



COMMUNICATION'S TEST DESIGN RENDERING

SOUTH BEND / MISHAWAKA INDUSTRIAL REPORT

FEATURED LISTING



4167 MEGHAN BEELER,
SOUTH BEND, IN

- (2) 8' x 9' dock doors and (1) 12' x 14' drive-in door
- 24' clear eave height
- Ample on-site parking (25 spaces)
- 27,800 SF Available
- **FOR LEASE:**
\$4.25 PSF NNN

Contact: Jeremy McClements
574.522.7100

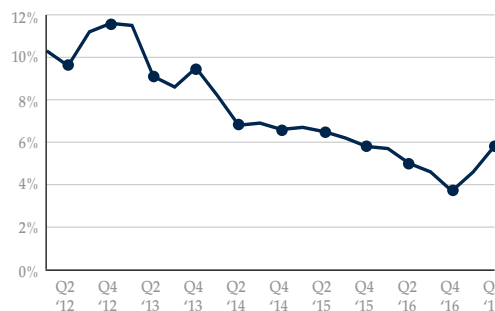
CONTINUED DEMAND IN THE DISTRIBUTION/WAREHOUSE SECTOR DESPITE INCREASING VACANCY

The industrial vacancy rate has gradually decreased since 2012, but within the past two quarters, over 800,000 square feet has come online, raising the vacancy rate over 200 basis points, finishing Q2 at 5.8%. In Q2 alone, over eight properties came online bringing 477,000 square feet of additional space available for sale or lease. Two of those properties were the former General Sheet Metal campus near Downtown South Bend, and the property at 3602 W. Sample Street in South Bend, whose combined available square feet contributed to 55% of the total new space that came online.

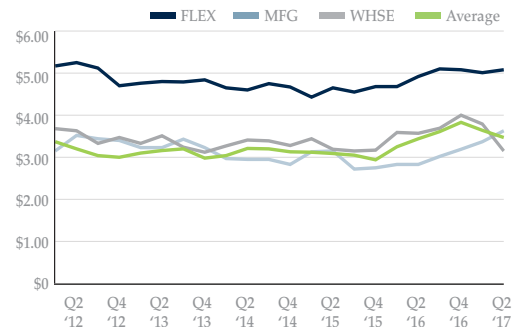
Despite large amounts of space coming online, these properties are mostly older generation and cater towards the manufacturing industry. The growing need is seen in the distribution/warehouse industry, as evident by the recent developments in the AmeriPlex at I-80/90 industrial park. Companies are searching for functional buildings with high ceiling heights that can adapt to their changing workplace environment.

Previous success stories at AmeriPlex at I-80/90 on South Bend's northwest side continued into Q2, as seen through the combined efforts of Great Lakes Capital and Bradley Company, who were able to sign Communications Test Design to a new 315,000-square-foot build-to-suit facility. As forecasted in our Q1 report, we continue to expect to see additional developments occur at AmeriPlex at I-80/90 and the city's northwest side.

Vacancy Rates



Asking Rates - \$/SF NNN



112 W. JEFFERSON BLVD., SOUTH BEND, IN 46601 | 574.237.6000



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2ND QUARTER NOTABLE TRANSACTIONS



MARKET INDICATORS



ABSORPTION



AVAILABILITY



RENTAL RATES



NEW CONSTRUCTION

LEASES

Property/Address	SF	Tenant	Type
South Bend Distribution Center III	315,000	CTDI Global Engineering	New
3502 W. Sample St.	44,863	Therm-O-Lite, Inc.	Renewal
6879 Enterprise Dr.	16,000	Theta Ridge Coffee	New

SALES

Address	SF	Sale Price	Buyer
400 S. Byrkit Ave., Mishawaka	300,000	\$1,700,000	Lippert Components

PROJECTS UPDATE

	Q2 '17 <i>Under Construction</i>	Q2 '17 <i>Completed</i>	Y.T.D. <i>Completed</i>	2016 <i>Completed</i>
Square Footage	315,000	73,000	466,000	820,000

Project	Bldg. SF	Projects Update	Type
Communications Test Design, South Bend	315,000	Under Construction / Q1 '18	New – BTS
Lippert Components, 400 S. Byrkit, Mishawaka	80,000	Planned	Addition/Expansion
St. Joseph Energy Center, New Carlisle	N/A	Under Construction	New – BTS

PROVIDED BY

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Methodology

In addition to primary research efforts, Bradley Company also utilizes third party reports in assembling the data included herein. Total marketplace square footage is estimated from a compilation of available sources and updated on a recurring basis. Availability rates are calculated based on properties which are publicly advertised at the time of data collection.