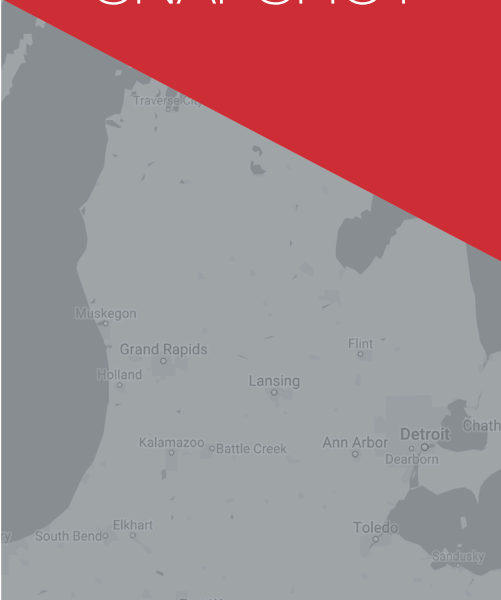


Q1'  
2021

WEST MICHIGAN  
OFFICE  
SNAPSHOT



## MARKET ACTIVITY

- › Perrigo recently broke ground on its new North American headquarters located in the downtown MSU Grand Rapids Innovation Park. The 125,000-square-foot building will have 63,550-square-feet of office space and will allow for approximately 170 new Perrigo employees. The project is expected to be completed in 2022.
- › Grand River Bank recently opened its second branch at 50 Crahen Ave. NE in Grand Rapids Township. The branch offers a full range of services and will employ retail bankers, commercial and mortgage lenders, operations personnel, and administrative staff. The bank had planned to open back in the summer of 2020 but had been delayed due to COVID-19.
- › KinetaCare Physiotherapy was founded in 2005 and started as an outpatient physical therapy clinic in Colorado. They moved to Byron Center, MI in 2014 and relocated to 4675 32nd Ave in Hudsonville earlier this year. The clinic has access to regional care for clients from Grand Rapids, Traverse City, Detroit, Chicago, and Indianapolis.

## RECENT OFFICE SALES & LEASES



2305 East Paris Ave. SE,  
Grand Rapids  
16,928 SF



625 Kenmoor Ave. SE  
Suite 100, Grand Rapids  
8,481 SF



2959 Lucerne Dr. SE,  
Grand Rapids  
30,000 SF

# Q1' 2021

## 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.

SUBMARKET	TOTAL RBA	VACANT AVAILABLE SF	VACANCY RATE	TOTAL AVERAGE RATE (\$/SF/YR)	TOTAL NET ABSORPTION (SF)	TOTAL UNDER CONSTRUCTION (SF)
<b>DOWNTOWN</b>						
Class A	1,711,710	95,093	5.6%	\$22.99	77,061	418,500
Class B & C	7,474,498	381,471	5.1%	\$16.28	-3,786	0
Total	9,186,208	476,564	5.2%	\$17.53	73,275	418,500
<b>NORTHEAST</b>						
Class A	331,585	40,260	12.1%	\$23.49	1,700	0
Class B & C	3,428,900	146,188	4.3%	\$15.22	-17,715	0
Total	3,760,485	186,448	5.0%	\$15.95	-16,015	0
<b>NORTHWEST</b>						
Class B & C	2,792,239	98,793	3.5%	\$15.64	8,684	0
<b>SOUTHEAST</b>						
Class A	1,312,603	131,982	10.1%	\$15.56	12,153	0
Class B & C	10,637,551	639,677	6.0%	\$14.22	-65,816	29,409
Total	11,950,154	771,659	6.5%	\$14.37	-53,663	29,409
<b>SOUTHWEST</b>						
Class B & C	4,008,153	223,656	5.6%	\$14.51	8,172	0
<b>OVERALL TOTAL</b>	<b>31,697,239</b>	<b>1,757,120</b>	<b>5.5%</b>	<b>\$15.60</b>	<b>20,453</b>	<b>447,909</b>

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

#### 1Q21 vs. 1Q20



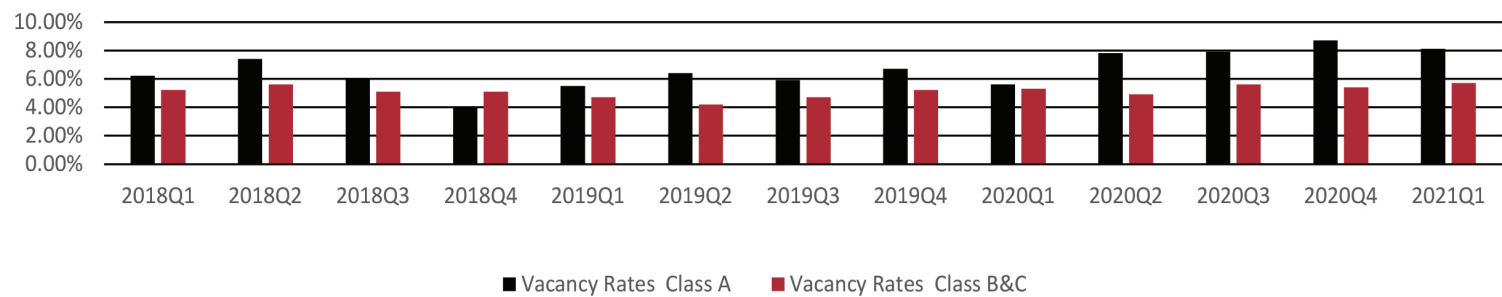
#### 1Q21 vs. 4Q20



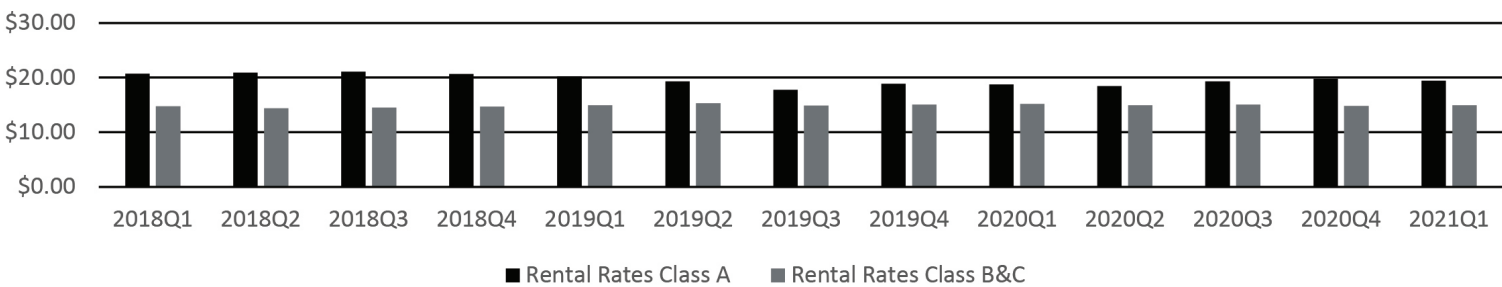
\*Disclaimer: Historical data figures are subject to change based upon the timing of when CoStar receives market information. NAIWWM uses the numbers available at the time each quarterly report is published.

# Office Overall Market Report

Vacancy Rate



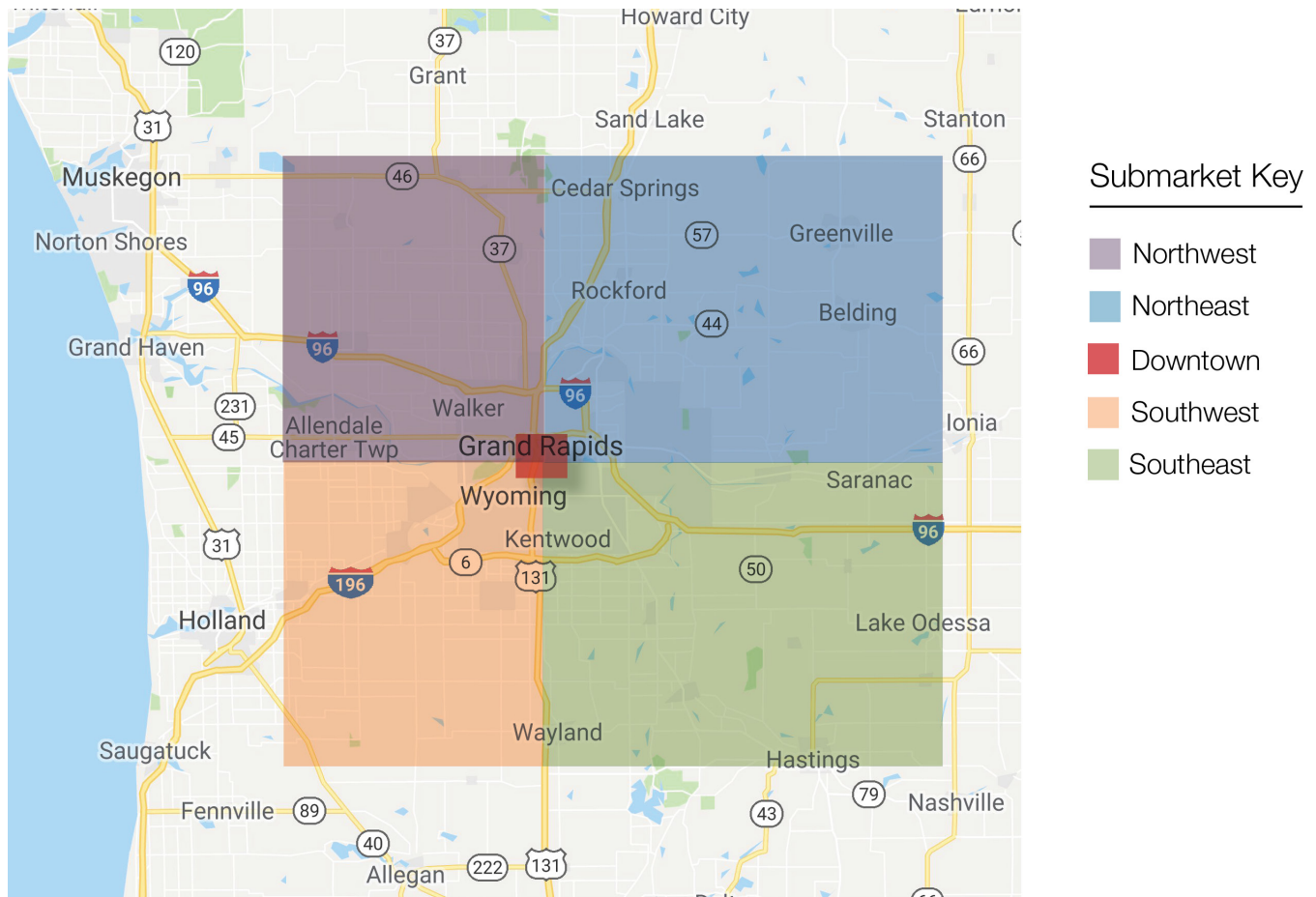
Triple Net Rental Rate



New Construction



# Methodology | Definitions | Submarket Map



## 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 NN 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.

## 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.

## Deliveries

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

## Vacancy Rate

All physically unoccupied lease space, either direct or sublease.