

---

# The City of The Village of Douglas Michigan

Prepared by:



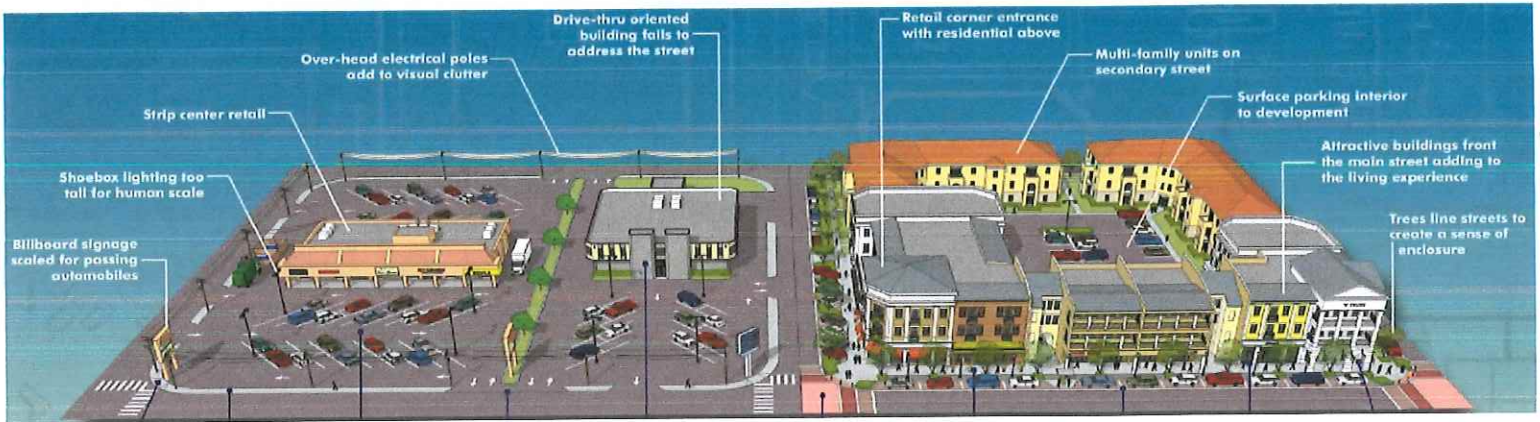
## Target Market Analysis The HOUSING Study

Draft Report  
April 15, 2019



# Mixed-Use Development Guides

An introduction to formats preferred by urban target markets & shoppers.



Above: TownMaker's Guide to Healthy Building Placement

Source: Walkable and Livable Communities Institute



Above and Below: Downtowns and Urban Edges

Source: Dan Parolek and Opticos Design Group



Exhibit prepared by LandUseUSA, LLC with permission from the contributors, 2018.

# MISSING MIDDLE

*Responding to the Demand for Walkable Urban Living*

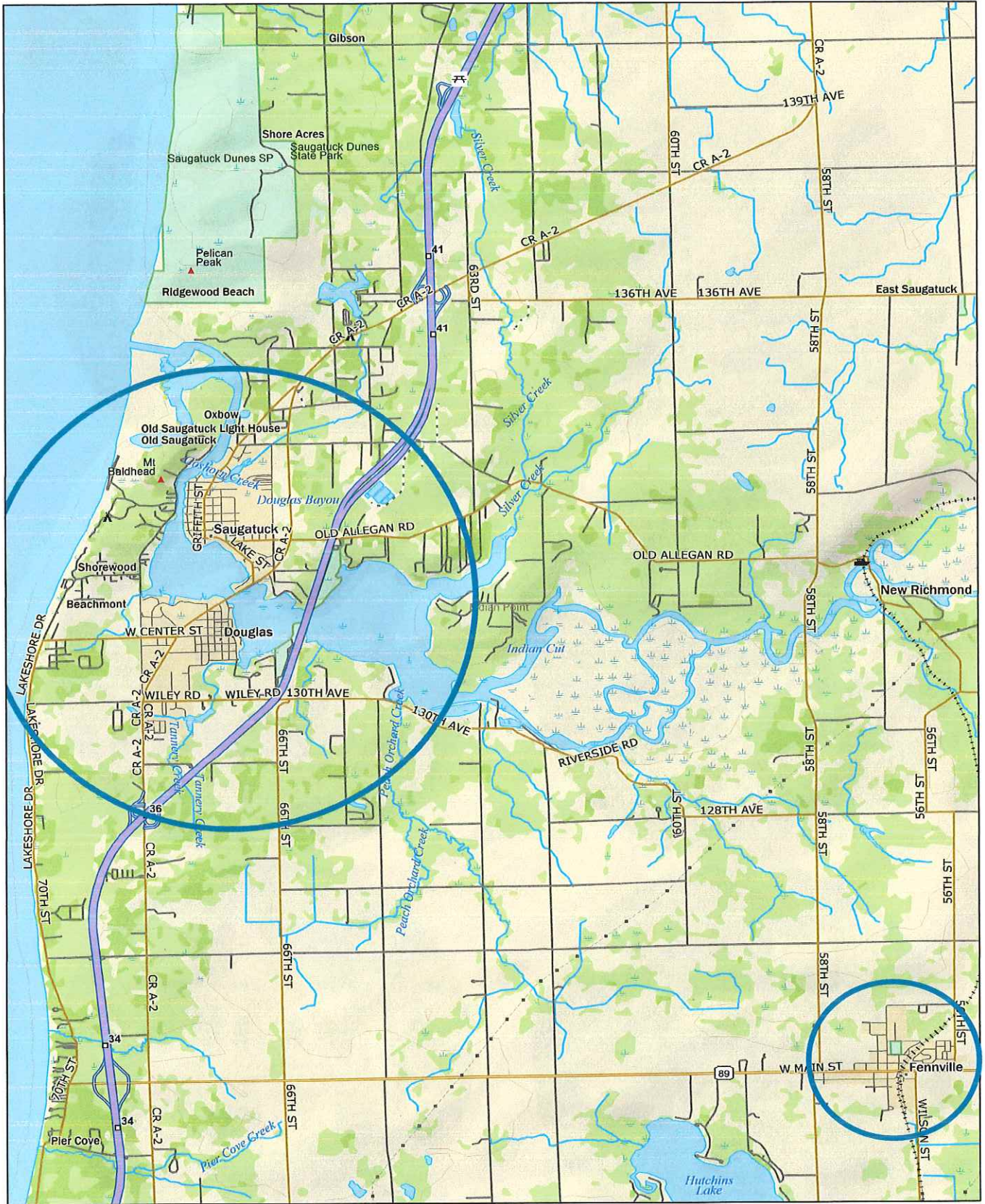


Duplexes  
Triplexes  
Fourplexes

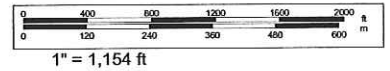


Source: Exhibit prepared by LandUseUSA with permission from Opticos Design Group, 2018.

# Geographic Setting and Local Street Networks The Cities of Douglas, Saugatuck, and Fennville, Michigan



Underlying map provided by DeLorme XMap; exhibit created by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



For-Lease Market Potential  
Residential Target Market Analysis  
The City of the Village of Douglas | April 2019

*Minimum For-Lease Market Potential* – Throughout the City of Douglas there is a minimum market potential for at least ten (10) new-build, for-lease housing units annually. This is the number of new households moving into the city each year that are also seeking new choices with twelve-month leases. Of these ten new units, three should be accessory dwellings, four should be townhouses, and three should be urban lofts in or very near to the downtown.

These ten units should be built and marketed at year-round residents. The formats are intended align with the profound need for more worker choices, and small unit sizes are recommended to keep the prices attainable. Recommended prices and unit sizes are detailed later in this report.

*For-Lease Bonus* – Throughout the city there is also a possible "bonus" to the market potential that could add ten (10) new-build for-lease housing units annually. The "bonus" market potential assumes that new projects are very effective in attracting households who are usually more inclined to move into the neighboring City of Saugatuck, Saugatuck Township, Fennville, and other parts of Allegan County.

The minimum market potential of ten units (and "bonus" of another ten units) reflects the current migration of new households moving into the City of Douglas and Allegan County. It has not been adjusted for out-migration. However, it has been adjusted downward to assume that all for-lease vacancies in the city are also absorbed. The minimum market potential also does not include seasonal non-resident households, and does not include occasional visitors inclined to seek weekly or monthly vacation homes. Each of those groups would add another ten (10) units to the total market potential.

*Maximum For-Lease Market Potential* – The minimum market potential described above (with and without bonus) is based on annual in-migration into Douglas and Allegan County; and it does not include internal migration. Adding internal migration to the numbers generates an aggressive, maximum, and not-to-exceed market potential. It assumes that every existing vacancy is occupied, and that all households moving into and within Douglas will choose a brand new unit over a pre-existing, pre-leased unit. Similar to the effect of adding a "bonus", the aggressive scenario also has the effect of essentially adding ten (10) units to the total market potential.

The housing units that are newly vacated by the moving households must then be rehabbed, refurbished, or remodeled. When they are returned to the market, they will also count towards the next year's market potential.

Including internal movers in the market potential is an aggressive approach that will depend on the development of new and missing housing formats that are truly unique; plus aggressive advertisement within the local market. It is an unusually bold and sometimes risky approach, so developers are advised to test its limits with caution.

*Non-Resident Market Potential* – In addition to the market potential for year-round residents, there is also a market potential for ten (10) residential units annually that could be owned or leased by seasonal non-residents. Although they might report some other state as their primary residence, they must be willing to commit to a twelve-month lease in Douglas, and must consider the unit to be their second home.

The market potential can generally be matched one-for-one, with in-migration representing half of the total market potential and seasonal non-residents having the ability to double those figures. In other words, for every new housing unit that is added for a year-round resident renter, another should be added for a seasonal non-resident renter (excluding weekly and monthly visitors). The inverse must also apply – for every unit that is rented to a seasonal non-resident renter another unit should be added for a year-round resident renter. All of the new units should be attainably priced as year-round rentals for year-round residents and as second homes for seasonal non-residents.

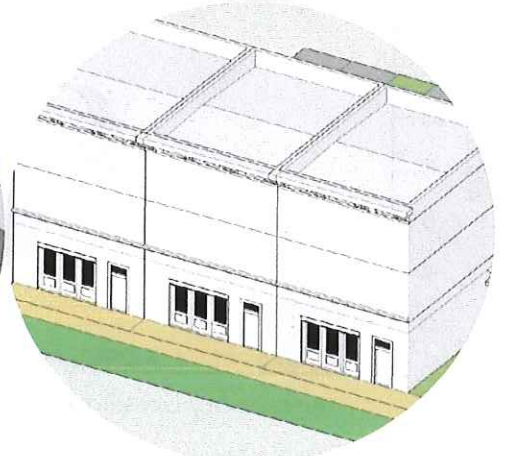
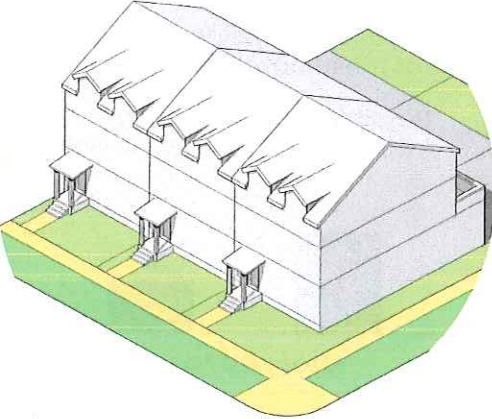
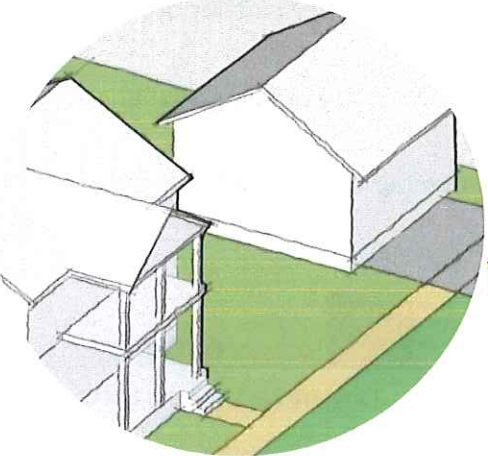
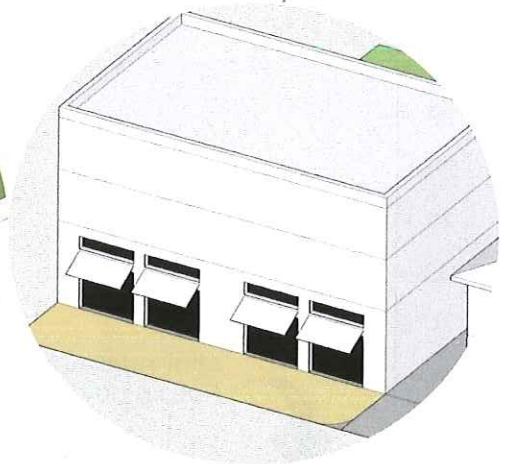
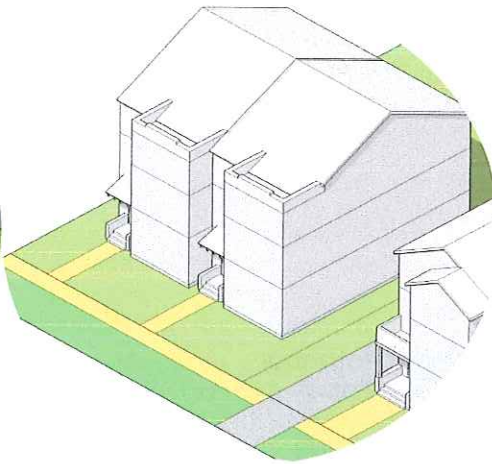
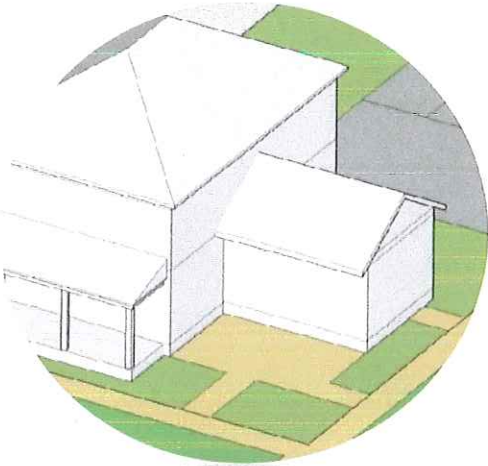
Again, all of the new units should be rented under conventional twelve-month leases, and not weekly or monthly. Weekly and monthly rentals can also be matched one-for-one to the year-round, twelve-month rentals, effectively adding up to ten (10) additional units. The following table summarizes the market potential and shows that up to ten units can be built each year, for each of the following: in-migrating year-round residents, internal movership among existing year-round residents, seasonal non-residents, and visitors and vacationers.

For-Lease, New-Build Units, Per Year	In-Migration Minimum Potential	Internal Movers Upside Potential	Aggregate Maximum Potential
Year-Round Residents   12 Month Leases	<u>20</u>	<u>20</u>	<u>40</u>
Local, City Capture Only (subtotal)	10	10	20
"Bonus" for Regional Capture (subtotal)	10	10	20
Seasonal Non-Residents   12 Month Leases	10	-	10
Visitors, Vacationers   Weekly, Monthly	10	-	10
Total Maximum New Builds (do not exceed)	40	20	60

...

# Recommended For-Lease Building Types

## The City of Douglas, Michigan



(Above)  
Accessory Dwelling Units

(Above)  
Attached Townhouses

(Above)  
Downtown Urban Lofts

Accessory dwelling units that may be studios directly attached to houses (or cottages) through shared breezeways; detached as cottages behind primary residences; and/or built above one- or two-car garages.

Attached townhouses with up to six private entrances along any single facade. Enclosed garages are nice but not absolutely necessary. The townhouses should be walkable to the downtown; across the street from waterfronts; overlooking golf fairways; and/or offering spectacular views.

Downtown lofts above street-front retail, usually in sets of two, three, four or six. The lofts should have windows overlooking Center Street. They can share main entrances off of Center Street or from the backs of buildings. Each unit should have one reserved parking space.

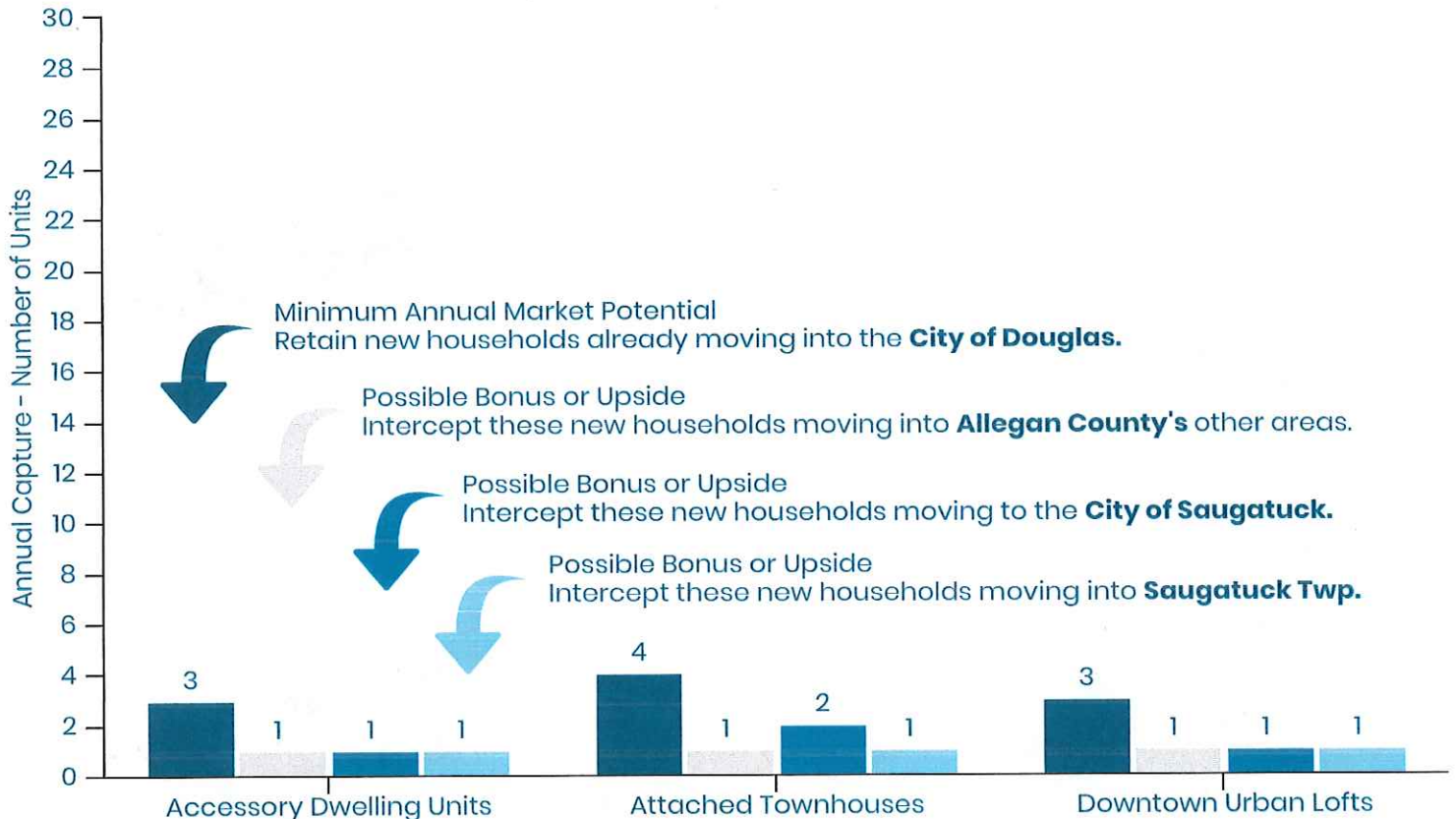


Underlying target market analysis analysis and exhibit prepared by LandUseUSA Urban Strategies © 2019 on behalf of the City of Douglas. Building images provided by the Incremental Development Alliance © with all rights reserved.



LandUseUSA  
UrbanStrategies

# Annual Market Potential | Douglas For-Lease Units | New Builds Only Conservative Scenario



Accessory dwelling units that may be studios directly attached as wings to houses (or cottages); through shared breezeways; detached as cottages behind the primary residences; and/or built above one- or two-car garages.

Attached townhouses with up to six private entrances along any single facade. Enclosed garages are nice but not absolutely necessary. The townhouses should be walkable to the downtown; across the street from waterfronts; overlooking golf fairways; and/or offering spectacular vista views.

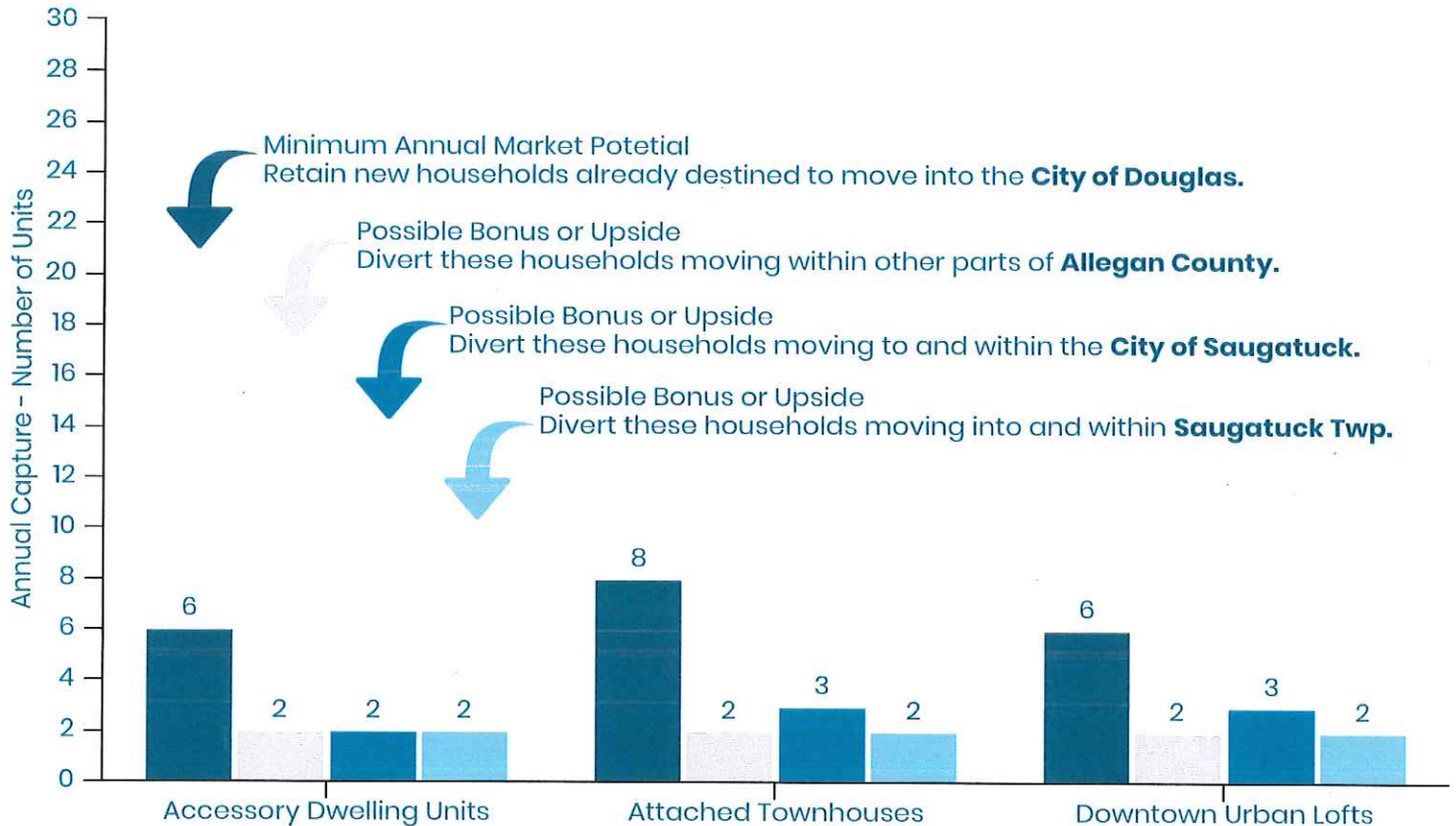
Downtown lofts above street-front retail, usually in sets of two, three, four, or six. The lofts should have windows with balconies overlooking Center Street. They can share main entrances off of Center Street or from the backs of the buildings. Each unit should have one reserved parking space.

The Conservative Scenario is based on both in-migration among new households only, and excludes internal migration among existing households. It has not been adjusted downward for all vacancies, and has not been adjusted for out-migration. It is simply the total number of households moving into the city each year. It represents resident households only, and excludes non-resident seasonal households, and occasional visitors. Underlying target market analysis analysis and exhibit prepared by LandUseUSA Urban Strategies © 2019 on behalf of the City of Douglas.





# Annual Market Potential | Douglas For-Lease Units | New Builds Only Aggressive Scenario



Accessory dwelling units that may be studios directly attached as wings to houses (or cottages); through shared breezeways; detached as cottages behind the main houses; and/or built above one- or two-car garages.

Attached townhouses with up to six private entrances along any single facade. Enclosed garages are nice but not absolutely necessary. The townhouses should be walkable to the downtown; across the street from waterfronts; overlooking a golf fairways; and/or offering a spectacular vista views.

Downtown lofts above street-front retail, usually in sets of two, three, four, or six. The lofts should have windows with balconies overlooking Center Street. They can share main entrances off of Center Street, or from the backs of the buildings. Each unit should have one reserved parking space.

The Aggressive Scenario is based on both in-migration among new households, plus internal migration among existing households. It has also been adjusted downward for all vacancies. It also has not been adjusted for out-migration. It is simply the total number of households moving into and within the city, minus all vacancies. It represents resident households only, and excludes non-resident seasonal households, and occasional visitors. Underlying target market analysis analysis and exhibit prepared by LandUseUSA Urban Strategies © 2019 on behalf of the City of Douglas.



New For-Lease Units | Predominantly Lofts and ADUs  
 Square Feet and Contract Rents with 12 Month Leases  
 The City of Douglas, Michigan

Total Sq. Ft.	Lofts & ADUs Vista Views \$/ Sq. Ft.	Lofts & ADUs Lake Breezes \$/ Sq. Ft.	Lofts & ADUs No Views \$/ Sq. Ft.	Lofts & ADUs Vista Views Total Price	Lofts & ADUs Lake Breezes Total Price	Lofts & ADUs No Views \$/ Sq. Ft.
300	\$2.11	\$1.85	\$1.58	\$634	\$554	\$475
350	\$2.03	\$1.77	\$1.52	\$710	\$621	\$532
400	\$1.96	\$1.71	\$1.47	\$782	\$684	\$587
450	\$1.89	\$1.65	\$1.42	\$851	\$745	\$638
500	\$1.83	\$1.60	\$1.38	\$917	\$802	\$688
550	\$1.78	\$1.56	\$1.34	\$980	\$858	\$735
600	\$1.73	\$1.52	\$1.30	\$1,041	\$911	\$781
650	\$1.69	\$1.48	\$1.27	\$1,099	\$962	\$824
700	\$1.65	\$1.44	\$1.24	\$1,156	\$1,011	\$867
750	\$1.61	\$1.41	\$1.21	\$1,210	\$1,059	\$908
800	\$1.58	\$1.38	\$1.18	\$1,263	\$1,105	\$947
850	\$1.55	\$1.35	\$1.16	\$1,314	\$1,149	\$985
900	\$1.51	\$1.32	\$1.14	\$1,363	\$1,192	\$1,022
950	\$1.48	\$1.30	\$1.11	\$1,411	\$1,234	\$1,058
1,000	\$1.46	\$1.27	\$1.09	\$1,457	\$1,275	\$1,093
1,050	\$1.43	\$1.25	\$1.07	\$1,502	\$1,314	\$1,126
1,100	\$1.41	\$1.23	\$1.05	\$1,546	\$1,352	\$1,159
1,150	\$1.38	\$1.21	\$1.04	\$1,588	\$1,390	\$1,191
1,200	.	.	.	.	.	.
1,250	larger	larger	larger	larger	larger	larger
1,300	units	units	units	units	units	units
1,350	are not	are not	are not	are not	are not	are not
1,400	advised	advised	advised	advised	advised	advised

Estimates and forecasts prepared by LandUseUSA | Urban Strategies ©, March 2019.  
 Based on county assessor's records, plat maps, field observations, and phone interviews.  
 Figures shown in this exhibit are intended to be demonstrative and educational only,  
 and should not be used for appraisals or real estate pricing of individual properties.

For-Sale Market Potential  
Residential Target Market Analysis  
The City of the Village of Douglas | April 2019

*Resident For-Sale Market Potential* – In addition to the market potential of at least ten (10) new for-lease units, there is also a market potential for twice as many for-sale units. The market potential among for-sale units is derived in a method that is similar to the market potential among for-lease units. The minimum market potential reflects in-migration into the City of Douglas; and maximum reflects both in-migration and internal movers within the city.

A "bonus" can also be applied to both scenarios, which assumes that the city also attracts some households that might otherwise be inclined to move into (and within) the City of Saugatuck, Saugatuck Township, Fennville, and other parts of Allegan County.

*Minimum For-Sale Market Potential* – Throughout the City of Douglas there is a minimum market potential for at least 20 new-build, for-sale housing units annually. Of these 20 new units, ten should be small to medium-sized houses; five should be cottages arranged around courtyards; and five should be attached townhouses. Some of these formats can be swapped or traded as needed, and particularly if initial absorption rates are higher for some than others.

The minimum market potential reflects the current migration of new households moving into the City of Douglas. The figures have not been adjusted for out-migration, but they have been adjusted downward to assume that all for-sale vacancies in the city are also absorbed. It does not include seasonal non-resident households inclined to have second homes; and it also does not include occasional visitors inclined to seek weekly or monthly vacation homes.

*Bonus For-Lease Market Potential* – Throughout the city there is a possible "bonus" market potential that could increase the total figures up to 40 new-build and for-lease housing units annually. In other words, applying a bonus could essentially double the numbers from 20 to 40 new units annually.

The bonus assumes that new projects are very effective in attracting households who currently seem more inclined to move into the neighboring City of Saugatuck, Saugatuck Township, Fennville, and other parts of Allegan County. In practice, it must be supported by the development of housing formats that are truly unique and aggressively advertised throughout the county. Again, developers are advised to test its limits cautiously.

*Maximum For-Lease Market Potential* – All of the figures listed above are based on annual in-migration into Douglas (with bonuses for pulling residents from other parts of the county); and they do not include internal movership within those places. Adding internal movership generates an aggressive, maximum, and not-to-exceed market potential. It assumes that every household moving within the cities and township will choose a brand new unit over a pre-existing, pre-leased unit.

The units vacated by the moving households must then be rehabbed, refurbished, or remodeled. When they are returned to the market, they also count towards the next year's market potential. This is usually a bold and sometimes risky approach. Again, developers are advised to test its limits with caution.

*Non-Resident Market Potential* – In addition to the market potential for year-round residents, there is also an additional market potential for residential units that could be owned by seasonal non-residents. The market potential can generally be matched one-for-one, with resident owners representing half of the total market potential, and seasonal non-resident owners having the ability to double those figures.

In other words, for every new housing unit that is added for year-round resident owners, another could be added for non-resident seasonal owners. The inverse also applies, and new year-round owner-occupied units should be developed for every owner-occupied "second home".

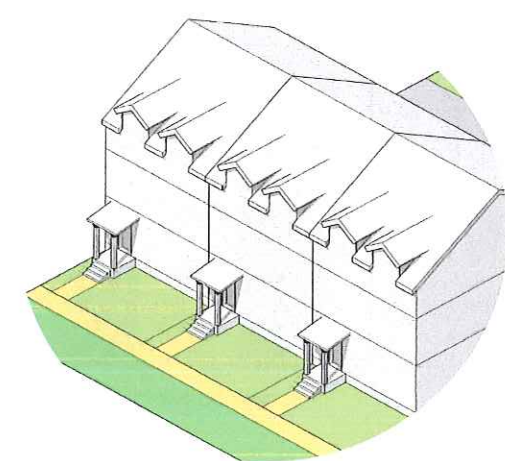
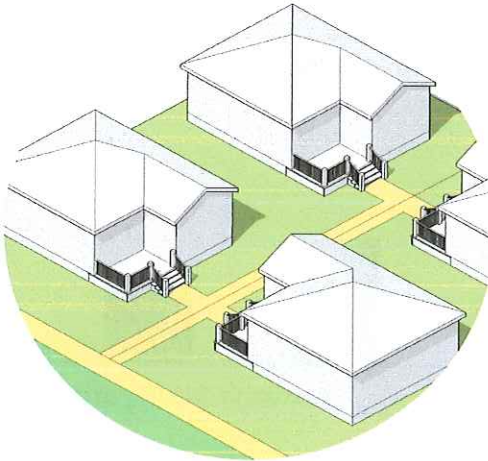
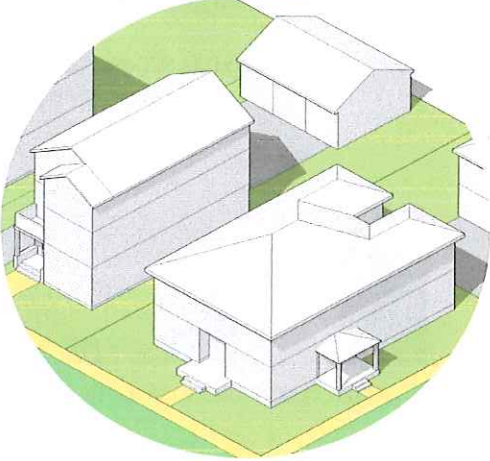
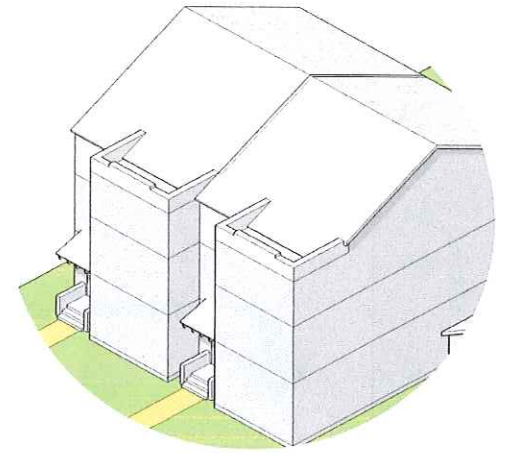
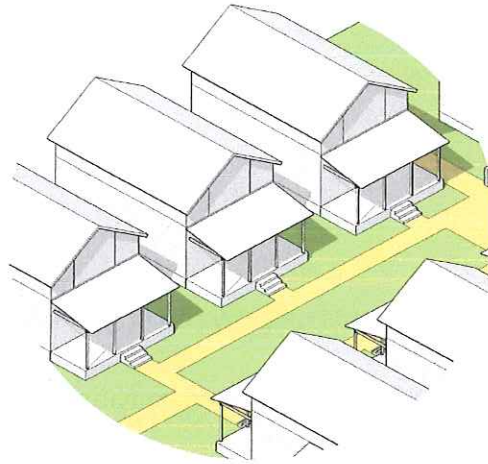
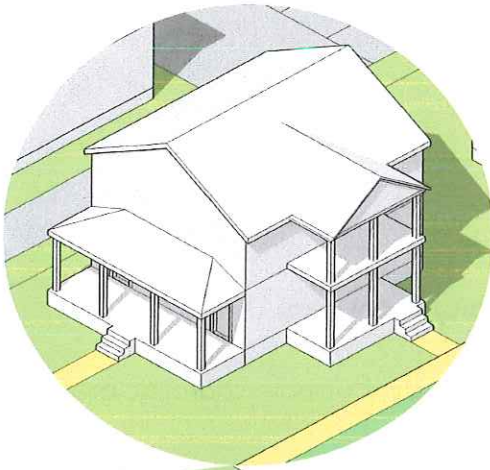
For-Sale, New-Build Units, Per Year	In-Migration Minimum Potential	Internal Movers Upside Potential	Aggressive Maximum Potential
Year-Round Residents   Owner-Occupied	<u>40</u>	<u>40</u>	<u>80</u>
Local, City Capture Only (subtotal)	20	20	40
"Bonus" for Regional Capture (subtotal)	20	20	40
Seasonal Non-Residents   Owner-Occupied	20	-	20
Visitors, Vacationers   Weekly, Monthly	-	-	-
Total Maximum New Builds (do not exceed)	60	40	100

*Luxury Waterfront Estates* – All of the numbers, forecasts, or market potential figures reported in this study are focused on market-rate prices and rents, with attached units and modestly-sized houses to achieve that goal. The figures reported in this study do not include detached mansion-style houses targeted at affluent households. Luxury waterfront estates are generally over-built along the entire West Michigan shoreline, and supply exceeds any measurable "need". There is a surplus of detached mansions that have lakefront property, many with spectacular views of dunes, the lake, and waterfront parks.

Affluent households seeking luxury estates along Lake Michigan have many options to choose from along the entire shoreline, with prices beginning at \$800,000 and climbing into the millions. This is a unique and specialized niche that could certainly attract new buyers to Douglas – but should be planned only in locations that offer the most spectacular views and settings.

# Recommended For-Sale Building Types

## The City of Douglas, Michigan



For Sale (Above)  
Small to Medium Houses

Detached small to medium houses with gabled roofs and private porches in neo-traditional formats. Each house has a private garage that may be attached or detached, but recessed from the front door or access from an alley.

(Above)  
Cottage Courtyards

Detached cottages arranged around a shared courtyard. Each should have a private porch and detached one-car garage, car port, and/or driveway that is rear-loaded from a shared alley.

(Above)  
Attached Townhouses

Attached townhouses with up to six private entrances along a single facade. Each unit should have a private entrance and a front porch that overlooks a small front garden. Each townhouse should have a private garage that is rear-loaded from a shared alley. Or, a bank of garages could be located nearby.

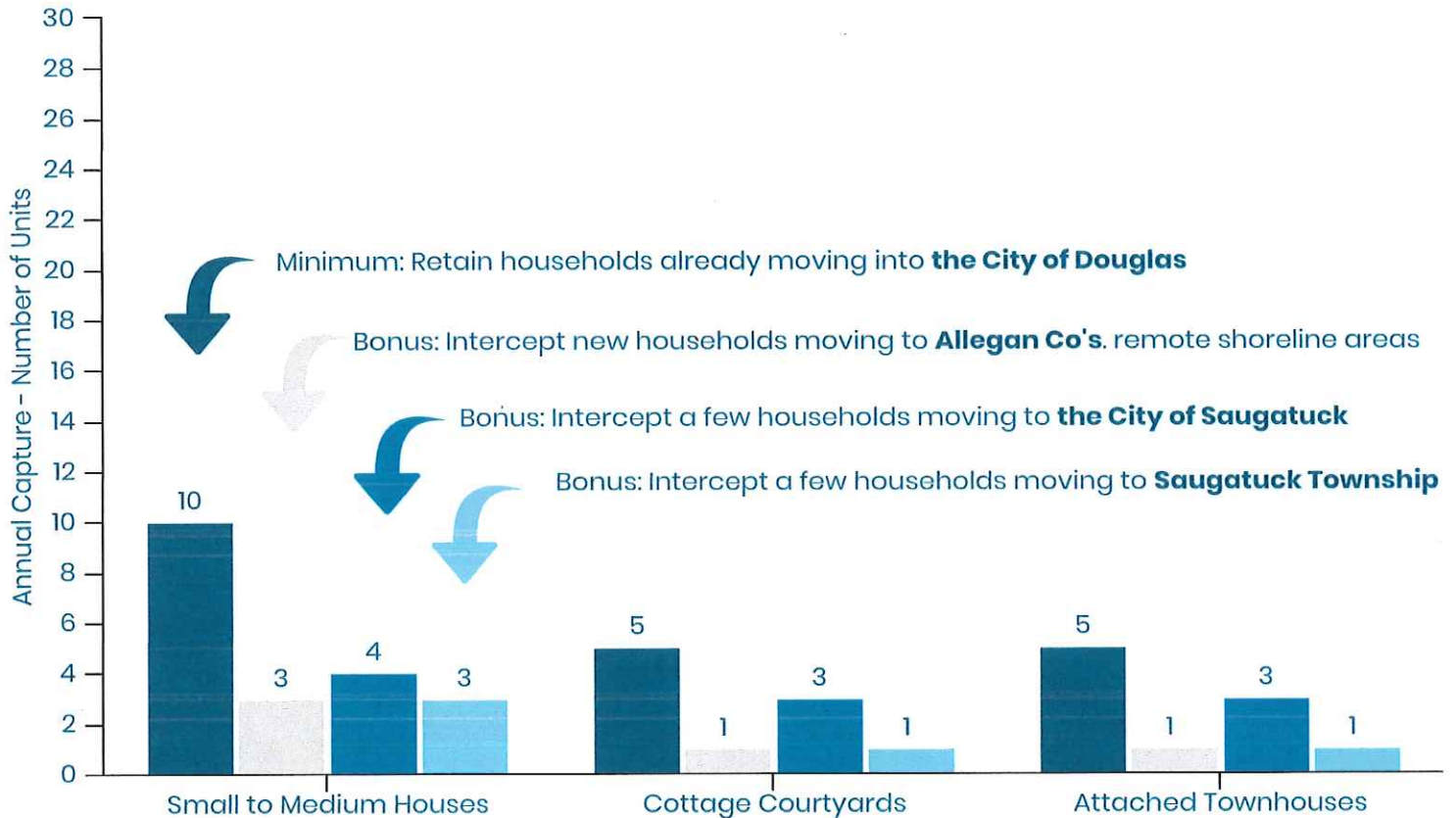


Underlying target market analysis analysis and exhibit prepared by LandUseUSA Urban Strategies © 2019 on behalf of the City of Douglas. Building images provided by the Incremental Development Alliance © with all rights reserved.



LandUseUSA  
UrbanStrategies

# Annual Market Potential | Douglas For-Sale Units | New Builds Only Conservative Scenario

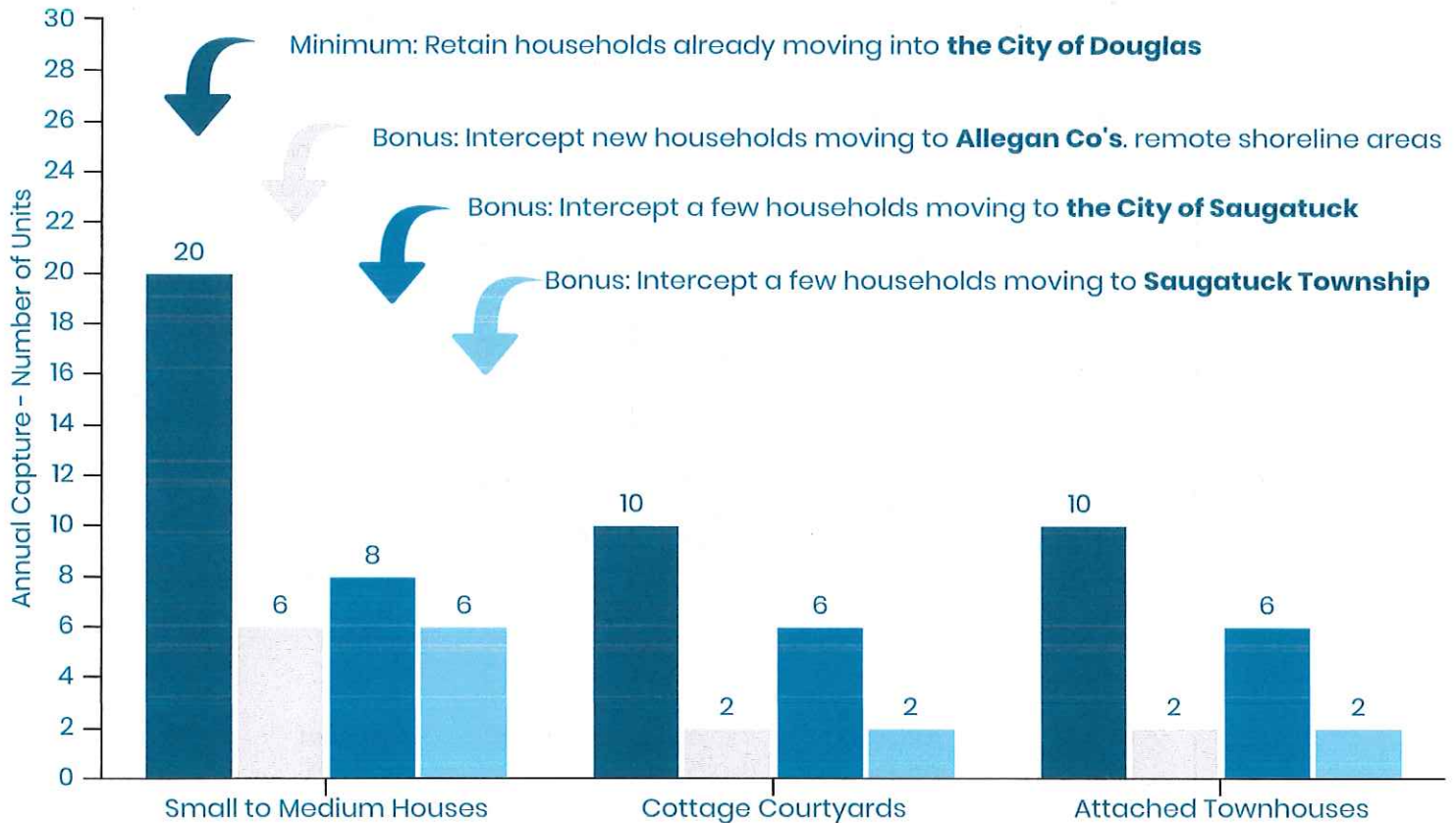


Detached small to medium houses with gabled roofs and private porches in a neo-traditional format. Each house has a private garage that may be attached or detached, but must be recessed from the front door, or located in the back of the yard and accessed by a private drive or shared alley. Note: Each house may also have an accessory dwelling unit that can be sublet rental income. ADUs should be allowed.

Detached cottages arranged around a shared courtyard. Each has a private porch and detached one-car garage, car port, and/or driveway that is rear-loaded from a shared alley. Note: Each cottage may also have an accessory dwelling unit that can be sublet as rental income. ADUs should be allowed in the zoning ordinance.

Attached townhouses with up to six private entrances along a single facade. Each unit should have a private entrance, front porch overlooking a small front garden. Each townhouse must have a private garage that is rear-loaded from a shared alley. A bank of garages can be located on the opposite side of an alley or driveway.

# Annual Market Potential | Douglas For-Sale Units | New Builds Only Aggressive Scenario



Detached small to medium houses with gabled roofs and private porches in a neo-traditional format. Each house has a private garage that may be attached or detached, but must be recessed from the front door, or located in the back of the yard and accessed by a private drive or shared alley. Note: Each house may also have an accessory dwelling unit that can be sublet rental income. ADUs should be allowed.

Detached cottages arranged around a shared courtyard. Each has a private porch and detached one-car garage, car port, and/or driveway that is rear-loaded from a shared alley. Note: Each cottage may also have an accessory dwelling unit that can be sublet as rental income. ADUs should be allowed in the zoning ordinances.

Attached townhouses with up to six private entrances along a single facade. Each unit should have a private entrance, front porch overlooking a small front garden. Each townhouse must have a private garage that is rear-loaded from a shared alley. A bank of garages can be located on the opposite side of an alley or driveway.



New For-Sale Units | Predominantly Attached Townhouses  
 Square Feet and Estimated Values for New-Builds  
 The City of Douglas, Michigan

Total Sq. Ft.	Town- Houses	Town- Houses	Town- Houses	Town- Houses	Town- Houses	Town- Houses
	Vista Views \$ / Sq. Ft.	Lake Breezes \$ / Sq. Ft.	No Views \$ / Sq. Ft.	Vista Views Value	Lake Breezes Value	No Views Value
500	\$448	\$384	\$320	\$225,000	\$190,000	\$160,000
550	\$434	\$372	\$310	\$240,000	\$205,000	\$170,000
600	\$420	\$360	\$300	\$250,000	\$215,000	\$180,000
650	\$406	\$348	\$290	\$265,000	\$225,000	\$190,000
700	\$399	\$342	\$285	\$280,000	\$240,000	\$200,000
750	\$385	\$330	\$275	\$290,000	\$250,000	\$205,000
800	\$378	\$324	\$270	\$300,000	\$260,000	\$215,000
850	\$371	\$318	\$265	\$315,000	\$270,000	\$225,000
900	\$364	\$312	\$260	\$330,000	\$280,000	\$235,000
950	\$357	\$306	\$255	\$340,000	\$290,000	\$240,000
1,000	\$343	\$294	\$245	\$345,000	\$295,000	\$245,000
1,050	\$336	\$288	\$240	\$355,000	\$300,000	\$250,000
1,100	\$329	\$282	\$235	\$360,000	\$310,000	\$260,000
1,150	\$322	\$276	\$230	\$370,000	\$315,000	\$265,000
1,200	\$322	\$276	\$230	\$385,000	\$330,000	\$275,000
1,250	\$315	\$270	\$225	\$395,000	\$340,000	\$280,000
1,300	.	.	.	.	.	.
1,350	.	.	.	.	.	.
1,400	.	.	.	.	.	.
1,450	larger	larger	larger	larger	larger	larger
1,500	units	units	units	units	units	units
1,550	are not	are not	are not	are not	are not	are not
1,600	advised	advised	advised	advised	advised	advised

Estimates and forecasts prepared by LandUseUSA | Urban Strategies ©, March 2019.  
 Based on county assessor's records, plat maps, field observations, and phone interviews.  
 Figures shown in this exhibit are intended to be demonstrative and educational only,  
 and should not be used for appraisals or real estate pricing of individual properties.



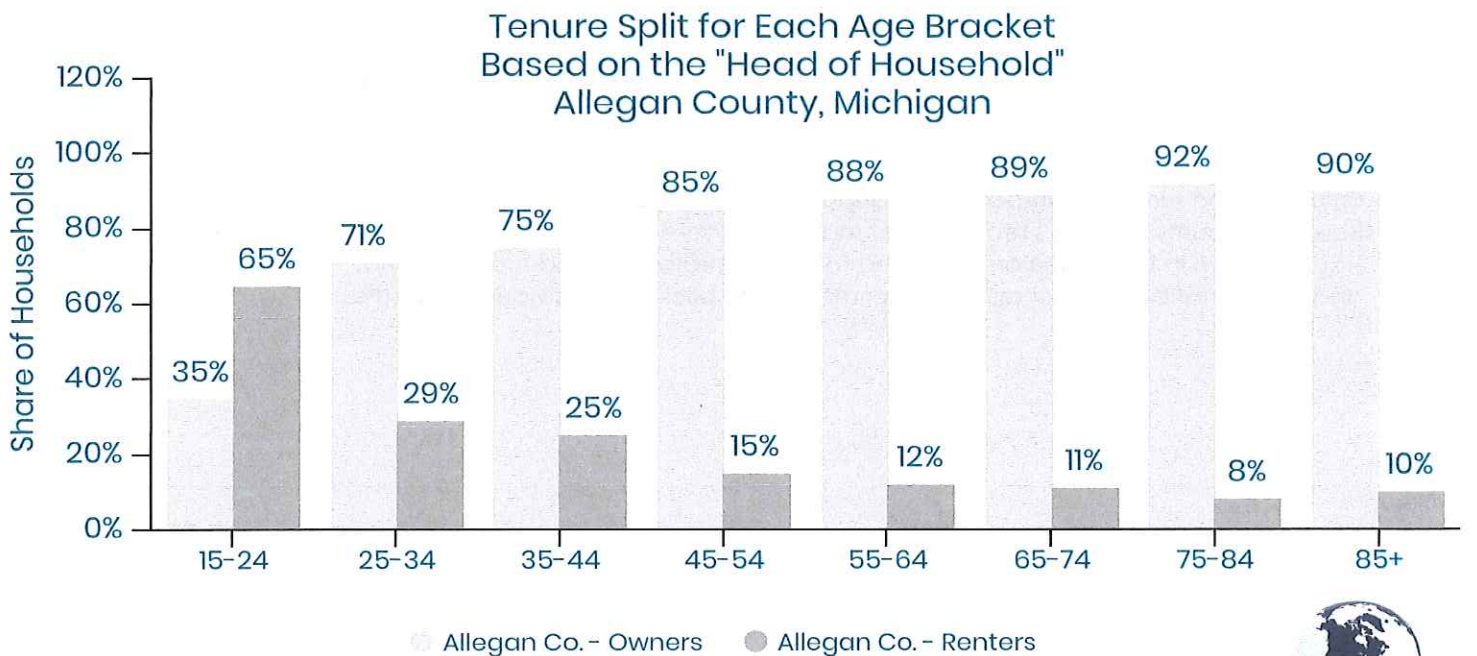
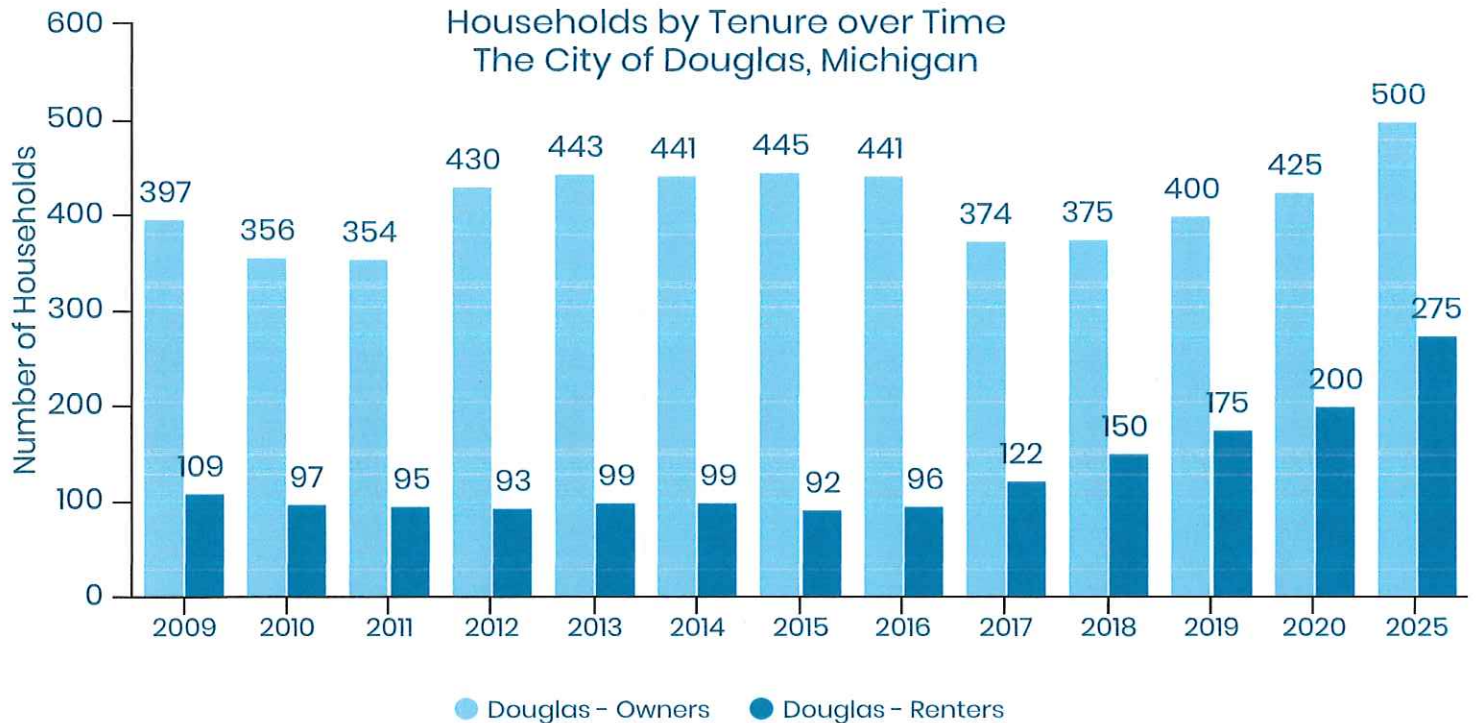
New For-Sale Units | Detached Houses Only  
 Square Feet and Estimated Values for New-Builds  
 The City of Douglas, Michigan

Total Sq. Ft.	Detached Houses Vista Views \$/ Sq. Ft.	Detached Houses Lake Breezes \$/ Sq. Ft.	Detached Cottages No Views \$/ Sq. Ft.	Detached Houses Vista Views Value	Detached Houses Lake Breezes Value	Detached Cottages No Views Value
500	.	.	\$430	.	.	\$215,000
550	.	.	\$425	.	.	\$235,000
600	.	.	\$415	.	.	\$250,000
650	.	.	\$405	.	.	\$265,000
700	.	.	\$400	.	.	\$280,000
750	\$553	\$474	\$395	\$415,000	\$355,000	\$295,000
800	\$546	\$468	\$390	\$435,000	\$375,000	\$310,000
850	\$539	\$462	\$385	\$460,000	\$395,000	\$325,000
900	\$525	\$450	\$375	\$475,000	\$405,000	\$340,000
950	\$518	\$444	\$370	\$490,000	\$420,000	.
1,000	\$511	\$438	.	\$510,000	\$440,000	.
1,050	\$511	\$438	.	\$535,000	\$460,000	.
1,100	\$504	\$432	.	\$555,000	\$475,000	.
1,150	\$497	\$426	.	\$570,000	\$490,000	.
1,200	\$490	\$420	.	\$590,000	\$505,000	.
1,250	\$483	\$414	.	\$605,000	\$520,000	.
1,300	\$483	\$414	.	\$630,000	\$540,000	.
1,350	\$476	\$408	.	\$645,000	\$550,000	.
1,400	\$469	\$402	.	\$655,000	\$565,000	.
1,450	\$469	\$402	.	\$680,000	\$585,000	.
1,500	\$462	\$396	.	\$695,000	\$595,000	.
1,550	\$455	\$390	.	\$705,000	\$605,000	.
1,600	\$455	\$390	.	\$730,000	\$625,000	.

Estimates and forecasts prepared by LandUseUSA | Urban Strategies ©, March 2019.  
 Based on county assessor's records, plat maps, field observations, and phone interviews.  
 Figures shown in this exhibit are intended to be demonstrative and educational only,  
 and should not be used for appraisals or real estate pricing of individual properties.

# Households, Tenure & Age | Douglas

Households by tenure over time; plus tenure by the head of household's age.



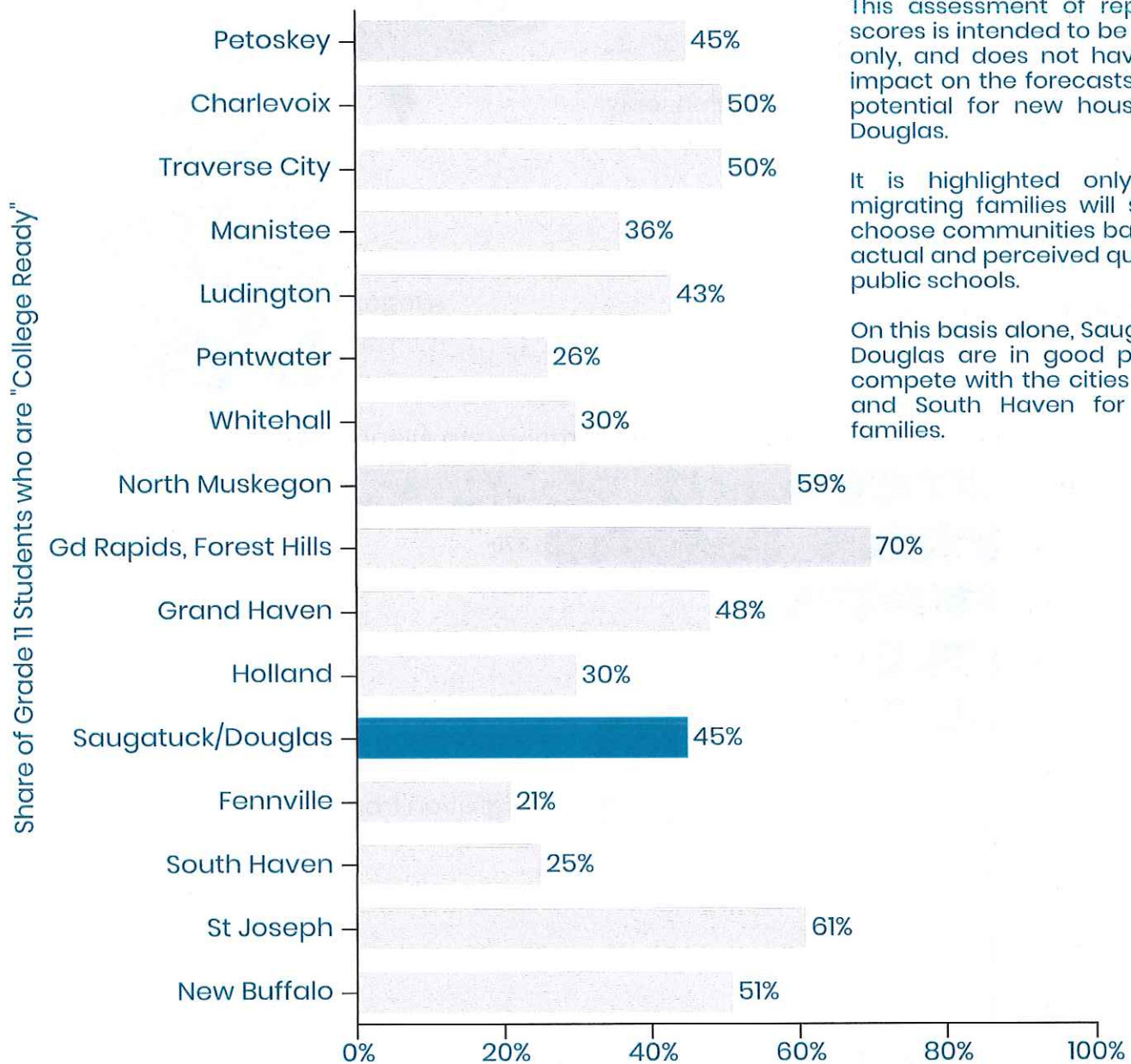
Underlying data by the Decennial Census and American Community Survey (ACS) through the year 2017. Analysis & exhibit prepared by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



# Grade 11 College Readiness | Douglas

A comparison of college readiness among Grade 11 students, based on SAT Scores.

College Readiness among Grade 11 Students  
Peak High School SAT Score by Location  
Listed North to South



This assessment of reported SAT scores is intended to be qualitative only, and does not have a direct impact on the forecasts of market potential for new housing in the Douglas.

It is highlighted only because migrating families will sometimes choose communities based on the actual and perceived quality of the public schools.

On this basis alone, Saugatuck and Douglas are in good positions to compete with the cities of Holland and South Haven for migrating families.

Data represents the share of Grade 11 students who met, were proficient, or advanced relative to the College and Career Readiness (CCR) standard for Adult Education, and based on their Scholastic Assessment Test (SAT) Total Scores in 2016 and 2017. Standards have been established by the U.S. Dept. of Education, and reported by the Michigan Dept. of Education. This data is consistent with reports on MISchoolData.org. Analysis and exhibit prepared by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



# In-Migration | Allegan County

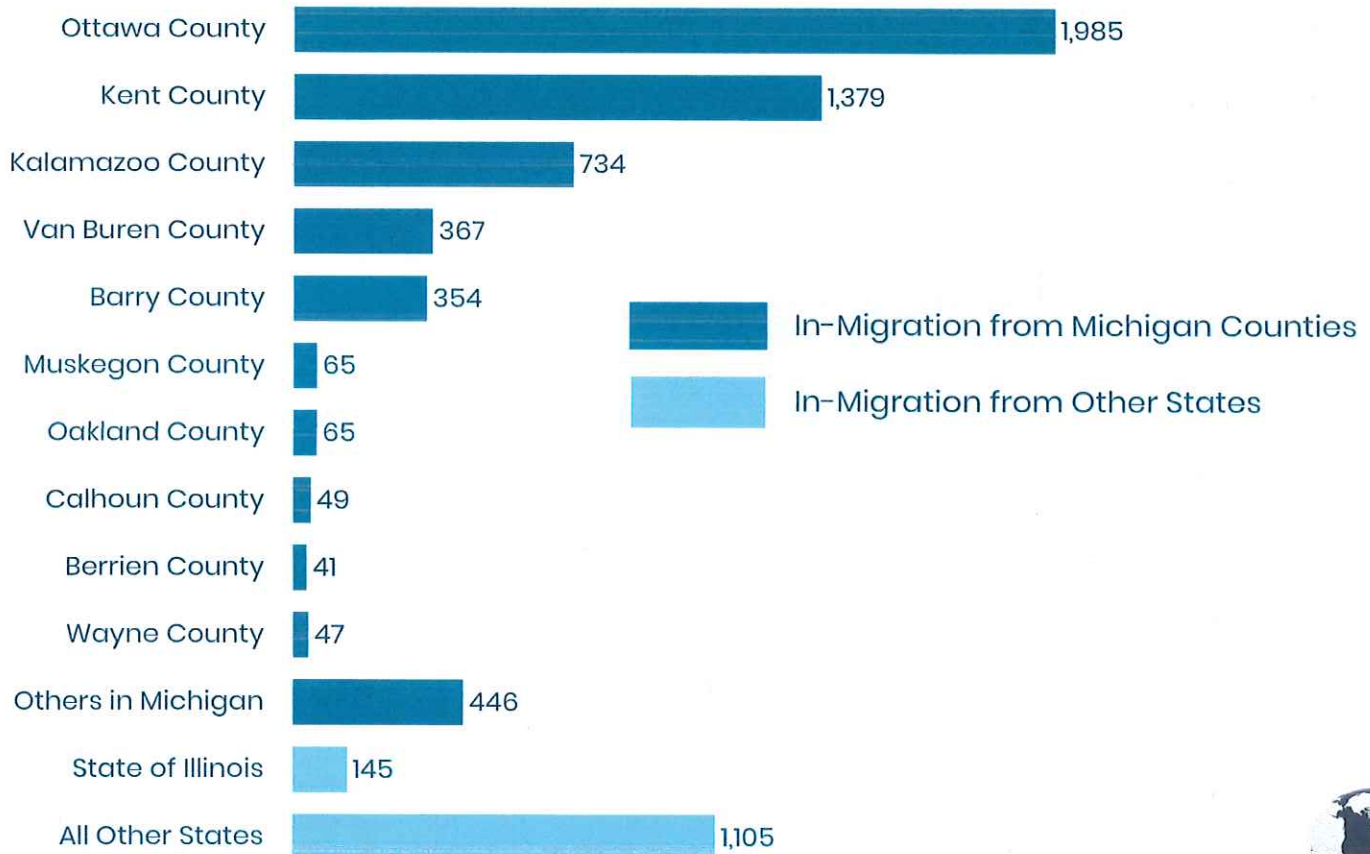
Total population moving into the county each year, unadjusted for out-migration.

The City of Allegan is located in Allegan County, which is in Southwest Michigan. The list below shows that Allegan County has an impressive net in-migration of +640 persons annually, or +9% of its population. The histogram (chart) below shows the sources of in-migration only. Out-migration is detailed in a separate exhibit.



Allegan County:  
 Total In-Migration = 6,780  
 Total Out-Migration = 6,140  
 Net In-Migration = +640  
 Net In-Migration = +9%

Sources of Annual Population Migrating into Allegan County

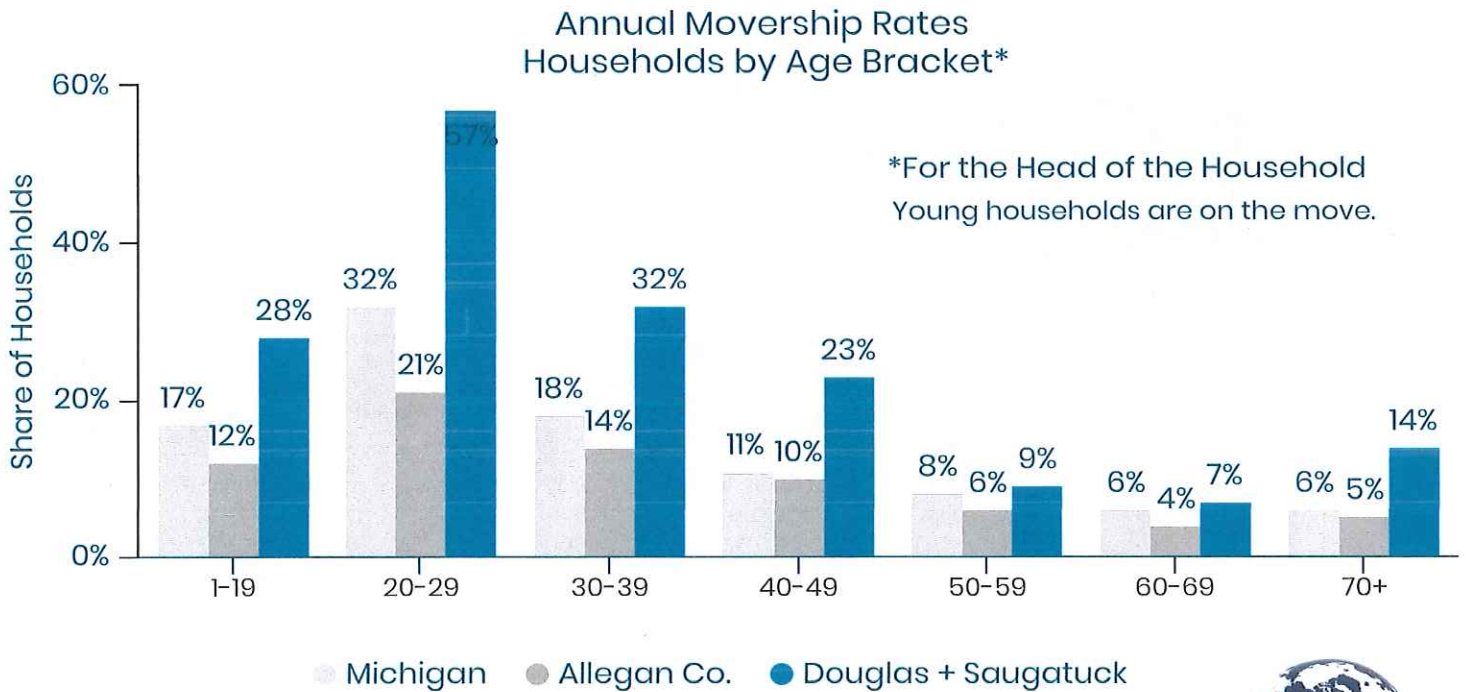
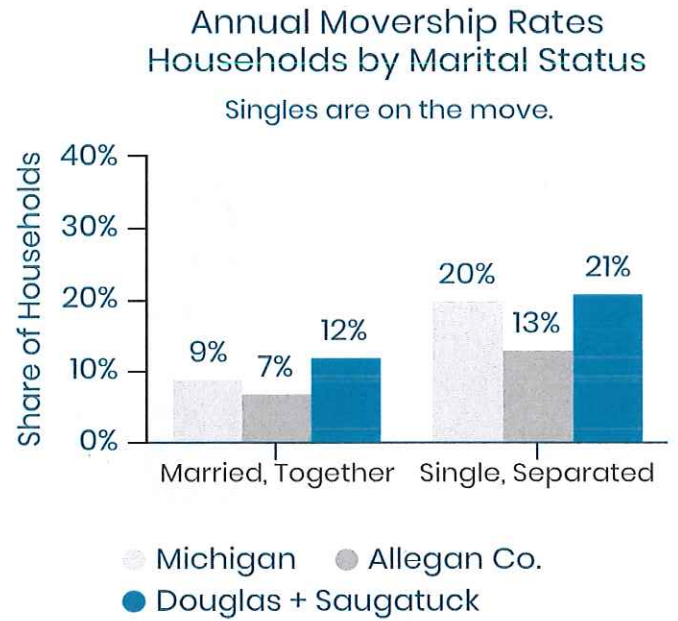
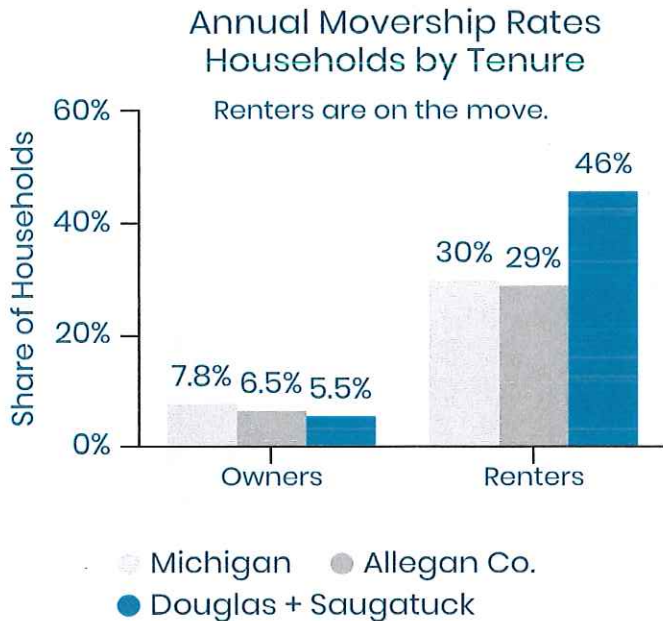


Underlying data is based on individual tax returns as reported by the IRS, 2015-2016.  
 Analysis and exhibit prepared by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



# Annual Movership Rates | Douglas

Movership rates by tenure, marital status & age with geographic comparisons.  
 (A movership rate is the share of households that move in any given year.)



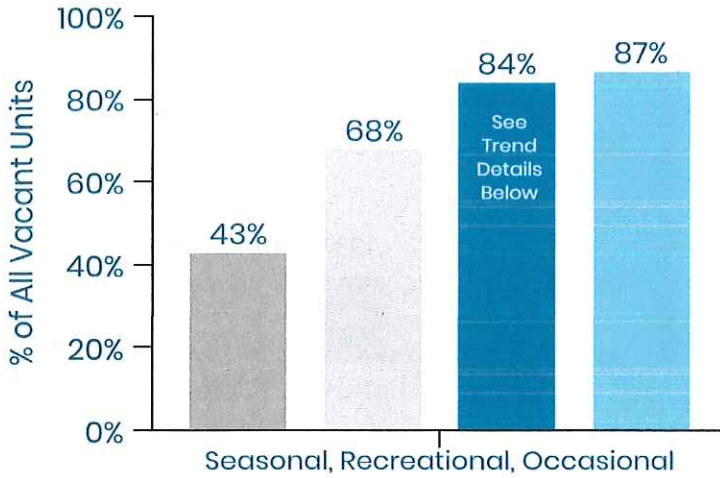
Underlying data based on tax filings reported by the Internal Revenue Service (IRS) through 2016. Analysis & exhibit prepared by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



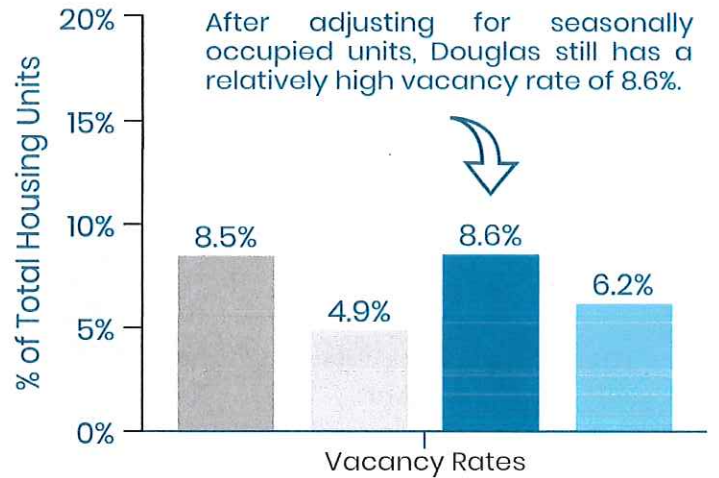
# Vacancies by Reason | The City of Douglas

A geographic comparison of housing vacancies, and reasons for those vacancies.

Seasonal, Recreational, Occasional  
as a Share of all "Vacant" Units  
(Unadjusted)



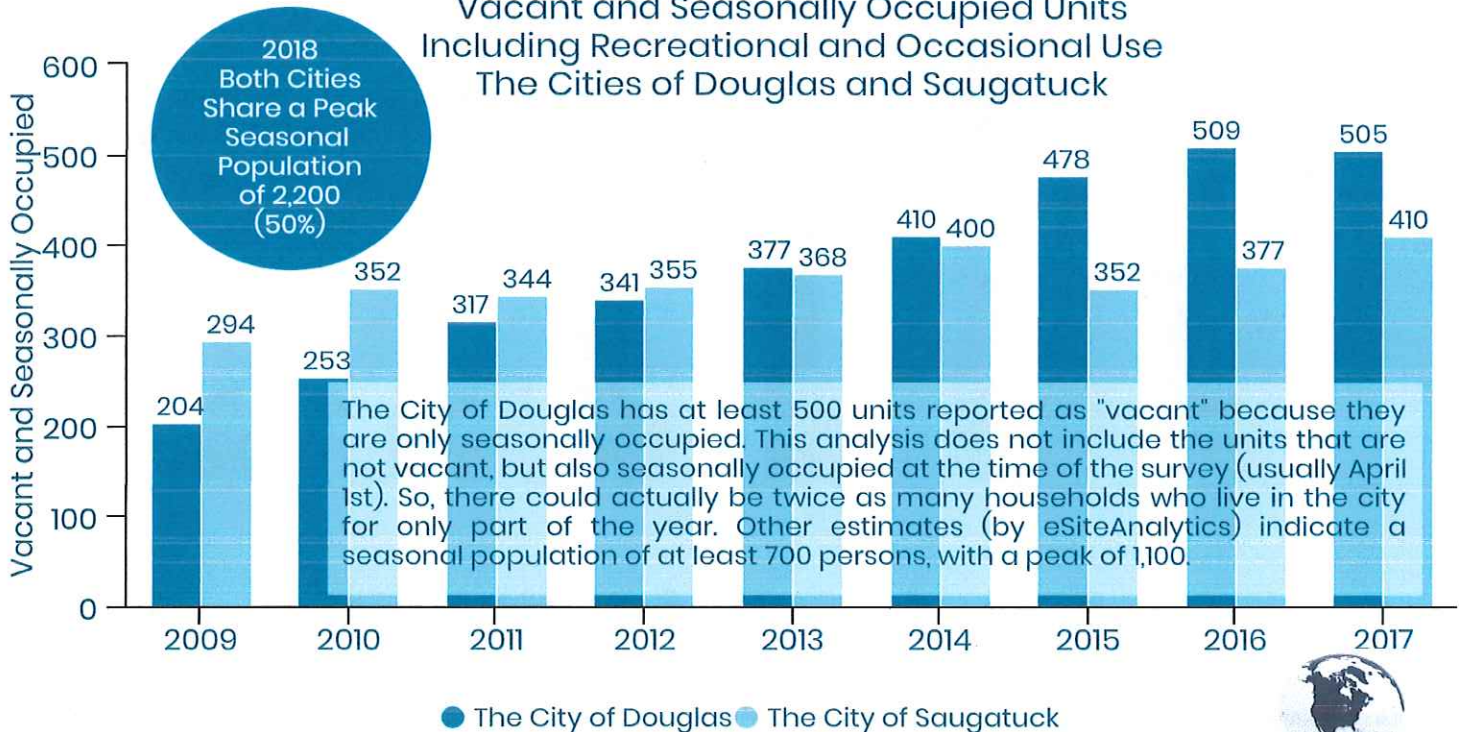
All Other Vacancies  
as a Share of Total Units  
(Adjusted to exclude Seasonal)



● Michigan ● Allegan Co. ● Douglas ● Saugatuck

● Michigan ● Allegan Co. ● Douglas ● Saugatuck

Vacant and Seasonally Occupied Units  
Including Recreational and Occasional Use  
The Cities of Douglas and Saugatuck



● The City of Douglas ● The City of Saugatuck



Lifestyle Clusters | Target Markets  
Residential Market Study  
The City of the Village of Douglas | April 2019

*71 Lifestyle Clusters* – LandUseUSA subscribes to lifestyle cluster data that is provided by Experian Decision Analytics. Each of 71 lifestyle clusters has a unique profile based on socio-economic, demographic, and locational data. In general, the clusters with the lowest numbers (like A01 – American Royalty) have the highest incomes and are most inclined to be settled into houses.

Lifestyle clusters with the highest numbers (like S71 – Tough Times) have the lowest incomes and are most likely to be on the move and seeking affordable housing choices. They are often forced to settle for conventional apartments in multiplexes, often located at city edges. In comparison, lifestyle clusters in the K, L, M, O groups have moderate incomes, relatively high movership rates, and are inclined to seek new formats like townhouses and urban lofts.

*Affluent Lifestyle Clusters* – The City of Douglas is a relatively affluent market with 19 households in the "Platinum Prosperity" lifestyle cluster; 65 households in the "Aging of Aquarius" cluster; 42 households in the "Golf Carts and Gourmets" cluster; and 32 households in the "Unspoiled Splendor" cluster. About 25% of the Golf Carts and Gourmets households will choose an attached townhouse if it overlooks a fairway or has a view or glimpse of a lake. They have average movership rates and almost 90% would prefer to buy a home than rent. The other affluent lifestyle clusters are relatively settled, disinclined to move, and more likely to buy a detached house.

*Market Rate Lifestyle Clusters* – In the market-rate segment (generally earning 80% to 120% of the area median income), the most prevalent lifestyle cluster is the "Booming and Consuming" segment, representing 268 existing households in Douglas. Although they have high movership rates, about 85 percent are inclined to buy a house rather than rent a townhouse or loft.

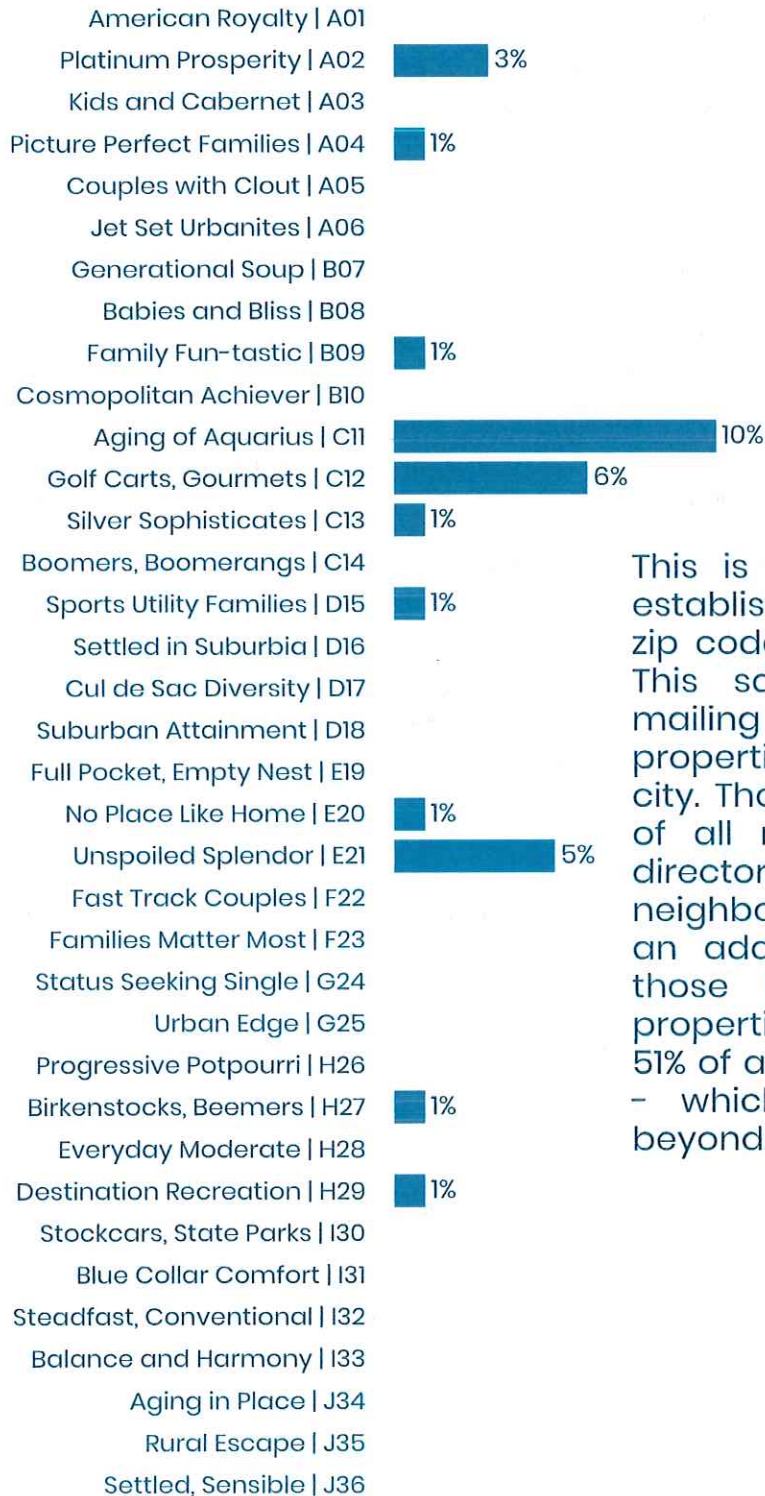
*Moderate Lifestyle Clusters* – In the moderate market segments (generally earning 60% to 80% of the area median income), the most prevalent lifestyle clusters are the "Reaping Rewards" and "Town Elders and Leaders". Again, they tend to have modest movership rates and are disinclined to rent an attached unit if they move at all.

The profile of existing households in Douglas could be misinterpreted to imply a need for upscale detached houses. However, the existing households settled into detached houses also have exceptionally low movership rates and are disinclined to move from one unit to another. Therefore, much of the market potential (at least one-third) is driven by single renters who are seeking choices in the market – but are unable to find any.

The urban target markets are evident in the profile for Allegan County, and they include Wired for Success, Bohemian Groove, Rooted Flower Power, Infants and Debit Cards, Full Steam Ahead, Digital Dependents, Urban Ambition, Family Troopers, Expanding Horizons, and Daring to Dream. These clusters are already moving into other parts of the county; they have relatively high movership rates; and they are inclined to choose lofts and townhouses if they are available for lease. Their high movership rates generate most of the market potential for the Douglas market.

# 1-36 Lifestyle Clusters | Douglas

All established households reporting the City of Douglas as their primary residence.



All households  
residing in one  
Zip Code: 49406

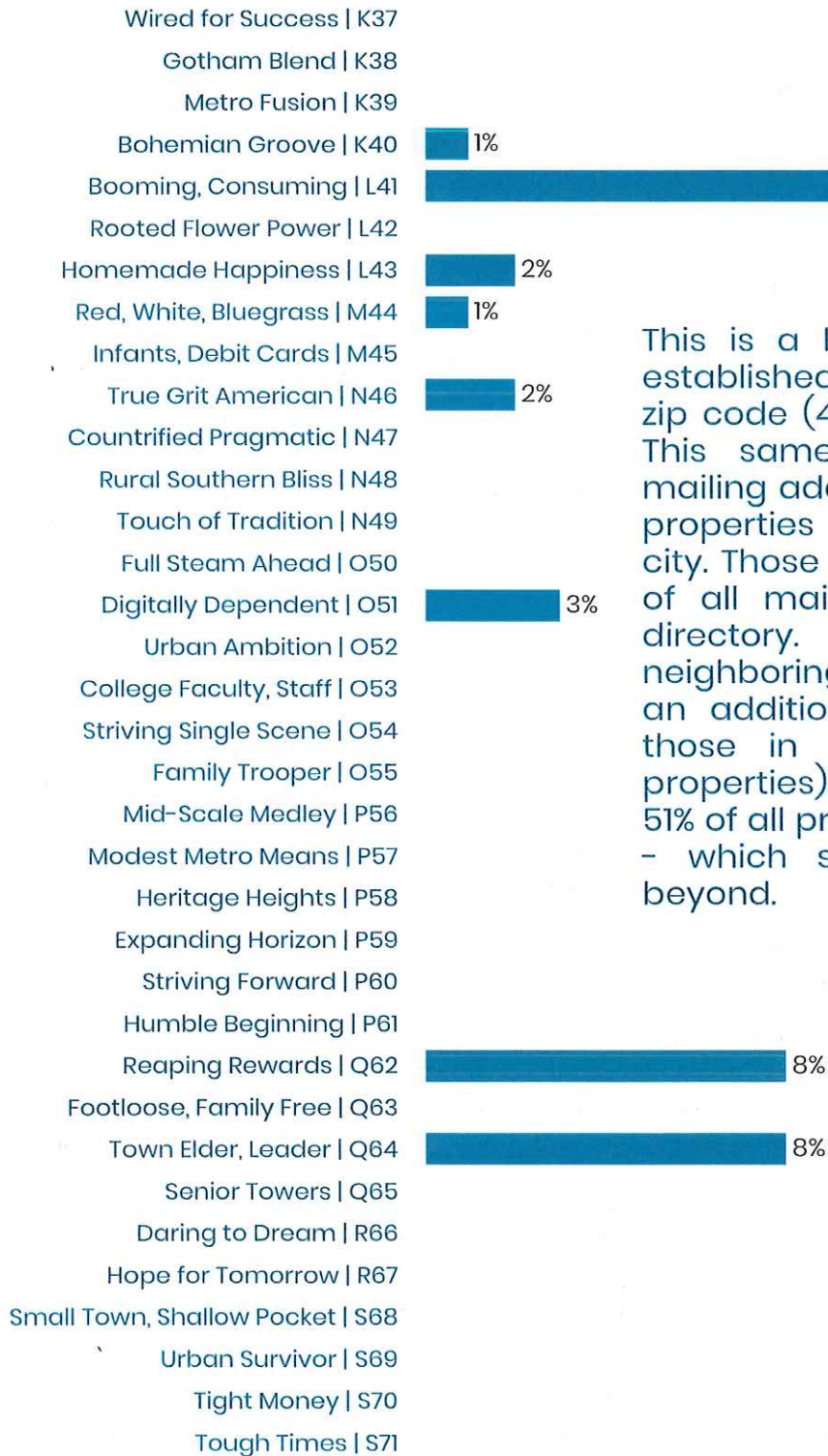
This is a lifestyle cluster profile of all established households residing in one zip code (49406) in the City of Douglas. This same zip code represents the mailing addresses for the owners of 506 properties physically located in the city. Those 506 properties represent 43% of all mailing addresses in the city's directory. Mailing addresses in the neighboring City of Saugatuck represent an additional 5% (63 properties); and those in Fennville represent 3% (34 properties). Collectively they represent 51% of all properties physically in Douglas - which suggests +49% import from beyond.





# 37-71 Lifestyle Clusters | Douglas

All established households reporting the City of Douglas as their primary residence.



This is a lifestyle cluster profile of all established households residing in one zip code (49406) in the City of Douglas. This same zip code represents the mailing addresses for the owners of 506 properties physically located in the city. Those 506 properties represent 43% of all mailing addresses in the city's directory. Mailing addresses in the neighboring City of Saugatuck represent an additional 5% (63 properties); and those in Fennville represent 3% (34 properties). Collectively they represent 51% of all properties physically in Douglas - which suggests +49% import from beyond.



All households residing in one Zip Code: 49406



# Half of all Lifestyle Clusters | Nationwide

## A01 – J36 | Better-to-Upper Incomes

- A01 | American Royalty - Wealthy influential couples and families in prestigious communities - Suburbs.
- A02 | Platinum Prosperity - Wealthy and established empty-nesting couples - Suburbs.
- A03 | Children & Cabernet - Prosperous, middle-aged married couples focused on their children's lives - Suburbs.
- A04 | Picture Perfect Families - Established families of child-raising households in wealthy communities - Suburbs.
- A05 | Couples with Clout - Middle-aged childless couples living in affluent areas - Metros.
- A06 | Jet Set Urbanites - Mix of affluent singles and couples enjoying diverse neighborhoods - Urban.
  
- B07 | Generational Soup - Affluent couples and multi-generational families, wide range of lifestyles - Suburbs.
- B08 | Babies & Bliss - Middle-aged couples with large families and active lives - Suburbs.
- B09 | Family Funtastic - Upscale, middle-aged families with busy lives focused on older children - Satellite Cities.
- B10 | Cosmopolitan Achievers - Affluent middle-aged, established couples & families, dynamic lifestyles - Metros.
  
- C11 | Aging of Aquarius, Settled - Upscale boomer couples settled in detached houses - Cities, Nearby Suburbs.
- C12 | Golf Carts & Gourmets - Upscale retirees & empty-nesters in comfortable golf communities - Urban Edges.
- C13 | Silver Sophisticates - Mature, upscale couples & singles in larger detached houses - Suburbs.
- C14 | Boomers & Boomerangs - Baby boomer adults with young adult children sharing their house - Suburbs.
  
- D15 | Sports Utility Families - Upscale, multi-generational, middle-aged families, active lifestyles - Outer Suburbs.
- D16 | Settled in Suburbia - Upper-middle-income diverse families & empty nesters - Established Suburbs.
- D17 | Cul de Sac Diversity - Culturally diverse, middle-aged families settling into emerging communities - Suburbs.
- D18 | Suburban Attainment - Upper middle-class couples and families moving to newer communities - Suburbs.
  
- E19 | Full Pockets & Empty Nests - Empty-nesters, discretionary income and sophisticated lifestyles - Most Cities.
- E20 | No Place Like Home - Middle-to-upper income, multi-generational households, detached houses - Urban Edges.
- E21 | Unspoiled Splendor - Comfortably established baby boomer couples, detached houses - Small Cities, Rural.
- F22 | Fast Track Couples - Young, upwardly-mobile couples with active lifestyles - Inner Suburbs.
- F23 | Families Matter Most - Young, middle-to-upper income families with active, family-focused lives - Suburbs.
  
- G24 | Status Seeking Singles - Young, upwardly-mobile singles balancing work and leisure - Metros, Urban.
- G25 | Urban Edge - Younger, up-and-coming singles living big-city lifestyles - Largest Metros.
  
- H26 | Progressive Potpourri - Mature couples with comfortable and active lives - Suburbs.
- H27 | Birkenstocks & Beemers - Middle-to-upper income couples living leisurely lifestyles - Small Cities.
- H28 | Everyday Moderates - Multi-cultural couples & families choosing modest lifestyles - Suburbs to Mid-sized Cities.
- H29 | Destination Recreation - Middle-aged couples working hard to support active lifestyles - Small Cities, Suburbs.
  
- I30 | Stockcars & State Parks - Middle-income couples & families seeking affordable entertainment - Small Cities.
- I31 | Blue Collar Comfort - Middle-income families working solid, blue-collar jobs - Small Cities.
- I32 | Steadfast Conventionalists - Conventional Gen-X families in conventional detached houses - Coastal Cities.
- I33 | Balance & Harmony - Middle-income families with lively lifestyles - City-Centric Neighborhoods.
  
- J34 | Aging in Place Already - Middle-income seniors established in their homes, preferring to stay - Suburban.
- J35 | Rural Escape - Older, middle-income couples & singles, living modestly, comfortably - Small Cities, Rural Edges.
- J36 | Settled & Sensible - Older, middle-income, empty nest couples & singles living sensibly - City Neighborhoods.

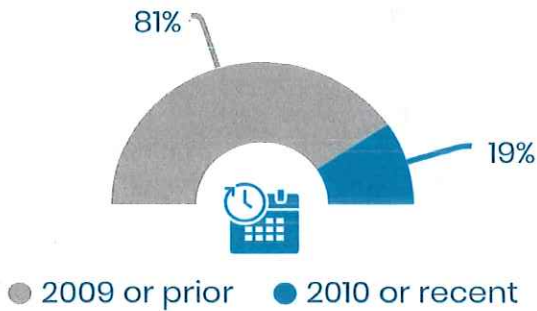
## Half of all Lifestyle Clusters | Nationwide K37 – S71 | Lower-to-Moderate Incomes

- K37 | Wired for Success - Young, middle-income singles and couples living socially-active lives - Cities.
- K38 | Gotham Blend - Middle-aged, middle-income singles & couples with big city lifestyles - Urban, Large Cities.
- K39 | Metro Fusion - Middle-aged singles living active lifestyles with a wide range of backgrounds - Urban.
- K40 | Bohemian Groove - Older, unattached singles enjoying settled lives in detached houses - Urban Neighborhoods.
- L41 | Booming & Consuming - Older empty nester couples and singles enjoying relaxed lifestyles - Small Cities.
- L42 | Rooted Flower Power - Middle-income baby boomer singles & couples, rooted & nearing retirement - Suburban.
- L43 | Homemade Happiness - Middle-income baby boomers in detached houses - Small Cities, Rural.
- M44 | Red, White, Bluegrass - Middle-income families with diverse household dynamics - Rural.
- M45 | Infants and Debit Cards - Young, working families & single parents in small houses - Urban Neighborhoods.
- N46 | True Grit Americans - Older, middle-income households located in nation's mid-section - Small Cities, Rural.
- N47 | Countrified Pragmatics - Middle-income couples and singles with casual lifestyles - Rural.
- N48 | Rural Country Bliss - Middle-income, multi-generational families in the nation's south - Small Cities, Rural.
- N49 | Touch of Tradition - Working, middle-aged couples and singles in detached houses - Rural.
- O50 | Full Steam Ahead - Young and middle-aged singles on the move forward and upward - Mid-Sized Cities.
- O51 | Digital Dependents - Gen-X and Gen-Y singles living digitally-driven lifestyles - Urban.
- O52 | Urban Ambition - Gen-Y singles, some with children, moving into urban places - Mid-Sized Cities, Urban.
- O53 | Colleges & University Affiliates - Young singles, alumni, recent grads, staff connected to colleges - College Towns.
- O54 | Striving Single Scene - Young singles, upwardly mobile, aspiring in early careers - City Centers, Urban.
- O55 | Family Troopers - Families & single parents, with current or recent connections to the military - Nationwide.
- P56 | Mid-Scale Medley - Middle-aged, moderate-income singles, many starting over - Mid-Sized Cities.
- P57 | Modest Metro Means - Moderate-income singles settled in moderate communities - Inner-City Neighborhoods.
- P58 | Heritage Heights - Moderate-income singles & families settled in apartments - Urban, Compact Neighborhoods.
- P59 | Expanding Horizons - Middle-aged, middle-income families - Border Towns.
- P60 | Striving Forward - Moderate-income families & single parents in newer communities - Urban Edges.
- P61 | Humble Beginnings - Multi-cultural singles, some with children, starting in apartments - Inner-Cities, Urban.
- Q62 | Reaping Rewards - Retired couples and widowed singles living relaxed, quiet lives in detached houses - Suburban.
- Q63 | Footloose and Family Free - Older couples and widowed singles living active, comfortable lives - Urban Edges.
- Q64 | Town Elders & Leaders - Elders and community leaders settled into small houses and living frugally - Small Cities.
- Q65 | Senior Discounts & Towers - Low-income seniors in apartments with some rent assistance - Metros, City Edges.
- R66 | Daring to Dream - Aspiring young couples & singles, some with children, just starting out - Inner-City, Urban.
- R67 | Hoping Tomorrow - Hopeful, young, single parents with low-incomes, living in apartments - Mid-Sized Cities.
- S68 | Small Towns & Shallow Pockets - Older, low-income empty nesters & singles, tight budgets. - Small Satellite Cities.
- S69 | Urban Survivors - Older, low-income singles, some with children, settled & living modestly - Urban Neighborhoods.
- S70 | Tight Money - Middle-aged, low-income, unattached singles seeking to move upward - Small Cities, Urban Edges.
- S71 | Tough Times - Older, low-income singles, struggling to get by, apartments - Inner-Cities, Compact Neighborhoods.

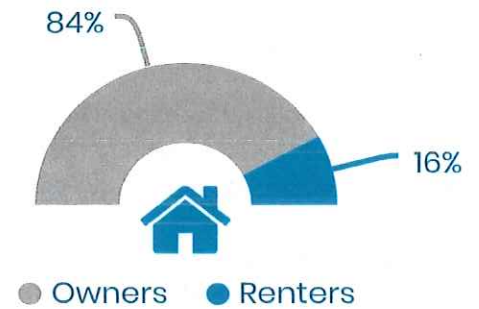
# Booming & Consuming | L41

Lifestyles and Housing Preferences | National Averages

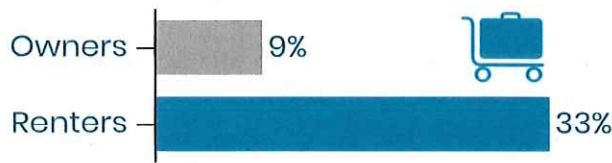
### Units by Decade Built



### Households by Tenure



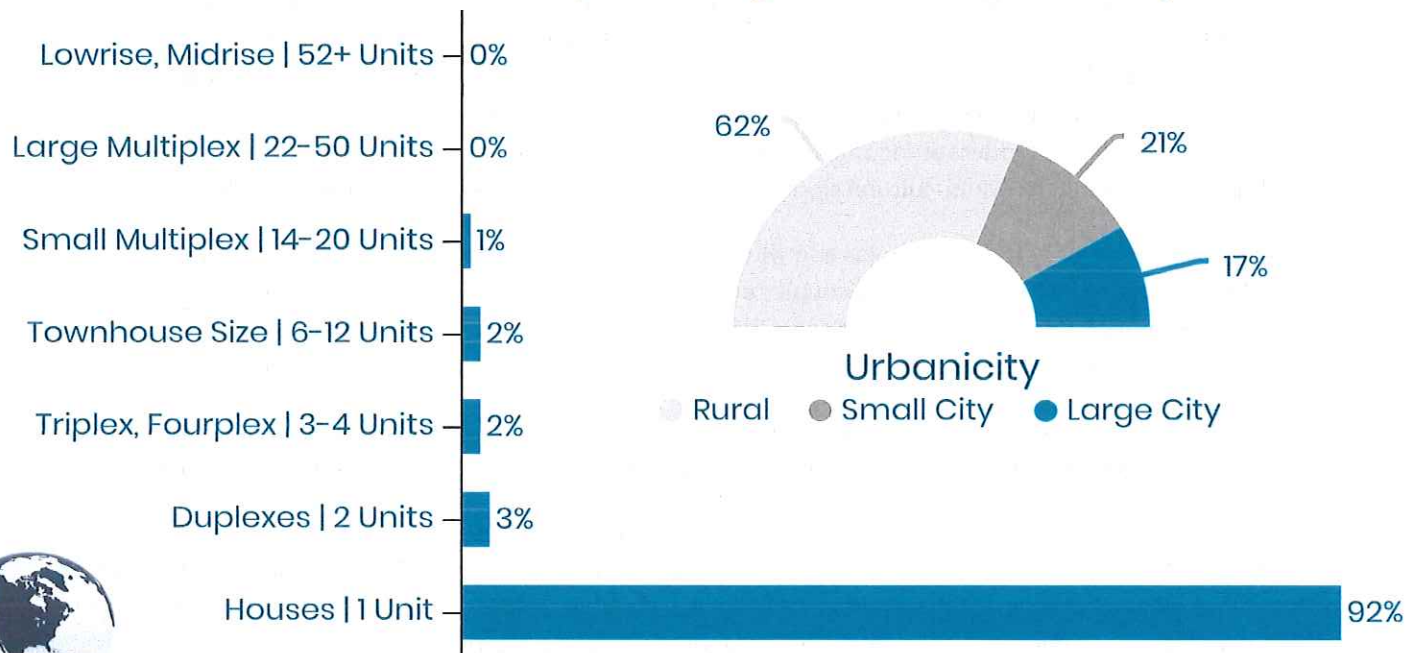
### Share that Moves each Year



### Median Household Income



### Inclination for Units by Building Size and Urbanicity



## Booming & Consuming | L41

Older empty-nesting couples and singles enjoying relaxed lives in satellite cities

Booming & Consuming households are older couples and widowed individuals who have migrated to small cities and villages, seeking a more relaxed pace of life. With most of these households between 50 and 75 years old, their nests are empty and they are soon to be, or already, enjoying their retirements. Booming and Consuming tend to have average educations and, for those still in the workforce, have jobs in a mix of white-collar, blue-collar and service sector positions. Their moderate incomes typically allow them to afford to own a recently-built ranch with a well-landscaped yard in a Sun Belt community. With their children grown and out of the house, these mature adults have crafted a cushy lifestyle that's heavy on recreation and leisure.

The lack of children to nurture and clothe means more disposable income for travel and outdoor activities. These households are big on heading to nearby parks and woodlands to bike and walk through the outdoor scenery. They enjoy long car trips, cruises and a significant number own recreational vehicles for scenic vacations. They may not live close to downtown centers, but they've carried their enthusiasm for culture with them and will drive to a city to attend a play or concert. For a splurge, they'll go to an antique show.

With their moderate incomes and healthy savings accounts, they can afford to be materialistic. However, these consumers have little need for status recognition and prefer to focus on the integrity of the brand and the customer service when shopping. Booming and Consuming typically shop discount department stores. Many are interested in home décor as well as electronic furnishings like flat-screen televisions.

With its mix of adults still working and those already retired, values in Booming & Consuming are wide-ranging. Their relative open-mindedness is a reflection of their generation and life experiences. Although the highest concentration is conservative, voting for the Republican Party, many also espouse liberal views. Reflecting the pristine surroundings of their community, everyone seems to agree on the value of recycling to help protect the environment. Additionally, many are active in community affairs; they support arts, health and environmental groups.

While they may have moved to secluded suburban settings, Booming & Consuming like to stay current with main-stream culture. They typically read a daily newspaper and subscribe to magazines like The New Yorker and Entertainment Weekly. They have eclectic music tastes that include country, 1960s and 1970s hits, and jazz; and they will tune in to news talk radio to keep up with the issues of the day. These older households have only somewhat embraced the internet and go online to shop, get the latest headlines and download information like stock reports. Few use email regularly though, remaining much more receptive to direct mail offerings. Use messaging that aims at the "buy American" consumer; one that exemplifies honest quality products that can only be made in the USA. Doing so typically works better than attempts to incentivize or appear to be the iconic trendy option.

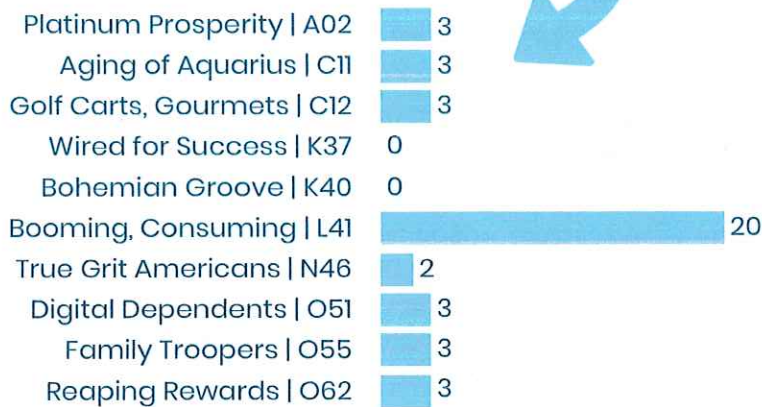
Original narrative by Experian Decision Analytics with refinements by LandUseUSA | Urban Strategies, with all rights reserved © 2019.

# Annual Potential by Target Market | Douglas

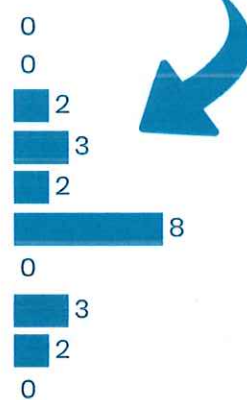
Annual Market Potential by Target Market moving into and within the City of Douglas each year. Aggressive Scenario, new-builds in buildings with no more than 6 units in each building. Excludes "bonus" from neighboring jurisdictions and excludes vacation rentals.

## Annual Market Potential Maximum Aggressive Scenario

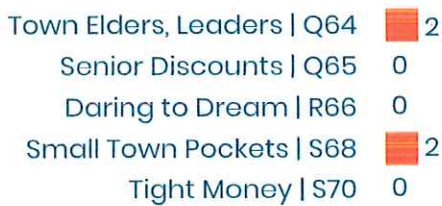
40 New For-Sale Units, including:  
20 units | Small-Medium Houses  
10 units | Cottage Courtyards  
10 units | Townhouses



20 New For-Lease Units, including:  
6 units | Accessory Dwellings  
8 units | Townhouses  
6 units | Urban Lofts



**PLUS** Affordability Need  
4 Rehabbed For-Sale Units



**PLUS** Affordability Need  
6 Rehabbed For-Lease Units

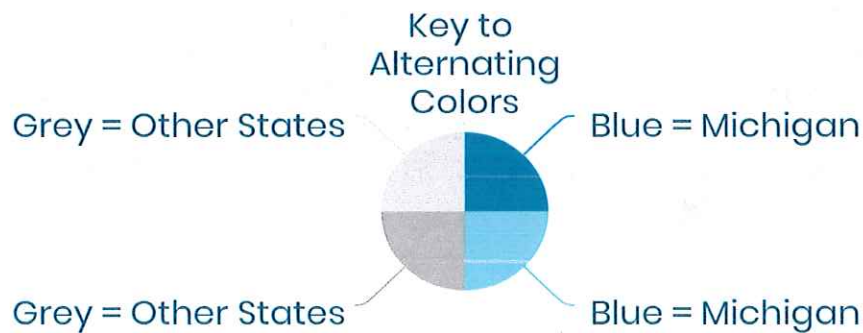
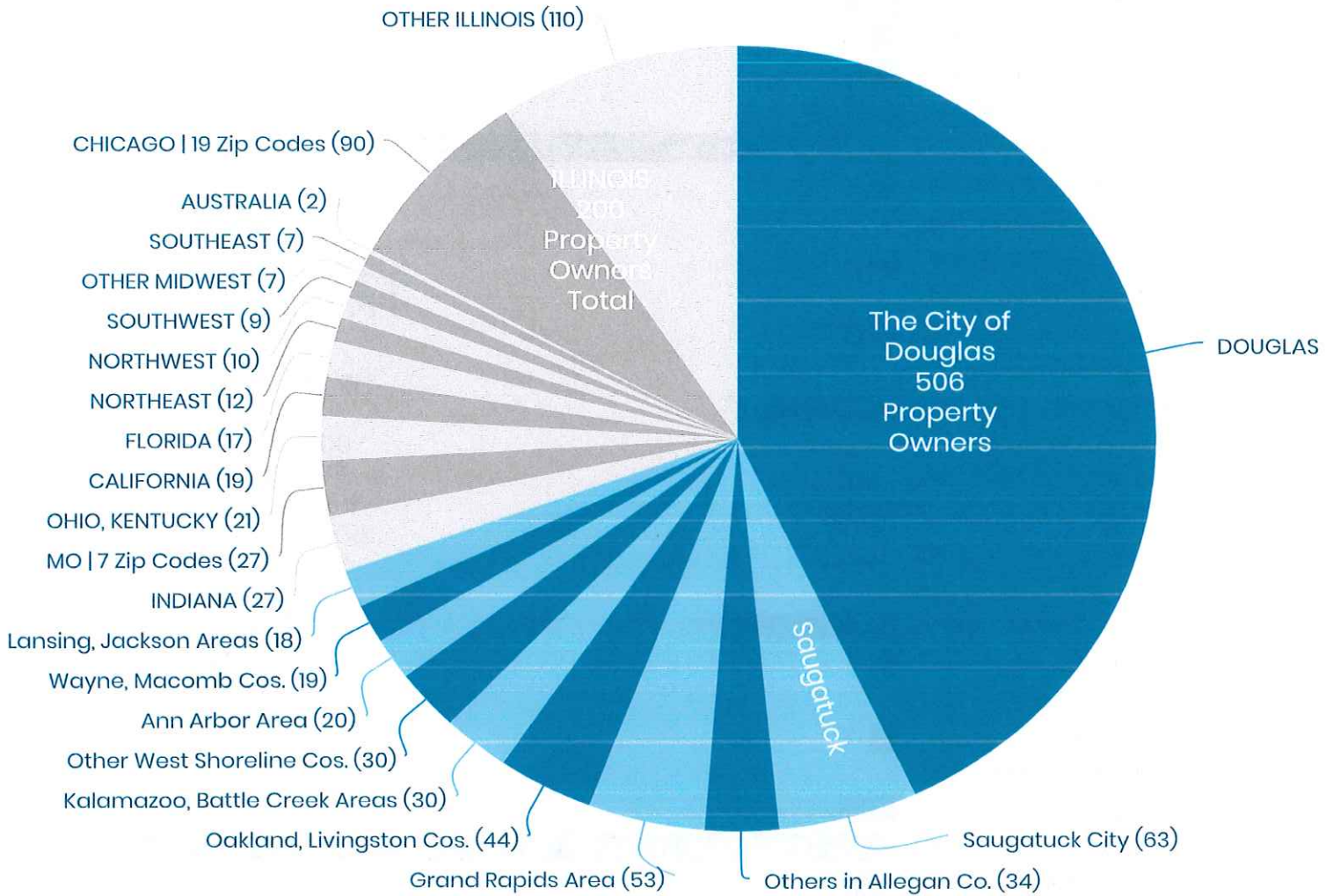


Note: All figures shown here excludes bonuses or upside potential that could be realized by intercepting households moving into adjacent jurisdictions. That figure could double to market potential. All figures also exclude seasonal housing units for non-residents, including snowbirds and occasional visitors. That adjustment would also double the total market potential.



# Residential Property Ownership | Douglas

Based on resident zip code for property owners as documented in city records for 2018.

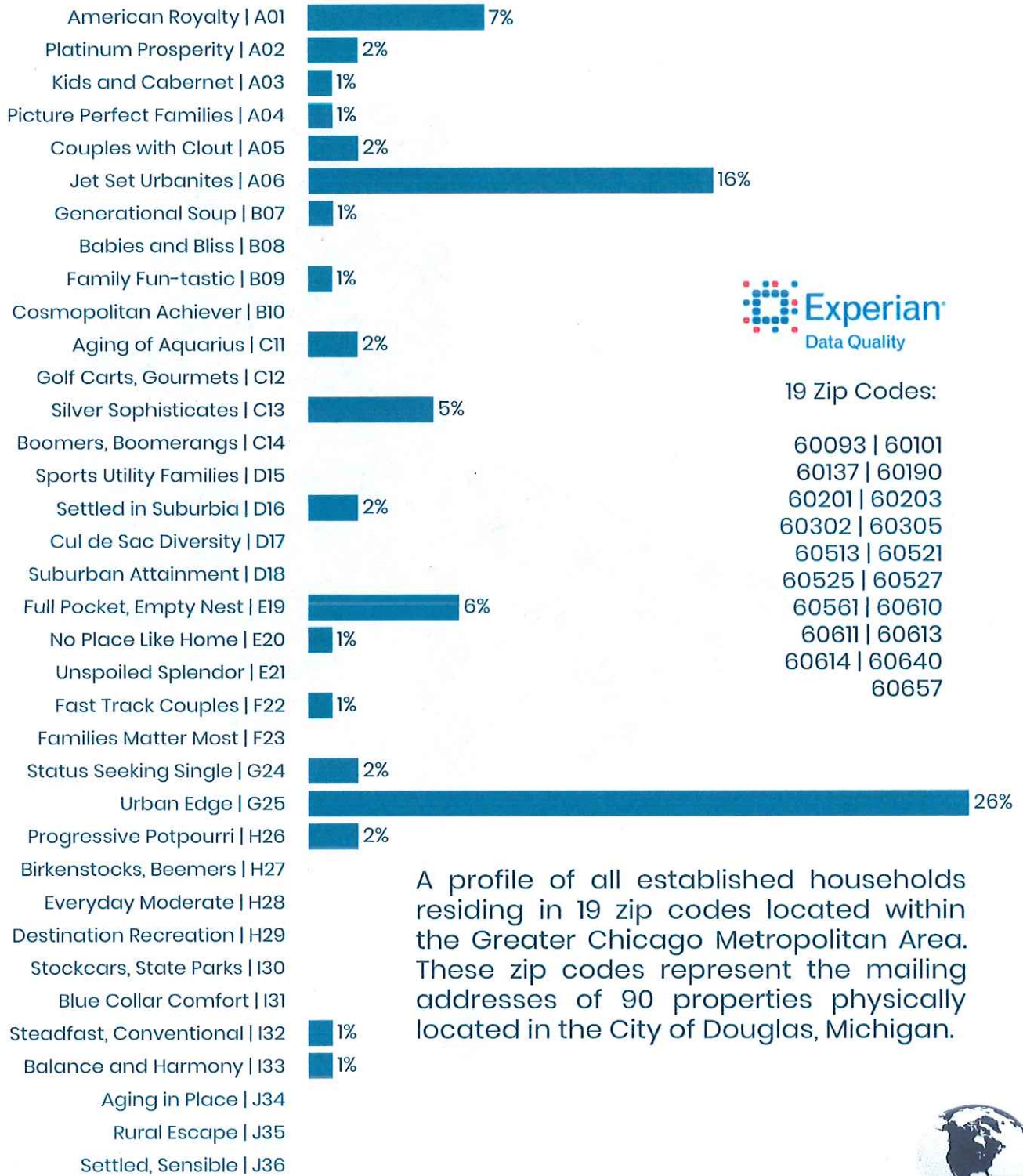


Underlying data provided by the City of Douglas, 2018. Individual addresses were not provided. Analysis and exhibit prepared by LandUseUSA | Urban Strategies © on behalf of the City of Douglas, 2019.



# 1-36 Lifestyle Clusters | Metro Chicago IL

Owners of 90 properties located in Douglas, but mailing addresses in Metro Chicago.



19 Zip Codes:

- 60093 | 60101
- 60137 | 60190
- 60201 | 60203
- 60302 | 60305
- 60513 | 60521
- 60525 | 60527
- 60561 | 60610
- 60611 | 60613
- 60614 | 60640
- 60657

A profile of all established households residing in 19 zip codes located within the Greater Chicago Metropolitan Area. These zip codes represent the mailing addresses of 90 properties physically located in the City of Douglas, Michigan.

