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ADVANTAGE
COMMERCIAL REAL ESTATE

EXECUTIVE SUMMARY

86 Monroe Center St NW, Grand Rapids, MI 49503

BlueCross BlueShield

ADVANTAGE
COMMERCIAL REAL ESTATE

EXECUTIVE SUMMARY

Blue Cross Blue Shield
TENANT

100%
OCCUPANCY

15 Years
REMAINING TERM

104,419 SF
BUILDING SIZE

A (Excellent)
AM BEST RATING

0.39 Acres
LOT SIZE

2004
BEGAN OCCUPANCY

1916 | 2004
YEAR BUILT | RENOVATED

86 Monroe Center is a fully leased, historic Class A office property located in the heart of downtown Grand Rapids, Michigan. The eight-story, 104,419-square-foot asset is prominently situated along the Monroe Center pedestrian corridor and serves as the regional headquarters of Blue Cross Blue Shield of Michigan, the state's dominant health insurer and an investment-grade credit tenant.

With long-term occupancy, significant tenant investment in the facility, and a premier downtown location, the property offers investors stable cash flow backed by a high-credit tenant within one of Michigan's most dynamic urban markets.

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INVESTMENT SUMMARY

86 Monroe Center presents the opportunity to acquire a fully leased, institutional-quality office asset in the heart of downtown Grand Rapids. The historic Steketee's Building serves as the regional headquarters for Blue Cross Blue Shield of Michigan, an investment-grade credit tenant that has occupied the property since its comprehensive redevelopment in 2004 and invested significantly in the facility. Combining stable cash flow, a premier CBD location along the Monroe Center pedestrian corridor, and the backing of one of Michigan's largest and most established organizations, the property offers investors a rare opportunity to acquire a landmark asset in one of the Midwest's strongest secondary markets.

$1,627,296
NOI (as of 8/1/2026)

Modified Gross
LEASE TYPE

15 Years
REMAINING LEASE TERM

2.5%
ANNUAL RENT INCREASES

Two 5-year
RENEWAL OPTIONS

Single
TENANT

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TENANT OVERVIEW

86 Monroe Center St NW, Grand Rapids, MI 49503

BlueCross BlueShield

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TENANT SUMMARY

Blue Cross Blue Shield of Michigan is the largest health insurer in the State of Michigan, providing medical, dental, vision, and specialty coverage to millions of members across commercial, individual, and government program lines. Headquartered in Detroit and operating as a nonprofit mutual insurance company, BCBSM is an independent licensee of the Blue Cross Blue Shield Association, the national federation of independent Blue Cross and Blue Shield companies that collectively insure approximately one in three Americans. With more than 80 years of continuous operations in Michigan, BCBSM is one of the most recognized institutions in the state and a foundational provider within the state's healthcare infrastructure.

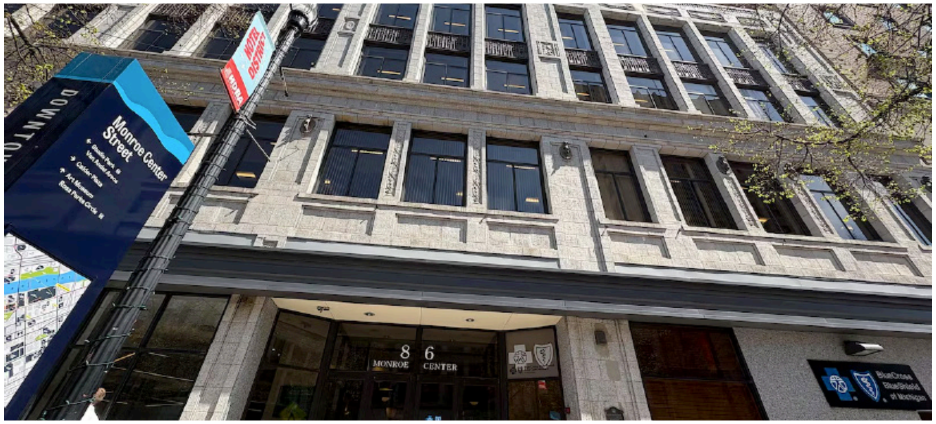
BCBSM is rated "A" (Excellent) by AM Best, reflecting the company's strong balance sheet, established market position, and consistent operating performance. As a Michigan-regulated insurer, BCBSM files annual statutory statements with the Michigan Department of Insurance and Financial Services and publishes audited GAAP consolidated financial statements, providing institutional buyers with full transparency into the tenant's financial condition. The combination of investment-grade credit, public financial disclosure, and dominant statewide market position underwrites the durability of the Property's cash flow.

AM BEST RATING

	FINANCIAL STRENGTH	LONG-TERM ISSUER CREDIT
Rating | Rating Category:	A (Excellent)	a (Excellent)
Action:	Affirmed	Affirmed
Effective Date:	Dec 4, 2025	Dec 4, 2025
Initial Rating Date:	May 3, 1999	May 3, 1999

	FINANCIAL STRENGTH RATING	LONG-TERM ISSUER CREDIT RATING
Effective Date	Rating	Rating
December 4, 2025	A	a
December 3, 2024	A	a
November 29, 2023	A	a
December 7, 2022	A	a
November 17, 2021	A	a

CRAIN'S GRAND RAPIDS BUSINESS




By **Mark Sanchez**

April 21, 2026 04:26 PM EDT

Blue Cross to move 130 employees to downtown Grand Rapids from suburban office

Blue Cross Blue Shield of Michigan plans to relocate more than 130 employees from the suburbs to the historic Steketee's building in downtown Grand Rapids, adding to an investment first made more than two decades ago.

The move will bring the health insurer's workforce based in the Steketee's building on Monroe Center Street NW to more than 400 employees and further consolidate regional operations in downtown.

The move comes more than two decades after Blue Cross Blue Shield partnered with construction company Rockford and invested $7.5 million to renovate the 110-year-old Steketee's building to serve as a regional headquarters. Blue Cross Blue Shield in 2022 signed a seven-year lease to remain in the building that once housed the department store.

The latest investment is "part of our ongoing commitment to fostering vibrant economic centers," said Joe Hune, West Michigan president for Blue Cross Blue Shield.

"Blue Cross Blue Shield of Michigan chose to make a significant investment and to show our commitment to the Grand Rapids community by bringing our West Michigan headquarters to downtown Grand Rapids. That decision was more than just about office space. It was certainly a part of being a part of this growing, thriving community," Hune said.

Renovations to accommodate the additional employees in downtown could begin in May with the relocation of staff from the underutilized Cascade location occurring in September, Hune said. Blue Cross Blue Shield intends to sell the office at 611 Cascade W. Parkway SE, probably in 2027, he said.

The historic Steketee's building was built in 1916 and originally served as the home of Paul Steketee & Sons department store. The building sat vacant until Rockford and Blue Cross Blue Shield came together in the early 2000s for the renovation.

The project "proved to be a successful test case of Blue Cross's commitment to investing in downtown urban core centers, which has precipitated our investments in other core cities in Michigan," Hune said.

Operationally, moving another 132 employees to the Steketee's building will generate cost savings and efficiencies for Blue Cross Blue Shield, "and strengthens collaboration and team dynamics by locating employees in a shared downtown workspace," he said.

"We are looking forward to having everyone here under one roof," Hune said. "It really is part of the push for us to transform how we operate. We need I look under every stone to make sure every dollar is spent correctly, and every bit of office space is utilized fully."

Former Rockford CEO Mike VanGessel recalled how Blue Cross Blue Shield committed to the renovation project in the early 2000s as business and community leaders sought to bring more businesses to downtown and revive the business district.

"As we look as real estate developers to bring these major businesses downtown, Blue Cross Blue Shield is the GOAT. They have come here in challenging times to a street that desperately needed them when they came and, brought that culture that we so were after and, many have come since," VanGessel said. "But the downtown double down that Blue Cross continues to do is absolutely amazing."

Grand Rapids Mayor David LaGrand sees the Blue Cross Blue Shield move to expand the downtown workforce as adding to demand for housing in the business district and surrounding neighborhoods.

"I hope that every employee that moves down here is going to be able to take a hard look at the really proximate neighborhood and think and figure out what I know, which is you could walk to work," LaGrand said. "I say all the time that we need more housing downtown, but we only need more housing downtown if we have more jobs downtown, because that's the synergy and that's the magic, I think, of downtown neighborhoods of the future."

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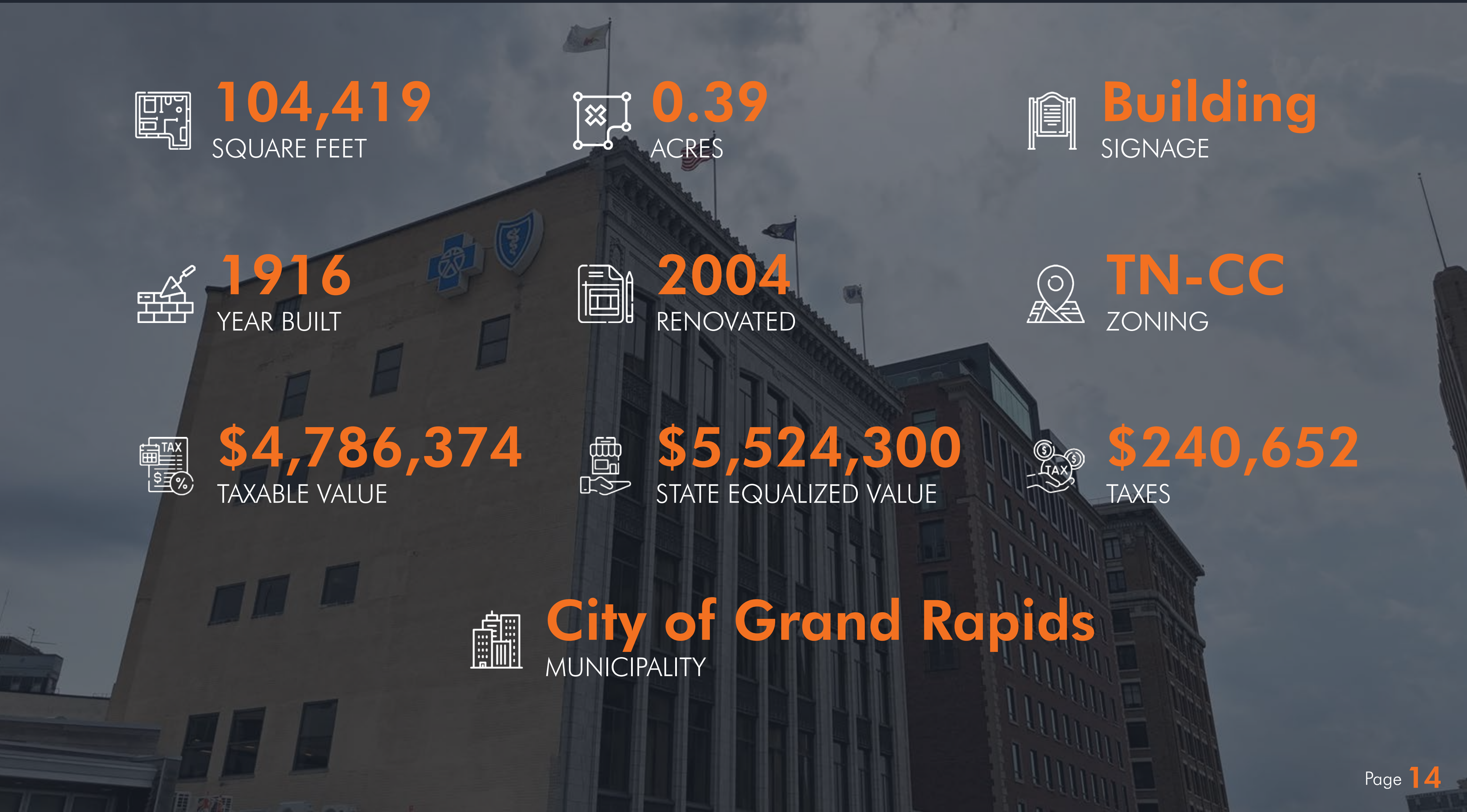
PROPERTY OVERVIEW

86 Monroe Center St NW, Grand Rapids, MI 49503

BlueCross BlueShield

PROPERTY HIGHLIGHTS



104,419
SQUARE FEET

0.39
ACRES

Building
SIGNAGE

1916
YEAR BUILT

2004
RENOVATED

TN-CC
ZONING

$4,786,374
TAXABLE VALUE

$5,524,300
STATE EQUALIZED VALUE

$240,652
TAXES

City of Grand Rapids
MUNICIPALITY

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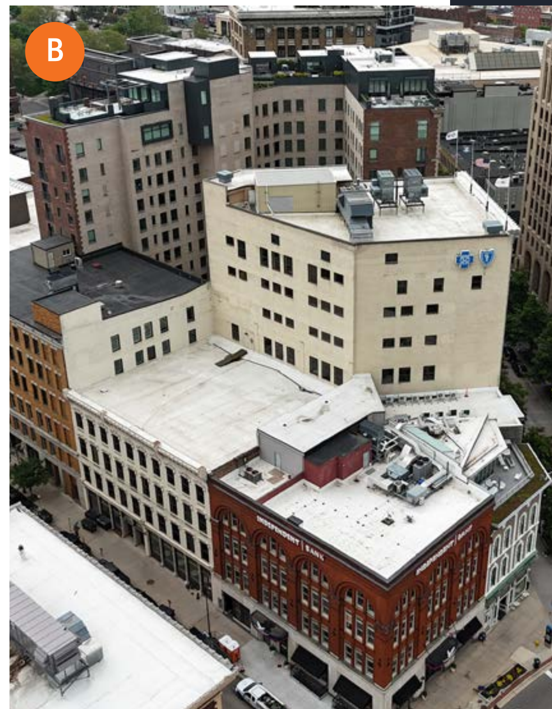
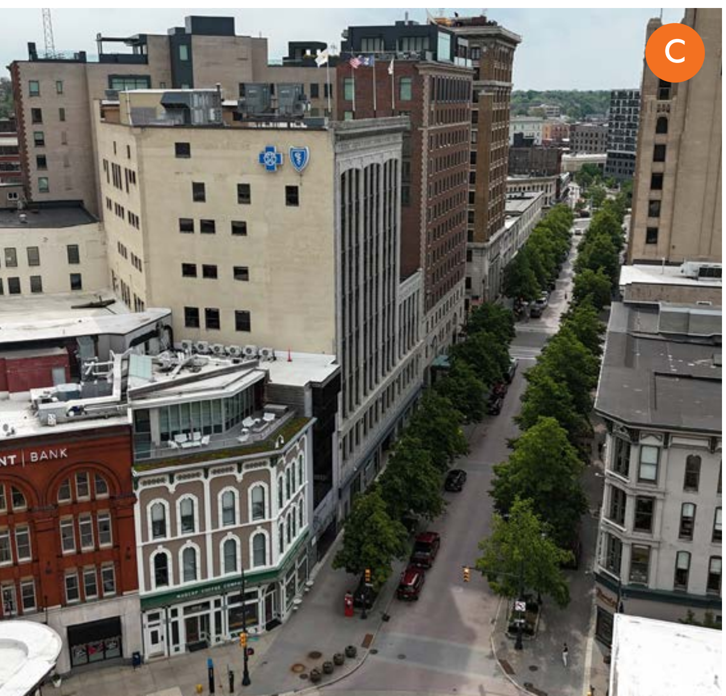
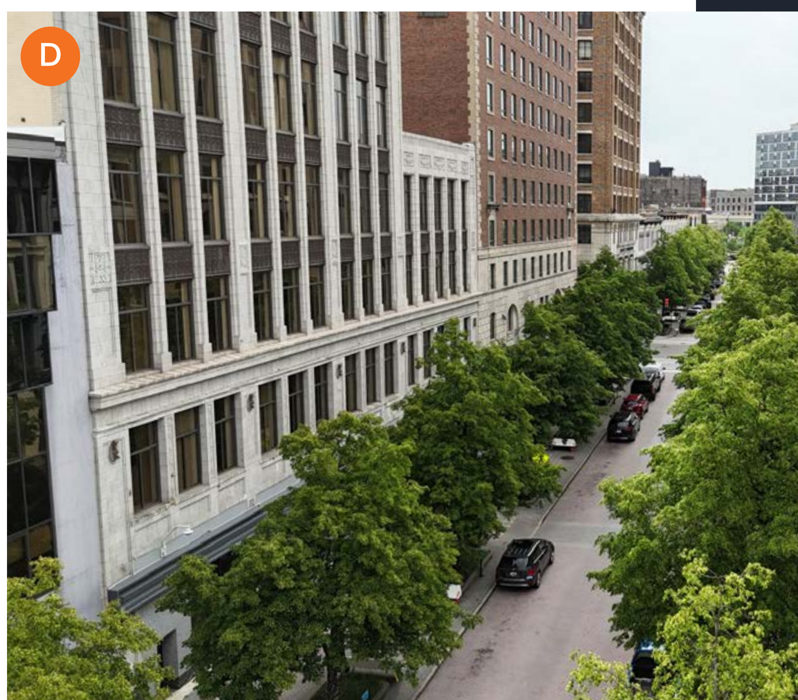


PROPERTY PHOTOS

- A Front of the building
- B Back of the building
- C Looking up Monroe Center St NW
- D Street view of the building





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AREA AERIAL

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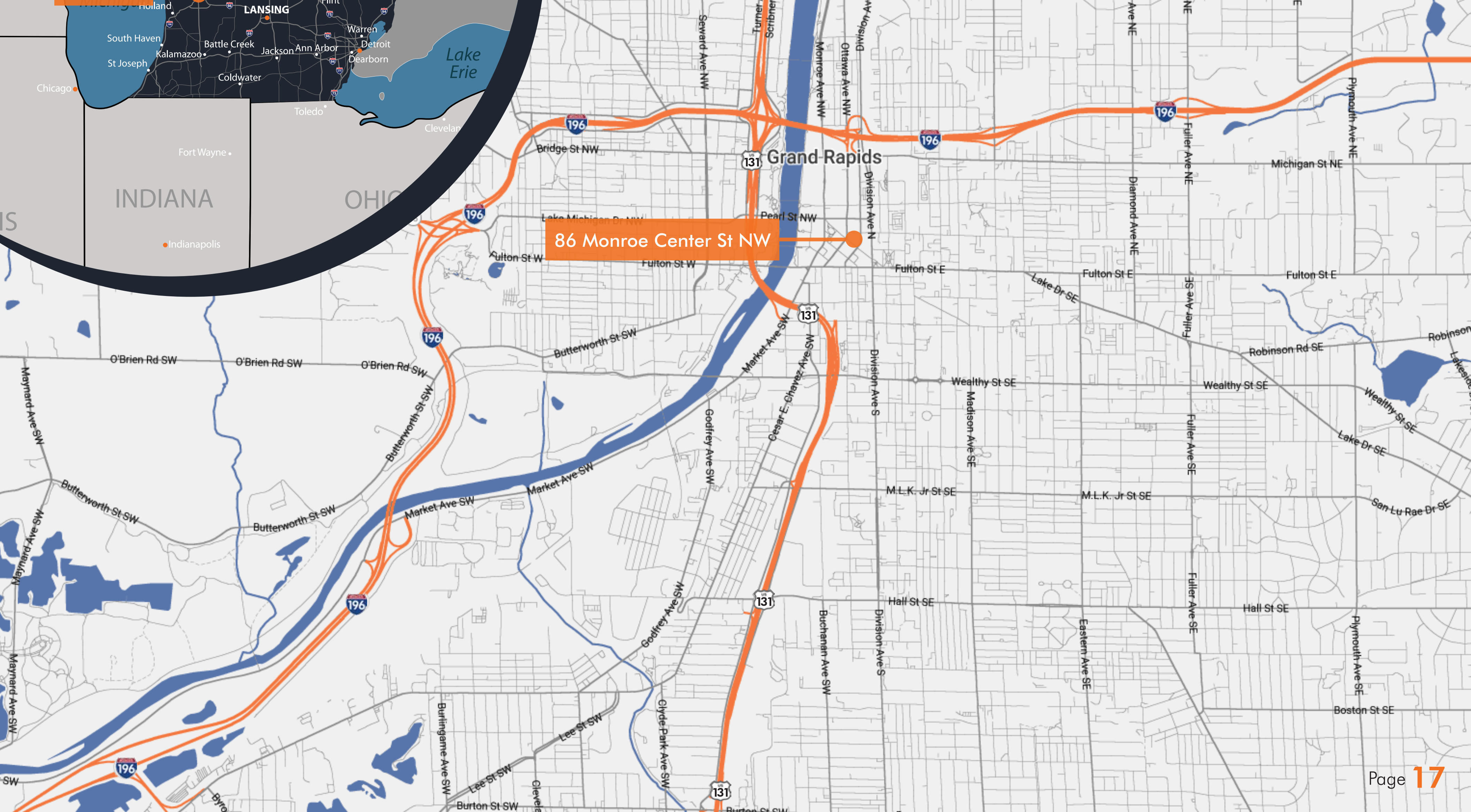
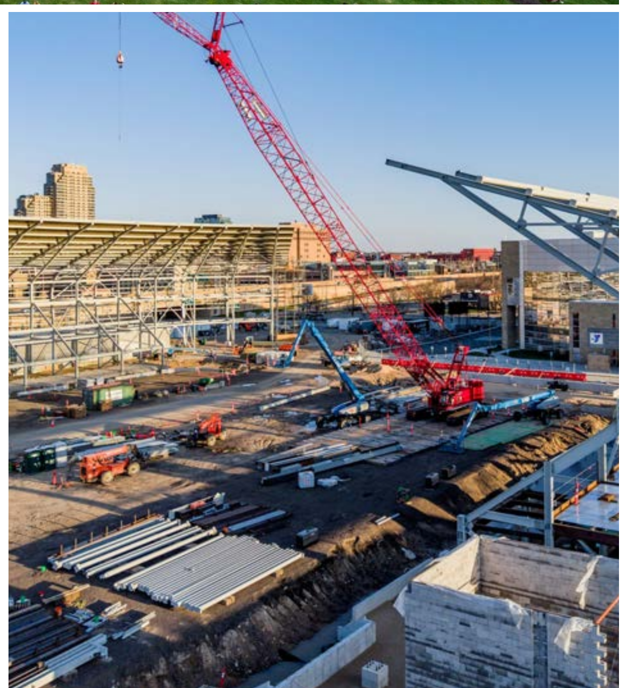
PROXIMITY MAP

In the CBD DOWNTOWN GRAND RAPIDS	**68 Miles** LANSING
14 Miles GRR AIRPORT	**178 Miles** CHICAGO
51 Miles KALAMAZOO	**262 Miles** INDIANAPOLIS





LOCATION OVERVIEW

The downtown Grand Rapids CBD office market continues to demonstrate strong long-term momentum, supported by steady leasing activity, ongoing private and public investment, and a growing demand for high-quality office environments. Modernized and renovated Class A properties continue to outperform as companies prioritize amenity-rich spaces that support employee experience, collaboration, and accessibility to downtown restaurants, entertainment, and housing. The continued evolution of the urban core, including projects such as the Acrisure Amphitheater, riverfront improvements, and additional mixed-use developments, is further strengthening downtown's appeal as both a business and lifestyle destination.

Investor interest in the downtown market remains active, particularly among groups seeking well-positioned assets with long-term appreciation potential. Grand Rapids continues to stand out as one of the stronger secondary Midwest markets due to its diverse economic base, population growth, and relatively stable office fundamentals compared to larger metropolitan areas. Investors are especially attracted to properties that offer opportunities for redevelopment, modernization, or mixed-use integration as demand continues to shift toward experiential and highly amenitized environments.

In addition, continued residential growth within and surrounding the CBD is helping support downtown activity and reinforcing confidence in the market's long-term trajectory. As new entertainment venues, infrastructure improvements, and commercial developments continue to come online, many investors and occupiers view downtown Grand Rapids as a market positioned for sustained growth, increasing vibrancy, and continued investment activity over the coming years.

ADVANTAGE
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OUR TEAM

MICHAEL VISSER
Principal | Senior Vice President
Investment

"Through my career in investment real estate, I have thoroughly enjoyed building relationships with investors from all walks of life and different paths to success."

Michael is continually inspired by the work ethic, sense of community over individual success, significant untapped potential, and economic diversity within West Michigan. Based on his vast knowledge of the local market, he can serve a variety of investors with different paths to success. His skill set allows him to directly tailor his services to match each personality and specific goals. Michael's specific niche is transaction closing, creating custom due diligence plans, 1031 exchanges, assisting clients through their various financing situations, and providing a detailed valuation analysis.

TYLER SCHEWE
Associate Advisor | Analyst
Investment

"I enjoy the puzzle of underwriting each deal, the perspective gained from working with investors of all backgrounds, and the privilege of helping them achieve their goals through real estate."

Tyler began his real estate career as a research intern at Advantage, where he developed a passion for commercial real estate and the growing West Michigan market. Today, he serves as an Associate Advisor and Analyst on Advantage's Investment Team, specializing in underwriting, financial analysis, and investment advisory services across all commercial product types, including industrial, office, retail, multifamily, and mixed-use properties. His analytical approach, market insight, and attention to detail help clients evaluate opportunities and make informed investment decisions.

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