



SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
20509 Sibley Rd	Brownstown	90,850	Uncle Ray's Potato Chips
6333 Lynch Rd	Detroit	92,050	Bedrock
41965 Ecorse Rd	Van Buren Township	82,025	Beaumont Health

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
39000 Amrhein Rd Livonia	\$86,750,000 Investment	\$85.95 5.33%	1,009,292 Class A	Cantor Comm'l R.E. Ashley Capital
12001 Farmington Rd Livonia	\$19,769,709 Investment	\$94.14 5.0%	210,000 Class C	Morning Calm Mgmt Promanas Group
12700 Stephens Rd Warren	\$4,400,000 Owner/User	\$55.00 -	80,000 Class B	Callahan Real Estate Hldg CMX Corporation

LARGEST DELIVERIES

Address	Submarket/City	SF	Developer
1800 E. Cansfield St	Detroit	180,000	Tippmann Innovation
15701 Technology Dr	Northville	100,000	Amson Development
41600 Haggerty Cir	Canton	46,345	Frankel Associates


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
1420 E Ten Mile Rd	Hazel Park	651,610	Oct. 2019
33600 Mound Rd	Sterling Heights	569,380	Aug. 2019
28355 Lakeview Dr	Lyon Twp	92,630	Oct. 2019

TOTAL INDUSTRIAL MARKET STATISTICS

	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q2 2019	3.30%	\$6.24	(1,146,479)	652,5997,472	5,176,380
Q1 2019	3.10%	\$6.24	148,848	652,694,129	5,215,446
Q4 2018	3,30%	\$6.15	3,960,018	653,355,415	5,371,879
Q3 2018	3.30%	\$6.07	1,750,970	649,782,719	8,384,571
Q2 2018	3.30%	\$5.94	1,443,002	647,484,123	7,141,063

 **(1,146,479)** NET ABSORPTION SF

 **3.30%** VACANCY
21,557,103 SF

 **\$6.24** AVG. ASKING RATE PSF GROSS

 **528,657** DELIVERIES
8 Buildings

 **5,176,380** UNDER CONSTRUCTION
51 Buildings

JON SAVOY, President

As existing inventory hovers in the 3% vacancy range, it is difficult to find suitable properties for both tenants and purchasers. This lack of existing building supply is creating new construction opportunities for build to suits as well as speculative development. At the same time, market momentum has been hindered by tariffs and their long-term impacts. Michigan is particularly vulnerable given the close ties to the automotive industry. In many instances both tenants and users are on the sidelines waiting for some sort of resolution to these issues. To some degree, the Michigan industrial real estate market is on hold. A resolution with China would go a long way in restoring momentum to the market.