



MARKET FUNDAMENTALS

	YOY Chg	12-Month Forecast
2.8% Vacancy Rate	▲	■
732K YTD Net Absorption, SF	▼	▼
\$7.79 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i> <i>Data Source: Costar</i>	▲	■

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
522.9K Omaha Employment	▲	▲
2.8% Omaha Unemployment Rate	▲	▲
4.1% U.S. Unemployment Rate <i>Source: BLS</i>	▲	▼

ECONOMY:

Job creation in the Omaha MSA increased by 13,400 positions year-over-year, bringing Omaha's total nonfarm employment to 522,900. The local unemployment rate increased by 20 basis points (bps) during the same timeframe, reaching 2.8% at the close of Q3 2024. Despite the small increase, the Omaha market's unemployment rate is still among the lowest in the nation, compared to the national average unemployment rate, at 4.1%.

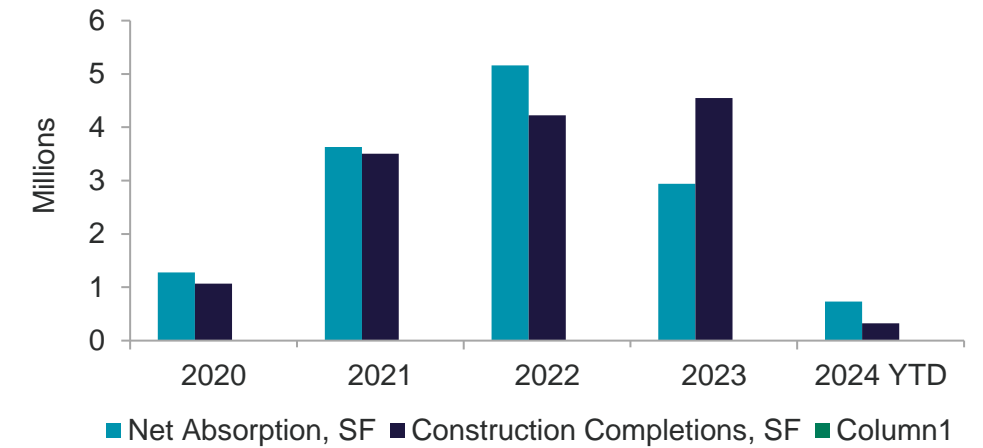
MARKET OVERVIEW:

Omaha's industrial market recorded 352,085 square feet (sf) of absorption in the third quarter of 2024, for a total of 732,292 sf absorbed year-to-date (YTD). The overall vacancy increased by 40 basis points (BPS) year-over-year (YOY), ending Q3 at 2.8%. Despite the increase, Omaha's industrial market vacancy remains one of the lowest in the U.S. The slight increase can be attributed to the substantial amount of construction that has been delivered to the market this year. Four properties totaling 327,470 sf were delivered in the third quarter, with the most noteworthy delivery being the 286,000 speculative warehouse at R&R Commerce Park South. This brings Omaha's total construction completions for 2024 to 1,576,769 sf. Nearly 1.2 million square feet (msf) of the space was constructed on a speculative basis, and just over 1-msf of the space is currently vacant. New industrial product is in high demand and this space is likely to be leased quickly. As a result, overall vacancy decline in coming quarters.

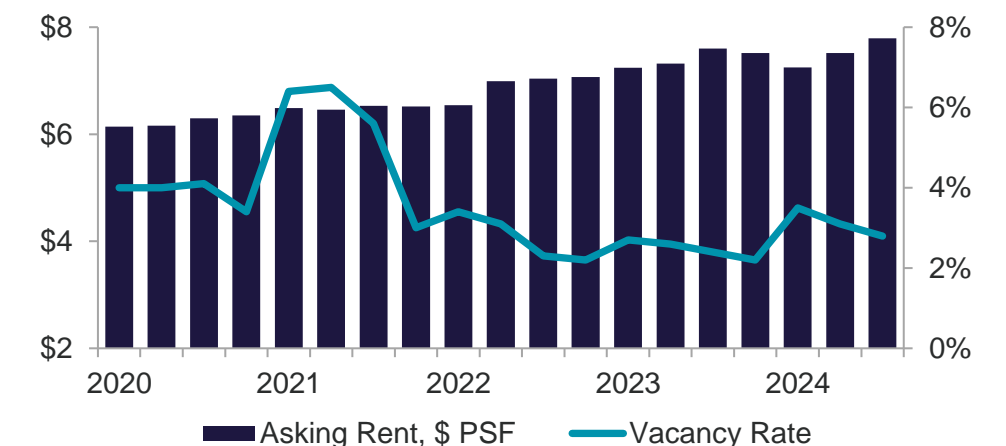
PRICING:

Overall net asking rents in Omaha's industrial sector continue to climb steadily, reaching \$7.72 per square foot (psf) in the third quarter of 2024. Overall asking rents improved by 2.5% YOY, and by an astounding 23.7% over the last four years. Flex properties saw the largest amount of rent growth, increasing by 12.0% YOY, reaching \$11.35 psf in the third quarter. Manufacturing asking rents improved by 2.0% YOY, while warehouse/distribution property rents improved by 1.8%. Users are attracted to the versatile layout most flex properties offer, as it allows for a broad range of tenant uses. As demand for flex space increases, rent growth is expected to follow.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT



MARKET STATISTICS

SUBMARKET	INVENTORY (SF)	OVERALL VACANT (SF)	OVERALL VACANCY RATE	CURRENT QTR OVERALL NET ABSORPTION (SF)	YTD OVERALL NET ABSORPTION (SF)	UNDER CNSTR (SF)	CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT (OVERALL)
Council Bluffs	3,404,796	130,460	3.8%	3,100	21,100	0	0	N/A	N/A	N/A
Downtown Council Bluffs	3,779,674	43,229	1.1%	53,157	286,011	0	0	N/A	\$10.75	\$10.75
E Cass County	463,792	20,000	4.3%	0	0	0	0	N/A	\$6.50	\$6.50
E Mills County	72,150	0	0.0%	0	0	0	0	N/A	N/A	N/A
E Pottawattamie County	1,517,321	40,304	2.7%	0	-40,304	0	0	N/A	N/A	N/A
Harrison County	364,938	0	0.0%	0	0	0	0	N/A	N/A	N/A
Northeast Omaha	11,545,639	517,187	4.5%	2,378	-12,374	0	0	N/A	\$7.47	\$7.44
Northwest Omaha	8,199,817	121,548	1.5%	-12,393	11,083	2,200,000	15,000	\$10.00	\$7.82	\$8.58
Sarpy East	2,392,807	37,442	1.6%	0	51,979	0	0	N/A	N/A	N/A
Sarpy West	27,479,905	1,166,882	4.2%	14,303	473,628	1,441,990	312,470	\$12.72	\$7.11	\$7.48
Saunders County	835,190	58,215	7.0%	0	1,200	0	0	N/A	N/A	N/A
South Central Omaha	21,645,192	374,560	1.7%	139,457	-81,563	0	0	\$10.48	\$9.00	\$10.04
Southeast Omaha	9,361,768	156,701	1.7%	71,924	37,321	0	0	\$9.00	\$5.75	\$6.52
Southwest Omaha	9,497,707	162,062	1.7%	76,609	-24,855	0	0	\$13.37	\$7.95	\$12.76
W Cass County	493,091	61,000	12.4%	0	12,000	0	0	N/A	\$6.75	\$6.75
W Mills County	549,633	0	0.0%	0	0	0	0	N/A	N/A	N/A
W Pottawattamie County	3,595,562	16,800	0.5%	3,550	800	16,800	0	N/A	N/A	N/A
Washington County	2,889,499	128,844	4.5%	0	-3,734	0	0	N/A	N/A	N/A
OMAHA TOTALS	108,088,481	3,035,234	2.8%	352,085	732,292	3,658,790	327,470	\$11.35	\$7.27	\$7.79

*Rental rates reflect weighted net asking \$psf/year

**Some statistics may not reflect U.S. MarketBeat tables

OS = Office Service/Flex W/D = Warehouse/Distribution

KEY LEASE TRANSACTIONS Q3 2024

PROPERTY	SUBMARKET	TENANT	SF	TYPE
14910 Gold Coast Rd	Sarpy West	Interstates	109,270	Sublease
11850 Portal Rd	Sarpy West	United States Postal Service	83,232	Renewal
3626 Martha St	Southeast Omaha	Woodhouse Nissan, Inc	54,400	New Lease
11921 156 th St	Sarpy West	Conductix-Wampfler, Inc	54,080	New Lease
14242 C Cir	Southwest Omaha	Metropolitan Utilities District	41,318	Renewal

*Renewals included in leasing statistics

KEY CONSTRUCTION COMPLETIONS Q3 2024

PROPERTY	SUBMARKET	SPEC/BTS	SF	OWNER
R&R Commerce Park South Warehouse III	Sarpy West	SPEC	286,000	Commerce Park South, LLC
8207 S 109 th St	Sarpy West	BTS	26,470	SWBA, LLC
23801 Cedar Hollow Mall	Northwest Omaha	BTS	7,500	Jason Tidblom, LLC
23815 Cedar Hollow Mall	Northwest Omaha	BTS	7,500	Eisele Enterprises, LLC

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