

Demand Estimates

In an effort to further define opportunities based on the residential base, demand forecasting for retail and related services were performed. Demand for retail goods and services for any area is based on the market's ability to purchase goods and services. As previously defined, the primary source, but not the only source of information used to define spending patterns for retail and related services demand was the telephone survey. The following represents a review of demand for retail and related services activity.

It is noted that the Village of Mackinaw City is situated in two counties. These are Cheboygan and Emmet Counties.

There are essentially four general residential market areas from which Mackinaw City draws. These non-visitor based residential markets are:

- ✓ The primary market composed of residents living in Mackinaw City.
- ✓ A secondary market composed of residents living in the remainder of Cheboygan County.
- ✓ A secondary market consisting of residents living in the remainder of Emmet County.
- ✓ A secondary market consisting of residents living in Mackinac County, just north of the bridge.

It is noted that employees of offices and other businesses are subsets of these three markets, generally with higher market penetration capabilities. It is also noted that all estimates of future activity exclude inflation.

Market Areas & Retail Sales

Retail goods and related services sales generated by primary market area residents are estimated at about \$8.7 billion in 2005. The primary market is relatively small, based on the number of households in the area that is just in excess of 400.

Aggregate retail sales figures represent a compilation of sales associated with ten major categories. The ten major categories of retail goods and related services are:

- ✓ Food, such as groceries and related merchandise generally purchased for home preparation or consumption.
- ✓ Eating and drinking, consisting of prepared food and beverages generally consumed on the premises or carried to another location.
- ✓ General merchandise, including variety stores, department stores and large value oriented retail operators.
- ✓ Furniture and accessories, including appliances and home furnishings.

- ✓ Transportation and utilities, including the sale of new and used automotive and other personal vehicles and parts and basic utilities for the home.
- ✓ Drugstores, including those specializing in health and beauty aids or pharmaceuticals.
- ✓ Apparel and accessories.
- ✓ Hardware and building materials, including traditional hardware stores and garden and home improvement centers.
- ✓ Auto services, including gasoline and vehicle repair.
- ✓ Miscellaneous, which includes a plethora of retail goods and services ranging from florists to paper goods.

Some operations fall into more than one category. For example, many of the general merchandisers associated with the “big box stores”, such as Wal*Mart, have added more or less traditional supermarket components to their operations.

Table 59 contains the estimated retail and related services sales generated by the primary market for the major categories for 2005.

Table 59 – Estimated Retail & Related Services Sales for the Village of Mackinaw City by Category*

Category	2005
Food	\$1,198,000
Eat/Drink	823,000
General Merchandise	1,171,000
Furniture	391,000
Transportation & Utilities	1,590,000
Drugstore	649,000
Apparel	214,000
Hardware	1,253,000
Vehicle Service	713,000
Miscellaneous	685,000
TOTAL	\$8,686,000

*Developed by The Chesapeake Group, Inc., 2005.

There are sub-categories, generally associated with particular types of businesses, found within each retail category. While not necessarily the largest in terms of sales, the miscellaneous category contains more sub-categories or types of establishments than any other major retail category. It is noted that irrespective of the strength, location factors, mass, or other issues, no community is able to attract all of the sales generated in a primary market area. As examples, people employed elsewhere often spend resources at or near their employment. At other times people make visits and spend money with relatives and friends living elsewhere or while on vacations.

The estimated retail and related services sales for 2005 by sub-category or types of businesses generated by residents of the primary market is found on Table 60.

Table 60 – Estimated Retail & Related Services Sales for the Village of Mackinaw City by Sub-category for 2005*

Sub-category	2005 Sales
Food	\$1,198,000
Supermarkets	1,000,330
Independents	95,840
Bakeries	26,356
Dairies	15,574
Others	59,900
Eat/Drink	823,000
General Merchandise	1,171,000
Dept. Stores	427,415
Variety Stores	84,312
Jewelry	80,799
Sporting Goods/Toys	127,639
Discount Dept.	426,244
Antiques, etc.	5,855
Others	18,736
Furniture	391,000
Furniture	92,276
Home Furnishings	136,068
Store/Office Equip.	85,238
Music Instr./Suppl.	16,813
Radios, TV, etc.	60,605
Transportation & Utilities	1,590,000
New/Used Vehicles	556,500
Tires, Batt., Prts.	701,190
Marine Sales/Rentals	84,270
Auto/Truck Rentals	248,040
Drugstore	649,000
Apparel	214,000
Men's and Boy's	28,034
Women's and Girl's	71,048
Infants	4,494
Family	59,492
Shoes	44,726
Jeans/Leather	856
Tailors/Uniforms	3,852
Others	1,498
Hardware	1,253,000
Hardware	606,452
Lawn/Seed/Fertil.	23,807
Others	622,741
Vehicle Service	713,000
Gasoline	242,420
Garage, Repairs	470,580
Miscellaneous	685,000
Advert. Signs, etc.	10,960
Barber/Beauty shop	41,785
Book Stores	31,510
Bowling	15,755
Cig./Tobacco Dealer	4,795
Dent./Physician Lab	27,400
Florist/Nurseries	51,375
Laundry, Dry Clean	23,290
Optical Goods/Opt.	16,440
Photo Sup./Photog.	47,265
Printing	55,485
Paper/Paper Prod.	29,455
Gifts/Cards/Novel.	97,955
Newsstands	5,480
Video Rent/Sales	89,050
Others	137,000
TOTAL	\$8,687,000

*Developed by The Chesapeake Group, Inc., 2005.

Growth in Retail Sales

From a public policy perspective, growth opportunities are critical. By focusing on opportunities that result from growth and assuming reasonable competitive positions, no sales or revenues are extracted from existing operations to create or attract new business or businesses. Thus and theoretically, expansions or new businesses do not come at the expense of existing ones.

It is noted that all three counties are expected to see reasonable growth in terms of new households in the foreseeable future. Those new households result in growth in demand for retail and service activity. Emmet County is expected to see the greatest level of growth of the three, adding a minimum of 600 new households in the next nine years. Cheboygan will see a minimum of 350 new households. Mackinac County will see a minimum of about one-third the level of growth of Cheboygan County.

As a result of the change in households and anticipated changes in average household income, retail and related services sales for Cheboygan County, excluding Mackinaw City, are expected to grow from about \$381.5 million in 2005, to \$393.3 million in 2015.

Table 61 – Cheboygan County Sales Estimates by Category for 2005, 2010, & 2015*

Sub-category	2005	2010	2015
Food	\$52,619,000	\$53,312,000	\$54,232,000
Eat/Drink	36,135,000	36,611,000	37,243,000
General Merchandise	51,436,000	52,113,000	53,013,000
Furniture	17,171,000	17,397,000	17,697,000
Transportation & Utilities	69,866,000	70,786,000	72,008,000
Drugstore	28,504,000	28,879,000	29,378,000
Apparel	9,387,000	9,510,000	9,675,000
Hardware	55,023,000	55,747,000	56,710,000
Vehicle Service	31,327,000	31,740,000	32,288,000
Miscellaneous	30,106,000	30,502,000	31,029,000
TOTAL	\$381,575,000	\$386,596,000	\$393,274,000

*Developed by The Chesapeake Group, Inc., 2005.

As found in Table 62, Emmet County sales are larger and are expected to grow from \$637.3 million in 2005, to \$666.3 million in 2015

Table 62 – Estimated Retail & Related Services Sales for Emmet County by Category*

Category	2005	2010	2015
Food	\$87,886,000	\$89,550,000	\$91,880,000
Eat/Drink	60,354,000	61,497,000	63,097,000
General Merchandise	85,910,000	87,537,000	89,815,000
Furniture	28,679,000	29,222,000	29,983,000
Transportation & Utilities	116,692,000	118,902,000	121,996,000
Drugstore	47,607,000	48,509,000	49,771,000
Apparel	15,678,000	15,975,000	16,391,000
Hardware	91,901,000	93,641,000	96,078,000
Vehicle Service	52,324,000	53,315,000	54,702,000
Miscellaneous	50,284,000	51,236,000	52,570,000
TOTAL	\$637,315,000	\$649,385,000	\$666,283,000

*Developed by The Chesapeake Group, Inc., 2005.

Of the three counties, retail and related services sales are smallest in Mackinac County and are expected to show lesser increases in the future.

Table 63 – Estimated Retail & Related Services Sales for Mackinac County by Category*

Category	2005	2010	2015
Food	\$22,145,000	\$22,469,000	\$22,794,000
Eat/Drink	15,207,000	15,430,000	15,654,000
General Merchandise	21,647,000	21,964,000	22,282,000
Furniture	7,226,000	7,332,000	7,438,000
Transportation & Utilities	29,403,000	29,834,000	30,266,000
Drugstore	11,996,000	12,172,000	12,348,000
Apparel	3,950,000	4,008,000	4,066,000
Hardware	23,156,000	23,496,000	23,836,000
Vehicle Service	13,184,000	13,377,000	13,571,000
Miscellaneous	12,670,000	12,856,000	13,042,000
TOTAL	\$160,584,000	\$162,940,000	\$165,296,000

*Developed by The Chesapeake Group, Inc., 2005.

Table 64 contains the retail sales for 2005 for the three counties that compose the market for goods and services in Mackinaw City

Table 64 – Estimated Retail & Related Services for the Tri-County Market for 2005 by Category*

Category	Cheboygan 2005	Emmet 2005	Mackinac 2005
Food	\$52,619,000	\$87,886,000	\$22,145,000
Eat/Drink	36,135,000	60,354,000	15,207,000
General Merchandise	51,436,000	85,910,000	21,647,000
Furniture	17,171,000	28,679,000	7,226,000
Transportation & Utilities	69,866,000	116,692,000	29,403,000
Drugstore	28,504,000	47,607,000	11,996,000
Apparel	9,387,000	15,678,000	3,950,000
Hardware	55,023,000	91,901,000	23,156,000
Vehicle Service	31,327,000	52,324,000	13,184,000
Miscellaneous	30,106,000	50,284,000	12,670,000
TOTAL	\$381,574,000	\$637,315,000	\$160,584,000

*Developed by The Chesapeake Group, Inc., 2005.

Supportable Space

Retail sales and related services revenues are converted to supportable space through the application of sales or revenue productivity levels. A sales or revenue productivity level is the level of sales or revenues per square foot at which it is assumed that the business will generate sufficient revenue to cover all costs of operation as well as provide a reasonable return on investment for the ownership or operating entity.

As might be expected, sales or revenue productivity levels vary, sometimes greatly, for each sub-category, type of business operation, or store-type. The productivity levels vary from very low figures for bowling centers to hundreds of dollars for other users. Supportable space is derived by dividing the amount of sales by a sales productivity level.

Table 65 contains the estimates of sales and supportable square feet of space by category for Mackinaw City generated by its own residents for 2005. It is noted that:

- ✓ The total supportable space is only 25,642 square feet.
- ✓ All categories are relatively small, meaning few if any are sufficient to support operations without the visitor market or the attraction of residents from the larger county areas.
- ✓ Hardware and transportation are the largest categories in terms of supportable space.
- ✓ The combined transportation and vehicle services categories represent about one-fourth of all supportable space.

It is also once again noted that no one area is capable of attracting all sales and related supportable space from any given geographic area or market, irrespective of the dominance, success and viability of that area.

Table 65 – Estimated Retail & Related Services Sales for the Village of Mackinaw City by Category for 2005*

Category	2005 Sales	2005 Space
Food	\$1,198,000	2,237
Eat/Drink	823,000	2,058
General Merchandise	1,171,000	3,819
Furniture	391,000	1,228
Transportation & Utilities	1,590,000	4,626
Drugstore	649,000	1,298
Apparel	214,000	666
Hardware	1,253,000	5,327
Vehicle Service	713,000	1,736
Miscellaneous	685,000	2,647
TOTAL	\$8,687,000	25,642

*Developed by The Chesapeake Group, Inc., 2005.

It is also noted that the market is so small, that even increases of 50% in terms of households would not, by itself, impact demand sufficiently to create additional retail and related service opportunities. Therefore, future estimates for retail sales generated by Village households are not made. Table 67 contains the information on retail and related services sales by type of operation or sub-category generated by Village households for 2005.

However, significant increases in households living in the area could have a psychological impact that would go beyond any “practical impact” in terms of the residents coming from outside of the Village to the Village. Additional local off-season “foot traffic” could be important in viewing Mackinaw City as the regional center for three counties.

Table 67 – Estimated Retail & Related Services Sales for the Village of Mackinaw City by Sub-category for 2005*

Sub-category	2005 Sales	2005 Space
Food	\$1,198,000	2,237
Supermarkets	1,000,330	1,695
Independents	95,840	240
Bakeries	26,356	88
Dairies	15,574	43
Others	59,900	171
Eat/Drink	823,000	2,058
General Merchandise	1,171,000	3,819
Dept. Stores	427,415	1,425
Variety Stores	84,312	324
Jewelry	80,799	114
Sporting Goods/Toys	127,639	425
Discount Dept.	426,244	1,421
Antiques, etc.	5,855	25
Others	18,736	85
Furniture	391,000	1,228
Furniture	92,276	298
Home Furnishings	136,068	389
Store/Office Equip.	85,238	284
Music Instr./Suppl.	16,813	84
Radios, TV, etc.	60,605	173
Transportation & Utilities	1,590,000	4,626
New/Used Vehicles	556,500	1,391
Tires, Batt., Prts.	701,190	2,337
Marine Sales/Rentals	84,270	228
Auto/Truck Rentals	248,040	670
Drugstore	649,000	1,298
Apparel	214,000	666
Men's and Boy's	28,034	70
Women's and Girl's	71,048	192
Infants	4,494	15
Family	59,492	198
Shoes	44,726	163
Jeans/Leather	856	3
Tailors/Uniforms	3,852	19
Others	1,498	6
Hardware	1,253,000	5,327
Hardware	606,452	2,426
Lawn/Seed/Fertil.	23,807	70
Others	622,741	2,831
Vehicle Service	713,000	1,736
Gasoline	242,420	167
Garage, Repairs	470,580	1,569
Miscellaneous	685,000	2,647
Advert. Signs, etc.	10,960	40
Barber/Beauty shop	41,785	209
Book Stores	31,510	85
Bowling	15,755	158
Cig./Tobacco Dealer	4,795	10
Dent./Physician Lab	27,400	84
Florist/Nurseries	51,375	121
Laundry, Dry Clean	23,290	78
Optical Goods/Opt.	16,440	47
Photo Sup./Photog.	47,265	135
Printing	55,485	202
Paper/Paper Prod.	29,455	147
Gifts/Cards/Novel.	97,955	327
Newsstands	5,480	11
Video Rent/Sales	89,050	445
Others	137,000	548
TOTAL	\$8,687,000	25,642

*Developed by The Chesapeake Group, Inc., 2005.

Supportable space and changes in anticipated space for all three counties though are significant due to the noted growth in households and changes in incomes. Table 68 contains the supportable space for Cheboygan County for 2005 and the anticipated change from 2005 to 2015. An additional 34,500 square feet in opportunity will be added to the market.

Table 68 – Change in Space by Category in Cheboygan County from 2005 to 2015 (in square feet)*

Category	2005 Space	2005-2015 Space
Food	98,269	3,012
Eat/Drink	90,338	2,770
General Merchandise	167,779	5,144
Furniture	53,919	1,651
Transportation & Utilities	203,301	6,233
Drugstore	57,008	1,748
Apparel	29,210	896
Hardware	233,902	7,171
Vehicle Service	76,265	2,337
Miscellaneous	116,279	3,566
TOTAL	1,126,270	34,528

*Developed by The Chesapeake Group, Inc., 2005.

Table 69 contains similar information for Emmet County, the largest county in terms of supportable space. Emmet County’s households supportable a total of almost 1.9 million square feet of space in 2005. An increase of more than 85,500 square feet is anticipated over the next ten years.

Table 69 – Change in Estimated Retail & Related Services Supportable Space for Emmet County by Category (in square feet)*

Category	2005	2005-2015
Food	164,132	7,461
Eat/Drink	150,885	6,858
General Merchandise	280,230	12,738
Furniture	90,055	4,095
Transportation & Utilities	339,558	15,434
Drugstore	95,214	4,328
Apparel	48,785	2,220
Hardware	390,669	17,756
Vehicle Service	127,382	5,790
Miscellaneous	194,215	8,829
TOTAL	1,881,125	85,509

*Developed by The Chesapeake Group, Inc., 2005.

Table 70 contains the information on supportable space and anticipated change for Cheboygan County by type of operation or sub-category of retail, while 71 contains similar information for Emmet County.

Table 70 – Change in Space in Cheboygan County from 2005 to 2015 (in square feet)*

Sub-category	2005 Space	2005-2015 Space
Food	98,269	3,012
Supermarkets	74,469	2,283
Independents	10,524	323
Bakeries	3,859	118
Dairies	1,900	58
Others	7,517	230
Eat/Drink	90,338	2,770
General Merchandise	167,779	5,144
Dept. Stores	62,580	1,919
Variety Stores	14,244	437
Jewelry	4,999	153
Sporting Goods/Toys	18,688	573
Discount Dept.	62,409	1,913
Antiques, etc.	1,118	34
Others	3,741	115
Furniture	53,919	1,651
Furniture	13,072	400
Home Furnishings	17,073	523
Store/Office Equip.	12,478	382
Music Instr./Suppl.	3,692	113
Radios, TV, etc.	7,604	233
Transportation & Utilities	203,301	6,233
New/Used Vehicles	61,133	1,874
Tires, Batt., Prts.	102,703	3,149
Marine Sales/Rentals	10,008	307
Auto/Truck Rentals	29,457	903
Drugstore	57,008	1,748
Apparel	29,210	896
Men's and Boy's	3,074	94
Women's and Girl's	8,423	258
Infants	657	20
Family	8,699	267
Shoes	7,134	219
Jeans/Leather	125	4
Tailors/Uniforms	845	26
Others	253	8
Hardware	233,902	7,171
Hardware	106,525	3,266
Lawn/Seed/Fertil.	3,075	94
Others	124,302	3,811
Vehicle Service	76,265	2,337
Gasoline	7,346	225
Garage, Repairs	68,919	2,112
Miscellaneous	116,279	3,566
Advert. Signs, etc.	1,752	54
Barber/Beauty shop	9,182	282
Book Stores	3,743	115
Bowling	6,924	212
Cig./Tobacco Dealer	421	13
Dent./Physician Lab	3,705	114
Florist/Nurseries	5,313	163
Laundry, Dry Clean	3,412	105
Optical Goods/Opt.	2,064	63
Photo Sup./Photog.	5,935	182
Printing	8,868	272
Paper/Paper Prod.	6,473	198
Gifts/Cards/Novel.	14,351	440
Newsstands	482	15
Video Rent/Sales	19,569	600
Others	24,085	738
TOTAL	1,126,270	34,528

*Developed by The Chesapeake Group, Inc., 2005.

Table 71 – Change in Estimated Retail & Related Services Supportable Space for Emmet County by Sub-category (in square feet)*

Sub-category	2005	2005-2015
Food	164,132	7,461
Supermarkets	124,381	5,654
Independents	17,577	799
Bakeries	6,445	293
Dairies	3,174	144
Others	12,555	571
Eat/Drink	150,885	6,858
General Merchandise	280,230	12,738
Dept. Stores	104,524	4,751
Variety Stores	23,790	1,081
Jewelry	8,349	380
Sporting Goods/Toys	31,214	1,419
Discount Dept.	104,237	4,738
Antiques, etc.	1,868	85
Others	6,248	284
Furniture	90,055	4,095
Furniture	21,833	993
Home Furnishings	28,515	1,297
Store/Office Equip.	20,840	948
Music Instr./Suppl.	6,166	280
Radios, TV, etc.	12,701	577
Transportation & Utilities	339,558	15,434
New/Used Vehicles	102,106	4,641
Tires, Batt., Prts.	171,537	7,797
Marine Sales/Rentals	16,715	760
Auto/Truck Rentals	49,200	2,236
Drugstore	95,214	4,328
Apparel	48,785	2,220
Men's and Boy's	5,135	234
Women's and Girl's	14,068	640
Infants	1,097	50
Family	14,528	661
Shoes	11,915	542
Jeans/Leather	209	10
Tailors/Uniforms	1,411	64
Others	422	19
Hardware	390,669	17,756
Hardware	177,920	8,087
Lawn/Seed/Fertil.	5,136	233
Others	207,613	9,436
Vehicle Service	127,382	5,790
Gasoline	12,269	558
Garage, Repairs	115,113	5,232
Miscellaneous	194,215	8,829
Advert. Signs, etc.	2,926	133
Barber/Beauty shop	15,337	697
Book Stores	6,252	284
Bowling	11,565	526
Cig./Tobacco Dealer	704	32
Dent./Physician Lab	6,189	281
Florist/Nurseries	8,874	403
Laundry, Dry Clean	5,699	259
Optical Goods/Opt.	3,448	157
Photo Sup./Photog.	9,913	451
Printing	14,811	673
Paper/Paper Prod.	10,811	491
Gifts/Cards/Novel.	23,969	1,090
Newsstands	805	37
Video Rent/Sales	32,685	1,486
Others	40,227	1,829
TOTAL	1,881,125	85,509

*Developed by The Chesapeake Group, Inc., 2005.

Table 72 and 73 (the latter found on the next page) contain information on sales and supportable space for the combined tri-county market for 2005 and the anticipated change from 2005 to 2015. The combined markets and the anticipated change in the combined markets are substantial. It is noted that:

- ✓ Supportable retail and related services space for the tri-county area is estimated to be about 3.5 million square feet for 2005
- ✓ Demand will increase resulting in support for an additional 134,000 square feet of space over the next nine years.
- ✓ Increases in eating and drinking establishment space will be substantial, affording the opportunity for 4 to 8 additional establishments.
- ✓ An expansion of a supermarket is also possible through the addition of roughly 9,000 square feet of space. On the other hand, it is possible that larger growth could occur as the area may contain less space than is supportable at present.
- ✓ An additional pharmacy or pharmacy linked to another operation will be supportable in the future.
- ✓ An additional smaller hardware and home improvement center is also likely to be marketable.
- ✓ Additional auto service and parts dealer will be marketable as well.

Table 72 – Estimated Change in Sales and Space in Retail & Related Services Supportable Space for the Tri-County Market for 2005 by Category (in square feet)*

Category	2005 Sales	2005-2015 Sales	2005 Space	2005-2015 Space
Food	\$162,649,000	\$6,258,000	303,757	11,688
Eat/Drink	111,696,000	4,297,000	279,240	10,743
General Merchandise	158,993,000	6,117,000	518,619	19,953
Furniture	53,076,000	2,042,000	166,664	6,412
Transportation & Utilities	215,962,000	8,309,000	628,420	24,177
Drugstore	88,107,000	3,390,000	176,214	6,780
Apparel	29,015,000	1,116,000	90,285	3,471
Hardware	170,080,000	6,544,000	723,005	27,818
Vehicle Service	96,835,000	3,726,000	235,743	9,071
Miscellaneous	93,060,000	3,580,000	359,427	13,826
TOTAL	\$1,179,473,000	\$45,379,000	3,481,374	133,939

*Developed by The Chesapeake Group, Inc., 2005.

Retail Implications

Mackinaw City, with proper marketing is well geographically positioned to tap the tri-county market area residents. While some say it is “too far” from home, many come for one purpose or another at present. Marketing to this growing residential need while increasing the local residential base could enhance the Village’s viability as a regional center. Growing demand is sufficient to support an additional community based shopping activity as described above. The Village could be in a position to seize the opportunity.

Table 73 – Estimated Change in Sales and Space in Retail & Related Services Supportable Space for the Tri-County Market for 2005 by Sub-category (in square feet)*

Sub-category	2005 Sales	2005-2015 Sales	2005 Space	2005-2015 Space
Food	\$162,649,000	\$6,258,000	303,757	11,688
Supermarkets	135,811,915	5,225,430	230,190	8,857
Independents	13,011,920	500,640	32,530	1,252
Bakeries	3,578,278	137,676	11,928	459
Dairies	2,114,437	81,354	5,873	226
Others	8,132,450	312,900	23,236	894
Eat/Drink	111,696,000	4,297,000	279,240	10,743
General Merchandise	158,993,000	6,117,000	518,619	19,953
Dept. Stores	58,032,445	2,232,705	193,441	7,442
Variety Stores	11,447,496	440,424	44,029	1,694
Jewelry	10,970,517	422,073	15,451	594
Sporting Goods/Toys	17,330,237	666,753	57,767	2,223
Discount Dept.	57,873,452	2,226,588	192,912	7,422
Antiques, etc.	794,965	30,585	3,456	133
Others	2,543,888	97,872	11,563	445
Furniture	53,076,000	2,042,000	166,664	6,412
Furniture	12,525,936	481,912	40,406	1,555
Home Furnishings	18,470,448	710,616	52,773	2,030
Store/Office Equip.	11,570,568	445,156	38,569	1,484
Music Instr./Suppl.	2,282,268	87,806	11,411	439
Radios, TV, etc.	8,226,780	316,510	23,505	904
Transportation & Utilities	215,962,000	8,309,000	628,420	24,177
New/Used Vehicles	75,586,700	2,908,150	188,967	7,270
Tires, Batt., Prts.	95,239,242	3,664,269	317,464	12,214
Marine Sales/Rentals	11,445,986	440,377	30,935	1,190
Auto/Truck Rentals	33,690,072	1,296,204	91,054	3,503
Drugstore	88,107,000	3,390,000	176,214	6,780
Apparel	29,015,000	1,116,000	90,285	3,471
Men's and Boy's	3,800,965	146,196	9,502	365
Women's and Girl's	9,632,980	370,512	26,035	1,001
Infants	609,315	23,436	2,031	78
Family	8,066,170	310,248	26,887	1,034
Shoes	6,064,135	233,244	22,051	848
Jeans/Leather	116,060	4,464	387	15
Tailors/Uniforms	522,270	20,088	2,611	100
Others	203,105	7,812	781	30
Hardware	170,080,000	6,544,000	723,005	27,818
Hardware	82,318,720	3,167,296	329,275	12,669
Lawn/Seed/Fertil.	3,231,520	124,336	9,504	366
Others	84,529,760	3,252,368	384,226	14,783
Vehicle Service	96,835,000	3,726,000	235,743	9,071
Gasoline	32,923,900	1,266,840	22,706	874
Garage, Repairs	63,911,100	2,459,160	213,037	8,197
Miscellaneous	93,060,000	3,580,000	359,427	13,826
Advert. Signs, etc.	1,488,960	57,280	5,414	208
Barber/Beauty shop	5,676,660	218,380	28,383	1,092
Book Stores	4,280,760	164,680	11,570	445
Bowling	2,140,380	82,340	21,404	823
Cig./Tobacco Dealer	651,420	25,060	1,303	50
Dent./Physician Lab	3,722,400	143,200	11,454	441
Florist/Nurseries	6,979,500	268,500	16,422	632
Laundry, Dry Clean	3,164,040	121,720	10,547	406
Optical Goods/Opt.	2,233,440	85,920	6,381	245
Photo Sup./Photog.	6,421,140	247,020	18,346	706
Printing	7,537,860	289,980	27,410	1,054
Paper/Paper Prod.	4,001,580	153,940	20,008	770
Gifts/Cards/Novel.	13,307,580	511,940	44,359	1,706
Newsstands	744,480	28,640	1,489	57
Video Rent/Sales	12,097,800	465,400	60,489	2,327
Others	18,612,000	716,000	74,448	2,864
TOTAL	1,179,473,000	45,379,000	3,481,374	133,939

*Developed by The Chesapeake Group, Inc., 2005.

Office Space

As with retail activity, residential growth provides the opportunity for growth in professional and other services. The following are factored into the estimates of opportunity for additional office space.

Office growth results for both needs generated by residents for services, but also employment activity. Particularly in communities with seasonal populations that may have individuals that own, manage, or otherwise play a significant role in corporations and business entities elsewhere, the need for space is derived from this population's very existence.

- ✓ The average amount of square feet per office employee is estimated at about 250. This is a gross figure, including corridors, entrances, etc.
- ✓ Many of the new households will be headed by those seeking retirement or semi-retirement in the near future.
- ✓ Trends in housing in Emmet County indicate that demand is expanding for condominiums and other housing products, particularly along the waterfront. Residents of those new units are often part-time and continue to be employed at this time.

With the tri-county household growth expected to exceed, at a minimum, 1,000 in the foreseeable future, the office opportunity is reasonable and could be significant for Mackinaw City. Increased demand could result in growth in the tri-county area of between 62,000 and 100,000 square feet of office space. As with retail, a "properly positioned" Mackinaw City could attract a substantial portion of the new service demand and, thus, the associated space.