

Kalamazoo & Battle Creek

Multifamily Report | 2018

NAI Global
Great Lakes Region



Kalamazoo & Battle Creek Overview

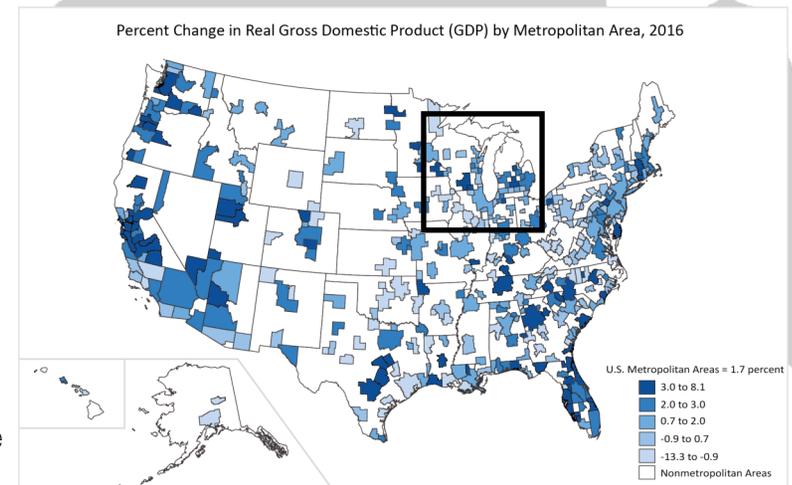
The Kalamazoo/Battle Creek area offers a great opportunity for real estate investment. Both Kalamazoo and Battle Creek have organizations that promote business development and economic growth. Battle Creek Unlimited and Kalamazoo Promise have the support of philanthropists and public investors that creates regional wealth through business development, retention, and attraction. Battle Creek Unlimited focuses on the business development in downtown Battle Creek. Since 2008, more than \$39 million in investments have been leveraged to create an \$88 million impact within the downtown district, thus creating more than 1,100 jobs for the Battle Creek area. Kalamazoo Promise is a non profit organization supporting the growth of human capital for the Kalamazoo area by funding higher education. The program offers a scholarship for students who attend all four years of high school at, and graduate from, Kalamazoo Public Schools. For these students, 100% of their tuition and fees are covered for any public college or university in the state. The foundation of Kalamazoo Promise has been estimated to be funded for between \$200-\$250 million.

Why Kalamazoo & Battle Creek?

- Over \$200 million invested in human capital (Kalamazoo Promise)
- \$88 million privately invested in Downtown Battle Creek
- Battle Creek ranked 8th nationally for economic development
- 1st Sustainable Brewing Degree in the nation from KVCC & WMU
- WMU ranked 13th most affordable and eco-friendly campus in the nation
- Kalamazoo College ranked 27th nationally among U.S. Liberal Art Colleges
- WMU has the No. 1 Aviation College in the State and one of the largest in the Country
- Battle Creek ranked No. 55 nationally for job growth



Data Source: Mlive Media Group



Data Source: U.S. Department of Commerce BEA, United States Census Bureau, Mlive Media Group, The Right Place, Forbes, Milken institute

Who's in Kalamazoo & Battle Creek?

Colleges and Universities	Enrollment
Kalamazoo, MI	
Western Michigan University	23,252
Kalamazoo Valley Community College	11,956
Kalamazoo College	1,443
Davenport University – Kalamazoo	1,207
Battle Creek, MI	
Kellogg Community College	6,251
The Robert B Miller College	290
Wright Beauty Academy	67
Total	44,466

Employers	Employees
Bronson Health Care System	8,600
Pfizer	6,000
University Relations	4,245
Western Michigan University	4,219
Denso Manufacturing	3,009
Kellogg Company	2,500
Hart-Dole-Inouye Federal	2,100
PNC Bank	2,000
VA Medical Center	1,400
Michigan Air National Guard	1,300
Hart-Dole-Inouye Federal	1,206
Post Cereals	740
Meijer, Inc	700
Total	38,019

Data Source: Collegestat.org, Collegeportrails.org, City of Kalamazoo, City of Battle Creek, Battle Creek Unlimited, Kalamazoo Promise.

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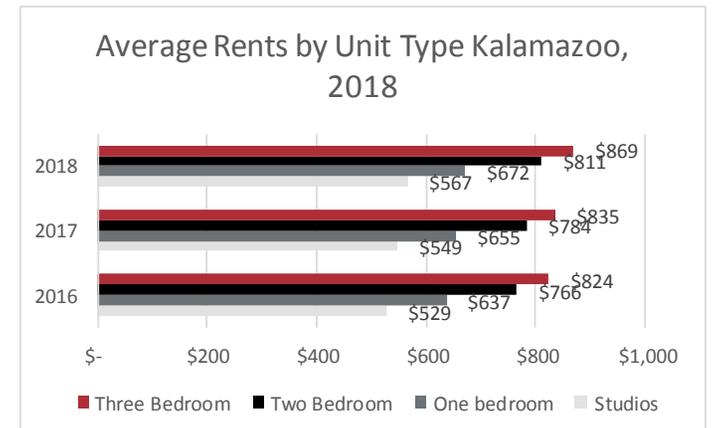
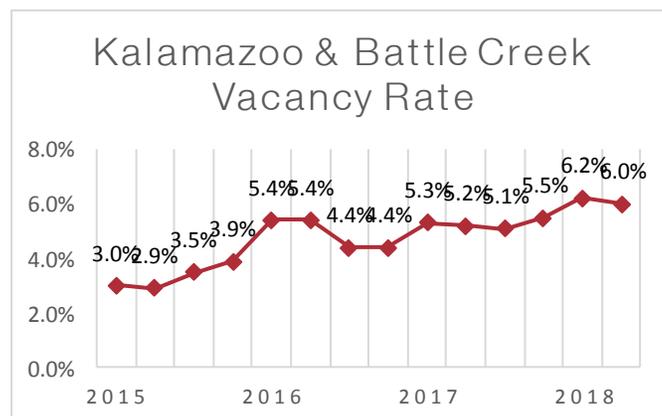
Kellogg's



Why Kalamazoo & Battle Creek ?

314,271
Total Population

Data Source: CoStar Realty Information Inc.
United States Census Bureau



Kalamazoo & Battle Creek Attractions



Wings Stadium Home of the Kalamazoo Wings, a AA Hockey team in the ECHL. This arena can hold up to 5,113 people.



Air Zoo Influenced by Kalamazoo's rich history in aviation, this museum holds more than 50 rare planes along with real flight simulators and park rides.



Gilmore Car Museum Includes numerous historic structures, including vintage car dealerships, a small-town train station, a fully-functioning 1941 Silk City Diner, a recreated 1930s Shell Station, and more.



Bells Brewery Bells Brewery's Two Hearted Ale was voted best beer in America. Tours of the facility are a great way to spend an afternoon.



Kalamazoo Institute of Art Rotating exhibition non-profit art museum and home of the 3,000 student enrolled Kirk Newman Art School.



Binder Park Zoo A 433-acre zoo, which is one of the largest in the State of Michigan. It is home to 600 different animals and 140 different species



Inge's Place A local business incubator and showcase, offering office space for start-ups, small non-profits, and anyone needing space to get work done.



Kalamazoo River Valley Trail The newest addition to Kalamazoo's county parks, this trail offers 35 miles of remarkable scenic paved routes.



Kalamazoo Downtown District Central to over 1,000 businesses, this southwest Michigan hub offers plenty of entertainment and dining experiences, perfect for a weekend visit or a night out on the town.



Western Michigan University Waldo Stadium Home of the WMU Broncos Football team, this stadium hosts over 30,000 spectators during game day. Renovated in 2003, this stadium also hosts many high school athletics.

Western Michigan University



Introduction

Founded in 1903, Western Michigan University has grown from a small college to a nationally recognized University, now enrolling over 23,000 students from across the U.S. and 100 other countries. Their main campus is located in Kalamazoo, Michigan, which has been ranked by the American Institute for Economic Research as one of the top 20 college towns in the U.S., with populations between 250,000—1,000,000. Western Michigan offers 147 bachelor's, 73 master's, and 30 doctoral degree programs. The degree-granting colleges include the college of arts and sciences, aviation, education and human development, engineering and applied sciences, fine arts, Haworth College of Business, and health and human services.

Twelve Campuses

[Kalamazoo](#) [Battle Creek](#) [Grand Rapids](#) [Grand Rapids](#) [Lansing](#) [Auburn Hills](#) [Clinton Township](#) [Muskegon](#) [Benton Harbor](#) [Traverse City](#) [Punta Gorda](#) [Tampa Bay](#)

Western Michigan University has four local campuses. Kalamazoo, the Main Campus, sits on 1,200 acres just outside of downtown. The Parkview campus is located just south of Main Campus, and is home to the College of Engineering and Business Technology. Oakland Drive Campus includes the College of Health and Human Services and is also the new home to the University Archives and Regional History Collections. The Aviation Campus is located in Battle Creek, at the W.K. Kellogg Airport. Western Michigan's College of Aviation is the only public aviation program offered in the State of Michigan, and is one of the largest aviation programs in the nation. The campus has undergone significant growth and development in the past 5 years, with the construction of the new Valley Dining Center, and the \$4 million expansion of the Parkview Campus to create the new Business Technology and Research Park.

Accolades

- WMU is classified as one of just 157 public, and 222 public and private institutions that conduct research at the "higher" or "highest" levels.
— *The Carnegie Foundation*
- Named the most affordable "highly ranked" university in Michigan
— *Business Insider*
- Named to the Princeton Review's list of "Best Business Schools"
— *The Princeton Review*
- Awarded Best of GRITS—Green Revolving Investment Tracking System—honoring the University as that years large nonprofit institution with the most carbon emissions saved.
— *The Sustainable Endowments Institute*

WESTERN MICHIGAN
UNIVERSITY

Total Endowment:	\$386.6 Million
Annual Budget:	\$109.4 Million
Aid Awarded:	\$22.8 Million

Source: Business Insider, Western Michigan University, MLive, Princeton Review



Athletics

WMU is an NCAA Division I school in the Mid-American Conference (football Bowl Subdivision) and National Collegiate Hockey Conference. The school offers 16 varsity sports, including 6 Men's sports and 10 Women's Sports. Their most recent athletic achievement was remaining undefeated and beating Ohio State 29-23 in the 2016 MAC Championship Game.

Student Housing

Western Michigan has multiple options for student housing on campus. There are 13 residence halls that support nearly 5,000 students. Residence hall meal plans are purchased with the overall dining services contract. Options range from unlimited access down to 10 meal swipes a week, including various amounts of dining dollars. 3 apartments are available on campus, as well as Spindler Hall, a historic residence hall with only 80 residents and occupied by mostly senior, graduate or non-traditional students.

Construction Projects

Due to solid demand in attendance at Western Michigan University, the campuses and their assets have continued to grow alongside the West-Michigan economy.

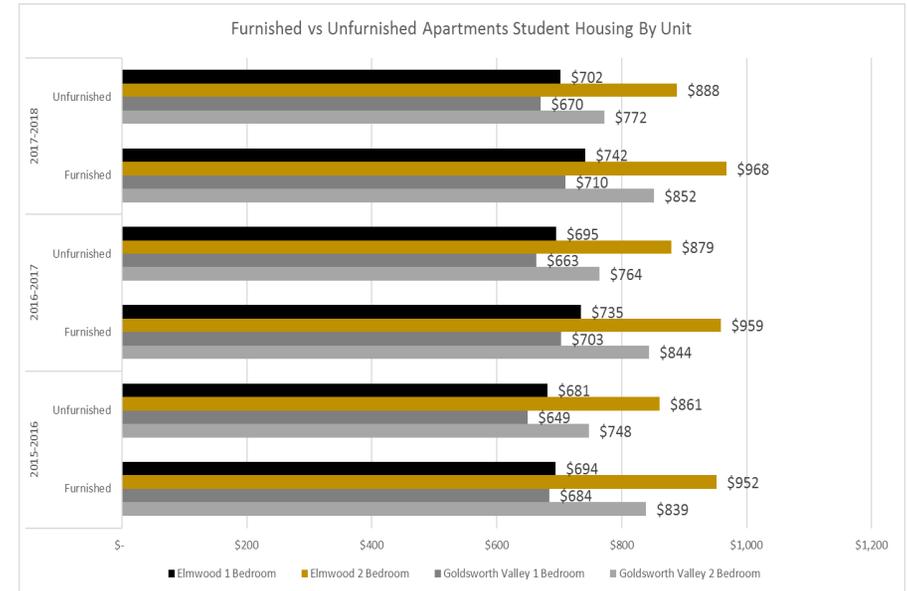
Below is a list and details of ongoing or planned future projects on campus:

South Neighborhood

Demographics on campus are shifting towards a strong international enrollment and growing number of students from out of state. The campus plans to expand housing into the newly named South Neighborhood to keep up with the growing numbers. This area of student living is highly visible from Stadium Drive and will provide an attractive face for the "longest continuous face of the campus" according to WMU President, Edward Montgomery. The site previously had Elmwood Apartments, that housed 220 students, but the building was demolished this past May. Plans for occupancy are set to be in 2020.

Student Center

With new housing, a new student center is also in the works. WMU partnered with Cannon Design to plan the facility with an information and welcome center, student services one stop center, student organization support, and student support services. The space will also include affinity spaces, lounges, meeting spaces, retail shops/food service, and student meal plan food service/dining. The new student center is planned to completed by the 2021-2022 academic year.



NAI Global Great Lakes Region, an affiliate of NAI Global recognizes the challenges facing real estate owners, asset managers, lenders and receivers, and we understand the intricacies that must be dealt with for each transaction. NAI Global is the world's largest managed network of independently-owned commercial real estate firms, and can offer you the service and interoffice communications necessary to help you with the disposition or acquisition of your multifamily properties.

NAI Global Great Lakes Region offers hands on experience in brokerage, development, ownership, condo conversions, property management, and finance. We understand the owner's perspective and that there are many factors involved in making a prudent investment decision. Our team and relationship-based approach allows us to offer a broader and more long-term continuum of services throughout the acquisition, operations, and disposition processes. Through affiliate relationships, we can offer property management services on both conventional and tax credit properties. NAI Global Great Lakes can act as liaison to that relationship.

While we offer a wide range of services, **our disposition platform is singularly focused on helping you obtain the highest price possible for your property, as fast as possible.** This requires creating maximum market exposure to the largest and most qualified group of investors. The key is to create competition for your asset. We accomplish this using our extensive database of buyers, multiple marketing platforms, cutting edge technology and active phone prospecting.



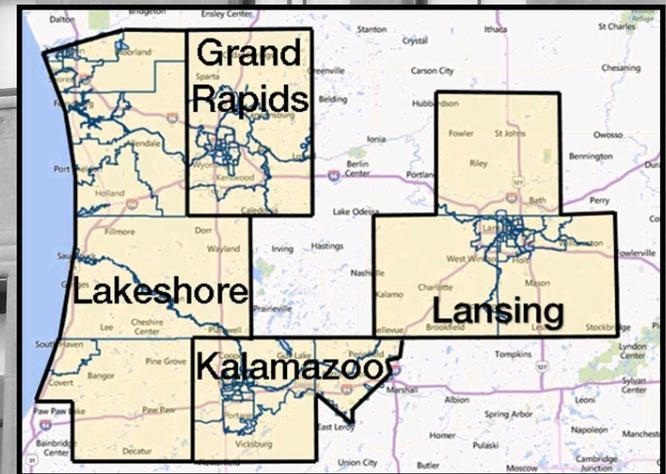
Scott M Nurski, MBA

Scott has a strong background in business and holds an MBA in Finance. Scott's major responsibilities include analyzing financial statements and developing pro-formas in order to establish market value. He is also responsible for developing and implementing a strategic, customized marketing plan for each property and managing the team's database of research data, market information, and active buyers and sellers. Scott has an exceptional grasp of national and local industry trends.

616.242.1106
scottn@naiwwm.co



To receive future market reports or to obtain a free Broker Opinion of Value, please email your request to scottn@naiwwm.com



Craig Black, CCIM

Craig brings over 35 years of experience in real estate to the team. His background covers ownership, development, brokerage, and asset management. Craig's responsibilities primarily involve working with buyers and sellers to consummate a transaction. He interacts with both parties and their representatives through all aspects of a sale up to and through the closing. His hands on experience is a valuable asset to the

616.242.1126
craigb@naiwwm.co

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www.naiglobalgreatlakes.com

NAI Global
Great Lakes Region

100 Grandville Ave SW Suite 100

Grand Rapids, MI 49503

616.776.0100 www.naiwwm.com

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