

Industrial Snapshot

West Michigan | Q1 2018

Market Activity

Population



1,058,079

Total Employees



560,291

WSJ Prime Rate



4.75%

Unemployment Rate



3.7%
compared to 4.1%
for United States

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

> Pfizer has opened a 98,500 SF warehouse at 7000 Portage Rd. to make room for future growth. The facility houses the Portage plant's work-in-progress and finished products. The building allows for eight levels of racks that can store up to 9,500 pallets in total. It has six loading docks, as well as temperature-controlled climate and cold storage. Of the 63 locations in Pfizer's network, the Portage campus is their largest, and it employs roughly 2,300 people. Pfizer has invested \$1 billion in improvements at the Portage site in the past 10 years, and has said they plan to invest another \$1 billion in the next five years.

> Parker Hannifin, an Ohio-based Fortune 250 company that manufactures motion and control technologies, is planning to expand its plant located at 8790 Tamarack Rd. in Lakeview, MI. The 30,000 SF expansion is estimated to cost \$5 million, and will create at least 46 full-time manufacturing and salaried jobs. The project was awarded a \$250,000 Michigan Business Development grant by the Michigan Economic Development Corporation. Parker Hannifin is also planning to apply for a tax abatement through the Village of Lakeview.

Industrial Sales & Leases

Q1 2018

LEASED



3729 Patterson Ave. SE
Tenant: Flat River Group LLC
158,845 SF



SOLD



**4221 James P Cole,
Flint, MI**
Buyer: Ronco Cole LLC
50,068 SF on 4.09 acres

SOLD



640 Leffingwell Ave. NE
Buyer: Leffingwell Holdings,
Inc.
51,300 SF on 3 acres

*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.

2018 Q1 Industrial Snapshot

Submarket	Total RBA	Vacant Available SF	Vacancy Rate	Total Average NNN Rate (\$/SF/Yr)	Total Net Absorption (SF)
Lakeshore					
Warehouse	11,030,830	270,470	2.5%	\$3.89	-155,452
Manufacturing	23,378,657	421,450	1.8%	\$3.48	-322,845
Hightech Flex	1,778,225	168,720	9.5%	\$5.50	92,250
Total	36,187,712	860,640	2.4%	\$3.70	-386,047
Northeast					
Warehouse	5,474,155	5,100	0.1%	\$5.88	6,900
Manufacturing	7,034,679	21,022	0.3%	\$3.88	13,500
Hightech Flex	565,606	0	0	\$7.25	0
Total	13,074,440	26,122	0.2%	\$4.86	20,400
Northwest					
Warehouse	5,129,933	175,682	3.4%	\$3.17	29,054
Manufacturing	12,612,698	249,223	2.0%	\$3.70	37,500
Hightech Flex	1,218,068	0	0	\$7.25	0
Total	18,960,699	424,905	2.2%	\$3.78	66,554
Southeast					
Warehouse	22,719,637	403,886	1.8%	\$3.65	333,701
Manufacturing	25,908,505	333,093	1.3%	\$3.61	85,365
Hightech Flex	3,045,552	28,855	0.9%	\$8.01	-18,705
Total	51,673,694	765,834	1.5%	\$3.89	400,361
Southwest					
Warehouse	8,921,471	15,440	0.2%	\$8.18	170,483
Manufacturing	21,885,403	77,540	0.4%	\$3.99	2,931
Hightech Flex	763,625	0	0%	\$6.99	0
Total	31,570,499	92,980	0.3%	\$5.25	173,414
Total Overall	151,467,044	2,170,481	1.4%	\$4.20	274,682

Industrial Statistical Changes Year-over-Year and Quarter-over-Quarter

1Q17 vs. 1Q18



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES

4Q17 vs. 1Q18



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES