



2025 INDUSTRIAL MARKET REPORT

NORTHEAST INDIANA

PUBLISHED 1/30/2025



2025 NORTHEAST INDIANA INDUSTRIAL MARKET REPORT

For the second consecutive year, the demand for industrial space slowed relative to the proceeding five years as evidenced by modestly positive net absorption and an increase in vacant space. Due to positive business sentiment, the overall forecast for 2025 is that industrial demand will improve and vacancy will decrease.

2024 REVIEW

- Modestly positive absorption of 362,318 SF primarily from manufacturing expansions
- Vacancy rate increased to 5.39% from 3.83%
- 2,675,799 SF of new industrial space was constructed in 2024, the seventh consecutive year of at least 2,000,000 SF
- Several users in the food supply chain built or expanded by approximately 1,200,000 SF
- UNFI is shuttering three buildings totaling 875,000 SF, shifting service to more modern distribution centers in their network
- There was more interest in purchasing buildings versus leasing
- Sale prices increased, driven by owner/user demand
- Lease rates were stable to slightly rising
- Construction costs continued to increase
- There are currently 13 vacant or under construction industrial spec buildings ranging in size from 20,000 SF to 200,000 SF
- No spec buildings were sold or leased in 2024
- Second generation buildings became available which provided a competitive threat to the new spec buildings
- There was a shortage of shovel-ready industrial sites
- Investment sales were strong because industrial is a favored asset class and interest rates stabilized

2025 FORECAST

- With the election decided, there will be a mixed impact of proposed policies, such as tariffs, less regulation and income taxes
- Higher, historically normal interest rates will be here for the foreseeable future
- Vacancy rates will remain steady or slightly decrease
- Northeast Indiana will be positively impacted by a pickup in domestic manufacturing
- Ohio will remain more aggressive than Indiana with respect to incentives which will put our market at a competitive disadvantage
- We anticipate several of the existing spec buildings will be leased or sold in 2025
- Total construction will be lower as compared to the previous seven years
- There will continue to be strong demand for smaller industrial spaces of 20,000 SF or less
- Sale prices will continue to increase; however, lease rates will remain stable or will slightly decrease

MARKET INDICATORS (000)	2024 REPORT	2024 REVIEW	2025 REPORT	2025 FORECAST
Total Inventory	118,889 SF	↑	121,247 SF	↑
Vacancy SF	4,555 SF	↑	6,540 SF	↓
Vacancy %	3.83%	↑	5.39%	↓
New Construction	1,999 SF	↑	2,676 SF	↓
Absorption	414 SF	↓	362 SF	↑
Average Rent *	\$5.95/PSF	■	\$5.95/PSF	■

*Spec/New Construction with a minimal level of buildout, NNN - 100,000 - 200,000 SF
All statistics are as of January 1st of each year

2025 NORTHEAST INDIANA INDUSTRIAL MARKET REPORT

TOTAL MARKET INVENTORY STATISTICS (SF)

Total Inventory – 1/1/2024	118,889,384
Vacant Space – 1/1/2024	4,555,300
Occupied Space – 1/1/2024	114,344,084
Constructed in 2024	2,675,799
Adjustments *	328,293
Total Inventory – 1/1/2025	121,246,890
Vacant Space – 1/1/2025	6,540,488
Vacancy Rate – 1/1/2025	5.39%
Occupied Space – 1/1/2025	114,706,402
Absorption – 2024	362,318

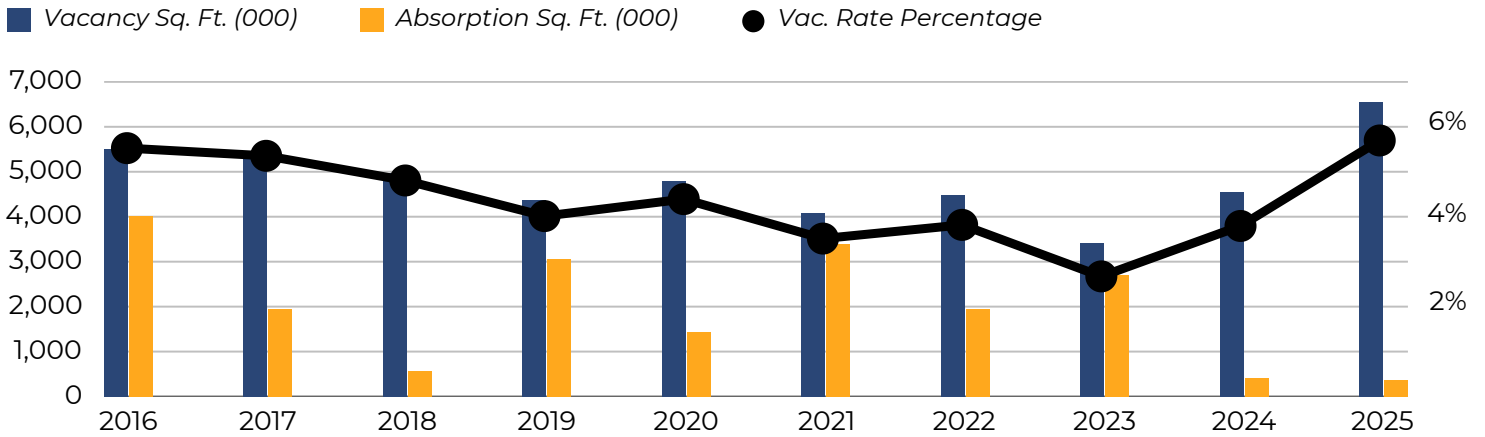
**Reduced inventory by a .25% obsolescence factor; 24,416 SF at 71 Radio Road, Columbia City converted to special purpose*



Inteva Products, 1805 West Lancaster Street, Bluffton

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MARKET VACANCY AND ABSORPTION, 2016 - 2025

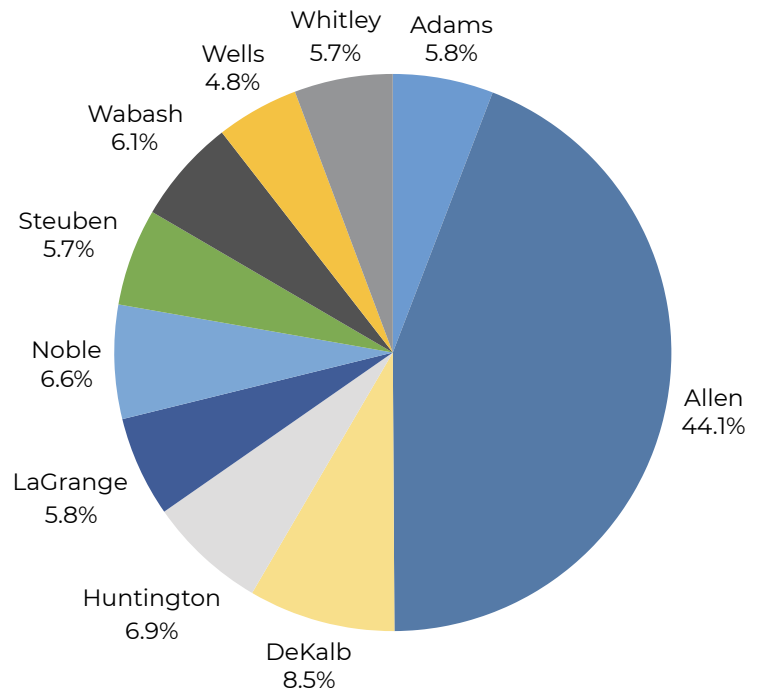


Year	Vacancy SF	Absorption SF	Vac. Rate Percentage
2016	5,495,000	4,009,000	5.25%
2017	5,439,000	1,939,670	5.11%
2018	4,965,000	561,348	4.66%
2019	4,373,676	3,059,173	4.01%
2020	4,795,902	1,439,715	4.32%

Year	Vacancy SF	Absorption SF	Vac. Rate Percentage
2021	4,082,687	3,400,810	3.60%
2022	4,448,510	1,946,619	3.85%
2023	3,417,942	2,697,011	2.91%
2024	4,555,300	414,724	3.83%
2025	6,540,488	362,318	5.39%

COUNTY PERCENTAGES

Adams	7,075,688	5.836%
Allen	53,434,541	44.071%
DeKalb	10,329,941	8.520%
Huntington	8,359,960	6.895%
LaGrange	7,073,294	5.834%
Noble	8,012,505	6.608%
Steuben	6,851,435	5.651%
Wabash	7,366,119	6.075%
Wells	5,813,813	4.795%
Whitley	6,929,595	5.715%
Total	121,246,890	100%



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AVERAGE MARKET PRICING

	Vacant Building Sales Price Mid-Range (\$/SF)	New Construction* (\$/SF)	Existing Building Triple Net Lease Rates** (\$/SF)	Spec/New Construction Triple Net Lease Rates** (\$/SF)	Vacancy Indicators
More than 250,000 SF	\$33 - \$38	\$75 - \$85	\$3.00 - \$3.50	\$5.00 - \$6.00	Under Supply
100,000 – 250,000 SF	\$44 - \$50	\$78 - \$88	\$3.50 - \$4.00	\$5.50 - \$6.50	Balanced
60,000 – 99,999 SF	\$50 - \$57	\$85 - \$95	\$3.75 - \$4.25	\$5.75 - \$6.75	Balanced
40,000 – 59,999 SF	\$56 - \$64	\$90 - \$100	\$4.00 - \$4.50	\$6.50 - \$7.50	Balanced
20,000 – 39,999 SF	\$60 - \$68	\$92 - \$102	\$4.25 - \$4.75	\$6.75 - \$7.75	Balanced
5,000 – 19,999 SF	\$70 - \$82	\$97 - \$107	\$5.00 - \$6.50	\$7.25 - \$8.25	Balanced
Less than 5,000 SF	\$75 - \$87	\$99 - \$111	\$6.50 - \$7.50	\$7.50 - \$8.50	Under Supply
High Tech/R&D	\$82 - \$95	\$125 - \$140	\$7.00 - \$8.00	\$9.00 - \$11.00	Under Supply

*The construction cost does not include land acquisition cost and extraordinary site improvement costs

**Triple net means the tenant is responsible for all operating costs such as real estate taxes, building insurance, interior and exterior maintenance. The landlord is responsible for roof and structure

Note: Pricing excludes investment sales

IMPROVED INDUSTRIAL SITES

	Site Prices (\$/SF)
Less than 2 acres	\$1.90 to \$2.20
2 to 10 acres	\$1.55 to \$1.95
10 to 25 acres	\$1.15 to \$1.55
More than 25 acres	\$0.90 to \$1.25

UNIMPROVED INDUSTRIAL SITES

	Site Prices (\$/SF)
Less than 10 acres	\$0.90 to \$1.15
10 to 100 acres	\$0.70 to \$0.80
More than 100 acres	\$0.40 to \$0.50

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AVAILABLE SPEC BUILDINGS

	City	Sq. Ft.
E. Asher Dr.	Markle	200,000
S. Adams St.	Bluffton	200,000
Aviation Dr.	Fort Wayne	150,000
Hitzfield Ct.	Roanoke	150,000
Weston Ave.	Kendallville	75,000
Airway Ave.	Fort Wayne	52,000
Rose Ave.	New Haven	34,000
Conservation Way	Fort Wayne	30,000
Baker Dr.	Ossian	30,000
Rogers Dr.	Columbia City	30,000
Ringle Ave.	Wabash	30,000
Yeager Dr.	Fort Wayne	21,500
Arden Dr.	Fort Wayne	20,000



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NOTABLE SALE AND LEASE TRANSACTIONS, 2024

<i>Reference Name - Location</i>	<i>City</i>	<i>Acres/Sq. Ft.</i>	<i>Type</i>
UNFI - 3 buildings	Fort Wayne	875,170	Closing
Fruehauf Properties LLC - E. Pontiac St.	Fort Wayne	483,402	Investment Sale
Inteva Products - Lancaster St.	Bluffton	400,000	Investment Sale
Winter Street LLC - General Electric Building - Winter St.	Fort Wayne	292,095	Investment Sale
Lakeside Book Company - Lester Dr.	Kendallville	213,515	Investment Sale
Tekni-plex/Dolco - Patterson St.	Decatur	186,674	Investment Sale
Adhezion Biomedical - Wabash Ave.	Fort Wayne	185,973	Lease
Colwell Industries - Marion Dr.	Kendallville	179,160	Closing
Intralin Corp. - CR 72	Auburn	177,479	Sale
2622 Lake Avenue Acquisiton - Bond St.	Wabash	156,000	Sale
Amazon - Avionics Dr.	Fort Wayne	150,600	Investment Sale
Bohren Logistics - N. Taylor Rd.	Garrett	138,500	Investment Sale
Fort Wayne Metals - American Way	Fort Wayne	120,040	Sale
Shindigz - Broad St.	South Whitley	117,004	Sale
Heritage Capital Management - Airport Expressway	Fort Wayne	112,000	Investment Sale
Trin - H.L. Thompson Jr. Dr.	Ashley	101,336	Sale
ZF Automotive - Taylor Rd.	Garrett	100,800	Investment Sale
Shearer's Foods - Lancaster St.	Bluffton	100,000	Lease
Bolt Custom Trucks - Nelson Rd.	Fort Wayne	98,400	Lease
CK Products - Innovation Blvd.	Fort Wayne	85,000	Sale
CPI Card Group - Lima Rd.	Fort Wayne	80,000	Lease
Smith Brothers of Berne - Liechty Rd.	Berne	64,796	Investment Sale
Riverside Manufacturing - Innovation Blvd.	Fort Wayne	61,800	Lease
Graber Manufacturing - State Road 37	Harlan	60,000	Sale



CPI Card Group, 6993 Lima Road, Fort Wayne

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NOTABLE SALE AND LEASE TRANSACTIONS, 2024

<i>Reference Name - Location</i>	<i>City</i>	<i>Acres/Sq. Ft.</i>	<i>Type</i>
CRND Fire Restoration - Transportation Dr.	Fort Wayne	54,121	Sale
4MC Holdings - Gerber St.	Ligonier	52,142	Sale
Baril Coatings - Swager St.	Fremont	51,600	Sale
Mill Supplies - Industrial Rd.	Fort Wayne	51,247	Investment Sale
Denali Advanced Integration - SR 8	Auburn	50,000	Lease
Six GS - Short St.	Columbia City	47,632	Sale
Pro Seal & Plastics - Vanguard Dr.	Fort Wayne	41,000	Investment Sale
Midwest Runner - S. Cassell St.	Fremont	40,000	Sale
PDQ Workholding - S. 7th St.	Albion	37,102	Sale
NextGen Investments - E. North Village Dr.	Shipshewana	36,345	Sale
Matrix QB Training - Lower Huntington Rd.	Fort Wayne	34,160	Sale
Peninsula Warehouse Services - Clubview Dr.	Fort Wayne	33,609	Lease
Bolt Custom Trucks - W. 1st St.	South Whitley	33,600	Investment Sale
Brenntag Great Lakes - Estella Ave.	Fort Wayne	32,233	Sale
Eckart Wholesale Supplies - Estella Ave.	Fort Wayne	32,233	Lease
Fusion Chemical - Broadway	Huntington	31,200	Sale
Ever Fresh Fruit Company - S. Warren Rd.	Warren	31,000	Sale
RECO Equipment - E. SR 930	Fort Wayne	30,720	Lease
Groundworks - Green St.	Avilla	30,400	Lease
Haviland Gunn, LLC - Ward St.	Wakarusa	30,000	Sale
Shelter's Wholesale - High St.	Geneva	29,600	Lease
CMA Steel & Fabrication - Centennial Dr.	Fort Wayne	28,500	Investment Sale



6230 Innovation Boulevard, Fort Wayne

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NOTABLE SALE AND LEASE TRANSACTIONS, 2024

<i>Reference Name - Location</i>	<i>City</i>	<i>Acres/Sq. Ft.</i>	<i>Type</i>
PolyPro Concrete Coatings - Ley Rd.	Fort Wayne	28,200	Sale
CNS Networks - Baseline Rd.	Avilla	27,500	Lease
Meyer Plastics - Congressional Pkwy.	Fort Wayne	27,462	Investment Sale
Irwin Hodson Group - Congressional Pkwy.	Fort Wayne	27,000	Lease
Cedar Plaza - Bremer Rd.	Fort Wayne	25,000	Sale
Whitley County Schools - Radio Rd.	Columbia City	24,416	Sale
Dexter Axle - E. Park Dr.	Albion	24,280	Lease
Ingram Book Company - Highview Dr.	Fort Wayne	24,000	Lease
A&L Great Lakes Laboratories - Conestoga Dr.	Fort Wayne	22,022	Sale
Auburn Hardwood Mouldings - W. Auburn Dr.	Auburn	22,000	Sale
Don R. Fruchey, Inc. - Edgerton Rd.	Fort Wayne	20,000	Lease
Vested Metals - Innovation Blvd.	Fort Wayne	20,000	Lease
FHT Properties - Industrial Pkwy.	Ossian	19,105	Sale
JJM Properties - Discount Dr.	Fort Wayne	19,055	Sale
Valid Identity Solutions - Corrinado Ct.	Fort Wayne	19,030	Lease
Omega Elite - Keystone Dr.	Fort Wayne	16,500	Sublease
Oceaneering International - Northyard Ct.	Fort Wayne	16,000	Lease
Bracht's Custom Cabinetry - Hartzell Rd.	New Haven	15,000	Sale
Hays & Sons - Production Rd.	Fort Wayne	14,720	Sale
Total Precision Cabinetry - Industrial Rd.	Fort Wayne	14,400	Lease
BR Property Group - N. Coliseum	Fort Wayne	14,293	Sale
4A Cargo Trucking - Edgerton Rd.	Fort Wayne	10,200	Lease

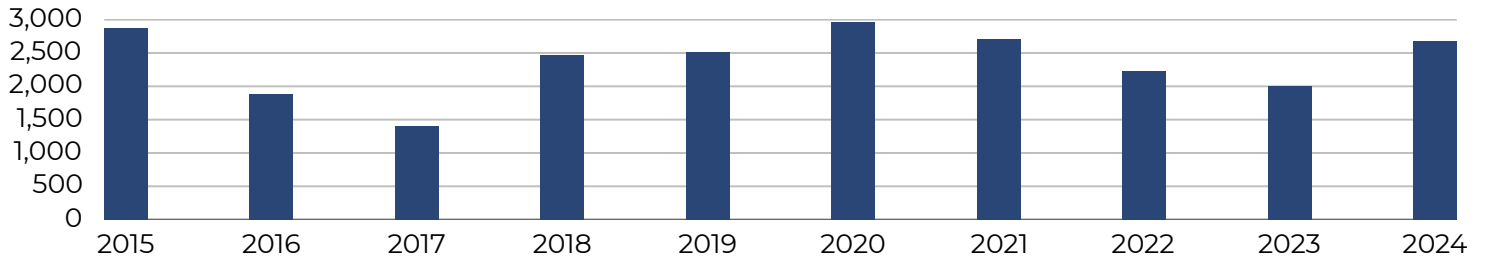


Spec Building, 4455 Airway Avenue, Fort Wayne

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NEW CONSTRUCTION BY YEAR

Square Footage (000)



Year	Sq. Ft.	Year	Sq. Ft.
2015	2,871,949	2020	2,965,511
2016	1,883,646	2021	2,707,519
2017	1,402,313	2022	2,235,765
2018	2,473,539	2023	1,999,075
2019	2,508,586	2024	2,675,799



2605 Marion Drive, Kendallville

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NOTABLE CONSTRUCTION TRANSACTIONS, 2024

<i>Reference Name - Location</i>	<i>City</i>	<i>Sq. Ft.</i>	<i>Type</i>
Walmart Distribution Center - IN-8	Auburn	630,000	Under Construction
Google Data Center - Adams Center Rd.	Fort Wayne	361,000	Under Construction
Ford Meter Box Foundry - Manchester Ave.	Wabash	300,000	Constructed
North Amercian Cold Storage - Roemer Dr.	Woodburn	200,000	Under Construction
Van Eerden Foodservice - Smith Rd.	Fort Wayne	181,527	Under Construction
WaterFurnace - Conservation Way	Fort Wayne	172,600	Expansion
Dreyer's Grand Ice Creams - Wells St.	Fort Wayne	124,445	Expansion
Vestil Manufacturing Corp. - N. Wayne St.	Angola	114,000	Expansion
L3Harris - W. Cook Rd.	Fort Wayne	113,100	Constructed
Hilltip Inc. - Wayne Haven St.	Fort Wayne	95,000	Constructed
CPI Card Group - Lima Rd.	Fort Wayne	80,000	New Construction
H&M Bay Inc. - Silverado Properties	Fort Wayne	60,000	New Construction
BW Fusion - Hillegas Rd.	Fort Wayne	60,000	Proposed
Huntington Sheet Metal - Riverfork Dr.	Huntington	50,000	Expansion
Revive Materials	Wabash	45,000	Constructed
Keystone Industrial Park	Fort Wayne	40,000	Proposed
CME - Hatfield Rd.	Fort Wayne	38,000	Constructed
TJW Industrial - Innovation Ct.	Fort Wayne	37,447	Under Construction
Alpha Building Center - SR 5	Shipshewana	35,000	Constructed
Ossian Spec II - Baker Dr.	Ossian	30,000	Constructed
Rogers Spec Building	Columbia City	30,000	Constructed
Spec - Conservation Way	Fort Wayne	30,000	Under Construction
Indiana Materials Processing - E. Rail Connect Dr.	Columbia City	27,225	Expansion
Keystone Industrial Park	Fort Wayne	24,000	Proposed
Spec - Yeager Dr.	Fort Wayne	21,050	Constructed
Spec - Arden Dr.	Fort Wayne	20,000	Constructed
Spec - Boulder Ave.	Fort Wayne	20,000	Proposed
Wayne-Vaughn Equipment - E. Wayne St.	Fort Wayne	13,171	New Construction
Peridot, Inc. - Bruick Ln.	Hoagland	11,400	Expansion
Park Plastics Products - 4720 Clubview Dr.	Fort Wayne	10,000	Constructed

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Spec Building, 852 Weston Avenue, Kendallville.

HIGHLIGHTED CONTIGUOUS VACANCIES OVER 100,000 SF

<i>Building</i>	<i>Location</i>	<i>Total Area</i>	<i>Vacant SF</i>	<i>% Vacant</i>
Eaton	201 Brandon St., Auburn	345,000	345,000	100%
Do It Best	6502 Nelson Rd., Fort Wayne	403,140	305,000	76%
Spec Building	Adams St., Bluffton	200,000	200,000	100%
Phelps Dodge	4400 New Haven Ave., Fort Wayne	200,000	200,000	100%
Spec Building	Asher Dr., Markle	400,000	200,000	50%
Colwell	2605 Marion Dr., Kendallville	179,160	179,160	100%
GTE	3301 Wayne Trace, Fort Wayne	163,000	163,000	100%
Spec Building	Hitzfield Ct., Roanoke	150,000	150,000	100%
Spec Building	8645 Aviation Dr., Fort Wayne	150,000	150,000	100%
Courier	2500 Marion Dr., Kendallville	248,510	129,537	52%

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Spec Building, Arden Drive, Fort Wayne

METHODOLOGY

The Zacher Company market survey reports are a compilation of data from many sources. The data is reviewed annually and adjusted due to circumstances in the market, such as new construction and demolition. The vacancy square footage is compiled from a combination of online data from multiple major listing services, brokers' listing information from their websites and their emailings, and industry knowledge. The brokers in our office are involved in the creation of this report to provide the most accurate information possible. We cannot be responsible, however, for errors, omissions, prior sale, lease or withdrawal from the market.

1. The Northeast Indiana industrial real estate market is defined as the counties of Adams, Allen, DeKalb, Huntington, LaGrange, Noble, Steuben, Wabash, Wells and Whitley. Wabash County was added in 2011. The County Economic Development Organizations for each of the ten counties provided assistance preparing this report.
2. This survey includes space projected to be vacant in the first quarter of 2025. It does not include announced industrial expansions or contractions that are anticipated or projected to be occupied or vacated after the first quarter of 2025. The survey includes new space where above-ground construction has commenced.
3. The total inventory is adjusted downward by 0.25% for buildings that are deemed to have become functionally obsolete or demolished.
4. The total industrial inventory in Allen County on 1/1/25 is estimated to be 53,434,541 sq. ft. The total industrial inventory in the other nine counties in Northeast Indiana on 1/1/25 is estimated to be 67,812,349 sq. ft.

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PREPARED WITH THE ASSISTANCE OF

Steven Zacher, SIOR, CCIM; Joy Neuenschwander, SIOR, CPM; Evan Rubin; John Adams, CCIM; Fletcher Moppert; Zach Meyer; Judy Zacher, MD; Dan Gabbard; Stephanie Levine, Kyle Kundrath, Matt Booker

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info@zacherco.com

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