MARKETBEAT

OMAHA

INDUSTRIAL Q2 2025

CUSHMAN & WAKEFIELD | LUND COMPANY

MARKET FUNDAMENTALS

	YOY Chg	Outlook
2.6% Vacancy Rate	▼	–
739K YTD Net Absorption, SF	▲	▲
$7.94 Asking Rent, PSF *(Overall, Net Asking Rent)*	▲	▲

ECONOMIC INDICATORS

	YOY Chg	Outlook
517K Omaha Employment	▲	▲
3.2% Omaha Unemployment Rate	▲	▲
4.2% U.S. Unemployment Rate	▲	▲

Source: BLS

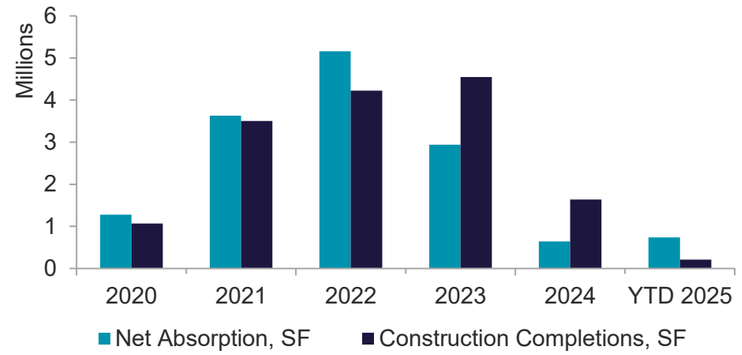
ECONOMY:

The U.S. economy is facing headwinds in 2025, with slowing growth, rising recession risks, and a cooling labor market. National unemployment rose to 4.2% in Q2, up 20 basis points (BPS) year-over-year (YOY). While these challenges are impacting markets nationwide, Omaha continues to show resilience, supported by a strong housing market, strategic economic initiatives, and a growing base of young professionals and tech talent. Omaha added 2,700 non-farm jobs over the past year, bringing total employment to 517,000. The local unemployment rate rose slightly to 3.2% but remains well below the national average. The city is also seeing strong growth in its tech sector, particularly in AI, cybersecurity, data science, cloud computing, and software development.

MARKET OVERVIEW:

The Omaha industrial market continued to demonstrate strong fundamentals in the second quarter of 2025, posting 194,907 square feet (sf) of positive net absorption. This brings year-to-date (YTD) absorption to 738,997 sf, reflecting sustained tenant demand across key industrial sectors. Two of the most notable occupancies this quarter included Performance Food Group (92,590 sf) and Midstates Utility Trailer Sales (47,500 sf), both occupying new construction, delivered in Q2. These significant move-ins underscore the demand for quality, purpose-built space within the market. Overall vacancy declined by 50 bps YOY, reaching a low 2.6% in Q2. This low vacancy rate is partly due to local developers strategically avoiding overbuilding, while still addressing market demand. During Q2, four industrial properties totaling 208,828 sf were completed. However, three of these were build-to-suit projects that were fully occupied upon completion, leaving only one speculative development contributing 58,938 sf of leasable space to the market. Looking ahead, Omaha's construction pipeline remains robust, with 16 industrial projects underway, totaling 4.6 million square feet (msf). Of those, ten projects totaling 2.7 msf are scheduled for delivery by the end of 2025. While five of these are speculative, much of the inventory has already been pre-leased by tenants eager to occupy new construction. As a result, all but 146,041 sf of the new development has already been pre-leased for future occupancy, further contributing to constrained supply and heightened competition among tenants for remaining availabilities. These dynamics are supporting steady rent growth across the market. In Q2, average asking rents rose to $7.94 per square foot (psf) NNN, an increase of 5.6% YOY. Flex space continues to command the highest rents, averaging $11.07 psf, followed by warehouse/distribution space at $7.56 psf. With strong pre-leasing activity, disciplined development, and continued tenant demand across sectors, Omaha's industrial market is well-positioned for stable growth through the remainder of 2025 and into 2026.

SPACE DEMAND / DELIVERIES



OVERALL VACANCY & ASKING RENT

OMAHA
INDUSTRIAL Q2 2025

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)	YTD CONSTR COMPLETIONS (SF)	OVERALL WEIGHTED AVG NET RENT (OS)	OVERALL WEIGHTED AVG NET RENT (W/D)	OVERALL WEIGHTED AVG NET RENT (ALL USES)
Council Bluffs	3,544,117	147,780	4.2%	11,700	11,700	92,000	0	N/A	$12.00	$12.00
Downtown Council Bluffs	3,784,415	46,889	1.2%	0	5,061	0	0	N/A	$9.35	$9.35
E Cass County	467,735	35,000	7.5%	5,000	5,000	0	0	N/A	N/A	N/A
E Mills County	72,150	0	0.0%	0	0	0	0	N/A	N/A	N/A
E Pottawattamie County	1,516,651	40,304	2.7%	0	0	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	11,746,606	336,769	2.9%	117,958	303,494	0	92,590	$9.60	$7.05	$7.08
Northwest Omaha	8,732,998	84,834	1.0%	-3,791	5,762	2,340,000	0	$12.05	$10.40	$11.12
Sarpy East	2,412,791	17,695	0.7%	0	-3	0	0	$7.61	$8.01	$8.01
Sarpy West	28,367,201	1,212,610	4.3%	7,232	371,932	2,042,936	116,238	$13.53	$7.34	$7.50
Saunders County	846,769	64,775	7.6%	-6,560	-6,560	0	0	N/A	N/A	N/A
South Central Omaha	21,984,290	327,949	1.5%	70,932	38,595	105,000	0	$10.65	$7.83	$9.01
Southeast Omaha	9,582,965	342,083	3.6%	-2,615	-37,835	0	0	$7.75	$6.50	$6.65
Southwest Omaha	9,537,870	143,205	1.5%	4,551	14,001	10,000	0	$11.73	$9.95	$11.09
W Cass County	567,999	49,000	8.6%	0	0	0	0	N/A	N/A	N/A
W Mills County	549,633	0	0.0%	0	0	0	0	N/A	N/A	N/A
W Pottawattamie County	3,634,762	0	0.0%	0	37,350	0	0	N/A	$13.36	$13.36
Washington County	2,895,954	9,500	0.3%	-9,500	-9,500	0	0	N/A	N/A	N/A
OMAHA TOTALS	**110,609,844**	**2,858,393**	**2.6%**	**194,907**	**738,997**	**4,589,936**	**208,828**	**$11.07**	**$7.56**	**$7.94**

**Rental rates reflect full service asking*

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

KEY LEASE TRANSACTIONS Q2 2025

PROPERTY	SUBMARKET	TENANT	SF	TYPE
12125 S 156th St	Sarpy West	Compana Pet Brands	122,720	New Lease
14850 Rodina Ave	Sarpy West	Mielke Oil Company	57,600	New Lease
7735 S 134th St	Sarpy West	ZO Skin Health, Inc	35,040	Renewal*
19303 Raven Ridge Dr	Sarpy West	Epic Custom Trailers	25,194	New Lease

**Renewals not included in leasing statistics*

KEY CONSTRUCTION COMPLETIONS Q2 2025

PROPERTY	SUBMARKET	SPEC/BTS	SF	TYPE
6720 N 9th St	Northeast Omaha	BTS	92,590	Warehouse/Distribution
14607 Chandler Rd	Sarpy West	SPEC	58,938	Flex
10611 S 143rd Cir	Sarpy West	BTS	47,500	Flex

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