



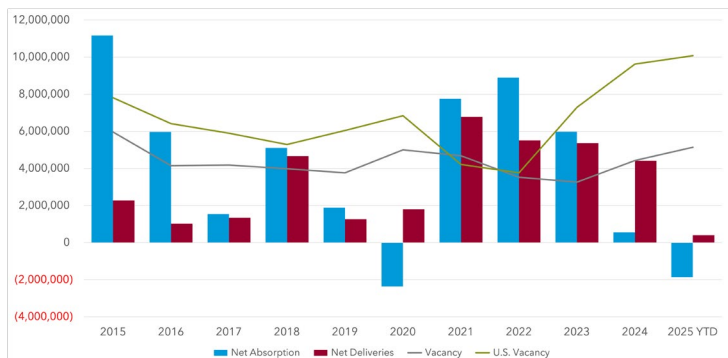
INDUSTRIAL MARKET OVERVIEW

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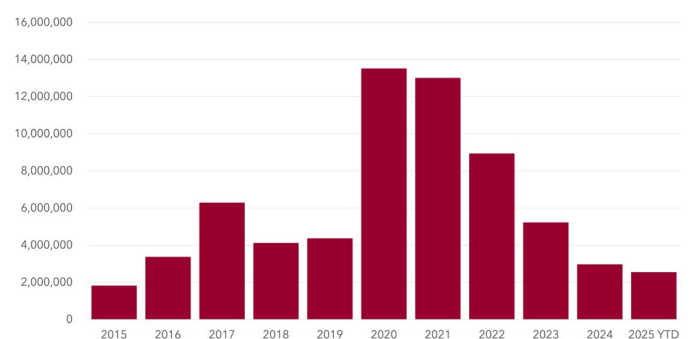
Detroit's industrial market saw a reset in Q1 2025, with net absorption turning negative at -1.99 million square feet and vacancy rising to 4.6%. While the shift reflects softer tenant demand, it also comes after a prolonged stretch of strong occupancy and limited new construction. Asking rents remained steady at \$8.90 per square foot annually, indicating landlords aren't yet feeling pressure to concede on pricing. Though Q1 marks a slower start, Detroit's industrial sector remains well-positioned, with manageable supply levels and long-term demand drivers intact. As the market finds its footing, conditions may strengthen in the second half of the year.

MARKET INDICATORS	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
▼ 12 Mo. Net Absorption SF	(1,993,495)	550,680	588,617	3,456,516	5,967,400
▲ Vacancy Rate	4.6%	4.2%	4.3%	4.0%	3.8%
▲ Avg NNN Asking Rate PSF	\$8.90	\$8.88	\$8.80	\$8.70	\$8.61
▲ Sale Price PSF	\$72	\$71	\$70	\$69	\$68
◀▶ Cap Rate	10.6%	10.6%	10.6%	10.7%	10.6%
▼ Under Construction SF	2,545,648	2,966,115	3,308,394	4,437,195	3,470,880
▲ Inventory SF	633,585,695	633,184,752	632,790,752	631,815,185	630,887,586

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
43600 Gen Mar Novi, MI	73,848 SF	\$6,150,000 \$83.28 PSF	Gen Mar Properties LLC CV Michigan LLC	Class C
45900 Port Street Plymouth, MI	39,756 SF	\$4,000,000 \$100.61 PSF	Lev 45900 Port St LLC Vallett Limited Partnership	Class C
22750 Heslip Drive Novi, MI	32,230 SF	\$2,836,240 \$88.00 PSF	Draco Holdings LLC MGS Company LLC	Class C

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
18200 Vernier Road Harper Woods, MI	310,829 SF	NorthPoint Development	Fisher Dynamics	Automotive
36663 Van Born Road Romulus, MI	254,625 SF	Ashley Capital	Undisclosed	Undisclosed
1430 E. 10 Mile Road Hazel Park, MI	177,243 SF	Ashley Capital	Gonzalez Design Group	Manufacturing

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