



There should be no mystery as to why Webster is the retail capital of the Bay Area Houston region. With Interstate 45, Bay Area Boulevard, NASA Parkway, and Highway 3 as its most central corridors, Webster's strategic position is midway between Galveston and downtown Houston. Webster captures a significant market that consists of more than 3,200,000 people within a 30-mile radius, and this population base continues to grow.

Webster's retail stronghold is not only predicated upon its key location within the nucleus of Bay Area Houston but also substantiated by virtue of its ultra-strong industry clusters, such as medical, aerospace, biotech, tourism, post-secondary education, and entertainment. Webster, as the central business district of Clear Lake, features an outstanding daytime population that drives retail, and as an entertainment and tourist destination, Webster's evening population is equally strong.

Webster's retail domination is fueled by some impressive statistics, as numerous retailers and entertainment venues tout their Webster stores as being the top performers within the Greater Houston Metropolitan Statistical Area. For example, Academy Sports & Outdoors, Barnes & Noble, Bed Bath & Beyond, Chair King, Cheddar's Casual Cafe, Fry's Electronics, Guitar Center, Hobby Lobby, Hooters, Main Event, Mattress Giant, Michaels, Old Navy, RoomStore, and Stein-Mart consistently rank their Webster location as first or second within the entire Houston region.



These rankings speak volumes about the strength of Webster's prime market. Academy Sports & Outdoors reports that its Webster store is number three in its system, which includes 112 stores in 12 states. Fry's Electronics' Webster store is among the top four in the nation. Main Event Entertainment continues to tout the Webster location as its top performer, surpassing venues in The Woodlands, Austin, Plano, Ft. Worth, and others. Sales at Webster's Cinemark translate into 120,000 tickets monthly. Webster's 100+ restaurants are so successful that sales from mixed beverages are the second highest in Harris County. Webster's Hooters is number two in Texas and within the top ten in the world. Webster's Cheddar's is number two in the nation's system, which consists of more than 60 stores.



There are some very good reasons why retailers have chosen Webster as the place to land: Webster has fostered a developer-friendly relationship; Webster genuinely cares about its businesses' success; Webster features the



demographics that strong retailers require; and Webster accommodates significant industry clusters that complement retail.



Webster caters to retail. One of the largest Academy Sports & Outdoors is located in Webster, where this 113,000 square foot retail destination offers tremendous amenities customers won't find anywhere else, like the largest selection of athletic shoes in the region.

Another of Webster's most impressive retail developments is Fry's Electronics. This mega-electronics retail destination, which encompasses 148,000 square feet, features unprecedented architecture and accoutrements in that key elements of NASA's Space Station have been incorporated into the design. In addition to intricate and elaborate Space Station theming, both interior and exterior, Fry's Electronics is renowned for its customer service, extensive and comprehensive offerings, special electronics events, cafe, and daily specials.



Webster features over 25 retail centers. Along the west side of Interstate 45, Baybrook Commons is one of Webster's newest developments. Anchored by Holiday Inn Express and Hilton's latest concept, Baybrook Commons is a perfect locale for restaurants, as over 250,000 vehicles daily view this center. Baybrook Square is home to DSW, Office Depot, Pier 1, Spence Diamonds, and others. Too, Clear Lake Center, also on the west side of Interstate 45, south of NASA Parkway, is home to top-performing Burlington Coat Factory, RoomStore, Garden Ridge, Hooters, Floyd's Cajun Seafood and Steak House, and Pappas Bar-B-Q.

On the east side of Interstate 45, Baybrook Passage features some of the region's most successful retailers, like Borders and Seattle's Best, Golfsmith, and Cafe Express. Baybrook Gateway, also located at I-45 and Bay Area Boulevard, is home to top performing World Market, Barnes and Noble, Old Navy, La Madeleine, Jared, Casual Male, and Michaels. Baybrook Shopping Center, at I-45 and Medical Center Boulevard, touts top performing Bed Bath & Beyond, Sports Authority, Chair King, Bel Furniture, Stein Mart, Pappas Seafood House, Mardel, and Hobby Lobby. This center has an opportunity for a big box retailer on ten-plus acres that spans from I-45 to Medical Center Boulevard.

Point NASA, also positioned on the east side of Interstate 45 at NASA Parkway, accommodates the highly successful Star Furniture, Guitar Center, Las Haciendas, and Plaza Salons. Bay Way Village, anchored by the ultra-successful Bally





Fitness Center, features Cavender's, Mattress Giant, and more.

Webster Town Center, anchored by a super-regional entertainment venue, Cinemark, is another one of Webster's new, growing developments. Webster

Town Center boasts not only Interstate 45 exposure and accessibility but also mobility from Magnolia and Texas Avenue. The first multi-tenant retail center is home to McAlister's Deli, Webster's second Marble Slab, and MichiRu Sushi and Asian Restaurant. Remington College features an attractive, highly successful 36,000 square foot campus within Webster Town Center, which complements retail and entertainment sales.

Many of Webster's wildly successful retail developments are located on Bay Area Boulevard, where daily traffic counts number 100,000 vehicles. There is a good reason why retailers and developers call Bay Area Boulevard from Highway 3 to Interstate 45 "restaurant row." Restaurants along this corridor flourish, and the retailers at Webster Plaza add credence to this claim. Freebirds World Burrito, Jamba Juice, Buffalo Wild Wings, Ben and Jerry's, Kolache Factory, Sushi Coast, and GameStop are reaping the rewards from their dynamic Webster location.

Shops at the Bay, anchored by the new full-service Holiday Inn, is home to exciting, highly successful restaurants, including Baba's Mediterranean Grill, Chipotle, Firehouse Subs, Mooyah Burgers, and Thai Lemongrass.



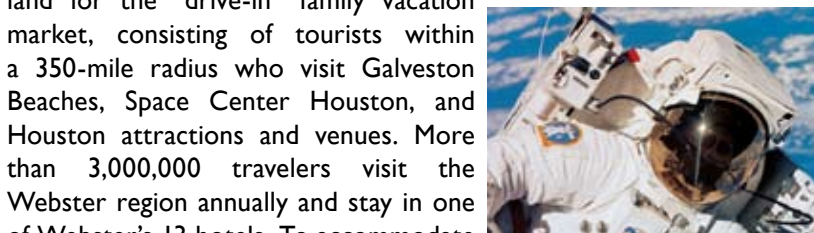
Restaurants thrive along Bay Area Boulevard where more than 27 establishments, such as Zio's, Red Lobster, Carrabba's Italian Grill, Outback Steakhouse, BJ's Restaurant and Brewery, Lupe Tortilla, Jason's Deli, and more find Webster's demographics and this corridor most appealing.

Webster, as the central business district of Clear Lake, attracts a super-regional market where a residential, or visitor, population shop, dine, stay, and play. Medical is a huge, growing industry cluster for Webster. In fact, Webster is known as the "medical center of the south" for its hospitals, medical facilities, and service area population of 1,500,000 that it accommodates. Clear Lake Regional Medical Center, Webster's largest employer with a workforce of 1,800, supports Webster's retail base. In like manner, aerospace is another economic driver, as NASA-Johnson Space Center, with its workforce of 17,000 civil servants and contractors, represents a significant industry sector that complements





a 15-mile radius, the population is 883,000; and within a 10-mile radius, the population is 495,000.



Webster's retail stronghold is further enhanced by its tourism partner, Space Center Houston, the region's top attraction," which is located in Webster's backyard, on NASA Parkway. Webster is the place to land for the "drive-in" family vacation market, consisting of tourists within a 350-mile radius who visit Galveston Beaches, Space Center Houston, and Houston attractions and venues. More than 3,000,000 travelers visit the Webster region annually and stay in one of Webster's 13 hotels. To accommodate increasing demand for hotel rooms, several new properties are opening soon, which will add more than 600 guest rooms to Webster's inventory of 1,000 rooms. Holiday Inn, Hilton Garden Inn, Holiday Inn Express, and SpringHill Suites are opening their newest concepts in Webster.

Webster fits retail perfectly based on many factors, such as location, strong, stable industries, highly educated workforce, superb quality of life, excellent school district, and great offerings ensconced within a central business district. Webster's market is super-regional.

Retail is powered by rooftops, and Webster is the nucleus for residential growth. Clear Creek Independent School District enrolls over 1,600 new students annually and employs more than 4,000. Further, Webster's newest master-planned community, Edgewater, is underway along NASA Parkway at Highway 3 and Clear Creek and will add more than 2,300 new residents.

Retail finds its perfect fit in Webster's super-regional market where both daytime and evening populations dine, shop, stay, and play. Within a 30-mile radius, the population is 3,200,000; within



Webster's retail base.

Family entertainment's address is Webster. Main Event Entertainment, an entertainment destination like no other, features a variety of attractions within its 65,000 square foot venue, including bowling, laser tag, virtual, interactive

video games, giant arcade, glow golf, billiards, cafe, and full bar. Putt-Putt Fun House, which recently celebrated 30 years in Webster, offers golf, bumper boats, laser tag, 3-D motion theater, along with exciting, new attractions, like ballocity, indoor bumper cars, and Highway 66 bowling. Grind House Skatepark, with its 15,000 square foot indoor skatepark, features a pro shop, party rooms, classes, and live music on weekends.

For drinks, dancing, and diversions, Webster touts some of the most popular night clubs and dance halls in the region, like Scout Bar for rock and Big Texas Dance Hall for country-western.

