



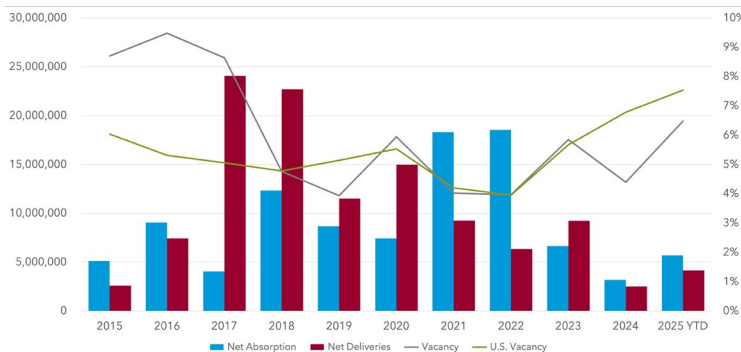
INDUSTRIAL MARKET OVERVIEW

STAN ELSER, *Executive Vice President*

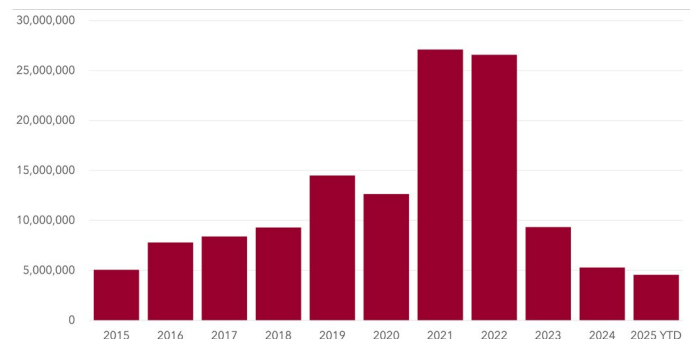
Tenant demand for industrial space has moderated as new deliveries further outpace the demand. As vacancy increases the supply-side pressures are subsiding with deliveries expected to reach a nine-year low in 2025. Indianapolis experienced an industrial development boom over the past few years, with one of the most significant inventory increases in the nation since the pandemic. Since 2020, the market added 83 million SF of new industrial space, 70% were properties larger than 500,000 SF. In 22Q1, the vacancy rate was just 3.6%. As of 25Q3, it's 13.9%, representing an improvement of 230 basis points from last quarter's peak. With demand projected to rise this year and deliveries set to fall to the lowest level since 2016, Indianapolis will likely see its vacancy rate improve modestly for the first time in three years.

MARKET INDICATORS	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
▼ 12 Mo. Net Absorption SF	(329,097)	(204,801)	(881,123)	(1,810,528)	(546,289)
▲ Vacancy Rate	5.03%	4.96%	5.20%	5.60%	4.80%
◀ ▶ Avg NNN Asking Rate PSF	\$7.67	\$7.67	\$7.67	\$7.65	\$7.65
▲ Sale Price PSF	\$77.00	\$76.00	\$76.00	\$75.00	\$74.00
◀ ▶ Cap Rate	8.50%	8.50%	8.50%	8.50%	8.50%
▲ Under Construction SF	4,559,441	3,899,497	4,643,762	5,284,899	5,649,096
▲ Inventory SF	429,891,470	429,602,412	428,178,211	427,300,144	426,749,642

NET ABSORPTION, NET DELIVERIES, & VACANCY



UNDER CONSTRUCTION



TOP SALE TRANSACTIONS BY SF	SIZE	SALE PRICE	BUYER / SELLER	BUILDING CLASS
6437 Enterprise Drive McCordsville, IN	1,236,162 SF	\$108,000,000 \$87.37 PSF	Walmart Real Estate Business Trust Core5 Industrial Partners	Class A
2463 N. Buck Creek Road Greenfield, IN	1,053,360 SF	\$77,324,800 \$73.41 PSF	Amazon LXP Industrial Trust	Class A
5789 N. Graham Road Whiteland, IN	846,000 SF	\$68,000,000 \$80.38 PSF	EQT Real Estate Mohr Partners, Inc.	Class A

TOP LEASE TRANSACTIONS BY SF	SIZE	LANDLORD	TENANT	TENANT INDUSTRY
6299 S. 475 E Lebanon, IN	737,457 SF	Whitestown Owner LLC	Undisclosed	Undisclosed
5650 Belcher Way Lebanon, IN	400,576 SF	Zeller - 401 LRH Restructured	Undisclosed	Undisclosed
4212 Owens Farm Court Greenfield, IN	370,000 SF	VanTrust Real Estate LLC	Neovia Logistics	3rd Party Logistics / Supply Chain

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