



Pewaukee Market Profile

Community Profile

Looking for the beauty of a small New England town, with the convenience of the big city? Look no further because those are just two of the many things Pewaukee has to offer. Located twenty minutes west of Milwaukee and less than sixty minutes from Madison, Pewaukee is the gateway to Lake Country, a region with many small towns, lakes and open spaces.

Pewaukee's main attraction, Pewaukee Lake, is the largest lake located in Waukesha County. It is known for sailing regattas, recreational boating, excellent fishing and winter activities. The beach, one of the last free public beaches in the region, is located in the downtown area and draws people from all of Southeastern Wisconsin and beyond.

Because of its beautiful location, the lakefront is the focal point for many year round activities. From weekly concerts to large food festivals, there are plenty of things to enjoy. After attending an event, you can shop or dine at any of The Village Shoppes of Pewaukee Lake businesses. You will find a wide variety of unique shops and restaurants for that special evening out or for family fun!

Over the past ten years, more than \$2,000,000 has been invested in new buildings, improvements to the lakefront and updated facades. With much more on the horizon, Pewaukee is on its way to becoming a premier destination location in Wisconsin.

Elaine Kroening
Executive Director
Positively Pewaukee

Location and Trade Area

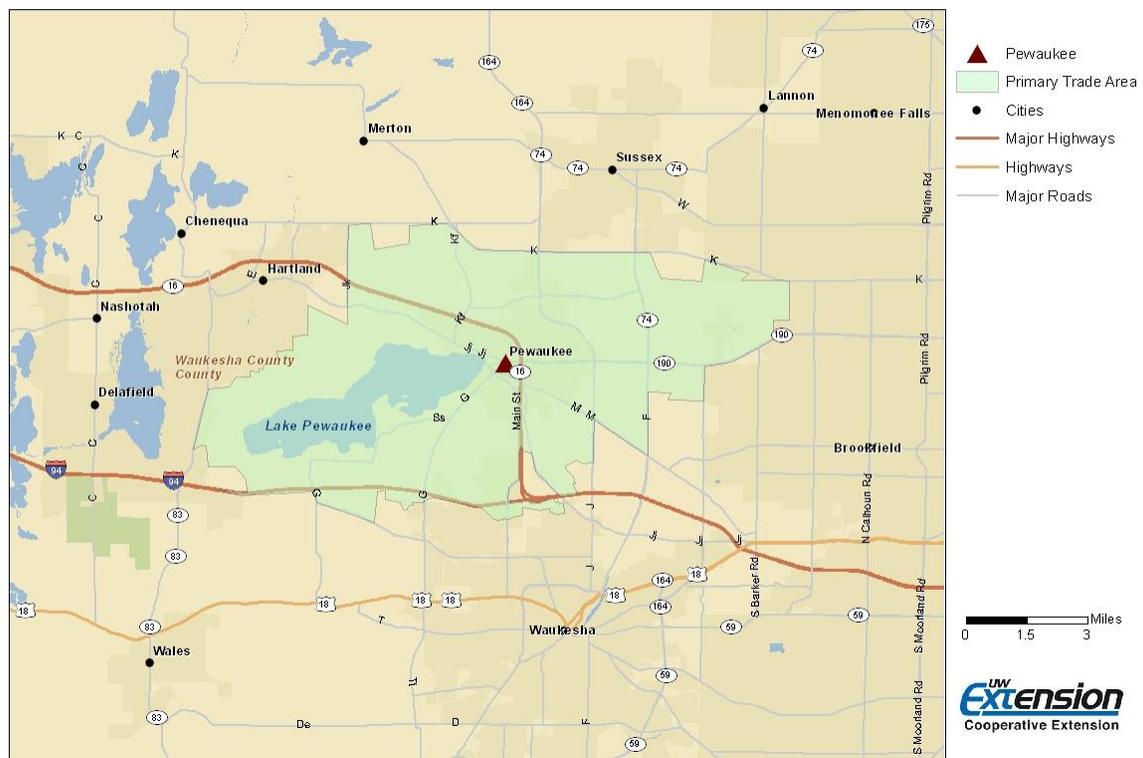
Pewaukee is located in Waukesha County off of Highway 16, just north of Waukesha and Interstate 94. It is approximately 60 miles east of Madison, and 15 miles west of Milwaukee.

A single trade area for Pewaukee was developed based on the following:

- The location of Pewaukee relative to competing trade centers
- Highway networks and drive times to Pewaukee
- Knowledge and insight offered by the local Main Street Program

The following map illustrates the size and scope of the trade area.

Pewaukee Primary Trade Area



Trade Area Demographics

Population

Population data helps quantify both current market size and future market growth. Population is defined as all persons living in a geographic area.

Population Trends		
Population	Trade Area	Wisconsin
2000 Total	21,530	5,363,675
2010 Total	23,310	5,741,617
2015 Estimated Total	23,874	5,877,143
2010-2015 Proj. Annual Growth	0.5%	0.5%
<i>Source: ESRI 2010 Market Profile</i>		

Pewaukee's trade area is home to 23,310 residents, and has a projected annual growth rate of .5 percent per year, for the next 5 years. This growth rate corresponds with the Wisconsin projected annual growth rate.

Housing Units

Housing is another economic indicator that describes the strength of the residential market. Ownership and vacancy rates can describe the stability of the housing market.

2010 Housing Information		
	Trade Area	Wisconsin
Households	9,865	2,280,136
Owner Occ. Housing Units	69.4%	59.6%
Renter Occ. Housing Units	24.7%	27.6%
Vacant Housing Units	5.9%	12.8%
Median Home Value	\$251,668	\$148,568
<i>Source: ESRI 2010 Market Profile</i>		

The trade area for Pewaukee has a level of owner occupied housing that is nearly 10 percent higher than the Wisconsin average. The percent of renter occupied housing is slightly lower than average, and there is a significantly lower percentage of vacant housing units. Median home value in the trade area is over \$100,000 more than the state average.

Household Income

Household income can be an indicator of the spending power of residents. Household income also positively correlates with retail expenditures in many product categories. Some retailers may target specific income ranges based on their target market segment.

2010 Household Income		
	Trade Area	Wisconsin
Median Household Income	\$86,296	\$55,895
Per Capita Income	\$44,675	\$26,503
<i>Source: ESRI 2010 Market Profile</i>		

Median household income in the trade area is \$30,000 above the Wisconsin average. Per capita income is \$18,000 above average.

2010 Income Distribution		
Income Range	Trade Area	Wisconsin
< \$15,000	2.3%	9.5%
\$15,000 - \$24,999	3.8%	9.0%
\$25,000 - \$34,999	6.8%	9.8%
\$35,000 - \$49,999	9.9%	15.6%
\$50,000 - \$74,999	17.7%	23.7%
\$75,000 - \$99,999	17.9%	16.9%
\$100,000 - \$149,999	26.3%	11.3%
\$150,000 - \$199,999	7.2%	2.2%
\$200,000 +	8.1%	2.1%
<i>Source: ESRI 2010 Market Profile</i>		

The number of households in the \$100,000 - \$149,999 income range is 15 percent greater than the average statewide.

Age

Age often affects a person's tastes and preferences. Understanding the population age distribution helps businesses effectively address the needs of the market.

2010 Population Age		
Age Range	Trade Area	Wisconsin
0 - 4	6.6%	6.4%
5 - 9	6.2%	6.4%
10 - 14	6.4%	6.4%
15 - 19	5.7%	7.1%
20 - 24	5.3%	7.2%
25 - 34	13.1%	12.7%
35 - 44	14.6%	13.0%
45 - 54	16.1%	15.2%
55 - 64	13.2%	12.2%
65 - 74	7.2%	6.8%
75 - 84	4.2%	4.4%
85+	1.5%	2.2%
Age 18+	77.1%	76.8%
Median Age	40	38.1
<i>Source: ESRI 2010 Market Profile</i>		

Median age for the trade area is slightly higher than statewide average, 40 to 38.1 respectively. The trade area has slightly higher distributions of residents in the higher age categories.

Education

Education can be an indicator of the socio-economic status of an area. Not only do education levels affect income, they also impact consumer tastes and preferences.

2010 Population 25+ by Education		
Education Level	Trade Area	Wisconsin
Less than 9th Grade	1.1%	3.6%
9th - 12th Grade, No Diploma	3.3%	6.7%
High School Graduate	24.0%	34.2%
Some College, No Degree	21.4%	20.0%
Associate Degree	9.2%	9.3%
Bachelor's Degree	28.7%	17.3%
Graduate/Professional Degree	12.3%	9.0%

Source: ESRI 2010 Market Profile

Residents of the trade area have significantly higher levels of education attained when compared to Wisconsin. Over one-fourth of the residents earned up to a bachelor's degree as their highest level of education, and 12 percent earned a graduate or professional degree. Over 50 percent achieved an Associate Degree or higher in the trade area.

Ethnicity

Spending patterns often differ with ethnicity. Effective market segmentation based on ethnic groups must be authentic and accurate. Understanding the ethnic distribution of a population is the first step to meeting the needs of different ethnic groups.

2010 Population by Ethnicity		
Ethnicity	Trade Area	Wisconsin
White Alone	95.0%	87.0%
Black Alone	0.7%	5.8%
American Indian Alone	0.2%	1.0%
Asian or Pacific Islander Alone	2.4%	2.1%
Some Other Race Alone	0.5%	2.4%
Two or More Races	1.3%	1.7%
Hispanic Origin	1.8%	5.5%
Diversity Index	12.9	31.8

Source: ESRI 2010 Market Profile

The trade area population is 95 percent white, higher than the Wisconsin average.

Occupation

Occupation concentrations of white collar, blue collar, or service workers are used as another gauge of a market's spending patterns.

2010 Employment by Occupation (16+)		
	Trade Area	Wisconsin
White Collar	75.3%	59.2%
Services	11.4%	16.3%
Blue Collar	13.3%	24.5%

Source: ESRI 2010 Market Profile

White collar workers comprise three-fourths of the trade area workers. In contrast, blue collar workers make up only 13 percent of the trade area population, which is significantly lower than state average.

Industry of Employment

Industry of employment, like the previous section, also impacts spending patterns. The figures shown in the chart below illustrate employment by industry of those who live within the trade area, regardless of where they work.

2010 Employment by Industry (Ages 16+)		
Industry	Trade Area	Wisconsin
Agriculture/Mining	0.4%	2.6%
Construction	5.3%	5.2%
Manufacturing	15.9%	16.5%
Wholesale Trades	6.1%	3.2%
Retail Trades	10.6%	11.7%
Transportation/Utilities	3.4%	4.1%
Information	2.7%	1.9%
Finance/Insurance/Real Estate	8.7%	6.5%
Services	44.6%	44.6%
Public Administration	2.3%	3.7%

Source: ESRI 2010 Market Profile

Employment by industry follows a similar pattern as Wisconsin, with slightly higher levels of employment in white collar industries such as finance and information, and slightly lower levels in blue collar industries.

Trade Area Lifestyle Segments

ESRI's Tapestry Segmentation system divides U.S. residential areas into 65 distinctive segments based on socioeconomic and demographic characteristics. It provides a description of the activities and spending behaviors of the distinct consumer groups that reside in a community. More than half of Watertown's trade area households fall in one of the following three tapestry categories:

	Tapestry Segment	Percentage
1	Enterprising Professionals	28.6%
2	In Style	26.5%
3	Exurbanites	20.6%

Source: ESRI 2010

- *Enterprising Professionals*: Young, educated, single, married, working professionals with over half graduating with a bachelor or graduate degree; these working professionals are employed in finance, management, computer, and sales; young and mobile and typically move frequently to find growth opportunities; use the internet for most things, they also play video games, jog, swim and love to travel.
- *In Style*: Slightly older, predominately professional couples, living in the affluent suburbs but prefer city lifestyle; upper middle class working in professional management in finance, insurance, health care, technical services and education;

use internet for most daily tasks while looking forward with investments; stay healthy by exercising, eating a healthy diet, while taking domestic vacations to hike, golf and go backpacking.

- **Exurbanites:** Prefer affluent lifestyle in open spaces beyond the urban fringe; older with a mix of empty nesters and children at home; well educated and working in professional management with others receiving retirement income; worried about financial security, they consult financial planners and do most work on their homes; very active lifting weights, practicing yoga and jogging; they also enjoy boating, hiking, bird watching, and taking photos; top segment for watching college basketball and professional football; participate in civic activities and charitable organizations.

16 Enterprising Professionals	13 In Style	07 Exurbanites
		
L2 Upscale Avenues U3 Metro Cities I Mixed 32.4 Upper Middle Prof/Mgmt Some College; Bach/Grad Multiunits; Townhome White; Asian	L2 Upscale Avenues U7 Suburban Periphery I Mixed 40.0 Upper Middle Prof/Mgmt Some College; Bach/Grad Single Family; Townhome White	L1 High Society U7 Suburban Periphery I Married-Couple Families 45.5 Upper Middle Prof/Mgmt Some College; Bach/Grad Single Family White
Jog, bike, practice yoga Have personal education loan Go online frequently Read computer magazines Own/Lease Honda	Vacation at beach Trade/track investments online Shop online Listen to sporting events on radio Own/Lease Honda	Enjoy photography Consult financial planner Play golf, bicycle, hike Read 2+ Sunday newspapers Own/Lease SUV

Lifemode Summary Groups:

- **Upscale Avenues:** Prosperous, married couple homeowners in different housing
- **High Society:** Affluent, well-educated, married-couple homeowners
- **Family Portrait:** Youth, family life, and children

Urbanization Summary Groups:

- **Suburban Periphery I:** Married-couple families in lower density, suburban expansion
- **Metro Cities I:** Upscale city life with suburban benefits
- **Urban Outskirts I:** Close to city amenities with suburban affordability

Economic Conditions

Earnings Mix

Breaking down earnings by sector provides a snapshot of the industry mix in an area. Earnings include wage and salary disbursements, other labor income, and proprietor's income (both farm and non-farm).

Waukesha County Earnings Mix 2009		
Industry	Earnings	% of Total
Compensation of employees, received	\$13,315,287	100.0%
Farm compensation	\$9,482	0.1%
Nonfarm compensation	\$13,305,805	99.9%
Private compensation	\$12,250,666	92.0%
Forestry, fishing, and related activities	(D)	(D)
Mining	(D)	(D)
Utilities	(D)	(D)
Construction	\$921,815	6.9%
Manufacturing	\$3,074,381	23.1%
Wholesale trade	\$1,345,916	10.1%
Retail trade	\$733,222	5.5%
Transportation and warehousing	(D)	(D)
Information	\$422,409	3.2%
Finance and insurance	\$1,003,461	7.5%
Real estate and rental and leasing	\$116,104	0.9%
Professional, scientific, and technical services	\$959,554	7.2%
Management of companies and enterprises	\$536,721	4.0%
Administrative and waste services	\$452,368	3.4%
Educational services	\$93,021	0.7%
Health care and social assistance	\$1,383,050	10.4%
Arts, entertainment, and recreation	\$79,850	0.6%
Accommodation and food services	\$253,634	1.9%
Other services, except public administration	\$390,544	2.9%
Government and government enterprises	\$1,055,139	7.9%

Source: Bureau of Economic Analysis

Nearly one-fourth of the total county-wide earnings come from the manufacturing industry, followed by health care and wholesale trade.

Local Firm Employment

Identifying local employers provides insight into the types of larger businesses in the area that may provide drawing power.

Top Ten Private Employers	
Rank	Employer Name
1	Waukesha County Technical College
2	Quad Graphics Inc.
3	WE Energies
4	Pewaukee Public School Systems Inc.
5	Cooper Power Systems Inc.
6	Quad Tech Inc.
7	Wal-Mart
8	Total Mechanical Inc.
9	Iowa Machine Shed Co.
10	Five Star Quality Care Inc.

Source: WI Department of Workforce Development

Waukesha County Technical College and Quad Graphics are the two largest employers in the county.

Labor Force and Employment Levels

Labor force and employment data provide important information on the size and stability of a local economy as measured by the local workforce.

Unemployment Rates			
Year	Waukesha County	Wisconsin	National
2006	3.8	4.7	4.6
2007	3.9	4.8	4.6
2008	4.0	4.9	5.8
2009	7.7	8.7	9.3
2010	7.4	8.3	9.6

Source: WI Dept. of Workforce Development Annual

Unemployment rates in Waukesha County are significantly lower than both Wisconsin and National rates.

Transportation

Understanding street and highway traffic volume is essential to strategic business placement. Most retailers typically seek locations on major arteries and often rely on minimum average daily traffic counts to survive.

West Wisconsin Avenue averages up to 8,900 vehicles daily. Oakton Ave. averages 4,300 near downtown Pewaukee. Highway 190 east of Highway 16 averages up to 30,600 vehicles daily.

Commuting patterns highlight counties with a strong economic base which are able to attract workers from surrounding regions. Conversely, they also demonstrate which areas might lack local employment opportunities for their residents. These “bedroom” communities offer a greater number of housing options in comparison to other locations.

Of the 3,161 employed within Pewaukee, only 129 of them live within the community. In contrast, of the 4,454 who live within Pewaukee and are employed, 4,325, or 97.1 percent, are employed outside of the selection area. 53.7 percent of those who live in Pewaukee and have a job work in Waukesha County, and 32 percent work in Milwaukee County.

Tourism

Tourism creates jobs and increases revenue within a local economy. The economic impact of traveler expenditures has both a direct and indirect impact on the local economy.

Tourism Total Impact 2010 Waukesha County	
Expenditures	\$616,938,631
Full-Time Equivalent Jobs	15,270
Resident Income	\$353,979,867
State Revenue	\$66,641,465
Local Revenue	\$32,137,114
<i>Source: WI Dept. of Tourism and Davidson-Peterson Associates, Inc.</i>	

Expenditure Summary		
	Waukesha County	Wisconsin
2000	\$563,078,897	\$11,046,539,344
2005	\$620,019,194	\$11,950,050,300
2010	\$616,938,631	\$12,303,015,785
% Change 2000-2010	9.6%	11.4%
<i>Source: WI Dept. of Tourism and Davidson-Peterson Associates, Inc.</i>		

Tourism within Waukesha County provided the equivalent of 15,270 jobs and \$616,938,631 in 2010. Between 2000 and 2010 tourism revenue in Waukesha County has grown 9.6 percent. While this number is slightly lower than statewide tourism growth, it still shows significant industry growth. Pewaukee’s strategic position on Pewaukee Lake provides an opportunity to capture some of this market growth.

Demand for Retail and Service Businesses

Opportunities for business expansion and recruitment can be analyzed using estimates of consumer spending potential (demand). These demand estimates can be obtained from public and private secondary data sources. Consumer spending does not equal actual business revenue, but rather the potential revenue that trade area residents could generate. Non-resident demand from consumers traveling to or through the community is not included in these estimates.

Spending Patterns-Households in Trade Area Compared to U.S.

As a general overview of consumer spending by trade area residents, it is helpful to compare local household spending with average U.S. household spending. Spending is influenced by demographic, economic and geographic factors. One method of comparing trade area spending with the U.S. is the Spending Potential Index (SPI).

Household Spending Potential Index	
Product or Service Category	SPI
Apparel & Services	107
Computers & Accessories	155
Entertainment/Recreation	154
Food at Home	144
Food Away from Home	151
Health Care	139
Household Furnishings & Equip.	135
TV/Video/Audio	147
Retail Goods	143

Source: ESRI 2010 Market Profile

Residents of the trade area spend more than the U.S. average in all product and service categories (100 is the U.S. average). Residents have a highest spending potential on computers and accessories, followed by entertainment and food away from home.

Potential Sales in Trade Area

Potential sales by business category in the trade area can be calculated by multiplying the following (grocery store example):

- U.S. sales per capita by business category based on the U.S. Economic Census (\$1,631)
- The ratio of local trade area per capita income to U.S. per capita income (\$22,008/\$26,739)
- Trade area population (81,125)
- Multiplication of above figures is equal to the “Potential Sales in Trade Area” (for grocery stores \$108 million)

The following table presents the potential sales estimates for the trade area. These estimates assume that everyone in the trade area only shops in that area; likewise it assumes no one from outside of the trade area shops in that area. Therefore, it does not take into consideration any surplus or leakage in or out of the trade area.

Also in the table is a column that estimates an equivalent number of square feet of shopping center space that could be supported by said sales. These estimates can be used in a demand and supply analysis that measures potential (demand) vs. existing (supply) of space by business category.

NAICS	Store Category	Potential Sales in Trade Area	Sq. Ft Demand	NAICS	Store Category	Potential Sales in Trade Area	Sq. Ft Demand
44111	New car dealers	\$87,812,525	-	45113	Sewing, needlework, & piece goods stores	\$560,328	4,019
44112	Used car dealers	\$10,311,292	-	45114	Musical instrument & supplies stores	\$761,208	-
44121	Recreational vehicle dealers	\$2,486,260	-	45121	Book Stores	\$2,359,509	10,229
44122	Motorcycle, boat, & other motor vehicles	\$6,226,797	-	45122	Tape, compact disc, & record stores	\$479,136	1,640
44130	Automotive parts, accessories, & tires	\$9,589,516	55,463	45200	General merchandise stores	\$73,897,004	528,251
44210	Furniture stores	\$7,581,167	14,186	45310	Florists	\$929,180	3,786
44220	Home furnishings stores	\$6,635,072	24,257	45321	Office supplies & stationery stores	\$2,968,711	14,671
44311	Appliance, television, & other electronics	\$11,021,375	30,021	45322	Gift, novelty, & souvenir stores	\$2,314,990	12,672
44312	Computer & software stores	\$2,623,442	1,281	45330	Used merchandise stores	\$1,420,786	-
44313	Camera & photographic supplies stores	\$509,409	883	45391	Pet & pet supplies stores	\$1,518,133	6,460
44411	Home centers	\$17,230,988	44,335	45392	Art dealers	\$1,234,430	2,544
44412	Paint & wallpaper stores	\$1,298,484	-	51213	Motion picture & video exhibition	\$1,622,322	19,553
44413	Hardware stores	\$2,625,111	18,174	53210	Automotive equipment rental & leasing	\$5,878,712	-
44419	Specialized building material dealers	\$15,133,735	-	53222	Formal wear & costume rental	\$128,757	427
44420	Lawn & garden equipment & supplies	\$4,739,834	-	53223	Video tape & disc rental	\$1,206,265	7,283
44510	Grocery stores	\$62,802,736	131,060	53230	General rental centers	\$586,988	1,155
44520	Specialty food stores	\$2,389,266	11,178	54192	Photographic services	\$1,221,491	3,845
44530	Beer, wine, & liquor stores	\$4,891,915	12,345	71310	Amusement parks & arcades	\$1,771,580	22,306
44611	Pharmacies & drug stores	\$25,831,097	64,581	71390	Other amusement (bowling, golf, fitness)	\$8,233,990	-
44612	Cosmetics and beauty supplies	\$1,503,558	4,119	72210	Full-service restaurants	\$25,060,713	62,293
44613	Optical goods stores	\$1,053,502	2,963	72220	Limited-service eating places	\$23,801,759	69,973
44619	Other health care (vitamin, medical equip)	\$1,926,403	-	72240	Drinking places (alcoholic beverages)	\$2,551,797	-
44710	Gasoline stations	\$57,710,991	43,677	81111	Automotive mechanical & electrical repair	\$6,509,181	-
44811	Men's clothing stores	\$1,121,230	4,304	81112	Automotive body, paint, interior, & glass	\$4,341,805	-
44812	Women's clothing stores	\$5,150,570	20,183	81119	Other automotive repair & maintenance	\$1,984,467	-
44813	Children's & infants' clothing stores	\$1,226,437	3,887	81141	Home/garden equipment & appliance repair	\$533,964	-
44814	Family clothing stores	\$10,803,782	31,855	81142	Reupholstery & furniture repair	\$242,769	-
44815	Clothing accessories stores	\$815,896	2,323	81143	Footwear & leather goods repair	\$39,531	150
44819	Specialized clothing stores (dress, etc)	\$1,539,284	4,580	81149	Personal goods repair (watch, boat, garment)	\$1,151,311	-
44821	Shoe stores	\$3,425,739	13,796	81211	Barber shops, beauty salons, nail salons	\$4,961,614	22,456
44831	Jewelry stores	\$3,962,456	6,386	81219	Other personal care services	\$1,035,356	3,361
44832	Luggage & leather goods stores	\$249,394	844	81231	Coin-operated laundries & drycleaners	\$542,653	7,196
45111	Sporting goods stores	\$4,589,446	16,725	81232	Drycleaning & laundry (except coin-operated)	\$1,164,384	7,871
45112	Hobby, toy, & game stores	\$2,099,734	9,122	81291	Pet care (except veterinary) services	\$466,185	-
				81292	Photofinishing	\$299,891	-

Calculations based on U.S. Economic Census (2007), ESRI Market Profile Report (2010), and Urban Land Institute shopping center sales data (2007)
 CALCULATIONS ARE PROVIDED FOR THE STUDY OF ECONOMIC CONCEPTS AND SHOULD NOT BE USED AS THE SOLE DETERMINANT IN BUSINESS FEASIBILITY ANALYSIS.

Quality of Life

Why Pewaukee?

Cliché words could be used like, unique, historic or quaint. However, the fact is that Pewaukee is a place like very few others. There is a great sense of community pride here, not only with the residents, but within the business community. We work together for a common goal of making Pewaukee a destination for others to enjoy.

The events, the lake, shopping, and dining all make Pewaukee a place that people from outside the area think of when they decide to come and relax. These are all things you should consider while looking for a new home for your business – and we, Pewaukee, have them all. Whereas we say here...*Everything is Waiting for You!*