

MARKET AT A GLANCE



OCCUPANCY RATE

96.2%

Up 40 bps since 1Q19



EFFECTIVE RENT

\$934

Up 3.2% since 1Q19



DELIVERIES

231

Units YTD

MULTIFAMILY TRENDS

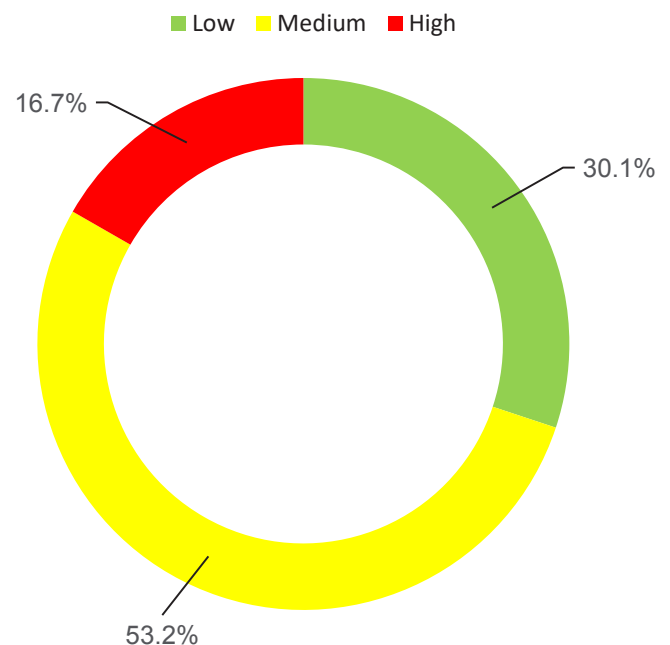
PANDEMIC PEAK, EFFECTS IN WEST MICHIGAN UNKNOWN AS COVID-19 CASES RISE

So far, the west side of Michigan has avoided the crushing number of cases the east side of the state is experiencing. However, with coronavirus cases rising in the region, the total cost of the pandemic has yet to be determined. Widespread business closure in response to the outbreak is also affecting county and municipal budgets. The city of Grand Rapids plans to cut at least \$13 million from the proposed fiscal 2020-21 budget. Adapting in a time of crisis is not limited to the public sector. Manufacturers are shifting production to address the pandemic and keep workers employed. Advanced Architectural Products is manufacturing face masks for health care workers and nasal swabs for COVID-19 tests. Still many employers are closing sites and laying off people, including the Marywood Health Center. The closure reflects the financial burden the pandemic is having on rural hospitals as they lose revenue due to the postponement of all elective surgeries. At the close of April, the city of Grand Rapids and regional business leaders are supporting a phased reopening of the economy. When and how this will happen is unknown. In Kent County, officials forecast COVID-19 cases will peak in mid-May, around the time the governor's stay-at-home order expires. The order also suspended evictions through May 15. Many local agencies are working to help individuals struggling to pay rent. For example, the Vine Neighborhood Association in Kalamazoo implemented a rent-relief program.

INDUSTRY COMPOSITION

| Risk Level | % of Market | National Avg |
|---|--------------|--------------|
| LOW | | |
| Agriculture, forestry, fishing and hunting | 1.4% | 1.1% |
| Finance and insurance | 3.6% | 4.7% |
| Health care and social assistance | 15.0% | 16.0% |
| Information | 1.0% | 2.2% |
| Transportation and warehousing | 3.0% | 4.4% |
| Utilities | 0.2% | 0.4% |
| Wholesale trade | 6.0% | 4.7% |
| Total | 30.1% | 33.4% |
| MEDIUM | | |
| Administrative and waste services | 11.7% | 7.4% |
| Educational services | 2.4% | 2.3% |
| Manufacturing | 22.4% | 10.1% |
| Mining, quarrying, and oil and gas extraction | 0.0% | 0.5% |
| Other services, except public administration | 3.4% | 3.6% |
| Professional and technical services | 4.2% | 7.5% |
| Retail trade | 9.1% | 12.2% |
| Total | 53.2% | 43.6% |
| HIGH | | |
| Accommodation and food services | 8.2% | 11.1% |
| Arts, entertainment, and recreation | 1.1% | 1.9% |
| Construction | 4.9% | 6.1% |
| Management of companies and enterprises | 1.2% | 1.9% |
| Real estate and rental and leasing | 1.0% | 1.8% |
| Unclassified | 0.2% | 0.1% |
| Total | 16.7% | 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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