

# CRAIN'S DETROIT BUSINESS

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## Buildings and Dirt

A commercial real estate blog written by Reporter Daniel Duggan with news, trends and gossip from Metro Detroit.

### "Buzz" means rentals for Merchant's Row

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The last two years has been a series of ups and downs for the Lofts At Merchant's Row apartment building in Detroit.

Up: Two years ago, the apartment was full, commanding some of the highest rental rates in the market.

Down: three months ago, occupancy was in the upper 70-percent range.

Up (permanently?): Currently at 90-percent occupancy.

In the 157-unit building, the growth has come from students for the most part, but Quicken is credited for a few new tenants and a lot of the new buzz, said Terry Schwartz, a principal with Dover Realty Advisors, asset manager for the building. It's an amazing jump in activity for the building; taking on a chunk of new residents.

"Quicken really created a buzz, but what's it's also done is created a dynamic, a healthy dynamic, that gives more legitimacy to being downtown," said Schwartz.

Another positive at the building right now, Schwartz said, is that there are more people living in the building with plans to stay more permanently.

"We were filled with people in town for theater work, film projects or in town temporarily for corporate activity," Schwartz said. "All of our leasing in the last 60 days has been with tenants who plan to be a lot more permanent."

As for that last 10 percent, Schwartz is looking at more Quicken people interested in being downtown along with the initial 70 people who will start working for GalaxE Solutions Inc. at nearby 1001 Woodward.

Jobs are a crucial component to making downtown apartments work. But the next thing on the punch list is retail. Schwartz has his fingers crossed as do many in the city.

"That's the next lynchpin," he said. "If we're going to have more of that neighborhood feel, we're going to need to fill in retail on lower Woodward."