

A Strategic Market Analysis
--- Economic and Residential Outlook ---
Portage, Michigan

Prepared on behalf of:

City of Portage
7900 S. Westnedge Avenue
Portage, MI 49002

December 1, 2023



TRACY CROSS & ASSOCIATES, INC.
REAL ESTATE MARKET ANALYSIS

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INTRODUCTION

At the request of the City of Portage, Tracy Cross & Associates, Inc. evaluated the market potential for residential development throughout Portage, Kalamazoo County, Michigan, addressing the market potential for new construction and/or adaptive residential conversion rental and for sale housing alternatives. Our objective is to provide the City of Portage and associated stakeholders with a full understanding of relevant regional economic and residential market trends as they may impact upon future residential and/or mixed-use development initiatives throughout the city. This report, which is intended to serve as the basis for attracting and retaining quality investment in Portage and as a guideline for policy decisions, planning and implementation strategies, establishes the following:

- ☐ Conclusions regarding the strength of the market area for residential development over the 2023-2028 timeframe and, for planning purposes, projected through 2033. These conclusions are based upon current and anticipated economic, demographic, and residential construction trends which define the marketplace.
- ☐ Conclusions regarding the highest and best residential development opportunities throughout the city which meet the needs of area residents (current and future). These conclusions are based upon the strength of the Kalamazoo County region, demographic and socio-economic characteristics of resident households, and the alignment and condition of the area's housing stock.
- ☐ Residential product development guidelines for those housing forms viewed to hold measurable market support now and into the future. These guidelines address, by generic housing type, optimum unit count by project/phase, plan styles and unit size, product criteria/finishes, community-based amenities, viewed as necessary to attain acceptable levels of absorption at benchmark rent/pricing guidelines intended to accommodate households across all levels of affordability.
- ☐ General geographic positioning guidelines for introduction of new housing products throughout the city of Portage, with particular focus upon the core City Centre, Crossroads Mall Area and Lake Center districts as defined in the Draft 2024 Master Plan.

WORK PLAN

The work plan for this assignment involved a series of inter-related research investigations as outlined below:

- ☐ A thorough field investigation to identify locational attributes and/or diseconomies of various sub-areas of Portage as they may impact upon residential demand and future development opportunities.
- ☐ Analysis of all relevant regional employment and residential construction trends as well as key demographic and socio-economic variables of resident households, together with estimates of long term growth projections.
- ☐ A detailed examination of relevant market rate rental apartment and for sale alternatives (including new and existing homes) throughout the greater Kalamazoo County region to determine their potential impact upon future new construction initiatives.
- ☐ A forecast of residential construction requirements in the host Kalamazoo County, segmenting demand by market segment.

THE REPORT


This report is divided into three sections together with an Executive Summary as well as an Appendix which integrates economic, demographic, and competitive data. Of particular importance **Section 1**, which characterizes the city of Portage and forwards detailed conclusions and recommendations regarding the highest and best residential development opportunities. Not to be dismissed, however, are the remaining two sections which can be defined as *fundamentals*. **Section 2**, for instance, provides an outlook for future housing absorption in the market area based upon all demand-related variables, while **Section 3** presents a thorough analysis of the study area's residential marketplace.

CERTIFICATION AND SIGNATURE

This analysis represents our objective and independent opinion regarding the market potential for ongoing residential development throughout Portage, Kalamazoo County, Michigan as certified below:

TRACY CROSS & ASSOCIATES, INC.

An Illinois Corporation

By: 
HollyAnn Eageny

Its: Executive Vice President and COO

By: 
Michael A. Stumpf

Its: Senior Research Analyst

Date: December 1, 2023





EXECUTIVE SUMMARY

Tracy Cross & Associates, Inc. is pleased to submit our Strategic Market Analysis addressing residential development opportunities throughout the city of Portage, Michigan. Our objective is to provide the City of Portage and associated stakeholders with a full understanding of relevant regional economic and residential market trends as they may impact upon future residential and/or mixed-use development initiatives throughout the city, with focus upon its City Centre District, Crossroads Mall Area District and Lake Center District which may represent principal areas of initial opportunity. Our report is intended to serve as the basis for attracting and retaining high quality investment in Portage and as a guideline for policy decisions and implementation strategies. This section of our report serves as an Executive Summary of our analysis attached hereto.

A FRAMEWORK FOR PLANNING

The City of Portage and its stakeholder partners recognize the necessity to ensure a full continuum of quality housing alternatives to meet the needs of a diverse base of today's – and tomorrow's – constituents and ensure that Portage remains positioned to attract and retain future workforce generations by enhancing quality of life components and "Main Street" investment in support of local businesses, the arts, dining, and civic amenities which are all within a reasonable distance of one's home. As detailed in our analysis, residential opportunities in Portage span market rate/workforce moderate-density apartment as well as low-density rental idioms, along with continued phased introduction of attached and detached for sale housing forms.

Serving to instill momentum, and within the context of the city's Draft 2024 Master Plan, our report forwards recommendations for introduction of a variety of housing products which can achieve reasonable absorption levels at market-consistent rents and/or sales prices. It is noted that these benchmark guidelines are presented in 2023 dollars, are forwarded for purposes of financial modeling, and are intended to assist public officials in planning strategies, builder participant selection, and implementation efforts long term. Across most product types, it is expected that *up to three (3) developments* could be concurrently marketing at any given time *assuming that product offerings provide a continuum of plan types and rent/price points*, continuous construction and delivery schedules are maintained for all phases and/or individual projects, and development adheres to the following criteria:

- ☐ First and foremost, builder participants must maintain a disciplined approach to residential product offerings which follow a logical hierarchy in terms of product form, unit sizes and rents/sales prices which can be easily understood by the consumer and, at the same time, maximize efficiencies and overall profitability.
- ☐ Housing product must remain within the affordability limits of the market to ensure that development(s) are equally attractive to young professionals in the early stages of their career, middle income/entry-level homebuyers, localized move-up purchasers, transferees, and downsizing empty-nesters, as well as those younger and/or mature cohorts desirous of a low-maintenance lifestyle.
- ☐ Most importantly, as it is likely that builder partners attracted to development opportunities in Portage will largely represent the region's group of established, privately-held homebuilding companies, it is *imperative* that city planners work with developer partners to establish strict development covenants for all future projects which ensure that respective developments maintain consistent architectural elevations, color palettes, as well as aesthetic treatments including streetscape, lighting, signage, landscape, placement of pocket parks, walking trails and other

greenspace for active and passive recreation/reflection that meet the expectations of existing and future/transferee households. Adherence to development covenants is paramount to the integrity of future residential developments in order to sustain momentum and (again) maximize consumer appeal and overall profitability. At the same time, public officials must be prepared *to partner with homebuilders regarding infrastructure and other public improvements and/or regulatory requirements* in order to achieve the shared goal of ensuring the availability of quality housing options which span a full continuum of consumer segments and affordability levels.

RESIDENTIAL OUTLOOK

As fully detailed in Section 2 of this report, market fundamentals which have guided the region's economy over the last decade remain intact and support future residential housing initiatives throughout the city of Portage. Based upon a synthesis of economic factors and empirical residential trends, over the 2023-2028 forecast period (and for planning purposes extended through 2033), the defined Kalamazoo County Market Area could support construction of up to 920 new housing units yearly, distributed between 485 units in ownership sectors and 435 market rate rental forms.

**ANNUAL RESIDENTIAL CONSTRUCTION POTENTIALS BY PRODUCT TYPE
-- KALAMAZOO COUNTY MARKET AREA --
2023 - 2033**

Product Type	Average Annual Absorption (In Units)		
	Kalamazoo County Market Area	City of Portage	
		Total Units	Percent of Market Area
Total	920	465	50.5
For Sale	485	245	50.5
Single Family Detached	335	160	47.8
Townhome/Condominium	150	85	56.7
For Rent	435	220	50.6
⁽¹⁾ <i>Estimates</i> are subject to zoning constraints which could pose limitations on project densities, product form, development timeline, etc. These estimates assume that sufficient development parcels are available and, most importantly, that future for sale and rental apartment developments maintain <i>competitive sales prices/rents</i> .			

Source: Tracy Cross & Associates, Inc.

In for sale categories, single family detached forms (*including site condominiums*) will account for some 69.0 percent of all new ownership construction or 335 units yearly, with attached ownership forms representing the remaining 150 units yearly (on average). It is expected that the majority of new detached for sale construction will occur in suburban areas of Kalamazoo County as the generally built-out nature of the urban core will effectively limit for sale development to smaller infill locations and/or redevelopment sites. Conversely, *non-student* rental housing construction requirements through forecast timeframe, cast at 435 units yearly, will remain concentrated in the cities of Kalamazoo and Portage.

This construction forecast reconciles regional household growth projections, anticipated strained for sale inventory levels over the near term, a measure of replacement demand, and vacancy allowances to permit adequate market filtering. The 485-unit annual *ownership* forecast is modestly higher than the 400-unit average noted during the 2017-2022 timeframe and considers the expectation of measured post-pandemic economic growth through the forecast period and beyond. Similarly, the 435-unit annual rental construction

projection also considers shifts in housing trends in recent years, and reflects the potential introduction of lifestyle, low-density attached townhome/duplex and single family detached rentals over the forecast period. It is also noted that new residential construction requirements *could potentially double during any given year* if supply were made available and *competitive sales prices and rents are maintained*. Derived residential construction requirements represent more than adequate support for future residential development initiatives throughout the city of Portage.

Further disaggregating potential ownership construction requirements based upon the distribution of household incomes throughout Kalamazoo County, together with an examination of existing and new construction single family and attached closings over the last 44 months (2020-August 2023), new construction for sale potentials will carry an average closing price of \$395,653 **in 2023 dollars**. As delineated in the following text table, over the forecast period, it is expected that just over one-half of new production/semi-custom closings (52.5 percent or +/-255 units yearly) will be concentrated at *current 2023 dollar* price points below \$399,000, with another 33.3 percent or an estimated 160 closings yearly aligning pricing categories of \$400,000 to \$549,999. By housing type, new single family closings are expected to carry an average current dollar closing price of \$385,900 with a modest 19.4 percent expected to carry closing prices of \$550,000 or more. Attached for sale alternatives, in turn, are expected to carry an average current dollar closing price of \$408,500, reflecting the preponderance of lifestyle site condominiums and duplex offerings concentrated in the more urban areas of the county (refer to Appendices A2.6 and A2.7).

ANNUAL NEW CONSTRUCTION POTENTIALS BY PRICE RANGE AND PRODUCT TYPE
-- KALAMAZOO COUNTY MARKET AREA --
2023 - 2028

Closing Price Range (In 2023 Dollars)	Total		Single Family Detached		Townhome/Condominium	
	Annual Closings	Percent	Number of Sales	Percent	Number of Sales	Percent
\$250,000 - 299,999	40	8.2	30	9.0	10	6.7
300,000 - 349,999	100	20.6	70	20.9	30	20.0
350,000 - 399,999	115	23.7	85	25.4	30	20.0
400,000 - 449,999	75	15.5	50	14.9	25	16.7
450,000 - 499,999	55	11.3	35	10.4	20	13.3
500,000 - 549,999	30	6.2	20	6.0	10	6.7
550,000 - 599,999	25	5.2	15	4.5	10	6.7
600,000 - 699,999	20	4.1	15	4.5	5	3.3
700,000 - 799,999	10	2.1	5	1.5	5	3.3
800,000 and Over	15	3.1	10	3.0	5	3.3
Total	485	100.0	335	100.0	150	100.0
Average	\$395,653		\$389,900		\$408,500	

Source: Tracy Cross & Associates, Inc.

It is unlikely, however, that *ownership* demand potential will be met given the region's established pattern of *phased* development over an extended period of time. For example, as detailed in Appendix A2.8, while at present there are some 19 separate single family and townhome/duplex ownership developments and a collective 767 potential new units in some stage of the Kalamazoo County planning pipeline, virtually all reflect additional phases of existing subdivisions with the average future phase reflecting a modest 40 units in size. Similarly, there are an additional 17 rental projects and some 2,196 potential new units in planning. In this sector, as well, most developments are of moderate scale averaging 129 units in size. Notably, in Portage itself, only 183 ownership units and 180 rental units are currently under construction and expected to begin marketing over the coming 12- to 18 months. These include (among others) *Willow Crossings*, a 23-unit townhome development; 150 single family units representing additional phases of *The Oaks* and *Streamsong Condominiums*, along with the 180-unit *Tall Timbers* midrise apartments. Hence, development of rental and ownership housing forms in the city of Portage (and, for that matter, throughout Kalamazoo

County) will serve to alleviate some measure of pent-up demand for quality housing alternatives which meet the needs of today's – and tomorrow's consumers.

BENCHMARK DEVELOPMENT STRATEGIES

Consistent with the vision outlined in the city's Draft 2024 Master Plan Plan, Section 1 of this analysis provides product development guidelines for a range of rental and for sale housing alternatives as well as general geographic positioning recommendations for consideration. To summarize, the benchmark strategies are consistent with the newest rental and for sale housing products available throughout the Kalamazoo-Portage region and elsewhere in the Midwest, primarily representing product lines marketed by regional homebuilders today. These guidelines provide a logical continuum of plan types, unit sizes and rent/price points which place the respective absorption forecasts in perspective and span a broad range of affordability levels. Benchmark strategies for all for sale idioms also appropriately position each suggested product type in line with new and existing attached and detached home prices in the region, with forecasted sales volumes established to achieve reasonable annual sales cast against new construction demand at price points between \$300,000 and \$700,000 over the near term 2023-2028 forecast period. Projected leasing periods assume extensive marketing commences with site improvements and three- to six months of lease reservations prior to initial deliveries. While market conditions are expected to remain tight through the forecast period, over the course of lease-up, it may be necessary to offer a discount or lease incentive on *select units* as market conditions dictate. Also, while it is understood that unit counts may vary with final design and approvals, it is strongly suggested that a *proportionate ratio of unit types and plan sizes be maintained* in order to achieve the projected rates of absorption.

Utilizing energy-efficient construction technologies, design aesthetics should complement the respective environs of each project while providing quality rental and for sale housing options which meet the needs of today's workforce and/or lifestyle renters/homeowners. In the rental sector, amenities for larger-scale projects of at least 150 units are also expected to include an outdoor pool/water feature and/or sports courts. Across all rental housing forms, acreage should be reserved for a dedicated pet area/park, greenbelt detention areas, as well as walking trails which link development phases (as appropriate).

**PRODUCT CRITERIA: PROTOTYPE MARKET RATE/WORKFORCE APARTMENTS
-- CITY OF PORTAGE --**

Features and Amenities		
UNIT STANDARDS <ul style="list-style-type: none"> ■ Painted Trim ■ White Interior Paint Finish ■ Laminate Plank Flooring in Living Areas ■ Carpeted Bedrooms / Bedroom-Wing Hallways ■ Designer Door Hardware ■ Contemporary Lighting Package Throughout ■ Private Balcony/Patio 	KITCHEN FEATURES <ul style="list-style-type: none"> ■ Quality Wood Cabinetry ■ Laminate Plank Flooring ■ Energy-Efficient Stainless Steel Appliances <ul style="list-style-type: none"> -- Four-Burner Range -- Five-Cycle Dishwasher -- Refrigerator w/Icemaker -- Microwave with Hood Vent ■ Undermount Stainless Steel Sink with Garbage Disposal ■ Pantry (per Plan) ■ Ceramic Tile Backsplash ■ Granite/Quartz Countertop/Island 	BATH STANDARDS <ul style="list-style-type: none"> ■ Ceramic or Laminate Flooring ■ Granite/Quartz Vanity Top ■ Quality Wood Cabinetry ■ Solid-Surface Tub/Shower Surround ■ with Accessory Niche ■ MBR Frmls Shower Door (per Plan) ■ Framed Mirror over Vanity ■ Unilever Chrome or Nickel Faucets ■ Elongated Commodes
CLOSETS, UTILITIES, AND STORAGE <ul style="list-style-type: none"> ■ Walk-In MBR Closet (Per Plan) ■ Laminate Closet Shelving ■ Linen Closet/Adequate Secondary Storage ■ Full-Size Washer/Dryer (Stacked / Side-by-Side) ■ Individually Metered Utilities ■ Programmable Smart Thermostat ■ Direct-Wire Smoke Detectors per Code ■ Internet/Cable/Smart Technology Connectivity 	COMMUNITY FEATURES/AMENITIES <ul style="list-style-type: none"> ■ Architecturally-Enhanced Exteriors ■ Secured Access Entry per Building ■ Secured Mail/Package Room / Mail Kiosks ■ Furnished/Landscaped Terrace with Outdoor Kitchen/Grill Stations, ■ Multi-Use Lawn / Gazebo Seating ■ Dedicated Pet Park ■ Secured Bicycle Storage (Mixed-Use Projects) ■ Adequate Private Surface Parking 	LARGER-SCALE DEVELOPMENTS <ul style="list-style-type: none"> ■ Clubhouse with Social Area(s), Service Kitchen, Remote Work Area and/or "Zoom Rooms" ■ Fitness Center ■ Sports Courts ■ Outdoor Pool w/Sundeck and Cabanas (Developments of 200+ Units)

Source: Tracy Cross & Associates, Inc.

Across all for sale housing products, benchmark sales prices assume quality interior appointments/finishes commensurate with new construction alternatives in the marketplace and community-based amenities appropriate to the scale of the development as defined.

**PRODUCT CRITERIA: PROTOTYPE MARKET RATE / WORKFORCE FOR SALE ALTERNATIVES
-- CITY OF PORTAGE --**

Features and Amenities		
UNIT STANDARDS <ul style="list-style-type: none"> ■ Solid-Core Entry Doors ■ Nine-Foot First Floor Ceiling Height ■ Six-Panel Passage Doors ■ Choice of One Paint Color ■ Painted Trim ■ Kwik-Set Door Hardware/Knobs ■ Laminate Plank Floor in Kitchens and Living Areas ■ Carpeted Bedrooms / Bedroom-Wing Hallways/Stairwell ■ Contemporary Lighting Package Throughout 	KITCHEN FEATURES <ul style="list-style-type: none"> ■ Quality Wood Cabinetry ■ Energy-Efficient Stainless Steel Appliances or Allowance <ul style="list-style-type: none"> -- Four-Burner Range -- Five-Cycle Dishwasher -- Refrigerator w/Icemaker -- Microwave with Hood Vent ■ Double Bowl Undermount Stainless Steel Sink with Garbage Disposal ■ Walk-in Pantry with Wire Shelving ■ Ceramic Tile Backsplash ■ Granite/Quartz Countertop/Island ■ Passage Patio Doors 	BATH STANDARDS <ul style="list-style-type: none"> ■ MBR Separate Garden Tub and Shower w/Frmls Shower Door ■ Granite/Quartz Double Bowl Vanity in Master Bath ■ Solid-Surface Tub/Shower Surround in Secondary Baths ■ Single Bowl Vanity in Secondary Baths w/Beveled Mirror ■ Unilever Chrome or Nickel Faucets ■ Laminate Plank or Ceramic Flooring ■ Elongated Commodes
CLOSETS, UTILITIES, AND STORAGE <ul style="list-style-type: none"> ■ Walk-In MBR Closet (Per Plan) ■ Laminate Closet Shelving ■ Linen Closet/Adequate Secondary Storage ■ Separate Utility Room with Laundry Tray and Cabinetry ■ No-Wax Flooring in Laundry/Mud Room ■ Programmable Smart Thermostat ■ Direct-Wire Smoke Detectors per Code ■ Internet/Cable/Smart Technology Connectivity ■ Energy-Efficient 40 Gal. Water Heater ■ Air Conditioning ■ 150-Amp Electric Service ■ Paneled Garage Doors ■ Pre-Wire EV Charging (SF85 and Larger) 	COMMUNITY FEATURES/AMENITIES <ul style="list-style-type: none"> ■ Energy-Efficient Engineered Wood Siding with Masonry Accent ■ Three (3) Architecturally-Cohesive Elevations per Plan ■ Low-E Double-Hung Windows ■ Professionally Graded/Seeded Front and Rear Lawn with Foundation Plantings ■ 10 Ft. x 10 Ft. Patio ■ Front and Rear Exterior Lighting and Faucets ■ Asphalt Driveway / Concrete Entrance Walkway ■ Parks/Greenbelt Throughout ■ Walking Trails with Gazebo Seating, Playground, Sports Fields and Dedicated Pet Area (as Appropriate) ■ As Defined by Covenants, Master Association Fee to include Common Area Lighting, Landscape Maintenance, and Snow Removal 	CUSTOMIZATION <ul style="list-style-type: none"> ■ Pre-Priced Options to Allow for Customization Including but certainly not limited to, Expanded Patio/Deck, Sunroom, Cathedral and Tray Ceilings, Crown Moldings, Detailed Archways, Contemporary Kitchen/ Bath Upgrades, Built-Ins, Fireplace, Bay Windows, Garage Door Opener, Optional Basement (Unfinished or Finished)

Source: Tracy Cross & Associates, Inc.

CLOSING REMARKS

As noted, that the distribution of future housing demand has been presented in 2023 dollars. It must also be noted that recent sharp rates of growth in both home prices and rents *are not sustainable*, especially considering the impact of persistently high rates of inflation and related economic uncertainties now evident which could serve as a barrier to residential development initiatives for at least the near term. Therefore, in evaluating proposals which may come before the City, it is reiterated that in order to sustain pro-active regional economic development initiatives to attract and retain workforce talent, the City must continue to partner with regional stakeholders to promote employment opportunities; initiate workforce training and continuing education programs; and (importantly) partner with regional homebuilders to ensure the continued availability of a quality housing options over the long term. These initiatives must include infrastructure improvements necessary to enable not only economic expansion, but also a broad range of housing options and levels of affordability. As such, in addition to utilization of established Opportunity Zone designations, the city should strongly consider establishing Neighborhood Enterprise Zones and application of other tax incentive vehicles such as the recently approved State of Michigan SB129 which could serve to initiate redevelopment opportunities throughout Portage and (particularly) in its core *City Centre*, *Crossroads Mall Area* and *Lake Center* planning districts as envisioned in the Draft 2024 Master Plan.





1. CONCLUSIONS AND RECOMMENDATIONS

As detailed throughout this report, there is more than adequate support for development of new quality rental and, if priced properly, a variety of ownership alternatives which would expand housing options to appeal across a broad range of multi-generational consumer segments; enhance the lifestyle orientation of the city of Portage where shopping, civic amenities, recreation and, importantly, significant concentrations of employment are all within a reasonable distance of one's home.

Most importantly, civic leaders recognize the necessity for implementation of infrastructure improvements and/or the establishment of other incentives to ensure continued economic expansion as well as the availability of quality housing options to meet the needs of a diverse base of today's – and tomorrow's – constituents. Consistent with the vision of "tomorrow's" communities, residential opportunities in Portage span market rate/workforce as well as low-density rental forms, along with continued phased introduction of attached and detached for sale development.

Serving to instill momentum, this section forwards recommendations for introduction of a variety of housing products which can achieve reasonable absorption levels at market-consistent rents and/or sales prices. It is noted that these benchmark guidelines are presented in 2023 dollars, are forwarded for purposes of financial modeling and are intended to assist public officials in planning strategies, builder participant selection and implementation efforts long term. Across most product types, it is expected that up to three developments could be concurrently marketing at any given time, providing that product offerings provide a continuum of plan types and rent/price points, continuous construction and delivery schedules are maintained for all phases and/or individual projects, and development adheres to the following criteria:

- ☐ First and foremost, builder participants must maintain a disciplined approach to residential product offerings which follow a logical hierarchy in terms of product form, unit sizes and rents/sales prices which can be easily understood by the consumer and, at the same time, maximize efficiencies and overall profitability.
- ☐ Housing product must remain within the affordability limits of the market to ensure that development(s) are equally attractive to young professionals in the early stages of their career, middle income/entry-level homebuyers, localized move-up purchasers, transferees, and downsizing empty-nesters, as well as those younger (or mature) cohorts desirous of a low-maintenance lifestyle.
- ☐ Most importantly, as it is likely that builder partners attracted to development opportunities in Portage will largely represent the region's group of established, privately-held homebuilding companies, it is *imperative* that city planners work with developer partners to establish strict development covenants for all future projects which ensure that homebuilders maintain consistent architectural elevations, color palettes, as well as aesthetic treatments including streetscape, lighting, signage, landscape, placement of pocket parks, walking trails and other greenspace for active and passive recreation/reflection that meet the expectations of existing and transferee households. Adherence to development covenants is paramount to the integrity of future residential developments in order to sustain momentum and (again) maximize consumer appeal and overall profitability. At the same time, public officials must be prepared *to partner with homebuilders regarding infrastructure and other public improvements and/or regulatory requirements* in order to achieve the shared goal of ensuring the availability of quality housing options which span a full continuum of consumer segments and affordability levels.

A FRAMEWORK FOR PLANNING

In determining the highest and best market-driven housing alternatives for introduction throughout Portage, our firm considered not only the city's strong economic, civic and established ancillary services, but also the sustaining depth of profile consumer segments (current residents and those who can be attracted to Portage) based upon a synthesis of regional home values, household composition, and incomes. A thorough analysis of various lifestyle factors reveals that there is sustaining demand for a variety of rental housing as well as ownership forms directed to both family segments as well as younger cohorts now entering the workforce, professional singles and childless couples and more mature constituents tied to a lifestyle setting.

Applying these factors to the city of Portage and its various sub-areas, the following paragraphs outline suggested development matrices which represent those housing forms which carry the strongest levels of market support and can sustain acceptable sales rates and/or occupancies over the long term. These matrices outline distinct apartment and low-density rental forms, together with a variety of attached and detached ownership alternatives which (again) from the consumer's point of view represent an understandable hierarchy of housing forms intended to mitigate levels of internal competition in planned and/or multiple builder developments and ensure that sales/absorption levels are proportionate across all plan offerings to achieve the stated marketing periods. Across all housing product types, benchmark rents and estimated closing prices assume quality interior appointments/finishes commensurate with new construction throughout the region and elsewhere in the Midwest, along with community-based amenities appropriate for the scale of the project. Finally, across all product types, absorption/sales projections assume extensive dedicated marketing programs, on-site leasing and sales offices, and decorated model(s). ***Please carefully review all Exhibit footnotes.***



Illustrative Image Only







MODERATE-DENSITY MARKET RATE / WORKFORCE APARTMENTS

Exhibits 1.1 and 1.2 forward suggested prototype matrices and benchmark rent strategies to competitively position a variety of contemporary rental housing forms in the marketplace. Several of these product lines have proven successful in the Kalamazoo-Portage region, while others have yet to find their way to the local area and lay the foundation for continued development of quality housing alternatives in Portage.

Utilizing energy-efficient construction technologies, design aesthetics should complement the respective environs of each project while providing quality rental housing options which meet the needs of today's workforce and/or lifestyle renters. Amenities for larger-scale projects of at least 150 units are also expected to include an outdoor pool/water feature and/or sports courts. Across all rental housing forms, acreage should be reserved for a dedicated pet area/park, greenbelt detention areas, as well as walking trails which link development phases (as appropriate). Projected leasing periods assume extensive marketing commences with site improvements and three- to six months of lease reservations prior to initial deliveries. While market conditions are expected to remain tight through the forecast period, over the course of lease-up, it may be necessary to offer a discount or lease incentive on *select units* as market conditions dictate. Also, while it is understood that unit counts may vary with final design and approvals, it is strongly suggested that a *proportionate ratio of unit types and plan sizes be maintained* in order to achieve the projected rates of absorption.

Product Line Summary		
Moderate-Density Mixed-Use (Residential Above Commercial and/or Residential w/Structured Parking)		
 	Total Units: 100 - 200 Density in Units Per Acre: 28.0 to 40.0 Plan Types (Bedrooms): 0, Jr-1, 1, 2, 3 Plan Size Range: 475 - 1,250 Average: 875 Benchmark Posted Rents Range: \$1,275 - \$2,145 Average: \$1,725 \$/Sq. Ft.: \$1.97 Average Absorption (Units/Month) to 95% Stabilization: 8.0 to 10.5 Parking Ratio (Average): 1.45 to 1.70 Enclosed Parking Ratio: 1.0 to 1.0	<ul style="list-style-type: none"> ■ This prototype product line is viewed as most appropriate for introduction in the City Centre and Crossroads Mall Area districts and/or at "Gateway" mixed-use locales such as the Lake Center District within walking distance of shopping, dining, public transit, and/or sources of employment. This product idiom could be combined with three-story rental townhomes serving as a transition between commercial and residential planning areas in mixed-use locales. Development envisions two- or three residential floors over retail/office as well as multi-story residential buildings to include some form of structured parking. ■ This urban-oriented alternative is not readily available in Portage today, while the suggested plan types will appeal across all potential consumer profiles including two-person living arrangements, as well as more mature cohorts desirous of a maintenance-free option. ■ Community amenities should include secured reception lobby(s), secured mail/package room, Resident Club with e-lounge, service kitchen, indoor/outdoor social areas, fitness center, and secured bicycle storage/repair shop.
Moderate-Density Garden/Walk-Up Apartments (May Include Direct-Access or Detached Garage)		
 	Total Units: 150 - 300 Density in Units Per Acre: 16.0 to 24.0 Plan Types (Bedrooms): 1, 2, 3 Plan Size Range: 600 - 1,200 Average: 850 Benchmark Posted Rents Range: \$1,225 - \$1,875 Average: \$1,525 \$/Sq. Ft.: \$1.79 Average Absorption (Units/Month) to 95% Stabilization: 12.0 to 15.0 Parking Ratio (Surface): 1.5 to 1.75 Per Unit Detached Garage (Optional): +/- 15.0 Percent	<ul style="list-style-type: none"> ■ Distributed in a series of two- and/or three-story garden/walk-up buildings, this product line can accommodate hallway-access single car garages for optional lease. This product line is viewed as suitable for introduction on larger parcels aligning primary commercial corridors such as Milham Avenue and Romenace and Portage roads and/or in "Gateway" redevelopment locales. Benchmark rents <i>do not include</i> garage premium. ■ Commensurate with the scale of a given project, community amenities should include a clubhouse with social areas, secured mail/package room, fitness center, terrace with grill stations, outdoor pool with sundeck, multi-use lawn, and a dedicated pet park. ■ Prototype benchmark rents do not include a suggested incremental fee of \$125 monthly for a hallway-access single garage or \$100 for a detached single garage. It is suggested that end-unit detached garage bays are of sufficient width/depth to accommodate larger vehicles/trucks.
Moderate-Density Two-Story Garden/Walk-Up Apartments		
 	Total Units: 160 - 240 Density in Units Per Acre: 12.0 to 15.0 Plan Types (Bedrooms): 1, 2, 3 Plan Size Range: 700 - 1,275 Average: 960 Benchmark Posted Rents Range: \$1,435 - \$2,080 Average: \$1,775 \$/Sq. Ft.: \$1.85 Average Absorption (Units/Month) to 95% Stabilization: 12.0 to 15.0 Overall Parking Ratio: 1.6 to 1.7 Per Unit Detached Garage (Optional Lease): +/- 15.0 Percent	<ul style="list-style-type: none"> ■ Distributed in a series of two-story buildings, this product line features <i>private entrance</i> units and incorporates a 50.0 percent distribution of direct-access single car garages. This idiom is also suitable for introduction on larger parcels throughout the city as well as within larger planned residential developments. Benchmark rents <i>do not include</i> direct-access garage premium. ■ Commensurate with the scale of a given project, community amenities should include a clubhouse with social areas, secured mail/package room, fitness center, terrace with grill stations, outdoor pool and sundeck, multi-use lawn and dedicated pet park. ■ Prototype benchmark rents do not include a suggested incremental fee of \$150 monthly for a direct-access garage or \$100 for a detached single garage. It is suggested that end-unit detached garage bays are of sufficient width/depth to accommodate larger vehicles/trucks.

⁽¹⁾ To be used for financial modeling; all images intended for illustrative purposes only. Benchmark prototype rents are presented in 2023 dollars. They *do not include* floor or corner-unit premiums, or other incremental revenues. Benchmark rents assume quality interior appointments and finishes, community amenities commensurate with the scale of a respective development, and on-site leasing and management.

Product Line Summary		
Three-Story Courtyard (Rear-Load) Townhome Rentals		
 	Total Units(Per Phase/Project): 24 - 48 Density in Units Per Acre: 12.0 Plan Types (Bedrooms): 2, 3 each w/LL Flex Plan Size Range: 1,550 - 1,700 Average: 1,600 Benchmark Posted Rents Range: \$2,540 - \$2,700 Average: \$2,620 \$/Sq. Ft.: \$1.64 Average Absorption (Units/Month) to 95% Stabilization 2.5 Parking Ratio: 2.0 Per Unit Garage (Attached): Included	<ul style="list-style-type: none"> ■ Reflecting a departure from conventional moderate-to higher-density forms, townhome rental idioms would face limited competition in the local marketplace. This urban-inspired product form expands lifestyle options to include renter-by-choice cohorts and could serve as a form of architectural landscape enhancing the transition between mixed-use and/or commercial developments, with initial focus upon the City Centre and Crossroads Mall districts as well as the Lake Center District. ■ In mixed-use residential developments, residents of the townhome component should have full access to all community-based amenities. In standalone/infill locations, amenities may be limited to pocket parks/greenspace, a dedicated pet park and other passive amenities. All townhome rental idioms should include an integral two-car garage.
Duplex/Villa/Quadplex Rentals with Attached One- or Two-Car Garage		
 	Total Units(Per Phase/Project): 24 - 48 Density in Units Per Acre: 5.5 to 8.0 Plan Types (Bedrooms): 1, 1+Flx, 2+Den, 3 Plan Size Range: 750 - 1,650 Average: 1,200 Benchmark Posted Rents Range: \$1,480 - \$2,490 Average: \$1,985 \$/Sq. Ft.: \$1.65 Average Absorption (Units/Month) to 95% Stabilization 3.5 to 5.0 Parking Ratio: 1.0 to 2.0 Per Unit Garage (Attached): Included	<ul style="list-style-type: none"> ■ This product line can be developed in duplex, triplex, and quad (four-plex) building types, and will appeal across multiple consumer segments including young families, contract workers and, importantly, mature singles and childless couples aged 55 and older. This product line may be suitable for introduction within planning areas of larger mixed-use developments, or as enclave communities in select locations of the city as appropriate. ■ Commensurate with the scale of a given project, community amenities should include walking paths, a multi-use lawn court and gazebo area with grill stations suitable for social gatherings, a dedicated pet park and (possibly) a playground and/or community garden area.
Single Family Detached Rentals (SFR) with Attached Two-Car Garage		
 	Total Units: 40 to 60 Density in Units Per Acre: 5.0 (i.e., 45-50 x 100' lot) Plan Types (Bedrooms): 2, 3, 3+Loft, 4 Plan Size Range: 1,250 - 1,800 Average: 1,598 Benchmark Posted Rents Range: \$2,150 - \$2,750 Average: \$2,530 \$/Sq. Ft.: \$1.58 Average Absorption (Units/Month) to 95% Stabilization 2.0 to 3.0 Parking Ratio: 2.0 Per Unit Enclosed Garage (Two-Car Attached): Included	<ul style="list-style-type: none"> ■ This product line will appeal across multiple consumer segments including young families, transitioning families and multi-generational households, along with a component of mature singles and couples, including those who choose not to commit to or who may have been disenfranchised from homeownership. This housing alternative, developed in slab-on-grade condition, combines the benefits of a single family residence, including expanded indoor/outdoor entertainment areas, a direct-access garage, and increased storage opportunities with a maintenance-free living environment. ■ Commensurate with the scale of a given project, community amenities should include walking paths, a multi-use lawn court and gazebo area with grill stations suitable for social gatherings, a dedicated pet park and (possibly) a playground and other passive amenities which link the planning area.

⁽¹⁾ To be used for financial modeling; all images intended for illustrative purposes only. Benchmark prototype rents are presented in 2023 dollars. They *do not include* end-unit or site premiums, or other incremental revenues. Benchmark rents assume quality interior appointments and finishes, community amenities commensurate with the scale of a respective development, and on-site leasing and management. *It is assumed that a monthly fee will be assessed for common area lawn/landscape maintenance, and trash removal/recycling applied to Single Family Rentals only.*

PRODUCT CRITERIA: PROTOTYPE MARKET RATE/WORKFORCE APARTMENTS
-- CITY OF PORTAGE --

Features and Amenities		
UNIT STANDARDS <ul style="list-style-type: none"> ■ Painted Trim ■ White Interior Paint Finish ■ Laminate Plank Flooring in Living Areas ■ Carpeted Bedrooms / Bedroom-Wing Hallways ■ Designer Door Hardware ■ Contemporary Lighting Package Throughout ■ Private Balcony/Patio 	KITCHEN FEATURES <ul style="list-style-type: none"> ■ Quality Wood Cabinetry ■ Laminate Plank Flooring ■ Energy-Efficient Stainless Steel Appliances <ul style="list-style-type: none"> -- Four-Burner Range -- Five-Cycle Dishwasher -- Refrigerator w/Icemaker -- Microwave with Hood Vent ■ Undermount Stainless Steel Sink with Garbage Disposal ■ Pantry (per Plan) ■ Ceramic Tile Backsplash ■ Granite/Quartz Countertop/Island 	BATH STANDARDS <ul style="list-style-type: none"> ■ Ceramic or Laminate Flooring ■ Granite/Quartz Vanity Top ■ Quality Wood Cabinetry ■ Solid-Surface Tub/Shower Surround with Accessory Niche ■ MBR Frmls Shower Door (per Plan) ■ Framed Mirror over Vanity ■ Unilever Chrome or Nickel Faucets ■ Elongated Commodes
CLOSETS, UTILITIES, AND STORAGE <ul style="list-style-type: none"> ■ Walk-In MBR Closet (Per Plan) ■ Laminate Closet Shelving ■ Linen Closet/Adequate Secondary Storage ■ Full-Size Washer/Dryer (Stacked / Side-by-Side) ■ Individually Metered Utilities ■ Programmable Smart Thermostat ■ Direct-Wire Smoke Detectors per Code ■ Internet/Cable/Smart Technology Connectivity 	COMMUNITY FEATURES/AMENITIES <ul style="list-style-type: none"> ■ Architecturally-Enhanced Exteriors ■ Secured Access Entry per Building ■ Secured Mail/Package Room / Mail Kiosks ■ Furnished/Landscaped Terrace with Outdoor Kitchen/Grill Stations, ■ Multi-Use Lawn / Gazebo Seating ■ Dedicated Pet Park ■ Secured Bicycle Storage (Mixed-Use Projects) ■ Adequate Private Surface Parking 	LARGER-SCALE DEVELOPMENTS <ul style="list-style-type: none"> ■ Clubhouse with Social Area(s), Service Kitchen, Remote Work Area and/or "Zoom Rooms" ■ Fitness Center ■ Sports Courts ■ Outdoor Pool w/Sundeck and Cabanas (Developments of 200+ Units)

Source: Tracy Cross & Associates, Inc.

Mixed-Use (Residential Above Commercial) and/or Multi-Story w/Structured Parking

As a component of redevelopment within commercial areas such as the City Centre and Crossroads Mall Area districts, and/or at "Gateway" mixed-use locales such as the defined Lake Center District, this product line can achieve densities of 28.0 to as much as 40.0 units per acre and accommodate projects of up to 200 units. Development envisions two- to three residential floors over retail/office and/or multi-story residential buildings to include a component of structured parking. As summarized, prototype concepts envision a variety of studio, JR-1/convertible, one, two, and three bedroom plan styles which range in unit size from 475 to 1,250 square feet. Benchmark 2023 base rents (i.e., first residential floor) for the prototype product line extend from \$1,275 to \$2,145 and average \$1,725 monthly for a typical 875 square foot apartment. Benchmark base rents yield a current dollar value ratio of \$1.97 per square foot. Benchmark rents *do not include* premiums for floor, corner-unit orientation, enhanced views, or other incremental revenues. At 2023 benchmark base rents, a *prototype* 150-unit midrise apartment development would achieve an average absorption rate of 9.5 units per month, leading to stabilization at 95.0 percent (142 units occupied) within a 15.0-month timeframe *from first occupancy*.



Illustrative Rendering Only

Moderate-Density Three-Story Garden/Walkup Apartments

Conventional garden apartment development, which represents one of the most efficient and cost-effective construction technologies, envisions a series of two and/or three-story residential buildings which facilitate overall densities of 16.0 to 24.0 units per acre, and accommodates projects of 150 to 300 units in size. This product line is viewed as suitable for introduction on larger parcels aligning primary commercial corridors such as Milham Avenue, Romence and Portage roads, or could represent a component of a larger, mixed-use planned development in or adjacent to the City Centre, Crossroads Mall Area and/or Lake Center Business districts. *It is strongly suggested that at least one (1) – and ideally all buildings – would be elevator-served in order to broaden the appeal of the development across a broad range of consumer segments including young singles, couples in the early stages of family formation, more mature household profiles, as well as multi-generational households.*



Illustrative Rendering Only

This product form can accommodate hallway-access single garages for optional lease. Minimum parking ratios should range from 1.5 to 1.75 per unit in total, a component of which could represent *detached* single car garages for optional lease. A suggested prototype garden apartment development would offer a variety of one, two and three bedroom plan styles in a footage range of 600 to 1,200 square feet, with corresponding benchmark base rents extending from \$1,225 to \$1,875 and averaging \$1,525 for an 850 square foot apartment (or \$1.79 per square foot in 2023 dollars). Benchmark rents *do not include* premiums for floor, corner-unit orientation, enhanced views, hallway-access or detached garage, or other incremental revenues. At 2023 benchmark base rents, a *prototype* 150-unit garden apartment development would achieve an average absorption rate of 12.0 units per month, leading to stabilization at 95.0 percent (142 units occupied) within a 12.0-month timeframe *from first occupancy*.

Moderate-Density Two-Story Private Entrance Garden Apartments

This product idiom provides a 50.0 percent ratio of direct-access single and/or double garages (+/- 40 bays *per phase*). Representing an adaptation of the “Big House” concept which facilitates overall densities of 12.0 to 15.0 units per acre and can be developed in building modules ranging from 8- to 24 units. This suggested product line has been well-received in markets throughout the Midwest but has yet to be introduced locally. This idiom is also suitable for introduction on larger parcels throughout the city and/or as a component of larger, planned developments. Assuming prototype developments of 100 to 200 units, suggested plan offerings include one, two and three bedroom styles which range in unit size from 700 to 1,275 square feet. Benchmark 2023 rents, *which do not include garage premiums*, extend from \$1,435 to \$2,080 and average \$1,775 monthly for a 960 square foot residence, yielding a value ratio of \$1.85 per square foot. It is suggested that building types be designed to offer plans with or without direct-access garage in order to expand appeal from an affordability standpoint. In this series, as well, a component of detached single garages should be provided as outlined in Exhibit 1.1. Benchmark rents *do not include* premiums for corner-unit orientation, enhanced views, direct-access or detached garage, or other incremental revenues. At 2023 benchmark base rents, a *prototype* 200-unit private-entrance apartment development would achieve an average absorption rate of 13.5 units per month, leading to stabilization at



Illustrative Rendering Only

95.0 percent (190 units occupied) within a 14.0-month timeframe *from first occupancy* or at a pace consistent with construction and delivery schedules.

Three-Story Rental Townhomes

Representing a departure from conventional moderate- to higher-density forms, townhome rental idioms would face limited competition in the local marketplace. This urban-inspired product form expands lifestyle options to include renter-by-choice cohorts and could serve as a form of architectural landscape enhancing the transition from residential to mixed-use and/or commercial development areas (again) with emphasis upon the City Centre and Crossroads Mall Area districts. In mixed-use rental developments, residents of a townhome component should have full access to all community-based amenities. In standalone locations, amenities may be limited to pocket park/greenspace and a dedicated pet area. Reflecting a private entrance, rear-load two-car garage idiom which typically facilitates a density of 10.0 to 12.0 units per acre, this prototype product line is expected to be developed in a series of five- to six-unit buildings (duplexed as land planning requires). Assuming developments of 24 to 58 units in size, a prototype standard inboard plan includes 1,550 square feet of living area and features two bedrooms, two and one-half baths. End-units, in turn, would provide three bedrooms, two and one-half baths, and 1,700 square feet of living area. Each plan style should include finished lower level flex space (at grade) and an integral two-car garage.



Illustrative Rendering

As outlined in Exhibit 1.2, benchmark rents for the prototype townhome series, which are presented in 2023 dollars and *include* a two-car garage *and end-unit premiums*, would average \$2,620 monthly, yielding a value ratio of \$1.64 per square foot. Assuming a prototype 36-unit development and a continuous construction and delivery schedule, at benchmark 2023 rents, stabilization at 95.0 percent occupied (34 units) would occur within a 14.0-month timeframe from first occupancy.

Ranch Villa Rental with Direct-Access Garage

As also outlined in Exhibit 1.2, ranch villa rentals represent a low-density, single level living alternative which can be developed in duplex, triplex or quad (four-plex) building types and achieves overall densities of 5.5 to 8.0 units per acre. This housing form will appeal across multiple consumer segments including young families, contract workers and, importantly, mature singles and childless couples aged 55 and older. This product line may be suitable for introduction with planning areas of larger, mixed-use residential developments or as enclave communities in select locations of the city, ideally proximate to established commercial corridors, parks and/or recreation areas. All units should include a direct-access, front-load single garage (two-car may be provided in end-unit condition). Ideally, plans are designed to incorporate a storage or workshop nook in the garage proximate to the owner's entrance. It is assumed that land planning will encompass strategically placed overflow parking for guests.



Illustrative Rendering Only

In this series, recommended plan types include one, one bedroom & flex, two bedroom & den and three bedroom styles which range in unit size from 750 to 1,650 square feet, with the average residence containing 1,200 square feet of living area, excluding private patio. Benchmark 2023 rents, which *include* direct-access garage, extend from \$1,480 to \$2,490 and average \$1,985 or \$1.65 per square foot. Benchmark rents *do not include* premiums for end-unit condition, enhanced site location or other incremental revenue sources. For analytical purposes, it is assumed that the resident will be billed directly for all utilities. At benchmark rents, a prototype 48-unit development could achieve stabilization at 95.0 percent (or 46 units occupied) within a 12.0-month timeline from initial occupancy *or at a rate commensurate with construction and delivery schedules.*

Single Family Detached Rentals (SFR) with Attached Two-Car Garage

This housing form will appeal across multiple consumer segments including young families, transitioning families, and multi-generational households, along with a component of mature singles and couples, including those who choose not to commit to or who may have been disenfranchised from homeownership. Developed in *slab-on-grade* condition, this housing alternative combines the benefits of a single family residence, including expanded indoor/outdoor entertainment areas, a direct-access two-car garage, and increase storage opportunities with a maintenance-free living environment. This housing component blends seamlessly with established residential neighborhoods and, in other markets, has resulted in multi-generational neighborhoods with move-down parents/grandparents electing to live “close” to adult children/grandchildren and participate in activities, childcare, etc., while maintaining independent lifestyles. To this end, it is suggested that future SFR projects include at least 5.0 acres of pocket parks, walking trails, a dedicated pet area and (perhaps) a playground, and other passive recreational greenspace.



Illustrative Rendering Only

Envisioned to consist of 40 to 60 units per project/phase, this product line typically achieves an overall density of 5.0 units per acre (i.e., a 45 ft. to 50 ft. x 100 ft. homesite) and offers a truly differentiated rental alternative in the marketplace and expanded plan types and unit sizes which may be combined with other rental forms within an efficient, planned living environment. All units include direct-access two-car garage (front- or rear load). Recommended plan types include a 1,250 square foot two bedroom ranch, and two-story designs providing three, three and loft, and four bedroom options which extend living area to 1,800 square feet. Benchmark 2023 rents, which *include* direct-access garage, extend from \$2,150 to \$2,750 and average \$2,530 monthly, yielding a value ratio of \$1.58 per square foot. At 2023 benchmark rents, a prototype 60-unit development is expected to achieve 95.0 percent stabilization (57 units occupied) within a 23.0-month timeframe from initial occupancy.

MAINSTREAM MARKET RATE / WORKFORCE FOR SALE ALTERNATIVES

In addition to a variety of rental housing options, opportunity exists for attached and detached production-oriented for sale housing forms which will appeal to entry level, mainstream, move-up and/or move-down consumer segments, along with a component of semi-custom/custom home development appealing to established family/discretionary income households. Within the context of covenants governing individual properties, development/master community and subject planning area(s) must maintain cohesive architectural aesthetics. For all *attached for sale and site condominium* housing products, it is assumed that an association fee will be required to include common area lighting and landscape maintenance and snow removal, exterior building maintenance, insurance and reserves. Across all for sale housing products, benchmark sales prices assume quality interior appointments/finishes commensurate with new construction

alternatives in the marketplace and community-based amenities appropriate to the scale of the development as defined.

**PRODUCT CRITERIA: PROTOTYPE MARKET RATE / WORKFORCE FOR SALE ALTERNATIVES
-- CITY OF PORTAGE --**

Features and Amenities		
UNIT STANDARDS <ul style="list-style-type: none"> ■ Solid-Core Entry Doors ■ Nine-Foot First Floor Ceiling Height ■ Six-Panel Passage Doors ■ Choice of One Paint Color ■ Painted Trim ■ Kwik-Set Door Hardware/Knobs ■ Laminate Plank Floor in Kitchens and Living Areas ■ Carpeted Bedrooms / Bedroom-Wing Hallways/Stairwell ■ Contemporary Lighting Package Throughout 	KITCHEN FEATURES <ul style="list-style-type: none"> ■ Quality Wood Cabinetry ■ Energy-Efficient Stainless Steel Appliances or Allowance <ul style="list-style-type: none"> -- Four-Burner Range -- Five-Cycle Dishwasher -- Refrigerator w/Icemaker -- Microwave with Hood Vent ■ Double Bowl Undermount Stainless Steel Sink with Garbage Disposal ■ Walk-in Pantry with Wire Shelving ■ Ceramic Tile Backsplash ■ Granite/Quartz Countertop/Island ■ Passage Patio Doors 	BATH STANDARDS <ul style="list-style-type: none"> ■ MBR Separate Garden Tub and Shower w/Frmls Shower Door ■ Granite/Quartz Double Bowl Vanity in Master Bath ■ Solid-Surface Tub/Shower Surround in Secondary Baths ■ Single Bowl Vanity in Secondary Baths w/Beveled Mirror ■ Unilever Chrome or Nickel Faucets ■ Laminate Plank or Ceramic Flooring ■ Elongated Commodes
CLOSETS, UTILITIES, AND STORAGE <ul style="list-style-type: none"> ■ Walk-In MBR Closet (Per Plan) ■ Laminate Closet Shelving ■ Linen Closet/Adequate Secondary Storage ■ Separate Utility Room with Laundry Tray and Cabinetry ■ No-Wax Flooring in Laundry/Mud Room ■ Programmable Smart Thermostat ■ Direct-Wire Smoke Detectors per Code ■ Internet/Cable/Smart Technology Connectivity ■ Energy-Efficient 40 Gal. Water Heater ■ Air Conditioning ■ 150-Amp Electric Service ■ Paneled Garage Doors ■ Pre-Wire EV Charging (SF85 and Larger) 	COMMUNITY FEATURES/AMENITIES <ul style="list-style-type: none"> ■ Energy-Efficient Engineered Wood Siding with Masonry Accent ■ Three (3) Architecturally-Cohesive Elevations per Plan ■ Low-E Double-Hung Windows ■ Professionally Graded/Seeded Front and Rear Lawn with Foundation Plantings ■ 10 Ft. x 10 Ft. Patio ■ Front and Rear Exterior Lighting and Faucets ■ Asphalt Driveway / Concrete Entrance Walkway ■ Parks/Greenbelt Throughout ■ Walking Trails with Gazebo Seating, Playground, Sports Fields and Dedicated Pet Area (as Appropriate) ■ As Defined by Covenants, Master Association Fee to include Common Area Lighting, Landscape Maintenance, and Snow Removal 	CUSTOMIZATION <ul style="list-style-type: none"> ■ Pre-Priced Options to Allow for Customization Including but certainly not limited to, Expanded Patio/Deck, Sunroom, Cathedral and Tray Ceilings, Crown Moldings, Detailed Archways, Contemporary Kitchen/Bath Upgrades, Built-Ins, Fireplace, Bay Windows, Garage Door Opener, Optional Basement (Unfinished or Finished)

Source: Tracy Cross & Associates, Inc.

ATTACHED FOR SALE

Two- and/or Three-Story Townhomes

Transitioning from rental to ownership housing forms, **Exhibit 1.3** forwards suggested matrices for two-story (front-load) or three-story courtyard (rear-load) townhomes which serve as an affordable entry-level low maintenance lifestyle alternative. Developed in *slab-on-grade* condition, this product line should be developed in five- to six-unit modules. All units should include an integral two-car garage. This product line is appropriate for infill residential areas throughout Portage and/or as a planning area of larger residential development. Generally representing projects of 36 to 48 units, this townhome idiom typically facilitates an overall density of 8.0 to 10.0 units per acre. Recommended plan types include two bedroom, two bedroom & flex, three, and three bedroom & flex designs units which provide 1,575 to 1,750 square feet of living area. All plan types include a two and one-half bath and a two-car garage. Benchmark 2023 base sales prices extend from \$340,000 to 360,000 and average \$350,000 for 1,660 square foot residence, yielding a value ratio of \$210.84 per square foot. At benchmark, a prototype 36-unit



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townhome project would achieve sell-out within an approximate 18.0-month timeframe or an average sales velocity of 1.5 units per month.

If developed in a three-story courtyard (rear-load) form, inboard units should include a finished lower level flex area (at grade). This courtyard idiom also incorporates a raised ranch end-unit which facilitates master-on-main living, thus expanding consumer appeal to mature purchasers desirous of a more affordable option. Under either scenario, the benchmark price strategy maintains an appropriate differential between new construction for sale duplex/villa and detached options, or other “like new” alternatives in the existing home (resale) market.

Duplex/Triplex/Quad Villas

As also outlined in Exhibit 1.3, the market will continue to support development of duplex/villa townhomes which facilitate single level living in an age-*targeted* but not restricted, low maintenance environment. This product line has been well received throughout the Kalamazoo-Portage region and will appeal across multiple consumer segments including (again) young families as well as more mature singles and couples aged 55+ desirous of a lifestyle “lock and leave” environment. Developed in *slab-on-grade* condition, this product line facilitates average densities of 5.0 to 7.0 units per acre, with all homes featuring a two-car garage. As site conditions warrant, *optional* finished and/or walk-out basements could be offered. This product line is also suitable for introduction within residual parcels of or adjoining established residential areas throughout the city, and/or as enclave developments in those areas which offer a stronger recreational/conservancy-oriented environs.



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Suggested plan types include two, two and den/flex, three and three bedroom & loft styles which range in unit size from 1,400 to 1,750 square feet (exclusive of optional lower level). The largest three bedroom & loft/flex design represents a two-story a master-on-main with flexible loft area. All homes should include two baths, a two-car garage, and a 10 ft. x 10 ft. private patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. Benchmark 2023 estimated closing prices extend from \$360,000 to \$410,000 and average \$385,000 which includes a 1,575 square foot residence. Closing prices *include* an estimated 4.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 36-unit development (or project phase) would generate 1.5 sales monthly, achieving sell-out within an approximate 18-month timeframe.

SINGLE FAMILY DETACHED ALTERNATIVES

Finally, **Exhibit 1.4** outlines a variety of single family detached housing alternatives ranging from low-maintenance site condominiums, and mainstream family through move-up semi-custom/custom home product lines. The following paragraphs briefly summarize each alternative segmented by homesite series.

Detached Ranch Villa/Site Condominiums (SFV Series)

Also envisioned as an age-*targeted* but not restricted low maintenance alternative, this detached product line facilitates single level living within a *low-maintenance environment*. Representing *slab-on-grade* construction, this housing idiom may be developed in front- or rear-load garage condition and facilitates an average density of 5.0 units per acre, with a standard 45 ft. to 48 ft. x 110 ft. homesite. This product line, as well, has been well received throughout the Kalamazoo-Portage region and will continue to appeal across multiple consumer segments including (again) young families as well as more mature singles and couples aged 55+ desirous of a lifestyle “lock and leave” environment. Site condominium development is also suitable for introduction within residual parcels of or adjoining established residential areas throughout the city, and/or as enclave development in those areas which offer a stronger recreational/conservancy-oriented environs.



Representative Image

Four (4) ranch-style plans are recommended in a footage range of 1,450 to 1,800 square feet, with the largest plan representing a master-on-main design with loft/bonus space. All homes should include a two-car garage, a 10 ft. x 10 ft. patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. It is assumed that an association fee will be required for lawn/landscape maintenance and snow removal for all homesite and common areas, maintenance of common area lighting, and private streets (as applicable), insurance and reserves. Exterior maintenance is the responsibility of the homeowner. Benchmark 2023 estimated closing prices in this series extend from \$395,000 to \$440,000 and average \$415,000, *exclusive of optional finished/walk-out basements as available*. Benchmark closing prices *include* an estimated 5.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 36-unit development (or project phase) would generate 1.5 sales monthly, achieving sell-out within an approximate 18-month timeframe.

Mainstream Single Family: SF55 Series

This product line adapts better-selling ranch and two-story designs from national and regional production-oriented homebuilders and will appeal to entry-level mainstream family components. Developed on typical 55 ft. x 120 ft. homesites, this product line achieves a density of 3.5 units per acre. All homes should provide at least three bedrooms, with most homes also incorporating additional bonus/flex areas, a full *unfinished* basement and a two-car garage as standard. All homes should also include a 10 ft. x 10 ft. patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. As site conditions warrant, walk-out basement and/or a three-car garage should be optional.



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Ranch and two-story plan offerings should range in unit size from 1,650 to 2,400 square feet, with corresponding benchmark 2023 estimated closing prices extending from \$330,000 to \$395,000. At benchmark, an average 2,100 square foot home will carry an estimated closing price of \$360,000, translating to a value ratio of \$171.43 per square foot. Benchmark closing prices *include* an estimated 5.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 35-unit development (or project phase) would generate 1.5 sales monthly, achieving sell-out within an approximate 18-month timeframe.

Mainstream Single Family: SF70 Series

This product line also adapts better-selling ranch and two-story designs from national and regional production-oriented homebuilders and will appeal to entry-level mainstream family components. Developed on typical 70 ft. x 125 ft. homesites, this product line achieves a density of 2.5 units per acre. All homes should provide at least three bedrooms and two and one-half baths, with most homes also incorporating additional bonus/flex areas, a full *unfinished* basement and a two-car garage as standard. All homes should also include a 10 ft. x 10 ft. patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. As site conditions warrant, walk-out basement and/or a three-car garage should be optional.



Illustrative Rendering Only

Ranch and two-story plan offerings in this series expand living area to +/-2,500 square feet, with the largest suggested plan size representing a master-on-main design with three and one-half baths. As site conditions allow, walk-out basements and three-car garage options should be available. Benchmark 2023 estimated closing prices extend from \$395,000 to \$475,000. At benchmark, an average 2,250 square foot home will carry an estimated closing price of \$450,000, translating to a value ratio of \$200.00 per square foot. Benchmark closing prices *include* an estimated 5.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 35-unit development (or project phase) would generate 1.7 sales monthly, achieving sell-out within an approximate 20-month timeframe.

Mainstream Single Family: SF85 Series

Representing established family alternatives, homes in this series should feature expansive entertainment areas, master suites with luxury appointments, a dedicated home office, as well as “pocket office” or home management space, as well as expanded closeting, pantry, and laundry/drop-off areas at the owner’s entrance. At least one (1) master-on-main design should be offered. Larger homes in this series should provide either a split- or side-entry three-car garage *as standard*. Walk-out basements should be available within each project or phase. Developed on typical 85 ft. x 130 ft. homesites, this product line achieves a density of 2.0 units per acre. All homes should also include a 10 ft. x 10 ft. patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. Interior appointments/finishes should include Café Series appliance packages, upgraded cabinetry and flooring throughout, master baths with separate soaking tub and shower and dual sinks, with larger homes providing three and one-half baths as standard.



Illustrative Rendering Only

Ranch and two-story offerings in this series expand living area to +/-3,200 square feet, with benchmark 2023 estimated closing prices extending from \$495,000 to \$600,000. At benchmark, an average 2,550 square foot home will carry an estimated closing price of \$585,000, translating to a value ratio of \$229.41 per square foot in 2023 dollars. Benchmark closing prices *include* an estimated 6.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 35-unit development (or project phase) would generate 1.0 sale monthly, achieving sell-out within an approximate 36-month timeframe.

Mainstream Single Family: SF100 Series

Homes in this series generally represent semi-custom/custom home offerings which allow a consumer to expand builder portfolio plan design footprints, room count and the like. With appeal to established family/discretionary income family segments, homes in this series should also feature expansive indoor/outdoor entertainment areas, luxury master suites, home office and home management space, and expanded closeting/storage, pantry, and laundry/drop-off areas. At least one (1) *dual master* alternative should be available, while all homes should provide a three-car split- or side-entry garage *as standard*. Walk-out basements should be available within each project or phase. SF100 Series home are assumed to be a component of larger, planned developments, enclave developments in those areas which offer a stronger recreational/conservancy-oriented environs, and/or single homesite locations.



Illustrative Rendering Only

Developed on typical 100 ft. x 150 ft. homesites, this product line achieves a density of 1.8 units per acre. All homes should also include a 12 ft. x 12 ft. patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway. Interior appointments/finishes should include Café Series appliance packages, upgraded cabinetry and flooring throughout, master baths with separate soaking tub and shower and dual sinks, with most homes providing three and one-half baths as standard. SF100 Series homes should be pre-wired for EV chargers. Ranch and two-story offerings in this series expand living area to +/-3,600 or larger at consumer discretion, with benchmark 2023 estimated closing prices *generally* extending from \$695,000 to \$800,000. At benchmark, an average 2,750 square foot home will carry an estimated closing price of \$750,000, translating to a value ratio of \$272.73 per square foot in 2023 dollars. Benchmark closing prices *include* an estimated 7.0 percent of purchase price for some measure of options/upgrades and customization. It is acknowledged that an *additional* 4.0 to 8.0 percent in customization may be generated based on individual consumer preferences. At benchmark closing prices, a prototype 12-unit development (or project phase) would generate 0.5 sales monthly, achieving sell-out within an approximate 24-month timeframe.

Mainstream Single Family: Urban Infill

Lastly, there may be opportunity for small-scale, urban-oriented infill single family development *if development costs can be offset by allocated taxing districts and/or other local/state funding vehicles*. Infill development can serve as a form of “transitional architectural landscape” at gateway locations of the city and in gentrifying neighborhoods and will attract a broad spectrum of purchasers across a range of affordability levels including singles, two-person households, young couples in the initial stages of family formation, transitioning families, and (potentially) move-down purchasers who wish to remain in their community and prefer a more established environs. Plan offerings would include ranch-style homes providing two bedrooms and two baths, along with two-story plan types providing three bedrooms and two and one-half baths. Based upon site location, it is likely that most homes would include a *detached* two-car garage at the rear of the homesite. In established and/or gentrifying areas, it is essential that infill development allow for *private* outdoor social areas at the rear of the home.



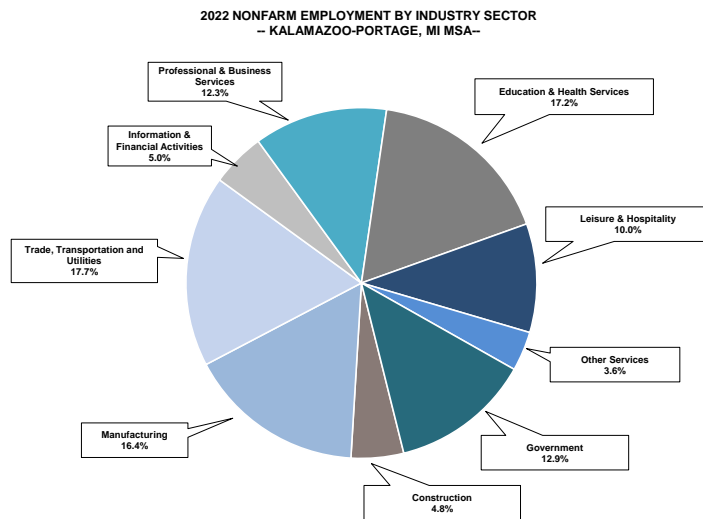
Illustrative Rendering Only

CLOSING REMARKS

To summarize, the benchmark development strategies are consistent with the newest rental and for sale housing products throughout the Kalamazoo-Portage region and elsewhere in the Midwest, primarily representing product lines marketed by regional homebuilders in the marketplace today. They provide a logical continuum of plan types, unit sizes and rent/price points which place the projected absorption rates in perspective. The benchmark strategies for all for sale idioms also appropriately position each of the attached and detached product housing types in line with new and existing attached and detached home prices in the region, with forecasted sales volumes established to achieve reasonable annual sales cast against new construction demand at price points between \$300,000 and \$700,000 over the near term 2023-2028 forecast period.

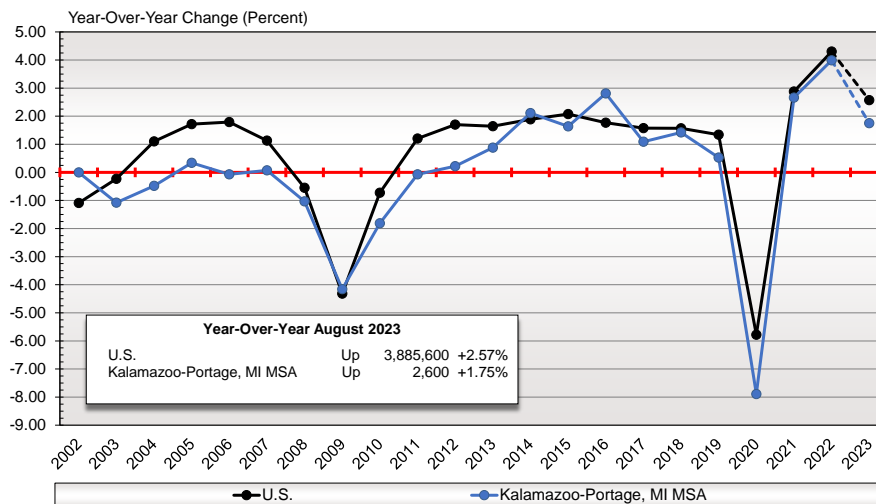


According to the U.S. Department of Labor, the Kalamazoo-Portage region supported a total nonfarm employment base of 148,400 in 2022, with employment concentrated in education and healthcare services which alone accounted for 17.3 percent of total employment, followed closely by manufacturing with 16.4 percent, and trade/transportation/utilities which (collectively) accounted for another 17.7 percent. That said, one cannot overlook the negative impact of the pandemic which resulted in regional net employment contractions of 11,900 or 7.9 percent of total employment in 2020 (refer to Appendix A2.1). However, 2021 ushered in modest regional employment recovery which has continued through August 2023. Specifically, during the 2020-2022 timeframe, the region recorded the recovery of 4,700 jobs or a recovery rate of 3.3 percent, consistent with the 3.5 percent national recovery rate noted during the 24-month period. Moreover, through the first eight months of 2023, the region recovered another 2,600 jobs (year-over-year) to a total nonfarm employment base of 149,800, just shy of the recent peak 150,900 employment level noted in 2019. This momentum coupled with continued investment at the Pfizer and Stryker facilities in Portage itself over the forecast period suggests that market fundamentals provide a stable foundation for growth long term, lending support to the sustaining strength of the marketplace for residential development through the 2028 forecast period and beyond.



Source: U.S. Department of Labor, Bureau of Labor Statistics

NONFARM EMPLOYMENT GROWTH COMPARISONS
-- KALAMAZOO-PORTAGE, MI MSA AND THE U.S. -- A COMPARISON --



Source: U.S. Department of Labor, Bureau of Labor Statistics

This conclusion also considers the necessity to sustain pro-active regional economic development initiatives, reflecting a multi-disciplinary approach to attracting and retaining workforce talent by providing infrastructure improvements necessary to enable employment expansion; capitalizing on established opportunity zone designations, the creation of Neighborhood Enterprise Zones and other tax incentives to promote employment growth; initiating workforce training and continuing education programs; and (importantly) partnering with regional stakeholders to ensure the availability of quality housing options.

DEMOGRAPHICS

Positive employment will continue to foster steady rates of household growth through the 2028 forecast period, with household trendlines expected to continue through at least 2033. Specifically, estimates derived from the 2020 Censuses indicate that the Kalamazoo County Market Area supports a 2023 household base of 107,459, reflecting the addition of 527 households yearly since 2010. Household additions during this 13-year timeframe remained concentrated in suburban areas of the county which accounted for roughly 58.0 percent of all household formations. However, the cities of Portage and Kalamazoo also experienced accelerated levels of growth during the 2010-2023 timeframe, primarily reflecting redevelopment initiatives in downtown Kalamazoo, together with a modicum of moderate-density infill for sale and rental development in Portage.

**POPULATION AND HOUSEHOLD TRENDS:
-- KALAMAZOO COUNTY MARKET AREA --**

Area	2010	2020	2023 (Est.)	2028 (Proj.)	Average Annual Change		
					2010 - 2020	2020 - 2023	2023 - 2028
Population							
Kalamazoo County Market Area	250,329	261,670	262,174	264,697	+1,134	+168	+505
City of Portage	46,319	48,891	49,068	49,617	+257	+59	+110
Percent of Market Area	18.5	18.7	18.7	18.7	---	---	---
City of Kalamazoo	74,343	73,598	73,061	73,509	-75	-179	+90
Percent of Market Area	29.7	28.1	27.9	27.8	---	---	---
Households							
Kalamazoo County Market Area	100,611	106,906	107,459	110,414	+630	+184	+591
City of Portage	19,210	20,660	20,810	21,434	+145	+50	+125
Percent of Market Area	19.1	19.3	19.4	19.4	---	---	---
City of Kalamazoo	29,160	29,831	29,841	30,587	+67	+3	+149
Percent of Market Area	29.0	27.9	27.8	27.7	---	---	---

Source: U.S. Bureau of the Census Bureau: Census 2010 and 2020; Envirionics Analytics; and Tracy Cross & Associates, Inc.

Household additions throughout Kalamazoo County are expected to modestly advance through 2028, projected at 591 households yearly. These estimates reconcile the expectation of measured economic growth through the forecast period, offset by inflationary pressure and the impact of tighter lending controls with rapidly accelerating home prices and tight inventories throughout the region which could hold back potentials in ownership sectors over the near term. Consistent with trendlines, suburban areas of Kalamazoo County are expected to account for roughly 54.0 percent of all household additions, while the urban core as a whole is expected to advance its market share to 46.0 percent through 2028. While the city of Portage is expected to modestly advance its share of *household additions* to 21.0 percent (or 125 households yearly) through 2028 (refer to Appendix A2.2), it's overall representation will hold steady at 19.4 percent of total households *before factoring the impact of potential new residential development of scale locally*.

Tenure distributions in Kalamazoo County favor ownership housing which, in 2023, accounts for 64.5 percent of all occupied units. A modestly higher 68.2 percent of occupied units in the city of Portage reflect homeowners as well. Not to be dismissed, however, renter household additions have accounted for some 36.0 percent (or 190 households yearly) in Kalamazoo County since 2010. Reversing trends noted in the previous decade when some 70.0 percent of renter household additions occurred in *suburban* areas of the county, during the 2010-2023 timeframe, the urban core and (particularly) the city of Kalamazoo accounted for roughly one-half of renter household growth, averaging 95 renter households annually. Renter household additions in the urban core reflect, of course, the influence of Western Michigan University off-campus residents, increased occupancies among existing, generally older rental developments built *prior* to 1990, elevated participation in ownership inventory (both attached and detached) brought to the market as rentals, coupled with accelerated conventional (non-student) rental development over the last five years, concentrated in downtown Kalamazoo.

Also consistent with current and future residential development opportunities, as detailed in Appendix A2.3, market area householders reflect a median age of 49 years, while householders in Portage are modestly older at a median of 51 years. As

**HOUSEHOLD GROWTH PROJECTIONS BY AGE GROUP
-- KALAMAZOO COUNTY MARKET AREA --**

Age Range	Kalamazoo County Market Area		City of Portage	
	2023	2028	2023	2028
Under 35	27,632	27,492	4,516	4,580
35-44	18,005	18,826	3,381	3,519
45-54	16,109	16,971	3,398	3,459
55-64	17,091	15,889	3,508	3,322
65-74	16,405	18,152	3,314	3,712
75 and over	12,217	13,084	2,693	2,842
Total	107,459	110,414	20,810	21,434

Source: Environics Analytics and Tracy Cross & Associates, Inc.

Appendix A2.3 also illustrates, roughly 22.0 percent of resident Portage householders are younger than 35, while those aged 35 to 54 and 55 to 74 are effectively evenly distributed at 32.6 and 32.8 percent, respectively, representing profile age categories for lifestyle rental and/or family-oriented ownership housing forms. Further, not only is there a sizeable base of existing households in each of the prime renter and home ownership age categories but these age segments are generally expected to advance proportionately over the forecast period. That said, it is not surprising that matriculation rates are strongest among mature householder cohorts aged 65 and older.

A broad range of differentiated residential development initiatives is also consistent with socio-economic characteristics of market area residents. For example, households throughout Kalamazoo County support an estimated 2023 median annual income of \$62,458. With focus upon profile age groups younger than 75 years of age, 17.5 percent of householders county-wide (or 16,641 households) earn incomes of \$50,000 to \$74,999 which generally define workforce categories of 80.0 to 120.0 percent AMI, with another 42,554 or 44.7 percent earning at least \$75,000 per annum. Of this latter group, nearly 70.0 percent (or 29,528 households) earn in excess of \$100,000 yearly.

HOUSEHOLD AGE AND INCOME CHARACTERISTICS: 2023
-- KALAMAZOO COUNTY MARKET AREA --

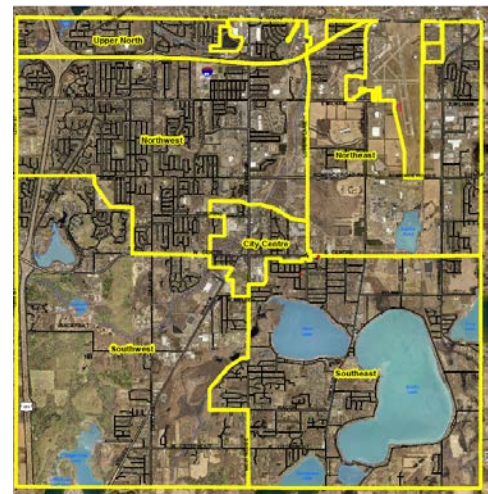
Attribute	Total Households					
	Kalamazoo County Market Area			City of Portage		
	Number	Percent	Median	Number	Percent	Median
Total Households	107,459	100.0	\$62,458	20,810	100.0	\$71,608
Under 25 Years	9,290	8.6	31,426	967	4.6	46,349
25 - 34 Years	18,342	17.1	62,832	3,549	17.1	73,346
35 - 44 Years	18,005	16.8	77,386	3,381	16.2	92,572
45 - 54 Years	16,109	15.0	90,316	3,398	16.3	101,491
55 - 64 Years	17,091	15.9	77,450	3,508	16.9	84,226
65 - 74 Years	16,405	15.3	58,708	3,314	15.9	59,640
75 - 84 Years	8,641	8.0	43,321	1,926	9.3	44,089
85 Years and Over	3,576	3.3	34,653	767	3.7	34,730
Total Households Under 35 Years	27,632	25.7	\$52,273	4,516	21.7	\$67,565
With Incomes of \$50,000 to \$74,999 ⁽¹⁾	5,479	19.8	---	1,130	25.0	---
With Incomes of \$75,000 or More	8,611	31.2	---	1,847	40.9	---
With Incomes of \$100,000 or More	4,629	16.8	---	1,092	24.2	---
Total Households Aged 35 to 54 Years	34,114	31.7	\$83,492	6,779	32.6	\$97,043
With Incomes of \$50,000 to \$74,999 ⁽¹⁾	5,590	20.2	---	1,124	24.9	---
With Incomes of \$75,000 or More	18,657	54.7	---	4,247	62.6	---
With Incomes of \$100,000 or More	13,620	39.9	---	3,239	47.8	---
Total Households Aged 55 to 74 Years	33,496	31.2	\$68,271	6,822	32.8	\$72,283
With Incomes of \$50,000 to \$74,999 ⁽¹⁾	5,572	20.2	---	1,216	26.9	---
With Incomes of \$75,000 or More	15,286	45.6	---	3,248	47.6	---
With Incomes of \$100,000 or More	11,279	33.7	---	2,452	35.9	---

⁽¹⁾ Represents two-person households earning between \$80.0 and 120.0 percent AMI based upon Kalamazoo County 2023 median income as defined by HUD/MSHDA and generally defined as workforce incomes. In certain circumstances, workforce incomes can be expanded to 130.0% AMI (or in Kalamazoo County) \$81,200 yearly.

Source: Envionics Analytics

Among resident profile renter/ownership age cohorts, a modestly higher 19.2 percent of city of Portage households earn incomes aligning with workforce categories in the general range of 80.0 to 120.0 percent of area median income (AMI), while 9,342 households or 51.6 percent of those in the traditional family age categories of 35 to 54 earn at least \$75,000 yearly, of which 37.4 percent or 6,783 local households earn \$100,000 or more per annum. Overall, household socio-economic characteristics of residents throughout the region as a whole earn requisite incomes to meet the affordability requirements for a broad range of potential new rental and for sale housing development in the city of Portage, before factoring likely equity positions of resident householders. While the preceding paragraphs present demographic and socio-economic characteristics of the greater region and the city of Portage in whole, Appendix A2.4 further disaggregates profile characteristics of various sub-areas of the city for perspective.

GEOGRAPHIC DELINEATION
CITY OF PORTAGE BY SUB-AREA
-- PORTAGE, MICHIGAN --



Source: City of Portage

RESIDENTIAL CONSTRUCTION TRENDS

Kalamazoo County has historically represented a stable environment for housing development. That said, one potential barrier to anticipated regional economic expansion is the region's pattern of phased introduction of housing units (particularly, ownership forms) of an extended period of time. As summarized in the adjacent table, Census estimates indicate that a mere 6.0 percent of housing units county-wide have been built since 2010, while only 17.3 percent have been built *since 1990*, statistics which are mirrored in the city of Portage, lending support to residential development initiatives which expand housing options across a broad range of consumer segments and affordability levels.

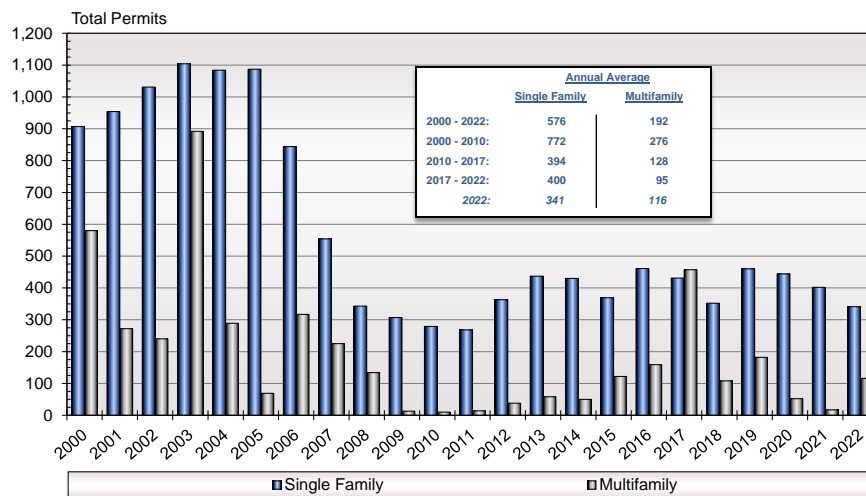
2023 HOUSING UNITS BY YEAR BUILT
-- KALAMAZOO COUNTY MARKET AREA --

Attribute	Kalamazoo County Market Area		City of Portage	
	Number	Percent	Number	Percent
Total Housing Units	114,984	100.0	21,929	100.0
Built in 2014 or Later	4,618	4.0	1,005	4.6
Built in 2010 to 2013	2,288	2.0	447	2.0
Built 2000 to 2009	13,040	11.3	2,549	11.6
Built 1990 to 1999	14,777	12.9	2,735	12.5
Built 1960 to 1989	43,303	37.7	10,536	48.0
Built 1959 or Earlier	36,958	32.1	4,657	21.2
Median Year Structure Built	1974		1977	

Source: EnviroNics Analytics

These statistics are further supported by analysis of regional residential construction authorization trends over the last two-plus decades, which have averaged 768 annually since 2000, moderating to an annual level of 495 yearly during the more recent 2017-2022 timeframe.

RESIDENTIAL PERMIT TRENDS: KALAMAZOO COUNTY MARKET AREA
2000 – 2022



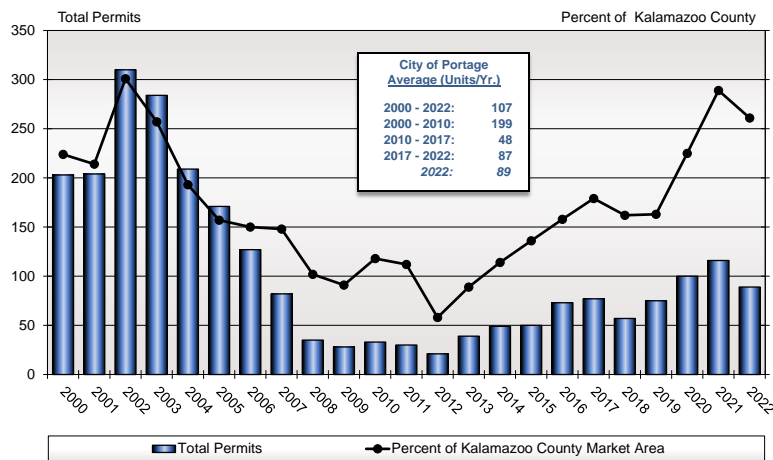
Source: U.S. Department of Commerce, Bureau of the Census: C-40 Construction Reports

As detailed in Appendix A2.5, single family forms (including single address townhomes and duplexes) have represented 75.0 percent of all residential permit activity since 2000 or 576 units yearly. Not surprisingly, some 98.0 percent of single family authorizations occurred in suburban areas of the county (i.e., excluding the cities of Kalamazoo and Portage). While stable, residential construction was greatly suppressed during the last recession. For example, Kalamazoo County saw single family authorizations fall to a yearly average of 312 units during the 2008-2012 timeframe, down 67.0 percent from the 946-unit annual average noted during the previous 2000-2007 period. As also detailed in Appendix A2.5, single family development has shown modest levels of improvement in recent years with authorizations during the 2017-2022 timeframe averaging 400 units yearly but still remains below previous peak volumes.

The city of Portage has generally mirrored regional trends, averaging 107 units yearly during the 2000-2022 timeframe, accounting for 18.6 percent of total single family authorizations. While statistics must be viewed in context, in 2021 Portage advanced its overall representation level to 28.9 percent, reflecting development activity in several smaller-scale (i.e., less than 50 units) phases of planned developments such as Copperleaf, Oakland Farms, Westfield and Pennridge Trail, to name a few.

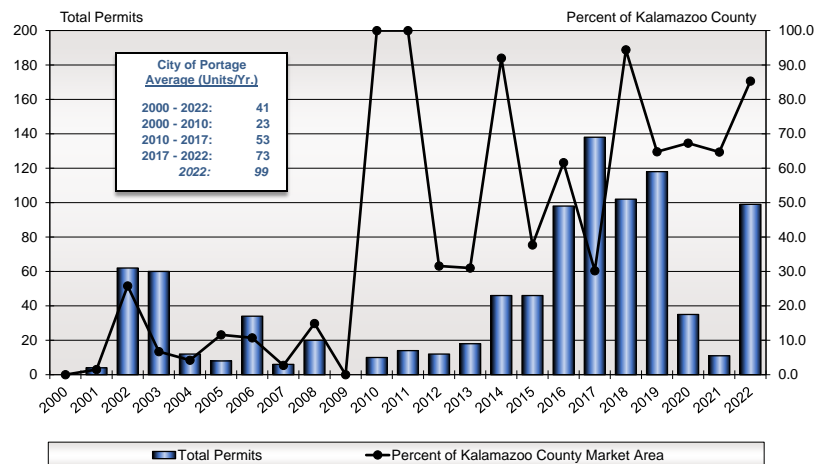
Multifamily authorizations, in turn, have averaged 192 units yearly over the last 22 years, reflecting sporadic new market rate apartment construction, together with a modicum of age- and/or income-qualifying housing development concentrated in the urban core and, specifically, in downtown Kalamazoo. In fact, since 2000, the city of Portage has issued a mere 41 multifamily units annually or 21.6 percent of county-wide multifamily issuances. It is notable, however, that during the more recent 2017-2022 timeframe, multifamily authorizations in Portage advanced to an average of 73 units per annum or 75.3 percent of total authorizations in Kalamazoo County, primarily reflecting additional phases of development at *Greenspire* and, most recently, authorization of the Redwood Portage ranch villa rentals.

SINGLE FAMILY PERMIT TRENDS: 2000 - 2022
-- CITY OF PORTAGE --



Source: U.S. Bureau of the Census: [C-40 Construction Reports](#).

MULTIFAMILY PERMIT TRENDS: 2000 - 2022
-- CITY OF PORTAGE --



Source: U.S. Bureau of the Census: [C-40 Construction Reports](#).

RESIDENTIAL OUTLOOK

The market fundamentals which have guided the region's economy over the last decade remain intact and support future residential housing initiatives throughout the city of Portage. Based upon a synthesis of economic factors and empirical residential trends, over the 2023-2028 forecast period (and for planning purposes extended through 2033), Kalamazoo County could support construction of up to 920 new housing units yearly, distributed between 485 units in ownership sectors and 435 rental forms.

ANNUAL RESIDENTIAL CONSTRUCTION POTENTIALS BY PRODUCT TYPE
-- KALAMAZOO COUNTY MARKET AREA --
2023 - 2033

Product Type	Average Annual Absorption (In Units)		
	Kalamazoo County Market Area	City of Portage	
		Total Units	Percent of Market Area
Total	920	465	50.5
For Sale	485	245	50.5
Single Family Detached	335	160	47.8
Townhome/Condominium	150	85	56.7
For Rent	435	220	50.6
⁽¹⁾ <i>Estimates</i> are subject to zoning constraints which could pose limitations on project densities, product form, development timeline, etc. These estimates assume that sufficient development parcels are available and, most importantly, that future for sale and rental apartment developments maintain <i>competitive sales prices/rents</i> .			

Source: Tracy Cross & Associates, Inc.

In for sale categories, single family detached forms (*including site condominiums*) will account for some 69.0 percent of all new ownership construction or 335 units yearly, with attached ownership forms representing the remaining 150 units yearly (on average). It is expected that the majority of new detached for sale construction will occur in suburban areas of Kalamazoo County as the generally built-out nature of the urban core will effectively limit for sale development to smaller infill locations and/or redevelopment sites. Conversely, *non-student* rental housing construction requirements through forecast timeframe, cast at 435 units yearly, will remain concentrated in the cities of Kalamazoo and Portage.

This construction forecast reconciles regional household growth projections, anticipated strained for sale inventory levels over the near term, a measure of replacement demand, and vacancy allowances to permit adequate market filtering. The 485-unit annual *ownership* forecast is modestly higher than the 400-unit average noted during the 2017-2022 timeframe and considers the expectation of measured post-pandemic economic growth through the forecast period and beyond. Similarly, the 435-unit annual rental construction projection also considers shifts in housing trends in recent years, and reflects the potential introduction of lifestyle, low-density attached townhome/duplex and single family detached rentals over the forecast period. It is also noted that new residential construction requirements *could potentially double during any given year* if supply were made available and *competitive sales prices and rents are maintained*. Derived residential construction requirements represent more than adequate support for future residential development initiatives throughout the city of Portage.

Further disaggregating potential ownership construction requirements based upon the distribution of household incomes throughout Kalamazoo County, together with an examination of existing and new construction single family and attached closings over the last 44 months (2020-August 2023), new construction for sale potentials will carry an average closing price of \$395,653 **in 2023 dollars**. As delineated in the following text table, over the forecast period, it is expected that just over one-half of new production/semi-custom closings (52.5 percent or +/-255 units yearly) will be concentrated at *current 2023 dollar* price points below \$399,000, with another 33.3 percent or an estimated 160 closings yearly aligning pricing categories of \$400,000 to \$549,999. By housing type, new single family closings are expected to carry an average current dollar closing price of \$385,900 with a modest 19.4 percent expected to carry closing prices of \$550,000 or more. Attached for sale alternatives, in turn, are expected to carry an average current dollar closing price of \$408,500, reflecting the preponderance of lifestyle site condominiums and duplex offerings concentrated in the more urban areas of the county (refer to Appendices A2.6 and A2.7).

ANNUAL NEW CONSTRUCTION POTENTIALS BY PRICE RANGE AND PRODUCT TYPE
-- KALAMAZOO COUNTY MARKET AREA --
2023 - 2028

Closing Price Range (In 2023 Dollars)	Total		Single Family Detached		Townhome/Condominium	
	Annual Closings	Percent	Number of Sales	Percent	Number of Sales	Percent
\$250,000 - 299,999	40	8.2	30	9.0	10	6.7
300,000 - 349,999	100	20.6	70	20.9	30	20.0
350,000 - 399,999	115	23.7	85	25.4	30	20.0
400,000 - 449,999	75	15.5	50	14.9	25	16.7
450,000 - 499,999	55	11.3	35	10.4	20	13.3
500,000 - 549,999	30	6.2	20	6.0	10	6.7
550,000 - 599,999	25	5.2	15	4.5	10	6.7
600,000 - 699,999	20	4.1	15	4.5	5	3.3
700,000 - 799,999	10	2.1	5	1.5	5	3.3
800,000 and Over	15	3.1	10	3.0	5	3.3
Total	485	100.0	335	100.0	150	100.0
Average	\$395,653		\$389,900		\$408,500	

Source: Tracy Cross & Associates, Inc.

It is unlikely, however, that *ownership* demand potential will be met (again) given the region's established pattern of *phased* development over an extended period of time. For example, as detailed in Appendix A2.8, while at present there are some 19 separate single family and townhome/duplex ownership developments and a collective 767 potential new units in some stage of the Kalamazoo County planning pipeline, virtually all reflect additional phases of existing subdivisions with the average future phase reflecting a modest 40 units in size. Similarly, there are an additional 17 rental projects and some 2,196 potential new units in planning. In this sector, as well, most developments are of moderate scale averaging 129 units in size. Notably, in Portage itself, only 183 ownership units and 180 rental units are currently under construction and expected to begin marketing over the coming 12- to 18 months. These include *Willow Crossings*, a 23-unit townhome development; 150 single family units representing additional phases of *The Oaks* and *Streamsong Condominiums*, along with the 180-unit *Tall Timbers* midrise apartments. Hence, development of rental and ownership housing forms in the city of Portage (and, for that matter, throughout Kalamazoo County) will serve to alleviate some measure of pent-up demand for quality housing alternatives which meet the needs of today's – and tomorrow's - consumers.

FUTURE SALES PRICE / RENT APPRECIATION CONSIDERATIONS

It is again noted that the distribution of future housing demand has been presented in 2023 dollars. It must also be noted that recent sharp rates of growth in both home prices and rents *are not sustainable*, especially considering the impact of persistently high rates of inflation and related economic uncertainties now evident which could serve as a barrier to residential development initiatives for at least the near term. Therefore, in evaluating proposals which may come before the City, it is reiterated that in order to sustain pro-active regional economic development initiatives to attract and retain workforce talent, the City should be prepared to provide and/or partner with regional stakeholders to promote employment opportunities; initiate workforce training and continuing education programs; and (importantly) partner with regional homebuilders to ensure the continued availability of a quality housing options over the long term.

These initiatives must include infrastructure improvements necessary to enable not only economic expansion, but also a broad range of housing options and levels of affordability. As such, in addition to utilization of established opportunity zones, the city should consider the creation of Neighborhood Enterprise Zones and other tax incentive vehicles such as the recently approved State of Michigan SB129 which could serve to initiate redevelopment opportunities throughout Portage and (particularly) in the core *City Centre, Crossroads Mall Area* and *Lake Center* planning districts as envisioned in its Draft 2024 Master Plan Plan.





3. THE APARTMENT MARKETPLACE

As detailed in Section 2, residential development throughout Kalamazoo County and in the city of Portage, typically reflects phased development over an extended period of time. This section of our report characterizes trends noted among newer market rate rental developments (i.e., those generally built or renovated in 1995 or later), together with trends in the greater Kalamazoo region's detached and attached for sale sectors in order to provide a basis of understanding relative to future new construction offerings in Portage. We begin with an overview of the region's rental apartment sector.

THE APARTMENT MARKET – AN OVERVIEW

As summarized in Section 2, over the last two-plus decades, there has been only sporadic new market rate multifamily construction in Kalamazoo County, primarily representing adaptive conversion development in downtown Kalamazoo, along with a modicum of suburban garden apartment construction. Therefore, in order to evaluate the competitive environment within which new market rate/workforce rental product lines will exist, our firm isolated upon 16 conventional (non-student) market rate apartment communities throughout the suburban region which are viewed as more representative of newer construction alternatives. For the most part, these developments were built during the late-1990s through the mid-2000s and have undergone renovation over the last ten years. Seven of the representative communities, however, have been built since 2018, including additional phases of *Greenspire* and, more recently, *Redwood Portage* in Portage itself; together with *180 East Water Street*, *400 Rose*, *Abbey 42*, *The Exchange*, *Parkway Flats*, and *Westgate* in Kalamazoo; and *Redwood* in Texas Township.

Most of the selected newer developments represent garden/walk-up or mixed-use/mixed-income midrise apartment projects which provide little (if any) level of community amenities. Most provide off-street surface parking, while several also offer carports and, among newer projects, a limited number of attached and/or detached garage units are available for optional lease. The exceptions are the master-planned *Greenspire*, which represents the only *true* lifestyle community in the region, providing an expansive level of community-based amenities coupled with a conservancy living environment; and *Redwood Portage* and *Redwood Texas Township* which represent ranch-style duplex/villas providing a direct-access two-car garage and strong appeal to mature/move-down consumer segments, although these projects offer no level of community-based amenities. The following paragraphs briefly characterize conditions in the marketplace which inform our conclusions and benchmark rental strategy planning recommendations.

As summarized in **Exhibit 3.1**, the selected newer/renovated developments provide a collective 3,220 units. As of August 2023, posted base rents among the representative projects averaged \$1,506 monthly for a 987 square foot apartment home. Posted base rents translate to a current dollar value ratio of \$1.53 per square foot. Posted August 2023 rents reflect a 5.0 percent advance over the \$1.45 per square foot average noted one year ago, and *annual rent growth* of 8.9 percent compared to the \$1.38 per square foot average noted at the close of 2020. Recent rent growth is attributed at least in part to the residual effects of the pandemic as the challenges of the last several years have had a significant impact upon vacancies throughout the region. For example, vacancies among the selected developments stood at a mere 1.7 percent as of August 2023, only fractionally higher than the 0.7 percent vacancy factor noted in August 2022. In aggregate, among the selected newer developments, only 45 units were unoccupied as of August 2023. For perspective, market balance generally requires vacancies in the range of 5.0 to 6.0 percent to allow for movement between developments. Vacancies among the region's remaining vintage market rate developments are extremely tight as well, averaging 2.0 percent overall, while most developments reported waiting lists for residency, adding perspective to recent rent advances. Also, while not specifically a focus of this analysis, a view of the region's income-qualifying developments (family and senior) indicate that these developments are also fully leased with extensive waiting lists for residency.

3.1

COMPOSITE SUMMARY: REPRESENTATIVE NEWER/RENOVATED MARKET RATE APARTMENT DEVELOPMENTS
-- SUBURBAN KALAMAZOO COUNTY - AUGUST 2023 --

Municipality/ Development	Year Built/ Renovated	Number of Units ⁽²⁾	Number Vacant	Percent Vacant	Average Unit Size (Sq. Ft.)	Rent Characteristics				Stabilized Developments ⁽¹⁾		
						August 2023				Number of Units	Number Vacant	Percent Vacant
						Average Posted		Average Effective				
						\$	\$/Sq.	\$	\$/Sq. Ft.			
CMA Totals/Averages	---	3,220	465	14.4	987	\$1,506	\$1.53	\$1,506	\$1.53	2,610	45	1.7
Kalamazoo	---	2,116	369	17.4	927	\$1,422	\$1.53	\$1,422	\$1.53	1,772	30	1.7
180 East Water Street	2021	25	0	0.0	883	1,888	2.14	1,888	2.14	25	0	0.0
400 Rose	2020-22	212	14	6.6	771	1,711	2.22	1,711	2.22	212	14	6.6
Abbey 42 ⁽³⁾	2023	344	332	96.5	967	1,540	1.59	1,540	1.59	---	---	---
Coopers Landing	2002-18	668	10	1.5	954	1,137	1.19	1,137	1.19	668	10	1.5
The Exchange	2018	131	0	0.0	858	1,620	1.89	1,620	1.89	131	0	0.0
Parkway Flats	2018	241	3	1.2	969	1,629	1.68	1,629	1.68	241	3	1.2
Summer Ridge	1989; 2006	248	10	4.0	996	1,406	1.41	1,406	1.41	248	3	1.2
Tall Oaks	2008	198	0	0.0	899	1,451	1.61	1,451	1.61	198	0	0.0
Walbridge Common	2016	31	0	0.0	611	1,245	2.04	1,245	2.04	31	0	0.0
Westgate	2022	18	0	0.0	875	1,716	1.96	1,716	1.96	18	0	0.0
Portage	---	947	94	9.9	1,065	\$1,598	\$1.50	\$1,598	\$1.50	838	15	1.8
Foxwood	1998	192	0	0.0	877	1,166	1.33	1,166	1.33	192	0	0.0
Greenspire-PH IV-VI	2015-19	316	0	0.0	899	1,588	1.77	1,588	1.77	316	10	3.2
Pinefield Townhomes	2003-16	212	2	0.9	1,360	1,832	1.35	1,832	1.35	212	2	0.9
Prinwood Place Townhomes	1997	118	3	2.5	1,001	1,584	1.58	1,584	1.58	118	3	2.5
Redwood Portage ⁽⁴⁾	2023	109	89	81.7	1,369	1,951	1.43	1,951	1.43	---	---	---
Texas Township	---	157	2	1.3	1,338	\$2,072	\$1.55	\$2,072	\$1.55	---	---	---
Redwood	2020	157	2	1.3	1,338	2,072	1.55	2,072	1.55	157	2	1.3

⁽¹⁾ Excludes rental programs currently undergoing renovation and/or new programs undergoing initial absorption.

⁽²⁾ Excludes designated affordable units as applicable.

⁽³⁾ Occupancy anticipated October 2023.

⁽⁴⁾ Occupancy commenced March 2023. Absorption rate of 4.0 units per month reflects 20 units occupied as of August 2023.

Source: Tracy Cross & Associates, Inc.

The newest rental developments of scale include Abbey 42, a 344-unit garden apartment development aligning East O Avenue in Kalamazoo which began marketing in May 2023 in anticipation of occupancies commencing in October. This project features a variety of JR-1/convertible, one, two and 3 bedroom plan styles which range in unit size from 567 to 1,533 square feet. Posted base rents currently extend from \$1,050 to \$1,930 and average \$1,540 for a 967 square foot apartment home, yielding a value ratio of \$1.59 per square foot. As of August, Abbey 42 was generating an average absorption rate of 9.6 units per month. Similarly, construction is underway at *Redwood Portage*, a 109-unit ranch villa project located immediately west of Lovers Lane north of Centre Avenue. This community features two bedroom and two bedroom and den ranch-style townhome apartments which range in unit size from 1,294 to 1,709 square feet. All units provide an attached two-car garage. August 2023 posted rents extend \$1,849 to \$2,295 and average \$1,951 which includes a 1,369 square foot residence. Posted rents yield a current dollar value ratio of \$1.43 per square foot. Lease reservations commenced in January 2023 with initial occupancies beginning in March. As of August 2023, 20 units were occupied, translating to an absorption rate of 4.0 units per month. As previously noted, Redwood Portage offers no form of community-based amenities.



Redwood Portage

THE OWNERSHIP MARKET

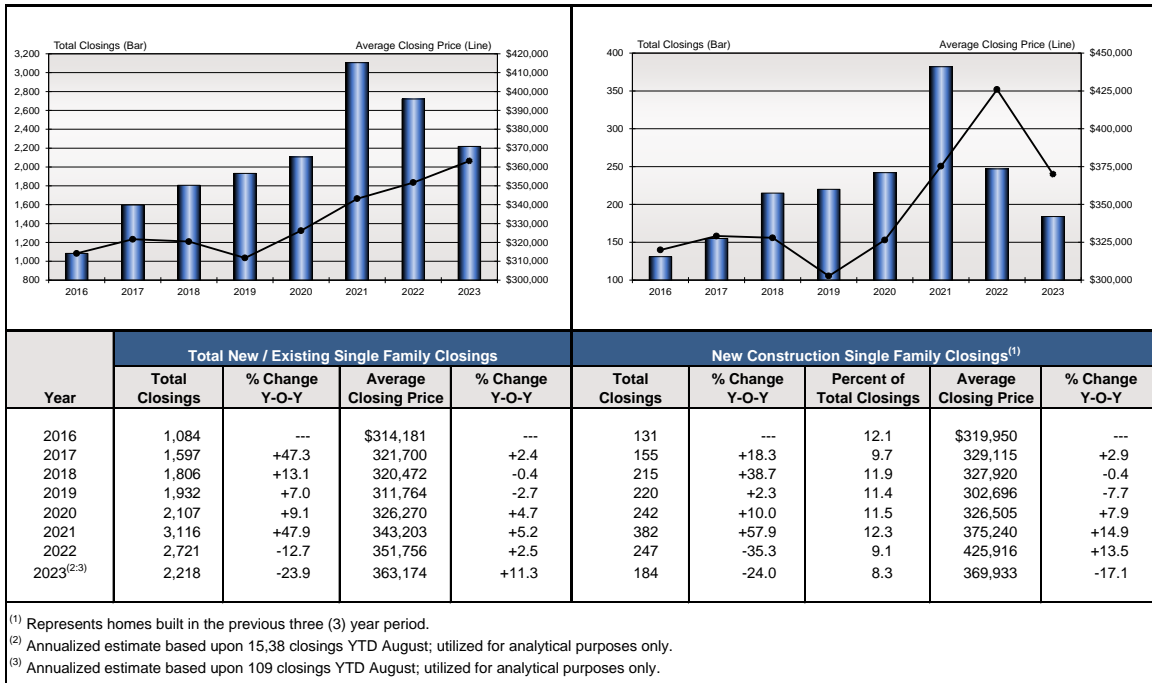
New construction single family and attached for sale development throughout the Greater Kalamazoo region is generally characterized as broker-represented and typically reflects multiple-builder subdivisions marketed in phases over an extended period of time, together with proprietary production-oriented and custom home subdivisions marketed by regional homebuilding companies including Allen Edwin Homes, AVB, Inc., Watts Homes, Glas Associates, Nyhof Homes, Cornerstone Custom Homes, and others. Some production-oriented developments also feature planning areas of moderate-density attached for sale alternatives primarily directed to move-down consumer segments. Throughout the Kalamazoo region, however, AVB, Inc. and Allen Edwin Homes are currently the only homebuilders to develop *larger-scale proprietary* communities which typically offer some level of amenities. The following paragraphs highlight pertinent trends in the region's ownership housing sector, focusing upon homes priced at \$200,000 and above which are more representative of newer construction alternatives.

THE SINGLE FAMILY SECTOR

Data abstracted from the Greater Kalamazoo Association of Realtors reveals that there were 3,116 existing *and* new construction single family homes sold in the region in 2021, reflecting a sharp 9.1 percent advance over the 2,107 homes sold in 2019 and a volume *nearly triple* the 1,084-unit volume noted five years earlier (2016). Overall, the average sales price of a single family home in 2021 stood at \$343,203 while time on market averaged 20 days. As summarized in the following text table and detailed in Appendix A3.1, however, single family closing volume moderated to 2,721 homes sold in 2022, down 12.7 percent year-over-year. The average price of a new or existing single family home stood at \$351,756 at the close of 2022, reflecting up 2.5 percent over the twelve month timeframe. Time on market, however, fell to an average of 15 days, indicative of continued market constraint.

In 2022 and at price points of \$200,000 or more, 64.4 percent of all closing volume (1,751 homes) carried prices between \$200,000 and \$349,999, while 23.7 percent (or 645 units) sold at prices of \$350,000 to \$499,999. The remaining 11.9 percent or 325 closings carried price points of \$500,000 and above.

SINGLE FAMILY CLOSING TRENDS: NEW AND EXISTING HOMES PRICED \$200,000 AND ABOVE
-- GREATER KALAMAZOO REGION --



Source: Greater Kalamazoo Association of Realtors and Tracy Cross & Associates, Inc.

As the preceding table and Appendix A3.1 also indicate, *newer construction closings* (i.e., homes built in each of the previous three years) accounted for 9.0 percent of total closings or 247 homes sold in 2022, down from a 12.3 percent market share noted during the previous peak year, and generally on par with newer construction single family closing activity during the 2018-2020 timeframe. In 2022, the average price of a newer home sold in the region stood at \$425,916, reflecting a sharp 13.5 percent advance year-over-year and a substantial *annual appreciation* of 11.4 percent over the \$302,696 average closing price noted in 2019. Consistent with average values overall and reflecting at least in part the influence of Allen Edwin communities which typically support entry-level price points below \$350,000, 47.0 percent of newer construction closings in 2022 occurred at price points between \$200,000 and \$349,999, with another 16.6 percent occurring at prices of \$350,000 to \$399,999 and 16.2 percent priced from \$400,000 to \$499,999. The remaining 50 closings or 20.0 percent occurred at prices in excess of \$500,000. Time on market for newer construction homes stood at 31 days, down from a 48-day average in 2021 and significantly below the 60-day average noted in 2020.

Similarly, on an annualized basis, total closing volume and closings of newer construction homes have continued to moderate through the first eight months of 2023, down 24.0 percent in each category. While time on market for existing homes (at 20 days on average) continues to reflect very tight inventories in the marketplace, among newer construction homes, market share levels have also continued to erode, while average marketing time advanced sharply to 59 days.

The uptick in overall market time also reflects rapidly accelerating home prices among active listings in the marketplace overall and (especially) among new construction alternatives. For example, as shown in the following text table, *new construction* inventory levels at price points between \$200,000 and \$299,999 have dropped to an average of 3.6 months, while homes price from \$300,000 to \$399,999 reflect an average 7.8-month inventory level, while those carrying price points of \$400,000 to \$499,999 stand at roughly 5.5 months. Importantly, at price points extending beyond \$500,000 inventory levels now stand at 15.0 months (on average) lending perspective to market share contractions.

ACTIVE LISTINGS BY PRICE AND MONTHS OF INVENTORY
NEW AND EXISTING DETACHED HOMES PRICED \$200,000 OR MORE
-- GREATER KALAMAZOO REGION --

Price Range	Total New / Existing Single Family			New Construction Single Family ⁽¹⁾		
	Annualized Closings 2020- AUG 2023	Total Listings ⁽²⁾	Months of Inventory	Annualized Closings 2020-AUG 2023	Total Listings ⁽²⁾	Months of Inventory
\$200,000 - 249,999	2,693	135	2.2	144	1	0.3
250,000 - 299,999	2,132	146	3.0	245	39	7.0
300,000 - 349,999	1,446	120	3.7	196	31	7.0
350,000 - 399,999	956	90	4.1	109	21	8.5
400,000 - 449,999	679	58	3.8	81	16	8.7
450,000 - 499,999	427	26	2.7	56	3	2.4
500,000 - 549,999	328	18	2.4	40	5	5.5
550,000 - 599,999	224	26	5.1	50	7	6.2
600,000 - 699,999	262	31	5.2	34	10	12.9
700,000 and Over	325	65	8.8	25	21	37.0
Total	9,472	715	3.3	980	154	6.9
Average Closing Price	\$345,220	\$417,160		\$375,340	\$451,677	
Median Closing Price	\$298,000	\$335,330		\$325,750	\$374,365	
Days on Market	23	36		48	41	
⁽¹⁾ Represents homes aged 0 to 3 years.						
⁽²⁾ As of September 22, 2023						

Source: Greater Kalamazoo Association of Realtors and Tracy Cross & Associates, Inc.

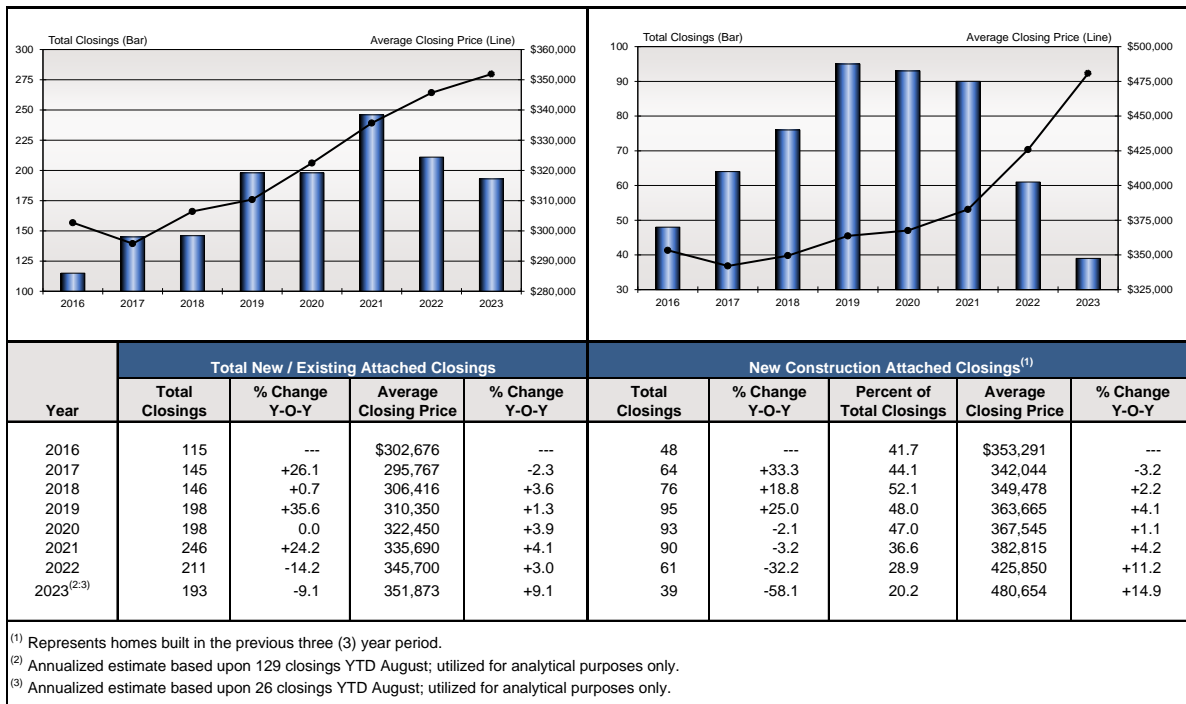
As also detailed in Appendix A3.1, in 2022, the city of Portage accounted for 17.5 percent of total single family closing volume, or 475 homes sold, while average closing prices overall stood at a modestly lower \$340,753. In 2022, time on market rose significantly to an average of 72 days. Among newer construction homes, as well, the 43 homes sold in 2022 accounted for 17.4 percent of total new construction volume, and reflected an average closing price of \$392,662, down from the \$430,882 average noted in 2021 but well above the \$320,247 average recorded in 2020. Time on market for new construction homes in Portage stood at a consistent 30 days. Notably, the 14 new construction closings reported during the January-August 2023 timeframe translate to an annualized closing volume of 77 units, a level 79.0 percent *higher* than 2022 new closing activity locally. Again, largely reflecting the influence of family-oriented developments by Allen Edwin and others, the average closing price of a new construction home as of August 2023 stood at \$362,555, generally on par with the \$369,933 average region-wide.

THE ATTACHED SECTOR

The generally affordable nature of the Greater Kalamazoo marketplace has precluded significant development of attached for sale housing products apart from developments primarily featuring ranch-style duplex, villa or four-plex idioms directed to localized move-down consumer segments, with this housing subset representing less than 8.0 percent of overall sales volume over the last seven years. However, consistent with the detached sector, in 2021, new *and* existing attached units achieved a peak closing volume of 246 units, up a substantial 24.2 percent over the average 198-unit volume sold the previous two years. As illustrated in the following table and detailed in Appendix A3.2, the average overall closing price of an attached unit sold in 2021 stood at \$335,690, up 4.1 percent year-over-year. In 2021, the average market time advanced modestly to 78 days or roughly 2.6 months.

Again, mirroring its detached counterparts, closing volume overall dropped 14.2 percent in 2022 reflecting the sale of 211 existing and new attached units, with 46.4 percent carrying closing prices below \$300,000. Another 28.4 percent or 60 closings occurred at prices between \$300,000 and \$399,999. These price points are consistent with the distribution of new and existing *single family* sales over the last several years. To this point, it is important to note that average closing prices and time on market are particularly relevant vis-à-vis potential downsizing consumer segments which typically move laterally or down in size, but almost universally *down* in price. The remaining 53 closings occurred at prices in excess of \$400,000.

ATTACHED FAMILY CLOSING TRENDS: NEW AND EXISTING HOMES PRICED \$200,000 AND ABOVE
-- GREATER KALAMAZOO REGION --



Source: Greater Kalamazoo Association of Realtors and Tracy Cross & Associates, Inc.

As also illustrated, newer construction attached closings (again, units built in the previous three years) have accounted for roughly 43.0 percent of all attached closings in the region since 2016. The average closing price of a newer unit stood at \$425,850 in 2022, reflecting an 11.2 percent advance compared to closing prices in 2021, and also represented a 6.1 percent *annual* price appreciation compared to the \$375,180 average noted during the 2020-2021 period. New construction attached units also carried closing prices some 36.0 percent higher than the \$313,100 average closing price of an existing attached unit in 2022. Again, the sharp 32.2 percent drop in market share in 2022 is attributed at least in part to this pricing differential. As also detailed in Appendix A3.2, in 2022 the average market time for a newer construction attached unit stood at 51 days (or 1.7 months on average), well below the 78-day average noted in 2021 and the 90-day average noted in 2020.

Attached closing volumes continued to moderate through the first eight months of 2022, down 9.1 percent to an annualized volume of 193 existing and new units sold, while annualized new construction volumes reflect an estimated 58.1 percent drop. As illustrated, closing prices overall rose 9.1 percent during the eight-month period to an average of \$351,973, while time on market held steady at 31 days. Among new construction alternatives, closing prices continued to escalate, up 14.9 percent to an average of \$480,654, while marketing time advanced to 653 days. Closing prices of newer construction attached units currently

stand *well above* the \$363,174 overall average closing price for a detached single family home during the January-August 2023 timeframe, portending a measure of market softening.

In this housing subset, as well, rising prices among new construction attached units are reflected in advancing inventory levels which, based upon closings trends during the 2020-August 2023 period and active listings through September 15, 2023, average 7.2 months across all price points. Not surprisingly, the highest inventory levels are currently noted at price points in excess of \$450,000 where listings translate to an approximate 1.5 years of inventory, reflecting (at least in part) the availability of moderately priced *detached* conventional and site condominium alternatives.

-- GREATER KALAMAZOO REGION --

Price Range	Total New / Existing Attached			New Construction Attached ⁽¹⁾		
	Annualized Closings 2020-AUG 2023	Total Listings ⁽²⁾	Months of Inventory	Annualized Closings 2020-AUG 2023	Total Listings ⁽²⁾	Months of Inventory
\$200,000 - 249,999	184	5	1.2	32	0	0.0
250,000 - 274,999	88	2	1.0	13	0	0.0
275,000 - 299,999	102	3	1.3	30	4	5.9
300,000 - 324,999	65	7	4.7	20	2	4.4
325,000 - 349,999	66	6	4.0	27	2	3.3
350,000 - 399,999	89	6	3.0	34	1	1.3
400,000 - 449,999	62	7	5.0	31	4	5.7
450,000 - 499,999	38	9	10.4	22	6	12.0
500,000 and over	90	28	13.7	61	25	18.0
Total	784	73	4.1	270	44	7.2
Average Closing Price	\$338,559	\$434,432		\$396,700	\$479,348	
Median Closing Price	\$306,982	\$422,450		\$384,395	\$477,955	
Days on Market	46	75		75	104	

⁽¹⁾ Represents homes aged 0 to 3 years.
⁽²⁾ As of September 22, 2023.

Source: Greater Kalamazoo Association of Realtors and Tracy Cross & Associates, Inc.

Finally, as detailed in Appendix A3.2, the city of Portage accounted for 27.5 percent of total attached closing volume or 58 units sold in 2022, while average closing prices overall (new and existing units) were sharply higher than elsewhere in the region, averaging \$390,033. In 2022, marketing time in Portage stood at a consistent 30 days. Among newer construction units, as well, the 19 homes sold in 2022 accounted for 31.1 percent of total new construction volume, and reflected an average closing price of \$517,555, well above the \$415,380 average noted in 2021 and the \$399,030 average recorded in 2020. Time on market for new construction units in Portage stood at 33 days in 2022, well below the 81-day average noted during the 2020-2021 timeframe. Notably, the seven new construction closings reported during the January-August 2023 timeframe translate to an annualized closing volume of 39 units, a level 50.0 percent higher than 2022 new closing activity locally. Again, closing prices continue to escalate dramatically to an average of \$594,675, largely reflecting sales at Whisper Rock along with the Streamsong site condominiums.



CHANGE IN NONFARM EMPLOYMENT FROM PREVIOUS YEAR

-- KALAMAZOO-PORTAGE, MI MSA --

2001 - AUGUST 2023

A2.1

Year	Kalamazoo-Portage, MI MSA		
	Annual Change		
	Total	Number	Percent
2000	150,300	---	---
2001	147,600	-2,700	-1.8
2002	147,600	0	0.0
2003	146,000	-1,600	-1.1
2004	145,300	-700	-0.5
2005	145,800	500	0.3
2006	145,700	-100	-0.1
2007	145,800	100	0.1
2008	144,300	-1,500	-1.0
2009	138,300	-6,000	-4.2
2010	135,800	-2,500	-1.8
2011	135,700	-100	-0.1
2012	136,000	300	0.2
2013	137,200	1,200	0.9
2014	140,100	2,900	2.1
2015	142,400	2,300	1.6
2016	146,400	4,000	2.8
2017	148,000	1,600	1.1
2018	150,100	2,100	1.4
2019	150,900	800	0.5
2020	139,000	-11,900	-7.9
2021	142,700	3,700	2.7
2022	148,400	5,700	4.0
YTD August			
2022	147,200	---	---
2023 ⁽¹⁾	149,800	2,600	1.8
Annual Average			
2000 - 2010	---	-1,450	NEG
2010 - 2019	---	1,678	1.1
2020 - 2022	---	4,700	3.3

⁽¹⁾ Preliminary YTD August.

Source: U.S. Department of Commerce, Bureau of Labor Statistics

A2.2

POPULATION, HOUSEHOLDS, TENURE, AND INCOME: 2023 -- KALAMAZOO COUNTY AND THE CITY OF PORTAGE --

Attribute/Year	Kalamazoo County	City of Portage	Attribute/Year	Kalamazoo County	City of Portage
Population			Households		
2010	250,329	46,319	2010	100,611	19,210
2020	261,670	48,891	2020	106,906	20,660
2023	262,174	49,068	2023	107,459	20,810
2028	264,697	49,617	2028	110,414	21,434
Average Annual Change			Average Annual Change		
2010 - 2020	1,134	257	2010 - 2020	630	145
2020 - 2023	168	59	2020 - 2023	184	50
2023 - 2028	505	110	2023 - 2028	591	125
2023 Household Tenure			2023 Household Income		
Total Housing Units	114,984	21,929	Total Households	107,459	20,810
Total Occupied	107,459	20,810	Under \$35,000	27,764	3,906
Owner Occupied	69,290	14,186	35,000 - 49,999	15,829	3,039
Percent	64.5	68.2	50,000 - 74,999	18,595	3,920
Renter Occupied	38,169	6,624	75,000 - 99,999	13,947	2,762
Percent	35.5	31.8	100,000 - 149,999	15,643	3,584
Vacant	7,525	1,119	150,000 and Over	15,681	3,599
Percent	6.5	5.1	Median	\$62,458	\$71,608
2023 Household Size			2023 Housing Units by Year Built		
Total Population	262,174	49,068	Total Housing Units	114,984	21,929
In Group Quarters	6,976	371	Built in 2014 or Later	4,618	1,005
In Households	255,198	48,697	Built 2010 to 2013	2,288	447
Total Households	107,459	20,810	Built 2000 to 2009	13,040	2,549
			Built 1990 to 1999	14,777	2,735
			Built 1960 to 1989	43,303	10,536
			Built 1959 or Earlier	36,958	4,657
Average Persons Per Household	2.37	2.34	Median Year Structure Built	1974	1977

Source: U.S. Department of Commerce, Bureau of the Census: *Census 2010, 2020*; Environics Analytics; and estimates by Tracy Cross & Associates, Inc.

A2.3

HOUSEHOLDS BY TYPE AND AGE OF HOUSEHOLDER: 2023 -- KALAMAZOO COUNTY AND THE CITY OF PORTAGE --

Attribute	Kalamazoo County		City of Portage	
	Number	Percent	Number	Percent
2023 Households by Type				
Total Households	107,459	100.0	20,810	100.0
Average Household Size	----- 2.37 -----		----- 2.34 -----	
Households with Children	31,785	29.6	6,635	31.9
Married Couple	19,929	18.5	4,525	21.7
Other Family	11,452	10.7	2,030	9.8
NonFamily	404	0.4	80	0.4
Households without Children	75,674	70.4	14,175	68.1
Married Couple	27,496	25.6	5,765	27.7
Other Family	5,668	5.3	994	4.8
NonFamily	42,510	39.6	7,416	35.6
2023 Households by Age of Householder				
Total Households	107,459	100.0	20,810	100.0
Under 25	9,290	8.6	967	4.6
25 - 34	18,342	17.1	3,549	17.1
35 - 44	18,005	16.8	3,381	16.2
45 - 54	16,109	15.0	3,398	16.3
55 - 64	17,091	15.9	3,508	16.9
65 - 74	16,405	15.3	3,314	15.9
75 - 84	8,641	8.0	1,926	9.3
85 and Over	3,576	3.3	767	3.7
Median	----- 49.0 Years -----		----- 51.0 Years -----	
Households Under 35	27,632	25.7	4,516	21.7
Households 35 - 54	34,114	31.7	6,779	32.6
Households 55 - 74	33,496	31.2	6,822	32.8

Source: Envirionics Analytics and Tracy Cross & Associates, Inc.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - UPPER NORTH DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	1,219	---	6.3
2010	1,341	12	6.5
2023	1,350	1	6.5
2028	1,392	8	6.5
2023 Household Composition	Number	Percent	
Households w/Children	479	29.5	
Households No Children	871	70.5	
Total 1- and 2-Person Households	877	65.0	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	279	284	
35 - 54	413	426	
55 - 74	502	518	
75 & Above	155	164	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	1,035	76.7	
Renter-Occupied	315	23.3	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	1,388	100.0	
Built 2014 or Later	24	1.7	
Built 2010 to 2013	1	0.1	
Built 2000 to 2009	88	6.3	
Built 1990 to 1999	289	20.8	
Built 1960 to 1989	646	46.5	
Built in 1959 or Earlier	340	24.5	
Median Year Built	1,977		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	1,350	100.0	\$76,031
<i>Households Under 35 with Incomes:</i>	279	20.7	\$66,539
Below \$35,000	50	17.9	---
\$35,000-\$49,999	57	20.4	---
\$50,000 - \$74,000	60	21.5	---
\$75,000-\$99,999	50	17.9	---
\$100,000 or More	62	22.2	---
<i>Households Aged 35 to 54 with Incomes:</i>	413	30.6	\$99,830
Below \$35,000	40	14.3	---
\$35,000 - \$49,999	56	20.1	---
\$50,000 - \$74,999	57	20.4	---
\$75,000 - \$99,999	62	22.2	---
\$100,000 or More	198	71.0	---
<i>Households Aged 55 to 74 with Incomes:</i>	502	37.2	\$81,897
Below \$35,000	75	26.9	---
\$35,000 - \$49,999	77	27.6	---
\$50,000 - \$74,999	86	30.8	---
\$75,000 - \$99,999	46	16.5	---
\$100,000 or More	218	78.1	---
<i>Households Aged 75 and Above with Incomes:</i>	155	11.5	\$49,706
Below \$35,000	50	17.9	---
\$35,000 - \$49,999	29	10.4	---
\$50,000 - \$74,999	30	10.8	---
\$75,000 - \$99,999	11	3.9	---
\$100,000 or More	35	12.5	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - NORTHWEST DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	8,512	---	44.3
2010	8,883	37	43.0
2023	8,873	-1	42.6
2028	9,024	30	42.1
2023 Household Composition	Number	Percent	
Households w/Children	3,031	34.2	
Households No Children	5,842	65.8	
Total 1- and 2-Person Households	5,336	60.1	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	2,215	2,181	
35 - 54	2,965	3,057	
55 - 74	2,672	2,720	
75 & Above	1,021	1,066	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	5,663	63.8	
Renter-Occupied	3,210	36.2	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	9,288	100.0	
Built 2014 or Later	147	1.6	
Built 2010 to 2013	67	0.7	
Built 2000 to 2009	1,108	11.9	
Built 1990 to 1999	1,196	12.9	
Built 1960 to 1989	5,193	55.9	
Built in 1959 or Earlier	1,577	17.0	
Median Year Built	1,977		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	8,873	100.0	\$68,049
<i>Households Under 35 with Incomes of:</i>	2,215	25.0	\$63,324
Below \$35,000	509	23.0	---
\$35,000-\$49,999	371	16.7	---
\$50,000 - \$74,000	544	24.6	---
\$75,000-\$99,999	307	13.9	---
\$100,000 or More	484	21.9	---
<i>Households Aged 35 to 54 with Incomes of:</i>	2,965	33.4	\$92,159
Below \$35,000	357	16.1	---
\$35,000 - \$49,999	348	15.7	---
\$50,000 - \$74,999	498	22.5	---
\$75,000 - \$99,999	431	19.5	---
\$100,000 or More	1,331	60.1	---
<i>Households Aged 55 to 74 with Incomes of:</i>	2,672	30.1	\$72,959
Below \$35,000	535	24.2	---
\$35,000 - \$49,999	406	18.3	---
\$50,000 - \$74,999	446	20.1	---
\$75,000 - \$99,999	266	12.0	---
\$100,000 or More	1,019	46.0	---
<i>Households Aged 75 and Above with Incomes of:</i>	1,021	11.5	\$37,287
Below \$35,000	482	21.8	---
\$35,000 - \$49,999	185	8.4	---
\$50,000 - \$74,999	150	6.8	---
\$75,000 - \$99,999	47	2.1	---
\$100,000 or More	157	7.1	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - NORTHEAST DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	2,136	---	11.1
2010	2,309	17	11.2
2023	2,298	-1	11.0
2028	2,306	2	10.8
2023 Household Composition	Number	Percent	
Households w/Children	666	29.0	
Households No Children	1,632	71.0	
Total 1- and 2-Person Households	1,481	64.4	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	444	425	
35 - 54	803	797	
55 - 74	766	782	
75 & Above	286	302	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	1,337	58.2	
Renter-Occupied	961	41.8	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	2,440	100.0	
Built 2014 or Later	154	6.3	
Built 2010 to 2013	49	2.0	
Built 2000 to 2009	102	4.2	
Built 1990 to 1999	166	6.8	
Built 1960 to 1989	1,137	46.6	
Built in 1959 or Earlier	832	34.1	
Median Year Built	1,968		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	2,298	100.0	\$55,199
<i>Households Under 35 with Incomes of:</i>	444	19.3	\$65,278
Below \$35,000	88	19.8	---
\$35,000-\$49,999	80	18.0	---
\$50,000-\$74,000	85	19.1	---
\$75,000-\$99,999	107	24.1	---
\$100,000 or More	84	18.9	---
<i>Households Aged 35 to 54 with Incomes of:</i>	803	34.9	\$76,161
Below \$35,000	125	28.2	---
\$35,000 - \$49,999	122	27.5	---
\$50,000 - \$74,999	144	32.4	---
\$75,000 - \$99,999	148	33.3	---
\$100,000 or More	264	59.5	---
<i>Households Aged 55 to 74 with Incomes of:</i>	766	33.3	\$48,311
Below \$35,000	210	47.3	---
\$35,000 - \$49,999	198	44.6	---
\$50,000 - \$74,999	164	36.9	---
\$75,000 - \$99,999	78	17.6	---
\$100,000 or More	116	26.1	---
<i>Households Aged 75 and Above with Incomes of:</i>	286	12.4	\$33,404
Below \$35,000	149	33.6	---
\$35,000 - \$49,999	63	14.2	---
\$50,000 - \$74,999	46	10.4	---
\$75,000 - \$99,999	9	2.0	---
\$100,000 or More	19	4.3	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - CITY CENTRE DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	402	---	2.1
2010	509	11	2.5
2023	511	0	2.5
2028	523	2	2.4
2023 Household Composition	Number	Percent	
Households w/Children	115	22.5	
Households No Children	396	77.5	
Total 1- and 2-Person Households	379	74.2	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	74	76	
35 - 54	146	152	
55 - 74	148	149	
75 & Above	143	144	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	302	59.1	
Renter-Occupied	209	40.9	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	524	100.0	
Built 2014 or Later	18	3.4	
Built 2010 to 2013	42	8.0	
Built 2000 to 2009	22	4.2	
Built 1990 to 1999	109	20.8	
Built 1960 to 1989	176	33.6	
Built in 1959 or Earlier	157	30.0	
Median Year Built	1,972		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	511	100.0	\$49,770
<i>Households Under 35 with Incomes of:</i>	74	14.5	\$74,260
Below \$35,000	11	14.9	---
\$35,000-\$49,999	5	6.8	---
\$50,000-\$74,000	21	28.4	---
\$75,000-\$99,999	23	31.1	---
\$100,000 or More	14	18.9	---
<i>Households Aged 35 to 54 with Incomes of:</i>	146	28.6	\$79,303
Below \$35,000	17	23.0	---
\$35,000 - \$49,999	14	18.9	---
\$50,000 - \$74,999	32	43.2	---
\$75,000 - \$99,999	33	44.6	---
\$100,000 or More	50	67.6	---
<i>Households Aged 55 to 74 with Incomes of:</i>	148	29.0	\$43,346
Below \$35,000	58	78.4	---
\$35,000 - \$49,999	29	39.2	---
\$50,000 - \$74,999	19	25.7	---
\$75,000 - \$99,999	13	17.6	---
\$100,000 or More	29	39.2	---
<i>Households Aged 75 and Above with Incomes of:</i>	143	28.0	\$24,024
Below \$35,000	96	129.7	---
\$35,000 - \$49,999	23	31.1	---
\$50,000 - \$74,999	10	13.5	---
\$75,000 - \$99,999	4	5.4	---
\$100,000 or More	10	13.5	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - SOUTHWEST DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	3,261	---	17.9
2010	3,716	46	18.0
2023	3,778	5	18.2
2028	3,944	33	18.4
2023 Household Composition	Number	Percent	
Households w/Children	1,021	27.0	
Households No Children	2,757	73.0	
Total 1- and 2-Person Households	2,718	71.9	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	840	853	
35 - 54	1,210	1,300	
55 - 74	1,248	1,278	
75 & Above	480	513	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	2,347	62.1	
Renter-Occupied	1,431	37.9	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	4,104	100.0	
Built 2014 or Later	455	11.1	
Built 2010 to 2013	51	1.2	
Built 2000 to 2009	432	10.5	
Built 1990 to 1999	618	15.1	
Built 1960 to 1989	2,092	51.0	
Built in 1959 or Earlier	456	11.1	
Median Year Built	1,984		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	3,778	100.0	\$75,874
<i>Households Under 35 with Incomes of:</i>	<i>840</i>	<i>22.2</i>	<i>\$67,978</i>
Below \$35,000	171	20.4	---
\$35,000-\$49,999	87	10.4	---
\$50,000-\$74,000	264	31.4	---
\$75,000-\$99,999	111	13.2	---
\$100,000 or More	207	24.6	---
<i>Households Aged 35 to 54 with Incomes of:</i>	<i>1,210</i>	<i>32.0</i>	<i>\$109,525</i>
Below \$35,000	95	11.3	---
\$35,000 - \$49,999	89	10.6	---
\$50,000 - \$74,999	218	26.0	---
\$75,000 - \$99,999	168	20.0	---
\$100,000 or More	640	76.2	---
<i>Households Aged 55 to 74 with Incomes of:</i>	<i>1,248</i>	<i>33.0</i>	<i>\$79,393</i>
Below \$35,000	191	22.7	---
\$35,000 - \$49,999	184	21.9	---
\$50,000 - \$74,999	219	26.1	---
\$75,000 - \$99,999	155	18.5	---
\$100,000 or More	499	59.4	---
<i>Households Aged 75 and Above with Incomes of:</i>	<i>480</i>	<i>12.7</i>	<i>\$42,631</i>
Below \$35,000	179	21.3	---
\$35,000 - \$49,999	116	13.8	---
\$50,000 - \$74,999	57	6.8	---
\$75,000 - \$99,999	42	5.0	---
\$100,000 or More	86	10.2	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

A2.4

DEMOGRAPHIC CHARACTERISTICS: 2023
CITY OF PORTAGE - SOUTHEAST DISTRICT

Demographic Trends			
Households	Total	Annual Average Change	Percent of City
2000	3,891	---	20.3
2010	4,112	22	19.9
2023	4,209	8	20.2
2028	4,435	45	20.7
2023 Household Composition	Number	Percent	
Households w/Children	1,384	32.9	
Households No Children	2,825	67.1	
Total 1- and 2-Person Households	2,595	61.7	
Household Growth Projections			
Select Age Cohort	2023	Projected 2028	
Under 35	707	790	
35 - 54	1,311	1,304	
55 - 74	1,563	1,668	
75 & Above	628	672	
Household Tenure			
Tenancy	Number	Percent	
Owner-Occupied	3,666	87.1	
Renter-Occupied	543	12.9	
2023 Estimated Housing Units by Year Built			
Households	Number	Percent	
Total Housing Units	4,414	100.0	
Built 2014 or Later	214	4.8	
Built 2010 to 2013	237	5.4	
Built 2000 to 2009	820	18.6	
Built 1990 to 1999	377	8.5	
Built 1960 to 1989	1,355	30.7	
Built in 1959 or Earlier	1,411	32.0	
Median Year Built	1,975		
Socio-Economic Characteristics ⁽¹⁾			
Households	Number	Percent	2023 Median Income
Total Households	4,209	100.0	\$86,194
<i>Households Under 35 with Incomes of:</i>	707	16.8	\$86,467
Below \$35,000	49	6.9	---
\$35,000-\$49,999	70	9.9	---
\$50,000-\$74,000	165	23.3	---
\$75,000-\$99,999	169	23.9	---
\$100,000 or More	254	35.9	---
<i>Households Aged 35 to 54 with Incomes of:</i>	1,311	31.1	\$118,680
Below \$35,000	48	6.8	---
\$35,000 - \$49,999	104	14.7	---
\$50,000 - \$74,999	185	26.2	---
\$75,000 - \$99,999	181	25.6	---
\$100,000 or More	793	112.2	---
<i>Households Aged 55 to 74 with Incomes of:</i>	1,563	37.1	\$85,637
Below \$35,000	182	25.7	---
\$35,000 - \$49,999	233	33.0	---
\$50,000 - \$74,999	296	41.9	---
\$75,000 - \$99,999	251	35.5	---
\$100,000 or More	601	85.0	---
<i>Households Aged 75 and Above with Incomes of:</i>	628	14.9	\$54,432
Below \$35,000	158	22.3	---
\$35,000 - \$49,999	123	17.4	---
\$50,000 - \$74,999	162	22.9	---
\$75,000 - \$99,999	92	13.0	---
\$100,000 or More	93	13.2	---

⁽¹⁾ Estimated incomes do not include likely equity position of ownership cohorts.

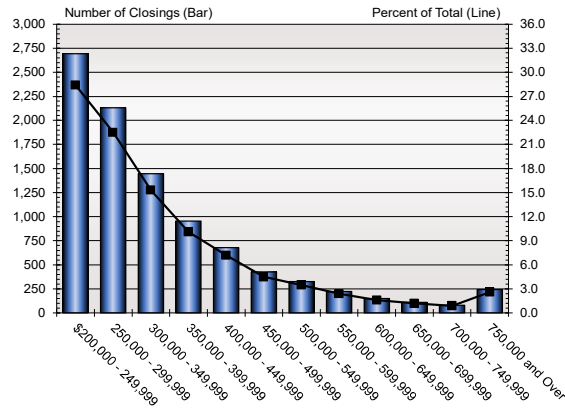
A2.5

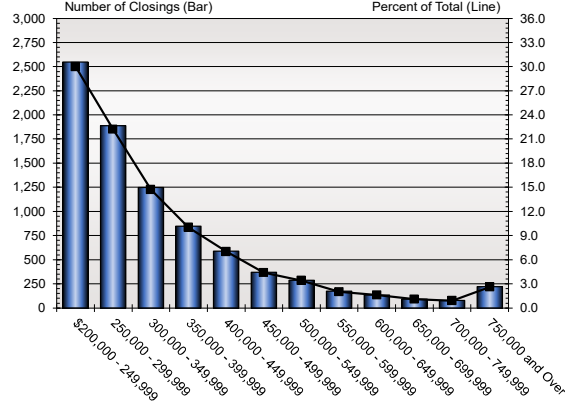
**TRENDS IN RESIDENTIAL BUILDING PERMITS: KALAMAZOO COUNTY MARKET AREA
2000 - 2022**

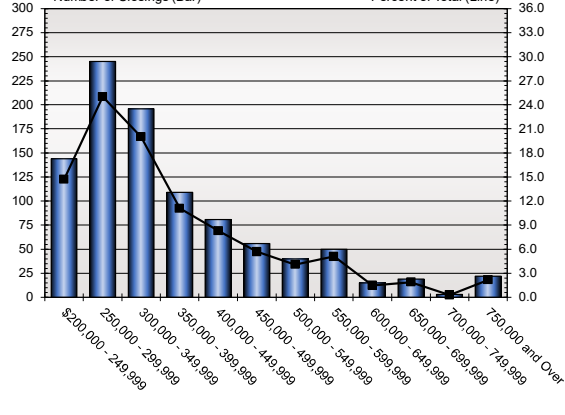
Year	Kalamazoo County			City of Portage					
	Total	Single Family	Multi-Family	Total	Percent of Kalamazoo County	Single Family	Percent of Kalamazoo County	Multi-Family	Percent of Kalamazoo County
2000	1,487	907	580	203	13.7	203	22.4	0	0.0
2001	1,226	954	272	208	17.0	204	21.4	4	1.5
2002	1,271	1,031	240	372	29.3	310	30.1	62	25.8
2003	1,996	1,104	892	344	17.2	284	25.7	60	6.7
2004	1,373	1,084	289	221	16.1	209	19.3	12	4.2
2005	1,156	1,087	69	179	15.5	171	15.7	8	11.6
2006	1,161	844	317	161	13.9	127	15.0	34	10.7
2007	779	554	225	88	11.3	82	14.8	6	2.7
2008	477	343	134	55	11.5	35	10.2	20	14.9
2009	320	307	13	28	8.8	28	9.1	0	0.0
2010	289	279	10	43	14.9	33	11.8	10	100.0
2011	282	268	14	44	15.6	30	11.2	14	100.0
2012	401	363	38	33	8.2	21	5.8	12	31.6
2013	495	437	58	57	11.5	39	8.9	18	31.0
2014	480	430	50	95	19.8	49	11.4	46	92.0
2015	491	369	122	96	19.6	50	13.6	46	37.7
2016	620	461	159	171	27.6	73	15.8	98	61.6
2017	888	431	457	215	24.2	77	17.9	138	30.2
2018	460	352	108	159	34.6	57	16.2	102	94.4
2019	642	460	182	193	30.1	75	16.3	118	64.8
2020	496	444	52	135	27.2	100	22.5	35	67.3
2021	419	402	17	127	30.3	116	28.9	11	64.7
2022	457	341	116	188	41.1	89	26.1	99	85.3
Annual Average									
2000 - 2022	768	576	192	148	19.3	107	18.6	41	21.6

Source: U.S. Department of Commerce, Bureau of the Census, *C-40 Construction Reports* and Tracy Cross & Associates, Inc.

**SINGLE FAMILY CLOSINGS BY PRICE RANGE: NEW AND EXISTING HOMES PRICED \$200,000 AND HIGHER
-- GREATER KALAMAZOO REGION --**

Total Single Family Closings				
	Price Range	2020 - AUGUST 2023		
		Number	Percent	Cumulative Percent
	\$200,000 - 249,999	2,693	28.4	28.4
	250,000 - 299,999	2,132	22.5	50.9
	300,000 - 349,999	1,446	15.3	66.2
	350,000 - 399,999	956	10.1	76.3
	400,000 - 449,999	679	7.2	83.5
	450,000 - 499,999	427	4.5	88.0
	500,000 - 549,999	328	3.5	91.4
	550,000 - 599,999	224	2.4	93.8
	600,000 - 649,999	150	1.6	95.4
	650,000 - 699,999	112	1.2	96.6
	700,000 - 749,999	82	0.9	97.4
	750,000 and Over	243	2.6	100.0
	Total	9,472	100.0	---
	Average Price	----- \$345,220 -----		
	Median Price	----- \$298,000 -----		
	Average Days on Market	----- 23 -----		

Existing (Resale) Single Family Closings				
	Price Range	2020 - AUGUST 2023		
		Number	Percent	Cumulative Percent
	\$200,000 - 249,999	2,549	30.0	30.0
	250,000 - 299,999	1,887	22.2	52.2
	300,000 - 349,999	1,250	14.7	67.0
	350,000 - 399,999	847	10.0	76.9
	400,000 - 449,999	598	7.0	84.0
	450,000 - 499,999	371	4.4	88.3
	500,000 - 549,999	288	3.4	91.7
	550,000 - 599,999	174	2.0	93.8
	600,000 - 649,999	135	1.6	95.4
	650,000 - 699,999	93	1.1	96.5
	700,000 - 749,999	79	0.9	97.4
	750,000 and Over	221	2.6	100.0
	Total	8,492	100.0	---
	Average Price	----- \$341,744 -----		
	Median Price	----- \$294,798 -----		
	Average Days on Market	----- 20 -----		

Newer Construction Homes ⁽¹⁾				
	Price Range	2020 - AUGUST 2023		
		Number	Percent	Cumulative Percent
	\$200,000 - 249,999	144	14.7	14.7
	250,000 - 299,999	245	25.0	39.7
	300,000 - 349,999	196	20.0	59.7
	350,000 - 399,999	109	11.1	70.8
	400,000 - 449,999	81	8.3	79.1
	450,000 - 499,999	56	5.7	84.8
	500,000 - 549,999	40	4.1	88.9
	550,000 - 599,999	50	5.1	94.0
	600,000 - 649,999	15	1.5	95.5
	650,000 - 699,999	19	1.9	97.4
	700,000 - 749,999	3	0.3	97.8
	750,000 and Over	22	2.2	100.0
	Total	980	100.0	---
	Average Price	----- \$375,340 -----		
	Median Price	----- \$325,750 -----		
	Average Days on Market	----- 48 -----		

⁽¹⁾ Includes homes built in the prior three (3) year period.

⁽¹⁾ Includes homes built in the prior three (3) year period.

Source: Greater Kalamazoo Association of Realtors

**ATTACHED CLOSINGS BY PRICE RANGE: NEW AND EXISTING HOMES PRICED \$200,000 AND HIGHER
-- GREATER KALAMAZOO REGION --**

Total Closings				
	2020 - AUGUST 2023			
	Price Range	Number	Percent	Cumulative Percent
	\$200,000 - 249,999	184	23.5	23.5
	250,000 - 274,999	88	11.2	34.7
	275,000 - 299,999	102	13.0	47.7
	300,000 - 324,999	65	8.3	56.0
	325,000 - 349,999	66	8.4	64.4
	350,000 - 399,999	89	11.4	75.8
	400,000 - 449,999	62	7.9	83.7
	450,000 - 499,999	38	4.8	88.5
	500,000 and Over	90	11.5	100.0
	Total	784	100.0	---
	Average Price	----- \$338,559 -----		
	Median Price	----- \$306,982 -----		
	Average Days on Market	----- 46 -----		
Existing (Resale) Attached Closings				
	2020 - AUGUST 2023			
	Price Range	Number	Percent	Cumulative Percent
	\$200,000 - 249,999	152	29.6	29.6
	250,000 - 274,999	75	14.6	44.2
	275,000 - 299,999	72	14.0	58.2
	300,000 - 324,999	45	8.8	66.9
	325,000 - 349,999	39	7.6	74.5
	350,000 - 399,999	55	10.7	85.2
	400,000 - 449,999	31	6.0	91.2
	450,000 - 499,999	16	3.1	94.4
	500,000 and Over	29	5.6	100.0
	Total	514	100.0	---
	Average Price	----- \$308,020 -----		
	Median Price	----- \$266,318 -----		
	Average Days on Market	----- 31 -----		
Newer Construction Homes ⁽¹⁾				
	2020 - AUGUST 2023			
	Price Range	Number	Percent	Cumulative Percent
	\$200,000 - 249,999	32	11.9	11.9
	250,000 - 274,999	13	4.8	16.7
	275,000 - 299,999	30	11.1	27.8
	300,000 - 324,999	20	7.4	35.2
	325,000 - 349,999	27	10.0	45.2
	350,000 - 399,999	34	12.6	57.8
	400,000 - 449,999	31	11.5	69.3
	450,000 - 499,999	22	8.1	77.4
	500,000 and Over	61	22.6	100.0
	Total	270	100.0	---
	Average Price	----- \$396,700 -----		
	Median Price	----- \$384,395 -----		
	Average Days on Market	----- 75 -----		
⁽¹⁾ Includes homes built in the prior three (3) year period.				

Source: Greater Kalamazoo Association of Realtors

A2.8

PROJECTS IN PLANNING⁽¹⁾: GREATER KALAMAZOO MARKET AREA

Municipality/ Proposed Development Name	Address	Builder	Number of Units ⁽²⁾					
			Status	Total	Single Family	Townhome	Duplex/ Condo	Apartments
Comstock Township G Avenue Condominiums Redwood Comstock Township	G Avenue East of M-343 4895 Red Willow Trail	JMG Development Redwood USA	IP	33	33	---	---	---
			UC	189	---	---	---	189
			Subtotal:	222	33	0	0	189
Cooper Township Cooper's Landing IV Cooper's LandingV	5001 Coopers Landing Drive 5001 Coopers Landing Drive	Land and Company Land and Company	CS	216	---	---	---	216
			IP	144	---	---	---	144
			Subtotal:	360	0	0	0	216
Kalamazoo (City) TBD 508 Harrison-Phase I/II (Mixed-Income) TBD (Age-Restricted) 619 Porter Street (Mixed-Income)	West Water Street and Park 508 Harrison Street 522-530 S. Rose Street 619 Porter Street	Plaza Corp. RE Advisors River Caddis NoMi Development, LLC Plaza Corp. RE Advisors	CS	400	---	---	---	400
			IP	88	---	---	---	88
			APPROVED	64	---	---	---	64
			ON HOLD	52	---	---	---	52
			Subtotal:	604	0	0	0	604
Mattawan Concord Farms III/IV	Front and Norton streets	Allen Edwin	APPROVED	62	62	---	---	---
			Subtotal:	62	62	0	0	---
Oshtemo Township The Hamptons of Oshtemo Sunset Pointe Condominiums Tournesol Emberly Acres II	North 9th and West Main Streets Meridian Avenue and Sunset Road 7214 West N Avenue Glendora Lane	Carroll Development Sunset Pointe Condos LLC Hunter Properties LLC Prime Homes, LLC	CS	60	---	---	60	---
			APPROVED	66	---	---	66	---
			APPROVED	49	49	---	---	---
			UC	20	---	---	20	---
			Subtotal:	60	0	0	60	---
Portage (City) Greenspire (Future Phases) Oakland Commons TBD Woodway Condominiums TBD (Mixed-Use) Wild Plum Woodbridge Hills Kings Landing McConley Cove Pennridge Trail II/III Willow Crossings The Oaks II Tall Timbers Streamsong Condominiums III	8379 Greenspire Drive 9584 Oakland Drive 4670 Fox Valley Drive 7425 Oakland Drive 412 West Centre / 7860 Shaver Road 1109 West Osterhut Avenue Marsh Point Drive at Centre Avenue Constitutional Blvd and Martin Luther King Dr. Chaucer Avenue and Hilberry Drive 1800 West Osterhut Avenue 10329 Oakland Drive 4800 Bishop Avenue 3413 West Centre Avenue 715 West Osterhout Avenue	Hinman Companies Allen Edwin Homes Edward Rose & Sons Omar Azam River Caddis Development LLC AVDII, LLC 633 Group Village Green Properties Ltd. AVDII, LLC Allen Edwin Homes Gigwatts Development LLC Landmark Development Ptnrs Hinman Family LLC / AVB SDV Development, LLC	CS	320	---	---	---	320
			IP	58	---	---	---	58
			IP	120	---	---	---	120
			IP	15	---	15	---	---
			IP	228	---	---	---	228
			IP	80	80	---	---	---
			ON HOLD	60	---	---	---	60
			ON HOLD	95	---	---	---	95
			APPROVED	40	40	---	---	---
			APPROVED	70	18	52	---	---
			INF	23	---	23	---	---
			INF	50	50	---	---	---
			UC	180	---	---	---	180
			UC	100	100	---	---	---
			Subtotal:	1,119	288	90	0	741
Texas Township Applegate Pointe IV White Oaks Applegate Pointe III Turning Stone II-IV Bradford Oaks Tozer Farm (Ranch TH) Authentix Kalamazoo	Betw Texas Drive and 12th Street PQ Avenue and South 6th Street Betw Texas Drive and 12th Street West Q Avenue and South 6th Street Q Avenue and South 10th Street North Avenue and 9th Street 6179 West North Avenue	Allen Edwin Homes Scott Gignac Development LLC Allen Edwin Homes AVB Allen Edwin Homes Schafer Development LLC Continental Properties	CS	29	29	---	---	---
			IP	33	33	---	---	---
			IP	31	31	---	---	---
			IP	71	71	---	---	---
			APPROVED	70	70	---	---	---
			APPROVED	166	---	---	---	166
			UC	240	---	---	---	240
			Subtotal:	640	234	0	0	406
Vicksburg (Village) The Mill at Vicksburg / Mixed-Use 150,000sf	300 West Highway Street	Paper City Development, LLC	UC	40	---	---	---	40
			Subtotal:	40	0	0	0	40
Total Potential Units: ⁽²⁾			---	3,107	617	90	60	2,196

⁽¹⁾ As of September 2023; unit totals *excludes* designated income-qualifying/affordable and congregate senior units as applicable.

⁽²⁾ Status Key: Concept Stage (CS); In Planning Review (IP); Infrastructure/Site Improvements (INF); Permits Issued/Under Construction (UC).

⁽³⁾ Total excludes developments where product distribution has yet to be determined.

Source: Tracy Cross & Associates, Inc.

**CLOSINGS BY PRICE RANGE: NEW AND EXISTING SINGLE FAMILY HOMES PRICED \$200,000 AND ABOVE
-- GREATER KALAMAZOO REGION --**

Price Range	SINGLE FAMILY DETACHED											
	2020			2021			2022			YTD AUGUST 2023 ⁽²⁾		
	Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ^(1:3)	
		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region
\$200,000 - 249,999	732	86	11.7	870	48	5.5	729	9	1.2	362	1	0.3
250,000 - 299,999	488	53	10.9	711	106	14.9	580	39	6.7	353	47	13.3
300,000 - 349,999	299	31	10.4	473	71	15.0	442	68	15.4	232	26	11.2
350,000 - 399,999	176	13	7.4	337	43	12.8	309	41	13.3	134	12	9.0
400,000 - 449,999	131	20	15.3	232	33	14.2	212	25	11.8	104	3	2.9
450,000 - 499,999	89	14	15.7	145	23	15.9	124	15	12.1	69	4	5.8
500,000 - 549,999	51	9	17.6	84	15	17.9	82	13	15.9	111	3	2.7
550,000 - 599,999	43	8	18.6	74	26	35.1	66	13	19.7	41	3	7.3
600,000 - 649,999	27	2	7.4	54	4	7.4	44	7	15.9	25	2	8.0
650,000 - 699,999	21	4	19.0	31	6	19.4	37	6	16.2	23	3	13.0
700,000 - 749,999	12	0	0.0	32	0	0.0	23	2	8.7	15	1	6.7
750,000 and Over	38	2	5.3	73	7	9.6	73	9	12.3	59	4	6.8
Total	2,107	242	11.5	3,116	382	12.3	2,721	247	9.1	1,528	109	7.1
Average Price	\$326,270	----- \$326,305 -----		\$343,203	----- \$375,240 -----		\$351,756	----- \$425,916 -----		\$363,174	----- \$369,933 -----	
Median Price	\$282,975	----- \$283,105 -----		\$297,000	----- \$323,835 -----		\$301,000	----- \$353,472 -----		\$300,000	----- \$310,830 -----	
Average Days on Market	38	----- 60 -----		20	----- 48 -----		15	----- 31 -----		20	----- 59 -----	
City of Portage												
Total	375	42	11.2	531	58	10.9	475	43	9.1	249 ⁽⁴⁾	14 ⁽⁵⁾	5.6
Average Price	\$311,563	----- \$320,247 -----		\$343,618	----- \$430,882 -----		\$340,753	----- \$392,662 -----		\$352,529	----- \$362,655 -----	
Median Price	\$280,000	----- \$294,610 -----		\$299,950	----- \$334,900 -----		\$307,250	----- \$381,444 -----		\$301,000	----- \$325,000 -----	
Average Days on Market	20	----- 32 -----		16	----- 39 -----		72	----- 30 -----		13	----- 39 -----	

⁽¹⁾ Represents homes built in the previous three (3) year period.

⁽²⁾ Kalamazoo Region closings YTD August translate to an annualized volume of 2,218 units priced \$200,000 or higher, a level 18.5 percent below 2022 total closings.

⁽³⁾ Kalamazoo Region closings YTD August translate to an annualized volume of 184 *new construction* units priced \$200,000 or higher, a level 25.5 percent below 2022 new construction closings.

⁽⁴⁾ City of Portage closings YTD August translate to an annualized volume of 616 units priced \$200,000 or higher, a level 29.7 percent *higher than* 2022 total closings.

⁽⁵⁾ City of Kalamazoo closings YTD August translate to an annualized volume of 77 *new construction* units priced \$200,000 or higher, a level 79.0 percent higher than 2022 new construction closings.

**CLOSINGS BY PRICE RANGE: NEW AND EXISTING ATTACHED HOMES PRICED \$200,000 AND ABOVE
-- GREATER KALAMAZOO REGION --**

Price Range	Attached Homes											
	2020			2021			2022			YTD AUGUST 2023 ^(2,3)		
	Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ⁽¹⁾		Greater Kalamazoo Region	New Construction ⁽¹⁾	
		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region		Number	Percent of Greater Kalamazoo Region
\$200,000 - 249,999	62	17	27.4	55	10	18.2	44	5	11.4	23	0	0.0
250,000 - 274,999	25	6	24.0	19	4	21.1	28	3	10.7	16	0	0.0
275,000 - 299,999	25	12	48.0	37	7	18.9	26	7	26.9	14	4	28.6
300,000 - 324,999	10	5	50.0	25	10	40.0	19	4	21.1	11	1	9.1
325,000 - 349,999	11	6	54.5	20	13	65.0	21	6	28.6	14	2	14.3
350,000 - 399,999	21	14	66.7	30	11	36.7	20	5	25.0	18	4	22.2
400,000 - 449,999	12	8	66.7	28	16	57.1	13	5	38.5	9	2	22.2
450,000 - 499,999	12	10	83.3	12	5	41.7	7	5	71.4	7	2	28.6
500,000 and Over	20	15	75.0	20	14	70.0	33	21	63.6	17	11	64.7
Total	198	93	47.0	246	90	36.6	211	61	28.9	129	26	20.2
Average Price	\$322,450	----- \$367,545 -----		\$335,690	----- \$382,815 -----		\$345,700	----- \$425,850 -----		\$351,873	----- \$480,654 -----	
Median Price	\$287,900	----- \$350,840 -----		\$315,000	----- \$374,827 -----		\$308,500	----- \$412,730 -----		\$318,500	----- \$471,060 -----	
Average Days on Market	66	----- 90 -----		50	----- 78 -----		32	----- 51 -----		31	----- 63 -----	
City of Portage												
Total	71	41	57.7	84	37	44.0	42	13	31.0	40	7	17.5
Average Price	\$356,970	----- \$399,030 -----		\$353,300	----- \$415,380 -----		\$390,033	----- \$517,555 -----		\$363,869	----- \$594,675 -----	
Median Price	\$347,750	----- \$389,950 -----		\$338,600	----- \$403,670 -----		\$365,000	----- \$509,100 -----		\$328,500	----- \$640,925 -----	
Average Days on Market	71	----- 94 -----		49	----- 69 -----		30	----- 33 -----		12	----- 4 -----	
⁽¹⁾ Represents homes built in the previous three (3) year period.												
⁽²⁾ Kalamazoo Region closings YTD August translate to an estimated annualized volume of 193 units priced \$200,000 and higher, a level 8.5 percent below 2022 volumes.												
⁽³⁾ Kalamazoo Region closings YTD August translate to an estimated annualized volume of 39 new construction units priced \$200,000 and higher, a level 50.0 percent higher than 2022 volumes.												

Source: Greater Kalamazoo Association of Realtors and Tracy Cross & Associates, Inc.

GENERAL LIMITING CONDITIONS

Tracy Cross & Associates, Inc. has made extensive efforts to confirm the accuracy and timeliness of the information contained in this study. Such information was compiled from a variety of sources, including interviews with developers and their agents, government officials, and other third parties. Although Tracy Cross & Associates, Inc. believes all information in this study is correct, it does not warrant the accuracy of such information and assumes no responsibility for inaccuracies in the information provided by third parties.

Conclusions and recommendations established in this analysis represent a professional opinion and are based upon forecasts into the future which could be significantly altered by outside occurrences. These include, among others, the possible interplay of unforeseen social, economic, physical/environmental, and governmental actions. In this regard, Tracy Cross & Associates, Inc., its owners, and its employees shall be held harmless of changes in conditions that may materially result from these occurrences.



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