ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

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ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

INTRODUCTION

Introduction

The following is a market analysis of Ada Village in Ada Township in Michigan. The focus of the analysis is on commercial and housing opportunities.

Ada Village is an unincorporated area that refers to the small central business district and adjacent residential neighborhood near the confluence of the Grand and Thornapple Rivers. it is one of the oldest settlements in Kent county. Its historical roots go back to the 19th century fur trade, settlement of surrounding agricultural lands and the adjacent railroad.

The analysis was prepared by The Chesapeake Group, Inc. (TCG) under contract to Progressive A & E in Grand Rapids, Michigan. Funding for the project was provided by Amway International.

The study identifies existing conditions, contains the analyses appropriate to describe economic opportunities, defines the opportunities shown to be sustainable, and, finally, provides the methods to move forward and seize these opportunities. The sole purpose and intent is to provide guidance for related land use planning for Ada Village.

Methodology and Analysis

The analysis and strategy is based on data and information gathered through the following:

- ◊ Interviews with stakeholders.
- ◊ A survey of roughly 700 households composed largely, but not exclusively, of Ada Township residents.
- ◊ Area reconnaissance.
- ◊ Review of available secondary data generally obtained from Ada Township, the United States Census Bureau and the regional planning organization.
- ◊ Independent research.
- ◊ Proprietary computer modeling.
- ◊ Experience and expertise of The Chesapeake Group's principals involved with the effort.

All of the estimates of potential that are defined in the analyses are conservative in nature and tend to understate the demand and related activity. The estimates and suggested activities are based on conservative assumptions for the markets potentially served and represent only The Chesapeake Group's opinion based on the conducted survey, analyses and experiences of the organization.

Thank You

The Chesapeake Group, Inc. is truly thankful to Pete Lazdins of Progressive A & E, Steve Dertz of Amway International, and Jim Ferro of Ada Township for their dedication and support of this initiative. TCG would also like to thank the residents of Ada who responded to the survey in overwhelming numbers.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

CONTEXT

Context

No community exists within a vacuum. Economic development must consider both external and internal factors that play roles in current and future opportunities. The defined factors that follow impact the potential for economic development in Ada Village.

National and State Factors Important to Ada Village

There are demographic and other changes within the United States and Michigan that impact the opportunities and the future for Ada Village. These include but are not limited to the following:

- ◊ Birth and fertility rates have fallen to the lowest level in the history of the country, resulting in fewer numbers of youth and lower long-term future household creation.
- ◊ The marriage rates are also at the lowest level in the country’s history and continue to decline. The traditional two parents with two children household is now a minority of the population in general and will become even a smaller segment in the future.
- ◊ The average age of residents in the United States continues to increase, impacting the current and future labor force, housing needs, and other segments of the economy.
- ◊ The country's population continues to diversify in terms of origin, ethnicity, race and other related factors.
- ◊ Both the Baby Boomers households (between the ages of 50 and 68) and younger adult households (between the ages of 21 and 30) are seeking different housing options, greater mobility and different environments than have past generations. While some seek a more intense urban environment, growing numbers seek a more rural setting with employment opportunity.
- ◊ The two fastest growing components of the population, both the Baby Boomers households (between the ages of 50 and 68) and younger adult households (between the ages of 21 and 30) are increasingly seeking and participating in passive and other recreational activity and in new forms of entertainment.
- ◊ The young adult population relocates and shifts employment at a faster pace than any previous generation.
- ◊ Baby Boomers have been a substantial market force for the past fifteen years. However, their importance in the commercial and residential markets will dwindle in the next fifteen years as they continue to age.
- ◊ An aging population will likely increase the demand for office space and related services in various professional areas, such as health care, while diminishing demand in others.
- ◊ Aging in place and aging in communities where residents have lived for much of their lives are of increasing importance to larger segments of the population.

There is increased demand for housing that satisfies short-term needs of large population segments.

According to published Population Reference Bureau reports, there were roughly 76.4 million Baby Boomers in the United States in 2014. From 1946 to 1964, which are the years of birth associated with the Baby Boomers, there were 76 million born. Of these, roughly 11 million died, resulting in roughly 65.2 million survivors.

The number of residents associated with the ages of the Baby Boomers has increased due to immigration to the United States, as the number of immigrates in this age range has outweighed the number that has died. The Baby Boomers are now between the ages of 50 and 68.

The following is a breakdown of the number of births of Baby Boomers by select peak years.

*Table 1 - Baby Boomer Births for Select Years**

Years	Numbers
1946	3,411,000
1954	4,078,000
1957 (peak year)	4,300,000
1964	4,027,000

*Developed by The Chesapeake Group/TCG based on information from CNN.com.

In addition, and as a result of medical advances and lifestyle changes, there is a large segment of the population living well into their seventies and eighties. There are an estimated 27.8 million people living in the United States who are 70 or older. Collectively, the Baby Boomers combined with the population that is 70 or older represent about one-third of the total population in the country. According to a recently published study by the Joint Center for Housing Studies at Harvard University, the number of households headed by someone at least 70 years of age will grow by 42% between 2015 and 2025; and the actual number of these households will jump by 8.3 million.

Changes in Manufacturing & Technology

Changes in manufacturing and technology trends within the United States, Michigan, and the global economy will impact commercial opportunities. They include but are not limited to the following:

- ◊ Manufacturing is changing significantly through changing technology, technology application and the introduction of new materials. The changing technology diminishes the importance of labor as a cost factor and increases the importance of transportation relative to other cost factors. Therefore, for many products, production facilities located in population centers or adjacent areas will have a competitive advantage in the future.
- ◊ The technological changes in manufacturing will result in the return of the production of many products to the United States. Manufacturing is likely to expand rapidly in the next ten years, which could provide local opportunities.
- ◊ Manufacturing changes, such as on-demand production through additive manufacturing/3D printing, is now impacting and will continue to impact retail and related space in significant ways, resulting in lower retail space demand as the need to keep large inventories diminishes. The amount of supportable space is likely to diminish as a result. This is particularly true for apparel and certain other shopper goods.
- ◊ The trend among big box stores and other retailers to fulfill online orders from stores rather than only from warehouses will impact retail opportunities.
- ◊ Expansion of and new delivery methods will also likely diminish the need for inventory and retail space.

Changing manufacturing processes and technology is and will continue to have an impact on retail space.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

CURRENT CONDITIONS

CURRRENT CONDITIONS

The current conditions within Ada Township and Village impact the residential, commercial and industrial opportunities at the present time and into the future.

Local Patterns

Most of the demand for housing and commercial services is generated by residents of one or more markets.

RESIDENTIAL

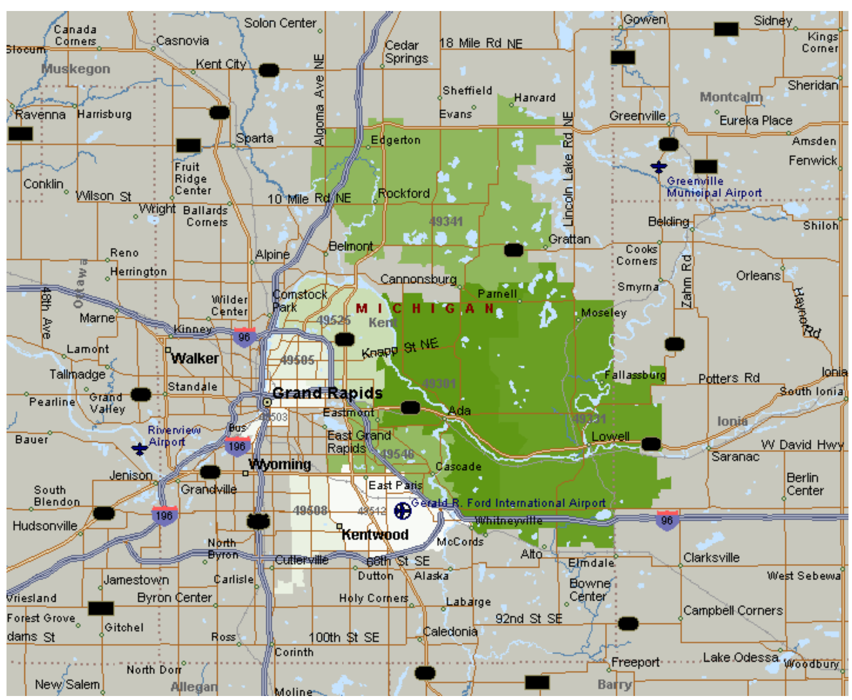
Ada Township and neighboring areas continue to grow in terms of population and households. It is estimated that Ada's population grew by about 200 people between 2010 and 2013. The primary zip code area grew by roughly 650 people.

*Table 2 - Population, Households and Median Income for the Township and Zip Code Area 49301**

Area	Pop. 2013	Pop. 2010	HH	Med. HH Income
Ada Township	13,353	13,142	4,447	$112,466
49301	19,366	18,701	6,226	$118,761

*Developed by The Chesapeake Group, Inc., 2015.

INDUSTRIAL



Amway International's World Headquarters is located in Ada. The facilities span an area of more than 3 million square feet. The company and its markets own, manage and operate manufacturing facilities in Ada, Michigan, and Buena Park, California, U.S.; Guangzhou, China; and Ho Chi Minh City, Vietnam.

Amway has more than 20,000 employees worldwide. In addition, there are millions of Amway distributors that sell the company's products worldwide. Amway employs about 4,000 people in Kent County. The graphic illustrates the residential distribution of the employees of the Ada Amway facilities; the darkest green area is home to the largest number of employees. Management does not anticipate any reduction in the Ada workforce in the foreseeable future.

COMMERCIAL

There is roughly 200,000 square feet of commercial space in Ada Village. There has been substantial growth in the amount of commercial space since 2006 when the total square footage was roughly 173,000 square feet.

The amount of retail space in Ada Village has declined.

While the total space has increased:

◊ The amount of retail goods space has declined when personal services are excluded.
◊ Convenience retail has declined by about 30% as a result of the closure of a grocery/food operation.
◊ Shopper goods space has declined by roughly 14%.
◊ Food services or eating and drinking establishments has increased by roughly 60%, expanding by about 11,000 square feet.
◊ Most growth was in office and other services space.

*Table 3 - Ada Village Commercial Floor Space Inventory for December, 2014 and 2006**

Type of Use	# of Establishments 2014	Square Feet 2014	% of Total	# of Establishments 2006	Square Feet 2006	Change from 2006	% Change from 2006
RETAIL	**45**	**88,826**	**44%**	**38**	**86,084**	**2,742**	**3.2%**
Convenience	**6**	**10,396**	**5%**	**7**	**15,048**	**-4,652**	-30.9%
Food	0	0	0%	2	4,600	-4,600	-100.0%
Gas	2	6,375	3%	2	6,375	0	0.0%
Miscellaneous	4	4,021	2%	3	4,073	-52	-1.3%
Shopper Goods	**16**	**36,885**	**18%**	**19**	**43,073**	**-6,188**	-14.4%
Apparel	4	6,931	3%	4	5,402	1,529	28.3%
Art/Home Furnishings	6	8,385	4%	6	10,136	-1,751	-17.3%
Hardware	1	9,971	5%	1	9,971	0	0.0%
Miscellaneous	5	11,598	6%	8	17,564	-5,966	-34.0%
Eating/Drinking/Food Serv.	**13**	**29,504**	**15%**	**6**	**18,563**	**10,941**	58.9%
Personal Services	**10**	**12,041**	**6%**	**6**	**9,400**	**2,641**	28.1%
OFFICE	**27**	**84,912**	**42%**	**24**	**52,446**	**32,466**	**61.9%**
Financial Services	6	17,565	9%	6	17,565	0	0.0%
Insurance/Real Estate	3	4,195	2%	4	4,395	-200	-4.6%
Medical	4	10,798	5%	4	6,826	3,972	58.2%
Other	14	52,354	**26%**	10	23,660	28,694	121.3%
OTHER SERVICES	**3**	**15,832**	**8%**	**1**	**4,046**	**11,786**	**291.3%**
VACANT/STORAGE	**5**	**11,640**	**6%**	**6**	**30,515**	**-18,875**	**-61.9%**
TOTAL	**80**	**201,210**	**100%**	**69**	**173,091**	**28,119**	**16.2%**

Prepared by Ada Township Planning Dept., December, 2014
Note: 2006 inventory prepared by Randall Gross Development Economics, with edits by Ada Twp. Planning Dept.

The survey of residents conducted as part of this market assessment indicates:

- ◊ About one-half of all resident households consider the availability of professional and personal services in Ada to be "fair" or "poor."
- ◊ 87% consider shopping options to be "fair" or "poor."
- ◊ About two-thirds consider the shopping experience to be "fair" or "poor."
- ◊ About one-half consider commercial parking conditions to be "fair" or "poor."

The majority of the Township residents consider commercial options, availability, and shopping experience to be only "fair" or "poor" in Ada Village at present.

*Table 4 - Resident Opinions of Ada Village Commercial Related Factors**

Characteristic	1 Poor	2 Fair	3 Good	4 Very Good	5 Excellent
Availability of professional and personal services	11%	43%	31%	11%	4%
Ada shopping options	43%	44%	9%	3%	1%
Ada shopping experience	27%	35%	28%	8%	2%
Commercial area parking	18%	30%	36%	12%	4%

*Developed by The Chesapeake Group, Inc., 2015.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

ECONOMIC ANALYSES

ECONOMIC ANALYSES

The intent of the economic analyses is to define market gaps and opportunities.

Cluster Analysis Using Gap or Comparative Assessment Methodology

One of a number of methods employed to define opportunities for the Village is a Cluster Analysis based on comparative or gap assessment methodology.

The United States Census Bureau provides annual information on Business Patterns throughout the nation in three different geographical formats. These are county, zip code, and Metropolitan Statistical Areas. This analysis includes assessments of local business patterns at both the zip code and larger county level. The identified business gaps defined in this process may or may not be appropriate opportunities for development in the Village because of the nature of operations, scale, or other factors.

It is noted that all population and household estimates upon which the comparisons were made were derived from the same source for comparability; it is the 2010 United States Census Bureau data. For consistency purposes, a single source, the United States Census Bureau's 2012 County Business Patterns, was employed to define the business structure and activity within all areas.

The North American Industry Classification System (NAICS) was introduced in 1997 as a more effective business classification system that identifies and groups establishments according to the activities in which they are primarily engaged. NAICS recognizes 1,170 different types of "industries" or establishments in twenty major industry sectors ranging from Agriculture (Sector 11) to Public Administration (Sector 92). This analysis examined and extracted data from all twenty sectors for this area, as follows:

- ◊ Agriculture, Forestry, Fishing & Hunting.
- ◊ Mining.
- ◊ Utilities.
- ◊ Construction.
- ◊ Manufacturing.
- ◊ Wholesale Trade.
- ◊ Retail Trade.
- ◊ Transportation.
- ◊ Information.
- ◊ Finance and Insurance.
- ◊ Real Estate, Rental and Leasing.
- ◊ Management of Companies and Enterprises.
- ◊ Administrative and Support, Waste Management and Remediation Services.
- ◊ Educational Services.
- ◊ Health Care and Social Assistance.
- ◊ Arts, Entertainment, and Recreation.
- ◊ Accommodation and Food Services.
- ◊ Public Administration.

CLUSTER ANALYSIS AT ZIP CODE LEVEL

The initial cluster analysis compared the business structure of zip code tabulation area (ZCTA) 49301, which encompasses much of the residential sections of the Township, to that associated with other ZCTAs and communities that are similar. In determining communities for which the comparison can be made, the following criteria were used:

- ◊ The population had to be similar to those associated with the Township's primary zip code, since demand for many goods and services are ultimately dependent largely upon the size of the market served.
- ◊ The household numbers had to be similar to those associated with the Township's primary zip code since demand for many goods and services are ultimately dependent largely upon the size of the market served.
- ◊ The selected areas have median household incomes that are comparable.
- ◊ Inland locations were preferred.
- ◊ The selected communities had to contain or be in close proximity to a substantial cluster of or single large employer.
- ◊ Transportation and interstate highway access had to be similar.
- ◊ Consideration was also given to the character and climates to the extent possible

There are essentially seven zip code areas that are similar using economic factors that are associated with 49301 zip code. They are:

07940, Madison, NJ
10605, White Plains, NY
19422, Blue Bell, PA
20905, Silver Spring, MD
55317, Chanhassen, MN
80132, Monument, CO

Through the cluster analysis a list of under-represented "industries" in Ada Village was then defined; the under-represented industries were those where the 49301 zip code area had a lesser number of businesses than at least five of the seven other communities. Thus, the number of businesses in Ada Village, compared to the other communities, was below what might be expected. It is further noted that in some cases the under-represented industry differences are great, and in others the differences are smaller. Under-representation does not mean that the identified categories of businesses are necessarily desirable for Ada Village.

The under-represented businesses at the zip code level are found in Table 1A in the Appendix. There are a total of 44 under-represented industries or types of businesses. Included are the following:

Nursery, Garden Center, and Farm Supply Stores
Beer, Wine, and Liquor Stores
Pharmacies and Drug Stores
Other Gasoline Stations
Women's Clothing Stores
Commercial Banking
Mortgage and Non-mortgage Loan Brokers
Direct Life Insurance Carriers
Offices of Lawyers
Title Abstract and Settlement Offices
Custom Computer Programming Services
Computer Systems Design Services
Process, Physical Distribution, and Logistics Consulting Services
Environmental Consulting Services
Other Scientific and Technical Consulting Services
Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
Photography Studios, Portrait
Sports and Recreation Instruction
Offices of Physicians (except Mental Health Specialists)
Offices of Physicians, Mental Health Specialists
Offices of Dentists
Offices of Chiropractors
Services for the Elderly and Persons with Disabilities
Fitness and Recreational Sports Centers
Full-Service Restaurants
Limited-Service Restaurants
Snack and Nonalcoholic Beverage Bars
Beauty Salons
Nail Salons
Pet Care (except Veterinary) Services

There are three notable clusters that are under-represented at the zip code level. These include:

- ◊ Restaurants and a limited number of other retail operations including drugstores and vehicle services.
- ◊ Technology, bio-medical and other research.
- ◊ Medical offices.

COUNTY LEVEL CLUSTER ANALYSIS

To a large extent, the same criteria were employed to perform the cluster analysis at the county level; however, the analysis differed on one criteria; the county's location had to be part of a larger metropolitan area. The following are identified as similar counties in terms of the economic factors:

Providence Co., RI
Bristol Co., MA
Hudson Co., NJ
Delaware Co., PA
Davidson Co., TN
Tulsa Co., OK
El Paso Co., CO

Under-represented "industries" were then defined as those where Kent County had a lesser number of businesses than at least six of the other seven counties. Thus, the number of businesses in Kent County, compared to the other communities, was below what might be expected. The under-represented business activity at the county level is found in Table 2A in the Appendix. A total of 78 businesses are under-represented at the county level including the following:

Window Treatment Stores
Supermarkets and Other Grocery (except Convenience) Stores
Confectionery and Nut Stores
Beer, Wine, and Liquor Stores
Pharmacies and Drug Stores
Other Gasoline Stations
Florists
Gift, Novelty, and Souvenir Stores
Pet and Pet Supplies Stores
Investment Banking and Securities Dealing
Offices of Lawyers
Tax Preparation Services
Interior Design Services
Computer Systems Design Services
Computer Facilities Management Services
Environmental Consulting Services
Research and Development in Biotechnology
Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
Security Systems Services (except Locksmiths)
Locksmiths
Remediation Services
Fine Arts Schools
Automobile Driving Schools
Offices of Physicians (except Mental Health Specialists)
Offices of Physicians, Mental Health Specialists
Kidney Dialysis Centers
Freestanding Ambulatory Surgical and Emergency Centers
Medical Laboratories
Diagnostic Imaging Centers
Ambulance Services
General Medical and Surgical Hospitals
Nursing Care Facilities (Skilled Nursing Facilities)
Services for the Elderly and Persons with Disabilities
Child Day Care Services
Independent Artists, Writers, and Performers
Drinking Places (Alcoholic Beverages)
Full-Service Restaurants
Limited-Service Restaurants
Snack and Nonalcoholic Beverage Bars
General Automotive Repair
Automotive Exhaust System Repair
Automotive Body, Paint, and Interior Repair and Maintenance
Barber Shops
Beauty Salons
Nail Salons
Pet Care (except Veterinary) Services

COMMON CLUSTERS

There are seventeen under-represented businesses at both the county and Zip code level as follows:

Beer, Wine, and Liquor Stores
Pharmacies and Drug Stores
Other Gasoline Stations
Offices of Lawyers
Computer Systems Design Services
Environmental Consulting Services
Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
Offices of Physicians (except Mental Health Specialists)
Offices of Physicians, Mental Health Specialists
Services for the Elderly and Persons with Disabilities
Full-Service Restaurants
Limited-Service Restaurants
Snack and Nonalcoholic Beverage Bars
Beauty Salons
Nail Salons
Pet Care (except Veterinary) Services

There are three clusters that are under-represented at both the zip code and county levels. These are:

◊ A full range of restaurants or food service establishments and a number of other retail operations including vehicle services.
◊ Technology and bio-medical activity and research.
◊ Physicians' offices.

There are gaps in the business structure in Ada in three clusters. These are a full range of food service/restaurant establishments, technology and bio-medical activity and research, and physicians' offices.

Demand Forecasting

Demand forecasting focused on both housing and retail goods and related services activity for Ada.

SURVEY SAMPLE GENERAL CHARACTERISTICS

The forecasts are based on a survey that obtained information for about 700 area households. Input from households both inside and outside of the Township were encouraged to respond. The following summarizes the sample characteristics:

◊ Roughly two-thirds of the households responding to the survey lived in zip code area 49301, which is the primary residential zip code for both the Village and Township.
◊ Average household size 3.15.
◊ 77% of the households do not have any pre-school age children in the household.
◊ 6.3% of the households did not have anyone living in the household that is employed. This includes households where all members are retired.

*Table 5 - Zip Codes for Respondent Households**

Zip Code	Percent
49301	64%
49546	13%
Other	23%
Total	100%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 6 - Number of Household Members Employed**

Number	Percent
0	6.3%
1	47.5%
2	41.5%
3	4.0%
4 or more	0.7%

*Developed by The Chesapeake Group, Inc., 2015.

◊ 14% of the households have someone who would like top be employed full-time but is not. Age, as well as other factors, impacts this figure. Education levels are high for those that would like to be employed full-time with overwhelming preponderance of respondents having at least an Associate’s Degree.

◊ About one in ten households have a primary income earner at least 65 years of age. Almost two in ten households have primary income earners between the ages of 55 to 64. On the other hand, about 14% of the households' primary income earners are less than 35 years of age.

*Table 7 - Age of Primary Income Earner in the Household**

Age Range	Percent
Under 25	0.7%
25 to 34	13.5%
35 to 44	25.7%
45 to 54	33.3%
55 to 64	18.8%
65 to 74	7.3%
75 or over	2.2%

*Developed by The Chesapeake Group, Inc., 2015. Some households have two.

◊ The average (mean) total annual household income is estimated to be $138,500. About 20% of all households have incomes of at least $200,000. Almost one-half of all households have incomes between $100,000 and $200,000.

*Table 8 - Total Annual Household Incomes**

Household Income	Percent
Less than $29,999	1%
$30,000 to $49,999	4%
$50,000 to $74,999	11%
$75,000 to $99,999	16%
$100,000 to $149,999	29%
$150,000 to $199,999	19%
$200,00 or more	21%

*Developed by The Chesapeake Group, Inc., 2015. Some households have two.

RESIDENTIAL DEMAND FACTORS

There are a variety of factors influencing the demand for housing in Ada Village. These include the previously noted national and Michigan factors and trends found in the "Context" and "Current Conditions" sections of this report, as well as the age characteristics of primary income earners. Other factors include:

1. Home Sales Trends

Ada Township provides a listing of residential sales within the jurisdiction for calendar years 2012 through 2014. The listing contains a limited number of sales for year 2012. This file, Neighborhood Sales, provides information on the property’s address, sales price and date along with parcel numbers. Kent County’s Property Information System provides information on the respective property’s enclosed area or living space by square feet.

Based on an analysis of the "arms length" sales, there has been an increase in the price of homes per square foot of enclosed area for the years 2012 through 2014. This reflects continued health in the housing market.

*Table 9 - Sales per Square Foot of enclosed Area for Residential Properties from 2012 through 2014**

Year	# Sales	Sales price per Sq. Ft.	Avg. Sales Price	Avg. Size
2012	33	$100.37/SF	$262,377	2,614 Sq. Ft.
2013	143	$109.36/SF	$287,688	2,630 Sq. Ft.
2014	123	$110.76/SF	$280,290	2,530 Sq. Ft.

*Developed by The Chesapeake Group, Inc., 2015.

Furthermore, a review of 35 residential sales within Ada Township obtained from Zillow.com from January through mid-March of 2015 shows an average sales price of $109.94 per square foot for enclosed area. These properties tend to be larger and more expensive than those of preceding years with an average sale price of $329,931 and an average enclosed area of 3,000 square feet.

2. Ownership and Tenure

The survey also indicates that:

- ◊ 95% of the households own the unit in which they current live in Ada.
- ◊ 18% have lived at their current address for 20 or more years, while almost the same percentage have lived at their current address for two years or less.

3. Current Monthly Mortgage and Rent Payments

- ◊ Roughly 16% of the households do not make monthly rent or mortgage payments. When these households are included, the average monthly mortgage or rent payment is $1,215. When those without payments are excluded, the average payment is $1,456.
- ◊ About one in ten households have a monthly rent or mortgage payment of at least $2,000.

*Table 10 - Average Monthly Mortgage or Rent Payments**

Monthly Mortgage/Rent	Percent
None	16%
Less than $400/month	1%
$400 to $599/month	4%
$600 to $799/month	7%
$800 to $999/month	10%
$1,000 to $1,249/month	17%
$1,250 to $1,499/month	12%
$1,500 to $1,749/month	11%
$1,750 to $1,999/month	7%
$2,000 to $2,499/month	7%
$2,500 to $2,999/month	4%
$3,000 or more/month	4%

*Developed by The Chesapeake Group, Inc., 2015.

4. Probability of Relocating in the Next Five Years and Satisfaction with Current Ada Housing Options

- ◊ As many as 46% of all households believe that they may or are likely to move from their current residence in the next five years.

*Table 10 - likelihood of Moving in the Next Five Years**

Likely Change in Housing	Percent
Yes	27.8%
No	53.8%
Maybe	18.4%

*Developed by The Chesapeake Group, Inc., 2015.

◊ Of those likely to move in the next five years, four out of ten will likely seek a smaller unit than that which they currently occupy.

*Table 11 - Desired Size of the New Unit for Those Most Likely to Move**

New Size of Unit	Percent
Larger	17%
Smaller	40%
Same	33%
Uncertain	10%

*Developed by The Chesapeake Group, Inc., 2015.

◊ Table 12 describes the primary characteristics that those likely to move will seek in an area or community. The characteristics considered to be most important in a community are walkable and safe.

*Table 12 - Primary Characteristics Sought for Future Housing, Area and Community**

Primary Characteristics of Area for New Unit	Percent
ownership unit only	46%
maybe owner or rental unit	15%
Condominium	24%
smaller than current unit	33%
larger than current unit	17%
about same size as current unit	33%
a walkable environment for recreation, shopping and other activity	66%
a compact area	6%
quality schools	46%
safe area or development	64%
independent adult living	9%

*Developed by The Chesapeake Group, Inc., 2015.

◊ About one-half of all survey respondents defined the current available housing options in Ada Township as being either "fair" or "poor."

*Table 13 - Condition of Housing Options in Ada Township**

Conditions	1 Poor	2 Fair	3 Good	4 Very Good	5 Excellent
Housing Options	20%	27%	30%	16%	7%

*Developed by The Chesapeake Group, Inc., 2015.

5. Historical Permit Pattern for New Units

Residential permits indicate that there has been growth in Ada Township for an extended period of time. Between 1990 and 2014, a total of 2,491 housing permits for new units were issued.

Of the residential permits issued, 2,010 permits were for detached units referred to as single-family units. 481 of the permits were for attached condominiums or apartment units.

Ada Township added an average of roughly 100 units per year since 1990, with roughly 80% being detached single-family units.

*Table 14 - New Housing unit permits by year for Ada Township from 1990 Through 2014**

Year	Single-Family Units	Attached Condo and Apartment Units	Total Units
1990	50	0	50
1991	53	0	53
1992	65	6	71
1993	72	7	79
1994	87	0	87
1995	63	0	63
1996	113	42	155
1997	86	4	90
1998	123	0	123
1999	152	15	167
2000	175	19	194
2001	123	39	162
2002	150	8	158
2003	146	4	150
2004	106	0	106
2005	95	0	95
2006	106	0	106
2007	65	0	65
2008	27	228	255
2009	23	28	51
2010	24	31	55
2011	23	26	49
2012	24	24	48
2013	25	0	25
2014	34	0	34
Total	2010	481	2491

*Source: Ada Township Planning Department

6. Recent Permits for New Units

Housing recovery is apparent in the issuance of permits from 2012 through 2014, albeit at a slower pace than the historical growth pattern. The number of permits issued in 2014 was higher than the number of permits issued in 2012 and 2013 for detached units. However, no new permits have been issued for attached units since 2012.

HOUSEHOLD GROWTH ESTIMATES

The estimate of future housing growth in Ada Township is based on the identified factors. The total number of housing units in the Township for 2015 is estimated to be roughly 4,480.

Assuming no housing growth in the Ada Village section of Ada Township, growth should result in a total of 4,600 units by 2020 and 4,780 units by 2025. These estimates are conservative in nature, assuming an average growth rate of roughly 30 units in detached housing per year. This is roughly the same average as the past few years and below the historical average since 1990.

*Table 15 - Minimum Housing Unit and Household Totals for Ada Township for 2015, 2010 and 2025**

Minimum Households by Year	Total without Village Additions
2015	4481
2020	4631
2025	4781

*Developed by The Chesapeake Group, Inc., 2015. Assumes no growth in housing in Ada Village.

Additional growth is anticipated in the zip code area outside of the Township. The average growth in housing units and households in that area is expected to be roughly 20 units per year from 2015 to 2025.

*Table 16 - Zip Code Added Households**

Minimum Households	Total
2015	1879
2020	1979
2025	2079

*Developed by The Chesapeake Group, Inc., 2015.

HOUSING UNIT GROWTH ESTIMATES FOR ADA VILLAGE

As noted, the above estimates exclude housing within the Village. All noted factors indicate a strong demand for housing in the Village including:

- ◊ The recent lack of growth in new attached units in the Township in the past two years in spite of 337 such units permitted between 2008 and 2012.
- ◊ The average rate of growth in attached units in the Township of more than 67 units per year between 2008 and 2012 and an average rate since 2008 through the current year of roughly 50 units.
- ◊ The residents' attitudes toward the existing housing options in Ada Township.
- ◊ The proportion of residents likely to seek new smaller or similar sized units in a walkable, safe environment over the next few years as documented in the survey which is more than likely to double demand for alternative housing.
- ◊ The desire or need for mobility among current and potential young adults and senior populations in Ada and the region.
- ◊ The aging of Ada Township's population.
- ◊ The proximity to major employment activity providing opportunities for those to live and work in a community without bearing the fiscal and social costs of commuting long distances.

It is noted that all price and dollar value figures for future years are in 2015 constant dollars, thereby excluding any inflation.

Targeted Markets

There are two targeted market age groups for residential activity with Ada Village. These are:

- ◊ Young generally small households with members with college or graduate level degrees under the age of 35.
- ◊ Active adults generally between the ages of 55 to 74. The income levels of this group are broader than the younger households as many may be retired.

There are two targeted markets for Ada Village residential development. These small households with members under the age of 35 and active adults 55 years of age or older.

Village Housing Opportunities

A significant proportion of residents in Ada Township and surrounding areas currently fall into the active adult market and are or will be seeking a change of residence in the foreseeable future. Table 17 includes the targeted age groups, targeted income levels and the monthly payments anticipated for each group. including residents and non-residents of Ada Township.

*Table 17 - Targeted Markets by Age and Income with Monthly Payments for Ada Village**

Targeted Age Range	Targeted Household Income	Monthly Rent/Mortgage Range (Condos toward lower end)
25 to 34	$150,000 to $199,999	$1,250 to $1,450/month
55 to 74	$150,000 to $199,999	$1,250 to $1,450/month
55 to 74	$100,000 to $149,999	$850 to $950/month

*Developed by The Chesapeake Group, Inc., 2015.

The price range of units is indicated for each of the targeted income groups in Table 18.

*Table 18 - Anticipated Price Range for Units in Ada Village by Income Strata of Anticipated Target Markets**

Targeted Income Levels of Anticipated Residents	Monthly Payments	Price Range
$150,000 to $199,000	$1,250 to $1,450	$260,000 to $300,000
$100,000 to $149,000	$850 to $950	$180,000 to $220,000

*Developed by The Chesapeake Group, Inc., 2015.

It is estimated that there is sufficient market within the targeted groups to support between 480 and 525 additional housing units in Ada Village between 2015 and 2025. This may be above or below the "holding capacity" of the available land and represents about 50% of Ada Township's internally generated demand for alternative housing.

There is a market for roughly 500 new housing units in the Village. Many potential residents currently live in the Township or immediate surrounding areas.

The price range of the owner occupied units will range from $180,000 to $300,000 depending upon scale and amenities associated with the developments. About 30% of the units are expected to be rentals based on the needs and desires of the targeted age clusters. The price range of the units or associated monthly rental payments along with the number of units is found in Table 19.

*Table 19 - Estimated Price Range or Monthly Rental Rate for Market Rate Ada Village Housing**

Price Range	Monthly Payments	Number of Units
$260,000 to $300,000	Not applicable	300
$180,000 to $220,000	Not applicable	50
Not Applicable/Rental	$1,250 to $1,450	100
Not Applicable/Rental	$950 to $1,250	50

*Developed by The Chesapeake Group, Inc., 2015.

The demand is further delineated by the type of unit as found in the table that follows. Detached units are intended to be small to zero lot line units oriented toward active adults that would prefer to continue to live in units similar to that in which they currently live. The bulk of the units are expected to be either two bedrooms or one-bedroom with dens.

Mixed-use units are those which could be located on the upper floors or in the same structure with commercial space. These units would generally be one bedroom with a den, work space or second small bedroom.

The "mixed-style" units (on one site but not same structures) would be attached structures inclusive of townhouse, garden, duplex, mid-rise, or other styled units.

*Table 20 - Estimated Number of Units by Type**

Price Range	Monthly Payments	Number of Units	Unit Type
$260,000 to $300,000	$1,250 to $1,450	50	Detached
$260,000 to $300,000	$1,250 to $1,450	75	Mixed-Use
$260,000 to $300,000	$1,250 to $1,450	125	Mixed-Style
$180,000 to $220,000	$850 to $950	30	Detached/Mixed-Style
$180,000 to $220,000	$850 to $950	20	Mixed-Use
Not Applicable/Rental	$1,250 to $1,450	100	Mixed-Use
Not Applicable/Rental	$950 to $1,250	50	Mixed-Use

*Developed by The Chesapeake Group, Inc., 2015.

COMMERCIAL DEMAND FACTORS

It is noted that households spend the bulk of their incomes on three major commodities irrespective of income. These are housing, transportation and food.

As is the case for residential demand in Ada Village, there are a variety of factors influencing commercial demand. These include the previously noted national and Michigan factors and trends found in the "Context" and "Current Conditions" sections of this report. Other factors include:

1. Vehicle Ownership

Average household has roughly 2.5 private vehicles owned or leased. The average household has 1.56 vehicles at least five years old. In general, vehicles five years of age or older have lesser loan or lease payments but have higher maintenance costs.

2. Food Spending at Groceries, Box Stores or Other Operations

The average Ada household spends $143 per week on groceries at supermarkets and box operations. About 16% of the households spend more than $200 each week on groceries.

*Table 21 - Average Spending on Groceries Per Week**

Grocery Spending	Percent
Less than $35	1%
$35 to $44.99	2%
$45 to $59.99	3%
$60 to $74.99	5%
$75 to $99.99	12%
$100 to $124.99	22%
$125 to $149.99	20%
$150 to $199.99	19%
$200 to $249.99	10%
$250 or More	6%

*Developed by The Chesapeake Group, Inc., 2015.

More than one-half (57%) of all households make the bulk of their food shopping trips to Meijer.

Food for home consumption is also purchased at farmers' markets, bakeries and other non-box and non-supermarket operations. About one-third of all households make purchases of fresh items from non-box and non-supermarket operations at least once each week. About 50% of the households make such purchases at least every other week.

*Table 22 - Primary Operations for Food Shopping**

Primary Operation	Percent
Meijer	57%
Forest Hills Foods	21%
D & W	12%
Costco	3%
Aldi	2%
Family Fare	2%
Harvest Health	1%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 23 - Frequency of Purchase of Fresh Items from Non-box or Non-supermarket Operations**

Frequency	Percent
A few times/week	7.1%
About once/week	23.8%
About twice/month	17.9%
Once/ month	14.6%
4 to 9 times/year	18.9%
Once or twice/year	12.5%
Less often than once/year	5.2%

*Developed by The Chesapeake Group, Inc., 2015.

Fresh products that are purchased most often at alternative operations include fresh produce and fruit in season, baked goods, and meats.

*Table 24 - Purchases at Non-supermarket and Non-box Operations**

Products	Percent
Fresh produce in season	87.2%
Fresh fruit in season	81.0%
Fresh or smoked fish	19.0%
Breads	53.7%
Other baked goods	30.5%
Meats	40.7%
Other	12.4%

*Developed by The Chesapeake Group, Inc., 2015.

Significant spending on food for home consumption is done at bakeries, farmers' markets and other non-box or non-supermarket operations.

3. Food Spending at Food Services Operations Including Restaurants

In addition to preparation of food at home, households eat at food service establishments with great frequency. About two-thirds of the household members responding to the survey eat lunch and dinner outside the home at a food service establishment at least once each week.

*Table 25 - Frequency of Dinner and Lunch Trips**

Frequency	% Lunch	% Dinner
A few times/week	38.0%	29.7%
About once/week	29.0%	42.1%
About twice/month	17.1%	16.6%
Once/ month	8.5%	7.3%
4 to 9 times/year	5.3%	3.4%
Once or twice/year	1.8%	0.7%
Less often than once/year	0.3%	0.2%

*Developed by The Chesapeake Group, Inc., 2015.

When eating out, the overwhelming proportion of residents eat at non-chain full-service establishments.

When eating out, Ada residents selected non-chain full-service establishments for both lunch and dinner.

*Table 26 - Type of Establishment Generally Frequented**

Type of Establishment	% Lunch	% Dinner
A national or regional chain full-service restaurant	9.5%	19.5%
A local non-chain full-service restaurant	59.5%	71.7%
Fast food operation	10.5%	3.9%
All you can eat buffet	0.8%	0.2%
Sub shop	12.4%	1.1%
Other	7.3%	3.6%

*Developed by The Chesapeake Group, Inc., 2015.

A number of the establishments frequented are located in the Village.

*Table 27 - Establishments Frequented for Lunch**

Lunch Establishment	Percent
Schnitz	10%
Subway	7%
Vitales	7%
Saburba	5%
Jimmy Johns	4%
Nonna Café	4%
Panera Bread	4%
Zeytin	4%
Blimpie	3%
McDonalds	3%
O'briens	3%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 28 - Establishments Frequented for Dinner**

Dinner Establishment	Percent
Vitales	12%
Ada Grill	5%
Schnitz	4%
Applebee's	2%
Green Well	2%
Grove	2%
JT's	2%
Panera Bread	2%
Zeytin	2%

*Developed by The Chesapeake Group, Inc., 2015.

On the other hand, the majority of trips for both lunch and dinner are made to establishments outside of Ada Village.

The majority of the lunch and dinner trips are made to restaurants outside of the Village.

*Table 29 - Frequency of Trips for Lunch or Dinner to Grand Rapids, Grand Haven or Elsewhere**

Frequency To Establishments	Percent Outside Ada	% Lunch All Locations	% Dinner All Locations
A few times/week	22.6%	38.0%	29.6%
About once/week	25.4%	29.0%	42.2%
About twice/month	20.1%	17.1%	16.6%
Once/ month	16.7%	8.5%	7.3%
4 to 9 times/year	10.9%	5.3%	3.4%
Once or twice/year	3.4%	1.8%	0.7%
Less often than once/year	0.9%	0.3%	0.2%

*Developed by The Chesapeake Group, Inc., 2015.

4. Online Purchases

In addition to the exportation of dollars by residents associated with lunch and dinner trips, about one-third of the households purchases merchandise online at least once a week, with about two-thirds purchasing merchandise online more often than once per month.

Table 30 - Frequency of Online Purchases (Additional Exportation of Dollars)

Frequency	Percent
A few times/week	11.7%
About once/week	21.9%
About twice/month	25.4%
Once/ month	14.9%
4 to 9 times/year	14.9%
Once or twice/year	7.7%
Less often than once/year	3.4%

*Developed by The Chesapeake Group, Inc., 2015.

5. Operations Associated with Apparel Purchases

While apparel purchases are made at many operations, more residents shop at Macy's and Kohl's for clothing than any other establishments. (Apparel shopping is the surrogate for "shopper goods" in general.)

*Table 31 - Operations at which Clothing Purchases Are Made**

Operation	Percent
Ann Taylor	2%
Banana Republic	5%
Chico's	2%
GAP	2%
Goodwill	2%
J. Crew	2%
JC Penney	7%
Kohl's	14%
Loft	2%
Macy's	10%
Meijer	3%
Nordstrom	2%
Nordstrom Rack	2%
Old Navy	3%
Online	4%
Target	3%
TJ Maxx	2%

*Developed by The Chesapeake Group, Inc., 2015.

6. Additional Operations Desired by Residents for the Village

Survey respondents desire to see more restaurants, festivals and a grocery store in the Village than other businesses and activities.

*Table 32 - Additional Activities Desired in the Village**

Additional Activities	Percent
Restaurant	14%
Festivals/Activities	13%
Grocery Store	11%
Clothing Shopping	9%
Walking/Hiking Trails	8%
Farmers Market	4%
Sport Facilities	4%
Water Sport Activities	4%
Activities for Kids	3%
Movie Theater	2%
Park	2%
Others	26%
Total	100%

*Developed by The Chesapeake Group, Inc., 2015.

RETAIL GOODS AND RELATED SERVICES MARKETS

Four markets were considered in the analysis for the development of retail goods and services; these are the households residing within: (1) Ada Township, (2) the area outside of the Township but in the 49301 zip code, and (3) and (4) the contiguous areas that are outside of both the Ada Township and the 49301 zip code where a large number of Amway workers reside.

Ada Township residents are defined as the primary market. Penetration levels or the ability to capture convenience shopping goods dollars in the primary market are generally high in suburban areas. The shopper goods penetration levels are also high, but are 40% below those for convenience shopping.

The secondary market, defined as the residents outside of the Township but within 49301 zip code, have penetration levels below those for the primary market.

The penetration levels for the tertiary market are extremely low, ranging from only 2% to 5%. Therefore, the potential to capture goods and services dollars are extremely low by operations in Ada Village.

RETAIL GOODS AND RELATED SERVICES DEMAND

The total or aggregate retail sales are expected to grow as the number of households residing in any and all markets increases.

The sales and supportable space for years 2020 and 2015 defined in this analysis are based only on the growth generated from new households within the Township, excluding any housing unit and household growth within the Village. Therefore, all of the noted potential for as many as 500 new housing units is excluded, resulting in a potential underestimation of the demand for retail goods and related services.

The total or aggregate retail sales figures represent a compilation of sales associated with ten major categories and the types of operations within those categories. The ten major categories of retail goods and related services are as follows:

- ◊ Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
- ◊ Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
- ◊ General merchandise, including variety stores, department stores, and large value oriented retail operators.
- ◊ Furniture and accessories, including appliances and home furnishings.
- ◊ Transportation, including the sale of new and used automotive and other personal vehicles and parts.
- ◊ Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- ◊ Apparel and accessories.
- ◊ Hardware and building materials, including traditional hardware stores, garden centers and home improvement centers.
- ◊ Auto services, including gasoline and vehicle repair.
- ◊ Miscellaneous, including a plethora of retail goods and services ranging from florists to paper goods.

Many of today's better known retailers fall into more than one category. For example, many of the "big box" merchandisers, such as Meijer and Walmart or Sam's Club, have traditional supermarket components within their operations.

The productivity level is the sales per square foot figure essential to pay all costs of operation and provide a reasonable return on investment. Sales productivity levels vary for each sub-category, type of business operation, or store type. The productivity levels vary from low figures for bowling centers to thousands of dollars for others. Supportable space is derived by dividing the amount of sales by the appropriate productivity level. Both the spending patterns and productivity levels are likely to change over time.

All of the year 2020 and 2025 retail goods and related services sales estimates are in 2015 constant dollars, therefore excluding inflation.

Ada Township residents will spend roughly $324 million on retail goods and related services at any and all locations in 2015. This includes spending when on vacation, when visiting friends and family, in other parts of the Grand Rapids region and elsewhere, and online. This spending is sufficient to support 982,000 square feet of retail goods and related services space at any and all locations.

Based on only growth in households in the Township in locations other than the Village, the amount of supportable space is expected to expand to 1.02 million square feet by 2020 and to 1.05 million square feet by 2025.

*Table 33 - Total Primary Market/Ada Township Resident Spending and Supportable Square Footage of Space Estimates for 2015, 2020 and 2025 at All Locations**

Category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$30,758,000	$31,787,000	$32,817,000	48,929	50,564	52,202
Eat/Drink	35,976,000	37,180,000	38,384,000	85,657	88,524	91,390
General Merchandise	23,660,000	24,452,000	25,244,000	140,429	145,129	149,830
Furniture	11,668,000	12,058,000	12,449,000	26,856	27,752	28,654
Transportation	68,289,000	70,575,000	72,861,000	223,808	231,300	238,792
Drugstore	22,266,000	23,011,000	23,757,000	21,638	22,362	23,087
Apparel	22,007,000	22,744,000	23,480,000	61,059	63,104	65,148
Hardware	30,758,000	31,787,000	32,817,000	125,338	129,531	133,729
Vehicle Service	42,231,000	43,645,000	45,058,000	102,810	106,253	109,693
Miscellaneous	36,494,000	37,716,000	38,938,000	145,740	150,619	155,499
TOTAL	$324,107,000	$334,955,000	$345,805,000	982,264	1,015,138	1,048,024

*Developed by The Chesapeake Group, Inc., 2015.

The aggregate figures found in Table 33 are actually composites of types of operations or sub-categories associated with each category. Essentially, the sales and supportable space associated with each type of operation is added together to form the category sales. Table 34 contains the level of retail goods and related services sales, and the square footage of space for 2015 supported by residents of Ada Township within local markets if operations existed to meet the demand.

Assuming no one other than Township residents ever came to the Village, the resident generated demand far exceeds the current supply of retail space in the Village.

*Table 34 - Total Primary Market/Ada Township Resident Spending and Supportable Square Footage of Space Estimates for 2015, 2020 and 2025 at All Locations By Type of Operation**

Sub-category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$30,758,000	$31,787,000	$32,817,000	48,929	50,564	52,202
Supermarkets	25,682,930	26,542,145	27,402,195	38,914	40,215	41,518
Independents	2,460,640	2,542,960	2,625,360	6,152	6,357	6,563
Bakeries	676,676	699,314	721,974	2,256	2,331	2,407
Dairies	399,854	413,231	426,621	1,111	1,148	1,185
Others	1,537,900	1,589,350	1,640,850	496	513	529
Eat/Drink	35,976,000	37,180,000	38,384,000	85,657	88,524	91,390
General Merchandise	23,660,000	24,452,000	25,244,000	140,429	145,129	149,830
Dept. Stores	8,375,640	8,656,008	8,936,376	34,899	36,067	37,235
Variety Stores	1,703,520	1,760,544	1,817,568	10,021	10,356	10,692
Jewelry	1,632,540	1,687,188	1,741,836	2,299	2,376	2,453
Sporting Goods/Toys	2,578,940	2,665,268	2,751,596	10,316	10,661	11,006
Discount Dept.	8,872,500	9,169,500	9,466,500	80,659	83,359	86,059
Antiques, etc.	118,300	122,260	126,220	514	532	549
Others	378,560	391,232	403,904	1,721	1,778	1,836
Furniture	11,668,000	12,058,000	12,449,000	26,856	27,752	28,654
Furniture	1,761,868	1,820,758	1,879,799	5,683	5,873	6,064
Home Furnishings	2,426,944	2,508,064	2,589,392	8,989	9,289	9,590
Store/Office Equip.	1,843,544	1,905,164	1,966,942	3,841	3,969	4,098
Music Instr./Suppl.	501,724	518,494	535,307	2,509	2,592	2,677
Radios, TV, etc.	5,133,920	5,305,520	5,477,560	5,834	6,029	6,225
Transportation	68,289,000	70,575,000	72,861,000	223,808	231,300	238,792
New/Used Vehicles	23,901,150	24,701,250	25,501,350	59,753	61,753	63,753
Tires, Batteries, Parts	30,115,449	31,123,575	32,131,701	125,481	129,682	133,882
Marine Sales/Rentals	3,619,317	3,740,475	3,861,633	9,782	10,109	10,437
Auto/Truck Rentals	10,653,084	11,009,700	11,366,316	28,792	29,756	30,720
Drugstore	22,266,000	23,011,000	23,757,000	21,638	22,362	23,087
Apparel	22,007,000	22,744,000	23,480,000	61,059	63,104	65,148
Men's and Boy's	2,882,917	2,979,464	3,075,880	7,207	7,449	7,690
Women's and Girl's	7,306,324	7,551,008	7,795,360	19,747	20,408	21,069
Infants	462,147	477,624	493,080	1,540	1,592	1,644
Family	6,117,946	6,322,832	6,527,440	24,472	25,291	26,110
Shoes	4,599,463	4,753,496	4,907,320	5,227	5,402	5,577
Jeans/Leather	88,028	90,976	93,920	293	303	313
Tailors/Uniforms	396,126	409,392	422,640	1,981	2,047	2,113
Others	154,049	159,208	164,360	592	612	632
Hardware	30,758,000	31,787,000	32,817,000	125,338	129,531	133,729
Hardware	14,886,872	15,384,908	15,883,428	54,134	55,945	57,758
Lawn/Seed/Fertilizer	584,402	603,953	623,523	1,719	1,776	1,834
Others	15,286,726	15,798,139	16,310,049	69,485	71,810	74,137
Vehicle Service	42,231,000	43,645,000	45,058,000	102,810	106,253	109,693
Gasoline	14,358,540	14,839,300	15,319,720	9,902	10,234	10,565
Garage, Repairs	27,872,460	28,805,700	29,738,280	92,908	96,019	99,128
Miscellaneous	36,494,000	37,716,000	38,938,000	145,740	150,619	155,499
Advert. Signs, etc.	583,904	603,456	623,008	2,123	2,194	2,265
Barber/Beauty shop	2,226,134	2,300,676	2,375,218	11,131	11,503	11,876
Book Stores	1,678,724	1,734,936	1,791,148	9,326	9,639	9,951
Bowling	839,362	867,468	895,574	8,394	8,675	8,956
Cig./Tobacco Dealer	255,458	264,012	272,566	511	528	545
Dental/Physician Lab	1,459,760	1,508,640	1,557,520	4,492	4,642	4,792
Florist/Nurseries	2,737,050	2,828,700	2,920,350	6,440	6,656	6,871
Laundry, Dry Clean	1,240,796	1,282,344	1,323,892	4,136	4,274	4,413
Optical Goods/Optical	875,856	905,184	934,512	2,502	2,586	2,670
Photo Supplies/Photog.	2,518,086	2,602,404	2,686,722	7,195	7,435	7,676
Printing	2,956,014	3,054,996	3,153,978	10,749	11,109	11,469
Paper/Paper Products	1,569,242	1,621,788	1,674,334	7,846	8,109	8,372
Gifts/Cards/Novelty	5,218,642	5,393,388	5,568,134	17,395	17,978	18,560
Newsstands	291,952	301,728	311,504	584	603	623
Video Rent/Sales	4,744,220	4,903,080	5,061,940	23,721	24,515	25,310
Others	7,298,800	7,543,200	7,787,600	29,195	30,173	31,150
TOTAL	$324,107,000	$334,955,000	$345,805,000	982,264	1,015,138	1,048,024

*Developed by The Chesapeake Group, Inc., 2015.

Assuming a maximum penetration within the home market for items such as groceries, prescription and non-prescription medications, hardware and vehicle services of 70% and a 40% maximum penetration for apparel and other shopper goods, the primary market (residents of Ada Township) would spend about $138 million at any and all commercial activity within Ada Township in 2015. This will grow to $147 million by 2025.

Table 35 contains the level retail goods and related services sales, and the square footage of space for 2015 supported by residents of Ada Township within local markets if operations existed to meet the demand. The 2015 sales figures support an estimate of roughly 380,000 square feet of space in Ada Township if such amount of space was to be available. This will grow to over 405,000 square feet of space by 2025.

As previously defined, there is only roughly 88,000 square feet of retail space in the Village at the present time. Assuming no one other than Township residents, even employees of Amway that do not live in the Township, ever came into the Village and spent any money in the Village, the demand far exceeds the current supply of commercial activity.

*Table 35 - Primary Market Maximum Penetration Level Sales and Supportable Square Footage of Space**

Category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$21,530,000	$22,251,000	$22,972,000	34,248	35,396	36,543
Eat/Drink	8,994,000	9,295,000	9,596,000	21,414	22,131	22,848
General Merchandise	5,915,000	6,113,000	6,311,000	35,108	36,283	37,458
Furniture	2,917,000	3,015,000	3,112,000	6,714	6,940	7,162
Transportation	17,072,000	17,644,000	18,215,000	55,951	57,826	59,697
Drugstore	15,586,000	16,108,000	16,630,000	15,147	15,654	16,161
Apparel	5,502,000	5,686,000	5,870,000	15,265	15,776	16,285
Hardware	21,530,000	22,251,000	22,972,000	87,734	90,672	93,611
Vehicle Service	29,562,000	30,551,000	31,541,000	71,968	74,376	76,786
Miscellaneous	9,124,000	9,429,000	9,734,000	36,439	37,656	38,873
Total	$137,732,000	$142,343,000	$146,953,000	379,988	392,710	405,424

*Developed by The Chesapeake Group, Inc., 2015.

Assuming a maximum penetration level of 20% for the secondary market, commercial activity located within Ada Township could capture roughly 162,000 additional square feet of space in 2015. This will increase to 179,000 square feet by 2025.

*Table 36 - Secondary Market or Zip Code Penetration Sales and Space Estimates**

Category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$9,164,000	$9,651,000	$10,139,000	14,578	15,353	16,129
Eat/Drink	3,828,000	4,032,000	4,235,000	9,114	9,600	10,083
General Merchandise	2,517,000	2,652,000	2,785,000	14,940	15,741	16,531
Furniture	1,241,000	1,308,000	1,374,000	2,856	3,011	3,161
Transportation	7,266,000	7,653,000	8,040,000	23,814	25,081	26,351
Drugstore	6,634,000	6,987,000	7,340,000	6,447	6,790	7,133
Apparel	2,342,000	2,466,000	2,591,000	6,497	6,843	7,189
Hardware	9,164,000	9,651,000	10,139,000	37,343	39,327	41,317
Vehicle Service	12,582,000	13,252,000	13,921,000	30,630	32,261	33,890
Miscellaneous	3,883,000	4,090,000	4,296,000	15,506	16,333	17,157
Total	$58,621,000	$61,742,000	$64,860,000	161,725	170,340	178,941

*Developed by The Chesapeake Group, Inc., 2015.

As identified, there are two tertiary markets reflecting the concentrations of Amway employees living in locations that are contiguous to Ada Township as previously shown in a graphic on Page 4. "Tertiary Market A" has a maximum capture rate of 5% within Ada Township. For 2015, the potential capture of sales results in an additional 310,000 square feet of supportable space.

*Table 37 - "Tertiary Market A" Penetration Level Sales and Space Potentially Captured by Commercial in Ada Village**

Category	2015 Sales	2015 Space
Food	$9,729,000	15,476
Eat/Drink	11,380,000	27,095
General Merchandise	7,484,000	44,420
Furniture	3,691,000	8,496
Transportation	21,601,000	70,794
Drugstore	7,043,000	6,845
Apparel	6,961,000	19,313
Hardware	9,729,000	39,646
Vehicle Service	13,358,000	32,520
Miscellaneous	11,544,000	46,103
TOTAL	$102,520,000	310,708

*Developed by The Chesapeake Group, Inc., 2015.

"Tertiary Market B" has a maximum capture rate of 2% within Ada Township. For 2015, the potential capture of sales results in an additional 155,000 square feet of supportable space

*Table 38 - "Tertiary Market B" Penetration Level Sales and Space Potentially Captured by Commercial in Ada Village**

Category	2015	2015
Food	$4,865,000	7,739
Eat/Drink	5,691,000	13,550
General Merchandise	3,742,000	22,210
Furniture	1,846,000	4,249
Transportation	10,802,000	35,402
Drugstore	3,522,000	3,423
Apparel	3,481,000	9,658
Hardware	4,865,000	19,824
Vehicle Service	6,680,000	16,262
Miscellaneous	5,773,000	23,054
TOTAL	$51,267,000	155,371

*Developed by The Chesapeake Group, Inc., 2015.

Additional tables associated with the demand projections can be found in the Appendix.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

OPPORTUNITIES SYNOPSIS

Opportunities' Synopsis

The analysis indicates that there are substantial opportunities for development of Ada Village that likely exceed the physical capacity of the Village area, as well as the desire of the residents of Ada Township for the additional development.

The identified opportunities include:

HOUSING

The analysis indicates that roughly 500 new market rate housing units in select price ranges and physical form can be supported.

*Table 20 - Estimated Number of Units by Type**

Price Range	Monthly Payments	Number of Units	Unit Type
$260,000 to $300,000	$1,250 to $1,450	50	Detached
$260,000 to $300,000	$1,250 to $1,450	75	Mixed-Use
$260,000 to $300,000	$1,250 to $1,450	125	Mixed-Style
$180,000 to $220,000	$850 to $950	30	Detached/Mixed-Style
$180,000 to $220,000	$850 to $950	20	Mixed-Use
Not Applicable/Rental	$1,250 to $1,450	100	Mixed-Use
Not Applicable/Rental	$950 to $1,250	50	Mixed-Use

*Developed by The Chesapeake Group, Inc., 2015.

COMMERCIAL OFFICE

There is demand for additional professional offices focused on:

- ◊ Technology and bio-medical activity and research.
- ◊ Physicians and related medical activity.

COMMERCIAL RETAIL AND RELATED SERVICES

Primary and secondary market penetration levels for retail indicate that Ada could support more than 540,000 square feet of retail. Currently only 89,000 square feet exists.

Particular areas where retail demand significantly exceeds supply are:

- ◊ Grocery operations.
- ◊ A full range of food service establishments.
- ◊ Women's and family apparel.
- ◊ Vehicular services.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

STRATEGY

STRATEGY

The demand for activity in Ada Village exceeds the capacity of the land; the amount of commercial development that the Village could support exceeds the amount of land that is available. Just as important, the two conceptual plans developed for the Village over the last ten years, which were based on community planning processes, indicate that the future intensity of commercial use will be limited in accordance with the community's desires. Furthermore, those plans, as well as interviews conducted with residents, suggest that the community has an aspiration that the commercial mix should be dominated by "non-chain" operations, if it is not exclusive to "non-chain" operations. Finally, the desired characteristics of the future Village is a mixture of activity and development combined with an area that is walkable and charming.

This creates somewhat of a conundrum. Demand would indicate that major chain operations would be marketable and financially viable, yet these are not the type of development that is desired. New development, including mixed-use, will result in higher rent levels for commercial activity than exists at present; however, the financing of new space for independents, and the potential longevity, financing and success rate of independents, is traditionally lower than the rents and financing capabilities for major chain activity.

Based on the economic analysis conclusions, as well as the above conundrum, the following suggestions are made with respect to implementing viable economic activity. They should be viewed simply as suggestions and observations related to short and long-term economic viability.

Housing

Expanding the amount of housing and the type of housing options is key to creating economic viability in the Village. This additional housing will facilitate the ability of Ada to retain its current residents that would like to stay but intend to shift housing units in the near future. The new housing will assist with expanding options for potential future employees to major employers in the area and assist with creating a sense of safety, market growth and a "24-7" environment. It also has the potential to increase foot traffic for existing operations.

Whether or not the holding capacity of the Village will allow for the development of 500 units and potentially greater numbers in the future is a physical design issue. Nonetheless, the residential expansion will do more to enhance Ada's long-term character and success than expansion of commercial activity in general.

Recruitment

The recruitment of new retail goods and related services process for the Village will be unique because of the desired tenant mix. Based on demand, the gap analysis, and community desires, the focus of the commercial development will likely be on expanded food service operations, a grocery operation and limited focused apparel operations. It will be difficult to satisfy the demand because of the physical scale required for success even for collections of non-chains with respect to vehicle services, hardware, drugstores and other essential convenience retail.

The identification of operators with successful track records in other locations is likely key to the success of this effort, along with the identification or creation of financing that entices the entities to open unique operations in the Village. The identification of operators will come through reconnaissance and internet searches of tenants for established and successful commercial areas throughout the Grand Rapids region, West Michigan areas to the north of Grand Rapids and metropolitan areas to the east. This process is essential to define unique operations and operators that have had success and could potentially open an additional operation with a different name, different theme, etc.

The reconnaissance would be followed by a dialogue with operators to define interests and conditions of that interest. It is highly probable that the recruitment will involve financial assistance to either facilitate the expansion or with reduced rents for some initial period of time. While the operations are likely to have a higher success rate than start-ups, the success rate is still likely to be below that of chains.

Professional medical services can be attracted utilizing more traditional commercial real estate means. The attraction is unlikely to require financial support. Primary information on professional recruitment lists can be generated from four sources. They are:

- Professional associations.
- Chambers of Commerce's membership lists.
- State regulatory agencies.
- LinkedIn or other professional-oriented web-based entities.

It is not cost effective to dissect, pre-qualify, or pre-select the professionals. Mass electronic dissemination or mailings, even if over time, will inevitably have greater cost effectiveness than any pre-qualifying effort.

Start-up Operations and Commercial Activity

Truly unique food service experiences and food operations are likely to come from start-ups as well. A number of the more successful ventures in the Village at this time are start-ups with a successful long-term vision and business plan. They have been key to the upscale image of the Village appealing to a broad cross-section of patrons.

Historically there were local banks that would finance start-up activity based on knowledge of those to whom they were lending, the viability of the business plan, the quality of the idea and other factors. That financing option no longer exists, even though the need remains.

Therefore, the only way to preserve this opportunity for additional start-ups is through creative financing activity through the community. This may involve initial injection of capital (loans) as well as leases structured based on targeted revenue goals for potentially fully vetted operators.

Local-based Crowdfunding for Financing

The establishment of a local crowdfund option for financing of real estate ventures, business capital, start-ups, expansion and other aspects of the commercial business structure is one option that should be given serious consideration.

Crowdfunding can be used to open the door and provide an incentive for entrepreneurship. The rules allow investors (in this case Ada residents, property owners and businesses and surrounding area interests) to invest in companies using a crowdfunding exchange if they will locate in the Village. New, small and promising companies could be enticed to come to the Village by providing capital. Not only is capital generated, but expansion costs can be lowered from the savings associated with the decreased need to hire investment bankers and accountants. Working with and through an existing "funding platform," including Kickstarter, Selfstarter, Micro-Ventures, Indiegogo, and Fundable, Ada could promote the availability of capital generated by local residents and businesses to grow new and fresh ideas and entrepreneurial entities.

Equity crowdfunding is really simply an extension of raising investment dollars from relatives, friends and other individuals frequently used to launch new businesses. This would provide a competitive advantage for the Village and help to keep a balance of established operations and new ideas and operations.

Contributions to or through a crowdfund are investment funds; their purpose is to provide a return on investment. In general, the investments are "hit or miss" on an individual business or stock purchase just as the expansion or start-up of all operations. But when success is achieved, it is generally at a level exceeding any losses within the fund.

For Ada it is unlikely that one "hit" will compensate sufficiently for a loss in the short-term. The investment should be made for the long-term where there is an increased probability of a successful return on investment (ROI). A more balanced long-term approach will result in returns and a lower probability of non-successful businesses and investments for those involved in the crowdfund.

One substantial benefit to a locally directed crowdfund effort is the sense of ownership in the financed activity and businesses and in the Village itself. That sense of ownership will result in greater spending, use and visitation of the businesses and would lessen the probable failure rates. This sense of ownership should not be underestimated; through the use of crowdfunding, the failure rates for expansion and start-ups should be well below those in more traditional financed settings.

Retention

Any financing and assistance that is available for new and recruited businesses should also be provided to existing operations in the Village. Not doing so will create a perception of competitive imbalance and could create hostility from the existing businesses. Therefore, whatever assistance exists for those recruited or start-up support should be available as well to those current operations that require funding for expansion and new investment within the Village to maintain viability.

A Village "Market"

There is a clear gap, and substantial documented demand, for grocery goods and services purchased primarily for home preparation and consumption. In addition to traditional grocery goods, the survey findings indicate that residents are making frequent purchases of fresh products for home preparation and consumption from non-box and non-supermarket operations at the present time. The survey also indicates that a full-range of other products is being purchased from non-box, non-supermarket operations.

A grocery operation is the strongest possible anchor for the community shopping area including the Village because of the frequency of trips made to such stores by various household members. In addition to the goods and services offered by the grocery operation, its use will provide the opportunity to capture and share patronage with other food services, restaurants and many other retail operations. At present, there is a total lack of local grocery options except when the farmers' market is operating, and then the goods and services are limited.

it may be possible to recruit a small health or fresh oriented market to Ada. However, because of the proximity to existing or proposed sites of some of the local and national small footprint chains, the recruitment of small market may not be successful.

Based on the 13,000 square feet of supportable space capturable from the primary market alone, as well as the success of the current farmers market and demand for activity generated by the secondary and tertiary markets, consideration should be given to developing a "Village Market." The Village Market would be composed of independent operators offering fresh merchandise and other related products in an indoors setting as a full year operation. there are examples in Michigan as well as elsewhere around the country where framers market vendors have been evolved into full year market tenants or opened operations independent of others.

Such a facility, composed of 15,000 to 22,000 square feet of space, would be a unique anchor for the Village, open seven days a week.

Mixed-use

Construction of new commercial activity will require higher rents than those associated with existing Village structure. Mixed-use development will require even higher rents for first floor commercial than other new construction to provide a return on investment as a result of increased common area space, electrical equipment, load bearing construction, etc. Yet, and as in the noted conundrum, initial rent levels paid by independents or start-ups will be below those of the chains.

There is now a substantial track record over a long enough period of time that indicates first floor commercial in mixed-use structures has a higher turnover rate than traditional development. One reason is the higher rents that are necessary.

At least initially, the required lower first floor rents for independents in mixed-use sections of the development will result in insufficient ROI for developers. Some compensation to maintain lower rents for first floors for a period of time to provide ROI is likely to be required in the mixed-use sections of the Village.

ECONOMIC ANALYSIS FOR ADA VILLAGE IN ADA TOWNSHIP, MICHIGAN

APPENDIX

APPENDIX

*Table 1A - Under-represented at Zip Code Level**

Industry Code	Industry code Description
444220	Nursery, Garden Center, and Farm Supply Stores
445310	Beer, Wine, and Liquor Stores
446110	Pharmacies and Drug Stores
447190	Other Gasoline Stations
448120	Women's Clothing Stores
512110	Motion Picture and Video Production
522110	Commercial Banking
522310	Mortgage and Non-mortgage Loan Brokers
541110	Offices of Lawyers
541191	Title Abstract and Settlement Offices
541320	Landscape Architectural Services
541511	Custom Computer Programming Services
541512	Computer Systems Design Services
541519	Other Computer Related Services
541611	Administrative Management and General Management Consulting Services
541614	Process, Physical Distribution, and Logistics Consulting Services
541618	Other Management Consulting Services
541620	Environmental Consulting Services
541690	Other Scientific and Technical Consulting Services
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
541820	Public Relations Agencies
541921	Photography Studios, Portrait
551114	Corporate, Subsidiary, and Regional Managing Offices
611110	Elementary and Secondary Schools
611620	Sports and Recreation Instruction
621111	Offices of Physicians (except Mental Health Specialists)
621112	Offices of Physicians, Mental Health Specialists
621210	Offices of Dentists
621310	Offices of Chiropractors
623312	Assisted Living Facilities for the Elderly
624120	Services for the Elderly and Persons with Disabilities
624410	Child Day Care Services
713940	Fitness and Recreational Sports Centers
722511	Full-Service Restaurants
722513	Limited-Service Restaurants
722515	Snack and Nonalcoholic Beverage Bars
812112	Beauty Salons
812113	Nail Salons
812199	Other Personal Care Services
812910	Pet Care (except Veterinary) Services
813211	Grant making Foundations

*Developed by The Chesapeake Group, Inc., 2015.

*Table 2A - Under-represented at County Level**

Industry Code	Industry code Description
442291	Window Treatment Stores
445110	Supermarkets and Other Grocery (except Convenience) Stores
445292	Confectionery and Nut Stores
445310	Beer, Wine, and Liquor Stores
446110	Pharmacies and Drug Stores
447190	Other Gasoline Stations
453110	Florists
453220	Gift, Novelty, and Souvenir Stores
453910	Pet and Pet Supplies Stores
511110	Newspaper Publishers
511120	Periodical Publishers
512110	Motion Picture and Video Production
512220	Integrated Record Production/Distribution
519130	Internet Publishing and Broadcasting and Web Search Portals
523110	Investment Banking and Securities Dealing
531110	Lessors of Residential Buildings and Dwellings
531120	Lessors of Nonresidential Buildings (except Mini-warehouses)
531311	Residential Property Managers
532111	Passenger Car Rental
532420	Office Machinery and Equipment Rental and Leasing
541110	Offices of Lawyers
541213	Tax Preparation Services
541410	Interior Design Services
541512	Computer Systems Design Services
541513	Computer Facilities Management Services
541620	Environmental Consulting Services
541711	Research and Development in Biotechnology
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
541830	Media Buying Agencies
541910	Marketing Research and Public Opinion Polling
561210	Facilities Support Services
561422	Telemarketing Bureaus and Other Contact Centers
561611	Investigation Services
561612	Security Guards and Patrol Services
561621	Security Systems Services (except Locksmiths)
562910	Remediation Services
611513	Apprenticeship Training
611691	Exam Preparation and Tutoring
611692	Automobile Driving Schools
621111	Offices of Physicians (except Mental Health Specialists)
621112	Offices of Physicians, Mental Health Specialists
621492	Kidney Dialysis Centers
621493	Freestanding Ambulatory Surgical and Emergency Centers

621511	Medical Laboratories
621512	Diagnostic Imaging Centers
621910	Ambulance Services
622110	General Medical and Surgical Hospitals
623110	Nursing Care Facilities (Skilled Nursing Facilities)
624120	Services for the Elderly and Persons with Disabilities
624221	Temporary Shelters
624410	Child Day Care Services
711130	Musical Groups and Artists
711211	Sports Teams and Clubs
711410	Agents and Managers for Artists, Athletes, Entertainers, and Other Public Figures
711510	Independent Artists, Writers, and Performers
722330	Mobile Food Services
722410	Drinking Places (Alcoholic Beverages)
722511	Full-Service Restaurants
722513	Limited-Service Restaurants
722515	Snack and Nonalcoholic Beverage Bars
811111	General Automotive Repair
811112	Automotive Exhaust System Repair
811121	Automotive Body, Paint, and Interior Repair and Maintenance
812111	Barber Shops
812112	Beauty Salons
812113	Nail Salons
812910	Pet Care (except Veterinary) Services
812930	Parking Lots and Garages
813312	Environment, Conservation and Wildlife Organizations
813920	Professional Organizations

*Developed by The Chesapeake Group, Inc., 2015.

*Table 3A - Common Under-represented**

Industry Code	Industry code Description
445310	Beer, Wine, and Liquor Stores
446110	Pharmacies and Drug Stores
447190	Other Gasoline Stations
512110	Motion Picture and Video Production
541110	Offices of Lawyers
541512	Computer Systems Design Services
541620	Environmental Consulting Services
541712	Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)
621111	Offices of Physicians (except Mental Health Specialists)
621112	Offices of Physicians, Mental Health Specialists
624120	Services for the Elderly and Persons with Disabilities
722511	Full-Service Restaurants
722513	Limited-Service Restaurants
722515	Snack and Nonalcoholic Beverage Bars
812112	Beauty Salons
812113	Nail Salons
812910	Pet Care (except Veterinary) Services

*Developed by The Chesapeake Group, Inc., 2015.

*Table 4A - Number of People in Household**

Number	Percent
1	8.7%
2	26.3%
3	16.8%
4	31.2%
5	11.9%
6 or more	5.1%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 5A - Household Part-time Employment Levels**

Number Employed Part-time	Percent
0	62.7%
1	30.4%
2	5.1%
3	1.6%
4 or more	0.2%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 6A - Tenure at Current Address**

Number of Years at Address	Percent
2 years or less	18.8%
3 to 4 years	13.7%
5 to 9 years	19.4%
10 to 19 years	30.2%
20 or more years	17.9%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 7A - Frequency of Movie Trips**

Frequency	Percent
A few times/week	0.2%
About once/week	1.3%
About twice/month	7.0%
Once/ month	13.8%
4 to 9 times/year	30.2%
Once or twice/year	30.9%
Less often than once/year	16.6%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 8A - Frequency Attend Various Events**

Frequency	% Craft	% Collectibles	% Prof. Sporting Events	% College Sports Events	% Other Entertainment
A few times/week	0.7%	0.2%	0.0%	0.0%	2.7%
About once/week	0.4%	0.2%	0.2%	1.3%	9.1%
About twice/month	1.6%	0.9%	2.2%	1.4%	15.6%
Once/ month	4.1%	1.4%	4.1%	3.4%	20.5%
4 to 9 times/year	13.2%	4.8%	23.0%	14.2%	30.8%
Once or twice/year	50.8%	25.5%	39.6%	31.3%	16.5%
Less often than once/year	29.2%	67.0%	30.9%	48.4%	4.8%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 9A - Total Primary and Zip Demand**

Category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$18,634,000	$19,368,000	$20,101,000	29,642	30,808	31,975
Eat/Drink	21,795,000	22,653,000	23,511,000	51,893	53,936	55,979
General Merchandise	14,334,000	14,898,000	15,462,000	85,077	88,425	91,771
Furniture	7,069,000	7,347,000	7,625,000	16,271	16,911	17,550
Transportation	41,372,000	43,001,000	44,629,000	135,591	140,930	146,266
Drugstore	13,489,000	14,021,000	14,552,000	13,109	13,626	14,142
Apparel	13,332,000	13,857,000	14,382,000	36,990	38,447	39,904
Hardware	18,634,000	19,368,000	20,101,000	75,933	78,924	81,911
Vehicle Service	25,585,000	26,592,000	27,599,000	62,286	64,737	67,189
Miscellaneous	22,109,000	22,980,000	23,850,000	88,294	91,772	95,248
TOTAL	$196,353,000	$204,085,000	$211,812,000	595,086	618,516	641,935

*Developed by The Chesapeake Group, Inc., 2015.

*Table 10A - Total Primary and Zip Demand by Operation**

Sub-category	2015 Sales	2020 Sales	2025 Sales	2015 Space	2020 Space	2025 Space
Food	$18,634,000	$19,368,000	$20,101,000	29,642	30,808	31,975
Supermarkets	15,559,390	16,172,280	16,784,335	23,575	24,503	25,431
Independents	1,490,720	1,549,440	1,608,080	3,727	3,874	4,020
Bakeries	409,948	426,096	442,222	1,366	1,420	1,474
Dairies	242,242	251,784	261,313	673	699	726
Others	931,700	968,400	1,005,050	301	312	324
Eat/Drink	21,795,000	22,653,000	23,511,000	51,893	53,936	55,979
General Merchandise	14,334,000	14,898,000	15,462,000	85,077	88,425	91,771
Dept. Stores	5,074,236	5,273,892	5,473,548	21,143	21,975	22,806
Variety Stores	1,032,048	1,072,656	1,113,264	6,071	6,310	6,549
Jewelry	989,046	1,027,962	1,066,878	1,393	1,448	1,503
Sporting Goods/Toys	1,562,406	1,623,882	1,685,358	6,250	6,496	6,741
Discount Dept.	5,375,250	5,586,750	5,798,250	48,866	50,789	52,711
Antiques, etc.	71,670	74,490	77,310	312	324	336
Others	229,344	238,368	247,392	1,042	1,083	1,125
Furniture	7,069,000	7,347,000	7,625,000	16,271	16,911	17,550
Furniture	1,067,419	1,109,397	1,151,375	3,443	3,579	3,714
Home Furnishings	1,470,352	1,528,176	1,586,000	5,446	5,660	5,874
Store/Office Equip.	1,116,902	1,160,826	1,204,750	2,327	2,418	2,510
Music Instr./Supplies	303,967	315,921	327,875	1,520	1,580	1,639
Radios, TV, etc.	3,110,360	3,232,680	3,355,000	3,535	3,674	3,813
Transportation	41,372,000	43,001,000	44,629,000	135,591	140,930	146,266
New/Used Vehicles	14,480,200	15,050,350	15,620,150	36,201	37,626	39,050
Tires, Batteries, Parts	18,245,052	18,963,441	19,681,389	76,021	79,014	82,006
Marine Sales/Rentals	2,192,716	2,279,053	2,365,337	5,926	6,160	6,393
Auto/Truck Rentals	6,454,032	6,708,156	6,962,124	17,443	18,130	18,817
Drugstore	13,489,000	14,021,000	14,552,000	13,109	13,626	14,142
Apparel	13,332,000	13,857,000	14,382,000	36,990	38,447	39,904
Men's and Boy's	1,746,492	1,815,267	1,884,042	4,366	4,538	4,710
Women's and Girl's	4,426,224	4,600,524	4,774,824	11,963	12,434	12,905
Infants	279,972	290,997	302,022	933	970	1,007
Family	3,706,296	3,852,246	3,998,196	14,825	15,409	15,993
Shoes	2,786,388	2,896,113	3,005,838	3,166	3,291	3,416
Jeans/Leather	53,328	55,428	57,528	178	185	192
Tailors/Uniforms	239,976	249,426	258,876	1,200	1,247	1,294
Others	93,324	96,999	100,674	359	373	387
Hardware	18,634,000	19,368,000	20,101,000	75,933	78,924	81,911
Hardware	9,018,856	9,374,112	9,728,884	32,796	34,088	35,378
Lawn/Seed/Fertilizer	354,046	367,992	381,919	1,041	1,082	1,123
Others	9,261,098	9,625,896	9,990,197	42,096	43,754	45,410
Vehicle Service	25,585,000	26,592,000	27,599,000	62,286	64,737	67,189
Gasoline	8,698,900	9,041,280	9,383,660	5,999	6,235	6,471
Garage, Repairs	16,886,100	17,550,720	18,215,340	56,287	58,502	60,718
Miscellaneous	22,109,000	22,980,000	23,850,000	88,294	91,772	95,248
Advert. Signs, etc.	353,744	367,680	381,600	1,286	1,337	1,388
Barber/Beauty shop	1,348,649	1,401,780	1,454,850	6,743	7,009	7,274
Book Stores	1,017,014	1,057,080	1,097,100	5,650	5,873	6,095
Bowling	508,507	528,540	548,550	5,085	5,285	5,486
Cig./Tobacco Dealer	154,763	160,860	166,950	310	322	334
Dental/Physician Lab	884,360	919,200	954,000	2,721	2,828	2,935
Florist/Nurseries	1,658,175	1,723,500	1,788,750	3,902	4,055	4,209
Laundry, Dry Clean	751,706	781,320	810,900	2,506	2,604	2,703
Optical Goods/Opt.	530,616	551,520	572,400	1,516	1,576	1,635
Photo Supplies/Photog.	1,525,521	1,585,620	1,645,650	4,359	4,530	4,702
Printing	1,790,829	1,861,380	1,931,850	6,512	6,769	7,025
Paper/Paper Products	950,687	988,140	1,025,550	4,753	4,941	5,128
Gifts/Cards/Novelty	3,161,587	3,286,140	3,410,550	10,539	10,954	11,369
Newsstands	176,872	183,840	190,800	354	368	382
Video Rent/Sales	2,874,170	2,987,400	3,100,500	14,371	14,937	15,503
Others	4,421,800	4,596,000	4,770,000	17,687	18,384	19,080
TOTAL	$196,353,000	$204,085,000	$211,812,000	595,086	618,516	641,935

*Developed by The Chesapeake Group, Inc., 2015.

*Table 11A - "Tertiary Market A" Demand**

Sub-category	2015 Sales	2015 Space
Food	$9,729,000	15,476
Supermarkets	8,123,715	12,309
Independents	778,320	1,946
Bakeries	214,038	713
Dairies	126,477	351
Others	486,450	157
Eat/Drink	11,380,000	27,095
General Merchandise	7,484,000	44,420
Dept. Stores	2,649,336	11,039
Variety Stores	538,848	3,170
Jewelry	516,396	727
Sporting Goods/Toys	815,756	3,263
Discount Dept.	2,806,500	25,514
Antiques, etc.	37,420	163
Others	119,744	544
Furniture	3,691,000	8,496
Furniture	557,341	1,798
Home Furnishings	767,728	2,843
Store/Office Equip.	583,178	1,215
Music Instr./Suppl.	158,713	794
Radios, TV, etc.	1,624,040	1,846
Transportation	21,601,000	70,794
New/Used Vehicles	7,560,350	18,901
Tires, Batteries, Parts	9,526,041	39,692
Marine Sales/Rentals	1,144,853	3,094
Auto/Truck Rentals	3,369,756	9,107
Drugstore	7,043,000	6,845
Apparel	6,961,000	19,313
Men's and Boy's	911,891	2,280
Women's and Girl's	2,311,052	6,246
Infants	146,181	487
Family	1,935,158	7,741
Shoes	1,454,849	1,653
Jeans/Leather	27,844	93
Tailors/Uniforms	125,298	626
Others	48,727	187
Hardware	9,729,000	39,646
Hardware	4,708,836	17,123
Lawn/Seed/Fertilizer	184,851	544
Others	4,835,313	21,979
Vehicle Service	13,358,000	32,520
Gasoline	4,541,720	3,132
Garage, Repairs	8,816,280	29,388
Miscellaneous	11,544,000	46,103
Advert. Signs, etc.	184,704	672
Barber/Beauty shop	704,184	3,521
Book Stores	531,024	2,950
Bowling	265,512	2,655
Cig./Tobacco Dealer	80,808	162
Dental/Physician Lab	461,760	1,421
Florist/Nurseries	865,800	2,037
Laundry, Dry Clean	392,496	1,308
Optical Goods/Opt.	277,056	792
Photo Supplies/Photog.	796,536	2,276
Printing	935,064	3,400
Paper/Paper Products	496,392	2,482
Gifts/Cards/Novelty	1,650,792	5,503
Newsstands	92,352	185
Video Rent/Sales	1,500,720	7,504
Others	2,308,800	9,235
TOTAL	$102,520,000	310,708

*Developed by The Chesapeake Group, Inc., 2015.

*Table 12A - "Tertiary Market B" Demand**

Sub-category	2015	2015
Food	$4,865,000	7,739
Supermarkets	4,062,275	6,155
Independents	389,200	973
Bakeries	107,030	357
Dairies	63,245	176
Others	243,250	78
Eat/Drink	5,691,000	13,550
General Merchandise	3,742,000	22,210
Dept. Stores	1,324,668	5,519
Variety Stores	269,424	1,585
Jewelry	258,198	364
Sporting Goods/Toys	407,878	1,632
Discount Dept.	1,403,250	12,757
Antiques, etc.	18,710	81
Others	59,872	272
Furniture	1,846,000	4,249
Furniture	278,746	899
Home Furnishings	383,968	1,422
Store/Office Equip.	291,668	608
Music Instr./Suppl.	79,378	397
Radios, TV, etc.	812,240	923
Transportation	10,802,000	35,402
New/Used Vehicles	3,780,700	9,452
Tires, Batteries, Parts	4,763,682	19,849
Marine Sales/Rentals	572,506	1,547
Auto/Truck Rentals	1,685,112	4,554
Drugstore	3,522,000	3,423
Apparel	3,481,000	9,658
Men's and Boy's	456,011	1,140
Women's and Girl's	1,155,692	3,123
Infants	73,101	244
Family	967,718	3,871
Shoes	727,529	827
Jeans/Leather	13,924	46
Tailors/Uniforms	62,658	313
Others	24,367	94
Hardware	4,865,000	19,824
Hardware	2,354,660	8,562
Lawn/Seed/Fertilizer	92,435	272
Others	2,417,905	10,990
Vehicle Service	6,680,000	16,262
Gasoline	2,271,200	1,566
Garage, Repairs	4,408,800	14,696
Miscellaneous	5,773,000	23,054
Advert. Signs, etc.	92,368	336
Barber/Beauty shop	352,153	1,761
Book Stores	265,558	1,475
Bowling	132,779	1,328
Cig./Tobacco Dealer	40,411	81
Dental/Physician Lab	230,920	711
Florist/Nurseries	432,975	1,019
Laundry, Dry Clean	196,282	654
Optical Goods/Opt.	138,552	396
Photo Supplies/Photog.	398,337	1,138
Printing	467,613	1,700
Paper/Paper Products	248,239	1,241
Gifts/Cards/Novelty	825,539	2,752
Newsstands	46,184	92
Video Rent/Sales	750,490	3,752
Others	1,154,600	4,618
TOTAL	$51,267,000	155,371

*Developed by The Chesapeake Group, Inc., 2015.

*Table 13A - Characterization of Various Township and Village Options and Activity**

Characteristic	1 Poor	2 Fair	3 Good	4 Very Good	5 Excellent
Housing Options	20%	27%	30%	16%	7%
Availability of professional and personal services	11%	43%	31%	11%	4%
Ada shopping options	43%	44%	9%	3%	1%
Ada shopping experience	27%	35%	28%	8%	2%
Commercial area parking	18%	30%	36%	12%	4%
Outdoor space for special events, such as festivals and concerts	23%	38%	24%	12%	3%
Outdoor play space for children	20%	31%	27%	17%	4%
Walking experiences that are safe, comfortable and interesting	11%	26%	29%	24%	10%
Public restrooms	38%	34%	22%	5%	2%

*Developed by The Chesapeake Group, Inc., 2015.

*Table 14A - Additional Activities Desired in the Village by Residents**

Desired Village Activities	Yes	No	Not Certain
Art exhibits or performances, ranging from local Arts Council to an "ArtPrize" venue	85%	5%	10%
Music performances	85%	5%	10%
Public lectures with speakers	38%	25%	37%
Indoor recreational activities	64%	13%	23%
Extended season farmers' market	84%	6%	10%
Comedian performances or competitions, including Gilda's Club LaughFest	66%	13%	21%
Family movie nights	53%	25%	22%
Fundraising events for charity or organizations	55%	14%	31%

*Developed by The Chesapeake Group, Inc., 2015.