

LEGAL DESCRIPTIONS PER MT. PLEASANT ABSTRACT & TITLE INC, TITLE SEARCH FILE NO: 469940,
BEGINNING DATE: JULY 14, 1903 AT 8:00AM, ENDING DATE DECEMBER 17, 2019 AT 8:00AM

THE NORTH 92 FEET OF LOT 6 IN BLOCK 18, ORIGINAL PLAT TO THE VILLAGE (NOW CITY) OF MT. PLEASANT, ACCORDING TO THE PLAT RECORDED IN LIBER 1, PAGE 493.
AND
THE SOUTH 30 FEET OF LOT 6 IN BLOCK 18, ORIGINAL PLAT TO THE VILLAGE (NOW CITY) OF MT. PLEASANT, ACCORDING TO THE PLAT RECORDED IN LIBER 1, PAGE 493.
AND
EAST 1/3 OF LOT 5 IN BLOCK 18, ORIGINAL PLAT TO THE VILLAGE (NOW CITY) OF MT. PLEASANT, ACCORDING TO THE PLAT RECORDED IN LIBER 1, PAGE 493.
AND
THE EAST 1/2 OF THE WEST 2/3 OF LOT 5 IN BLOCK 18, ORIGINAL PLAT TO THE VILLAGE (NOW CITY) OF MT. PLEASANT, ACCORDING TO THE PLAT RECORDED IN LIBER 1, PAGE 493.
AND
THE WEST 1/3 OF LOT 5 IN BLOCK 18, ORIGINAL PLAT TO THE VILLAGE (NOW CITY) OF MT. PLEASANT, ACCORDING TO THE PLAT RECORDED IN LIBER 1, PAGE 493.

SURVEY NOTES

1. BEARINGS ESTABLISHED FROM NAD83/CORS2011, MCS, SOUTH ZONE, DISTANCES REDUCED TO GROUND
2. VERTICAL DATUM: NAVD88, PER PREVIOUSLY ESTABLISHED ROWE PROJECT CONTROL
3. NO EVIDENCE OF PRIOR LAND DIVISIONS MADE AFTER MARCH 31, 1997 WERE PROVIDED OR OBTAINED BY ROWE PSC DURING THE RESEARCH FOR THIS SURVEY.
4. NO EASEMENTS, RESTRICTIONS OR RIGHTS OF WAY WERE FOUND TO BURDEN THE ABOVE DESCRIBED PROPERTY PER THE TITLE SEARCH LISTED ABOVE.
5. MONUMENTS HAVE BEEN SET AT THE PROPERTY CORNERS, AS SHOWN HEREON.
6. THE CURRENT ADDRESS OF THE SURVEYED PROPERTY IS 200 EAST BROADWAY STREET, MT. PLEASANT, MI 48858.
7. THE GROSS LAND AREA OF THE SUBJECT PROPERTY IS 0.37 ACRES.
8. CONVENTIONAL SURVEY METHODS WERE USED AS THE SOURCE OF THE VERTICAL RELIEF SHOWN HERON. THE CONTOUR INTERVAL IS 1' AND THE DATUM IS NAVD88 PER PREVIOUS ROWE CONTROL.
9. EXTERIOR DIMENSIONS OF THE BUILDING ARE SHOWN HEREON.
10. EXISTING SITE FEATURES HAVE BEEN SHOWN HEREON.
11. THE EAST PROPERTY LINE WAS FOUND TO FALL WITHIN THE PARTY WALL PER EXTERNAL EVIDENCE. ROWE DID NOT ACCESS THE INTERIOR OF BUILDINGS TO LOCATE PARTY WALLS.
12. UTILITIES ON OR ADJACENT TO SUBJECT SITE HAVE BEEN SHOWN HEREON BASED ON OBSERVED SURFACE EVIDENCE
13. THE NAMES OF ADJOINING OWNERS ARE SHOWN HEREON.
14. EVIDENCE OF RECENT EARTH MOVING, BUILDING CONSTRUCTION, OR BUILDING ADDITIONS WERE NOT OBSERVED ON SUBJECT SITE DURING THE COURSE OF THE SURVEY.

CERTIFICATION

I GUY A. STICKLER HEREBY CERTIFY TO ISABELLA COUNTY STATE BANK – ISABELLA BANK AND TRUST AND MT. PLEASANT ABSTRACT & TITLE: THAT I HAVE SURVEYED, AT THE DIRECTION OF SMITHGROUP, THE PARCELS OF LAND SHOWN HEREIN AND THAT I HAVE FOUND OR SET, AS NOTED HEREON, PERMANENT MARKERS AT ALL CORNERS AND ANGLE POINTS OF THE BOUNDARIES OF SAID PARCELS.

STRUCTURE SYMBOLS

- EXISTING CATCH BASIN IN CURB LINE
- EXISTING DRAIN (SQUARE)
- EXISTING CATCH BASIN (ROUND)
- EXISTING STORM MANHOLE
- EXISTING DOWNSPOUT
- EXISTING SANITARY MANHOLE
- EXISTING SANITARY CLEANOUT
- EXISTING WATER STOP BOX

EXISTING TOPOGRAPHICAL SYMBOLS

- STREET SIGN
- DECIDUOUS TREE
- METAL POST
- FLAG POLE
- PARK BENCH
- TRASH CAN

UTILITY SYMBOLS

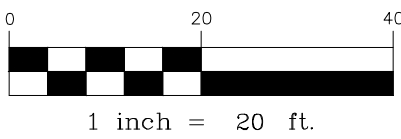
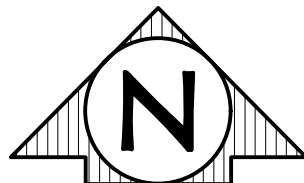
- UTILITY POLE
- LIGHT POLE
- GUY ANCHOR
- UTILITY METER
- GAS STOP BOX
- GAS VALVE
- GAS RISER
- ELECTRIC OUTLET
- A/C UNIT

SURVEY SYMBOLS

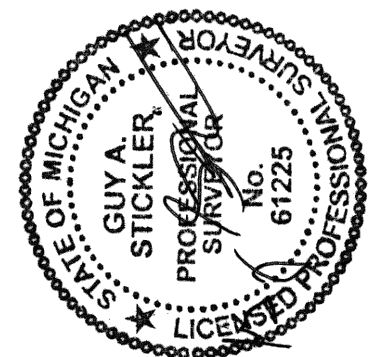
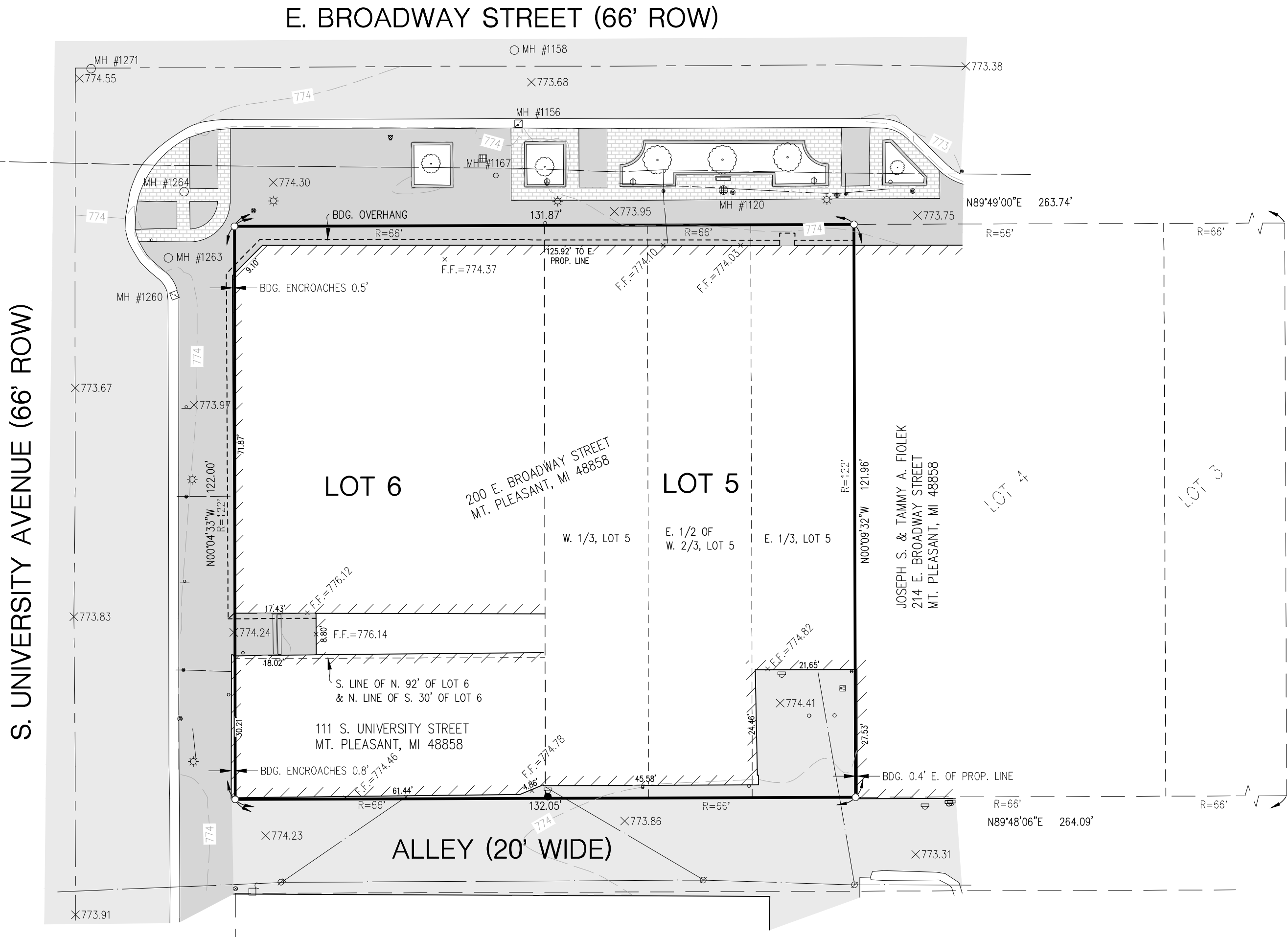
- FND. SURVEY IRON
- SET PK NAIL OR IRON WITH CAP #61225

PLAN VIEW LINE TYPES

- EXISTING CURB AND GUTTER
- EXISTING CENTERLINE ROADWAY
- U/G GAS LINE PER MARKINGS
- U/G ELECTRIC LINE PER MARKINGS
- LOT LINE
- EXISTING PLATTED RIGHT OF WAY LINE
- SUBJECT PROPERTY BOUNDARY LINE
- ASPHALT PAVEMENT
- CONCRETE PAVEMENT
- BRICK PAVEMENT
- BUILDING FACE



Know what's below.
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PLAN DATE: FEBRUARY 12, 2020

PROJECT MGR: GAS

REVIEWER: JR

SCALE: 1" = 10'

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Mt. Pleasant, MI 48858

PREPARED FOR
MICHIGAN MUNICIPAL LEAGUE
200 EAST BROADWAY
BOUNDARY & TOPOGRAPHIC SURVEY
CITY OF MT. PLEASANT, ISABELLA COUNTY, MICHIGAN

REV:

SHT# 1 OF 1
JOB No: 19M0122

ISABELLA BANK PRELIMINARY CODE REVIEW

The code review for 200 E. Broadway Street, Mt. Pleasant Michigan was based on the 2015 Michigan Rehabilitation Code. The evaluation method used was Classification of Work – Alteration Level 3 or Change of Occupancy. A few assumptions were made on the existing conditions of the building which include:

- All floors are currently B-use occupancy
- Any existing fire barrier between buildings A-E has been compromised, therefore buildings A-E will be evaluated as one building.
- Evaluated as not having historic designation.

Egress I 1012.4

- The occupancy changes on Level 2 from B to R-2 and A increase the hazard category for egress. Means of egress shall comply with the requirements of Chapter 10 of the International Building Code (IBC) for the new occupancy classification.
- Each floor with work area shared by more than one tenant requires number of exits based on occupant and occupant load per IBC. All tenants have two means of egress. Egress through another tenant's space is not permitted.

Heights and Areas I 1012.5

- The occupancy changes on Level 2 from B to R-2 and A increase the hazard category for heights and Areas. Height and area limitations shall comply with the requirements of Chapter 5 of the International Building Code for the new occupancy classifications.

Exterior Fire Walls I 1012.6

- There was not a change in hazard category due to occupancy change on Level 2 for exterior fire walls. Existing exterior walls, including openings shall be accepted.

Fire Protection I 804

- Fire protection requirements of 1012 apply if there is a different fire protection threshold in chapter 9 of IBC.
- For a Level 3 alteration or Change of Occupancy, the Michigan Rehabilitation Code requires fire alarms to be installed in the work area as required for new construction of the Michigan Building Code, Section 907. Section 907 is based on minimum thresholds per occupancy.
 - Group A: Occupant load > 300
 - Group B: Combined occupant load of all floors > 500, or >100 above/below level of exit discharge
 - Group R-2: Smoke alarms required, Manual fire alarm system required if: Any dwelling unit 3 or more stories above level of exit discharge, any dwelling unit more than one story below level of exit discharge, or contains more than 16 dwelling units.

- Level 2 will require automatic sprinklers due to occupancy change and R-2 occupancy.
- If there is not a 1-hour separation between uses, then automatic sprinklers will be required through entire work area.
- Level 3 will require automatic sprinklers. Level 3 exit corridor is shared with other tenants on Level 2 and will have a shared occupant load great than 30 (804.2 MRC).

Exceptions: If the building does not have a sufficient municipal water supply for design of a fire sprinkler system available to the floor w/o installation of a new fire pump, work areas shall be protected by an automatic smoke detection system throughout all occupiable spaces other than sleeping units or individual dwelling units.

Accessibility I 804

- Stair #2 and existing stair to basement do not meet current ADA standards. They are to remain but not counted in accessible egress requirements.
- Elevator will be added to provide access between Level 1 to Level 3. The elevator will be shared by all tenants
- Public ADA restrooms will be provided on Level 1. One unisex ADA restroom on Level 2 and one on Level 3 will be provided.

Structural

- No significant changes in live load expected, no adjustments required per MRC code
- Refer to structural assessment for additional improvements.

Mechanical & Electrical

- Majority of work refers to International Mechanical Code and International Building Code

Plumbing

- Where occupant load increases by 20 percent, fixture count will need to meet International Plumbing Code.
- Plumbing to support new fire suppression requirements and thresholds.

Market Analysis

200 East Broadway and 111 South University, Mount Pleasant, Michigan



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Introduction

The purpose of this report is to provide insight into the development potential for two privately owned properties located in downtown Mount Pleasant, Michigan, at 200 East Broadway and 111 South University. Isabella Bank, with assistance from the City of Mount Pleasant, engaged the Michigan Municipal League and their team of consultants to assist in the marketing of these properties by establishing a preferred development scenario backed by public engagement and market analysis. This market study is part of a package of information designed to be shared with potential developers.

The preferred development scenario at both 200 East Broadway and 111 South University involves redeveloping the existing structures for mixed-use.

At the time of this report, the global spread of COVID-19 was impacting commerce on many levels nationally and globally. Economists were still assessing the impact this pandemic would have on the local, regional, and the national economies. The interruption of commerce was expected to last into May 2020 and possibly longer. Partial impacts caused by “second wave” infection spikes could lead to further disruption of the kind of business levels we were used to before the pandemic. Prior to the development and wide distribution of a vaccine, best-case expectations are that the US economy can only operate at an up to 80% level.

Population projections in this report include additional mortality caused by the COVID-19 epidemic. Otherwise, this study provides an assessment of market potential from the perspective of how things will look when all is “back to normal.”

The Sites

The subject properties are located in the vicinity of the Broadway and University intersection in downtown Mount Pleasant. 200 East Broadway sits at the southeast corner of the intersection, and 111 South University is adjacent and south of 200 East Broadway. **Figures 1 & 2** show the properties and their relative location in downtown, and to significant community institutions and roadways. The properties are located in the center of downtown Mount Pleasant and are well served by sidewalks. 200 East Broadway has a walk score of 86 and is considered “very walkable.”

A 23,550 square foot, three-story building sits on .26 acres at 200 East Broadway. The building includes some double-height space on the second floor that provides an opportunity for adding square footage. Its location on East Broadway puts the building near the east end of the strongest retail block in downtown Mount Pleasant. 111 South University includes a two-story, 3,960 square foot building on .045 acre. **Figures 3, 4, 5, and 6** below provide visual perspectives of the sites.

Figure 1 - Properties' location relative to other points of interest

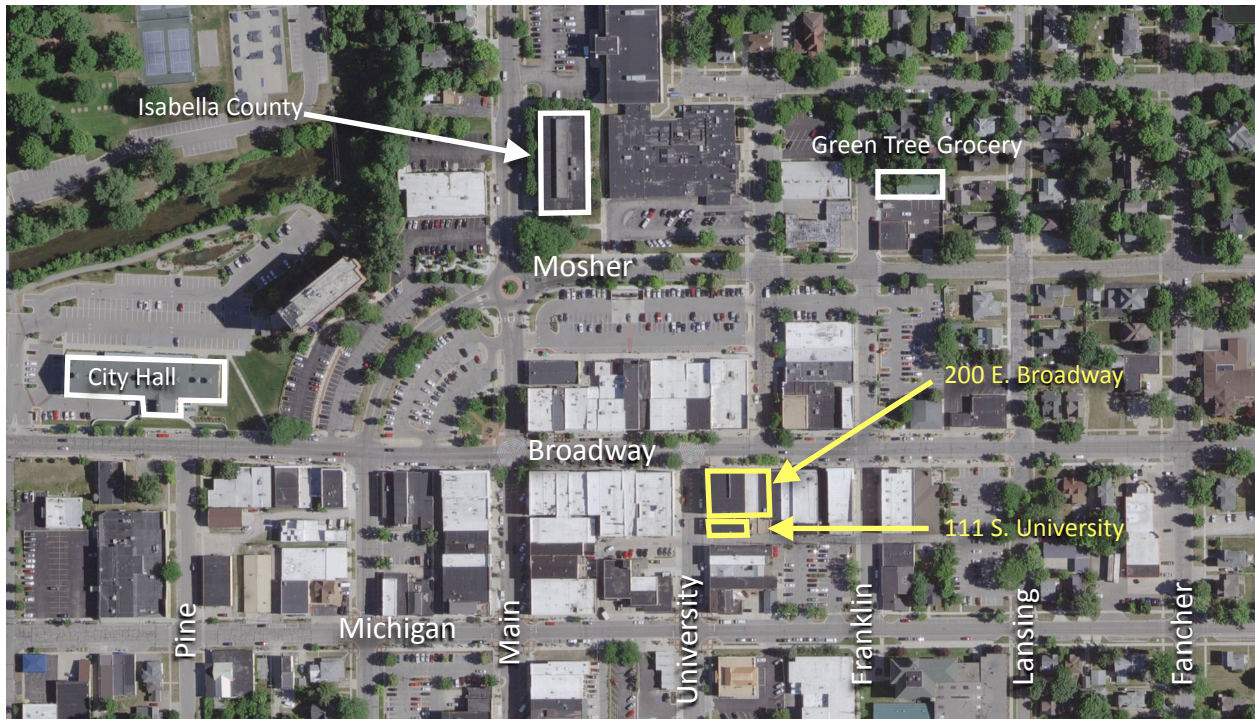


Figure 2 - Properties' location relative to CMU and Soaring Eagle

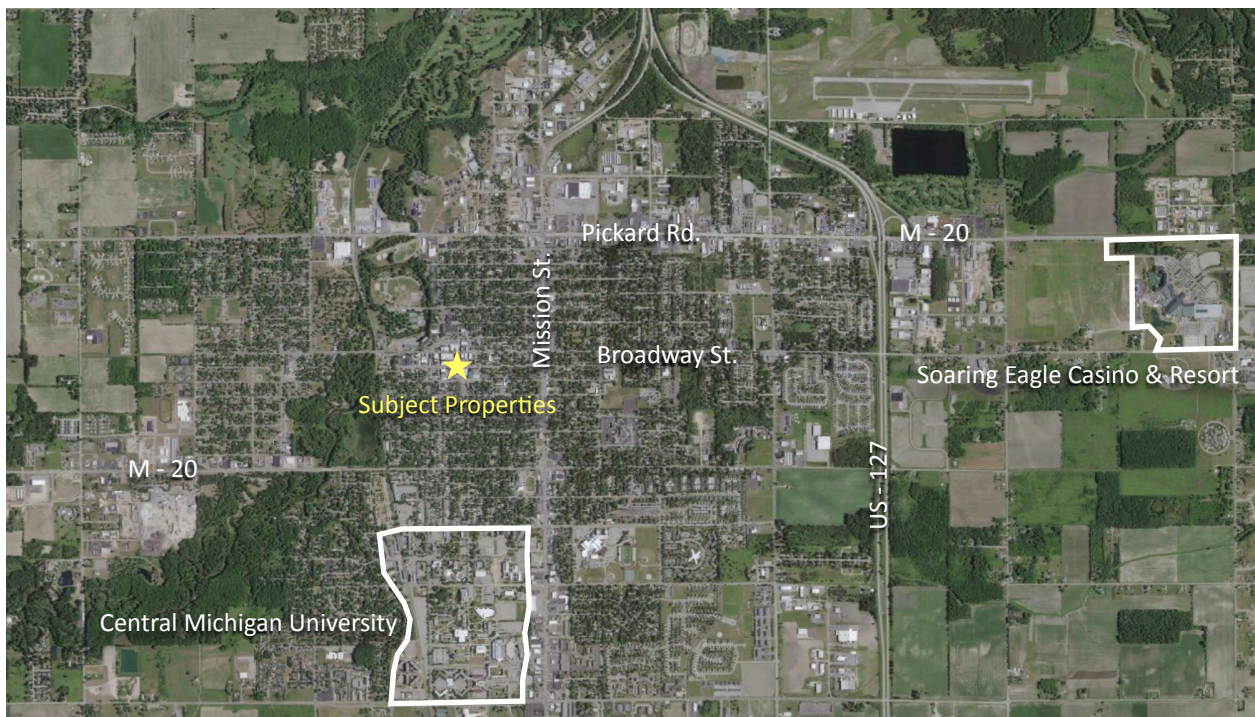


Figure 3

Looking east toward 200 E. Broadway from the University intersection.



Figure 4

View southward toward 200 E. Broadway.



Figure 5

View northeast with 111 S. University on the right and 200 E. Broadway on the left.



Figure 6

View of 111 S. University's south and east (rear) sides, with the back of 200 E. Broadway behind it.



Executive Summary

This report contains the following key findings:

- Mount Pleasant has a diversified economy based on tourism, education, manufacturing, and medical services.
- Tourism, measured by hotel rooms sold, has increased 13.9% over the past four years.
- Central Michigan University is completing improvements around campus, including the \$26 million Center for Integrated Health Studies.
- The Primary Market Area has a younger population than the state and the country.
- Population is projected to increase by 4.5% through 2024.
- Businesses in the 48858 zip code generate \$661,453,000 in payroll annually.
- The study focussed on a target market for the subject property with household incomes between \$25,000 and \$150,000.
- Housing inventory is dominated by single-family, two-family, and garden-style apartments, leaving opportunity for urban housing types.
- Home sale pace within the PMA was well over \$38,000,000 in 2019.
- A survey of apartments and rental houses in the Mount Pleasant area finds the vacancy rate at around 5%.
- Rents for one, two, and three-bedroom apartments in Mount Pleasant average \$693, \$801, and \$1,067, respectively.
- Adding 15 apartment units, as is suggested at the subject properties, results in favorable market penetration metrics.
- Retail and office leases rates range mainly between \$8 and \$12 per square foot downtown.
- According to an ESRI Retail MarketPlace Profile, there are several retail categories underrepresented in the market area surrounding the site, some of which would be suitable for the subject site's commercial space.

Market Characteristics

Overview

The two properties are located in Mount Pleasant, Michigan, the county seat of Isabella County. Mount Pleasant is located near the center of Michigan's Lower Peninsula, approximately an hour's drive north of Lansing, 35 minutes west of Midland and 50 minutes east of Big Rapids.

Mount Pleasant is the home to Central Michigan University, one of the largest in the state of Michigan, with an enrollment of nearly 23,000. A portion of the city includes part of the Saginaw Chippewa Indian Reservation. Mount Pleasant was first settled by David Ward in 1855 and became a city in 1889.

Mount Pleasant is connected to other parts of the state by US-127 and M-20. US-127 runs from Interstate 94 at Jackson to the south to Interstate 75 near Higgins Lake to the north. The highway connects Mount Pleasant to Lansing to the south and Clare to the north. M-20 runs from Midland through Mount Pleasant to Big Rapids and US-131. Midland and Big Rapids, as well as Saginaw and Bay City, are no more than an hour away.

MBS International Airport, which offers commercial air service, is 50 minutes away from Mount Pleasant. Delta and United offer commercial flights at MBS. The City of Mount Pleasant operates an airport just northeast of downtown for private aviation.

A rail line owned and operated by Michigan Central Railroad runs by the site approximately five blocks to the west of the subject properties. The route runs from Ann Arbor north to Traverse City and Petoskey. This line is currently only used for freight, though there is an effort to reintroduce passenger rail, including potentially establishing a stop in Mount Pleasant.

Mount Pleasant Public Schools provides public K-12 education in the city. Mid Michigan College, based in Harrison, has a campus just east of the Mount Pleasant city limits. MMC offers classes in arts & communications, business & technology, health sciences, math & science, and skilled trades. Central Michigan University, a public research university, offers over 200 undergraduate programs and around 100 graduate degrees on an 871-acre campus within city limits.

Downtown vacancy, as reported by the Mount Pleasant Downtown Development Department in February 2020, stood at 24,497 square feet for actively marketed properties. Total square footage in downtown is 660,938, meaning 3.71% is considered vacant. Another 34,294 square feet of space downtown not actively marketed, which includes the subject properties, is

considered “underutilized” by the City. This brings the sum of vacant and underutilized space downtown to 58,791, or 8.71% of total downtown space.

Market Area Delineation

The market area for this report is viewed in three predominant ways. First is the Primary Market Area, or PMA, which represents where the majority of potential home buyers and renters live. The PMA is defined as the City of Mount Pleasant and Union Charter Township, which surrounds it. **Figure 7** shows the extent of the Primary Market Area. Secondly, employment and payroll data are evaluated for the 48858 zip code, which is shown in **Figure 8**.

An ESRI Retail MarketPlace Profile was acquired to assess the retail potential for the sites. The profile looks at retail leakage and surplus for an area within a .25-mile radius, a 2-mile radius, and a five-mile radius from the subject sites. The .25-mile range approximates walking distance and includes most of downtown Mount Pleasant. The 2-mile radius includes Central Michigan University's campus and most of the region's retail with the notable exception of that which exists south of the school. The 5-mile radius equates to an easy drive of about ten minutes and includes all retail in the immediate Mount Pleasant area. A map showing these areas is included in the appendices.

Figure 7 - Primary Market Area (PMA)

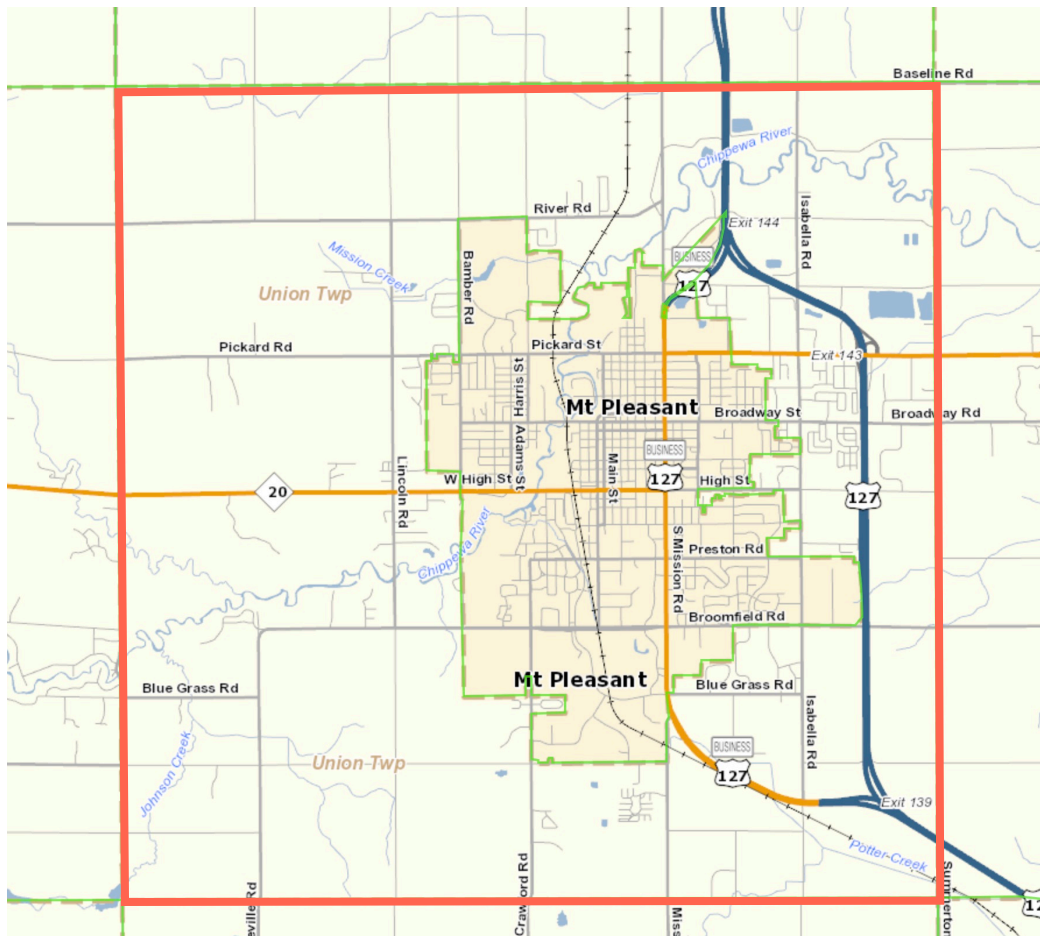
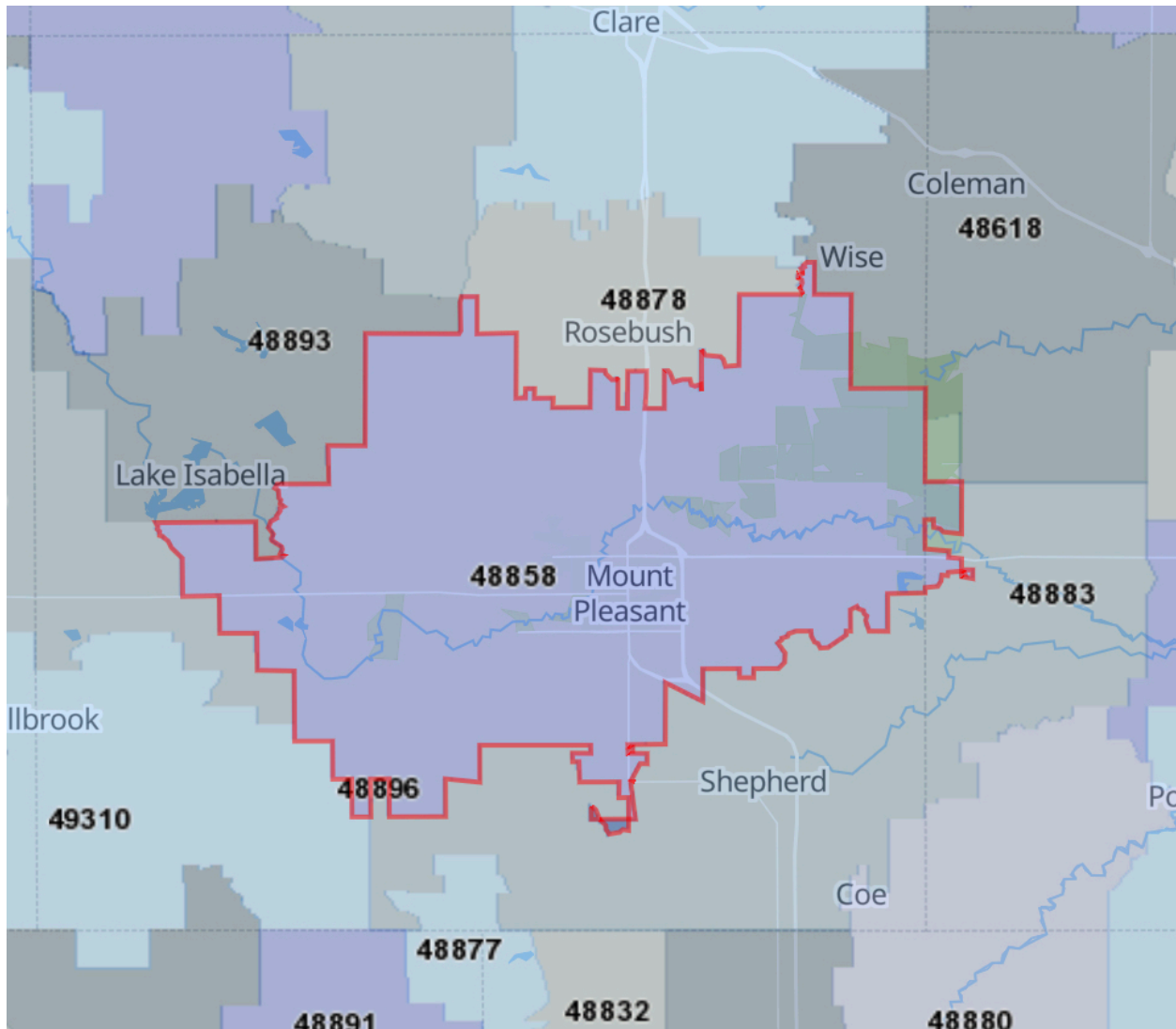


Figure 8 - 48858 Zip Code



Demographic and Employment Characteristics

GENERAL DEMOGRAPHICS

The Primary Market Area (PMA) has a 2018 population of 39,421, accounting for about 56% of Isabella County's total population. The PMA's median household income is \$32,352, though the median income in the City of Mount Pleasant is higher, standing at \$37,984. Citizens of the market area are highly educated. The percentage of residents 25 years of age and higher who have attained a high school degree is 92.1%, higher than the share for Michigan and the country. The median age in the PMA stood at 22.5 in 2018, well below that of the other geographies. This phenomenon is due mainly to the area's college student population. Some of these data points are shown in **Table 1**.

POPULATION, INCOME AND AGE TRENDS

During the current decade through 2018, the PMA's population increased 3.2% compared to 0.3% growth in Isabella County, 1.2% in the state, and 5.8% nationally. Household incomes in the PMA grew 22.8%, close to that of the county and state, and well above the average increase in the country. Educational attainment increased half a percent in the PMA between 2010 and 2018. **Table 2** details the rates of change for these categories.

Population is projected to increase by 4.5% from 2020 to 2024 in the PMA. This projection includes an additional mortality factor for the COVID-19 Pandemic, but does not factor in the impact economics might have on population growth. On the one hand, the interruption in the economy may cause population losses as opportunities dwindle in the Mount Pleasant market. On the other hand, college enrollment tends to increase during recessions, which could positively impact population in the Mount Pleasant area. Age cohorts populations in the PMA for the years of 2010 through 2024 are graphed in **Figure 9**. The 15 to 24-year-old cohort is predicted to continue its historic decline, but all other categories increase to some degree. In particular, the 35 to 54 age cohort and those from 65 and older increase significantly.

Table 1 - Selected Demographic Comparisons

	Mount Pleasant	PMA	Isabella County	Michigan	USA
Population	25,691	39,421	70,562	9,995,915	327,167,439
Median Household Income	\$37,984	\$32,352	\$46,198	\$56,697	\$57,652
Median Age	22.1	22.5	29	39.8	38.2
Education: Percent HS or Higher*	91.3%	92.1%	91.3%	91.1%	87.7%

* For those age 25 and higher

Source: 2018 American Community Survey, Mission North, LLC

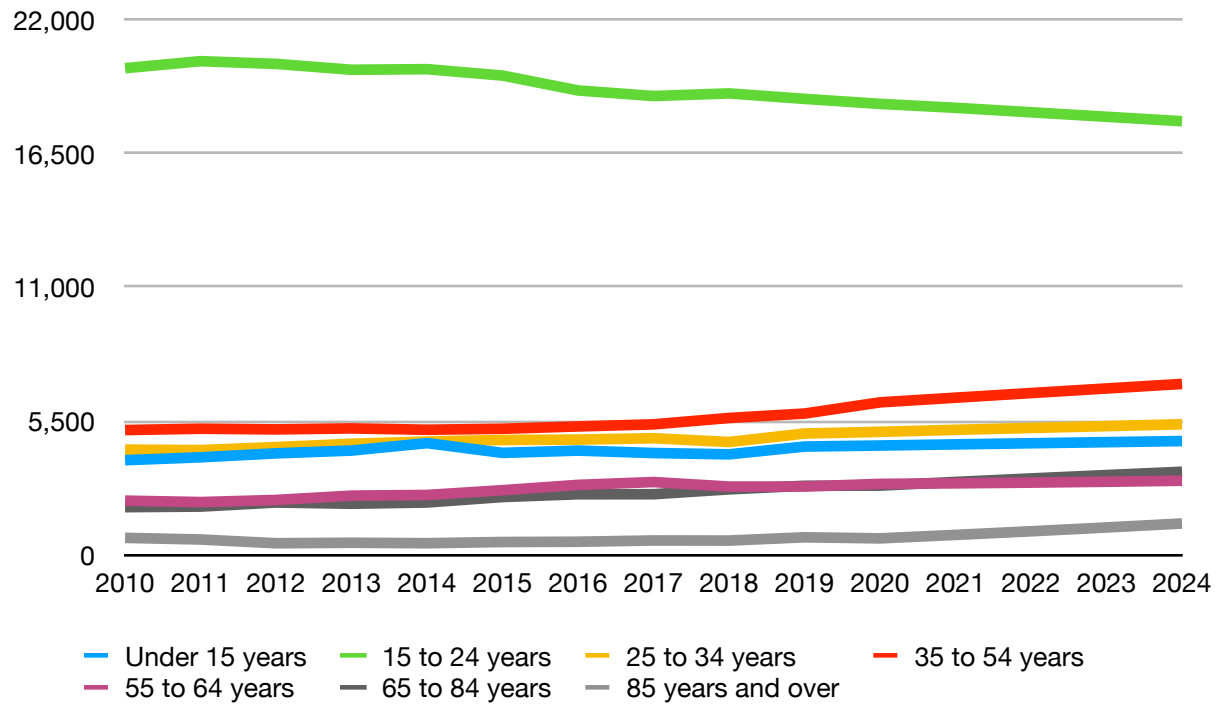
Table 2 - Demographic Trends for Various Geographies 2010 to 2018

	Mount Pleasant	PMA	Isabella County	Michigan	USA
Population	-1.6%	3.2%	0.3%	1.2%	5.8%
Median HI	42.8%	22.8%	25.3%	24.8%	11.1%
Median Age	0.9%	1.5%	15.5%	2.1%	2.7%
Percent HS or Higher*	-0.1%	0.5%	0.0%	6.1%	4.5%

* For those age 25 and higher

Source: American Community Survey, Mission North, LLC

Figure 9 - PMA Age Cohort history and Projections



HOUSEHOLD INCOME DETAIL

Table 3 looks at household income in more detail. The data is broken down between owner-occupied and renter-occupied units. Incomes are considerably higher for owner-occupied households versus renters. The median household income for owner-occupied homes is \$66,601 versus \$22,808 for renters.

There are 2,496 renter households in the desired \$25,000 to \$150,000 income range for the target market. The number of owner-occupied homes in that same income range is 2,217.

Table 15, on page 29, uses these figures to assess market viability for rental apartments as proposed in the project.

Table 3 - PMA Household Income by Tenure

	Occupied Housing Units	Percent	Owner-Occupied Housing Units	Percent	Renter-Occupied Housing Units	Percent
Less than \$5,000	926	7.1%	100	1.9%	826	10.5%
\$5,000 to \$9,999	1,019	7.8%	122	2.3%	897	11.4%
\$10,000 to \$14,999	1,185	9.0%	104	2.0%	1,081	13.8%
\$15,000 to \$19,999	910	6.9%	240	4.6%	670	8.5%
\$20,000 to \$24,999	994	7.6%	231	4.4%	763	9.7%
\$25,000 to \$34,999	1,474	11.2%	418	7.9%	1,056	13.5%
\$35,000 to \$49,999	1,625	12.4%	637	12.1%	988	12.6%
\$50,000 to \$74,999	2,134	16.3%	1,122	21.3%	1,012	12.9%
\$75,000 to \$99,999	1,072	8.2%	807	15.3%	265	3.4%
\$100,000 to \$149,999	978	7.5%	743	14.1%	235	3.0%
\$150,000 or more	795	6.1%	744	14.1%	51	0.7%
	13,112	100.0%	5,268	100.0%	7,844	100.0%

Source: 2018 American Community Survey

Economy and Employment

ECONOMY

Mount Pleasant's economy is dominated by Central Michigan University and the Saginaw Chippewa Indian Tribe of Michigan who operates the Soaring Eagle Casino and Resort. There is also a strong industrial base in fields like foods, industrial equipment, and automotive. Medical services, senior living, and construction also provide hundreds of jobs in the area. The top ten employers in Isabella County are listed in **Table 4**.

According to the Mount Pleasant Area Convention and Visitors Bureau, hotel rooms sold has increased by 13.9% between 2016 and 2019. A new Courtyard Marriott Hotel with 140 rooms was opened in 2016, and the Soaring Eagle Resort recently renovated 500 hotel rooms.

Mount Pleasant has seen millions of dollars of investment in the past year. In 2019, Central Michigan built the \$26 million 50,000-square foot Center for Integrated Health Studies on its campus. In 2019, CMU commenced construction of a new weight room, locker room, and football operations facility at Kelly Shorts Stadium.

Hobby Lobby built a \$2 million store in 2019. The 50,000 square foot store is on South Mission Street just south of Broomfield Street and just east of Central Michigan's campus.

Table 4 - Top Ten Employers in Isabella County

Worker Destination	Industry	Number of Workers
Saginaw Chippewa Tribe	Government/Hospitality & Gaming	3,602
Central Michigan University	Education	2,693
Delfield	Manufacturing	730
McLaren Central Michigan	Medical	506
McBride Quality Care	Social Service & Housing	500
Mount Pleasant Public Schools	Education	466
Bandit Industries	Manufacturing	456
Morbark, LLC	Manufacturing	450
Fisher Companies	Contracting	450
Isabella Bank	Financial Services	400

Source: [Middle Michigan Development Corporation](#)

Downtown will see a new apartment and commercial project right next to City Hall in the next year. An \$18 million mixed-use building at 410 West Broadway is expected to be completed by May of 2021. This project, three blocks west of the subject properties, will include a 10,000 square foot grocery and 48 market-rate apartments.

EMPLOYMENT

Since 2010, the Primary Market Area's unemployment rate has dropped, falling to 5.7% in 2018. This puts the rate slightly below that of the county, and slightly above the state and national rates. Comparisons are shown in **Table 5** and **Figure 10**.

Both wages and jobs increased significantly since 2013. Paid employees increased 27% in that period in the 48858 zip code. Paid employees increased by 13% in 2017 alone. Meanwhile, aggregate payroll has increased by about 20% in the same period. **Figure 11**, below, illustrates these trends. The average pay for each employee in Mount Pleasant is close to that of the county's, though around 65% of the state's and 62% of the country's. These comparisons are detailed in **Table 6**.

Table 5 - Unemployment 2010 to 2018

	PMA	Isabella County	Michigan	USA
2010	10.9%	13.0%	11.5%	7.9%
2011	10.4%	13.7%	12.3%	8.7%
2012	9.8%	15.2%	12.6%	9.3%
2013	9.8%	10.3%	12.7%	9.7%
2014	8.8%	9.3%	11.4%	9.2%
2015	8.8%	8.1%	9.8%	8.3%
2016	8.0%	6.8%	8.5%	7.4%
2017	5.7%	7.8%	5.3%	4.9%
2018	5.7%	6.9%	5.3%	4.9%

Source: 2018 American Community Survey

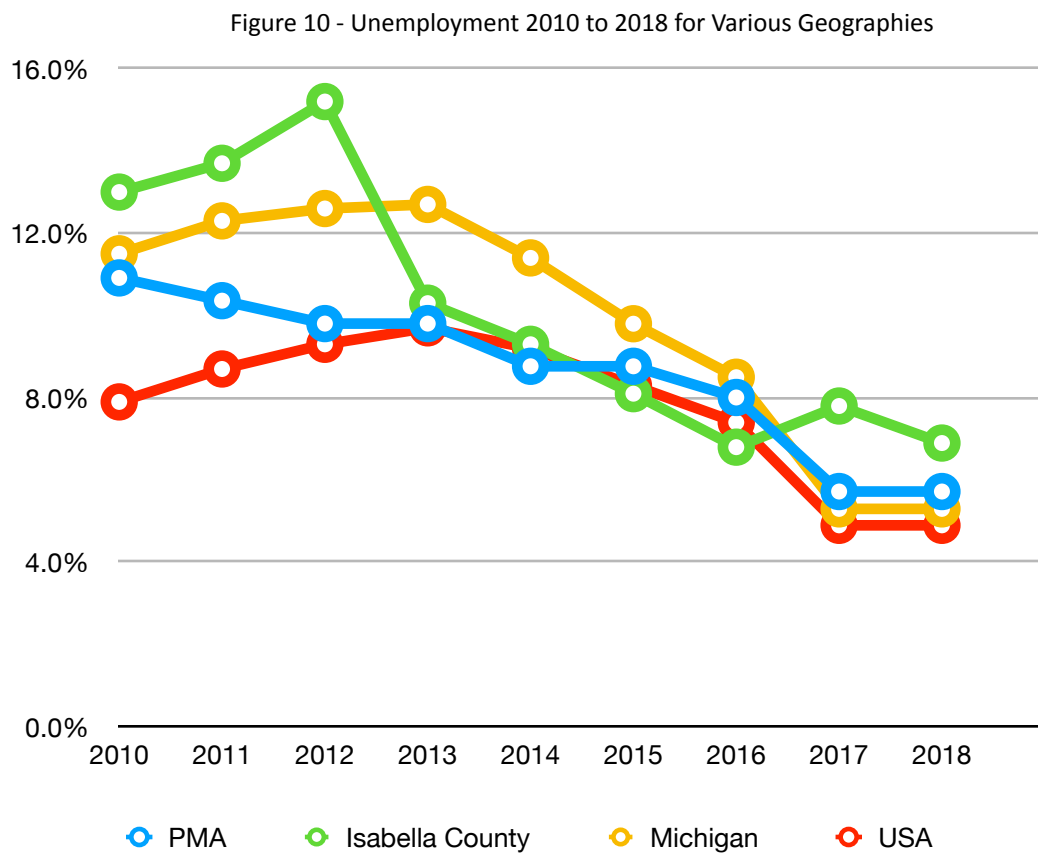
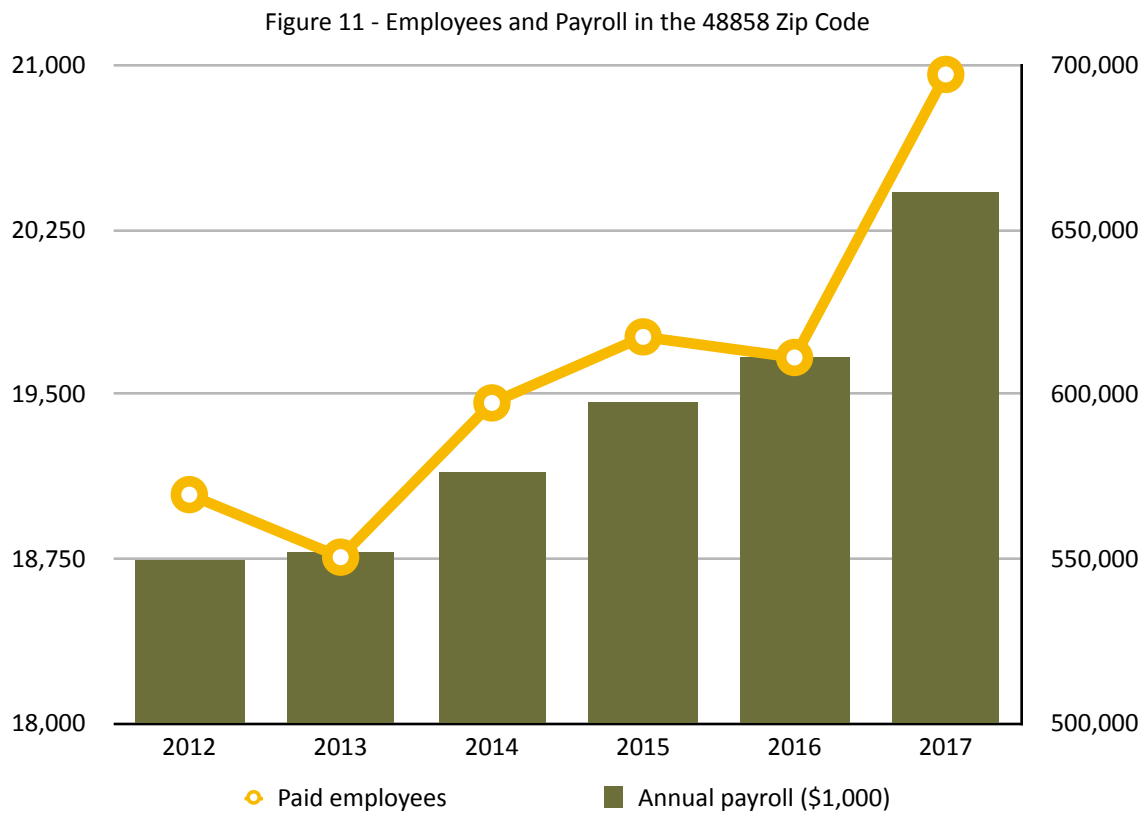


Table 6 - 2017 Employment and Payroll for Various Geographies

Place	Businesses	Employees	Payroll (\$1,000)	Payroll/Employee
USA	7,597,294	127,038,090	6,517,161,781	\$51,301
Michigan	222,553	3,859,949	186,678,533	\$48,363
Isabella County	1,369	25,024	858,383	\$34,302
Zip Code	Businesses	Employees	Payroll (\$1,000)	Payroll/Employee
48858	1,096	20,958	661,453	\$31,561

Source: 2017 Annual Business Survey



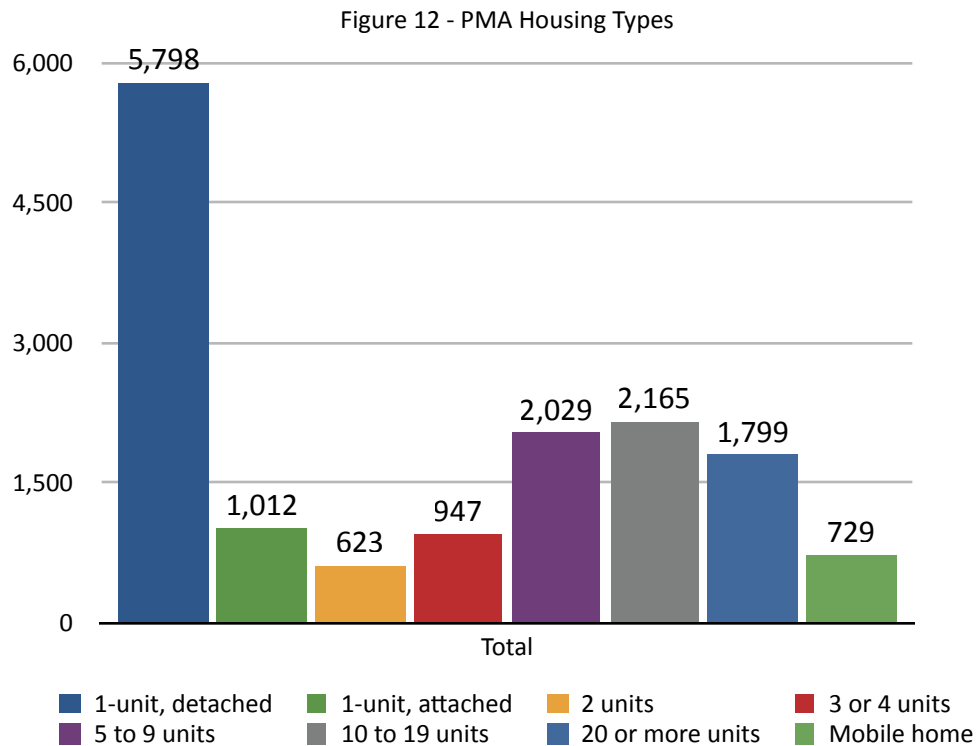
Housing

HOUSING STOCK

The Mount Pleasant Primary Market Area's housing stock is dominated by single-family houses with a fair number of duplexes and garden-style apartments. Multiple unit housing types that are conducive to urban settings are underrepresented. These so-called "missing middle" housing types include fourplexes, bungalow courts, walk-up townhouses, and urban mixed-use buildings, such as is envisioned at 200 E. Broadway and 111 S. University. A 2019 Housing Report prepared by the City's Planning & Community Development Department called out the limited mix of housing types in the city.

Figure 12 graphs housing types in the PMA. Besides 1-unit detached houses, 10-19 and 20 or more unit developments make up a large percentage of the housing stock. The housing types in these categories are primarily garden-style apartments, which are suburban in nature.

According to building and demolition permit records, the city has seen a net increase of only 6.5 housing units per year since 2015. 2020 will see an increase in this number with the completion of the 48-unit mixed-income project at 410 W. Broadway.



AGE OF HOUSING STOCK

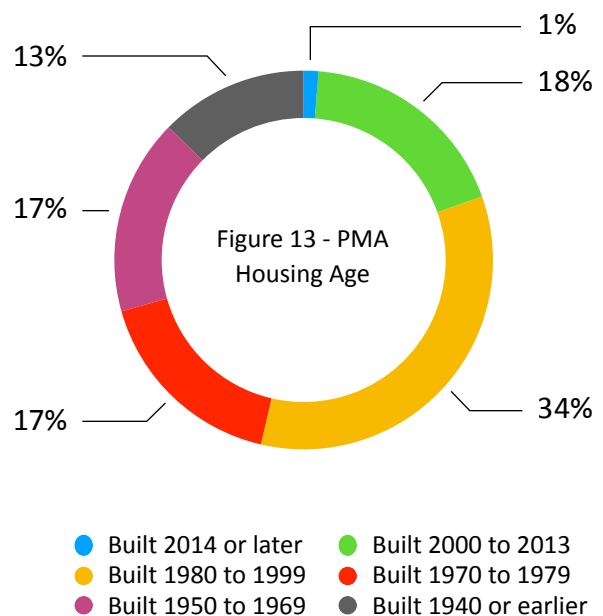
The housing stock in the PMA is mostly more than ten years old. Only 1% of the 15,102 housing units in 2018 were built after 2013. More than half of the stock was built between 1980 and 2013. **Table 11** and **Figure 13** breaks down the age of housing stock in the PMA.

An apartment survey was conducted for this analysis that is discussed further in the “Rental Housing Market” section below. This survey found few apartment developments built after 2008, mainly just outside of the city limits. A little less than half of the market’s apartment inventory was built before 1990.

Table 11- Age of Housing Stock in the PMA

	PMA
Total housing units	15,102
Built 2014 or later	189
Built 2010 to 2013	453
Built 2000 to 2009	2309
Built 1990 to 1999	3,417
Built 1980 to 1989	1729
Built 1970 to 1979	2569
Built 1960 to 1969	1435
Built 1950 to 1959	1093
Built 1940 to 1949	463
Built 1939 or earlier	1445

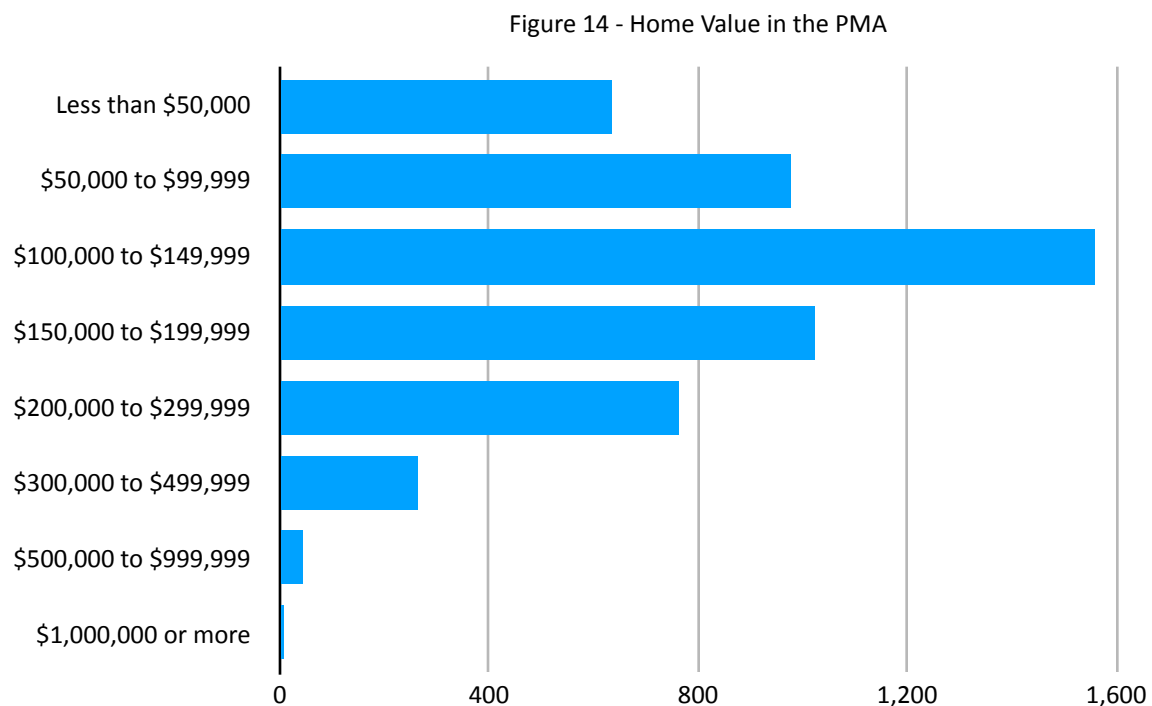
Source: 2018 American Community Survey



Owner Occupied Housing

HOME VALUE

The median home value in the Primary Market Area, according to the 2018 American Community Survey, is \$134,180. This tracks very well with the median sale price of homes in 2019, which was \$137,000. **Figure 14** shows various stratifications of home value within the PMA, according to the 2018 American Community Survey.



HOME BUYING AFFORDABILITY

In **Table 12**, income and home value characteristics of peer cities are compared with state and national statistics. These cities in this comparison are all college towns except for Bay City. Muncie and Ypsilanti are Mid America Conference school cities just like Mount Pleasant.

The table compares home value with median income. This ratio is an indicator of home affordability, where a lower rate means the average buyer is more able to afford a home in that city. The Michigan and US ratio of value to median income is 2.58 and 3.71, respectively. Mount Pleasant's ratio is similar to that of the country but is higher than the state.

Table 12 - Income and Home Value Comparison for Mount Pleasant and Peer Cities

	Population	Median Household Income ¹	Average Household Income ¹	Median Home Value ¹	Value/Med. Income Ratio
Bay City, MI	33,463	\$37,901	\$50,173	\$67,100	1.77
Big Rapids, MI	10,392	\$25,194	\$41,703	\$92,100	3.66
Holland, MI	33,503	\$55,769	\$50,173	\$142,000	2.55
Marquette, MI	20,932	\$40,398	\$58,800	\$178,200	4.41
Mount Pleasant, MI	25,691	\$37,984	\$56,009	\$135,600	3.57
Muncie, IN	70,178	\$32,565	\$43,068	\$76,100	2.34
Ypsilanti, MI	20,939	\$36,982	\$54,608	\$141,100	3.82
Michigan	9,995,915	\$56,697	\$77,682	\$146,200	2.58
U.S.	327,167,439	\$61,937	\$87,864	\$229,700	3.71

Source: 2018 American Community Survey

Notes:

1 For owner-occupied homes

HOME BUYING ACTIVITY

According to realtor data, there were 255 home sales in the Mount Pleasant School District, which closely follows the PMA boundaries. Sales volume in 2019 was \$38,612,166 for a monthly average of \$3,217,681 - this is shown in **Table 13** below. Actual month by month sales is detailed in **Figure 15**. Close to 50% of homes sold had three bedrooms, and about 29% had two bedrooms. **Table 14**, on the following page, details 2019 home sales by bedroom.

Table 13 - 2019 Home Sales Summary

Total Transactions	255
Total Volume	\$38,612,166
Average Price	\$151,420
Median Price	\$137,000

Source: Praedium Realty, Mount Pleasant, MI and Mission North, LLC

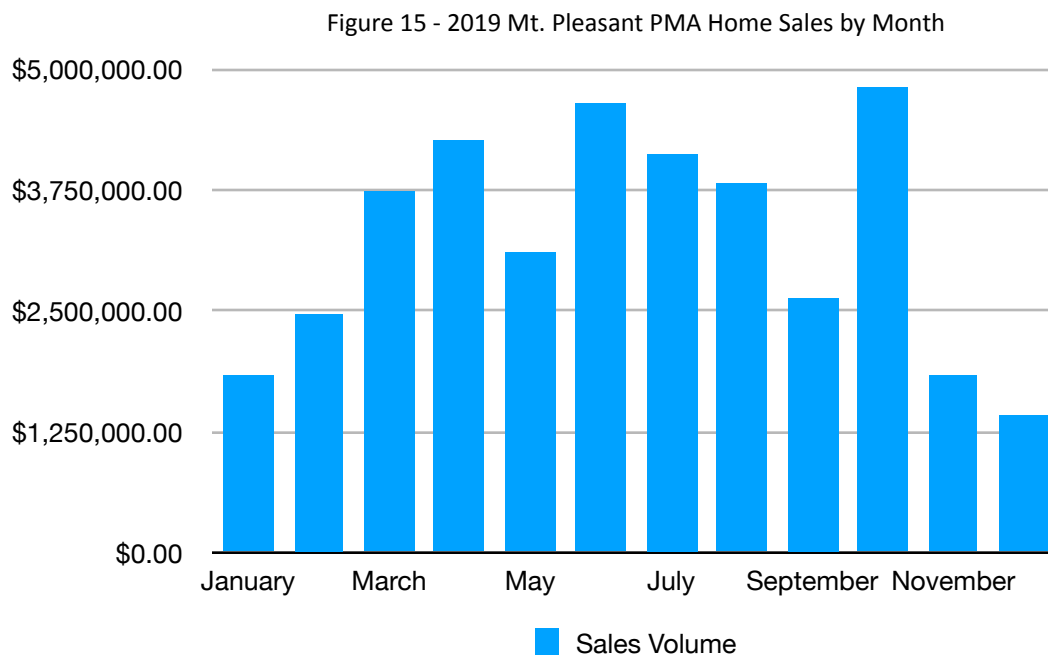


Table 14 - 2019 Home Sales Breakdown by Bedroom

Bedrooms	Percent Sold	Estimated Volume
0-1	1.5%	\$594,033
2-2	29.2%	\$11,286,633
3-3	47.7%	\$18,415,033
4-4	16.9%	\$6,534,367
5	4.6%	\$1,782,100
		\$38,612,166

Source: [Praedium Realty, Mount Pleasant, MI, Mission North, LLC](#)

Rental Housing Market

OVERVIEW

The American Community Survey estimated a total of 7,844 occupied rental units in the PMA in 2018 - 4,721 in the city of Mount Pleasant and 3,123 in Union Charter Township. Rental housing units make up about 52% of all units in the PMA. This higher proportion of rental housing is due to the large student population at Central Michigan University.

As noted earlier, garden-style apartments dominate the apartment inventory in the PMA. Though most of the peer communities are similarly dominated by garden-style, car-oriented apartment complexes, a few, such as Muncie, Bay City, and Holland, have examples of urban multiplexes and mixed-use apartment developments. In the case of Muncie and Bay City, these urban offerings can get 50% or more per square foot over their suburban competitors.

RENTAL RATES

2020 Fair Market Rents¹ in Isabella County, as determined by HUD, are \$551, \$591, \$720, \$979, \$1,096 for a studio, one-bedroom, two-bedroom, three-bedroom, and four-bedroom, respectively. A survey of Mount Pleasant market apartments and rental houses found rents for comparable apartments averaging higher than the HUD standards. **Table 13** details these findings. **Table 14** goes into greater detail by considering the number of bathrooms and calculates rent per square foot.

Table 13 - Mt. Pleasant Area Apartment Rents by Bedrooms

BR	Average Size (SF)	Average Rent	Rent Range
1	647	\$693	\$550-\$799
2	882	\$813	\$500-\$1,010
3	1,280	\$1,105	\$850-\$1,362
4	1,487	\$1,383	\$1,000-\$1,700
5	1,832	\$1,466	\$1,000-\$1,875
6	1,953	\$2,230	\$1,750-\$2,550

[apartments.com](#) survey, Mission North, LLC

¹ Fair Market Rents are defined as the rent that would be required to be paid in the particular housing market area in order to obtain privately owned, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. This Fair Market Rent includes utilities (except telephone).

Table 14 - Mt. Pleasant Area Apartment Averages and Ranges

BR, BA	Average Size	Average Rent	Average Rent/SF	Rent/SF Range
1, 1	647	\$693	\$1.11	\$0.85 to \$1.49
2, 1	835	\$756	\$0.93	\$0.82 to \$1.05
2, 1.5	854	\$956	\$1.13	\$0.98 to \$1.20
2, 2	933	\$866	\$1.01	\$0.74 to \$1.14
2, 2.5	1,300	\$1,008	\$0.78	\$0.78 to \$0.78
3, 2	1,234	\$1,022	\$0.82	\$0.58 to \$1.13
3, 3	1,248	\$1,257	\$1.01	\$0.92 to \$0.92
3, 3.5	2,000	\$1,347	\$0.67	\$0.67 to \$0.68
4, 1	1,480	\$1,312	\$0.94	\$0.90 to \$0.98
4, 2	1,552	\$1,330	\$0.87	\$0.65 to \$1.07
4, 2.5	1,550	\$1,598	\$1.03	\$1.03 to \$1.03
5, 2	1,779	\$1,400	\$0.90	\$0.81 to \$1.00
5, 2.5	1,867	\$1,505	\$0.78	\$0.59 to \$0.96
6, 2	2,029	\$2,133	\$0.98	\$0.76 to \$1.19
6, 2.5	1,800	\$2,520	\$1.40	\$1.40 to \$1.40

[apartments.com](#) survey, Mission North, LLC

RENTAL HOUSING DEMAND

Demand for apartments was calculated using conservative assumptions based on available data. Calculations determined an annual call for 499 units for the Mount Pleasant market. This results in a capture rate of 3% and a penetration rate of 0.3% for the proposed project at 200 E. Broadway and 111 S. University. The capture rate, which measures the proportion this project accounts for annual targeted demand, is very favorable. The penetration rate is also very favorable for the project. Penetration rate compares the units the project provides with the total number of potential customers.

Table 15 on the following page details demand calculations.

Table 15 - Apartment Demand Calculations

Target Income Range		
	Minimum Annual Income	\$25,000
	Maximum Annual Income	\$150,000
Percentage 2 or less person owner household		66.8%
Percentage 2 or less person renter household		70.2%
Demand From Existing Households		
	Proportion/Income Qualified Owner Households	63.0%
	Proportion/Income Qualified Renter Households	45.3%
	Income Qualified Owner Households	2,217
	Income Qualified Renter Households	2,496
	Annual Movership Rate - Owner to Renter	0.3%
	Annual Movership Rate - Renter to Renter	20.0%
	Total Income Qualified Owner to Renter Movers	7
	Total Income-Qualified Renter to Renter Movers	499
	Total Demand From Existing Households	506
Demand From New Renter Households		
	Projected Annual Change 2019-2024	0
	Proportion/Income Qualified Renter Households	45.3%
	Total Annual Demand From New Households	0
Total Demand		506
Proposed Number of Units		15
Capture Rate		3.0%
Penetration Rate		0.3%

Source: Mission North, LLC

Retail Market

Retail

Over \$407 million of retail demand, including food and drink, exists within a five mile radius of the subject sites. ESRI's Retail MarketPlace Profile for this location identifies several underserved retail categories. **Table 16** lists some of these categories within three ranges: .25-mile, 2-miles, and 5-miles from 200 East Broadway. As stated previously, the .25-mile radius represents walking distance from the subject sites. The 2-mile radius includes most of the City of Mount Pleasant, including the main portion of Central Michigan University's campus. Finally, the 5-mile radius encompasses nearly all of the built environment in the Mount Pleasant area. The table includes those categories identified by the Retail MarketPlace Profile that lend themselves to the retail portions of the two subject buildings.

Retail rents were analyzed from aggregated assessing data for the entire city. Rents for uses classified as retail service, which includes banks, averaged \$14.48 per square foot per year, whereas standard retail averaged \$9.82 per square foot. Interestingly, fast-food chain restaurants rents averaged over \$41 per square foot. Operating expenses for retail generally ranged between \$4 and \$7 per square foot and averaged near \$6 per square foot.

Table 16 - Selected Underserved Retail Categories

Industry Categories	Retail Gap	Leakage Factor	Number of Businesses
.25-Mile Radius			
Shoe Stores	\$81,668	100	0
Department Stores Excluding Leased Depts.	\$1,144,545	100	0
Other General Merchandise Stores	\$522,820	100	0
Special Food Services (i.e caterers)	\$31,399	100	0
SUBTOTAL	\$1,780,432		
2-Mile Radius			
Specialty Food Stores	\$881,137	26.4	3
Beer, Wine & Liquor Stores	\$1,022,571	38.7	3
Clothing Stores	\$4,982,700	40.9	8
Shoe Stores	\$1,023,289	38.7	2
Special Food Services (i.e caterers)	\$219,555	18.3	3
SUBTOTAL	\$8,129,252		
5-Mile Radius			
Specialty Food Stores	\$1,499,081	29.5	4
Beer, Wine & Liquor Stores	\$601,332	6.5	4
Clothing Stores	\$8,013,272	42.8	11
Shoe Stores	\$1,275,190	28.7	3
Jewelry, Luggage & Leather Goods Stores	\$1,233,870	19.8	4
Special Food Services (i.e caterers)	\$593,901	35.9	4
SUBTOTAL	\$13,216,646		

- “Retail Gap” represents the difference between Retail Potential and Retail Sales (both not shown).
- “Leakage Factor” is a measure of the relationship between supply and demand where 100 represents total leakage caused by no stores in that category.
- “Number of Businesses” is the number of businesses for a given category that currently exists.
- Total for the Retail Gap is the sum of underrepresented categories, not the whole market.

Source: ESRI Retail MarketPlace Profile, February 20, 2020

Office Market

Office rents in Mount Pleasant vary widely based on location, quality of the building, and tenant. Downtown office rents range from \$6.24 to \$38.81 per square foot with financial services uses paying more than other office types.

One of the uses envisioned for 200 E. Broadway is a co-working office space. There are different models of co-working, ranging from non-profit run to privately-run, and from subsidized models to market supported ones. Typically, successful co-working spaces focus on one industry to create more synergy amongst like users. The only other co-working space in the area is on the far south end of Central Michigan University's campus and is operated by the Central Michigan University Research Corporation. 200 E. Broadway, with its downtown location, could provide a home to the only walkable, urban co-working space in the Mount Pleasant market.

Limits of Study

Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible and are believed to be reliable. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives, or in any other data source used in preparing or presenting this study. This report is based on information that was current as of April 6, 2020, and Mission North, LLC, has not undertaken any update of its research effort since such date.

This report may contain prospective financial information, estimates, or opinions that represent Mission North's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted.

Boundaries of the subject property shown in maps and photographs are approximate and should not be relied upon. This study should not be the sole basis for programming, planning, designing, financing, or development of the subject site.

Appendices

- ESRI Retail MarketPlace Profile, February 20, 2020
- Mt. Pleasant RFQ, Isabella Bank, 200 E. Broadway St., Project Status Update, February 26, 2020



Retail MarketPlace Profile

200 East Broadway
200 East Broadway Mount Pleasant MI 48858
Ring: 0.25 mile radius

Latitude: 43.6045
Longitude: -84.7750

Summary Demographics

2019 Population	992
2019 Households	458
2019 Median Disposable Income	\$31,969
2019 Per Capita Income	\$25,890

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$11,566,308	\$37,703,693	-\$26,137,385	-53.0	50
Total Retail Trade	44-45	\$10,419,186	\$28,733,075	-\$18,313,889	-46.8	33
Total Food & Drink	722	\$1,147,123	\$8,970,618	-\$7,823,495	-77.3	17

2017 Industry Group

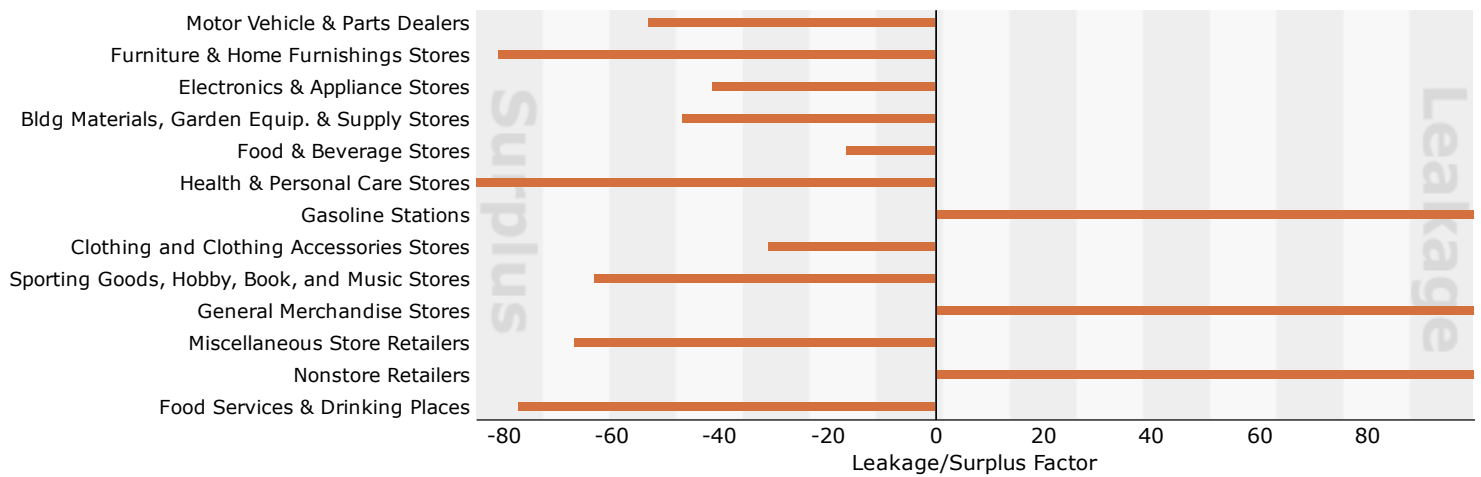
	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$2,183,271	\$7,194,051	-\$5,010,780	-53.4	5
Automobile Dealers	4411	\$1,781,318	\$497,137	\$1,284,181	56.4	1
Other Motor Vehicle Dealers	4412	\$176,095	\$0	\$176,095	100.0	0
Auto Parts, Accessories & Tire Stores	4413	\$225,858	\$6,024,868	-\$5,799,010	-92.8	4
Furniture & Home Furnishings Stores	442	\$337,493	\$3,226,372	-\$2,888,879	-81.1	4
Furniture Stores	4421	\$221,958	\$2,502,368	-\$2,280,410	-83.7	2
Home Furnishings Stores	4422	\$115,535	\$724,004	-\$608,469	-72.5	2
Electronics & Appliance Stores	443	\$349,164	\$842,018	-\$492,854	-41.4	1
Bldg Materials, Garden Equip. & Supply Stores	444	\$566,249	\$1,571,243	-\$1,004,994	-47.0	3
Bldg Material & Supplies Dealers	4441	\$519,253	\$916,250	-\$396,997	-27.7	2
Lawn & Garden Equip & Supply Stores	4442	\$46,996	\$654,993	-\$607,997	-86.6	1
Food & Beverage Stores	445	\$1,922,941	\$2,680,547	-\$757,606	-16.5	3
Grocery Stores	4451	\$1,685,609	\$1,919,721	-\$234,112	-6.5	1
Specialty Food Stores	4452	\$95,388	\$255,178	-\$159,790	-45.6	1
Beer, Wine & Liquor Stores	4453	\$141,944	\$505,648	-\$363,704	-56.2	1
Health & Personal Care Stores	446,4461	\$712,271	\$8,923,395	-\$8,211,124	-85.2	4
Gasoline Stations	447,4471	\$1,252,943	\$0	\$1,252,943	100.0	0
Clothing & Clothing Accessories Stores	448	\$570,251	\$1,082,014	-\$511,763	-31.0	3
Clothing Stores	4481	\$382,732	\$556,950	-\$174,218	-18.5	2
Shoe Stores	4482	\$81,668	\$0	\$81,668	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	\$105,851	\$525,065	-\$419,214	-66.4	1
Sporting Goods, Hobby, Book & Music Stores	451	\$292,367	\$1,299,945	-\$1,007,578	-63.3	3
Sporting Goods/Hobby/Musical Instr Stores	4511	\$236,945	\$1,142,038	-\$905,093	-65.6	2
Book, Periodical & Music Stores	4512	\$55,422	\$157,907	-\$102,485	-48.0	1
General Merchandise Stores	452	\$1,667,365	\$0	\$1,667,365	100.0	0
Department Stores Excluding Leased Depts.	4521	\$1,144,545	\$0	\$1,144,545	100.0	0
Other General Merchandise Stores	4529	\$522,820	\$0	\$522,820	100.0	0
Miscellaneous Store Retailers	453	\$376,704	\$1,913,490	-\$1,536,786	-67.1	8
Florists	4531	\$13,447	\$270,063	-\$256,616	-90.5	1
Office Supplies, Stationery & Gift Stores	4532	\$76,839	\$361,138	-\$284,299	-64.9	3
Used Merchandise Stores	4533	\$70,553	\$318,304	-\$247,751	-63.7	1
Other Miscellaneous Store Retailers	4539	\$215,864	\$963,984	-\$748,120	-63.4	3
Nonstore Retailers	454	\$188,167	\$0	\$188,167	100.0	0
Electronic Shopping & Mail-Order Houses	4541	\$155,739	\$0	\$155,739	100.0	0
Vending Machine Operators	4542	\$11,618	\$0	\$11,618	100.0	0
Direct Selling Establishments	4543	\$20,810	\$0	\$20,810	100.0	0
Food Services & Drinking Places	722	\$1,147,123	\$8,970,618	-\$7,823,495	-77.3	17
Special Food Services	7223	\$31,399	\$0	\$31,399	100.0	0
Drinking Places - Alcoholic Beverages	7224	\$61,912	\$778,867	-\$716,955	-85.3	1
Restaurants/Other Eating Places	7225	\$1,053,812	\$8,156,201	-\$7,102,389	-77.1	15

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement. <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

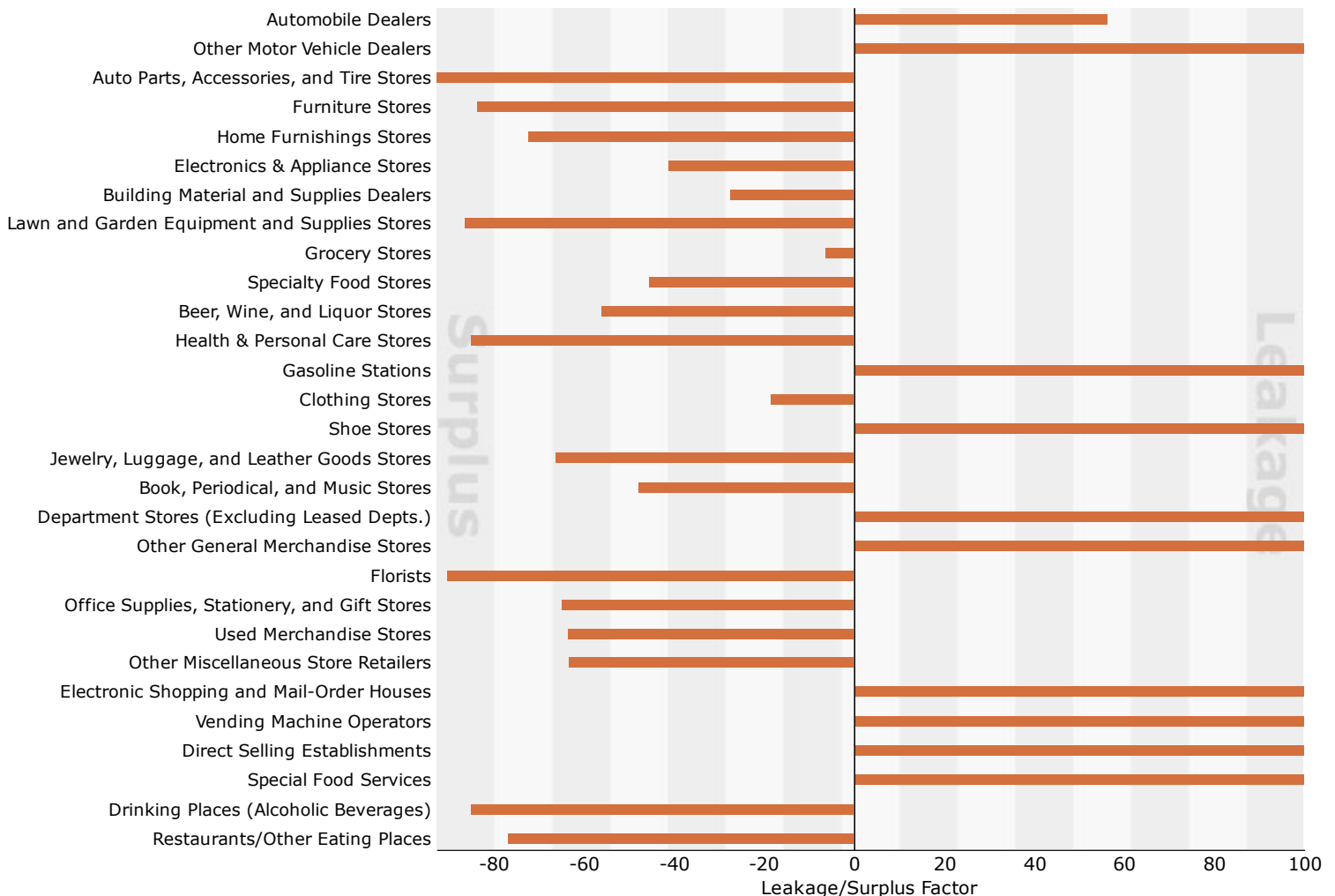
Source: Esri and Infogroup. Esri 2019 Updated Demographics. Esri 2017 Retail MarketPlace. Copyright 2019 Esri. Copyright 2017 Infogroup, Inc. All rights reserved.

February 20, 2020

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group





Retail MarketPlace Profile

200 East Broadway
200 East Broadway Mount Pleasant MI 48858
Ring: 2 mile radius

Latitude: 43.6045
Longitude: -84.7750

Summary Demographics

2019 Population	30,368
2019 Households	9,938
2019 Median Disposable Income	\$32,189
2019 Per Capita Income	\$20,130

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$259,302,548	\$520,609,865	-\$261,307,317	-33.5	278
Total Retail Trade	44-45	\$233,456,861	\$448,657,887	-\$215,201,026	-31.5	187
Total Food & Drink	722	\$25,845,687	\$71,951,977	-\$46,106,290	-47.1	91

2017 Industry Group

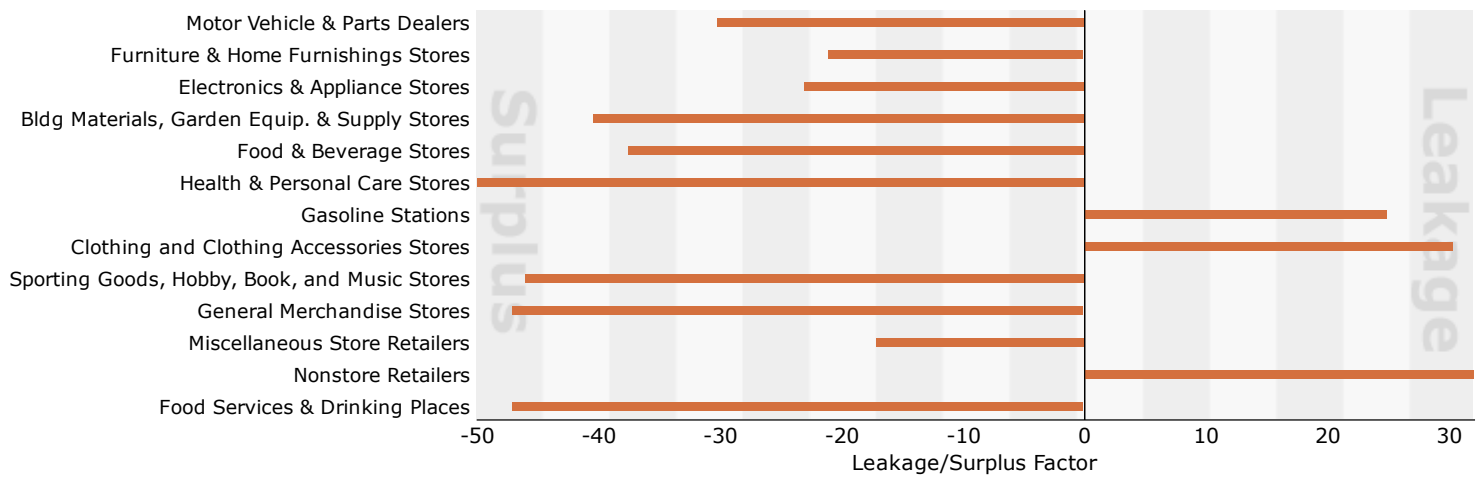
	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$49,190,072	\$92,018,318	-\$42,828,246	-30.3	35
Automobile Dealers	4411	\$40,120,062	\$49,280,513	-\$9,160,451	-10.2	13
Other Motor Vehicle Dealers	4412	\$4,005,989	\$11,350,041	-\$7,344,052	-47.8	4
Auto Parts, Accessories & Tire Stores	4413	\$5,064,021	\$31,387,763	-\$26,323,742	-72.2	18
Furniture & Home Furnishings Stores	442	\$7,684,780	\$11,795,312	-\$4,110,532	-21.1	16
Furniture Stores	4421	\$5,018,387	\$7,899,201	-\$2,880,814	-22.3	9
Home Furnishings Stores	4422	\$2,666,393	\$3,896,111	-\$1,229,718	-18.7	7
Electronics & Appliance Stores	443	\$7,870,367	\$12,597,880	-\$4,727,513	-23.1	9
Bldg Materials, Garden Equip. & Supply Stores	444	\$13,144,972	\$31,044,842	-\$17,899,870	-40.5	13
Bldg Material & Supplies Dealers	4441	\$12,060,021	\$30,149,046	-\$18,089,025	-42.9	12
Lawn & Garden Equip & Supply Stores	4442	\$1,084,951	\$895,796	\$189,155	9.5	1
Food & Beverage Stores	445	\$42,621,976	\$94,225,233	-\$51,603,257	-37.7	16
Grocery Stores	4451	\$37,349,412	\$90,856,379	-\$53,506,967	-41.7	11
Specialty Food Stores	4452	\$2,110,084	\$1,228,947	\$881,137	26.4	3
Beer, Wine & Liquor Stores	4453	\$3,162,479	\$2,139,908	\$1,022,571	19.3	3
Health & Personal Care Stores	446,4461	\$15,887,949	\$47,819,279	-\$31,931,330	-50.1	19
Gasoline Stations	447,4471	\$27,770,776	\$16,692,436	\$11,078,340	24.9	7
Clothing & Clothing Accessories Stores	448	\$12,819,273	\$6,848,180	\$5,971,093	30.4	13
Clothing Stores	4481	\$8,579,064	\$3,596,364	\$4,982,700	40.9	8
Shoe Stores	4482	\$1,834,019	\$810,730	\$1,023,289	38.7	2
Jewelry, Luggage & Leather Goods Stores	4483	\$2,406,190	\$2,441,086	-\$34,896	-0.7	4
Sporting Goods, Hobby, Book & Music Stores	451	\$6,590,840	\$17,853,902	-\$11,263,062	-46.1	15
Sporting Goods/Hobby/Musical Instr Stores	4511	\$5,346,461	\$8,189,556	-\$2,843,095	-21.0	8
Book, Periodical & Music Stores	4512	\$1,244,379	\$9,664,346	-\$8,419,967	-77.2	7
General Merchandise Stores	452	\$37,240,426	\$103,654,065	-\$66,413,639	-47.1	8
Department Stores Excluding Leased Depts.	4521	\$25,627,718	\$56,961,333	-\$31,333,615	-37.9	3
Other General Merchandise Stores	4529	\$11,612,709	\$46,692,732	-\$35,080,023	-60.2	5
Miscellaneous Store Retailers	453	\$8,434,604	\$11,947,526	-\$3,512,922	-17.2	31
Florists	4531	\$314,442	\$502,523	-\$188,081	-23.0	2
Office Supplies, Stationery & Gift Stores	4532	\$1,732,859	\$1,819,716	-\$86,857	-2.4	8
Used Merchandise Stores	4533	\$1,587,687	\$1,773,983	-\$186,296	-5.5	5
Other Miscellaneous Store Retailers	4539	\$4,799,616	\$7,851,304	-\$3,051,688	-24.1	16
Nonstore Retailers	454	\$4,200,825	\$2,160,913	\$2,039,912	32.1	3
Electronic Shopping & Mail-Order Houses	4541	\$3,490,138	\$528,994	\$2,961,144	73.7	1
Vending Machine Operators	4542	\$258,266	\$228,209	\$30,057	6.2	1
Direct Selling Establishments	4543	\$452,421	\$1,403,710	-\$951,289	-51.3	1
Food Services & Drinking Places	722	\$25,845,687	\$71,951,977	-\$46,106,290	-47.1	91
Special Food Services	7223	\$710,112	\$490,557	\$219,555	18.3	3
Drinking Places - Alcoholic Beverages	7224	\$1,411,835	\$1,991,683	-\$579,848	-17.0	3
Restaurants/Other Eating Places	7225	\$23,723,739	\$69,469,738	-\$45,745,999	-49.1	85

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement. <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

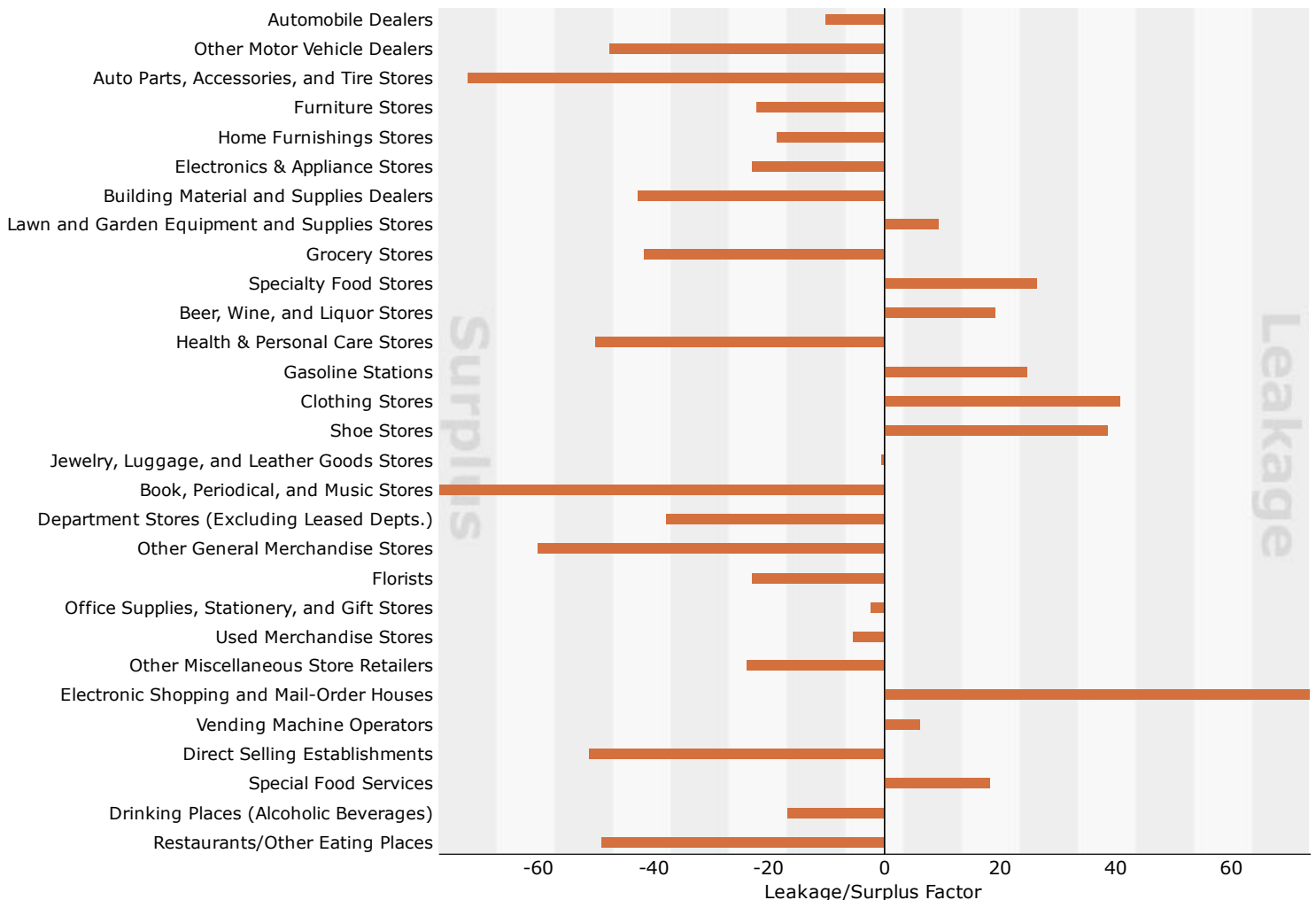
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February 20, 2020

2017 Leakage/Surplus Factor by Industry Subsector



2017 Leakage/Surplus Factor by Industry Group





Retail MarketPlace Profile

200 East Broadway
200 East Broadway Mount Pleasant MI 48858
Ring: 5 mile radius

Latitude: 43.6045
Longitude: -84.7750

Summary Demographics

2019 Population	46,328
2019 Households	16,161
2019 Median Disposable Income	\$31,059
2019 Per Capita Income	\$20,674

2017 Industry Summary

	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$407,471,383	\$740,606,627	-\$333,135,244	-29.0	354
Total Retail Trade	44-45	\$367,155,326	\$642,643,576	-\$275,488,250	-27.3	241
Total Food & Drink	722	\$40,316,057	\$97,963,051	-\$57,646,994	-41.7	113

2017 Industry Group

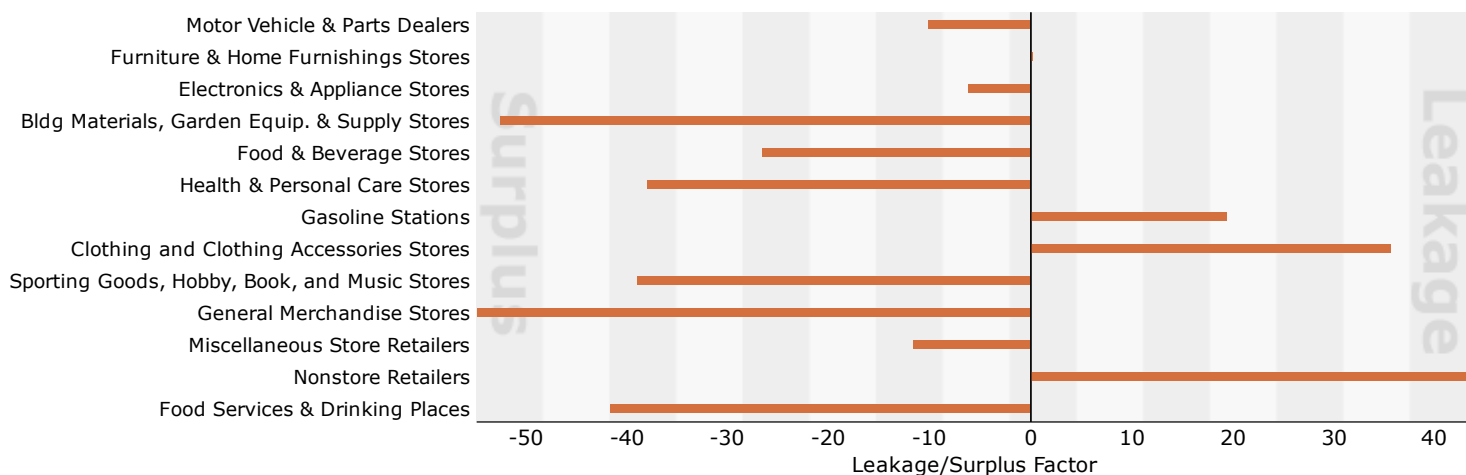
	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$77,692,947	\$95,199,882	-\$17,506,935	-10.1	41
Automobile Dealers	4411	\$63,306,759	\$50,009,469	\$13,297,290	11.7	14
Other Motor Vehicle Dealers	4412	\$6,418,781	\$12,582,937	-\$6,164,156	-32.4	6
Auto Parts, Accessories & Tire Stores	4413	\$7,967,407	\$32,607,476	-\$24,640,069	-60.7	20
Furniture & Home Furnishings Stores	442	\$12,096,137	\$12,047,499	\$48,638	0.2	16
Furniture Stores	4421	\$7,832,234	\$7,899,201	-\$66,967	-0.4	9
Home Furnishings Stores	4422	\$4,263,903	\$4,148,298	\$115,605	1.4	7
Electronics & Appliance Stores	443	\$12,281,418	\$13,898,464	-\$1,617,046	-6.2	11
Bldg Materials, Garden Equip. & Supply Stores	444	\$21,519,258	\$69,245,959	-\$47,726,701	-52.6	20
Bldg Material & Supplies Dealers	4441	\$19,712,920	\$67,879,463	-\$48,166,543	-55.0	19
Lawn & Garden Equip & Supply Stores	4442	\$1,806,338	\$1,366,496	\$439,842	13.9	2
Food & Beverage Stores	445	\$66,583,408	\$114,760,192	-\$48,176,784	-26.6	22
Grocery Stores	4451	\$58,360,885	\$108,638,082	-\$50,277,197	-30.1	14
Specialty Food Stores	4452	\$3,292,338	\$1,793,257	\$1,499,081	29.5	4
Beer, Wine & Liquor Stores	4453	\$4,930,186	\$4,328,854	\$601,332	6.5	4
Health & Personal Care Stores	446,4461	\$25,133,975	\$55,892,070	-\$30,758,095	-38.0	25
Gasoline Stations	447,4471	\$43,428,535	\$29,253,391	\$14,175,144	19.5	10
Clothing & Clothing Accessories Stores	448	\$19,960,283	\$9,437,552	\$10,522,731	35.8	18
Clothing Stores	4481	\$13,363,473	\$5,350,201	\$8,013,272	42.8	11
Shoe Stores	4482	\$2,860,533	\$1,584,943	\$1,275,590	28.7	3
Jewelry, Luggage & Leather Goods Stores	4483	\$3,736,278	\$2,502,408	\$1,233,870	19.8	4
Sporting Goods, Hobby, Book & Music Stores	451	\$10,317,998	\$23,554,723	-\$13,236,725	-39.1	19
Sporting Goods/Hobby/Musical Instr Stores	4511	\$8,391,314	\$13,881,183	-\$5,489,869	-24.6	12
Book, Periodical & Music Stores	4512	\$1,926,683	\$9,673,540	-\$7,746,857	-66.8	7
General Merchandise Stores	452	\$58,235,808	\$199,994,926	-\$141,759,118	-54.9	14
Department Stores Excluding Leased Depts.	4521	\$40,063,760	\$111,357,000	-\$71,293,240	-47.1	6
Other General Merchandise Stores	4529	\$18,172,048	\$88,637,926	-\$70,465,878	-66.0	8
Miscellaneous Store Retailers	453	\$13,282,224	\$16,784,099	-\$3,501,875	-11.6	40
Florists	4531	\$518,599	\$511,202	\$7,397	0.7	2
Office Supplies, Stationery & Gift Stores	4532	\$2,719,466	\$2,861,663	-\$142,197	-2.5	9
Used Merchandise Stores	4533	\$2,467,880	\$2,901,506	-\$433,626	-8.1	8
Other Miscellaneous Store Retailers	4539	\$7,576,278	\$10,509,727	-\$2,933,449	-16.2	20
Nonstore Retailers	454	\$6,623,335	\$2,574,818	\$4,048,517	44.0	4
Electronic Shopping & Mail-Order Houses	4541	\$5,461,583	\$839,491	\$4,622,092	73.4	1
Vending Machine Operators	4542	\$402,561	\$234,322	\$168,239	26.4	1
Direct Selling Establishments	4543	\$759,191	\$1,501,005	-\$741,814	-32.8	2
Food Services & Drinking Places	722	\$40,316,057	\$97,963,051	-\$57,646,994	-41.7	113
Special Food Services	7223	\$1,124,198	\$530,297	\$593,901	35.9	4
Drinking Places - Alcoholic Beverages	7224	\$2,214,040	\$2,884,493	-\$670,453	-13.1	3
Restaurants/Other Eating Places	7225	\$36,977,818	\$94,548,261	-\$57,570,443	-43.8	106

Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please click the link below to view the Methodology Statement. <http://www.esri.com/library/whitepapers/pdfs/esri-data-retail-marketplace.pdf>

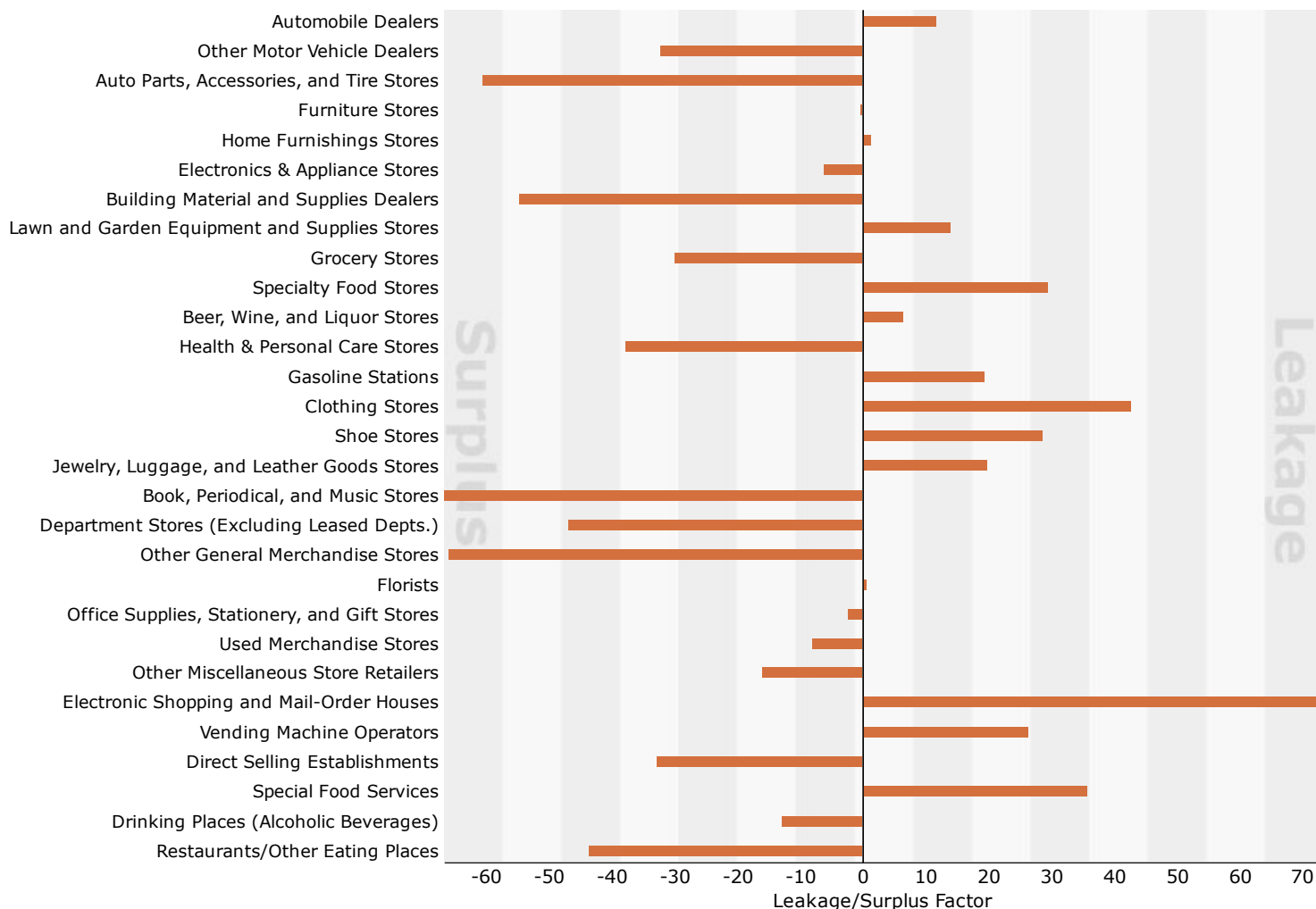
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February 20, 2020

2017 Leakage/Surplus Factor by Industry Subsector



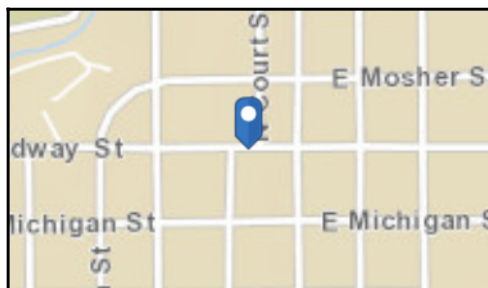
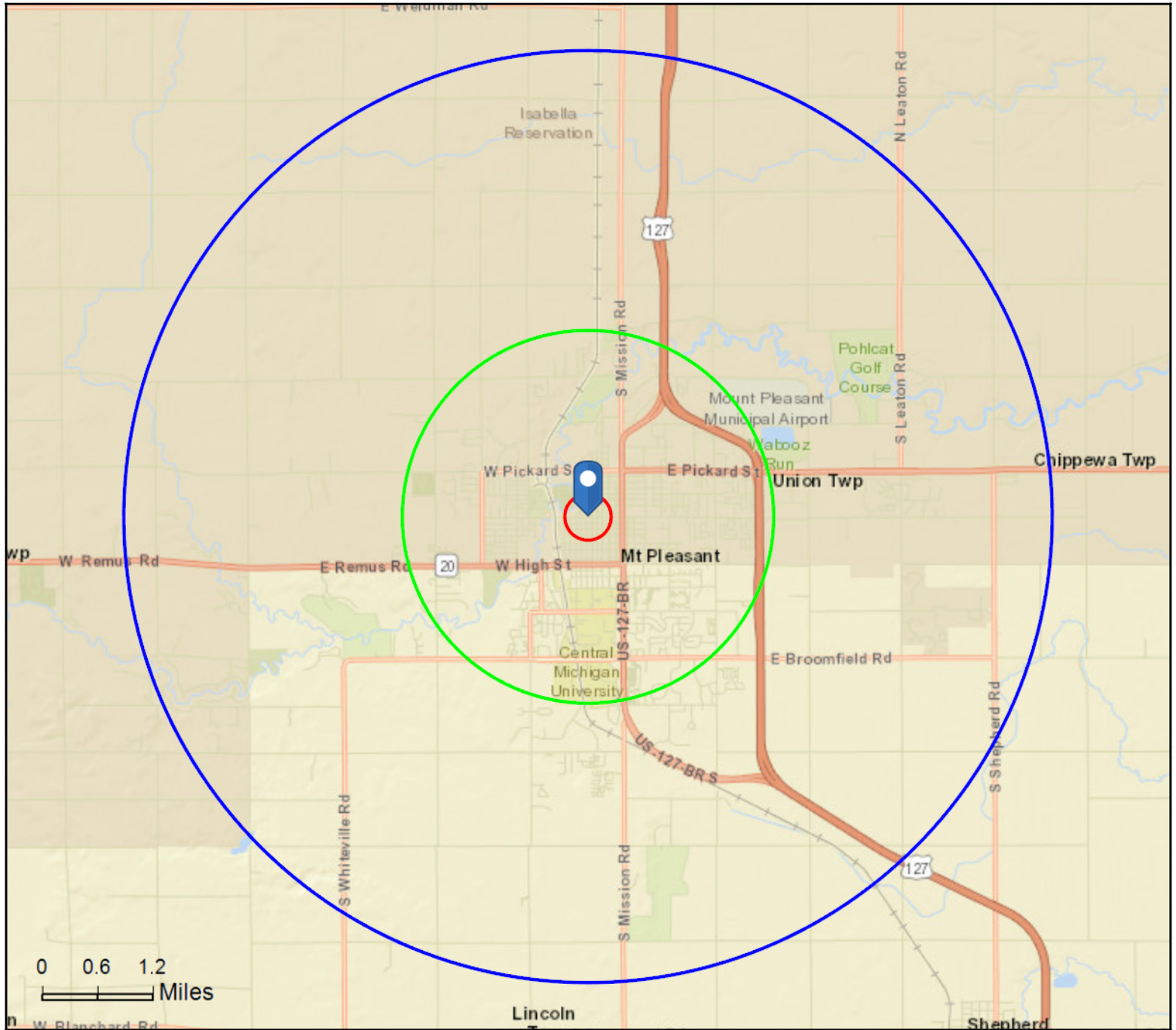
2017 Leakage/Surplus Factor by Industry Group



Site Map

200 East Broadway
 200 East Broadway Mount Pleasant MI 48858
 Ring: 0.25 mile radius

Latitude: 43.6045
 Longitude: -84.7750



ISABELLA BANK STRUCTURAL ASSESSMENT

Mt. Pleasant, MI

FINAL REPORT
July 17, 2020



TABLE OF CONTENTS

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1. EXECUTIVE SUMMARY

Isabella Bank, in partnership with the City of Mt. Pleasant, is seeking a suitable developer to take on the rehabilitation and adaptive reuse of the former Isabella Bank Headquarters building located at 200 E Broadway in Downtown Mt. Pleasant, Michigan. This structural assessment was prepared as part of the Request for Qualifications (RFQ) package. The RFQ document is a service offered by MEDC's Redevelopment Services as part of the Redevelopment Ready Communities – Predevelopment Assistance for Certified RRCs program. While the RFQ includes the adjacent building located at 111 S University, this report only deals with 200 E Broadway.

The structural assessment for Isabella Bank was requested as an additional service to assess the existing structure and identify potential concerns that will impact redevelopment, specifically the historic rehabilitation of the building façade and any structural concerns that may limit use of the upper stories.

The following concerns were identified by the property owners and city staff and have been factored into our project scope:

- Removal of the 1973 façade and associate bracing on the 3rd floor
- Façade appears to be separating from the building
- Signs that the roof of the building may need to be completely rebuilt
- Confirm the method of construction on the 2nd and 3rd floors

2. PROCESS & METHODOLOGY

Available plans and drawings for the building were reviewed to understand the layout of the existing property and photographs from previous site visits were reviewed. The preferred development concepts for the building were also reviewed to understand the considerations that were desired. No existing structural drawings were available for the existing building structures.

A site visit was conducted to understand the existing structural materials and framing systems. This included observation of the original building structures, as well as modifications and repairs that were made over time. It should be noted that in various locations throughout the building the structural systems were not visible due to ceiling and wall finishes.

3. EXISTING BUILDING STRUCTURE

The Isabella Bank building is comprised of a series of interconnected two- and three-story buildings that date back to the early 1880s. The 1973 drawings indicated that there are 5 different building structures. Lot 6 occupies the west portion of the building as illustrated in the Alta Survey in Figure 1 on the following page. Lot 6 consists of a relatively square structure that occupies the northwest portion of the site that is bounded by E. Broadway to the North and S. University Avenue to the West, as well as the structure to the South that has the address of 111 S. University Street. Lot 6 contains buildings A and B. Building A is the originally bank building.

Building B was rebuilt as a three-story building in 1905 and with the façade constructed to match the architectural style of the original building. Lot 5 is located East of Lot 6 and is comprised of three narrow and rectangular building structures (C, D, and E) that all front E. Broadway Street.

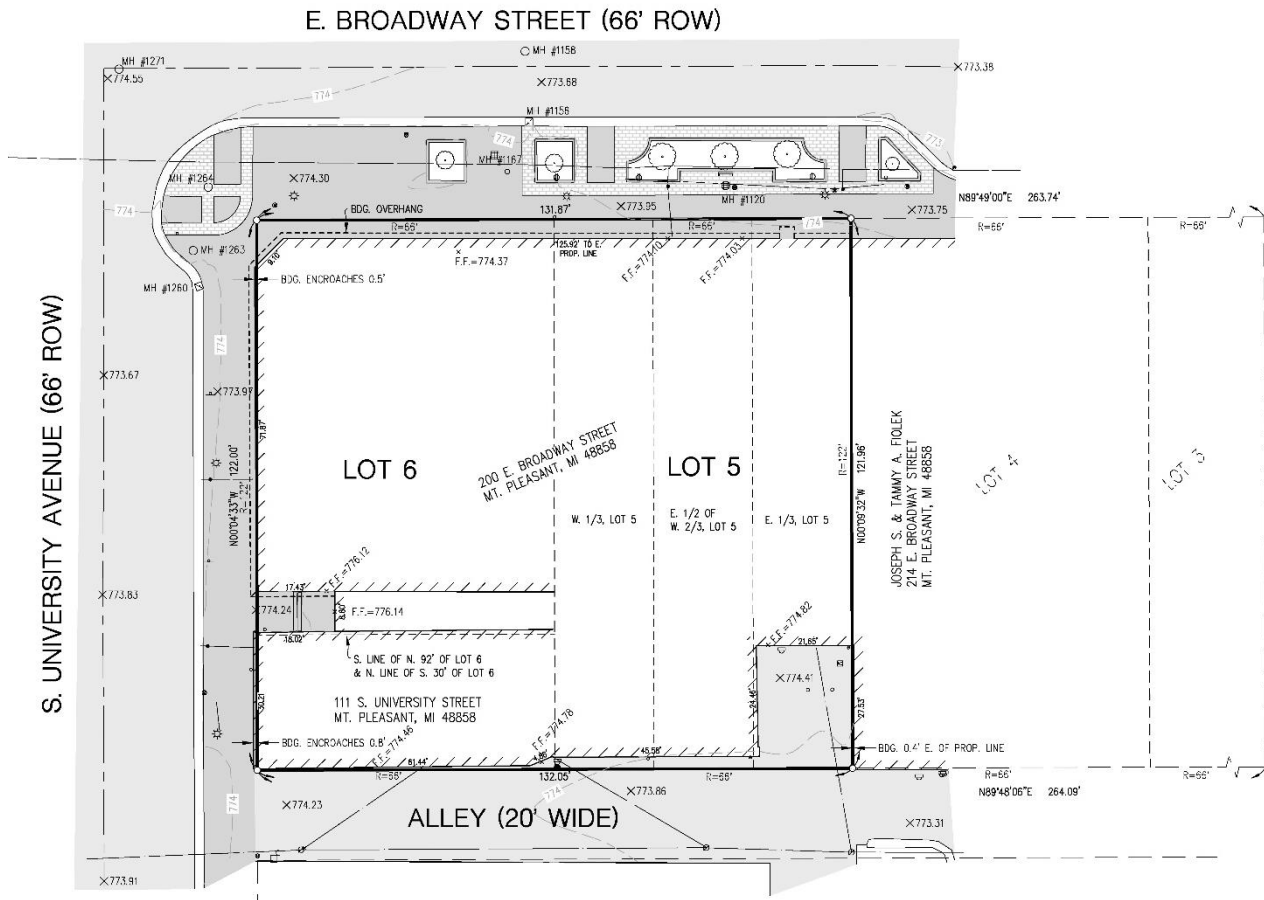


Figure 1: Alta Survey

The structural systems for the existing buildings consist of load bearing mass masonry walls supporting wood floor and roof framing. The mass masonry walls also serve as shear walls to resist lateral wind and seismic loads. The following framing description is based on the visible framing and interpretation of the existing drawings. The exact locations of all bearing walls and framing shall be required as part of the building redevelopment.

Basement

The basement consists of perimeter stone basement walls shaded in blue and interior stone and brick bearing walls that are generally oriented in the North/South direction as shaded in orange in the pre-1973 plan included in Figure 2. The wall segments shaded in green includes a series of concrete arches to provide openings versus a solid bearing wall. This series of concrete arches also serves as transfer framing to support a column on first floor. There are also heavy walls in Buildings A and B to support the vaults on the first floor.

There are shoring posts that have been added in basement of Building A. These were likely added in 1912, as documents indicate that “the bank was remodeled featuring a new iron reinforce foundation” in 1912. There are areas where concrete masonry was used to infill previous wall openings. The foundations for the building are not visible. There is little evidence of movement or settlement of the existing building foundations.



Figure 2: Pre-1973 Basement Plan



Photo 1: Perimeter Stone Basement Walls



Photo 2: Stone Bearing Walls and Concrete Arched Wall



Photo 3: Concrete Masonry Wall Infill



Photo 4: Shoring Posts in Basement

The framing that supports the first-floor bank and retail space was visible from the basement. The framing consists of 2x wood framing at a spacing of 12" to 16" on center, typically ranging in depth from 8" to 10". Typically, the wood framing spans in the East/West direction and is supported by the basement bearing walls below highlighted in Figure 2. There is a column located within the center of the open layout in Building A that supports the framing on the floors above; this column has been shaded in green in Figure 3 below. The walls shaded in orange in Figure 3 below illustrate the bearing walls that extend above the first floor. Figure 4 shows the pre-1973 condition.

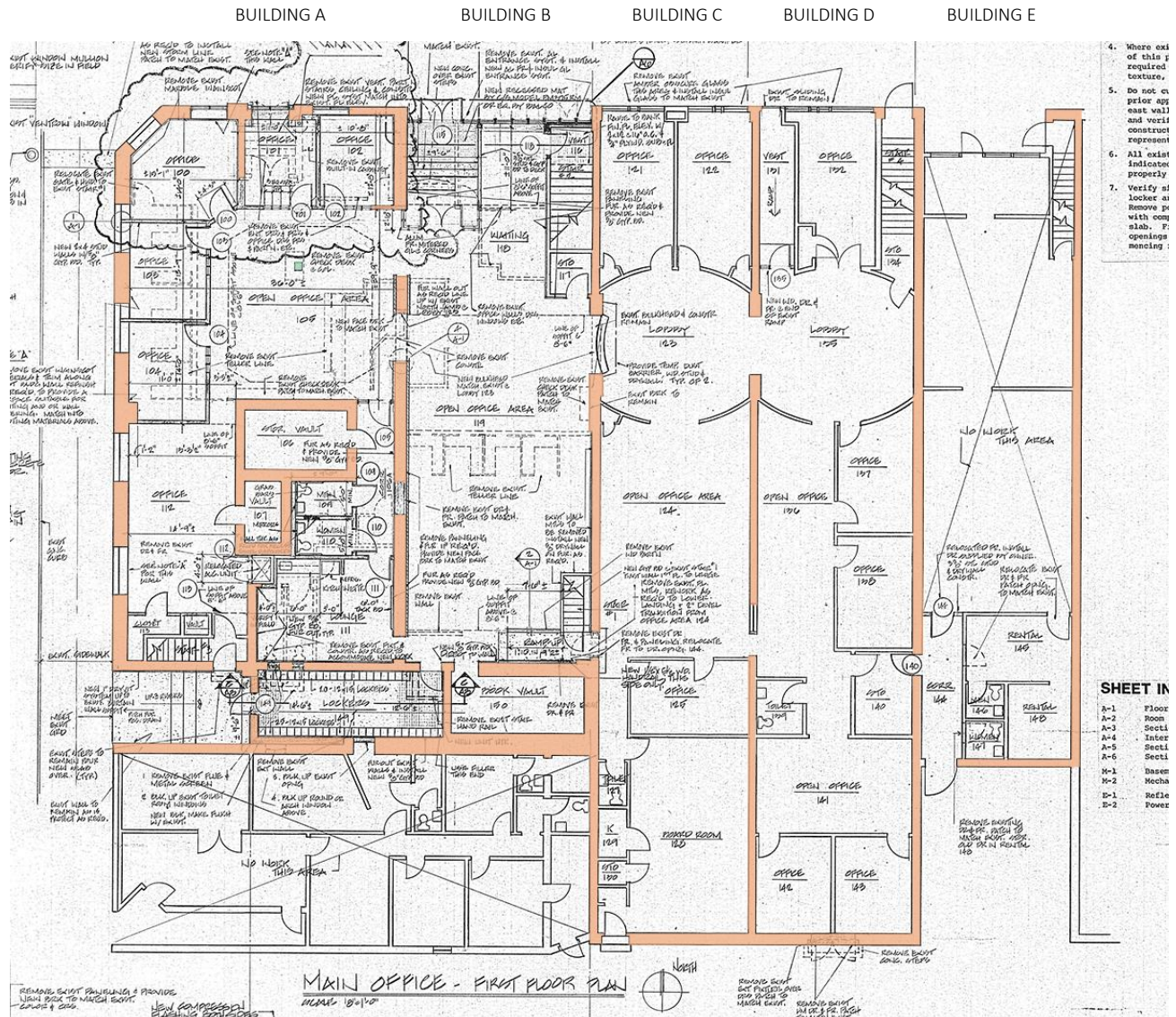




Figure 4: Pre-1973 First Floor Plan



Photo 5: First Floor Framing

Second Floor

Much of the framing that supports the second floor is obscured from view by existing ceilings. In locations where there are lay-in ceilings a higher plaster ceiling was discovered. There were select areas where it was possible to see the structure above where the plaster ceiling had been removed. From limited observation it appears that the second-floor framing consists 2x wood framing at a spacing of 12" to 16" on center, typically ranging in depth from 8" to 10". The wood framing spans in the East/West direction and is supported by the first floor bearing walls as shown in Figure 3. There is a column located in the center of the open layout in Building A on the first floor which supports steel girders supporting the second-floor framing. The walls shaded in orange in Figure 5 below illustrate the bearing walls that extend above the second floor. The walls in the Northwest portion of the building North of the Gymnasium/Opera Hall are also likely bearing walls supporting the third-floor framing. The second floor was renovated between 1920 and 1949.

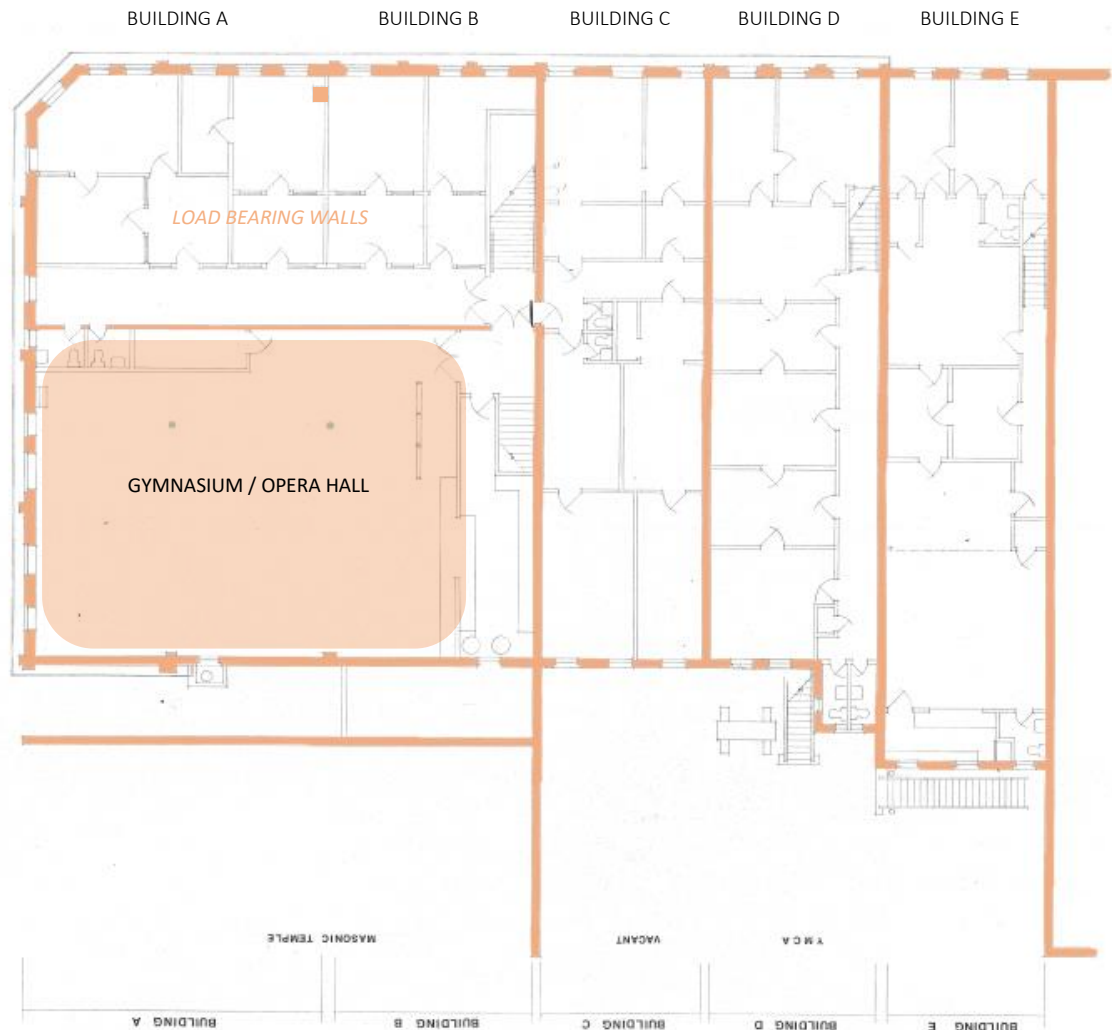


Figure 5: Pre-1973 Second Floor Plan

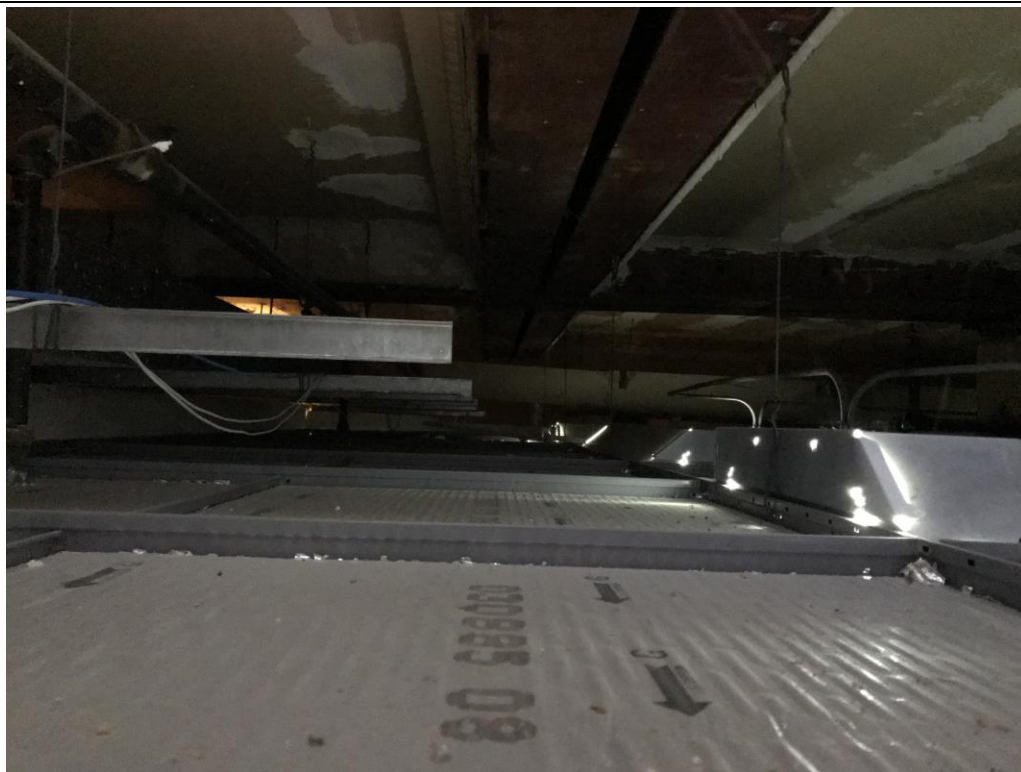


Photo 6: Higher Hard Ceiling and Steel Transfer Framing in Lot 6 Building Structure Near Column



Photo 7: Higher Hard Ceiling, Steel Transfer Framing, and Column in Lot 6 Building Structure



Photo 8: Wood Framing in Lot 5 Building Structure

Third Floor

The third floor consist of just the northern portion of the Buildings A and B. The remaining area is open to below and once housed the 800-1,000 seat Opera Hall, and subsequently a Gymnasium. According to historical documents, the Opera Hall was renovated 1892, 1899, and 1905. The 1905 renovation included a third floor for Building B. There was a fire in May 1907 which required major renovations. In 1920, the third floor was renovated to serve as a Masonic Temple, noted as the Fraternal Hall Space in Figure 5.

Much of the framing that supports the third floor is obscured from view by existing ceilings and flooring. There are areas where the flooring and subfloor have been partially removed exposing the floor framing. The roof framing for the building structures that are part of Lot are generally obscured from view. There are areas where the flooring and subfloor have been partially removed exposing the floor framing. From limited observation it appears that the second floor and roof framing consist of 2x wood framing at a spacing 12" to 16" on center, typically ranging in depth from 8" to 10". The wood framing spans in the East/West direction and is supported by the second floor bearing walls.

There are two steel posts shaded in green in Figure 5 below that support the balcony overhang located within the Gymnasium/Opera Hall space.

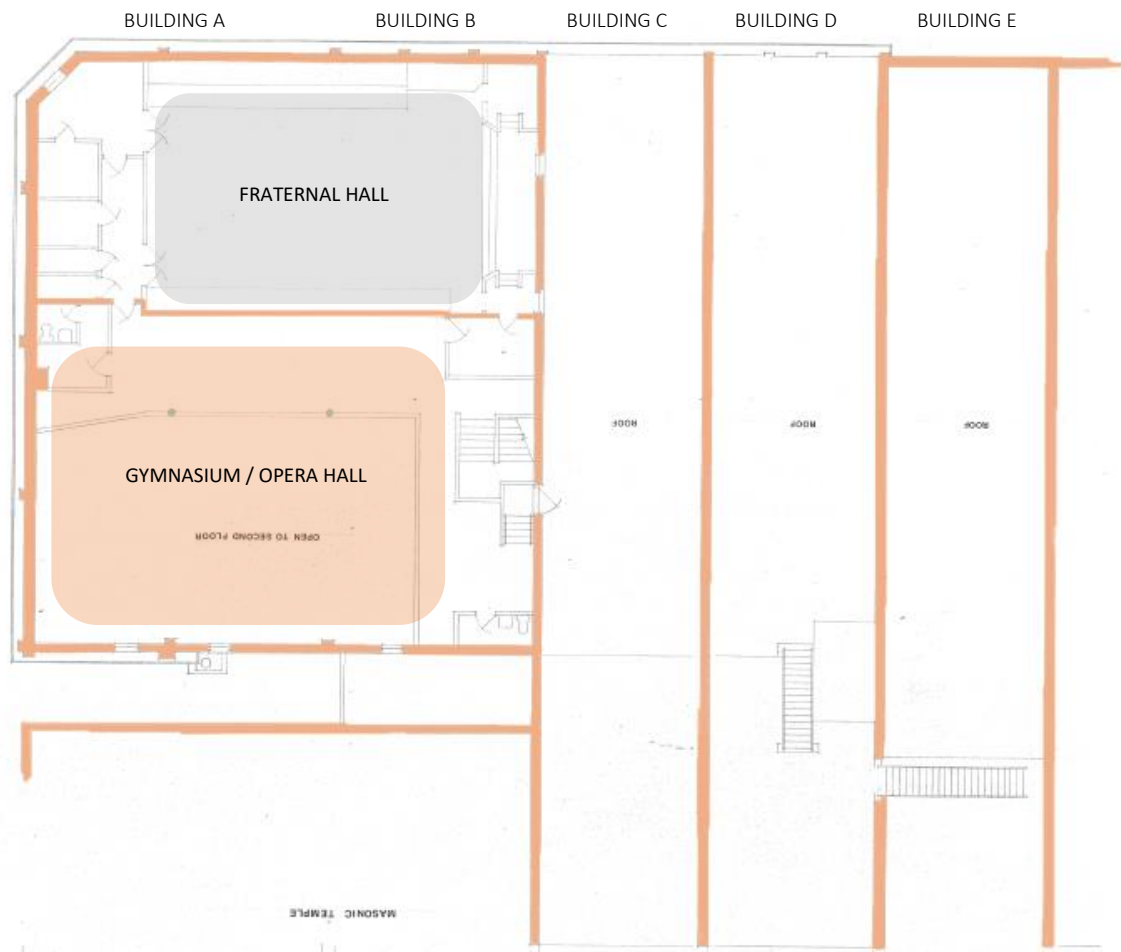


Figure 5: Pre-1973 Third Floor Plan

Roof Above the Third Floor

The original roof above the third floor consists of large 5-ply, 2x10's that span in the East/West direction of the building, aligning with the thickened portions of the exterior wall. 2x10 roof framing spans between the 5-ply roof beams at a spacing of 12" to 16" on center. The center wall between the Gymnasium and the Fraternal Hall Space was assumed to be load bearing, but it is likely that this wall is not actually load bearing.

The roof of the third floor was damaged during the 1907 fire. As a result, the capacity of the roof framing was compromised. New framing was added above the Gymnasium/Opera Hall Space to reinforce the existing framing in place. This was done by the addition of two new 18" deep steel wideflanges that were installed South of each of the two steel posts and extending to the South exterior wall, these beams are denoted by blue lines in the Southern portion of the building in Figure 6. The steel wideflanges were installed below the existing roof framing and support two sets of glued laminated timber beams that span in the East/West direction and "sister" the existing 5-ply 2x10's. The two sets of glued laminated timber beams are denoted as the brown lines in Figure 6.

The roof of the third floor above the Fraternal Hall was supplemented by the addition of a series of timber braces throughout the former meeting spaces. The braces are oriented in the North/South direction locations of the braces are estimated by the blue lines in the Northern portion of the building in Figure 6. It should be noted that there are also timber braces that are oriented in the East/West direction to provide additional stability. Portions of the flooring and subflooring were removed for the installation of the braces that were added within the Fraternal Hall. Additionally, there are other areas in the Northern portion of the building where the flooring and subflooring have been removed for the installation of steel cables that appear to have been installed as supplemental lateral restraints for the exterior wall. These are discussed further regarding the exterior wall.

The date of the installation of the supplemental framing in the Gymnasium/Opera Hall and the new braces in the Fraternal Hall is unknown.

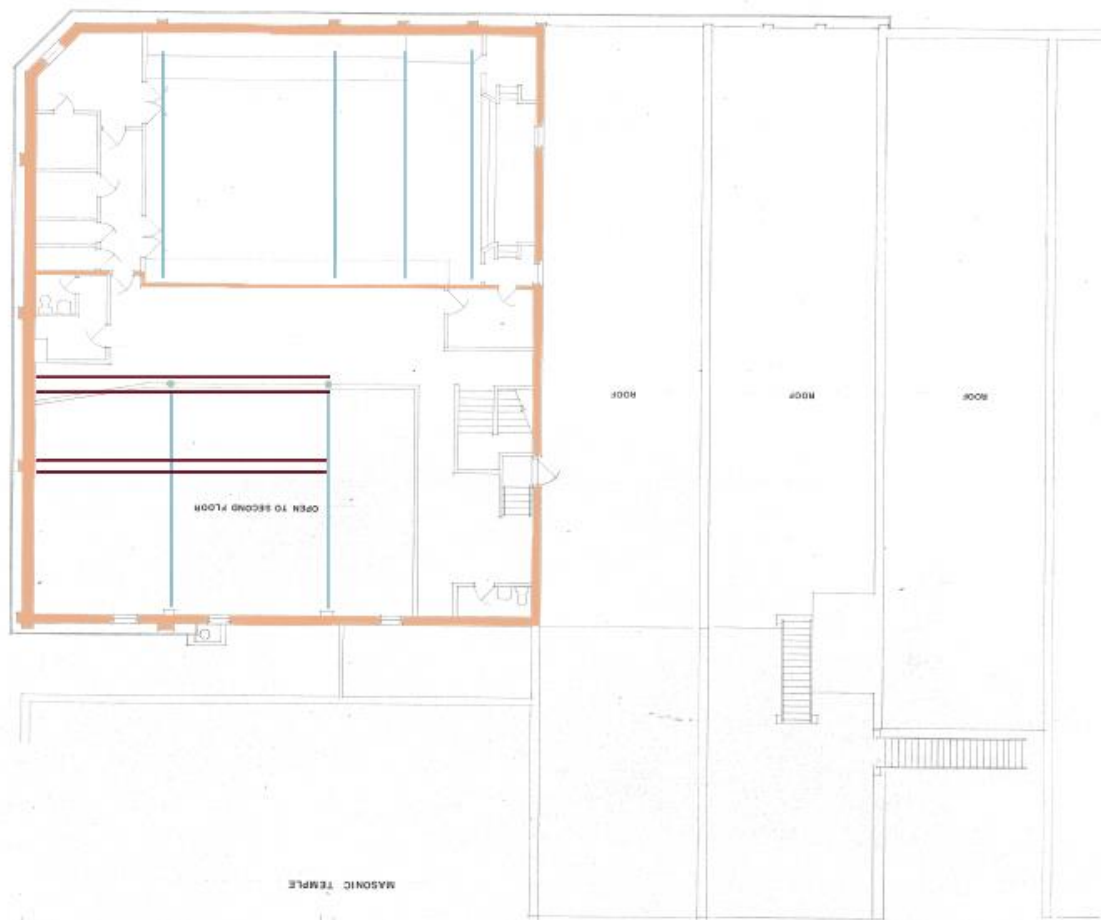


Figure 6: Pre-1973 Third Floor Plan

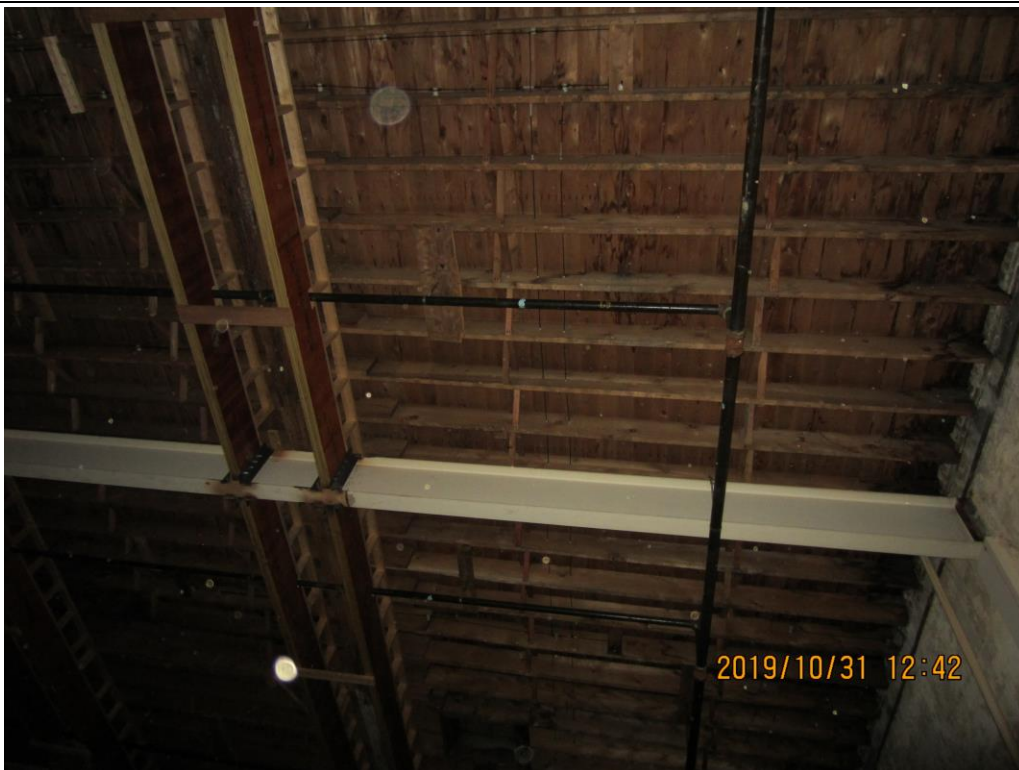


Photo 9: Gymnasium/opera Hall Roof Framing

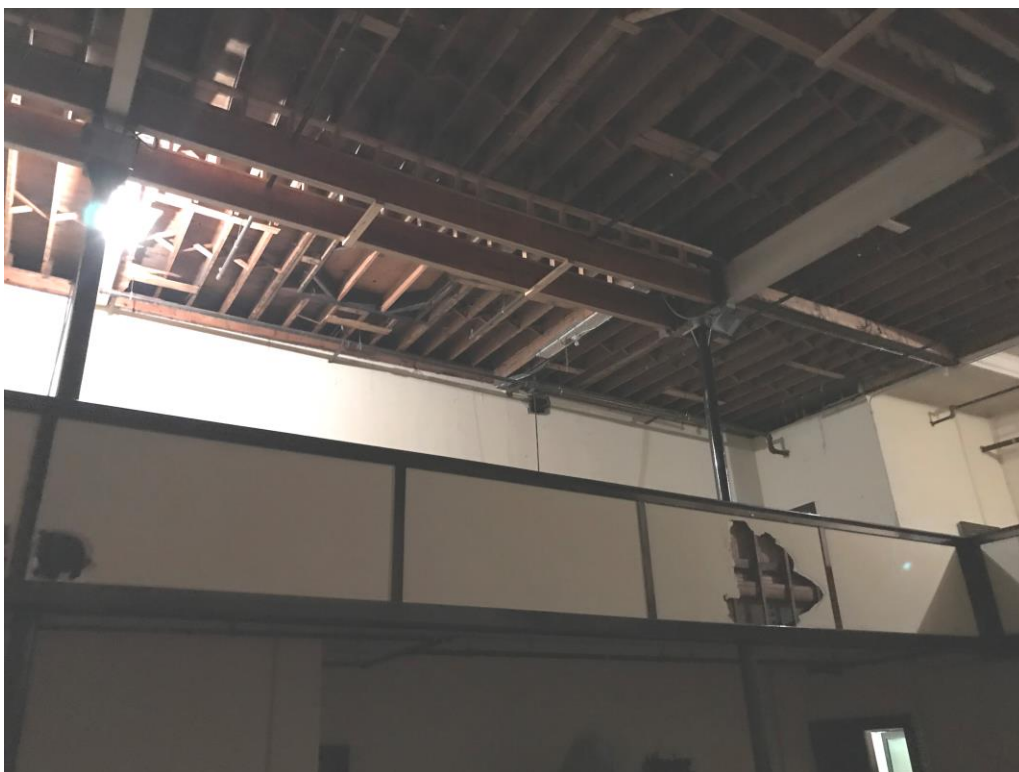


Photo 10: Gymnasium/opera Hall Roof Framing



Photo 11: Gymnasium/opera Hall Roof Framing



Photo 12: Supplemental Braces Supporting Roof Framing at Fraternal Hall

Exterior Wall

The original exterior façade was a decorative brick façade with an elaborate Italianate cornice. In 1973, the building was overclad with a new metal and glass façade. Due to the articulation of the existing façade, the new cladding was installed in front of the original building exterior wall. The exterior wall was observed during the site visit. From the exterior the exterior wall does not show signs of significant movement. The backside of the exterior wall was observed through a window. It was observed that the new façade has a steel support system that is anchored back to the mass masonry. These anchor points were observed to occur throughout the height of the building and do not align with the floor levels.

There are some large cracks in the upper level of the original exterior mass masonry wall in the North/West corner of the building. The cause of this cracking is not apparent. It is anticipated that the damage to the roof could have resulted in displacement of the roof that could have created lateral forces on the exterior walls thus resulting in damage to the exterior walls. It is also possible that concentrated loads at the anchors for the new façade could have affected the mass masonry wall. However, it should be noted that this damage was noted only in the North/West corner and not throughout the North and West facades. It is expected that the application of concentrated loads on the façade by the new anchors would have the greatest impact on the tall walls within the Gymnasium/Opera Hall space where there was an apparent sign of distress.

As mentioned previously steel cables have been installed above the third floor. It appears that these cables were installed at the approximate elevation of the new anchor points for the exterior façade which occur at the approximate mid height of the third floor. It is assumed that these cables were installed to counteract the lateral loads that would be concentrated at the locations of the new façade anchors. It should be noted that while the new façade extends across the entire North and West facades, these cables were only added within the Northern portion of the building. Wall patching is apparent where the anchors are installed in the Gymnasium/Opera Hall, but there is no evidence of wall damage at the anchors. It is unknown when the cables were installed, but it appears to have occurred after the building was re-clad in 1973.



Photo 13: Original Building Façade in 1884



Photo 13: Building Façade in 1906 After the Addition of Building B



Photo 14: Current Building Façade



Photo 15: Cavity Between Original and New Façades



Photo 16: Façade Anchor at Mid-height of Third Floor



Photo 17: Damage to Existing Mass Masonry Exterior Bearing Wall



Photo 18: Damage to Existing Mass Masonry Exterior Bearing Wall



Photo 19: Cable restraints at Approximate Location of Façade Anchorage



Photo 20: Cable restraints Anchored to Third Floor Framing



Photo 21: Gymnasium/Opera Hall Wall; Two sets of patches indicate anchorage locations

4. FINDINGS & RECOMMENDATIONS

Basement

The basement walls appear to be in good condition. There is no evidence of settlement or movement of the foundations. Considerations may be necessary to tuckpoint or repair existing walls. There was no sign of water in the basement during the site visit, but further observation is recommended to confirm.

Is not anticipated that the redevelopment will include significant changes to the building structural loads and load paths. However, if the redevelopment of the existing building adds significant loads or introduces changes to the structural load path, a geotechnical investigation may be necessary to determine and evaluate the building foundation systems and potential options to supplement the existing foundations as necessary.

First, Second, and Third Floor Framing

The existing framing for the first floor seems to be in good condition. Much of the framing for the second floor was obscured from view. Some of the third floor framing was more visible due to the retrofits and building repairs installed over the years. It is anticipated that there could be the need for minor repair of existing framing. It is also anticipated that the renovation of the building shall also likely require new shafts for building utilities which shall require new framing.

The current conceptual space planning for redevelopment propose utilizing the floor spaces as similar uses as the original building including commercial on the first floor and office and assembly on the upper stories, with the addition of residential space. Assuming that any damaged framing is repaired, the existing building should be adequate to support the proposed building uses.

Roof Framing

Based on a visual inspection of the third floor ceiling from the balcony level, the reinforced roof framing over the Gymnasium appears to be in fair condition. Additional exterior survey may be necessary to survey the roof framing to confirm that it has adequate drainage and has not experienced significant deflection. To utilize the third floor space the bracing that has been installed to stabilize the roof over the Fraternal Hall must be removed. To remove these braces, the roof framing needs to be either removed and replaced or reinforced. In removing the supplemental bracing, the flooring, sub-flooring, and potentially some of the existing third floor framing may require repair or replacement.

Exterior Wall

It is understood that the current redevelopment concept considers the removal of the 1973 façade and restoring the historic upper story brick building facade to its 1906 appearance. Removing the 1973 cladding and corresponding steel support framing will remove concentrated lateral loading that has been applied on the original exterior walls, thus theoretically removing the need for the cable bracing that has been installed. In removing the cables, the flooring, sub-flooring, and potentially some of the existing third floor framing may require repair or replacement. The Northwest corner of the exterior wall that has experienced cracking will require repair.

Once the 1973 façade has been removed it is anticipated that the original exterior wall will require repointing and repair.