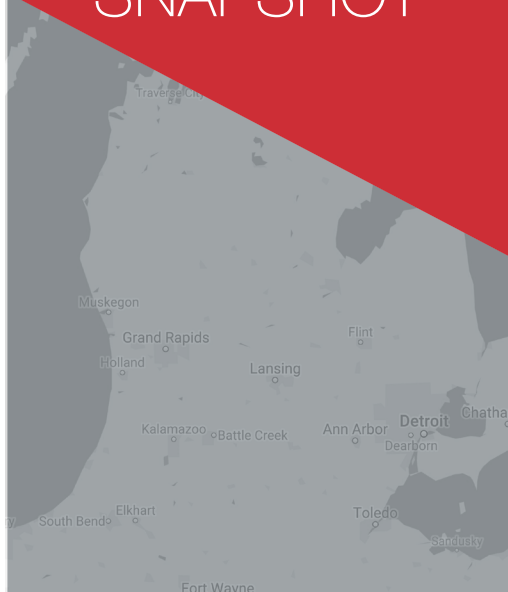


Q1'
2020

WEST MICHIGAN
RETAIL
SNAPSHOT



MARKET ACTIVITY

- › Grand Rapids- based Long Road Distillers has shifted their operations from making spirits to hand sanitizer. Long Road Distillers has partnered with multiple brewing companies including The Mitten Brewing Company, Founders Brewing, Perrin Brewing Company and Shorts Brewing Company to get beer. Long Road Distillers distills the beer into the ethyl alcohol needed to make hand sanitizer which is similar to distilling vodka. Long Road Distillers is selling their hand sanitizer to the public in 2-ounce bottles and is also supplying half-gallon refillable jugs for local health care workers, first responders, local hospitals and nursing homes.
- › Daniel Gracie Grand Rapids, a mixed martial arts academy, recently leased a 3,750-square-foot space at 131 S. Division Ave., in downtown Grand Rapids, MI. Co-owners Cody Hier and Miguel Diaz have operated the Pennsylvania Academy for over 10 years and are looking forward to entering the heart of Grand Rapids. Daniel Gracie Grand Rapids offers a variety of classes in a safe, laid-back atmosphere.
- › Eastpointe-based Detroit Wing Co. opened its first West Michigan location at 2004 East Beltline Ave. NE in Grand Rapids. Detroit Wing Co. has six locations in metro Detroit and was established in 2015. The company plans to open additional locations in 2020. Detroit Wing Co. has 19 house made sauces and an extensive menu including wings, boneless wings, chicken tenders, mac n' cheese, poutine, coleslaw, cornbread muffins, and cheesecake.

RECENT RETAIL SALES & LEASES



5121 28th St. SE,
Grand Rapids
6,441 SF



3165 Alpine Ave. NW, Unit 4,
Grand Rapids
Tenant: America's Bride
8,400 SF



5580 Harvey St. S,
Muskegon
107,925 SF

Q1' 2020

WEST MICHIGAN

RETAIL SUBMARKET STATISTICS

Methodology: The retail market report includes retail 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)

LAKESHORE

Community	1,752,156	142,799	8.1%	\$8.58	1,200
Neighborhood	1,752,156	142,799	8.1%	\$8.58	1,200
Strip	1,533,299	68,633	4.5%	\$10.91	9,337
Total	5,037,611	354,231	7.0%	\$9.29	11,737

NORTHEAST

Community	445,573	114,245	25.6%	\$4.14	0
Neighborhood	983,554	72,166	7.3%	\$9.70	9,108
Strip	677,134	54,171	8.0%	\$11.69	-5,250
Total	2,106,261	240,582	11.4%	\$9.16	3,858

NORTHWEST

Community	471,422	9,175	1.9%	\$13.56	-6,975
Neighborhood	404,406	4,200	1.0%	\$10.98	-1,300
Strip	601,003	62,543	10.4%	\$14.69	-13,582
Total	1,476,831	75,918	5.1%	\$13.31	-21,857

SOUTHEAST

Community	508,616	4,440	0.9%	\$10.75	0
Neighborhood	2,498,278	149,430	6.0%	\$13.63	20,902
Strip	1,744,496	80,281	4.6%	\$12.15	4,503
Total	4,751,390	234,151	4.9%	\$12.78	25,405

SOUTHWEST

Community	1,656,186	202,701	12.2%	\$5.39	-70,392
Neighborhood	723,228	23,367	3.2%	\$11.40	3,458
Strip	1,049,216	80,799	7.7%	\$15.20	-323
Total	3,428,630	306,867	9.0%	\$9.76	-67,257

TOTAL OVERALL	16,800,723	1,211,749	7.2%	10.69	-48,114
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Retail Statistical Changes Year-over-Year and Quarter-over-Quarter

1Q20 vs. 1Q19



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



ASKING RATES

1Q20 vs. 4Q19



NET ABSORPTION



VACANCY RATE



CONSTRUCTION



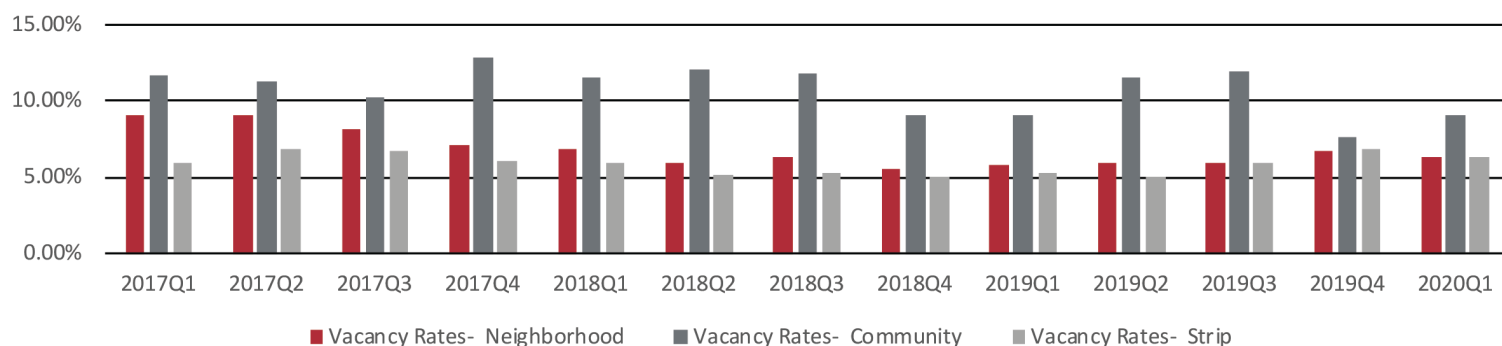
ASKING RATES

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

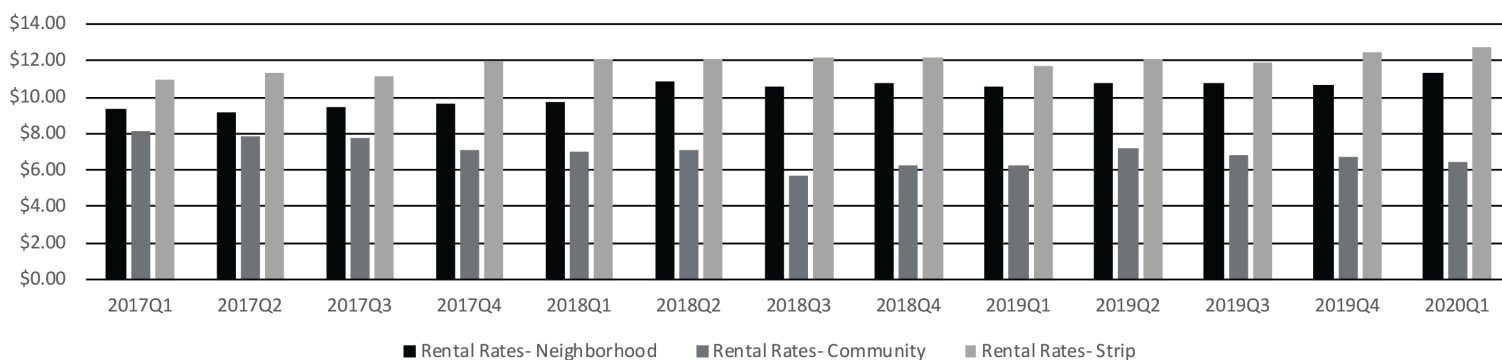
Retail Overall Market Report

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

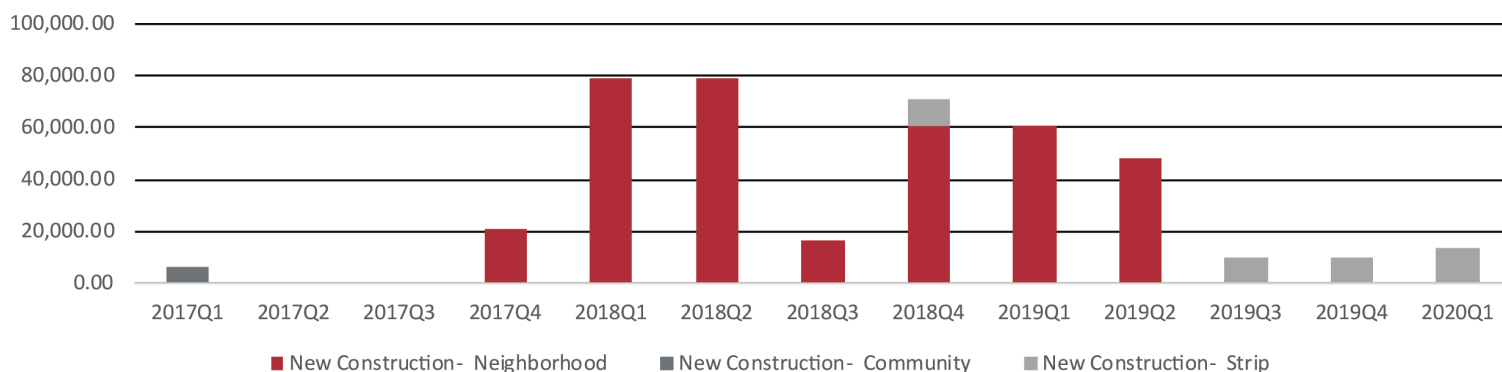
Vacancy Rate



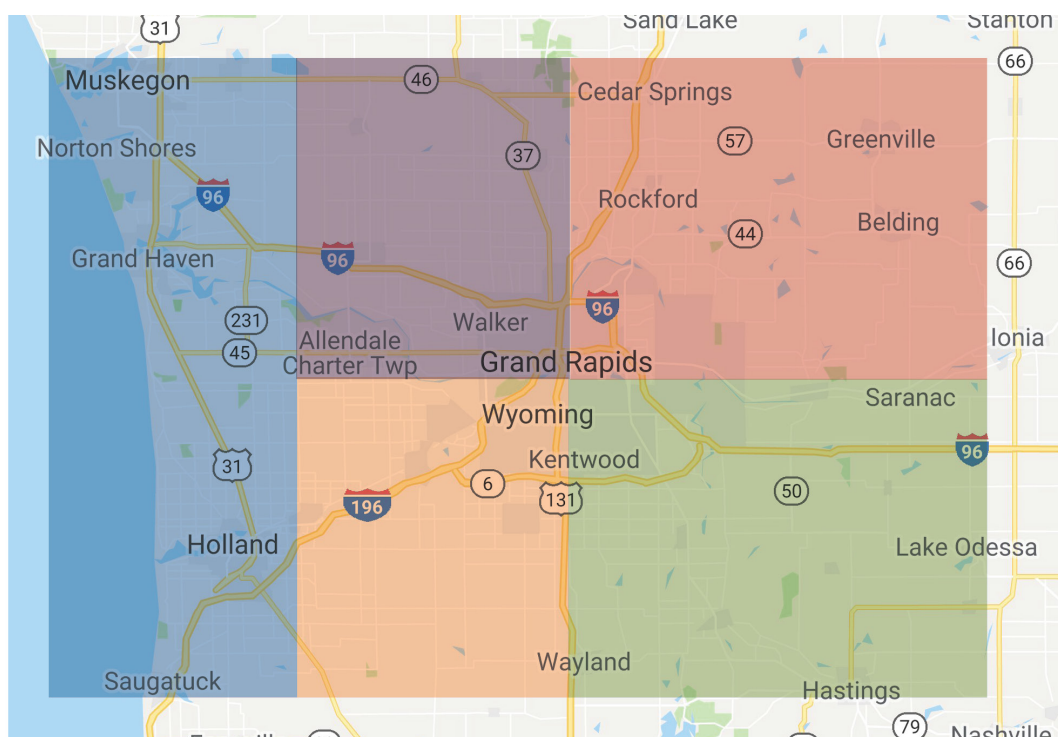
Triple Net Rental Rate



New Construction



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 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.

Community Center

Typically offers a wider range of apparel and other soft goods than neighborhood centers. Among the most common anchors are supermarkets, super drugstores, and discount department stores.

Neighborhood Center

Provides for the sales of convenience goods (food, drugs, etc.) and personal services (laundry, dry cleaning, etc.) for day-to-day living needs of the neighborhood with a supermarket being the principal tenant.

RBA

Rentable Building Area - Mainly used for office and industrial.

SF/PSF

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

Strip Center

An attached row of stores or service outlets managed as a coherent retail entity, with on-site parking usually located in front of the stores.

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.

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