female / Male Ratio

This chart shows the ratio of females to males in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

- Women 2014
- Men 2014
- Women 2019 (Projected)
- Men 2019 (Projected)



Hattiesburg, Mississippi: Age Comparison

Median Age

This chart shows the median age in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

2014
2019 (Projected)



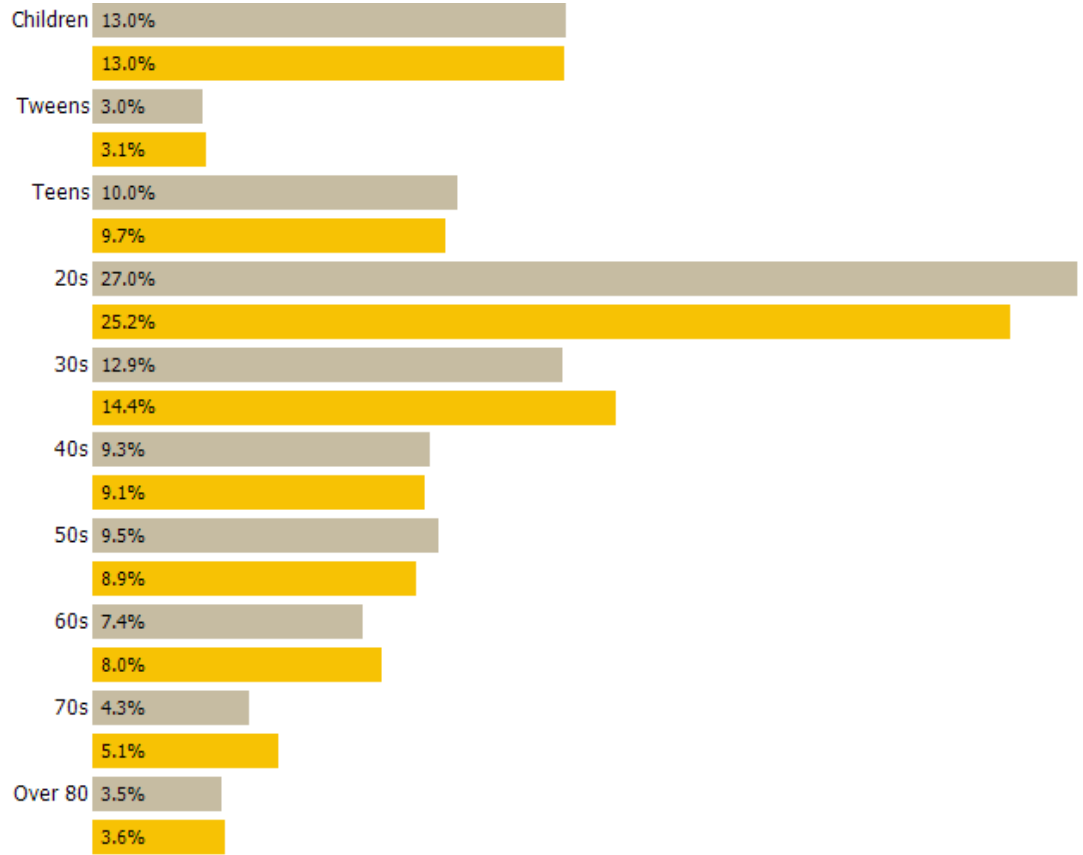
Population by Age

This chart breaks down the population of an area by age group.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

2014
2019 (Projected)



Hattiesburg, Mississippi: Marital Status Comparison

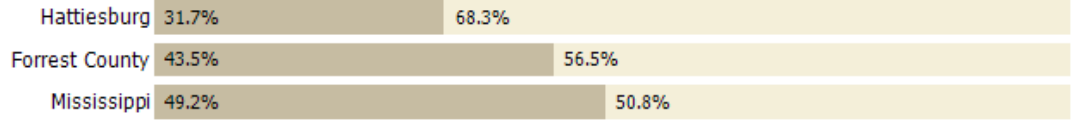
Married / Unmarried Adults Ratio

This chart shows the ratio of married to unmarried adults in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

Married
 Unmarried



Married

This chart shows the number of people in an area who are married, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Never Married

This chart shows the number of people in an area who have never been married, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Widowed

This chart shows the number of people in an area who are widowed, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Divorced

This chart shows the number of people in an area who are divorced, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Hattiesburg, Mississippi: Economic Comparison

Average Household Income

This chart shows the average household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Median Household Income

This chart shows the median household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Per Capita Income

This chart shows per capita income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually

■ 2014
■ 2019 (Projected)



Average Disposable Income

This chart shows the average disposable income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



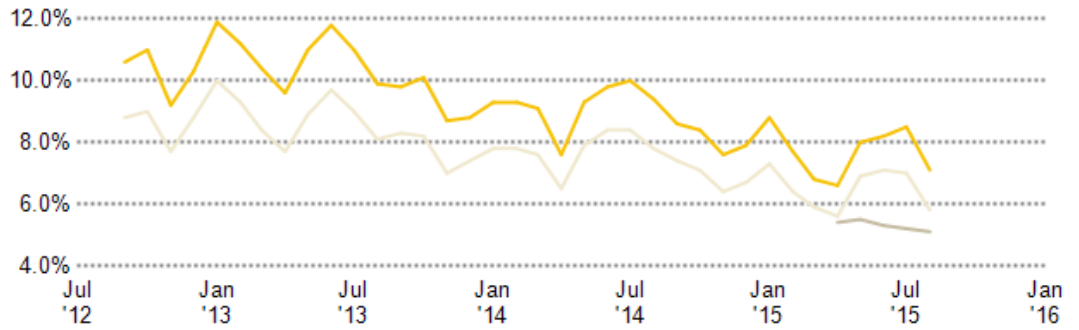
Unemployment Rate

This chart shows the unemployment trend in an area, compared with other geographies.

Data Source: Bureau of Labor Statistics via 3DL

Update Frequency: Monthly

- Hattiesburg
- Forrest County
- United States

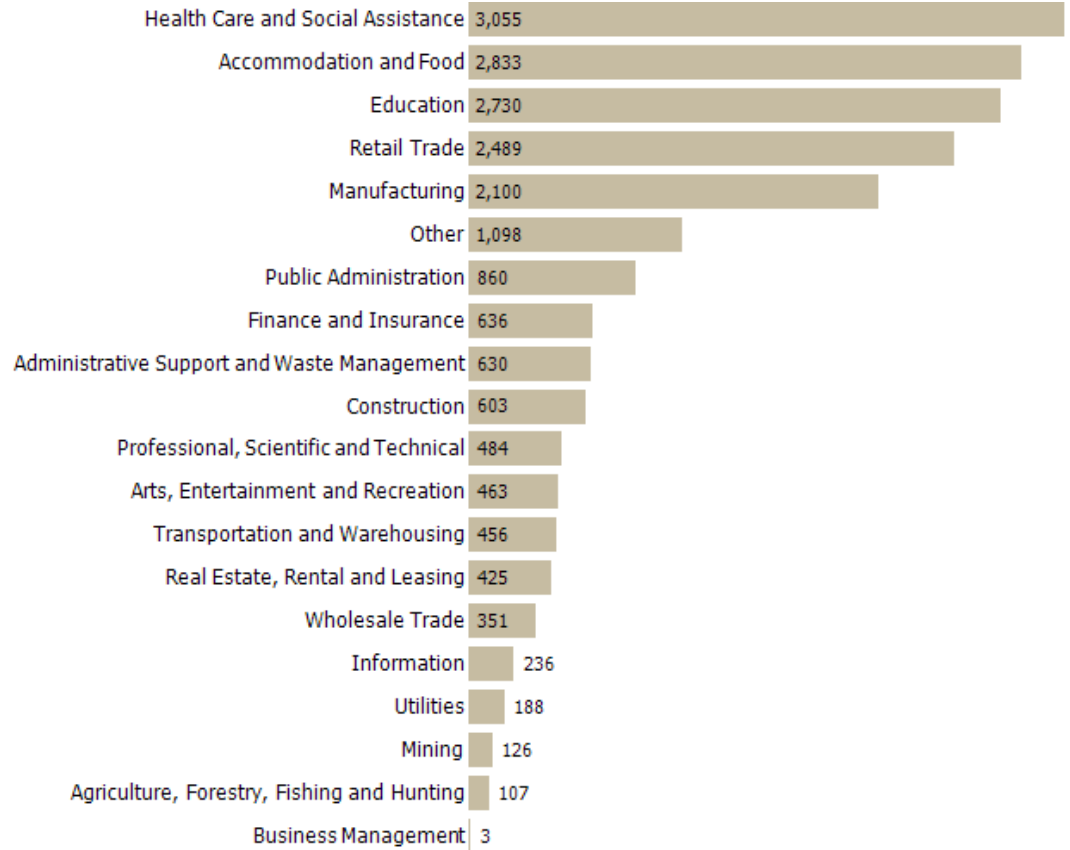


Employment Count by Industry

This chart shows industries in an area and the number of people employed in each category.

Data Source: Bureau of Labor Statistics via Esri, 2014

Update Frequency: Annually



Hattiesburg, Mississippi: Education Comparison

Less than 9th Grade

This chart shows the percentage of people in an area who have less than a ninth grade education, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



High School GED

This chart shows the percentage of people in an area whose highest educational achievement is passing a high school GED test, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



High School Graduate

This chart shows the percentage of people in an area whose highest educational achievement is high school, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Some College

This chart shows the percentage of people in an area whose highest educational achievement is some college, without receiving a degree, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Associate Degree

This chart shows the percentage of people in an area whose highest educational achievement is an associate degree, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Bachelor's Degree

This chart shows the percentage of people in an area whose highest educational achievement is a bachelor's degree, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Grad/Professional Degree

This chart shows the percentage of people in an area whose highest educational achievement is a graduate or professional degree, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2014

Update Frequency: Annually



Hattiesburg, Mississippi: Home Value Comparison

Median Estimated Home Value

This chart displays property estimates for an area and a subject property, where one has been selected. Estimated home values are generated by a valuation model and are not formal appraisals.

Data Source: Valuation calculations based on public records and MLS sources where licensed

Update Frequency: Monthly



12-Month Change in Median Estimated Home Value

This chart shows the 12-month change in the estimated value of all homes in this area, the county and the state. Estimated home values are generated by a valuation model and are not formal appraisals.

Data Source: Valuation calculations based on public records and MLS sources where licensed

Update Frequency: Monthly



Median Listing Price

This chart displays the median listing price for homes in this area, the county and the state.

Data Source: On- and off-market listings sources

Update Frequency: Monthly



12-Month Change in Median Listing Price

This chart displays the 12-month change in the median listing price of homes in this area, and compares it to the county and state.

Data Source: On- and off-market listings sources

Update Frequency: Monthly



Best Businesses

This chart shows the types of businesses that consumers are leaving an area to find. The business types represented by blue bars are relatively scarce in the area, so consumers go elsewhere to have their needs met. The orange business types are relatively plentiful in the area, meaning there are existing competitors for the dollars that consumers spend in these categories.

Data Source: Retail Marketplace via Esri, 2014

Update Frequency: Annually

