



METROPOLITAN
DETROIT
MARKET

INDUSTRIAL
Q3 2021
MARKET STATISTICS

signatureassociates.com



**SIGNATURE
ASSOCIATES**
KNOW SIGNATURE | KNOW RESULTS

METROPOLITAN DETROIT

INDUSTRIAL MARKET REVIEW

ECONOMIC OVERVIEW

Third quarter 2021 closed with a direct vacancy rate of 4.26%, an overall vacancy rate of 4.65%, and an average asking direct rental rate reported at \$7.37 psf. The Michigan unemployment rate was recorded at 4.6%, a decrease of 3.9 percentage points compared to this time last year, while the U.S. unemployment rate was recorded at 4.8%. The unemployment rate has consistently decreased each quarter of 2021; however, there was a slight increase during the last few weeks of September with claims rising to 362,000. Employers continued to boost hiring efforts while offering incentives and hiring bonuses to fill a growing number of open positions notably in the service sector. Meanwhile, U.S. wholesale prices increased by 8.6% compared to one year ago and U.S. consumer confidence decreased for the third straight month. Ongoing supply chain complications have unexpectedly driven an increase in cost for many consumer and construction materials causing concern as inflation increased 5.4% compared to one year ago, matching a 13-year high as the cost of construction, food, gas and cars have significantly increased. The U.S. housing market continued on an upswing this quarter with prices at a near-record high.

STATS ON THE GO

	Q3 2020	Q3 2021	Y-O-Y CHANGE	12 MONTH FORECAST
Overall Vacancy	5.61%	4.65%	-0.96%	▼
Direct Asking Rents (psf/yr)	\$6.90	\$7.37	6.90%	▲

INDUSTRIAL MARKET DISCUSSION

Industrial leasing activity closed the quarter with several deals signed. First in Rochester Hills, Gemini Import Export, LLC inked a deal totaling 149,580 sf of warehouse distribution space located at 2737 S. Adams Road. While in Livonia, Packaging Corporation of America leased 109,968 sf of manufacturing space located at 31774-31778 Enterprise Drive in the Allied Commerce Center. In the South Corridor, C-MAC Transportation, LLC leased 91,475 sf of warehouse distribution space located at 36501 Van Born Road in the Romulus Business Center 1. Lastly in Plymouth, RoboTire leased 70,000 sf of warehouse distribution space at 13100-13250 N. Haggerty Road

Industrial sales activity remained steady as the quarter closed. First in Howell, 2280 W. Grand River, LLC purchased the 145,757 sf manufacturing building located at 2280 W. Grand River Avenue as an investment. While in Novi, Anchor Printing Company inked a deal for 135,500 sf of hi-tech space located at 43043-43045 Nine Mile Road and will use the property. In Plymouth, 47700 Halyard, LLC purchased the 106,074 sf manufacturing building as a user and is located at 47700 Halyard Drive in the Metro West Technology Park. Lastly in Brighton, Express Stop Real Estate Holdings II, LLC purchased the 84,000 sf warehouse distribution building located at 9984 Borderline Drive as an investment.

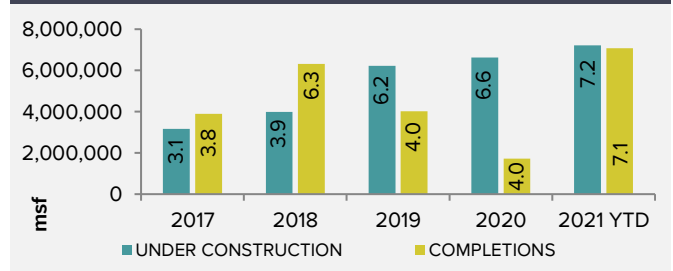
OUTLOOK

Ford Motor Company recently announced plans to build their \$100M Ion Park battery lab in Romulus at an existing facility that will total 200,000 sf, employ around 200 individuals and is expected to open at the end of 2022. This new investment is part of Ford's \$30B commitment to electrification. Lear Corporation revealed plans for a new manufacturing plant and will be located on Detroit's east side at the site of the former Cadillac Stamping Plant. The 682,000 sf project is estimated to cost is \$47.9M, and will create hundreds of jobs and received millions of dollars from both local and state incentives. Amazon.com, Inc. has plans to add four new sites set to open in 2022 and 2023. Since 2010 Amazon.com, Inc. has invested more than \$6B in Michigan. The Shyft Group, a specialty vehicle manufacturer for the commercial and fleet vehicle industries and the recreational vehicle design market, officially opened their 40,000 sf R&D facility in Plymouth located at 47632 Halyard Drive and will be utilizing the facility for prototyping, product development and design. The Metro Detroit industrial market continues to experience high demand of industrial space for sale, lease and new construction. This trend is expected to close out 2021 and into 2022.

UNDER CONSTRUCTION

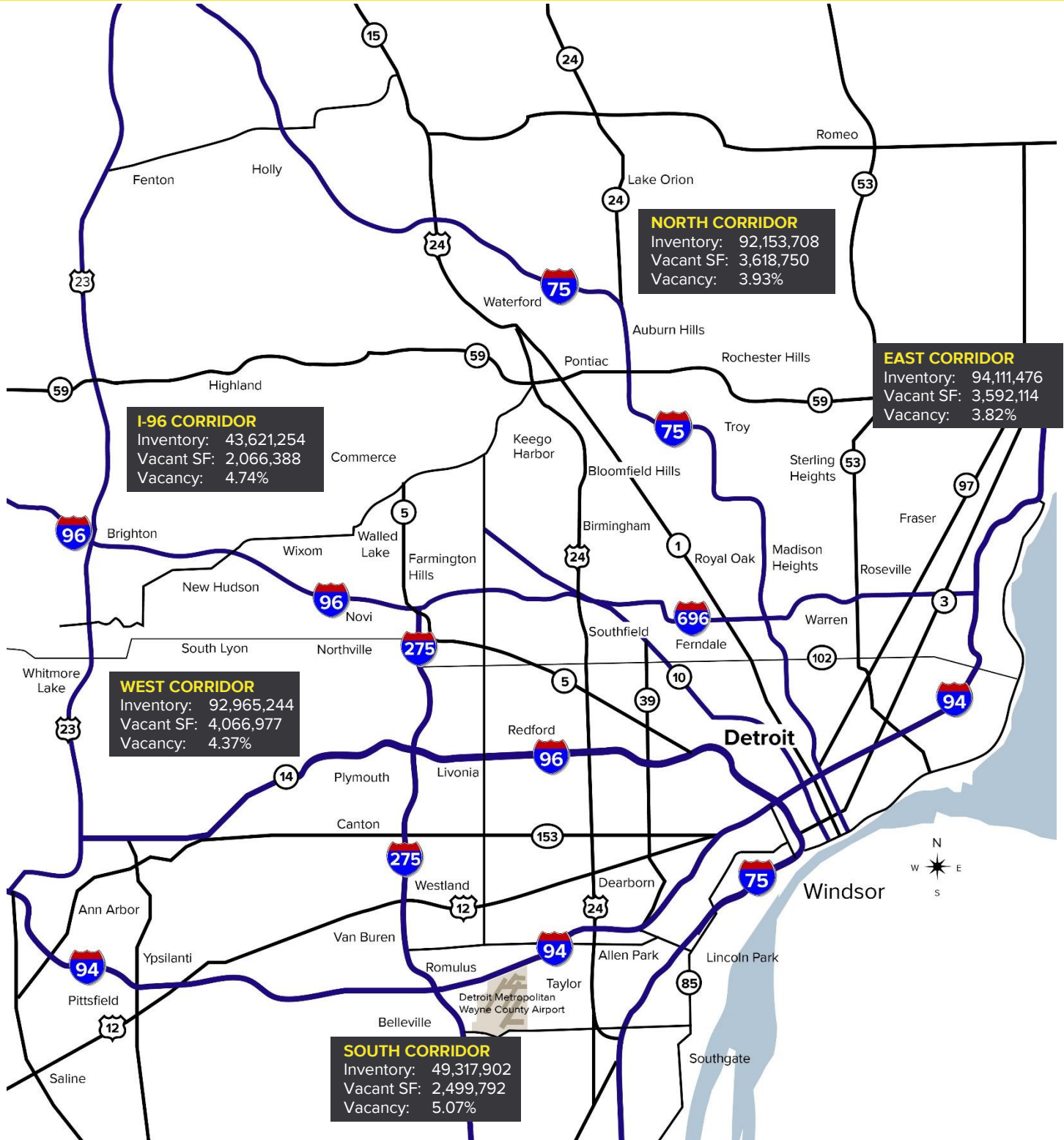
BUILDING / MARKET	CITY	SF	ESTIMATED COMPLETION
12950 Eckles Road West Corridor	Livonia	364,812	March 2022
7080 23 Mile Road Bldg. 1 East Corridor	Shelby Twp.	312,322	May 2022
48620 Michigan Avenue West Corridor	Canton	240,000	April 2022

UNDER CONSTRUCTION VS. COMPLETION



METROPOLITAN DETROIT

INDUSTRIAL MARKET REVIEW



METROPOLITAN DETROIT

INDUSTRIAL MARKET REVIEW

Submarket: Buildings 5,000 Sq. Ft. & Up	Total Buildings	Total Inventory Square Feet	Available Square Feet Overall	Vacancy % Overall	Available Square Feet Direct	Vacancy % Direct	Direct Vacancy % Change 2 nd – 3 rd Quarter
NORTH CORRIDOR							
Auburn Hills	328	21,121,961	1,181,725	5.59%	1,038,369	4.92%	-1.00%
Madison Heights	429	10,797,345	562,263	5.21%	542,063	5.02%	-0.76%
Orion Twp/Lake Orion	67	4,674,239	139,380	2.98%	139,380	2.98%	0.00%
Rochester/Rochester Hills	311	10,116,152	569,171	5.63%	483,526	4.78%	-1.20%
Royal Oak Area*	673	16,528,245	528,532	3.20%	520,950	3.15%	-0.26%
Southfield/Bloomfield Twp	276	7,601,398	340,695	4.48%	315,538	4.15%	-0.46%
Troy	843	21,314,368	821,626	3.85%	578,924	2.72%	-0.60%
TOTAL SUBMARKET	2,927	92,153,708	4,143,392	4.50%	3,618,750	3.93%	-0.67%
EAST CORRIDOR							
Chesterfield Twp	227	8,440,290	146,652	1.74%	146,652	1.74%	-0.26%
Clinton Twp	449	9,030,861	340,948	3.78%	340,948	3.78%	-0.49%
Fraser	260	6,076,978	196,351	3.23%	196,351	3.23%	-0.25%
Mt. Clemens	98	2,965,203	269,819	9.10%	269,819	9.10%	-0.44%
Roseville	278	7,084,280	577,840	8.16%	442,138	6.24%	-0.23%
Shelby Twp/Macomb Twp	401	11,583,228	448,813	3.87%	436,974	3.77%	-0.77%
Sterling Heights	532	18,469,972	407,168	2.20%	407,168	2.20%	-0.88%
Warren	978	30,460,664	1,402,064	4.60%	1,352,064	4.44%	-0.15%
TOTAL SUBMARKET	3,223	94,111,476	3,789,655	4.03%	3,592,114	3.82%	-0.43%
SOUTH CORRIDOR							
Brownstown Twp	58	5,831,335	288,311	4.94%	288,311	4.94%	0.00%
Dearborn/Dearborn Heights	309	11,740,219	1,171,562	9.98%	987,705	8.41%	0.80%
Romulus	388	20,564,119	773,016	3.76%	758,396	3.69%	-2.30
Taylor	306	11,182,229	505,380	4.52%	465,380	4.16%	-1.73%
TOTAL SUBMARKET	1,061	49,317,902	2,738,269	5.55%	2,499,792	5.07%	-1.16%
WEST CORRIDOR							
Ann Arbor	385	11,065,479	617,036	5.58%	514,602	4.65%	-1.44%
Farmington/Farmington Hills	421	12,115,733	836,574	6.90%	714,116	5.89%	-1.66%
Livonia	813	30,749,418	796,303	2.59%	615,603	2.00%	-0.23%
Plymouth/Canton	484	20,262,498	1,558,268	7.69%	1,550,368	7.65%	-1.01%
Redford	201	5,835,740	239,071	4.10%	239,071	4.10%	-1.23%
Van Buren Twp	60	6,143,476	137,741	2.24%	137,741	2.24%	-10.51%
Wayne/Westland	280	6,792,900	317,976	4.68%	295,476	4.35%	0.10%
TOTAL SUBMARKET	2,644	92,965,244	4,502,969	4.84%	4,066,977	4.37%	-1.45%
I-96 CORRIDOR							
Brighton/Genoa Twp/Green Oak Twp	254	6,894,800	127,040	1.84%	127,040	1.84%	-0.13%
Fowlerville/Howell	121	4,241,365	274,421	6.47%	274,421	6.47%	0.49%
Lyon Twp/South Lyon/Milford/New Hudson	128	4,832,884	185,801	3.84%	185,801	3.84%	-7.23%
Novi	310	11,291,211	817,336	7.24%	784,969	6.95%	-0.81%
Walled Lake/Commerce Twp	204	4,642,142	260,367	5.61%	252,897	5.45%	2.62%
Wixom	373	11,718,852	450,860	3.85%	441,260	3.77%	0.64%
TOTAL SUBMARKET	1,390	43,621,254	2,115,825	4.85%	2,066,388	4.74%	-0.53%
METRO DETROIT INDUSTRIAL MARKET TOTAL	11,245	372,169,584	17,290,110	4.65%	15,844,021	4.26%	-0.85%

*Royal Oak Area includes: Berkley, Ferndale, Hazel Park, Oak Park and Royal Oak.

METROPOLITAN DETROIT

INDUSTRIAL MARKET REVIEW









TOP SALE TRANSACTIONS

Building	City	Market	Size/SF	Sale Type	Buyer
2280 W Grand River Avenue	Howell	I-96 Corridor	145,757	Investment	2280 W. Grand River, LLC
43043-43045 Nine Mile Road	Novi	I-96 Corridor	135,500	User	Anchor Printing Company
47700 Halyard Drive	Plymouth Twp.	West Corridor	106,074	User	47700 Halyard, LLC
9984 Borderline Drive	Brighton	I-96 Corridor	84,000	User	Express Stop Real Estate Holdings II, LLC
1525 Wanda Street	Ferndale	North Corridor	56,134	Investment	SEH Ferndale, LLC

TOP LEASE TRANSACTIONS

Building	City	Market	Size/SF	Lease Type	Tenant
2737 S. Adams Road	Rochester Hills	North Corridor	149,580	Direct	Gemini Import Export, LLC
31774-31778 Enterprise Drive	Livonia	West Corridor	109,968	Direct	Packaging Corporation of America
36501 Van Born Road	Romulus	South Corridor	91,475	Direct	C-MAC Transportation, LLC
13100-13250 N. Haggerty Road	Plymouth Twp.	West Corridor	70,000	Direct	RoboTire
32500 Van Born Road	Wayne	West Corridor	70,000	Direct	Matrix Quality Services, Inc.

SIGNATURE QUICK FACTS

<p>Q3 2021 SIGNATURE LISTED...</p> <p> 158 NEW PROPERTIES</p> <p> 3,107,412 SQUARE FEET</p> <p> 215.38 ACRES</p>	<p>Q3 2021 SIGNATURE CLOSED....</p> <p> 361 TRANSACTIONS</p> <p> 9,484,743 SQUARE FEET</p> <p> 604.14 ACRES</p>	<p> 42% CONSISTENT MARKET SHARE</p> <hr/> <p>FULL-SERVICE COMMERCIAL REAL ESTATE</p> <hr/> <p>TCN  MEMBER FIRM WORLDWIDE REAL ESTATE SERVICES</p>
---	--	---