

Muskegon Area First: Start Here.



Growth Indicators Report
August 2006



experience the lake effect

Muskegon...The Best Place for Your Business

Muskegon is part of one of the fastest growing regions in the country. The Grand Rapids-Muskegon-Holland Metropolitan Statistical Area (MSA) is the major driver of growth in West Michigan. Due to its close proximity to Lake Michigan, a pro-business focus by local and county government, a strong commitment to economic development, and splendid quality of life, Muskegon is catching the eye of business leaders who are looking for the ideal site to locate their companies. These facts about the area illustrate why the Muskegon area is such an attractive place to be:

- ⊙ Muskegon leads all Michigan cities in a think tank's ranking of the nation's "Best Performing Cities," which is based on jobs, wages and high-tech sector growth. The California-based Milken Institute ranked Muskegon 129th among 179 small cities across the nation. Muskegon scored higher than Ann Arbor, Grand Rapids, Kalamazoo and Battle Creek.
- ⊙ Inc. Magazine names Muskegon as top "Boom Town" in Michigan. The listed cities were awarded points based on four measures of growth: 1) Recent growth trend, 2) Mid-term growth trend, 3) Long term trend, and 4) Current year trend. In all, 393 regions in the United States were evaluated, placing Muskegon as the overall best city for doing business in Michigan.
- ⊙ The Muskegon Chronicle reported that Muskegon County had Michigan's no. 1 site for Internet tourism marketing in June, 2006. And AAA of Michigan names Muskegon as the third most popular tourist destination in Michigan!
- ⊙ The Milken Institute ranked Muskegon as the "Best Performing City" in Michigan, with the greatest economic outlook for 2006.
- ⊙ In the past 10 years, **job growth** in the area has been at **16.17%**, creating 11,857 new jobs, compared to 12.30% for Michigan and 14.84% for the United States.
- ⊙ Forbes Magazine has recently rated Muskegon #10 in the nation for culture and leisure and 92nd for economic and job growth.
- ⊙ Grand Rapids-Muskegon-Holland MSA ranks **no. 6** in the *World Knowledge Competitiveness Index* published by Robert Huggins Associates, the 2005 Index of 129 world regions is a benchmark of the knowledge capacity, capability and sustainability of a region.
- ⊙ West Michigan leads in Wireless! Amongst U.S. cities and regions with the greatest wireless Internet accessibility, our region placed in the top 100 according to Intel's Most Unwired Cities 2003 survey. As a wireless leader in the country, businesses and residents have greater freedom to access information and entertainment on notebook PCs via wireless Internet connections. AND Muskegon will be the first county in North America to provide area-wide "WiMAX," a broad-range, wireless internet signal nearly anywhere you go.
- ⊙ Grand Rapids-Muskegon-Holland MSA took the **no. 5** ranking in *Business Facilities 2005 Index* of hot locations to locate a headquarters. This ranking regime takes into account momentum in attracting headquarters and regional population growth.
- ⊙ With West Michigan's diverse industrial sector and excellent intergovernmental cooperation, the area has ranked in the top 30 out of 315 metropolitan communities in *Industry Week's* World Class Community annual survey for five consecutive years.
- ⊙ The Muskegon-Grand Rapids-Holland area finished **13th** in a national ranking of the **50 best large metropolitan areas for starting and growing a business**. The survey produced annually by Cognetics Inc., a Waltham, Massachusetts-based economics research firm, compares the business

- climates in communities by analyzing significant new business starts and looking at the growth rate of young businesses. West Michigan, supposedly part of the *Midwest Rust Belt*, fared better than a number of high-tech hotbeds including Seattle, San Francisco, and Boston. This survey was published in the December 2000 issue of *Inc.* Magazine. In 1999, West Michigan ranked as the 15th best place out of the 50 large metros.
- ⊙ West Michigan is a fun place to be! *Places Rated Almanac* ranked the area no. 3 in the fun and recreation category. Residents embrace every form of family entertainment during every season of the year. The Winter Sports Complex provides fun in the snow with a lighted ice rink, groomed cross country trails, and one of only four luge runs in the country. Spring brings the Trillium Festival at Hoffmaster State Park and leads to summer's abundant water sports: boating, swimming, sailing, fishing, and many more. Finally, the fall provides a splendid background of colors for a variety of activities including golf on one of the dozen-plus courses in the area and sunbathing on the many miles of beaches.
 - ⊙ Muskegon's Pere Marquette Beach has received the Certified Blue Wave Clean Beach Award by the *Clean Beaches Council* in 2004, 2005 and 2006, the only beach in Michigan to receive this award.
 - ⊙ Muskegon is home to Michigan's Adventure, the only large-scale amusement park in Michigan, as well as Great Lakes Downs, the State's only thoroughbred horse racing track. Summer Celebration brings ten straight days of concerts to Muskegon each summer. The hockey team, Muskegon Fury, dominates LC Walker Arena during the winter months. Nearby, Double JJ Resort provides year round recreation with golf, horseback riding, dog sleds, sleigh rides and much more.
 - ⊙ Muskegon has become a cultural hub for West Michigan. The Muskegon Museum of Art has the third best art collection in the Midwest, and the Muskegon County provides insight into the area's history. The former residences of Muskegon's lumber barons, Charles H. Hackley and Thomas Hume, proudly display the glory of the Victorian ages, as does the Fire Barn Museum. The West Shore Symphony and Muskegon Civic Theater bring the stage of the Frauenthal Center for the Performing Arts to life. The Great Lakes Naval Memorial and Museum allows visitors to step back in time and tour the USS *Silversides*, a surviving World War II submarine, and the USS LST 393 and USCGC *McLane* ships.
 - ⊙ The Grand Rapids-Muskegon-Holland area prides itself in the highest percentage of golfers per capita in the U.S. Well-attended and many times sold-out sports, recreational, musical, theatrical and artistic events resulted in *Amusement Business* magazine naming Van Andel Arena the best venue in the 10,000 to 15,000 seat category based on revenues.

AREA DEMOGRAPHIC UPDATE

MUSKEGON COUNTY

	1990 Census	2000 Census	2005 Estimate	1990-2005 % Change	2008 Projection
Total Population	158,983	170,200	174,431	9.72	176,429
Total Households	57,798	62,807	65,408	13.16	67,231
Total Families	42,199	44,576	45,458	7.72	45,714
Avg. Household Size	2.66	2.6	2.57	-3.38	N/A
Avg. Household Income	\$30,721	\$47,975	\$52,758	71.73	\$62,049
Median Household Income	\$25,614	\$36,988	\$42,817	67.16	\$49,045
Per Capita Income	\$11,312	\$18,222	\$20,336	79.77	\$24,136
Median Age	28.9	34.92	36.08	24.84	36.8
Housing Units	61,962	68,556	70,784	14.24	72,768

Source: U.S. Census, Claritas

WEST MICHIGAN COMBINED STATISTICAL AREA

(Kent, Ottawa, Muskegon, Allegan, Ionia, Barry, Newaygo Counties)

	1990 Claritas	2000 Claritas	2005 Claritas	1990-2005 % Change	2008 Projection
Total Population	1,083,174	1,254,661	1,311,364	21.07	1,183,566
Total Households	383,897	455,287	479,383	24.87	439,929
Total Families	N/A	N/A	337,485	N/A	300,730
Avg. Household Size	N/A	N/A	2.66	N/A	N/A
Avg. Household Income	\$37,179	\$55,778	\$62,599	68.37	\$73,073
Median Household Income	\$31,342	\$45,715	\$50,321	60.55	\$58,050
Per Capita Income	\$13,348	\$20,570	\$23,214	73.91	\$27,437
Median Age	31.2	33.4	34.5	10.58	35
Housing Units	418,345	491,788	517,730	23.76	469,507

Source: Claritas

MICHIGAN

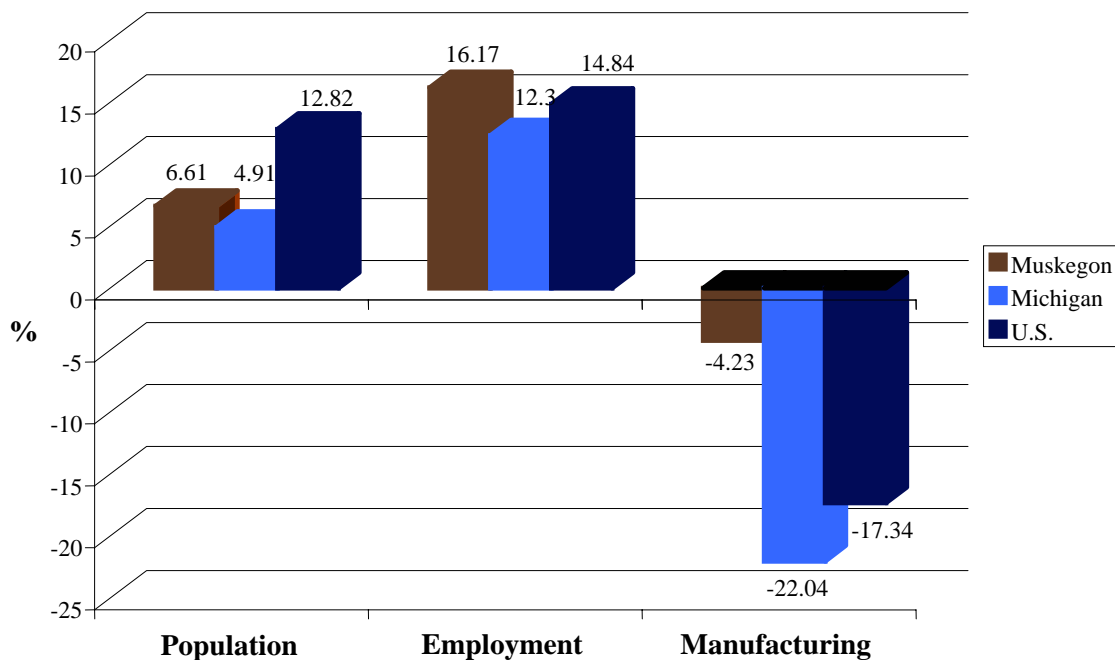
	1990 Claritas	2000 Claritas	2005 Claritas	1990-2005 % Change	2008 Projection
Total Population	9,295,297	9,938,444	10,140,151	9.09	10,316,883
Total Households	3,419,331	3,785,661	3,905,010	14.20	4,053,477
Total Families	2,439,171	2,575,699	2,641,737	8.30	2,684,313
Avg. Household Size	N/A	N/A	N/A	N/A	N/A
Avg. Household Income	\$38,117	\$57,447	\$64,372	68.88	\$74,369
Median Household Income	\$31,018	\$44,715	\$49,350	59.10	\$56,569
Per Capita Income	\$14,130	\$22,168	\$25,096	77.61	\$29,458
Median Age	32.6	35.5	36.7	12.58	37.6
Housing Units	3,847,926	4,234,279	4,367,111	13.49	4,543,395

Source: Claritas

Growth is Everywhere!

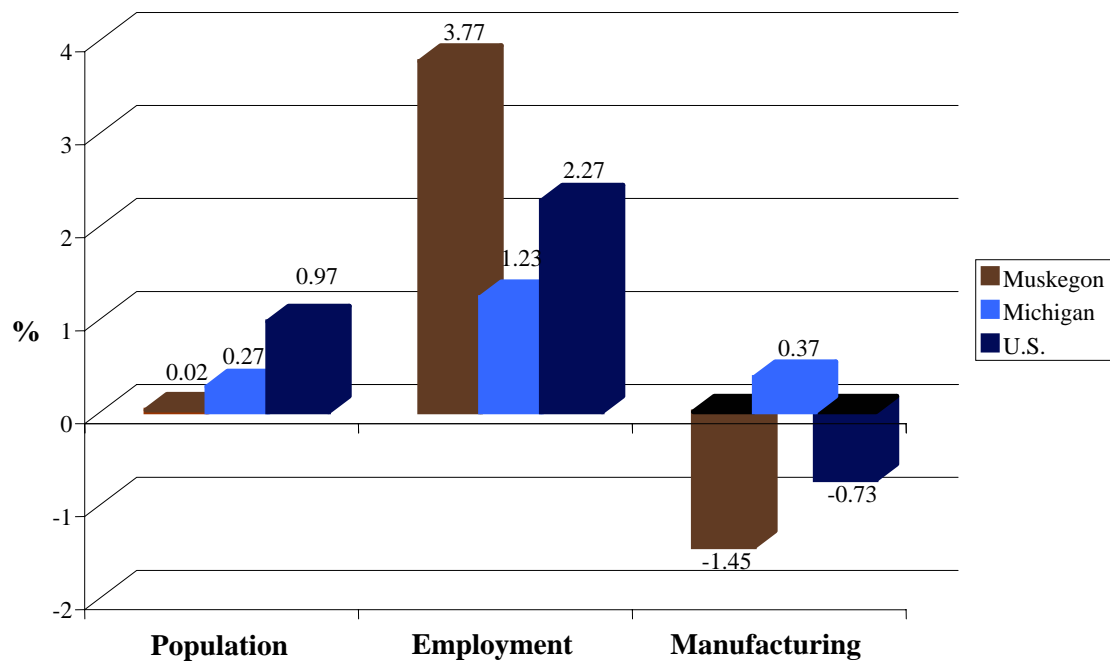
- ⊙ Since 1995 the population of Muskegon County has grown from 163,620 people to an estimated 174,431 for 2005. This is a 6.61% increase compared to a 4.97% increase in all of Michigan, and 12.82% increase throughout the U.S.
- ⊙ Growth of Employment in Muskegon County has been very strong with 16.17% increase between 1995 and 2005. This growth is consistent with the 12.3% growth in employment for the State of Michigan as a whole and with the 14.84% increase in the U.S.
- ⊙ The number of new claims for unemployment insurance in Muskegon County fell by 16.5% between 2004 and 2005, and the number of new dwelling units put under contract for construction rose by 2.3%.
- ⊙ While manufacturing has been struggling across the country and state, Muskegon has begun a turnaround with a 1.03% increase in manufacturing employment since 2003.
- ⊙ In a study by the Upjohn Institute comparing West Michigan to other U.S. manufacturing-focused communities, the regional manufacturers excel at doing more with less, a tribute to lean manufacturing practices.

% Change from 1995 to 2005



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics (not seasonally adjusted)

% Change from 2004 to 2005



Source: U.S. Census Bureau, U.S. Bureau of Labor Statistics (not seasonally adjusted)

Muskegon County Employment by Place of Residence

Measure	2002
Total Employment	86,125
Management Occupations	5,960
Business & Financial Operations Occupations	2,475
Architecture & Engineering Occupations	1,300
Community & Social Services Occupations	1,275
Education/Training/Library Occupations	5,060
Arts/Design/Entertain/Sports/Media Occupations	1,320
Healthcare Occupations	5,690
Protective Service Occupations	1,165
Food Preparation & Serving Related Occupations	7,575
Building/Grounds Cleaning/Maintenance Occupations	2,940
Personal Care & Service Occupations	2,585
Sales and Related Occupations	11,265
Office & Administrative Support Occupations	11,405
Farming, Fishing, & Forestry Occupations	1,760
Construction & Extraction Occupations	4,040
Installation, Maintenance, & Repair Occupations	3,130
Production Occupations	10,290
Transportation & Material Moving Occupations	5,285

Muskegon County Employment by Place of Residence

Measure	June 2006
Total Employment	88,114

Over four years, employment by residence increased 1% for the Muskegon area.

Muskegon County Employment by Place of Work

Muskegon-Norton Shores MSA (seasonally adjusted)

Measure	2006 Q1	2005 Q1	% change, 2005 to 2006
Employment (by place of work)			
Total nonfarm employment	66,266	65,166	1.69
Goods-producing	16,066	15,733	2.12
Construction and mining	2,300	2,266	1.50
Manufacturing	13,766	13,466	2.23
Durable goods	11,120	11,280	-1.4
Nondurable goods	2,666	2,200	21.18
Private service-providing	40,500	39,700	2.02
Transportation and utilities	13,833	13,766	0.49
Wholesale trade	1,433	1,400	2.36
Retail trade	11,100	11,066	0.31
Information	1,000	1,000	0.00
Financial activities	1,933	1,900	1.74
Professional and business services	4,033	3,933	2.54
Educational and health services	10,266	10,366	-0.96
Leisure and hospitality	6,733	6,233	8.02
Other services	2,700	2,500	8.00
Government	9,700	9,733	-0.34
Federal	400	400	0
State	1,200	1,200	0
Local	8,100	8,133	-0.41
Unemployment			
Number unemployed	6,387	6,885	-7.23
Unemployment rate (%)	6.9	7.67	-10.04

NOTE: Categories may not sum to total due to rounding.

*Seasonally adjusted annual rates.

For a full 10 year report, please see pg. 18.

Source: W.E. Upjohn Institute for Employment Research. Based on dwelling data from F.W. Dodge Division, McGraw-Hill Information Systems Company; and employment data from the Michigan Department of Labor and Economic Growth

Knowledge-Based, Entrepreneurial Community

The Grand Rapids-Muskegon-Holland metropolitan area has been identified as one of the leading knowledge-based communities in the world by Robert Huggins Associates, a research agency in the United Kingdom that studies international and regional competitiveness. The *World Knowledge Competitive Index* is the first composite and relative measure of the knowledge economies of the world's leading regions. The Index is an integrated and overall benchmark of the knowledge capacity, capability, and sustainability of each of the 125 regions in the study. The Grand Rapids regions ranked very high in several key categories:

6	World Knowledge Competitive Index
4	Regional Ratio of Knowledge Intensity
3	Automotive and Mechanical Engineering Employment sectors per 1,000
3	<i>Places Rated Almanac</i> fun places to be
4	Higher Education Expenditures per capita
7	Research and Development Expenditures by Business per capita
10	Primary and Secondary Education Expenditures per capita
10	Forbes Magazine Culture and Leisure ranking
16	Patents Registered per capita
26	Gross Domestic Product (GDP) per capita
30	Biotechnology and Science Employer per 1,000
31	Economic Activity
36	Labor Productivity
92	Job Growth
129	"Best Performing Cities" for jobs, wages and high-tech sector growth

World Knowledge Competitive Index

*An integrated and overall benchmark of the knowledge capacity, capability, and sustainability of a region compared to global regions.

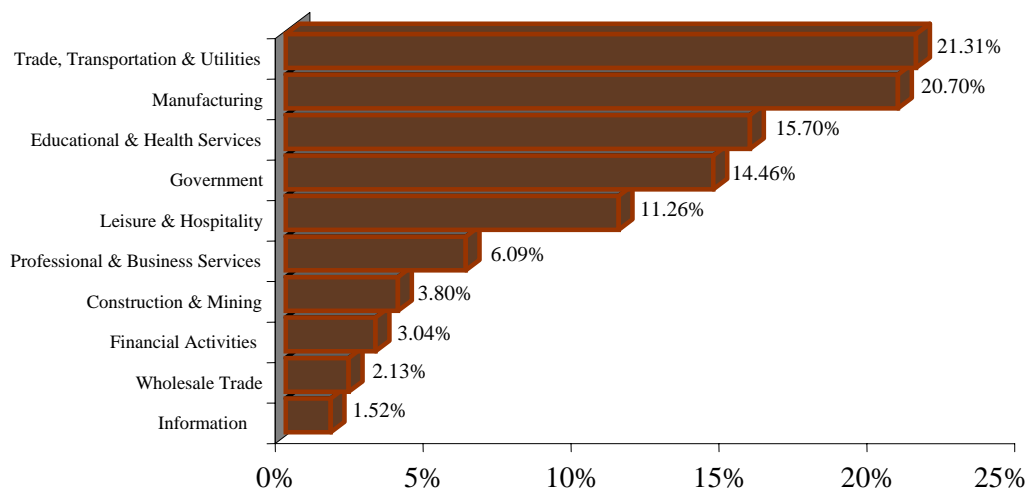
*Indicates the region's capacity for creating new ideas.

*Indicates that human capital, knowledge capital, and financial capital are closely combined together to create and utilize knowledge for the creation of commercial value.

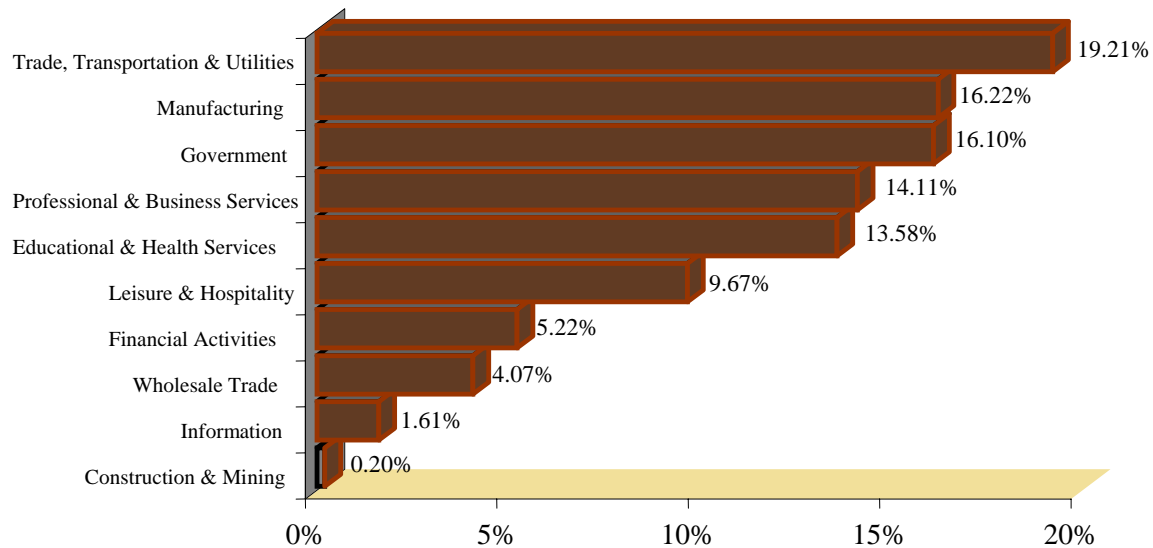
*Economic Activity measures the availability of human capital in an economy, and a high level provides a basis for further knowledge investments.

*Labor Productivity is a variable influenced by such factors as workforce skills, investment in innovation, and market competition.

Muskegon-Norton Shores Wage & Salary Employment 2005



Michigan Wage & Salary Employment 2005



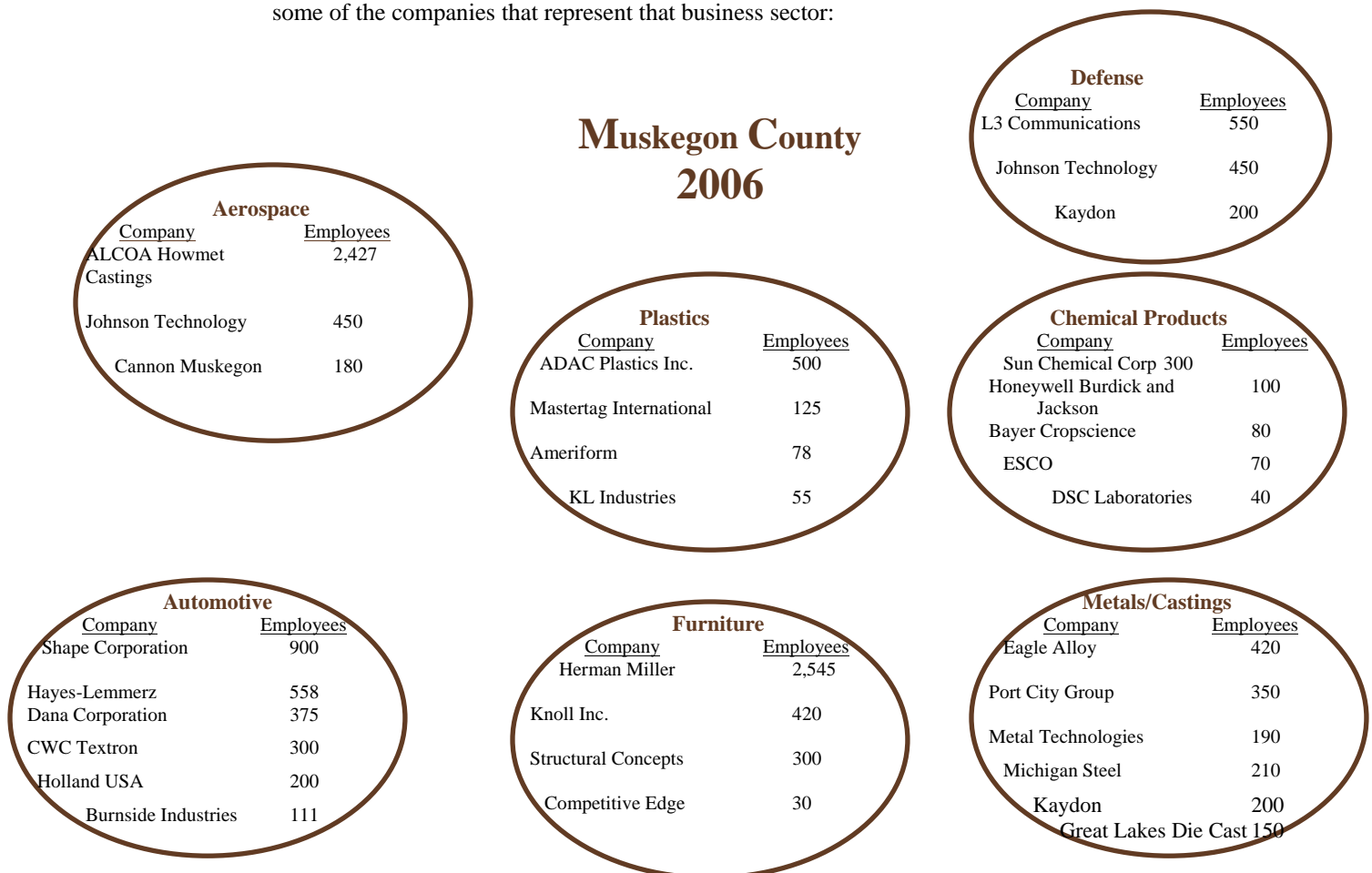
Source: Michigan Department of Labor and Economic Growth – Labor Market Information

- © In the past 10 years, job growth in the area has been at 16.17%, creating 11,857 new jobs, compared to 12.30% for Michigan and 14.84% for the United States.

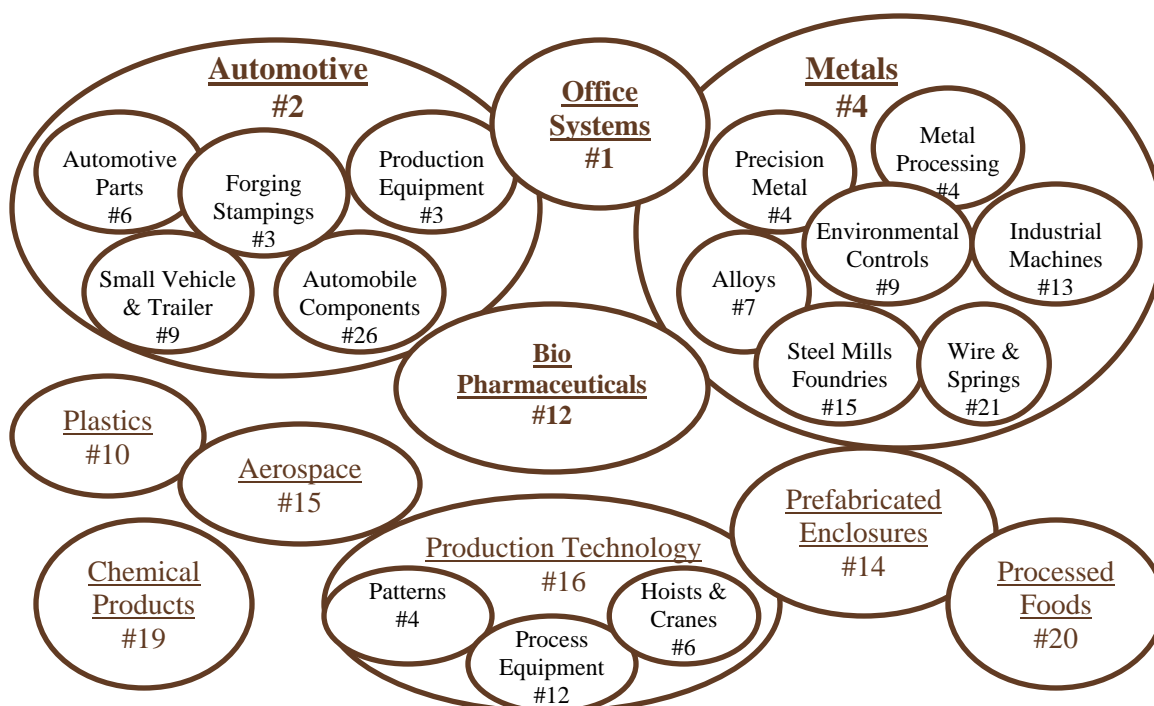


Competitive Clusters

- ⊙ West Michigan leads the nation in many manufacturing sectors. In the *Clusters of Innovation Project* conducted by the Institute for Strategy and Competitiveness at the Harvard Business School, geographic interconnected companies, specialized suppliers, service providers and associated institutions across the country were mapped, identifying regional clusters. The chart below highlights our competitive strengths.
- ⊙ Amongst major labor markets of 500,000 or more workers, Grand Rapids-Muskegon-Holland metropolitan area ranks **No. 1** in manufacturing employment share according to U.S. Bureau of Labor Statistics 2001 data. Woods & Poole Economics Inc. predicts that for the next 25 years West Michigan will continue to rank in the top 10 metropolitan manufacturing employment concentration areas.
- ⊙ As the global economy has evolved, West Michigan area manufacturers have leveraged their core competencies by not only becoming “adopters” of technology, but by becoming “producers” as well. The benefits of local companies embracing world-class practices are innovations, reduction in manufacturing costs, faster cycle times, working capital reductions, better quality, less wastes and efficiencies in overall supply chain management.
- ⊙ Within Muskegon County the core business areas are aerospace, chemical products, automotive, plastics, furniture and metals & castings. The diagram below shows these core areas along with some of the companies that represent that business sector:



- © Harvard Business School’s Michael Porter defines clusters as “geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions in a particular field that are present in a nation or region.”
- © Clusters arise because they increase the productivity with which companies can compete.
- © The cluster map below illustrates the manufacturing strengths of the West Michigan area compared to 172 other Economic Areas in the nation.



Note: West Michigan consists of Allegan, Barry, Calhoun, Ionia, Kalamazoo, Kent, Mecosta, Montcalm, Muskegon, Newago, Oceana, Ottawa, Van Buren Counties

Source: Cluster Mapping Project, Institute for Strategy & Competitiveness, Harvard Business School, 2002 data

Research, Innovation and Design

West Michigan products and people impact everyone's daily life – from home to work to play.

Almost **3,000 manufacturing** establishments operate in the West Michigan area. These companies possess a high level of engineering and manufacturing know-how, intellectual property, product design and productive workers.

Office Systems: West Michigan is the **Office Furniture Capital** of the world. More importantly, companies such as Steelcase, Herman Miller, Haworth and Knoll are leaders in their knowledge of working, healing and living environments. They help transform ways people work into more productive, creative environments.

Automotive: In addition to being **#2 in the Automotive Supplier** cluster ranking by the Harvard Business School, local automotive suppliers have been awarded the prestigious *Automotive News Pace Award 10 times*. This award is presented annually to companies that have demonstrated a commitment to value-driven innovation in product, technology, process and management practices.

Other than the Detroit area, no other community can boast about winning so often. Pace winners include Benteler, Gentex, Johnson Controls, Rapid Design and Shape Corporation.

Alternative Energy: Grand Valley State University's 40,000 square-foot **Michigan Alternative and Renewable Energy Center (MAREC)** is a research and business incubator dedicated to the research and development of renewable energy. Located in Muskegon, the facility will be completely self-sufficient, producing its own electricity, hot water, heating and air-conditioning.

Current research projects at MAREC include advanced chemical abatement technology that destroys hazardous chemicals emitted during the production of LED (light-emitting diodes) and fuel cell technologies.

Life Sciences: The region ranks **#12** in the nation in **Biopharmaceuticals** in large part due to the Van Andel Research Institute, a \$200 million world-class medical research focusing on molecular oncology, Alticor, J B Laboratories, Perrigo, Pfizer, Welch Laboratories and Zeeland Chemicals.

As the western link to Michigan Life Sciences Corridor, Grand Rapids, in conjunction with the Van Andel Research Institute and Grand Valley State University, recently launched the **West Michigan Science and Technology Initiative**. The Institute will serve as a hub for technology and product development assistance in the Grand Rapids area as well as provide incubator space for biotechnology companies.

Sustainable Development: In an increasingly environmentally conscious world, Great Grand Rapids area businesses are embracing Sustainable Business practices that eliminate waste and toxic material and create recyclable products. Companies such as Steelcase, Herman Miller, Haworth and Cascade Engineering are leaders in Sustainable Business practices.

The Sustainable Business Degree from Aquinas College is one of the first of its kind in the United States.

INNOVATORS

- ⊙ **Office Furniture Capital** of the world.
- ⊙ **#2 Automotive Supplier** cluster in the country.
- ⊙ **Electrochromics Automotive Mirror Capital of the world.** Automatic dimming mirrors and lights are becoming standard features on luxury and mid-size cars.
- ⊙ **Life Sciences:** Ranks #12 in the nation.
Van Andel Research Institute, launched only 4 years ago, ranks **#3** in the Midwest in obtaining research dollars.
- ⊙ **Sustainable Development and Green Buildings.** One of the nation's leaders in **Sustainable Development**. Ranks #7 in the U.S. in registered Green Building projects.
- ⊙ **Design Center:** Nearly 90% of the world's furniture designers hail from Grand Rapids-based Kendall College of Art and Design.
- ⊙ **Fortune 1000 Companies:**

Spartan Stores	#673
Steelcase	#672
Universal Forest Products	#651
Hayes Lemmerz	#718
- ⊙ **Forbes Largest Private Companies:**

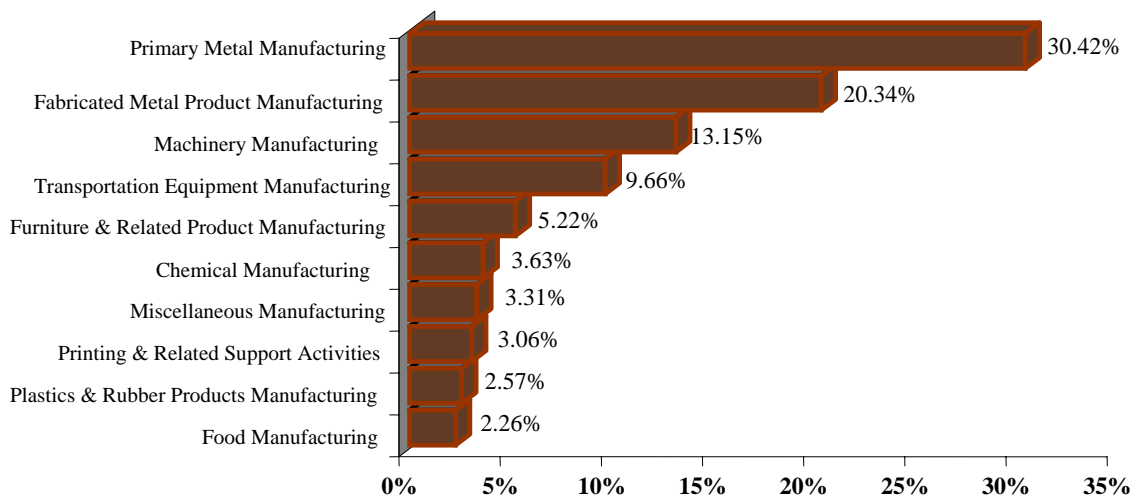
Meijer	#10
Alticor	#25
Gordon Food Service	#49
Haworth	#258
- ⊙ **Forbes Global 2000 Companies:**

General Electric	#2
ALCOA	#176
Brunswick	#1,137
L-3 Communications	#1,767

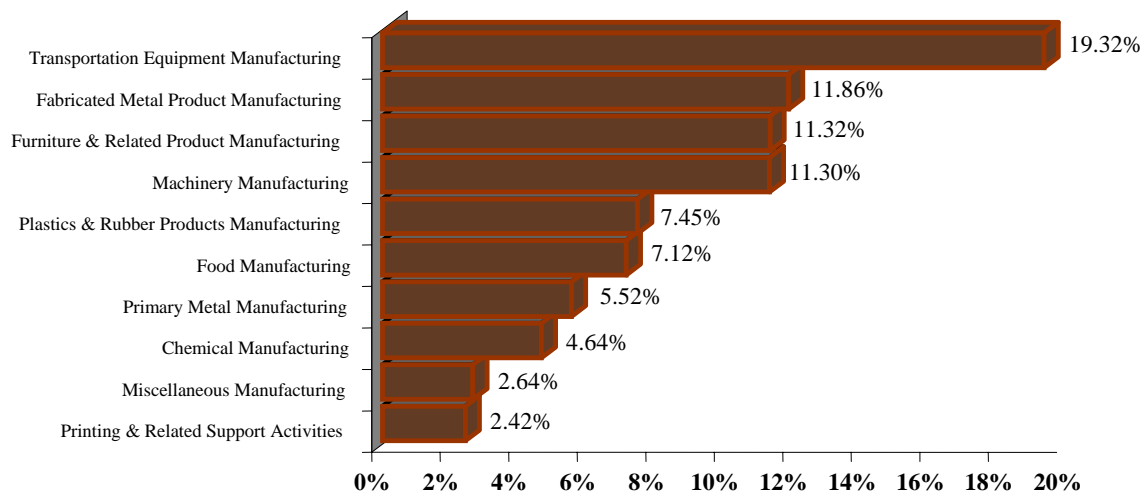
For six consecutive years, the area ranked in the **top 30** of 315 metropolitan communities in *Industry Week's* World Class Community annual survey due to outstanding performances by the impressively diversified industrial sector and cooperation between government, educational institutions and business.

Industry Week ranked Muskegon area's Steelcase Inc. 248th out of the top 500 U.S. manufacturing plants for Leadership in Manufacturing.

Muskegon County Manufacturing Employment 2005



West Michigan Manufacturing Employment 2005



Source: Michigan Department of Labor and Economic Growth – Labor Market Information

Manufacturing Payroll

- © Manufacturing continues to have a positive economic impact in the Muskegon area. Manufacturers account for 20.70% of the total employment in Muskegon County and bring in 35.3% of county-wide payroll while only accounting for 9.78% of all establishments with payroll.

Muskegon County Payroll, Establishments and Employment 2005

Industry Sector	Payroll	Establishments	Employees	Avg. Weekly Wages
Total, All Industries	\$442,665,940	3,222	56,465	\$603
Agriculture, Forestry, Fishing & Hunting	\$2,641,526	32	551	\$369
Construction	\$21,713,418	374	2,537	\$658
Manufacturing	\$156,266,870	315	13,302	\$904
Wholesale Trade	\$14,600,040	127	1,307	\$859
Retail Trade	\$63,235,519	545	10,980	\$443
Transportation & Warehousing	\$8,768,754	77	857	\$787
Information	\$12,264,381	46	950	\$993
Finance & Insurance	\$11,033,009	159	1,071	\$792
Real Estate, Rental & Leasing	\$4,930,753	114	812	\$467
Professional & Technical Services	\$11,764,040	231	1,054	\$859
Management of Companies & Enterprises	\$1,388,310	8	123	\$866
Administrative & Waste Services	\$13,288,815	140	2,941	\$348
Educational Services	\$1,629,206	29	444	\$282
Health Care & Social Assistance	\$82,437,916	325	9,219	\$688
Arts, Entertainment & Recreation	\$5,941,822	69	1,961	\$233
Accommodation & Food Services	\$16,391,242	310	6,153	\$205
Other Services, except Public Administration	\$8,139,253	316	1,815	\$345

Area Demographic Statistics

Population Data

	1995	2005	% Change from 1995-2005
Muskegon	163,620	174,431	6.60%
Michigan	9,659,871	10,140,431	4.97%
United States	262,803,000	296,496,649	12.82%

Source: U.S. Census Bureau

Employment Data

Total Wage & Salary Employment by Place of Work

	1995	2005	% Change from 1995-2005
Muskegon	73,312	85,169	16.17%
Michigan	4,233,300	4,754,000	12.30%
United States	117,008,000	134,376,000	14.84%

Source: U.S. Census Bureau of Labor Statistics, not seasonally adjusted

Manufacturing Employment

	2003	2005	% Change from 2003-2005
Muskegon	13,000	13,600	4.62%
Michigan	716,300	678,800	-5.24%
United States	14,510,000	14,232,000	-1.92%

Source: U.S. Census Bureau of Labor Statistics, not seasonally adjusted

Selected Labor Market Indicators

Average for all Production Occupations

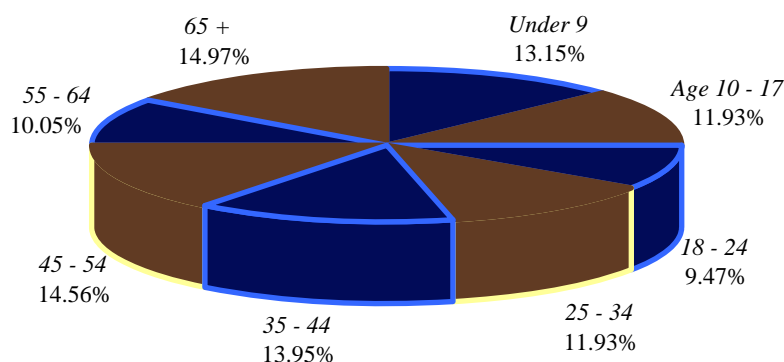
Labor Market Area	Weekly Hours	Mean Hourly Wage	Weekly Earnings
Grand Rapids-Muskegon-Holland MSA	40.03	\$15.18	\$607.66
Michigan	41.37	\$17.20	\$711.56
United States	33.8	\$16.11	\$544.52

Source: U.S. Census Bureau of Labor Statistics, not seasonally adjusted

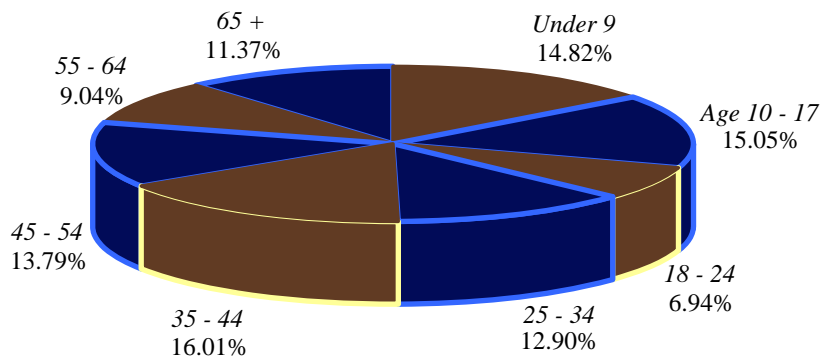
Young, Creative Community

- ⊙ West Michigan continues to attract young people to high tech and traditional jobs, as well as to a growing number of entrepreneurial opportunities.
- ⊙ 49% of the population is under the age of 35, compared to 48% for the U.S.
- ⊙ Vibrant central cities, small neighborhoods, low cost-of-living, a wide variety of entertainment venues, outdoor activities and downtown loft apartments act as magnets attracting young people from across the country to West Michigan.
- ⊙ Thanks to a growing number of creative workers, amongst communities with populations over one million, our region placed in the top 50 Creative Class rankings conducted by Richard Florida, author of the *Rise of the Creative Class*.
- ⊙ Working in science and engineering, health care, finance, business, architecture and design, education, arts, music and entertainment, these creative individuals produce new ideas, technology and creative content for a living.
- ⊙ **78% of the employment force has a commuting distance of less than 30 minutes. And even better, 36% commute less than 15 minutes.**
- ⊙ Creative centers like ours are likely to show increases in area employment and population and will likely be the economic winners in years to come.
- ⊙ Most education attainment categories are higher in the region than the national averages.

Muskegon County Age Breakdown



West Michigan Age Breakdown



Source: U.S. Census Bureau

Educational Attainment Persons 25 and older

Muskegon County

	Number	%	U.S. %
Less than 9th grade	5,295	4.74%	6.29%
9 th to 12th grade, no diploma	13,607	12.18%	8.56%
High school graduate (includes equivalency)	39,660	35.50%	32.01%
Some college, no degree	28,150	25.20%	17.02%
Associate degree	9,525	8.53%	8.44%
Bachelor's degree	10,496	9.40%	18.07%
Graduate or professional degree	4,981	4.46%	9.62%

Grand Rapids-Muskegon-Holland MSA

	Number	%	U.S. %
Less than 9th grade	29,531	4.30%	6.29%
9th to 12th grade, no diploma	56,550	8.23%	8.56%
High school graduate (includes equivalency)	221,868	32.31%	32.01%
Some college, no degree	146,835	21.38%	17.02%
Associate degree	53,420	7.78%	8.44%
Bachelor's degree	117,449	17.10%	18.07%
Graduate or professional degree	61,084	8.89%	9.62%

Michigan

	Number	%	U.S. %
Less than 9th grade	219,304	3.41%	6.29%
9th to 12th grade, no diploma	626,216	9.74%	8.56%
High school graduate (includes equivalency)	2,020,893	31.43%	32.01%
Some college, no degree	1,494,024	23.24%	17.02%
Associate degree	488,051	7.59%	8.44%
Bachelor's degree	971,776	15.11%	18.07%
Graduate or professional degree	609,728	9.48%	9.62%

Note: Percents may not add to 100 due to rounding.

Source: U.S. Census Bureau



Muskegon County Race and Ethnicity Classifications

Race	2005 Estimate
Total	174,431
White Alone	141,449
Black or African American Alone	24,450
American Indian and Alaska Native Alone	1,354
Asian Alone	807
Native Hawaiian and Other Pacific Islander Alone	18
Some Other Race Alone	2,452
Two or More Races	3,901
Ethnicity	
Hispanic or Latino Population	6,776
Hispanic or Latino, White Alone	3,288
Hispanic or Latino, Black or African American Alone	220
Hispanic or Latino, American Indian and Alaska Native Alone	186
Hispanic or Latino, Asian Alone	8
Hispanic or Latino, Native Hawaiian and Other Pacific Islander Alone	6
Some Other Race Alone	2,316
Two or More Races	752

NOTE: Hispanic or Latino Ethnicity is a separate category from Race. Hispanics and Latinos are included in Race data, but under individual categories such as White, Black, etc.

Source: *Claritas 2005*



Muskegon County Statistics

	1995 Avg.	2000 Avg.	2001 Avg.	2002 Avg.	2003 Avg.	2004 Avg.	2005 Avg.
Total Nonfarm Employment	58,400	65,100	63,900	64,500	65,200	66,400	66,900
Total Private	49,500	55,700	54,500	55,000	55,300	56,800	57,500
Goods Producing	16,300	18,100	17,000	15,900	15,300	16,100	16,100
Service Providing	42,100	47,000	46,900	48,600	49,900	50,400	50,800
Private Service Providing	33,300	37,600	37,500	39,200	40,000	40,800	41,400
Natural Resources, Mining & Construction	2,300	3,000	2,900	2,600	2,400	2,400	2,500
Manufacturing	14,000	15,100	14,100	13,300	13,000	13,600	13,600
Durable Goods	11,100	12,300	11,800	11,200	10,800	11,400	11,100
Trade, Transportation & Utilities	11,400	12,900	12,600	13,700	13,800	13,700	14,000
Wholesale Trade	1,200	1,900	2,100	1,900	1,600	1,400	1,400
Retail Trade	9,000	9,800	9,300	10,400	10,900	11,000	11,300
Transportation Warehousing	1,200	1,200	1,300	1,400	1,300	1,300	1,300
Information	1,200	1,200	1,200	1,100	1,000	1,000	1,000
Financial Activities	1,800	2,200	2,300	2,200	2,000	1,900	2,000
Professional & Business Services	2,700	3,700	3,400	3,400	3,700	4,200	4,000
Educational & Health Services	7,600	8,100	8,500	8,900	9,800	10,200	10,300
Leisure & Hospitality	5,900	6,700	6,800	7,000	7,200	7,300	7,400
Accommodation & Food Services	5,000	5,700	5,800	6,000	6,100	6,200	6,000
Food Services & Drinking	4,300	5,100	5,100	5,300	5,600	5,700	5,500
Other Services	2,600	2,800	2,800	2,800	2,600	2,600	2,700
Government	8,900	9,400	9,400	9,400	9,900	9,600	9,500
State Government	1,300	1,300	1,200	1,200	1,400	1,400	1,200
Local Government	7,200	7,700	7,800	7,800	8,100	7,800	7,800
Local Government Education	4,800	5,200	5,400	5,400	5,600	5,400	5,300

Source: Michigan Department of Career Development, Employment Services Agency



West Michigan Statistics

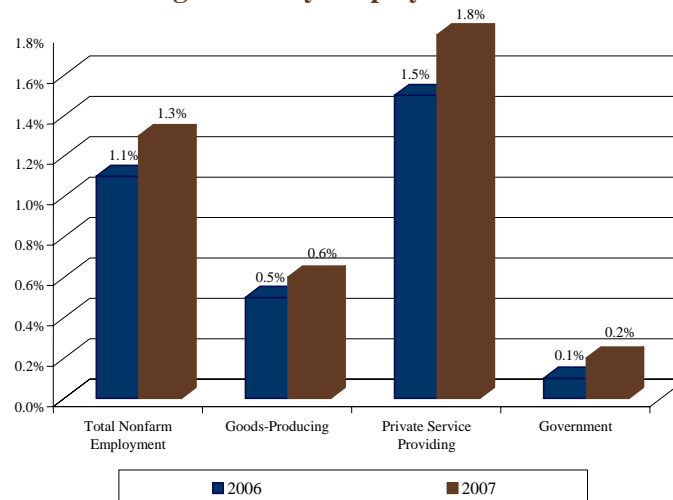
	1995 Avg.	2000 Avg.	2001 Avg.	2002 Avg.	2003 Avg.	2004 Avg.	2005 Avg.
Total Nonfarm Employment	511,700	590,700	581,000	573,600	565,200	570,100	576,500
Total Private	456,500	530,200	519,600	511,700	501,700	507,400	513,200
Goods Producing	162,400	179,600	171,700	160,300	153,400	153,700	152,800
Service Providing	349,300	411,100	409,300	413,300	411,800	416,500	423,700
Private Service Providing	294,200	350,500	347,900	351,500	348,300	353,800	360,400
Natural Resources, Mining & Construction	23,700	29,900	29,700	29,100	27,500	27,800	27,600
Manufacturing	138,700	149,700	142,000	143,100	126,000	125,800	125,200
Durable Goods	98,300	110,800	105,100	97,000	93,200	93,400	92,200
Trade, Transportation & Utilities	99,000	113,100	111,400	109,700	108,400	107,200	107,800
Wholesale Trade	24,500	29,500	29,300	29,300	28,100	28,100	28,200
Retail Trade	59,500	68,700	66,900	65,500	66,300	65,000	65,100
Transportation Warehousing	11,700	12,700	12,600	14,900	13,800	14,100	14,500
Information	7,100	8,100	8,100	8,100	7,600	7,500	7,500
Financial Activities	22,500	26,300	25,900	26,100	26,200	26,700	27,100
Professional & Business Services	50,700	70,500	67,000	68,200	65,100	68,400	69,400
Educational & Health Services	53,200	61,500	65,100	66,300	70,500	73,200	75,700
Leisure & Hospitality	41,700	47,300	46,600	46,700	46,100	46,900	48,200
Accommodation & Food Services	35,000	40,300	39,700	40,000	39,400	40,300	41,300
Food Services & Drinking	31,900	37,300	36,800	37,100	36,700	37,500	38,500
Other Services	19,900	23,800	24,100	24,500	24,500	24,300	24,700
Government	55,200	50,400	50,800	50,500	63,500	62,700	63,400
State Government	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Local Government	44,300	48,200	54,500	52,300	50,200	49,300	50,200
Local Government Education	27,700	31,700	38,800	37,200	32,700	32,000	32,100

Source: Michigan Department of Career Development, Employment Services Agency

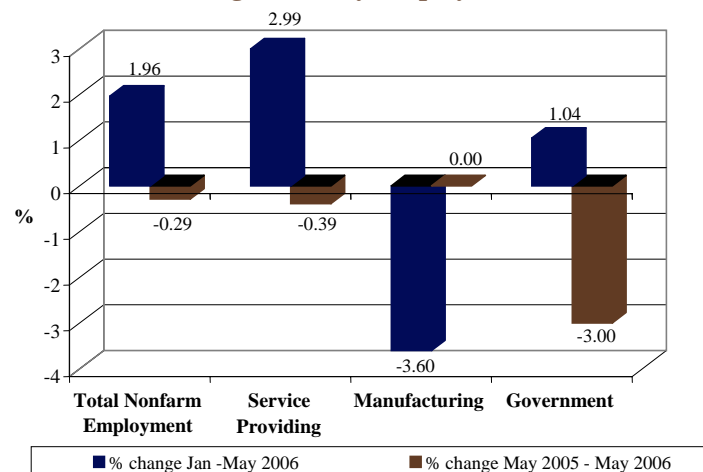
Employment Forecast

- ⊙ Employment in Muskegon County rose 1.96% during the first half of 2006. This increase was due in most part to the 14.93% increase in the Leisure & Hospitality sector, along with a 13.04% increase in Natural Resources, Mining and Construction employment. This was offset by the 1.23% decrease in Goods-Producing employment and the 3.60% decrease in Manufacturing employment.
- ⊙ The projections for 2006 were a 1.1% total growth of employment with a 0.5% increase in goods-producing, 1.5% increase in private service providing and a 0.1% increase in government employment.
- ⊙ Unemployment in Muskegon County dropped from 6.4% to 6.0% in the first half of 2006.

Muskegon County Employment Forecast



Muskegon County Employment Growth





West Michigan Indicators

Cost of Living – 2005

	All Costs
Muskegon, MI	80
Grand Rapids, MI	89
Holland, MI	90.7
Detroit, MI	83.6
Chicago, IL	139.3
Cleveland, OH	85.9
Indianapolis, IN	81.9
United States	100

Median House Value – 2005

	Median House Value
Muskegon, MI	\$92,200
Grand Rapids, MI	\$128,900
Holland, MI	\$148,400
Detroit, MI	\$100,000
Chicago, IL	\$403,000
Cleveland, OH	\$99,500
Indianapolis, IN	\$121,100
United States	\$208,500

Source: Sperling's Best Places

Retail Sales (\$000) 2005

Retail Sales	Motor Vehicle	General Merchandise	Eating & Drinking
\$15,901,915	\$3,917,134	\$2,769,087	\$1,425,805

Source: Survey of Buying Power 2005

Unemployment % – 2005

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Muskegon County	7.8	7.7	7.5	6.5	7.1	6.8	7.8	5.9	5.8	5.4	6.2	6.2
Michigan	7.8	7.8	7.6	6.6	6.7	6.8	7.3	6.1	6.0	5.6	6.2	6.3
United States	5.7	5.8	5.4	4.9	4.9	5.2	5.2	4.9	4.8	4.6	4.8	4.6

Unemployment % - 2006

	Jan	Feb	Mar	Apr	May
Muskegon County	6.4	7.1	7.2	6.7	6.0
Michigan	7.1	7.2	7.5	6.8	5.8
United States	5.1	5.1	4.8	4.5	4.4

Source: Michigan Labor Market Information

Best Places to Live, Work and Play

- ⊗ Places Rated Almanac ranked the area No. 3 in the fun and recreation category.
- ⊗ Residents embrace every form of family entertainment including golfing, boating, sailing, fishing, hunting, camping, snow skiing, snow boarding, skate parks and biking.

RECREATION, SPORTS, ENTERTAINMENT

Golf:

The highest percentage of golfers per capita in the U.S.!

Water:

No more than 20 minutes from a lake or river. In the state, 3,200 miles of shoreline, 11,000 inland lakes, 115 lighthouses and beacons, and trout and salmon fishing meccas.

Biking:

250 miles of rail trails in West Michigan.

Snow:

In Michigan, 5,600 miles of snowmobile trails and dozens of downhill ski resorts.

Sports Teams and Events:

Muskegon Fury Hockey
Muskegon Thunder Indoor Football
Grand Rapids Rampage Arena Football
Griffins International Hockey League
Fifth Third River Bank Run
White Caps Class A Minor League
(Detroit Tigers affiliated baseball)

Museums:

Muskegon County Museum
Muskegon Museum of Art
Coopersville Farm Museum
Dutch Village
Gerald R. Ford Museum
Grand Rapids Art Museum
Grand Rapids Children's Museum
Public Museum of Grand Rapids
Urban Institute of Contemporary Arts

Dance and Music:

West Shore Symphony Orchestra
Blue Lakes Fine Arts Music Camp
Grand Rapids Ballet Company
Grand Rapids Symphony
Grand River Folk Arts Society
Opera Grand Rapids
St. Cecilia Music Society

Theater:

Frauenthal Theatre
Muskegon Civic Theatre

Actor's Theatre

Broadway Theatre Guild
Community Circle Theatre (one of the largest in the U.S.)
Grand Rapids Civic Theatre
Heritage Theatre Group
Howmet Playhouse
Jewish Theater Grand Rapids
Master Arts Theatre
Spectrum Theatre

Festivals:

Muskegon Summer Celebration
Unity Christian Music Festival
Muskegon Film Festival
Michigan Irish Festival

Other Attractions:

Michigan's Adventure Amusement Park
Lake Michigan beaches
John Ball Park Zoo
Frederik Meijer Botanical Gardens
State parks (8 in the metropolitan area)

TRANSPORTATION

Air:

Muskegon County Airport
Gerald R. Ford International Airport
Tulip City Airport

Bus:

Greyhound

Railroad:

Amtrak passenger service
CSX Transportation, Michigan Shoreline Railroad

Major Highways:

US 31, I-96, M-120, M-46, M-37

CLIMATE

Average temperatures:
January, 29° F
July, 80° F
Annual precipitation:
31.5" of rain
109" of snow

Population Projections for West Michigan



County	1990	2000	2005	2010	2015	2020	2025	2030
Allegan	90,980	106,120	115,490	122,670	131,880	141,360	151,190	161,580
Barry	50,140	56,930	61,020	64,000	67,970	72,050	76,310	80,870
Berrien	161,420	162,640	162,250	161,870	161,800	162,020	162,590	163,680
Branch	41,610	45,860	47,380	48,620	50,360	52,190	54,150	56,260
Calhoun	136,320	138,120	139,400	139,520	140,440	141,570	143,000	144,830
Cass	49,520	51,170	53,130	52,910	54,230	55,620	57,110	58,800
Eaton	93,180	103,900	111,410	114,070	120,120	126,300	132,820	139,830
Ionia	56,970	61,700	63,820	66,510	68,850	71,310	73,890	76,750
Kalamazoo	223,950	238,840	243,990	249,920	256,250	263,060	270,390	278,630
Kent	502,860	576,171	610,980	638,350	674,600	712,130	751,350	793,240
Mecosta	37,420	40,660	42,350	43,810	45,460	47,180	49,000	50,970
Montcalm	53,240	61,440	64,780	67,510	71,020	74,650	78,460	82,530
Muskegon	159,380	170,580	175,360	179,470	184,620	190,060	195,930	202,450
Newago	38,410	48,030	51,590	54,510	58,430	62,460	66,660	71,080
Oceana	22,580	26,970	28,780	30,630	32,570	34,570	36,650	38,860
Ottawa	189,180	239,570	261,100	275,020	294,200	313,940	334,440	356,190
Saint Joseph	58,930	62,540	64,050	64,510	65,920	67,440	69,100	70,980
Van Buren	70,300	76,370	79,200	81,640	84,350	87,220	90,280	93,620
Michigan	9,955,800	10,174,190	10,425,590	10,425,590	10,707,430	11,008,700	11,334,200	11,697,020

Source: Woods & Poole Economics, Inc.

Largest Manufacturers in the Muskegon Area

<u>Business/Organization</u>	<u>Muskegon Area Employees</u>	<u>Product</u>
Herman Miller	2,545	Office Furniture
Howmet Corporation	2,427	Aerospace
Hays Lemmerz International	558	Motor Vehicle Parts & Accessories
L-3 Communications	550	Defense Vehicle Systems
Lift-Tech International	500	Hoists, Cranes & Monorails
Adac Plastics	481	Plastics, Automotive
Johnson Technology Inc.	476	Aerospace
Eagle Alloy	420	Steel Foundry, Heavy Equipment
Knoll	420	Office Furniture
Dana Corporation	375	Automotive
Kurdziel Industries Inc.	360	Commercial Gray & Ductile Iron Castings
Brunswick Indoor Recreational	350	Recreational Products/Bowling & Billiards
GHSP	350	Automotive
Port City Group	350	Aluminum Die Castings, Automotive
Textron Automotive	305	Automotive & Accessories
CWC Textron	300	Foundry Automotive
Structural Concepts Corp.	300	Display Cases, Furniture
Sun Chemical Corp.	300	Industrial Organic Chemicals
Alcoa Automotive Casting Center	285	Aluminum Die Castings
The Muskegon Chronicle	250	Newspaper Publications
Hilite International	230	Automotive & Accessories
Acemco, Inc.	220	Automotive & Accessories
Michigan Steel	210	Steel Castings
Holland USA	200	Truck Suspensions & Brakes
Kaydon	200	Aerospace, Heavy Equipment

Largest Non-Manufacturers in the Muskegon Area

<u>Business/Organization</u>	<u>Muskegon Area Employees</u>	<u>Product</u>
Mercy General Health Partners	2,108	Hospital/Health Care Services
Hackley Health	1,568	Hospital/Health Care Services
Michigan's Adventure	1,359	Amusement Park
Meijers, Inc.	1,300	Department Stores
County of Muskegon	1,150	County Government
Muskegon Public Schools	1,110	County Education System
Muskegon Correctional Facility	847	Correctional Facilities
Yale Lift-Tech	340	Real Estate/Construction
Muskegon Community College	335	Education & Training
Plumb's Valu-Rite Food	300	Grocery Stores
Wesco, Inc.	291	Corporate Headquarters/Stores
Newkirk Electric Assoc.	275	Electrical Contractors
City of Muskegon	269	City Government
Pioneer Resources	259	Non-Profit/Social Services
Verizon Communications	240	Telecommunications/Media
Reid Entities	155	Industrial Wholesaler
Muskegon Family YMCA	140	Fitness Centers
Consumer's Energy	129	Energy Service
Sears Store	110	Department Stores
National City Bank	100	Banking