

PRIVATE INVESTMENTS IN LOCAL HOUSING PROJECTS

WHY ADD HOUSING TO YOUR PORTFOLIO?

Stable Returns: Housing investments [provide stable and predictable returns over time](#). This is attractive to those looking for reliable income (A, C).

Collateral Value: Real estate [serves as strong collateral for loans, reducing risk](#). If a borrower defaults, the bank can seize the property and sell it to recover the loan amount (A).

Community Reinvestment: Investing in housing, especially affordable housing, [helps banks meet their Community Reinvestment Act \(CRA\) requirements](#). This can enhance their reputation and fulfill regulatory obligations.

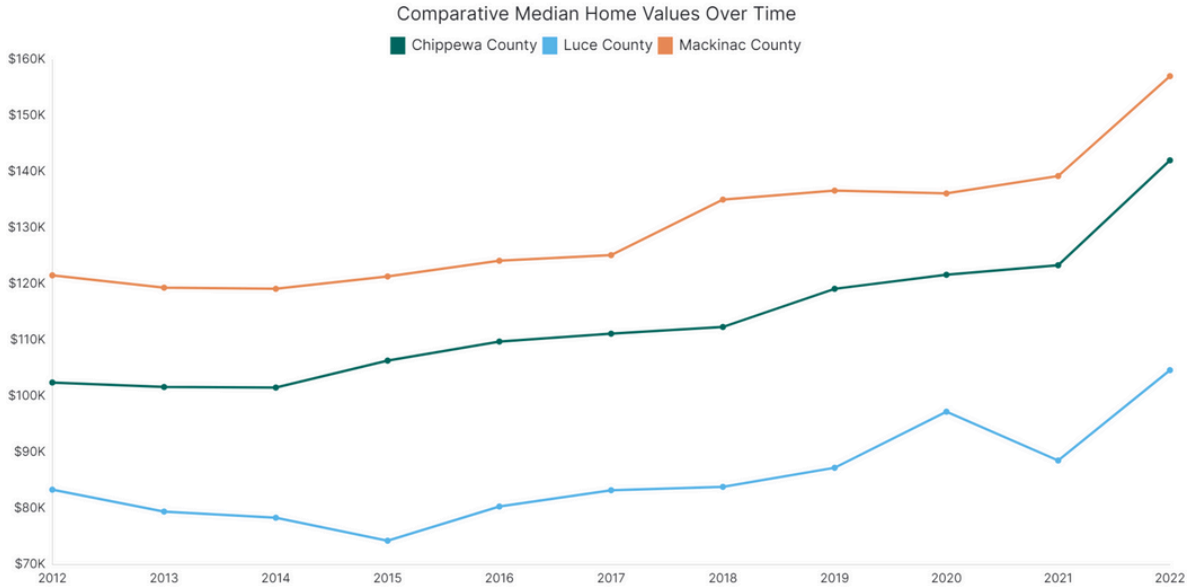
Market Demand: There is high demand for housing. This [can lead to appreciation in property values](#), providing capital gains (B, C).

Diversification: Real estate investments [diversify a bank's portfolio](#), spreading risk across different asset classes.

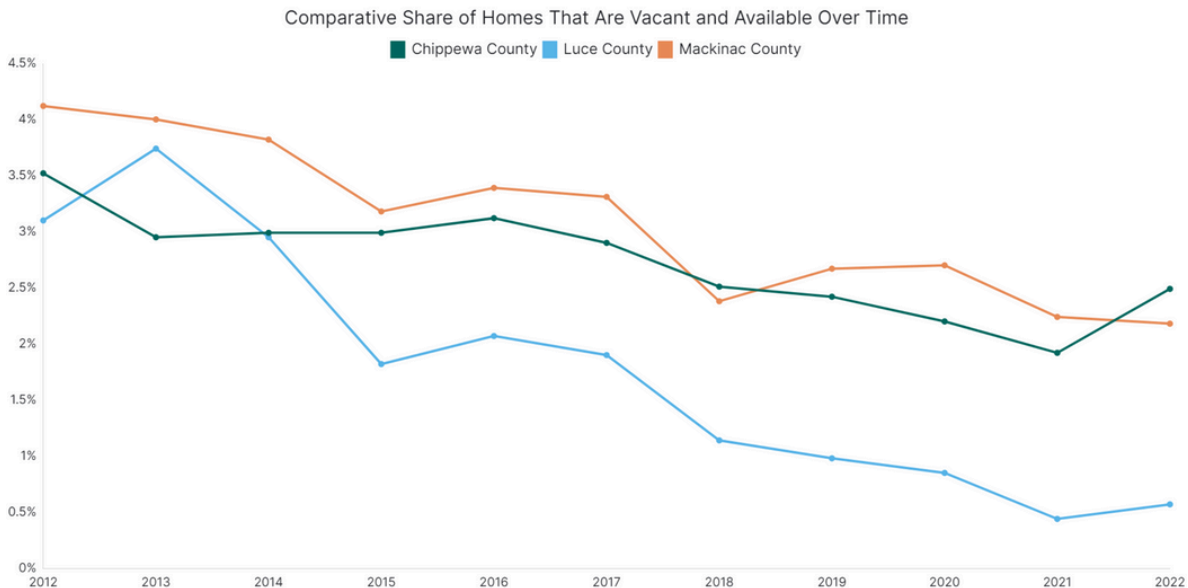


EUP HOUSING DATA

A.



B.



C.

Fair Market Rent for a 2-bedroom apartment in Chippewa County is **\$1,028 per month**.
This is a **15.77% increase year-over-year**.

Fair Market Rent for a 2-bedroom apartment in Luce County is **\$952 per month**.
This is a **11.09% increase year-over-year**.

Fair Market Rent for a 2-bedroom apartment in Mackinac County is **\$905 per month**.
This is a **9.56% increase year-over-year**.

Source: MSHDA (2024)

Source: RentData (2024)



RATIONALE FOR MIXED-USE BUILDINGS

Increased Property Values: Properties in mixed-use areas [see higher values](#) due to the convenience and liveliness of the neighborhood.

Built-in Customer Base: Residents living above businesses are [likely to spend money there](#), providing a steady stream of customers. This increases sales and economic growth.

Reduced Vacancy Rates: Mixed-use buildings [have lower vacancy rates](#), indirectly supporting the business.

Shared Costs: The costs of maintaining the building [can be shared between the residential and commercial spaces](#), reducing overall expenses.

Increased Foot Traffic: Studies have shown that mixed-use developments [increase foot traffic by up to 30%](#), which benefits ground-floor businesses.

Economic Stability: Research indicates that mixed-use buildings [have more stable rental income](#), which can subsidize commercial ventures during economic downturns.

Consumer Spending: Data from *the Urban Land Institute* suggests that residents in mixed-use developments [spend more money locally](#), providing a customer base for nearby businesses.

Community Support: Surveys have found that residents in mixed-use buildings [support local businesses, creating a customer base that can sustain restaurants during tough times](#). Residents may become advocates for the business, helping to sustain it through word-of-mouth and community support.



ARTICLES SUPPORTING MIXED-USED BUILDS

[The Growing Popularity of Mixed-Use Properties \(JPMorgan.com\)](#)

[Supporting Active Living Through Mixed-Use Developments \(Planning.org\)](#)

[What are the Benefits of Mixed-Use Development? \(MAPC.org\)](#)

[Explore the Benefits of Mixed-Use Development \(Iskalo.com\)](#)

[Mixed-Use Magic: Strategies for Successful Urban Development \(CJR Builds.com\)](#)

[The WalkUP Wake-Up Call \(SmartGrowthAmerica.org\)](#)

