



## MARKET AT A GLANCE



**OCCUPANCY RATE** **97.5%**  
Up **40 bps** since 3Q19



**EFFECTIVE RENT** **\$968**  
Up **4.4%** since 3Q19



**TOTAL INVENTORY** **101,721**

## OCCUPANCY AND RENT TRENDS

### AS ECONOMY REBOUNDS, APARTMENT OCCUPANCY SOARS IN 3Q

Apartment operators saw a rise in new apartment leases across the West Michigan region in the third quarter. Part of the demand came with the return to in-person instruction for the fall at Western Michigan University, contributing to 13,000 students who seek off-campus housing. Apartment demand extended beyond the university as every submarket in the region had positive leasing activity in the last three months. The rise in absorption combined with limited apartment development led to a 100-basis-point, quarter-over-quarter increase in occupancy to 97.5% across the West Michigan region. Underpinning the rise in move-ins was the rebounding labor market, especially in the manufacturing industry. As the region's largest employment sector, manufacturing employers rehired or created approximately 21,700 positions through August since payrolls hit a low in April. In the hard-hit leisure and hospitality industry, headcounts also sharply rose following the partial reopening of restaurants and social centers. With payrolls and apartment occupancy rising, operators kept upward pressure on new leases. At an average of \$968 in the third quarter, monthly effective rent advanced 2.9% since mid-2020.



# WEST MICHIGAN

MULTIFAMILY REPORT

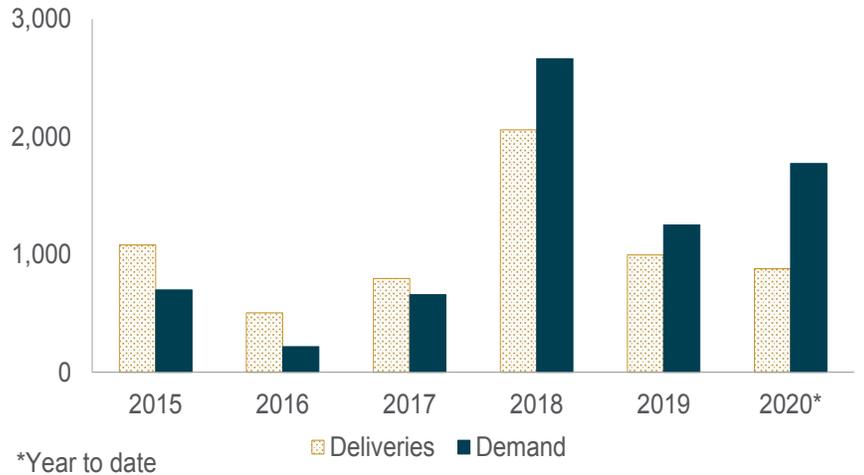
## DELIVERIES AND DEMAND



**DELIVERIES** 880  
Units YTD



**NET ABSORPTION** 1,774  
Units YTD



## ECONOMIC TRENDS

2019 3.1% ..... UNEMPLOYMENT\* ..... 2020 7.2%  
**410 BPS CHANGE**

2019 719.9k ..... EMPLOYMENT\* ..... 2020 662.4k  
**-8.0% CHANGE**

2019 21.1k ..... EXISTING SFH SALES\*\* ..... 2020 19.1k  
**-9.5% CHANGE**

2019 1.4m ..... POPULATION\*\* ..... 2020 1.4m  
**0.5% CHANGE**

2019 1.70% ..... 10-YEAR TREASURY\*\* ..... 2020 0.68%  
**-100 BPS CHANGE**

\*August; \*\*September



# WEST MICHIGAN

## MULTIFAMILY REPORT

### SUBMARKET BREAKDOWN

SUBMARKET NAME	OCCUPANCY			EFFECTIVE RENT			NET ABSORPTION		DELIVERED UNITS	
	3Q20	Q-o-Q Change (BPS)	Y-o-Y Change (BPS)	3Q20	Q-o-Q Change	Y-o-Y Change	3Q20	Annual	3Q20	Annual
Central Grand Rapids	97.6%	100	30	\$1,155	2.1%	2.3%	220	442	48	394
East Kalamazoo/Portage/Battle Creek	97.1%	100	0	\$844	4.1%	5.6%	234	299	27	314
Kentwood/South Grand Rapids	97.6%	130	150	\$1,022	3.6%	5.0%	145	291	10	145
Muskegon/Holland	98.4%	110	190	\$949	3.5%	4.6%	245	456	48	154
North Grand Rapids	97.7%	110	-60	\$987	0.9%	2.1%	97	-11	0	41
West Kalamazoo/University	97.0%	80	20	\$900	2.8%	4.1%	130	54	0	16
Wyoming/Grandville	97.2%	70	-120	\$963	2.4%	7.6%	198	57	131	181
<b>TOTALS</b>	<b>97.5%</b>	<b>100</b>	<b>40</b>	<b>\$968</b>	<b>2.9%</b>	<b>4.4%</b>	<b>1,269</b>	<b>1,588</b>	<b>264</b>	<b>1,245</b>

# BERKADIA<sup>®</sup>

## CORPORATE HEADQUARTERS

521 Fifth Avenue  
20th Floor  
New York, NY 10175  
(646) 600-7800 | Fax: (646) 600-7838  
[www.Berkadia.com](http://www.Berkadia.com)

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