

2022 MID-YEAR INDUSTRIAL MARKET REPORT

MARKET SNAPSHOT



101.1 MILLION SF
INVENTORY



3.2%
VACANCY RATE



\$7.12 PSF
AVG ASKING RENT



4.9 MILLION SF
UNDER CONSTRUCTION



3.85 MILLION SF
DELIVERIES

OVERVIEW

- » Despite high volume of construction, the vacancy rate remains consistently in the low 3% range. This is due to a number of factors, primarily for pre-leasing on spec warehousing and a large amount of owner occupied construction.
- » Almost 70% of the new construction in the Omaha market is made up of 3 projects. Amazon's fulfillment center in Papillion (2.1 million SF), Dollar General's distribution center in Blair (900,000 SF), and Amazon's distribution center in Council Bluffs (270,000 SF).
- » Class A spec warehousing makes up the remaining balance of new industrial construction. Asking rates for these have risen significantly over the last 5 years, primarily due to lack of available space and rising construction costs.
- » New submarkets are beginning to emerge, primarily the Northeast Submarket (150,000 SF by Century Development) and Downtown Council Bluffs (302,300 SF by Opus). Both of these projects are under construction currently. This is a trend we expect to continue as developable sites become harder to find.

LEASE TRANSACTIONS

SIZE (SF)	# OF TRANSACTIONS
100,000 and above	4
50,000-99,999	4
25,000-49,999	5
10,000-24,999	17
900-9,999	71

2022 MID-YEAR SUMMARY *Data through 6.30.2022

SUBMARKETS	INVENTORY (SF)	TOTAL VACANCY (SF)	VACANCY RATE	ANNUAL CHANGE IN VACANCY RATES (BPS)	YTD NET ABSORPTION (SF)	MARKET RENT/ SF	ANNUAL RENT GROWTH
Sarpy West	23,765,693	677,322	2.9%	-0.9%	3,875,895	\$7.56	8.4%
South Central Omaha	21,644,645	1,075,668	5.0%	-0.7%	25,947	\$7.19	8.1%
Northeast Omaha	11,141,910	241,861	2.2%	0.3%	(65,156)	\$5.89	8.3%
Southwest Omaha	9,509,501	147,397	1.6%	-2.2%	54,905	\$7.09	7.7%
Southeast Omaha	9,320,014	223,680	2.4%	1.2%	65,958	\$5.58	8.4%
Northwest Omaha	7,605,789	555,156	7.3%	2.7%	(197,359)	\$7.58	7.6%
Downtown Council Bluffs	3,409,409	45,843	1.3%	-1.5%	(23,476)	\$6.90	8.3%
Council Bluffs	3,037,993	105,384	3.5%	0.6%	(6,700)	\$7.68	8.5%
Sarpy East	2,294,329	61,989	2.7%	0.0%	3,000	\$6.70	8.1%
Rural Submarkets	9,364,797	285,106	3.0%	0.2%	13,442	\$7.34	7.4%
Omaha Market	101,094,080	3,419,406	3.2%	-0.4%	3,746,456	\$7.12	8.1%



Omaha Submarkets (Map excludes the 9 rural submarkets)

NOTABLE TRANSACTIONS

TENANT	SIZE (SF)
Airlite Plastics*	186,405
Packaging Corporation of America	163,699
Ford Storage & Logistics	150,280
Pivot Bio	109,720
International Paper Company	82,470
Marianna*	81,090
FCC	61,440
SouthernCarlson*	60,084

**Denotes an Investors Realty, Inc. transaction*

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