

MARKET AT A GLANCE



OCCUPANCY RATE

96.2%

Down 10 bps since 1Q19



EFFECTIVE RENT

\$1,008

Up 3.0% since 1Q19



DELIVERIES

206

Units YTD

MARKET IMPACT ANALYSIS

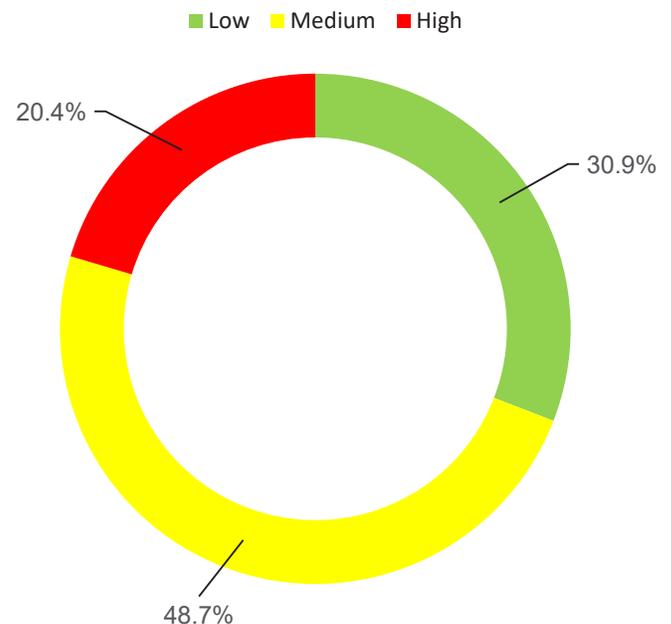
LIMITED RETURN TO WORK MAY PRECEDE MOST OTHER METRO AREAS

As of April 7, Southeast Michigan had the second-highest shelter-in-place rate in the country, trailing only New York City. The quarantine has profoundly affected the local manufacturing industry, where year-over-year employment was already down 1.4% through February 2020. The impact has been acute on auto manufacturers and suppliers, some of which are producing medical equipment and gear under the Defense Production Act. Unfortunately, most of this activity is occurring outside the metro area, so about 100,000 local auto industry-related workers are idle. After the economic restart, some Big 3 parts suppliers may not recover, potentially spawning critical supply chain gaps. Over 70,000 construction workers are inactive as work has stopped at nearly every project through at least the first week of April. The outlook is better for white-collar workers who comprise one in six of those employed locally. Many of these people are working from home. In the apartment market, Detroit is unlikely to have the wave of new apartments some other metros will experience in 2020. With construction halted and potential materials shortages in the near term, it is possible some the 2,379 new apartments projected for the remainder of 2020 will not be completed, thereby diminishing the risk of supply imbalance. As Michigan approaches its estimated peak of infections very soon, Detroit-area residents might emerge as among the first to return to work in a controlled manner.

INDUSTRY COMPOSITION

Risk Level	% of Market	National Avg
LOW		
Agriculture, forestry, fishing, & hunting	0.2%	1.1%
Finance & insurance	4.4%	4.7%
Health care & social assistance	15.9%	16.0%
Information	1.3%	2.2%
Mining, quarrying, & oil & gas extraction	0.1%	0.5%
Transportation & warehousing	4.3%	4.4%
Utilities	0.4%	0.4%
Wholesale trade	4.4%	4.7%
Total	30.9%	33.9%
MEDIUM		
Administrative & waste services	7.1%	7.4%
Educational services	1.4%	2.3%
Manufacturing	14.4%	10.1%
Other services, except public administration	3.3%	3.6%
Professional & technical services	10.9%	7.5%
Retail trade	11.5%	12.2%
Total	48.7%	43.1%
HIGH		
Accommodation & food services	9.7%	11.1%
Arts, entertainment, & recreation	1.5%	1.9%
Construction	4.4%	6.1%
Management of companies & enterprises	2.8%	1.9%
Real estate & rental & leasing	1.7%	1.8%
Unclassified	0.3%	0.1%
Total	20.4%	23.0%

JOBS EXPOSURE



Analysis based on RealPage Market Analytics' first quarter 2020 data, which sources more than 3 million units across more than 400 U.S. markets in real time. Data may be revised in future publications as additional information becomes available after the initial release. Risk level based on the percentage of essential vs. nonessential jobs for that sector, along with work-from-home opportunity and impacted revenue.



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