Retail Market Report
West Michigan  Q1 2016

*Also serving the Kalamazoo & Southwest Michigan areas from our Kalamazoo office*
Wrapping Up The First Quarter In Sixteen

There continues to be exciting pockets of development on the retail front throughout the Grand Rapids area. The Knapp’s Corner area has seen an increase of activity with new restaurants opening in the Knapp’s Crossing development and a state of the art Goodwill store at Knapp’s North. Additionally, Pinnacle Construction has plans in place to break ground on a 10,000 SF retail center at Knapp’s North. The Rivertown area continues to see nice activity around the Bucktown Shopping Center. A number of retail and hospitality developers are currently seeking development sites in that area.

Downtown Grand Rapids continues to build momentum from a retail perspective. As rising housing demands are met in the downtown area, retailers are recognizing the opportunity of opening downtown locations. Third Coast Development’s new 150-unit multi-family development on Michigan St. is vying to attract a 15,000 SF grocer. Rockford Construction’s New Holland Brewery development on Bridge Street is introducing new retail opportunities to the market. The recently announced Studio C! movie theater development south of the arena will be a mixed use development containing 38,000 SF of new retail space available. NAI Wisinski of West Michigan has been very active in the downtown retail scene. We currently have over 58,000 SF of ground level retail space available for lease in downtown Grand Rapids.

“Several areas around Grand Rapids that have traditionally moved a little slower from a retail perspective are starting to see some action. Michigan Street and Plainfield Ave north of Leonard are two examples of areas where properties may have been listed for some time, but are being sought after by buyers with redevelopment in mind.”

-Dick Jasinski, Retail Advisor | NAI Member

* The information contained herein has been given to us by sources we deem reliable. We have no reason to doubt its accuracy, however, we do not make any guarantees. All information should be verified before relying thereon.
**SOLD**

**Beatrice Drive**
85.00 Acres
$1,600,000- Final Sale Price
$18,823- Price Per Acre

**5873 Division Ave. S**
4.95 Acres
$299,000- Final Sale Price
$60,404.04- Price Per Acre

**6,672 Crossings Dr. SE**
0.97 Acres
$311,500- Final Sale Price
$388,587- Price Per Acre

**LEASED**

**5378 Plainfield Ave.**
2,286 SF
Jimmy Johns

**485 44th St. SE**
1,792 SF
Jimmy Johns

**100 20th St.- Columbia Plaza**
30,975 SF
Ollie's Bargain Outlet, Inc.
## West Michigan Retail Submarket Statistics

### 2016 Q1 Retail Snapshot

<table>
<thead>
<tr>
<th>Submarket</th>
<th>Total RBA</th>
<th>Vacant Available SF</th>
<th>Vacancy Rate</th>
<th>Total Average NNN Rate ($/SF/Yr)</th>
<th>Total Net Absorption (SF)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lakeshore</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>1,476,132</td>
<td>99,631</td>
<td>6.7%</td>
<td>$8.26</td>
<td>-9,600</td>
</tr>
<tr>
<td>Neighborhood</td>
<td>1,476,132</td>
<td>99,631</td>
<td>6.7%</td>
<td>$8.26</td>
<td>-9,600</td>
</tr>
<tr>
<td>Strip</td>
<td>1,022,191</td>
<td>98,528</td>
<td>9.6%</td>
<td>$965</td>
<td>-1,448</td>
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<tr>
<td><strong>Total</strong></td>
<td>3,974,455</td>
<td>297,790</td>
<td>7.5%</td>
<td>$8.72</td>
<td>-20,648</td>
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<tr>
<td><strong>Northeast</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community</td>
<td>445,573</td>
<td>151,856</td>
<td>34.1%</td>
<td>$4.89</td>
<td>-</td>
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<tr>
<td>Neighborhood</td>
<td>1,094,518</td>
<td>122,072</td>
<td>11.2%</td>
<td>$10.59</td>
<td>-4,072</td>
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<tr>
<td>Strip</td>
<td>680,347</td>
<td>63,596</td>
<td>9.3%</td>
<td>$10.07</td>
<td>4,172</td>
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<tr>
<td><strong>Total</strong></td>
<td>2,220,438</td>
<td>337,524</td>
<td>15.2%</td>
<td>$8.52</td>
<td>100</td>
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<tr>
<td><strong>Northwest</strong></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Community</td>
<td>959,799</td>
<td>33,512</td>
<td>3.5%</td>
<td>$13.04</td>
<td>-794</td>
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<tr>
<td>Neighborhood</td>
<td>726,480</td>
<td>66,888</td>
<td>9.2%</td>
<td>$8.95</td>
<td>-50</td>
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<tr>
<td>Strip</td>
<td>557,059</td>
<td>57,378</td>
<td>10.3%</td>
<td>$9.89</td>
<td>8,512</td>
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<tr>
<td><strong>Total</strong></td>
<td>2,243,338</td>
<td>157,778</td>
<td>7.03%</td>
<td>$10.63</td>
<td>7,668</td>
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<tr>
<td><strong>Southeast</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Community</td>
<td>744,206</td>
<td>15,815</td>
<td>2.1%</td>
<td>$20.81</td>
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<tr>
<td>Neighborhood</td>
<td>2,511,133</td>
<td>418,339</td>
<td>16.7%</td>
<td>$9.55</td>
<td>70,587</td>
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<td>Strip</td>
<td>1,708,081</td>
<td>143,956</td>
<td>8.4%</td>
<td>$10.02</td>
<td>7,164</td>
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<td><strong>Total</strong></td>
<td>4,963,420</td>
<td>578,110</td>
<td>11.6%</td>
<td>$13.46</td>
<td>77,751</td>
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<tr>
<td><strong>Southwest</strong></td>
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<tr>
<td>Community</td>
<td>1,651,066</td>
<td>230,596</td>
<td>14.0%</td>
<td>$10.56</td>
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<tr>
<td>Neighborhood</td>
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<td>114,398</td>
<td>11.8%</td>
<td>$7.98</td>
<td>23,706</td>
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<tr>
<td>Strip</td>
<td>948,325</td>
<td>69,476</td>
<td>7.3%</td>
<td>$9.77</td>
<td>663</td>
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<tr>
<td><strong>Total</strong></td>
<td>3,566,210</td>
<td>414,470</td>
<td>11.6%</td>
<td>$9.44</td>
<td>24,369</td>
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<tr>
<td><strong>Overall Total</strong></td>
<td>16,967,861</td>
<td>1,785,672</td>
<td>10.5%</td>
<td>$10.15</td>
<td>89,240</td>
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</table>

Retail Statistical Changes Year-over-Year and Quarter-over-Quarter

### 4Q15 vs. 1Q16
- **Net Absorption**: Down
- **Vacancy Rate**: Up
- **Construction**: Down
- **Asking Rates**: Down

### 1Q15 vs. 1Q16
- **Net Absorption**: Down
- **Vacancy Rate**: Up
- **Construction**: Down
- **Asking Rates**: Down
Retail Total Market Report

Absorption & Delivery

- Total Net Absorption Neighborhood
- Total Net Absorption Strip
- Total Net Absorption Community
- RBA Delivered Neighborhood
- RBA Delivered Community
- RBA Delivered Strip

Vacancy Rate

- Vacancy Rates - Neighborhood
- Vacancy Rates - Community
- Vacancy Rates - Strip

Triple Net Rental Rate

- Rental Rates - Neighborhood
- Rental Rates - Community
- Rental Rates - Strip

New Construction

- New Construction - Neighborhood
- New Construction - Community
- New Construction - Strip
Methodology: The retail market report includes community, neighborhood, and strip retail buildings within each of the defined submarkets. For definition of product type, please see below.

Community Center
A shopping center development that has a total square footage between 10,000 - 350,000 SF. Generally will have 2-3 large anchored tenants, but not department store anchors. Community Center typically offers a wider range of apparel and other soft goods than the Neighborhood Center. Among the more common anchors are supermarkets and super drugstores.

Strip Center
A strip center is an attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores. Open canopies may connect the storefronts, but a strip center does not have enclosed walkways linking the stores.

Neighborhood Center
Provides for the sale of convenience goods (food, drugs, etc) and personal services (laundry, dry cleaning, etc.)

Absorption (Net)
The change in occupied space in a given time period.

Available Square Footage
Net rentable area considered available for lease; excludes sublease space.

Average Asking Rental Rate
Rental rate as quoted from each building’s owner/management company. For retail, a triple net rate is requested.

RBA
The total square footage of a building that can be occupied by, or assigned to a tenant for the purpose of determining a tenant’s rental obligation.

Deliveries
Buildings that have their certificate of occupancy and are allowed to be moved into by the tenant/purchaser.

Vacancy Rate
All physically unoccupied lease space, either direct or sublease.

SF/PSF
Square foot/per square foot, used as a unit of measurement.
In the spring of 2011, two successful and reputable companies, The Wisinski Group and NAI West Michigan merged. The merger represents collaboration, rich traditions, innovative technologies, unique cultures and diversity of skills and specialties which ultimately benefit our clients. We’re going back to our fundamentals, strengthening our core, and becoming stronger in the services we provide our clients. Our focus is simple, building client relationships for life by offering market appropriate advice and then executing. Our success is a direct result of its unwavering commitment to providing the best possible service to each and every client. Our Brokers, with their 630 plus years of combined experience (20 years average), possess the knowledge and expertise to manage the most complex transactions in industrial, office, retail, and multifamily specialities throughout West Michigan.

Through our affiliation with NAI Global, we can also assist you with your needs throughout the US & globally right here from West Michigan.

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