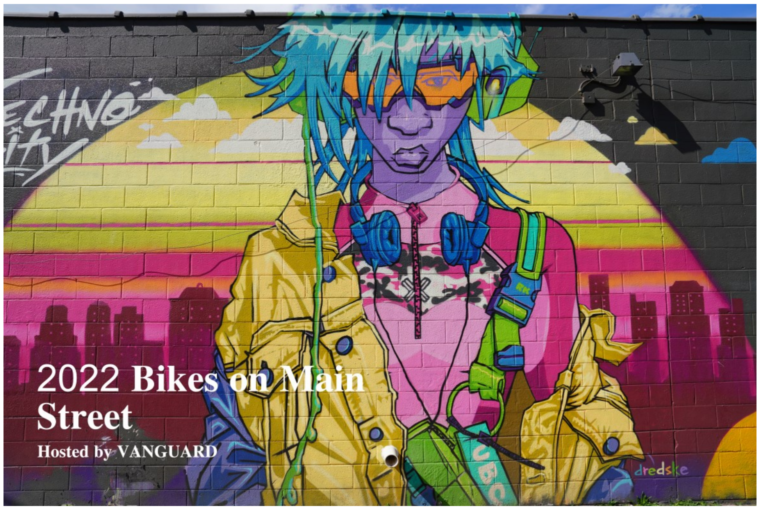
THE HISTORIC NORTH END
DETROIT, MICHIGAN



MARKET SNAPSHOT

Vanguard Community Development and community partners are taking a pro-active approach to planning for the future prosperity of Detroit's Historic North End business district. Ongoing efforts are serving to heighten the district's appeal as a place to work, visit, live, do business, and invest. A holistic approach to revitalization is sparking a new wave of activity and positioning The Historic North End as a local and regional attraction, economic engine, and center for commerce.

This Market Snapshot, commissioned by Michigan Main Street, a program of The Michigan Economic Development Corporation, summarizes local and regional demographic, lifestyle and retail data. The information provides a starting point for evaluating the market, identifying potential opportunities, and for assessing district enhancement strategies; and for benchmarking and tracking changes in the market and possible implications for The Historic North End.

VANGUARD community development

(313) 462-4300 vanguarddetroit.org

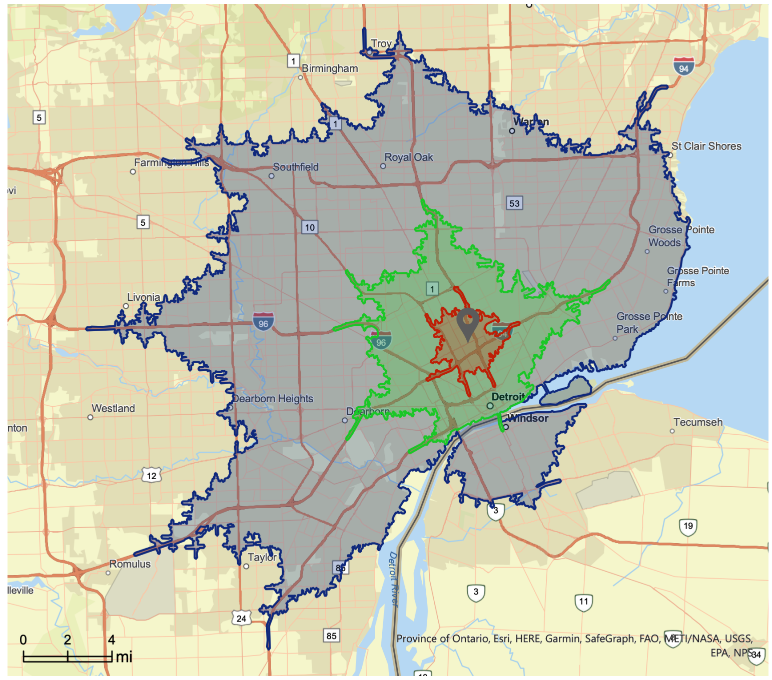
The Historic North End is a Michigan Main Street community.

Michigan Main Street assists communities revitalizing and preserving their traditional commercial districts.

The program provides technical assistance for communities desiring to develop their own local Main Street program by utilizing the Main Street Approach™ – a common-sense approach to tackling the complex issues of revitalization by capitalizing on downtown's history and identifying the unique assets of the community itself.

THE HISTORIC NORTH END DRIVE TIME MARKET

DEMOGRAPHIC FAST FACTS | SOURCE: ESRI 2022



POPULATION	5 Minutes	10 Minutes	20 Minutes
2010 Total	27,333	261,079	1,510,634
2020 Total	27,900	232,349	1,464,840
2022 Estimate	28,368	232,799	1,461,422
2027 Projection	28,556	232,200	1,447,740
Growth (2022-27)	0.7%	-0.3%	-0.9%
Projected State Population Growth (2022-27)			-0.2%

2022 DAYTIME POP	5 Minutes	10 Minutes	20 Minutes
Total Daytime Population	60,585	345,043	1,551,228
Workers	42,552	189,302	689,990
Residents	18,033	155,741	861,238
Daytime Change	113.6%	48.2%	6.1%

HOUSEHOLDS	5 Minutes	10 Minutes	20 Minutes
2010 Total	11,844	102,435	589,776
2020 Total	12,668	95,364	587,617
2022 Estimate	12,922	95,753	588,350
2027 Projection	13,138	96,347	586,418
Growth (2022-27)	1.7%	0.6%	-0.3%
Projected State Households Growth (2022-27)			0.3%

MEDIAN HH INCOME	5 Minutes	10 Minutes	20 Minutes
2022 Estimate	$28,072	$31,196	$50,517
2027 Projection	$33,057	$37,511	$58,525
Growth (2022-27)	17.8%	20.2%	15.9%
2022 State Median HH: $63,818		2022-27 Growth: 18.7%	

Market Traits | Source: Esri 2022

Housing Units	5 Minutes	10 Minutes	20 Minutes
2022 Estimate	16,385	122,916	663,011
- Owner Occupied	18.9%	30.4%	51.7%
- Renter Occupied	60.0%	47.5%	37.1%
- Vacant	21.1%	22.1%	11.3%
Estimated State Percent Vacant (2022)			11.6%

Population by Race/Ethnicity—Diversity

Diversity Index	5 Minutes	10 Minutes	20 Minutes
2010	40.9	50.9	60.7
2020	56.8	64.5	65.8
2022	57.4	64.7	66.0
2027	58.6	65.5	66.8
State Diversity Index		**2022**: 49.5	**2027**: 50.9

The Diversity Index summarizes racial and ethnic diversity. The index shows the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. The index ranges from 0 (no diversity) to 100 (complete diversity).

2022 Population 25+ by Educational Attainment

Education	5 Minutes	10 Minutes	20 Minutes
No HS Diploma	14.2%	18.7%	12.7%
HS Grad/GED	29.4%	33.0%	31.4%
Some College/Assoc	28.5%	28.1%	30.8%
Bachelor/Grad/Prof	27.9%	20.2%	25.1%

Per Capita Income
2022 Estimate

5 Minutes	$22,464
10 Minutes	$20,689
20 Minutes	$29,042
State	$37,050

Median Age
2022 Estimate

5 Minutes	35.1
10 Minutes	36.1
20 Minutes	38.8
State	40.9

2022 Employed
Civilian Population 16+

5 Minutes	91.0%
10 Minutes	89.2%
20 Minutes	92.5%
State	94.9%

2022 Employment by Occupation

2022 Employed 16+	5 Minutes	10 Minutes	20 Minutes
Total Estimate	10,523	77,533	610,257
- White Collar	56.3%	49.1%	55.1%
- Services	23.9%	24.6%	18.9%
- Blue Collar	19.7%	26.3%	26.0%

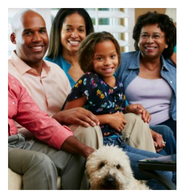
Source: Esri Market Profile | 08.22

Lifestyle Profile | Source: Esri 2022

Esri's Community Tapestry is a geodemographic segmentation system that integrates consumer traits with residential characteristics to identify markets and classify U.S. neighborhoods. Tapestry Segmentation combines the "who" of lifestyle demography with the "where" of local geography to create a classification with 67 distinct behavioral market segments (Tapestry Segments), each belonging to one of fourteen LifeMode Groups.

Prevalent Esri Tapestry LifeMode Groups

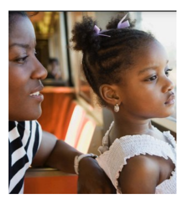
Tapestry LifeMode groups represent markets that share a common experience—born in the same generation or immigration from another country—or a significant demographic trait, like affluence. The Hometown and Midtown Singles LifeMode Groups are among those most prevalent in the drive time areas.



Hometown [LM12] | #1 in All Drive Times

5 Minutes		10 Minutes		20 Minutes	
HHs	Percent	HHs	Percent	HHs	Percent
695	9.8%	24,083	34.1%	240,550	52.0%

- Growing up and staying close to home; single householders.
- Close-knit urban communities of young singles (many with children).
- Owners of old, single-family houses, or renters in small multiunit buildings.
- Religion is the cornerstone of many of these communities.
- Visit discount stores and clip coupons.
- Purchase used vehicles to get to and from nearby jobs.



Midtown Singles [LM11] | #2 in 5 Minute Drive Time

5 Minutes		10 Minutes		20 Minutes	
HHs	Percent	HHs	Percent	HHs	Percent
2,875	40.7%	9,547	13.5%	12,696	2.7%

- Millennials on the move—single, urban.
- Millennials seeking affordable rents in apartment buildings.
- Work in service and unskilled positions, usually close to home or public transportation.
- Single parents with very young children.
- Embrace the internet, for social networking and downloading content.
- From music and movies to soaps and sports, radio and television fill their lives.
- Brand-savvy shoppers select budget-friendly stores.

Information on Esri Tapestry methodology and applications, along with descriptions for Tapestry's 67 segments, are available from the Esri website at: http://doc.arcgis.com/en/esri-demographics/data/tapestry-segmentation.htm

Source: Esri Community Tapestry Segmentation | 08.22

RETAIL VIEW | SOURCE: CLARITAS 2022

The Claritas Retail Market Power (RMP) 2022 Retail Stores Opportunity Gap report provides a direct comparison between retail sales and consumer spending by industry. To capture a snapshot of an area's retail market performance, estimates of sales by businesses (supply) are compared to estimates of consumer spending (potential sales or demand) from households in the same area. The difference between estimated actual sales (supply) and potential sales (demand) is expressed as sales surplus or leakage.

NORTH END | DRIVE TIME MARKET

SALES SURPLUS AND LEAKAGE ESTIMATES | ($MM)

Total Retail Trade (NAICS 44 – 45)	5 Minutes	10 Minutes	20 Minutes
- Est. Sales (Supply)	$240.8M	$2698.7M	$22755.8M
- Potential Sales (Demand)	$176.2M	$2031.9M	$17963.8M
- Est. Surplus/(Leakage)	$64.6M	$666.8M	$4792.0M
Total Food and Drink (NAICS 722)	5 Minutes	10 Minutes	20 Minutes
- Est. Sales (Supply)	$51.0M	$502.3M	$2447.1M
- Potential Sales (Demand)	$18.7M	$208.3M	$1862.9M
- Est. Surplus/(Leakage)	$32.2M	$294.0M	$584.2M
Total Retail, Food and Drink (NAICS 44 – 45, 722)	5 Minutes	10 Minutes	20 Minutes
- Est. Sales (Supply)	$291.8M	$3201.0M	$25202.9M
- Potential Sales (Demand)	$194.9M	$2240.2M	$19826.7M
- Est. Surplus/(Leakage)	$96.9M	$960.8M	$5376.2M

Estimates shown in millions and rounded to nearest one hundred thousand dollars.

Retailers and real estate analysts use Claritas RMP data to understand the difference between supply and demand in existing and potential new trade areas. In areas where demand exceeds supply, an opportunity gap—or leakage—exists that can attract new retail operations or inform what changes need to be made to a store’s product mix to increase market share. In areas where supply exceeds demand, a surplus exists, which can signal that the area is attractive to retailers and might offer opportunities for complementary or niche establishments that could capitalize on existing retail clusters and consumer patterns.

Source: Claritas Market Power® 2022 | Retail Stores Opportunity Gap.

Data Note: The polarity of surplus/leakage estimates and sales gap factors shown in this document (as compared to those shown in source Claritas reports) have been reversed to show surplus as a positive value, and to show leakage as a negative value. The Retail Gap (Sales Surplus/Leakage) represents the difference between Retail Potential (Demand) and Retail Sales (Supply). A positive value represents a surplus in sales, often indicating a market where sales are being captured from customers residing outside the defined area.

RMP focuses on Retail Trade NAICS codes 44 and 45, as well as the Food Services industry NAICS code 722. Once national and county level CRT tables are retrieved from the U.S. Census Bureau, all establishments are coded using 2012 North American Industrial Classification System (NAICS) codes to match the data source. The 2012 NAICS codes are then matched with the latest release of NAICS codes from 2017 to reflect any changes in codes.

TOTAL SALES

[Retail Trade (NAICS 44—45) + Food & Drink (NAICS 722)] | Source: Claritas 2022

$292 MILLION	$3.2 BILLION	$25.2 BILLION
5 MINUTES	10 MINUTES	20 MINUTES

PERFORMANCE BY CATEGORY

Sales gap factors, sometimes referred to as “pull factors,” offer a quick-look means of assessing the relative strength of retail and food and drink categories for a defined area. The factor is a measure of the relationship between supply and demand that ranges from +100 (total surplus) to -100 (total leakage).

A positive value represents a surplus of retail sales and can be indicative of a market where customers are pulled and sales are being captured from consumers residing outside the defined area. Categories with the highest surplus factors might signal opportunities for expansion or tactics to build on market strengths or niches, while categories with negative factors might offer an indication of gaps in the business mix and possibilities for re-positioning, expansion, or recruitment.

SALES GAP FACTORS | NORTH END DRIVE TIMES

Category—Factor	5 Minutes	10 Minutes	20 Minutes
Motor Vehicle and Parts Dealers	1.6	7.1	24.6
Furniture and Home Furnishings Stores	28.7	7.9	12.8
Electronics and Appliance Stores	19.1	13.6	18.9
Building Materials, Garden & Supply	(64.6)	(13.3)	(0.6)
Food and Beverage Stores	30.4	36.6	18.9
Health and Personal Care Stores	45.5	27.9	21.9
Gasoline Stations	33.4	19.3	7.5
Clothing and Clothing Accessories	50.8	23.2	15.4
Sporting Goods, Hobby, Book, Music	31.9	12.5	3.3
General Merchandise Stores	(10.8)	19.4	21.6
Miscellaneous Store Retailers	45.0	19.0	10.3
Nonstore Retailers	(9.5)	(20.2)	(37.2)
Food Services and Drinking Places	46.2	41.4	13.6

Source: Claritas Market Power® 2022 | Retail Stores Gap | Calculations by DPN

Limitations and Disclaimers

Retail market analyses, their components (such as retail sales gap analyses) and derivative business development plans provide important guidance on how a commercial area should, theoretically, be able to perform and on the sales levels businesses should be able to achieve. However, many factors affect the actual performance of businesses and commercial areas, including the skills of the business operator, level of business capitalization, the quality of the physical environment, changes in overall economic conditions, the effectiveness of business and district marketing programs, and other variables. The information in this document is intended to provide a foundation of information for making business development decisions, but it does not and cannot ensure business success.

As is true of all demographic, economic and market studies, our analysis' reliability is limited to the reliability and quality of the data available. Our research assumes that all data made available by and procured from federal, state, city, primary and third party sources is accurate and reliable.

Because market conditions change rapidly and sometimes without warning, the information and opinions expressed here represent a snapshot in time and cannot predict or gauge future changes or results.

SUPPLEMENT

COMMUNITY PROFILE

DETROIT, MICHIGAN | 2022

Population

637,423

Households

254,579

Median Household Income

$36,239

Median Age

37.0 years

Housing Units

308,486

FOR RENT

39.1% Owner Occupied

43.5% Renter Occupied

17.5% Vacant Housing Units

POPULATION BY RACE/ETHNICITY | 2022

Total	637,424
- White Alone	10.6%
- Black Alone	77.4%
- American Indian Alone	0.5%
- Asian Alone	1.6%
- Pacific Islander Alone	0.0%
- Some Other Race Alone	4.7%
- Two or More Races	5.1%
Hispanic Origin	8.1%
Diversity Index	47.5

Source: Esri Market Profile | 08.22

MICHIGAN MAIN STREET

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

DOWNTOWN PROFESSIONALS NETWORK

ABOUT YOUR MARKET SNAPSHOT

Data Sources and Applications

Esri Demographics Data | Market Profile

Esri's demographics provide decision makers the most current information available to understand and track changes in the population, consumer behavior, and broader market area trends. Information can help inform market strategies by analyzing and assessing:

- How trends in population, households, income, and other variables might impact existing businesses and prospects for growth
- How changes in daytime population effect commerce, opportunities, and the district's way of life
- How housing unit numbers and occupancy trends might influence demand, housing styles, and price points for district housing
- How changes in age, diversity, and other population traits could effect demand for products and services, menu items, amenities, events, etc.
- How education and employment levels might impact opportunities for business growth and the cost of doing business

Esri Segmentation Data | Tapestry Segmentation Area Profile

Esri Tapestry is a geodemographic segmentation system that integrates consumer traits with residential characteristics to identify markets and classify U.S. neighborhoods among 67 distinct market segments. For a broader view of consumer markets, segments are summarized by 14 LifeMode groups — groups of Tapestry segments that share similar demographic characteristics and consumer behavior patterns. Information profiling concentrations of different groups and segments in the marketplace can offer insights useful for:

- Gauging the market's potential response to business concepts and features such as menu items, products, services, amenities, price points, merchandising techniques, etc.
- Fine-tuning messaging, marketing, and advertising strategies to resonate with and reach intended market segments
- Programming activities and events that appeal to the lifestyles and preferences of targeted audience members
- Assessing how current housing styles, preferences, and life stages of different segments could impact district housing opportunities

Claritas | Retail Market Power (RMP) Opportunity Gap Data

Claritas' Retail Market Power Opportunity Gap by Retail Store Types report enables users to assess growth strategies by depicting the sales gaps that exist in the marketplace. By using sales potential to depict supply and geography-based estimates of potential annual consumer expenditures to depict demand, Retail Market Power® enables an opportunity gap (sales surplus and leakage) analysis of the retail environment. The information provides a good starting point for:

- Assessing and tracking overall sales volumes and retail performance
- Identifying market strengths, retail clusters, and possibilities for complementary business types, products, and uses
- Detecting gaps in the business mix and possible business repositioning, expansion, and recruitment opportunities

Digging Deeper | Source Reports

The Market Snapshot summarizes slices of more extensive data contained in source Esri and Claritas reports delivered with your snapshot. For example:

- Esri's Market Profile report contains in-depth demographic data for hundreds of variables, some dating back to the year 2000
- Esri's Tapestry Segmentation Profile report shows the distribution of 67 Tapestry segments with links to detailed descriptions
- Claritas' RMP Opportunity Gap Data provides sales supply, demand, and gap estimates for more than 100 Retail and Food Services and Drinking Places categories and subcategories