



APPENDIX 3
**DOWNTOWN
GRAND RAPIDS
RESIDENTIAL MARKET
POTENTIAL**

UPDATE

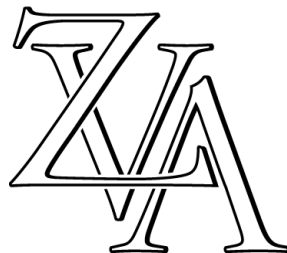
RESIDENTIAL MARKET POTENTIAL

Downtown Grand Rapids

City of Grand Rapids
Kent County, Michigan

August, 2014

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Research & Strategic Analysis

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Research & Strategic Analysis

UPDATE

RESIDENTIAL MARKET POTENTIAL

Downtown Grand Rapids *City of Grand Rapids, Kent County, Michigan*

August, 2014

INTRODUCTION

The purpose of this study is to re-evaluate the depth and breadth of the potential market for new market-rate rental and for-sale dwelling units, to be added through adaptive re-use of existing non-residential buildings and/or new construction, within Downtown Grand Rapids, in the City of Grand Rapids, Kent County, Michigan. The analysis will provide the residential context that will help inform the Downtown master-planning process currently underway. The original Downtown study was published in July, 2004, and the first update was published in November, 2008.

For the master planning process, given the potential impacts of the Grand River restoration, the boundaries of the Downtown study area have been expanded from the North Street Park Bridge in the north to Millennium Park in the south, and from Prospect Avenue in the east to Butterworth Street, Seward and Elizabeth Avenues, and the West River Drive in the west. From the residential market perspective, this study area is only slightly larger than that defined for the original study and update: an area bounded by Coldbrook Street and the I-96 Expressway to the north, Prospect Street to the east, Wealthy Street to the south, and Seward Street to the west. This area includes not only Center City, but also portions of the Heritage Hill and Heartside neighborhoods, the North Monroe District and the American Seating Park redevelopment.

The depth and breadth of the potential market for new housing units within Downtown Grand Rapids have been updated using Zimmerman/Volk Associates' proprietary target market methodology. The target market methodology is particularly effective in defining housing potential

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because it encompasses not only basic demographic characteristics, such as income qualification and age, but also less-frequently analyzed attributes such as mobility rates, lifestage, lifestyle patterns, and household compatibility issues.

For this update, Zimmerman/Volk Associates re-examined the following:

- Where the potential renters and buyers for new market-rate housing units in the City of Grand Rapids in general and the Downtown Study Area in specific are likely to move from (the draw areas);
- How many have the potential to move to the Downtown Study Area if appropriate housing units were to be made available (depth and breadth of the market);
- What their housing preferences are in aggregate (rental or ownership, multi-family or single-family);
- Who currently lives in the draw areas and what they are like (the target markets);
- What their alternatives are (other relevant housing in Downtown Grand Rapids);
- What they will pay to live in the Downtown (market-rate rents and prices); and
- How quickly they will rent or purchase the new units (absorption forecasts).

The target market methodology is described in detail in the METHODOLOGY section at the end of this study.

MARKET POTENTIAL

The extent and characteristics of the potential market for new residential units within the City of Grand Rapids and the Downtown Study Area have been re-examined through detailed analysis of households living within the appropriate draw areas. These draw areas were confirmed through an update of the migration and mobility analyses, with additional supporting data drawn from the 2012 American Community Survey for the City of Grand Rapids and for Kent County.

Where are the potential renters and buyers of new and existing housing units in the City of Grand Rapids likely to move from?

Analysis of the most recent Kent County migration and mobility data available from the Internal Revenue Service—from 2006 through 2010—shows that although the county continued to experience net migration losses through 2009, in 2010, the county gained more households from in-migration than it lost through out-migration. (See Appendix One, Table 1.)

Over the study period, annual *out*-migration from Kent County ranged between the high of 12,680 households in 2007 and the low of 11,100 households in 2010. Over the same period, annual *in*-migration to Kent County has ranged between 11,265 households in 2010, the highest total over the study period, and 10,065 households the previous year, the lowest total. In 2010, as in previous years, between 20 and 23 percent of the county's in-migration came from just two counties—the adjacent counties of Ottawa and Allegan .

Based on the updated migration and mobility data, then, the draw areas for the City of Grand Rapids and the Downtown Study Area have been confirmed as follows (*see also* METHODOLOGY):

- The primary draw area, covering households in groups with median incomes of \$50,000 or more currently living within the Grand Rapids city limits.
- The local draw area, covering households in groups with median incomes of \$50,000 or more currently living in the balance of Kent County.

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- The regional draw area, covering households in groups with median incomes of \$50,000 or more that are likely to move to the City of Grand Rapids from Ottawa and Allegan Counties.
- The national draw area, covering households in groups with median incomes of \$50,000 or more with the potential to move to the City of Grand Rapids from all other U.S. counties (primarily Michigan counties, but also include the Chicago, Phoenix, and Los Angeles areas).

As derived from the updated migration and mobility analyses, the draw area distribution of market potential (those households, in groups with median incomes above \$50,000 per year with the potential to move within or to the City of Grand Rapids, an average of 16,485 households each year over the next five years) is therefore as follows (*see also* Appendix One, Table 8):

Market Potential by Draw Area
City of Grand Rapids, Kent County, Michigan

City of Grand Rapids (Primary Draw Area):	53.5%
Balance of Kent County (Local Draw Area):	25.2%
Ottawa and Allegan Counties (Regional Draw Area):	5.0%
Balance of US (National Draw Area):	<u>16.3%</u>
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Households moving within the city and from the balance of the county as a share of Grand Rapids' market potential has ranged from 76.4 percent in 2004, up to 79.5 percent in 2008, then declining somewhat to 78.7 percent in 2014. The share of households moving to the city from Ottawa and Allegan Counties rose to five percent (up from 4.5 percent in 2004 and 4.7 percent in 2008). As a share of the potential market, households living in all other U.S. counties have risen to 16.3 percent after falling to 15.9 percent in 2008 from 19.2 percent in 2004.

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MARKET POTENTIAL FOR DOWNTOWN GRAND RAPIDS

Where are the potential renters and buyers of new and existing housing units in the Downtown Study Area likely to move from?

As in the original 2004 study and the 2008 update, the target market methodology identifies those households with a preference for living in downtowns and in-town neighborhoods. After discounting for those segments of the city's potential market that typically choose suburban and/or rural locations, the distribution of draw area market potential for new and existing market-rate dwelling units within the Downtown Grand Rapids Study Area would be as follows (*see also* Appendix One, Table 9):

Market Potential by Draw Area DOWNTOWN GRAND RAPIDS STUDY AREA City of Grand Rapids, Kent County, Michigan

City of Grand Rapids (Primary Draw Area):	46.3%
Balance of Kent County (Local Draw Area):	21.4%
Ottawa and Allegan Counties (Regional Draw Area):	4.1%
Balance of US (National Draw Area):	28.2%
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Over the next five years, the balance of the U.S. represents a growing proportion of market potential for new housing in Downtown Grand Rapids (28.2 percent, compared to 24.8 percent in the 2008 update). The percentage of households moving from Kent County, and from Ottawa and Allegan Counties, has also increased, to 21.4 percent from 21 percent (Kent County) and to 4.1 percent from 2.6 percent (Ottawa and Allegan Counties). The market potential from elsewhere in the city has fallen from 51.6 percent in 2008 to 46.3 percent in 2014.

Based on the updated analysis, which accounts for household mobility within the City of Grand Rapids and the balance of Kent County, as well as migration and mobility patterns for households currently living in all other cities and counties, an average of 5,135 younger singles and couples, empty nesters and retirees, and traditional and non-traditional families represent the potential market for new and existing housing units within the Downtown Grand Rapids Study Area each year over the next five years, more than 11 percent higher than the 4,610 households in 2008.

What are their housing preferences in aggregate?

The protracted ownership housing slump has led to a measurable shift in market preferences from home ownership to rental dwelling units, particularly among younger households, yielding a higher share of consumer preference for multi-family rentals even among relatively affluent consumers than would have been typical just five years ago. At the same time, there continues to be a significant shift in preferences from suburban subdivisions toward mixed-use neighborhoods, preferably in urban locations.

The updated housing preferences of the draw area households—derived from their tenure (rental/ownership) choices and broad financial capacities—reflect that market shift and are outlined on the following table (*see also* Table 1):

**Annual Potential Market for New and Existing Housing Units
 DOWNTOWN GRAND RAPIDS STUDY AREA
 City of Grand Rapids, Kent County, Michigan**

HOUSING TYPE	NUMBER OF HOUSEHOLDS	PERCENT OF TOTAL
Multi-family for-rent (lofts/apartments, leaseholder)	2,345	45.7%
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	500	9.7%
Single-family attached for-sale (townhouses/rowhouses, fee-simple/ condominium ownership)	640	12.5%
Low-range single-family detached (houses, fee-simple ownership)	675	13.1%
Mid-range single-family detached (houses, fee-simple ownership)	555	10.8%
High-range single-family detached (houses, fee-simple ownership)	<u>420</u>	<u>8.2%</u>
Total	5,135	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

The market propensity for higher-density urban rental housing continues to grow: multi-family rental housing accounted for 34.9 percent of target market propensities in the 2008 update (1,610 households), and increased both in number (to 2,345 households) and in share (to 45.7 percent) in 2014.

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In contrast, the number of households with preferences for multi-family for-sale units dropped significantly (from 950 to 500 households), and their share of the potential market dropped from 20.6 percent to 9.7 percent.

Another major change over the past six years is the increase in market preferences for single-family *attached* units (from 520 households to 640 households, from an 11.3 percent share of the market to a 12.5 percent market share).

As in the 2004 study and 2008 update, this analysis is focusing on the most appropriate housing types for downtowns: multi-family rental and for-sale units, and single-family attached units. Limited to households with preferences for multi-family rental and for-sale and single-family attached for-sale units, then, an annual average of 3,485 households currently living in the defined draw areas represent the pool of potential renters/buyers of new housing units (new construction and/or adaptive re-use of non-residential structures) within the Downtown Study Area each year over the next five years (*see again* Table 1). This represents an increase of more than 13 percent, or 405 households per year.

As derived from the tenure and housing preferences of those 3,485 draw area households, the distribution of rental and for-sale multi-family and for-sale single-family attached housing types is as follows:

Annual Potential Market for New and Existing Housing Units
Market-Rate Higher-Density Housing Units
DOWNTOWN GRAND RAPIDS STUDY AREA
City of Grand Rapids, Kent County, Michigan

HOUSING TYPE	NUMBER OF HOUSEHOLDS	PERCENT OF TOTAL
Multi-family for-rent (lofts/apartments, leaseholder)	2,345	67.3%
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	500	14.3%
Single-family attached for-sale (townhouses/live-work, fee-simple/ condominium ownership)	<u>640</u>	<u>18.4%</u>
Total	3,485	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Table 1

Annual Market Potential

Derived From New Unit Purchase And Rental Propensities Of Draw Area Households
 With The Potential To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

*City of Grand Rapids; Balance of Kent County; Ottawa and Allegan Counties, Michigan; All Other U.S. Counties
 Draw Areas*

Total Target Market Households
 With Potential To Rent/Purchase In The
 City of Grand Rapids, Kent County, Michigan 16,485

Total Target Market Households
 With Potential To Rent/Purchase In
 Downtown Grand Rapids 3,485

Annual Market Potential

	<i>Multi-Family</i>		<i>Single-Family</i>			<u>Total</u>
	<u>For-Rent</u>	<u>For-Sale</u>	<i>Attached</i> <u>All Ranges</u>	<i>Attached</i> <u>Low-Range</u>	<i>Detached</i> <u>Mid-Range</u> <u>High-Range</u>	
Total Households:	2,345	500	640	675	555	5,135
{Mix Distribution}:	45.7%	9.7%	12.5%	13.1%	10.8%	100.0%

**Downtown Residential Mix
 (Excluding Single-Family Detached)**

	<i>Multi-Family</i>		<i>Single-Family</i>	<u>Total</u>
	<u>For-Rent</u>	<u>For-Sale</u>	<i>Attached</i> <u>All Ranges</u>	
Total Households:	2,345	500	640	3,485
{Mix Distribution}:	67.3%	14.3%	18.4%	100.0%

NOTE: Reference Appendix One, Tables 1 Through 11.

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

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Since the initial study was conducted in 2004 and the update in 2008, there has been a significant increase in the size of the annual potential downtown market—from approximately 2,500 households in 2004 to nearly 3,100 households in 2008 to nearly 3,500 households in 2014—and considerable changes in the type of housing that best matches target household preferences. As a share of the market, multi-family for-rent has risen from just over 52 percent in 2008 to more than 67 percent in 2014; multi-family for-sale (condominium) units now represent just over 14 percent of the market (compared to 30.8 percent in 2008); and single-family attached for-sale (townhouses) comprise 18.4 percent of the market, up from 16.9 percent in 2008.

The rents and price points for new market-rate housing units that could be developed in the Downtown Grand Rapids Study Area have therefore been derived from the income and financial capabilities of those households in groups with incomes above \$50,000 that have been identified as the target markets for new housing in the Study Area.

—Rental Distribution by Rent Range—

Based on the incomes and financial capabilities of the 2,345 households that represent the target markets for new market-rate rental units each year over the next five years, the distribution of annual market potential by rent range is summarized as follows (*see also* Table 2):

**Annual Market Potential For New Multi-Family For-Rent
 Distributed By Rent Range
 DOWNTOWN GRAND RAPIDS STUDY AREA
 City of Grand Rapids, Kent County, Michigan**

MONTHLY RENT RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$500–\$750	140	6.0%
\$750–\$1,000	340	14.5%
\$1,000–\$1,250	420	17.9%
\$1,250–\$1,500	475	20.2%
\$1,500–\$1,750	380	16.2%
\$1,750–\$2,000	220	9.4%
\$2,000–\$2,250	190	8.1%
\$2,250 and up	<u>180</u>	<u>7.7%</u>
Total:	2,345	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Table 2

Target Groups For Multi-Family For-Rent
Households In Groups With Median Incomes Above \$50,000

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

Empty Nesters & Retirees	<i>Number of Households</i>	<i>Percent</i>
Old Money	5	0.2%
Urban Establishment	30	1.3%
Small-Town Establishment	15	0.6%
Cosmopolitan Elite	5	0.2%
Suburban Establishment	15	0.6%
New Empty Nesters	35	1.5%
Affluent Empty Nesters	20	0.9%
Cosmopolitan Couples	15	0.6%
Middle-Class Move-Downs	30	1.3%
Mainstream Retirees	15	0.6%
No-Nest Suburbanites	85	3.6%
Middle-American Retirees	30	1.3%
Multi-Ethnic Retirees	10	0.4%
Subtotal:	310	13.2%
Traditional & Non-Traditional Families		
Unibox Transferees	10	0.4%
Late-Nest Suburbanites	5	0.2%
Full-Nest Suburbanites	25	1.1%
Full-Nest Urbanites	35	1.5%
Multi-Ethnic Families	35	1.5%
Multi-Cultural Families	70	3.0%
Subtotal:	180	7.7%
Younger Singles & Couples		
The Entrepreneurs	30	1.3%
e-Types	130	5.5%
The VIPs	45	1.9%
Fast-Track Professionals	25	1.1%
Upscale Suburban Couples	230	9.8%
New Bohemians	140	6.0%
Twentysomethings	120	5.1%
Suburban Achievers	320	13.6%
Small-City Singles	160	6.8%
Urban Achievers	655	27.9%
Subtotal:	1,855	79.1%
Total Households:	2,345	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

- The largest group of renters are younger singles and couples at over 79 percent of the market. More than 23 percent of the more affluent of these households would be able to afford rents at or above \$1,750 per month; the heart of the market—over 55 percent of these households—is provided by units with rents between \$1,250 and \$1,750 per month; and just under 22 percent of these younger households would require rents below \$1,250 per month.
- Empty nesters and retirees represent just over 13 percent of the market for new market-rate rental units, and 14.5 percent of them could pay rents no greater than \$1,250 per month. Forty-five percent of this market segment are able to afford rents between \$1,250 and \$1,750 per month. The remaining 40 percent of these older households make up the market for new units with rents above \$1,750 per month.
- Traditional and non-traditional families comprise 7.7 percent of the market for new market-rate rental units. Just under 20 percent would require rents below \$1,250 per month; over 61 percent could afford rents between \$1,250 and \$1,750 per month, and 19.4 percent of the family households can afford rents above \$1,750 per month.

—For-Sale Distribution by Price Range—

The realization of the full market potential for ownership units may continue to be challenging over the short-term, given restrictive mortgage underwriting by financial institutions, the disinterest on the part of many younger households in becoming owners, the fact that many otherwise-qualified households, particularly current renters, lack the funds for a down payment, and the inability of many owner households to sell their existing single-family houses, or their reluctance to sell at a perceived loss of value.

Based on the incomes and financial capabilities of the 500 households that represent the target markets for new market-rate for-sale multi-family units (condominiums) each year over the next five years, the distribution of annual market potential by price range is summarized as follows (*see also* Table 3):

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**Annual Market Potential For New Multi-Family For-Sale
 Distributed By Price Range
 DOWNTOWN GRAND RAPIDS STUDY AREA
 City of Grand Rapids, Kent County, Michigan**

PRICE RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$150,000–\$200,000	90	18.0%
\$200,000–\$250,000	130	26.0%
\$250,000–\$300,000	85	17.0%
\$300,000–\$350,000	70	14.0%
\$350,000–\$400,000	50	10.0%
\$400,000–\$450,000	40	8.0%
\$450,000 and up	<u>35</u>	<u>7.0%</u>
Total:	500	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

- Younger singles and couples are also the largest segment of the market for new multi-family for-sale units (condominiums), at 68 percent of the market. However, only 20 percent would be able to purchase a new condominium with base prices at or above \$400,000, and 37 percent would only be able to afford a unit priced between \$250,000 and \$400,000. The heart of this segment—43 percent—are younger households in the market for condominiums priced between \$150,000 and \$250,000.
- At 23 percent, empty nesters and retirees represent the next largest segment of the market for new multi-family for-sale units. Nearly 48 percent would be in the market for new condominiums with base prices between \$150,000 and \$250,00, and another 48 percent could afford condominiums priced between \$250,000 and \$400,000. Only four percent would be able to purchase new condominiums with base prices at or above \$400,000.
- The smallest group, traditional and non-traditional families, comprise just nine percent of the market for this housing type. More than 44 percent would be limited to condominium units priced between \$150,000 and \$250,000, and the remaining 55.6 percent could afford base prices between \$250,000 and \$400,000.

Table 3

Target Groups For Multi-Family For-Sale
Households In Groups With Median Incomes Above \$50,000

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

Empty Nesters & Retirees	<i>Number of Households</i>	<i>Percentage</i>
Urban Establishment	15	3.0%
Small-Town Establishment	5	1.0%
Cosmopolitan Elite	5	1.0%
Suburban Establishment	10	2.0%
New Empty Nesters	5	1.0%
Affluent Empty Nesters	15	3.0%
Cosmopolitan Couples	5	1.0%
Middle-Class Move-Downs	10	2.0%
Mainstream Retirees	5	1.0%
No-Nest Suburbanites	25	5.0%
Middle-American Retirees	10	2.0%
Multi-Ethnic Retirees	5	1.0%
Subtotal:	115	23.0%
Traditional & Non-Traditional Families		
Late-Nest Suburbanites	10	2.0%
Full-Nest Suburbanites	10	2.0%
Full-Nest Urbanites	10	2.0%
Multi-Ethnic Families	5	1.0%
Multi-Cultural Families	10	2.0%
Subtotal:	45	9.0%
Younger Singles & Couples		
The Entrepreneuers	10	2.0%
e-Types	40	8.0%
The VIPs	15	3.0%
Fast-Track Professionals	10	2.0%
Upscale Suburban Couples	70	14.0%
New Bohemians	20	4.0%
Twentysomethings	20	4.0%
Suburban Achievers	50	10.0%
Small-City Singles	25	5.0%
Urban Achievers	80	16.0%
Subtotal:	340	68.0%
Total Households:	500	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

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Based on the incomes and financial capabilities of the 640 households that represent the target markets for new market-rate for-sale single-family attached units each year over the next five years, the distribution of annual market potential by price range is summarized on the following table (*see also* Table 4):

**Annual Market Potential For New Single-Family Attached For-Sale
 Distributed By Price Range
 DOWNTOWN GRAND RAPIDS STUDY AREA
 City of Grand Rapids, Kent County, Michigan**

PRICE RANGE	HOUSEHOLDS PER YEAR	PERCENTAGE
\$150,000–\$200,000	115	18.0%
\$200,000–\$250,000	130	20.3%
\$250,000–\$300,000	140	21.9%
\$300,000–\$350,000	90	14.1%
\$350,000–\$400,000	70	10.9%
\$400,000–\$450,000	50	7.8%
\$450,000 and up	<u>45</u>	<u>7.0%</u>
Total:	640	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

- Younger singles and couples are again the largest market segment, at just under 60 percent, for new single-family attached for-sale units (townhouses). Just 16 percent would be able to purchase new townhouses with base prices at or above \$400,000, 43.4 percent would be able to afford units priced between \$250,000 and \$400,000, and 40.8 percent could afford new townhouses priced between \$150,000 and \$250,000.
- At just under 29 percent, empty nesters and retirees comprise the next largest segment of the market for new single-family attached for-sale units; 13.5 percent would be in the market for new townhouses with base prices above \$400,000. Up to 57 percent would be able to purchase new townhouses with base prices between \$250,000 and \$400,000, and nearly 30 percent would require units priced between \$150,000 and \$250,000.
- The family market represents just under 12 percent of the market for new townhouses, of which slightly over 13 percent would be able to purchase units priced over \$400,000, 40 percent could afford units priced between \$250,000 and \$400,000, and 46.7 percent could only afford townhouses priced between \$150,000 and \$250,000.

Table 4

Target Groups For Single-Family Attached For-Sale
Households In Groups With Median Incomes Above \$50,000
Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan

Empty Nesters & Retirees	<i>Number of Households</i>	<i>Percentage</i>
Urban Establishment	20	3.1%
Small-Town Establishment	10	1.6%
Cosmopolitan Elite	5	0.8%
Suburban Establishment	15	2.3%
New Empty Nesters	15	2.3%
Affluent Empty Nesters	15	2.3%
Cosmopolitan Couples	10	1.6%
Middle-Class Move-Downs	15	2.3%
Mainstream Retirees	10	1.6%
No-Nest Suburbanites	50	7.8%
Middle-American Retirees	15	2.3%
Multi-Ethnic Retirees	5	0.8%
Subtotal:	185	28.9%
Traditional & Non-Traditional Families		
Unibox Transferees	5	0.8%
Late-Nest Suburbanites	5	0.8%
Full-Nest Suburbanites	10	1.6%
Full-Nest Urbanites	20	3.1%
Multi-Ethnic Families	10	1.6%
Multi-Cultural Families	25	3.9%
Subtotal:	75	11.7%
Younger Singles & Couples		
The Entrepreneuers	25	3.9%
e-Types	25	3.9%
The VIPs	20	3.1%
Fast-Track Professionals	10	1.6%
Upscale Suburban Couples	105	16.4%
New Bohemians	15	2.3%
Twentysomethings	30	4.7%
Suburban Achievers	55	8.6%
Small-City Singles	35	5.5%
Urban Achievers	60	9.4%
Subtotal:	380	59.4%
Total Households:	640	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

TARGET MARKET ANALYSIS

Who is the potential market?

As updated by the target market analysis, then, the annual potential market—represented by lifestage—for new housing units in the Downtown Grand Rapids Study Area can be characterized by general unit type as shown on the following table (*see also* Table 5):

Annual Potential Market By Lifestage and Unit Types
DOWNTOWN GRAND RAPIDS STUDY AREA
City of Grand Rapids, Kent County, Michigan

HOUSEHOLD TYPE	PERCENT OF TOTAL	RENTAL MULTI-FAM.	FOR-SALE MULTI-FAM.	FOR-SALE SF ATT.
Empty-Nesters & Retirees	18%	13%	23%	29%
Traditional & Non-Traditional Families	9%	8%	9%	12%
Younger Singles & Couples	<u>73%</u>	<u>79%</u>	<u>68%</u>	<u>59%</u>
Total	100%	100%	100%	100%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

- The largest segment of the annual potential market is younger singles and couples. This generation—the Millennials—is the first to have been largely raised in the suburbs where cul-de-sacs substituted for neighborhoods, malls took the place of downtowns, and driver’s licenses became a necessity of life. In far greater numbers than predecessor generations, Millennials are moving to downtown and walkable neighborhoods. Younger households typically choose to live in neighborhoods that contain a diverse mix of people, housing types, and uses. For the most part, younger households tend to be “risk-tolerant,” and will move into areas or neighborhoods that would not be considered acceptable for most families or older couples..

Ranging between 59 and 79 percent, the share of the potential market held by younger singles and couples continues to rise for all housing types. In the 2008 update, these households represented 69 percent of the market; the updated analysis shows an increase to 73 percent of the market. All of the same target household groups—from the risk-oblivious and very urban *e-Types*, *New Bohemians*, and *Urban Achievers* to the risk-aware *VIPs* and *Twentysomethings* (and now including *Small-City Singles*), to the increasingly urban

Entrepreneurs, Fast-Track Professionals, and Upscale Suburban Couples (and now including *Suburban Achievers*)—are represented in the potential market. Just under 47 percent of these households would be moving to Downtown Grand Rapids from outside the city, up from approximately 40 percent in 2008.

Affordability continues to be a challenge for a significant number of young people that are just entering the job market and are living on their own for the first time. This challenge can be addressed in part by the introduction of smaller, less expensive rental micro-units (*see OPTIMUM MARKET POSITION below*).

- Older households (empty nesters and retirees) continue to be the second largest potential market, more than a third of whom are currently living in Grand Rapids, a considerably lower percentage than in 2008, when approximately half of the empty nester and retiree market lived elsewhere in the city.

Empty nesters and retirees—most of the same target groups as in 2008—now represent approximately 18 percent of the potential market, down from 21 percent in 2008. The collapse of the ownership housing market in 2007-2008 has had a significant impact on this market segment, as a greater number of older households are now choosing to rent, rather than buy downtown units.

- The third, and smallest, general market segment—traditional and non-traditional families—continues to decline as a percentage of the potential market for the Downtown Grand Rapids Study Area, from 10 percent in 2008 to nine percent over the next five years, although, like the empty nesters and retirees and younger singles and couples, there are more of them in 2014 than in 2008.

Nearly 73 percent of the family-oriented households with the potential to move to the Downtown Grand Rapids Study Area would be moving from outside the city limits, up from approximately 46 percent in 2008.

Table 5

Target Residential Mix By Household Type

Derived From New Unit Purchase And Rental Propensities Of Draw Area Households
 With The Potential To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

Number of Households:	Total	Multi- Family		Single- ... Family ...
		For-Rent	For-Sale	.. Attached .. All Ranges
	3,485	2,345	500	640
Empty Nesters & Retirees	18%	13%	23%	29%
Traditional & Non-Traditional Families	9%	8%	9%	12%
Younger Singles & Couples	73%	79%	68%	59%
	100%	100%	100%	100%

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

THE CURRENT CONTEXT

What residential properties are currently located in the Downtown?

Updated information on relevant rental and for-sale, multi-family and single-family attached properties/units located in the Grand Rapids market area is provided as follows: for rental properties, see Table 6; for for-sale condominium and townhouse units, see Table 7.

Rents at most of the rental properties included in the survey in 2008 continue to rise. Of the 30 properties, containing more than 1,200 units and over 200 student beds, that are included in the current survey, 17 have income restrictions or are mixed-income, containing both market-rate and affordable units, and two are student housing properties. Excluding properties with income restrictions, rents for studios have risen from approximately \$500 per month in 2008 to \$725 per month in 2014, for units generally containing between 350 and 600 square feet (with a current general range of \$1.56 to \$3.09 per square foot, considerably higher than in 2008). Currently, the highest studio rent in the market is \$1,935 per month for a 475-square-foot unit at Plaza Towers, the 34-story apartment building on Fulton Street (\$4.07 per square foot).

Again excluding properties with income restrictions, rents for one-bedroom apartments start at approximately \$875 per month, with the highest one-bedroom rent at \$2,135 per month. The one-bedroom size range is now from approximately 400 to 1,000 square feet of living space (\$0.99 to \$3.05 per square foot, with most of the rents per square foot falling between \$1.50 and \$1.75).

Two-bedroom units now start at around \$1,150, up from \$650 per month in 2008. The most expensive two-bedroom apartment leases for \$2,563 per month for 1,161 square feet of living space (\$2.21 per square foot). In general, two-bedroom unit sizes range between 540 and approximately 1,500 square feet (generally \$1.19 to \$2.21 per square foot in 2014, up from \$0.80 to \$1.29 per square foot in 2008).

There are few three-bedroom apartments included in the survey that do not have income restrictions. Three-bedroom apartments rent for \$539 (income-restricted) and from \$2,100 to \$2,500 per month at The Gallery Apartments, the only market-rate property with three-bedroom units. Unit sizes range between 885 and 1,750 square feet; the three-bedrooms at The Gallery

Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
August, 2014

contain 1,292 square feet. On a per-square-foot basis, the market-rate rents fall between \$1.63 and \$1.93 per square foot, up from \$0.80 to \$0.86 per square foot in 2008).

One property is still in the initial leasing phase. Excluding that property, occupancy rates continue to be very high, ranging between 95 and 100 percent (functional full occupancy). Only 35 units were available at the time of the survey, for an overall vacancy rate of 98 percent.

Most of the condominium housing developments started prior to or during the collapse of the housing market are nearing sell-out, or, if not sold out, continue to lease unsold units.

Resale prices for Downtown units now start at around \$85,000 (Boardwalk Condominiums). Resales at the 180-unit Union Square condominium are priced between \$164,900 for a 1006-square-foot one-bedroom apartment to \$299,000 for a 1,682-square-foot two-bedroom unit with three baths. Four units remain to be sold, although many of the units are available as rentals, with rents ranging between \$1,000 and \$2,200 per month.

River House, the 34-story tower located on Bridge Street, also has several units, both new and resale, on the market. The listed units are priced between \$279,900 for a 1,029-square-foot one-bedroom apartment to \$4.2 million for a 6,842-square-foot four-bedroom/three-bath penthouse. Base prices per square foot for resales as well as the remaining units range between \$221 and \$614.

Nearly all of the condominiums and townhouses developed in Belknap Lookout by the Artesian Group are currently on the market: eight of the nine two- and three-bedroom Belknap Brownstones, ranging in size from 1,120 to 2,440 square feet, have base prices ranging between \$235,000 and \$375,000 (\$123 to \$199 per square foot) and the townhouses have base prices of \$376,900 for units containing 2,080 square feet (\$181 per square foot).

The least expensive, and smallest condominiums on the market at the time of the field investigation are at Hillmount Condominiums, the conversion of a 1949 apartment building in Heritage Hill. The four listed units are priced between \$68,000 and \$105,000 for 369 to 629 square feet of living space (\$167 to \$196 per square foot).

Summary Of Selected Rental Properties
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Property (Date Opened)</u> <u>Address</u>	<u>Number of Units</u>	<u>Unit Base Rent</u>	<u>Unit Size</u>	<u>Rent per Sq. Ft.</u>	<u>Additional Information</u>
Lenox Apts (1911; 1998) (Adaptive Re-Use) 349 South Division Avenue	14				
	1br/1ba	\$374 to \$465	600	\$0.62 to \$0.78	Two available. 86% occupancy <i>Income restrictions.</i>
	2br/1ba	\$455 to \$572	820 to	\$0.55 to \$0.70	<i>Parking, water included.</i>
101 South Division Lofts (2009) 101 South Division Avenue	20				
	1br/1ba	\$404 to \$640	570 to 775	\$0.83 to \$0.71	One available. 95% occupancy <i>Income restrictions.</i>
	2br/1ba	\$552	890 to	\$0.62	
	2br/2ba		1,250		
Chaffee Apts (1998) (Adaptive Re-Use) 138 South Division Avenue	8				
	1br/1ba	\$420 to \$535	600 to 650	\$0.70 to \$0.82	One available. 88% occupancy <i>Income restrictions.</i> <i>Gas & heat included</i>
Goodrich Apts (1890:2010) (Adaptive Re-Use) 333-339 South Division Avenue	14				
	1br/1ba	\$426 to \$565	500 to	\$0.76	Two available. 86% occupancy <i>Income restrictions.</i>
	2br/1ba	\$640	840	\$0.85	<i>Parking, gas, heat & water included.</i>
240 Ionia Avenue Apts (2014) 240 Ionia Avenue	48				
	1br/1ba	\$430 to \$500	726	\$0.59 to \$0.69	Three available. 94% occupancy <i>Half income-restricted,</i> <i>half market-rate.</i>
	1br/1ba	\$1,330 to \$1,600	772 to 900	\$1.72 to \$1.78	
	2br/2ba	\$1,700 to \$2,000	1,120 to 1,200	\$1.52 to \$1.67	
Baker Lofts (1913; 2013) 40 Logan Street, SW	87				
	1br/1ba	\$450 to \$550	597 to 739	\$0.74 to \$0.75	None available. 100% occupancy <i>Income restrictions.</i>
	2br/1ba	\$550 to \$750	778 to 1,202	\$0.62 to \$0.71	<i>Exercise room, utilities included.</i>
Division Park Ave. (1910; 2011) 209 South Division Avenue	30				
	1br/1ba	\$515 to \$695	533 to 846	\$0.82 to \$0.97	Four available 87% occupancy <i>Under renovation.</i>
	2br/1.5ba	\$605 to \$809	707 to 919	\$0.88 to \$0.86	<i>Income restrictions.</i>
	2br/2ba TH	\$677 to \$818	1,017 to 1,381	\$0.67 to \$0.59	
	3br/2ba TH	\$539 to \$771	1,567 to 1,753	\$0.34 to \$0.44	

SOURCE: Zimmerman/Volk Associates, Inc.

Summary Of Selected Rental Properties
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Property (Date Opened)</u> <u>Address</u>	<u>Number of Units</u>	<u>Unit Base Rent</u>	<u>Unit Size</u>	<u>Rent per Sq. Ft.</u>	<u>Additional Information</u>
Metropolitan Park (2007) 350 Ionia Avenue, SW	24 2br/2ba	\$542	1,050	\$0.52	One Available 96% occupancy <i>Income restrictions.</i>
Serrano Lofts (1917; 2011) 17 Williams Street, SW	15 1br/1ba 1br/1.5ba 2br/1ba 2br/1.5ba	\$547 to \$693 \$853 \$682 \$889	606 to 621 930 825 933	\$0.90 to \$1.12 \$0.92 \$0.83 \$0.95	None available 100% occupancy <i>Income restrictions.</i>
The Lofts (1925; 1999) (Adaptive Re-Use) 26 Sheldon Boulevard SE	55 1br/1ba 2br/1ba 2br/2ba	\$556 to \$693 \$660 to \$824 \$660 to \$824	580 to 765 840 to 897 747 to 900	\$0.96 to \$0.91 \$0.79 to \$0.92 \$0.88 to \$0.92	Four available 93% Occupancy <i>Income restrictions.</i> <i>Fitness room; laundry;</i> <i>community room.</i>
Uptown Village (2007) 950 Wealthy Street, SE	24 2br/1ba 3br/2ba 3br/2ba TH	\$563 \$650 to \$745 \$838	852 1,125 to 1,316 1,200	\$0.66 \$0.57 to \$0.58 \$0.70	One available 96% occupancy <i>Playground, parking.</i> <i>Income restrictions.</i> <i>Water included</i>
Martineau Apartments (2005) (Adaptive Re-Use) 106-120 South Division	23 Loft/1ba Artist Live-Work	\$573 to \$695	850 to 1,300	\$0.53 to \$0.67	One available 96% Occupancy <i>Income restrictions.</i>
Waters House (1961) 500 East Fulton	102 Studio/1ba 1br/1ba 2br/1ba 2br/1.5ba 2br/2ba 3br/2ba	\$575 \$650 to \$725 \$725 \$825 \$1,000 \$1,000	408 624 to 768 768 912 1,152 1,152	\$1.41 \$1.04 \$0.94 \$0.94 \$0.90 \$0.87 \$0.87	None available. 100% occupancy <i>Pool,</i> <i>Community Room.</i> <i>Water & gas included.</i>
College Hill 510 College Ave. NE	132 Studio/1ba 1br/1ba 2br/1ba	\$585 to \$595 \$665 to \$695 \$795 to \$840	429 686 784	\$1.36 to \$1.39 \$0.97 to \$1.01 \$1.01 to \$1.07	n/a <i>Fitness Center</i>

SOURCE: Zimmerman/Volk Associates, Inc.

Summary Of Selected Rental Properties
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Property (Date Opened)</u> <u>Address</u>	<u>Number of Units</u>	<u>Unit Base Rent</u>	<u>Unit Size</u>	<u>Rent per Sq. Ft.</u>	<u>Additional Information</u>
Half Century Building 16 Jefferson Street, SE	18				None available 100% occupancy <i>Income restrictions.</i> <i>Utilities included</i>
	Studio/1ba	\$610	400	\$1.53	
	1br/1ba	\$695 to \$705	400 to 500	\$1.41 to \$1.74	
	2br/1ba	\$1,030 to \$1,105	750	\$1.37	
Kelsey Apts (2006) (Adaptive Re-Use) 235 South Division Avenue SE	14				Two available 86% Occupancy <i>Income restrictions.</i>
	3br/1ba	\$629 to \$850	885 to 1,616	\$0.71 to \$0.53	
Globe Apartments (1903; 2001) (Adaptive Re-Use) 315 Commerce Avenue, SW	120				None available. 100% occupancy <i>Mixed income.</i> <i>Pool, exercise facility.</i> <i>business center, whirlpool</i> <i>garage (\$50)</i>
	1br/1ba	\$631 to \$800	651 to 1,008	\$0.79 to \$0.97	
	2br/1ba	\$762 to \$1,000	987	\$0.77	
	2br/2ba	\$762 to \$1,000	906 to 1,190	\$0.84 to \$0.84	
	3br/2ba	\$881 to \$1,200	1,357 to 1,395	\$0.65 to \$0.86	
Grand Central Lofts (2012) 100 Commerce Avenue	31				Nine Available. 71% occupancy
	Studio/1ba	\$725 to \$750	350 to 425	\$1.76 to \$2.07	
	1br/1ba	\$875 to \$900	400 to 638	\$1.41 to \$2.19	
	2br/1ba	\$1,150 to \$1,250	540 to 770	\$1.62 to \$2.13	
616 Lofts on Prospect (07/14) (Adaptive Re-Use)	24				In lease-up <i>Parking included</i>
	Studio/1ba	\$750			
	1br/1ba	\$1,175 to \$1,625	624 to 903	\$1.88 to \$1.80	
	2br/1ba	\$1,600 to \$1,800	898 to 907	\$1.76 to \$1.98	
Loose Leaf Lofts (1930; 2008) (Adaptive Re-Use) 333 Commerce Avenue, SW	34				None available 100% Occupancy <i>Sky deck, hot tub.</i> <i>water included</i>
	Micro-unit				
	Studio/1ba	\$795	515	\$1.54	
	Live-Work/1ba	\$850	750	\$1.13	
	1br/1ba	\$860 to \$985	720 to 1,000	\$0.99 to \$1.19	
	2br/1ba	\$1,095 to \$1,195	900 to 1,060	\$1.13 to \$1.22	
	1br/1ba PH	\$1,350 to \$1,550	900 to 1,330	\$1.17 to \$1.50	

SOURCE: Zimmerman/Volk Associates, Inc.

Summary Of Selected Rental Properties
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Property (Date Opened)</u> <u>Address</u>	<u>Number of Units</u>	<u>Unit Base Rent</u>	<u>Unit Size</u>	<u>Rent per Sq. Ft.</u>	<u>Additional Information</u>
The Gallery (2010) 10 Commerce Avenue, SW	56				None available. 100% occupancy
	Studio/1ba	\$950	477	\$1.99	
	1br/1ba	\$1,150 to \$1,300	702 to 758	\$1.64 to \$1.72	Rooftop deck, fitness center,
	2br/2ba	\$1,600 to \$1,900	1,009 to 1,072	\$1.59 to \$1.77	theater, parking,
	3br/2ba	\$2,100 to \$2,500	1,292	\$1.63 to \$1.93	shops, services (dog walking dry cleaning, personal trainer, etc.)
616 Lofts on Pearl (1910; 2011) 139 Pearl Street, NW	12				None available 100% occupancy.
	1br/1ba	\$950 to \$1,000	563 to 627	\$1.52 to \$1.69	
	2br/1ba	\$1,250 to \$1,600	750 to 950	\$1.67 to \$1.68	
616 Lofts on Ionia (1930; 2012) 1 Ionia Avenue, SW	26				None available 100% occupancy.
	1br/1ba	\$1,050 to \$1,625	624 to 903	\$1.68 to \$1.80	
	2br/1ba	\$1,600 to \$1,650	898 to 907	\$1.76 to \$1.82	
26 Cherry Street (2013) 26 Cherry Street	45				One available 98% occupancy. <i>Mixed-income.</i>
	1br/1ba	\$1,050 <i>{market-rate unit}</i>	624	\$1.68	
38 Apartments (2010) 38 Commerce Avenue, SW	43				n/a <i>Rooftop fitness center;</i> <i>same-floor parking.</i>
	1br/1ba	\$1,190 to \$1,345	590 to 670	\$2.01 to \$2.02	
	2br/2ba	\$1,748 to \$1,812	1,280 to 1,520	\$1.19 to \$1.37	
	Penthouse: 1br/2.5ba/den	\$2,000	1,259	\$1.59	
	Penthouse: 1br/2.5ba/den	\$2,100	1,359	\$1.55	
	Penthouse: 2br/2.5ba	\$2,100	1,361	\$1.54	
	Penthouse: 2br/2.5ba	\$2,400	1,620	\$1.48	
	Penthouse: 2br/2.5ba	\$2,500	1,696	\$1.47	
	Penthouse: 2br/2.5ba	\$2,600	1,665	\$1.56	
	Penthouse: 2br/2.5ba	\$2,700	1,806	\$1.50	
616 Lofts at Grandville (1900; 2013) 206 Grandville Avenue, SW	18				Two available. 89% occupancy
	1br/1ba	\$1,200 to \$1,250	605 to 625	\$1.98 to \$2.07	
	2br/1ba	\$1,500 to \$1,550	760 to 900	\$1.97 to \$2.04	

SOURCE: Zimmerman/Volk Associates, Inc.

Summary Of Selected Rental Properties
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Property (Date Opened)</u> <u>Address</u>	<u>Number of Units</u>	<u>Unit Base Rent</u>	<u>Unit Size</u>	<u>Rent per Sq. Ft.</u>	<u>Additional Information</u>
Plaza Towers (1992; 1997) 201 Fulton Street, NW	133				None available. 100% Occupancy <i>Clubhouse, indoor pool, whirlpool, sauna, fitness center, rooftop sports deck, tennis court. garage</i>
	Studio/1ba	\$1,385 to \$1,935	475	\$2.92 to \$4.07	
	1br/1ba	\$1,305 to \$2,135	637 to 701	\$2.05 to \$3.05	
	2br/2ba	\$1,605 to \$2,563	977 to 1,161	\$1.64 to \$2.21	
205 S. Division (2013) 205 South Division	38				One available 97% occupancy. <i>Mixed-income.</i>
	2br/2ba	\$1,490 <i>{market-rate unit}</i>	1,098	\$1.36	
. Student Housing					
Lofts @ 5 Lyon (2011) 5 Lyon Street	167 beds				None available. 100% occupancy <i>Fully furnished.</i>
	Studio/1ba	\$820	340	\$2.41	
	1br/1ba	\$910	400 to 500	\$1.82 to \$2.28	
	2br/1ba	\$1,410 to \$1,470	400 to 500	\$3.53 to \$2.94	
	3br/1ba	\$1,890 to \$1,950	600 to 800	\$3.15 to \$2.44	
	4br/1ba	\$2,420 to \$2,480	900 to 1,100	\$2.69 to \$2.25	
Hopson Flats (1906; 2007) 212-216 Grandville Avenue, SW	42				None available. 100% occupancy <i>Exercise facility, game room, lounge, entertainment room utilities included.</i>
	2br/1ba	\$1,380	\$690 per month per bed		
	3br/1ba	\$1,860	\$620 per month per bed		
	4br/2ba	\$2,200 to \$2,240	\$550 per month per bed \$560 per month per bed		
Grad student suites:	1br/1ba	\$1,125	450	\$2.50	
	2br/2ba	\$1,850	700	\$2.64	

SOURCE: Zimmerman/Volk Associates, Inc.

**Summary Of Selected For-Sale Multi-Family
And Single-Family Attached Current Listings**
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Development (Date Opened)</u> <u>Address</u>	<u>Unit</u> <u>Type</u>	<u>Unit Price</u> <u>Range</u>	<u>Unit Size</u> <u>Range</u>	<u>Price Per</u> <u>Sq. Ft.</u>	<u>Total</u> <u>Units</u>
..... Downtown					
Boardwalk Condos (2001-07)	CO				236
(Adaptive Re-Use:	1br/1ba	\$84,900	466	\$182	
1892 Berkey & Gay Factory)	1br/1ba	\$126,900	631	\$201	
940 Monroe Avenue, NW	2br/1ba	\$179,900	1,146	\$157	
	2br/1ba	\$179,900	1,003	\$179	
	1br/1ba	\$182,500	918	\$199	
	1br/1ba	\$184,900	895	\$207	
	2br/1ba	\$189,900	1,087	\$175	
	1br/1ba	\$194,900	846	\$230	
	2br/2ba	\$199,750	1,254	\$159	
	2br/1ba	\$199,900	1,132	\$177	
	2br/2ba	\$214,900	1,125	\$191	
	2br/2ba	\$214,900	1,450	\$148	
	2br/2ba	\$214,900	1,191	\$180	
Union Square					
Condos (1900:2006)	CO				180
600 Broadway Avenue, NW	1br/1ba	\$164,900	1,006	\$164	
	1br/1ba	\$169,000	778	\$217	
	3br/1ba	\$204,750	1,500	\$137	
	2br/1ba	\$214,900	1,066	\$202	
	2br/1ba	\$229,900	1,320	\$174	
	2br/2ba	\$248,000	1,057	\$235	
	2br/2ba	\$250,000	1,334	\$187	
	2br/2ba	\$270,000	1,334	\$202	
	2br/2ba	\$299,000	1,675	\$179	
	2br/3ba	\$299,000	1,682	\$178	
Monroe Center (1984)	CO				5
52 Monroe Center	1br/1.5ba	\$228,800	938	\$244	
	2br/1.5ba	\$353,000	1,502	\$235	
49 Monroe Center	2br/2ba	\$324,800	1,484	\$219	
Clark Place Condos	CO				
801 Broadway Avenue	2br/2ba	\$224,900	1,536	\$146	
	2br/2ba	\$224,900	1,527	\$147	
City View Condos	CO				
60 Monroe Center	1br/2ba	\$275,000	1,492	\$184	
	2br/2ba	\$469,900	1,991	\$236	

SOURCE: Zimmerman/Volk Associates, Inc.

**Summary Of Selected For-Sale Multi-Family
And Single-Family Attached Current Listings**
Greater Downtown Grand Rapids, Kent County, Michigan
August, 2014

<u>Development (Date Opened)</u> Address	<u>Unit Type</u>	<u>Unit Price Range</u>	<u>Unit Size Range</u>	<u>Price Per Sq. Ft.</u>	<u>Total Units</u>
River House (2008)	CO				207
335 Bridge Street, NW	1br/1.5ba	\$279,900	1,029	\$272	
	2br/2ba	\$329,900	1,491	\$221	
	3br/2ba	\$345,000	1,491	\$231	
	2br/2ba	\$431,900	1,442	\$300	
	3br/2ba	\$435,000	1,702	\$256	
	3br/3ba	\$549,900	1,891	\$291	
	2br/2.5ba	\$1,195,000	2,927	\$408	
	4br/3ba	\$4,200,000	6,842	\$614	
..... <i>Belknap Lookout</i>					
Belknap Brownstones (2012)	CO				9
Fairview Avenue	2br/2ba (A3)	\$235,000	1,200	\$196	
	2br/2ba (A2)	\$240,000	1,120	\$214	
	3br/2.5ba (A1)	\$335,000	2,440	\$137	
	2br/2ba (C3)	\$240,000	1,120	\$214	
	2br/2ba (C2)	\$235,000	1,200	\$196	
	3br/2.5ba (C1)	\$335,000	2,440	\$137	
	3br/2.5ba (D2)	\$335,000	1,200	\$279	
	3br/2.5ba (D1)	\$375,000	2,320	\$162	
Belknap Lookout THs (2012)	TH				2
<i>The Artesian Group</i>	3br/2.5ba	\$376,900	2,080	\$181	
..... <i>Heartside</i>					
Plaza Towers (1997)	CO				144
Campau Circle	2br/2ba	\$164,900	967	\$171	
	2br/2ba	\$169,000	965	\$175	
	2br/2.5ba	\$279,900	1,277	\$219	
..... <i>Heritage Hill</i>					
Hillmount (1949; 2005)	CO				101
(Renovation of 1949 apt bldg)	1br/1ba	\$68,000	369	\$184	
505 Cherry Street, SE	1br/1ba	\$72,500	369	\$196	
	1br/1ba	\$84,900	473	\$179	
	1br/1ba	\$105,000	629	\$167	

SOURCE: Zimmerman/Volk Associates, Inc.

Downtown Grand Rapids
 City of Grand Rapids, Kent County, Michigan
 August, 2014

DOWNTOWN MARKET-RATE RENT AND PRICE RANGES

In 2014, given the increase in market potential for Downtown, particularly for rental units, the number of new market-rate dwelling units that could potentially be absorbed within the Study Area over five years ranges between 1,860 and over 2,300 units (*see MARKET CAPTURE below*). A total of 2,000 new units has therefore been established as an achievable absorption goal over a five- to seven-year time frame.

What is the market currently able to pay?

—Rent and Price Ranges—

Based on the tenure preferences of draw area households and their income and financial capabilities, the optimum market position for newly-developed market-rate residential units that could currently be absorbed by the market over the next five to seven years is as follows (*see also Table 8 for greater detail*):

**Rent, Price and Size Ranges: 2,000 Market-Rate Dwelling Units
 Newly-Created Housing (Adaptive Re-Use and New Construction)
 DOWNTOWN GRAND RAPIDS STUDY AREA
 City of Grand Rapids, Kent County, Michigan**

HOUSING TYPE	RENT/PRICE RANGE	SIZE RANGE	RENT/PRICE PER SQ. FT.
FOR-RENT (MULTI-FAMILY)—			
Hard Lofts	\$800–\$1,350/month	450–900 sf	\$1.50–\$1.78 psf
Soft Lofts	\$750–\$2,000/month	350–1,250 sf	\$1.60–\$2.14 psf
Upscale Apartments	\$1,500–\$2,700/month	750–1,500 sf	\$1.80–\$2.00 psf
FOR-SALE (MULTI-FAMILY)—			
Hard Lofts	\$150,000–\$225,000	750–1,250 sf	\$180–\$200 psf
Soft Lofts	\$185,000–\$285,000	850–1,400 sf	\$204–\$218 psf
Upscale Condominiums	\$295,000–\$425,000	1,200–1,800 sf	\$236–\$246 psf
FOR-SALE (SINGLE-FAMILY ATTACHED)—			
Townhouses/Rowhouses	\$250,000–\$335,000	1,300–1,850 sf	\$181–\$192 psf
Live-Work	\$315,000–\$365,000	1,350–1,600 sf	\$228–\$233 psf

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
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Based on the unit types, sizes, and rents/prices outlined in the optimum market position above, the weighted average rents and prices for each of the housing types are shown on the following table:

Weighted Average Base Rents, Prices and Size Ranges
DOWNTOWN GRAND RAPIDS STUDY AREA
City of Grand Rapids, Kent County, Michigan

HOUSING TYPE	WEIGHTED AVERAGE BASE RENT/PRICES	WEIGHTED AVERAGE UNIT SIZE	WEIGHTED AVERAGE BASE RENT/PRICES PER SQ. FT.
Multi-family for-rent	\$1,466 per month	832 sf	\$1.76
Multi-family for-sale	\$257,963	1,173 sf	\$220
Single-family attached for-sale	\$304,398	1,596 sf	\$191

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

The aforementioned rents and prices are in year 2014 dollars, are exclusive of consumer options and upgrades, or floor or location premiums, and cover a broad range of rents and prices for newly-developed units currently sustainable by the market in the Downtown Study Area. Location will have a significant impact on rents and prices; projects situated within a short walking distance of high-value amenities, such as restaurants, theaters, shops, or transit, or with views of the Grand River, will likely command rents and prices at the upper end of values. Those projects that are located on the outer edges of the Study Area, or near the interstate, are likely to command rents and prices at the lower end of values.

Optimum Market Position--2,000 New Market-Rate Dwelling Units
Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
August, 2014

<u>Percent Number</u>	<u>Housing Type</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Market Capture</u>
<u>67.3%</u>	Multi-Family For-Rent						<u>281 to 352 units</u>
350	Hard Lofts	Loft/1ba	20%	\$800	450	\$1.78	
		Loft/1ba	30%	\$975	600	\$1.63	
		Loft/1ba	30%	\$1,200	750	\$1.60	
		Loft/1ba	20%	\$1,350	900	\$1.50	
		Weighted averages:		\$1,083	675	\$1.60	
650	Soft Lofts	Microloft/1ba	10%	\$750	350	\$2.14	
		Studio/1ba	15%	\$900	500	\$1.80	
		1br/1ba	25%	\$1,400	800	\$1.75	
		2br/1ba	20%	\$1,550	900	\$1.72	
		2br/2ba	20%	\$1,700	1,000	\$1.70	
		2br/2ba/den	10%	\$2,000	1,250	\$1.60	
		Weighted averages:		\$1,410	815	\$1.73	
346	Upscale Apartments	1br/1.5ba	30%	\$1,500	750	\$2.00	
		1br/1.5ba/den	20%	\$1,850	950	\$1.95	
		2br/2ba	30%	\$2,100	1,100	\$1.91	
		2br/2.5ba/den	15%	\$2,500	1,350	\$1.85	
		3br/2.5ba PH	5%	\$2,700	1,500	\$1.80	
		Weighted averages:		\$1,960	1,023	\$1.92	
<u>1,346</u>	units	Overall Weighted Averages:		\$1,466	832	\$1.76	

NOTE: Base rents/prices in year 2014 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.

Optimum Market Position--2,000 New Market-Rate Dwelling Units
Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
August, 2014

<u>Percent Number</u>	<u>Housing Type</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Market Capture</u>
14.3%	Multi-Family For-Sale						40 to 50 units
50	Hard Lofts	Loft/1ba	20%	\$150,000	750	\$200	
		Loft/1ba	20%	\$175,000	900	\$194	
		Loft/1ba	30%	\$210,000	1,100	\$191	
		Loft/1ba	30%	\$225,000	1,250	\$180	
		Weighted averages:		\$195,500	1,035	\$189	
150	Soft Lofts	1br/1ba	30%	\$185,000	850	\$218	
		1br/1ba/den	30%	\$205,000	950	\$216	
		2br/2ba	25%	\$245,000	1,150	\$213	
		2br/2ba/den	15%	\$285,000	1,400	\$204	
		Weighted averages:		\$221,000	1,038	\$213	
86	Upscale Condominiums	2br/2ba	25%	\$295,000	1,200	\$246	
		2br/2.5ba	35%	\$350,000	1,450	\$241	
		3br/2ba	25%	\$395,000	1,650	\$239	
		3br/2.5ba	15%	\$425,000	1,800	\$236	
		Weighted averages:		\$358,750	1,490	\$241	
<u>286</u>	units	Overall Weighted Averages:		\$257,963	1,173	\$220	

NOTE: Base rents/prices in year 2014 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.

Optimum Market Position--2,000 New Market-Rate Dwelling Units
Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
August, 2014

<u>Percent Number</u>	<u>Housing Type</u>	<u>Unit Configuration</u>	<u>Unit Mix</u>	<u>Base Rent/Price</u>	<u>Unit Size</u>	<u>Rent/Price Per Sq. Ft.</u>	<u>Annual Market Capture</u>
<u>18.4%</u>	Single-Family Attached For-Sale						<u>51 to 64 units</u>
318	Townhouses/Rowhouses	2br/1.5ba	20%	\$250,000	1,300	\$192	
		2br/2.5ba	30%	\$290,000	1,550	\$187	
		2br/2.5ba	25%	\$310,000	1,700	\$182	
		3br/2.5ba	25%	\$335,000	1,850	\$181	
		Weighted averages:		\$298,250	1,613	\$185	
50	Live-Work Units	1br/1.5.5ba	25%	\$315,000	1,350	\$233	
	500 sf work space	1br/1.5.5ba	45%	\$345,000	1,500	\$230	
	on ground floor	2br/1.5.5ba	30%	\$365,000	1,600	\$228	
		Weighted averages:		\$343,500	1,493	\$230	
<u>368</u>	units	Overall Weighted Averages:		\$304,398	1,596	\$191	
2,000	Total Units						

NOTE: Base rents/prices in year 2014 dollars and exclude floor and view premiums, options and upgrades.

SOURCE: Zimmerman/Volk Associates, Inc.

Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
 August, 2014

MARKET CAPTURE: THE DOWNTOWN GRAND RAPIDS STUDY AREA

How fast will new units lease or sell?

In the context of the target market methodology, new rental development (including adaptive re-use of existing non-residential buildings as well as new construction) in the Downtown Study Area should be able to achieve an annual capture of 12 percent of the potential market over the near term and 15 percent longer term.

Given current economic conditions, and the expectation of continued improvement for new for-sale housing over the near term, Zimmerman/Volk Associates has determined that an annual capture of approximately eight percent of the potential market for each for-sale housing type is achievable in the Downtown over the next two to three years, and up to 10 percent over the next three to five years. (Nationally, prior to the housing collapse in 2008, new dwelling units represented 15 percent of all units sold; currently, the National Association of Realtors reports that new units represent less than 10 percent of total housing sales.)

Based on a 12 to 15 percent capture of the potential market for new rental housing, and an eight to 10 percent capture of the potential market for new for-sale housing units, Downtown Grand Rapids should be able to absorb up to 372 to 466 new market-rate multi-family rental and for-sale and for-sale single-family attached housing units per year over the next five to seven years, as follows:

Annual Capture of Market Potential **DOWNTOWN GRAND RAPIDS STUDY AREA** *City of Grand Rapids, Kent County, Michigan*

HOUSING TYPE	NUMBER OF HOUSEHOLDS	CAPTURE RATE	NUMBER OF NEW UNITS
Multi-family for-rent (lofts/apartments, leaseholder)	2,345	12%-15%	281-352
Multi-family for-sale (lofts/apartments, condo/co-op ownership)	500	8%-10%	40-50
Single-family attached for-sale (rowhouses, fee-simple ownership)	640	8%-10%	51-64
Total	3,485		372-466

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

Downtown Grand Rapids
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At these forecast capture rates, between 1,860 and over 2,300 new market-rate units could be absorbed within the Downtown Study Area over the next five to seven years.

These capture rates are well within the target market methodology's parameters of feasibility.

NOTE: Target market capture rates are a unique and highly-refined measure of feasibility. Target market capture rates are *not* equivalent to—and should not be confused with—penetration rates or traffic conversion rates.

The **target market capture rate** is derived by dividing the *annual* forecast absorption—in aggregate and by housing type—by the number of households that have the potential to purchase or rent new housing within a specified area *in a given year*.

The **penetration rate** is derived by dividing the *total* number of dwelling units planned for a property by the *total* number of draw area households, sometimes qualified by income.

The **traffic conversion rate** is derived by dividing the *total* number of buyers or renters by the *total* number of prospects that have visited a site.

Because the prospective market for a location is more precisely defined, target market capture rates are higher than the more grossly-derived penetration rates. However, the resulting higher capture rates are well within the range of prudent feasibility.

Downtown Grand Rapids
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DOWNTOWN BUILDING AND UNIT TYPES

Building and unit types most appropriate for the Downtown Study Area include:

- Courtyard Apartment Building: In new construction, an urban, pedestrian-oriented equivalent to conventional garden apartments. An urban courtyard building is three or more stories, often combined with non-residential uses on the ground floor. The building should be built to the sidewalk edge and, to provide privacy and a sense of security, the first floor should be elevated significantly above the sidewalk.

Project: The Heritage at Freemason Harbour

Downtown Norfolk, Virginia

184 units.

1-bedroom/1-bath, 764-822 sf, \$1,207 - \$1,335, \$1.51 - \$1.58 psf;

1-bedroom/1-bath/study, 900 sf, \$1,410, \$1.56 psf;

2-bedroom/2-bath, 1,071-1,183 sf, \$1,545-\$2,127, \$1.44 - \$1.80 psf;

3-bedroom/2-bath, 1,331 sf, \$2,207-\$2,787, \$1.66 - \$2.09 psf.

Amenities: Business center, fitness center, concierge.

Parking: Carports under building, in courtyard, and on street.



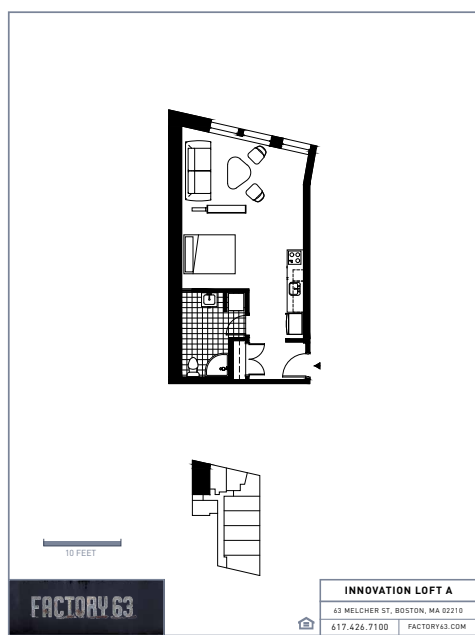
The Heritage at Freemason Harbour.

Downtown Grand Rapids
 City of Grand Rapids, Kent County, Michigan
 August, 2014

- Loft Apartment Building: Either adaptive re-use of older warehouse or manufacturing buildings or a new-construction building type inspired by those buildings. The new-construction version usually has double-loaded corridors.

Microlofts: Several cities across the country are changing minimum unit size requirements as part of a strategy to attract young knowledge workers. Millennial knowledge workers have responded positively to efficiency units as small as 220 square feet, often leasing out new micro loft projects within a matter of days.

The City of Boston reduced the city’s 450-square-foot unit minimum to 350 square feet in a pilot program currently limited to the South Boston “Innovation District.” As of February, 2014, 353 micro-units have been approved. The first property to market micro-units, the 38-unit Factory 63, was completely leased within a week, reportedly all to renters who worked within a 10-block radius of the property. Initial rents were between \$1,200 a month for 337 square feet to \$2,450 for 597 square feet; fully-leased. There is a waiting list for vacancies in the property where rents now start at \$1,699.



Factory 63.

Downtown Grand Rapids
 City of Grand Rapids, Kent County, Michigan
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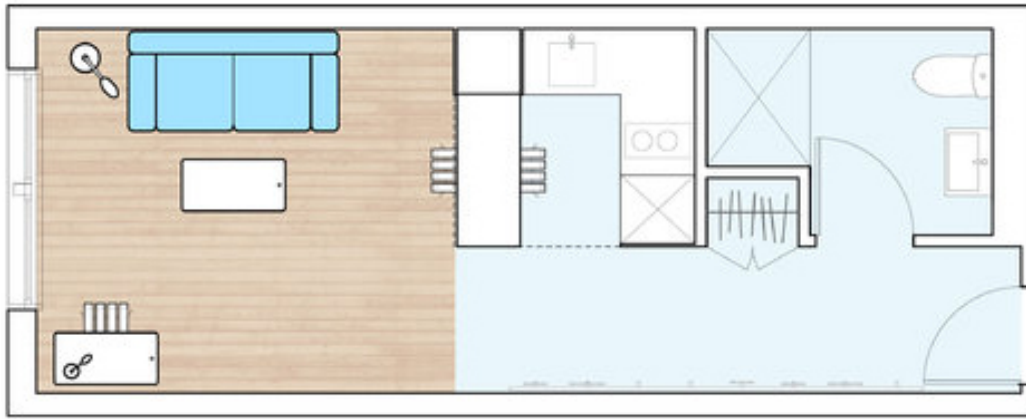
San Francisco has reduced allowable minimum from 290 square feet to 220 square feet, but limited the change to 375 units until market impact has been assessed by the City’s planning department; the concern is that the higher-profit micro units could reduce housing opportunities for households with children. The first completed project, SoMa Studios with 23 295-square-foot units, was bulk leased for five years to the California College of the Arts. The same developer, Panoramic Interests, has a 160-unit building planned with 220-square-foot units slated when announced in 2012 with monthly rents between \$1,300 and \$1,500 (\$5.90 to \$6.80 per square foot); at the time the average San Francisco studio rent was \$2,075 for 493 square feet, or \$4.21 per square foot. The building will include substantial common space and parking for 240 bicycles but, other than a single car-share spot, no automobile parking.



Panoramic Interests.

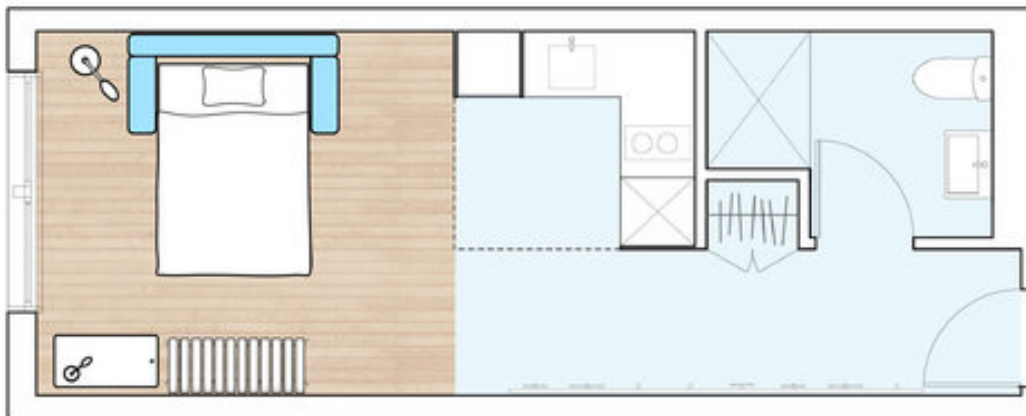
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In New York City a pilot program accommodates units smaller than the current 400-square-foot minimum. The first project, the 55-unit My Micro NY, won the City's "adapt NYC" micro-unit competition. Units in the modular building range from 250 to 370 square feet; 40 percent will be affordable. Every floor will have a common area, and the building will include an attic garden, a ground-floor porch, a lounge and a fitness deck.



APT. #3A - DAY

9'-10" high wall surface behind couch used as pin-up wall; kitchen counter is down and ready for a coffee.



APT. #3A - NIGHT

Convertible sofa-bed folded down; kitchen counter folded up; coffee table on wheels relocated to wall.

My Micro NY.

Downtown Grand Rapids
City of Grand Rapids, Kent County, Michigan
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Because of their small size and intricate layouts, small units are challenging to develop within existing buildings. A U.S. example of creating micro-units through the adaptive reuse of a non-residential building is the redevelopment of the historic, 1828 Arcade building in Providence, Rhode Island. The oldest surviving indoor mall in the nation, the Arcade closed when its three-story interior retail format was no longer economically viable. It reopened in 2014 with ground-level retail and its two upper levels converted into 48 dwellings, including 38 micro units ranging from 225 to 450 square feet furnished with built-in beds, storage, banquette seating. In February, 2014, when half the units were completed and occupied, there was a 2,000-name waiting list for the remaining units. Units are now fully leased at rents starting at \$550 a month, \$2.44 per square foot.



Arcade Building.

Downtown Grand Rapids
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Hard Lofts: Unit interiors typically have high ceilings and commercial windows and are minimally finished (with minimal room delineations such as columns and fin walls), or unfinished (with no interior partitions except those for bathrooms).

Soft Lofts: Unit interiors typically have high ceilings, are fully finished and partitioned into individual rooms. Units may also contain architectural elements reminiscent of “hard lofts,” such as exposed ceiling beams and ductwork, concrete floors and industrial finishes, particularly if the building is an adaptive re-use of an existing industrial structure.

The Chocolate Lofts, a six-story residential conversion in 2004 of the former Paterson Chocolate factory located on Queen Street in Toronto, contains 144 hard and soft lofts. The old chocolate factory units contain timber posts and 12-foot wood ceilings. The soft loft units have functional layouts with 10.5-foot concrete ceilings. All units have exposed duct work, granite countertops and stainless steel appliances and sold out very quickly at prices ranging from \$285,000 for a 500-square-foot studio to \$558 for a two-bedroom penthouse.



Hard loft



Soft loft

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City of Grand Rapids, Kent County, Michigan
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- **Liner Building:** An apartment building with apartments and/or lofts lining two to four sides of a multi-story parking structure. Units are typically served from a single-loaded corridor that often includes access to parking. Ground floors typically include a traditional apartment lobby and can also include maisonette apartments, retail or some combination of the two.

Gateway Lofts is a mixed-use infill project, providing affordable housing and street-level retail in downtown Charlotte, North Carolina. The six-story, post-tensioned concrete building was built on a 36- by 300-foot (11- by 91-meter) site adjacent to a parking garage, whose elevator tower it now shares.

Gateway's middle floors have 15-foot (4.6-meter) wide, multilevel, loft-style units with stained concrete floors, exposed load bearing brick walls, and steel stairs open to a mezzanine. Penthouse units have 12-foot (3.6-meter) ceilings, skylit studios, and flowing, wall-free spaces.



Gateway Lofts

Downtown Grand Rapids
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- **Podium Building:** A small-scale apartment building construction type with two or more stories of stick-frame residential units (lofts or apartments) built over a single level of above-grade structured parking, usually constructed with reinforced concrete. With a well-conceived street pattern, a podium building can include ground-level non-residential uses lining one or more sides of the parking deck.

Project: The Americana Apartments

Glendale, CA

25 units.

Studio/1-bath, 675-809 sf, \$2,200-\$2,450, \$3.03-\$3.26 psf;

1-bedroom/1-bath/den, 869-965 sf, \$2,299-\$3,090, \$2.66-\$3.20 psf;

1-bedroom/1-bath, 717-1,046 sf, \$2,500-\$2,600, \$2.49-\$3.49 psf;

2-bedroom/2-bath, 1,028-1,465 sf, \$3,481-\$4,050, \$2.76-\$3.39 psf;

2-bedroom/2-bath/den, 1,408 sf, \$3,695-\$3,920, \$2.62-\$2.78 psf;

2-bedroom/2.5-bath/ TH, 1,494-1,928 sf, \$3,733-\$4,200, \$2.18-\$2.50 psf.

Amenities: Fitness club, pool, concierge.

Parking: Garage under building.



The Americana Apartments

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- Mansion Apartment Building: A two- to three-story flexible-use structure with a street façade resembling a large detached or attached house (hence, “mansion”). The attached version of the mansion, typically built to a sidewalk on the front lot line, is most appropriate for downtown locations. The building can accommodate a variety of uses—from rental or for-sale apartments, professional offices, any of these uses over ground-floor retail, a bed and breakfast inn, or a large single-family detached house—and its physical structure complements other buildings within a neighborhood.

Parking behind the mansion buildings can be either alley-loaded, or front-loaded served by shared drives

Mansion buildings should be strictly regulated in form, but flexible in use. However, flexibility in use is somewhat constrained by the handicapped accessibility regulations in both the Fair Housing Act and the Americans with Disabilities Act.

Project: Edgewater at Oakmont
Pittsburgh, Pennsylvania
20 units, First Phase.
2-bedroom/2-bath/den, 1,441 sf, \$335,300, \$233 psf;
2-bedroom/2-bath/den, 1,979 sf, \$433,500, \$219 psf;
Parking: Garage under building.

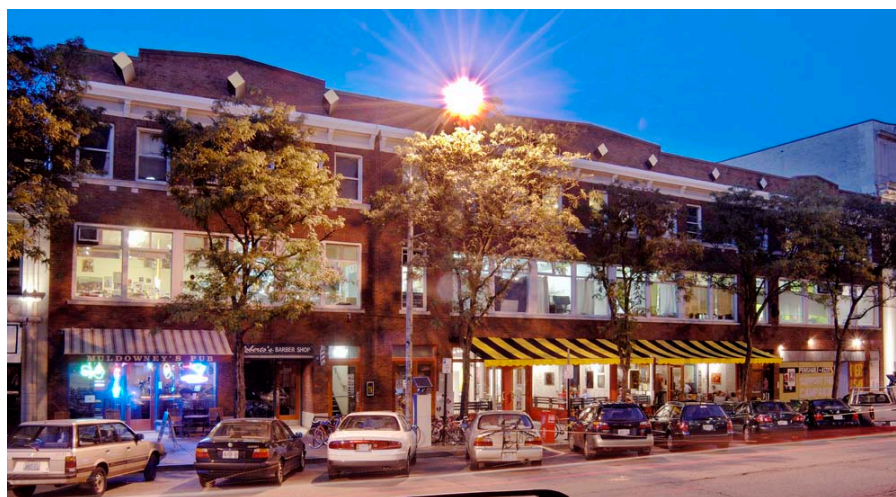


Edgewater at Oakmont

Downtown Grand Rapids
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- Live-work is a unit or building type that accommodates non-residential uses in addition to, or combined with living quarters. The typical live-work unit is a building, either attached or detached, with a principal dwelling unit that includes space that can be used as office, retail, or studio space, or as an accessory dwelling unit. Regardless of the form they take, live-work units should be flexible in order to respond to economic, social and technological changes over time and to accommodate as wide as possible a range of potential uses. The unit configuration must also comply with the requirements of the Fair Housing Amendments Act and the Americans with Disabilities Act.

Some of the most effective neighborhood revitalization efforts have incorporated live-work housing for artists and artisans. Perhaps the best example of arts-led revitalization has taken place on two nearly-adjacent blocks in downtown Providence, Rhode Island. In over decade an artists' non-profit, AS220, has re-developed a series of buildings with a mix of uses including eating and drinking establishments, retail uses, gallery and performance spaces, shared technical equipment, and work and residential studios.



AS220

The original redevelopment includes 12 single-room residential studios with shared bathrooms and kitchen. Rents in 11 of the units range from \$333 to \$455 a month, including all utilities and high-speed internet, for spaces between 324 and 408 square feet; a 12th unit rents for free to a monthly artist-in-residence.

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The second redevelopment was the restoration of The Dreyfus, an historic hotel building and former dormitory that now includes a bar and restaurant and 14 residential studios, 11 of which rent to income-qualified artists for between \$444 and \$612 for between 301 and 407 square feet. The remaining three units are rented at market rents—\$866 to \$920—for 306 to 406 square feet. The most recent redevelopment is called the Mercantile Block, which includes ground floor market-rate retail, the group’s shared print shop, a floor of office space, and two floors with 22 apartments renting for \$310 to \$1,125 for 597 to 880 square feet. Rents at both The Dreyfus and The Mercantile cover all other utilities except electric, including high-speed internet. Occupancy in all three properties is effectively 100 percent. In addition to the housing, the properties include 19 rental work studios which enhance the neighborhood’s vitality day and night.

As an example of the complex financing required to make these deals work, for the Mercantile redevelopment AS220 drew on more than a dozen different funding sources—loans, grants and tax credits—plus its own equity, seven of which were aggregated into a National Trust Community Investment Fund “community development entity” (CDE) which, in turn, generated New Market tax credits sold to a national tax credit investor.



The Dreyfus

DOWNTOWN AMENITIES

As noted in 2008, the diversity, and social and cultural amenities of the city are one of the attractions of urban living.

Again, locations that are within walking distance of transportation, parks and greenways, and entertainment venues—such as theaters, clubs and restaurants, as well as provide convenient access to a variety of retailers, particularly a grocery store—hold a significant market advantage. Because of the high value placed by the potential market on intimate urban green spaces, additional small “pocket parks” could be created on “leftover” land throughout the Study Area. Some of these parks could be specialized, such as “Bark Parks,” where residents can take their dogs. A vibrant urban parks system provides a variety of uses and benefits downtown workers and visitors, as well as residents.

Again, from the market perspective, it is important to reiterate some of the basics that enhance urban neighborhoods, and that are already found in parts of Downtown Grand Rapids: sidewalks wide enough for two people to walk abreast, street trees to provide shade in summer, street furniture and decoration, designed by artists, that include benches, sculptures, wall fountains and trompe l’oeil murals to add interest to blank walls.

Since 2008, urban bicycling has become even more important as the Millennials—who as a generation are delaying obtaining driver’s licenses or purchasing automobiles—are relying on bicycle transportation as much as possible. Bicycle infrastructure, ranging from well-designed bike lanes on key thoroughfares to physically-separated bike lanes in both urban and park/riverfront locations, has become as critical an issue as automobile parking. Bike racks—both utilitarian and those designed as civic art—should be plentiful; ideally, bicycle parking should be mandated at all public and private parking facilities and in newly-constructed commercial buildings.

METHODOLOGY

The update of the technical analysis of market potential for the Downtown Grand Rapids Study Area included confirmation of the draw areas—based on the most recent migration data for Kent County, and incorporating additional data from the 2012 American Community Survey for the county and the City of Grand Rapids—as well as compilation of the current residential rental and for-sale activity in the Downtown market area. The appendix tables referenced here are provided in a separate document.

The evaluation of the Downtown’s market potential was derived from the updated target market analysis of households in the draw areas, and yielded:

- The depth and breadth of the potential housing market by tenure (rental and ownership) and by type (apartments, attached and detached houses); and
- The composition of the potential housing market (empty-nesters/retirees, traditional and non-traditional families, younger singles/couples).

CONFIRMATION OF THE DRAW AREAS (MIGRATION ANALYSIS)—

Updated taxpayer migration data provided the framework for the confirmation of the draw areas—the principal counties of origin for households that are likely to move to the City of Grand Rapids. These data are maintained at the county and “county equivalent” level by the Internal Revenue Service and provide a clear representation of mobility patterns. The migration data for the city has been supplemented by mobility data from the 2012 American Community Survey for the City of Grand Rapids and for Kent County.

Appendix One, Table 1.

Migration Trends

Analysis of the most recent Kent County migration and mobility data available from the Internal Revenue Service—from 2006 through 2010—shows that, although the county had continued to show a net loss of households through 2009, by 2010, the county had gained 165 more households than it had lost. (*See Appendix One, Table 1.*)

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Annual in-migration into Kent County rose steadily over the first three years of the study period, increasing from 10,690 households in 2006 (the lowest in-migrating total over the study period) to 10,895 households in 2008, then falling to 10,065 in 2009. However, in 2010, in-migration rose to 11,265 households as the region began to emerge from the Great Recession. Between approximately 16 and 18 percent of the county's in-migration is from Ottawa County, the adjacent county to the west, with another 4.5 to 4.7 percent from Allegan County to the southwest.

After an increase between 2006 and 2007, out-migration from Kent County continued to decline, ranging between 11,100 households in 2010, the lowest number of out-migrating households over the study period, to 12,680 households in 2007, the highest number. In 2010, nearly 20 percent of out-migrating households moved to either Ottawa or Allegan Counties. Collectively, the majority of out-migration continued to be to other counties in Michigan.

As noted in the previous study, although net migration provides insights into a city or county's historic ability to attract or retain households compared to other locations, it is those households likely to move into an area (gross in-migration) that represent that area's external market potential.

Based on the updated migration data, then, the draw areas for the City of Grand Rapids and the Downtown Study Area have been confirmed as follows:

- The primary draw area, covering households currently living within the Grand Rapids city limits.
- The local draw area, covering households currently living in the balance of Kent County.
- The regional draw area, covering households that are likely to move to the City of Grand Rapids from Ottawa and Allegan Counties.
- The national draw area, covering households with the potential to move to the City of Grand Rapids from all other U.S. counties.

Migration Methodology:

County-to-county migration is based on the year-to-year changes in the addresses shown on the population of returns from the Internal Revenue Service Individual Master File system. Data on

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migration patterns by county, or county equivalent, for the entire United States, include inflows and outflows. The data include the number of returns (which can be used to approximate the number of households), and the median and average incomes reported on the returns.

2014 TARGET MARKET CLASSIFICATION OF CITY AND COUNTY HOUSEHOLDS—

Geo-demographic data obtained from The Nielsen Company (formerly Claritas, Inc.) provide the framework for the categorization of households, not only by demographic characteristics, but also by lifestyle preferences and socio-economic factors. For purposes of this study, only those households in groups with median incomes above \$50,000 are included in the analysis. An appendix containing detailed descriptions of each of these target market groups is provided along with the study.

Appendix One, Tables 2 and 3.

Target Market Classifications

An estimated 75,000 households live in the City of Grand Rapids in 2014, up from the estimated 72,300 households in 2008, an increase of 2,700 households (more than 3.7 percent); 68.7 percent, or 51,545 households are in target market groups with median incomes of \$50,000 or more (3,345 fewer households than in 2008, a decline of six percent). (*Reference Appendix One, Table 2.*) Approximately 28.7 percent of these households can be classified as empty nesters and retirees (compared to 33.9 percent in 2008), another 53 percent are traditional and non-traditional families (up slightly from just under 52 percent), and 18.3 percent are younger singles and couples (up from 14.7 percent in 2008).

Median income within the city is estimated at \$39,900, up only \$500 from \$39,400 in 2008, and approximately 22.7 percent lower than the national median of \$51,600. Median home value within the city is estimated at \$121,400, \$8,500 higher than the median of \$112,900 in 2008, but still considerably below the national median of \$182,100.

An estimated 235,845 households live in Kent County in 2014, up from the estimated 227,210 households in 2008, a gain of 8,635 households, or 3.8 percent over five years. Seventy percent, or 165,050 households are in target market groups with median incomes of \$50,000 or more (7,695 fewer households than in 2008, a drop of 4.5 percent). (*Reference Appendix One, Table 3.*) Over

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35.4 percent of these households can be classified as empty nesters and retirees (up from 27.1 percent in 2008), another 46.5 percent are traditional and non-traditional families (up slightly from just over 45 percent in 2008), and 18.1 percent are younger singles and couples (down from 27.8 percent in 2008).

Median income within the county is estimated at \$51,300, \$1,700 more than in 2008, and \$300 less than the national median of \$51,600. Median home value within the county is estimated at \$145,600, \$8,900 higher than the median of \$136,700 in 2008, and approximately 80 percent of the national median of \$182,100.

Target Market Methodology:

The proprietary target market methodology developed by Zimmerman/Volk Associates is an analytical technique, using the PRIZM NE household clustering system, that establishes the optimum market position for residential development of any property—from a specific site to an entire political jurisdiction—through cluster analysis of households living within designated draw areas. In contrast to classical supply/demand analysis—which is based on supply-side dynamics and baseline demographic projections—target market analysis establishes the optimum market position derived from the housing and lifestyle preferences of households in the draw area and within the framework of the local housing market context, even in locations where no close comparables exist.

Clusters of households (usually between 10 and 15) are grouped according to a variety of significant “predictable variables,” ranging from basic demographic characteristics, such as income qualification and age, to less-frequently considered attributes known as “behaviors,” such as mobility rates, lifestage, and lifestyle patterns

Mobility rates detail how frequently a household moves from one dwelling unit to another; lifestage denotes what stage of life the household is in, from initial household formation (typically when a young person moves out of his or her parents’ household into his or her own dwelling unit), through family formation (typically, marriage and children) to retirement (typically, no longer employed); and lifestyle patterns reflect the ways households choose to live, *e.g.*, an urban lifestyle includes residing in a dwelling unit in a city, most likely high-density, and implies the ability to walk to more locations than a suburban lifestyle, which is most likely lower-density and typically

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requires automobile ownership to get to non-residential locations. Zimmerman/Volk Associates has refined the analysis of these household clusters through the correlation of more than 500 data points related to housing preferences and consumer and lifestyle characteristics.

As a result of this process, Zimmerman/Volk Associates has identified 41 target market groups with median incomes that enable most of the households within each group to qualify for market-rate housing, and an additional 25 groups with median incomes in which a much smaller number of households is able to qualify for market-rate housing. The most affluent of the 66 groups can afford the most expensive new ownership units; the least prosperous are candidates for the least expensive existing rental apartments.

Once the draw areas for a property have been defined, then—through field investigation, analysis of historic migration and development trends, and employment and commutation patterns—the households within those areas are quantified using the target market methodology. The potential market for new market-rate units is then determined by the correlation of a number of factors—including, but not limited to: household mobility rates; median incomes; lifestyle characteristics and housing preferences; the location of the site; and the competitive environment.

The end result of this series of filters is the optimum market position—by tenure, building configuration and household type, including specific recommendations for unit sizes, rents and/or prices—and projections of absorption within the local housing context.

UPDATE OF THE POTENTIAL MARKET FOR THE CITY OF GRAND RAPIDS (MOBILITY ANALYSIS)—

The updated mobility tables, individually and in summaries, indicate the average number and type of households that have the potential to move within or to the City of Grand Rapids each year over the next five years. The total number from each county is derived from historical migration trends; the number of households from each group is based on each group's mobility rate.

Appendix One, Table 4.

Internal Mobility (Households Moving Within the City of Grand Rapids)—

Zimmerman/Volk Associates uses U.S. Bureau of the Census data and 2012 American Community Survey Data, combined with Nielsen data, to determine the number of households in each target

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market group that will move from one residence to another within a specific jurisdiction (internal mobility).

After updating the migration and mobility data, Zimmerman/Volk Associates determined that an average of 8,815 households (up from 6,450 households in 2008) currently living in the City of Grand Rapids, and in target market groups with median incomes of \$50,000 or more, have the potential to move from one residence to another within the city each year over the next five years.

Just under half of these households are likely to be family-oriented households (as characterized within 12 Zimmerman/Volk Associates' target market groups, up from 39.7 percent in 2008); another 40.9 percent are likely to be younger singles and couples (in 11 market groups, down from 54 percent); and the remaining 9.7 percent are likely to be empty nesters and retirees (in 13 market groups, up from 6.8 percent).

Appendix One, Table 5.

External Mobility (Households Moving To the City of Grand Rapids from the Balance of Kent County)—

The same sources of data are used to determine the number of households in each target market group that will move from one area to another within the same county.

The updated data shows that an average of 4,150 households, currently living in the balance of Kent County and in groups with median incomes of \$50,000 or more, have the potential to move from a residence in the county to a residence in the City of Grand Rapids each year over the next five years, a drop of 850 households since 2008.

Approximately 47.5 percent of these households (up from 42.2 percent in 2008) are likely to be traditional and non-traditional families (in 13 market groups); 31 percent (down from 43.1 percent) are younger singles and couples (in 10 groups); and the remaining 21.6 percent are empty nesters and retirees (in 16 groups, up from 14.7 percent).

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Appendix One, Tables 6 and 7; Appendix Two, Tables 1 and 2.

External Mobility (Households Moving To the City of Grand Rapids from Outside Kent County)—

These tables determine the average number of households in each target market group living in each draw area county that is likely to move to the City of Grand Rapids each year over the next five years (through a correlation of Nielsen data, U.S. Bureau of the Census data, and the Internal Revenue Service migration data).

Appendix One, Table 8.

Market Potential for the City of Grand Rapids—

Appendix One, Table 8 summarizes Appendix One, Tables 4 through 7. The numbers in the Total column on page one of these tables indicate the depth and breadth of the potential market for new and existing market-rate dwelling units in the City of Grand Rapids each year over the next five years originating from households in groups with median incomes of \$50,000 or more currently living in the draw areas. An average of 16,485 households in groups with median incomes of \$50,000 or more have the potential to move within or to the City of Grand Rapids each year over the next five years. This is up 9.5 percent over the annual market potential of 15,050 households in 2008. Traditional and non-traditional families (in 13 groups) are likely to account for up to 45.5 percent of the market (up from just under 39 percent in 2008), younger singles and couples (in 12 groups) make up another 39.4 percent (down from 48.8 percent in 2008), and the remaining 15 percent are likely to be empty nesters and retirees (in 16 groups, up from 12.2 percent in 2008).

The updated distribution of the draw areas as a percentage of the potential market for the City of Grand Rapids is as follows:

Market Potential by Draw Area	
<i>City of Grand Rapids, Kent County, Michigan</i>	
City of Grand Rapids (Primary Draw Area):	53.5%
Balance of Kent County (Local Draw Area):	25.2%
Ottawa and Allegan Counties (Regional Draw Area):	5.0%
Balance of US (National Draw Area):	16.3%
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

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The updated migration, mobility and target market analyses also show that there has been an increase in the share of draw areas moving to Grand Rapids from outside the county. Households moving from Ottawa and Allegan Counties have increased from 4.7 percent of the annual potential market to five percent, and the balance of the United States has risen from 15.9 percent to 16.3 percent of the annual potential market. Households moving within the city represent 53.5 percent of the annual potential market over the next five years, up from 42.9 percent in 2008, whereas households moving from the balance of Kent County have dropped from 36.5 percent of the total in 2008 to just over 25 percent per year over the next five years.

UPDATE OF THE POTENTIAL MARKET FOR THE DOWNTOWN GRAND RAPIDS STUDY AREA—

As in 2008, the annual potential market for new market-rate housing units developed within existing buildings or new construction within the Downtown Study Area includes the same draw areas as for the city as a whole. Zimmerman/Volk Associates uses U.S. Bureau of the Census data, combined with Nielsen data, to determine which target market groups, as well as how many households within each group, are likely to move to the Study Area each year over the next five years.

Appendix One, Tables 9 through 11.

Market Potential for the Downtown Grand Rapids Study Area—

As updated by the target market methodology, an average of 5,135 households have the potential to move to the Downtown Grand Rapids Study Area each year over the next five years, more than 11.4 percent higher than the 2008 number of 4,610 households. (See Appendix One, Table 9.) Over 63 percent of these households are likely to be younger singles and couples (in 10 market groups, and a slightly higher percentage than nearly 62 percent in 2008); another 26.3 percent (down slightly from 26.9 percent in 2008) are likely to be empty nesters and retirees (in 13 groups); and 10.4 percent (down slightly from 11.3 percent in 2008) are likely to be traditional and non-traditional family households (in six groups).

The updated distribution of the draw areas as a percentage of the market for the Downtown Grand Rapids Study Area is shown on the following page:

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Market Potential by Draw Area
DOWNTOWN GRAND RAPIDS STUDY AREA
City of Grand Rapids, Kent County, Michigan

City of Grand Rapids (Primary Draw Area):	46.3%
Balance of Kent County (Local Draw Area):	21.4%
Ottawa and Allegan Counties (Regional Draw Area):	4.1%
Balance of US (National Draw Area):	28.2%
Total:	100.0%

SOURCE: Zimmerman/Volk Associates, Inc., 2014.

At 46.3 percent, the City of Grand Rapids accounts for a smaller share of market potential for the Downtown Study Area than in 2008, at 51.6 percent. Households moving from the balance of the U.S. now account for a considerably larger share, over 28 percent, of the potential market than in 2008, at 24.8 percent.

The 5,135 draw area households that have the potential to move to the Downtown Grand Rapids Study Area each year over the next five years have been categorized by tenure propensities to determine renter/owner ratios. Approximately 45.7 percent of these households (up from just under 35 percent in 2008, or from 1,610 households to 2,345 households) comprise the potential market for new market-rate rentals. The remaining 54.3 percent (or 2,790 households, down from 3,000 households in 2008) comprise the market for new market-rate for-sale (ownership) housing units. (See Appendix One, Table 10.)

Of these 2,790 households, 17.9 percent (or 500 households) comprise the annual market for market-rate multi-family for-sale units (condominium apartments and lofts), down significantly from 31.7 percent, or 950 households, in 2008. Another 22.9 percent (or 640 households) comprise the annual market for market-rate attached single-family (townhouse/live-work) units, up significantly from 17.3 percent and 520 households in 2008. The remaining 59.2 percent (or 1,650 households) comprise the annual market for all ranges and densities of market-rate single-family detached houses.

—Target Market Data—

Target market data are based on the Nielsen (formerly Claritas) PRIZM geo-demographic system, modified and augmented by Zimmerman/Volk Associates as the basis for its proprietary target market methodology. Target market data provides number of households by cluster aggregated into the three main household lifestages—empty nesters and retirees; traditional and non-traditional families; and younger singles and couples.

Zimmerman/Volk Associates' target market classifications are updated periodically to reflect the slow, but relentless change in the composition of American households. Because of the nature of geo-demographic segmentation, a change in household classification is directly correlated with a change in geography, *i.e.*—a move from one neighborhood condition to another. However, these changes of classification can also reflect an alteration in one of three additional basic characteristics:

- Age;
- Household composition; or
- Economic status.

Age is the most predictable, and easily-defined of these changes. Household composition has also been relatively easy to define; with the growth of non-traditional households, however, definitions of a family have had to be expanded and parsed into more highly-refined segments. Economic status remains clearly defined through measures of annual income and household wealth.

A change in classification is rarely induced by a change in just one of the four basic characteristics. This is one reason that the target household categories are so highly refined: they take in multiple characteristics. Even so, there are some rough equivalents in household types as they move from one neighborhood condition to another. There is, for example, a strong correlation between the *Suburban Achievers* and the *Urban Achievers*; a move by the *Suburban Achievers* to the urban core can make them *Urban Achievers*, if the move is accompanied by an upward move in socio-economic status. In contrast, *Suburban Achievers* who move up socio-economically, but remain within the metropolitan suburbs may become *Upscale Suburban Couples* or *Fast-Track Professionals*.

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Household Classification Methodology:

Household classifications were originally based on the Claritas PRIZM geo-demographic segmentation system that was established in 1974 and then replaced by PRIZM NE in 2005. The revised household classifications are based on PRIZM NE which was developed through unique classification and regression trees delineating 66 specific clusters of American households. The system is now accurate to the individual household level, adding self-reported and list-based household data to geo-demographic information. The process applies hundreds of demographic variables to nearly 10,000 “behaviors.”

Over the past 26 years, Zimmerman/Volk Associates has augmented the PRIZM cluster systems for use within the company’s proprietary target market methodology specific to housing and neighborhood preferences, with additional algorithms, correlation with geo-coded consumer data, aggregation of clusters by broad household definition, and unique cluster names. For purposes of this study, only those households in groups with median incomes of \$50,000 or more are included in the tables.



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Research & Strategic Analysis

ASSUMPTIONS AND LIMITATIONS—

Every effort has been made to insure the accuracy of the data contained within this analysis. Demographic and economic estimates and projections have been obtained from government agencies at the national, state, and county levels. Market information has been obtained from sources presumed to be reliable, including developers, owners, and/or sales agents. However, this information cannot be warranted by Zimmerman/Volk Associates, Inc. While the methodology employed in this analysis allows for a margin of error in base data, it is assumed that the market data and government estimates and projections are substantially accurate.

Absorption scenarios are based upon the assumption that a normal economic environment will prevail in a relatively steady state during development of the subject property. Absorption paces are likely to be slower during recessionary periods and faster during periods of recovery and high growth. Absorption scenarios are also predicated on the assumption that the product recommendations will be implemented generally as outlined in this report and that the developer will apply high-caliber design, construction, marketing, and management techniques to the development of the property.

Recommendations are subject to compliance with all applicable regulations. Relevant accounting, tax, and legal matters should be substantiated by appropriate counsel.



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Research & Strategic Analysis

RIGHTS AND STUDY OWNERSHIP—

Zimmerman/Volk Associates, Inc. retains all rights, title and interest in the methodology and target market descriptions contained within this study. The specific findings of the analysis are the property of the client and can be distributed at the client's discretion.



ZIMMERMAN/VOLK ASSOCIATES, INC., 2014

Appendices One and Two

TARGET MARKET TABLES

UPDATE

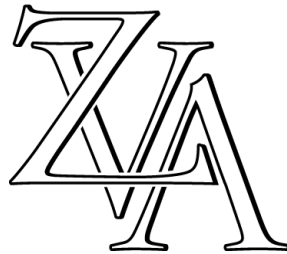
RESIDENTIAL MARKET POTENTIAL

Downtown Grand Rapids

City of Grand Rapids
Kent County, Michigan

August, 2014

Conducted by
ZIMMERMAN/VOLK ASSOCIATES, INC.
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UPDATE: RESIDENTIAL MARKET POTENTIAL

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

August, 2014

Appendix One Tables



Gross Annual Household In-Migration*Kent County, Michigan***2006, 2007, 2008, 2009, 2010**

County of Origin	..... 2006 .....		..... 2007 .....		..... 2008 .....		..... 2009 .....		..... 2010	
	Number	Share	Number	Share	Number	Share	Number	Share	Number	Share
Ottawa	1,805	16.9%	1,815	16.7%	1,925	17.7%	1,855	18.4%	1,955	17.4%
Allegan	500	4.7%	515	4.7%	515	4.7%	450	4.5%	520	4.6%
Montcalm	455	4.3%	435	4.0%	450	4.1%	435	4.3%	450	4.0%
Muskegon	345	3.2%	365	3.4%	410	3.8%	350	3.5%	385	3.4%
Kalamazoo	345	3.2%	320	2.9%	320	2.9%	320	3.2%	375	3.3%
Ionia	330	3.1%	385	3.5%	380	3.5%	325	3.2%	305	2.7%
Oakland	265	2.5%	250	2.3%	270	2.5%	265	2.6%	300	2.7%
Ingham	280	2.6%	255	2.3%	280	2.6%	265	2.6%	295	2.6%
Newaygo	315	2.9%	325	3.0%	330	3.0%	280	2.8%	295	2.6%
Barry	300	2.8%	280	2.6%	335	3.1%	280	2.8%	270	2.4%
Cook, IL	170	1.6%	185	1.7%	200	1.8%	200	2.0%	265	2.4%
Wayne	195	1.8%	235	2.2%	205	1.9%	205	2.0%	215	1.9%
Mecosta	180	1.7%	140	1.3%	150	1.4%	110	1.1%	140	1.2%
Genesee	115	1.1%	105	1.0%	110	1.0%	95	0.9%	130	1.2%
Berrien	100	0.9%	115	1.1%	105	1.0%	110	1.1%	125	1.1%
Macomb	105	1.0%	120	1.1%	95	0.9%	115	1.1%	115	1.0%
Washtenaw	90	0.8%	105	1.0%	75	0.7%	95	0.9%	115	1.0%
Saginaw	115	1.1%	120	1.1%	80	0.7%	100	1.0%	110	1.0%
Grand Traverse	110	1.0%	110	1.0%	120	1.1%	105	1.0%	95	0.8%
Isabella	80	0.7%	65	0.6%	75	0.7%	80	0.8%	95	0.8%
Calhoun	80	0.7%	60	0.6%	85	0.8%	50	0.5%	95	0.8%
Eaton	110	1.0%	100	0.9%	85	0.8%	95	0.9%	85	0.8%
Maricopa, AZ	70	0.7%	70	0.6%	55	0.5%	75	0.7%	75	0.7%
Livingston	55	0.5%	60	0.6%	50	0.5%	40	0.4%	65	0.6%
Los Angeles, CA	60	0.6%	50	0.5%	55	0.5%	45	0.4%	55	0.5%
Jackson	65	0.6%	60	0.6%	60	0.6%	45	0.4%	55	0.5%
Van Buren	65	0.6%	60	0.6%	50	0.5%	50	0.5%	55	0.5%
Clinton	55	0.5%	65	0.6%	50	0.5%	40	0.4%	45	0.4%
Dupage, IL	55	0.5%	45	0.4%	60	0.6%	40	0.4%	45	0.4%
Mason	60	0.6%	55	0.5%	65	0.6%	55	0.5%	45	0.4%
Midland	30	0.3%	40	0.4%	40	0.4%	30	0.3%	45	0.4%
St Clair	35	0.3%	45	0.4%	35	0.3%	35	0.3%	45	0.4%
Franklin, OH	25	0.2%	10	0.1%	30	0.3%	20	0.2%	45	0.4%
Wexford	40	0.4%	35	0.3%	35	0.3%	25	0.2%	40	0.4%
San Diego, CA	40	0.4%	40	0.4%	30	0.3%	45	0.4%	40	0.4%
All Other Counties	3,645	34.1%	3,845	35.3%	3,680	33.8%	3,335	33.1%	3,875	34.4%
Total In-Migration:	10,690	100.0%	10,885	100.0%	10,895	100.0%	10,065	100.0%	11,265	100.0%

NOTE: All numbers have been rounded to the nearest five.

SOURCE: Internal Revenue Service;
Zimmerman/Volk Associates, Inc.

Gross Annual Household Out-Migration
Kent County, Michigan
2006, 2007, 2008, 2009, 2010

Destination County	..... 2006 .....		..... 2007 .....		..... 2008 .....		..... 2009 .....		..... 2010	
	Number	Share	Number	Share	Number	Share	Number	Share	Number	Share
Ottawa	1,955	16.3%	1,965	15.5%	1,815	15.2%	1,950	16.7%	1,765	15.9%
Allegan	520	4.3%	475	3.7%	500	4.2%	470	4.0%	420	3.8%
Montcalm	400	3.3%	490	3.9%	430	3.6%	445	3.8%	425	3.8%
Muskegon	300	2.5%	315	2.5%	275	2.3%	295	2.5%	255	2.3%
Kalamazoo	290	2.4%	300	2.4%	355	3.0%	295	2.5%	310	2.8%
Ionia	355	3.0%	340	2.7%	290	2.4%	315	2.7%	295	2.7%
Oakland	250	2.1%	250	2.0%	220	1.8%	225	1.9%	260	2.3%
Ingham	180	1.5%	220	1.7%	195	1.6%	200	1.7%	195	1.8%
Newaygo	305	2.5%	325	2.6%	285	2.4%	300	2.6%	255	2.3%
Barry	325	2.7%	320	2.5%	310	2.6%	270	2.3%	245	2.2%
Cook, IL	335	2.8%	380	3.0%	370	3.1%	300	2.6%	290	2.6%
Wayne	145	1.2%	195	1.5%	160	1.3%	140	1.2%	180	1.6%
Mecosta	110	0.9%	135	1.1%	110	0.9%	110	0.9%	140	1.3%
Genesee	50	0.4%	60	0.5%	75	0.6%	90	0.8%	70	0.6%
Berrien	65	0.5%	90	0.7%	65	0.5%	70	0.6%	80	0.7%
Macomb	75	0.6%	85	0.7%	50	0.4%	70	0.6%	75	0.7%
Washtenaw	130	1.1%	135	1.1%	135	1.1%	115	1.0%	160	1.4%
Saginaw	65	0.5%	70	0.6%	60	0.5%	65	0.6%	50	0.5%
Grand Traverse	105	0.9%	85	0.7%	90	0.8%	65	0.6%	100	0.9%
Isabella	55	0.5%	60	0.5%	65	0.5%	45	0.4%	60	0.5%
Calhoun	55	0.5%	55	0.4%	60	0.5%	75	0.6%	45	0.4%
Eaton	75	0.6%	90	0.7%	60	0.5%	80	0.7%	70	0.6%
Maricopa, AZ	145	1.2%	190	1.5%	170	1.4%	105	0.9%	115	1.0%
Livingston	35	0.3%	40	0.3%	40	0.3%	40	0.3%	40	0.4%
Los Angeles, CA	65	0.5%	85	0.7%	55	0.5%	75	0.6%	80	0.7%
Jackson	35	0.3%	30	0.2%	30	0.3%	35	0.3%	35	0.3%
Van Buren	35	0.3%	40	0.3%	35	0.3%	40	0.3%	40	0.4%
Clinton	40	0.3%	60	0.5%	35	0.3%	40	0.3%	50	0.5%
Dupage, IL	50	0.4%	60	0.5%	40	0.3%	50	0.4%	50	0.5%
Mason	40	0.3%	45	0.4%	35	0.3%	55	0.5%	50	0.5%
Midland	25	0.2%	30	0.2%	35	0.3%	25	0.2%	25	0.2%
St Clair	20	0.2%	25	0.2%	25	0.2%	15	0.1%	25	0.2%
Franklin, OH	40	0.3%	55	0.4%	60	0.5%	45	0.4%	45	0.4%
Wexford	40	0.3%	35	0.3%	25	0.2%	30	0.3%	30	0.3%
San Diego, CA	55	0.5%	55	0.4%	65	0.5%	55	0.5%	60	0.5%
All Other Counties	5,225	43.6%	5,490	43.3%	5,315	44.5%	5,075	43.5%	4,710	42.4%
Total Out-Migration:	11,995	100.0%	12,680	100.0%	11,940	100.0%	11,675	100.0%	11,100	100.0%

NOTE: All numbers have been rounded to the nearest five.

SOURCE: Internal Revenue Service;
 Zimmerman/Volk Associates, Inc.

Net Annual Household Migration*Kent County, Michigan***2006, 2007, 2008, 2009, 2010**

County	..... 2006 .....	..... 2007 .....	..... 2008 .....	..... 2009 .....	..... 2010
	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>	<i>Number</i>
Ottawa	-150	-150	110	-95	190
Allegan	-20	40	15	-20	100
Montcalm	55	-55	20	-10	25
Muskegon	45	50	135	55	130
Kalamazoo	55	20	-35	25	65
Ionia	-25	45	90	10	10
Oakland	15	0	50	40	40
Ingham	100	35	85	65	100
Newaygo	10	0	45	-20	40
Barry	-25	-40	25	10	25
Cook, IL	-165	-195	-170	-100	-25
Wayne	50	40	45	65	35
Mecosta	70	5	40	0	0
Genesee	65	45	35	5	60
Berrien	35	25	40	40	45
Macomb	30	35	45	45	40
Washtenaw	-40	-30	-60	-20	-45
Saginaw	50	50	20	35	60
Grand Traverse	5	25	30	40	-5
Isabella	25	5	10	35	35
Calhoun	25	5	25	-25	50
Eaton	35	10	25	15	15
Maricopa, AZ	-75	-120	-115	-30	-40
Livingston	20	20	10	0	25
Los Angeles, CA	-5	-35	0	-30	-25
Jackson	30	30	30	10	20
Van Buren	30	20	15	10	15
Clinton	15	5	15	0	-5
Dupage, IL	5	-15	20	-10	-5
Mason	20	10	30	0	-5
Midland	5	10	5	5	20
St Clair	15	20	10	20	20
Franklin, OH	-15	-45	-30	-25	0
Wexford	0	0	10	-5	10
San Diego, CA	-15	-15	-35	-10	-20
All Other Counties	-1,580	-1,645	-1,635	-1,740	-835
Total Net Migration:	-1,305	-1,795	-1,045	-1,610	165

NOTE: All numbers have been rounded to the nearest five.

SOURCE: Internal Revenue Service;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups

Households In Groups With Median Incomes Above \$50,000

City of Grand Rapids, Kent County, Michigan

Household Type/ Geographic Designation	Estimated Number	Estimated Share
Empty Nesters & Retirees		
	14,780	28.7%
<i>Metropolitan Cities</i>	4,185	8.1%
<i>Small Cities/Satellite Cities</i>	155	0.3%
<i>Metropolitan Suburbs</i>	10,250	19.9%
<i>Town & Country/Exurbs</i>	190	0.4%
Traditional & Non-Traditional Families		
	27,330	53.0%
<i>Metropolitan Cities</i>	22,645	43.9%
<i>Small Cities/Satellite Cities</i>	235	0.5%
<i>Metropolitan Suburbs</i>	4,220	8.2%
<i>Town & Country/Exurbs</i>	230	0.4%
Younger Singles & Couples		
	9,435	18.3%
<i>Metropolitan Cities</i>	4,230	8.2%
<i>Small Cities/Satellite Cities</i>	625	1.2%
<i>Metropolitan Suburbs</i>	4,470	8.7%
<i>Town & Country/Exurbs</i>	110	0.2%
Total:	51,545	100.0%
Total City Households:	75,000	
Classified Households As A Share Of Total City Households:	68.7%	
2014 Estimated Median Income:	\$39,900	
2014 Estimated National Median Income:	\$51,600	
2014 Estimated Median Home Value:	\$121,400	
2014 Estimated National Median Home Value:	\$182,100	

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups

Households In Groups With Median Incomes Above \$50,000

City of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Empty Nesters & Retirees	14,780	28.7%		
<i>Metropolitan Cities</i>				
Urban Establishment	575	1.1%	\$125,200	\$369,100
Cosmopolitan Couples	1,285	2.5%	\$81,800	\$206,500
Multi-Ethnic Retirees	2,325	4.5%	\$59,500	\$122,900
<i>Subtotal:</i>	<u>4,185</u>	<u>8.1%</u>		
<i>Small Cities/Satellite Cities</i>				
Cosmopolitan Elite	40	0.1%	\$111,200	\$214,000
Middle-Class Move-Downs	115	0.2%	\$73,700	\$133,900
<i>Subtotal:</i>	<u>155</u>	<u>0.3%</u>		
<i>Metropolitan Suburbs</i>				
Old Money	400	0.8%	\$156,600	\$375,500
Suburban Establishment	1,655	3.2%	\$101,500	\$200,100
Affluent Empty Nesters	1,280	2.5%	\$100,100	\$212,700
Mainstream Retirees	1,665	3.2%	\$73,100	\$156,200
No-Nest Suburbanites	3,155	6.1%	\$71,200	\$125,000
Middle-American Retirees	2,095	4.1%	\$69,700	\$118,700
<i>Subtotal:</i>	<u>10,250</u>	<u>19.9%</u>		
<i>Town & Country/Exurbs</i>				
Small-Town Establishment	75	0.1%	\$115,000	\$240,100
New Empty Nesters	40	0.1%	\$100,800	\$166,600
RV Retirees	55	0.1%	\$77,900	\$143,400
Blue-Collar Empty Nesters	10	0.0%	\$76,700	\$118,100
Exurban Suburbanites	10	0.0%	\$60,900	\$99,900
<i>Subtotal:</i>	<u>190</u>	<u>0.4%</u>		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups

Households In Groups With Median Incomes Above \$50,000

City of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Traditional & Non-Traditional Families	27,330	53.0%		
<i>Metropolitan Cities</i>				
Full-Nest Urbanites	5,740	11.1%	\$80,600	\$194,400
Multi-Cultural Families	16,905	32.8%	\$51,400	\$108,500
<i>Subtotal:</i>	<u>22,645</u>	<u>43.9%</u>		
<i>Small Cities/Satellite Cities</i>				
Unibox Transferees	130	0.3%	\$119,900	\$197,600
Multi-Ethnic Families	105	0.2%	\$74,400	\$123,500
<i>Subtotal:</i>	<u>235</u>	<u>0.5%</u>		
<i>Metropolitan Suburbs</i>				
The Social Register	85	0.2%	\$168,100	\$342,200
Nouveau Money	145	0.3%	\$152,700	\$251,000
Late-Nest Suburbanites	935	1.8%	\$104,400	\$197,700
Full-Nest Suburbanites	1,495	2.9%	\$101,000	\$161,700
Blue-Collar Button-Downs	1,560	3.0%	\$71,500	\$120,000
<i>Subtotal:</i>	<u>4,220</u>	<u>8.2%</u>		
<i>Town & Country/Exurbs</i>				
Ex-Urban Elite	145	0.3%	\$147,900	\$268,100
Full-Nest Exurbanites	35	0.1%	\$106,400	\$166,000
New-Town Families	50	0.1%	\$79,800	\$129,600
Small-Town Families	0	0.0%		
<i>Subtotal:</i>	<u>230</u>	<u>0.4%</u>		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups

Households In Groups With Median Incomes Above \$50,000

City of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Younger Single & Couples	9,435	18.3%		
<i>Metropolitan Cities</i>				
e-Types	415	0.8%	\$126,800	\$355,400
New Bohemians	155	0.3%	\$79,400	\$300,100
Urban Achievers	3,660	7.1%	\$52,300	\$203,000
Subtotal:	4,230	8.2%		
<i>Small Cities/Satellite Cities</i>				
The VIPs	45	0.1%	\$105,200	\$203,600
Twentysomethings	180	0.3%	\$73,100	\$144,200
Small-City Singles	400	0.8%	\$56,700	\$109,300
Subtotal:	625	1.2%		
<i>Metropolitan Suburbs</i>				
The Entrepreneurs	420	0.8%	\$144,800	\$296,000
Fast-Track Professionals	0	0.0%		
Upscale Suburban Couples	2,930	5.7%	\$95,500	\$172,500
Suburban Achievers	1,120	2.2%	\$69,200	\$145,900
Subtotal:	4,470	8.7%		
<i>Town & Country/Exurbs</i>				
Ex-Urban Power Couples	55	0.1%	\$120,600	\$228,900
Cross-Training Couples	55	0.1%	\$81,100	\$153,300
Subtotal:	110	0.2%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups
Households In Groups With Median Incomes Above \$50,000
Kent County, Michigan

Household Type/ Geographic Designation	Estimated Number	Estimated Share
Empty Nesters & Retirees	58,400	35.4%
<i>Metropolitan Cities</i>	7,210	4.4%
<i>Small Cities/Satellite Cities</i>	1,730	1.0%
<i>Metropolitan Suburbs</i>	28,310	17.2%
<i>Town & Country/Exurbs</i>	21,150	12.8%
Traditional & Non-Traditional Families	76,730	46.5%
<i>Metropolitan Cities</i>	27,355	16.6%
<i>Small Cities/Satellite Cities</i>	2,745	1.7%
<i>Metropolitan Suburbs</i>	18,795	11.4%
<i>Town & Country/Exurbs</i>	27,835	16.9%
Younger Singles & Couples	29,920	18.1%
<i>Metropolitan Cities</i>	4,655	2.8%
<i>Small Cities/Satellite Cities</i>	2,965	1.8%
<i>Metropolitan Suburbs</i>	12,540	7.6%
<i>Town & Country/Exurbs</i>	9,760	5.9%
Total:	165,050	100.0%
Total County Households:	235,845	
Classified Households As A Share Of Total County Households:	70.0%	
2014 Estimated Median Income:	\$51,300	
2014 Estimated National Median Income:	\$51,600	
2014 Estimated Median Home Value:	\$145,600	
2014 Estimated National Median Home Value:	\$182,100	

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups
Households In Groups With Median Incomes Above \$50,000
Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Empty Nesters & Retirees	58,400	35.4%		
<i>Metropolitan Cities</i>				
Urban Establishment	2,195	1.3%	\$125,400	\$369,400
Cosmopolitan Couples	1,945	1.2%	\$81,900	\$206,600
Multi-Ethnic Retirees	3,070	1.9%	\$59,600	\$123,000
<i>Subtotal:</i>	<i>7,210</i>	<i>4.4%</i>		
<i>Small Cities/Satellite Cities</i>				
Cosmopolitan Elite	440	0.3%	\$111,300	\$214,200
Middle-Class Move-Downs	1,290	0.8%	\$73,800	\$134,000
<i>Subtotal:</i>	<i>1,730</i>	<i>1.0%</i>		
<i>Metropolitan Suburbs</i>				
Old Money	1,205	0.7%	\$156,800	\$375,800
Suburban Establishment	4,055	2.5%	\$101,600	\$200,200
Affluent Empty Nesters	3,155	1.9%	\$100,200	\$212,900
Mainstream Retirees	3,680	2.2%	\$73,200	\$156,300
No-Nest Suburbanites	9,040	5.5%	\$71,300	\$125,100
Middle-American Retirees	7,175	4.3%	\$69,800	\$118,800
<i>Subtotal:</i>	<i>28,310</i>	<i>17.2%</i>		
<i>Town & Country/Exurbs</i>				
Small-Town Establishment	4,850	2.9%	\$115,100	\$240,300
New Empty Nesters	3,805	2.3%	\$100,900	\$166,700
RV Retirees	5,685	3.4%	\$78,000	\$143,500
Blue-Collar Empty Nesters	3,985	2.4%	\$76,800	\$118,200
Exurban Suburbanites	2,825	1.7%	\$60,900	\$100,000
<i>Subtotal:</i>	<i>21,150</i>	<i>12.8%</i>		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups
Households In Groups With Median Incomes Above \$50,000
Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Traditional & Non-Traditional Families	76,730	46.5%		
<i>Metropolitan Cities</i>				
Full-Nest Urbanites	7,830	4.7%	\$80,700	\$194,500
Multi-Cultural Families	19,525	11.8%	\$51,500	\$108,600
Subtotal:	27,355	16.6%		
<i>Small Cities/Satellite Cities</i>				
Unibox Transferees	1,010	0.6%	\$120,000	\$197,700
Multi-Ethnic Families	1,735	1.1%	\$74,500	\$123,600
Subtotal:	2,745	1.7%		
<i>Metropolitan Suburbs</i>				
The Social Register	900	0.5%	\$168,300	\$342,400
Nouveau Money	1,070	0.6%	\$152,900	\$251,200
Late-Nest Suburbanites	3,370	2.0%	\$104,500	\$197,900
Full-Nest Suburbanites	5,970	3.6%	\$101,100	\$161,800
Blue-Collar Button-Downs	7,485	4.5%	\$71,600	\$120,100
Subtotal:	18,795	11.4%		
<i>Town & Country/Exurbs</i>				
Ex-Urban Elite	8,905	5.4%	\$148,100	\$268,300
Full-Nest Exurbanites	5,420	3.3%	\$106,500	\$166,200
New-Town Families	7,830	4.7%	\$79,900	\$129,700
Small-Town Families	5,680	3.4%	\$78,300	\$118,700
Subtotal:	27,835	16.9%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

2014 Household Classification by Market Groups
Households In Groups With Median Incomes Above \$50,000
Kent County, Michigan

	<i>Estimated Number</i>	<i>Estimated Share</i>	<i>Estimated Median Income</i>	<i>Estimated Median Home Value</i>
Younger Single & Couples	29,920	18.1%		
<i>Metropolitan Cities</i>				
e-Types	815	0.5%	\$126,900	\$355,700
New Bohemians	165	0.1%	\$79,500	\$300,300
Urban Achievers	3,675	2.2%	\$52,400	\$203,200
Subtotal:	4,655	2.8%		
<i>Small Cities/Satellite Cities</i>				
The VIPs	625	0.4%	\$105,300	\$203,700
Twentysomethings	915	0.6%	\$73,200	\$144,300
Small-City Singles	1,425	0.9%	\$56,700	\$109,400
Subtotal:	2,965	1.8%		
<i>Metropolitan Suburbs</i>				
The Entrepreneurs	1,560	0.9%	\$144,900	\$296,200
Fast-Track Professionals	295	0.2%	\$104,900	\$224,800
Upscale Suburban Couples	7,135	4.3%	\$95,700	\$172,700
Suburban Achievers	3,550	2.2%	\$69,300	\$146,000
Subtotal:	12,540	7.6%		
<i>Town & Country/Exurbs</i>				
Ex-Urban Power Couples	4,245	2.6%	\$120,700	\$229,100
Cross-Training Couples	5,515	3.3%	\$81,100	\$153,400
Subtotal:	9,760	5.9%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
City Of Grand Rapids, Kent County, Michigan

Household Type/ Geographic Designation	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	14,780	855	9.7%
<i>Metropolitan Cities</i>	4,185	130	1.5%
<i>Small Cities/Satellite Cities</i>	155	10	0.1%
<i>Metropolitan Suburbs</i>	10,250	700	7.9%
<i>Town & Country/Exurbs</i>	190	15	0.2%
Traditional & Non-Traditional Families	27,330	4,355	49.4%
<i>Metropolitan Cities</i>	22,645	3,540	40.2%
<i>Small Cities/Satellite Cities</i>	235	40	0.5%
<i>Metropolitan Suburbs</i>	4,220	745	8.5%
<i>Town & Country/Exurbs</i>	230	30	0.3%
Younger Singles & Couples	9,435	3,605	40.9%
<i>Metropolitan Cities</i>	4,230	2,010	22.8%
<i>Small Cities/Satellite Cities</i>	625	255	2.9%
<i>Metropolitan Suburbs</i>	4,470	1,325	15.0%
<i>Town & Country/Exurbs</i>	110	15	0.2%
Total:	51,545	8,815	100.0%
Total City Households:	75,000		
Classified Households As A Share Of Total City Households:	68.7%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
City Of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	14,780	855	9.7%
<i>Metropolitan Cities</i>			
Urban Establishment	575	40	0.5%
Cosmopolitan Couples	1,285	50	0.6%
Multi-Ethnic Retirees	2,325	40	0.5%
<i>Subtotal:</i>	<u>4,185</u>	<u>130</u>	<u>1.5%</u>
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	40	0	0.0%
Middle-Class Move-Downs	115	10	0.1%
<i>Subtotal:</i>	<u>155</u>	<u>10</u>	<u>0.1%</u>
<i>Metropolitan Suburbs</i>			
Old Money	400	10	0.1%
Suburban Establishment	1,655	85	1.0%
Affluent Empty Nesters	1,280	70	0.8%
Mainstream Retirees	1,665	65	0.7%
No-Nest Suburbanites	3,155	385	4.4%
Middle-American Retirees	2,095	85	1.0%
<i>Subtotal:</i>	<u>10,250</u>	<u>700</u>	<u>7.9%</u>
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	75	5	0.1%
New Empty Nesters	40	5	0.1%
RV Retirees	55	5	0.1%
Blue-Collar Empty Nesters	10	0	0.0%
Exurban Suburbanites	10	0	0.0%
<i>Subtotal:</i>	<u>190</u>	<u>15</u>	<u>0.2%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
City Of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Traditional & Non-Traditional Families	27,330	4,355	49.4%
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	5,740	690	7.8%
Multi-Cultural Families	16,905	2,850	32.3%
<i>Subtotal:</i>	<u>22,645</u>	<u>3,540</u>	<u>40.2%</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	130	15	0.2%
Multi-Ethnic Families	105	25	0.3%
<i>Subtotal:</i>	<u>235</u>	<u>40</u>	<u>0.5%</u>
<i>Metropolitan Suburbs</i>			
The Social Register	85	5	0.1%
Nouveau Money	145	20	0.2%
Late-Nest Suburbanites	935	70	0.8%
Full-Nest Suburbanites	1,495	270	3.1%
Blue-Collar Button-Downs	1,560	380	4.3%
<i>Subtotal:</i>	<u>4,220</u>	<u>745</u>	<u>8.5%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Elite	145	15	0.2%
Full-Nest Exurbanites	35	5	0.1%
New-Town Families	50	10	0.1%
Small-Town Families	0	0	0.0%
<i>Subtotal:</i>	<u>230</u>	<u>30</u>	<u>0.3%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
City Of Grand Rapids, Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Younger Singles & Couples	9,435	3,605	40.9%
<i>Metropolitan Cities</i>			
e-Types	415	120	1.4%
New Bohemians	155	55	0.6%
Urban Achievers	3,660	1,835	20.8%
<i>Subtotal:</i>	<u>4,230</u>	<u>2,010</u>	<u>22.8%</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	45	10	0.1%
Twentysomethings	180	60	0.7%
Small-City Singles	400	185	2.1%
<i>Subtotal:</i>	<u>625</u>	<u>255</u>	<u>2.9%</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	420	60	0.7%
Fast-Track Professionals	0	0	0.0%
Upscale Suburban Couples	2,930	735	8.3%
Suburban Achievers	1,120	530	6.0%
<i>Subtotal:</i>	<u>4,470</u>	<u>1,325</u>	<u>15.0%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Power Couples	55	5	0.1%
Cross-Training Couples	55	10	0.1%
<i>Subtotal:</i>	<u>110</u>	<u>15</u>	<u>0.2%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of Kent County, Michigan

Household Type/ Geographic Designation	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	43,620	895	21.6%
<i>Metropolitan Cities</i>	3,025	40	1.0%
<i>Small Cities/Satellite Cities</i>	1,575	35	0.8%
<i>Metropolitan Suburbs</i>	18,060	325	7.8%
<i>Town & Country/Exurbs</i>	20,960	495	11.9%
Traditional & Non-Traditional Families	49,400	1,970	47.5%
<i>Metropolitan Cities</i>	4,710	180	4.3%
<i>Small Cities/Satellite Cities</i>	2,510	125	3.0%
<i>Metropolitan Suburbs</i>	14,575	690	16.6%
<i>Town & Country/Exurbs</i>	27,605	975	23.5%
Younger Singles & Couples	20,485	1,285	31.0%
<i>Metropolitan Cities</i>	425	30	0.7%
<i>Small Cities/Satellite Cities</i>	2,340	225	5.4%
<i>Metropolitan Suburbs</i>	8,070	640	15.4%
<i>Town & Country/Exurbs</i>	9,650	390	9.4%
Total Balance of County:	113,505	4,150	100.0%
Total County Households:	235,850		
Classified Households As A Share Of Total County Households:	48.1%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	43,620	895	21.6%
<i>Metropolitan Cities</i>			
Urban Establishment	1,620	30	0.7%
Cosmopolitan Couples	660	5	0.1%
Multi-Ethnic Retirees	745	5	0.1%
<i>Subtotal:</i>	<u>3,025</u>	<u>40</u>	<u>1.0%</u>
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	400	5	0.1%
Middle-Class Move-Downs	1,175	30	0.7%
<i>Subtotal:</i>	<u>1,575</u>	<u>35</u>	<u>0.8%</u>
<i>Metropolitan Suburbs</i>			
Old Money	805	5	0.1%
Suburban Establishment	2,400	35	0.8%
Affluent Empty Nesters	1,875	25	0.6%
Mainstream Retirees	2,015	20	0.5%
No-Nest Suburbanites	5,885	185	4.5%
Middle-American Retirees	5,080	55	1.3%
<i>Subtotal:</i>	<u>18,060</u>	<u>325</u>	<u>7.8%</u>
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	4,775	50	1.2%
New Empty Nesters	3,765	125	3.0%
RV Retirees	5,630	70	1.7%
Blue-Collar Empty Nesters	3,975	185	4.5%
Exurban Suburbanites	2,815	65	1.6%
<i>Subtotal:</i>	<u>20,960</u>	<u>495</u>	<u>11.9%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Traditional & Non-Traditional Families	49,400	1,970	47.5%
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	2,090	65	1.6%
Multi-Cultural Families	2,620	115	2.8%
<i>Subtotal:</i>	<u>4,710</u>	<u>180</u>	<u>4.3%</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	880	30	0.7%
Multi-Ethnic Families	1,630	95	2.3%
<i>Subtotal:</i>	<u>2,510</u>	<u>125</u>	<u>3.0%</u>
<i>Metropolitan Suburbs</i>			
The Social Register	815	15	0.4%
Nouveau Money	925	40	1.0%
Late-Nest Suburbanites	2,435	45	1.1%
Full-Nest Suburbanites	4,475	210	5.1%
Blue-Collar Button-Downs	5,925	380	9.2%
<i>Subtotal:</i>	<u>14,575</u>	<u>690</u>	<u>16.6%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Elite	8,760	240	5.8%
Full-Nest Exurbanites	5,385	135	3.3%
New-Town Families	7,780	385	9.3%
Small-Town Families	5,680	215	5.2%
<i>Subtotal:</i>	<u>27,605</u>	<u>975</u>	<u>23.5%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of Kent County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Younger Singles & Couples	20,485	1,285	31.0%
<i>Metropolitan Cities</i>			
e-Types	400	30	0.7%
New Bohemians	10	0	0.0%
Urban Achievers	15	0	0.0%
<i>Subtotal:</i>	<u>425</u>	<u>30</u>	<u>0.7%</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	580	35	0.8%
Twentysomethings	735	65	1.6%
Small-City Singles	1,025	125	3.0%
<i>Subtotal:</i>	<u>2,340</u>	<u>225</u>	<u>5.4%</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	1,140	45	1.1%
Fast-Track Professionals	295	20	0.5%
Upscale Suburban Couples	4,205	275	6.6%
Suburban Achievers	2,430	300	7.2%
<i>Subtotal:</i>	<u>8,070</u>	<u>640</u>	<u>15.4%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Power Couples	4,190	140	3.4%
Cross-Training Couples	5,460	250	6.0%
<i>Subtotal:</i>	<u>9,650</u>	<u>390</u>	<u>9.4%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix Two, Tables 1 And 2
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan, Ottawa County, Michigan

<u>Household Type/ Geographic Designation</u>	<u><i>Allegan County</i></u>	<u><i>Ottawa County</i></u>	<u>Total</u>
Empty Nesters & Retirees	70	170	240
<i>Metropolitan Cities</i>	0	0	0
<i>Small Cities/Satellite Cities</i>	0	45	45
<i>Metropolitan Suburbs</i>	0	25	25
<i>Town & Country/Exurbs</i>	70	100	170
Traditional & Non-Traditional Families	90	300	390 #
<i>Metropolitan Cities</i>	0	0	0
<i>Small Cities/Satellite Cities</i>	5	75	80
<i>Metropolitan Suburbs</i>	0	60	60
<i>Town & Country/Exurbs</i>	85	165	250
Younger Singles & Couples	15	180	195 #
<i>Metropolitan Cities</i>	0	0	0
<i>Small Cities/Satellite Cities</i>	5	95	100
<i>Metropolitan Suburbs</i>	0	45	45
<i>Town & Country/Exurbs</i>	10	40	50
Total:	175	650	825
Percent:	21.2%	78.8%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix Two, Tables 1 And 2
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan, Ottawa County, Michigan

	<u>Allegan County</u>	<u>Ottawa County</u>	<u>Total</u>
Empty Nesters & Retirees	70	170	240
<i>Metropolitan Cities</i>			
Urban Establishment	0	0	0
Cosmopolitan Couples	0	0	0
Multi-Ethnic Retirees	0	0	0
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	0	10	10
Middle-Class Move-Downs	0	35	35
<i>Subtotal:</i>	<u>0</u>	<u>45</u>	<u>45</u>
<i>Metropolitan Suburbs</i>			
Old Money	0	0	0
Suburban Establishment	0	5	5
Affluent Empty Nesters	0	5	5
Mainstream Retirees	0	0	0
No-Nest Suburbanites	0	10	10
Middle-American Retirees	0	5	5
<i>Subtotal:</i>	<u>0</u>	<u>25</u>	<u>25</u>
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	5	5	10
New Empty Nesters	10	15	25
RV Retirees	10	10	20
Blue-Collar Empty Nesters	40	55	95
Exurban Suburbanites	5	15	20
<i>Subtotal:</i>	<u>70</u>	<u>100</u>	<u>170</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix Two, Tables 1 And 2
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan, Ottawa County, Michigan

	<u>Allegan County</u>	<u>Ottawa County</u>	<u>Total</u>
Traditional & Non-Traditional Families	90	300	390
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	0	0	0
Multi-Cultural Families	0	0	0
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	0	15	15
Multi-Ethnic Families	5	60	65
<i>Subtotal:</i>	<u>5</u>	<u>75</u>	<u>80</u>
<i>Metropolitan Suburbs</i>			
The Social Register	0	0	0
Nouveau Money	0	5	5
Late-Nest Suburbanites	0	5	5
Full-Nest Suburbanites	0	25	25
Blue-Collar Button-Downs	0	25	25
<i>Subtotal:</i>	<u>0</u>	<u>60</u>	<u>60</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Elite	0	25	25
Full-Nest Exurbanites	10	20	30
New-Town Families	15	95	110
Small-Town Families	60	25	85
<i>Subtotal:</i>	<u>85</u>	<u>165</u>	<u>250</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix Two, Tables 1 And 2
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan, Ottawa County, Michigan

	<u>Allegan County</u>	<u>Ottawa County</u>	<u>Total</u>
Younger Singles & Couples	15	180	195
<i>Metropolitan Cities</i>			
e-Types	0	0	0
New Bohemians	0	0	0
Urban Achievers	0	0	0
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	0	15	15
Twentysomethings	0	25	25
Small-City Singles	5	55	60
<i>Subtotal:</i>	<u>5</u>	<u>95</u>	<u>100</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	0	5	5
Fast-Track Professionals	0	0	0
Upscale Suburban Couples	0	20	20
Suburban Achievers	0	20	20
<i>Subtotal:</i>	<u>0</u>	<u>45</u>	<u>45</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Power Couples	0	15	15
Cross-Training Couples	10	25	35
<i>Subtotal:</i>	<u>10</u>	<u>40</u>	<u>50</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of the United States

Household Type/ Geographic Designation	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	495	18.4%
<i>Metropolitan Cities</i>	60	2.2%
<i>Small Cities/Satellite Cities</i>	75	2.8%
<i>Metropolitan Suburbs</i>	105	3.9%
<i>Town & Country/Exurbs</i>	255	9.5%
Traditional & Non-Traditional Families	785	29.1%
<i>Metropolitan Cities</i>	155	5.8%
<i>Small Cities/Satellite Cities</i>	150	5.6%
<i>Metropolitan Suburbs</i>	230	8.5%
<i>Town & Country/Exurbs</i>	250	9.3%
Younger Singles & Couples	1,415	52.5%
<i>Metropolitan Cities</i>	480	17.8%
<i>Small Cities/Satellite Cities</i>	410	15.2%
<i>Metropolitan Suburbs</i>	410	15.2%
<i>Town & Country/Exurbs</i>	115	4.3%
Total:	2,695	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of the United States

	<u>Potential</u>	<u>Share of Potential</u>
Empty Nesters & Retirees	495	18.4%
<i>Metropolitan Cities</i>		
Urban Establishment	40	1.5%
Cosmopolitan Couples	15	0.6%
Multi-Ethnic Retirees	5	0.2%
<i>Subtotal:</i>	<u>60</u>	<u>2.2%</u>
<i>Small Cities/Satellite Cities</i>		
Cosmopolitan Elite	20	0.7%
Middle-Class Move-Downs	55	2.0%
<i>Subtotal:</i>	<u>75</u>	<u>2.8%</u>
<i>Metropolitan Suburbs</i>		
Old Money	10	0.4%
Affluent Empty Nesters	15	0.6%
Suburban Establishment	15	0.6%
Mainstream Retirees	10	0.4%
No-Nest Suburbanites	40	1.5%
Middle-American Retirees	15	0.6%
<i>Subtotal:</i>	<u>105</u>	<u>3.9%</u>
<i>Town & Country/Exurbs</i>		
Small-Town Establishment	25	0.9%
New Empty Nesters	55	2.0%
RV Retirees	35	1.3%
Blue-Collar Empty Nesters	115	4.3%
Exurban Suburbanites	25	0.9%
<i>Subtotal:</i>	<u>255</u>	<u>9.5%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of the United States

	<u>Potential</u>	<u>Share of Potential</u>
Traditional & Non-Traditional Families	785	29.1%
<i>Metropolitan Cities</i>		
Full-Nest Urbanites	75	2.8%
Multi-Cultural Families	80	3.0%
<i>Subtotal:</i>	<u>155</u>	<u>5.8%</u>
<i>Small Cities/Satellite Cities</i>		
Unibox Transferees	65	2.4%
Multi-Ethnic Families	85	3.2%
<i>Subtotal:</i>	<u>150</u>	<u>5.6%</u>
<i>Metropolitan Suburbs</i>		
The Social Register	15	0.6%
Nouveau Money	45	1.7%
Late-Nest Suburbanites	20	0.7%
Full-Nest Suburbanites	75	2.8%
Blue-Collar Button-Downs	75	2.8%
<i>Subtotal:</i>	<u>230</u>	<u>8.5%</u>
<i>Town & Country/Exurbs</i>		
Ex-Urban Elite	50	1.9%
Full-Nest Exurbanites	40	1.5%
New-Town Families	90	3.3%
Small-Town Families	70	2.6%
<i>Subtotal:</i>	<u>250</u>	<u>9.3%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Balance of the United States

	<u>Potential</u>	<u>Share of Potential</u>
Younger Singles & Couples	1,415	52.5%
<i>Metropolitan Cities</i>		
e-Types	100	3.7%
New Bohemians	170	6.3%
Urban Achievers	210	7.8%
Subtotal:	<u>480</u>	<u>17.8%</u>
<i>Small Cities/Satellite Cities</i>		
The VIPs	100	3.7%
Twentysomethings	125	4.6%
Small-City Singles	185	6.9%
Subtotal:	<u>410</u>	<u>15.2%</u>
<i>Metropolitan Suburbs</i>		
The Entrepreneurs	60	2.2%
Fast-Track Professionals	55	2.0%
Upscale Suburban Couples	120	4.5%
Suburban Achievers	175	6.5%
Subtotal:	<u>410</u>	<u>15.2%</u>
<i>Town & Country/Exurbs</i>		
Ex-Urban Power Couples	50	1.9%
Cross-Training Couples	65	2.4%
Subtotal:	<u>115</u>	<u>4.3%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix One, Tables 2 Through 7
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

<u>Household Type/ Geographic Designation</u>	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Empty Nesters & Retirees	855	895	240	495	2,485
<i>Metropolitan Cities</i>	130	40	0	60	230
<i>Small Cities/Satellite Cities</i>	10	35	45	75	165
<i>Metropolitan Suburbs</i>	700	325	25	105	1,155
<i>Town & Country/Exurbs</i>	15	495	170	255	935
Traditional & Non-Traditional Families	4,355	1,970	390	785	7,500
<i>Metropolitan Cities</i>	3,540	180	0	155	3,875
<i>Small Cities/Satellite Cities</i>	40	125	80	150	395
<i>Metropolitan Suburbs</i>	745	690	60	230	1,725
<i>Town & Country/Exurbs</i>	30	975	250	250	1,505
Younger Singles & Couples	3,605	1,285	195	1,415	6,500
<i>Metropolitan Cities</i>	2,010	30	0	480	2,520
<i>Small Cities/Satellite Cities</i>	255	225	100	410	990
<i>Metropolitan Suburbs</i>	1,325	640	45	410	2,420
<i>Town & Country/Exurbs</i>	15	390	50	115	570
Total:	8,815	4,150	825	2,695	16,485
Percent:	53.5%	25.2%	5.0%	16.3%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix One, Tables 2 Through 7
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Empty Nesters & Retirees	855	895	240	495	2,485
<i>Metropolitan Cities</i>					
Urban Establishment	40	30	0	40	110
Cosmopolitan Couples	50	5	0	15	70
Multi-Ethnic Retirees	40	5	0	5	50
<i>Subtotal:</i>	<u>130</u>	<u>40</u>	<u>0</u>	<u>60</u>	<u>230</u>
<i>Small Cities/Satellite Cities</i>					
Cosmopolitan Elite	0	5	10	20	35
Middle-Class Move-Downs	10	30	35	55	130
<i>Subtotal:</i>	<u>10</u>	<u>35</u>	<u>45</u>	<u>75</u>	<u>165</u>
<i>Metropolitan Suburbs</i>					
Old Money	10	5	0	10	25
Suburban Establishment	85	35	5	15	140
Affluent Empty Nesters	70	25	5	15	115
Mainstream Retirees	65	20	0	10	95
No-Nest Suburbanites	385	185	10	40	620
Middle-American Retirees	85	55	5	15	160
<i>Subtotal:</i>	<u>700</u>	<u>325</u>	<u>25</u>	<u>105</u>	<u>1,155</u>
<i>Town & Country/Exurbs</i>					
Small-Town Establishment	5	50	10	25	90
New Empty Nesters	5	125	25	55	210
RV Retirees	5	70	20	35	130
Blue-Collar Empty Nesters	0	185	95	115	395
Exurban Suburbanites	0	65	20	25	110
<i>Subtotal:</i>	<u>15</u>	<u>495</u>	<u>170</u>	<u>255</u>	<u>935</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix One, Tables 2 Through 7

Households In Groups With Median Incomes Above \$50,000

Grand Rapids City, Kent County,

Regional Draw Area, and Balance of the United States

	<i>Grand Rapids City</i>	<i>Kent County</i>	<i>Regional Draw Area</i>	<i>Balance of U.S.</i>	<i>Total</i>
Traditional & Non-Traditional Families	4,355	1,970	390	785	7,500
<i>Metropolitan Cities</i>					
Full-Nest Urbanites	690	65	0	75	830
Multi-Cultural Families	2,850	115	0	80	3,045
<i>Subtotal:</i>	<u>3,540</u>	<u>180</u>	<u>0</u>	<u>155</u>	<u>3,875</u>
<i>Small Cities/Satellite Cities</i>					
Unibox Transferees	15	30	15	65	125
Multi-Ethnic Families	25	95	65	85	270
<i>Subtotal:</i>	<u>40</u>	<u>125</u>	<u>80</u>	<u>150</u>	<u>395</u>
<i>Metropolitan Suburbs</i>					
The Social Register	5	15	0	15	35
Nouveau Money	20	40	5	45	110
Late-Nest Suburbanites	70	45	5	20	140
Full-Nest Suburbanites	270	210	25	75	580
Blue-Collar Button-Downs	380	380	25	75	860
<i>Subtotal:</i>	<u>745</u>	<u>690</u>	<u>60</u>	<u>230</u>	<u>1,725</u>
<i>Town & Country/Exurbs</i>					
Ex-Urban Elite	15	240	25	50	330
Full-Nest Exurbanites	5	135	30	40	210
New-Town Families	10	385	110	90	595
Small-Town Families	0	215	85	70	370
<i>Subtotal:</i>	<u>30</u>	<u>975</u>	<u>250</u>	<u>250</u>	<u>1,505</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To The City Of Grand Rapids Each Year Over The Next Five Years**

Summary: Appendix One, Tables 2 Through 7
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Younger Singles & Couples	3,605	1,285	195	1,415	6,500
<i>Metropolitan Cities</i>					
e-Types	120	30	0	100	250
New Bohemians	55	0	0	170	225
Urban Achievers	1,835	0	0	210	2,045
<i>Subtotal:</i>	<u>2,010</u>	<u>30</u>	<u>0</u>	<u>480</u>	<u>2,520</u>
<i>Small Cities/Satellite Cities</i>					
The VIPs	10	35	15	100	160
Twentysomethings	60	65	25	125	275
Small-City Singles	185	125	60	185	555
<i>Subtotal:</i>	<u>255</u>	<u>225</u>	<u>100</u>	<u>410</u>	<u>990</u>
<i>Metropolitan Suburbs</i>					
The Entrepreneurs	60	45	5	60	170
Fast-Track Professionals	0	20	0	55	75
Upscale Suburban Couples	735	275	20	120	1,150
Suburban Achievers	530	300	20	175	1,025
<i>Subtotal:</i>	<u>1,325</u>	<u>640</u>	<u>45</u>	<u>410</u>	<u>2,420</u>
<i>Town & Country/Exurbs</i>					
Ex-Urban Power Couples	5	140	15	50	210
Cross-Training Couples	10	250	35	65	360
<i>Subtotal:</i>	<u>15</u>	<u>390</u>	<u>50</u>	<u>115</u>	<u>570</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years**

Households In Groups With Median Incomes Above \$50,000

Grand Rapids City, Kent County,

Regional Draw Area, and Balance of the United States

<u>Household Type/ Geographic Designation</u>	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Empty Nesters & Retirees	500	435	95	320	1,350
<i>Metropolitan Cities</i>	90	35	0	60	185
<i>Small Cities/Satellite Cities</i>	5	30	35	75	145
<i>Metropolitan Suburbs</i>	395	215	25	105	740
<i>Town & Country/Exurbs</i>	10	155	35	80	280
Traditional & Non-Traditional Families	145	80	25	285	535
<i>Metropolitan Cities</i>	125	25	0	100	250
<i>Small Cities/Satellite Cities</i>	0	20	20	115	155
<i>Metropolitan Suburbs</i>	20	35	5	70	130
<i>Town & Country/Exurbs</i>	0	0	0	0	0
Younger Singles & Couples	1,730	585	90	845	3,250
<i>Metropolitan Cities</i>	910	20	0	295	1,225
<i>Small Cities/Satellite Cities</i>	145	145	55	260	605
<i>Metropolitan Suburbs</i>	675	420	35	290	1,420
<i>Town & Country/Exurbs</i>	0	0	0	0	0
Total:	2,375	1,100	210	1,450	5,135
Percent:	46.3%	21.4%	4.1%	28.2%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years**

Households In Groups With Median Incomes Above \$50,000

Grand Rapids City, Kent County,

Regional Draw Area, and Balance of the United States

	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Empty Nesters & Retirees	500	435	95	320	1,350
<i>Metropolitan Cities</i>					
Urban Establishment	40	30	0	40	110
Cosmopolitan Couples	30	5	0	15	50
Multi-Ethnic Retirees	20	0	0	5	25
<i>Subtotal:</i>	<u>90</u>	<u>35</u>	<u>0</u>	<u>60</u>	<u>185</u>
<i>Small Cities/Satellite Cities</i>					
Cosmopolitan Elite	0	5	10	20	35
Middle-Class Move-Downs	5	25	25	55	110
<i>Subtotal:</i>	<u>5</u>	<u>30</u>	<u>35</u>	<u>75</u>	<u>145</u>
<i>Metropolitan Suburbs</i>					
Old Money	10	5	0	10	25
Suburban Establishment	45	35	5	15	100
Affluent Empty Nesters	70	25	5	15	115
Mainstream Retirees	35	15	0	10	60
No-Nest Suburbanites	190	90	10	40	330
Middle-American Retirees	45	45	5	15	110
<i>Subtotal:</i>	<u>395</u>	<u>215</u>	<u>25</u>	<u>105</u>	<u>740</u>
<i>Town & Country/Exurbs</i>					
Small-Town Establishment	5	50	10	25	90
New Empty Nesters	5	105	25	55	190
<i>Subtotal:</i>	<u>10</u>	<u>155</u>	<u>35</u>	<u>80</u>	<u>280</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years**

Households In Groups With Median Incomes Above \$50,000

Grand Rapids City, Kent County,

Regional Draw Area, and Balance of the United States

	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Traditional & Non-Traditional Families	145	80	25	285	535
<i>Metropolitan Cities</i>					
Full-Nest Urbanites	35	10	0	55	100
Multi-Cultural Families	90	15	0	45	150
<i>Subtotal:</i>	<u>125</u>	<u>25</u>	<u>0</u>	<u>100</u>	<u>250</u>
<i>Small Cities/Satellite Cities</i>					
Unibox Transferees	0	5	5	50	60
Multi-Ethnic Families	0	15	15	65	95
<i>Subtotal:</i>	<u>0</u>	<u>20</u>	<u>20</u>	<u>115</u>	<u>155</u>
<i>Metropolitan Suburbs</i>					
Late-Nest Suburbanites	5	5	0	15	25
Full-Nest Suburbanites	15	30	5	55	105
<i>Subtotal:</i>	<u>20</u>	<u>35</u>	<u>5</u>	<u>70</u>	<u>130</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years**

Households In Groups With Median Incomes Above \$50,000

Grand Rapids City, Kent County,

Regional Draw Area, and Balance of the United States

	<u>Grand Rapids City</u>	<u>Kent County</u>	<u>Regional Draw Area</u>	<u>Balance of U.S.</u>	<u>Total</u>
Younger Singles & Couples	1,730	585	90	845	3,250
<i>Metropolitan Cities</i>					
e-Types	120	20	0	75	215
New Bohemians	55	0	0	130	185
Urban Achievers	735	0	0	90	825
<i>Subtotal:</i>	<u>910</u>	<u>20</u>	<u>0</u>	<u>295</u>	<u>1,225</u>
<i>Small Cities/Satellite Cities</i>					
The VIPs	10	25	10	75	120
Twentysomethings	60	40	20	95	215
Small-City Singles	75	80	25	90	270
<i>Subtotal:</i>	<u>145</u>	<u>145</u>	<u>55</u>	<u>260</u>	<u>605</u>
<i>Metropolitan Suburbs</i>					
The Entrepreneurs	60	30	5	60	155
Fast-Track Professionals	0	15	0	55	70
Upscale Suburban Couples	405	180	15	90	690
Suburban Achievers	210	195	15	85	505
<i>Subtotal:</i>	<u>675</u>	<u>420</u>	<u>35</u>	<u>290</u>	<u>1,420</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

Tenure (Renter/Buyer) Profile

Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

Household Type/ Geographic Designation	<i>Renters</i>	<i>Owners</i>	Total
Empty Nesters & Retirees	310	1,040	1,350
<i>Metropolitan Cities</i>	55	130	185
<i>Small Cities/Satellite Cities</i>	35	110	145
<i>Metropolitan Suburbs</i>	170	570	740
<i>Town & Country/Exurbs</i>	50	230	280
Traditional & Non-Traditional Families	180	355	535
<i>Metropolitan Cities</i>	105	145	250
<i>Small Cities/Satellite Cities</i>	45	110	155
<i>Metropolitan Suburbs</i>	30	100	130
<i>Town & Country/Exurbs</i>	0	0	0
Younger Singles & Couples	1,855	1,395	3,250
<i>Metropolitan Cities</i>	925	300	1,225
<i>Small Cities/Satellite Cities</i>	325	280	605
<i>Metropolitan Suburbs</i>	605	815	1,420
<i>Town & Country/Exurbs</i>	0	0	0
Total:	2,345	2,790	5,135
Percent:	45.7%	54.3%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

Tenure (Renter/Buyer) Profile

Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

Empty Nesters & Retirees	<i>Renters</i>	<i>Owners</i>	<i>Total</i>
<i>Metropolitan Cities</i>			
Urban Establishment	30	80	110
Cosmopolitan Couples	15	35	50
Multi-Ethnic Retirees	10	15	25
<i>Subtotal:</i>	55	130	185
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	5	30	35
Middle-Class Move-Downs	30	80	110
<i>Subtotal:</i>	35	110	145
<i>Metropolitan Suburbs</i>			
Old Money	5	20	25
Suburban Establishment	15	85	100
Affluent Empty Nesters	20	95	115
Mainstream Retirees	15	45	60
No-Nest Suburbanites	85	245	330
Middle-American Retirees	30	80	110
<i>Subtotal:</i>	170	570	740
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	15	75	90
New Empty Nesters	35	155	190
<i>Subtotal:</i>	50	230	280
Total:	310	1,040	1,350
Percent:	23.0%	77.0%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

Tenure (Renter/Buyer) Profile

Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

Traditional & Non-Traditional Families	<i>Renters</i>	<i>Owners</i>	<i>Total</i>
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	35	65	100
Multi-Cultural Families	70	80	150
<i>Subtotal:</i>	<u>105</u>	<u>145</u>	<u>250</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	10	50	60
Multi-Ethnic Families	35	60	95
<i>Subtotal:</i>	<u>45</u>	<u>110</u>	<u>155</u>
<i>Metropolitan Suburbs</i>			
Late-Nest Suburbanites	5	20	25
Full-Nest Suburbanites	25	80	105
<i>Subtotal:</i>	<u>30</u>	<u>100</u>	<u>130</u>
Total:	180	355	535
Percent:	33.6%	66.4%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

Tenure (Renter/Buyer) Profile

Average Number Of Households With The Potential
To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
Regional Draw Area, and Balance of the United States*

Younger Singles & Couples	<i>Renters</i>	<i>Owners</i>	<i>Total</i>
<i>Metropolitan Cities</i>			
e-Types	130	85	215
New Bohemians	140	45	185
Urban Achievers	655	170	825
<i>Subtotal:</i>	<u>925</u>	<u>300</u>	<u>1,225</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	45	75	120
Twentysomethings	120	95	215
Small-City Singles	160	110	270
<i>Subtotal:</i>	<u>325</u>	<u>280</u>	<u>605</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	30	125	155
Fast-Track Professionals	25	45	70
Upscale Suburban Couples	230	460	690
Suburban Achievers	320	185	505
<i>Subtotal:</i>	<u>605</u>	<u>815</u>	<u>1,420</u>
Total:	1,855	1,395	3,250
Percent:	57.1%	42.9%	100.0%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

Purchase Propensity By Housing Type
 Annual Average Number Of Households With The Potential
 To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
 Regional Draw Area, and Balance of the United States*

Household Type/ Geographic Designation	Multi- .. Family ..	Single- Family			Total	
	<i>All Ranges</i>	.. Attached .. <i>All Ranges</i>	..... Detached			
		<i>Low-Range</i>	<i>Mid-Range</i>	<i>High-Range</i>		
Empty Nesters & Retirees	115	185	290	255	195	1,040
<i>Metropolitan Cities</i>	25	35	25	20	25	130
<i>Small Cities/Satellite Cities</i>	15	20	35	25	15	110
<i>Metropolitan Suburbs</i>	65	105	175	135	90	570
<i>Town & Country/Exurbs</i>	10	25	55	75	65	230
Traditional & Non-Traditional Families	45	75	125	75	35	355
<i>Metropolitan Cities</i>	20	45	50	20	10	145
<i>Small Cities/Satellite Cities</i>	5	15	40	30	20	110
<i>Metropolitan Suburbs</i>	20	15	35	25	5	100
<i>Town & Country/Exurbs</i>	0	0	0	0	0	0
Younger Singles & Couples	340	380	260	225	190	1,395
<i>Metropolitan Cities</i>	140	100	30	15	15	300
<i>Small Cities/Satellite Cities</i>	60	85	60	45	30	280
<i>Metropolitan Suburbs</i>	140	195	170	165	145	815
<i>Town & Country/Exurbs</i>	0	0	0	0	0	0
Total:	500	640	675	555	420	2,790
Percent:	17.9%	22.9%	24.2%	19.9%	15.1%	100.0%

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

Purchase Propensity By Housing Type
 Annual Average Number Of Households With The Potential
 To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000
 Grand Rapids City, Kent County,
 Regional Draw Area, and Balance of the United States

Empty Nesters & Retirees	Multi- .. Family ..		Single- Family			Total
	All Ranges	.. Attached .. All Ranges	..... Detached			
			Low-Range	Mid-Range	High-Range	
Metropolitan Cities						
Urban Establishment	15	20	10	15	20	80
Cosmopolitan Couples	5	10	10	5	5	35
Multi-Ethnic Retirees	5	5	5	0	0	15
<i>Subtotal:</i>	<u>25</u>	<u>35</u>	<u>25</u>	<u>20</u>	<u>25</u>	<u>130</u>
Small Cities/Satellite Cities						
Cosmopolitan Elite	5	5	10	5	5	30
Middle-Class Move-Downs	10	15	25	20	10	80
<i>Subtotal:</i>	<u>15</u>	<u>20</u>	<u>35</u>	<u>25</u>	<u>15</u>	<u>110</u>
Metropolitan Suburbs						
Old Money	0	0	5	5	10	20
Suburban Establishment	10	15	20	20	20	85
Affluent Empty Nesters	15	15	25	20	20	95
Mainstream Retirees	5	10	15	10	5	45
No-Nest Suburbanites	25	50	85	60	25	245
Middle-American Retirees	10	15	25	20	10	80
<i>Subtotal:</i>	<u>65</u>	<u>105</u>	<u>175</u>	<u>135</u>	<u>90</u>	<u>570</u>
Town & Country/Exurbs						
Small-Town Establishment	5	10	15	20	25	75
New Empty Nesters	5	15	40	55	40	155
<i>Subtotal:</i>	<u>10</u>	<u>25</u>	<u>55</u>	<u>75</u>	<u>65</u>	<u>230</u>
Total:	115	185	290	255	195	1,040
Percent:	11.1%	17.8%	27.9%	24.5%	18.8%	100.0%

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

Purchase Propensity By Housing Type
 Annual Average Number Of Households With The Potential
 To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000
*Grand Rapids City, Kent County,
 Regional Draw Area, and Balance of the United States*

Traditional & Non-Traditional Families	<i>Multi- .. Family ..</i>	<i>Single- Family</i>			Total	
	<i>All Ranges</i>	<i>.. Attached .. All Ranges</i>	<i>Low-Range</i>	<i>..... Detached</i>		
	<i>All Ranges</i>	<i>All Ranges</i>	<i>Low-Range</i>	<i>Mid-Range</i>	<i>High-Range</i>	Total
Metropolitan Cities						
Full-Nest Urbanites	10	20	20	10	5	65
Multi-Cultural Families	10	25	30	10	5	80
<i>Subtotal:</i>	<u>20</u>	<u>45</u>	<u>50</u>	<u>20</u>	<u>10</u>	<u>145</u>
Small Cities/Satellite Cities						
Unibox Transferees	0	5	15	15	15	50
Multi-Ethnic Families	5	10	25	15	5	60
<i>Subtotal:</i>	<u>5</u>	<u>15</u>	<u>40</u>	<u>30</u>	<u>20</u>	<u>110</u>
Metropolitan Suburbs						
Late-Nest Suburbanites	10	5	5	0	0	20
Full-Nest Suburbanites	10	10	30	25	5	80
<i>Subtotal:</i>	<u>20</u>	<u>15</u>	<u>35</u>	<u>25</u>	<u>5</u>	<u>100</u>
Total:	45	75	125	75	35	335
Percent:	13.4%	22.4%	37.3%	22.4%	10.4%	106.0%

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

Purchase Propensity By Housing Type
 Annual Average Number Of Households With The Potential
 To Move Within/To Downtown Grand Rapids Each Year Over The Next Five Years
 Households In Groups With Median Incomes Above \$50,000
 Grand Rapids City, Kent County,
 Regional Draw Area, and Balance of the United States

Younger Singles & Couples	<i>Multi- .. Family ..</i>	<i>Single- Family</i>			Total	
	<i>All Ranges</i>	<i>.. Attached .. All Ranges</i>	<i>..... Detached</i>	<i>..... Detached</i>		
	<i>All Ranges</i>	<i>All Ranges</i>	<i>Low-Range</i>	<i>Mid-Range</i>	<i>High-Range</i>	Total
Metropolitan Cities						
e-Types	40	25	5	5	10	85
New Bohemians	20	15	5	5	0	45
Urban Achievers	80	60	20	5	5	170
<i>Subtotal:</i>	<u>140</u>	<u>100</u>	<u>30</u>	<u>15</u>	<u>15</u>	<u>300</u>
Small Cities/Satellite Cities						
The VIPs	15	20	10	15	15	75
Twentysomethings	20	30	20	15	10	95
Small-City Singles	25	35	30	15	5	110
<i>Subtotal:</i>	<u>60</u>	<u>85</u>	<u>60</u>	<u>45</u>	<u>30</u>	<u>280</u>
Metropolitan Suburbs						
The Entrepreneurs	10	25	20	25	45	125
Fast-Track Professionals	10	10	5	10	10	45
Upscale Suburban Couples	70	105	105	105	75	460
Suburban Achievers	50	55	40	25	15	185
<i>Subtotal:</i>	<u>140</u>	<u>195</u>	<u>170</u>	<u>165</u>	<u>145</u>	<u>815</u>
Total:	340	380	260	225	190	1,395
Percent:	24.4%	27.2%	18.6%	16.1%	13.6%	100.0%

SOURCE: The Nielsen Company;
 Zimmerman/Volk Associates, Inc.

UPDATE: RESIDENTIAL MARKET POTENTIAL

Downtown Grand Rapids

City of Grand Rapids, Kent County, Michigan

August, 2014

Appendix Two Tables



**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan

Household Type/ Geographic Designation	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	9,370	70	40.0%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	455	0	0.0%
<i>Metropolitan Suburbs</i>	610	0	0.0%
<i>Town & Country/Exurbs</i>	8,305	70	40.0%
Traditional & Non-Traditional Families	9,070	90	51.4%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	345	5	2.9%
<i>Metropolitan Suburbs</i>	140	0	0.0%
<i>Town & Country/Exurbs</i>	8,585	85	48.6%
Younger Singles & Couples	1,570	15	8.6%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	240	5	2.9%
<i>Metropolitan Suburbs</i>	80	0	0.0%
<i>Town & Country/Exurbs</i>	1,250	10	5.7%
Total:	20,010	175	100.0%
Total County Households:	42,805		
Classified Households As A Share Of Total County Households:	46.7%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	9,370	70	40.0%
<i>Metropolitan Cities</i>			
Urban Establishment	0	0	0.0%
Cosmopolitan Couples	0	0	0.0%
Multi-Ethnic Retirees	0	0	0.0%
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0.0%</u>
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	125	0	0.0%
Middle-Class Move-Downs	330	0	0.0%
<i>Subtotal:</i>	<u>455</u>	<u>0</u>	<u>0.0%</u>
<i>Metropolitan Suburbs</i>			
Old Money	0	0	0.0%
Suburban Establishment	80	0	0.0%
Affluent Empty Nesters	55	0	0.0%
Mainstream Retirees	0	0	0.0%
No-Nest Suburbanites	110	0	0.0%
Middle-American Retirees	365	0	0.0%
<i>Subtotal:</i>	<u>610</u>	<u>0</u>	<u>0.0%</u>
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	890	5	2.9%
New Empty Nesters	835	10	5.7%
RV Retirees	2,645	10	5.7%
Blue-Collar Empty Nesters	3,155	40	22.9%
Exurban Suburbanites	780	5	2.9%
<i>Subtotal:</i>	<u>8,305</u>	<u>70</u>	<u>40.0%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Traditional & Non-Traditional Families	9,070	90	51.4%
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	0	0	0.0%
Multi-Cultural Families	0	0	0.0%
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0.0%</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	150	0	0.0%
Multi-Ethnic Families	195	5	2.9%
<i>Subtotal:</i>	<u>345</u>	<u>5</u>	<u>2.9%</u>
<i>Metropolitan Suburbs</i>			
The Social Register	0	0	0.0%
Nouveau Money	0	0	0.0%
Late-Nest Suburbanites	30	0	0.0%
Full-Nest Suburbanites	55	0	0.0%
Blue-Collar Button-Downs	55	0	0.0%
<i>Subtotal:</i>	<u>140</u>	<u>0</u>	<u>0.0%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Elite	120	0	0.0%
Full-Nest Exurbanites	1,685	10	5.7%
New-Town Families	1,050	15	8.6%
Small-Town Families	5,730	60	34.3%
<i>Subtotal:</i>	<u>8,585</u>	<u>85</u>	<u>48.6%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Allegan County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Younger Singles & Couples	1,570	15	8.6%
<i>Metropolitan Cities</i>			
e-Types	0	0	0.0%
New Bohemians	0	0	0.0%
Urban Achievers	0	0	0.0%
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0.0%</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	35	0	0.0%
Twentysomethings	65	0	0.0%
Small-City Singles	140	5	2.9%
<i>Subtotal:</i>	<u>240</u>	<u>5</u>	<u>2.9%</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	0	0	0.0%
Fast-Track Professionals	0	0	0.0%
Upscale Suburban Couples	40	0	0.0%
Suburban Achievers	40	0	0.0%
<i>Subtotal:</i>	<u>80</u>	<u>0</u>	<u>0.0%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Power Couples	250	0	0.0%
Cross-Training Couples	1,000	10	5.7%
<i>Subtotal:</i>	<u>1,250</u>	<u>10</u>	<u>5.7%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Ottawa County, Michigan

Household Type/ Geographic Designation	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	25,505	170	26.2%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	6,935	45	6.9%
<i>Metropolitan Suburbs</i>	4,865	25	3.8%
<i>Town & Country/Exurbs</i>	13,705	100	15.4%
Traditional & Non-Traditional Families	26,090	300	46.2%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	5,575	75	11.5%
<i>Metropolitan Suburbs</i>	4,730	60	9.2%
<i>Town & Country/Exurbs</i>	15,785	165	25.4%
Younger Singles & Couples	9,035	180	27.7%
<i>Metropolitan Cities</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>	3,765	95	14.6%
<i>Metropolitan Suburbs</i>	2,055	45	6.9%
<i>Town & Country/Exurbs</i>	3,215	40	6.2%
Total:	60,630	650	100.0%
Total County Households:	97,920		
Classified Households As A Share Of Total County Households:	61.9%		

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Ottawa County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Empty Nesters & Retirees	25,505	170	26.2%
<i>Metropolitan Cities</i>			
Urban Establishment	0	0	0.0%
Cosmopolitan Couples	0	0	0.0%
Multi-Ethnic Retirees	0	0	0.0%
<i>Subtotal:</i>	0	0	0.0%
<i>Small Cities/Satellite Cities</i>			
Cosmopolitan Elite	1,840	10	1.5%
Middle-Class Move-Downs	5,095	35	5.4%
<i>Subtotal:</i>	6,935	45	6.9%
<i>Metropolitan Suburbs</i>			
Old Money	185	0	0.0%
Suburban Establishment	885	5	0.8%
Affluent Empty Nesters	645	5	0.8%
Mainstream Retirees	540	0	0.0%
No-Nest Suburbanites	1,105	10	1.5%
Middle-American Retirees	1,505	5	0.8%
<i>Subtotal:</i>	4,865	25	3.8%
<i>Town & Country/Exurbs</i>			
Small-Town Establishment	1,950	5	0.8%
New Empty Nesters	1,610	15	2.3%
RV Retirees	3,420	10	1.5%
Blue-Collar Empty Nesters	4,150	55	8.5%
Exurban Suburbanites	2,575	15	2.3%
<i>Subtotal:</i>	13,705	100	15.4%

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Ottawa County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Traditional & Non-Traditional Families	26,090	300	46.2%
<i>Metropolitan Cities</i>			
Full-Nest Urbanites	0	0	0.0%
Multi-Cultural Families	0	0	0.0%
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0.0%</u>
<i>Small Cities/Satellite Cities</i>			
Unibox Transferees	1,810	15	2.3%
Multi-Ethnic Families	3,765	60	9.2%
<i>Subtotal:</i>	<u>5,575</u>	<u>75</u>	<u>11.5%</u>
<i>Metropolitan Suburbs</i>			
The Social Register	175	0	0.0%
Nouveau Money	450	5	0.8%
Late-Nest Suburbanites	830	5	0.8%
Full-Nest Suburbanites	1,830	25	3.8%
Blue-Collar Button-Downs	1,445	25	3.8%
<i>Subtotal:</i>	<u>4,730</u>	<u>60</u>	<u>9.2%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Elite	3,055	25	3.8%
Full-Nest Exurbanites	2,925	20	3.1%
New-Town Families	7,170	95	14.6%
Small-Town Families	2,635	25	3.8%
<i>Subtotal:</i>	<u>15,785</u>	<u>165</u>	<u>25.4%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

**Annual Average Number Of Households With The Potential
To Move To The City Of Grand Rapids Each Year Over The Next Five Years**
Households In Groups With Median Incomes Above \$50,000
Ottawa County, Michigan

	<i>Estimated Number</i>	<i>Potential</i>	<i>Share of Potential</i>
Younger Singles & Couples	9,035	180	27.7%
<i>Metropolitan Cities</i>			
e-Types	0	0	0.0%
New Bohemians	0	0	0.0%
Urban Achievers	0	0	0.0%
<i>Subtotal:</i>	<u>0</u>	<u>0</u>	<u>0.0%</u>
<i>Small Cities/Satellite Cities</i>			
The VIPs	1,140	15	2.3%
Twentysomethings	980	25	3.8%
Small-City Singles	1,645	55	8.5%
<i>Subtotal:</i>	<u>3,765</u>	<u>95</u>	<u>14.6%</u>
<i>Metropolitan Suburbs</i>			
The Entrepreneurs	345	5	0.8%
Fast-Track Professionals	0	0	0.0%
Upscale Suburban Couples	1,055	20	3.1%
Suburban Achievers	655	20	3.1%
<i>Subtotal:</i>	<u>2,055</u>	<u>45</u>	<u>6.9%</u>
<i>Town & Country/Exurbs</i>			
Ex-Urban Power Couples	1,395	15	2.3%
Cross-Training Couples	1,820	25	3.8%
<i>Subtotal:</i>	<u>3,215</u>	<u>40</u>	<u>6.2%</u>

SOURCE: The Nielsen Company;
Zimmerman/Volk Associates, Inc.

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ASSUMPTIONS AND LIMITATIONS—

Every effort has been made to insure the accuracy of the data contained within this analysis. Demographic and economic estimates and projections have been obtained from government agencies at the national, state, and county levels. Market information has been obtained from sources presumed to be reliable, including developers, owners, and/or sales agents. However, this information cannot be warranted by Zimmerman/Volk Associates, Inc. While the methodology employed in this analysis allows for a margin of error in base data, it is assumed that the market data and government estimates and projections are substantially accurate.

Absorption scenarios are based upon the assumption that a normal economic environment will prevail in a relatively steady state during development of the subject property. Absorption paces are likely to be slower during recessionary periods and faster during periods of recovery and high growth. Absorption scenarios are also predicated on the assumption that the product recommendations will be implemented generally as outlined in this report and that the developer will apply high-caliber design, construction, marketing, and management techniques to the development of the property.

Recommendations are subject to compliance with all applicable regulations. Relevant accounting, tax, and legal matters should be substantiated by appropriate counsel.



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Research & Strategic Analysis

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Zimmerman/Volk Associates, Inc. retains all rights, title and interest in the methodology and target market descriptions contained within this study. The specific findings of the analysis are the property of the client and can be distributed at the client's discretion.



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