



**COMMERCIAL QUARTERLY**  
West Michigan's Commercial Development  
And Real Estate Magazine

# Flexible Approach

PRODUCING SUCCESS

**ROGER HINMAN USES  
40 YEARS** of experience as  
a commercial real estate  
developer who touts a  
flexible strategy



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# Flexibility



*Commercial Real Estate Developer  
Approaches 40 Years Of Experience  
By Pete Daly | Photography Michael Buck*

# Perfection

*Hinman's Ingredients For Success*

There is no such thing as bad real estate — just bad prices and bad terms, according to Roger Hinman.

And then there's the matter of timing and being prepared to act fast.

Hinman, founder and CEO of The Hinman Co., said there are opportunities in commercial real estate even in Michigan's flat economy, but it takes flexibility to be able to latch on to those opportunities before the competition does. Then it takes "perfection" to land a tenant and keep that tenant happy, he added.

Hinman, 61, started The Hinman Co. in Kalamazoo in the mid-1970s. Today the company owns and manages office, retail and residential developments in Michigan and Illinois, and now is expanding into Connecticut.

As a student at Western Michigan University in the late 1960s, Hinman needed one more business course for his business minor, so he took a class on the principles of real estate.

"It was the first course I had had where I could see that I could apply it to making a living," he said. The professor got him interested in real estate, and Hinman later worked with him on some nonprofit housing developments funded by HUD. Then he started working as a consultant to other nonprofit groups in Michigan and Indiana building housing. Eventually, he was involved in 16 such projects — "a good learning process," he said, adding it was "kind of a post-graduate course for me."

At the age of 23, he got involved in a 131-unit residential development in Mt. Pleasant, in which he was an owner. After that, he turned to the development of nursing homes in the South Bend area. He leased them to hospitals, which managed them.

In 1977, The Hinman Co. "went from being a one-man shop," said Hinman.

Currently, the company has about 64 full-time employees, with offices in Portage, Grand Rapids, Muskegon, Battle Creek and East Lansing, plus South Bend, Ind., and Bolingbrook, Ill.

The employee roster was more than double its current size about two years ago, when the company made a strategic decision to sell many of the residential properties it owned and managed, some dating back 30 years. The sale of more than a million square feet of apartment space throughout

Roger Hinman, center, president and CEO of The Hinman Co., meets with others from the company, including Rich MacDonald, chief operations officer; Darin Caranci, chief financial officer; and Anmar P. Atchu, vice president, marketing and leasing.



lower Michigan has made the company more "flexible," he said.

While residential real estate was the start of his career, in recent years the business had evolved into more of a focus on office and retail. "So we decided to concentrate on that," he said.

The company portfolio totals several million square feet of space, including more than 2 million square feet in Michigan, primarily in the Kalamazoo/Portage area, Grand Rapids, Battle Creek and Muskegon.

A major project beginning in the Grand Rapids area is a new \$25 million office structure in the Glenwood Hills Office Park in Cascade Township, next to I-96 near the junction with the M-6 expressway. The 150,000-square-foot building is a first-time joint venture of Hinman Co. and Rockford Cos. of Grand Rapids, the region's largest commercial builder.

The partnership owns the land, and



Roger Hinman reviews construction plans with Joe Kuiper, head of construction for The Hinman Co.

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— Roger Hinman

while construction has not begun yet, The Hinman Co. is already marketing the space, which Hinman said would probably be a five-story building.

Kirt Ojala, director of the Hinman office in Grand Rapids, said he has already had a couple of requests for information about the future building “for some large users that might be coming (to the area) next year.”

Ojala said a few call-center-type businesses have been looking around in the Grand Rapids area, and some Chicago brokers have been here lately.

“There’s been some things happening... And a few of them are going to land,” he believes.

The Hinman Co. definitely has a presence in West Michigan, being the owner of 77 Monroe Center, a 120,000-square-foot, 14-story historic office tower downtown at the intersection of Ionia Avenue. It also owns Centennial Plaza in Centennial Park on 28th Street in Cascade, the home of its Grand Rapids office. Other properties in the area include three buildings near the airport, which are flexible space usable as either office or light industrial, and two office buildings at the Ramblewood development.

In Muskegon, Hinman has Terrace Point, a 49,000-square-foot, pyramid-shaped office building on the shore of Muskegon Lake, the former headquarters of SPX Corp. The company also owns Terrace Plaza, a 128,000-square-foot building in downtown Muskegon. Both properties were acquired in 2005.

Probably the largest project undertaken by Roger Hinman is Trade Centre Way, in partnership with his long-time acquaintance and construction company owner Joe Gesmundo. The property is next to I-94 in Portage. The Hinman Co. headquarters are in 750 Trade Centre Way, an 80,000-square-foot office building completed in 2005 and now fully occupied. Tenants include Plante & Moran and Stryker. A second and larger building, 950 Trade Centre Way, is up but work continues on the interior.

Hinman said about \$20 million has been invested in Trade Centre Way so far but plans for the site call for much more — two 220-room hotels and four restaurants to serve them.

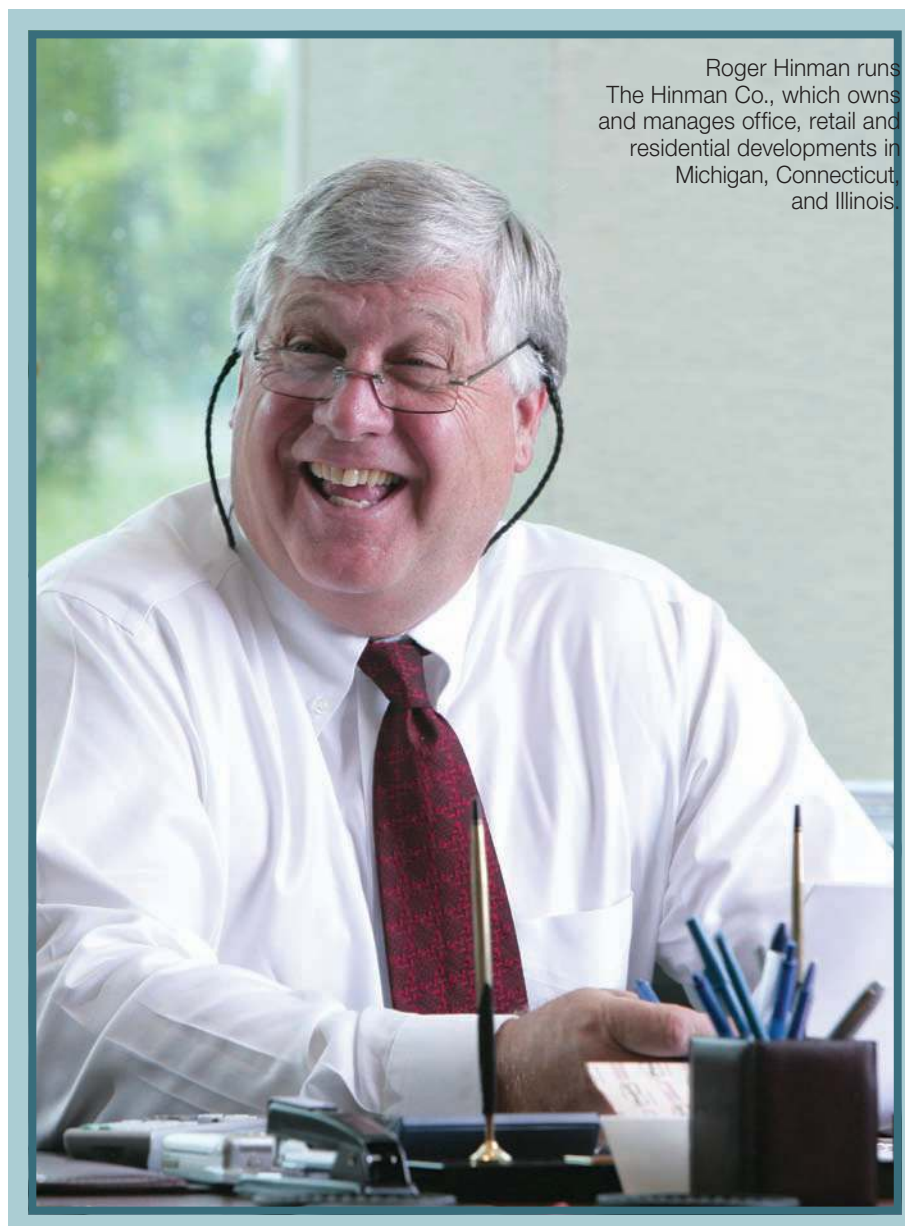
“I think both of them will start construction probably within the next 12 months,” said Hinman.

The Hinman Co. also owns four retail developments in Michigan and Illinois. It developed Bison Hollow in Traverse City on U.S. 31, home to three major retailers, and sold it in 2005.

While the company has divested itself of much of its residential property, it still has about 1,000 units.

“Actually, we are building more residential,” added Hinman, notably its project in the historic 21-story Battle Creek Tower office building Hinman bought and started renovating a few years ago. (Not to be confused with the Heritage Tower, another historic office tower in Battle Creek, owned by a different developer.)

The 184,000-square-foot Battle Creek Tower is a designated Renaissance Zone; the top 10 stories will be luxury apartments built to condo standards,



Roger Hinman runs The Hinman Co., which owns and manages office, retail and residential developments in Michigan, Connecticut and Illinois.

said Hinman.

Another historic Michigan building owned by Hinman is the State Theatre in downtown Kalamazoo.

Hinman also owns a 124,000-square-foot bank building in South Bend, Ind.

The excitement this year is in Connecticut, where in June, Hinman was in the process of closing on two more properties near Hartford. That would make four office and/or research buildings there, totaling about 320,000 square feet.

While the rest of the country seems to be sliding into the economic doldrums that Michigan has already been in for years now, Hinman has an optimistic view of the future.

“As for Michigan, we’ve only got one way to go — and that’s up,” he said.

Michigan will come back for developers because after the last several down years, it is definitely not overbuilt, he said, unlike Florida, Arizona and California. But he predicted excess inventory in those sunshine states will be used up within a couple of years and they’ll be growing again, because “they are great places where people want to live.”

In June, Hinman said business for his company in Michigan was not picking up yet, but rather “moving sideways.” He said some companies that lease space were downsizing but “not moving out, (just) taking less space.” New companies are coming to Michigan, too, but there is a lot of available real estate for them to choose from, he said. He

said the rents of 20 years ago “are still the rents today” in Michigan, while the costs of property ownership “are going up.”

“We’ve been fortunate in being able to retain most of our customers by taking care of them,” said Hinman.

In order to do that, he said, “Everything must be perfect — just perfect.” That means perfection in building the property and perfection in maintaining it for the tenants.

“In 40 years, we’ve never lost a project, never had a bankruptcy, and always paid our bills. I’m proud of that,” said Hinman.

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