



FEATURED LISTING:
5770 NIMTZ PKWY., SOUTH BEND, IN

- Building A: 9,672 SF, \$1,050,000
- Building B: 10,567 SF, \$1,140,000
- Minimum demisable space of 2,500 SF
- Professionally managed, with on-site maintenance staff
- Contact: John Jessen | 574.968.9270
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SOUTH BEND/MISHAWAKA OFFICE REPORT

KEY ABSORPTIONS HAVING A TRICKLE EFFECT ON THE LOCAL OFFICE MARKET

QUARTERLY UPDATE

The office activity throughout the area continues to be focused on Downtown South Bend, and the Edison Lakes submarket in Mishawaka. Lippert Components is rapidly expanding into the 120,000-square-foot Mutual Bank Building in Edison Lakes they purchased in Q2, resulting in the displacement of several existing tenants. This movement is causing the vacancy rate to decline in the area as tenants are relocating within Edison Lakes and occupying previously vacant space, as evidenced by the rate dropping 40 basis points from the previous quarter, ending Q3 at 11.8%.

An undisclosed financial services company is set to occupy over 14,000 square feet of space in the newly renovated Jefferson Centre in Downtown South Bend. The company plans to occupy the entire 7th floor in consolidation efforts of several satellite locations. The nearly \$4 million renovation work on the building is scheduled to be completed by the end of the year. Façade work is almost done, and construction crews are working on the roof, lobby, common areas, and elevators.

In our Q2 report, we discussed the announcement of Faegre Baker Daniels vacating over 40,000 square feet of Class A space by the end of the year in the Key Bank building in Downtown South Bend. As of Q3, there's hasn't been any announcements of new tenants to occupy that space. We will continue to monitor the building in months to come, as it is expected to have a great impact on the local office market.

MARKET OVERVIEW:

	Overall Market		
	Q3 '16	Q3 '17	Forecast
Inventory	6.2M	6.2M	=
Vacancy	10.8%	11.6%	-

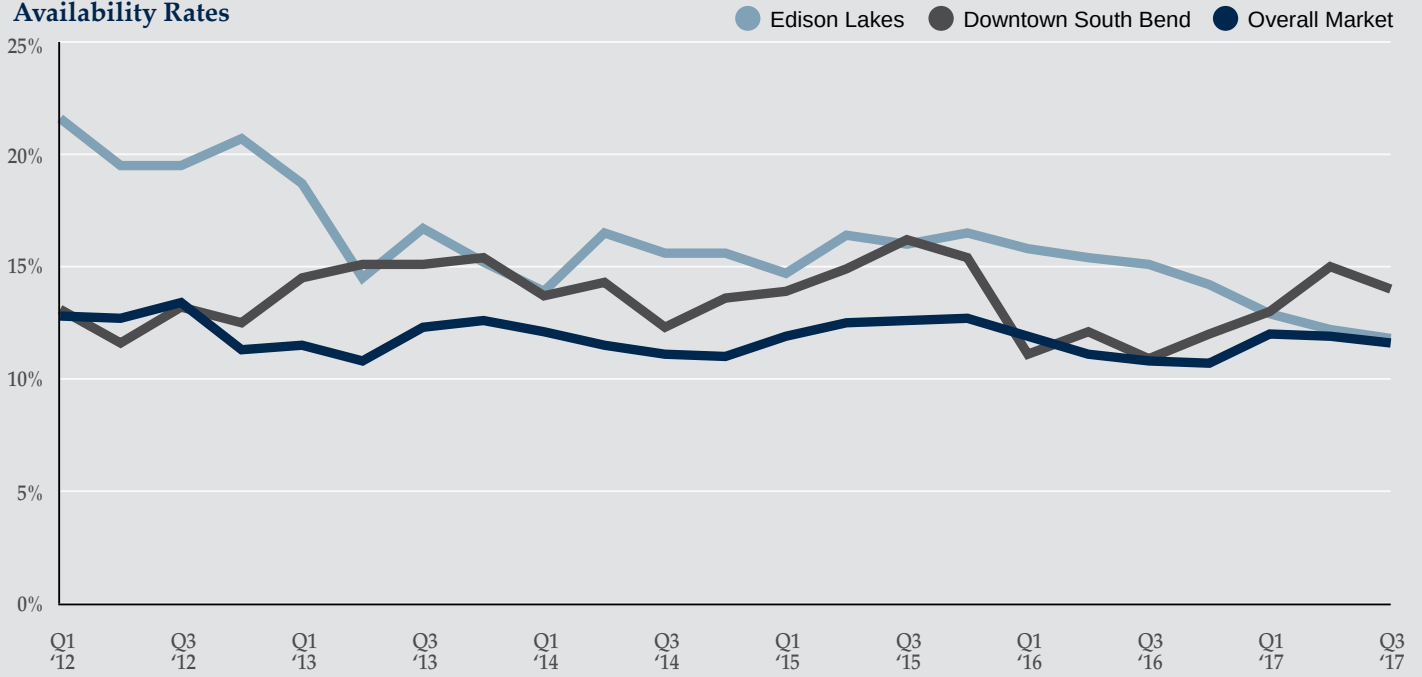
	DTSB		
	Q3 '16	Q3 '17	Forecast
Inventory	1.9M	1.8M	=
Vacancy	10.9%	14.0%	-

	Edison Lakes		
	Q3 '16	Q3 '17	Forecast
Inventory	1.0M	1.1M	=
Vacancy	15.1%	11.8%	-

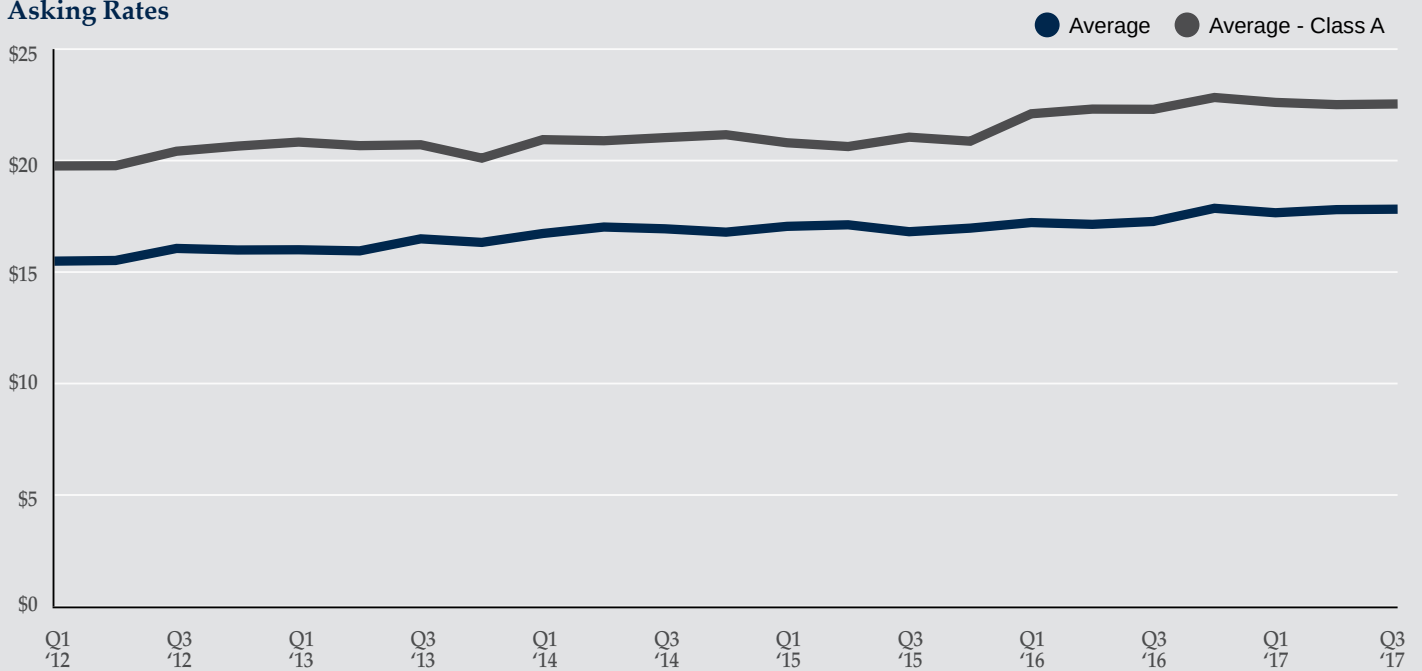
	Overall Market		
	Q3 '16	Q3 '17	Forecast
Avg. Rate	\$17.27	\$17.82	+
Avg. Class A Rate	\$22.30	\$22.54	+



Availability Rates



Asking Rates



3RD QUARTER NOTABLE TRANSACTIONS

LEASES

Property/Address	SF	Tenant	Type
Jefferson Center 105 E. Jefferson Blvd., South Bend, IN	14,984	Confidential	New
Leighton Plaza 130 S. Main St., South Bend, IN	7,571	RSM US LLP	New/Renewal
JMS Building 106-110 N. Main St., South Bend, IN	3,000	The Village	Renewal

PROJECTS UPDATE

Project	Bldg. Size	Status	Completion
Jefferson Center 105-109 W. Jefferson Blvd.	98,000	Renovation / Q4 '17	36,848 SF Available
JMS Building 106-110 N. Main St., South Bend, IN	88,694	Completed / Q3 '17	4,289 SF Available
VA Clinic Fir Rd. & Trinity Pl., Mishawaka, IN	71,000	Completed / Q3 '17	Owner-Occupied
Innovation Park Phase II 1400 Angela Blvd., South Bend, IN	38,500	Under Construction / Q4 '17	Phase II of University of Notre Dame's Business Incubator



MARKET INDICATORS



ABSORPTION



AVAILABILITY



RENTAL RATES



NEW CONSTRUCTION

PROVIDED BY

RESEARCH

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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.