

DETROIT, MI

2022 MARKET AT A GLANCE

Occupancy Rate

96.7%



DOWN 40 BPS YOY

Effective Rent

\$1,212



UP 6.3% YOY

Rent Share of Wallet

21.3%



UP 50 BPS YOY

Capital Investments in Auto Manufacturing Expected to Lift Economy

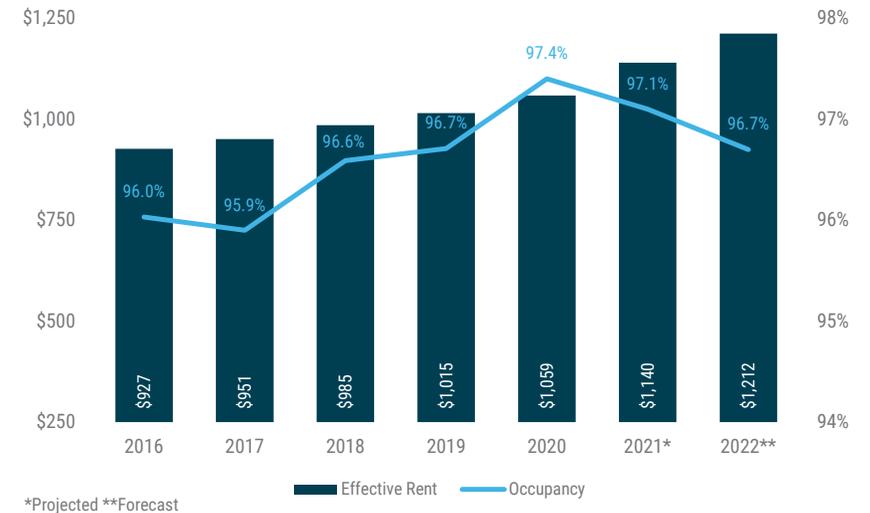
Detroit's gradual economic recovery during 2021 is expected to continue in 2022, albeit at a more measured pace. Brisk apartment demand in 2020 that was prompted by displaced workers seeking more affordable housing returned to historical levels in 2021 as the local economy stabilized. Continuing this trend, net apartment absorption is projected to recede to 1,157 units in 2022. Apartment deliveries will also subside this year. Several apartment communities that broke ground in 2018 and 2019 recently completed, contributing to 2,418 deliveries in 2021. In 2022, 2,335 units are slated for delivery, more than half of which will appear in proximity to large, white-collar employment hubs in the Downtown/Midtown/Riverton and Troy/Rochester Hills submarkets. Metro apartment occupancy is projected to decrease 40 basis points annually to a still healthy 96.7% by year-end 2022. Employment is forecast to rise 2.6% in 2022 with a net 51,200 newly filled jobs, and this expansion is expected to encourage operators to increase monthly effective rent 6.3% during the year. Recent and upcoming expansion in the automotive industry is anticipated to lift the local economy. The latest capital investments by Fiat Chrysler Automobiles at its Warren Truck Assembly Plant and the Detroit Assembly Complex-Mack Plant are expected to attract affiliated suppliers nearby. Additionally, Ford Motor Company's Dearborn Campus expansion and the redevelopment of Corktown's Michigan Central Station into an innovation center will support thousands of new jobs and numerous suppliers.

Unless noted otherwise, data and images pertaining to rent, occupancy, employment, unemployment, income, price per unit, and cap rate are year-end figures. Absorption and construction figures are full-year totals, unless noted otherwise. Numbers for 2021 are projected values. 2022 figures are forecast projections. The apartment sales information represents transactions of apartment properties with a sales price of \$2.5 million or more, unless otherwise indicated.

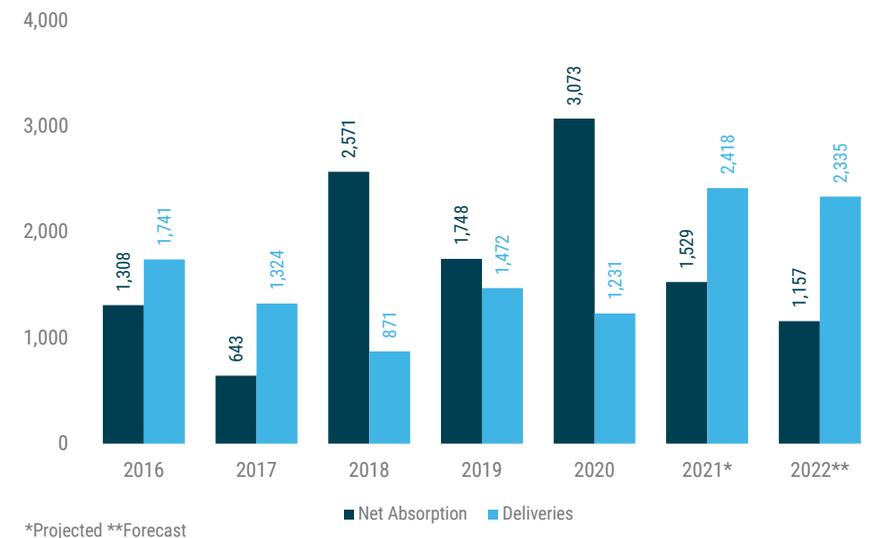
2022 FORECAST

APARTMENT TRENDS

Effective Rent & Occupancy



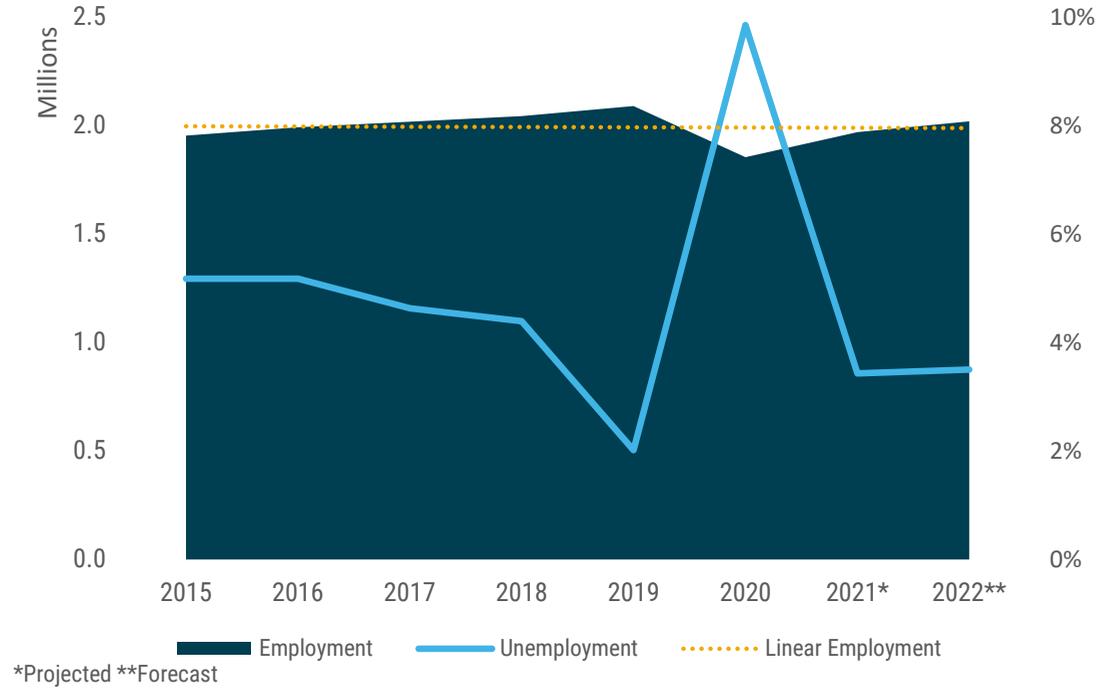
Absorption & Deliveries



DETROIT, MI

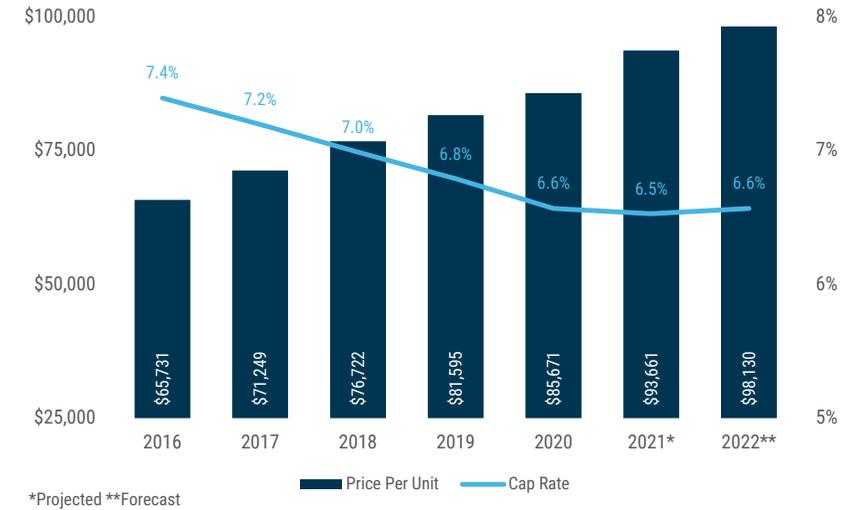
EMPLOYMENT TRENDS

Market Employment Trends



SALES TRENDS

Price Per Unit & Cap Rate



<p>Employment</p> <p>2,021,400</p> <p>↑</p> <p>UP 2.6% YOY</p>	<p>Unemployment</p> <p>3.5%</p> <p>↑</p> <p>UP 10 BPS YOY</p>	<p>Median Household Income</p> <p>\$68,171</p> <p>↑</p> <p>UP 3.8% YOY</p>
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<p>Price Per Unit</p> <p>\$98,130</p> <p>↑</p> <p>UP 4.8% YOY</p>	<p>Cap Rate</p> <p>6.6%</p> <p>↑</p> <p>UP 10 BPS YOY</p>
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