

METROPOLITAN **DETROIT** **MARKET**

OFFICE
Q4 2025
MARKET STATISTICS



**SIGNATURE
ASSOCIATES**
KNOW SIGNATURE | KNOW RESULTS

METROPOLITAN DETROIT

OFFICE MARKET REVIEW

ECONOMIC OVERVIEW

Fourth quarter 2025 closed with a direct vacancy rate of 17.86%, an overall vacancy rate of 19.34%, and an average asking direct rental rate reported at \$19.83 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 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.

OFFICE MARKET DISCUSSION

A considerable number of leases were executed during the quarter. In Dearborn, Centria Healthcare, a provider of specialized home-based healthcare services, signed a 34,781 sq. ft. lease at 5850 Mercury Drive. In Detroit, Urban Science Applications, Inc., a global consulting technology firm specializing in data-driven retail network solutions for automotive manufacturers, signed a deal for 34,100 sq. ft. of space at One Campus Martius. In Bloomfield Hills, Dawda, PLC a Michigan-based law firm leased 33,558 sq. ft. at Bloomfield Centre-South, located at 39533 Woodward Avenue. Lastly, in Farmington Hills, HCL Global Systems, Inc., a privately held IT, consulting, staffing and Services firm, leased 21,912 sq. ft. at 34705 W. 12 Mile Road in the Arboretum Office Park.

Several investment sales closed during the quarter. First, Cabrien Financial, LLC purchased the 415,606 sq. ft. office property located at 21001 Van Born Road in Taylor. In Auburn Hills, Acorp Services, LLC purchased the 210,000 sq. ft. Class B office property located at 1075 Entrance Drive through auction. While in Southfield, Caresoft Capital Partners, LLC purchased the 180,291 sq. ft., 4-story, Class B office building located at 20500 Civic Center Drive and was 100% vacant at time of sale. Also in Southfield, Elia & Ponto, PLLC purchased the 85,000 sq. ft. Class A Oxford Pointe Office Center located at 26300 Northwestern Highway.

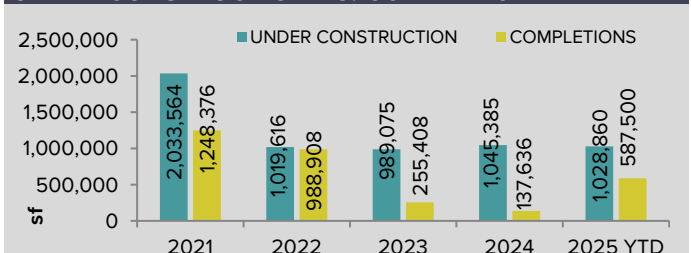
OUTLOOK

Construction of the Hudson's Detroit, 400,000 sq. ft. 12-story, Class A, office building at 1240 Woodward Avenue in Detroit, which began in December 2017, has been completed. General Motors will occupy 200,000 sq. ft. as its global headquarters, while JPMorgan Chase has announced plans for a "state-of-the-art" office and conference center with occupancy expected in 2026. Also in Detroit, a proposal called for Amtrak service to be established at the Michigan Central Station by 2029. The State of Michigan has committed \$40M toward initial research and engineering for the development of the transportation hub on a 30-acre site within the Michigan Central Innovation District. Several other downtown Detroit construction projects are expected to begin in 2026. Northwest of Detroit, the City of Southfield is experiencing a wave of economic development activity with around \$52M in private investments dedicated to adapted reuse projects, corporate facility upgrades and relocations.

UNDER CONSTRUCTION

BUILDING / MARKET	CITY	SF	ESTIMATED COMPLETION
6141 3 rd Avenue Detroit	Detroit	335,000	March 2027
1400 Saint Antoine Street Detroit	Detroit	220,000	January 2027
479 S. Old Woodward Avenue Birmingham/Bloomfield	Birmingham	89,705	July 2026

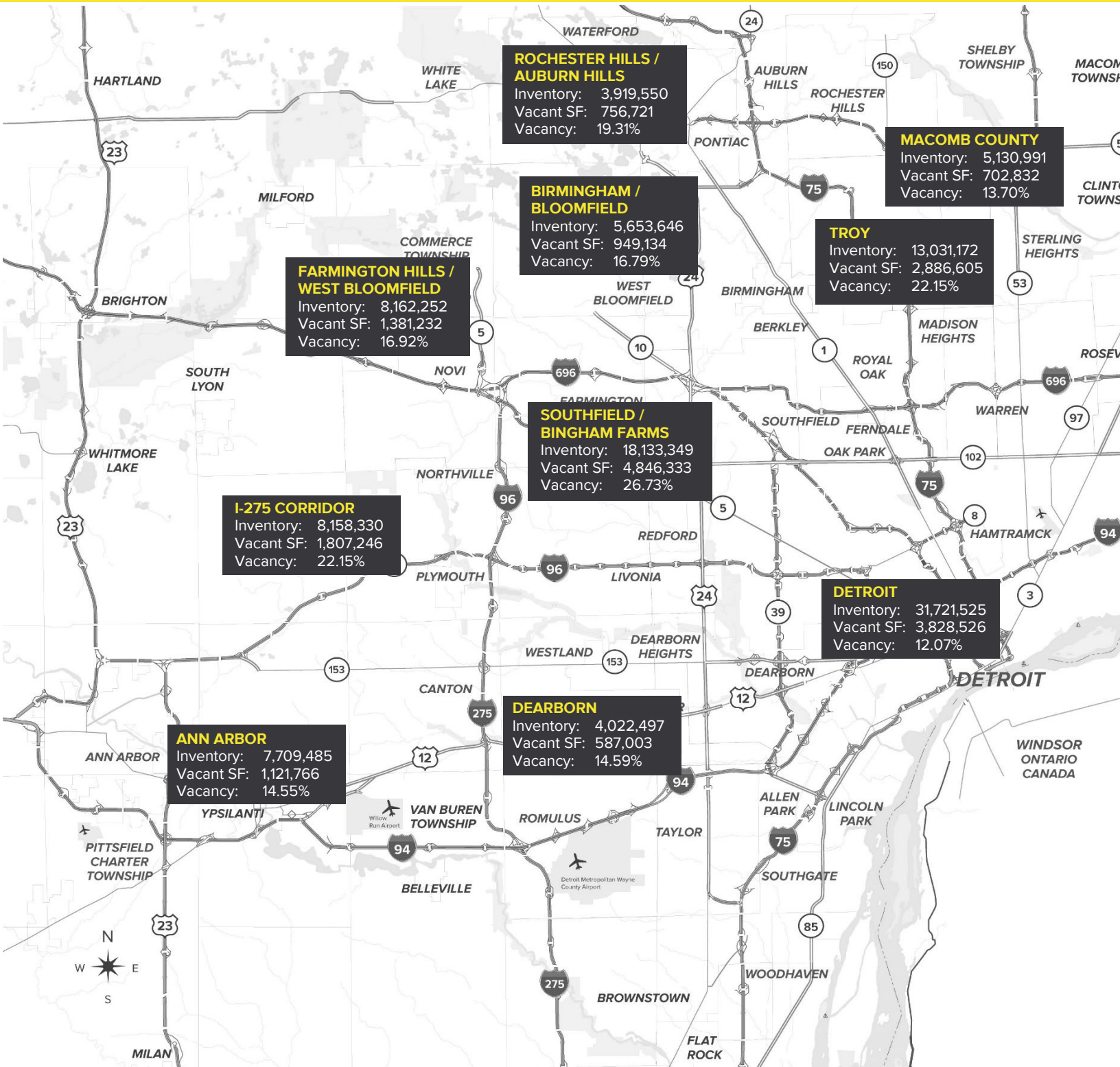
UNDER CONSTRUCTION VS. COMPLETION





METROPOLITAN DETROIT

OFFICE MARKET REVIEW



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Submarket: Buildings 20,000 Sq. Ft. & Up	Total Inventory Square Feet	Available Square Feet w/Sublease	Vacancy % w/Sublease	Direct Available Square Feet	Direct Vacancy %
CLASS A					
Ann Arbor	2,400,932	283,493	11.81%	267,729	11.15%
Birmingham/Bloomfield	2,381,041	627,870	26.37%	588,130	24.70%
Dearborn	1,750,393	268,764	15.35%	268,764	15.35%
Detroit	11,218,829	1,093,077	9.74%	996,956	8.89%
Farmington Hills/West Bloomfield	2,540,537	683,964	26.92%	416,650	16.40%
I-275 Corridor*	2,728,705	739,590	27.10%	717,544	26.30%
Macomb County**	862,473	263,571	30.56%	248,346	28.79%
Rochester Hills/Auburn Hills	571,563	146,177	25.57%	140,674	24.61%
Southfield/Bingham Farms	5,750,468	2,239,689	38.95%	1,984,044	34.50%
Troy	6,580,915	1,620,978	24.63%	1,510,404	22.95%
CLASS A TOTAL	36,785,856	7,967,173	21.66%	7,139,241	19.41%
CLASS B					
Ann Arbor	4,707,203	913,548	19.41%	760,069	16.15%
Birmingham/Bloomfield	3,049,743	351,894	11.54%	347,687	11.40%
Dearborn	2,044,000	273,491	13.38%	273,491	13.38%
Detroit	15,978,481	2,221,428	13.90%	2,168,338	13.57%
Farmington Hills/West Bloomfield	5,053,818	934,631	18.49%	919,537	18.19%
I-275 Corridor*	4,888,982	1,224,028	25.04%	1,021,625	20.90%
Macomb County**	3,077,659	382,622	12.43%	382,622	12.43%
Rochester Hills/Auburn Hills	2,914,310	627,954	21.55%	607,006	20.83%
Southfield/Bingham Farms	10,550,363	2,643,856	25.06%	2,503,464	23.73%
Troy	5,812,288	1,451,594	24.97%	1,322,139	22.75%
CLASS B TOTAL	58,076,847	11,025,046	18.98%	10,305,978	17.75%
CLASS C					
Ann Arbor	601,350	93,968	15.63%	93,968	15.63%
Birmingham/Bloomfield	222,862	13,317	5.98%	13,317	5.98%
Dearborn	228,104	44,748	19.62%	44,748	19.62%
Detroit	4,524,215	674,262	14.90%	663,232	14.66%
Farmington Hills/West Bloomfield	567,897	47,045	8.28%	45,045	7.93%
I-275 Corridor*	540,643	68,077	12.59%	68,077	12.59%
Macomb County**	1,190,859	71,864	6.03%	71,864	6.03%
Rochester Hills/Auburn Hills	433,677	9,041	2.08%	9,041	2.08%
Southfield/Bingham Farms	1,832,518	358,825	19.58%	358,825	19.58%
Troy	637,969	54,062	8.47%	54,062	8.47%
CLASS C TOTAL	10,780,094	1,435,209	13.31%	1,422,179	13.19%
COMBINED CLASS A, B, & C					
Ann Arbor	7,709,485	1,291,009	16.75%	1,121,766	14.55%
Birmingham/Bloomfield	5,653,646	993,081	17.57%	949,134	16.79%
Dearborn	4,022,497	587,003	14.59%	587,003	14.59%
Detroit	31,721,525	3,988,767	12.57%	3,828,526	12.07%
Farmington Hills/West Bloomfield	8,162,252	1,665,640	20.41%	1,381,232	16.92%
I-275 Corridor*	8,158,330	2,031,695	24.90%	1,807,246	22.15%
Macomb County**	5,130,991	718,057	13.99%	702,832	13.70%
Rochester Hills/Auburn Hills	3,919,550	783,172	19.98%	756,721	19.31%
Southfield/Bingham Farms	18,133,349	5,242,370	28.91%	4,846,333	26.73%
Troy	13,031,172	3,126,634	23.99%	2,886,605	22.15%
METRO DETROIT OFFICE MARKET TOTAL	105,642,797	20,427,428	19.34%	18,867,398	17.86%

*I-275 Corridor includes: Livonia, Northville, Novi, Plymouth/Plymouth Twp. **Macomb County includes: Clinton Twp., Mt. Clemens, Shelby Twp., Sterling Heights, Utica and Warren.

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OFFICE MARKET REVIEW





TOP SALE TRANSACTIONS

Building	City	Market	Size/SF	Sale Type	Buyer
21001 Van Born Road	Taylor	Downriver	415,606	Investment	Cabrien Financial, LLC
1075 Entrance Drive	Auburn Hills	Rochester Hills/ Auburn Hills	210,000	Investment	Acorp Servies, LLC
20500 Civic Center Drive	Southfield	Southfield/ Bingham Farms	180,291	Investment	Caresoft Capital Partners, LLC
26300 Northwestern Highway	Southfield	Southfield/ Bingham Farms	85,000	Investment	Elia & Ponto, PLLC
800 Stephenson Highway	Troy	Troy	48,906	Investment	Blue Owl Capital

TOP LEASE TRANSACTIONS

Building	City	Market	Size/SF	Lease Type	Tenant
5850 Mercury Drive	Dearborn	Derborn	34,781	Direct	Centria Healthcare
One Campus Martius	Detroit	Detroit	34,100	Direct	Urban Science Applications, Inc.
39533 Woodward Avenue	Bloomfield Hills	Birmingham/ Bloomfield	33,558	Direct	Dawda, PLC
34705 W. 12 Mile Road	Farmington Hills	Farmington Hills/ W. Bloomfield	21,912	Direct	HCL Global Systems, Inc.
755 W. Big Beaver Road	Troy	Troy	19,693	Direct	MSX International RNS, LLC

SIGNATURE QUICK FACTS

Q4 2025 SIGNATURE LISTED...	Q4 2025 SIGNATURE CLOSED....	 42% CONSISTENT MARKET SHARE
 212 NEW PROPERTIES	 292 TRANSACTIONS	
 8,760,725 SQUARE FEET	 7,278,972 SQUARE FEET	FULL-SERVICE COMMERCIAL REAL ESTATE
 146.622 ACRES	 434.9 ACRES	TCN WORLDWIDE REAL ESTATE SERVICES
		MEMBER FIRM