



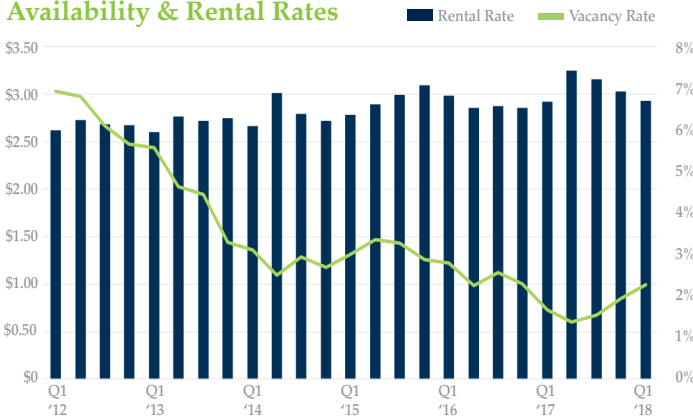
FEATURED LISTING:
 929 N. MICHIGAN ST., ELKHART, IN
 • 88,456 SF industrial space situated on 7.5 acres
 • Perfect for steel fabrication or distribution
 • 16' - 46' ceiling height
 • **FOR LEASE: \$2.25 PSF NNN**
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ELKHART INDUSTRIAL REPORT

2017 RECAP:

The Recreational Vehicle and Marine industries continued to drive the growth of the industrial market in the Elkhart area. RV shipments totaled 504,599 units in 2017, up 17.2 percent from 2016. Thor Industries, Jayco, Winnebago, Lippert Components, Kem Krest, Patrick Industries, and many others collectively grew their footprint nearly 2 million square feet in 2017. One of the more significant projects to break ground in 2017 was a 227,000-square-foot speculative building in Elkhart, the largest speculative building ever in Elkhart County. As the availability rate ended 2017 at 1.9 percent, many new sites and developments are in the works to help alleviate the demand for space. As companies continue to grow its operations, the needed labor force will continue to be a factor. According to an April 2018 Wall Street Journal article, titled "The Future of America's Economy Looks a Lot Like Elkhart, Indiana," some 9,500 jobs have no takers. Building efficiency and strategic investments will be key factors in the continued growth of the industrial sector for the market.

Availability & Rental Rates



Q1 MARKET UPDATE

The lack of available industrial inventory in the market continues to drive users to expand existing facilities, growing their campus' footprints. This, in effect, has led companies to search for opportunities outside their existing footprint. With the availability rate sitting at 2.3 percent, developable land is becoming even more attractable. Lippert Components recently received approval to annex approximately 153 acres of land in Goshen, and plans to construct a new \$20 million facility. Also, near the Elkhart RV/MH Hall of Fame and Museum, shovel-ready land sites are being prepped for future developments.

In addition to developing land sites, new construction projects are underway that will help alleviate the growing demand for industrial space. How the new 227,000-square-foot spec building under construction at 5400 Beck Drive gets absorbed will be an important indicator of the strength of the industrial market for the area. The new spec building is one of several new developments along the County Road 17 corridor to be constructed in the past several years. With easy access to the I-80/90 Toll Road to the north, and U.S. 20 to the south, look for more developments to follow.

	Q1 '18	Q1 '17	12 Mo. Forecast
Inventory	88.3 M	86.9 M	+
Availability Rate	2.3%	1.7%	=
Avg. Asking Rate (>5,000 SF)	\$2.93/SF	\$2.92/SF	=



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1ST QUARTER NOTABLE TRANSACTIONS

LEASES

Property/Address	SF	Type	Tenant
1601 Fieldhouse Ave., Elkhart	90,000	New	Praxix
1203 S. Division St., Bristol	25,000	New	Collings and Company
2917 Paul Dr., Elkhart	9,440	New	ERA Global Solutions

SALE

Property/Address	SF	Sale Price	Buyer
25161 Leer Drive, Elkhart	157,140	N/A	REV Recreation Group Inc.

CONSTRUCTION PROJECTS

Project	Industrial (SF)	Status	Completion
Thor Motor Coach Elkhart-Wakarusa-Bristol	300,000	Completed	Q1 '18
Jayco 58064 County Road 37, Middlebury	237,000	Completed	Q1 '18
Elkhart County SPEC 5400 Beck Dr., Elkhart	227,000	Under Construction	Q2 '18
Grand Design RV 11333 County Road 2, Middlebury	220,000	Under Construction	Q2 '18
2910 Industrial Pkwy., Elkhart	48,000	Under Construction	Q2 '18
Northland Corporation 22462 Innovation Dr., Elkhart	40,000	Completed	Q1 '18

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.