



MULTIFAMILY REPORT

Detroit Rents Hold

March 2024

YoY Rents Still Positive

Transactions at Standstill

Occupancy Trails US Average

DETROIT MULTIFAMILY



Rental Market Stable As Nation Slows

Detroit's average rent stagnated on a trailing three-month basis through January but, at \$1,237, was still well below the U.S. average of \$1,710. On a year-over-year basis, rates in the metro were up 0.7%, remaining ahead of the nation's 0.5% rate of growth. The occupancy rate in stabilized properties was 94.4%, below the U.S. average of 94.6%.

Detroit's job market experienced a downturn during the 12 months ending in November. The metro saw a net loss of 7,300 jobs, and only four sectors managed to buck the trend. The education and health services sector added the most jobs, while at the other end of the spectrum, leisure and hospitality lost 5,900 jobs. Although the metro's unemployment rate surpassed the U.S. average of 3.7%, it remained lower than the statewide average of 4.3%. While challenges persist, Detroit is ready to continue several revitalization projects across the metro. One such project is set to open in June 2024. Ford Motor Co. plans to unveil the iconic Michigan Central Station as a pillar of its mobility campus. Another significant project in the works is The Future of Health, which is being co-developed by Henry Ford Health, Michigan State University and the Detroit Pistons.

Detroit developers had 4,923 units under construction as of January. The new-development pipeline also included some 12,700 units in the planning and permitting stages.

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Recent Detroit Transactions

Stratford Place at Brownstown



City: Brownstown Township, Mich.
Buyer: Four Corners Development
Group
Purchase Price: \$26 MM
Price per Unit: \$142,777

Northview Park



City: Sterling Heights, Mich.
Buyer: Peak Capital Partners
Purchase Price: \$21 MM
Price per Unit: \$104,000