

Multifamily Market Report

West Michigan | Q3 2019

The Market Overview

Job Growth

National

 **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.

Statistics represent annual percentage change of total individuals employed.

West Michigan

 **0.29%**

Unemployment Rate

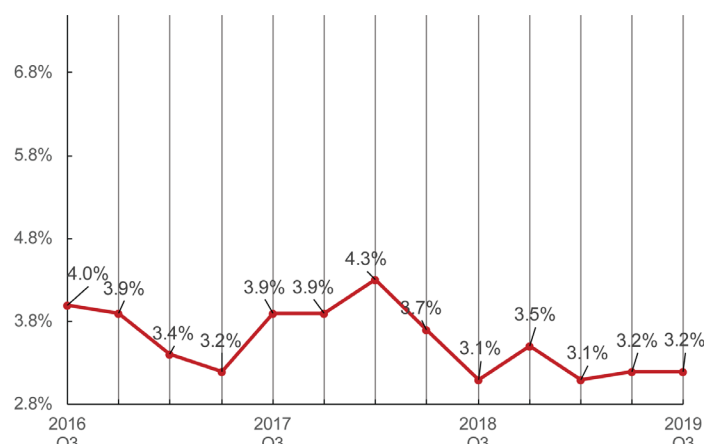
National

Unemployment Rate, Seasonally Adjusted



West Michigan

Unemployment Rate, Seasonally Adjusted



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 3.35%, Kalamazoo 2.30%,
Grand Rapids 2.90%, and Lansing 3.16%.

2.93%



Average Rents

Source: CoStar Realty Information Inc.

Occupancy



1.20%

Average occupancy rates in West Michigan have increased from 94.85% (2018 Q3) to 95.99% (2019 Q3)

Source: CoStar Realty Information Inc.

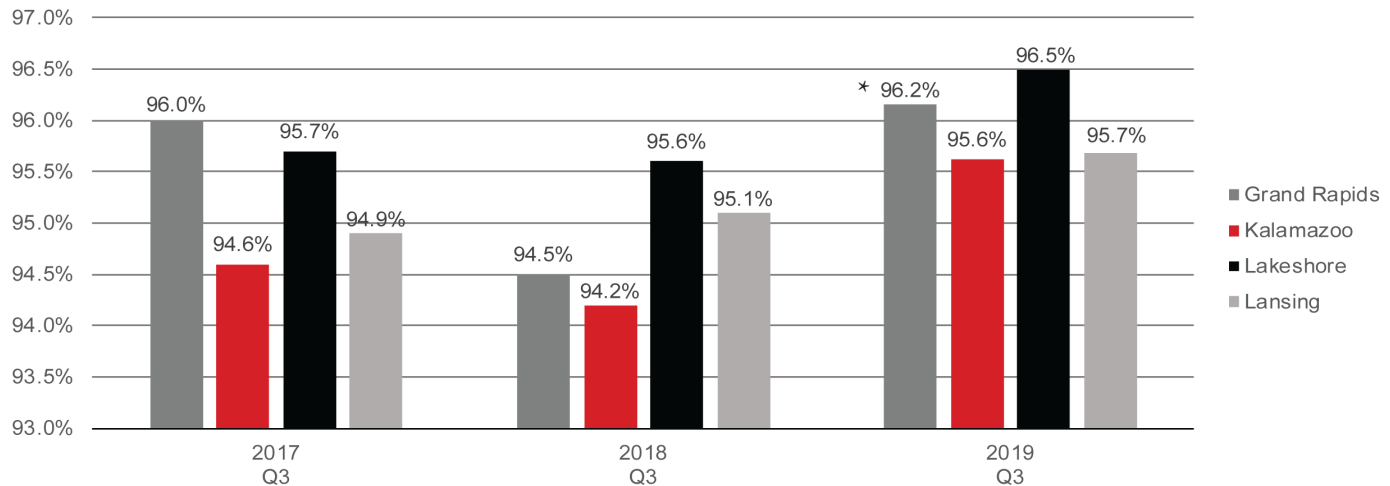
Recent Sales Transactions (July - September, 2019)

Property	City	Units	Year Built	Sale Price	\$/Unit
Arbors at Georgetown Apartments	Lansing	160	2004	\$10,900,000	\$68,125
Oak Tree Apartments	Hudsonville	104	1988	\$5,800,000	\$55,769
Polo Club Apartments	Marshall	80	1964	\$3,400,000	\$42,500
Midway Apartments	Berrien Springs	48	1977	\$2,050,000	\$42,708
Kaymarr Apartments	Lansing	55	1966	1,595,000	\$29,000

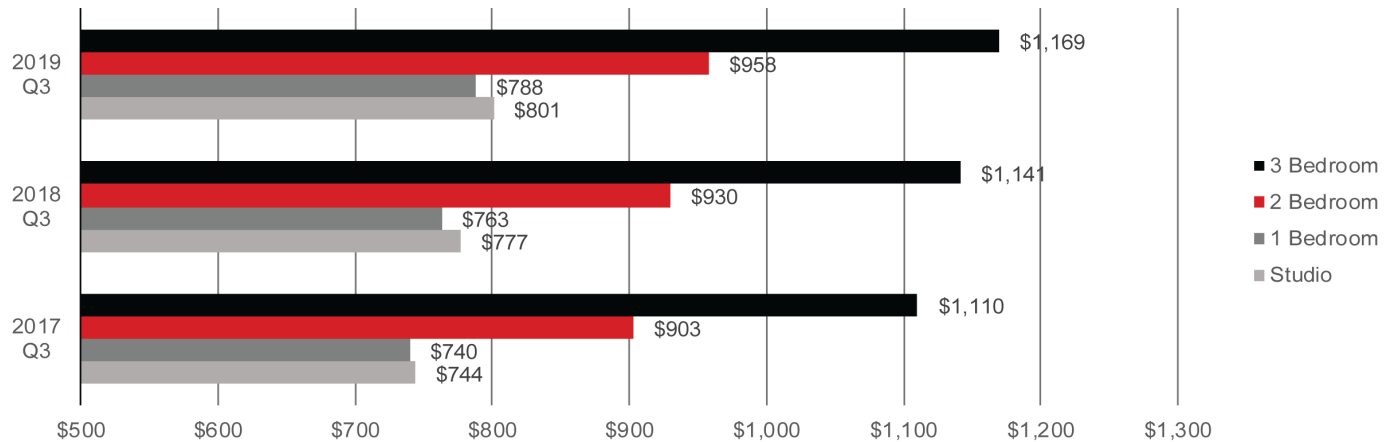
Source: CoStar Realty Information Inc., Yardi Matrix, Real Capital Analytics

West Michigan Multifamily

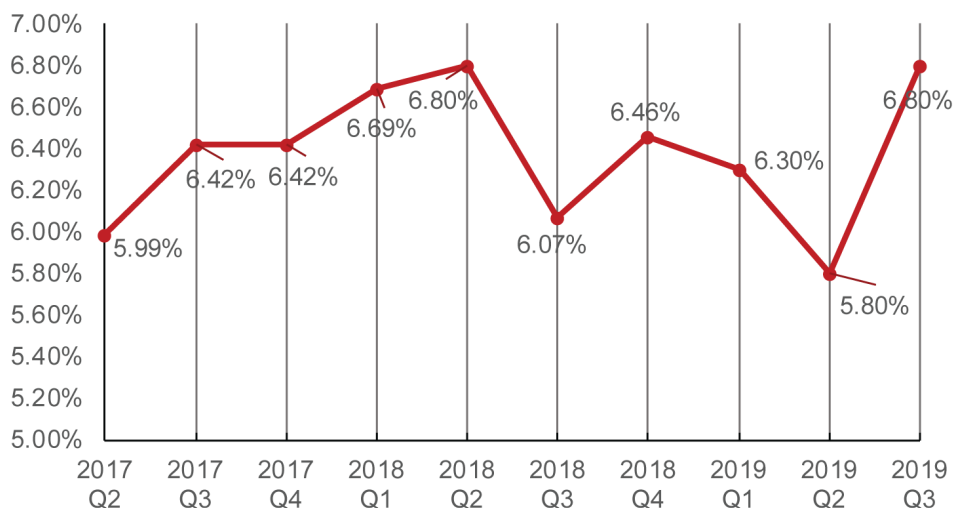
Occupancy: All Unit Types by Market



Average Rents: All Markets by Unit Type



Cap Rate: All Markets



*For Grand Rapids, Costar shows 94.4% occupancy for Q3 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 96.2%, suggesting that the vast majority of properties remain full or very well occupied, even as new unit inventory is entering the market.

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

NAI Global Great Lakes Multifamily Team



MIDWEST EXPERIENCE. **GLOBAL REACH.**



a network of
6,000+
professionals



a total of
\$20B in
transaction
value

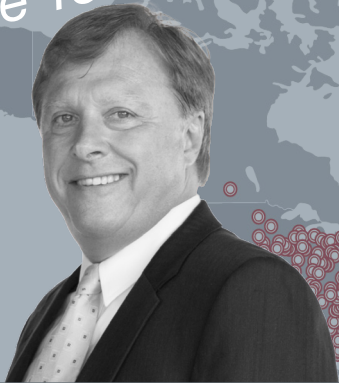


a total of
375+
offices



Located in
36
countries

Meet the Team



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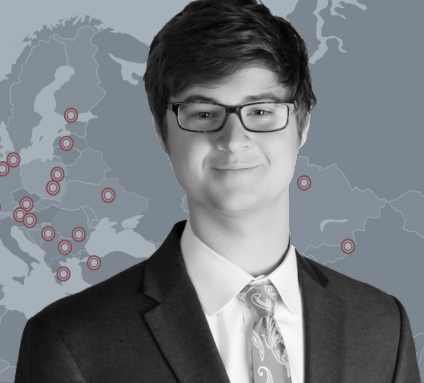


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Regional Market Expertise. Globally Connected.

NAI Global, headquartered in New York City, has 375 individual offices in 36 countries around the world. This enables our team, as representatives of the Great Lakes Region, to engage with an expansive network of multifamily owners, developers and buyers involved with transactions that include market rate, student, senior and affordable housing. NAI Global offers institutional level marketing and sale capabilities by utilizing a world class brokerage platform. In conjunction, we conduct broad based direct calling to prospective buyers. There is no substitute for this approach, which allows us to generate the most offers and **highest price for your property**. Furthermore, our team approach allows us to handle multiple complex transactions and still maintain great client communications.

NAI Global
Great Lakes Region

Combined Experience:

Over

60 Years
in the
industry

8,600
Units
Sold



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