Retail Strategy for the City of Cambridge

Market Analysis

Prepared by Larisa Ortiz Associates (LOA)

a. City - Wide Analysis

1. Overall State of Retail: Changes in Consumer Habits
2. Citywide Analysis
3. Citywide S-W-O-T

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c. Guiding Principles

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4. Porter Square/ Lower Mass
5. Harvard Square
6. Inman Square
7. Fresh Pond/ Alewife
8. Huron Village/ Observatory Hill
9. North/ Upper Mass

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Overall State of Retail

Overall State of Retail

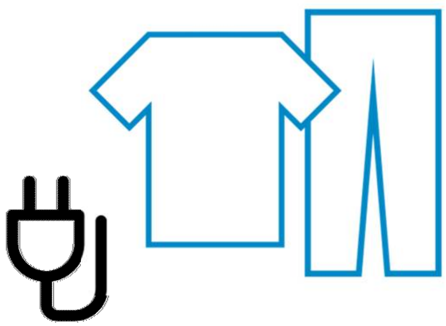
Changes in Consumer Habits

Growth of e-commerce and online tools are leading consumers to merge online and offline into a single shopping experience.

People are buying more online

E-Commerce in the US reached nearly **$395 billion in 2016**. However, this only accounts for **11.7% of total retail sales.**

Online sales affect retail categories differently



Computer and Electronics and apparel and accessories accounted for 45% of ecommerce sales.

Most retail sales in the US are influenced by digital tools

78% of shoppers research online before heading to a store. At the same time, **72% of shoppers buy digitally** after seeing a product in a store.

Prepared by Larisa Ortiz Associates (LOA)

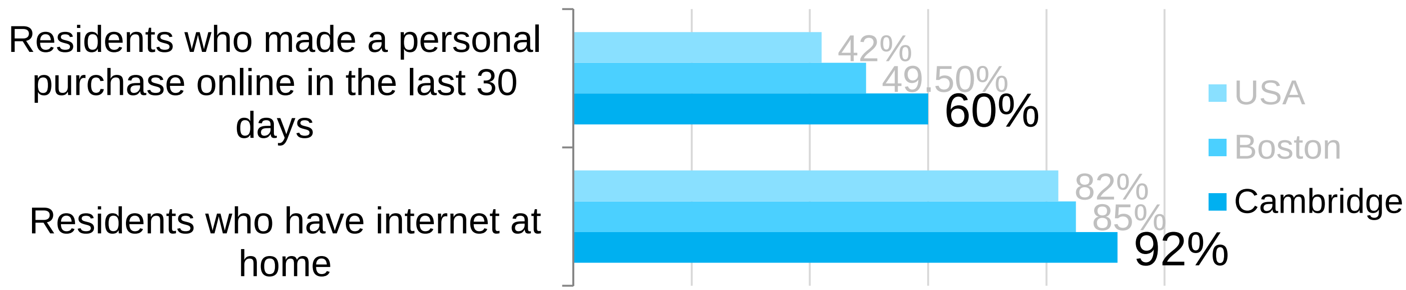
Changes in Consumer Habits

Overall State of Retail

Growth of e-commerce and online tools are leading consumers to merge online and offline into a single shopping experience.

In Cambridge:

A Cambridge business manager revealed that last year **over 50% of his total sales were made online**



Source: ESRI Business Analyst Online 2016

In an interview with a local business in Cambridge, the owner revealed having **spikes in visitation and sales after posting new products on Instagram**

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Overall State of Retail

Changes in Consumer Habits

Growth of e-commerce and online tools are leading consumers to merge online and offline into a single shopping experience.

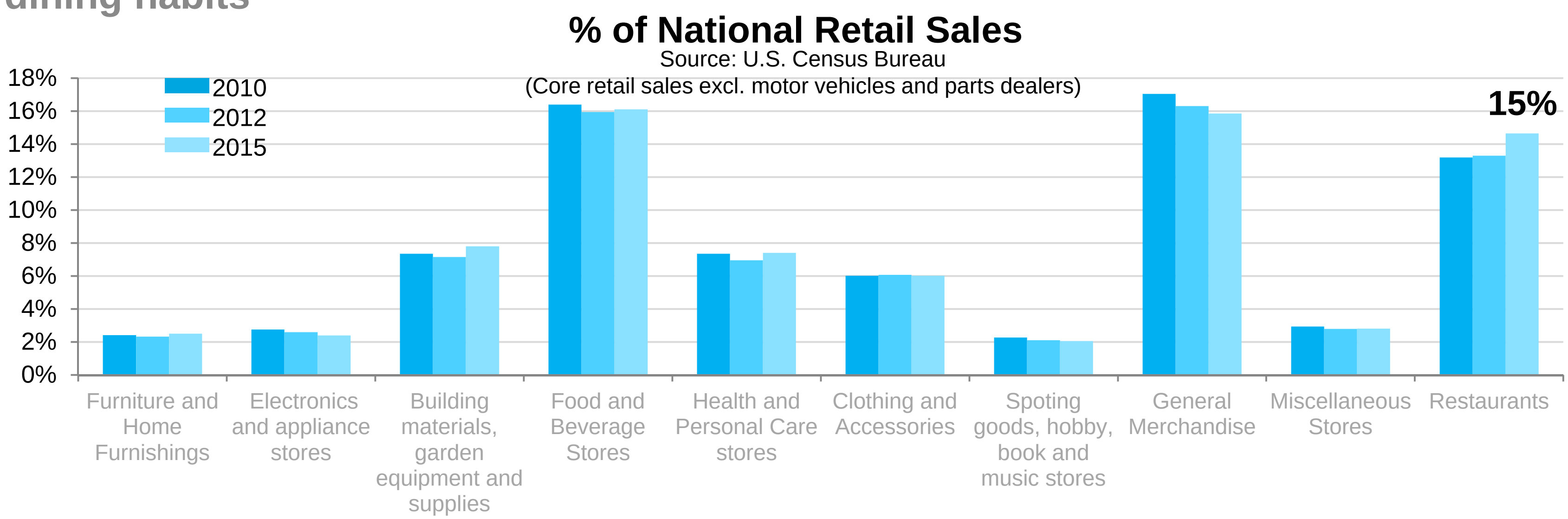
- Online retailers are also opening *bricks-and-mortar* so they can fulfill orders at different localities
- Retailers are using their stores as fulfillment centers
  - E.g. Target opening in Central Square will feature a separate entrance for online order pick ups
- Larger retailers are right-sizing and occupying smaller footprints that can be accommodated in downtown retail spaces

Online Retailer	Current no. of *bricks - and -mortar* locations
Amazon	10
Warby Parker	50
Bonobos	30

Overall State of Retail

Changes in Consumer Habits

The industry is facing fundamental and cross-generational shifts in consumer dining habits



Restaurants make up 15% of all retail sales.
Restaurant sales growth has surpassed all other retail categories since the recession, **+19% between 2012 and 2015**.

Expenditure data shows that U.S. **consumers have started spending more on dining in restaurants and meals outside the home (+5%)** than on buying groceries and eating in (0%)*

8 in 10 consumers say **dining out with family and friends is a better use of their leisure time** than cooking and cleaning up**

Overall State of Retail

Changes in Consumer Habits

The industry is facing fundamental and cross-generational shifts in consumer dining habits

In Cambridge:

Restaurants are the **largest retail category citywide by number of businesses** (38% of total retail businesses). Total sales from food services and drinking places in 2016 was **$404,153,691*** with a **$133 million surplus*** confirming that **Cambridge is already a dining destination.**

Restaurants are the **main retail anchors in Inman and Kendall Square** and **provide key complementing anchor functions** in **Harvard and Central Square.**

*Source: ESRI Business Analyst Online 2016
Prepared by Larisa Ortiz Associates (LOA)

Overall State of Retail

Changes in Consumer Habits

Consumers are spending less on products and more on experiences and service-based retail

Experience-related purchases (travel, sports events, shows) were the top spending category for consumers in the 2016 holiday season.*

US 2016 Census shows a **decrease in total sales in the past year** for retail categories **including department stores (-5.6%), electronics and appliances (-3.2%), general merchandise (-1%) and clothing & accessories.**

In early 2017, a **large number of retailers closed** an unprecedented number of stores throughout the country.

Source: Business Insider

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Overall State of Retail

Changes in Consumer Habits

Consumers are spending less on products and more on experiences and service-based retail

Service-based retail involve in-person interactions and thus can be best transacted at physical locations, for example:

- Restaurants
- Cinemas
- Theaters
- Personal services
- Health and fitness facilities
- Art studios, galleries and stores

Traditional retailers are also adapting store formats to personalize services and offer hands-on, memorable experiences:

Retailer	Experience
Home improvement stores	DIY home décor classes
Electronics and appliance stores	Cooking classes, model kitchens
Sporting goods stores	Rock climbing walls, equipment testing, yoga classes
Café, restaurants	Social gatherings, outdoor dining*

Overall State of Retail

Changes in Consumer Habits

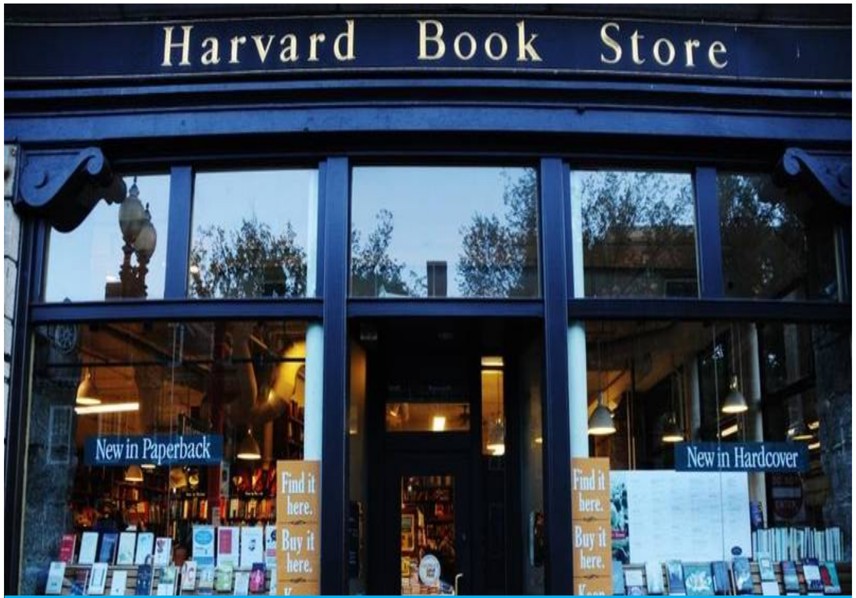
Consumers are spending less on products and more on experiences and service-based retail

In Cambridge:

Overall net retail establishments declined by approximately 15% from 2001 to 2015. **Electronics & Appliance stores** and **Sporting goods/hobby/book/music stores accounted for ~70% of overall losses**.**

Meanwhile, **sales have improved in experience-based categories** such as food and beverage, services, and entertainment retail*.

An increasing number of stores are offering more **in-store events** and a number of restaurants are seeking to expand and **enhance their dining experience** by **adding rooftop dining**.

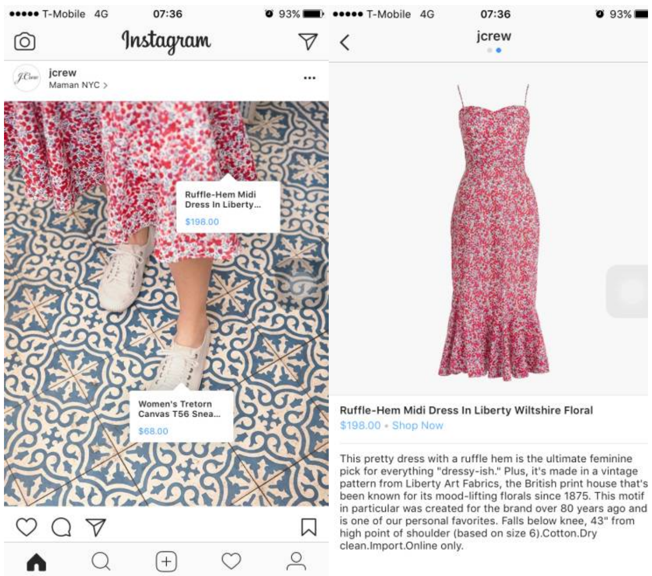


Harvard Book Store holds between 350-450 author readings annually to drive business to the store.
Meanwhile, Schoenhof's Foreign Books closed its physical store and sells online.

Prepared by Larisa Ortiz Associates (LOA)

Overall State of Retail

Summary



1. **Growth of e-commerce and online tools are leading consumers to merge online and offline into a single shopping experience**
2. **The industry is facing fundamental and cross-generational shifts in consumer dining habits**
3. **Consumers are spending less on products and more on experiences and service-based retail**

Prepared by Larisa Ortiz Associates (LOA)

City- Wide Analysis

L1

City- Wide Analysis

Physical Environment

Accessibility is unequal among the City's districts and may require different parking requirements

	Harvard Square	Central Square	Kendall Square	Inman Square	Fresh Pond/ Alewife	East Cambridge	Porter Square/ Lower Mass	North/ Upper Mass	Huron Village
Traffic Count	16,079*	13,566*	19,900*	16,880*	44,938**	7,268**	21,188***	6,000***	N/A
Walk Score™	98	97	88	93	78	93	94	91	80
Bike Score™	98	99	99	88	93	88	78	83	93
Transit Score ™	81	72	75	70	64	83	73	70	64

Less multi-modal districts

* Traffic counts from City of Cambridge – year 2012-2013
** Traffic counts from City of Cambridge – year 2016
*** Traffic counts from City of Cambridge – year 2009-2010
Source: ESRI Business Analyst Online and WalkScore TM

Prepared by Larisa Ortiz Associates (LOA)

Slide 14

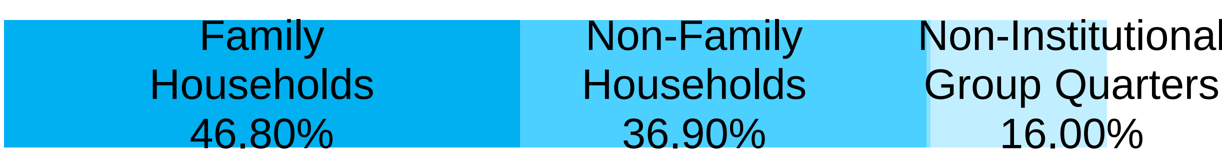
L1 Ask Cambridge about Upper Mass traffic count
LOrtiz, 4/4/2017

City-Wide Analysis

Demographics

	2010	2016	2021	
Total Population	105,162	110,562	115,640	**Population is growing steadily** and will become more **densely populated.**
Population Density	15,766/ sq mile	16,576/ sq mile	17,337/ sq mile	
Median Age	30.3	31.3	31.6	Slightly **aging** population.
Population aged 20-34	44.5%	42.8%	42.9%	**Millennials make up the greatest portion of the population** although they are **decreasing** in numbers.

Source: ESRI Business Analyst Online 2016



e.g. college dorms, group homes, missions or shelters.

The Census Bureau classifies all people not living in housing units (house, apartment, mobile home, rented rooms) as living in group quarters.

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City-Wide Analysis Demographics

	2010	2016	2021	
Median Household Income	$64,790	$74,196	$82,030	↑
Households with income <$25,000	24.5%	20.5%	20.4%	
White population	66.6%	61.1%	56.6%	⇩
Black population	11.7%	12.8%	13.8%	↑
Asian population	15.1%	18.3%	20.9%	↑
Hispanic population	7.6%	9.3%	10.9%	↑

Source: ESRI Business Analyst Online 2016

MHI is projected to continually increase.

However, there remains a **consistent proportion of low income population**.

The overall **population of the City is diversifying** with the Hispanic population as the fastest growing ethnic group, followed by the Asian population.

City-Wide Analysis Demographics

2016	Cambridge	Massachusetts	USA
Percentage of households that own/ lease any vehicle	69%	83%	86%
Renter-occupied housing	67.75%	39.35%	37.24%

The City reflects typical car and home ownership trends of urban areas:
Lower car ownership and **higher renter-occupied housing** units than state and national levels

Source: ESRI Business Analyst Online 2016

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Citywide Analysis

Market Data + Demographics

Source: ESRI Business Analyst Online

Metro Renters

MHI: $52,000
Well-educated/ still enrolled in college
Interested in **fine arts**
Well-informed customers
Prefer environmentally - safe products

Laptops & Lattes

MHI: $93,000
Health-conscious consumers
Environmentally-conscious
Image-conscious
Tech-savvy

Trendsetters

MHI: $51,000
Young, **educated**, single
Image/ style-conscious
Upscale living
Attentive to health + nutrition
Enjoy **good deals**

Urban Chic

MHI: $98,000
Well educated and well-connected consumers
Tech-savvy
Maintain '**green' lifestyles** and eat **organic foods**

International Marketplace

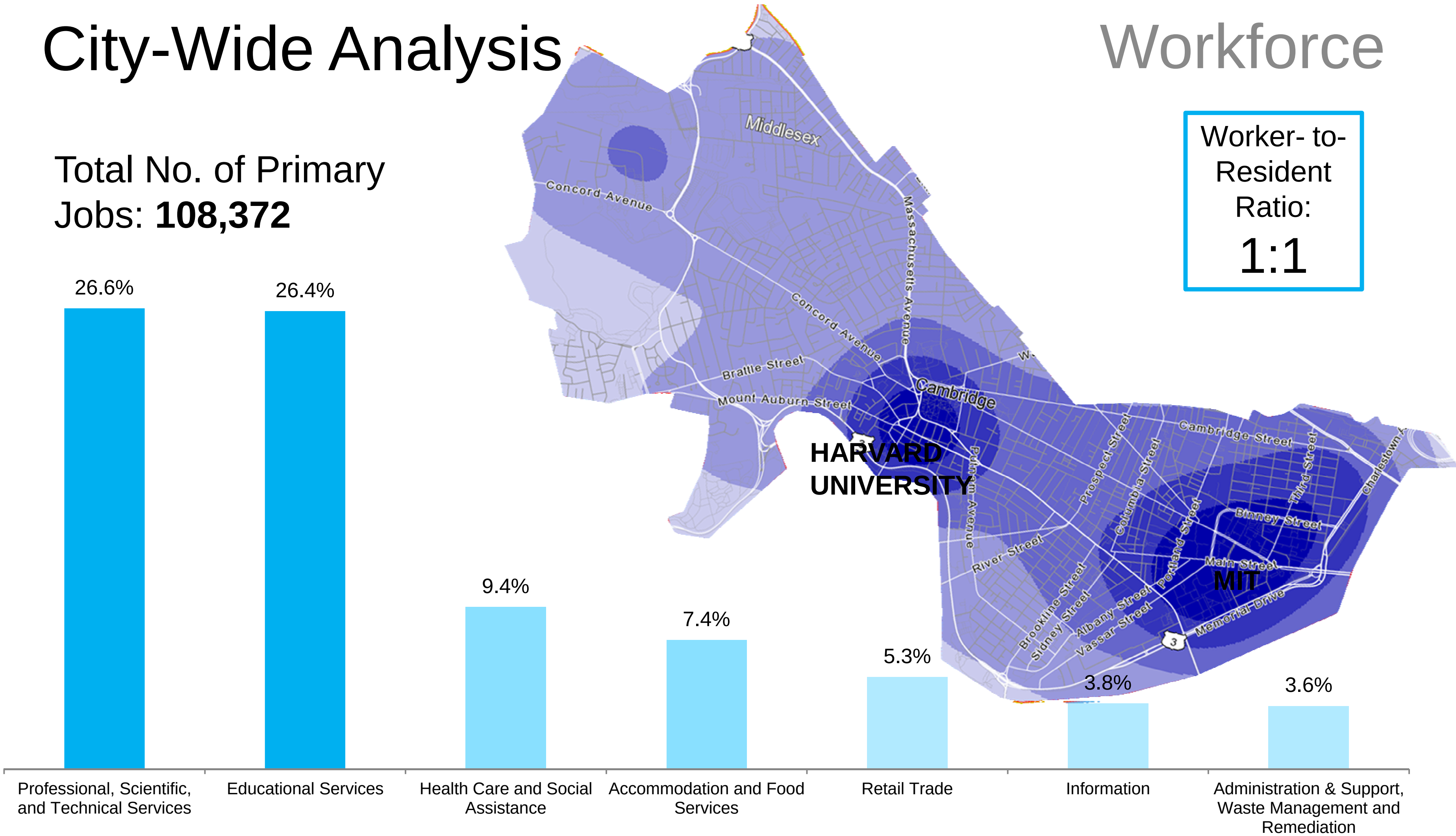
MHI: $41,000
Young, diverse **family** market
Mostly **Hispanic**
Less educated
Attentive to **personal style**

City-Wide Analysis

Workforce

Total No. of Primary Jobs: **108,372**

Worker- to-Resident Ratio:
1:1

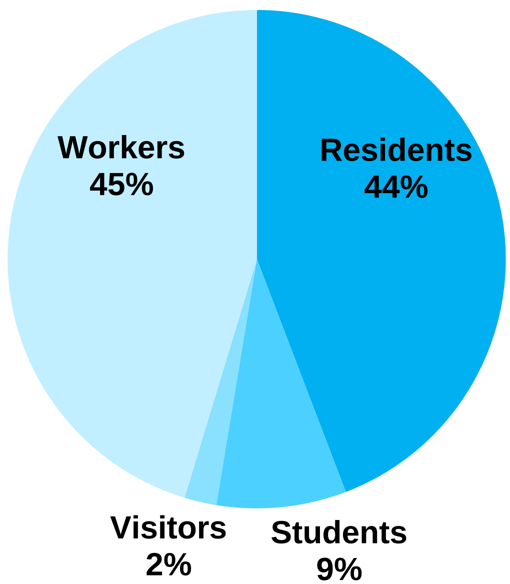


Prepared by Larisa Ortiz Associates (LOA) Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (2nd Quarter of 2014)

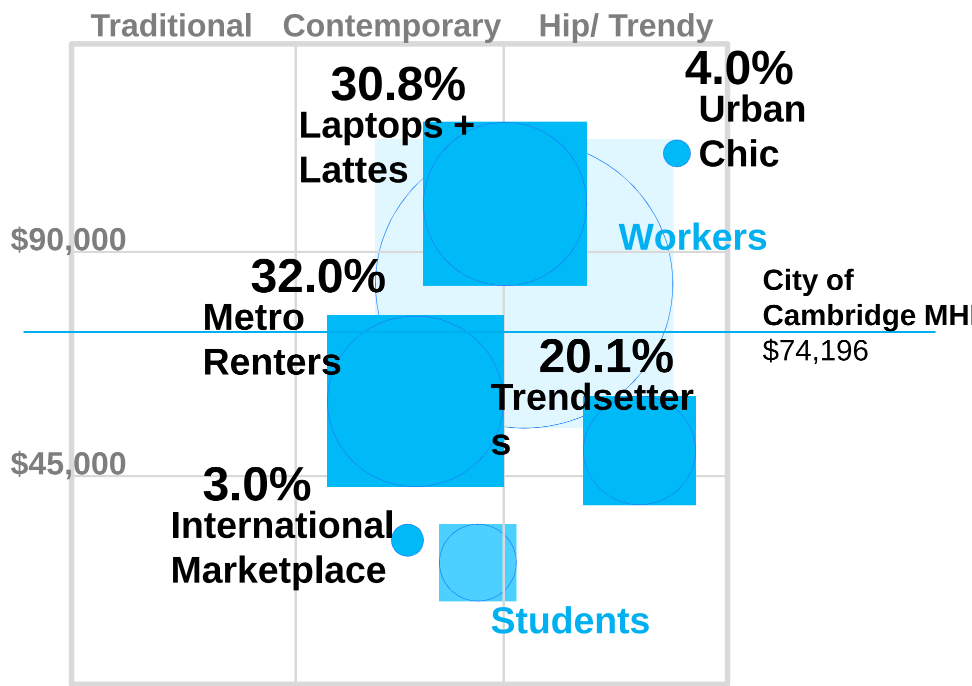
Citywide Analysis Market Data + Demographics

Cambridge retailers need to offer contemporary, hip and trendy merchandise of moderate prices. To meet student budgets, lower priced options should also be made available.

Market Composition



Strategic Positioning



Source: 2016 ESRI Business Analyst Online, Cambridge Hotel Directory, LOA Calculations

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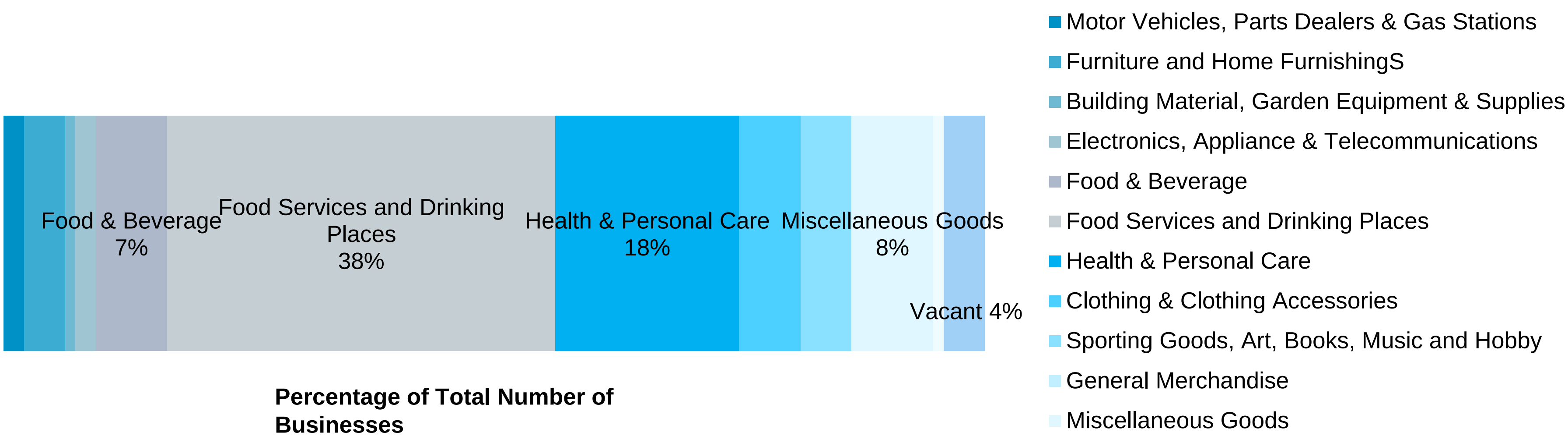
City- Wide Analysis

Business Environment

Retail Mix



- **Food Services and Drinking Places is the largest retail category followed by Health and Personal Care Stores.**
- **General Merchandise <1%**

Note: Miscellaneous Goods refers to florists, office supplies, stationery and gift stores, used merchandise stores and others.
Food & Beverage refers to grocery stores, specialty food stores and beer/wine/liquor stores.

Source: City of Cambridge Business Data
Prepared by Larisa Ortiz Associates (LOA)

Citywide Analysis

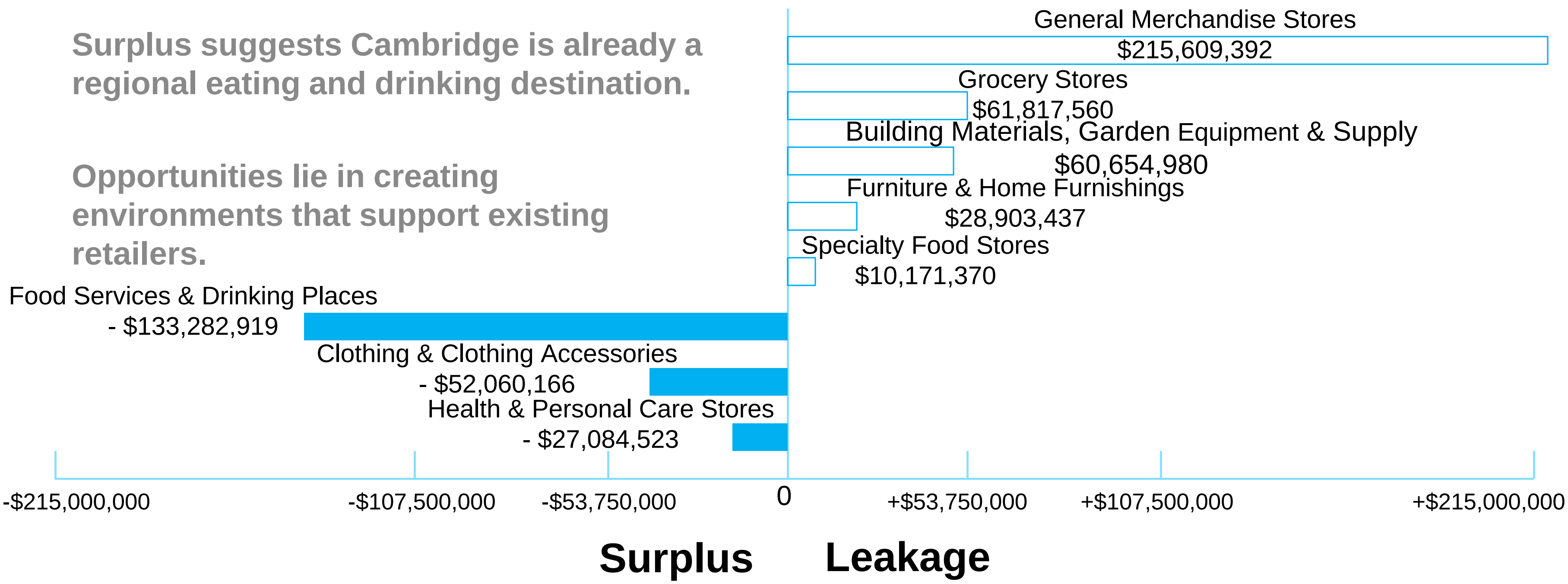
Retail Opportunity

Top Leakage + Surplus Categories (residential)

General merchandise and grocers likely looking for opportunities.

Surplus suggests Cambridge is already a regional eating and drinking destination.

Opportunities lie in creating environments that support existing retailers.



Source: LOA; ESRI Business Analyst Online

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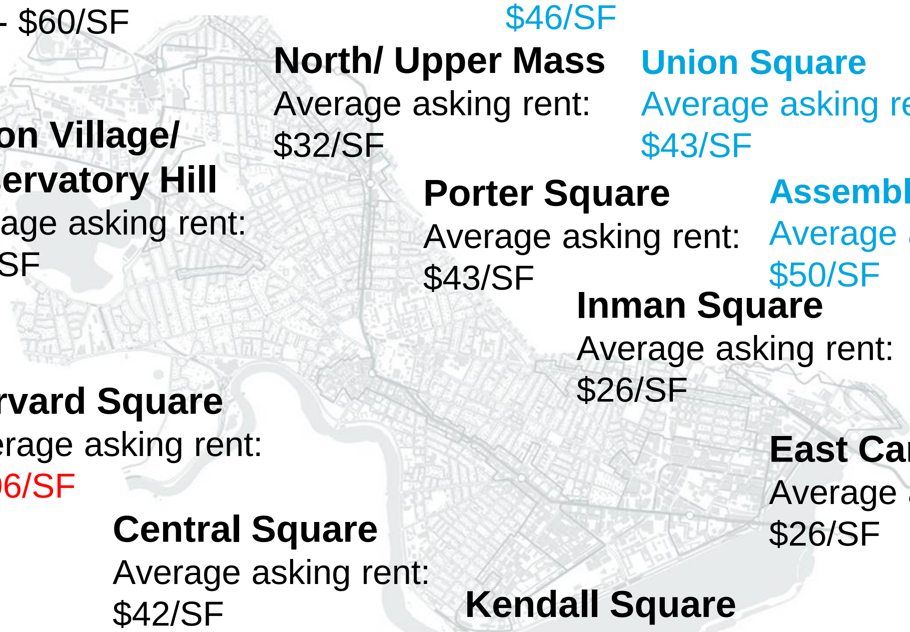
City- Wide Analysis

Real Estate Landscape



Fresh Pond/Alewife
Average asking rent*:
$30 - $60/SF

Davis Square
Average asking rent:
$46/SF

North/ Upper Mass
Average asking rent:
$32/SF

Union Square
Average asking rent:
$43/SF

Huron Village/ Observatory Hill
Average asking rent:
$28/SF

Porter Square
Average asking rent:
$43/SF

Assembly Row
Average asking rent:
$50/SF

Inman Square
Average asking rent:
$26/SF

Harvard Square
Average asking rent:
$106/SF

East Cambridge
Average asking rent:
$26/SF

Central Square
Average asking rent:
$42/SF

Kendall Square
Average asking rent:
$35/SF

Business Environment

Despite increasing real estate costs, average asking rents are comparable or less than nearby competitive districts.

	City of Cambridge
Average asking rent per SF (excl. utilities +property taxes)	$43
Median asking rent per SF	$31
Range of spaces available	500 - 6,300 SF
Average space size	2,549 SF
Median space size	1,800 SF

Source: Costar and LoopNet February and March 2017; *HR&A 2016 Market Scan

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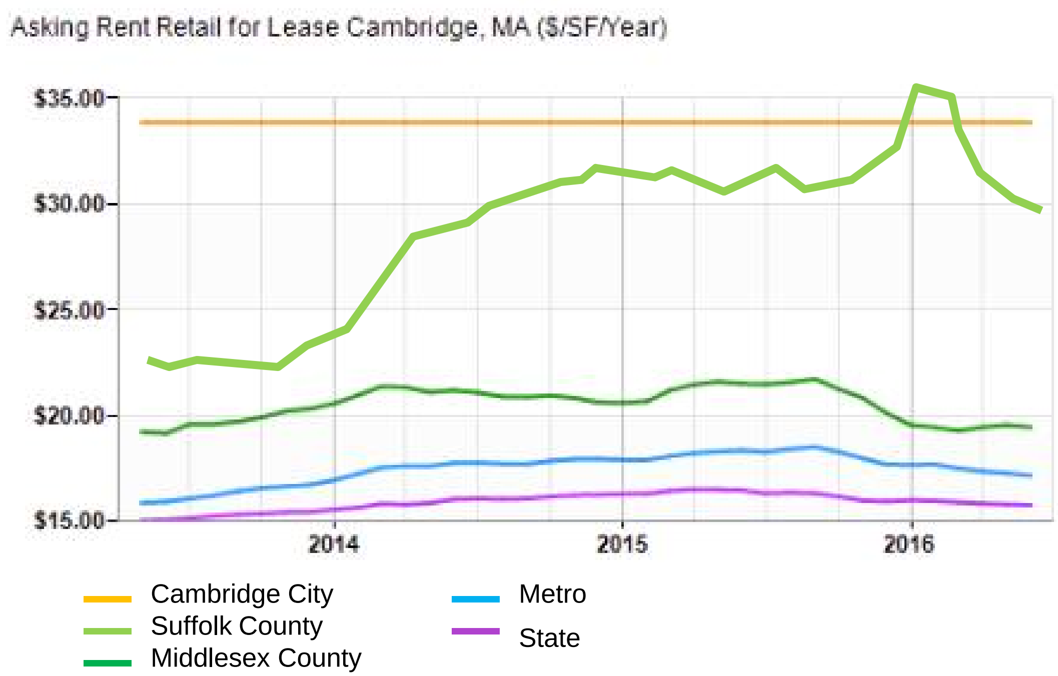
City- Wide Analysis

Real Estate Landscape

Business Environment



	Jun 16	vs. 3 mo. prior	Y-O-Y
State	$15.77	-0.8%	-4.2%
Metro	$17.16	-2.0%	-6.5%
County	$19.45	+0.8%	-9.6%
City	$33.84	0.0%	0.0%

The average asking rental rate per SF for Retail Commercial properties as of June 2016 was $33.84. Rental rates remained unchanged compared to the prior 3 months, with no change year-on-year.

Source: LoopNet 2017

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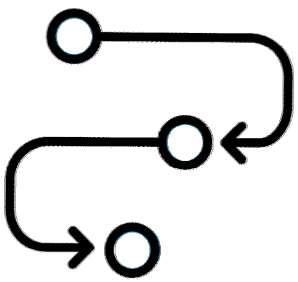
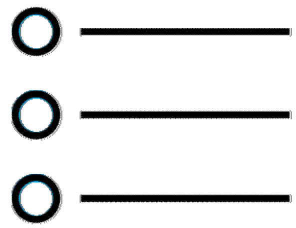
City- Wide Analysis Structural Challenges

Permitting process is onerous



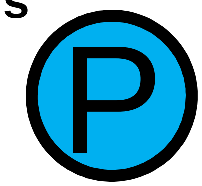
Described by many business owners as **long** and **uncertain**.

Zoning and Table of Uses do not reflect new business dynamics



Special permit requirement/ variances for 'fast food' establishments is a hurdle to entry for new local businesses (food to go options) and **other regulations constrain experience-based retail.**

Parking requirements ignore impacts of weather, special needs groups and business needs



Walking and biking is less conducive to **extreme weather conditions** and to the **needs of seniors and people with disabilities**. Parking requirements **disregards the needs of employees** who do not live in transit accessible places.

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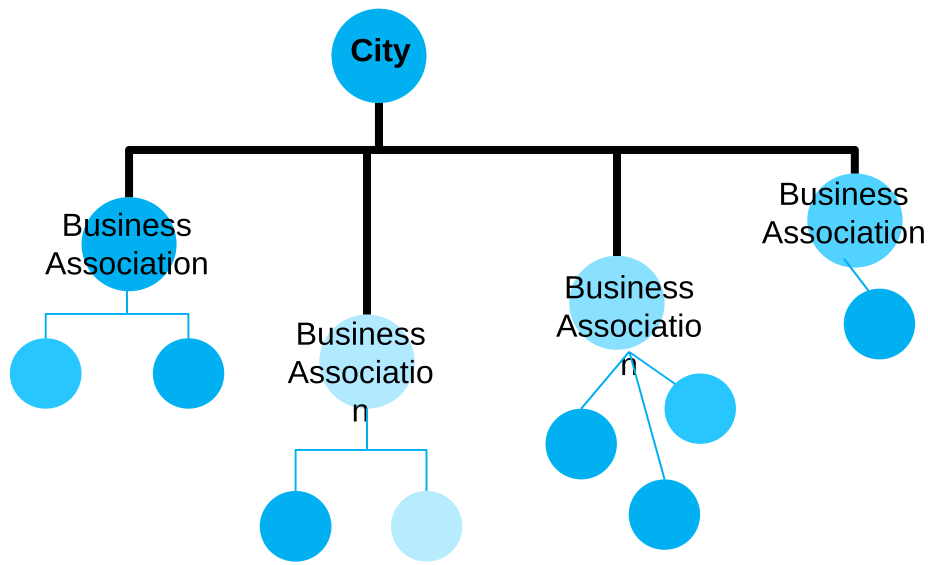
City- Wide Analysis Administrative Capacity

Cambridge has a large number of neighborhood and business associations that deliver key services to businesses and commercial districts and provide key links between the City and businesses.



Economic Development Division of Department of Community Development connects businesses to resources but has limitations on what they can do and provide directly to businesses due to Massachusetts State laws.

However, there is a vast disparity amongst the associations in terms of budget and operating capacity which leads to imbalance support and services for businesses of various districts.

Budget Range
Less than $2k to $600k

Staff Size Range
0 – 3.5 full-time

Prepared by Larisa Ortiz Associates (LOA)

District- Level Analysis

District Categories

Regional/ Specialty Commercial District

- High worker to resident ratio
- Higher number of businesses/retail offerings

Neighborhood/ Community Commercial District

- Serving mostly local residents
- Lower number of businesses/retail offerings

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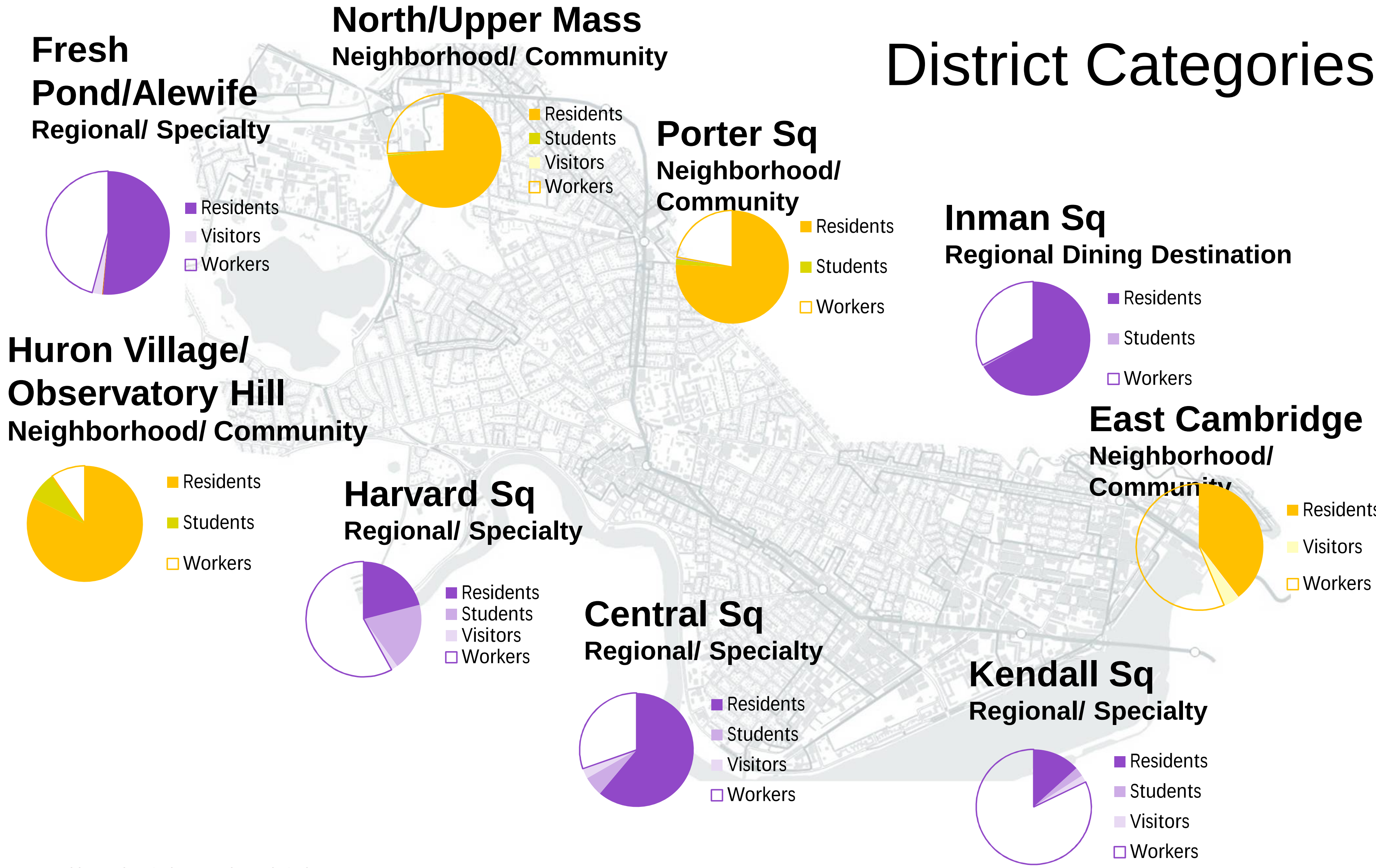
District Categories



Prepared by Larisa Ortiz Associates (LOA)

Attachment: Microsoft PowerPoint - SHORT_Phase 2 Market Analysis Presentation - ASPRESENTED.pptx

Regional/ Specialty

		Harvard Square	Central Square	Kendall Square	Inman Square	Fresh Pond/ Alewife
No of businesses		210	119	65	69	46
Total Population*		16,165	24,788	7,018	21,244	6,495
Population Density (per sq mile)		20,462	31,377	12,017	26,891	8,222
Total No. of Workers		23,379	11,277	36,303	10,291	5,779
Worker-Resident Ratio		1.4:1	2:1	5:1	0.5:1	1:1
MHI		$65,380	$73,057	$62,118	$75,162	$43,951
Top Leakage Categories	Grocery	P		P		
	General Merchandise	P	P	P	P	P
	Building/ Garden Materials	P	P		P	
	Clothing & Accessories		P		P	P
	Furniture & Home Furnishings			P		
Upcoming retail SF		-	41,916	212,853	1,546	13,428
Surplus/Leakage		Surplus	Leakage	Surplus	Leakage	Surplus

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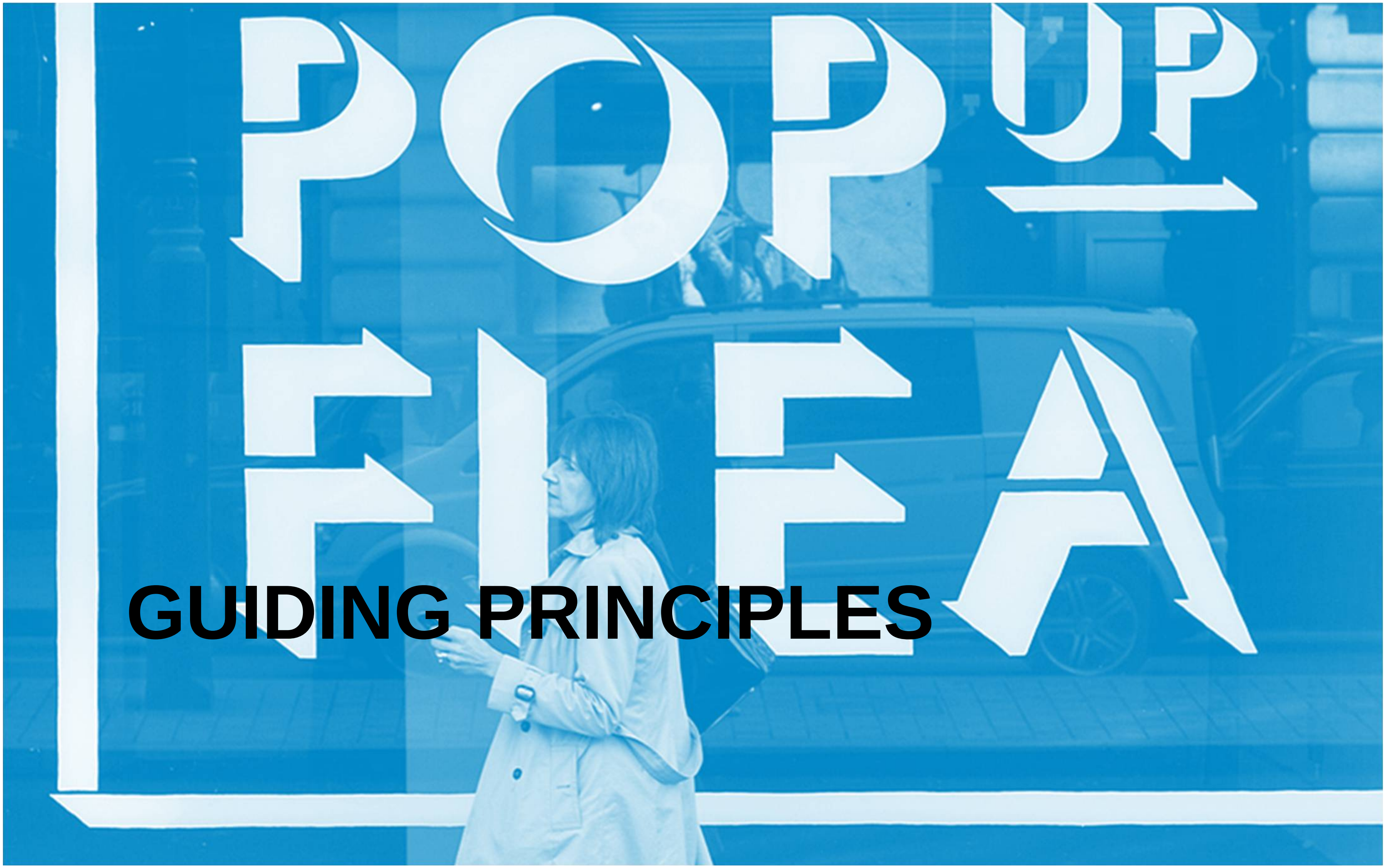
Neighborhood/ Community

		East Cambridge (Cambridge St)	Porter Square	North/ Upper Mass	Huron Village/ Observatory Hill
No of businesses		55 (excl/ Galleria)	39	52	33
Total Population		11,989	16,887	13,235	12,528
Population Density (per sq mile)		15,176	21,376	16,753	15,858
Total No. of Workers		16,992	4,832	4,612	1,329
Worker to Resident Ratio		1.5:1	0.3:1	0.3:1	0.1:1
MHI		$67,931	$85,990	$79,381	$101,017
Top Leakage Categories	Grocery	P	P	P	P
	General merchandise			P	P
	Building/ Garden Materials		P	P	
	Clothing & Accessories		P	P	
	Food/ Drinking Places				P
Upcoming retail SF		36,440	9,293	480	-



GUIDING PRINCIPLES

Guiding Principles

Address the conditions that make Cambridge challenging as a place for small businesses to locate and thrive.

1. Drive Experience	• Support experience-based retailers and food establishments • Encourage district-wide activities and events
2. Thrive Online	• City-wide effort to help businesses establish their online presence (including review platforms, e.g. Yelp, Travelocity as well as omni-channel retailing)
3. Fill Gaps	• Fill gaps with short-term/ pop-up uses
4. Improve Access	• Allow commercial parking along side streets that mirror depth of commercial buildings (specifically Lower Mass Ave)
5. Allow Retail Flexibility (Reduce regulatory and financial barriers)	• Adapt commercial land use classification to allow for flexible retail formats and business models (e.g. small batch manufacturing, wholesale and retail, art store and pottery classes) - Adapt definitions and requirements of “educational land uses” and “fast food” – Eliminate fast food order cap • Increase grants for Storefront Improvement/Small Business Enhancement Program • Provide legal support for businesses during leasehold negotiations via business associations

Prepared by Larisa Ortiz Associates (LOA)

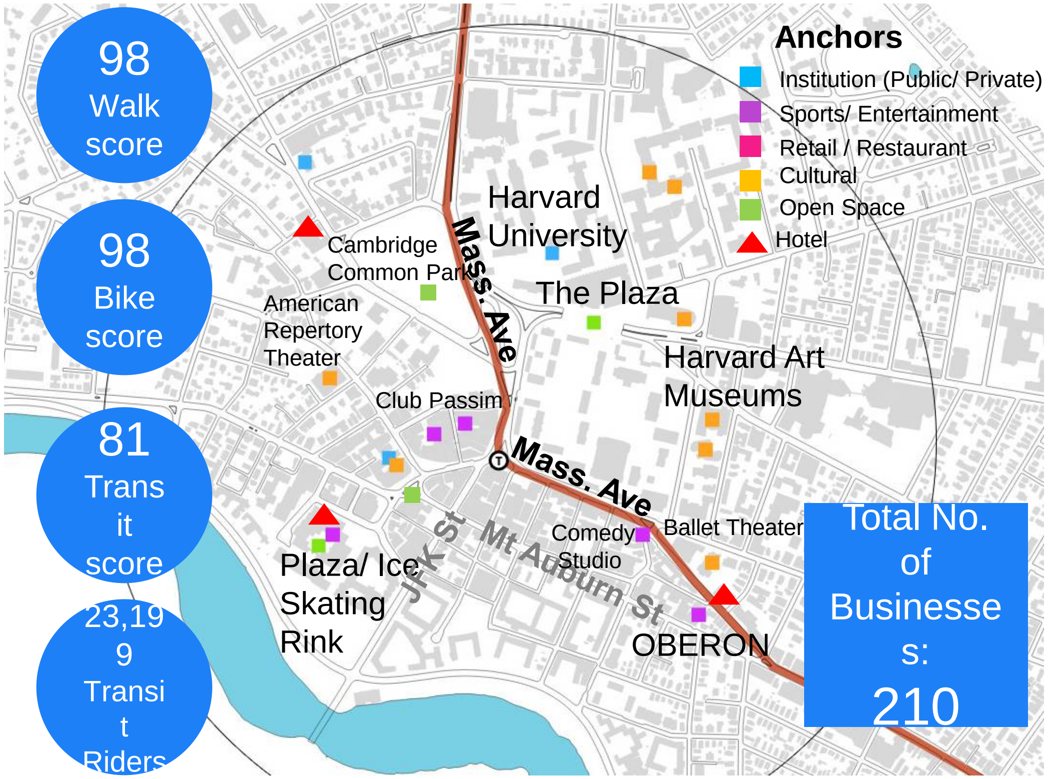
APPENDIX

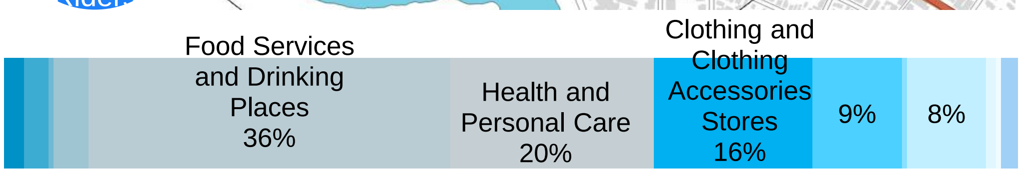
Prepared by Larisa Ortiz Associates (LOA)

Harvard Square

Photo: Massachusetts Office of Travel and Tourism (via Flic

Harvard Square





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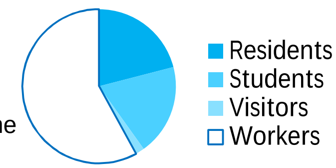
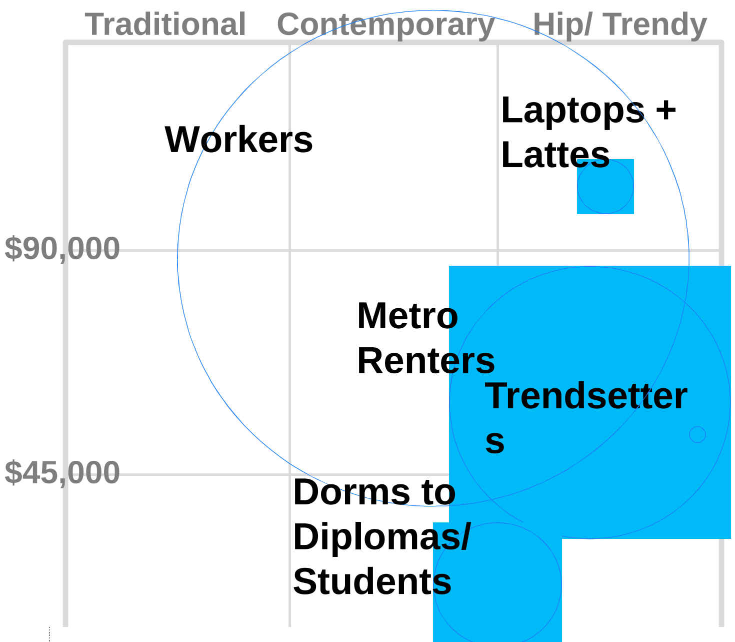
Harvard Square is a young and vibrant district anchored by many cultural and educational institutions.

	Harvard Square
Total Population	16,165
Population Density	20,462/ sq mile
Median Household Income	$65,380
Total No. of Workers	23,379
Worker to Resident Ratio	1.4:1

Customers + Retail Leakage

Tapestry Segmentation
Source: LOA; ESRI Business Analyst Online

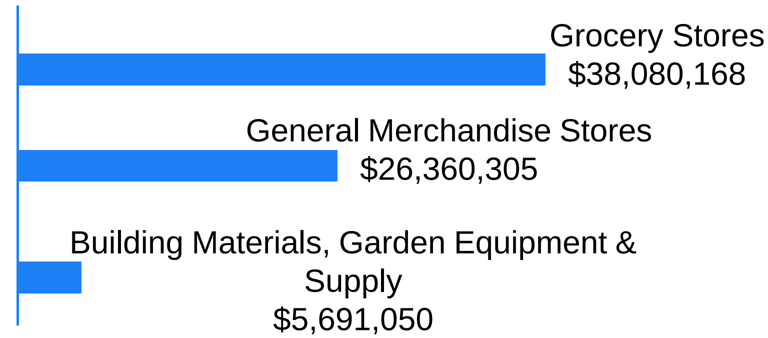




Successful retailers will offer products that are contemporary, hip and trendy in the low to moderate price points.

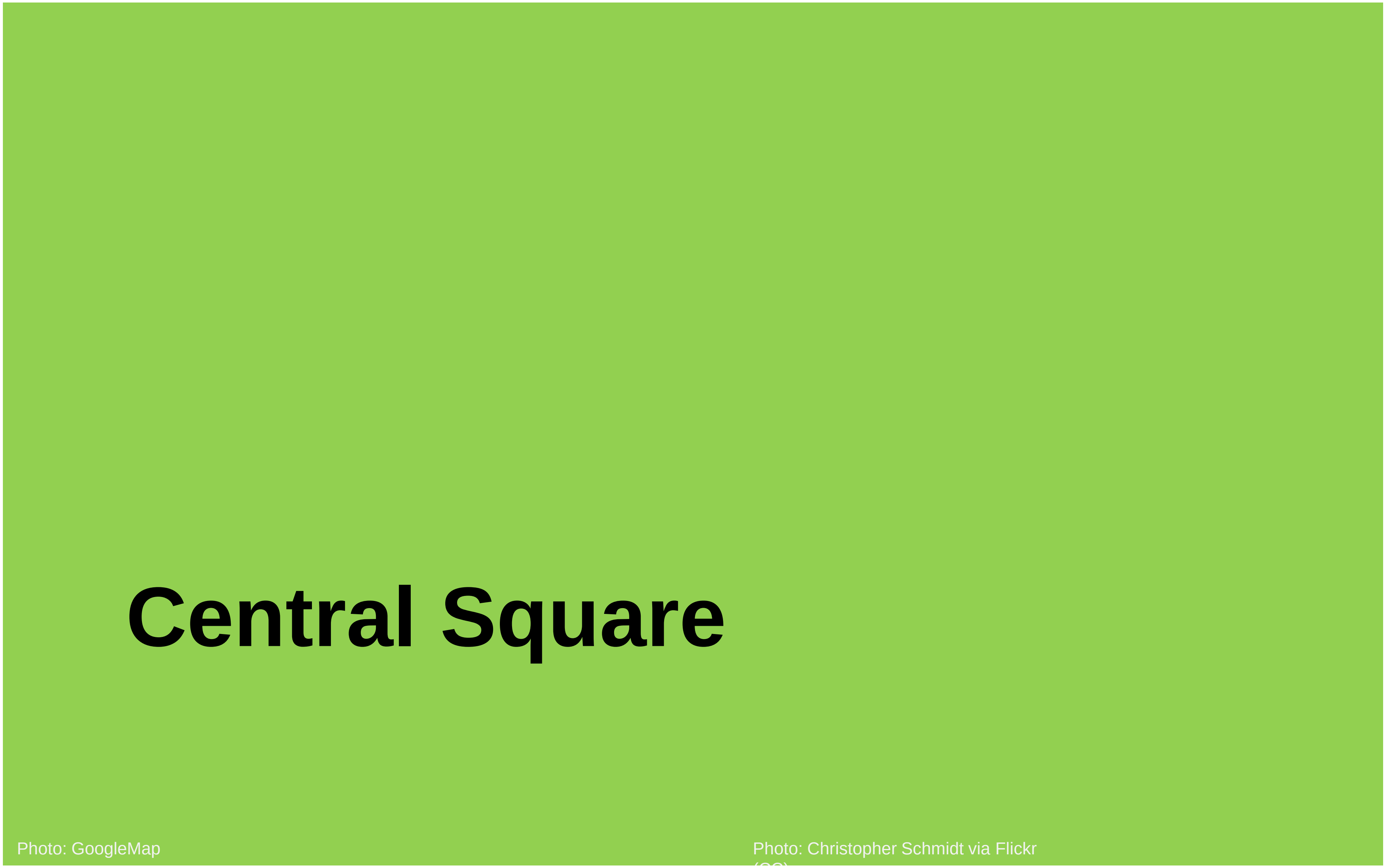
Prepared by Larisa Ortiz Associates (LOA)

Top 3 Leakage Categories
Source: LOA; ESRI Business Analyst Online

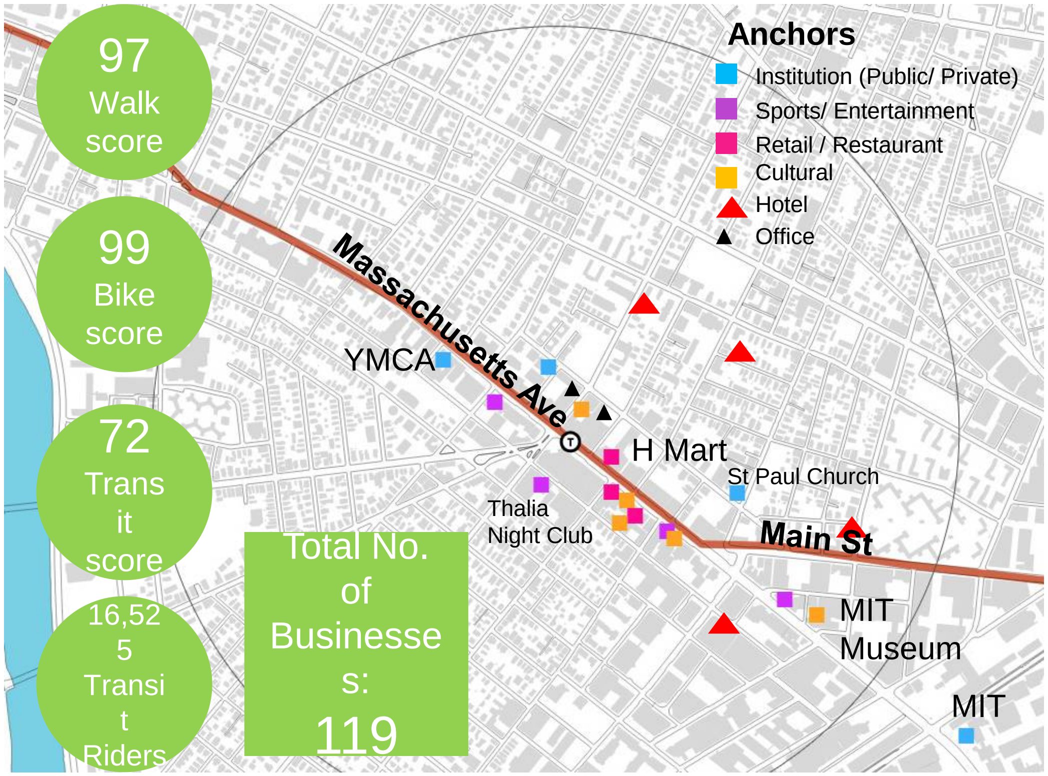


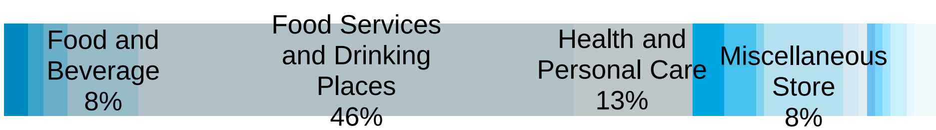
There is an overall surplus of $40 million in Harvard Square.

Customers noted a preference for independent and affordable businesses. In addition to these retail categories, they would also like to see more restaurants, entertainment venues and specialty retail.


Central Square
Photo: GoogleMap
Photo: Christopher Schmidt via Flickr (CC)

Central Square





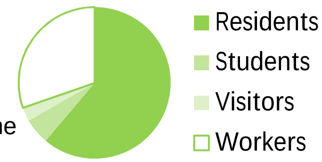
Central Square is a popular dining, entertainment and shopping destination for local residents, workers and visitors.

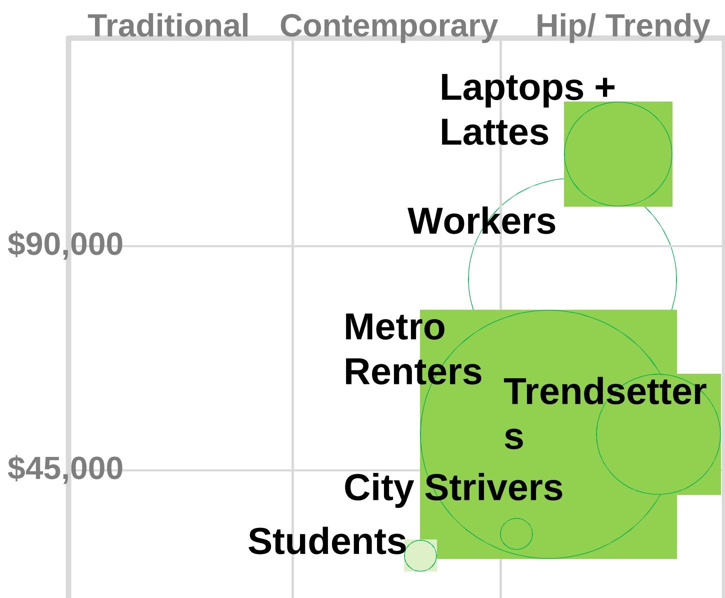
	Central Sq
Total Population	24,788
Population Density	31,377/ sq mile
Median Household Income	$73,057
Total No. of Workers	11,277
Worker to Resident Ratio	2:1

Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage

Tapestry Segmentation
Source: LOA; ESRI Business Analyst Online





Successful retailers will offer products that are moderately-priced but hip and trendy.

Top 5 Leakage Categories
Source: LOA; ESRI Business Analyst Online

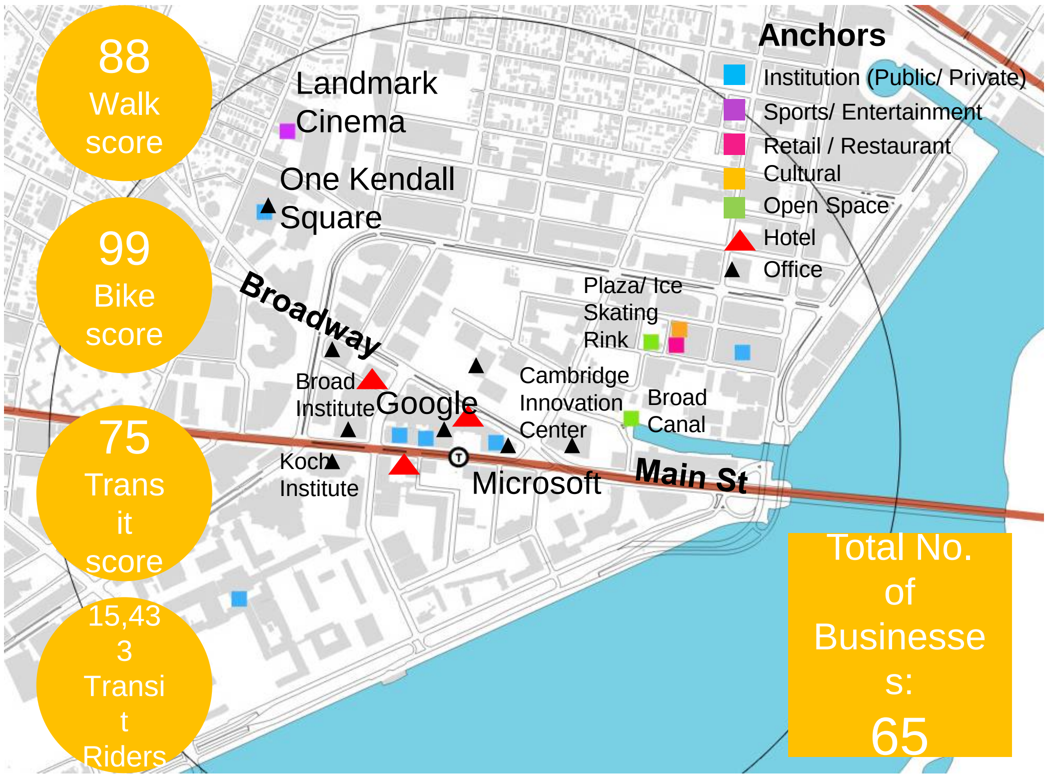
Intercept surveys correspond with leakage data. Customers said they would like to see <u>more independent boutiques, apparel stores, art spaces and book stores.</u>

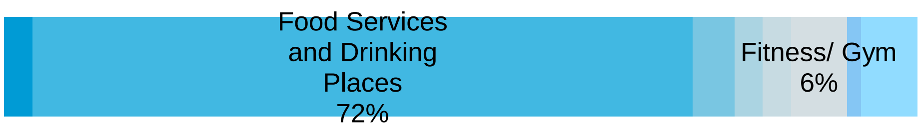
Prepared by Larisa Ortiz Associates (LOA)

Kendall Square

Photo: GoogleMap

Kendall Square



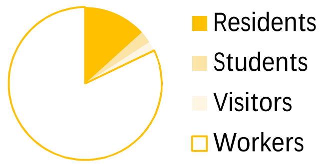


Prepared by Larisa Ortiz Associates (LOA)

Kendall Square is a <u>rapidly developing</u> district with a <u>large daytime worker population</u>. The <u>tech employment center</u> is currently well-served by <u>restaurants and drinking places</u>.

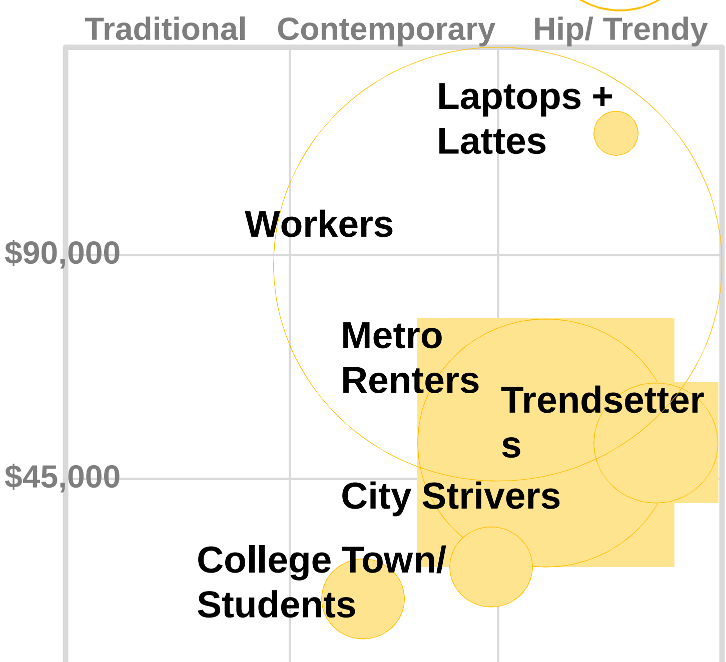
	Kendall Sq
Total Population	7,018
Population Density	12,017/ sq mile
Median Household Income	$62,118
Total No. of Workers	36,303
Worker to Resident Ratio	5:1

Customers + Retail Leakage



Tapestry Segmentation

Source: LOA; ESRI Business Analyst Online

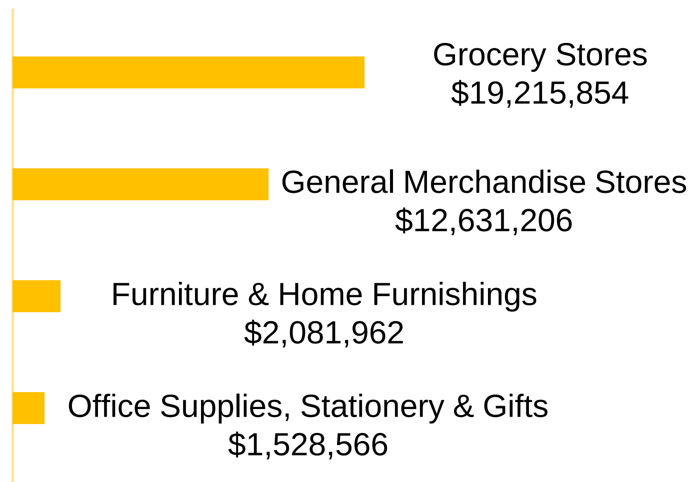


Successful retailers will offer products that are more contemporary but range from low to high price points.

Prepared by Larisa Ortiz Associates (LOA)

Top 4 Leakage Categories

Source: LOA; ESRI Business Analyst Online



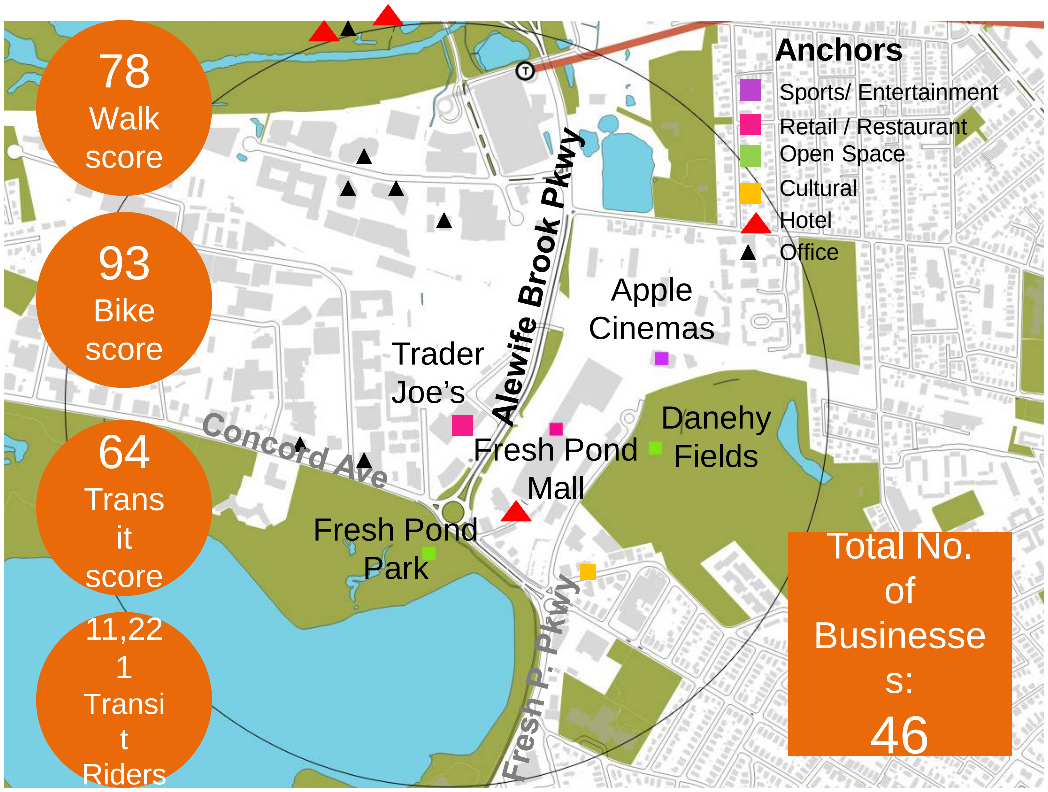
There is an overall surplus of $164 million in Kendall Square.

Intercept surveys correspond with leakage data. Customers said they would like to see more grocery stores, convenience stores, and specialty food stores. However, customers also wanted more restaurants and bars, book stores and sporting goods.

Fresh Pond/ Alewife

Photo: GoogleMap; Yelp

Fresh Pond/ Alewife

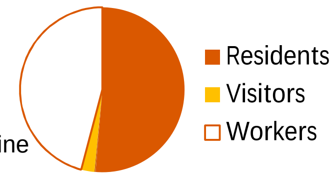


Fresh Pond/ Alewife is a car- centered shopping district. It has convenience retail offerings at low prices to meet the needs of the lower income immigrant community.

	Fresh Pond/ Alewife
Total Population	6,495
Population Density	8,222/ sq mile
Median Household Income	$43,951
Total No. of Workers	5,779
Worker to Resident Ratio	1:1

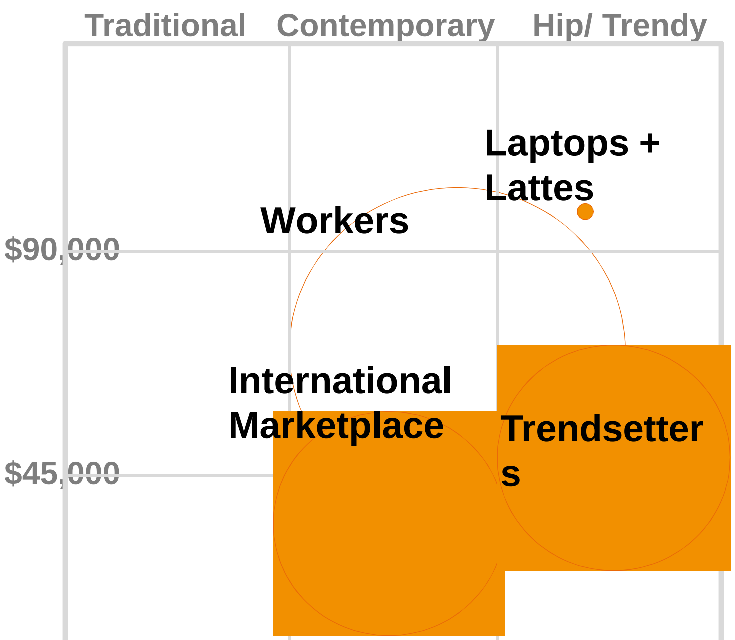
Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage



Tapestry Segmentation

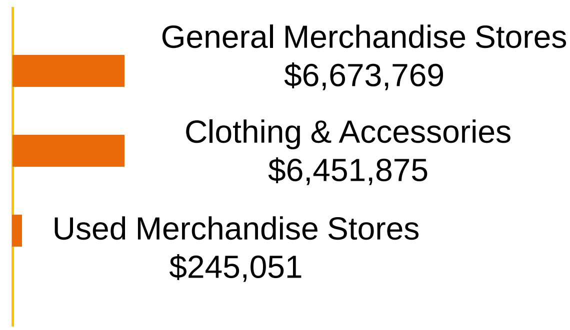
Source: LOA; ESRI Business Analyst Online



Successful retailers will provide contemporary offerings that are in the low moderate price points.

Top 3 Leakage Categories

Source: LOA; ESRI Business Analyst Online



There is an overall surplus of $50 million in Fresh Pond.

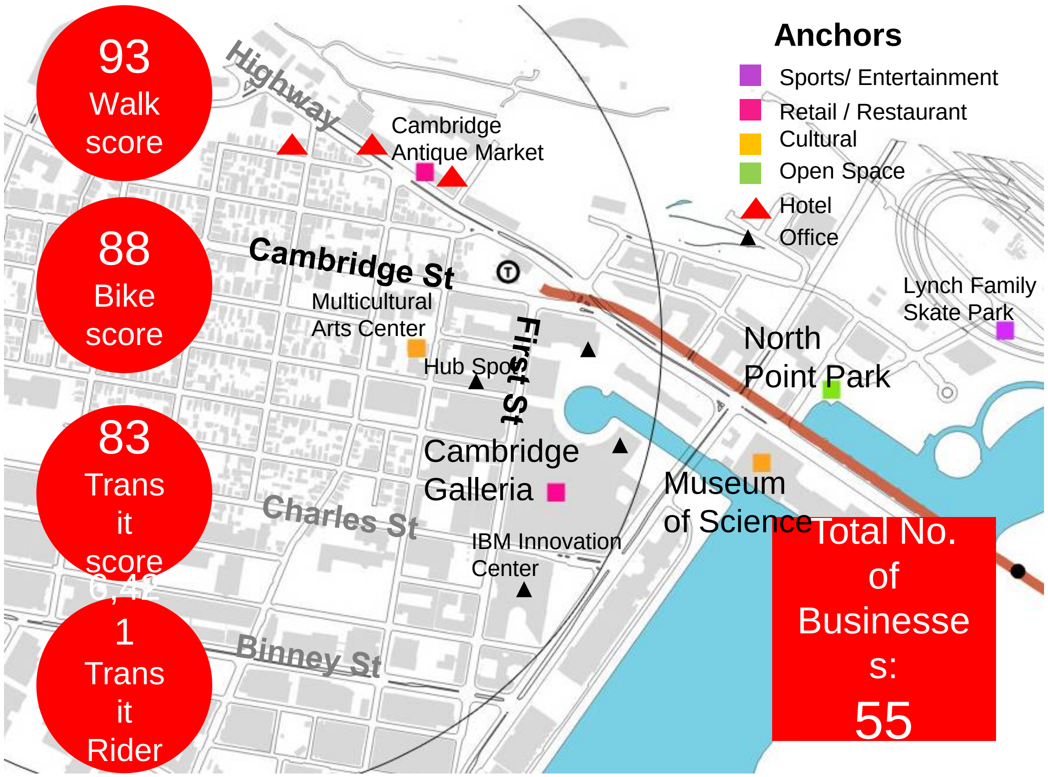
Customers needs are being met in most categories but those interviewed would like to see more food and drinking places including cafes and bakeries, and food trucks for workers.

Prepared by Larisa Ortiz Associates (LOA)

East Cambridge/ North Point

Photo: LOA

East Cambridge/ North Point



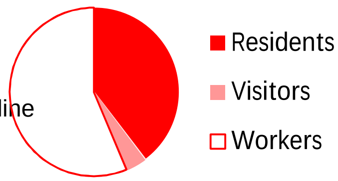
East Cambridge is a culturally diverse and walkable district with regional retail offerings.

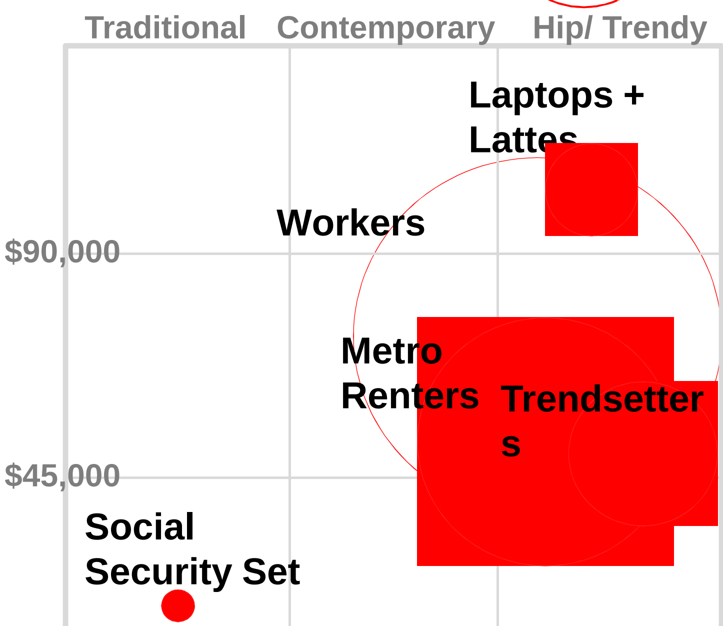
	East Cambridge
Total Population	11,989
Population Density	15,176/ sq mile
Median Household Income	$67,931
Total No. of Workers	16,992
Worker to Resident Ratio	1 ½ :1

Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage

Tapestry Segmentation
Source: LOA; ESRI Business Analyst Online





Successful retailers will offer products that are contemporary, hip and trendy in the moderate price points.

Top 5 Leakage Categories
Source: LOA; ESRI Business Analyst Online

There is an <u>overall surplus of $289 million</u> in East Cambridge.

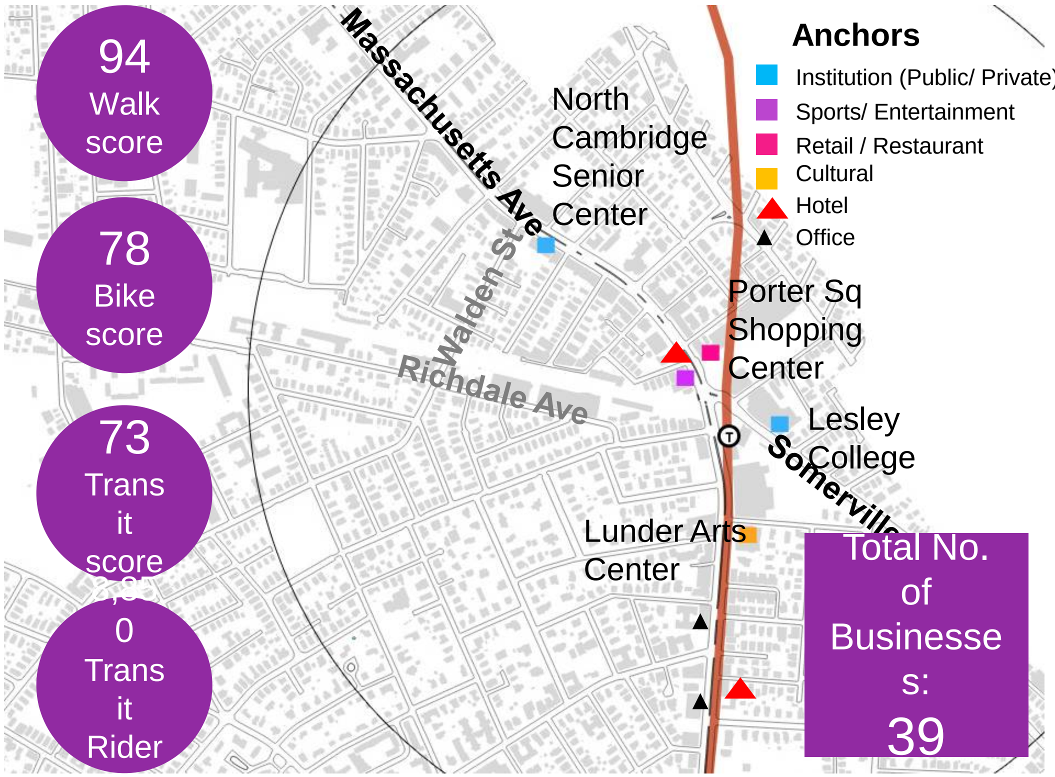
Intercept surveys suggest that customers would like to see more <u>restaurants and bars</u>, <u>coffee shops and bakeries</u>, and <u>hobby stores</u>. Aligned with leakage data, they would also like more <u>fresh produce options</u>.

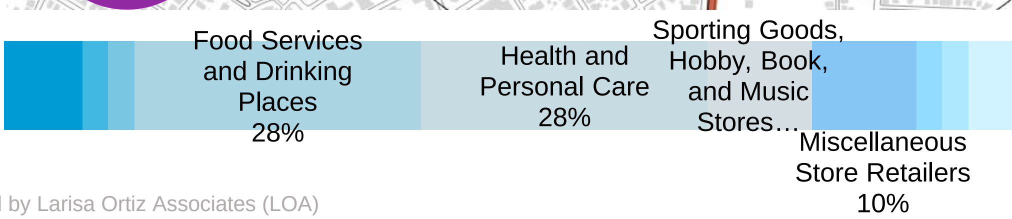
Prepared by Larisa Ortiz Associates (LOA)

Porter Square/ Lower Mass

Photo: LOA

Porter Square/ Lower Mass



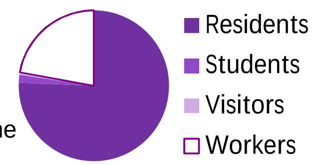


Porter Square is a wealthy and dense residential neighborhood that is easily accessible and has a variety of food and drinking places.

	Porter Square
Total Population	16,887
Population Density	21,376/ sq mile
Median Household Income	$85,990
Total No. of Workers	4,832
Resident to Worker Ratio	3:1

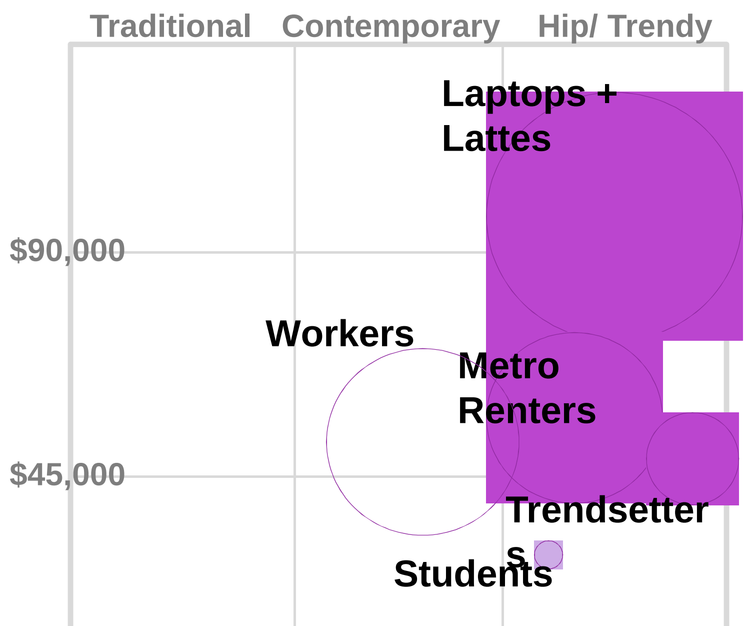
Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage



Tapestry Segmentation

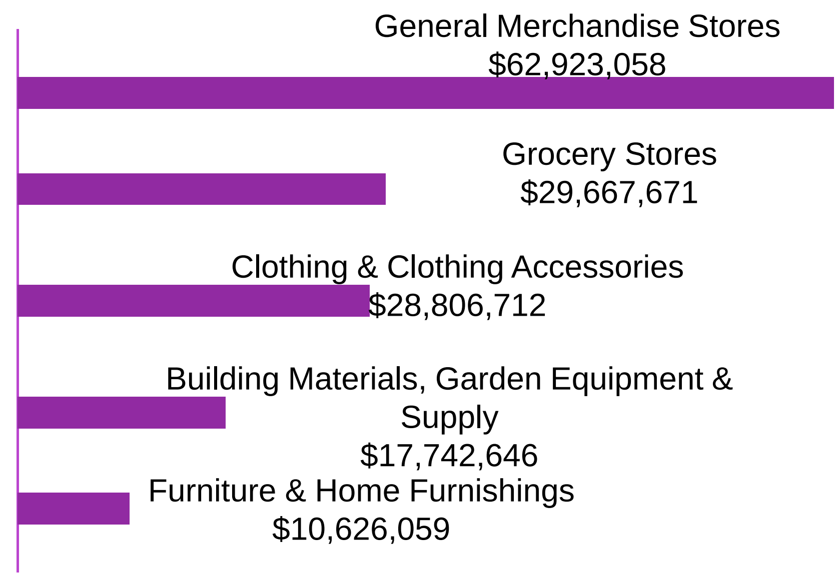
Source: LOA; ESRI Business Analyst Online



Successful retailers will offer products that are contemporary, hip and trendy in the moderate to high price points.

Top 5 Leakage Categories

Source: LOA; ESRI Business Analyst Online

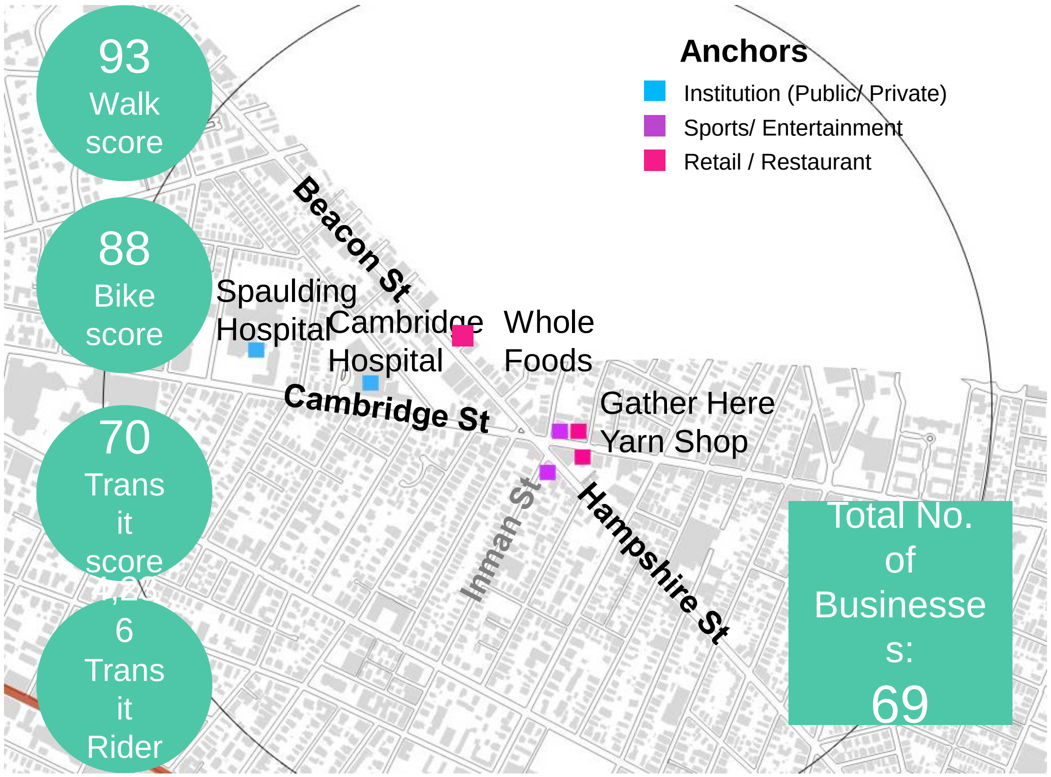


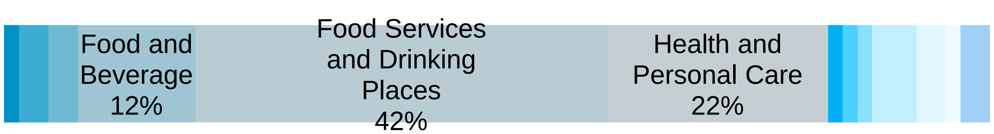
In addition to these retail categories, customers would like to see more local businesses. They also noted the need for stationery stores and quick, affordable dining options, including cafes and bakeries.

Inman Square

Photo: GoogleMap; Chris Devers (Flickr CC)

Inman Square



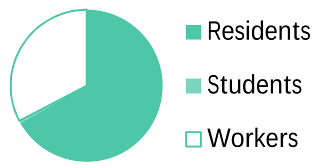


Inman Square is a convenience-oriented shopping district serving a large residential market with moderate to high incomes.

	Inman Square
Total Population	21,244
Population Density	26,891/ sq mile
Median Household Income	$75,162
Total No. of Workers	10,291
Resident to Worker Ratio	2:1

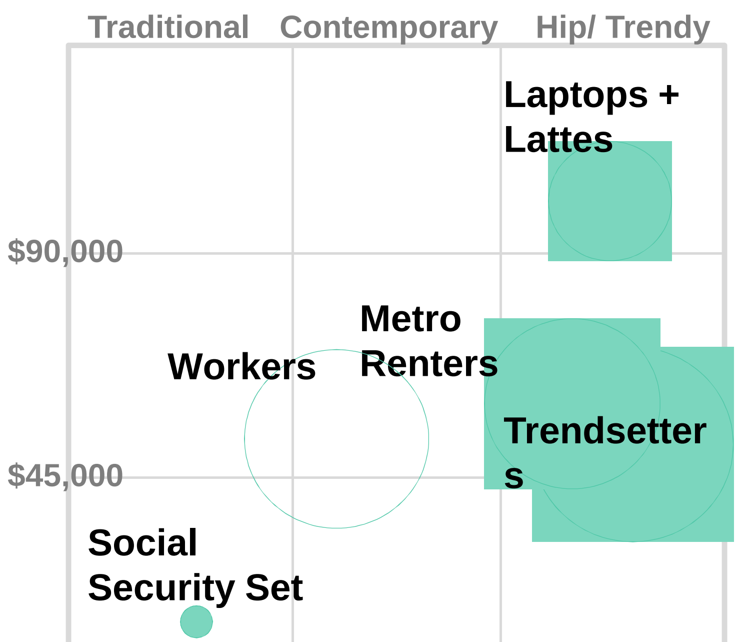
Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage



Tapestry Segmentation

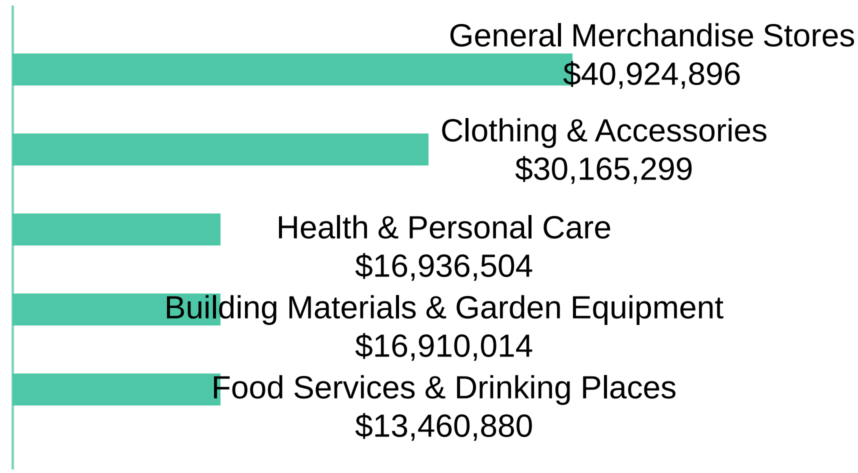
Source: LOA; ESRI Business Analyst Online



Successful retailers will offer a range of traditional to trendy products that are in the low to moderate price points.

Top 5 Leakage Categories

Source: LOA; ESRI Business Analyst Online



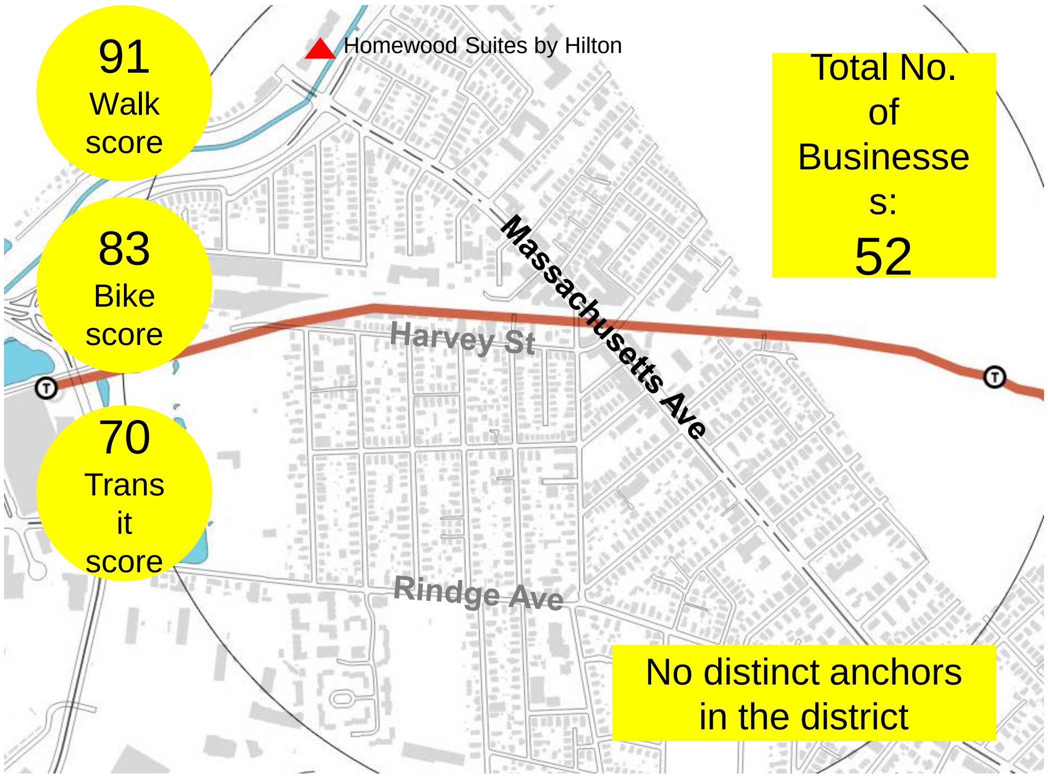
In addition to these retail categories, customers would like more affordable grocery and specialty retail stores. The hip and trendy customer base would also enjoy special events organized in the district.

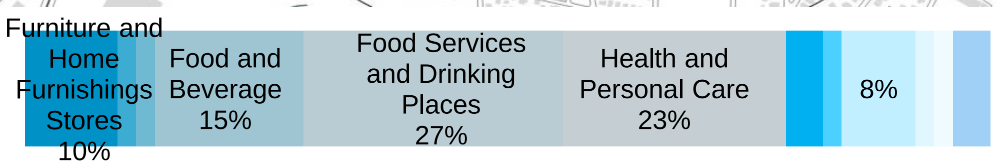
Prepared by Larisa Ortiz Associates (LOA)

North/ Upper Massachusetts

Photo:
LCA

North/ Upper Mass





North/ Upper Mass is a fast-developing residential neighborhood with a moderate to high income customer base.

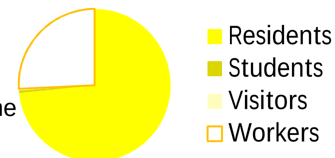
	North/ Upper Massachusetts
Total Population	13,235
Population Density	16,753/ sq mile
Median Household Income	$79,381
Total No. of Workers	4,612
Resident to Worker Ratio	3:1

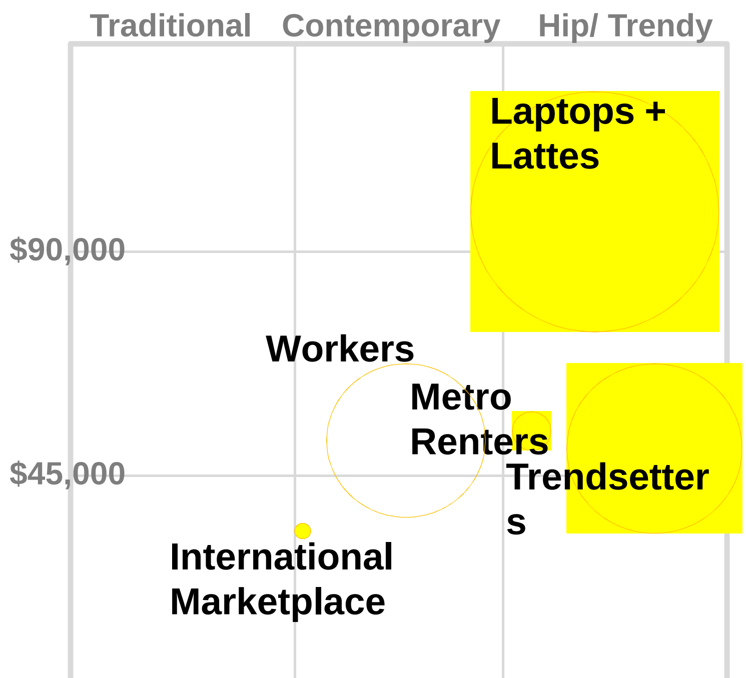
Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage

Tapestry Segmentation

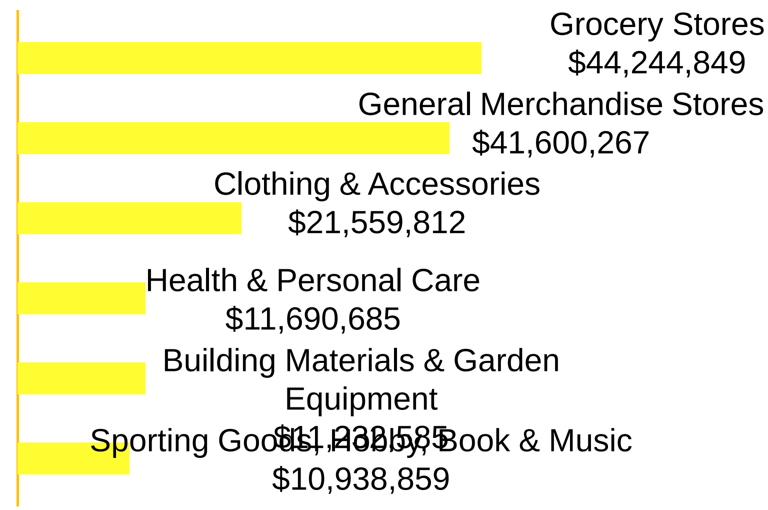
Source: LOA; ESRI Business Analyst Online





Top 6 Leakage Categories

Source: LOA; ESRI Business Analyst Online



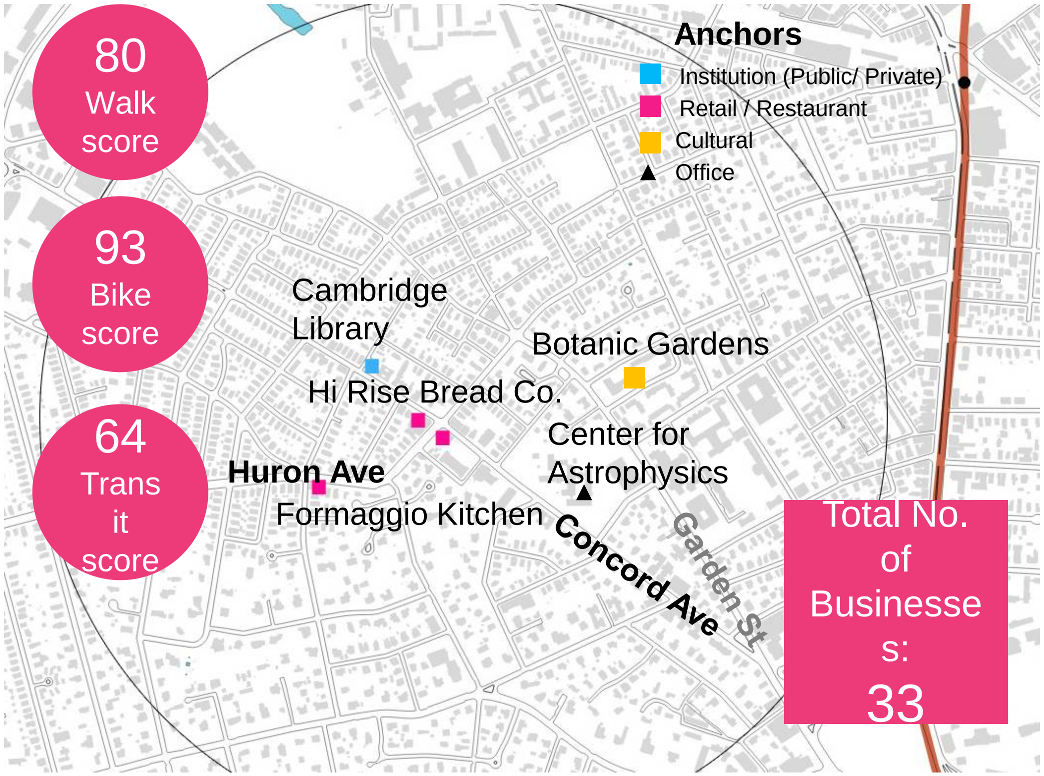
North/ Upper Mass still has the opportunity to build its offerings in categories such as grocery stores, building materials & garden equipment, and hobby stores in the moderate to high price range.

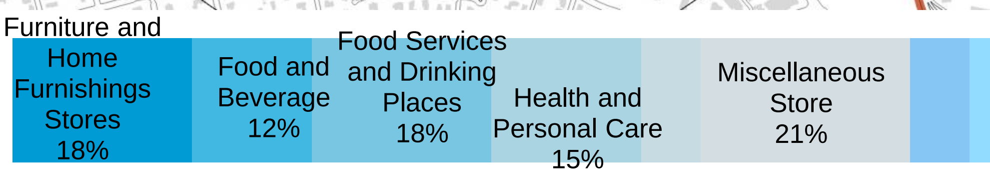
Prepared by Larisa Ortiz Associates (LOA)

Huron Village/ Observatory Hill

Photo:
LOA

Huron Village/ Observatory Hill



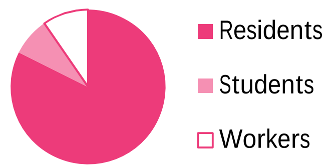


Huron Village is a very wealthy, residential neighborhood with a home furniture retail niche.

	Huron Village/ Observatory Hill
Total Population	12,528
Population Density	15,858/ sq mile
Median Household Income	$101,017
Total No. of Workers	1,329
Resident to Worker Ratio	10:1

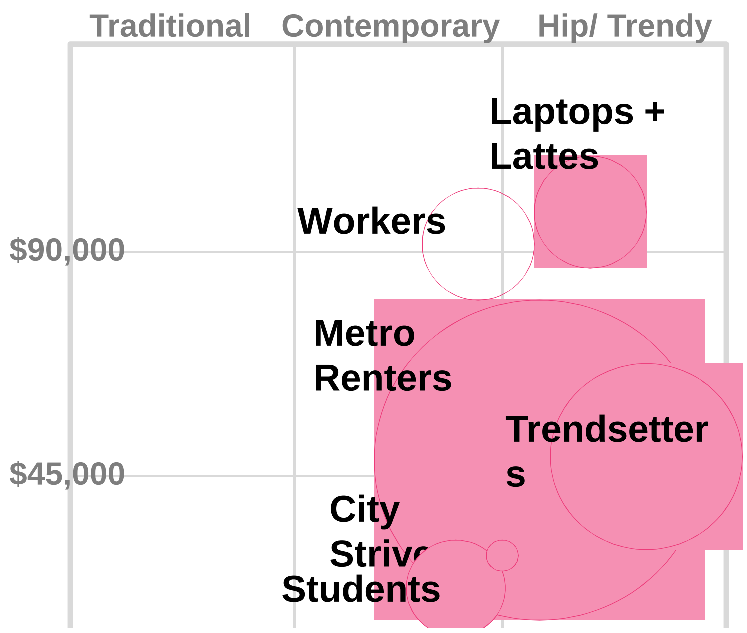
Prepared by Larisa Ortiz Associates (LOA)

Customers + Retail Leakage



Tapestry Segmentation

Source: LOA; ESRI Business Analyst Online



Successful retailers will provide contemporary and trendy offerings that are moderately priced.

Prepared by Larisa Ortiz Associates (LOA)

Top 6 Leakage Categories

Source: LOA; ESRI Business Analyst Online

Huron Village has the highest leakage of $358 million in the city of Cambridge. However, there are no available retail spaces for lease in the area.