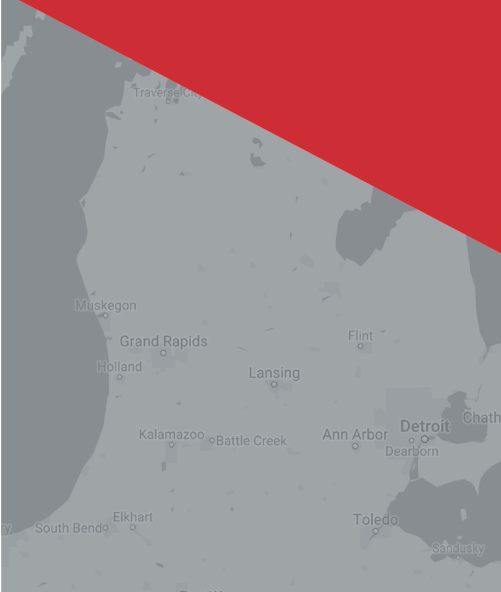


Q1'
2020

WEST MICHIGAN OFFICE SNAPSHOT



MARKET ACTIVITY

- › Steelcase, a local office furniture manufacturer, is producing critical personal protective equipment for health care providers during the COVID-19 pandemic. Steelcase is manufacturing masks for use in clinical environments, facial shields for clinicians in direct contact with patients and social screens for communication with visitors at safe social distances. The manufacturer plans to produce 6,000 masks and 12,500 face shields per week in its Grand Rapids facilities.
- › Grand River Pediatric Dentistry recently opened in Jenison, MI at 7758 20th Ave by Dr. Meghan Condit and Dr. Christy Vollmar. The 3,300 square foot property was previously a fitness gym and needed renovations. There is room for expansion in the future.
- › A wealth management firm, Zhang Financial, has opened a new 2,514 square foot office at 460 Ada Drive, Suite 200, in Ada, MI. The office space is part of a building owned by Grand Rapids-based CDV5. The building space features a reception room, kitchen with stainless steel appliances, two large conference rooms, three private offices, six open space workstations, and a second-floor outdoor balcony. Zhang Financial has hired two new employees with the opening of the Ada location.

RECENT OFFICE SALES & LEASES



**146 Monroe Center St. NW,
Grand Rapids**
119,170 SF



**710 Kenmoor Ave. SE,
Grand Rapids**
Tenants:
Paper Plane Therapies: 4,077 SF
Thriveworks GR : 3,439 SF



**3501 Lake Eastbrook Blvd.
SE, Grand Rapids**
34,566 SF

Q1' 2020

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)
DOWNTOWN						
Class A	1,641,971	39,014	2.4%	\$22.38	16,282	455,000
Class B & C	7,302,931	230,567	3.2%	\$16.54	-41,765	0
Total	8,944,902	269,581	3.0%	\$17.61	-25,483	455,000
NORTHEAST						
Class A	331,585	11,716	3.5%	\$21.16	22,424	0
Class B & C	3,369,242	127,076	3.8%	\$15.47	3,398	0
Total	3,700,827	138,792	3.8%	\$15.98	25,822	0
NORTHWEST						
Class B & C	2,715,815	89,078	3.3%	\$17.55	-13,064	40,000
SOUTHEAST						
Class A	1,074,749	76,928	7.2%	\$14.25	-5,436	0
Class B & C	10,646,735	682,780	6.4%	\$14.58	-706	85,844
Total	11,721,484	759,708	6.5%	\$14.55	-6,142	85,844
SOUTHWEST						
Class B & C	3,141,141	119,414	3.8%	\$14.67	28,000	3,000
OVERALL TOTAL	30,224,169	1,376,573	4.6%	\$15.91	9,133	583,844

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

1Q20 vs. 1Q19



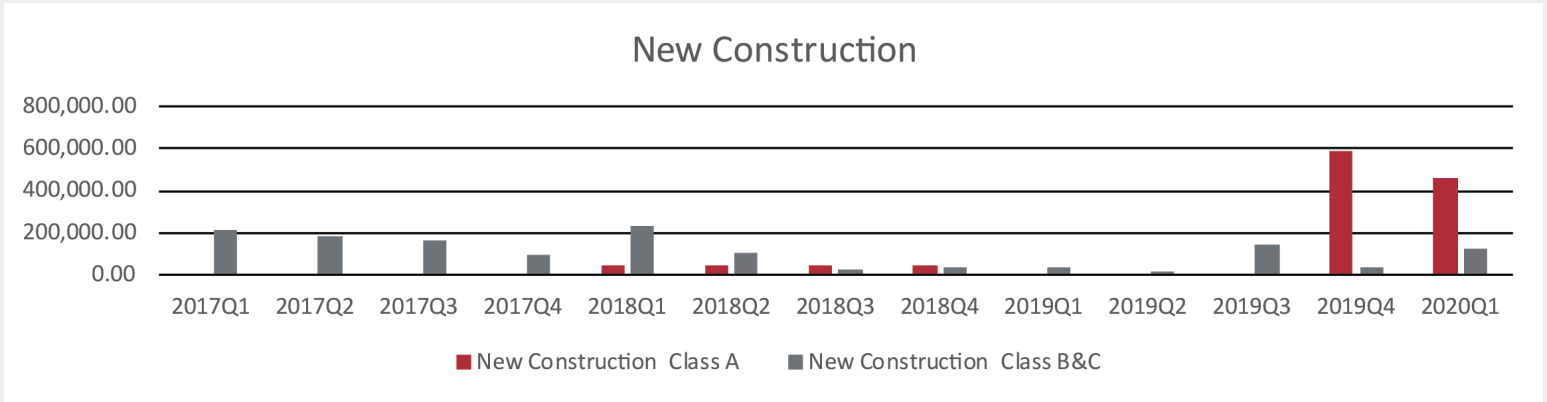
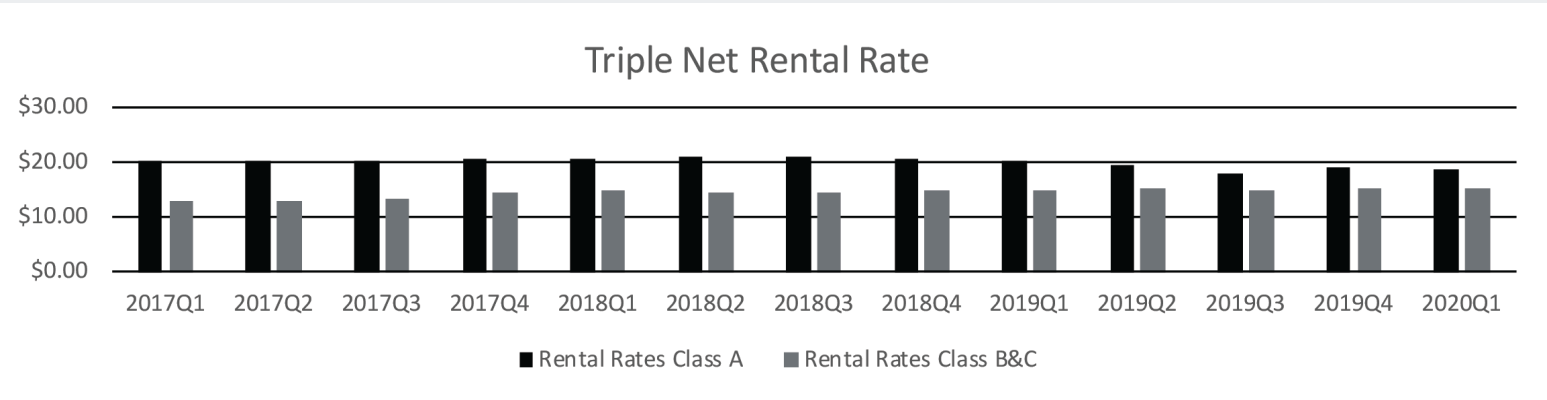
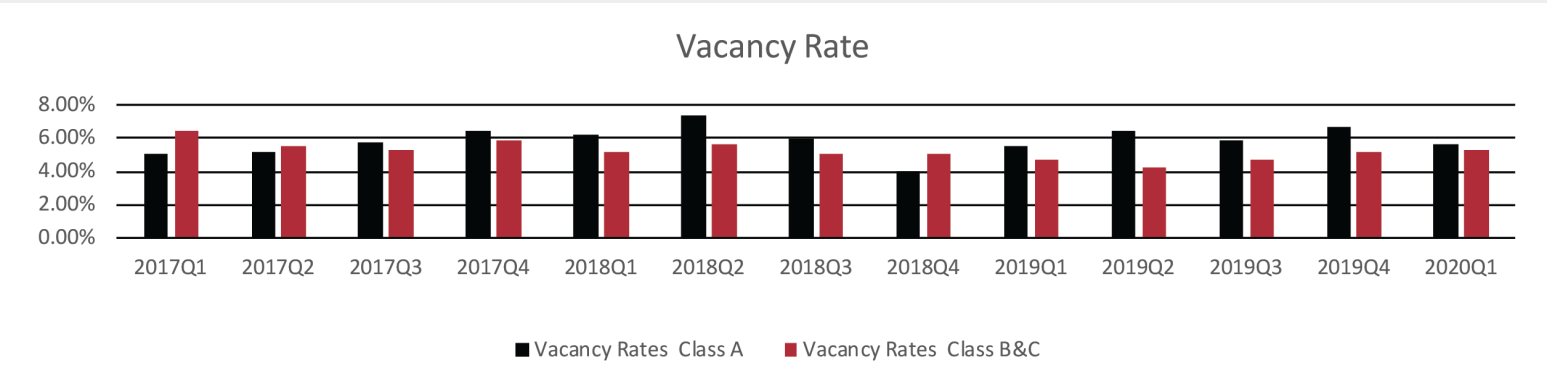
1Q20 vs. 4Q19



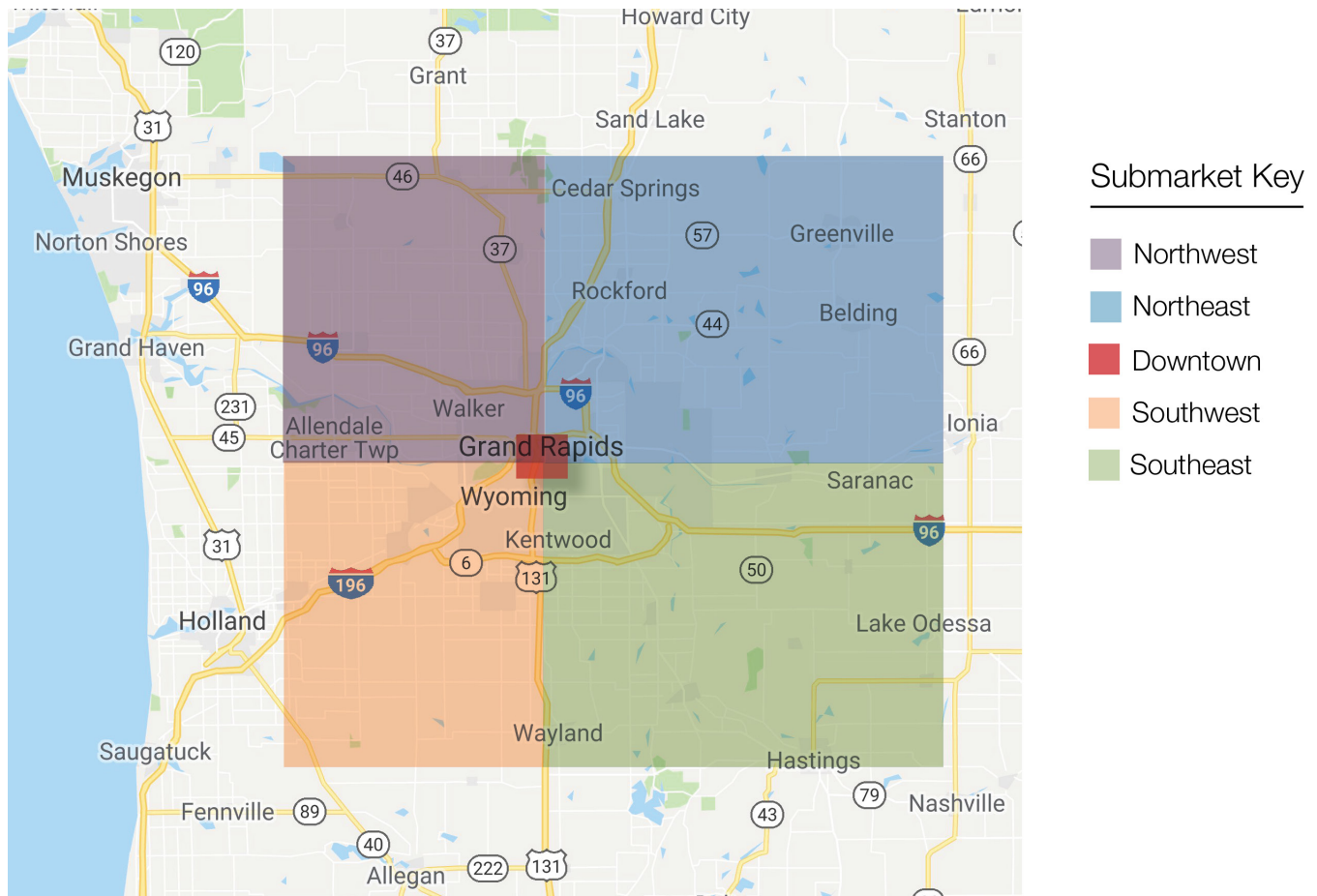
*Disclaimer: Historical data figures are subject to change based upon the timing of when CoStar receives market information. NAIWWM uses the numbers available at the time each quarterly report is published.

Office Overall Market Report

We expect data in all markets to be affected by COVID-19. While it will take some time to fully understand the impact, with certain businesses and industries closed, the vacancy data will adjust in the coming months.



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.