

Economic Trends

Employers added a net of 16,900 positions during the initial six months of the year, helping the local unemployment rate reach its lowest point since at least 2000 at 2.9 percent in June. By year-end, roughly one-third of new positions will be within traditionally of-office-using industries, which include higher-wage roles, helping household income growth in Detroit exceed its historical average by 240 basis points and improve 3.7 percent.

Demographic Trends

In 2023, Detroit's population will decline by 0.2 percent amid a loss of 9,100 residents in the 20- to 34-year-old tranche. This will be the cohort's largest decline since 2008 and is the age range most likely to aid self-storage demand. Nevertheless, a 2.1 percent improvement in the 65-plus-year-old population count may backfill some renter demand as family heirlooms are passed down and require additional space to store.

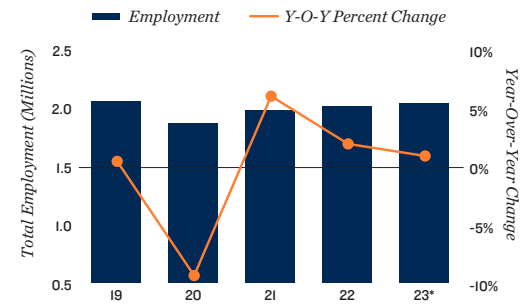
Supply and Demand Trends

Developers completed nearly 320,000 square feet of self-storage space during the initial three months of the year, the metro's largest quarterly influx since 2021. This will account for over 40 percent of Detroit's annual delivery slate. The completion of more than 440,000 square feet during the latter half of the year lifts annual deliveries to the market's second-largest total in more than a decade, helping local stock expand 3.5 percent.

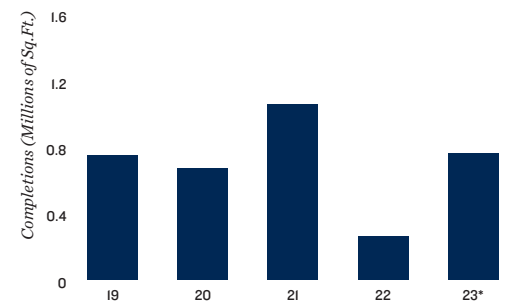
Rent Trends

A sizable delivery slate, combined with a declining local population, results in sustained downward pressure on asking rents this year. During the 12-month period ending in June, the average asking rate dropped 5.7 percent, the largest annual decline on record. Despite notching down to \$1.14 per square foot by year-end, Detroit's average asking rate will stand 5.6 percent above its 2019 figure.

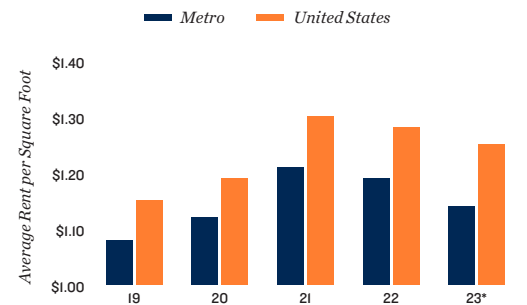
Employment Trends



Supply Trends



Rent Trends



* Forecast

Sources: BLS; Moody's Analytics; Radius+; Yardi Matrix; U.S. Census Bureau

FORECAST

EMPLOYMENT



CONSTRUCTION



RENT



Self-Storage Division

Steven Weinstock

Senior Vice President, Director

Tel: (630) 570-2200 | steven.weinstock@marcusmillichap.com

For information on national self-storage trends, contact:

John Chang

Senior Vice President, Director | Research & Advisory Services

Tel: (602) 707-9700 | john.chang@marcusmillichap.com

Price: \$500

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