



ADVANTAGE
COMMERCIAL REAL ESTATE

Our

TAKE:

The housing shortage

An aerial photograph of a residential neighborhood, showing several houses with grey roofs and green lawns. A yellow car is parked on a street in the upper right. The image is overlaid with a semi-transparent dark grey rectangle containing text.

Our TAKE:

The housing shortage

What is the reason for rising rents and investors scrambling for multifamily developments?

A housing shortage and here is our take on it.



Our TAKE:

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Multifamily needs are trending because of pricing and rent increases, causing developers to pause new buildings.

There are a variety of reasons for the major housing shortage throughout the country, but here are **5 reasons for the housing shortage in West Michigan.**

An aerial photograph of a residential neighborhood, showing several houses with grey roofs and green lawns. A yellow car is parked on a street in the upper right, and a white car is on the left. The image is overlaid with a semi-transparent dark grey layer.

Our TAKE:

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1. Millennials are the largest generation in the US and are now entering the market for housing.

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2. In the 2008 recession, home building nearly came to a stop and never rebounded to incoming demands.



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3. Due to Covid-19, there is a shortage of building materials and supplies. This includes material needed to flip and maintain homes to current living standards.

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4. “Entry level” homes are not being built in larger quantities due to lower margin expectations because of a shifting economic policy and marketplace.

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5. An increase in short-term rentals, like Airbnb made it easier for people to hold on to more than one home.

