




November 7, 2014




Target Market Analysis


A Key to Place-Based Real Estate Development



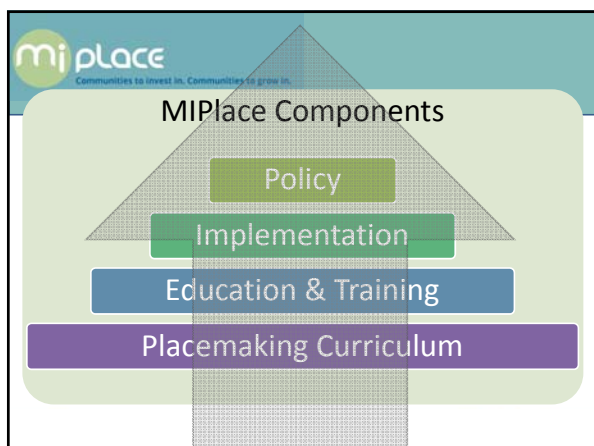
Introductions



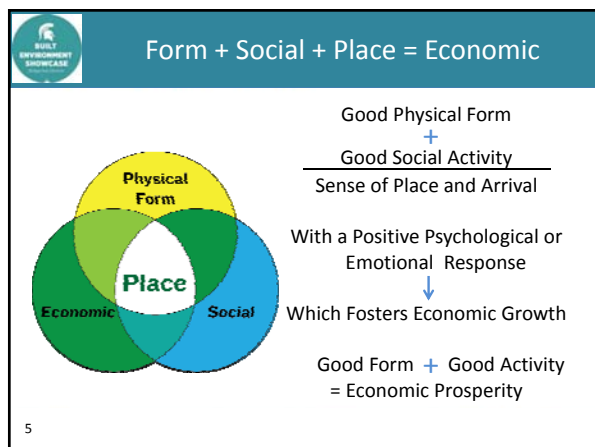
Jim Tischler, AICP | Director
MSHDA

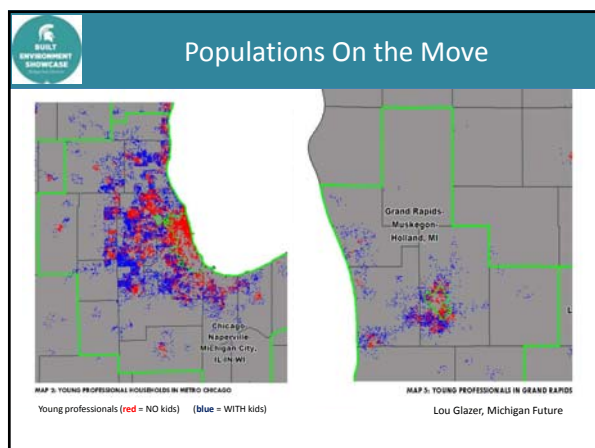



Sharon Woods, CRE | Principal
LandUse|USA





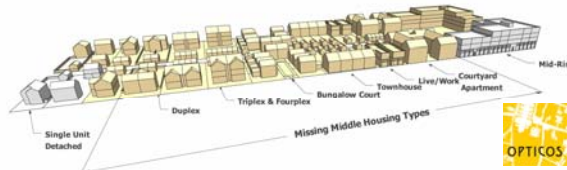






Missing Middle Housing Formats


Housing Types and “The Missing Middle”



Single Unit Detached Duplex Triplex & Fourplex Bungalow Court Townhouse Live/Work Apartment Mid-Rise


Missing Middle Housing Types

OPTICOS
Opticos Design, Inc.




The TMA Approach

- Analyzes the ENTIRE range of household types.
- Analyzes the ENTIRE range of residential building types
- Housing types in URBAN street and block settings, often not available as new builds.
- Measures market POTENTIAL, not market demand.
- Studies done in other U.S. cities have proved accurate (if not too conservative) and opened *new markets, previously unmet*.
- Follows the PLACE types of the Urban Transect.



Rural Urban


Rural Context Zones Urban Context Zones



The TMA Approach

A study of populations that are on the move, and that have a preference for city living and urban housing formats (rather than rural living and suburban formats.)

A study of their lifestyle preferences, and of the types of housing formats that they are choosing in other markets throughout the Upper Midwest.



MSHDA-funded TMA


- **COUNTY-WIDE** and **MULTI-JURISDICTIONAL** level (cities and villages with each county would collectively benefit).
- CITY and VILLAGE **NODES** – Downtowns, Urban Districts, and Corridors.
- **URBAN PLACES** of ALL sizes – Cities, Villages, Township Centers (Street grid + Population + Sense of Place).
- Both **RENTER** and **OWNER** TENURE, usually **ATTACHED UNITS** (rather than single-family detached houses in sprawling suburbs).
- Measure **MARKET POTENTIAL** in units, prices, rents, and square feet.
- HOUSING **FORMATS** and amenities aligned with the Target Markets.
- Incorporate **PLACEMAKING** attributes, aligned with MPlace initiatives.



Source of Lifestyle Cluster Data

| Brand Name | Providers |
|---------------------|----------------------------|
| ▪ Mosaics | Experian SitesUSA |
| ▪ Prizms | Nielsen Claritas |
| ▪ Tapestries | ESRI ArcGIS |
| ▪ Landscapes | MediaMark Synergos |



Experian Data Sources


- Consumer behavior in the **RETAIL** and **CREDIT** markets. Catalog subscriptions, credit, and debt; credit card transactions; credit limits; purchases on installment plans; and debt payments and transfers.
- Consumer behavior in the **MORTGAGE** and **CREDIT** markets. Home values from new mortgages; plus trends in home equity loans, refinancing, and/or foreclosures.
- Tracking of **LIFE EVENTS**. Change of address, purchase of a new home or car, new additions to the family, change in marital status, etc.
- **SOCIO-ECONOMIC** Data – U.S. Census and ACS estimates. Income, Family Size, Age, Ethnicity, Education, etc.





Target Markets on the Move

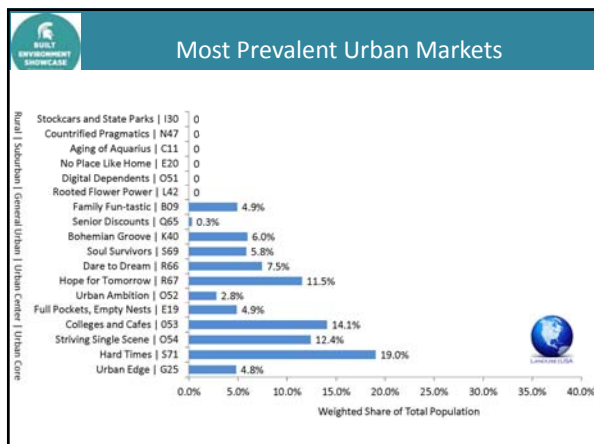
Digital Dependents
Bohemian Groove
Rooted Flower Power
Urban Ambition
Family Fun-tastic
Full Pockets, Empty Nests
Striving Single Scene

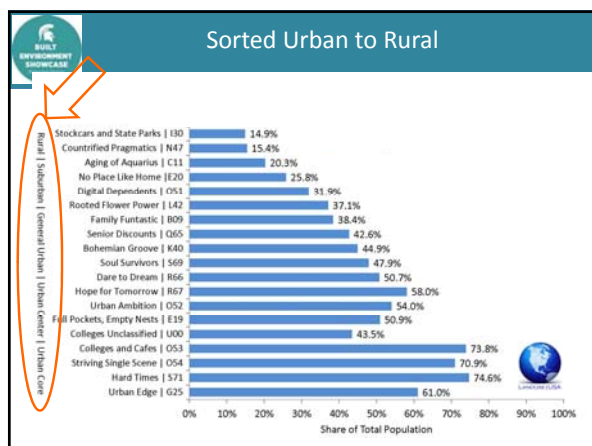
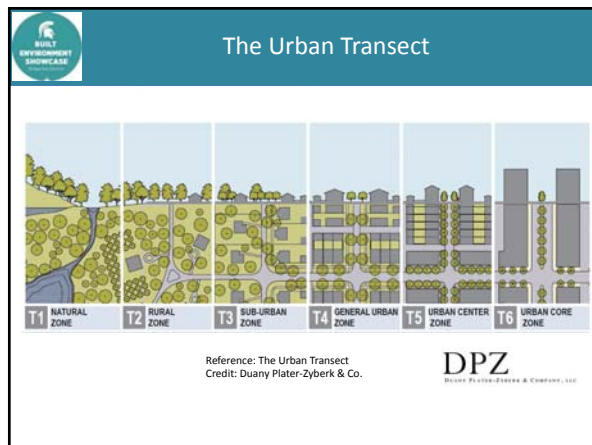
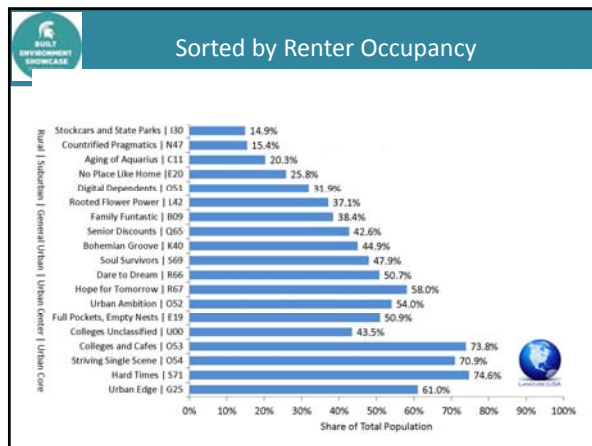


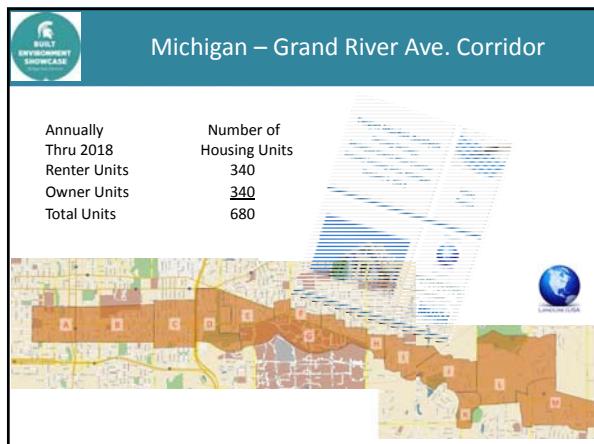



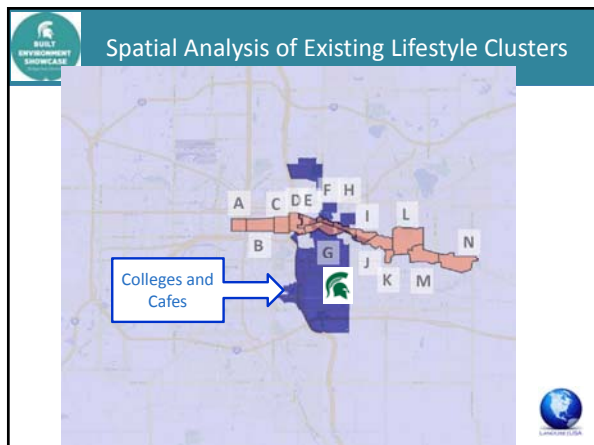
Target Markets on the Move

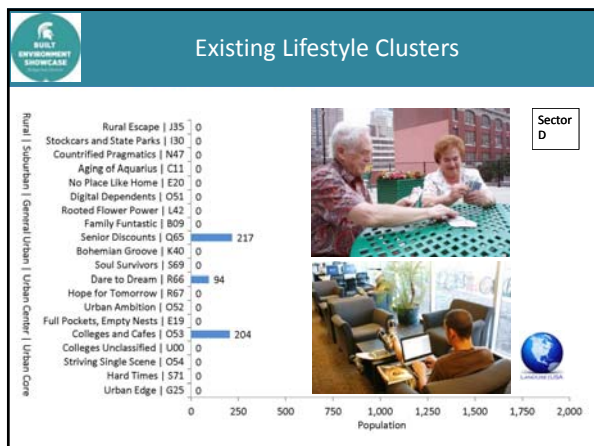
















Target Markets (The Potential)

Digital Dependents
Bohemian Groove
Rooted Flower Power
Urban Ambition
Family Fun-tastic
Full Pockets, Empty Nests
Striving Single Scene
...and some Colleges and Cafe's






**Sector
D**



Potential: Midtown District

| | Annually Thru 2018 | Proactive Scenario | Aggressive Scenario | Maximum Scenario | Share of Total |
|--------------------|-----------------------|-----------------------|------------------------|---------------------|-------------------|
| TENURE | | | | | |
| Renter Units | 30 | 100 | 231 | 57% | |
| Owner Units | 27 | 86 | 174 | 43% | |
| Total Units | 57 | 186 | 405 | 100% | |
| PRODUCT MIX | | | | | |
| Main Street Mix | -- | 19 | 41 | 10% | |
| Mid-Rise | -- | 37 | 81 | 20% | |
| Stacked Flats | 38 | 65 | 142 | 35% | |
| Duplexes | 6 | 28 | 61 | 15% | |
| Row Houses | 13 | 37 | 80 | 20% | |
| Total Units | 57 | 186 | 405 | 100% | |


Note: The allocation by unit mix assumes that the Midtown Frandor project undergoes significant redevelopment, not only along Michigan Avenue, but also on properties north to the Saginaw Highway.



Potential: Downtown Lansing


| | Annually Thru 2018 | Proactive Scenario | Aggressive Scenario | Maximum Scenario | Share of Total |
|--------------------|-----------------------|-----------------------|------------------------|---------------------|-------------------|
| TENURE | | | | | |
| Renter Units | 5 | 43 | 113 | 62% | |
| Owner Units | 9 | 33 | 68 | 38% | |
| Total Units | 14 | 76 | 181 | 100% | |
| UNIT MIX | | | | | |
| Mid-Rise | -- | 48 | 115 | 64% | |
| Flex Mixed-Use | -- | 14 | 33 | 18% | |
| Main Street Mix | -- | 14 | 33 | 18% | |
| Total Units | -- | 76 | 181 | 100% | |

Note: The allocation by product mix assumes that 100% of the units are developed in the City of Lansing's downtown core. If some units are shifted to surrounding neighborhoods, then alternatives may include stacked flats, multiplexes, row houses, and/or duplexes.




**T6 Core
&
TSMS Main St.**


T6 – Opticos Design, Inc.




TSMS – Opticos Design, Inc.




Questions and Answers




Jim Tischler, AICP
MSHDA



Sharon Woods, CRE
LandUse|USA, LLC



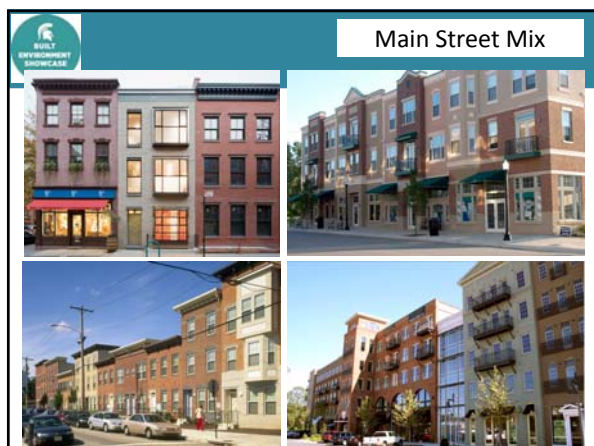
Mid-Rise Form





Mid-Rise Form







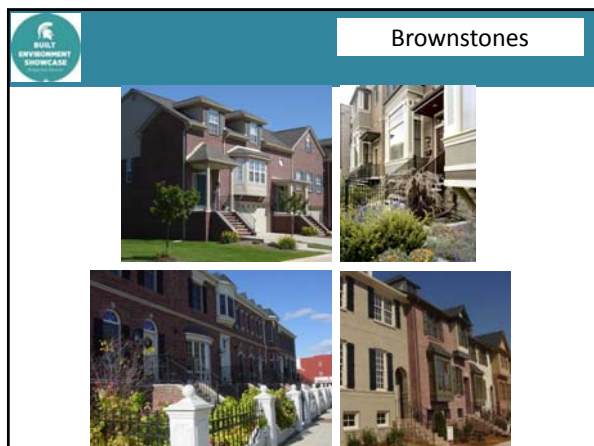




Stacked Flats

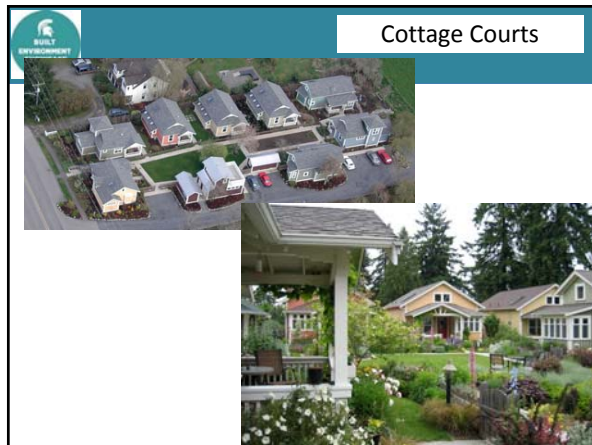


Row Houses

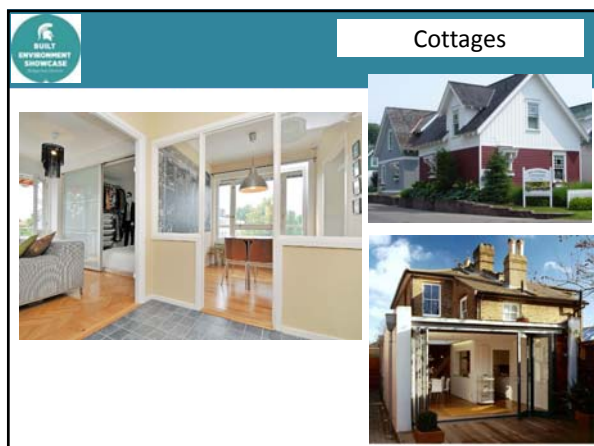


Brownstones

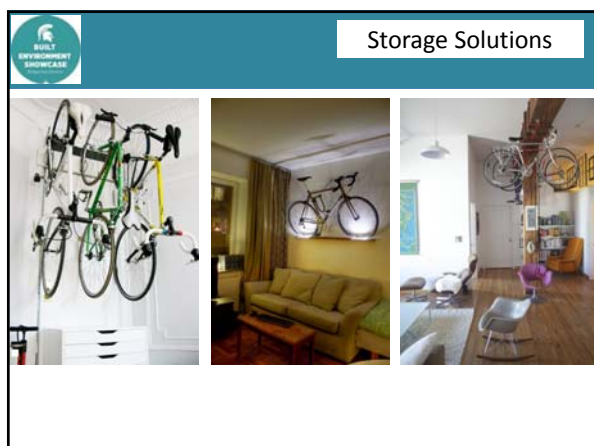






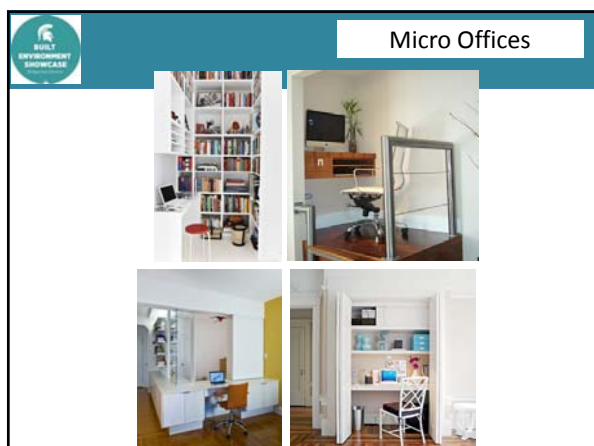


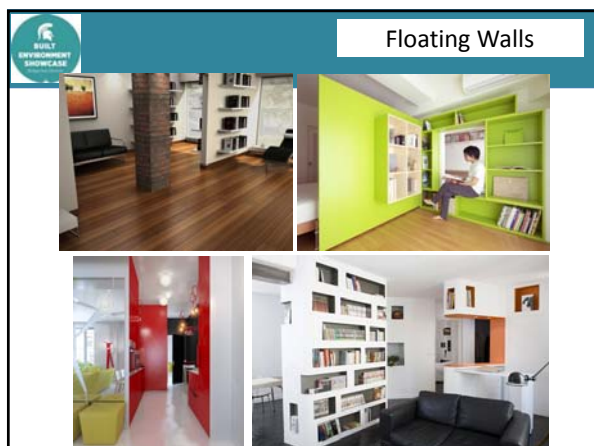




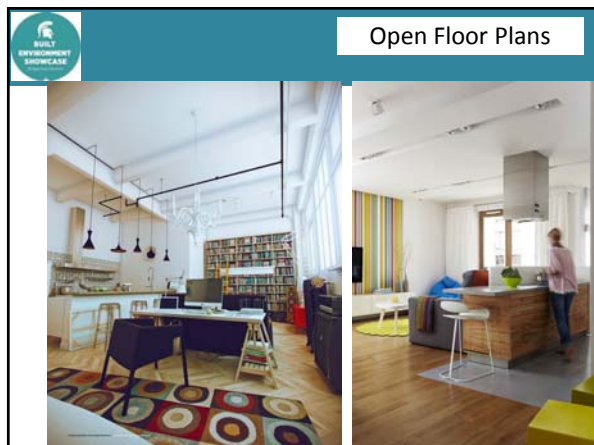








Floating Walls



Open Floor Plans



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Thank You!
