



## MARKET AT A GLANCE



**OCCUPANCY RATE** **96.9%**  
Up **90 bps** since 1Q20



**EFFECTIVE RENT** **\$1,028**  
Up **5.1%** since 1Q20



**RENT PAYMENT TRACKER (APRIL 1-13)** **90.1%**  
Up **200 bps** YOY

## OCCUPANCY AND RENT TRENDS

### WORK-FROM-HOME TREND DRIVES DEMAND FOR LARGER APARTMENTS

The work-from-home trend that started in spring 2020 prompted some urban Detroit renters to move to larger and more affordable apartments in the suburbs. Renters desiring more space often upgraded to three-bedroom apartments. This demand meant that average annual rent growth and gains in occupancy among three-bedroom units outpaced the smaller apartments by a sizable margin. While some renters did exit the urban core, rolling four-quarter net apartment absorption remained positive in the Downtown/Midtown/Rivertown submarket. The submarket was the only one in the metro with a year-over-year reduction in rent—and even the 2.7% drop was much smaller than in urban cores in several other markets. Metrowide, average monthly effective rent advanced 5.1% year over year to \$1,028 in the first quarter of 2021. During the same period, occupancy among all apartments averaged 96.9% in the first quarter, up 90 basis points from one year earlier. This increase occurred as builders delivered 1,217 apartments. The upward trend in apartment fundamentals was aided by the creation or restoration of 379,400 jobs in the metro area from April 2020 to February 2021.



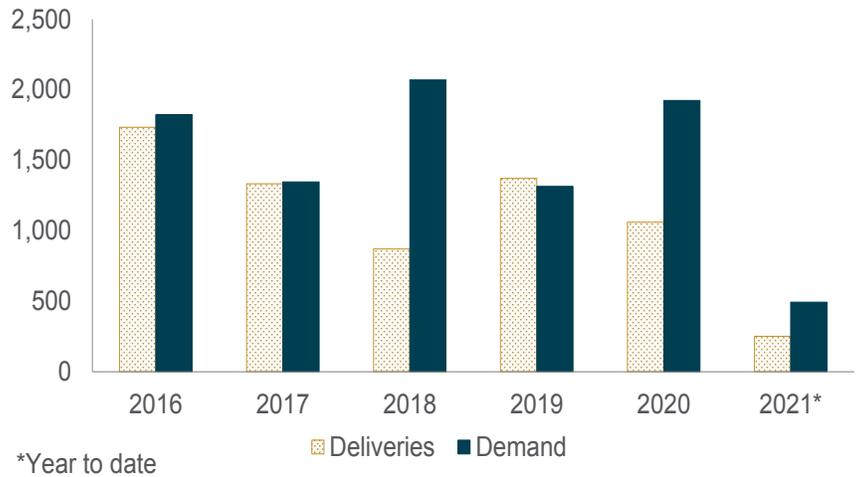
## DELIVERIES AND DEMAND



**DELIVERIES** 251  
Units YTD



**NET ABSORPTION** 494  
Units YTD



## ECONOMIC TRENDS

2020 4.2% ..... **UNEMPLOYMENT\*** ..... 2021 4.5%  
**30 BPS CHANGE**

2020 2.0m ..... **EMPLOYMENT\*** ..... 2021 1.9m  
**-7.5% CHANGE**

2020 54.3k ..... **EXISTING SFH SALES\*\*** ..... 2021 70.0k  
**28.9% CHANGE**

2020 4.3m ..... **POPULATION\*\*** ..... 2021 4.3m  
**0.0% CHANGE**

2020 0.87% ..... **10-YEAR TREASURY\*\*** ..... 2021 1.61%  
**70 BPS CHANGE**

\*February; \*\*March



# DETROIT

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	1Q21	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	1Q21	Q-o-Q Change	Y-o-Y Change	1Q21	Annual	1Q21	Annual
Clinton Township/St. Clair County	98.3%	-50	240	\$980	0.2%	8.5%	-136	641	0	0
Dearborn/Dearborn Heights	93.0%	-60	-210	\$1,160	1.2%	5.6%	-47	-169	0	0
Detroit City	96.8%	260	130	\$825	-6.5%	6.6%	1,077	532	0	0
Downtown/Midtown/Rivertown	93.4%	-110	0	\$1,252	-4.9%	-2.7%	-160	392	63	428
Farmington Hills/West Bloomfield	96.2%	-30	60	\$1,285	1.7%	6.3%	8	291	51	204
Novi/Livingston County	97.9%	0	70	\$1,131	0.2%	4.6%	66	281	69	160
Pontiac/Waterford/Auburn Hills	98.0%	-40	60	\$1,025	1.8%	7.4%	-75	122	0	0
Royal Oak/Oak Park	96.9%	-10	120	\$1,003	-1.0%	1.7%	6	300	21	148
South Wayne County	97.0%	-20	70	\$924	0.0%	6.1%	-62	164	0	0
Southfield	97.3%	-80	90	\$1,087	-0.5%	2.3%	-116	124	0	0
Sterling Heights/Shelby Township	98.1%	-40	160	\$1,064	0.4%	6.7%	-58	352	0	109
Troy/Rochester Hills	96.1%	20	-110	\$1,221	2.4%	8.1%	74	-3	47	168
Warren/Roseville	97.9%	-20	240	\$856	1.4%	3.0%	-19	305	0	0
Westland/Canton/Livonia	97.6%	-20	120	\$1,007	-0.3%	4.4%	-65	331	0	0
<b>TOTALS</b>	<b>96.9%</b>	<b>0</b>	<b>90</b>	<b>\$1,028</b>	<b>-0.8%</b>	<b>5.1%</b>	<b>494</b>	<b>3,664</b>	<b>251</b>	<b>1,217</b>

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