

Office Snapshot

West Michigan | Q3 2018

Market Activity

Population



1,066,195

Total Businesses



36,051

WSJ Prime Rate



5.25%

Unemployment Rate



3.5%
compared to 3.7%
for the United States

Grand Rapids-Wyoming, MI Metropolitan Statistical Data
Source: U.S. Census Bureau, Costar, bankrate.com

- › ChoiceOne Bank opened a new location in downtown Grand Rapids on October 9th. The new office, at 330 Market Ave. SW, was bought earlier this year and completely renovated. This location now offers drive-thru video tellers and drive-thru ATMs.
- › Software Labs, an Ada-based tech firm is now expanding their company and adding an additional 1,643 SF space to the second-floor of their office. This new space will be called “The Lab” and will host 12 new employees, including developers. They plan to eventually renovate this floor with the firm’s branding, added technology, and conference rooms.
- › Athletico Physical Therapy, an Illinois-based company, opened a new location in Grandville this past month. The 2,117 SF space at 3819 Rivertown Pkwy, was renovated with new offices, a private treatment room, and a treatment and exercise area. The company clinic offers physical therapy, work injury rehab, vestibular rehab, and functional movement screenings.
- › Kid’s Food Basket, a Grand Rapids-based nonprofit focusing on childhood hunger has broken ground on its new headquarters at 1919 Leonard St. on 15 acres. The \$7.5 million project will include a new two-story, 30,000-square-foot production and education facility, a warehouse and office and volunteer and engagement space. The remaining land has already been used as farmland to grow fruits and vegetables for the Sack Supper program. Kid’s Food Basket serves over 6,000 of the 36,000 children who need meals in West Michigan.

Office Sales & Leases

Q3 2018



3290 Wellness Dr. N
Holland

Tenant: West MI Dermatology
6,734 SF



3019 Coit Ave. NE
Grand Rapids

Buyer: Sunshine Christian
Reformed Church
41,182 SF



6739 Fulton St. SE
Ada

Tenant: Mercy Health
13,000 SF



West Michigan

Office Submarket Statistics

Methodology: The office market report includes office buildings within each of the defined submarkets. Excluded are government buildings and institutional properties.

2018 Q3 Office Snapshot

Submarket	Total RBA	Vacant Available SF	Vacancy Rate	Total Average Rate (\$/SF/Yr)	Total Net Absorption (SF)	Total Under Construction SF
Downtown						
Class A	1,497,034	127,488	8.5%	\$22.61	14,052	120,000
Class B & C	7,601,795	332,905	4.4%	\$16.96	26,440	0
Total	9,098,829	460,393	5.0%	\$17.89	40,492	120,000
Northeast						
Class A	327,867	18,121	5.5%	\$20.45	2,009	0
Class B & C	3,242,336	101,878	3.2%	\$14.17	2,893	3,600
Total	3,570,203	119,999	3.4%	\$14.75	4,902	3,600
Northwest						
Class B & C	2,663,821	81,382	3.1%	\$15.80	83,286	0
Southeast						
Class A	932,777	44,914	4.8%	\$17.69	9,950	41,000
Class B & C	10,081,029	796,915	7.9%	\$14.15	66,114	11,098
Total	11,013,806	841,829	7.6%	\$14.45	76,064	52,098
Southwest						
Class B & C	3,003,769	100,914	3.4%	\$11.92	-701	0
Overall Total	29,350,428	1,604,517	5.5%	\$15.41	204,043	175,698

Office Space Statistical Changes: Year-over-Year and Quarter-over-Quarter

3Q17 vs. 3Q18



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES

2Q18 vs. 3Q18



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES

*Disclaimer: Historical data figures are subject to change based upon the timing of when CoStar receives market information. NAIWWM uses the numbers available at the time each quarterly report is published.