OFFICE MARKET
OVERVIEW

The West Michigan office market continued to show stability. Leasing activity was steady but deliberate, with high tenant improvement costs leading many tenants to renew rather than relocate, and overall vacancy stayed below many national averages.

The story splits by class. Downtown, Class A vacancy is 10.7%, reflecting the cost of moving into newer, more expensive space, while Class B and C buildings sit at 5.4% as many tenants choose to stay put. Across our submarkets, Class A vacancy runs roughly double that of Class B and C. Downtown absorption was slightly positive this quarter, while most suburban submarkets posted negative absorption, led by the Southeast.

Looking ahead, limited new supply, increasing rents, and steady leasing demand position the market for continued stability through year-end. Owners investing in property upgrades and tenant-focused amenities remain best positioned to capture demand as companies continue to evaluate long-term office space needs.

6.7% VACANCY

$18.41 ASKING RENT

59,000 CONSTRUCTION

MARKET	TOTAL RBA	VACANT AVAILABLE SF	VACANCY RATE	TOTAL AVERAGE RATE ($/SF/YR)	TOTAL NET ABSORPTION (SF)	TOTAL UNDER CONSTRUCTION (SF)
DOWNTOWN						
CLASS A	2,650,133	284,117	10.7%	$25.29	(28,745)	0
CLASS B & C	7,131,100	386,323	5.4%	$20.93	31,934	0
TOTAL	**9,781,233**	**670,440**	**6.9%**	**$22.11**	**3,189**	**0**
NORTHEAST						
CLASS A	356,623	49,675	13.9%	$24.63	1,165	0
CLASS B & C	3,595,380	166,343	4.6%	$18.21	7,409	59,000
TOTAL	**3,952,003**	**216,018**	**5.5%**	**$18.79**	**8,574**	**59,000**
NORTHWEST						
CLASS B & C	**2,965,692**	**199,221**	**6.7%**	**$17.91**	**(44,012)**	**0**
SOUTHEAST						
CLASS A	1,138,479	146,198	12.8%	$17.16	(36,764)	0
CLASS B & C	10,829,175	708,809	6.5%	$15.65	(91,800)	0
TOTAL	**11,967,654**	**855,007**	**7.1%**	**$15.79**	**(128,564)**	**0**
SOUTHWEST						
CLASS B & C	**3,402,659**	**222,724**	**6.5%**	**$16.93**	**(31,083)**	**0**
TOTALS	**32,069,241**	**2,163,410**	**6.7%**	**$18.41**	**(191,896)**	**59,000**

Disclaimer: Data may change as CoStar updates market information; figures reflect what was available at the time of publication.

Methodology: Statistics are derived from CoStar data as of 10/6/2026 and include all office buildings within our defined West Michigan submarkets, with no minimum building size, including medical and owner-occupied buildings. Because those buildings are typically fully occupied, our vacancy rates run lower than surveys limited to larger multi-tenant buildings. On a multi-tenant, non-medical basis, downtown vacancy is approximately 16.3%.