

METROPOLITAN **DETROIT** **MARKET**

INDUSTRIAL **Q4 2025** MARKET STATISTICS



METROPOLITAN DETROIT

INDUSTRIAL MARKET REVIEW

ECONOMIC OVERVIEW

Fourth quarter 2025 closed with a direct vacancy rate of 5.19%, an overall vacancy rate of 6.16%, and an average asking direct rental rate reported at \$7.69 per sq. ft. University of Michigan economists report that Michigan’s economy has entered a temporary slowdown that may extend into 2026, with growth expected to resume in 2027. After showing resilience earlier in the year, Michigan experienced its largest job losses of the year in October, while U.S. companies announced the highest number of layoffs in over 20 years amid restructuring and cost-cutting efforts. National job growth fell short of expectations in 2025, totaling 584,000 jobs, the weakest year since the pandemic, as consumer confidence declined for the fifth consecutive month due to ongoing concerns over tariffs, interest rates, and inflation. In response, the Federal Reserve implemented three interest rate cuts in 2025, including two in the fourth quarter, and in November Michigan business leaders launched “Michigan in a New Era”, an initiative aimed at strengthening education, supporting business growth, and enhancing the State’s long-term economic competitiveness.

INDUSTRIAL MARKET DISCUSSION

Several notable leases closed the quarter. In Orion Twp., Acoufelt, LLC, a manufacturer of high-performance acoustic products for interior spaces, signed a build-to-suit which started construction in December. The 303,000 sq. ft. headquarters will be constructed on a 19-acre parcel and is expected to create approximately 270 jobs. In Harper Woods, Wipro Pari, Inc., a major global industrial automation and robotics company subleased 204,739 sq. ft. at Building 1 within the Eastland Commerce Center located at 18000 Vernier Road. Lastly in Lyon Twp., Export Corporation, an industrial packaging and logistics company leased 150,000 sq. ft. at Lyon Distribution Center II located at 54363 Grand River Avenue.

Several large sales also closed the quarter. In Canton, Chrisbarb Real Estate Holdings II, LLC purchased the 442,500 sq. ft. warehouse distribution property located at 7900 N. Haggerty Road for owner-user occupancy. In Warren, New Mountain Capital acquired the 237,425 sq. ft. cold storage facility located at 26661 Bunert Road through a sale-leaseback with Lipari Foods. While in Auburn Hills, Bankers Commercial Corporation acquired the 207,000 sq. ft. warehouse distribution facility at 3800 Giddings Road as an investment.

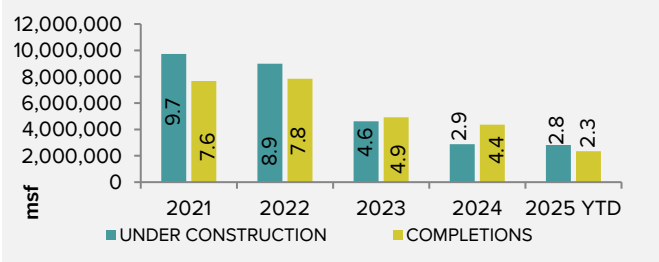
OUTLOOK

The Metro Detroit Industrial market experienced mixed conditions over the year, driven by noticeable shifting in market dynamics and evolving industry priorities. Declining global electric vehicle demand led automakers to restructure production, scale back expansions, and implement workforce reductions including General Motors’ layoff of 3,400 employees at its Factory Zero plant and a reported \$1.6 billion loss tied to unused EV credits. However, in November, GM announced a \$550M investment in Michigan and Ohio facilities to support future production of gas-powered full-size trucks and SUVs beginning in 2027 driven by consumer demand. Looking ahead, the next significant area market of growth has shifted to AI data centers. Michigan is actively positioning itself to attract AI data center investment and development in an attempt to diversify and expand its economy beyond traditional industrial sectors. By year-end, several data center projects had been proposed around Southeastern Michigan. While a data center boom could enhance the states competitiveness, create jobs, attract investment and modernize infrastructure, there are growing concerns about substantial electricity and water demands these facilities require and the potential impact on natural resources and nearby communities.

UNDER CONSTRUCTION

BUILDING / MARKET	CITY	SF	ESTIMATED COMPLETION
Romulus Trade Center Bldg.5 South Corridor	Romulus	349,492	December 2027
Schoenherr North 1 East Corridor	Shelby Twp.	87,324	January 2027
51161 5 Mile Road West Corridor	Plymouth	50,000	June 2026

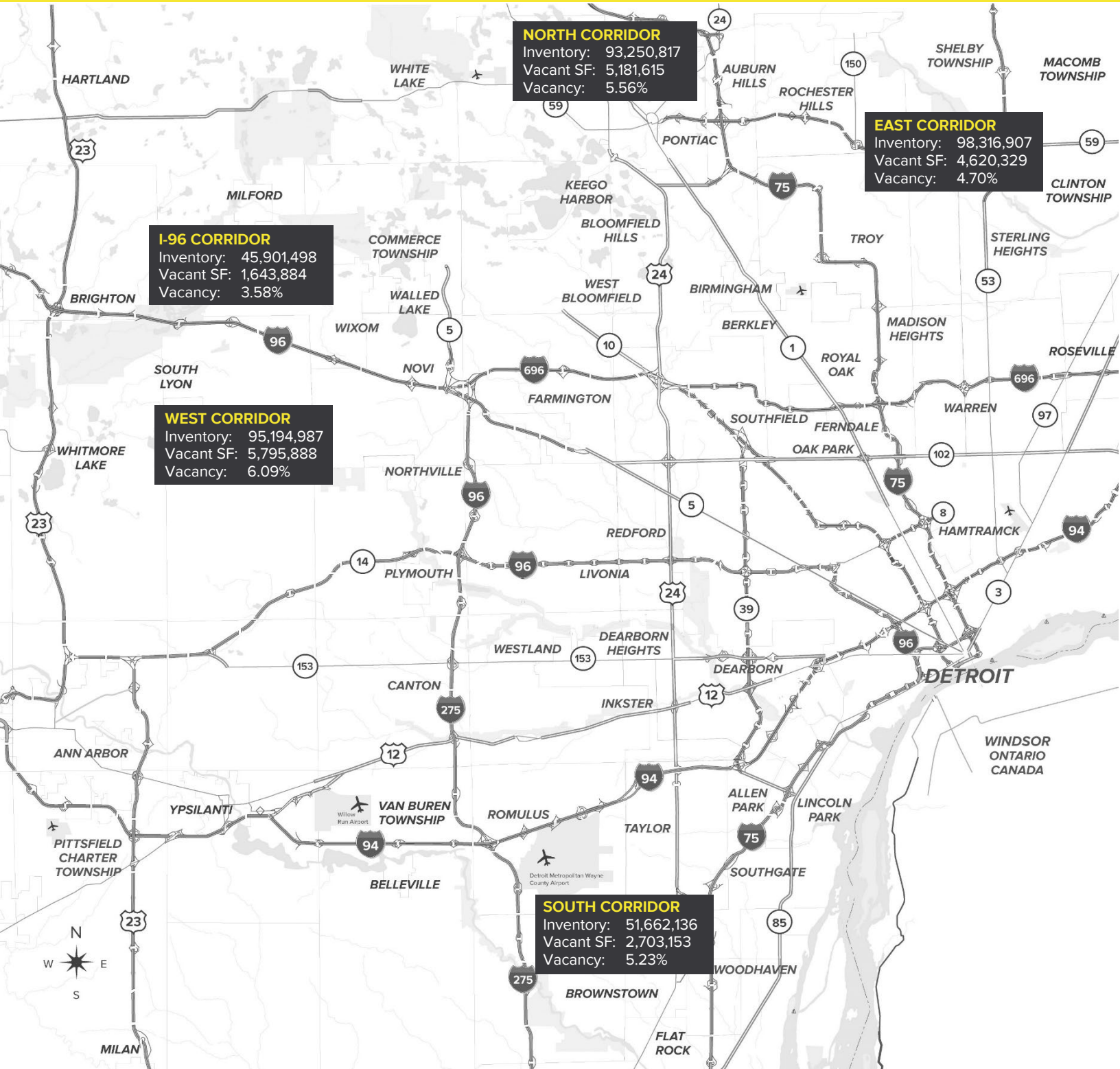
UNDER CONSTRUCTION VS. COMPLETION





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INDUSTRIAL MARKET REVIEW



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Submarket: Buildings 5,000 Sq. Ft. & Up	Total Buildings	Total Inventory Square Feet	Available Square Feet Overall	Vacancy % Overall	Available Square Feet Direct	Vacancy % Direct	Direct Vacancy % Change 3 rd – 4 th Quarter
NORTH CORRIDOR							
Auburn Hills	324	21,632,662	1,548,511	7.16%	1,282,491	5.93%	0.48%
Madison Heights	433	10,924,953	504,068	4.61%	465,798	4.26%	-1.50%
Orion Twp/Lake Orion	67	4,719,317	105,815	2.24%	64,887	1.37%	-1.07%
Rochester/Rochester Hills	313	9,867,673	604,994	6.13%	467,899	4.74%	-0.41%
Royal Oak Area*	689	17,129,280	1,466,927	8.56%	1,446,747	8.45%	0.22%
Southfield/Bloomfield Twp	279	7,706,976	367,301	4.77%	345,891	4.49%	0.99%
Troy	839	21,269,956	1,140,142	5.36%	1,107,902	5.21%	-0.33%
TOTAL SUBMARKET	2,954	93,250,817	5,737,758	6.15%	5,181,615	5.56%	-0.11%
EAST CORRIDOR							
Chesterfield Twp	232	8,693,943	1,116,556	12.84%	1,116,556	12.84%	0.13%
Clinton Twp	457	9,040,510	314,762	3.48%	261,109	2.89%	0.26%
Fraser	265	6,161,286	247,326	4.01%	247,326	4.01%	0.58%
Mt. Clemens	101	3,045,315	407,515	13.38%	304,227	9.99%	0.00%
Roseville	283	7,273,370	833,870	11.46%	704,849	9.69%	0.00%
Shelby Twp/Macomb Twp	424	12,724,560	452,515	3.56%	431,308	3.39%	0.76%
Sterling Heights	541	18,832,592	693,944	3.68%	550,501	2.92%	-0.20%
Warren	991	32,545,331	1,020,327	3.14%	1,004,453	3.09%	-0.58%
TOTAL SUBMARKET	3,294	98,316,907	5,086,815	5.17%	4,620,329	4.70%	-0.06%
SOUTH CORRIDOR							
Brownstown Twp	58	5,831,335	0	0.00%	0	0.00%	0.00%
Dearborn/Dearborn Heights	309	12,009,302	1,340,618	11.16%	1,304,655	10.86%	3.16%
Romulus	401	22,537,186	2,022,255	8.97%	923,822	4.10%	-0.36%
Taylor	307	11,284,313	552,436	4.90%	474,676	4.21%	-0.60%
TOTAL SUBMARKET	1,075	51,662,136	3,915,309	7.58%	2,703,153	5.23%	0.45%
WEST CORRIDOR							
Ann Arbor	387	10,958,801	949,637	8.67%	931,7373	8.50%	0.58%
Farmington/Farmington Hills	425	12,124,919	1,143,185	9.43%	976,936	8.06%	0.69%
Livonia	826	31,638,138	2,207,104	6.98%	2,000,603	6.32%	1.02%
Plymouth/Canton	492	20,986,230	1,092,880	5.21%	886,567	4.22%	-0.21%
Redford	204	5,894,616	270,481	4.59%	131,569	2.23%	0.35%
Van Buren Twp	58	6,620,635	613,530	9.27%	613,530	9.27%	0.00%
Wayne/Westland	284	6,971,648	254,946	3.66%	254,946	3.66%	0.36%
TOTAL SUBMARKET	2,676	95,194,987	6,531,763	6.86%	5,795,888	6.09%	0.50%
I-96 CORRIDOR							
Brighton/Genoa Twp/Green Oak Twp	254	6,865,327	306,186	4.46%	306,186	4.46%	0.00%
Fowlerville/Howell	130	4,763,121	107,790	2.26%	107,790	2.26%	0.62%
Lyon Twp/South Lyon/Milford/New Hudson	145	5,638,942	262,415	4.65%	187,184	3.32%	-3.55%
Novi	316	11,133,750	635,962	5.71%	555,941	4.99%	0.14%
Walled Lake/Commerce Twp	209	4,957,801	211,303	4.26%	176,960	3.57%	0.57%
Wixom	379	12,542,557	879,695	7.01%	309,823	2.47%	-0.89%
TOTAL SUBMARKET	1,433	45,901,498	2,403,351	5.24%	1,643,884	3.58%	-0.34%
METRO DETROIT INDUSTRIAL MARKET TOTAL	11,432	384,326,345	23,674,996	6.16%	19,944,869	5.19%	0.10%

*Royal Oak Area includes: Berkley, Ferndale, Hazel Park, Oak Park and Royal Oak.

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INDUSTRIAL MARKET REVIEW

TOP SALE TRANSACTIONS

Building	City	Market	Size/SF	Sale Type	Buyer
7900 N. Haggerty Road	Canton	West Corridor	442,500	User	Chrisbarb Real Estate Holdings II, LLC
26661 Bunert Road	Warren	East Corridor	237,425	Investment	New Mountain Capital
3800 Giddings Road	Auburn Hills	North Corridor	207,000	Investment	Bankers Commercial Corporation
31440 Stephenson Highway	Madison Heights	North Corridor	138,844	User	EA Holdings, LLC
18401 Malyn Boulevard	Fraser	East Corridor	114,500	Investment	RD Fraser, LLC


TOP LEASE TRANSACTIONS

Building	City	Market	Size/SF	Lease Type	Tenant
4285 S. Lapeer Road	Orion Twp.	North Corridor	303,000	Direct	Acoufelt, LLC
18100 Vernier Road	Harper Woods	East Corridor	204,739	Sublease	Wipro Pari, Inc.
54363 Grand River Avenue	Lyon Twp.	I-96 Corridor	150,000	Direct	Export Corporation
50479 Birch Drive	Shelby Twp.	East Corridor	71,000	Direct	Atomic Industries
28900 Goddard Road	Romulus	South Corridor	49,674	Direct	Williams Industries

SIGN9ATURE QUICK FACTS

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Q4 2025
SIGNATURE LISTED...


 **212**
NEW PROPERTIES

 **8,760,725**
SQUARE FEET


 **146.622**
ACRES

Q4 2025
SIGNATURE CLOSED....


 **292**
TRANSACTIONS

 **7,278,972**
SQUARE FEET

 **434.9**
ACRES

 **42%**
CONSISTENT
MARKET SHARE

**FULL-SERVICE
COMMERCIAL REAL ESTATE**

TCN  **MEMBER
FIRM**
WORLDWIDE
REAL ESTATE SERVICES