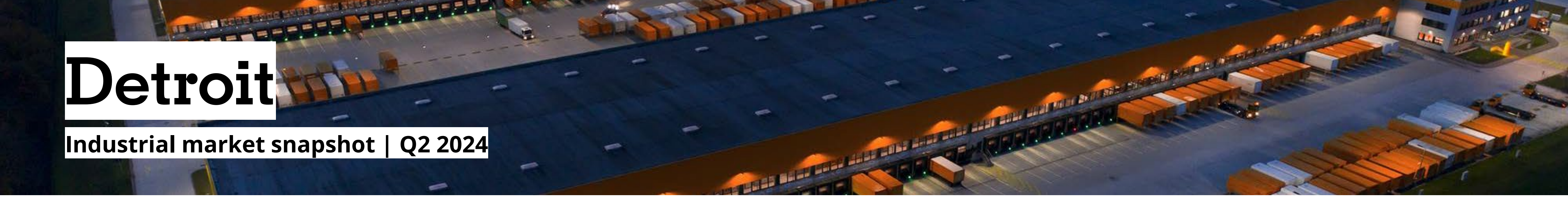


Detroit

Industrial market snapshot | Q2 2024

The Detroit industrial market's vacancy rate remains notably low at 3.5%, indicating a tight market. Overall leasing activity has softened, with a total of 2.4 msf leased year-to-date, a significant decrease from the previous year. Construction activity has also been drastically reduced, with just 1.1 msf currently under development, down 76% from the prior year. This reduction in new developments could lead to a considerable shortage in new inventory options.

3.5%

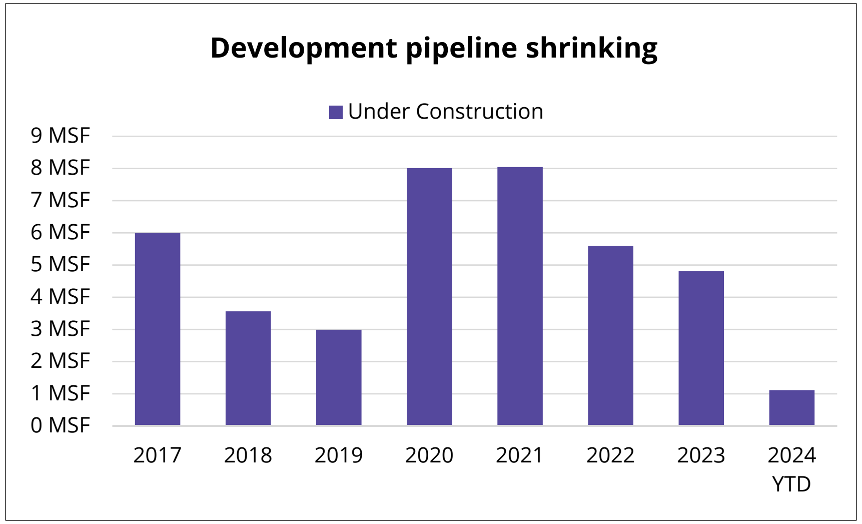
Vacancy remains extremely healthy, recorded at 3.5% at the end of the first half of 2024.

1.9 msf

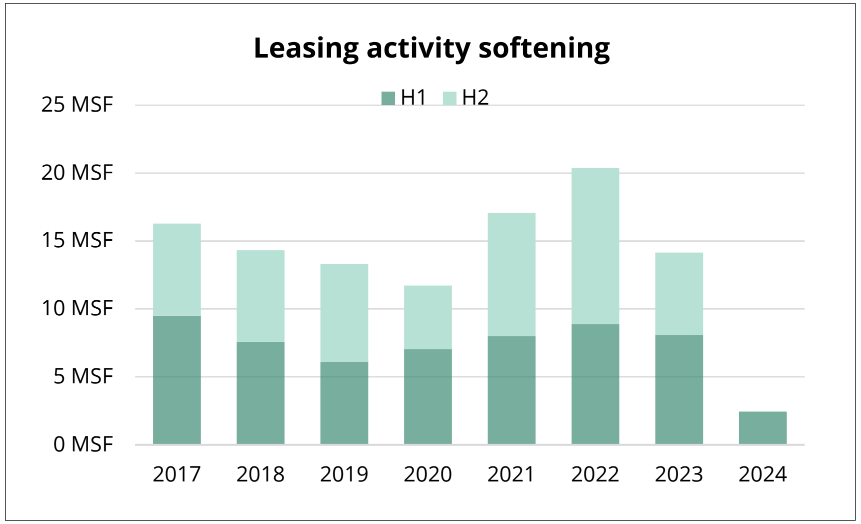
Net absorption remains positive, totaling 1.9 msf or 0.5% of the total inventory at the end of Q2 2024.

3.2 msf

A total of 3.2 msf delivered to the market year-to-date with the largest project adding 535,442 sf of speculative development in the Eastland Commerce Center.



The development pipeline has drastically been reduced with only 1.1 msf currently under development, down 76% from the year prior. Over 50% of the space is already spoken for, further emphasizing the shortage of new space within the market.



Leasing activity has softened with a total of 2.4 msf having been leased during the H1 2024, down 69% when compared to the H1 2023.

Source: AVANT by Avison Young, CoStar

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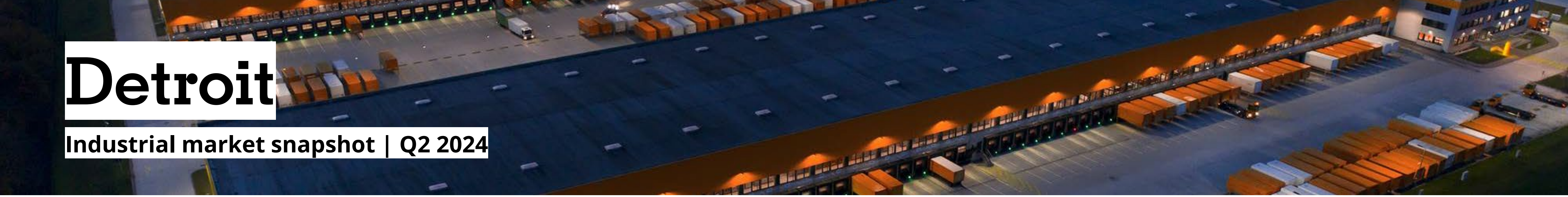
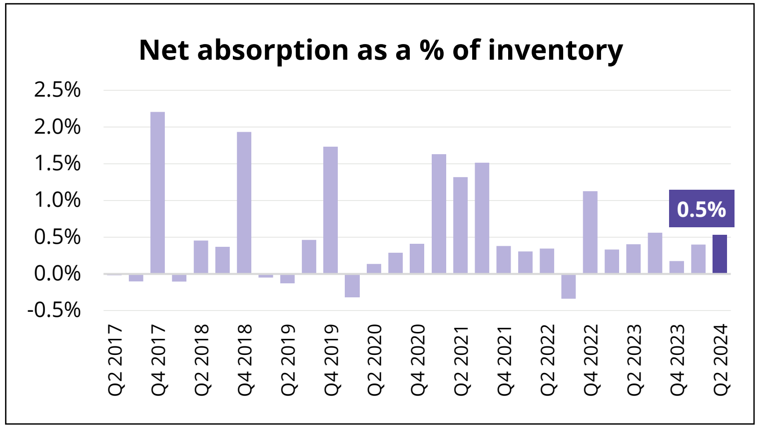
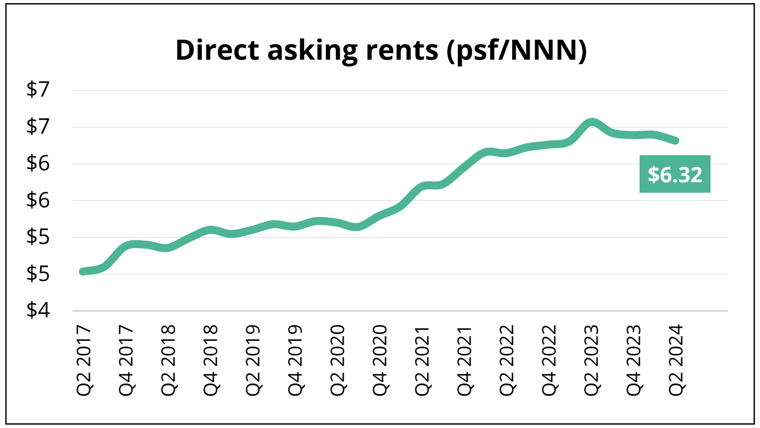
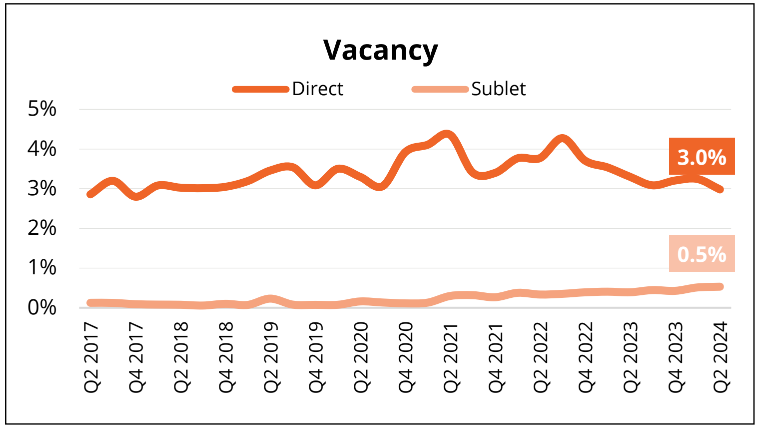
Detroit

Industrial market snapshot | Q2 2024









Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Convergix Automation Solutions	800 Standard Pky	150,102	New	Direct
OPW Fluids Group	31840 Enterprise Drive	130,700	New	Direct
Paragon Technologies	5775 E Ten Mile Rd	88,857	Renewal	Direct

Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Superior Electric Great Lakes Co	1700 Atlantic Blvd	$12,600,000	$112.70	Burton Katzman Development Company
Todd Stamper	1750 Brown Rd	$10,000,000	$185.55	James Kurtzwell

Source: AVANT By Avison Young, CoStar, RCA

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Detroit

Industrial market snapshot | Q2 2024

Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Net absorption % of inventory (QTD)	Net absorption % of inventory (YTD)
East	76,585,258	114,373	101,023	1.1%	0.3%	1.4%	-0.1%	-0.1%
Detroit	69,480,623	1,040,646		6.7%	0.5%	7.2%	-0.2%	2.5%
Downriver	66,455,051	1,100,000		1.7%	0.2%	2.0%	1.7%	2.1%
Wayne County West	60,515,651			2.0%	0.0%	2.0%	0.1%	-0.5%
I-75 Corridor	43,319,957	655,000	573,960	2.7%	1.9%	4.7%	1.9%	-0.1%
Northwest Suburbs	29,730,946	40,000	189,394	3.4%	0.3%	3.8%	0.0%	0.4%
Washtenaw	15,267,597		50,000	2.1%	2.4%	4.5%	0.9%	1.3%
Southeast Oakland County	6,159,732			5.7%	0.0%	5.7%	0.1%	4.5%
Flint/Grand Blanc	5,578,520	330,000	200,000	6.8%	0.0%	6.8%	0.0%	0.0%
Market total	**373,093,335**	**3,280,019**	**1,114,377**	**3.0%**	**0.5%**	**3.5%**	**0.5%**	**0.9%**

Source: AVANT By Avison Young

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