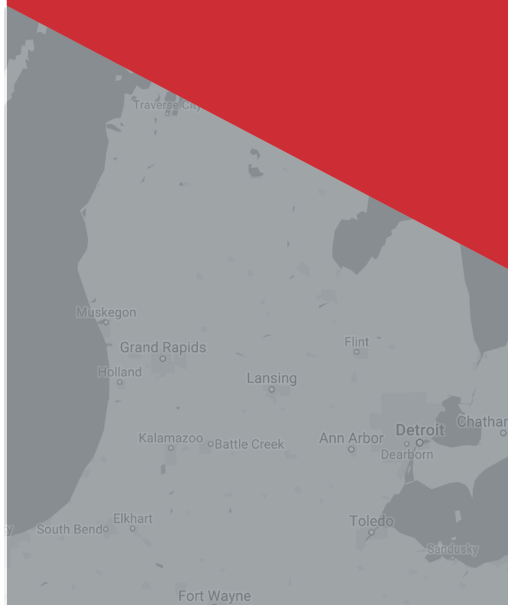


Q1'
2021

WEST MICHIGAN INDUSTRIAL SNAPSHOT



MARKET ACTIVITY

- › Pfizer recently broke ground on its \$465 million pharmaceutical production facility located at 7171 Portage Road in Portage, Michigan. The 420,000-square-foot facility plans to be operational by 2025 and will add roughly 450 new jobs in the Kalamazoo area. Pfizer received a 50% property tax abatement from Portage in order to construct the new facility there.
- › Conveyor Concepts of Michigan, a maker of structural steel and material handling equipment, is spending \$1,303,837 to add 30,000 square feet to its existing facility in Coopersville, Michigan. The building is located in the Midway Industrial Park off Main Street. With this expansion, Conveyor Concepts expects to create four to six new jobs over the next two years.
- › Pinnacle Construction has begun construction on a 15,750-square-foot industrial development project at 2189 Avastar Pkwy in Walker, Michigan. The project will be anchored by German Auto Service with available suites ranging from 3,000 to 6,000 SF. Pinnacle plans to complete the construction this summer. Doug Taatjes of NAI Wisinski of West Michigan will handle the leasing of the property.

RECENT INDUSTRIAL SALES & LEASES



LEASED

6677 Beatrice Dr.,
Kalamazoo
92,180 SF



SOLD

41 Buckley St. SW,
Grand Rapids
17,620 SF



SOLD

3707 Northridge Dr. NW,
Walker
22,458 SF

Q1' 2021

WEST MICHIGAN

INDUSTRIAL SUBMARKET STATISTICS

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

SUBMARKET	TOTAL RBA	VACANT AVAILABLE SF	VACANCY RATE	TOTAL AVERAGE NNN RATE (\$/SF/YR)	TOTAL NET ABSORPTION (SF)
LAKESHORE					
Warehouse	20,419,935	221,614	1.1%	\$4.26	626,246
Manufacturing	31,027,008	312,156	1.0%	\$3.79	392,879
Hightech Flex	2,105,748	501,015	23.8%	\$5.83	0
Total	53,552,691	1,034,785	1.9%	\$3.79	1,019,125
NORTHEAST					
Warehouse	5,632,199	160,167	2.8%	\$4.95	-127,703
Manufacturing	7,556,489	110,433	1.5%	\$5.90	0
Hightech Flex	579,383	0	0%	\$7.95	0
Total	13,768,071	270,600	2.0%	\$5.60	-127,703
NORTHWEST					
Warehouse	5,571,609	222,503	4.0%	\$5.36	-9,335
Manufacturing	13,309,859	207,441	1.6%	\$3.10	187,965
Hightech Flex	1,142,380	236,405	20.7%	\$7.25	0
Total	20,023,848	666,349	3.3%	\$3.97	178,630
SOUTHEAST					
Warehouse	23,744,651	385,469	1.6%	\$4.82	-178,572
Manufacturing	27,659,539	1,554,337	5.6%	\$3.60	879,464
Hightech Flex	3,138,230	170,197	5.4%	\$8.46	3,862
Total	54,542,420	2,110,003	3.9%	\$4.41	704,754
SOUTHWEST					
Warehouse	9,186,862	703,948	7.7%	\$4.58	-408,400
Manufacturing	22,662,277	266,652	1.2%	\$3.86	42,579
Hightech Flex	692,588	95,718	13.8%	\$5.06	440
Total	32,541,727	1,066,318	3.3%	\$4.09	-365,381
TOTAL OVERALL	174,428,757	5,148,055	3.0%	\$4.28	1,409,425

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

1Q21 vs. 1Q20



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES

1Q21 vs. 4Q20



NET ABSORPTION



VACANCY RATE



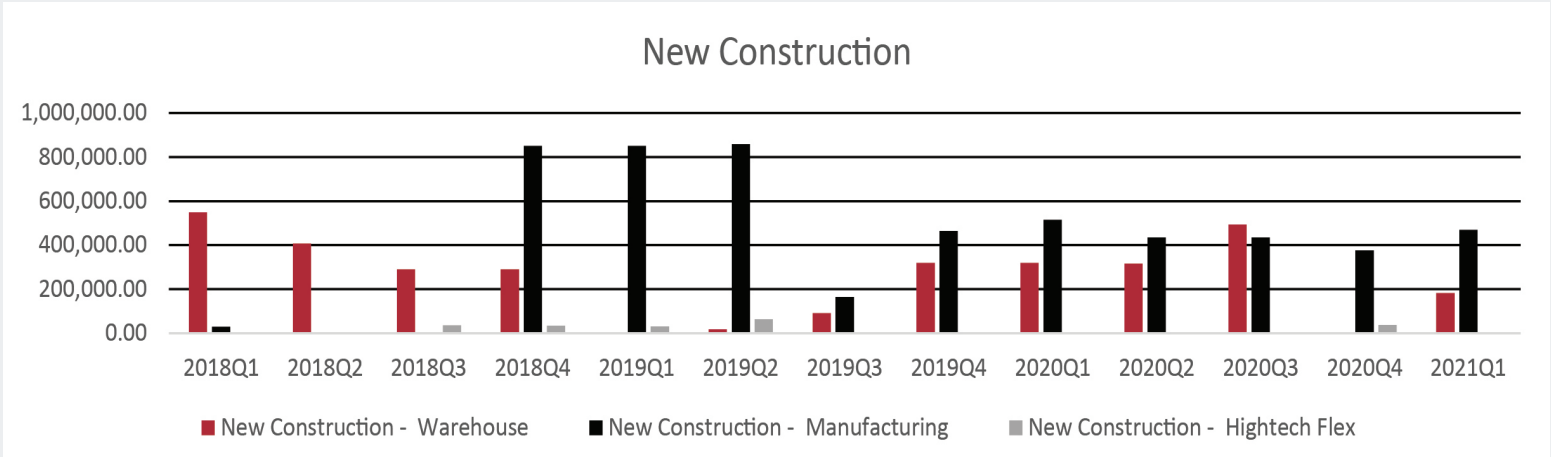
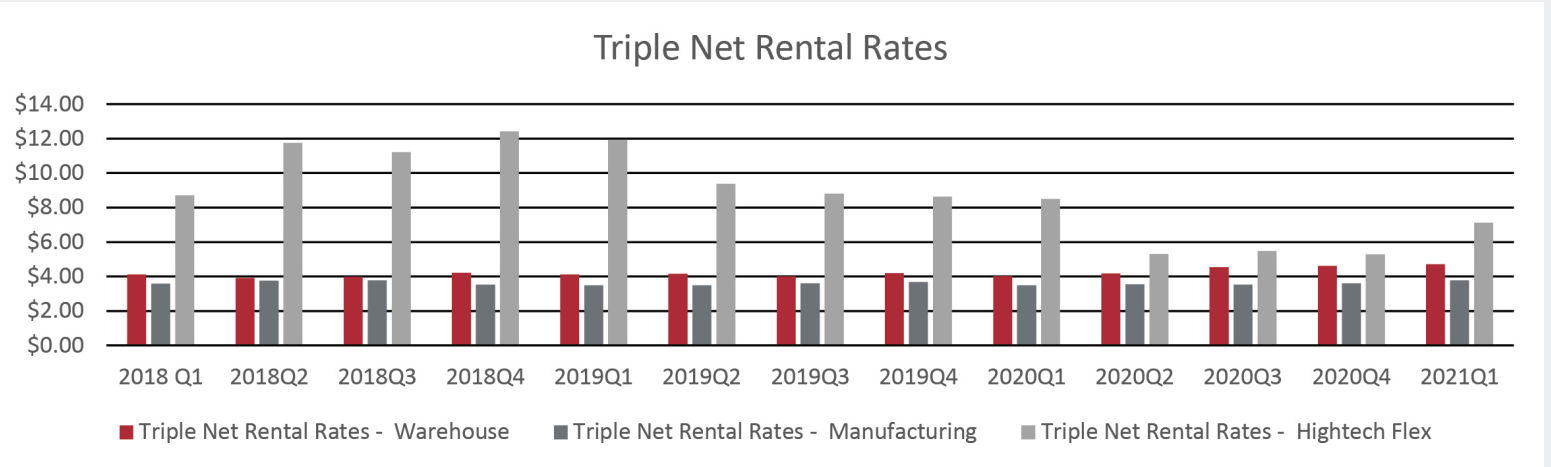
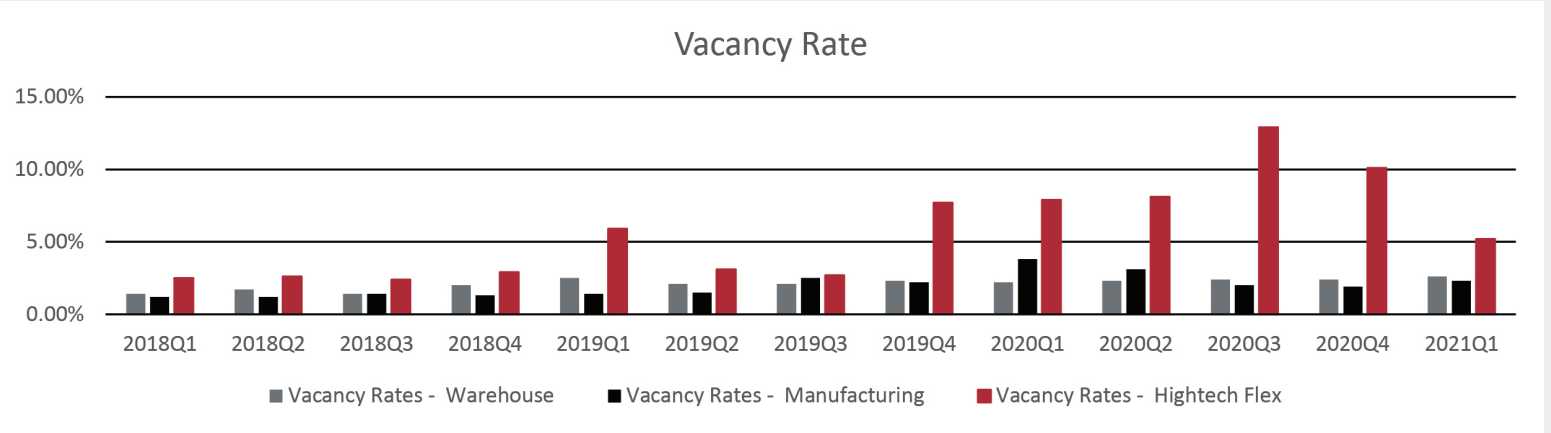
CONSTRUCTION



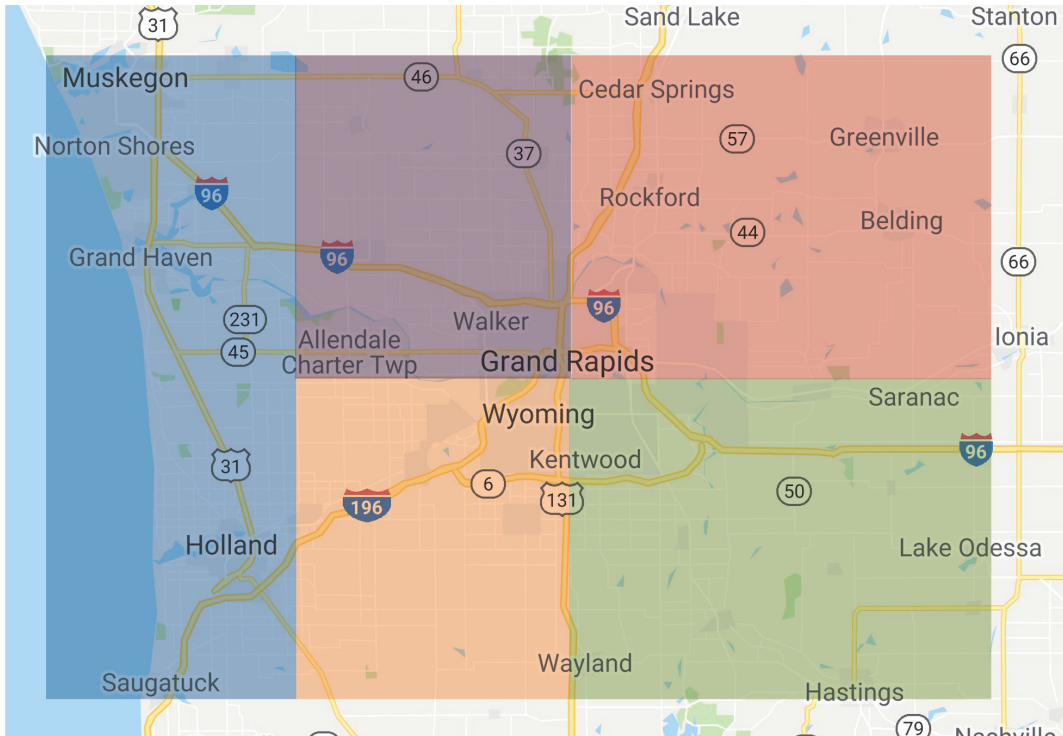
ASKING RATES

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

Industrial Overall Market Report



Methodology | Definitions | Submarket Map



Submarket Key

- Lakeshore
- Northwest
- Northeast
- Southwest
- Southeast

Absorption (Net)

The change in occupied space in a given time period.

Available Square Footage

Net rentable area considered available for lease; excludes sublease space.

Average Asking Rental Rate

Rental rate as quoted from each building's owner/management company. For office space, a full service rate was requested; for retail, a triple net rate requested; for industrial, a NNN basis.

Building Class

Class A Product is office space of steel and concrete construction, built after 1980, quality tenants, excellent amenities & premium rates. Class B product is office space built after 1980, fair to good finishes & wide range of tenants.

Deliveries

Buildings that have their certificate of occupancy and are allowed to be moved into by the tenant/purchaser.

Hightech Flex

This type of space is only found in Flex buildings. It can be used as office, medical, industrial, warehouse, distribution, quasi-retail, or research and development space.

Manufacturing

A sub-type of industrial building primarily used for manufacturing products may also include warehousing or distribution areas.

RBA

Rentable Building Area - Mainly used for office and industrial.

SF/PSF

Square foot/per square foot, used as a unit of measurement.

Under Construction

Buildings in a state of construction, up until they receive their certificate of occupancy. In order for CoStar to consider a building under construction, the site must have a concrete foundation in place.

Vacancy Rate

All physically unoccupied lease space, either direct or sublease.

Warehouse

A secondary type of industrial building generally used for storage and or distribution.

*The Lakeshore submarket was expanded to include Muskegon, MI.