

OUTLETS OF  
MICHIGAN

A JOINT VENTURE WITH NEW ENGLAND DEVELOPMENT

EXPERIENCE. QUALITY. RELATIONSHIPS.

PARAGON  
OUTLETS

# OUTLETS OF MICHIGAN

DETROIT



“Visitors to metropolitan Detroit annually spend about \$1.7 billion after arriving through Detroit Metro Airport, which has a total economic impact on the area of \$3.2 billion”

- University of Michigan-Dearborn and Wayne County Airport Authority, January 2014

City: Romulus, MI

County: Wayne

GLA: 365,000sf

OPENING: 2016



## CENTER OVERVIEW

- Outlets of Michigan is a 365,000 square foot ground up development located in Romulus, opposite of Detroit Metropolitan Airport at the intersection of Interstate 94 and Vining Road.
- The center has excellent regional access and will draw from over 3.4 million shoppers within a 30 mile radius.
- The center is strategically positioned in a highly visible and easily accessible location on Interstate 94, the major highway between Chicago and Detroit/ Canada.

# OUTLETS OF MICHIGAN

## Wayne County

Most populous county in the state and 18th most populous county in the US

Rich in history, culture, arts and world class amenities

Automotive capital of the world

According to state data, in 2010 Wayne County was Michigan's top county for tourism revenue (\$4.4 billion)

## THE MARKET

- Located directly across I-94 from DTW, Michigan's largest airport serving over 32 million passengers annually via 1,200+ daily flights to almost 150 global destinations.
- 20 miles east of Ann Arbor, 40 miles north of Toledo, and 21 miles west from the Canadian border crossing.
- Fulfills the void for shoppers in nearby Toledo, Ohio who are not currently served by an outlet center
- More than hotel 3,800 rooms within close proximity to Outlets of Michigan.
- Nearest outlet to the Canadian border with 8 million people traversing annually at the Detroit/Windsor Crossing.
- Centrally located within strong visitor area
- Metro Detroit's MSA has an overall population exceeding 4.3 million people, making it the 11th largest MSA in the US.



# OUTLETS OF MICHIGAN



## PROPERTY INFORMATION

Location:  
 Opposite of Detroit Metropolitan Airport in the northeast quadrant of Interstate 94 and Vining Road at the intersection of Vining Road and Wick Road in Romulus, MI 48174

County: Wayne

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OPENING: 2016

## DEMOGRAPHICS (ESRI)

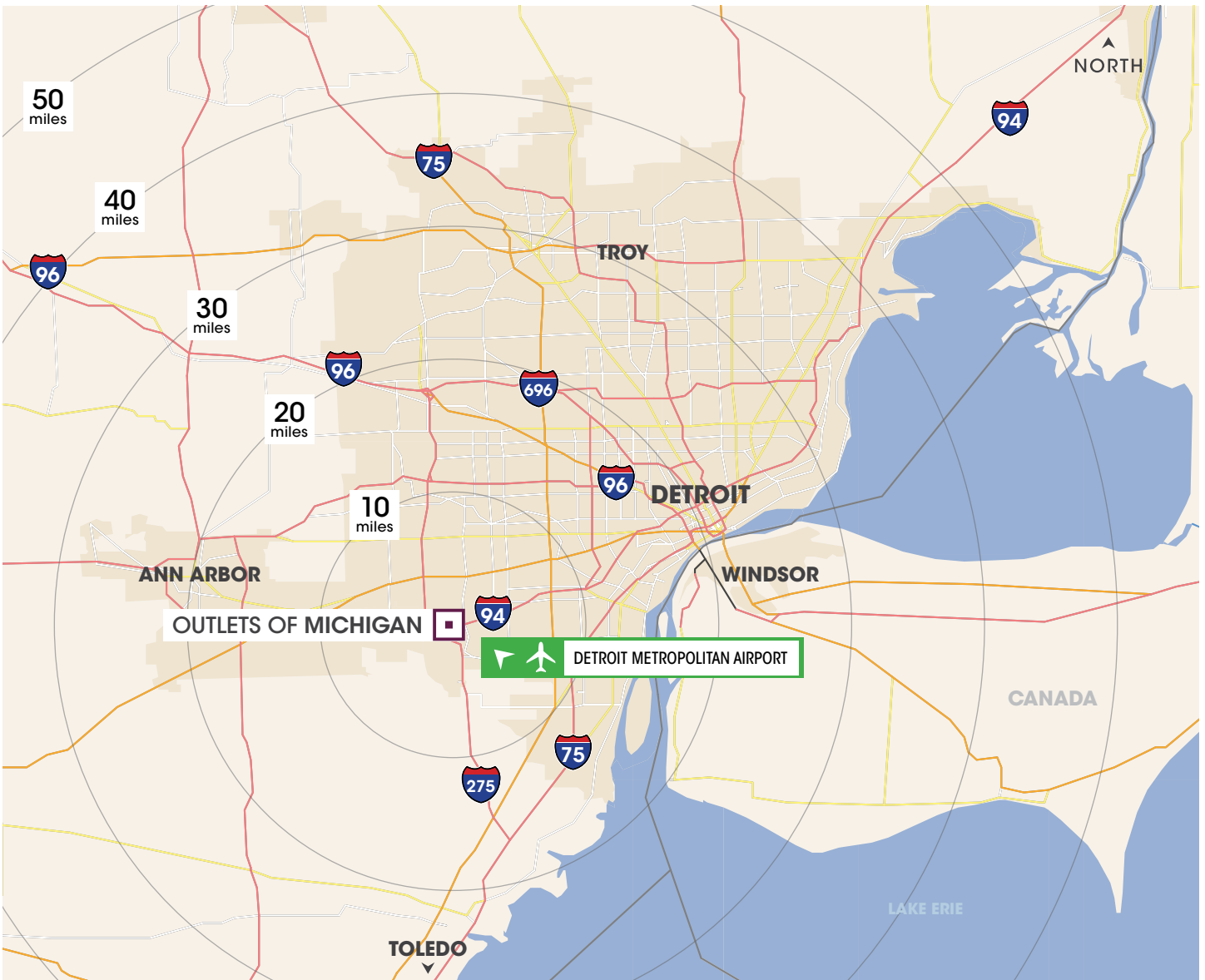
RADIUS	2014 POPULATION	2014 AVG. HH. INC.	2019 (projected) POPULATION	2019 (projected) AVG. HH. INC.
10 miles	627,358	\$63,680	615,236	\$71,161
15 miles	1,304,073	\$62,896	1,280,207	\$70,652
20 miles	2,004,703	\$62,610	1,982,542	\$70,819
30 miles	3,426,617	\$68,301	3,416,395	\$77,479
45 miles	4,944,057	\$69,744	4,956,074	\$78,867
50 miles	5,203,364	\$69,978	5,215,518	\$79,104
60 miles	5,827,057	\$68,759	5,833,563	\$77,671

# OUTLETS OF MICHIGAN

## LOCATION

The site is located opposite of Detroit Metropolitan Airport in the northeast quadrant of Interstate 94 and Vining Road at the intersection of Vining Road and Wick Road in Romulus, MI

Latitude 42.237728, Longitude -83.373362 (per ESRI)



Daily Traffic:  
(vehicles daily)

Interstate 94 | 115,400

# OUTLETS OF MICHIGAN

## AERIAL

The site is located opposite of Detroit Metropolitan Airport in the northeast quadrant of Interstate 94 and Vining Road at the intersection of Vining Road and Wick Road in Romulus, MI

Latitude 42.237728, Longitude -83.373362 (per ESRI)



Daily Traffic:  
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Interstate 94 | 115,400

# OUTLETS OF MICHIGAN

46 million

people live within a  
300-mile radius of  
Metro Detroit

\$18.1 billion

total visitor  
spending in 2012  
(\$4.7 billion business,  
\$13.3 billion leisure)

The 1.61 million  
Canadians visiting  
the state during 2012  
account for \$427 million  
of total visitor spending.



MARRIOTT AT THE  
RENAISSANCE CENTER

## DETROIT

- International destination that shares a border with Windsor, Ontario, Canada
- The Detroit/Windsor area has a total population of 5.7 million
- Home to America's "Big Three" automobile companies
- Approximately 20 million travelers visit Metro Detroit annually, with 64% of those visitors coming from out-of-state.
- 20-somethings are among the fastest growing demographic in Detroit
- Downtown Detroit has experienced a 59% increase in the number of college-educated residents under the age of 35 – nearly 30% more than two-thirds of the nation's 51 largest cities.
- An innovative planned mixed use development, The District Detroit, will integrate new and existing sports and entertainment venues including Comerica Park and the Detroit Opera House within dozens of blocks between midtown and downtown. The District, comprised of new walkable residential areas, broke ground in September 2014 and will be anchored by a world-class \$450 million arena that will be the new home of the Red Wings. The transformative project has an estimated economic impact of \$1.8 billion for the city, region and state.
- One of only 12 cities in the country with 4 professional sports teams attracting over 4.5 million fans to Detroit each year
- Metro Detroit has more than 40,000 hotel rooms offering a full range of accommodations including luxury brands from Westin, Hilton and Marriott's Autograph Collection.
- Hotel data for 2013 shows an ongoing increase in occupancy, average daily rate, and revenue per available room.
- In 2012 the city was ranked 5th in the US in terms of jobs per capita from startups, beating San Jose, CA.

# OUTLETS OF MICHIGAN



32 million  
travelers annually

1,200 +  
daily flights

\$1.7 billion  
spent annually after  
arriving through DTW  
(\$3.2 billion total economic  
impact for the area)

60%  
of nation's population is  
a 90-minute flight away  
from Detroit

3,800 rooms  
nearby within 27  
airport hotels

## DETROIT METROPOLITAN AIRPORT (DTW)

- "Detroit's status as a major gateway to Asia is thanks to its strategic geographic position for millions of customers who travel between the US East Coast and Asia." — Delta Airlines.
- DTW is one of the world's leading air transportation hubs and has ranked #1 in customer satisfaction by JD Power Associates.
- Combined, 11 airlines provide daily flights from DTW to destinations on 4 continents.
- In January 2014, DTW generated more than 86,000 jobs and about \$10.2 billion in total economic impact throughout Michigan. (University of Michigan-Dearborn and the Wayne County Airport Authority)
- The airport's retail is in the midst of a major transformation with local, national and international brands joining the tenant mix. A multiphase construction project will bring 35 new stores and 25 new restaurants to the McNamara Terminal. Retailers such as Porsche Design and Estee Lauder have chosen to open their first US in-airport stores at DTW.





# OUTLETS OF MICHIGAN



## SURROUNDING MARKET



GROSSE POINTE, MI



FORD - DEARBORN, MI



TOLEDO, OH



ANN ARBOR

**GROSSE POINTE** — Grosse Pointe is a coastal suburban area of Metro Detroit comprised of 5 individual communities with a total population of approximately 46,000. This upscale community is made up of prime real estate chosen for grand estates and has gained a notable reputation as an icon of wealth and luxury.

**DEARBORN** — Located 10 miles from Outlets of Michigan, Dearborn is the 8th largest city in Michigan and the 2nd largest city in Wayne County, with a population of 98,153. It is home to the Henry Ford museum which draws 1.6 million visitors annually. The University of Michigan's satellite campus is on the grounds of Henry Ford's estate with a current student enrollment of 9,000.

The 950,000 sf world headquarters of Ford Motor Company is located in Dearborn. Ford is the 2nd largest US-based automaker and 5th largest in the world based on 2010 vehicle sales. In 2014 Fortune 500 ranked Ford #8 based on global revenue. Ford is the top employer in Dearborn with 8,000 employees.

**TOLEDO** — The underserved retail market of Toledo is located 40 miles south of Outlets of Michigan. It is the 4th most populous city in Ohio with a population exceeding 650,000. It is a city well known for its industry, art community, education, healthcare, local sports teams, and its strong ties to Metro Detroit.

**ANN ARBOR** — Ann Arbor is 20 miles west of Outlets of Michigan. The city has a population of 113,934, making it 5th largest in the state. It is home to University of Michigan, a world-renowned public university with over 43,700 students and a football team that draws over 800,000 fans each year. Ann Arbor regularly receives national attention as one of the best places to live and visit in the US. The city's economy is centered on high technology. Of the 33 venture capital firms operating in Michigan, 19 are based in Ann Arbor.

# OUTLETS OF MICHIGAN



## SURROUNDING MARKET (CONT)



CHERRY HILL IN CANTON



IKEA CANTON



MAIN STREET PLYMOUTH



MAIN STREET NORTHVILLE

**CANTON** — Situated between Detroit and Ann Arbor just 10 minutes north of Outlets of Michigan, Canton is a fast-growing upscale community of nearly 100,000 residents with a median income of \$85,444. It is the state's 2nd largest township. The community has ranked 3rd best in Michigan for its amenities, cost of living, low crime rate, schools, employment, and home values, which are nearly 91% higher than the Michigan average.

Canton is home to the only IKEA in the state of Michigan. Due to strong sales, a 44,000 sf expansion to the currently 311,000 sf store is expected to be complete in 2015. Ikea is part of the Ford Road retail district in Canton which encompasses 3.5 million sf and over 400 businesses.

**PLYMOUTH/NORTHVILLE** — Located 15 miles north of Outlets of Michigan are the vibrant communities of Plymouth and Northville. Northville's population tops 24,500 residents with a median income of nearly \$102,000. In 2009 Plymouth Township was named 28th Best Place to Live in the US by Money Magazine. Its annual weekend-long Ice Spectacular event draws an average of 500,000 people to Plymouth each January. Pg 18 - We can make this look more like the Houston page by eliminating all the text about the schools

**NOVI** — Novi is approximately 20 minutes north of Outlets of Michigan and has a population of nearly 58,000. One of the fastest growing cities in Michigan, it ranked #48 on Money magazine's list of Top 100 Best Places to Live in 2008.

**LIVONIA** — Livonia has a population of 97,000, making it the 9th largest city in Michigan. It is an affluent suburb with easy highway access to much of the Metro Detroit area.

**FARMINGTON** — Bordered by Livonia, Farmington is one of the wealthiest communities in the US. It has ranked on several "Best Places to Live" lists with a well-known historic downtown and one of Michigan's top rated public school systems. Farmington Hills is the home of the Holocaust Memorial Center, the only Holocaust memorial in the state.

# OUTLETS OF MICHIGAN

## ACCESS FROM CANADA



Daily Traffic:  
(vehicles daily)

Ambassador Bridge		12,000		21.2 miles from site
Detroit-Windsor Tunnel		12,000		21.9 miles from site
Blue Water Bridge in Port Huron		14,000		82.7 miles from site

8 million passenger cars and over 2.6 million commercial trucks cross the border between Detroit and Windsor each year (State of Michigan, 2012)

# OUTLETS OF MICHIGAN



## BORDER ACCESS



DETROIT-WINDSOR TUNNEL



RENDERING - INT'L TRADE CROSSING BRIDGE



AMBASSADOR BRIDGE ENTRANCE



BLUE WATER BRIDGE

- **DETROIT-WINDSOR** — The Detroit-Windsor region is an international urban area centered on Detroit, the Canadian city of Windsor, Ontario and the Detroit River between them. The area is a critical commercial link straddling the border, with a total population of about 5.7 million.
- The region is not recognized formally as a single metropolitan area but if it were, it would be the 8th most populous urban region in North America. The Detroit and Windsor Tunnel Corporation, owned equally by Detroit and Windsor, is the firm that operates the tunnel.
- **NEW INTERNATIONAL TRADE CROSSING** — A new border crossing between Detroit and Windsor is necessary to support the economies of both countries while addressing the civil, national defense, and homeland security needs of the busiest commercial corridor between the US and Canada.
- The New International Trade Crossing will connect the cities by linking I-94 and I-75 in Michigan with the east side of the Windsor-Essex Parkway connection to Highway 401 in Ontario. Daily traffic crossing the border is anticipated to grow to 26,500 by 2025. Full construction of the parkway began in 2011 with a tentatively scheduled completion date of 2016. Two new bridges south of the current Highway 3/401 junction are also under construction.
- **AMBASSADOR BRIDGE** — The Ambassador Bridge is North America's #1 international border crossing. On average, 10.6 million vehicles traverse the bridge annually and a quarter of all trade between the U.S. and Canada passes through this crossing.
- **BLUE WATER BRIDGE** — The Blue Water Bridge is a twin-span international bridge that links both Interstate 94 and Interstate 69 in Michigan with Highway 402 in Ontario. It is jointly owned and maintained by Canada and the US.

RETAIL PARTNERS



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POLO RALPH LAUREN  
FACTORY STORE

J.CREW

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NIKE FACTORY STORE



HUGO BOSS  
FACTORY STORE

UNDER ARMOUR  
FACTORY HOUSE

BANANA REPUBLIC  
FACTORY STORE

kate spade  
NEW YORK

Calvin Klein

TOMMY HILFIFGER



ABOUT THE DEVELOPER

Paragon Outlet Partners is a Baltimore-based commercial real estate development firm specializing in the outlet retail industry. Since 2010, the Company has delivered successful outlet centers in Eagan, Minnesota (Minneapolis-St. Paul market), Grand Prairie, Texas (Dallas-Fort Worth market), Livermore Valley, California (San Francisco-East Bay market).

The Paragon Outlets management team is comprised of seasoned professionals, each of whom has 20+ years of hands-on experience in a multitude of real estate cycles in both the retail and outlet categories. Individually and collectively, the team's vision, expertise, integrity and passion for results serve to reinforce the company's leadership in the industry.

The firm's development pipeline includes centers opening in 2016 in White Marsh, Maryland (Baltimore market), Rosenberg, Texas (Houston market) and Romulus, Michigan (Detroit market - JV Partnership with New England Development).



TWIN CITIES AT EAGAN | OPEN AUG. 2014 | 409,000SF



LIVERMORE, CA | OPEN NOV. 2012 | 543,000SF



GRAND PRAIRIE, TX | OPEN AUG. 2012 | 416,000SF



## ABOUT THE DEVELOPER

For over thirty-five years, New England Development has taken a creative, entrepreneurial approach to real estate development and management--delivering and sustaining successful projects across a wide range of property types--and across the country. These projects transform complex challenges into preferred locations, generate long-term value to communities, afford compelling opportunities for local and national businesses, and offer sought-after experiences to a wide range of consumers. NED is acclaimed for creating some of the country's most widely recognized and successful regional centers, as well as multifaceted developments that combine retail, residential, hotel and office uses. Outlet centers, high-end and street-front retail, and airport retail round out New England Development's robust portfolio.

Propelled by a senior management team led by founder and Chairman Stephen R. Karp, Vice Chairman Steven S. Fischman, and President Douglass E. Karp, NED has more than 50 million square feet of retail, commercial, and residential space to its credit. With deep roots--and expertise--in all aspects of retailing, NED is a partner that anticipates and responds to the changing needs of retailers.

New England Development's growing portfolio of retail projects now includes an exciting mix of outlet centers in dynamic markets nationally. This new collection of centers includes the recently opened Palm Beach Outlets in West Palm Beach, Florida; Asheville Outlets in Asheville, North Carolina and Outlets at Little Rock in Little Rock, Arkansas - opening in 2015; and Outlets of Des Moines in Altoona, Iowa, Outlets of Michigan in Romulus, Michigan (a partnership with Paragon Outlet Partners), and Clarksburg Premium Outlets® (a partnership with Streetscape Partners and Simon Property Group) - opening in 2016.

With NED's years of shopping center development experience, deep understanding of what retailers need to be successful, and our track record of creating projects that add value, New England Development is bringing new vitality to the outlet industry.