Multifamily Market Report

West Michigan | Q1 2019

NAI Global
Great Lakes Region

The Market Overview

Job Growth

National

▲ 1.77%

West Michigan

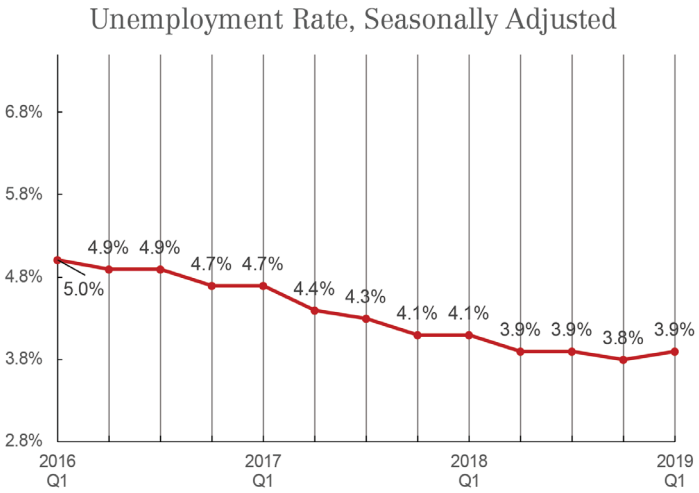
▲ 1.17%

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.

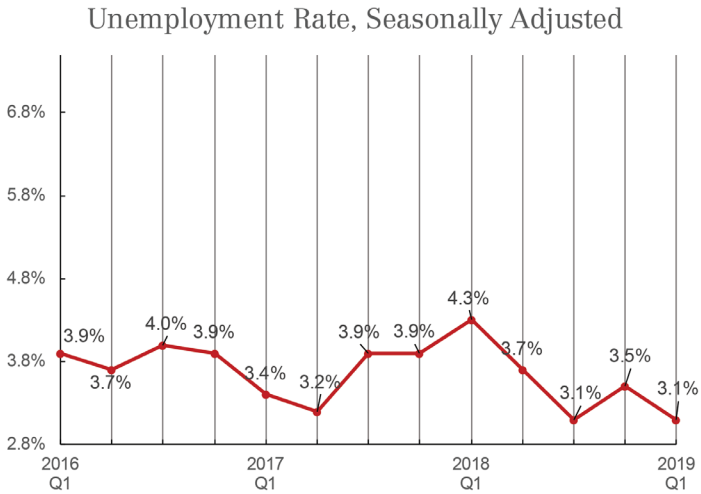
Statistics represent annual percentage change of total individuals employed.

Unemployment Rate

National



West Michigan



Graphs represent unemployment as a percentage of total population. This statistic is affected by how much, if any, population growth has occurred.

Source: Federal Reserve Bank of St. Louis

Market changes since this time last year: Lakeshore 2.66%, Kalamazoo 2.71%, Grand Rapids 3.53%, and Lansing 2.07%.

2.74% ▲ **Average Rents**

Source: CoStar Realty Information Inc.

Occupancy ▲ **0.37%**

Average occupancy rates in West Michigan have increased from 94.43% (2018 Q1) to 94.78% (2019 Q1)

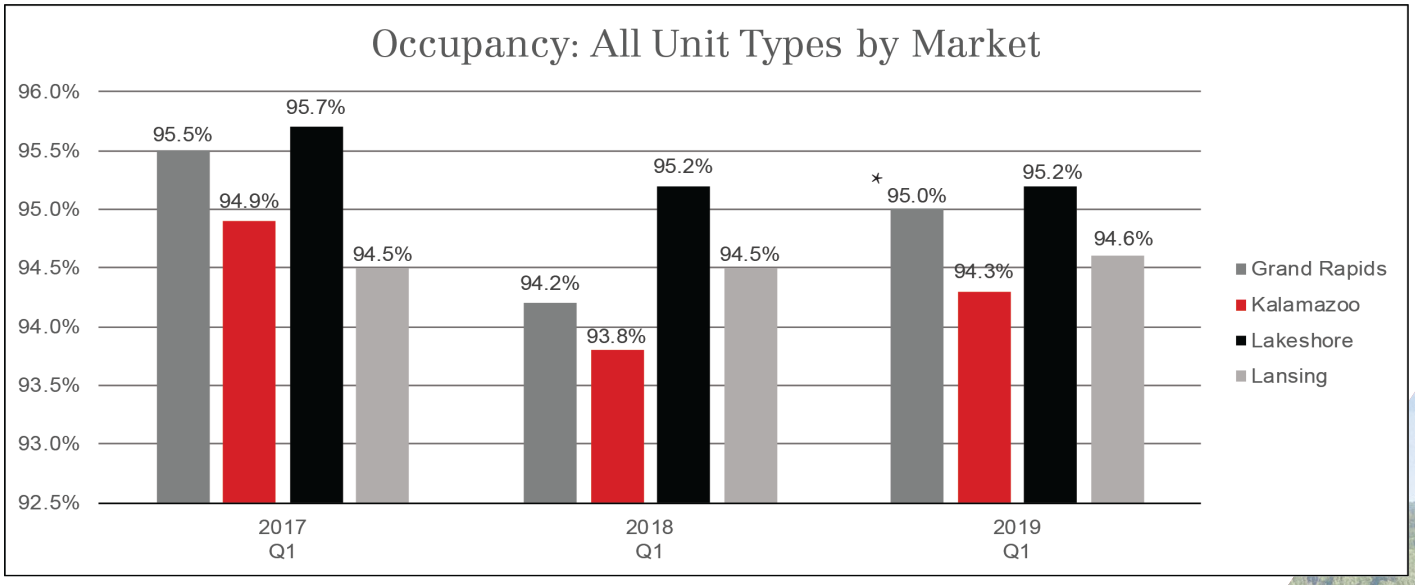
Source: CoStar Realty Information Inc.

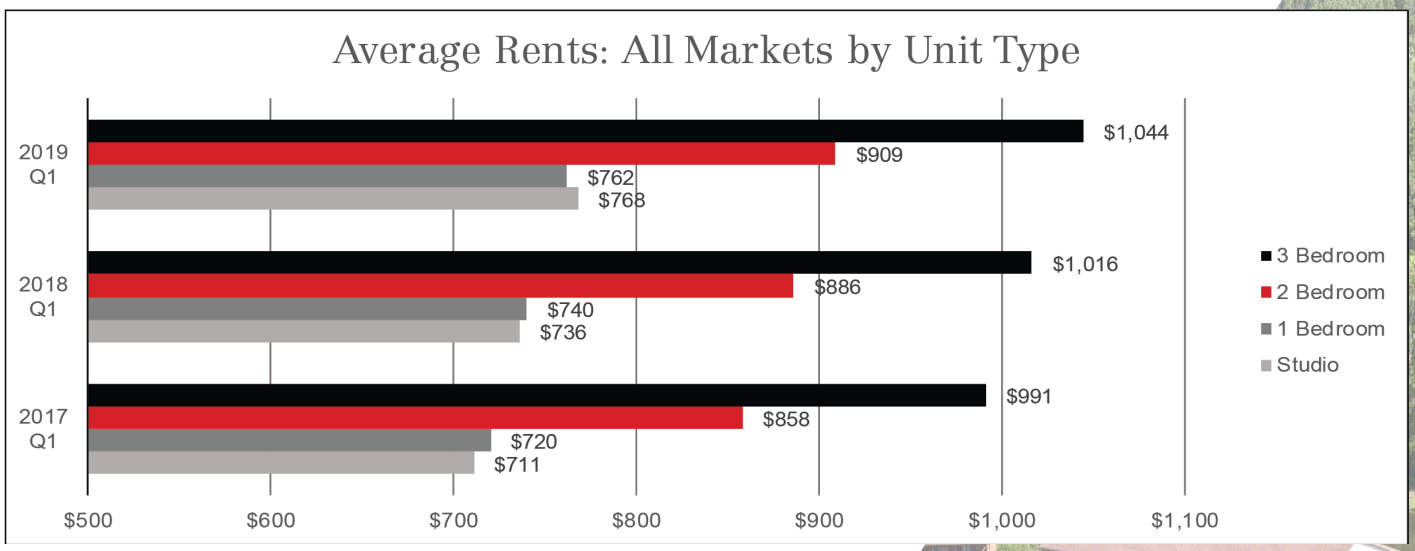
Recent Sales Transactions (January - March, 2019)

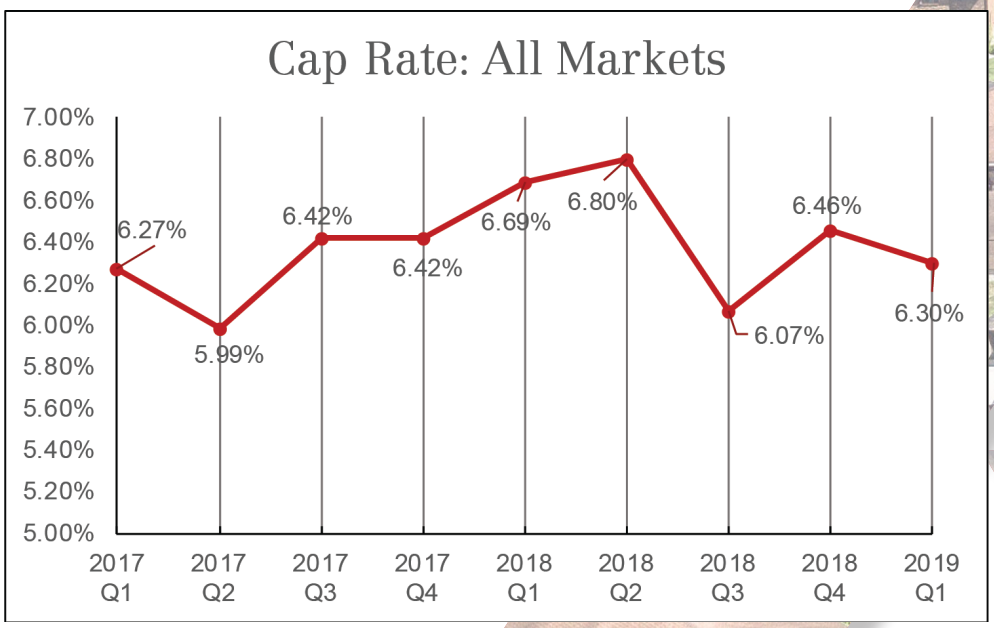
Property	City	Units	Year Built	Sale Price	$/Unit
Bloomfield Townhomes	Grand Rapids	200	2001	$28,800,000	$144,000
Stratford Arms Apartments	Grand Rapids	16	1905	$1,780,000	$112,500
Pinehurst Townhomes	Grand Ledge	72	1978	$6,150,000	$85,417
Riverwalk Apartments	Grand Ledge	50	1906/1988	$3,200,000	$64,000
Western Pines Apartments	Kalamazoo	86	1980	$5,100,000	$59,302
Maple Brooke Apartments	Kalamazoo	64	1989	$2,900,000	$45,313

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

West Michigan Multifamily







*For Grand Rapids, Costar shows 93.3% occupancy for Q1 2019 for properties 30 units and larger. 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 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 95.0%, suggesting that the vast majority of properties remain full or very well occupied, even as new unit inventory in entering the market.

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

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NAI Global Great Lakes Region, an affiliate of NAI Global, is the foremost multifamily expert for the Great Lakes region. NAI Global is the world's largest managed network of independently-owned commercial real estate firms. The primary objective of our team is to provide you and your investors a level of multifamily services that is above and beyond your expectations. The NAI Global Great Lakes Region multifamily team offers hands on experience in brokerage, development, ownership, condo conversion, property management, and finance. The team members understand the owner's perspective and the many factors involved in making a prudent investment decision. Our team and client relationship-based approach allows for a broader and more long-term continuum of services throughout the acquisition, operations, and disposition processes. Through affiliate relationships, NAI Global can offer property management services on both conventional and tax credit properties. NAI Great Lakes Region can act as liaison in that relationship when requested.

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.

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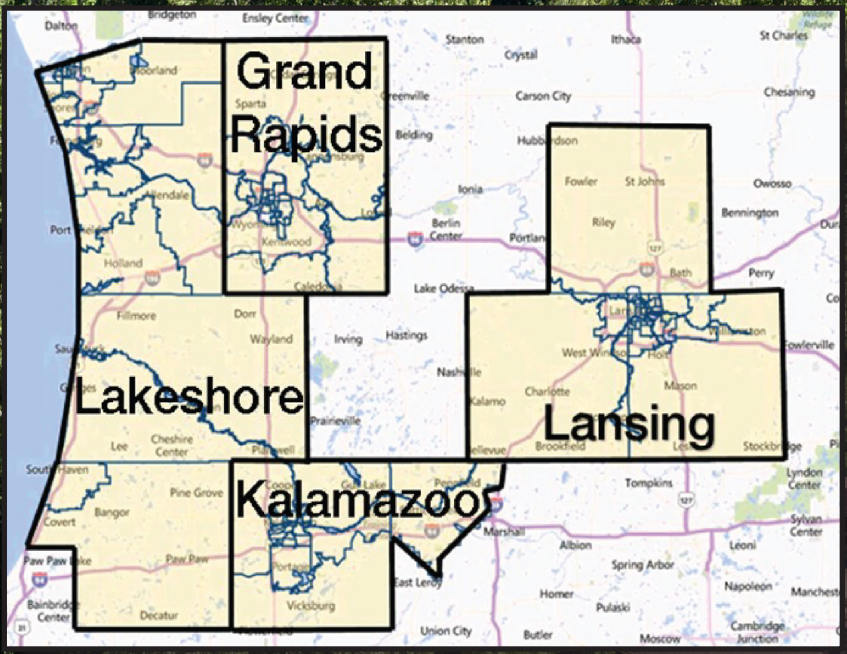

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