

JUDEH ASSOCIATES

Vacancy, absorption, asking rates & more by local sub-markets:

Office Market -- Industrial Market -- Retail Market -- Related Links

THE BUSINESS OF COURT DECISIONS!

May 31st – The filing deadline for non-residential tax appeals is around the corner. Watch the increase in fees and brush up on your patience. Have a question on value, call the experts – Judeh & Associates.

Value & probable zoning changes – The Court of Appeals of GA, Dept. of Transportation v Jordan, (Ga. Ct. App. 2009) recently ruled that “possible rezoning is relevant if sufficiently likely to affect present market value.” The Court also agreed that the appraised value reflected that, while not probable, rezoning was likely enough to affect present market value and thus was relevant.

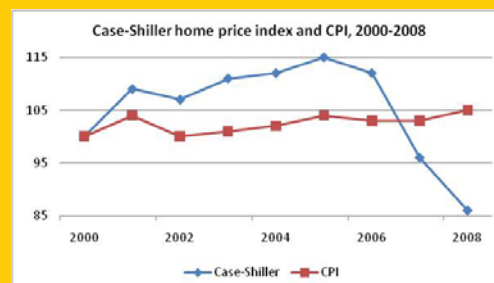
Lease with unlimited renewal enforceable – The New York Supreme Court, Balk Family Trust v Schmidt, (N.Y. App. Div. 2009) recently ruled that when a lease contained no limitation of the tenant’s annual option to renew, the landlord’s successor-in-interest could not unilaterally terminate the lease.

Zoning variance and common hardship – The Appellate Court of Connecticut, Curran v Zoning Board of Appeals of City of Milford, (Conn. App. Ct. 2009) recently ruled that landlords were not entitled to a zoning variance based on a hardship typical if property in the district.

Foreclosure sales & market value – The Court of Appeals of Kentucky, Eagle Cliff Resort, LLC v KHBBJB, LLC, (Ky. App. Ct. 2009) recently ruled that when a property sold at a foreclosure sale for less than 20% of the value claimed by the borrower, the auction price was more relevant of true market value.

Foreclosure continuance was abuse of power – The District Court of Appeal of Florida, Republic Federal Bank, NA v Doyle, (Fla. Dist. Ct. App. 2009) rule that when a trial court judge granted a continuance in a residential foreclosure case solely to help the defendants keep their home, she severely abused the court’s discretion.

Case-Shiller according to Standard & Poor’s Financial Services – The Case-Shiller price index uses repeat sales of single-family properties in 20 regions of the US and aggregates them into a national index.



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OFFICE MARKET

Total Office Market Statistics

First Quarter 2010

Market	Existing Inventory		Vacancy			YTD Net Absorption	Deliveries	Under Cost SF	Quoted Rates
	# Blds	Total RBA	Direct SF	Total SF	Vac %				
Bloomfield	691	16,691,015	2,472,746	2,692,216	16.1%	18,233	0	50,268	\$22.09
Detroit/The Pointes	703	40,767,216	7,512,421	7,562,049	18.5%	(435,865)	0	0	\$18.81
Dow nriver	267	2,666,994	596,510	609,860	22.9%	36,012	0	0	\$16.39
Livingston/W Oakland	537	7,723,662	1,130,532	1,157,344	15.0%	92,025	0	120,000	\$21.11
Macomb	1,270	13,525,982	2,101,234	2,130,054	15.7%	44,456	0	68,955	\$17.91
North Oakland	690	17,467,405	3,134,636	3,296,567	18.9%	(137)	0	0	\$19.14
Royal Oak	418	4,325,797	719,753	733,603	17.0%	(10,711)	0	0	\$16.49
Southfield	475	24,271,749	5,119,028	5,275,380	21.7%	(12,153)	0	0	\$18.52
Troy	308	17,632,192	5,307,004	5,619,154	31.9%	(94,221)	0	0	\$18.53
Washtenaw	732	13,354,167	1,503,850	1,569,580	11.8%	(100,265)	0	0	\$20.11
West Wayne	1,044	22,396,027	3,018,733	3,222,224	14.4%	(39,585)	0	166,107	\$17.70
Totals	7,135	180,822,206	32,616,447	33,868,031	18.7%	(502,211)	0	405,330	\$18.95

Source: CoStar

Construction Activity Markets Ranked by Under Construction RBA

First Quarter 2010

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Released SF	Released %	All Existing	U / C
West Wayne	1	166,107	132,886	80.0%	21,452	166,107
Livingston/W Oakland	1	120,000	60,000	50.0%	14,383	120,000
Macomb	2	68,955	29,443	42.7%	10,650	34,477
Bloomfield	3	50,268	2,755	5.5%	24,155	16,756
North Oakland	0	0	0	0.0%	25,315	0
Royal Oak	0	0	0	0.0%	10,349	0
Detroit/ The Pointes	0	0	0	0.0%	57,990	0
Southfield	0	0	0	0.0%	51,098	0
Troy	0	0	0	0.0%	57,247	0
Washtenaw	0	0	0	0.0%	18,243	0
All Other	0	0	0	0.0%	9,989	0
Totals	7	405,330	225,084	55.0%	25,343	57,904

Source: Costar

Historical Office Market Statistics

First Quarter 2010

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %		# Blds	Total RBA	# Blds	Total RBA	
2010 1q	7,135	180,822,206	32,616,447	33,868,031	18.7%	(502,211)	0	0	7	405,330	\$18.95
2009 4q	7,135	180,822,206	32,002,329	33,365,820	18.5%	(1,582,301)	7	223,719	6	285,330	\$19.04
2009 3q	7,128	180,598,487	30,412,242	31,559,800	17.5%	(434,163)	6	43,641	13	509,049	\$19.23
2009 2q	7,123	180,557,546	30,056,905	31,084,696	17.2%	(187,351)	3	25,545	16	353,533	\$19.35
2009 1q	7,121	180,532,737	29,762,340	30,872,536	17.1%	(410,827)	6	112,706	16	326,860	\$19.50
2008 4q	7,115	180,420,031	29,162,428	30,349,003	16.8%	(56,089)	6	175,300	19	372,611	\$19.60
2008 3q	7,109	180,244,731	29,046,330	30,117,614	16.7%	93,791	6	106,901	18	350,415	\$19.84
2008 2q	7,107	180,143,210	29,190,227	30,112,884	16.7%	165,299	4	215,691	19	404,907	\$19.89
2008 1q	7,103	179,930,519	29,038,347	30,062,492	16.7%	(710,835)	11	300,926	20	602,508	\$20.17
2007	7,092	179,629,593	28,056,051	29,050,731	16.2%	1,256,965	65	1,536,772	23	786,168	\$20.06
2006	7,033	178,107,534	27,906,038	28,785,637	16.2%	819,856	80	2,295,623	54	1,495,972	\$20.11
2005	6,954	175,815,086	26,468,635	27,313,045	15.5%	887,660	87	1,825,515	72	2,612,016	\$20.26
2004	6,868	174,039,571	25,219,861	26,425,190	15.2%	1,361,249	90	2,849,418	79	1,824,522	\$20.35
2003	6,779	171,948,858	23,847,189	25,695,726	14.9%	1,310,553	67	3,030,967	84	3,006,137	\$20.06
2002	6,714	168,935,011	21,713,909	23,992,432	14.2%	(2,507,341)	87	2,187,462	65	3,646,993	\$21.06
2001	6,627	166,747,549	17,026,777	19,297,629	11.6%	(1,878,343)	118	4,238,880	93	3,764,226	\$20.63

Source: CoStar

INDUSTRIAL MARKET

Total Industrial Market Statistics

First Quarter 2010

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %				
Airport/I-275 Ind	2,994	113,111,835	17,300,751	18,890,661	16.7%	(681,727)	0	0	\$ 4.88
Detroit Area Ind	1,440	85,491,731	16,003,141	16,665,141	19.5%	307,786	0	0	\$ 3.08
Dow nriver Ind	649	42,640,473	5,570,602	5,663,653	13.3%	(538,823)	0	0	\$ 3.95
East Area Ind	4,110	116,042,633	11,268,955	11,451,374	9.9%	352,085	0	21,633	\$ 4.37
I-96 Corridor Ind	1,904	56,816,868	7,280,211	7,558,289	13.3%	(347,626)	39,523	46,996	\$ 5.92
Oakland County NW Ind	1,346	51,970,919	5,533,125	5,831,881	11.2%	(427,363)	0	0	\$ 5.40
Royal Oak/Southfield Ind	1,168	19,812,959	1,942,870	1,973,070	10.0%	(23,427)	0	0	\$ 5.52
Troy Area Ind	1,454	31,936,860	4,469,020	4,526,869	14.2%	199,780	0	0	\$ 4.96
Washtenaw Ind	754	25,540,688	3,741,926	3,823,542	15.0%	(2,475)	0	0	\$ 6.10
Totals	15,819	543,364,966	73,110,601	76,384,480	14.1%	(1,161,790)	39,523	68,629	\$ 4.68

Source: Costar

Construction Activity Markets Ranked by Under Construction RBA

First Quarter 2010

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total RBA	Preleased SF	Preleased %	All Existing	U / C
I-96 Corridor Ind	2	46,996	21,000	44.7%	29,841	23,498
Dow nriver Ind	1	21,633	21,633	100.0%	28,234	21,633
East Area Ind	0	0	0	0.0%	65,702	0
Oakland County NW Ind	0	0	0	0.0%	38,611	0
Royal Oak/Southfield Ind	0	0	0	0.0%	16,963	0
Troy Area Ind	0	0	0	0.0%	21,965	0
Airport/I-275 Ind	0	0	0	0.0%	37,780	0
Washtenaw Ind	0	0	0	0.0%	33,874	0
Detroit Area Ind	0	0	0	0.0%	59,369	0
Totals	3	68,629	42,633	62.1%	34,349	22,876

Source: Costar

Historical Industrial Market Statistics

First Quarter 2010

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bids	Total RBA	Direct SF	Total SF	Vac %		# Bids	Total RBA	# Bids	Total RBA	
2010 1q	15,819	543,364,966	73,110,601	76,384,480	14.1%	(1,161,790)	1	39,523	3	68,629	\$4.68
2009 4q	15,819	543,345,683	72,269,590	75,203,407	13.8%	(2,313,074)	1	45,000	3	86,519	\$4.76
2009 3q	15,819	543,310,220	69,947,166	72,854,870	13.4%	(1,474,002)	2	39,390	3	105,523	\$4.81
2009 2q	15,817	543,270,830	68,598,131	71,341,478	13.1%	(3,364,760)	2	67,555	4	123,913	\$4.95
2009 1q	15,816	543,231,900	65,493,066	67,937,788	12.5%	(2,719,607)	5	351,019	6	191,468	\$5.05
2008 4q	15,812	542,890,685	62,399,625	64,876,966	12.0%	(2,584,129)	3	366,934	11	542,487	\$5.08
2008 3q	15,810	542,829,376	59,650,217	62,231,528	11.5%	3,958,989	2	32,416	12	845,771	\$5.11
2008 2q	15,808	542,796,960	63,613,152	66,158,101	12.2%	(4,352,913)	3	900,761	9	585,142	\$5.09
2008 1q	15,805	541,896,199	58,451,702	60,904,427	11.2%	4,971,838	10	520,493	9	1,366,884	\$5.18
2007	15,795	541,375,706	63,069,064	65,355,772	12.1%	3,520,240	52	1,808,564	14	1,441,027	\$5.25
2006	15,744	539,572,198	66,530,940	67,072,504	12.4%	(3,308,816)	57	2,342,851	43	1,181,532	\$5.46
2005	15,688	537,312,757	60,651,342	61,504,247	11.4%	7,726,067	79	4,379,151	47	2,004,287	\$5.47
2004	15,611	533,005,692	63,308,491	64,923,249	12.2%	3,014,321	70	2,641,028	72	4,108,994	\$5.67
2003	15,544	530,395,223	63,492,911	65,327,101	12.3%	(2,126,709)	86	3,775,767	46	1,726,667	\$5.63
2002	15,460	526,654,817	57,158,835	59,459,986	11.3%	(1,867,930)	112	4,018,021	75	3,282,179	\$5.10
2001	15,352	522,712,496	50,374,817	53,649,735	10.3%	(5,804,085)	187	8,748,551	106	3,872,797	\$5.47

Source: Costar

RETAIL MARKET

Total Retail Market Statistics

First Quarter 2010

Market	Existing Inventory		Vacancy			YTD Net Absorption	YTD Deliveries	Under Const SF	Quoted Rates
	# Bldgs	Total RBA	Direct SF	Total SF	Vac %				
Bloomfield	587	9,480,303	803,155	935,691	9.9%	(32,025)	0	0	\$14.74
Detroit/The Pointes	2,205	19,058,516	2,589,644	2,655,480	13.9%	2,318	0	20,000	\$11.30
Downriver	816	11,794,023	1,886,134	2,027,723	17.2%	(30,168)	0	6,200	\$9.60
Livingston/W Oakland	1,140	19,316,729	1,441,214	1,620,933	8.4%	(819)	26,180	27,023	\$16.33
Macomb	2,995	42,691,994	4,902,524	5,186,034	12.1%	121,965	0	0	\$12.17
North Oakland	1,402	21,656,290	2,604,335	2,884,555	13.3%	(194,588)	0	0	\$11.22
Royal Oak	860	8,768,719	862,209	981,300	11.2%	114,037	0	0	\$13.89
Southfield	196	6,362,806	392,158	467,667	7.4%	(12,620)	0	0	\$12.44
Troy	206	7,528,396	394,222	474,409	6.3%	32,113	0	0	\$13.77
Washtenaw	1,137	14,490,937	1,188,526	1,297,142	9.0%	(60,801)	0	13,000	\$17.15
West Wayne	1,962	35,425,619	4,350,208	4,727,650	13.3%	(258,682)	7,000	258,017	\$12.64
Totals	13,506	196,574,332	21,414,329	23,258,584	11.8%	(319,270)	33,180	324,240	\$12.63

Source: CoStar

Construction Activity Markets Ranked by Under Construction RBA

First Quarter 2010

Market	Under Construction Inventory				Average Bldg Size	
	# Bldgs	Total GLA	Preleased SF	Preleased %	All Existing	U / C
West Wayne	6	258,017	221,553	85.9%	18,056	43,003
Livingston/ W Oakland	1	27,023	0	0.0%	16,944	27,023
Detroit/ The Pointes	1	20,000	4,000	20.0%	8,643	20,000
Downriver	1	13,000	13,000	100.0%	12,745	13,000
Royal Oak	1	6,200	6,200	100.0%	14,453	6,200
Bloomfield	0	0	0	0.0%	16,150	0
North Oakland	0	0	0	0.0%	15,447	0
Southfield	0	0	0	0.0%	32,463	0
Troy	0	0	0	0.0%	36,546	0
Macomb	0	0	0	0.0%	14,254	0
All Other	0	0	0	0.0%	10,196	0
Totals	10	324,240	244,753	75.5%	14,555	32,424

Source: Costar

Historical Retail Market Statistics

First Quarter 2010

Period	Existing Inventory		Vacancy			Net Absorption	Deliveries		UC Inventory		Quoted Rates
	# Bldgs	Total GLA	Direct SF	Total SF	Vac %		# Bldgs	Total GLA	# Bldgs	Total GLA	
2010 1q	13,506	196,574,322	21,414,329	23,258,584	11.8%	(319,270)	2	33,180	10	324,240	\$12.63
2009 4q	13,504	196,541,152	21,020,876	22,906,134	11.7%	(180,869)	11	367,176	8	308,048	\$12.66
2009 3q	13,493	196,173,976	20,465,750	22,358,089	11.4%	(13,519)	7	615,214	17	648,325	\$12.60
2009 2q	13,487	195,600,006	19,887,223	21,770,600	11.1%	(173,102)	10	358,801	20	1,034,812	\$13.15
2009 1q	13,481	195,288,642	19,400,099	21,286,134	10.9%	(198,936)	17	490,238	21	1,100,436	\$13.68
2008 4q	13,464	194,798,404	18,852,643	20,596,960	10.6%	388,224	21	334,252	32	1,426,294	\$13.92
2008 3q	13,445	194,470,319	19,085,638	20,657,099	10.6%	227,127	14	305,688	44	1,234,004	\$13.97
2008 2q	13,434	194,178,203	19,245,513	20,592,110	10.6%	531,143	22	262,288	40	1,067,471	\$14.14
2008 1q	13,412	193,915,915	19,392,533	20,860,965	10.8%	433,428	36	779,894	44	900,612	\$13.95
2007 4q	13,376	193,136,021	19,129,722	20,514,499	10.6%	1,220,444	21	1,086,364	60	1,196,270	\$13.87
2007 3q	13,355	192,049,657	19,305,692	20,648,579	10.8%	473,709	28	1,091,927	64	1,936,829	\$14.10
2007 2q	13,328	190,960,230	19,184,217	20,032,861	10.5%	567,962	16	254,182	62	2,705,847	\$14.14
2007 1q	13,312	190,706,048	19,429,429	20,346,641	10.7%	1,201,493	47	1,117,336	56	2,182,423	\$13.95
2006 4q	13,266	189,597,512	19,525,360	20,439,598	10.8%	(90,874)	14	223,788	75	2,871,887	\$13.90
2006 3q	13,254	189,384,980	19,321,945	20,136,192	10.6%	(689,682)	19	334,457	67	2,263,124	\$13.81
2006 2q	13,236	189,055,023	18,624,606	19,116,553	10.1%	1,083,029	24	457,763	45	2,134,934	\$14.07

Source: CoStar

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