



MARKET FUNDAMENTALS

	YOY Chg	Outlook
3.6% Vacancy Rate	▲	▼
-1.5M YTD Net Absorption, SF	▼	▲
\$7.30 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
2.0M Detroit Employment	▲	▲
4.8% Detroit Unemployment Rate	▲	▲
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

MICHIGAN ECONOMIC OVERVIEW

The unemployment rate in Metro Detroit climbed 80 basis points (bps) over the past year from 4.0% in Q4 2023 to 4.8% in Q4 2024. The local unemployment rate remained below the national level of 4.2%.

Despite a recent rise in Michigan's unemployment rate due to economic headwinds, the *University of Michigan Research Seminar in Quantitative Economics* forecasts job growth in 2025 and 2026. This optimistic outlook suggests that Michigan's economy is expected to rebound, driven by the anticipated Federal Reserve reductions in interest rates and tax cuts in the coming years.

SUPPLY AND DEMAND

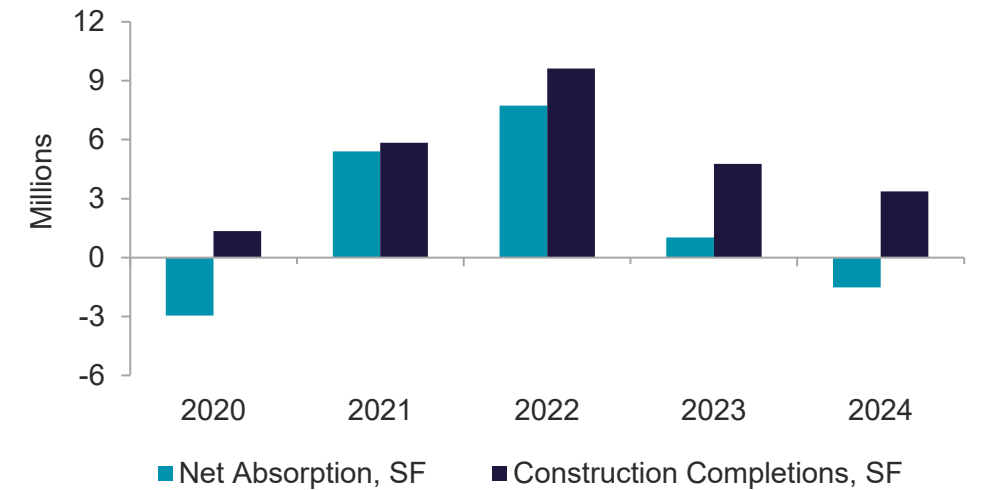
One year made a notable difference in Metro Detroit. The vacancy rate swelled to 3.6%, an increase of 100 bps year-over-year (YOY). Overall vacancy in the warehouse/distribution category grew the most, climbing 52.0% YOY. Much of this new vacancy was linked to large spaces coming to market in the Macomb Central and Macomb North submarkets. In 2024, construction deliveries reached a total of 3.4 million square feet (msf), which lagged the record-breaking total for deliveries in 2022 by 35.0%. The majority of deliveries in 2024 were speculative product (3.0 msf), which were 68.0% pre-leased. In Q4 2024, 628,000 square feet (sf) of new product was completed, and an additional 1.8 msf remained under construction across Metro Detroit.

In Q4 2024, Metro Detroit registered the largest quarter of positive overall net absorption (246,000 sf) since Q4 2023. However, 2024 marked the lowest amount of annual net absorption (-1.5 msf) since 2020. Unlike prior quarters of 2024, there were relatively few major tenant move-outs in Q4. The largest contributor to positive Q4 absorption was DTE, which leased 350,000 sf at 1 Vining Road in the Western Wayne submarket. New leasing activity for Q4 totaled 1.2 msf, pushing the 2024 total to 5.9 msf. Leasing activity is an indicator of future quarterly net absorption.

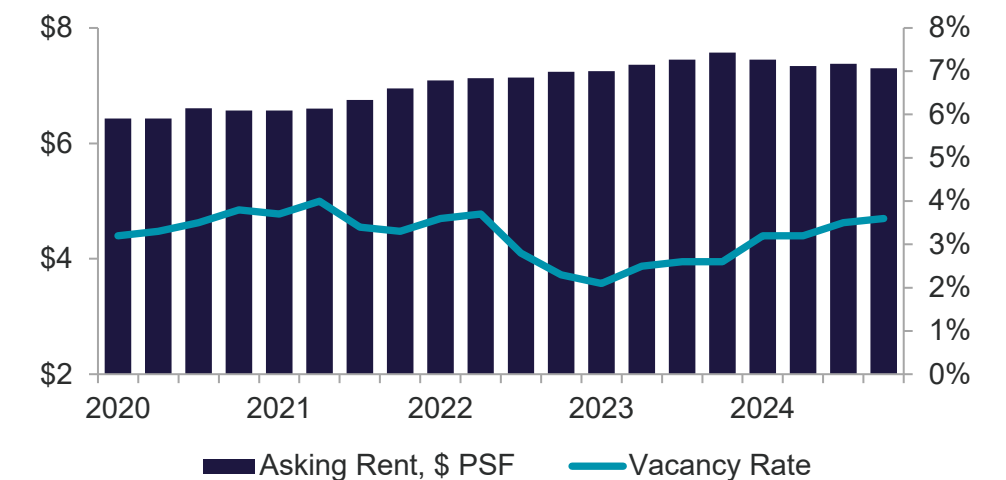
PRICING

Across all categories, overall asking rates decreased by 5.0% YOY to \$7.30 per square foot (psf). Similarly, the warehouse/distribution asking rates declined by 5.0% YOY.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CNSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (MF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT
Livingston	12,313,525	288,940	2.3%	-8,600	-42,918	0	0	\$6.62	\$11.15	\$7.95	\$7.88
Macomb Central	37,419,055	663,536	1.8%	-1,945	-294,665	0	0	\$9.50	\$9.50	\$6.97	\$7.50
Macomb North	20,363,586	1,150,457	5.6%	-733,661	-777,334	460,000	0	\$9.61	\$10.75	\$6.20	\$6.30
Macomb South	45,697,547	658,300	1.4%	39,414	-19,406	0	0	\$5.95	\$7.95	\$7.90	\$7.74
Oakland North	36,633,825	1,468,222	4.0%	47,002	-539,315	765,000	0	N/A	\$11.26	\$5.43	\$5.86
Oakland Southeast	44,498,205	1,904,746	4.3%	-77,068	-718,107	0	0	\$8.67	\$11.37	\$8.05	\$8.87
Oakland Southwest	41,110,428	1,669,290	4.1%	-9,764	11,184	400,000	0	\$10.74	\$11.96	\$8.78	\$10.19
Washtenaw	27,084,832	1,117,902	4.1%	15,079	5,983	99,650	0	\$7.10	\$13.53	\$9.68	\$8.47
Dearborn/Downriver	48,378,814	1,742,818	3.6%	-8,960	-346,838	0	0	\$6.75	\$7.37	\$7.00	\$5.54
Detroit	80,879,136	4,780,570	5.9%	30,349	28,856	0	0	\$5.71	N/A	\$5.96	\$5.92
Western Wayne	106,142,221	2,516,177	2.4%	954,294	1,169,721	29,300	628,000	\$9.85	\$11.44	\$7.71	\$8.34
DETROIT TOTALS	500,521,175	17,960,175	3.6%	246,140	-1,522,839	1,753,950	628,000	\$6.84	\$11.33	\$6.70	\$7.30

MF = Manufacturing OS = Office Service/Flex W/D = Warehouse/Distribution
*Rental rates reflect weighted net asking \$psf/year | Stats are not reflective of U.S. MarketBeat Tables

KEY LEASE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
1 Vining Road – Building #3	Western Wayne	DTE	349,492	New Lease
18000 Vernier Road – Building #2	Detroit	Android Industries LLC	224,589	New Lease
275 Rex Boulevard	Oakland Southeast	Wipro Pari, Inc.	104,280	New Lease

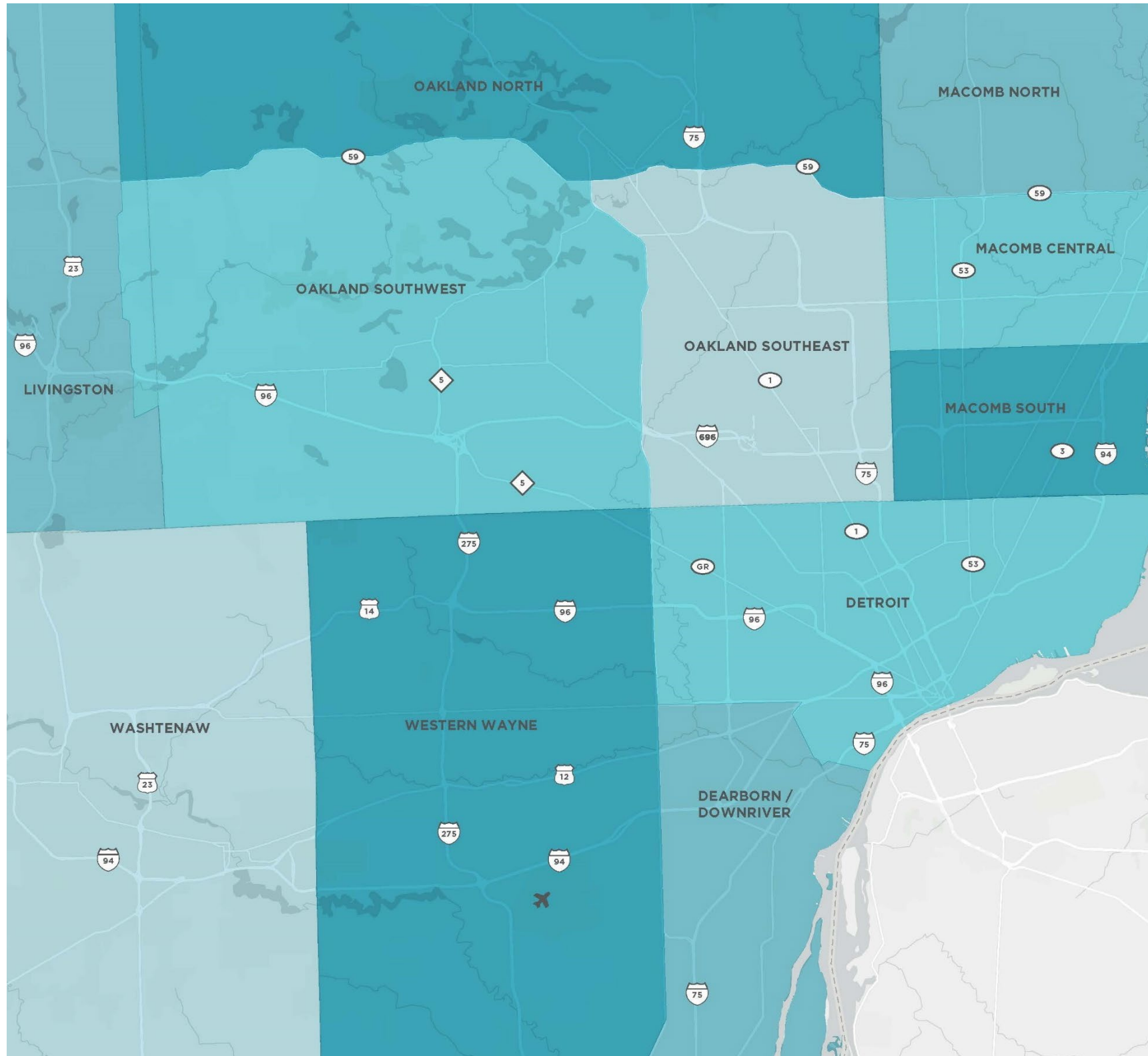
KEY SALE TRANSACTIONS Q4 2024

PROPERTY	SUBMARKET	SELLER/BUYER	SF	PRICE / \$ PSF
25800-25840 Sherwood Avenue	Macomb South	Geneva Watch Group Inc. / HKJAX LLC	133,332	\$6.4M / \$48
2700 Product Drive	Oakland Southeast	Webasto Sunroofs, Inc. / Kumo Capital	94,433	\$9.1M / \$96
19440 Glendale Street	Detroit	Dearborn Mid-west Co. LLC / Unknown	66,225	\$1.5M / \$23

KEY CONSTRUCTION COMPLETIONS 2024

PROPERTY	SUBMARKET	MAJOR TENANT	SF	OWNER/DEVELOPER
42060 Ecorse Road – Building #11	Western Wayne	DSV Air & Sea	628,000	Ashley Capital
18000 Vernier Road – Building #2	Detroit	Android Industries LLC	535,342	NorthPoint Development

INDUSTRIAL SUBMARKETS



EDGAR BRAVO
Research Analyst
 Tel: +1 312 470 2374
Edgar.Bravo@cushwake.com

JARRETT HICKS
Research Manager
 Tel: +1 513 322 3802
Jarrett.Hicks@cushwake.com

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2023, the firm reported revenue of \$9.5 billion across its core services of property, facilities and project management, leasing, capital markets, and valuation and other services. It also receives numerous industry and business accolades for its award-winning culture and commitment to Diversity, Equity and Inclusion (DEI), sustainability and more. For additional information, visit www.cushmanwakefield.com.

©2025 Cushman & Wakefield. All rights reserved. The information contained within this report is gathered from multiple sources believed to be reliable, including reports commissioned by Cushman & Wakefield (“CWK”). This report is for informational purposes only and may contain errors or omissions; the report is presented without any warranty or representations as to its accuracy.

Nothing in this report should be construed as an indicator of the future performance of CWK’s securities. You should not purchase or sell securities—of CWK or any other company—based on the views herein. CWK disclaims all liability for securities purchased or sold based on information herein, and by viewing this report, you waive all claims against CWK as well as against CWK’s affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.