



Office Market Report

Detroit - MI USA

PREPARED BY



Michael Grammatico
Senior Sales Executive, CRE



OFFICE MARKET REPORT

Market Key Statistics	1
Leasing	2
Rent	7
Construction	10
Under Construction Properties	12
Sales	14
Sales Past 12 Months	16
Economy	18
Market Submarkets	24
Supply & Demand Trends	28
Rent & Vacancy	30
Sale Trends	32

12 Mo Deliveries in SF

2.2M

12 Mo Net Absorption in SF

1.7M

Vacancy Rate

11.4%

Market Asking Rent Growth

1.3%

The Detroit office market presents a bifurcated demand picture that underscores the structural realignment underway.

Trailing 12-month net absorption equals 1.7 million SF, well above the historical annual average of 338,000 SF and the strongest demand outcome in several years. However, that aggregate figure is almost entirely a function of one transaction: Ford Motor Company's occupancy of the 2.1-million-SF Central Campus Building in Dearborn. Strip that out, and the remaining market delivered negative absorption approaching 2.8 million SF, confirming that broad-based occupancy demand remains under pressure from remote-work adoption, corporate footprint rationalization, and the accelerating obsolescence of aging suburban stock.

Trailing 12-month net deliveries stands at 2.2 million SF, the highest 12-month delivery figure since at least 2001. Meanwhile, 1.6 million SF remain under construction at 92.2% preleased, concentrated in the CBD and Detroit-New Center.

The fundamental balance reflects these cross-currents. Market-wide vacancy stands at 11.8%, up roughly 40

basis points year-over-year, with 4 & 5 Star assets carrying 16.1% vacancy against only 6.8% for 1 & 2 Star properties—an inversion driven by flight-to-quality leasing dynamics and chronic deferred investment in lower-tier suburban buildings.

Asking rents are growing at 1.3% year-over-year to \$22.00/SF, a pace that trails inflation and confirms that landlords retain limited pricing power outside premium nodes. Birmingham leads all submarkets at \$30.00/SF. Southfield's 23-million-SF suburban inventory commands just \$19.20, lowest in the market.

Over the next 12 months, fundamentals are likely to stabilize rather than recover materially. New supply from Hudson's Detroit and the Henry Ford Health headquarters will add committed inventory without pressuring vacancy, but absorption across the broader suburban fabric could remain negative as legacy tenants continue consolidating. Material risks include further automotive sector restructuring that curtails professional-and-business-services demand and the persistence of elevated interest rates that constrains any investment-led occupancy impulse.

KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	53,304,202	14.1%	\$24.73	17.1%	430,122	4,144	1,204,705
3 Star	92,707,713	12.6%	\$22.34	15.1%	157,900	30,000	239,158
1 & 2 Star	56,031,093	6.7%	\$20.29	8.2%	(40,620)	0	120,000
Market	202,043,008	11.4%	\$22.41	13.7%	547,402	34,144	1,563,863
Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	-0.2% (YOY)	12.7%	11.5%	17.9%	2010 Q3	5.8%	2000 Q2
Net Absorption SF	1.7M	350,442	134,853	4,277,779	2016 Q3	(3,471,678)	2010 Q1
Deliveries SF	2.2M	1,287,995	644,146	4,951,186	2001 Q2	23,658	2025 Q3
Market Asking Rent Growth	1.3%	0.1%	3.6%	5.1%	2018 Q2	-4.7%	2011 Q1
Sales Volume	\$428M	\$468.7M	N/A	\$1.1B	2007 Q4	\$83.2M	2009 Q4

Vacancy in the Detroit office market edged higher over the trailing 12 months, rising roughly 40 basis points to 11.8%. That is still below the historical average of 12.8% but masks divergence across quality tiers and submarkets.

At the top of the quality spectrum, 4 & 5 Star assets now carry a 16.1% vacancy rate, up 100 basis points year-over-year from 15.1% in full-year 2025, as several large recently delivered top-tier buildings remain below stabilized occupancy while existing suburban high-end stock sheds tenants through modernization-driven relocation or outright contraction. The 3 Star cohort has improved modestly, vacancy declining from 13.1% to 12.4% year-to-date, reflecting some stabilization as cost-sensitive tenants fill mid-quality suburban space at discounted effective rents. The 1 & 2 Star tier, at 6.8%, appears tightest, but the figure reflects asset count contraction through demolition, conversion, and functional abandonment more than genuine demand.

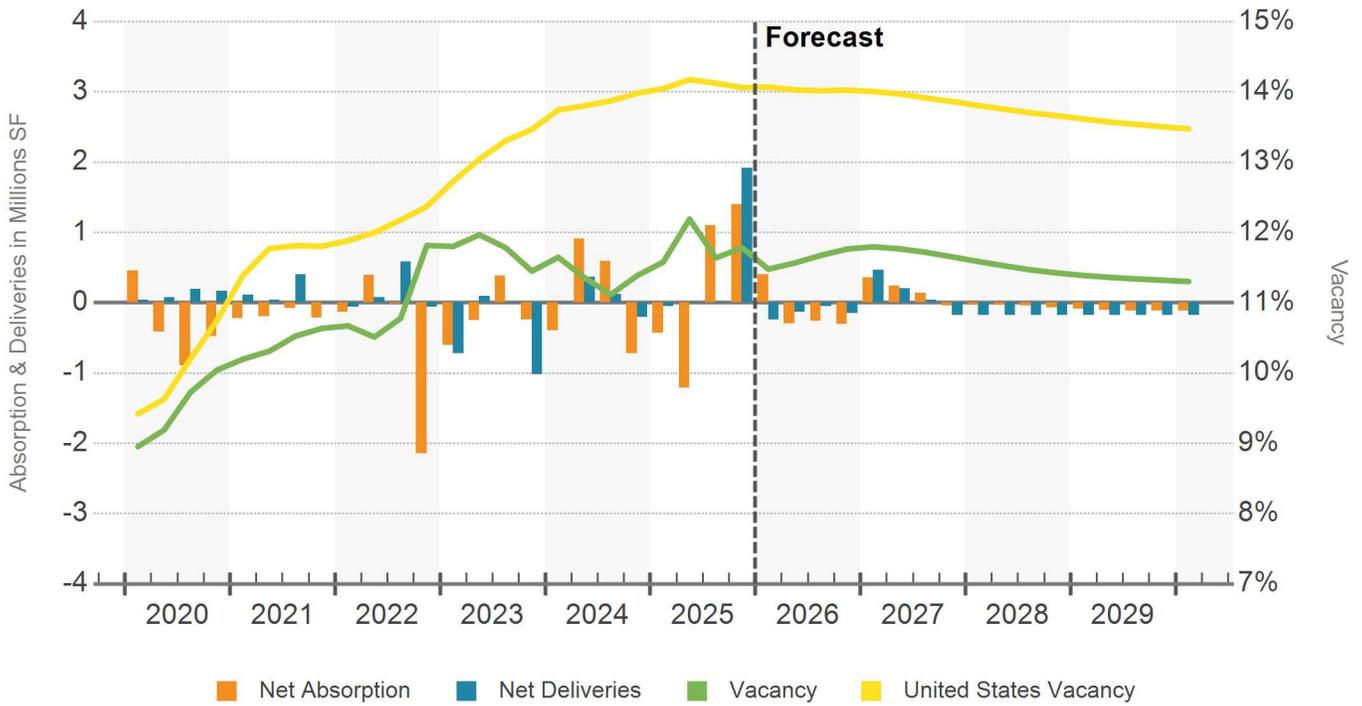
Submarket-level data sharpens the picture considerably. The Airport District posts a market-worst 25.8% vacancy after shedding 21.9% of its inventory to negative absorption over twelve months—a direct reflection of the structural obsolescence of its older suburban stock, which lacks the parking ratios, ceiling heights, and building systems tenants now require. Southfield's 22.9% vacancy across 23.2 million SF represents the single largest pool of distressed space in the metro, though the submarket also posted the second-highest trailing

absorption at 308,000 SF, suggesting select well-located buildings are attracting opportunistic tenants at deeply discounted rents. The CBD sits at 9.8%, yet absorbed -599,000 SF over the past year. Headline leasing at Campus Martius and Hudson's Detroit obscures persistent darkness in the Renaissance Center towers and legacy CBD product. Dearborn compressed to a market-best 4.3%—driven almost entirely by Ford's consolidation—while Macomb East held at 5.9% with 307,000 SF of positive absorption, indicating genuine suburban demand for modern, accessible product along the northern Macomb corridor.

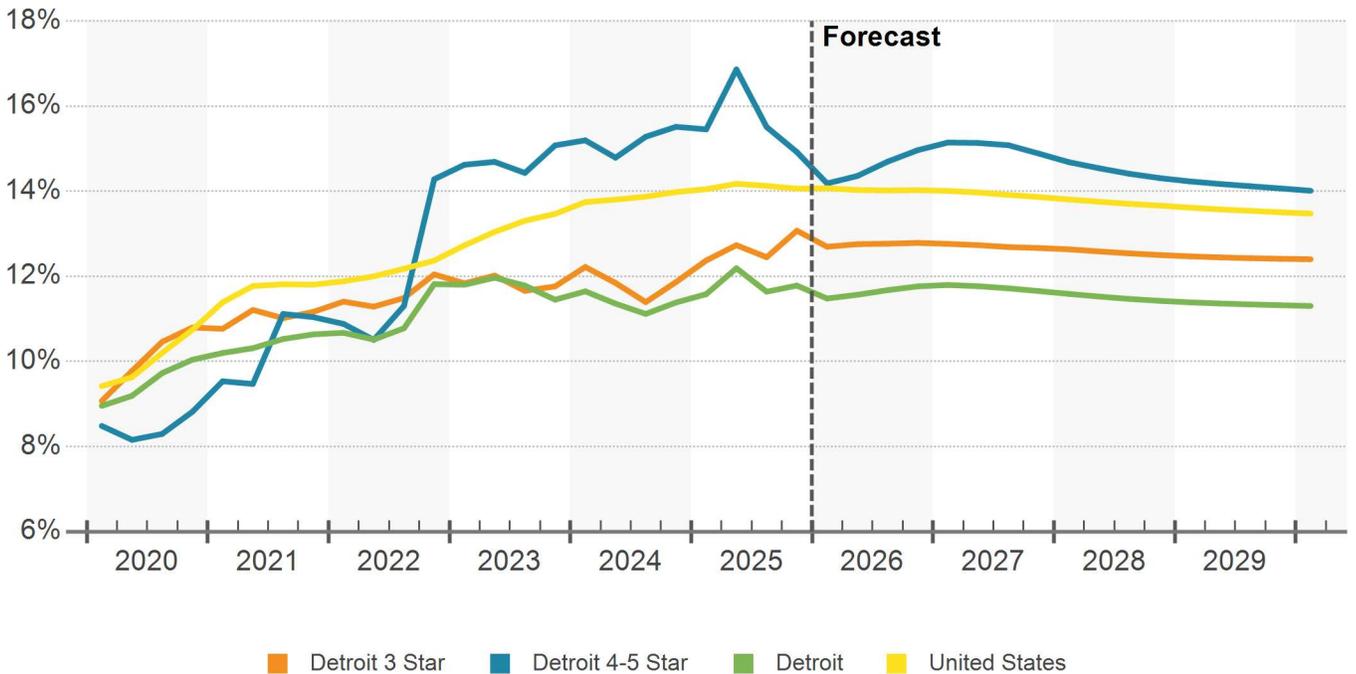
The availability rate of 14.0% versus the 11.8% vacancy rate signals a meaningful shadow inventory—space marketed but not yet vacant—that will suppress near-term rent recovery. For 4 & 5 Star assets, that spread widens to roughly 230 basis points, as sublease and shadow space from consolidating tenants continues to compete directly with landlord offerings.

Vacancy is forecast to drift further to 12.2% by year-end 2026, before potentially plateauing as the supply pipeline thins materially after 2027. Submarkets along the Southern I-275 Corridor, Farmington/Farmington Hills, and the Airport District face the most structural exposure—locations that lack transit access, walkable amenities, and the tenant improvement economics needed to attract the flight-to-quality relocations that are sustaining occupancy elsewhere.

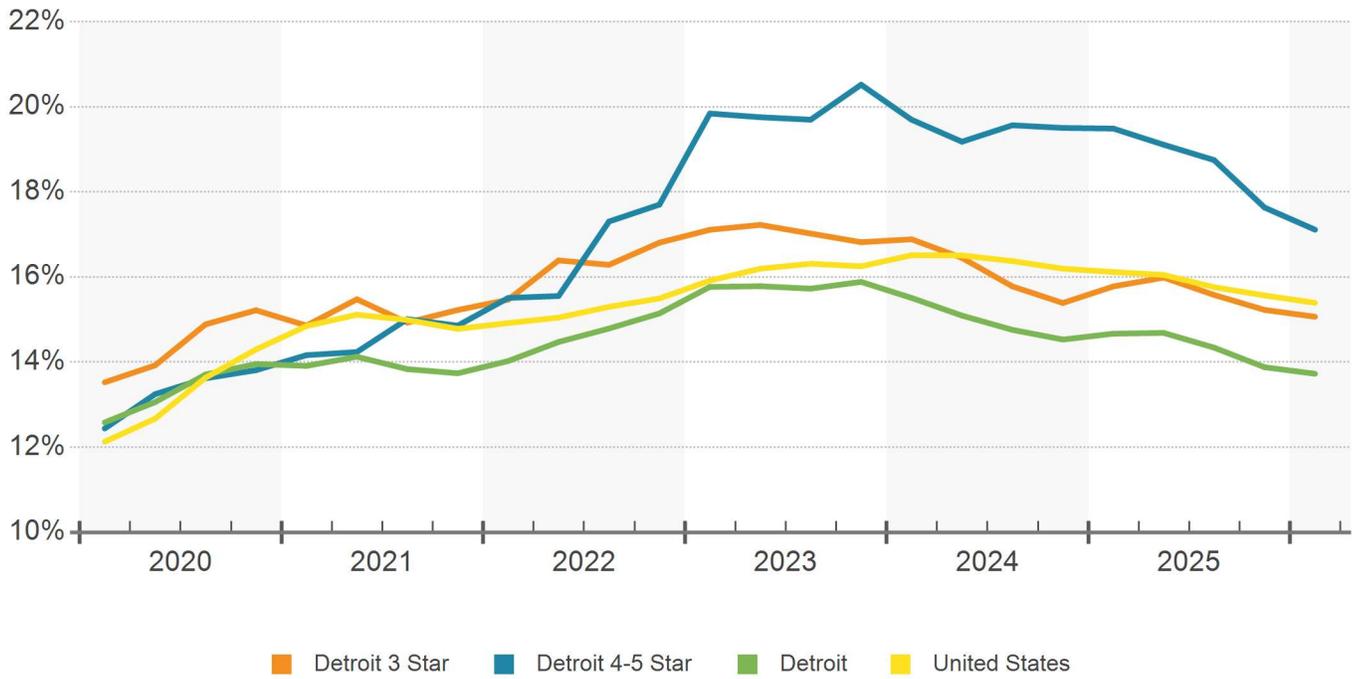
NET ABSORPTION, NET DELIVERIES & VACANCY



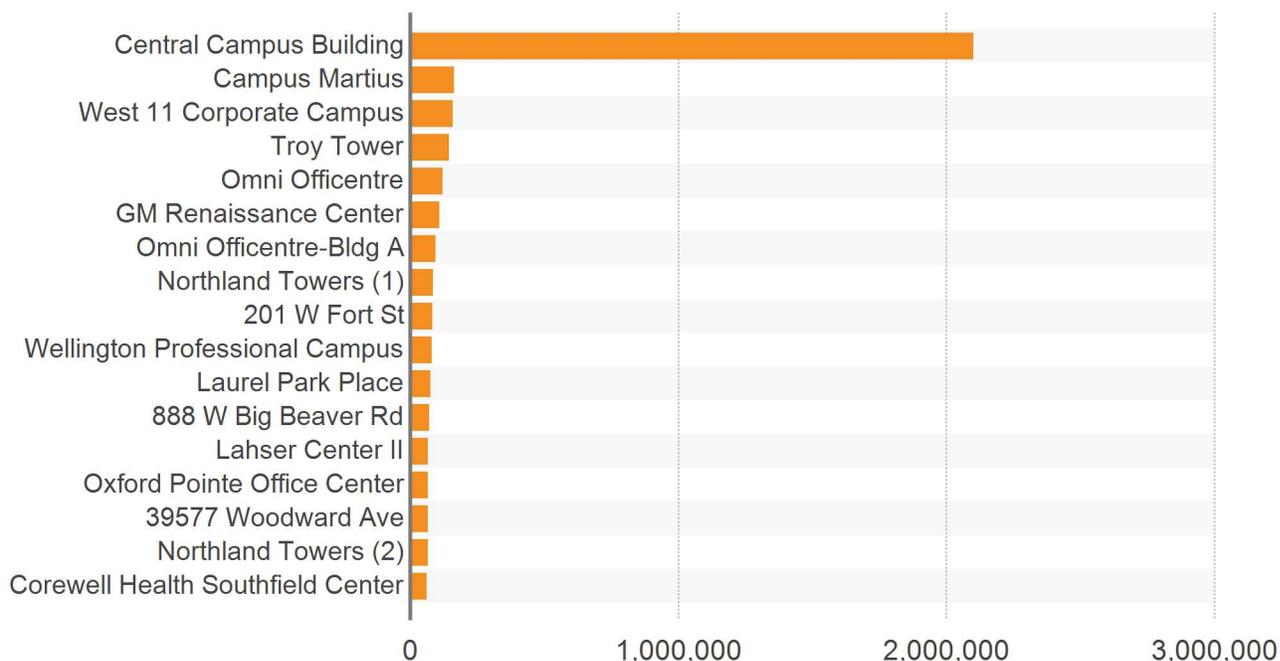
VACANCY RATE



AVAILABILITY RATE



12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
Central Campus Building	Dearborn	2,100,000	0	0	0	0	0	2,100,000
Campus Martius	CBD	1,295,089	128,314	0	0	0	0	164,297
West 11 Corporate Campus	Southfield	160,289	0	0	0	0	0	158,399
Troy Tower	Troy North	265,670	0	0	0	0	0	144,210
Omni Officentre	Southfield	152,946	0	0	0	0	0	120,976
GM Renaissance Center	CBD	593,480	0	0	0	0	0	107,591
Omni Officentre-Bldg A	Southfield	160,356	0	0	0	0	0	94,164
Northland Towers (1)	Southfield	117,354	0	87,699	0	0	0	84,785
201 W Fort St	CBD	82,942	0	82,942	0	0	0	82,942
Wellington Professional Campus	Macomb East	80,000	0	0	0	0	0	80,000
Laurel Park Place	Southern I-275 Corri...	300,000	77,910	0	0	0	0	75,863
888 W Big Beaver Rd	Troy South	360,769	68,339	(1,589)	0	0	0	71,193
Lahser Center II	Southfield	70,548	0	0	0	0	0	66,000
Oxford Pointe Office Center	Southfield	85,000	0	0	0	0	0	65,941
39577 Woodward Ave	Bloomfield	139,414	0	0	0	0	0	65,696
Northland Towers (2)	Southfield	88,694	0	66,120	0	0	0	65,455
Corewell Health Southfield Center	Southfield	635,934	68,771	0	0	0	0	61,229
Subtotal Primary Competitors		6,688,485	343,334	235,172	0	0	0	3,608,741
Remaining Detroit Market		195,354,523	22,589,329	312,230	0	0	0	(1,867,945)
Total Detroit Market		202,043,008	22,932,663	547,402	0	0	0	1,740,796

TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Michigan Central Station Book Depo...	Detroit W of Woodward	270,000	Q2 25	Newlab Detroit	-	-
1675 E Whitcomb Ave	Troy Area East	90,747	Q2 25	ND Defense	-	-
Farm Hills Corp Campus *	Farmington/Farm Hills	75,286	Q3 25	North American Lighting, I...	Signature Associates	Signature Associates
Campus Martius	CBD	72,007	Q2 25	Comerica	-	Bedrock;Friedman Real...
39577 Woodward Ave	Bloomfield	65,696	Q4 25	-	-	-
Raleigh Officentres 1 & 2	Southfield	56,800	Q3 25	Angstrom	-	NAI Farbman
Southfield Town Center *	Southfield	55,753	Q4 25	Piston Group	Savills	-
150 W Jefferson Ave *	CBD	50,573	Q2 25	Miller Canfield	-	CBRE
Hudson's Detroit	CBD	49,232	Q2 25	-	-	Bedrock
Hudson's Detroit	CBD	49,229	Q2 25	-	-	Bedrock
Hudson's Detroit	CBD	48,781	Q2 25	-	-	Bedrock
Hudson's Detroit	CBD	48,410	Q2 25	-	-	Bedrock
2000 E Taylor Rd	Pontiac	47,621	Q2 25	-	-	Newmark
Hudson's Detroit	CBD	43,577	Q2 25	Accenture	-	Bedrock
Bloomfield Office Center *	Bloomfield	42,905	Q2 25	Plunkett Cooney	-	Friedman Real Estate
Southfield Town Center *	Southfield	42,194	Q4 25	Piston Group	-	Southfield Town Center...
Campus Martius	CBD	34,100	Q4 25	Urban Science Applicatio...	-	Friedman Real Estate
1000 S Old Woodward Ave	Birmingham	34,100	Q4 25	Urban Science Applicatio...	Savills	-
Southfield Town Center *	Southfield	34,028	Q2 25	Loan Depot	-	Transwestern Real Est...
Bloomfield Centre-South	Bloomfield	33,558	Q4 25	Dawda	-	Colliers
PentaCentre	Troy South	32,285	Q1 26	-	-	Hayman Company
2000 E Taylor Rd	Pontiac	30,593	Q2 25	-	-	Newmark
400-450 W 4th St	Royal Oak	26,000	Q2 25	First Merchants Corporation	JLL	Colliers
One Kennedy Square	CBD	25,701	Q2 25	-	-	REDICO
PentaCentre	Troy South	24,020	Q4 25	-	-	Hayman Company
28411 Northwestern Hwy *	Southfield	23,718	Q1 26	Foster Swift Collins & Smith	-	-
Tower 14	Southfield	23,062	Q3 25	SEIU	CBRE	Foster Financial Comp...
Troy Place	Troy South	22,742	Q3 25	-	-	Nemer Property Group;...
5440 Corporate Dr	Troy North	22,689	Q4 25	-	-	Skyline Property Group...
5440 Corporate Dr	Troy North	22,689	Q3 25	-	-	Skyline Property Group...
Oxford Pointe Office Center	Southfield	22,517	Q4 25	Elia & Ponto	-	P.A. Commercial, LLC
22550 Hall Rd	Macomb East	22,300	Q2 25	STAR Behavior Consultants	L. Mason Capitani, Inc.	L. Mason Capitani, Inc.
Arboretum Office Park	Farmington/Farm Hills	21,912	Q4 25	-	-	CBRE
2600 W Big Beaver Rd *	Troy South	21,418	Q4 25	BDO	-	Transwestern Real Est...
Columbia Center *	Troy South	21,304	Q4 25	Kemp Klein Law Firm	Savills	-
28411 Northwestern Hwy *	Southfield	21,200	Q3 25	Village Green	-	Friedman Real Estate
200 Walker Street	Detroit E of Woodward	20,000	Q4 25	Birdstop, Inc.	-	-
PNC Center	Troy South	19,693	Q4 25	MSX International RNS, L...	Signature Associates	Friedman Real Estate;...
Riverside Center	Southfield	18,580	Q3 25	Lakeview Lending	-	NAI Farbman
300 River Place	Detroit E of Woodward	17,762	Q3 25	United Community Housin...	-	Friedman Real Estate

*Renewal

Market asking rents in the Detroit office sector have increased by 1.3% year-over-year to \$22.00/SF, decelerating from 1.5% in 2025 and 1.7% in 2024, a slowing trajectory that leaves nominal rent growth running below inflation and forecloses meaningful real rent recovery across most of the market.

The pattern by quality tier tells an instructive story. At 4 & 5 Star properties, asking rents reached \$25/SF but have flattened in recent quarters; with vacancy at 16.1%, landlords in this cohort remain in an active concession posture, and effective rents net of tenant improvement allowances and free-rent periods are almost certainly growing slower than the asking-rent index implies. Operating expense loads compound the challenge. Annual expenses for 4 & 5 Star assets range from \$8/SF in Southfield to \$13/SF in Royal Oak, a spread that increasingly shapes tenant location decisions as occupiers apply total-occupancy-cost discipline to their real estate decisions.

The 3 Star cohort, with rents at \$22/SF and growing at 1.2%, is broadly tracking the market average; its modest vacancy improvement suggests some landlords are maintaining pricing discipline by absorbing concessions rather than cutting face rents.

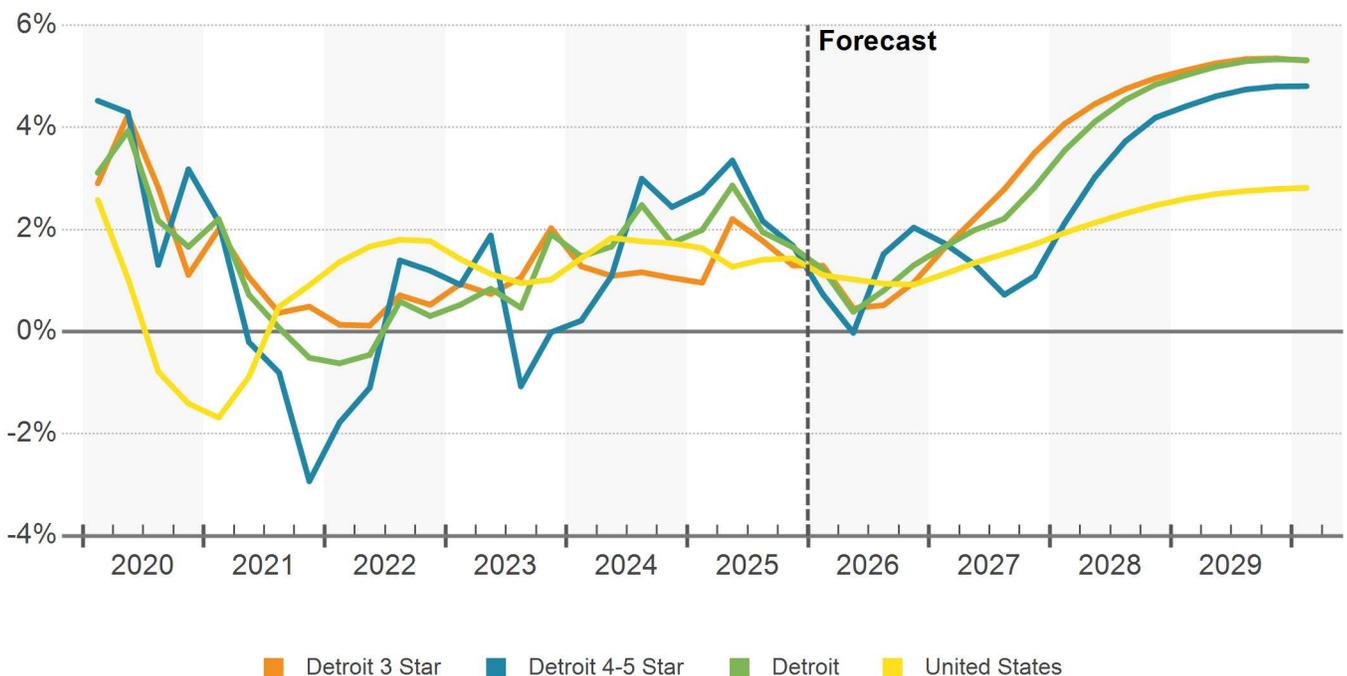
At 1 & 2 Star, the 2.3% growth rate to \$20/SF outpaces

both upper tiers over twelve months, but this almost certainly reflects a favorable mix shift—toward medical, owner-user, and higher-quality small-bay assets that transacted or re-leased during the period—rather than broad rent escalation across aging suburban stock.

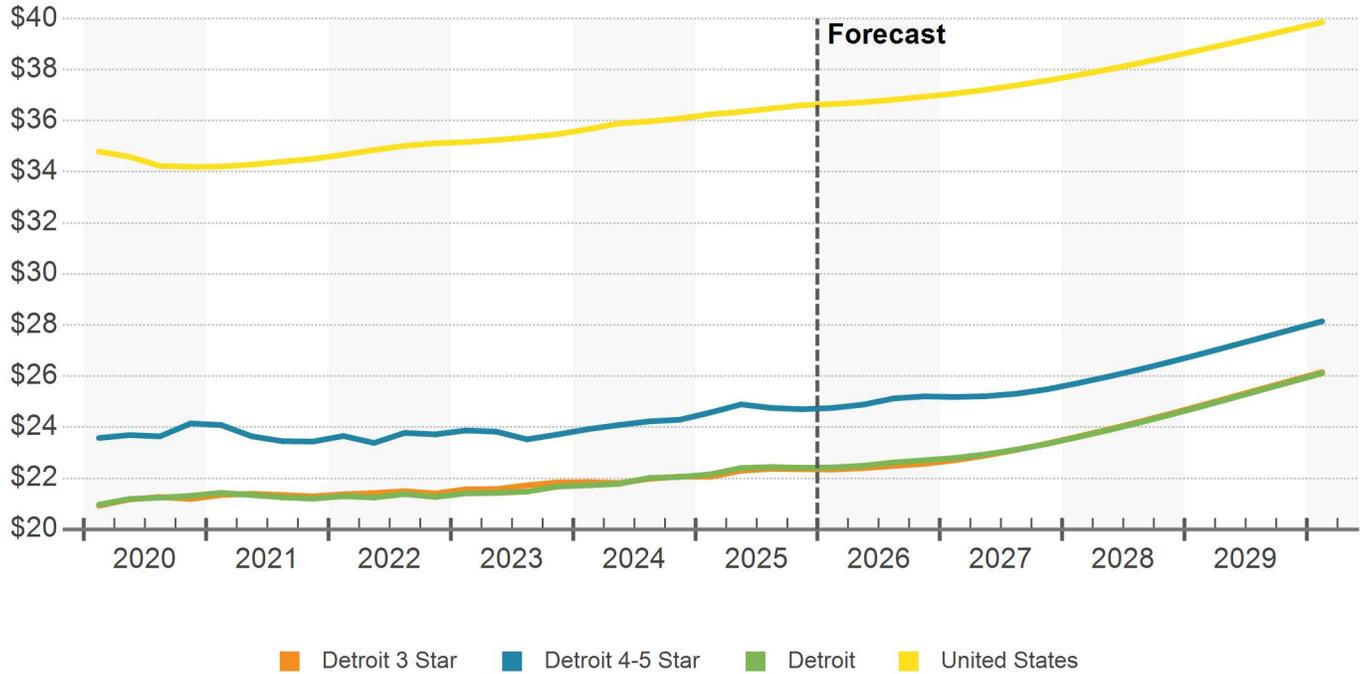
The submarket dispersion is wide enough to render market averages largely irrelevant for asset-level underwriting. Birmingham leads at \$30/SF on 1.9% annual growth, supported by 7.7% vacancy and a tenant base of high-income professional, legal, and financial services firms with limited appetite for suburban alternatives. The CBD at \$27/SF and Detroit-New Center at \$24/SF define the urban rent premium, and preleased deliveries at Hudson's Detroit and the Henry Ford campus will establish new benchmarks upon opening that could offer modest mark-to-market upside for adjacent legacy assets. At the other end, Southfield at \$19/SF and Troy South at \$21/SF—declining at an annualized 80 basis points quarter-to-date—illustrate where landlord leverage is effectively absent.

The forecast projects rents at \$23/SF by year-end 2026, a further 1.3% gain, before a projected 2.8% step-up in 2027 as vacancy stabilizes and new supply is absorbed. That acceleration is plausible but hinges on broader demand recovery that has not yet materialized in the suburban legacy portfolio.

MARKET ASKING RENT GROWTH (YOY)



MARKET ASKING RENT PER SQUARE FEET



4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Detroit	\$2.41	\$1.26	\$0.33	\$2.04	\$3.54	\$9.59
Bloomfield	\$2.35	\$1.10	\$0.35	\$2.35	\$4.28	\$10.43
Detroit/The Pointes	\$2.92	\$1.48	\$0.39	\$1.52	\$4.99	\$11.30
Livingston/W Oakland	\$2.05	\$1.75	\$0.32	\$2.08	\$2.88	\$9.08
Macomb	\$1.98	\$0.84	\$0.41	\$2.03	\$3.44	\$8.69
North Oakland	\$2.40	\$1.09	\$0.26	\$1.98	\$3.82	\$9.55
Royal Oak	\$3.30	\$2.10	\$0.43	\$4.39	\$2.91	\$13.13
Southfield	\$2.40	\$1.24	\$0.31	\$1.79	\$2.90	\$8.65
St Clair & Lapeer Counties	\$2.14	\$1.45	\$0.36	\$2.08	\$4.26	\$10.28
Troy	\$2.23	\$0.80	\$0.28	\$2.52	\$2.79	\$8.62
West Wayne	\$2.19	\$1.30	\$0.30	\$2.02	\$2.47	\$8.28

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Detroit	\$1.73	\$0.98	\$0.29	\$2.40	\$3.12	\$8.52
Bloomfield	\$1.86	\$0.98	\$0.31	\$2.52	\$3.62	\$9.29
Detroit/The Pointes	\$2.34	\$1.11	\$0.32	\$1.61	\$3.85	\$9.22
Downriver	\$1.84	\$0.93	\$0.26	\$3.18	\$3.07	\$9.28
Livingston/W Oakland	\$0.90	\$1.03	\$0.28	\$2.71	\$2.82	\$7.74
Macomb	\$1.26	\$0.93	\$0.32	\$2.47	\$2.65	\$7.63
North Oakland	\$1.94	\$0.94	\$0.30	\$2.23	\$3.18	\$8.59
Royal Oak	\$2.07	\$0.95	\$0.33	\$2.78	\$3.02	\$9.15
Southfield	\$2.09	\$1	\$0.26	\$2.11	\$2.54	\$8
St Clair & Lapeer Counties	\$1.52	\$0.92	\$0.33	\$2.29	\$4.50	\$9.56
Troy	\$1.89	\$0.90	\$0.23	\$2.11	\$2.80	\$7.93
West Wayne	\$1.88	\$1.05	\$0.25	\$2.70	\$2.45	\$8.34

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
Detroit	\$1.61	\$0.91	\$0.28	\$2.63	\$2.88	\$8.32
Bloomfield	\$1.94	\$0.89	\$0.32	\$3.11	\$3.97	\$10.23
Detroit/The Pointes	\$2.05	\$0.93	\$0.29	\$1.78	\$3.16	\$8.20
Downriver	\$1.82	\$0.88	\$0.26	\$2.68	\$3.04	\$8.68
Livingston/W Oakland	\$0.73	\$0.92	\$0.27	\$2.87	\$2.52	\$7.31
Macomb	\$1.37	\$0.88	\$0.34	\$2.76	\$2.80	\$8.15
North Oakland	\$1.86	\$0.88	\$0.27	\$2.26	\$3.04	\$8.32
Royal Oak	\$1.95	\$0.89	\$0.31	\$3.04	\$2.88	\$9.07
Southfield	\$2.12	\$0.95	\$0.26	\$2.04	\$2.67	\$8.04
St Clair & Lapeer Counties	\$1.34	\$0.88	\$0.29	\$2.32	\$4.08	\$8.91
Troy	\$1.70	\$0.83	\$0.21	\$2.95	\$2.65	\$8.34
West Wayne	\$1.48	\$0.94	\$0.20	\$3.06	\$1.97	\$7.64

Expenses are estimated using CMBS, NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

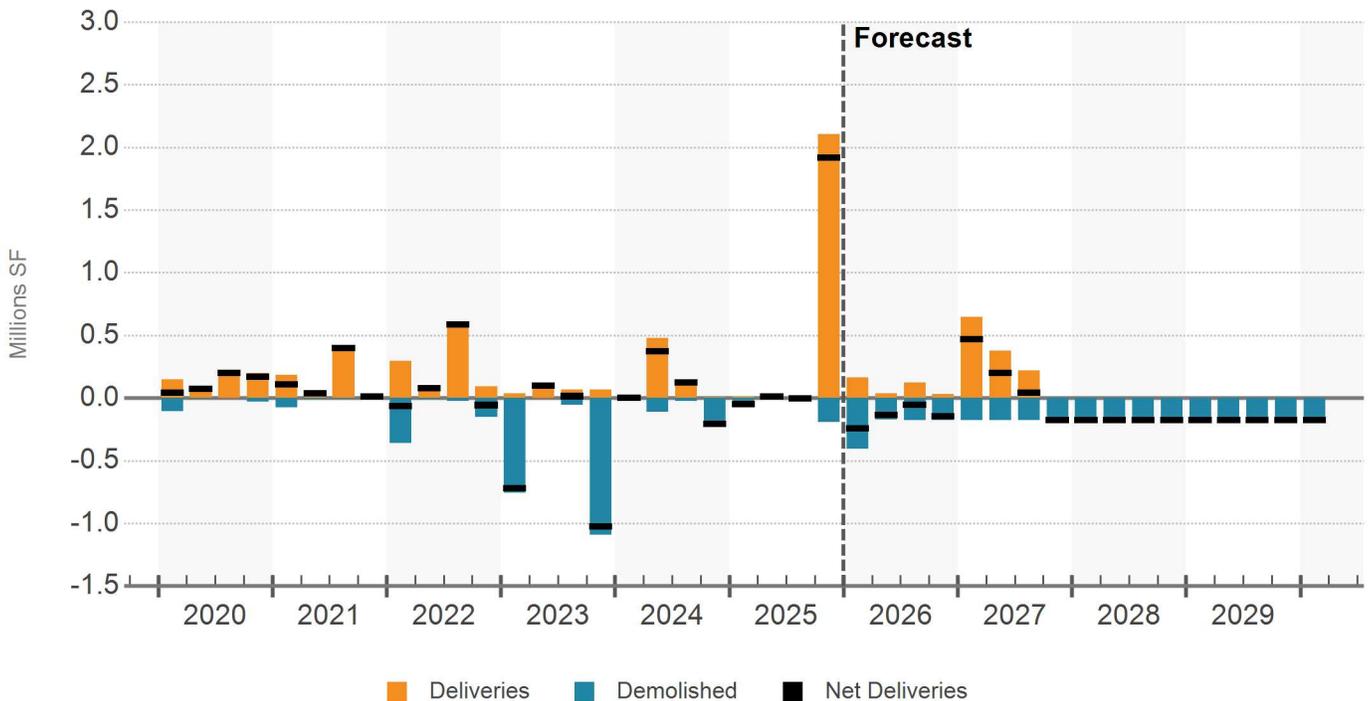
The Detroit office construction pipeline, comprising 1.6 million SF, is elevated relative to the market's recent norms but largely pre-leased. 92.2% of SF underway is already committed, a discipline that reflects the reality of today's capital markets rather than developer conservatism alone. Construction financing for Detroit office is functionally unavailable without anchor-tenant commitments, and even well-capitalized local developers cannot pencil speculative suburban projects at any reasonable leverage threshold given current construction costs and achievable rents.

The two dominant projects, Bedrock's Hudson's Detroit at 560,000 SF in the CBD and Henry Ford Health's 335,000-SF headquarters in Detroit-New Center, together account for nearly 60% of the pipeline and are both tracking toward early 2027 delivery; each is essentially fully committed. The 220,000-SF Gratiot Innovation District in Detroit West of Woodward, also targeting January 2027, is 100% preleased, reinforcing downtown's continuing role as a destination for institutionally backed, purpose-built office anchored by healthcare, mobility, and innovation tenants.

Beyond these CBD and near-downtown projects, the suburban pipeline is thin, aggregating fewer than 280,000 SF, mostly owner-occupied or single-tenant builds in Macomb County, Birmingham, and the Central I-96 Corridor. Birmingham's two projects, totaling 112,000 SF at only 45.7% preleased, carry the most meaningful speculative risk in the suburban fabric, though at that scale the potential vacancy impact is limited.

The twelve-month delivery figure of 2.2 million SF—highest since 2001—was heavily distorted by the Dearborn Central Campus conversion. Normalized deliveries are declining sharply, and the forecast projects net inventory contraction beginning in 2026 as demolitions and conversions outpace new starts. That contraction will benefit well-located, amenitized assets by removing functional competition at the margin, but it also signals a collective verdict from developers, lenders, and institutions: speculative suburban Detroit office is uninvestable, and future construction activity will remain confined to a narrow corridor of committed, institutionally anchored urban and near-urban development.

DELIVERIES & DEMOLITIONS



SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	CBD	2	780	752	96.4%	7	199,252	390,000	1
2	Detroit-New Center	1	335	335	100%	1	69,017	335,000	2
3	Detroit W of Woodward	2	205	205	100%	1	14,446	102,500	3
4	Birmingham	2	112	51	45.7%	9	17,809	56,095	4
5	Central I-96 Corridor	2	48	17	35.5%	10	19,001	23,942	6
6	Macomb East	1	43	43	100%	1	8,671	42,500	5
7	Royal Oak	1	17	17	100%	1	8,626	17,000	7
8	Macomb West	1	10	8	76.6%	8	12,331	10,489	8
9	St Clair & Lapeer Counties	1	9	9	100%	1	6,970	8,800	9
10	Livingston County	1	5	5	100%	1	7,338	5,000	10
	All Other	0	-	-	-		22,900	-	
Totals		14	1,564	1,441	92.2%		20,112	111,705	

Under Construction Properties

Detroit Office

Properties

Square Feet

Percent of Inventory

Released

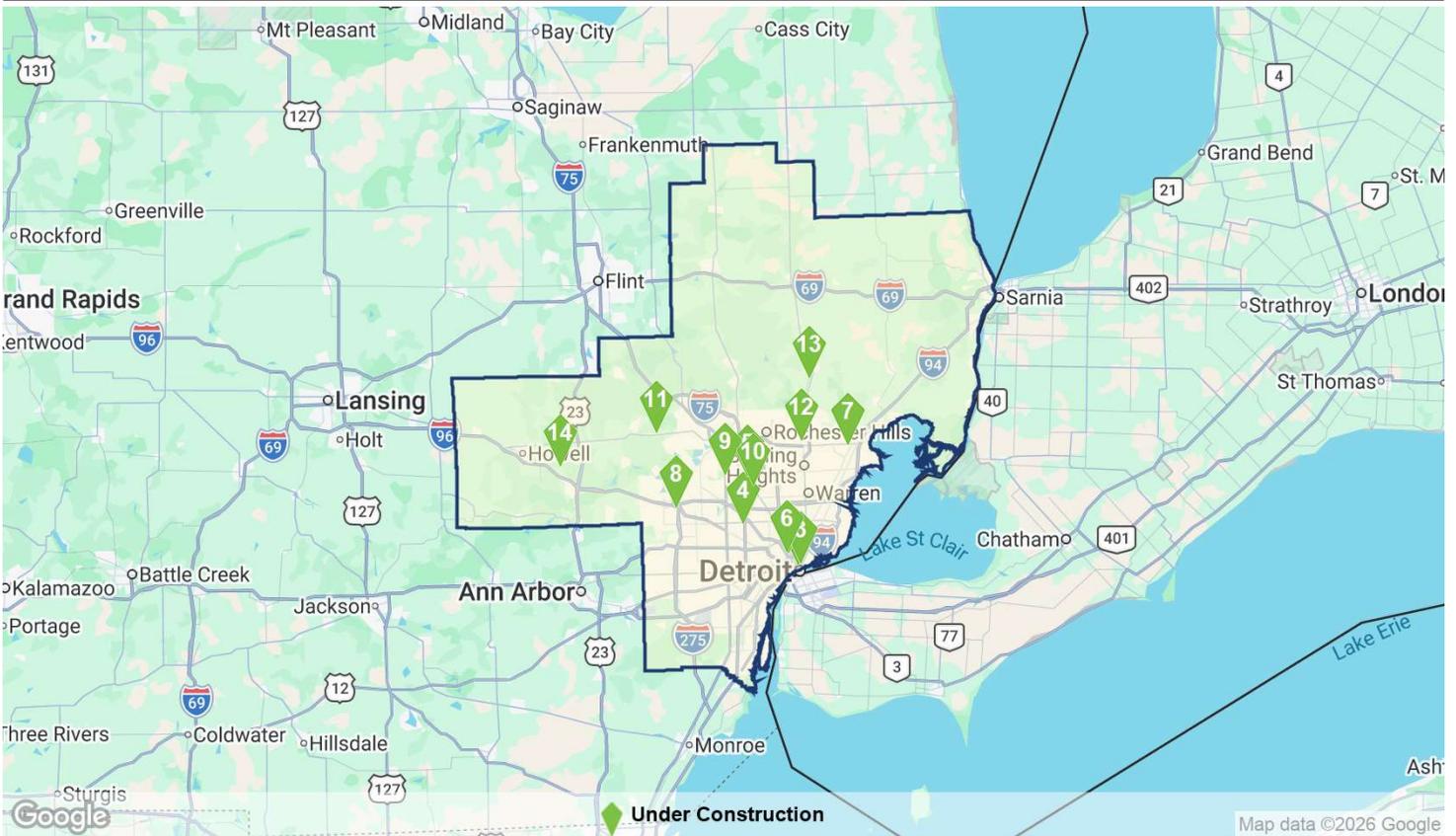
14

1,563,863

0.8%

92.2%

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 Hudson's Detroit 1240 Woodward Ave	★★★★★	560,000	12	Oct 2023	Feb 2027	Bedrock Bedrock
2 6141 3rd Ave	★★★★☆	335,000	7	Nov 2024	Mar 2027	- Henry Ford Health
3 Gratiot Innovation District 1400 Saint Antoine St	★★★★☆	220,000	10	Oct 2025	Jan 2027	- Bedrock
4 Seven Mile Development- B 18520 W 7 Mile Rd	★★★☆☆	120,000	1	Jun 2024	Apr 2026	- Charter County of Wayne, Michigan
5 Hazelview 479 S Old Woodward Ave	★★★★☆	89,705	5	Aug 2024	Jul 2026	- Markus Management Group, LLC
6 2800 W Grand Blvd	★★★★☆	85,000	5	Dec 2024	Jan 2027	- -
7 21850 Dunham Rd	★★★★☆	42,500	5	Jan 2025	Jan 2027	- Macomb County

Under Construction Properties

Detroit Office

UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 24301 Karim Boulevard	★ ★ ★ ★ ★	30,884	2	Oct 2022	Dec 2026	-
9 4060 W Maple Rd	★ ★ ★ ★ ★	22,485	3	Apr 2022	Apr 2026	- Najor Companies
10 Citizens State Bank Headqu 31668 Woodward Ave	★ ★ ★ ★ ★	17,000	3	Oct 2025	Jul 2026	-
11 10795 Elizabeth Lake Rd	★ ★ ★ ★ ★	17,000	2	Mar 2025	May 2026	-
12 7525 Auburn Rd	★ ★ ★ ★ ★	10,489	2	Aug 2025	Apr 2026	-
13 65422 Van Dyke Ave	★ ★ ★ ★ ★	8,800	1	Mar 2025	Apr 2026	- CMG Realty Group
14 7305 Grand River rd	★ ★ ★ ★ ★	5,000	1	Jul 2024	Jun 2026	- Leppek Nursery & Landscaping

Investment sales volume reached \$485.1 million in 2025, a 78% increase over \$272 million in 2024, but the composition of that recovery matters as much as the headline. Deal count rose from 430 to 485, while average transaction size fell to approximately \$1.0 million—a clear signal that the volume increase reflects a broadening of private-capital and owner-user activity rather than any return of institutional appetite.

The market price index of 128 is flat year-over-year and sits below the 131 registered in 2023, and the implied market cap rate of 11.4% confirms that values remain well below their 2022 peak.

Differentiation by quality tier is where the real story sits. The eleven 4 & 5 Star trades in 2025 averaged \$94.35 per SF at a 4.4% cap rate, anchored by Healthcare Realty Trust's disposition of Providence Park Medical Office Center in Novi—a 222,155-SF, 2007-vintage asset acquired by CPP Investments and IRA Capital at \$294 per SF with 76% occupancy. At \$65.2 million, it was the largest Detroit office sale of the past twelve months and a textbook illustration of today's investable thesis for the market: healthcare-tenanted suburban assets in established medical corridors attract institutional buyers at materially compressed cap rates because their demand drivers are structurally insulated from remote-work dynamics.

The Lapeer County Surgery Center reinforced this read, trading at \$577 per SF on a 7.2% cap rate to Crown MedRealty Partners—a fully leased, 2007-vintage medical outpatient building that cleared at nearly seven times the market's average transaction price per SF. Legacy suburban office, by contrast, is clearing at deeply discounted values that reflect functional obsolescence and re-tenanting uncertainty.

The 336,000-SF Renaissance Center River East tower sold at auction for \$9.4 million—\$28 per SF with 1% occupancy—and the 300,000-SF Raleigh Officecentre in

Southfield changed hands at \$27 per SF in an owner-user transaction with no occupancy, as the buyer effectively acquired the asset at land value.

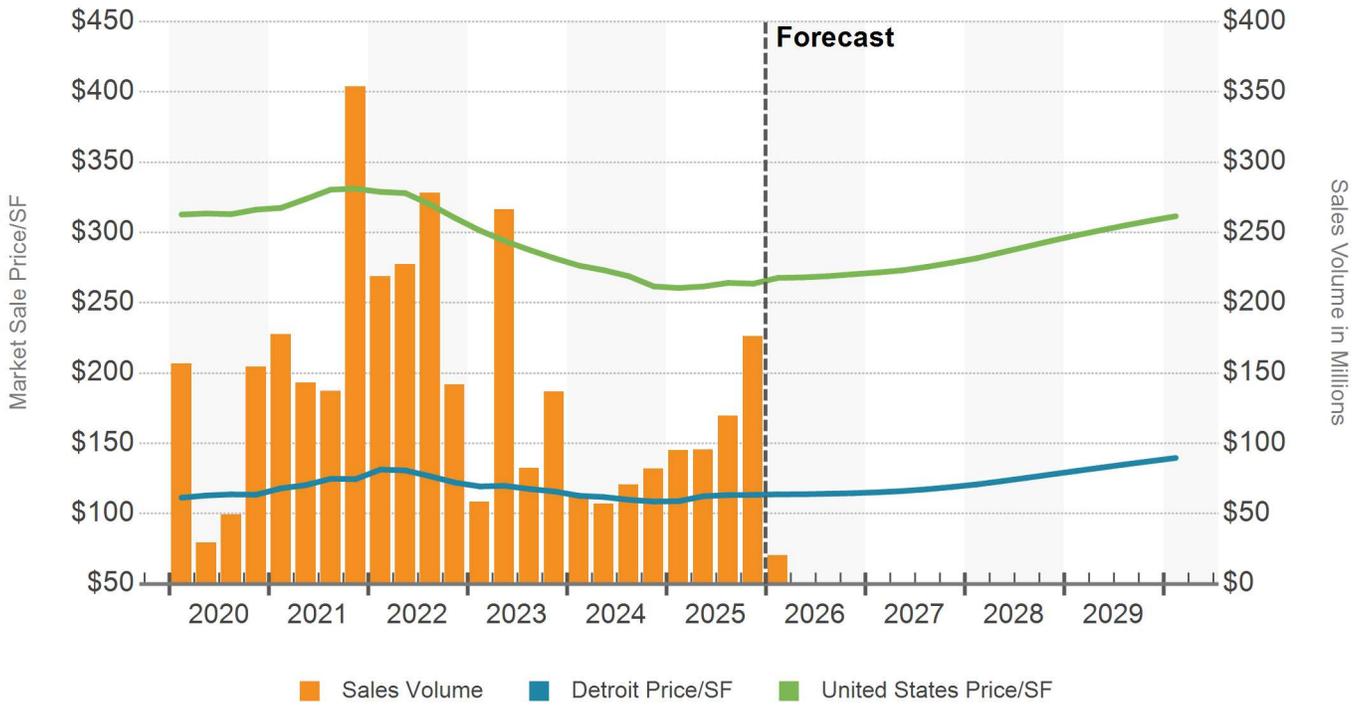
The 149 three-star trades at an average of \$67.95 per SF and a 7.9% cap rate represent the dominant cohort by volume, with activity concentrated in Macomb East, Central I-96 Corridor, and Southfield—local private buyers acquiring stabilized, income-producing suburban product in the \$5–10 million range where financing remains accessible and yield spreads are sufficient to underwrite.

The buyer universe is overwhelmingly domestic and local; national investors were effectively net-neutral in 2025 at negative \$1.1 million net, and foreign capital, while present through CPP Investments, remains episodic.

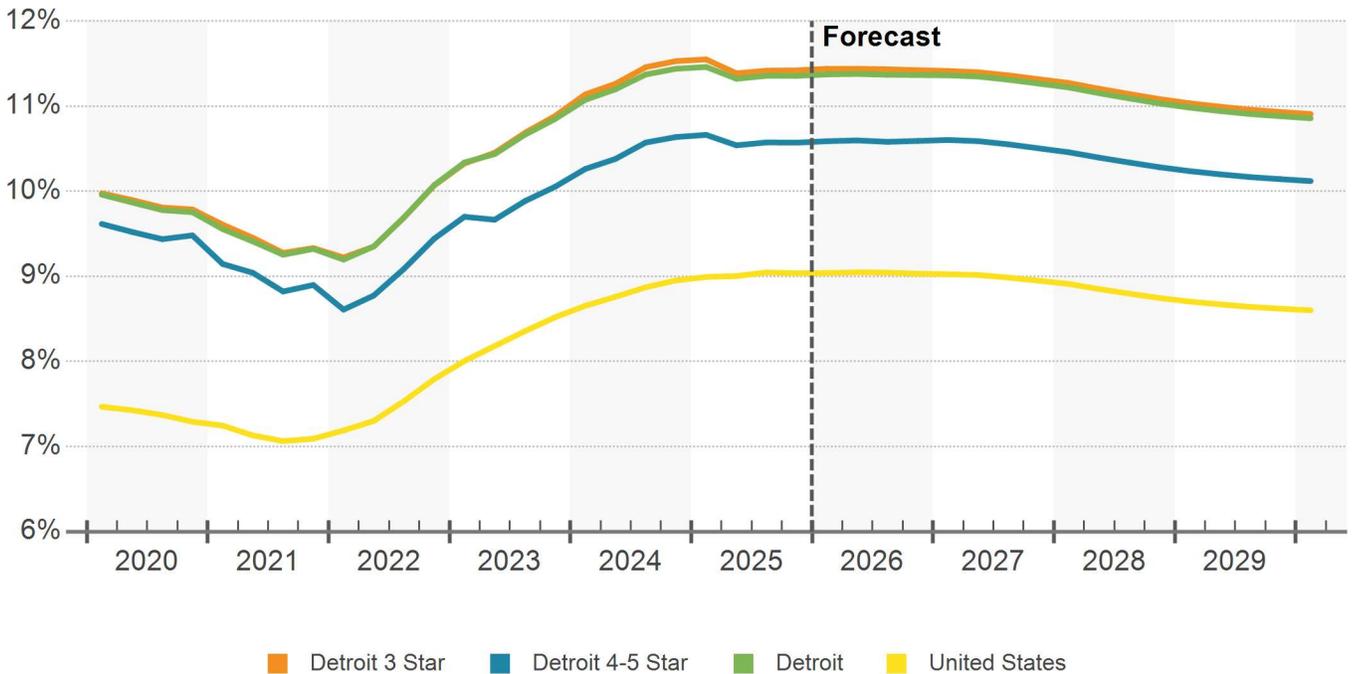
Owner-user demand continues to anchor the lower end of the market—Priority Waste's \$18.4 million acquisition of two River Ridge Corporate Center buildings in Macomb East at a combined \$169 per SF exemplifies tenants converting lease obligations into owned assets, a trend likely to persist as occupiers with stable space needs weigh long-term cost certainty against leasing in an uncertain landlord-tenant environment.

The 2026 sales outlook is cautiously constructive: deal volume could sustain near 2025 levels, supported by continued private-capital activity and potential additional medical office dispositions by institutional sellers rationalizing non-core holdings. The primary risk is that rising vacancy across the suburban legacy fabric—particularly in Farmington/Farmington Hills, the Airport District, and the Southern I-275 Corridor—generates additional distressed dispositions that reinforce downward pressure on implied values for non-medical suburban product and widen the pricing gap between healthcare-anchored assets and everything else.

SALES VOLUME & MARKET SALE PRICE PER SF



MARKET CAP RATE



Sales Past 12 Months

Detroit Office

Sale Comparables

466

Avg. Cap Rate

8.8%

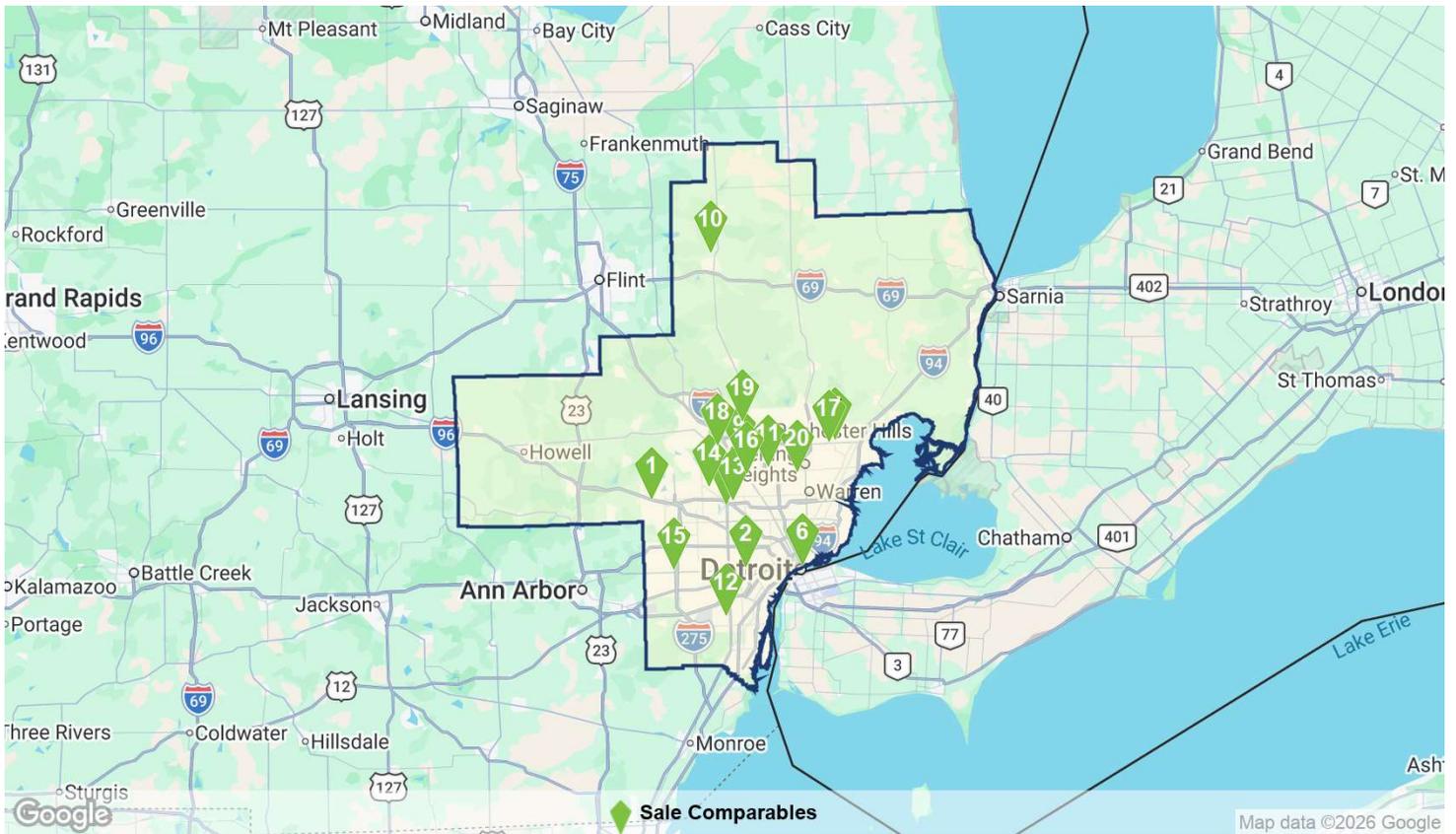
Avg. Price/SF

\$80

Avg. Vacancy At Sale

20.4%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$60,000	\$1,788,556	\$693,500	\$62,515,624
Price/SF	\$3.06	\$80	\$123	\$1,040
Cap Rate	4.4%	8.8%	8.6%	17.9%
Time Since Sale in Months	0.2	6.5	6.4	12.0
Property Attributes	Low	Average	Median	High
Building SF	570	19,908	5,133	612,924
Stories	1	2	1	21
Typical Floor SF	536	7,860	4,300	103,902
Vacancy Rate At Sale	0%	20.4%	0%	100%
Year Built	1800	1970	1971	2022
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

Sales Past 12 Months

Detroit Office

RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
1 Providence Park Medical... 26850 Providence Pky	★★★★★	2007	222,155	23.6%	12/29/2025	\$62,515,624	\$281	-
2 Platinum Medical Center 5250 Auto Club Dr	★★★★★	1997	79,777	0%	4/9/2025	\$22,750,000	\$285	-
3 322 N Old Woodward Ave	★★★★★	2001	30,000	100%	7/17/2025	\$18,000,000	\$600	-
4 Square Lake Office Park II 1750 S Telegraph Rd	★★★★★	1990	43,593	0%	9/24/2025	\$10,600,000	\$243	-
5 South Building - River Ri... 45000 River Ridge Dr	★★★★★	2000	48,320	0%	4/15/2025	\$10,000,000	\$207	-
6 River East 600 Renaissance Ctr	★★★★★	1980	336,000	0%	4/17/2025	\$9,407,000	\$28	-
7 River Ridge II 19176 Hall Rd	★★★★★	2000	60,440	7.3%	11/10/2025	\$8,400,000	\$139	-
8 Raleigh Officentre 25300-25330 Telegraph Rd	★★★★★	1989	300,000	100%	8/18/2025	\$8,000,000	\$27	-
9 Governors Place 33 Bloomfield Hills Pky	★★★★★	1987	63,971	10.7%	7/3/2025	\$7,771,000	\$121	8.8%
10 Lapeer County Surgery... 1546 Callis Rd	★★★★★	2007	12,720	0%	12/5/2025	\$7,335,000	\$577	7.2%
11 Venture Plaza 3150 Livernois Rd	★★★★★	1986	68,379	0%	4/3/2025	\$7,157,500	\$105	4.4%
12 25251 Northline Rd	★★★★★	2009	37,347	0%	8/14/2025	\$7,050,000	\$189	-
13 Oxford Pointe Office Cen... 26300 Northwestern Hwy	★★★★★	1999	85,000	0%	10/9/2025	\$6,600,000	\$78	-
14 31330-31360 Northweste...	★★★★★	1982	7,892	0%	8/14/2025	\$6,410,000	\$812	-
15 Haggerty Professional Pl... 2050 N Haggerty Rd	★★★★★	2006	26,820	0%	6/27/2025	\$6,060,000	\$226	9.4%
16 137-141 W Maple Rd	★★★★★	1928	7,400	0%	3/1/2026	\$6,000,000	\$811	-
17 44000 Garfield Rd	★★★★★	1987	63,560	0%	7/15/2025	\$6,000,000	\$94	-
18 Square Lake Office Park I 1760 S Telegraph Rd	★★★★★	1986	43,587	0%	12/29/2025	\$5,700,000	\$131	-
19 1885 Pond Run Rd	★★★★★	2005	41,000	0%	10/6/2025	\$5,150,000	\$126	-
20 5456 15 Mile Rd	★★★★★	2003	11,968	0%	11/12/2025	\$5,100,000	\$426	-

Detroit's economic identity is defined by its unmatched concentration of automotive headquarters, engineering talent, and supplier density, giving the region a level of industrial gravity that few U.S. metros can replicate. Ford, General Motors, and Stellantis anchor a vertically integrated ecosystem that extends from advanced R&D and powertrain engineering to stamping, plastics, electronics, and logistics-intensive supplier operations. What differentiates Detroit today is not reliance on legacy manufacturing alone, but the evolution of that base into mobility software, electrification, battery systems, and advanced materials, supported by deep institutional knowledge and decades of sunk capital. For commercial real estate investors, this translates into unusually durable demand for specialized industrial, flex, and engineering-oriented office space that is tied to long-cycle corporate strategies rather than short-term cost arbitrage.

The metro's demographics reinforce this structural durability while also shaping where demand concentrates. Detroit retains one of the Midwest's deepest technical labor pools, with a workforce heavily skewed toward engineering, skilled trades, and applied sciences. Educational attainment and income growth are strongest in suburban Oakland and western Wayne counties, where higher-performing school districts and established employment centers continue to attract and retain skilled households. By contrast, population and income trends remain uneven across the urban core, creating sharp intra-market contrasts in housing demand and labor-force participation. From an underwriting perspective, this bifurcation is critical: suburban submarkets benefit from stable household formation and predictable absorption, while select reinvestment districts in the city offer upside tied to targeted infrastructure, institutional anchors, and employer-led redevelopment rather than broad-based demographic momentum.

Office-using employment in Detroit functions as a dual-core system rather than a single dominant CBD. Downtown and Midtown have reasserted themselves as headquarters, finance, legal, and innovation-oriented office nodes, supported by sustained private investment and a growing amenity base. At the same time, suburban Oakland County—particularly Troy, Southfield, and adjacent corridors—continues to house a large share of professional and business services employment, reflecting long-standing preferences for accessibility, parking, and proximity to executive housing. Recent corporate real estate decisions illustrate this balance. The adaptive reuse of Michigan Central Station as a

mobility-focused innovation campus reinforces downtown's role as a hub for high-value, collaborative office demand, while ongoing suburban leasing activity underscores the resilience of established edge-city locations for corporate services and back-office functions.

Industrial employment remains the metro's defining strength and the primary driver of long-term real estate fundamentals. Detroit's manufacturing base is distinguished not only by scale but by complexity, with tightly interlinked supply chains that favor geographic proximity and specialized facilities. Automotive assembly plants, engineering centers, and supplier campuses create consistent demand for modern logistics, light manufacturing, and flex space along the I-75, I-94, and I-96 corridors. Unlike markets dominated by pure e-commerce distribution, Detroit's industrial demand is reinforced by engineering change cycles, regulatory requirements, and tooling investments that anchor tenants in place. This dynamic supports lower long-term vacancy volatility and sustained reinvestment in both new and legacy industrial assets.

Beyond manufacturing and office-using sectors, Education and Health Services and Government provide critical economic ballast. Large regional health systems, research hospitals, and public-sector employers represent a stable employment base that supports medical office, outpatient facilities, and neighborhood-serving retail across multiple submarkets. These sectors also contribute to workforce resilience during industrial downturns, smoothing demand for multifamily and service-oriented commercial properties. Leisure and Hospitality plays a more targeted but increasingly relevant role, particularly in downtown Detroit, where sports venues, convention activity, and waterfront redevelopment have expanded the visitor economy. While not a primary employment driver at the metro scale, this activity enhances the viability of mixed-use districts and supports incremental hotel and experiential retail demand.

Infrastructure and institutional investment are central to Detroit's long-term competitiveness and CRE liquidity. The region's freeway network provides exceptional regional connectivity, linking industrial corridors, suburban office nodes, and population centers with minimal friction. The addition of the Gordie Howe International Bridge materially strengthens Detroit's position as a binational logistics gateway, improving freight reliability and reinforcing the metro's role in North

American supply chains. Higher-education institutions and applied research centers further reinforce the talent pipeline that underpins advanced manufacturing and mobility innovation. Combined with large-scale private redevelopment efforts in the urban core, these assets

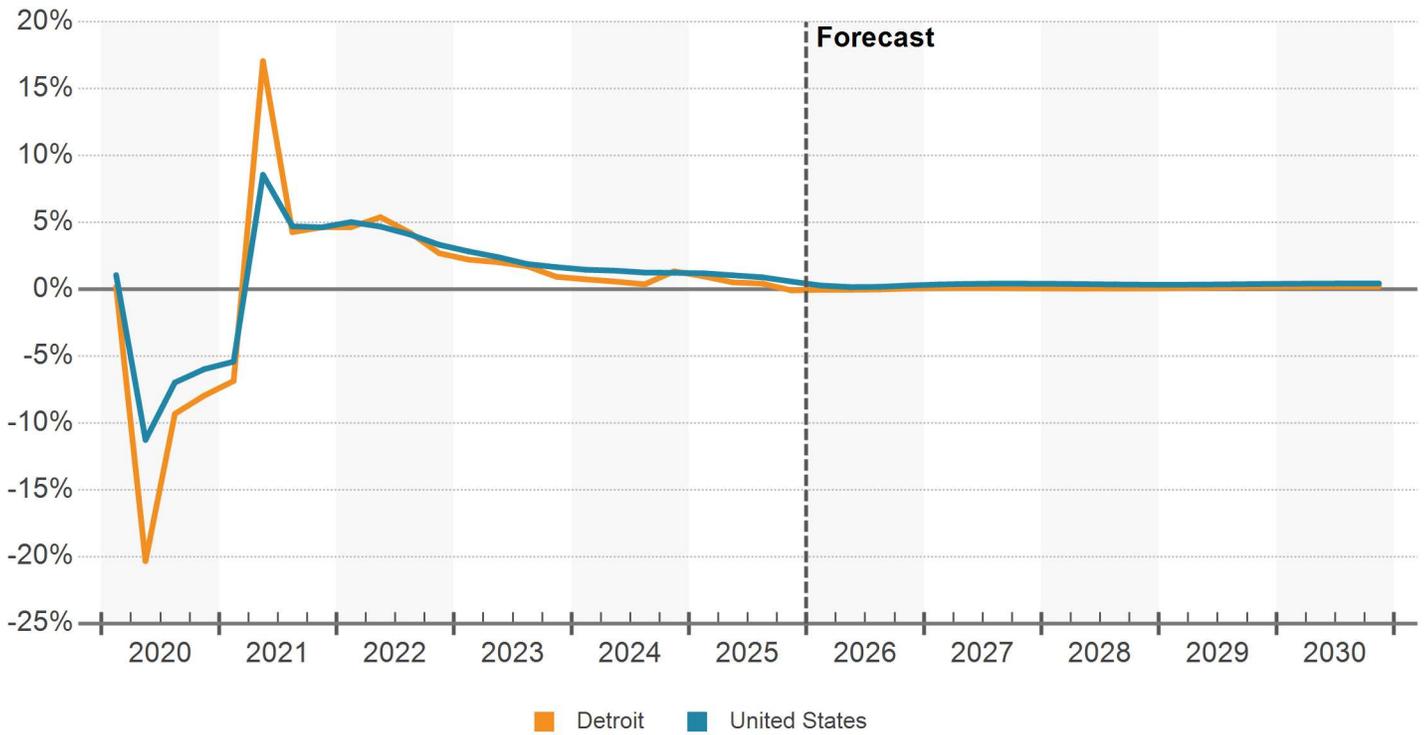
reduce barriers between talent, employers, and real estate, positioning Detroit as a market where long-term capital can compound through reinvestment rather than displacement.

DETROIT EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	246	1.5	-0.84%	-0.28%	0.09%	0.31%	0.38%	0.21%
Trade, Transportation, and Utilities	385	1.0	-0.28%	-0.07%	0.63%	0.75%	-0.04%	0.22%
Retail Trade	198	1.0	-0.23%	0.26%	-0.56%	-0.06%	-0.21%	0.14%
Financial Activities	132	1.1	0.37%	-0.06%	1.75%	1.17%	0.19%	0.24%
Government	194	0.6	-0.39%	-0.52%	0.74%	0.58%	0.02%	0.32%
Natural Resources, Mining, and Construction	90	0.8	2.82%	-0.16%	2.96%	1.92%	0.79%	0.55%
Education and Health Services	342	1.0	1.58%	2.43%	1.10%	2.15%	0.13%	0.40%
Professional and Business Services	377	1.3	-1.64%	-0.36%	-0.22%	1.16%	0.03%	0.49%
Information	30	0.8	-0.81%	0.02%	0.29%	0.59%	-0.03%	0.18%
Leisure and Hospitality	192	0.9	0.26%	0.77%	0.03%	1.00%	0.37%	0.84%
Other Services	79	1.0	0.86%	0.72%	0.43%	0.69%	-0.65%	0.18%
Total Employment	2,068	1.0	-0.05%	0.35%	0.57%	1.08%	0.12%	0.39%

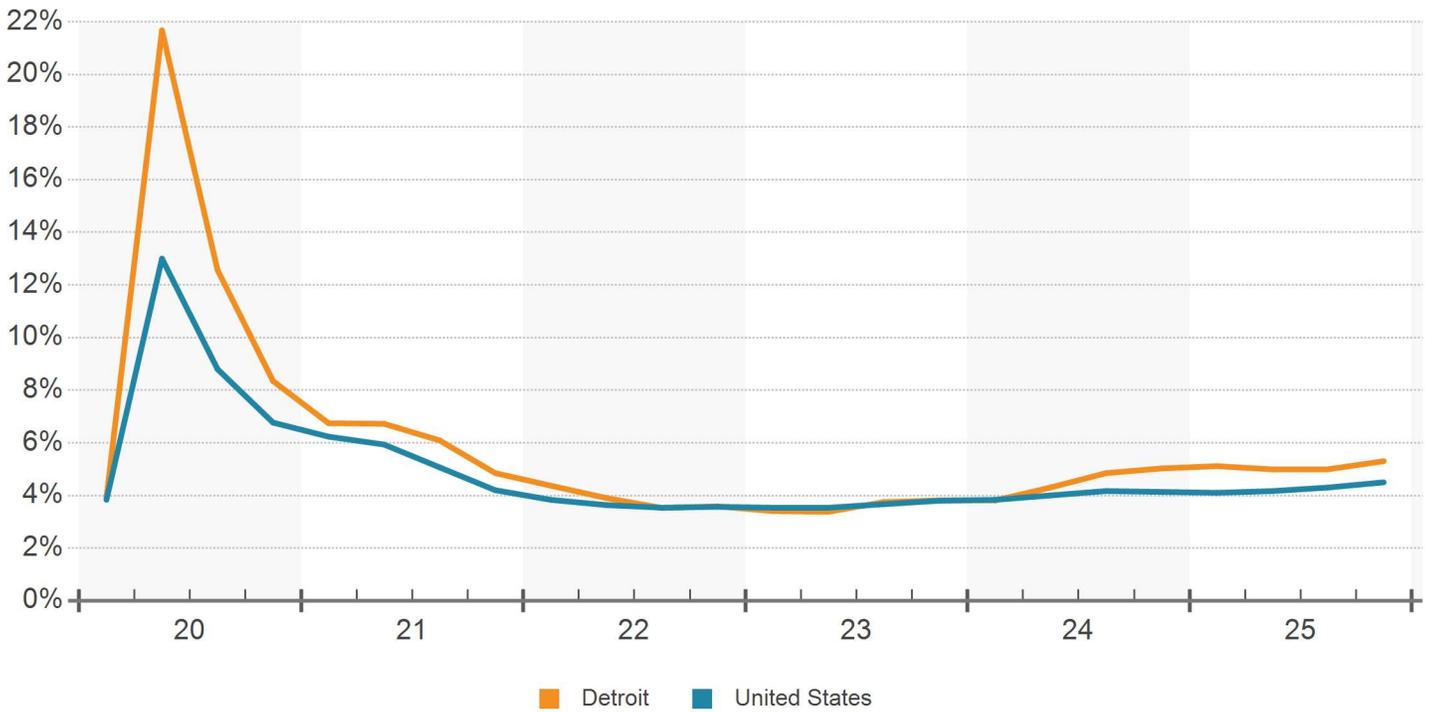
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

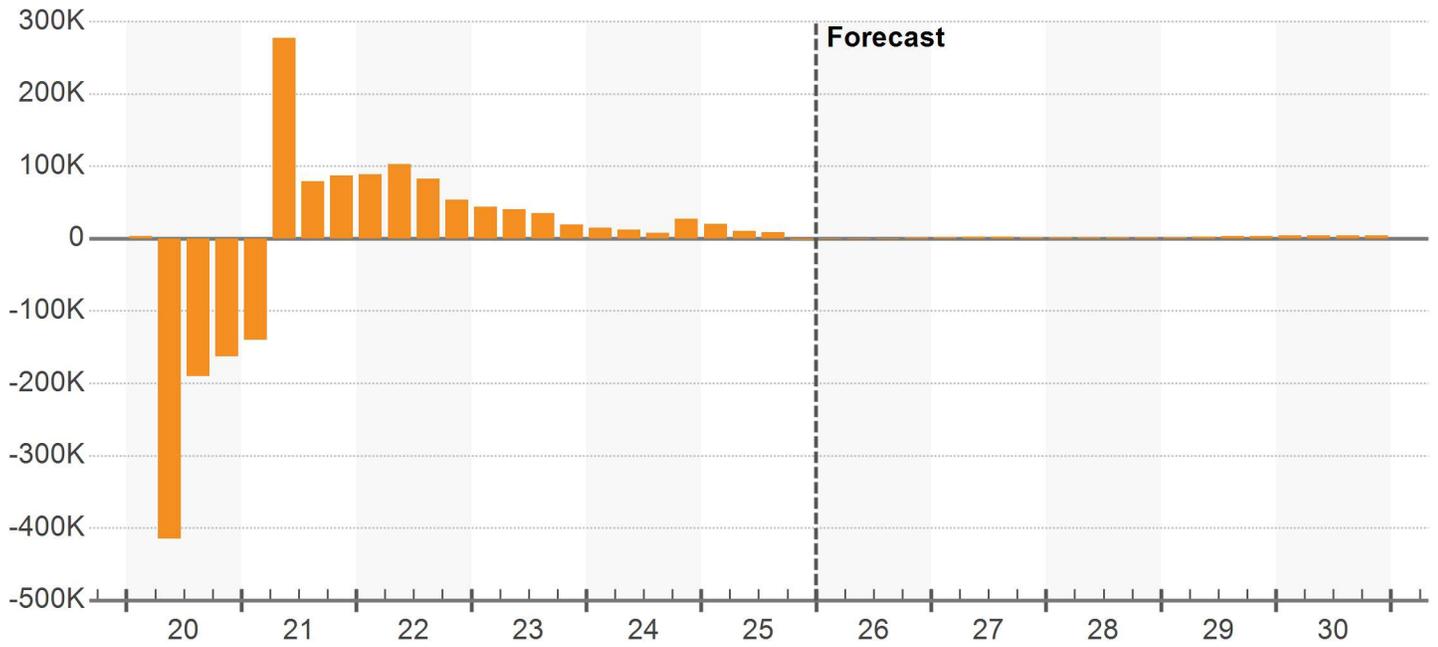


Source: Oxford Economics

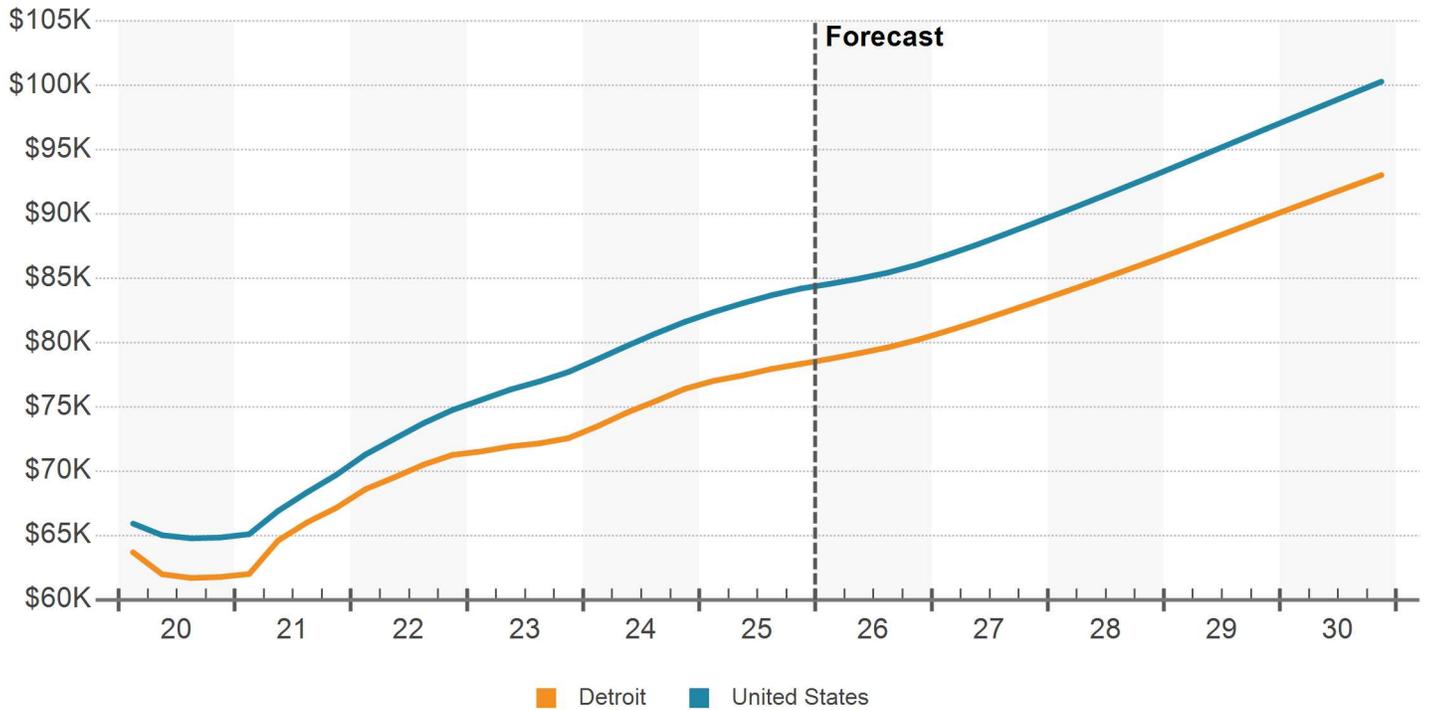
UNEMPLOYMENT RATE (%)



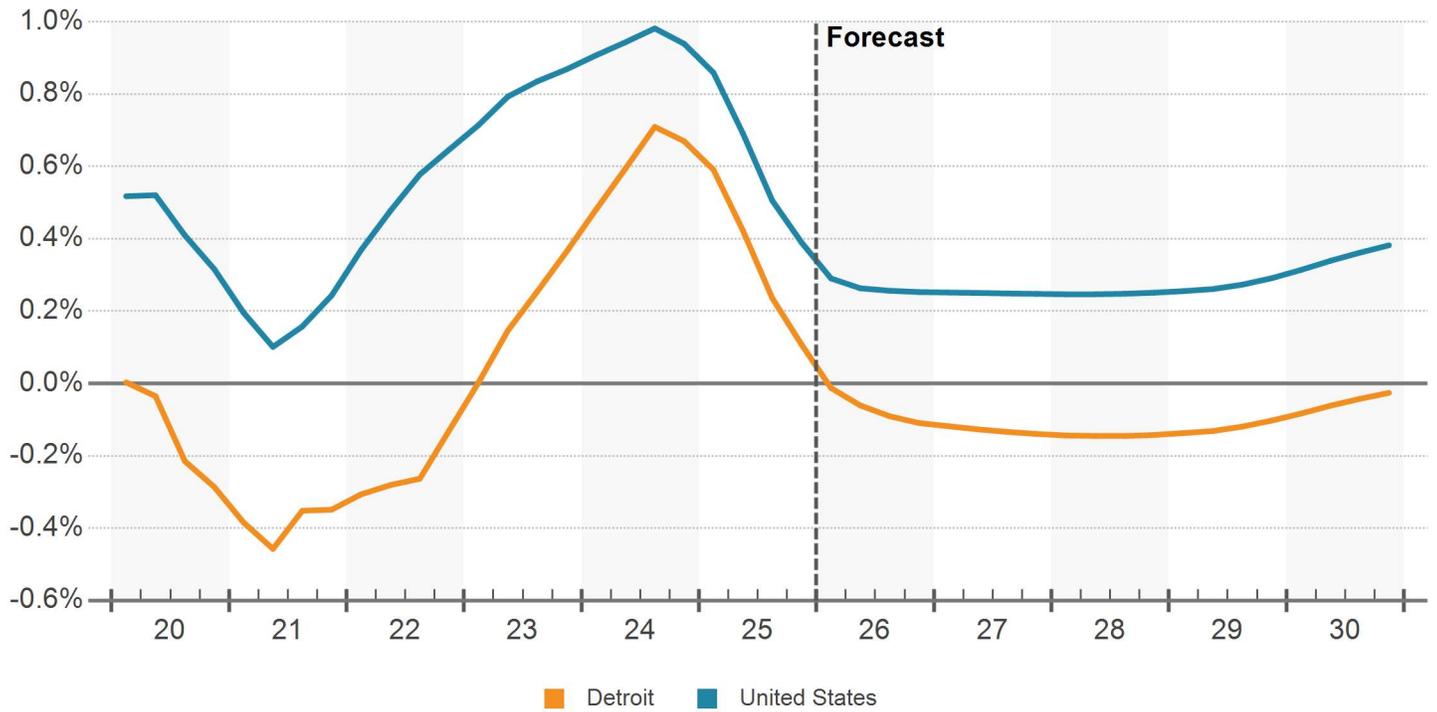
NET EMPLOYMENT CHANGE (YOY)



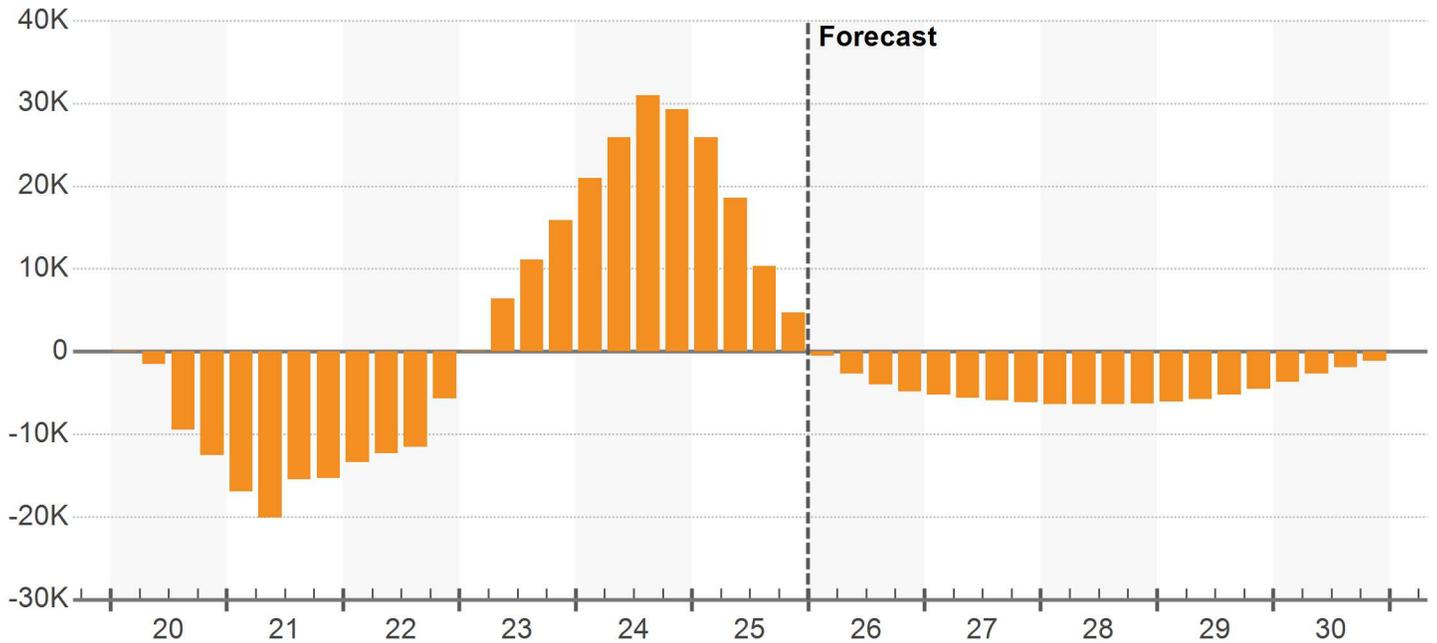
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)



DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,409,589	342,224,500	0%	0.3%	0.1%	0.6%	-0.1%	0.3%
Households	1,789,579	134,164,016	0.4%	0.7%	0.4%	1.0%	0.2%	0.6%
Median Household Income	\$78,646	\$84,483	2.3%	2.8%	3.8%	4.2%	3.6%	3.6%
Labor Force	2,194,773	170,965,781	0.7%	0.5%	0.6%	0.8%	-0.1%	0.2%
Unemployment	5.3%	4.5%	0.2%	0.4%	0%	0%	-	-

Source: Oxford Economics

POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport District	226	3,128	1.5%	19	0	0	0%	-	0	0	0%	-
2	Auburn Hills	67	9,661	4.8%	7	0	0	0%	-	0	0	0%	-
3	Birmingham	249	4,434	2.2%	18	0	0	0%	-	2	112	2.5%	4
4	Bloomfield	56	2,031	1.0%	24	0	0	0%	-	0	0	0%	-
5	Bloomfield West	78	1,244	0.6%	26	0	0	0%	-	0	0	0%	-
6	CBD	140	27,895	13.8%	1	0	0	0%	-	2	780	2.8%	1
7	Central I-96 Corridor	347	6,593	3.3%	12	0	0	0%	-	2	48	0.7%	5
8	Dearborn	503	13,214	6.5%	3	1	2,100	15.9%	1	0	0	0%	-
9	Detroit E of Woodward	283	5,794	2.9%	15	0	0	0%	-	0	0	0%	-
10	Detroit W of Woodward	380	5,489	2.7%	17	0	0	0%	-	2	205	3.7%	3
11	Detroit-New Center	128	8,834	4.4%	9	0	0	0%	-	1	335	3.8%	2
12	Downriver North	89	774	0.4%	27	0	0	0%	-	0	0	0%	-
13	Downriver South	441	3,042	1.5%	21	1	30	1.0%	2	0	0	0%	-
14	Farmington/Farm Hills	407	9,872	4.9%	6	0	0	0%	-	0	0	0%	-
15	Lakes Area	349	2,493	1.2%	23	0	0	0%	-	0	0	0%	-
16	Livingston County	425	3,119	1.5%	20	0	0	0%	-	1	5	0.2%	10
17	Macomb East	1,002	8,688	4.3%	10	1	6	0.1%	4	1	43	0.5%	6
18	Macomb West	739	9,113	4.5%	8	1	10	0.1%	3	1	10	0.1%	8
19	Pontiac	228	6,759	3.3%	11	0	0	0%	-	0	0	0%	-
20	Rochester	188	2,845	1.4%	22	0	0	0%	-	0	0	0%	-
21	Royal Oak	672	5,796	2.9%	14	1	2	0%	6	1	17	0.3%	7
22	Southern I-275 Corridor	1,029	12,446	6.2%	5	1	4	0%	5	0	0	0%	-
23	Southfield	579	23,098	11.4%	2	0	0	0%	-	0	0	0%	-
24	St Clair & Lapeer Counties	910	6,343	3.1%	13	0	0	0%	-	1	9	0.1%	9
25	The Pointes/Harper Woods	191	1,330	0.7%	25	0	0	0%	-	0	0	0%	-
26	Troy North	92	5,513	2.7%	16	0	0	0%	-	0	0	0%	-
27	Troy South	248	12,495	6.2%	4	0	0	0%	-	0	0	0%	-

SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport District	\$20.63	24	1.8%	4	-0.2%	25
2	Auburn Hills	\$23.57	8	1.0%	23	0.5%	1
3	Birmingham	\$30.24	1	1.8%	2	-0.1%	16
4	Bloomfield	\$26.69	2	1.3%	19	-0.3%	26
5	Bloomfield West	\$23.07	9	1.3%	18	0%	11
6	CBD	\$26.58	3	1.2%	20	0.1%	5
7	Central I-96 Corridor	\$24.01	6	1.3%	17	-0.1%	18
8	Dearborn	\$20.91	18	1.0%	21	0.2%	4
9	Detroit E of Woodward	\$22.96	11	1.4%	11	0.1%	6
10	Detroit W of Woodward	\$21.88	13	1.5%	9	-0.2%	24
11	Detroit-New Center	\$24.38	4	1.4%	12	0%	9
12	Downriver North	\$20.71	20	1.8%	3	-0.1%	13
13	Downriver South	\$21.71	14	1.5%	8	-0.1%	14
14	Farmington/Farm Hills	\$21.46	16	1.3%	15	0%	10
15	Lakes Area	\$20.68	23	0.8%	27	0.1%	8
16	Livingston County	\$21.67	15	1.7%	7	-0.1%	19
17	Macomb East	\$20.69	22	0.9%	26	-0.2%	22
18	Macomb West	\$20.32	26	0.9%	24	-0.1%	17
19	Pontiac	\$20.70	21	1.4%	13	-0.1%	20
20	Rochester	\$23.70	7	1.5%	10	-0.1%	12
21	Royal Oak	\$23.06	10	1.7%	6	0.1%	7
22	Southern I-275 Corridor	\$20.54	25	1.3%	14	0.3%	2
23	Southfield	\$19.26	27	1.3%	16	0.2%	3
24	St Clair & Lapeer Counties	\$21.90	12	1.9%	1	-0.1%	15
25	The Pointes/Harper Woods	\$24.27	5	1.7%	5	-0.2%	23
26	Troy North	\$20.73	19	1.0%	22	-0.1%	21
27	Troy South	\$21.20	17	0.9%	25	-0.5%	27

SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport District	808,572	25.8%	27	(684,042)	-21.9%	27	-
2	Auburn Hills	686,263	7.1%	5	55,522	0.6%	10	-
3	Birmingham	335,042	7.6%	9	30,704	0.7%	11	-
4	Bloomfield	291,143	14.3%	22	71,697	3.5%	5	-
5	Bloomfield West	191,281	15.4%	23	2,378	0.2%	16	-
6	CBD	2,054,854	7.4%	7	66,364	0.2%	7	-
7	Central I-96 Corridor	648,074	9.8%	14	12,632	0.2%	13	-
8	Dearborn	559,702	4.2%	1	2,203,790	16.7%	1	1.0
9	Detroit E of Woodward	759,848	13.1%	21	(55,772)	-1.0%	21	-
10	Detroit W of Woodward	575,569	10.5%	16	(19,003)	-0.3%	20	-
11	Detroit-New Center	642,033	7.3%	6	(116,965)	-1.3%	24	-
12	Downriver North	47,294	6.1%	3	3,018	0.4%	15	-
13	Downriver South	345,292	11.4%	19	2,330	0.1%	17	12.9
14	Farmington/Farm Hills	1,667,652	16.9%	24	(275,390)	-2.8%	25	-
15	Lakes Area	186,670	7.5%	8	57,115	2.3%	9	-
16	Livingston County	283,004	9.1%	13	67,112	2.2%	6	-
17	Macomb East	538,440	6.2%	4	275,836	3.2%	2	0
18	Macomb West	784,216	8.6%	12	62,025	0.7%	8	0.2
19	Pontiac	515,903	7.6%	10	26,689	0.4%	12	-
20	Rochester	292,824	10.3%	15	(71,316)	-2.5%	22	-
21	Royal Oak	671,613	11.6%	20	(99,770)	-1.7%	23	-
22	Southern I-275 Corridor	1,397,766	11.2%	18	(294,224)	-2.4%	26	-
23	Southfield	5,382,778	23.3%	26	245,945	1.1%	3	-
24	St Clair & Lapeer Counties	273,585	4.3%	2	(18,456)	-0.3%	19	-
25	The Pointes/Harper Woods	110,133	8.3%	11	(1,495)	-0.1%	18	-
26	Troy North	590,447	10.7%	17	188,391	3.4%	4	-
27	Troy South	2,292,665	18.3%	25	5,681	0%	14	-

OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2030	200,342,896	(607,139)	-0.3%	(432,691)	-0.2%	-
2029	200,950,035	(708,682)	-0.4%	(415,338)	-0.2%	-
2028	201,658,717	(709,528)	-0.4%	(167,002)	-0.1%	-
2027	202,368,245	531,959	0.3%	695,306	0.3%	0.8
2026	201,836,286	(576,845)	-0.3%	(457,973)	-0.2%	-
YTD	202,043,008	(370,123)	-0.2%	547,402	0.3%	-
2025	202,413,131	1,874,392	0.9%	856,101	0.4%	2.2
2024	200,538,739	291,564	0.1%	390,103	0.2%	0.7
2023	200,247,175	(1,633,010)	-0.8%	(709,595)	-0.4%	-
2022	201,880,185	545,354	0.3%	(1,894,347)	-0.9%	-
2021	201,334,831	552,255	0.3%	(701,956)	-0.3%	-
2020	200,782,576	480,372	0.2%	(1,328,033)	-0.7%	-
2019	200,302,204	4,418	0%	581,353	0.3%	0
2018	200,297,786	40,874	0%	1,863,660	0.9%	0
2017	200,256,912	348,661	0.2%	2,362,641	1.2%	0.1
2016	199,908,251	(59,815)	0%	3,681,580	1.8%	-
2015	199,968,066	387,115	0.2%	2,800,286	1.4%	0.1
2014	199,580,951	(648,204)	-0.3%	1,516,241	0.8%	-

4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2030	53,494,757	(149,831)	-0.3%	(33,120)	-0.1%	-
2029	53,644,588	(231,221)	-0.4%	(70,637)	-0.1%	-
2028	53,875,809	(230,913)	-0.4%	107,232	0.2%	-
2027	54,106,722	884,601	1.7%	792,270	1.5%	1.1
2026	53,222,121	(77,937)	-0.1%	(89,565)	-0.2%	-
YTD	53,304,202	4,144	0%	430,122	0.8%	0
2025	53,300,058	2,106,000	4.1%	2,095,062	3.9%	1.0
2024	51,194,058	0	0%	(223,179)	-0.4%	-
2023	51,194,058	(649,082)	-1.3%	(963,714)	-1.9%	-
2022	51,843,140	764,187	1.5%	(999,812)	-1.9%	-
2021	51,078,953	530,000	1.0%	(652,468)	-1.3%	-
2020	50,548,953	110,000	0.2%	240,993	0.5%	0.5
2019	50,438,953	417,702	0.8%	582,566	1.2%	0.7
2018	50,021,251	214,994	0.4%	1,056,537	2.1%	0.2
2017	49,806,257	365,511	0.7%	553,936	1.1%	0.7
2016	49,440,746	0	0%	1,052,017	2.1%	0
2015	49,440,746	317,492	0.6%	1,425,022	2.9%	0.2
2014	49,123,254	(26,263)	-0.1%	575,620	1.2%	-

Supply & Demand Trends

Detroit Office

3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2030	91,753,940	(235,600)	-0.3%	(187,981)	-0.2%	-
2029	91,989,540	(255,070)	-0.3%	(142,051)	-0.2%	-
2028	92,244,610	(255,377)	-0.3%	(72,994)	-0.1%	-
2027	92,499,987	(128,373)	-0.1%	(4,497)	0%	-
2026	92,628,360	(453,620)	-0.5%	(125,722)	-0.1%	-
YTD	92,707,713	(374,267)	-0.4%	157,900	0.2%	-
2025	93,081,980	(231,608)	-0.2%	(1,327,997)	-1.4%	-
2024	93,313,588	316,554	0.3%	185,105	0.2%	1.7
2023	92,997,034	111,797	0.1%	360,618	0.4%	0.3
2022	92,885,237	133,854	0.1%	(698,247)	-0.8%	-
2021	92,751,383	65,662	0.1%	(284,206)	-0.3%	-
2020	92,685,721	363,092	0.4%	(1,021,942)	-1.1%	-
2019	92,322,629	(36,440)	0%	378,728	0.4%	-
2018	92,359,069	201,674	0.2%	842,136	0.9%	0.2
2017	92,157,395	391,236	0.4%	1,604,066	1.7%	0.2
2016	91,766,159	175,130	0.2%	1,442,023	1.6%	0.1
2015	91,591,029	244,792	0.3%	709,654	0.8%	0.3
2014	91,346,237	(20,919)	0%	492,807	0.5%	-

1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2030	55,094,199	(221,708)	-0.4%	(211,590)	-0.4%	-
2029	55,315,907	(222,391)	-0.4%	(202,650)	-0.4%	-
2028	55,538,298	(223,238)	-0.4%	(201,240)	-0.4%	-
2027	55,761,536	(224,269)	-0.4%	(92,467)	-0.2%	-
2026	55,985,805	(45,288)	-0.1%	(242,686)	-0.4%	-
YTD	56,031,093	0	0%	(40,620)	-0.1%	-
2025	56,031,093	0	0%	89,036	0.2%	0
2024	56,031,093	(24,990)	0%	428,177	0.8%	-
2023	56,056,083	(1,095,725)	-1.9%	(106,499)	-0.2%	-
2022	57,151,808	(352,687)	-0.6%	(196,288)	-0.3%	-
2021	57,504,495	(43,407)	-0.1%	234,718	0.4%	-
2020	57,547,902	7,280	0%	(547,084)	-1.0%	-
2019	57,540,622	(376,844)	-0.7%	(379,941)	-0.7%	-
2018	57,917,466	(375,794)	-0.6%	(35,013)	-0.1%	-
2017	58,293,260	(408,086)	-0.7%	204,639	0.4%	-
2016	58,701,346	(234,945)	-0.4%	1,187,540	2.0%	-
2015	58,936,291	(175,169)	-0.3%	665,610	1.1%	-
2014	59,111,460	(601,022)	-1.0%	447,814	0.8%	-

OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2030	\$27.09	140	5.1%	20.9%	22,582,234	11.3%	0%
2029	\$25.78	133	5.3%	15.0%	22,749,776	11.3%	-0.1%
2028	\$24.47	126	4.8%	9.2%	23,037,322	11.4%	-0.2%
2027	\$23.35	121	2.8%	4.2%	23,582,992	11.7%	-0.1%
2026	\$22.70	117	1.3%	1.3%	23,744,785	11.8%	0%
YTD	\$22.41	116	1.3%	0%	22,932,663	11.4%	-0.4%
2025	\$22.41	116	1.7%	0%	23,850,188	11.8%	0.4%
2024	\$22.05	114	1.7%	-1.6%	22,831,897	11.4%	-0.1%
2023	\$21.67	112	1.9%	-3.3%	22,930,436	11.5%	-0.4%
2022	\$21.27	110	0.3%	-5.1%	23,853,851	11.8%	1.2%
2021	\$21.20	110	-0.5%	-5.4%	21,414,150	10.6%	0.6%
2020	\$21.31	110	1.7%	-4.9%	20,159,929	10.0%	0.9%
2019	\$20.96	108	3.4%	-6.5%	18,344,424	9.2%	-0.3%
2018	\$20.27	105	1.8%	-9.6%	18,951,880	9.5%	-0.9%
2017	\$19.91	103	3.9%	-11.2%	20,774,666	10.4%	-1.0%
2016	\$19.16	99	2.0%	-14.5%	22,800,279	11.4%	-1.9%
2015	\$18.80	97	3.1%	-16.1%	26,605,473	13.3%	-1.2%
2014	\$18.24	94	2.7%	-18.6%	29,018,644	14.5%	-1.0%

4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2030	\$29.11	139	4.6%	17.9%	7,425,649	13.9%	-0.2%
2029	\$27.82	133	4.8%	12.6%	7,545,236	14.1%	-0.2%
2028	\$26.55	127	4.2%	7.5%	7,709,064	14.3%	-0.6%
2027	\$25.48	122	1.1%	3.1%	8,053,962	14.9%	-0.1%
2026	\$25.21	120	2.0%	2.0%	7,964,369	15.0%	0%
YTD	\$24.73	118	0.9%	0.1%	7,526,461	14.1%	-0.8%
2025	\$24.70	118	1.7%	0%	7,952,439	14.9%	-0.6%
2024	\$24.29	116	2.4%	-1.7%	7,941,501	15.5%	0.4%
2023	\$23.71	113	0%	-4.0%	7,718,322	15.1%	0.8%
2022	\$23.72	113	1.2%	-4.0%	7,403,690	14.3%	3.2%
2021	\$23.44	112	-2.9%	-5.1%	5,639,691	11.0%	2.2%
2020	\$24.14	115	3.2%	-2.3%	4,457,223	8.8%	-0.3%
2019	\$23.40	112	4.1%	-5.3%	4,588,216	9.1%	-0.4%
2018	\$22.48	107	2.7%	-9.0%	4,753,080	9.5%	-1.7%
2017	\$21.90	105	4.4%	-11.3%	5,594,623	11.2%	-0.5%
2016	\$20.98	100	2.2%	-15.1%	5,783,048	11.7%	-2.1%
2015	\$20.53	98	1.6%	-16.9%	6,835,065	13.8%	-2.3%
2014	\$20.20	97	3.7%	-18.2%	7,942,595	16.2%	-1.2%

3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2030	\$27.13	139	5.0%	21.4%	11,370,323	12.4%	0%
2029	\$25.83	132	5.3%	15.5%	11,417,869	12.4%	-0.1%
2028	\$24.52	125	5.0%	9.7%	11,531,419	12.5%	-0.2%
2027	\$23.36	119	3.5%	4.5%	11,715,196	12.7%	-0.1%
2026	\$22.57	115	1.0%	1.0%	11,842,926	12.8%	-0.3%
YTD	\$22.34	114	1.3%	-0.1%	11,635,305	12.6%	-0.5%
2025	\$22.35	114	1.3%	0%	12,167,472	13.1%	1.2%
2024	\$22.07	113	1.1%	-1.3%	11,071,083	11.9%	0.1%
2023	\$21.84	112	2.0%	-2.3%	10,939,634	11.8%	-0.3%
2022	\$21.40	109	0.5%	-4.2%	11,188,455	12.0%	0.9%
2021	\$21.29	109	0.5%	-4.7%	10,356,354	11.2%	0.4%
2020	\$21.19	108	1.1%	-5.2%	10,006,476	10.8%	1.5%
2019	\$20.95	107	3.6%	-6.3%	8,621,442	9.3%	-0.5%
2018	\$20.23	103	1.7%	-9.5%	9,060,031	9.8%	-0.7%
2017	\$19.89	102	3.3%	-11.0%	9,700,493	10.5%	-1.4%
2016	\$19.25	98	2.5%	-13.9%	10,923,147	11.9%	-1.5%
2015	\$18.78	96	3.6%	-16.0%	12,285,040	13.4%	-0.5%
2014	\$18.13	93	2.4%	-18.9%	12,749,902	14.0%	-0.6%

1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2030	\$25.08	143	5.7%	23.6%	3,786,262	6.9%	0%
2029	\$23.72	136	5.9%	16.9%	3,786,671	6.8%	0%
2028	\$22.39	128	5.4%	10.4%	3,796,839	6.8%	0%
2027	\$21.25	121	3.7%	4.7%	3,813,834	6.8%	-0.2%
2026	\$20.50	117	1.0%	1.0%	3,937,490	7.0%	0.4%
YTD	\$20.29	116	1.8%	0%	3,770,897	6.7%	0.1%
2025	\$20.29	116	2.3%	0%	3,730,277	6.7%	-0.2%
2024	\$19.84	113	2.2%	-2.2%	3,819,313	6.8%	-0.8%
2023	\$19.42	111	4.1%	-4.3%	4,272,480	7.6%	-1.6%
2022	\$18.66	107	-1.2%	-8.0%	5,261,706	9.2%	-0.2%
2021	\$18.88	108	0.6%	-6.9%	5,418,105	9.4%	-0.5%
2020	\$18.76	107	0.8%	-7.5%	5,696,230	9.9%	1.0%
2019	\$18.61	106	2.3%	-8.3%	5,134,766	8.9%	0.1%
2018	\$18.18	104	1.0%	-10.4%	5,138,769	8.9%	-0.5%
2017	\$18	103	4.3%	-11.3%	5,479,550	9.4%	-1.0%
2016	\$17.25	99	0.6%	-15.0%	6,094,084	10.4%	-2.3%
2015	\$17.14	98	3.8%	-15.5%	7,485,368	12.7%	-1.4%
2014	\$16.52	94	2.2%	-18.6%	8,326,147	14.1%	-1.6%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2030	-	-	-	-	-	-	\$146.03	166	10.8%
2029	-	-	-	-	-	-	\$137.41	156	10.9%
2028	-	-	-	-	-	-	\$127.96	145	11.0%
2027	-	-	-	-	-	-	\$118.99	135	11.3%
2026	-	-	-	-	-	-	\$114.58	130	11.4%
YTD	41	\$20.1M	0.3%	\$1,255,559	\$110.76	6.3%	\$113.67	129	11.4%
2025	494	\$486.5M	4.5%	\$1,756,199	\$81.96	8.7%	\$113.39	129	11.4%
2024	431	\$272M	3.1%	\$1,038,079	\$68.27	9.0%	\$108.68	123	11.4%
2023	393	\$543.7M	3.4%	\$1,970,032	\$93.56	8.3%	\$115.82	131	10.8%
2022	524	\$866.1M	5.4%	\$2,399,304	\$116.93	8.0%	\$122.12	139	10.1%
2021	565	\$811.6M	5.2%	\$2,023,834	\$109.42	8.3%	\$124.55	141	9.3%
2020	392	\$389.9M	2.8%	\$1,559,643	\$96.44	9.2%	\$113.50	129	9.8%
2019	497	\$460.1M	4.0%	\$1,394,105	\$92.19	9.5%	\$110.11	125	9.9%
2018	484	\$430.7M	3.6%	\$1,227,045	\$80.57	8.7%	\$103.89	118	9.9%
2017	533	\$840.1M	7.2%	\$2,470,879	\$72.57	8.7%	\$102.43	116	9.6%
2016	477	\$425.2M	4.8%	\$1,261,725	\$76.13	9.3%	\$102.91	117	9.2%
2015	458	\$633.5M	5.6%	\$1,820,478	\$66.14	8.9%	\$105.76	120	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2030	-	-	-	-	-	-	\$171.33	174	10.1%
2029	-	-	-	-	-	-	\$161.57	164	10.1%
2028	-	-	-	-	-	-	\$150.90	153	10.3%
2027	-	-	-	-	-	-	\$141.15	143	10.5%
2026	-	-	-	-	-	-	\$137.53	140	10.6%
YTD	0	-	-	-	-	-	\$136.90	139	10.6%
2025	11	\$130.6M	3.6%	\$16,323,306	\$92.43	4.4%	\$136.60	139	10.6%
2024	8	\$23.6M	2.2%	\$4,716,750	\$31.24	-	\$131.76	134	10.6%
2023	8	\$227.5M	4.6%	\$32,502,641	\$109.21	5.5%	\$140.85	143	10.1%
2022	21	\$364.1M	7.1%	\$22,753,594	\$145.11	6.7%	\$146.14	148	9.4%
2021	7	\$118.1M	3.4%	\$29,528,382	\$124.68	-	\$144.30	146	8.9%
2020	7	\$119.3M	2.7%	\$19,888,024	\$94.80	9.8%	\$126.82	129	9.5%
2019	10	\$105.8M	3.0%	\$26,458,934	\$170.41	10.2%	\$123.86	126	9.6%
2018	8	\$62.5M	1.9%	\$12,492,062	\$85.43	-	\$114.70	116	9.7%
2017	21	\$385.3M	10.5%	\$19,263,440	\$74.78	9.8%	\$113.56	115	9.4%
2016	10	\$21M	3.9%	\$5,248,475	\$43.35	-	\$113.86	116	9.0%
2015	12	\$272.6M	7.1%	\$22,714,136	\$77.35	8.7%	\$119.09	121	8.5%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2030	-	-	-	-	-	-	\$146.82	161	10.9%
2029	-	-	-	-	-	-	\$138.23	152	10.9%
2028	-	-	-	-	-	-	\$128.69	142	11.1%
2027	-	-	-	-	-	-	\$119.44	131	11.3%
2026	-	-	-	-	-	-	\$114.40	126	11.4%
YTD	10	\$10.1M	0.4%	\$2,011,000	\$168.48	-	\$113.41	125	11.5%
2025	150	\$232.8M	5.4%	\$2,351,128	\$68.22	7.8%	\$113.10	124	11.4%
2024	104	\$133.7M	3.3%	\$1,937,762	\$74.89	9.0%	\$108	119	11.5%
2023	96	\$178M	2.8%	\$2,579,018	\$76.43	8.2%	\$116.09	128	10.9%
2022	138	\$273.2M	4.5%	\$2,652,888	\$99.24	8.1%	\$123.38	136	10.1%
2021	151	\$507.3M	5.8%	\$4,831,290	\$120.11	7.8%	\$126.37	139	9.3%
2020	110	\$161.2M	2.5%	\$2,178,682	\$101.44	9.6%	\$115.37	127	9.8%
2019	114	\$190.8M	3.8%	\$2,245,211	\$76.79	9.4%	\$112.11	123	10.0%
2018	122	\$201M	3.5%	\$2,257,981	\$82.84	8.3%	\$105.64	116	9.9%
2017	147	\$325.5M	6.9%	\$3,288,321	\$70.70	8.8%	\$103.83	114	9.6%
2016	118	\$280.2M	5.2%	\$3,417,204	\$91.88	8.0%	\$104.86	115	9.2%
2015	116	\$229.8M	5.4%	\$2,497,660	\$59.62	8.9%	\$108.38	119	8.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2030	-	-	-	-	-	-	\$120.17	164	11.4%
2029	-	-	-	-	-	-	\$112.60	153	11.5%
2028	-	-	-	-	-	-	\$104.47	142	11.7%
2027	-	-	-	-	-	-	\$96.75	132	11.9%
2026	-	-	-	-	-	-	\$92.61	126	12.0%
YTD	31	\$10M	0.6%	\$912,176	\$82.46	6.3%	\$91.56	125	12.0%
2025	333	\$123.1M	3.9%	\$724,229	\$110.88	9.7%	\$91.32	124	12.0%
2024	319	\$114.7M	3.7%	\$610,039	\$79.43	9.0%	\$87.42	119	12.1%
2023	289	\$138.3M	3.5%	\$691,290	\$98.76	8.5%	\$91.10	124	11.6%
2022	365	\$228.8M	5.5%	\$945,636	\$106.68	8.2%	\$96.73	132	10.7%
2021	407	\$186.2M	5.9%	\$637,529	\$82.88	9.3%	\$102.37	139	9.7%
2020	275	\$109.4M	3.2%	\$643,295	\$91.53	8.4%	\$97.48	133	10.0%
2019	373	\$163.4M	5.2%	\$677,909	\$86.73	9.6%	\$93.45	127	10.2%
2018	354	\$167.3M	5.3%	\$650,865	\$76.44	9.2%	\$90.51	123	10.1%
2017	365	\$129.3M	4.9%	\$585,006	\$71.08	8.3%	\$89.31	122	9.7%
2016	349	\$124M	5.0%	\$494,011	\$60.45	9.4%	\$89.07	121	9.4%
2015	330	\$131.2M	4.5%	\$537,590	\$59.61	9.2%	\$88.48	120	9.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.