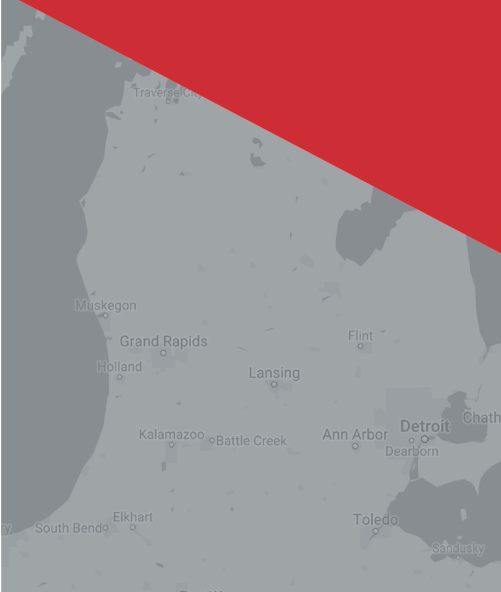


Q3'  
2021

WEST MICHIGAN  
OFFICE  
SNAPSHOT



## MARKET ACTIVITY

- › Hand2Hand, a faith-based childhood hunger relief nonprofit recently held its grand opening ceremony for its new headquarters. The new home base and warehousing facility, located at the former Aldi grocery store at 306 Chicago Drive in Jenison, is 15,600 square feet and will allow Hand2Hand to feed an additional 10,000 students.
- › Grand Rapids Community College (GRCC) recently opened a new Lakeshore Campus at 12331 James St. in Holland MI. The 52,000 square-foot campus is occupying the former JCPenney in The Shops at Westshore Mall. This \$12 million project consolidated the classes, resources, and programs that were previously spread amongst four locations in Holland for the past 20 years.
- › Union Bank is moving its corporate headquarters from Lake Odessa to 671 Cascade W Pkwy SE in Grand Rapids Township. They broke ground on the new 6,500-square-foot building in August and are scheduled to open in the summer of 2022.

## RECENT OFFICE SALES & LEASES



LEASED

6500 Byron Center Ave. NW,  
Suite 300, Byron Center  
16,714 SF



SOLD

5496 Glenwood Hills Pkwy  
SE, Grand Rapids  
7,984 SF



LEASED

1179 East Paris Ave. SE,  
Suite 100, Grand Rapids  
5,429 SF

# Q3'2021 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	1,929,173	95,128	4.9%	\$23.62	28,882	375,000
Class B & C	7,527,718	414,118	5.5%	\$15.42	-60,431	0
<b>Total</b>	<b>9,456,891</b>	<b>509,246</b>	<b>5.4%</b>	<b>\$17.09</b>	<b>-31,549</b>	<b>375,000</b>
<b>NORTHEAST</b>						
Class A	331,585	71,622	21.6%	\$22.60	4,646	0
Class B & C	3,496,051	189,766	5.4%	\$16.20	8,365	0
<b>Total</b>	<b>3,827,636</b>	<b>261,388</b>	<b>6.8%</b>	<b>\$16.75</b>	<b>13,011</b>	<b>0</b>
<b>NORTHWEST</b>						
Class B & C	2,832,664	137,420	4.9%	\$14.63	5,317	0
<b>SOUTHEAST</b>						
Class A	1,310,091	166,217	12.7%	\$15.35	15,189	0
Class B & C	10,574,556	557,747	5.3%	\$13.90	57,376	67,500
<b>Total</b>	<b>11,884,647</b>	<b>723,964</b>	<b>6.1%</b>	<b>\$14.06</b>	<b>72,565</b>	<b>67,500</b>
<b>SOUTHWEST</b>						
Class B & C	4,019,689	251,572	6.3%	\$14.31	12,438	0
<b>Overall Total</b>	<b>32,021,527</b>	<b>1,883,590</b>	<b>5.9%</b>	<b>\$15.36</b>	<b>71,782</b>	<b>442,500</b>

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

3Q21 vs. 3Q20



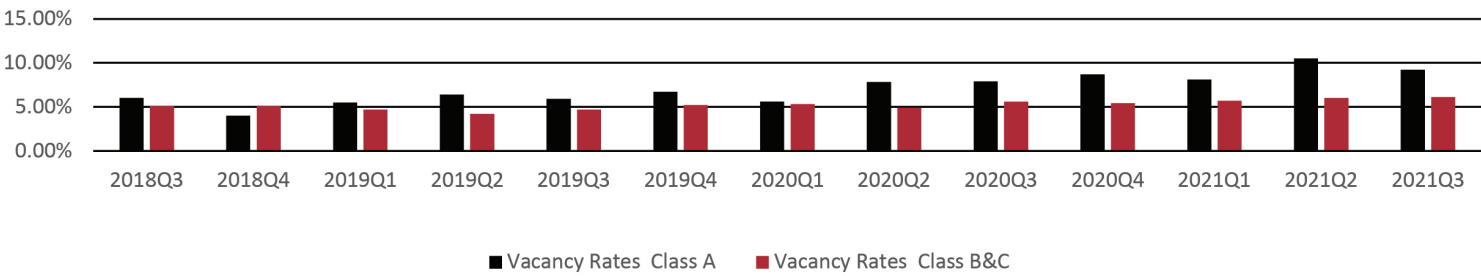
3Q21 vs. 2Q21



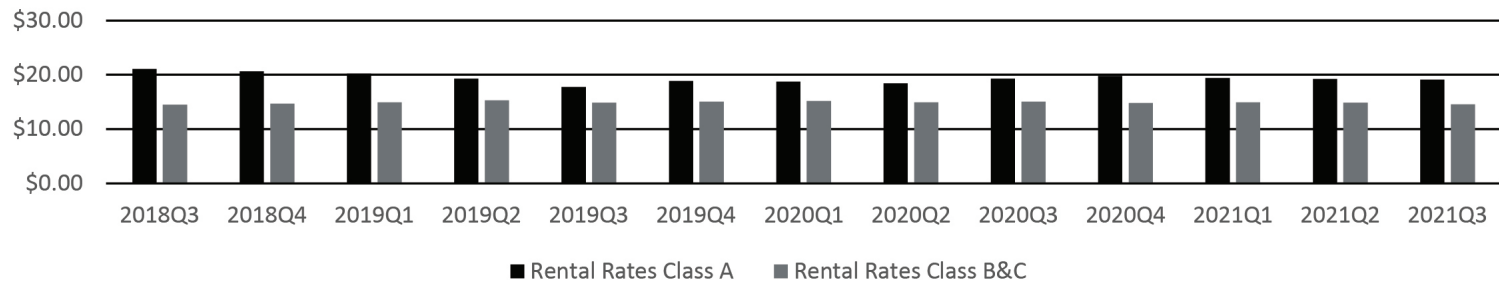
\*Disclaimer: Historical data figures are subject to change based upon the timing of when CoStar receives market information. NAIWWMM uses the numbers available at the time each quarterly report is published.

# Office Overall Market Report

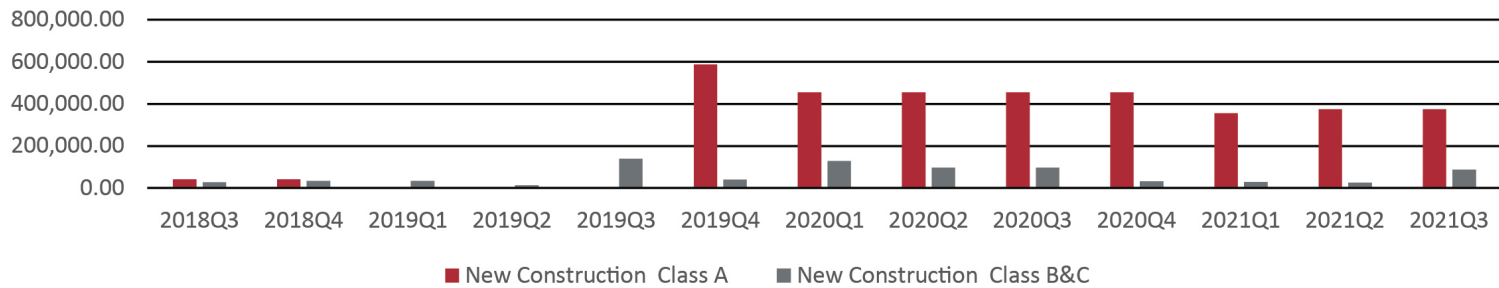
Vacancy Rate



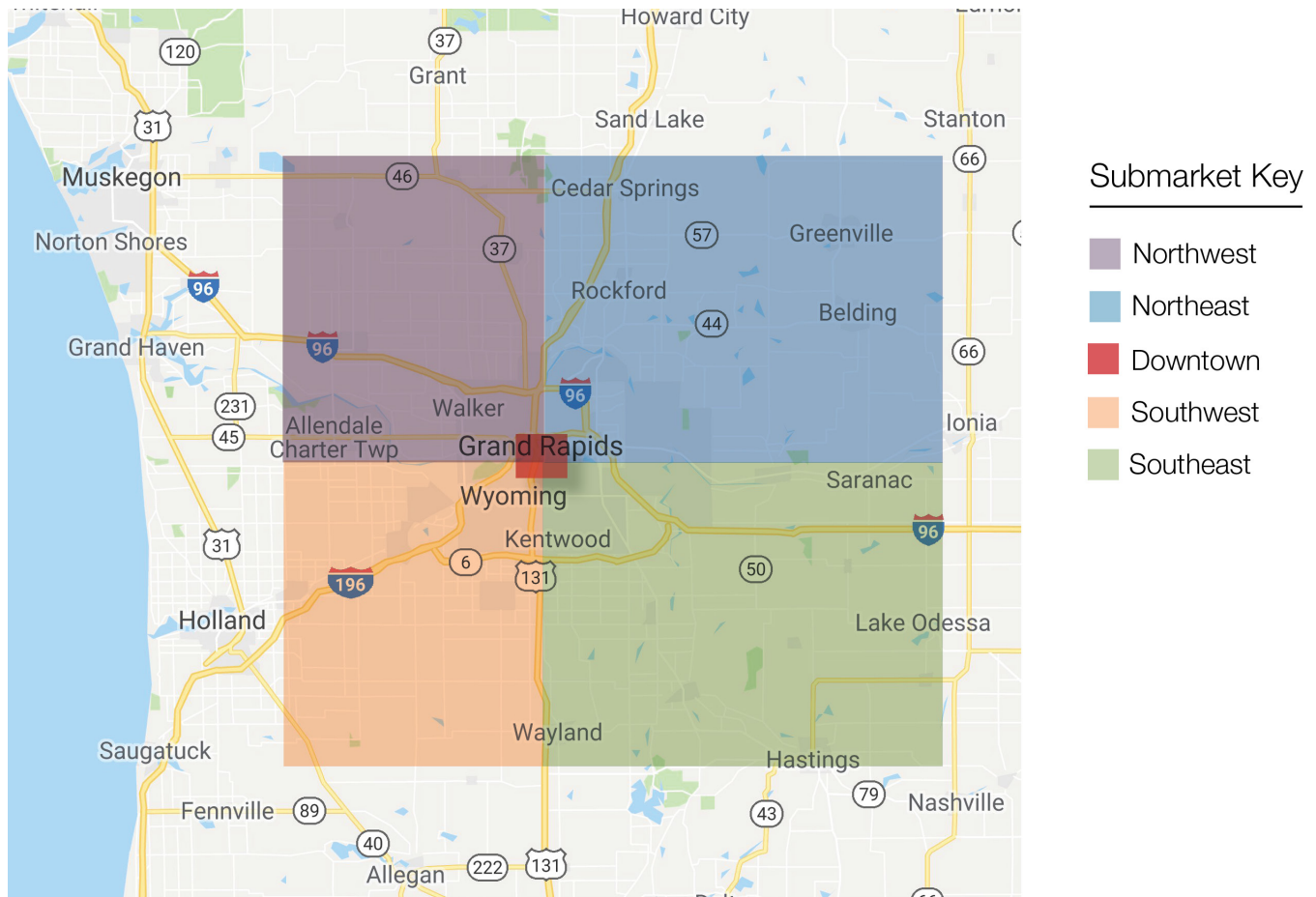
Triple Net Rental Rate



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 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.

## 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.