



# Office Market Report

# Indianapolis - IN USA

PREPARED BY

CARMEN

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**OFFICE MARKET REPORT**

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12 Mo Deliveries in SF

**265K**

12 Mo Net Absorption in SF

**3.3K**

Vacancy Rate

**9.7%**

Market Asking Rent Growth

**0.6%**

Heading toward the fall of 2024, vacancy of 9.7% in the Indianapolis office market has increased by roughly 20 basis points over the past 12 months and is sitting above the longer-term averages for the area. For context, the 10-year average vacancy rate is 8%. The area continues to weather deteriorating market fundamentals amid economic uncertainty and ongoing adjustments to per-worker space requirements. Meanwhile, absorption was negative by -1,500 SF, while 250,000 SF was delivered here over the past year., As of 24Q3, another 1.3 million SF is underway, representing roughly 1.2% of the area's inventory.

Demand for space has been muted recently, with net absorption in negative territory for five out of the past seven quarters. The largest office lease recorded here over the past 12 months occurred in May 2024 when Endree+Hauser signed a 60,000 SF lease at 4200 Endress Place in Greenwood with a move-in date during November 2024. Another significant lease was signed in January 2024, when Calumet Special Products Partners committed to 52,683 SF at 1020 N Capitol Ave. in Indianapolis for ten years.

Tenants reducing their space requirements resulted in availabilities of 11.1%, the highest it's been in Indianapolis since mid-2016. But even with the recent

increase in office space availability, Indianapolis is still well-below the national availability average of 16.5%.

Although office sector weakness continues nationwide, Indianapolis has a diverse array of office-using tenants that have helped it perform better than many markets, especially coastal tech-oriented cities. Top industries operating in the area include agribusiness, logistics, manufacturing, information technology, and life sciences. In addition, the sports industry has a substantial presence with the NCAA headquarters and the Indianapolis Motor Speedway.

Rent growth has softened by roughly 20 basis points over the past 12 months and is currently at 1%. The CoStar Base Case forecast projects rent growth hovering around 0.5% through the end of 2025 before gradually increasing.

Historically, Indianapolis is an active transaction market, with investments averaging \$517 million annually over the past decade. But more recently, the cadence of sales transactions has slowed along with sales volume, with \$159 million worth of assets trading across 190 recorded transactions. Meanwhile, the cap rate has increased over the past 12 months to 10.67%, the highest it's been here over the past decade.

### KEY INDICATORS

Current Quarter	RBA	Vacancy Rate	Market Asking Rent	Availability Rate	Net Absorption SF	Deliveries SF	Under Construction
4 & 5 Star	18,297,719	15.9%	\$24.04	17.9%	(9,607)	0	1,187,318
3 Star	56,156,141	9.8%	\$22.57	11.1%	(23,525)	0	77,890
1 & 2 Star	36,181,887	6.4%	\$19.31	6.9%	(14,464)	0	4,440
<b>Market</b>	<b>110,635,747</b>	<b>9.7%</b>	<b>\$21.77</b>	<b>10.9%</b>	<b>(47,596)</b>	<b>0</b>	<b>1,269,648</b>

Annual Trends	12 Month	Historical Average	Forecast Average	Peak	When	Trough	When
Vacancy	0.2% (YOY)	9.1%	10.0%	11.4%	2003 Q1	6.1%	2000 Q3
Net Absorption SF	3.3K	722,715	223,447	2,586,917	2007 Q2	(2,303,689)	2001 Q2
Deliveries SF	265K	1,062,156	551,892	2,405,836	2007 Q2	201,956	2012 Q1
Market Asking Rent Growth	0.6%	1.3%	1.8%	7.5%	2022 Q1	-3.5%	2010 Q1
Sales Volume	\$220M	\$317.2M	N/A	\$880M	2017 Q2	\$0	2004 Q2



Indianapolis' office market has experienced softness in recent years, with negative demand in five out of the past seven quarters. Over the past twelve months, 1,500 SF of office space has been given back to the market, with demand in the 4 & 5 Star category experiencing positive absorption of 150,000 SF while demand at 3 Star office space and below was negative.

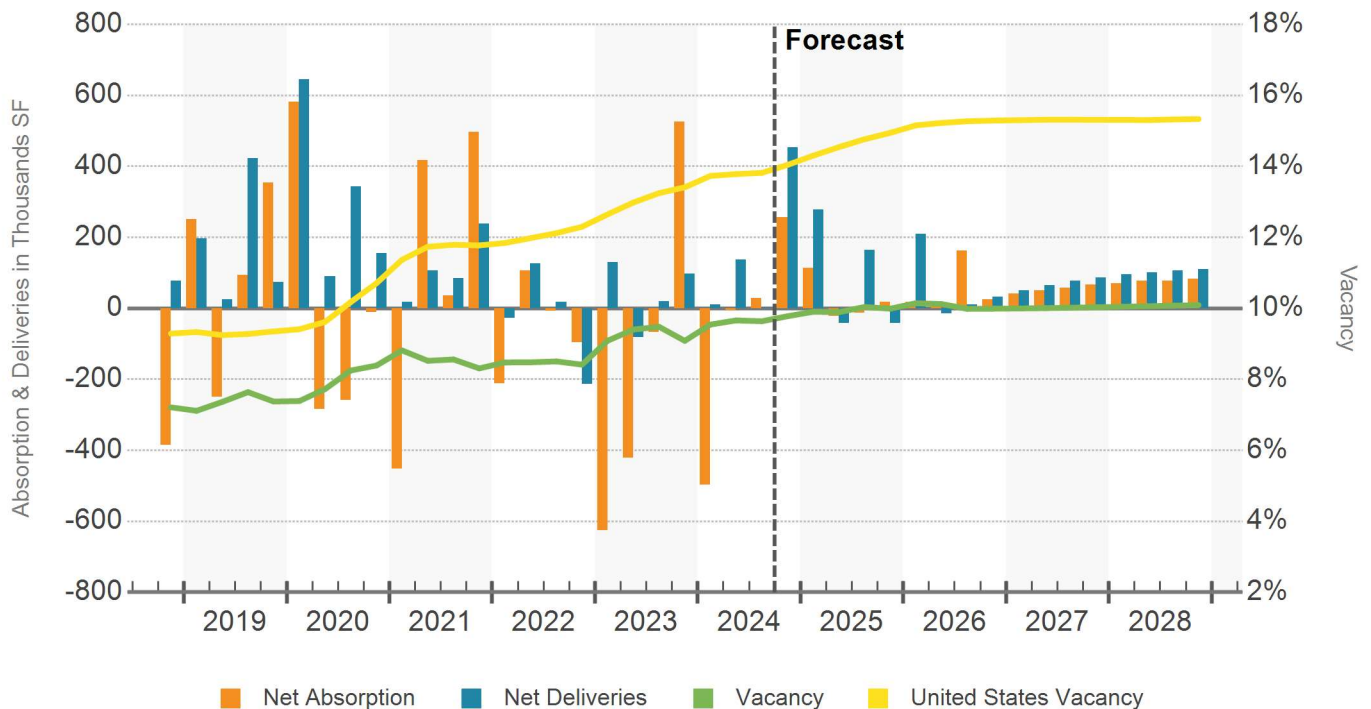
The total amount of sublet space available has declined from a high of 1.1 million SF reached during 23Q2 to 941,000 SF as of 24Q3. A typical sublease executed over the past three months includes an unknown tenant signing for 4,203 SF at 602 N Capitol Rd. in Indianapolis.

Financial and insurance firms continue to be drivers of

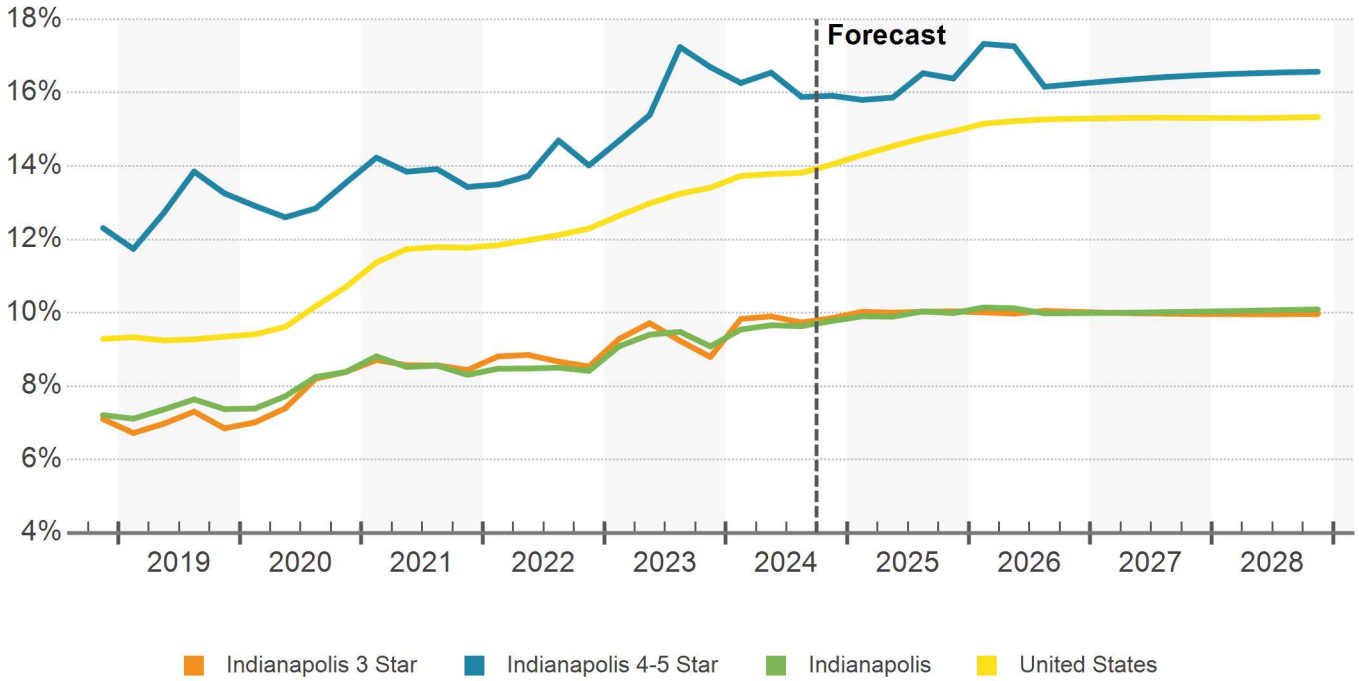
demand for office space. Epic Midwest Insurance, specializing in retail risk management and employee benefits, signed a 19,000-SF lease for \$26/SF at the Meridan Mark II office within the Carmel Submarket in September 2023. With net absorption remaining softened over the past year, vacancy has increased by around 20 basis points over the past 12 months to 9.7%. Space give-backs were consistent for 3 Star properties and below.

4 & 5 Star office space is experiencing the highest vacancy level at 16.8%, while 3 Star office space has had relatively flat vacancy near 9.7%. Meanwhile vacancy at 1 & 2 Star office space is the lowest in the area, at 6.2%.

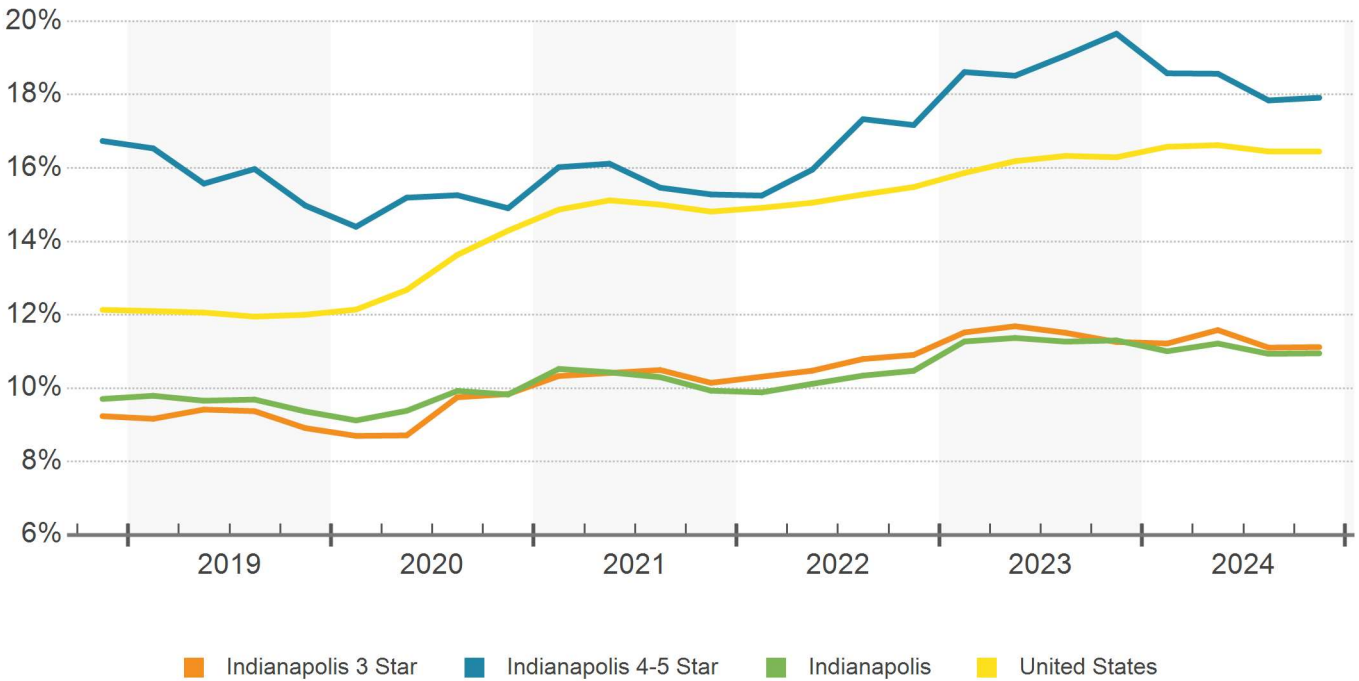
### NET ABSORPTION, NET DELIVERIES & VACANCY



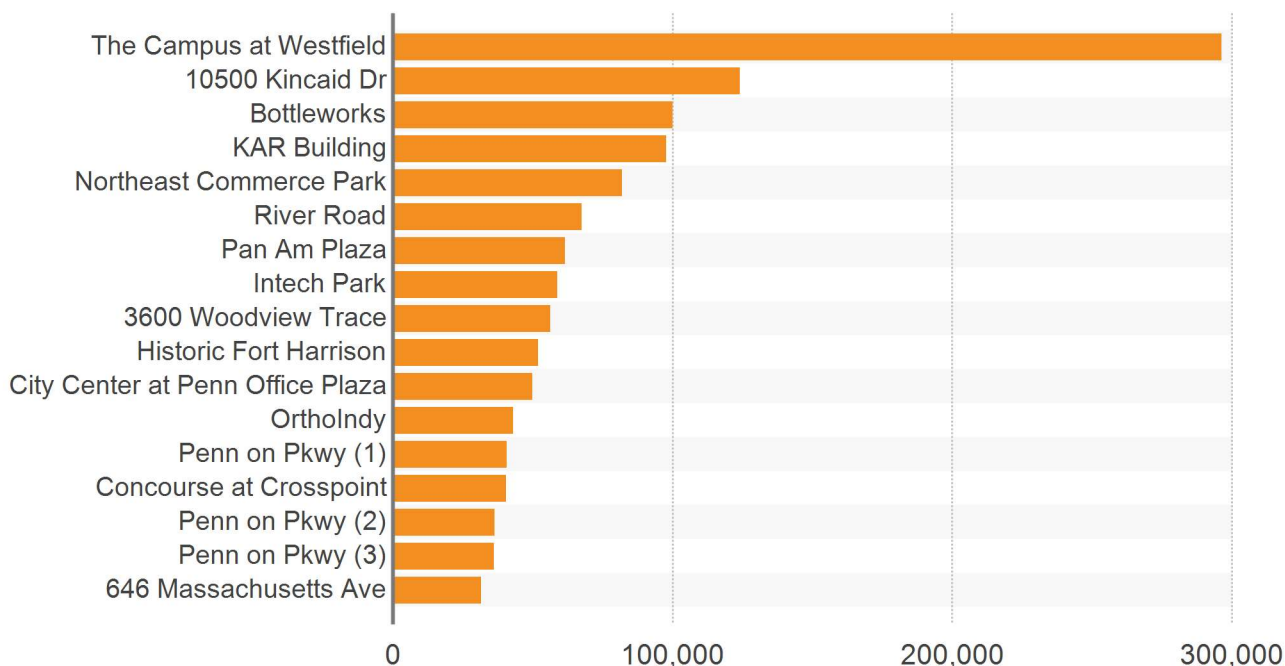
## VACANCY RATE



## AVAILABILITY RATE



### 12 MONTH NET ABSORPTION SF IN SELECTED BUILDINGS



Building Name/Address	Submarket	Bldg SF	Vacant SF	Net Absorption SF				
				1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	12 Month
The Campus at Westfield	Far North Hamilton C...	302,821	0	0	0	0	0	296,238
10500 Kincaid Dr	Fishers/Geist	127,000	0	124,000	0	0	0	124,000
Bottleworks	CBD	100,000	0	0	100,000	0	0	100,000
KAR Building	Carmel	267,771	0	0	0	0	0	97,826
Northeast Commerce Park	Fishers/Geist	87,650	0	0	26,775	55,254	0	82,029
River Road	Keystone Crossing	147,900	60,856	12,045	55,380	(1,099)	0	67,579
Pan Am Plaza	CBD	138,800	0	7,621	12,517	33,095	0	61,491
Intech Park	Park 100	80,280	0	0	0	58,690	0	58,690
3600 Woodview Trace	College Park	81,430	24,574	0	0	33,216	0	56,342
Historic Fort Harrison	North Shadeland	62,162	10,150	52,012	0	0	0	52,012
City Center at Penn Office Plaza	Carmel	138,642	8,108	19,820	29,934	0	0	49,754
OrthoIndy	Hendricks County	44,000	0	0	0	0	0	43,043
Penn on Pkwy (1)	Meridian Corridor	60,900	0	9,803	9,687	21,154	0	40,644
Concourse at Crosspoint	Fishers/Geist	140,324	0	0	(4,541)	40,376	4,541	40,376
Penn on Pkwy (2)	Meridian Corridor	140,636	32,628	(1,593)	45,510	(2,610)	0	36,269
Penn on Pkwy (3)	Meridian Corridor	139,232	64,982	23,359	9,217	0	0	36,081
646 Massachusetts Ave	CBD	36,800	5,264	0	31,536	0	0	31,536
<b>Subtotal Primary Competitors</b>		<b>2,096,348</b>	<b>206,562</b>	<b>247,067</b>	<b>316,015</b>	<b>238,076</b>	<b>4,541</b>	<b>1,273,911</b>
Remaining Indianapolis Market		108,539,399	10,502,190	(745,136)	(321,789)	(210,175)	(52,137)	(1,283,206)
<b>Total Indianapolis Market</b>		<b>110,635,747</b>	<b>10,708,752</b>	<b>(498,069)</b>	<b>(5,774)</b>	<b>27,901</b>	<b>(47,596)</b>	<b>(9,295)</b>

### TOP OFFICE LEASES PAST 12 MONTHS

Building Name/Address	Submarket	Leased SF	Qtr	Tenant Name	Tenant Rep Company	Leasing Rep Company
Bottleworks	CBD	74,000	Q2 24	Indiana Members Credit U...	-	-
850 Massachusetts Ave	CBD	74,000	Q3 24	Indiana Members Credit U...	Cushman & Wakefield	Colliers
Endress+Hauser Innovation Center &...	Greenwood	60,000	Q2 24	Endress+Hauser	-	-
9700 E 30th St	Washington Square	60,000	Q2 24	Palmer Trucks Inc	-	-
Stutz Business Center	CBD	52,683	Q1 24	Calumet	Keller Williams India...	Colliers
City Center at Penn Office Plaza	Carmel	46,214	Q2 24	-	-	Cushman & Wakefield
Concourse at Crosspoint	Fishers/Geist	44,713	Q2 24	Royal United Financial Se...	JLL	Zeller
Castleton Park *	Castleton	36,207	Q1 24	Cork Medical	Cushman & Wakefield	JLL
Georgetown Medical Plaza	Speedway	35,515	Q4 23	American Health Network	-	-
345 N Kitley Ave	Lawrence/East County	32,832	Q3 24	New City Church	-	-
Concourse at Crosspoint	Fishers/Geist	31,253	Q4 23	-	-	Colliers
Park 100	Park 100	31,053	Q3 24	DCS	-	Cushman & Wakefield
5557 E State Road 44	Far South Johnson Cty	27,000	Q2 24	Zotung Christian Church Inc	-	-
Shadeland Commerce Center	Warren Park	26,000	Q2 24	-	-	Cushman & Wakefield
International Medical Group	Midtown	24,850	Q1 24	Indianapolis Neighborhoo...	-	Cushman & Wakefield
Keystone at the Crossing	Keystone Crossing	22,487	Q2 24	-	-	JLL
Exit Five Business Center	Fishers/Noblesville	21,990	Q1 24	-	-	Bradley Company
Concourse at Crosspoint	Fishers/Geist	21,512	Q4 23	1st Signature Lending	-	-
Penn on Pkwy	Meridian Corridor	21,154	Q2 24	-	-	JLL
Union 601 Building	CBD	20,868	Q3 24	-	-	JLL
Union 601 Building	CBD	20,868	Q3 24	Remodel Health	ALO Property Group	-
Meridian Tower	Meridian Corridor	20,829	Q3 24	-	-	Hokanson Companies Inc
Castleton Park	Castleton	19,963	Q3 24	-	-	JLL
Penn on Pkwy	Meridian Corridor	19,689	Q1 24	Sapient Capital	BrightPoint Real Est...	JLL
Midtown Carmel	Carmel	18,794	Q1 24	-	-	Colliers
Shadeland Station	North Shadeland	18,734	Q2 24	-	-	Cushman & Wakefield
BMO Plaza *	CBD	18,690	Q1 24	Rubin & Levin	-	-
2121 Directors Row	Airport	18,572	Q2 24	TruGreen Lawn Care	-	-
One Indiana Square	CBD	18,345	Q3 24	-	-	JLL
3600 Woodview Trace	College Park	17,800	Q2 24	-	-	Premier Commercial R...
Meridian Tech Center	Carmel	17,698	Q4 23	Orchard Software	-	REI Real Estate Servic...
Woodland Corporate Park	Park 100	17,650	Q2 24	-	-	JLL
3600 Woodview Trace	College Park	17,547	Q2 24	-	-	Premier Commercial R...
Capital Center *	CBD	17,333	Q3 24	Amundsen Davis	Cushman & Wakefield	Zeller
River Road	Keystone Crossing	17,000	Q3 24	Western Governors Unive...	-	Cushman & Wakefield
The Cadillac Building	CBD	16,637	Q2 24	-	-	CBRE
17300 Westfield Blvd	Far North Hamilton Cnty	16,103	Q2 24	-	Hokanson Compani...	NexCore Properties LLC
Shadeland Commerce Center	Warren Park	16,000	Q2 24	-	-	Cushman & Wakefield
Shadeland Commerce Center	Warren Park	16,000	Q2 24	-	-	Cushman & Wakefield
Lakefront at Keystone	Keystone Crossing	15,943	Q3 24	-	-	JLL

\*Renewal

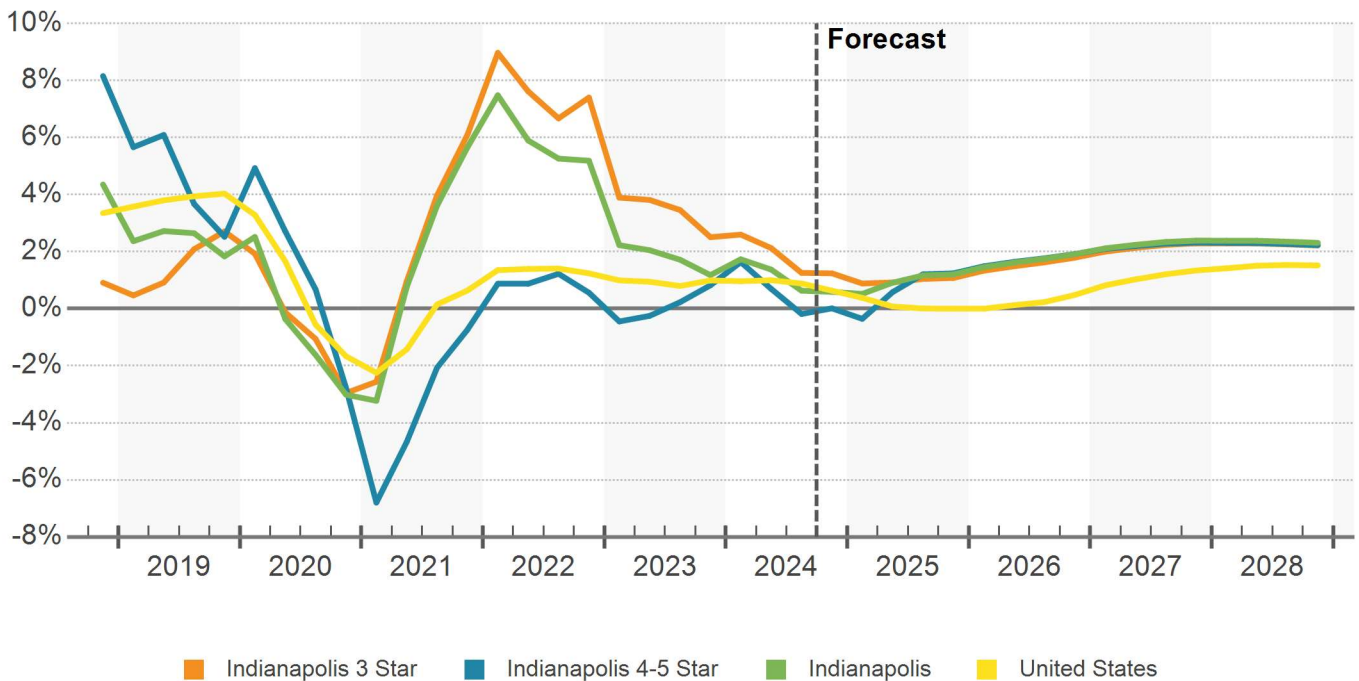
Indianapolis is relatively affordable compared to many of the top office markets nationwide, with average rents of \$22/SF, roughly 38% below the national benchmark. The average asking rent for 4 & 5 Star space is at \$24/SF, about 4.3% above the average for 3 Star space. This is a relatively modest premium as compared to the U.S. overall, where the spread is closer to 46%.

Rent growth has been inconsistent, but longer-term trends are fairly healthy, averaging 2.8% on an annual basis over the past 10 years, about 30 basis points above the national pace. As of 24Q3, growth remains positive but is lagging the longer-term averages, at 1% year over year. Annual rent growth for 4 & 5 Star office

properties has increased to 0.9% after being negative at this time last year, marking an improvement. Meanwhile, rent growth has been strongest over the past 12 months in the 3 Star office space, which experienced growth of 1.4%.

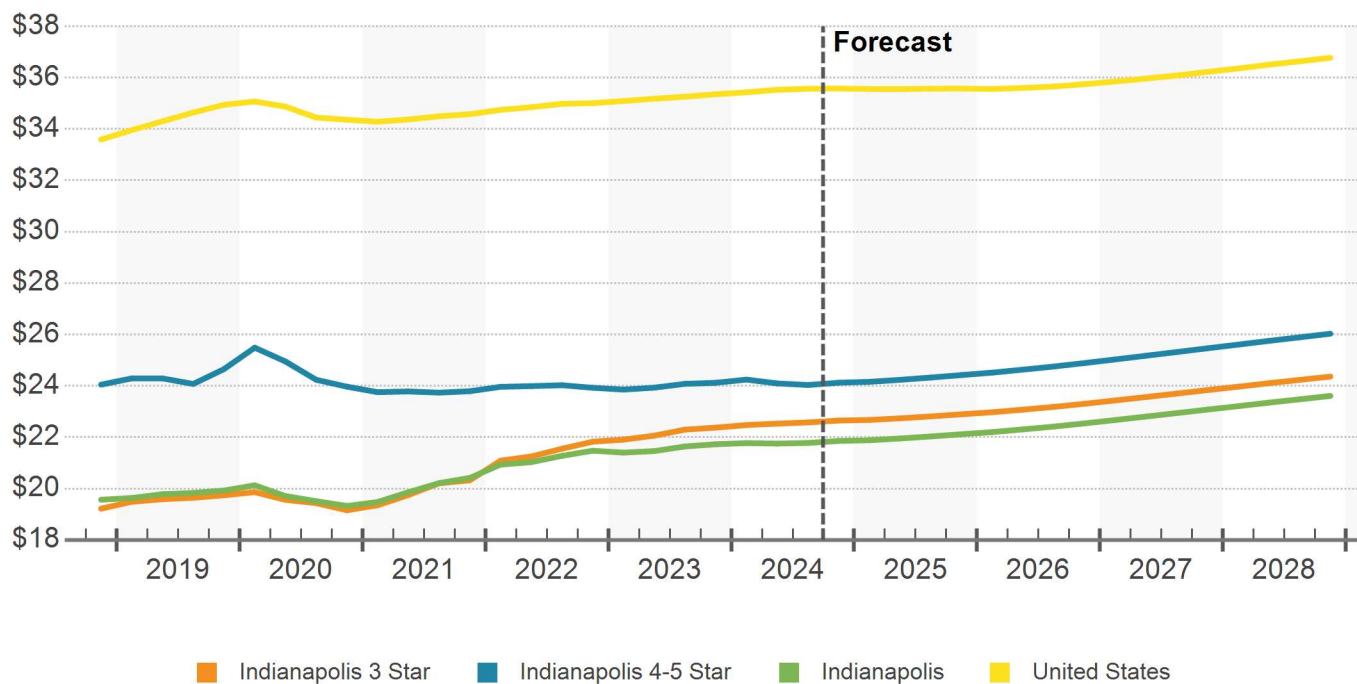
Location is a key differentiator when it comes to rent levels. Rents are highest in the Indianapolis CBD and in the submarkets north of it, including Carmel, Meridian Corridor, Fishers/Geist, and Keystone Crossing, all of which have average rents over \$23/SF. Rents are lowest in submarkets further from the city's urban core, including Shelby County and Anderson/Madison County, where rents average just below \$18.53/SF.

## MARKET ASKING RENT GROWTH (YOY)





### MARKET ASKING RENT PER SQUARE FEET



### 4 & 5 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Indianapolis</b>	\$0.68	\$1.68	\$0.29	\$2.82	\$6.30	<b>\$11.77</b>
Downtown	\$0.73	\$1.25	\$0.35	\$3.01	\$6.85	<b>\$12.19</b>
Far North Hamilton Cnty	\$0.57	\$1.83	\$0.25	\$0.38	\$6.28	<b>\$9.31</b>
Far Northeast Counties	\$0.86	\$1.20	\$0.16	\$0.75	\$4.04	<b>\$7.01</b>
Far West Counties	\$1.11	\$1.81	\$0.24	\$3.38	\$6.11	<b>\$12.65</b>
North County	\$0.57	\$1.97	\$0.28	\$2.90	\$6.13	<b>\$11.85</b>
Northeast County	\$0.58	\$1.80	\$0.25	\$3.06	\$6.04	<b>\$11.73</b>
Northwest County	\$0.56	\$1.83	\$0.25	\$1.90	\$5.96	<b>\$10.50</b>
South County	\$1.40	\$1.97	\$0.25	\$2.52	\$6.47	<b>\$12.61</b>
Southwest County	\$1.40	\$1.97	\$0.25	\$1.70	\$6.47	<b>\$11.79</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 3 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Indianapolis</b>	\$0.72	\$1.50	\$0.17	\$3	\$5.23	<b>\$10.62</b>
Brown County	\$0.83	\$1.62	\$0.15	\$1.56	\$5.91	<b>\$10.07</b>
Downtown	\$0.86	\$1.14	\$0.23	\$3.12	\$4.03	<b>\$9.38</b>
East County	\$0.55	\$1.59	\$0.16	\$3.41	\$5.47	<b>\$11.18</b>
Far North Hamilton Cnty	\$0.54	\$1.49	\$0.15	\$2.48	\$5.13	<b>\$9.79</b>
Far Northeast Counties	\$1.03	\$1.68	\$0.17	\$2.80	\$4.82	<b>\$10.50</b>
Far South Counties	\$0.82	\$1.59	\$0.15	\$2.56	\$5.79	<b>\$10.91</b>
Far West Counties	\$0.82	\$1.55	\$0.15	\$3.05	\$5.60	<b>\$11.17</b>
North County	\$0.56	\$1.60	\$0.17	\$3.03	\$5.31	<b>\$10.67</b>
Northeast County	\$0.65	\$1.45	\$0.16	\$3.11	\$5.18	<b>\$10.55</b>
Northwest County	\$0.55	\$1.56	\$0.16	\$2.69	\$5.39	<b>\$10.35</b>
Putnam County	\$0.84	\$1.57	\$0.16	\$1.44	\$5.94	<b>\$9.95</b>
South County	\$0.82	\$1.57	\$0.15	\$3.07	\$5.79	<b>\$11.40</b>
Southeast County	\$0.80	\$1.52	\$0.15	\$2.55	\$5.69	<b>\$10.71</b>
Southwest County	\$0.84	\$1.60	\$0.15	\$4.53	\$5.89	<b>\$13.01</b>
West County	\$0.84	\$1.61	\$0.15	\$3.44	\$5.90	<b>\$11.94</b>

Expenses are estimated using NCREIF, Trepp, IREM, and CoStar data using the narrowest possible geographical definition from Zip Code to region.

### 1 & 2 STAR EXPENSES PER SF (ANNUAL)

Market / Cluster	Utilities	Cleaning	Insurance	Taxes	Other	Total
<b>Indianapolis</b>	\$0.49	\$1.15	\$0.15	\$2.50	\$4.69	<b>\$8.98</b>
Brown County	\$0.37	\$0.78	\$0.14	\$1.33	\$5.75	<b>\$8.37</b>
Downtown	\$0.66	\$1.21	\$0.19	\$2.18	\$2.67	<b>\$6.91</b>
East County	\$0.53	\$1.46	\$0.15	\$1.94	\$4.96	<b>\$9.04</b>
Far North Hamilton Cnty	\$0.50	\$1.43	\$0.14	\$2.70	\$4.97	<b>\$9.74</b>
Far Northeast Counties	\$0.74	\$1.56	\$0.16	\$1.82	\$5.08	<b>\$9.36</b>
Far South Counties	\$0.36	\$0.77	\$0.14	\$1.74	\$5.62	<b>\$8.63</b>
Far West Counties	\$0.36	\$0.77	\$0.14	\$2.51	\$5.61	<b>\$9.39</b>
North County	\$0.52	\$1.48	\$0.15	\$3.13	\$2.80	<b>\$8.08</b>
Northeast County	\$0.51	\$1.36	\$0.14	\$3.39	\$4.52	<b>\$9.92</b>
Northwest County	\$0.49	\$1.39	\$0.14	\$2.73	\$5.35	<b>\$10.10</b>
Putnam County	\$0.37	\$0.79	\$0.14	\$1.87	\$5.66	<b>\$8.83</b>
South County	\$0.37	\$0.83	\$0.15	\$2.60	\$5.49	<b>\$9.44</b>
Southeast County	\$0.36	\$0.77	\$0.14	\$2.58	\$5.60	<b>\$9.45</b>
Southwest County	\$0.40	\$0.84	\$0.15	\$3.52	\$6.19	<b>\$11.10</b>
West County	\$0.36	\$0.76	\$0.14	\$2.48	\$5.59	<b>\$9.33</b>

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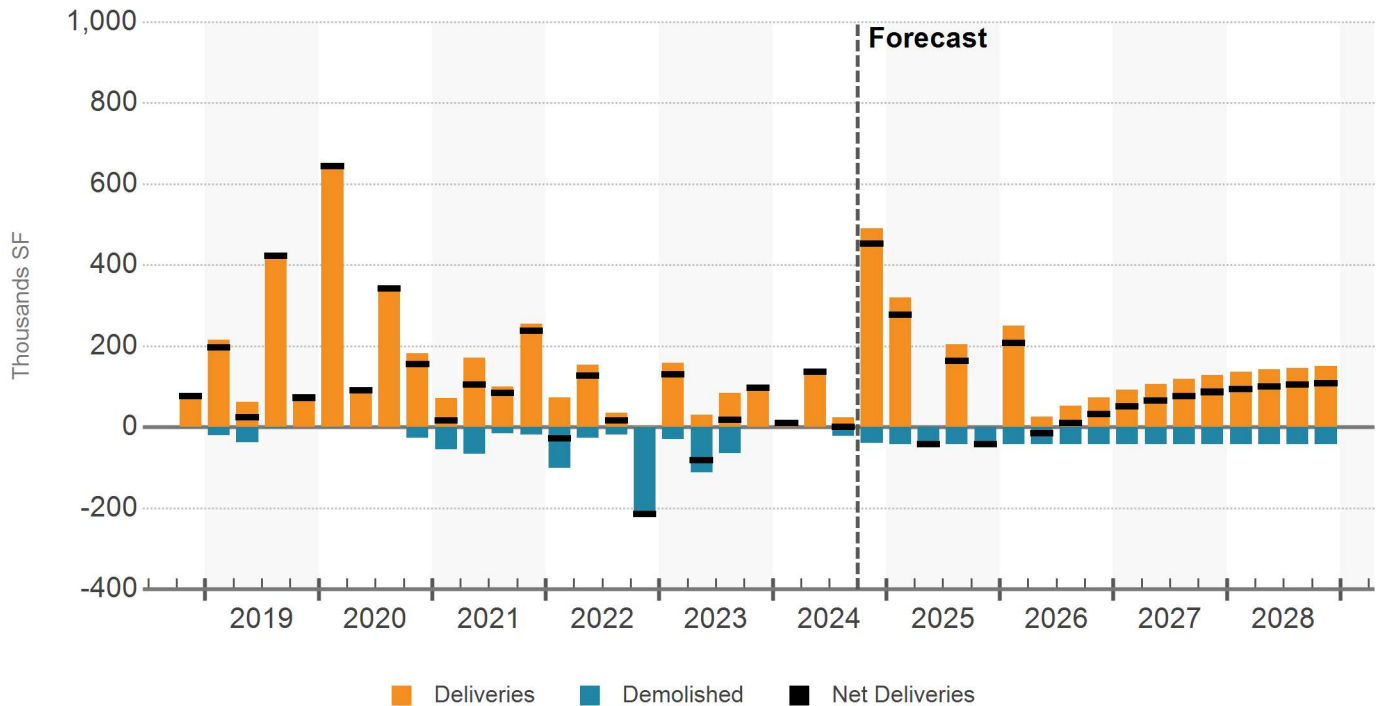
Development activity continues in Indianapolis, with approximately 2 million SF of office space delivered here over the past five years. More recently, another 1.3 million SF of office space, representing about 1.2% of inventory, is underway.

Build-to-suit properties represent many of the largest deliveries in recent years, including Allison Transmission's 109,000-SF Innovation Center, which was completed in 2022. Located on the company's headquarters campus in Speedway, the four-story building features a vehicle display area, both open concept and private office space, conference rooms, and a café. The new property allowed Allison to consolidate about 300 engineering employees from multiple locations.

The pipeline has continued to expand and now totals nearly 1.3 million SF, near the highest levels under construction over the past decade. While the increase is somewhat concerning considering the outlook for space demand, several factors help to mitigate the risk of oversupply. A good portion of the space is pre-leased, with just 5.1% remaining available, and development is spread across ten submarkets. The majority of office space underway, representing about 70% of construction in the area, is concentrated in the Midtown, Airport and CBD submarkets.

The largest property underway is the 250,000-SF medical office facility for Indiana University Health at 1501 N Capitol Avenue. This location is expected to delivery in February 2026.

## DELIVERIES & DEMOLITIONS



## SUBMARKET CONSTRUCTION

No.	Submarket	Under Construction Inventory					Average Building Size		
		Bldgs	SF (000)	Pre-Leased SF (000)	Pre-Leased %	Rank	All Existing	Under Constr	Rank
1	Midtown	2	498	498	100%	1	22,357	249,000	1
2	Airport	1	220	220	100%	1	15,354	220,000	2
3	CBD	1	205	205	100%	1	82,262	205,000	3
4	Greenwood	2	149	120	80.6%	9	10,967	74,400	4
5	Far North Hamilton Cnty	2	74	63	84.5%	8	12,191	37,159	6
6	Carmel	1	50	50	100%	1	25,616	50,000	5
7	Fishers/Geist	2	42	37	87.0%	7	21,765	21,045	7
8	Boone County	2	27	24	88.9%	6	10,277	13,500	8
9	College Park	1	4	4	100%	1	30,117	4,440	9
10	Anderson/Madison Cnty	0	-	-	-	-	9,093	-	-
	All Other	0	-	-	-		13,831	-	
<b>Totals</b>		<b>14</b>	<b>1,270</b>	<b>1,221</b>	<b>96.2%</b>		<b>18,857</b>	<b>90,689</b>	



# Under Construction Properties

Indianapolis Office

Properties

Square Feet

Percent of Inventory

Released

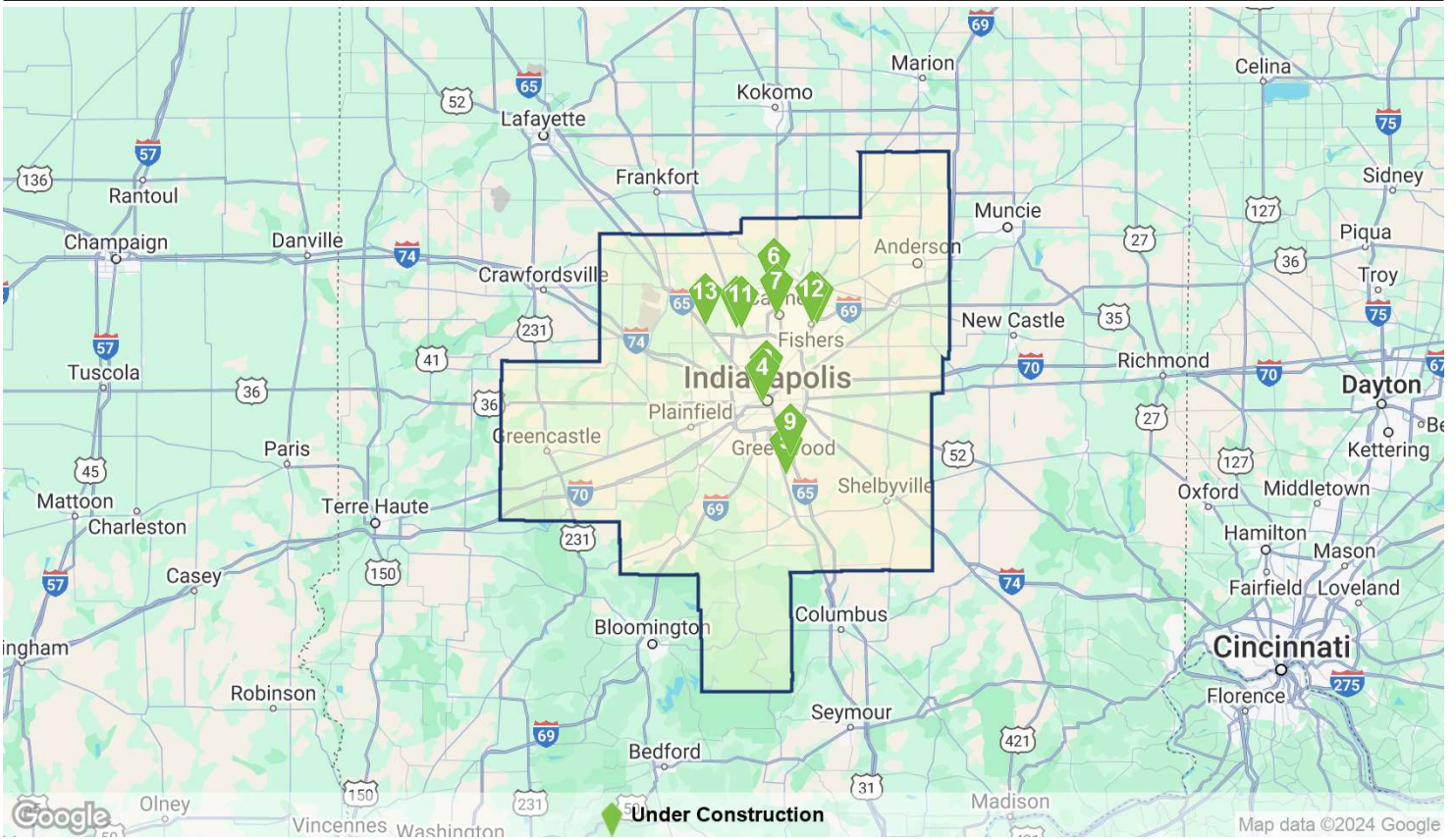
13

1,265,208

1.1%

96.1%

## UNDER CONSTRUCTION PROPERTIES



## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
1 <b>IU Health</b> 1501 N Capitol Ave	★★★★☆	250,000	5	Nov 2021	Feb 2026	Skender Construction Company Indiana University Health Inc
2 <b>120 W 15th St</b>	★★★★☆	248,000	5	Apr 2022	Nov 2024	-
3 <b>Elanco HQ</b> 340 S White River Pky	★★★★★	220,000	6	Apr 2022	Feb 2025	- Indiana Economic Development...
4 <b>Eleven Park Office</b> 801 W Washington St	★★★★☆	205,000	10	May 2023	Jun 2025	Aecom Hunt -
5 <b>Endress+Hauser Innovat...</b> 4200 Endress Pl	★★★★☆	120,000	2	Feb 2024	Nov 2024	- Endress+Hauser Group
6 <b>17300 Westfield Blvd</b>	★★★★☆	62,318	3	Aug 2023	Feb 2025	-
7 <b>Midtown Carmel</b> 111 S Rangeline Rd	★★★★☆	50,000	3	May 2023	Nov 2024	-

# Under Construction Properties

Indianapolis Office

## UNDER CONSTRUCTION

Property Name/Address	Rating	Bldg SF	Stories	Start	Complete	Developer/Owner
8 <b>The Station</b> 9712 E 116th St	★★★★☆	32,000	1	Jun 2023	Nov 2024	Thompson Thrift -
9 <b>905 N Emerson Ave</b>	★★★★☆	28,800	1	Oct 2023	Nov 2024	Allen Commercial Group Allen Commercial Group
10 <b>5550 W 106th St</b>	★★★★☆	20,000	2	Oct 2023	Feb 2025	- Town of Zionsville
11 <b>10880 Michigan Rd</b>	★★★★☆	12,000	3	Sep 2023	Nov 2024	- -
12 <b>11662 Maple St</b>	★★★★☆	10,090	3	Sep 2023	Jan 2025	- MAPLE STURUP LLC
13 <b>6054 Gateway Dr</b>	★★★★☆	7,000	1	Nov 2023	Dec 2024	- Braces For U

Annual sales activity of \$159 million from 190 recorded transactions is at the lowest volume level in a decade. However, activity is still underway as well-leased properties with lower availabilities, investment-grade leases, and healthcare-related assets continue to experience less pricing deterioration. The current sales volume was propelled by sales of 3 Star properties worth \$83 million and 1 & 2 Star office sales worth \$57.7 million.

Over the past decade, private investors have contributed about 51% of the area's sales volume, while the next highest contributor was institutional investors, with about 20% of sales volume. This dynamic has changed over the past 12 months, with private investing accounting for 79% of office sales volume while institutional investing has decreased to only about 1%.

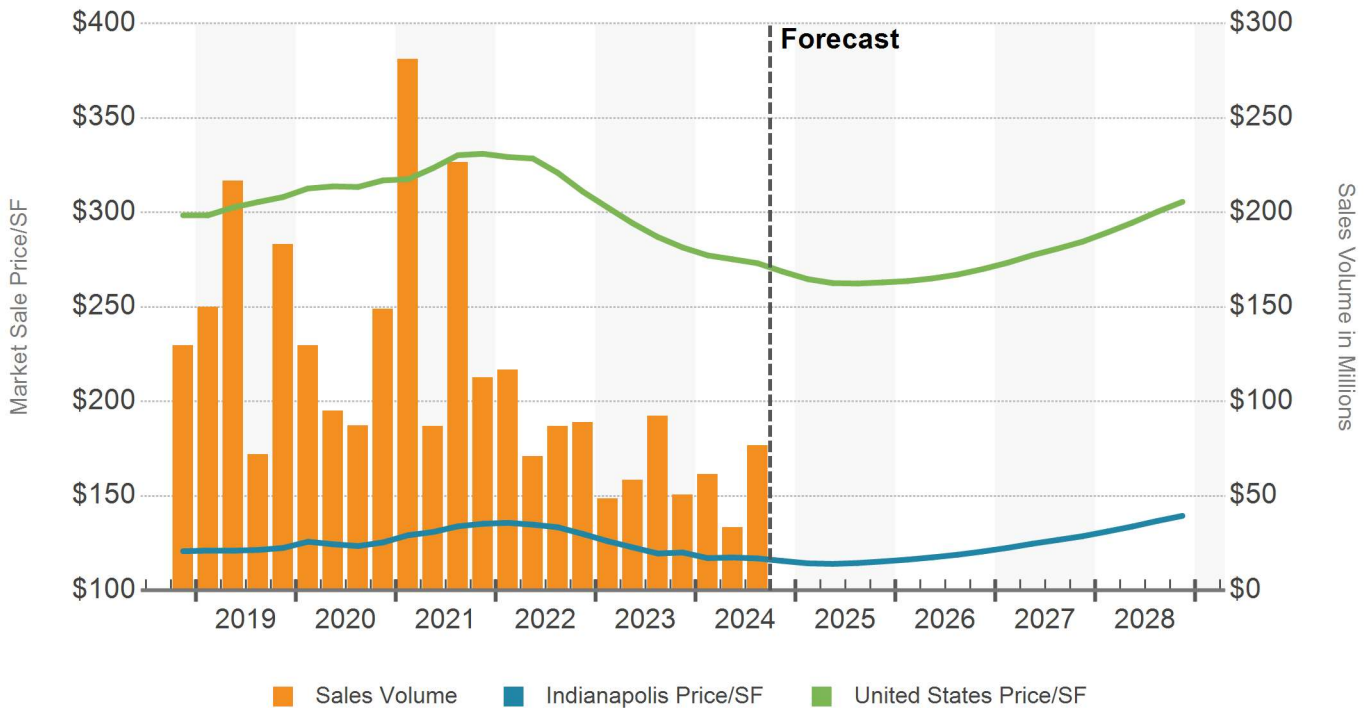
The top office transaction in Indianapolis, in terms of sales volume, over the past 12 months occurred in

September 2023 when the Community health network purchased The Campus at Westfield from Real Capital Solutions for \$18.5 million (\$61.09/SF).

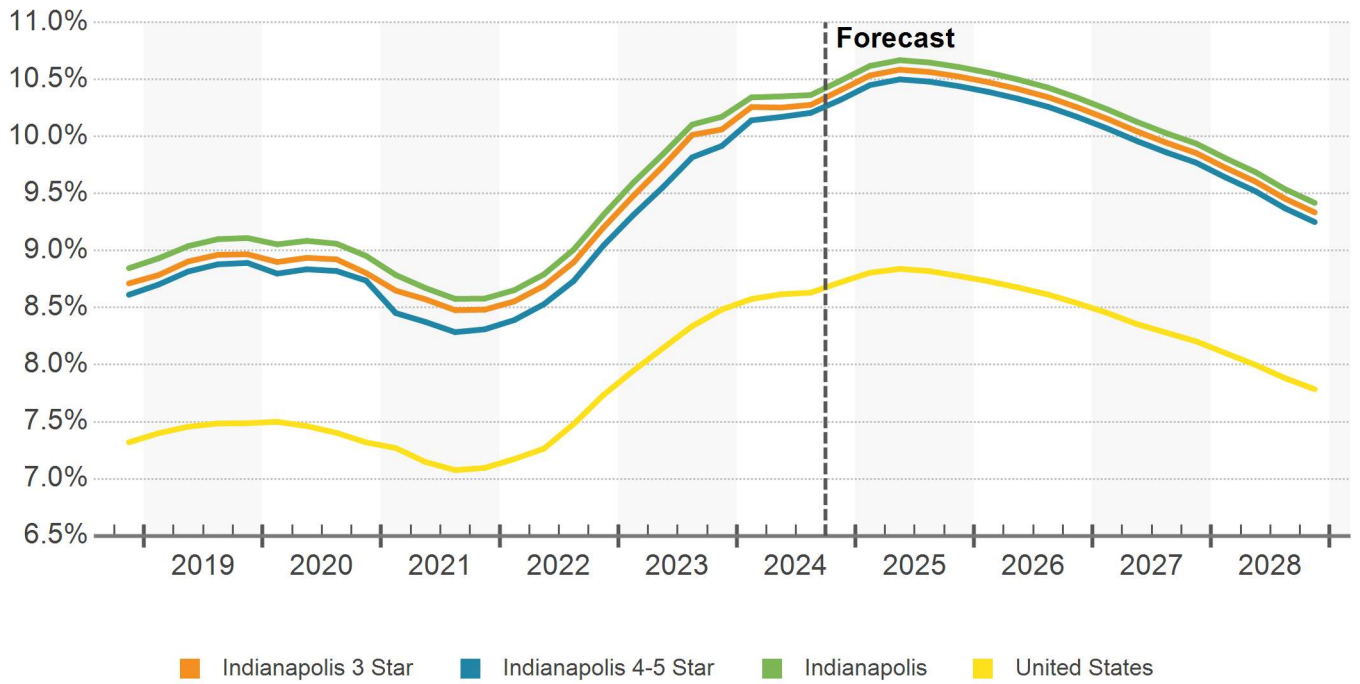
Demand for medical office assets remained healthy and has represented about 20% of the area's sales volume over the past 12 months. A late March 2024 sale provides a good example, with Remedy Medical Properties purchasing the Central Indiana Cancer Center from Broadstone Net Lease for \$4.8 million (248.87/SF). This transaction was part of a portfolio of 37 medical office properties that were traded in this deal. Pricing was lower for a more recent medical office trade, which occurred in June 2024, when the Indianapolis Resource Center sold a 2-star medical office at 5302 E Washington St for \$699,000 (\$167.10/SF).

The average sale price has drifted down to \$113/SF over the past year while the cap rate increased by approximately 40 basis points to 10.7%.

**SALES VOLUME & MARKET SALE PRICE PER SF**



MARKET CAP RATE





# Sales Past 12 Months

Indianapolis Office

Sale Comparables

**210**

Avg. Cap Rate

**8.7%**

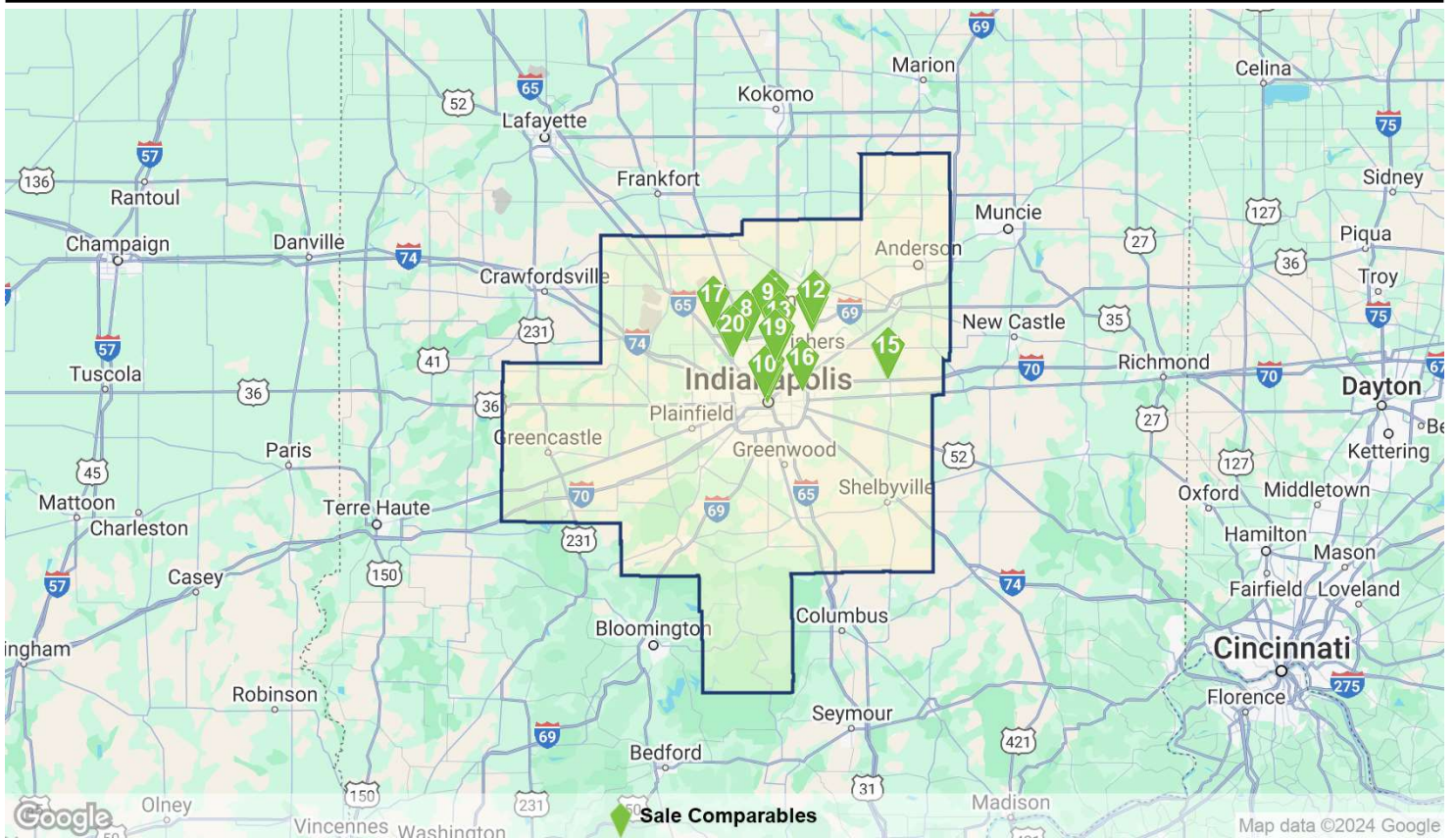
Avg. Price/SF

**\$90**

Avg. Vacancy At Sale

**9.0%**

## SALE COMPARABLE LOCATIONS



## SALE COMPARABLES SUMMARY STATISTICS

Sales Attributes	Low	Average	Median	High
Sale Price	\$97,500	\$1,957,675	\$820,105	\$10,500,000
Price/SF	\$4.84	\$90	\$107	\$890
Cap Rate	3.0%	8.7%	8.7%	13.0%
Time Since Sale in Months	0.0	6.5	7.1	12.0
Property Attributes	Low	Average	Median	High
Building SF	715	21,387	6,730	187,555
Stories	1	2	1	12
Typical Floor SF	188	10,029	5,600	87,650
Vacancy Rate At Sale	0%	9.0%	0%	100%
Year Built	1860	1972	1978	2022
Star Rating	★★★★★	★★★★★ 2.3	★★★★★	★★★★★



# Sales Past 12 Months

Indianapolis Office

## RECENT SIGNIFICANT SALES

Property Name - Address	Property				Sale			
	Rating	Yr Built	Bldg SF	Vacancy	Sale Date	Price	Price/SF	Cap Rate
<b>1</b> Pan American Plaza 201 S Capitol Ave	★★★★★	1987	138,800	0%	9/5/2024	\$10,500,000	\$76	-
<b>2</b> 10500 Kincaid Dr	★★★★★	2003	127,000	0%	2/5/2024	\$10,000,000	\$79	-
<b>3</b> Visionary I 12115 Visionary Way	★★★★★	1993	87,650	0%	7/8/2024	\$9,250,000	\$106	-
<b>4</b> The Buick 1302 N Meridian St	★★★★★	2010	54,885	0%	5/3/2024	\$9,100,000	\$166	-
<b>5</b> Carmel Executive Park 755 W Carmel Dr	★★★★★	1999	41,233	7.6%	10/25/2023	\$9,000,000	\$218	-
<b>6</b> INTECH Ten 6640 Intech Blvd	★★★★★	2001	80,280	0%	7/5/2024	\$8,900,000	\$111	-
<b>7</b> Intech 12 6620 Network Way	★★★★★	2000	140,368	0%	2/1/2024	\$8,705,750	\$62	-
<b>8</b> Ten Fortune Park 3905 Vincennes Rd	★★★★★	1987	100,667	4.9%	7/31/2024	\$8,435,625	\$84	11.1%
<b>9</b> Three Penn Mark 11455 N Meridian St	★★★★★	1984	33,174	0%	11/22/2023	\$7,825,000	\$236	7.6%
<b>10</b> Walker Plaza 719 Indiana Ave	★★★★★	1985	21,000	0%	10/10/2023	\$7,200,000	\$343	-
<b>11</b> Elanco Building 1 2500 Innovation Way	★★★★★	2010	66,108	0%	7/15/2024	\$6,925,532	\$105	-
<b>12</b> Northeast Commerce Park 8933-8941 Technology Dr	★★★★★	1993	7,840	0%	1/8/2024	\$5,891,999	\$752	-
<b>13</b> Two Woodfield 8440 Woodfield Crossing...	★★★★★	1987	125,458	0%	11/29/2023	\$5,700,436	\$45	13.0%
<b>14</b> Elanco Building 4 2500 Innovation Way N	★★★★★	2015	51,840	0%	7/15/2024	\$5,430,804	\$105	-
<b>15</b> Elanco Building 2 2500 Innovation Way	★★★★★	2010	51,840	0%	7/15/2024	\$5,430,804	\$105	-
<b>16</b> Central Indiana Cancer C... 6845 Rama Dr	★★★★★	2002	19,928	0%	3/28/2024	\$4,800,000	\$241	-
<b>17</b> 6866 W Stonegate Drive 6866 W Stonegate Dr	★★★★★	2015	14,642	0%	3/28/2024	\$4,700,000	\$321	-
<b>18</b> BLASTmedia Building 6161 N Hillside Ave	★★★★★	1968	11,396	100%	8/29/2024	\$3,965,062	\$348	-
<b>19</b> 1405 Broad Ripple Ave	★★★★★	1955	12,400	0%	3/6/2024	\$3,950,366	\$319	-
<b>20</b> INTECH Two 6650 Telecom Dr	★★★★★	2001	141,466	0%	8/14/2024	\$3,752,424	\$27	-

Almost 21,000 new jobs were added in Indianapolis over the 12 months ending in March 2024, representing an annual gain of 1.8%. This aligns with the U.S. overall, where employment expanded by about 1.8%.

Logistics has been a key driver of the local economy in recent years, and contributed to the area's relatively speedy return to pre-pandemic employment levels. Indianapolis is one of the top U.S. logistics hubs, home to the world's second-largest FedEx Express hub and division headquarters for CSX transportation. With goods consumption now slowing, and the inventory build on hold for many retailers, the sector has shifted from a positive to a negative, and employment is down about 0.7% over the past year.

Other industry sectors have more than offset, including life sciences. Eli Lilly alone employs almost 11,000 workers, about 30% of the company's workforce worldwide. Despite a drop in demand for the company's COVID-19 antibody treatments, revenues have continued to increase, driven by multiple diabetes drugs, including Trulicity and Jardiance. The company recently raised its 2023 earnings forecast amid a surge in demand for the new diabetes drug Mounjaro, which is being prescribed off-label as an obesity treatment. With a market cap of \$525 billion, Eli Lilly is now the world's 10<sup>th</sup> most valuable company.

Roche Diagnostics is another top life sciences company in Indianapolis, with about 4,000 local employees. A subsidiary of the Swiss healthcare company, Roche Holding AG, the company develops diagnostic solutions for cancer, cardiac health, infectious diseases, and women's health. While likely a temporary hit, the sharp decline in demand for the company's array of COVID-19 tests has been a notable drag on revenue growth so far

in 2023.

Given the state's wealth of farmland, agribusiness is a key economic driver. Corteva, a publicly traded seed and insecticide company, is headquartered in Indianapolis, with about 1,400 local employees. Elanco, one of the largest animal health companies in the world, is also headquartered in Indianapolis. The company recently broke ground on a new \$100 million headquarters campus located on the west side of the White River.

Manufacturing remains an important industry sector, and employment over the past year posted a healthy gain of 3.8%. Rolls-Royce Holdings has been operating in Indianapolis for more than 100 years, currently employing about 4,000 workers. The company's full-year guidance for 2023 was just revised upward, largely due to solid growth in maintenance revenue amid the current travel boom.

The financial activities industry sector is another key contributor to annual job gains, with employment here expanding almost 5% year over year. Several large financial sector firms are headquartered here, including two Fortune 500 companies, health insurance provider Elevance (formerly Anthem), and REIT Simon Property Group.

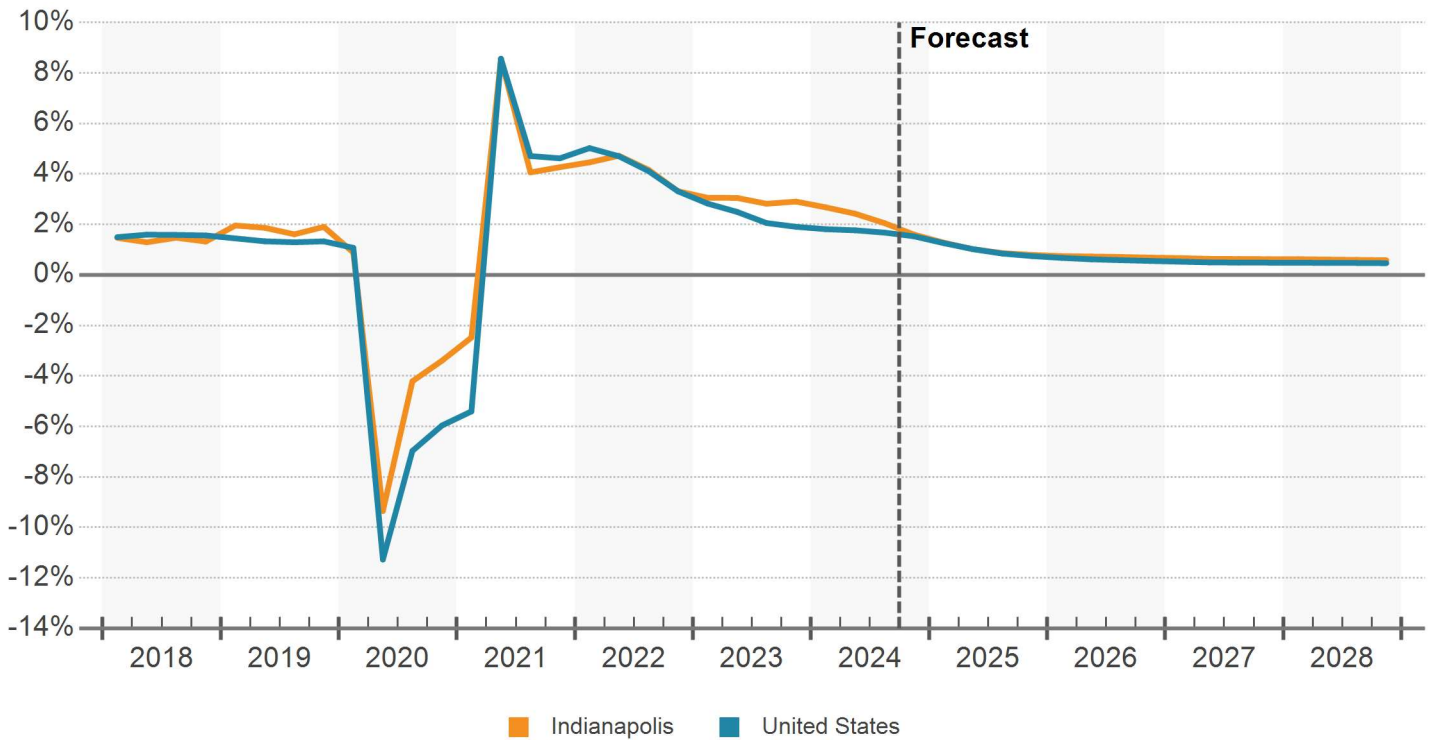
Tourism is a critical driver of the Indianapolis economy, with the city expected to host 30 million visitors in 2023, in line with pre-pandemic peaks. Top attractions include the Children's Museum and the Museum of Art; two major league sports teams; and the Indianapolis Motor Speedway, home to the Indy 500. College sports are a draw as well. The NCAA is headquartered in Indianapolis, and the city has hosted eight Final Fours.

## INDIANAPOLIS EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	99	1.0	0.16%	0.37%	1.19%	0.62%	0.35%	0.34%
Trade, Transportation and Utilities	250	1.1	1.67%	0.81%	1.74%	1.01%	0.52%	0.28%
Retail Trade	101	0.9	0.77%	0.83%	0.16%	0.25%	0.01%	0.21%
Financial Activities	76	1.1	0.16%	0.38%	2.20%	1.48%	0.43%	0.35%
Government	143	0.8	1.20%	2.28%	1.29%	0.66%	0.57%	0.51%
Natural Resources, Mining and Construction	68	1.0	7.78%	2.39%	4.27%	2.27%	1.29%	0.73%
Education and Health Services	192	1.0	3.78%	3.59%	3.05%	2.07%	0.88%	0.77%
Professional and Business Services	191	1.1	1.29%	0.79%	2.03%	1.81%	0.81%	0.59%
Information	13	0.6	-0.46%	0.50%	-3.02%	1.02%	0.30%	0.54%
Leisure and Hospitality	114	0.9	2.25%	2.26%	1.13%	1.47%	0.65%	0.99%
Other Services	46	1.0	2.16%	1.40%	0.18%	0.61%	0.74%	0.49%
<b>Total Employment</b>	<b>1,191</b>	<b>1.0</b>	<b>2.04%</b>	<b>1.67%</b>	<b>1.85%</b>	<b>1.33%</b>	<b>0.67%</b>	<b>0.57%</b>

Source: Oxford Economics  
LQ = Location Quotient

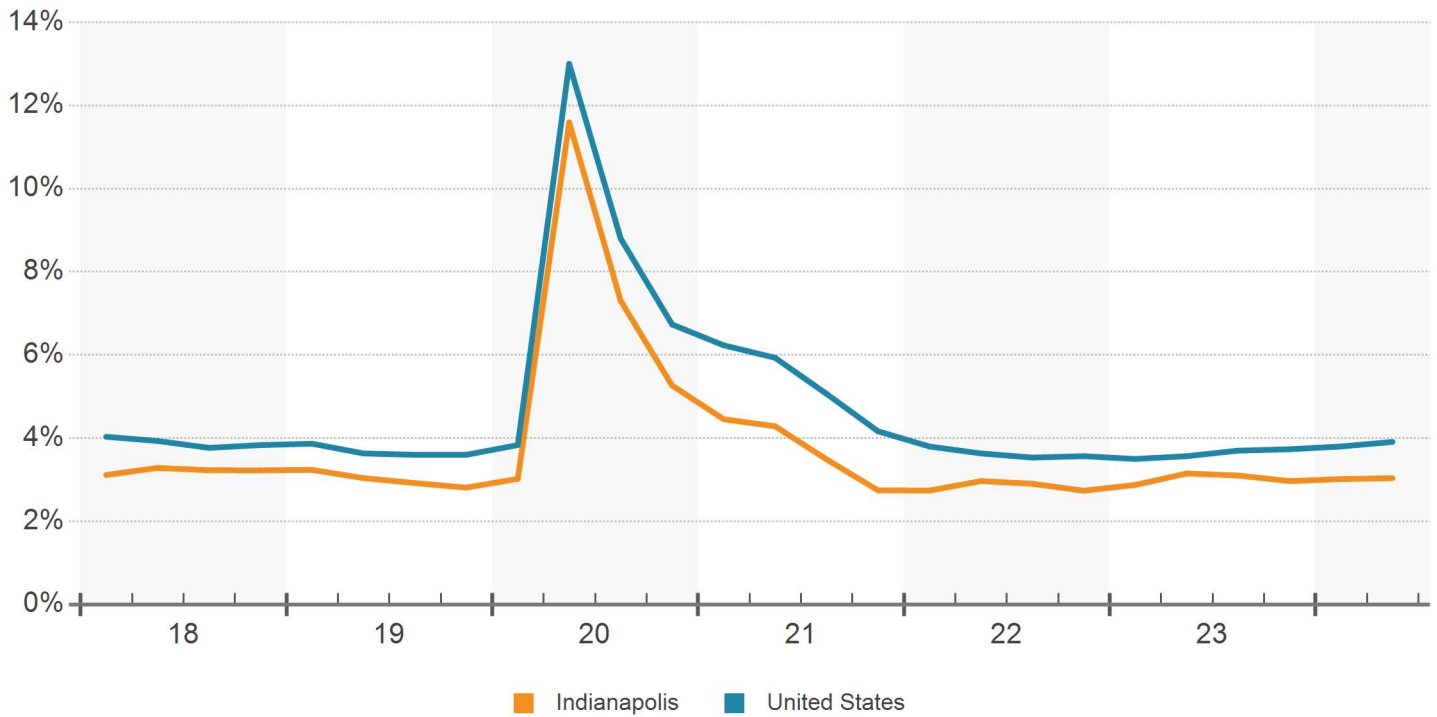
## JOB GROWTH (YOY)



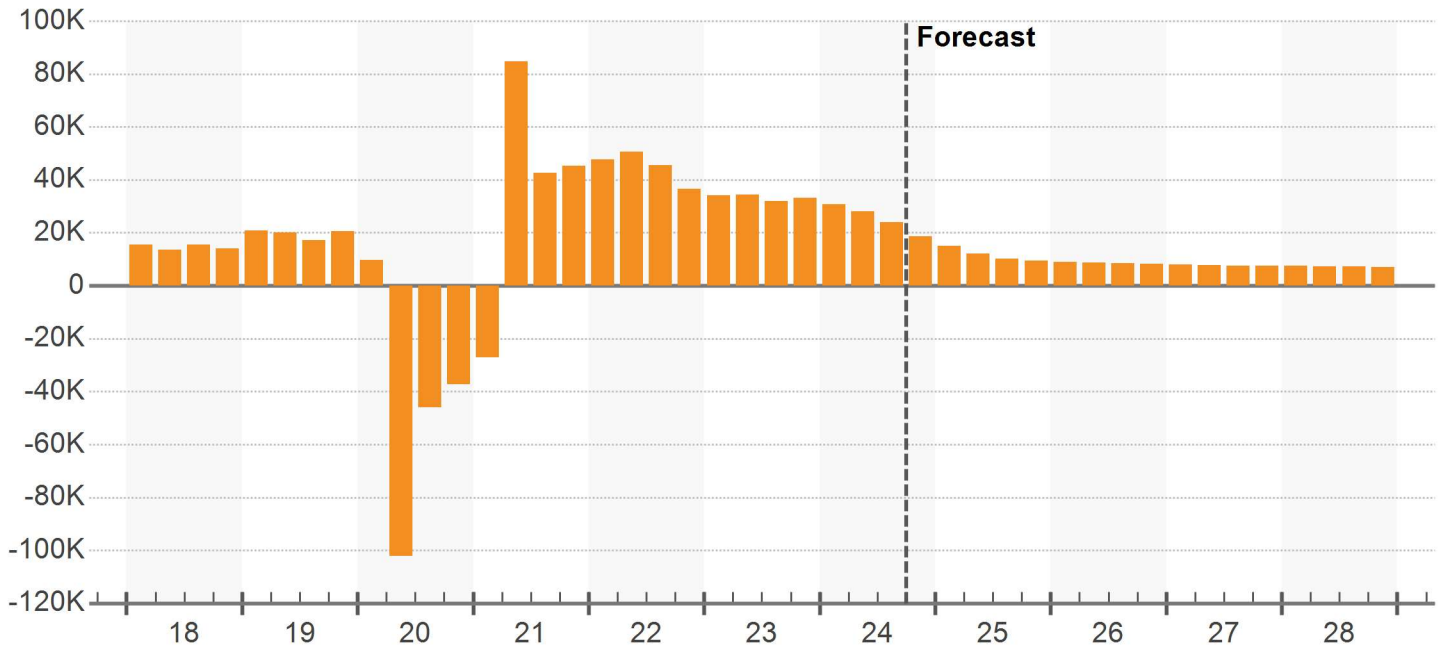
Source: Oxford Economics



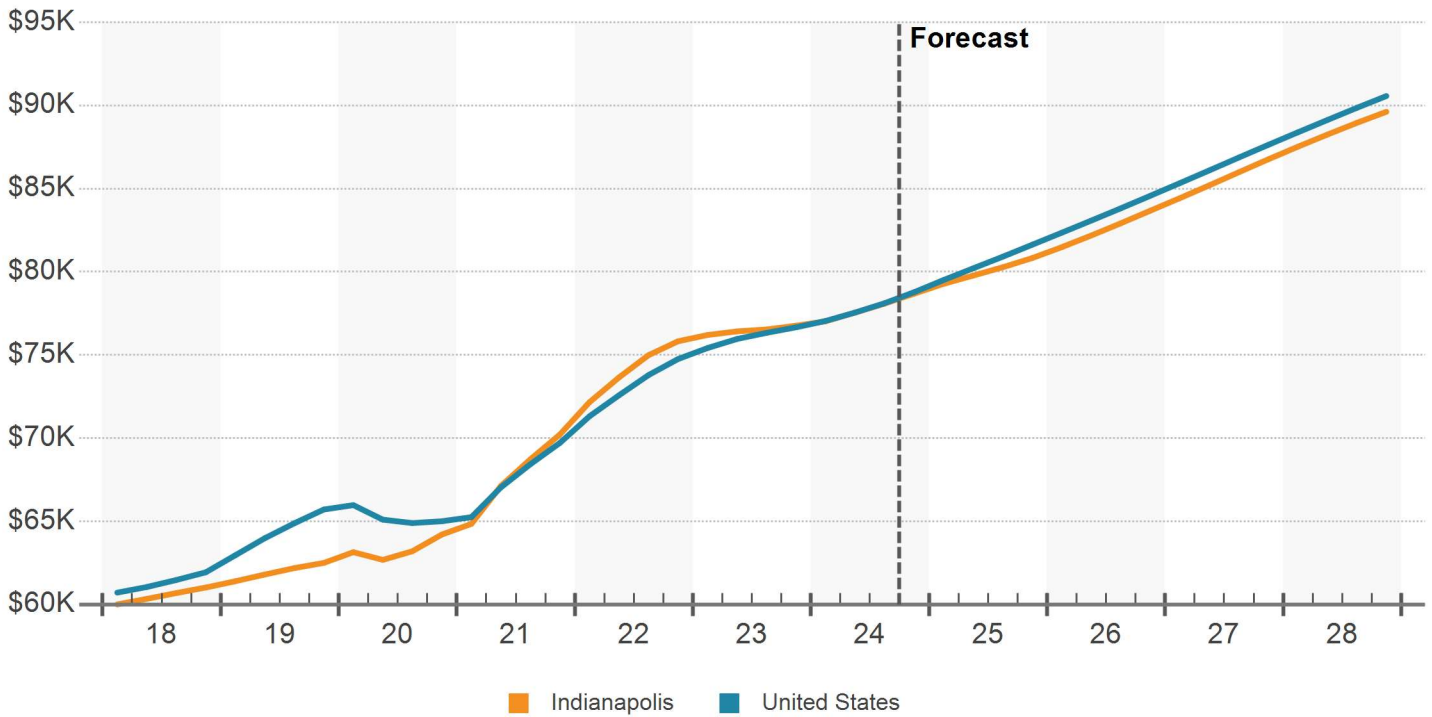
## UNEMPLOYMENT RATE (%)



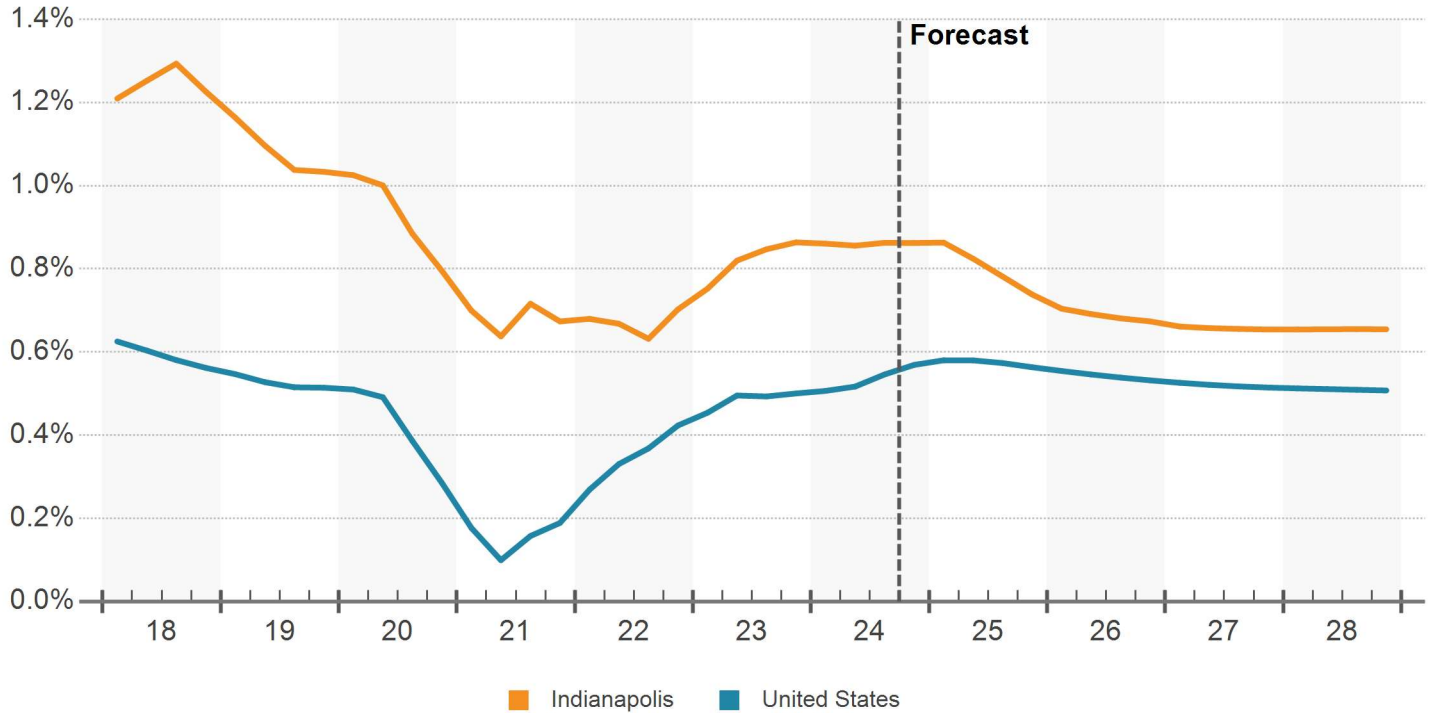
## NET EMPLOYMENT CHANGE (YOY)



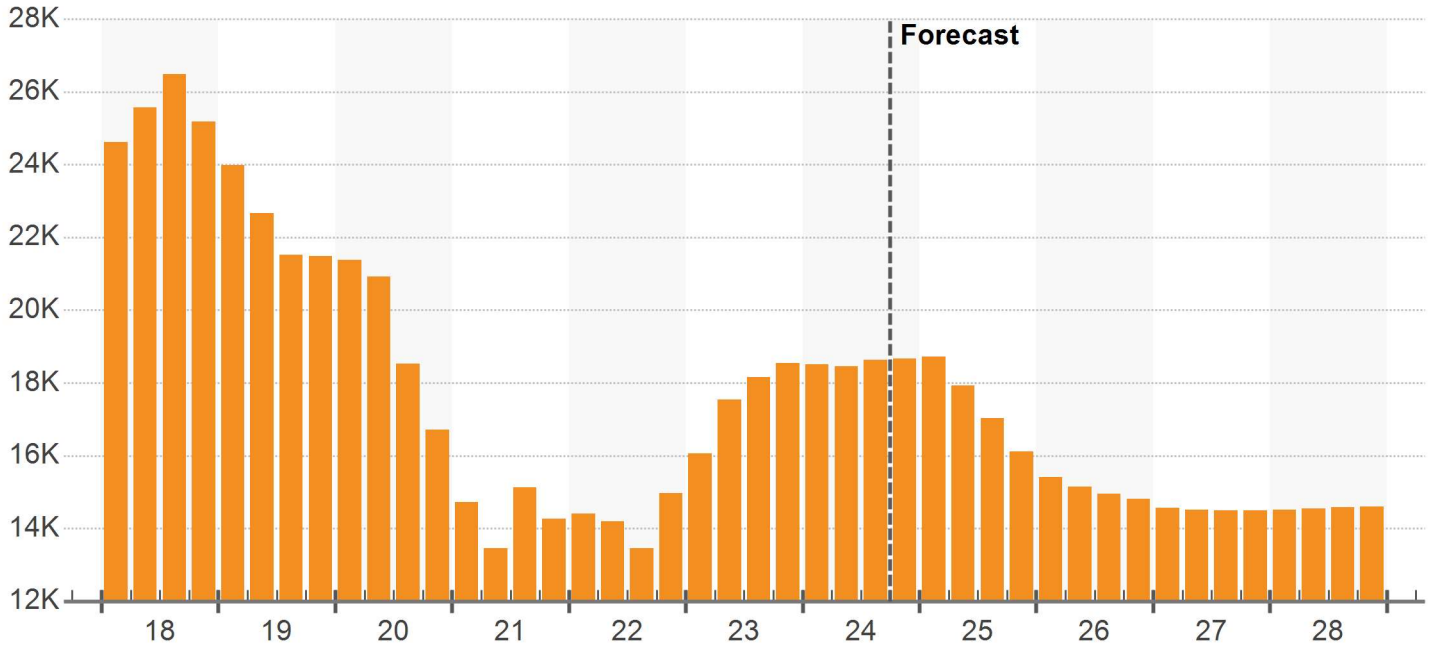
## MEDIAN HOUSEHOLD INCOME



## POPULATION GROWTH (YOY %)



## NET POPULATION CHANGE (YOY)

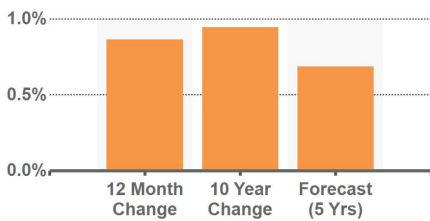


## DEMOGRAPHIC TRENDS

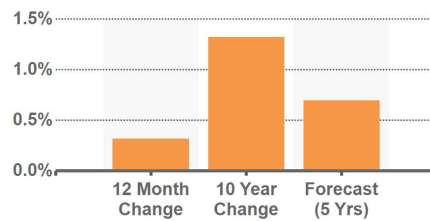
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	2,179,521	336,754,688	0.9%	0.5%	0.9%	0.5%	0.7%	0.5%
Households	870,064	131,618,875	1.0%	0.7%	1.3%	0.9%	0.8%	0.6%
Median Household Income	\$78,100	\$78,128	2.0%	2.3%	4.2%	3.9%	3.3%	3.5%
Labor Force	1,132,090	168,382,906	0.3%	0.5%	1.3%	0.8%	0.7%	0.5%
Unemployment	3.0%	3.9%	-0.1%	0.2%	-0.2%	-0.2%	-	-

Source: Oxford Economics

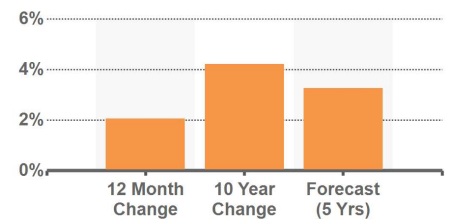
### POPULATION GROWTH



### LABOR FORCE GROWTH



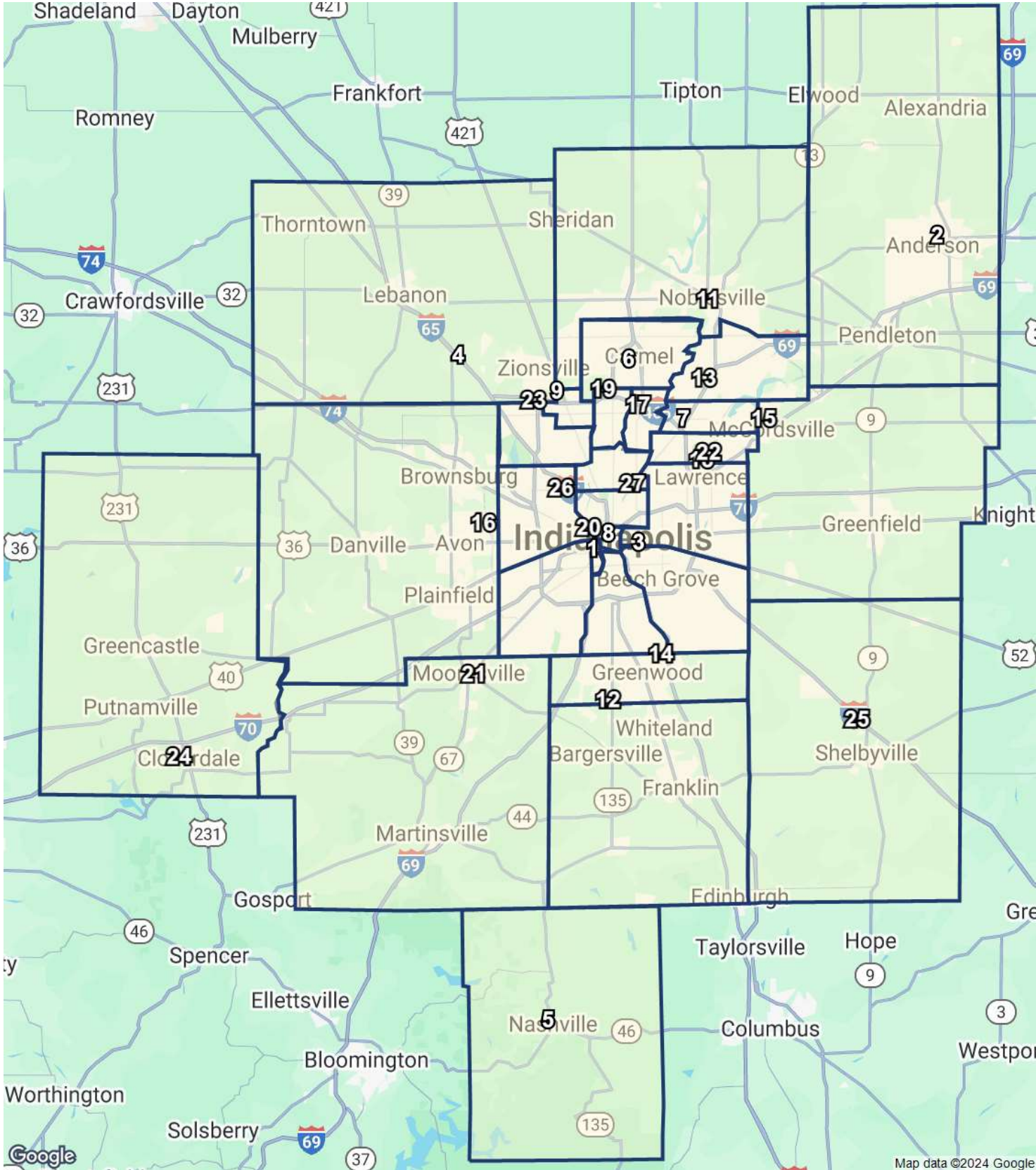
### INCOME GROWTH



Source: Oxford Economics

# Submarkets

## INDIANAPOLIS SUBMARKETS



## SUBMARKET INVENTORY

No.	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	SF (000)	% Market	Rank	Bldgs	SF (000)	Percent	Rank	Bldgs	SF (000)	Percent	Rank
1	Airport	145	2,226	2.0%	19	0	0	0%	-	1	220	9.9%	2
2	Anderson/Madison Cnty	354	3,219	2.9%	13	0	0	0%	-	0	-	-	-
3	Beech Grove/SE County	162	1,432	1.3%	22	0	0	0%	-	0	-	-	-
4	Boone County	190	1,953	1.8%	20	0	0	0%	-	2	27	1.4%	8
5	Brown County	21	103	0.1%	27	0	0	0%	-	0	-	-	-
6	Carmel	338	8,658	7.8%	2	3	23	0.3%	4	1	50	0.6%	6
7	Castleton	142	4,207	3.8%	8	1	25	0.6%	3	0	-	-	-
8	CBD	319	26,241	23.7%	1	2	137	0.5%	1	1	205	0.8%	3
9	College Park	139	4,186	3.8%	9	0	0	0%	-	1	4	0.1%	9
10	Edgewood/South County	388	3,859	3.5%	10	1	21	0.5%	5	0	-	-	-
11	Far North Hamilton Cnty	221	2,694	2.4%	17	1	10	0.4%	6	2	74	2.8%	5
12	Far South Johnson Cty	165	987	0.9%	23	1	4	0.4%	7	0	-	-	-
13	Fishers/Geist	252	5,485	5.0%	6	0	0	0%	-	2	42	0.8%	7
14	Greenwood	257	2,818	2.5%	15	0	0	0%	-	2	149	5.3%	4
15	Hancock County	192	1,525	1.4%	21	0	0	0%	-	0	-	-	-
16	Hendricks County	376	2,748	2.5%	16	1	43	1.6%	2	0	-	-	-
17	Keystone Crossing	130	5,775	5.2%	5	0	0	0%	-	0	-	-	-
18	Lawrence/East County	414	5,820	5.3%	4	1	3	0%	8	0	-	-	-
19	Meridian Corridor	125	5,145	4.7%	7	0	0	0%	-	0	-	-	-
20	Midtown	310	6,931	6.3%	3	0	0	0%	-	2	498	7.2%	1
21	Morgan County	155	827	0.7%	24	0	0	0%	-	0	-	-	-
22	North Shadeland	147	2,593	2.3%	18	0	0	0%	-	0	-	-	-
23	Park 100	117	3,558	3.2%	12	0	0	0%	-	0	-	-	-
24	Putnam County	57	274	0.2%	26	0	0	0%	-	0	-	-	-
25	Shelby County	93	654	0.6%	25	0	0	0%	-	0	-	-	-
26	Speedway	302	3,650	3.3%	11	0	0	0%	-	0	-	-	-
27	Uptown	356	3,065	2.8%	14	0	0	0%	-	0	-	-	-



# Submarkets

Indianapolis Office

## SUBMARKET RENT

No.	Submarket	Market Asking Rent		12 Month Market Asking Rent		QTD Annualized Market Asking Rent	
		Per SF	Rank	Growth	Rank	Growth	Rank
1	Airport	\$18	26	0.5%	23	-1.7%	4
2	Anderson/Madison Cnty	\$18.53	24	0.6%	15	-3.7%	23
3	Beech Grove/SE County	\$20.51	16	0.3%	25	-3.2%	14
4	Boone County	\$21.25	9	0.5%	21	-2.9%	10
5	Brown County	\$20.80	14	0.8%	5	-3.6%	21
6	Carmel	\$25.25	1	0.7%	11	0.7%	2
7	Castleton	\$19.81	19	0.9%	4	-3.4%	17
8	CBD	\$22.84	5	0.5%	22	-1.3%	3
9	College Park	\$20.90	13	0.7%	6	-2.7%	7
10	Edgewood/South County	\$20.20	17	0.7%	8	-3.3%	16
11	Far North Hamilton Cnty	\$21.42	8	1.0%	1	-3.3%	15
12	Far South Johnson Cty	\$18.25	25	0.7%	7	-5.7%	26
13	Fishers/Geist	\$23.22	4	0.5%	17	-10.0%	27
14	Greenwood	\$21.42	7	0.9%	3	-4.7%	25
15	Hancock County	\$19.98	18	0.6%	14	-2.9%	8
16	Hendricks County	\$21.12	10	0.7%	13	-2.9%	9
17	Keystone Crossing	\$23.36	3	0.7%	10	5.3%	1
18	Lawrence/East County	\$21.71	6	0.7%	12	-3.0%	12
19	Meridian Corridor	\$23.40	2	0.7%	9	-1.9%	5
20	Midtown	\$21.03	12	0.6%	16	-3.1%	13
21	Morgan County	\$18.74	23	0.5%	20	-3.4%	18
22	North Shadeland	\$19.57	21	0.5%	18	-2.7%	6
23	Park 100	\$21.06	11	1.0%	2	-3.0%	11
24	Putnam County	\$19.72	20	0.3%	27	-3.6%	20
25	Shelby County	\$17.43	27	0.3%	24	-4.0%	24
26	Speedway	\$18.97	22	0.5%	19	-3.6%	22
27	Uptown	\$20.75	15	0.3%	26	-3.5%	19

## SUBMARKET VACANCY & NET ABSORPTION

No.	Submarket	Vacancy			12 Month Absorption			
		SF	Percent	Rank	SF	% of Inv	Rank	Construc. Ratio
1	Airport	330,045	14.8%	22	23,407	1.1%	9	-
2	Anderson/Madison Cnty	284,277	8.8%	17	(56,757)	-1.8%	21	-
3	Beech Grove/SE County	96,781	6.8%	13	1,346	0.1%	11	-
4	Boone County	131,755	6.7%	12	31,873	1.6%	8	-
5	Brown County	-	-	-	0	0%	-	-
6	Carmel	670,435	7.7%	14	237,227	2.7%	3	0
7	Castleton	591,291	14.1%	21	(56,533)	-1.3%	20	-
8	CBD	3,078,280	11.7%	20	(228,948)	-0.9%	26	-
9	College Park	721,910	17.2%	24	(188,063)	-4.5%	25	-
10	Edgewood/South County	100,391	2.6%	5	32,662	0.8%	7	0.6
11	Far North Hamilton Cnty	16,251	0.6%	1	322,328	12.0%	1	-
12	Far South Johnson Cty	17,313	1.8%	3	9,931	1.0%	10	-
13	Fishers/Geist	470,382	8.6%	16	258,402	4.7%	2	-
14	Greenwood	172,797	6.1%	10	(56,788)	-2.0%	22	-
15	Hancock County	39,498	2.6%	4	(768)	-0.1%	13	-
16	Hendricks County	167,428	6.1%	9	33,169	1.2%	6	-
17	Keystone Crossing	950,914	16.5%	23	111,658	1.9%	4	-
18	Lawrence/East County	161,961	2.8%	6	(24,856)	-0.4%	18	-
19	Meridian Corridor	1,164,327	22.6%	25	(275,733)	-5.4%	27	-
20	Midtown	374,826	5.4%	7	(74,972)	-1.1%	23	-
21	Morgan County	7,648	0.9%	2	(2,894)	-0.3%	15	-
22	North Shadeland	160,933	6.2%	11	(6,133)	-0.2%	16	-
23	Park 100	388,167	10.9%	19	110,398	3.1%	5	-
24	Putnam County	-	-	-	(2,116)	-0.8%	14	-
25	Shelby County	39,523	6.0%	8	(19,323)	-3.0%	17	-
26	Speedway	297,536	8.2%	15	(50,345)	-1.4%	19	-
27	Uptown	274,083	8.9%	18	(137,468)	-4.5%	24	-

## OVERALL SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	112,371,572	409,137	0.4%	306,232	0.3%	1.3
2027	111,962,435	279,706	0.3%	213,807	0.2%	1.3
2026	111,682,729	235,867	0.2%	217,913	0.2%	1.1
2025	111,446,862	358,519	0.3%	94,956	0.1%	3.8
2024	111,088,343	600,763	0.5%	(220,742)	-0.2%	-
YTD	110,635,747	148,167	0.1%	(523,538)	-0.5%	-
2023	110,487,580	164,185	0.1%	(589,258)	-0.5%	-
2022	110,323,395	(99,725)	-0.1%	(209,037)	-0.2%	-
2021	110,423,120	444,302	0.4%	496,372	0.4%	0.9
2020	109,978,818	1,232,189	1.1%	26,460	0%	46.6
2019	108,746,629	716,266	0.7%	448,529	0.4%	1.6
2018	108,030,363	997,833	0.9%	282,932	0.3%	3.5
2017	107,032,530	1,065,162	1.0%	1,340,002	1.3%	0.8
2016	105,967,368	658,552	0.6%	1,453,819	1.4%	0.5
2015	105,308,816	219,067	0.2%	1,037,276	1.0%	0.2
2014	105,089,749	250,690	0.2%	300,746	0.3%	0.8
2013	104,839,059	368,770	0.4%	783,134	0.7%	0.5
2012	104,470,289	45,088	0%	1,268,556	1.2%	0

## 4 & 5 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	20,642,537	567,885	2.8%	453,692	2.2%	1.3
2027	20,074,652	439,808	2.2%	321,016	1.6%	1.4
2026	19,634,844	399,807	2.1%	363,771	1.9%	1.1
2025	19,235,037	487,318	2.6%	319,373	1.7%	1.5
2024	18,747,719	550,000	3.0%	604,613	3.2%	0.9
YTD	18,297,719	100,000	0.5%	222,737	1.2%	0.4
2023	18,197,719	127,512	0.7%	(378,035)	-2.1%	-
2022	18,070,207	96,000	0.5%	(22,696)	-0.1%	-
2021	17,974,207	357,000	2.0%	329,259	1.8%	1.1
2020	17,617,207	696,280	4.1%	552,746	3.1%	1.3
2019	16,920,927	580,386	3.6%	348,926	2.1%	1.7
2018	16,340,541	220,648	1.4%	(111,262)	-0.7%	-
2017	16,119,893	538,746	3.5%	510,297	3.2%	1.1
2016	15,581,147	177,836	1.2%	225,252	1.4%	0.8
2015	15,403,311	374,875	2.5%	267,532	1.7%	1.4
2014	15,028,436	36,384	0.2%	3,144	0%	11.6
2013	14,992,052	274,000	1.9%	272,922	1.8%	1.0
2012	14,718,052	271,411	1.9%	659,402	4.5%	0.4

# Supply & Demand Trends

Indianapolis Office

## 3 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	56,249,548	7,674	0%	8,427	0%	0.9
2027	56,241,874	5,936	0%	38,362	0.1%	0.2
2026	56,235,938	1,946	0%	8,963	0%	0.2
2025	56,233,992	37,058	0.1%	(70,670)	-0.1%	-
2024	56,196,934	111,227	0.2%	(493,807)	-0.9%	-
YTD	56,156,141	70,434	0.1%	(487,949)	-0.9%	-
2023	56,085,707	111,068	0.2%	(43,985)	-0.1%	-
2022	55,974,639	(96,477)	-0.2%	(141,417)	-0.3%	-
2021	56,071,116	156,832	0.3%	112,792	0.2%	1.4
2020	55,914,284	510,259	0.9%	(382,890)	-0.7%	-
2019	55,404,025	145,459	0.3%	235,916	0.4%	0.6
2018	55,258,566	775,659	1.4%	415,662	0.8%	1.9
2017	54,482,907	503,794	0.9%	694,627	1.3%	0.7
2016	53,979,113	506,617	0.9%	872,039	1.6%	0.6
2015	53,472,496	99,723	0.2%	731,244	1.4%	0.1
2014	53,372,773	360,673	0.7%	59,511	0.1%	6.1
2013	53,012,100	229,820	0.4%	408,098	0.8%	0.6
2012	52,782,280	83,923	0.2%	147,139	0.3%	0.6

## 1 & 2 STAR SUPPLY & DEMAND

Year	Inventory			Net Absorption		
	SF	SF Growth	% Growth	SF	% of Inv	Construction Ratio
2028	35,479,487	(166,422)	-0.5%	(155,887)	-0.4%	-
2027	35,645,909	(166,038)	-0.5%	(145,571)	-0.4%	-
2026	35,811,947	(165,886)	-0.5%	(154,821)	-0.4%	-
2025	35,977,833	(165,857)	-0.5%	(153,747)	-0.4%	-
2024	36,143,690	(60,464)	-0.2%	(331,548)	-0.9%	-
YTD	36,181,887	(22,267)	-0.1%	(258,326)	-0.7%	-
2023	36,204,154	(74,395)	-0.2%	(167,238)	-0.5%	-
2022	36,278,549	(99,248)	-0.3%	(44,924)	-0.1%	-
2021	36,377,797	(69,530)	-0.2%	54,321	0.1%	-
2020	36,447,327	25,650	0.1%	(143,396)	-0.4%	-
2019	36,421,677	(9,579)	0%	(136,313)	-0.4%	-
2018	36,431,256	1,526	0%	(21,468)	-0.1%	-
2017	36,429,730	22,622	0.1%	135,078	0.4%	0.2
2016	36,407,108	(25,901)	-0.1%	356,528	1.0%	-
2015	36,433,009	(255,531)	-0.7%	38,500	0.1%	-
2014	36,688,540	(146,367)	-0.4%	238,091	0.6%	-
2013	36,834,907	(135,050)	-0.4%	102,114	0.3%	-
2012	36,969,957	(310,246)	-0.8%	462,015	1.2%	-

### OVERALL RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$23.61	141	2.3%	8.7%	11,339,659	10.1%	0.1%
2027	\$23.07	138	2.4%	6.2%	11,229,918	10.0%	0%
2026	\$22.54	134	1.9%	3.7%	11,157,094	10.0%	0%
2025	\$22.12	132	1.2%	1.8%	11,134,633	10.0%	0.2%
2024	\$21.85	130	0.6%	0.6%	10,861,610	9.8%	0.7%
YTD	\$21.77	130	0.6%	0.2%	10,708,752	9.7%	0.6%
2023	\$21.73	130	1.2%	0%	10,037,047	9.1%	0.7%
2022	\$21.47	128	5.2%	-1.2%	9,283,604	8.4%	0.1%
2021	\$20.42	122	5.7%	-6.0%	9,173,908	8.3%	-0.1%
2020	\$19.32	115	-3.0%	-11.1%	9,225,978	8.4%	1.0%
2019	\$19.92	119	1.8%	-8.3%	8,020,249	7.4%	0.2%
2018	\$19.57	117	4.3%	-9.9%	7,790,679	7.2%	0.6%
2017	\$18.75	112	5.1%	-13.7%	7,075,337	6.6%	-0.4%
2016	\$17.84	106	4.3%	-17.9%	7,391,967	7.0%	-0.8%
2015	\$17.10	102	1.2%	-21.3%	8,187,234	7.8%	-0.8%
2014	\$16.89	101	2.5%	-22.3%	9,005,443	8.6%	-0.1%
2013	\$16.48	98	4.1%	-24.1%	9,055,499	8.6%	-0.4%
2012	\$15.83	94	-1.2%	-27.2%	9,468,305	9.1%	-1.2%

### 4 & 5 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$26.03	135	2.2%	5.6%	3,420,264	16.6%	0.1%
2027	\$25.46	132	2.3%	3.3%	3,306,233	16.5%	0.2%
2026	\$24.89	129	1.9%	1.0%	3,187,614	16.2%	-0.2%
2025	\$24.42	127	1.2%	-0.9%	3,151,714	16.4%	0.5%
2024	\$24.12	125	0%	-2.1%	2,983,769	15.9%	-0.8%
YTD	\$24.04	125	-0.2%	-2.5%	2,915,644	15.9%	-0.8%
2023	\$24.12	125	0.8%	-2.2%	3,038,381	16.7%	2.7%
2022	\$23.92	124	0.6%	-3.0%	2,532,834	14.0%	0.6%
2021	\$23.79	123	-0.7%	-3.5%	2,414,138	13.4%	-0.1%
2020	\$23.97	124	-2.8%	-2.8%	2,386,397	13.5%	0.3%
2019	\$24.65	128	2.5%	0%	2,242,863	13.3%	0.9%
2018	\$24.05	125	8.2%	-2.5%	2,011,403	12.3%	1.9%
2017	\$22.23	115	6.2%	-9.8%	1,679,052	10.4%	-0.2%
2016	\$20.94	109	7.7%	-15.0%	1,651,044	10.6%	-0.4%
2015	\$19.44	101	4.3%	-21.1%	1,698,460	11.0%	0.4%
2014	\$18.64	97	-3.9%	-24.4%	1,591,117	10.6%	0.2%
2013	\$19.39	100	-2.7%	-21.4%	1,557,877	10.4%	-0.2%
2012	\$19.93	103	2.2%	-19.1%	1,556,799	10.6%	-2.9%



### 3 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$24.36	146	2.2%	8.9%	5,604,912	10.0%	0%
2027	\$23.83	143	2.3%	6.5%	5,605,851	10.0%	-0.1%
2026	\$23.30	140	1.8%	4.2%	5,638,446	10.0%	0%
2025	\$22.89	137	1.1%	2.3%	5,645,517	10.0%	0.2%
2024	\$22.65	136	1.2%	1.2%	5,537,788	9.9%	1.1%
YTD	\$22.57	135	1.2%	0.9%	5,491,127	9.8%	1.0%
2023	\$22.37	134	2.5%	0%	4,932,744	8.8%	0.3%
2022	\$21.83	131	7.4%	-2.4%	4,777,691	8.5%	0.1%
2021	\$20.32	122	6.1%	-9.2%	4,732,751	8.4%	0.1%
2020	\$19.15	115	-3.0%	-14.4%	4,688,711	8.4%	1.5%
2019	\$19.74	118	2.7%	-11.8%	3,795,562	6.9%	-0.3%
2018	\$19.22	115	0.9%	-14.1%	3,924,186	7.1%	0.6%
2017	\$19.05	114	5.8%	-14.9%	3,564,189	6.5%	-0.5%
2016	\$18	108	4.4%	-19.6%	3,796,371	7.0%	-0.8%
2015	\$17.23	103	-1.7%	-23.0%	4,161,793	7.8%	-1.2%
2014	\$17.53	105	5.9%	-21.6%	4,793,314	9.0%	0.5%
2013	\$16.56	99	6.9%	-26.0%	4,492,152	8.5%	-0.4%
2012	\$15.49	93	-2.2%	-30.7%	4,670,430	8.8%	-0.1%

### 1 & 2 STAR RENT & VACANCY

Year	Market Asking Rent				Vacancy		
	Per SF	Index	% Growth	Vs Hist Peak	SF	Percent	Ppts Chg
2028	\$21.13	136	2.5%	7.8%	2,314,483	6.5%	0%
2027	\$20.61	133	2.6%	5.1%	2,317,834	6.5%	0%
2026	\$20.09	129	2.1%	2.4%	2,331,034	6.5%	0%
2025	\$19.67	127	1.4%	0.3%	2,337,402	6.5%	0%
2024	\$19.40	125	-0.2%	-1.1%	2,340,053	6.5%	0.8%
YTD	\$19.31	124	0%	-1.5%	2,301,981	6.4%	0.7%
2023	\$19.43	125	-0.9%	-0.9%	2,065,922	5.7%	0.3%
2022	\$19.61	126	4.6%	0%	1,973,079	5.4%	-0.1%
2021	\$18.74	121	9.7%	-4.4%	2,027,019	5.6%	-0.3%
2020	\$17.08	110	-3.3%	-12.9%	2,150,870	5.9%	0.5%
2019	\$17.67	114	-0.1%	-9.9%	1,981,824	5.4%	0.3%
2018	\$17.69	114	7.8%	-9.8%	1,855,090	5.1%	0.1%
2017	\$16.41	106	3.1%	-16.3%	1,832,096	5.0%	-0.3%
2016	\$15.92	103	1.9%	-18.8%	1,944,552	5.3%	-1.0%
2015	\$15.63	101	4.5%	-20.3%	2,326,981	6.4%	-0.8%
2014	\$14.95	96	1.1%	-23.8%	2,621,012	7.1%	-1.0%
2013	\$14.79	95	4.7%	-24.6%	3,005,470	8.2%	-0.6%
2012	\$14.13	91	-2.1%	-27.9%	3,241,076	8.8%	-2.0%

### OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$139.50	149	9.4%
2027	-	-	-	-	-	-	\$128.71	138	9.9%
2026	-	-	-	-	-	-	\$120.63	129	10.3%
2025	-	-	-	-	-	-	\$115.38	123	10.6%
2024	-	-	-	-	-	-	\$115.64	124	10.5%
YTD	147	\$171.4M	3.0%	\$2,016,351	\$92.32	8.7%	\$117.06	125	10.4%
2023	242	\$249.9M	4.3%	\$1,601,672	\$83.68	8.7%	\$120.11	128	10.2%
2022	322	\$363.5M	6.0%	\$1,845,244	\$99.87	8.5%	\$129.92	139	9.3%
2021	301	\$706.9M	6.0%	\$2,995,398	\$129.26	8.0%	\$135.32	145	8.6%
2020	271	\$460.8M	4.4%	\$2,451,127	\$126.63	8.3%	\$125.43	134	9.0%
2019	313	\$621.6M	5.5%	\$2,877,951	\$137.27	8.5%	\$122.52	131	9.1%
2018	372	\$600.9M	7.3%	\$2,718,999	\$101.08	8.2%	\$120.81	129	8.8%
2017	345	\$811.8M	8.6%	\$3,998,925	\$113.80	8.7%	\$121.71	130	8.5%
2016	351	\$659.2M	8.8%	\$3,065,906	\$93.52	8.3%	\$118.88	127	8.2%
2015	308	\$449.3M	5.6%	\$1,819,017	\$87.65	8.8%	\$115.74	124	8.2%
2014	292	\$378M	6.1%	\$2,010,640	\$94.01	7.5%	\$115.82	124	8.0%
2013	275	\$451.5M	6.4%	\$2,579,900	\$84.36	9.7%	\$110.71	118	8.2%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

### 4 & 5 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$161.37	141	9.2%
2027	-	-	-	-	-	-	\$148.93	130	9.8%
2026	-	-	-	-	-	-	\$139.62	122	10.2%
2025	-	-	-	-	-	-	\$133.51	117	10.4%
2024	-	-	-	-	-	-	\$133.78	117	10.3%
YTD	7	\$21.6M	5.4%	\$7,207,660	\$56.92	11.1%	\$135.37	119	10.2%
2023	3	\$5.1M	3.8%	\$2,546,325	\$8.49	-	\$141.29	124	9.9%
2022	10	\$42.7M	8.4%	\$7,115,502	\$59.88	-	\$153.96	135	9.0%
2021	4	\$223.5M	9.1%	\$74,500,000	\$148.60	-	\$161.29	141	8.3%
2020	4	\$56.6M	2.4%	\$18,854,227	\$190.45	-	\$148.58	130	8.7%
2019	5	\$118.2M	7.0%	\$29,544,264	\$149.59	-	\$145.12	127	8.9%
2018	8	\$166.7M	10.6%	\$27,777,618	\$129.96	7.8%	\$143.73	126	8.6%
2017	12	\$242.4M	16.2%	\$26,928,589	\$141.81	8.7%	\$152.25	133	8.1%
2016	13	\$350.6M	24.7%	\$43,826,181	\$112.98	7.8%	\$144.78	127	7.9%
2015	3	\$43.4M	2.8%	\$14,450,000	\$101.11	11.2%	\$140.65	123	7.9%
2014	4	\$75.1M	7.5%	\$37,525,209	\$91.59	4.8%	\$143.01	125	7.7%
2013	8	\$125.9M	12.1%	\$17,978,706	\$72.46	-	\$136.68	120	7.8%

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(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

### 3 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$145.43	142	9.3%
2027	-	-	-	-	-	-	\$134.26	131	9.9%
2026	-	-	-	-	-	-	\$125.92	123	10.3%
2025	-	-	-	-	-	-	\$120.56	118	10.5%
2024	-	-	-	-	-	-	\$120.98	118	10.4%
YTD	34	\$98.4M	2.7%	\$3,935,851	\$94.86	7.8%	\$122.51	120	10.3%
2023	73	\$148.4M	4.3%	\$3,226,818	\$111.40	9.2%	\$126.18	123	10.1%
2022	94	\$180.4M	5.1%	\$3,404,168	\$111.49	8.2%	\$136.61	134	9.2%
2021	88	\$324.7M	5.5%	\$4,638,821	\$132.75	7.6%	\$142.11	139	8.5%
2020	65	\$290.8M	4.7%	\$6,322,826	\$145.66	7.9%	\$132.83	130	8.8%
2019	73	\$370.5M	4.8%	\$6,074,367	\$164.90	7.7%	\$129.59	127	9.0%
2018	97	\$230.4M	6.6%	\$3,491,496	\$78.50	7.8%	\$127.61	125	8.7%
2017	95	\$443.2M	6.9%	\$6,517,314	\$132.94	7.9%	\$128.14	125	8.4%
2016	93	\$201.2M	6.2%	\$3,094,651	\$84	8.3%	\$125.68	123	8.1%
2015	84	\$264.7M	5.6%	\$3,576,849	\$102.32	8.4%	\$122.74	120	8.0%
2014	80	\$210.3M	6.0%	\$3,689,062	\$113.05	7.2%	\$123.93	121	7.8%
2013	74	\$241M	5.9%	\$4,547,294	\$108.61	9.1%	\$118.72	116	8.0%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

### 1 & 2 STAR SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/SF	Avg Cap Rate	Price/SF	Price Index	Cap Rate
2028	-	-	-	-	-	-	\$118.53	172	9.6%
2027	-	-	-	-	-	-	\$109.23	158	10.2%
2026	-	-	-	-	-	-	\$102.22	148	10.6%
2025	-	-	-	-	-	-	\$97.59	141	10.8%
2024	-	-	-	-	-	-	\$97.59	141	10.7%
YTD	106	\$51.4M	2.4%	\$901,239	\$116.94	8.4%	\$98.73	143	10.6%
2023	166	\$96.3M	4.4%	\$891,986	\$91.43	8.0%	\$99.29	144	10.5%
2022	218	\$140.4M	6.1%	\$1,017,385	\$107.28	8.7%	\$106.60	154	9.6%
2021	209	\$158.7M	5.1%	\$973,597	\$104.50	8.4%	\$110.81	160	8.9%
2020	202	\$113.4M	4.9%	\$815,822	\$84.30	8.9%	\$101.50	147	9.3%
2019	235	\$132.9M	5.9%	\$880,291	\$89.11	9.8%	\$99.39	144	9.4%
2018	267	\$203.8M	6.8%	\$1,367,747	\$118.02	9.0%	\$97.92	142	9.2%
2017	238	\$126.2M	7.8%	\$1,001,961	\$60.39	9.5%	\$95.30	138	8.9%
2016	245	\$107.4M	5.8%	\$756,395	\$69.26	8.5%	\$94.40	137	8.6%
2015	221	\$141.3M	6.8%	\$830,943	\$66.92	9.0%	\$91.49	132	8.6%
2014	208	\$92.7M	5.8%	\$718,398	\$69.09	8.6%	\$88.59	128	8.5%
2013	193	\$84.6M	4.9%	\$735,869	\$60.61	10.5%	\$84.31	122	8.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

# CARMEN's National Experience



## Reach Throughout the United States, and Beyond

Through our international network of Tenant Representation professionals, CARMEN provides clients with comprehensive real estate services across the United States, Canada, and Europe.

Our network offers the most current and unbiased market data, unlike traditional full-service firms that may favor landlord interests. Additionally, CARMEN is not restricted to brokers tied to specific companies, allowing greater flexibility.

**In the past 36 months, CARMEN has completed lease projects in nearly every U.S. state, as well as in Calgary, Canada, and Birmingham, England.**

While leveraging the expertise of Best-in-Class Tenant Representation partners globally, CARMEN always remains the primary point of contact, ensuring continuity and avoiding the hand-off approach common in national firms. When local market insights are needed, we collaborate with top-tier Tenant Representation firms worldwide.

### **Our Client's Satisfaction is Paramount**

At CARMEN, we measure our success by your complete satisfaction with our services. Our focus is on delivering a thorough and seamless experience that meets your company's unique needs and exceeds your expectations.

We strive to ensure that you receive the highest level of service and support, so you can make informed and timely decisions about your real estate investments with confidence. With CARMEN by your side, you can have confidence that your organization's objectives are always at the forefront of our work.

CARMEN is the virtual real estate department for those companies that don't have one, and a valuable resource for those that do!

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# CARMEN'S EXPERIENCE

CARMEN is a recognized industry leader in delivering top-tier Corporate Services to clients. The team brings a combined 65 years of experience in commercial real estate, with a specialized focus on representing tenants in industrial and office properties.

Throughout our 32-year history, we have built a strong track record of success, conducting in-depth market research, property searches, and skillfully negotiating economic and business terms for over 700 commercial lease agreements.

Our extensive expertise and commitment to client service make us a trusted partner in navigating complex real estate transactions.

**Our Corporate Services team brings with it experience in:**

- Commercial Real Estate Brokerage
- Managing Lease Portfolios
- Lease Administration
- Project Management
- Economic Incentives
- Real Estate Financing & Sale-Lease Backs

## Key Personnel



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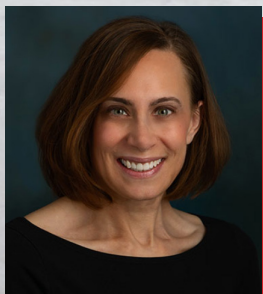


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