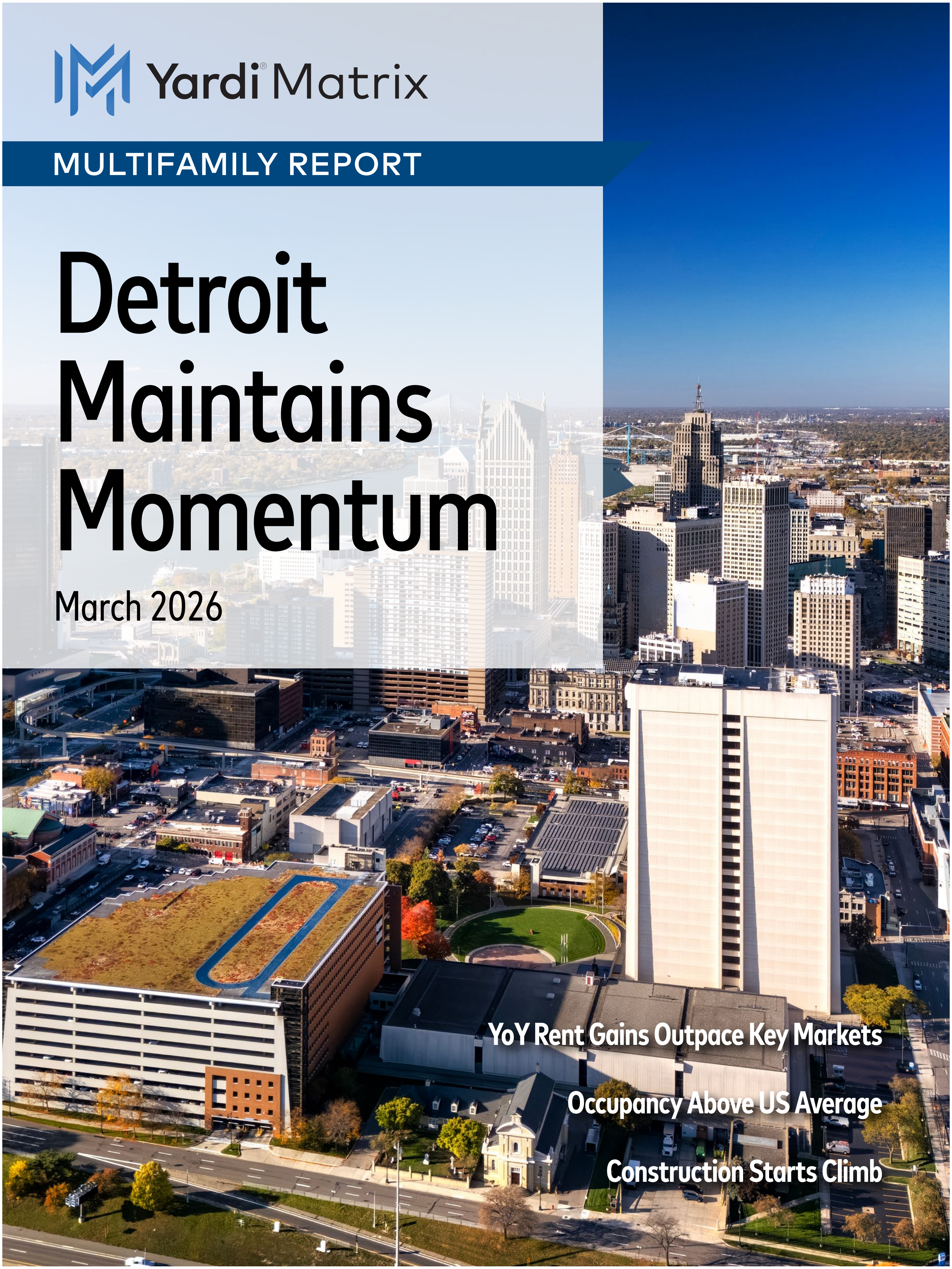
Yardi Matrix

MULTIFAMILY REPORT

Detroit Maintains Momentum

March 2026



YoY Rent Gains Outpace Key Markets

Occupancy Above US Average

Construction Starts Climb

DETROIT MULTIFAMILY

Yardi Matrix

Resilience Defines The Market

Although rent growth was negative at the national level, Detroit's average advertised asking rent ticked up 0.1%, on a trailing three-month basis through January, settling at $1,332. Year-over-year, the metro's average rose 1.8%, placing Detroit among the top performers and ranking it sixth among Yardi Matrix's top 30 metros. The metro's occupancy rate rose to 94.7% as of December, once again outperforming the national average.

The metro added 7,600 net jobs over the 12-month period ending in September 2025. Based on preliminary figures from the Bureau of Labor Statistics, Detroit's unemployment rate reached 4.7% as of December, 30 basis points above the national figure of 4.4%. Revitalization efforts continued across the metro. The Van Buren Township Planning Commission granted preliminary approval for the data center campus known as Project Cannoli. If approved, the 1-gigawatt campus would become the township's largest taxpayer and a leading contributor for Wayne County.

As of December, developers had more than 4,300 units under construction. The pipeline remained strong, with an additional 27,000 units in various stages of development. During 2025, developers added close to 1,800 units to the metro's inventory. Investment activity totaled more than $269 million in the past year, marking an upswing compared to the $250 million that traded in 2024.

Market Analysis | March 2026

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On the cover: Photo by Dee Liu/iStockphoto.com

RENT TRENDS

- Detroit's average advertised asking rent ticked up 0.1%, on a trailing three-month (T3) basis through January, settling at $1,335. The U.S. figure dipped 0.2%, to $1,741. Detroit rates still kept good momentum, rising 1.8% year-over-year and far outpacing the national gain of 0.2%. Among the major metros tracked by Yardi Matrix, Detroit placed sixth for year-over-year growth, trailing Chicago (3.6%), NYC (3.3%), Twin Cities (2.7%), Kansas City (2.5%) and San Francisco (2.0%).

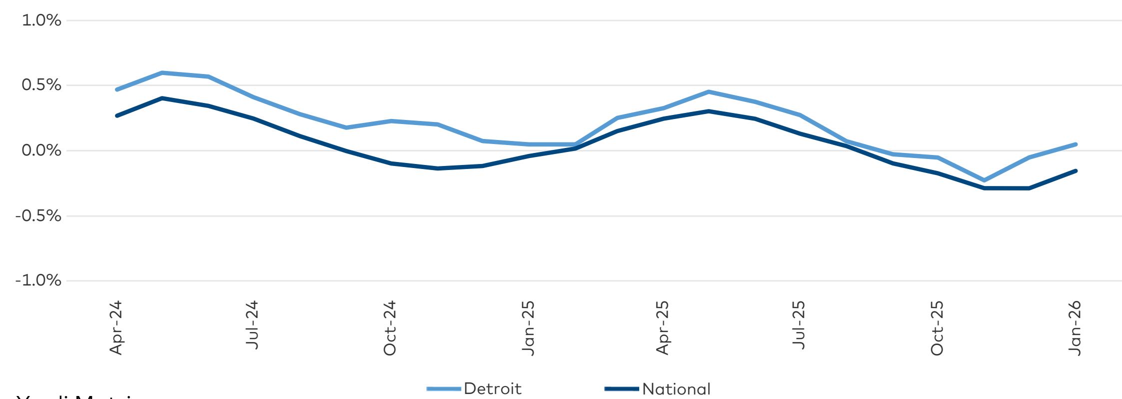
- Advertised asking rents for the working-class Renter-by-Necessity segment mirrored the metro, inching up 0.1% on a T3 basis to $1,269. In contrast, the average for the Lifestyle segment dipped 0.3%, to $1,942. Year-over-year the gap was even more pronounced. While the RBN figure rose 2.4%, the Lifestyle average plunged 1.6%.

- Detroit's December occupancy rate in stabilized assets shrunk 20 basis points year-over-year to 94.7%. The figure remained above the 94.5% U.S. average. Detroit's RBN occupancy dropped 30 basis points year-over-year to 94.8%, while the Lifestyle rate jumped 110 basis points, to 94.4%.

- Among the 45 submarkets tracked by Yardi Matrix, Bloomfield Hills/Birmingham remained the most expensive. Advertised asking rents climbed 4.4% year-over-year, to $1,888.

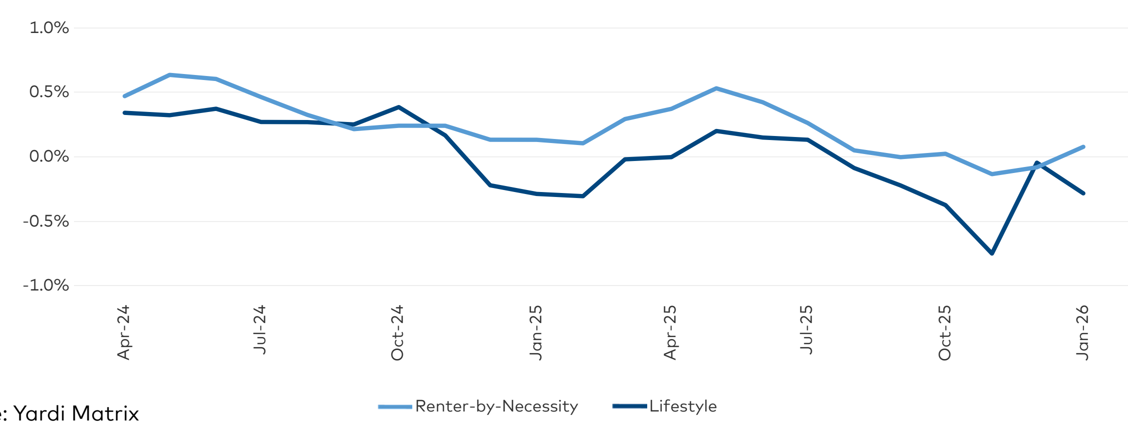
- The metro's SFR advertised asking rents were down 2.0% year-over-year, to $2,209. The national average dropped 0.9% to $2,184. The metro's SFR occupancy rate was 95.1%, outperforming the national figure of 94.9%.

Detroit vs. National Rent Growth (Trailing 3 Months)



Source: Yardi Matrix

Detroit Rent Growth by Asset Class (Trailing 3 Months)



Source: Yardi Matrix

ECONOMIC SNAPSHOT

- As of December, Detroit's unemployment rate was 4.7%, according to preliminary BLS data. The average was 4.9% for the past year, with April's 3.7% the lowest and July's 5.7% the highest. The metro's December rate stood 30 basis points above the U.S. figure of 4.4%, but 30 basis points below Michigan's 5.0% rate.

- Detroit added 7,600 net jobs during the 12-month period ending in September. Employment growth accounted for a 0.6% increase, just 20 basis points below the U.S. average of 0.8%. Government led gains with 4,000 jobs added, closely followed by mining, logging and construction (3,400 jobs) along with financial activities (3,300 jobs). Manufacturing and professional and business services recorded a combined loss of 9,300 jobs.

- Meanwhile, major development projects are moving forward. The Van Buren Township Planning Commission granted preliminary approval for the Project Cannoli data center campus. Backed by Panattoni Development, the 1-gigawatt facility would include three data processing buildings, among others. Bedrock and GM's $1.6 billion redevelopment of Renaissance Center is advancing. The Downtown Development Authority has committed $75 million for the project. Funds will primarily cover infrastructure upgrades, such as a pedestrian promenade leading to the riverfront and new plazas.

Detroit Employment Share by Sector

		Current Employment	
Code	Employment Sector	(000)	% Share
90	Government	201	9.7%
15	Mining, Logging and Construction	94.9	4.6%
55	Financial Activities	131.3	6.3%
40	Trade, Transportation and Utilities	383.7	18.5%
65	Education and Health Services	332.2	16.1%
80	Other Services	78.8	3.8%
70	Leisure and Hospitality	193	9.3%
50	Information	29.2	1.4%
30	Manufacturing	248.2	12.0%
60	Professional and Business Services	377.1	18.2%

Sources: Yardi Matrix, Bureau of Labor Statistics

Population

- Detroit recorded a 0.2% population decline between 2021 to 2022. The metro shed 7,228 residents. Meanwhile, the population increased 0.4% on a national level. On a larger scale, between 2013 and 2022, the metro saw a net gain of approximately 79,900 residents.

Detroit vs. National Population

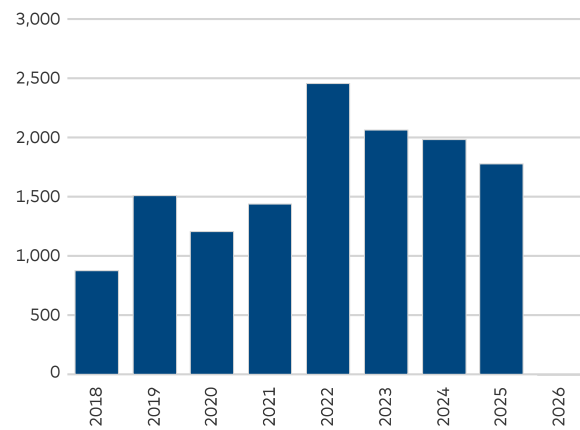
	2019	2020	2021	2022
National	324,697,795	326,569,308	329,725,481	331,097,593
Detroit Metro	4,317,848	4,317,384	4,382,832	4,375,604

Source: U.S. Census

SUPPLY

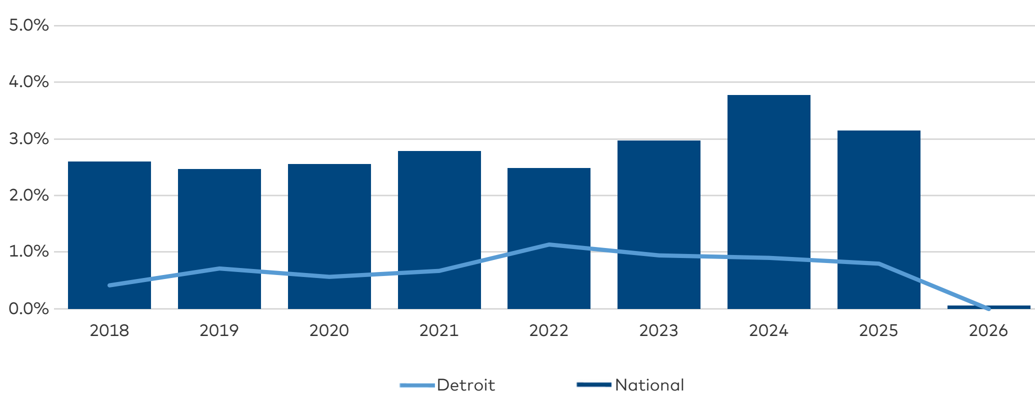
- Developers added 1,778 units to Detroit's multifamily stock during the past year. Completions accounted for 0.8% of existing inventory, well below the national average of 3.1%. Lifestyle assets dominated recent deliveries, making up nearly 60% of all units. RBN properties accounted for approximately 12%, while fully affordable communities accounted for about 29%. Looking ahead, Yardi Matrix expects the metro to gain an additional 1,850 units by the end of 2026.
- Detroit had 4,313 units under construction as of January. Developers had another 27,000 units moving through the planning and permitting stages. Lifestyle assets dominated the under-construction pipeline, representing roughly two-thirds of all units. RBN projects made up about 20%, while the remaining 13% were concentrated in fully affordable developments.
- During the past year, developers started construction on 2,275 units across 14 properties. This marked a 137.7% increase compared to 2024. Then, developers broke ground on 957 units across eight properties. On average, developers started construction on 780 units a year between 2020 and 2025.
- Of the 45 submarkets tracked by Yardi Matrix, 18 had projects with 50 or more units underway. Construction activity centered around Detroit–New Center (615 units), Detroit–Midtown (609 units) and Canton/Plymouth (569 units).
- The 433-unit Fisher 21 Lofts is taking shape in the Detroit–New Center submarket. Hosey Development started on the adaptive reuse project in early 2025. Originally built as a warehouse in 1919, the six-story development will include 63 affordable units.

Detroit Completions (as of January 2026)



Source: Yardi Matrix

Detroit vs. National Completions as a Percentage of Total Stock (as of January 2026)

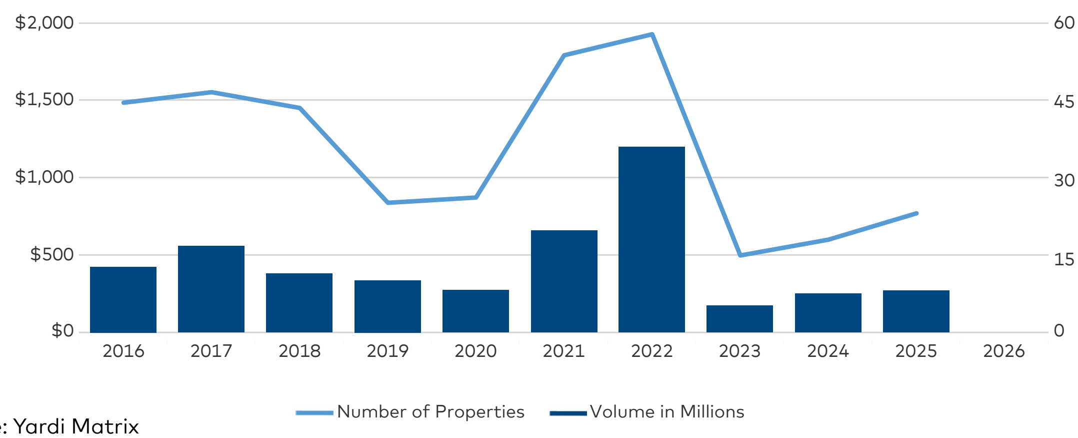


Source: Yardi Matrix

TRANSACTIONS

- Detroit multifamily investments totaled more than $269 million in 2025. This was a 7.9% improvement compared to 2024, when the sale volume totaled nearly $250 million. Overall, the average of the past six years came to approximately $470 million with the $1.2 billion record year of 2022 boosting the figure.
- In 2025, all but one of the sales were focused on RBN assets. The metro's average price per unit fell to $106,294 in 2025, well below the $134,638 level in 2024. Across the U.S., per-unit prices were on an upward trajectory. The prices averaged $203,810 per unit in 2025 and $192,494 in 2024.
- T2 Capital Management's $36 million acquisition of the 240-unit Village Club of Farmington Hills was the sole Lifestyle sale in the metro. City Club Apartments received $150,000 per unit for the 14-building property stretching on 20 acres. T2 Capital funded the purchase through a $27 million self-financed loan.

Detroit Sales Volume and Number of Properties Sold (as of January 2026)



Source: Yardi Matrix

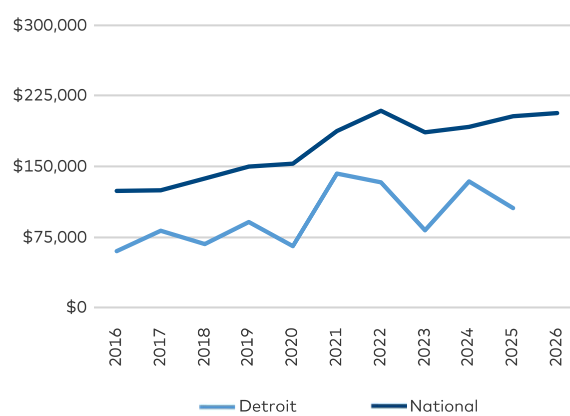
Top Submarkets for Transaction Volume[1]

Submarket	Volume ($MM)
St. Clair Shores/Grosse Pointe	57
Farmington Hills/West Bloomfield	43
Canton/Plymouth	39
Waterford	31
Woodhaven/Brownstown	17
Troy	16
Wixom/Walled Lake	16

Source: Yardi Matrix

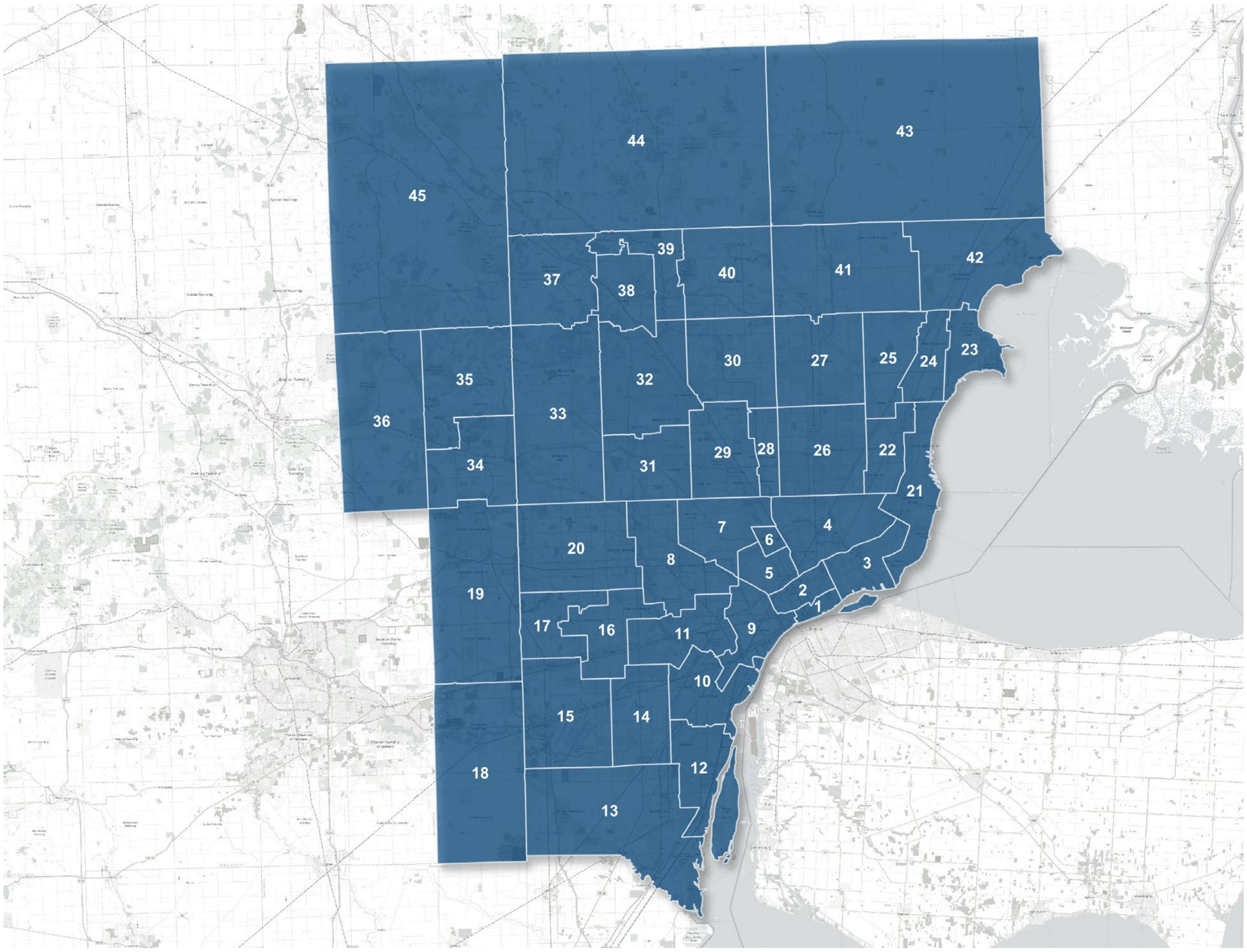
[1] From February 2025 to January 2026

Detroit vs. National Sales Price per Unit



Source: Yardi Matrix

DETROIT SUBMARKETS



Area No.	Submarket
1	Detroit–Downtown
2	Detroit–Midtown
3	Detroit–East
4	Detroit–Northeast
5	Detroit–New Center
6	Highland Park
7	Detroit–North
8	Detroit–West
9	Detroit–South
10	Lincoln Park/Melvindale
11	Dearborn
12	Southgate/Riverview
13	Woodhaven/Brownstown
14	Taylor
15	Wayne/Romulus

Area No.	Submarket
16	Dearborn Heights/Inkster
17	Westland
18	Belleville
29	Canton/Plymouth
20	Livonia/Redford
21	St. Claire Shores/Grosse Pointe
22	Roseville
23	Harrison Township
24	Clinton Township–East
25	Clinton Township–West
26	Warren
27	Sterling Heights
28	Madison Heights
29	Royal Oak/Oak Park
30	Troy

Area No.	Submarket
31	Southfield
32	Bloomfield Hills/Birmingham
33	Farmington Hills/West Bloomfield
34	Novi
35	Wixom/Walled Lake
36	South Lyon/Milford
37	Waterford
38	Pontiac
39	Auburn Hills
40	Rochester Hills
41	Shelby Township
42	Chesterfield/New Baltimore
43	Washington/Richmond
44	Clarkston/Orion
45	Holly/White Lake

DEFINITIONS

Lifestyle households (renters by choice) have wealth sufficient to own but have chosen to rent. Discretionary households, most typically a retired couple or single professional, have chosen the flexibility associated with renting over the obligations of ownership.

Renter-by-Necessity households span a range. In descending order, household types can be:

- *A young-professional*, double-income-no-kids household with substantial income but without wealth needed to acquire a home or condominium;
- *Students,* who also span a range of income capability, extending from affluent to barely getting by;
- *Lower-middle-income ("gray-collar") households,* composed of office workers, policemen, firemen, technical workers, teachers, etc.;
- *Blue-collar households,* which barely meet rent demands each month and likely pay a disproportionate share of their income toward rent;
- *Subsidized households*, which pay a percentage of household income in rent, with the balance of rent paid through a governmental agency subsidy. Subsidized households, while typically low income, extend to middle-income households in some high-cost markets, such as New York City;
- *Military households*, subject to frequency of relocation.

These differences can weigh heavily in determining a property's ability to attract specific renter market segments. The five-star resort serves a very different market than the down-and-outer motel. Apartments are distinguished similarly, but distinctions are often not clearly definitive without investigation. The Yardi® Matrix Context rating eliminates that requirement, designating property market positions as:

Market Position	Improvements Ratings
Discretionary	A+ / A
High Mid-Range	A- / B+
Low Mid-Range	B / B-
Workforce	C+ / C / C- / D

The value in application of the Yardi® Matrix Context rating is that standardized data provides consistency; information is more meaningful because there is less uncertainty. The user can move faster and more efficiently, with more accurate end results.

The Yardi® Matrix Context rating is not intended as a final word concerning a property's status—either improvements or location. Rather, the result provides reasonable consistency for comparing one property with another through reference to a consistently applied standard.

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Yardi Matrix

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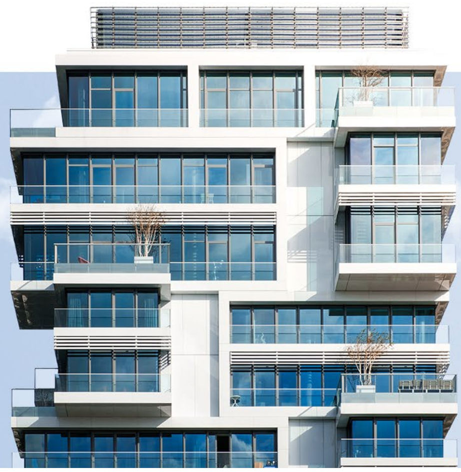
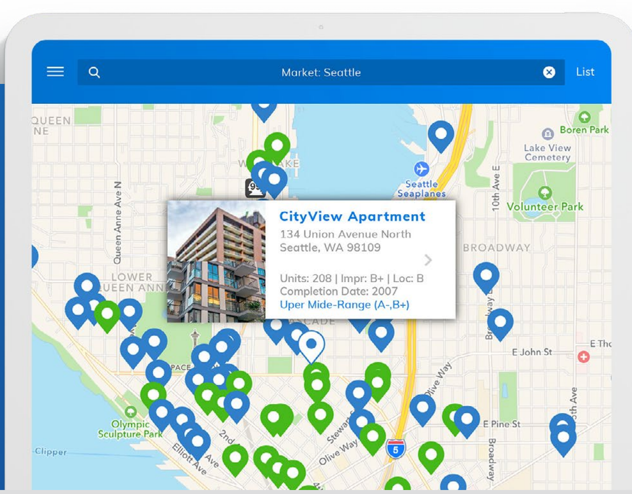


MULTIFAMILY KEY FEATURES

- Pierce the LLC every time with true ownership and contact details
- Leverage improvement and location ratings, unit mix, occupancy and manager info
- Gain complete new supply pipeline information from concept to completion
- Find acquisition prospects based on in-place loans, maturity dates, lenders and originators
- Access aggregated and anonymized residential revenue and expense comps



Yardi Matrix Multifamily provides accurate data on nearly **23.5 million units,** covering over **92% of the U.S. population.**

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