

Design+Build

Mike VanGessel
PRESIDENT AND CEO,
ROCKFORD CONSTRUCTION
COMPANY INC.

From my perspective, we have been in a hyper-competitive construction market for a couple of years, and 2012 could be a year to settle into an improved market.

This has been caused by a major lack of capital for all markets. Now some capital seems to be loosening up as real estate has been purchased at great value allowing for good equity positions in several sectors.

Many sectors have taken advantage of absorbing and reproducing real estate. Industrial and manufacturing have had a growing need and have been a leader in reducing vacant square footage.

Education and its related uses, such as housing and fitness, certainly will have continued and growing needs, but (the sector) needs improved commitment from the state to prioritize financing.

Health care has demographics to its advantage, but public policy resolution is needed to truly allow the vision needed for reinvestment to take off once again.

Quality retail will be growing, but capital will still be challenging. Working and living in urban environments is no longer a trend and is desired by many generations. Housing, office, retail are all exciting sectors to be in.

Arnie Mikon
PRESIDENT AND CEO, TOWERPINKSTER

A favorite expression I've always had is that economists know a lot more about this stuff than I do, but my guess is as good as theirs. I think there remains to be some uncertainty. The employment numbers give people some confidence, but there is still the Europe question, and people are going to be hesitant until the elections. The economy is improving — that is indisputable — but it still continues to be uncertain. It leaves people hesitant to make capital expenditures.

Greg Metz
PRINCIPAL, LOTT3 METZ ARCHITECTURE

The year 2012 will definitely be better for the architecture/construction community than the last few years. For as bad as 2011 started, it is ending on an up side for most in our related industries. It appears that it will stretch into 2012.

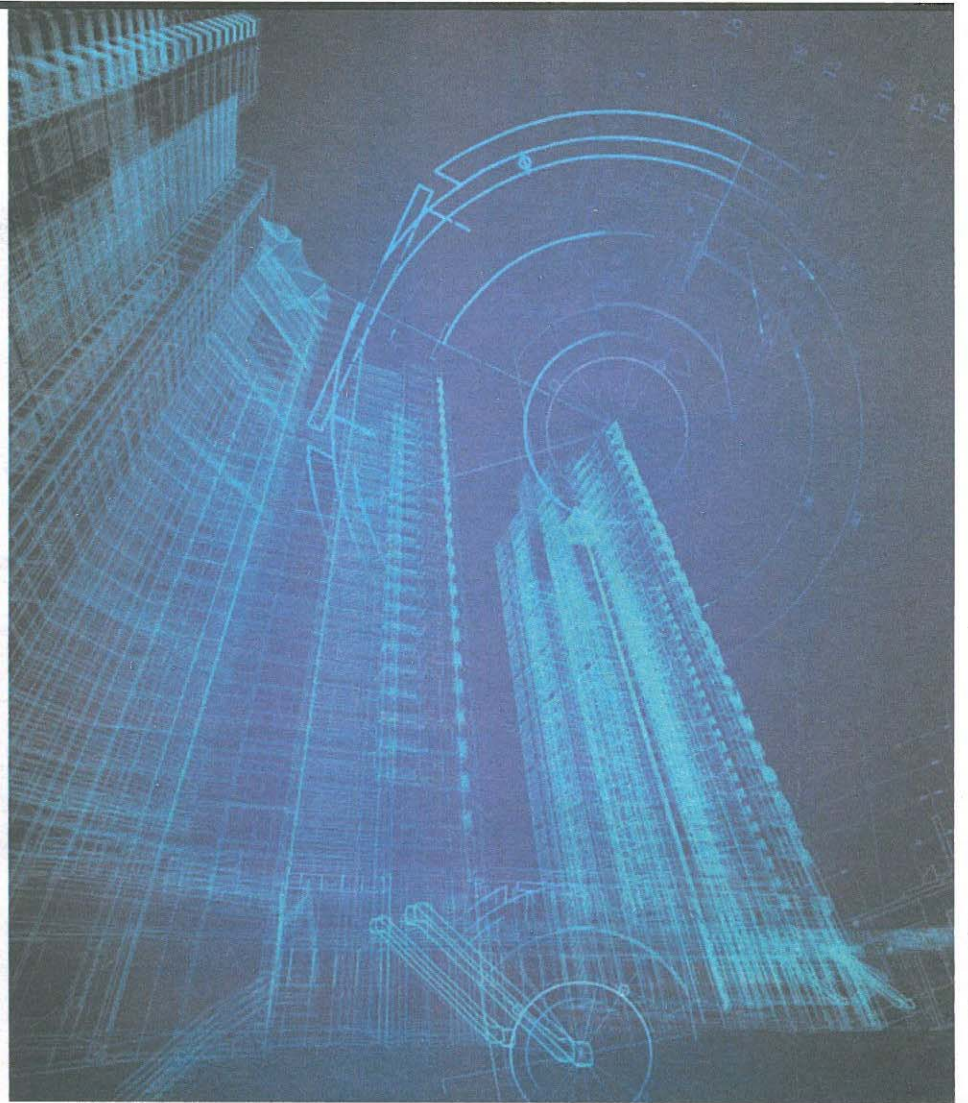
Health care, as well as higher education,

will continue to be strong in West Michigan. Corporate office design is picking up, and residential is showing signs of growth. Renovations will still outpace new construction, although with the financial cap placed on Brownfield and the elimination of historic preservation credits by the state, this will not be as robust as it could be.

In Grand Rapids, expect to see construction activity in north Monroe, the near west side, and the area just south of Wealthy from Madison to U.S. 131, both new construction and renovations. We will see large amount of small to medium projects in those areas, but do not be surprised if a large project or two appears next year for one of those areas. I am confident the Fulton Street Farmer's Market will draw national attention upon its completion, and it will reinforce the strong local commerce that exists in the region. The region will also see an increase in public transportation that will help attract and retain a younger professional demographic. Governor Snyder's emphasis on the urban environment will help reinforce growth in the urban cores.

Tim Schowalter
PRESIDENT AND CEO,
PIONEER CONSTRUCTION

The economic growth chart for 2012 will likely be pretty flat. We have seen a trend in the last year of short bursts of optimism followed by short periods of pessimism. Given that next year is an election year, we can expect more of the same. As the winds of change swirl about like this, we feel it is important to remain steady and execute our business plan. Certain industries are doing quite well, and there will be increasing revenues for those construction firms who provide value in those markets. In the end, people and resources make the difference in the construction business. As we move into 2012, we are looking to expand as our revenue climbs. In addition to hiring additional skilled labor for our self-performed work, Pioneer is making a \$1 million investment in a new 110-ton mobile crane, to be delivered in January 2012, for erecting steel and precast structures. Sticking with our business plan and focusing on our mission and core values has kept us from being blown around by the shifting sands of our new economy. Sure, it could be better, but we remain optimistic and thankful for the clients and projects we have going into 2012.



Matthew Cederquist
PRESIDENT, WEST MICHIGAN BUILDING
& CONSTRUCTION TRADES COUNCIL

Over the past three years, we have been going through a dry spell in the construction industry. During this time, we have hired more apprentices and helpers as well as provided advanced training for our journeymen. The West Michigan Building and Construction Trades Council is working very diligently by lobbying with local elected officials and private owners to help the construction industry through this dry spell.

In 2012, I see the economy begin heading toward the proverbial curve of increased construction employment. The year 2012 will be the beginning of a turnaround for West Michigan. The first two quarters may be somewhat flat. However, the building construction indicator, as of August 2011, forecasts a rise in the demand for skilled trades. With the projected increase in construction employment combined with the building construction indicator, I project by the end of the year, the building trades will see a stronger economic structure for Western Michigan. With a stronger economy and a positive work outlook, 2012 will definitely be a better year for our employers, affiliated trades and of course the many skilled trades who have been seeking employment for a great deal of time.

Richard VanderZyden
PRESIDENT,
WOLVERINE BUILDING GROUP

We see the economy improving slightly in 2012, probably during the second half of the year. Michigan is doing surprisingly well compared to the rest of the country, but our economy is definitely not booming. Our state has been in a 10-year

recession, so any uptick is noticeable and appreciated.

We have many strong competitors in West Michigan, so any work we pursue will be a challenge to win. It will be a great year to build, if you have the money to pay for construction. I hear bankers tell me they are more open to lending than they have been in recent years. We will remain focused on what we do best, which is to provide great service to our clients early on in their construction planning process.

The improving economy will hopefully pump some money into the private development world. The last few years have seen a lot of publically funded projects, but not very many privately funded ones. We expect that mix to switch to more private projects.

As the economy improves, we hope to add a few new faces to our employment ranks, but we frankly don't see a huge hiring trend in 2012 — just a mild increase.

Bill Schoonveld
PRESIDENT, OWEN-AMES-KIMBALL

When I look at my company's backlog and the conversations I've had with architects, competitors and subcontractors, the outlook for the construction economy in West Michigan continues to improve from a few years ago. West Michigan is fortunate to be home to many strong companies who continue to position themselves for growth, which benefits our industry. Couple that with our strong colleges and universities and our excellent health care industry, and it is not surprising that our economy is improving. My optimism should probably be tempered somewhat by the action, or rather inaction, in Washington, D.C. regarding our deficit spending and also by the eurozone financial crisis — events which will impact the global as well as the local economies.