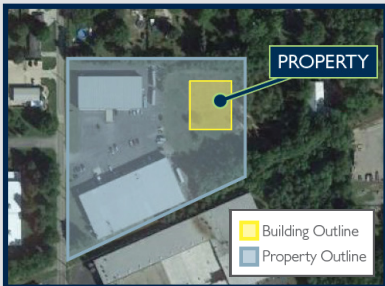




SOUTH BEND DISTRIBUTION CENTER I: 210,000 SF
 DELIVERY DATE: Q1 2017

SOUTH BEND / MISHAWAKA INDUSTRIAL MARKET

FEATURED LISTING



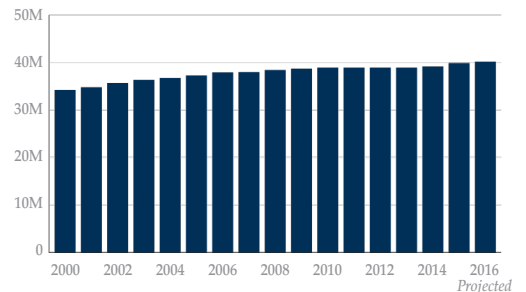
1840 N. HOME ST., MISHAWAKA

- 15,000 SF of new warehouse for lease
- Mishawaka's east side proximal to Capital Ave. and AM General
- Ceilings 18' to 22'
- Bays 30' by 50'
- 2 docks & 1 overhead door
- **For Lease: \$5.30 PSF + Utilities & Tax Increases**

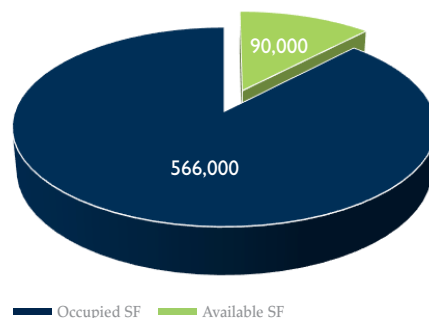
Contact: John O'Brien, CCIM
 574.237.6005
Steve Ellison
 574.237.6002

The South Bend / Mishawaka industrial market totals approximately 40.1 million square feet. Over the past several years, over one million square feet of industrial space has been added to the market. As of 3rd Quarter 2016, 683,000 square feet of industrial space is under construction in the South Bend / Mishawaka area. Looking at the area's largest submarket, Blackthorn Development Area on the northwest side of South Bend, 656,000 square feet is currently under construction, of which 86 percent will be occupied upon completion.

Industrial Inventory



Blackthorn Industrial Projects



Most of the developments in the Blackthorn submarket have been owner-user or build-to-suit projects, leading to no direct effect on asking rates, however there's been an indirect effect, leading to users paying higher actual rates because of space being quickly absorbed. 3rd Quarter lease rates transacted at nearly \$1.00 more than 2nd Quarter. The 90,000 square feet of spec space at the Ontario building is asking \$3.95 Triple-Net (NNN), which is comparable to similar product in the market, but slightly higher than the average market rate for warehouse space at \$3.69 NNN.

Lease transaction activity continued on a strong pace through the 3rd Quarter, with over 150,000 square feet of industrial space being absorbed. As space continues to tighten in the region, along with the recent success of the 210,000-square-foot South Bend Distribution Center I (South Bend's latest spec building), advancing discussions of other build-to-suit / spec opportunities are on the books for the area.



3RD QUARTER TRANSACTIONS

LEASES

Address	Tenant	SF	Type
14000 McKinley Hwy	Midwest Roofing	53,340	New
1827 N. Bendix	Communications Test Design	45,000	New
1827 N. Bendix, A	Walmart Stores East	40,500	New
5102 Dylan Dr.	CHEP Container and Pooling Solutions	33,826	New
3725 Cleveland Rd	Trane	11,570	New

SALES

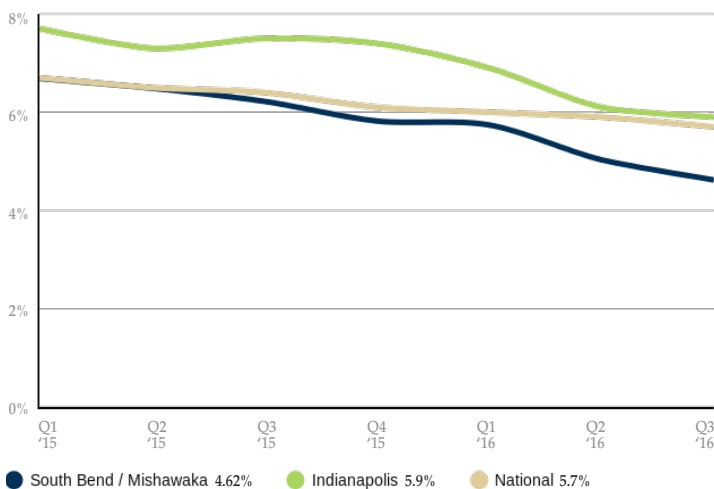
Address	Buyer	SF	Sale Price
412 S. Lafayette Blvd.	412 SB, LLC	9,376	\$375,000
1153 Northside Blvd	Clubhouse of St. Joseph County	7,500	\$250,000

PROJECTS UNDER CONSTRUCTION

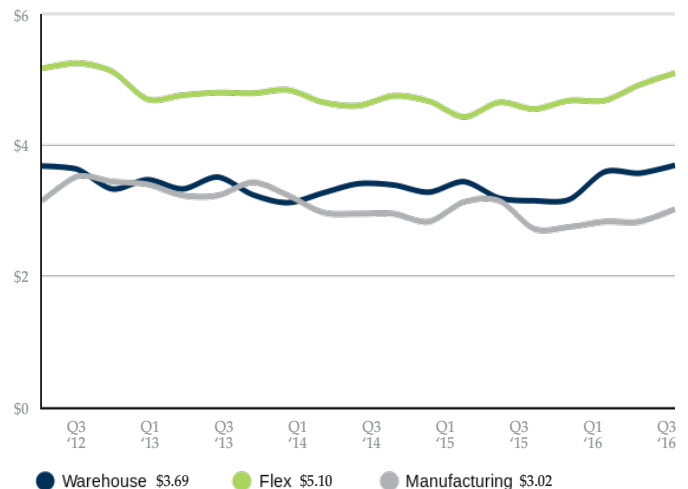
Project	Bldg SF	Completion Date	Type	Notes	SF Available
SBDC 1	210,000	Q1 2017	New	Fully Leased	0
General Sheet Metal	188,000	Q4 2017	New	Owner-Occupied	0
Ontario	165,000	Q1 2017	New	45% Leased	90,000
FedEx Freight	73,000	Q1 2017	New	Tenant Occupied	0
UniFirst	20,000	Q4 2016	New	Owner-Occupied	0
ABC Supply	12,000	Q4 2016	Expansion	Tenant-Occupied	0
1840 N. Home St.	30,000	Q4 2016	New	Owner-Occupied	15,000



Vacancy Rates



Asking Rates (NNN)



Source: CoStar (Indianapolis & National Vacancy Rate | Bradley Research (South Bend / Mishawaka Vacancy Rate))

GENERAL SHEET METAL: 188,000 SF | SOUTH BEND
DELIVERY DATE: Q4 2017



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 publically advertised at the time of data collection.