



SIGNIFICANT LEASE DEALS

Address	Submarket/City	Square Feet	Tenant
18640 Toledo Rd	Brownstown	78,822	K&M Express, LLC
5900 Brighton Pines Ct	Howell	60,000	Masonite International
6775 Brandt St	Romulus	52,700	Wartech Engineering LLC

SIGNIFICANT BUILDING SALES

Address City	Sale Value Type of Sale	PPSF Cap Rate	SF Class	Buyer Seller
3300 University Dr Auburn Hills	\$8,350,000 Investment	\$65.23 -	128,000 Class B	Wescast Industries, Inc. Burton-Katzman Dev Co
12707 Eckles Rd Plymouth	\$2,990,000 Investment	\$70.69 -	42,300 Class C	AIC Ventures First Industrial Realty Tr
28055 Wick Rd Romulus	\$2,300,000 Owner/User	\$56.80 -	40,492 Class C	Super Transport Intn'l Ltd Celadon Trucking Service

LARGEST DELIVERIES


Address	Submarket/City	SF	Developer
4400 Giddings Rd	Auburn Hills	100,000	J.B. Donaldson
1420 E. Ten Mile Rd	Hazel Park	651,610	Ashley Capital LLC
8500 Enterprise Dr	Allen Park	160,393	Time Equities Inc.


LARGEST UNDER CONSTRUCTION

Address	Submarket/City	SF	Delivery Date
42000 Ecorse Rd	Van Buren Township	659,404	Aug 2020
14200 Haggerty Rd	Plymouth	300,000	Dec 2020
18 1/2 Mile Rd	Sterling Heights	100,000	Sept 2020

TOTAL INDUSTRIAL MARKET STATISTICS


	Vacancy Rate	Avg. SF Rental Rates GRS	Net SF Absorption	SF Inventory	SF Under Construction
Q4 2019	3.50%	\$6.77	1,598,431	585,793,574	5,417,627
Q3 2019	3.50%	\$6.76	998,443	584,328,551	6,369,621
Q2 2019	3.50%	\$6.70	1,227,849	583,353,827	4,205,439
Q1 2019	3.30%	\$6.62	396,802	583,593,365	4,133,230
Q4 2018	3.50%	\$6.54	4,020,165	584,769,082	4,208,203

 **1,598,431** NET ABSORPTION SF

 **3.50%** VACANCY 20,503,514 SF

 **\$6.77** AVG. ASKING RATE PSF GROSS

 **1,367,707** DELIVERIES 44 Buildings

 **5,417,627** UNDER CONSTRUCTION 51 Buildings

JON SAVOY, President

Southeast Michigan has enjoyed a decade of prosperity surrounding the revitalization of downtown Detroit led by Dan Gilbert. Detroit is projected to add 5 million square feet of inventory by 2021, much of that distribution focused. The GM strike has recently been resolved, a relief to smaller automotive suppliers. High costs of construction, due to the international trade war as well as labor shortages, have resulted in limited inventory, therefore increasing the value of existing facilities. In the fourth quarter of 2019, Amazon announced plans for a five-story, 3,700,000 square foot distribution center on the former Pontiac Silverdome site in Pontiac, a result of the pressure it faces to continue to meet its shipping model. Developers continue to build large distribution centers that can be divided into multiple units.