The Market Overview

Job Growth

National

1.74%

West Michigan

1.45%

Both National and West Michigan total employment numbers have risen since this time last year. This data is based on quarterly total nonfarm payrolls, seasonally adjusted.

Unemployment Rate

National

West Michigan

Market changes since this time last year:
Lakeshore 3.05%, Kalamazoo 2.72%, Grand Rapids 4.58%, and Lansing 2.59%.

Average Rents

Average occupancy rates in West Michigan have increased from 94.55% (2017 Q4) to 94.66% (2018 Q4).

Recent Sales Transactions (October - December, 2018)

<table>
<thead>
<tr>
<th>Property</th>
<th>City</th>
<th>Units</th>
<th>Year Built</th>
<th>Sale Price</th>
<th>$/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ramblewood Apartments</td>
<td>Wyoming</td>
<td>1,188</td>
<td>1971</td>
<td>$148,600,000</td>
<td>$86,900</td>
</tr>
<tr>
<td>Wood Lake Apartments</td>
<td>Wyoming</td>
<td>522</td>
<td>1976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time Square Apartments</td>
<td>Okemos</td>
<td>21</td>
<td>2016</td>
<td>$2,350,000</td>
<td>$111,905</td>
</tr>
<tr>
<td>The Waters House Apartments</td>
<td>Grand Rapids</td>
<td>107</td>
<td>1961/1987</td>
<td>$10,250,000</td>
<td>$95,794</td>
</tr>
<tr>
<td>Saddleback Ranch Apartments</td>
<td>Charlotte</td>
<td>31</td>
<td>2005</td>
<td>$2,100,000</td>
<td>$67,741</td>
</tr>
<tr>
<td>Lakeside Apartments &amp; Townhomes</td>
<td>Battle Creek</td>
<td>191</td>
<td>1989</td>
<td>$10,100,000</td>
<td>$52,880</td>
</tr>
</tbody>
</table>

Source: CoStar Realty Information Inc., Yardi Matrix, Real Capital Analytics
West Michigan Multifamily

For Grand Rapids, Costar shows 92.8% occupancy for Q4 2018 for properties 30 units and larger, while Yardi Matrix shows 96.1%. However, there are 7 newly developed properties that recently came online and are in the early stages of lease up. Costar treats properties as having 100% unit availability, even if a certificate of occupancy has not been received for 100% of the units. This inflates effective vacancy rates for these properties. By removing the 7 properties, the effective occupancy for the remainder of the market is 95.1%, suggesting that the vast majority of properties remain full or very well occupied, even as new unit inventory enters the market.

Source: CoStar Realty Information Inc., Yardi Matrix, Real Capital Analytics
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While NAI Global offers a wide range of services, its disposition platform is singularly focused on helping owners obtain the highest price possible for their property, as quickly as possible. This requires creating maximum market exposure to the largest and most qualified group of investors. The key is to create competition for your asset. The NAI Great Lakes multifamily team accomplishes this using institutional level capabilities, including an extensive database of buyers, a world class multi-level marketing platform, cutting edge technology and active phone prospecting.

NAI Global Great Lakes Region provides regular market research reports covering the State of Michigan. Our firm generates thorough reports regarding State of Michigan employment trends, construction pipeline information, comprehensive rental & occupancy trends, and sale transaction data. Our research is backed by some of the most reputable sources available. The data is updated on a quarterly and annual basis, per report. All our research is available for free by registering on our website. Please feel free to contact us for your Michigan multifamily service needs.