

Office buildings keep on coming

By Jeff Counts
staff writer

THE NUMBER of vacant offices in the northwestern suburbs is growing, but chances are they will be filled, according to a report by a Southfield commercial real estate brokerage firm.

The vacancy rate is some 15 percent for existing buildings and 20 percent when

buildings under construction are factored in, said Lewis Kasselmann, vice president of Cushman & Wakefield.

Average rent for office space in the suburbs is \$20.50 per square foot, ranging in price from a low of \$9.50 in Southfield to a high of \$25.50 in Troy and Southfield.

"What we're seeing is a slight increase in the vacancy rate in suburbs," Kasselmann said. "It's up from the 11 percent at the end of 1987."

But while the vacancy rate for Birmingham/Bloomfield, Farmington Hills, Southfield, Troy and West Bloomfield may be higher, it is still lower than national levels, he said.

"For us the market is softer, but in Atlanta it's 25 to 30 percent and people there aren't concerned," he said.

ONE REASON for the uptick in the vacancy rate was a rush to develop property, Kasselmann said.

"The money was available and interest rates were low," he said. "It was a red flag for developers."

There was a rush of new property into the market, and we have a vacancy peak. One indication of an underlying strong market for space is pre-leasing, Kasselmann said. Thirty percent of buildings under construction are leased, he said.

"Usually people want to walk through a building first before they lease it," he said.

IN TROY, site of the corporate headquarters for K mart and others, the vacancy rate was 18 percent 18 months ago, but now has hit 20 percent, he said. Some people are worried, he said.

"Those buildings will be absorbed," he predicted.

Troy has 104 existing class A office buildings. Class A buildings have 20,000 square feet or more. Although it has a 20-percent vacancy rate, that is expected to grow to 23 percent when six buildings under construction are completed, the report said.

There will be 110 class A buildings when construction is completed, and some 10 million square feet of office space available.

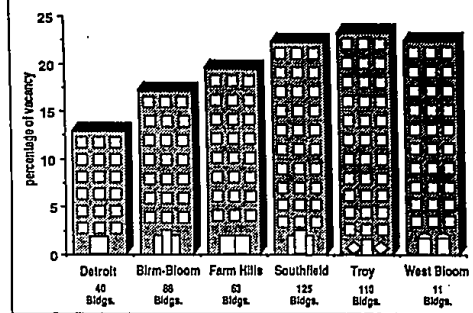
WEST BLOOMFIELD has 10 class A office buildings and one under construction, giving it a 14-percent vacancy rate, and a projected 23-percent vacancy rate when the new building is completed. The new building will bring West Bloomfield's total of square feet of office space to some 49,000.

Large corporations and national firms aren't looking at West Bloomfield, which has a three-story height limit on all buildings. Interest in office space there is largely from CPAs and lawyers, Kasselmann said.

Hot spots are Southfield, Farmington Hills and Dearborn.

Southfield has a vacancy rate of 15 percent in its 117 existing class A buildings, but that is expected to increase to 22 percent when the eight buildings under construction are completed. The city will

Office supply - How many vacancies?



Source: Cushman & Wakefield

The graph covers October assessments of office space that will be available when buildings under construction are completed. The office inventory did not include buildings occupied by their owner, gov-

ernment or medical facilities. The inventory looked at buildings over 20,000 square feet. The figures for Detroit represent the downtown business district.

have 10 square million feet of office space when those buildings are completed, the report said.

IN THE Birmingham/Bloomfield area, the vacancy rate in the 80 existing buildings is 10 percent, but that is expected to increase to 17 percent when eight new buildings are completed. The completion of those buildings will increase the amount of office space from 5.2 million square feet to 5.7.

The communities of Novi, Livonia and Auburn Hills are building offices in antici-

pation of the market.

Rochester Hills is not a factor in the office market because there are too few buildings, Kasselmann said.

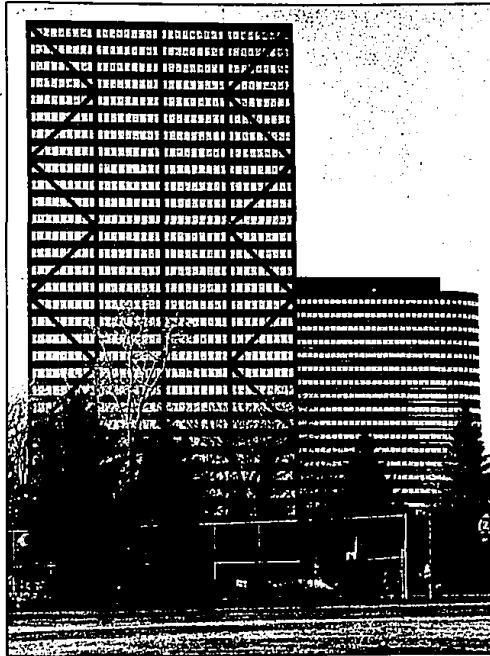
RIGHT NOW, Detroit and its suburbs aren't competing for business, Kasselmann said.

"People either want to be downtown or in the suburbs."

However, that could change in the next five years, if some of the projects planned for downtown materialize.

'What we're seeing is a slight increase in the vacancy rate in suburbs. It's up from the 11 percent at the end of 1987.'

— Lewis Kasselmann
vice president of Cushman & Wakefield.



FILE PHOTO

One of three towers of the Prudential Town Center in Southfield.

obituaries

GENEVIEVE MARGARET SCANLAN

Mrs. Scanlan, 86, of Farmington Hills died Nov. 27 in West Bloomfield Nursing Home.

Born in Woodstock, Canada, Mrs. Scanlan was a homemaker. She was a member of the Daughters of Charity, St. Francis Home for Boys, volunteer for Catholic Social Services Adoption Program, Michigan Cancer Foundation and a member of St. Mary's of Redford Mother's Club.

Survivors include her husband, Daniel; son, Daniel; daughter, Mary Margaret Bosco; sister, Helen Kupfer; brothers, Harold and Delbert Kupfer; eight grandchildren. Services were Nov. 30 at St. Clare of Assisi Catholic Church, Farmington Hills. Burial was in Holy Sepulchre Cemetery, Southfield.

Arrangements were made by the A.J. Desmond & Sons Funeral Home, Troy.

ERMA HARRIET DAHLBERG

Mrs. Dahlberg, 69, of Garden City died Nov. 28.

Born in Richmond, Ohio, Mrs. Dahlberg was an auditor for Michigan Central Railroad. She retired in 1981.

Survivors include her son, Eric; daughter, Linnea Roberts; four grandchildren.

Services were Dec. 1 at the Heene-Sundquist Funeral Home, Farmington, with the Rev. Benjamin Bohnsack of First United Methodist Church in Brighton officiating. Burial was in Grand Lawn Cemetery, Detroit.

Memorials may be made to Brighton Hospital, 12851 E. Grand River, Brighton 48116.

ORA W. WILLS

Mrs. Wills, 64, of Farmington Hills died Nov. 28.

Born in Virginia, Mrs. Wills was a homemaker.

Survivors include her sons, Craig and Jerry; brothers, Habbert and Rudolph Wheatley; three grandchildren.

Services were Dec. 1 at the R.G. and G.R. Harris Funeral Home, Livonia, with the Rev. Alfred Gould of Ward Evangelical Presbyterian Church officiating.

ANTHONY A. BAMBERGER SR.

Mr. Bamberger, 64, of Southfield died Nov. 22 in Botsford Hospital, Farmington Hills.

Born in Cincinnati, Ohio, Mr. Bamberger was an iron worker in construction. He was a member of Farmington Lodge 151 F&M and Iron Workers Local 25. Mr. Bamberger was a U.S. Navy veteran.

Survivors include his wife, Jean; son, Roger; daughter, Debra; daughter, Linda Brock; daughter, Enma Slout; daughter, Betty; daughter, Norma Jean; brother, Lee; brother, Ronald; brother, Alvin; brother, Jimmy; three grandchildren and three great-grandchildren.

Services were Nov. 25 at the Thayer-Rock Funeral Home, Farmington. Cremation was in Evergreen Crematory, Detroit.

Memorials may be made to the family.

DOROTHY GREEN (JERPE)

Mrs. Green, 55, of Farmington Hills died Nov. 24 in Sinai Hospital, Detroit.

Mrs. Green was a teacher's aid for the Farmington Public Schools/Special Education.

Survivors include her sons, Douglas and Gregory; daughter, Deborah Pocharczyk.

Services were Nov. 27 in Trinity Episcopal Church, Farmington Hills, with the Rev. Margaret Haas and the Rev. Richard E. Twick officiating. Burial was in Woodlawn Cemetery, Detroit.

Arrangements were made by the Thayer-Rock Funeral Home, Farmington.

MICHAEL KLIMM

Mr. Klimm, 69, of Sarasota, Fla. and Northville, formerly of Farm-

ington Hills, died Nov. 25.

Born in Saskatchewan, Canada, Mr. Klimm was a retired executive for United Parcel Service. He was a member of Tournament Players Club in Sarasota. Mr. Klimm was a World War II Army veteran.

Survivors include his wife, Jean; son, Kenneth; daughter, Kristine Sallay; brother, Edward; one grandchild.

Services were Nov. 28 at the Thayer-Rock Funeral Home, Farmington, with the Rev. Arthur J. Hunt of Ward Presbyterian Church officiating. Cremation was in Evergreen Crematory, Detroit.

Memorials may be made to the Michigan Heart Association.

EVELYN E. E. SAYLES

Mrs. Sayles, 84, of Farmington died Nov. 27 in Georgian Bloomfield Nursing Home.

Born in Duluth, Minn., Mrs. Sayles was a seamstress. She was a member of the Finnish Center.

Survivors include her husband, Thomas; sons, Alfred and Walter; three grandchildren.

Services were Nov. 30 at the Thayer-Rock Funeral Home, Farmington, with the Rev. Elmer Linna officiating. Burial was in Glen Eden Cemetery, Livonia.

Memorials may be made to the Finnish Center.

HOMER MAHLE

Mr. Mahle, 81, of Farmington Hills died Nov. 29 in Botsford Hospital, Farmington Hills.

Born in Tammesack, Mich., Mr. Mahle was a journeyman. He was a member of local 80 sheet metal works and an avid antique motorcycle buff.

Survivors include his wife, Anna; son, Neil; four grandchildren.

Services were Dec. 3 at St. John Lutheran Church, Farmington, with Vicar Susanne Palmquist officiating. Burial was in Glen Eden Cemetery, Livonia.

Arrangements were made by the Thayer-Rock Funeral Home, Farmington.

Center, Domino's team up for blood

Henry Ford Medical Center in West Bloomfield will hold a community blood drive Wednesday, Dec. 14. Its buddy, Domino's Pizza of Farmington Hills, will send flyers promoting the drive with 3,000 pizzas the week before the drive.

"If everyone who donates brings a friend, the supply is automatically doubled," said Judy Shipley, supervisor of the laboratory at the medical center.

"We used the buddy theme in July and it worked," said Shipley. "Our drive brought in 60 pints of blood—more than any other drive we've held."

She explained that the potential for the drive is greatest when area residents and business people take 45 minutes out of their day to stop in.

"Sixty pints could be used in just one auto accident. That gives you an

idea of why supplies get especially low during holiday travel time," said Shipley.

The drive will be held from 7 a.m. to 7 p.m. Dec. 14. Most people from 17 to 70 weighing more than 110 lb in good health may donate. Appointments are available by calling 661-4100, Ext. 6330. An appointment assures that the donor will be taken without waiting, but most people just drop in, according to Shipley.

Q U I L T E D



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