

URGENT

Northwest Indiana office market improves despite turbulent year

Joseph S. Pete Feb 1, 2023 Updated May 10, 2023 0



The 2929 Carlson Drive building in Hammond's Oxbow Landing is one of the larger office developments in Northwest Indiana. John J. Watkins, file, The Times



Joseph S. Pete

Northwest Indiana's office market improved in 2022 despite a turbulent year for commercial real estate.

Commercial In-Sites in Merrillville, one of the Region's largest commercial real estate firms, has released its 2023 Northwest Indiana Commercial In-Sites Class "A" office market report. The annual report found a significant decrease in total office vacancy from 15% to 12% last year.

"2022 was somewhat a turbulent year in commercial real estate with continuing COVID-19 concerns, supply chain disruptions, seven interest rate hikes, high new construction and tenant improvement pricing, and some people working blending from both home and office," Commercial In-Sites Principal Broker David A. Lasser said. Northwest Indiana's office market occupancy, however, improved and market rents remained on average relatively unchanged."



Video provided in partnership with The Times, JEDtv and WJOB. Sponsored by Strack & Van Til.

Commercial In-Sites tracks 26 office properties across Northwest Indiana that comprise a total of 1.35 million square feet. About half the properties are at 100% occupancy. That's three more office properties that are fully leased out than were last year.

People are also reading...

- 1 [GoFundMe created after Hobart man dies in car crash Monday morning](#)
- 2 [3 subdivisions in planning stage in St. John](#)
- 3 [1 suffers traumatic injuries after head-on collision in Crown Point Friday evening](#)
- 4 [Lake County councilman dies after lifetime of public service](#)

8585 Broadway in Merrillville, the largest and one of the older buildings in the market survey, accounted for a significant amount of the vacancy. The eight-story limestone tower, the tallest in Merrillville, is home to tenants like Wells Fargo, Vein Centers, Centene, Lockheed Martin, Hoepfner Law and Garan Lucow, but has suffered from significant vacancy since Chase moved out.

In 2000, Chase bought Bank One, which had occupied three full floors of the 8585 Broadway building.

Without the former Chase/Bank One/Gainer Bank tower factored in, the remaining 25 office buildings in Northwest Indiana had only a 6% vacancy rate, according to the market report.

Commercial In-Sites found Northwest Indiana had lower office vacancy rates than the entire suburban Chicago office market as a whole. The office vacancy rate in suburban Chicagoland rose from 17% to 24% last year.

Office inventory has been getting tighter in the Northwest Indiana market.

"Only 13,083 SF remain available in the two newest construction developments, namely Oxbow Landing and Cardinal Campus," Lasser said. "A four-story 60,000 SF office building is under construction in Maple Leaf Crossing in Munster."

That office building is almost entirely occupied already, with only two of the 16 units still available for sale or lease, developer Jack Lieser said recently.

Asking prices for office rent in Northwest Indiana decreased from \$24.77 per square foot to \$24.63 per square foot, according to the Commercial In-Sites report.

"Based on current active leasing prospects and few additional new multi-story office buildings ready for delivery in 2023, we expect to see vacancy rates continue to reduce this year," Lasser said.

0 Comments



Tags Local News Local Business Biz-topstory

The business news you need

Get the latest local business news delivered FREE to your inbox weekly.

Email Address Sign up!

* I understand and agree that registration on or use of this site constitutes agreement to its user agreement and [privacy policy](#).



By Joseph S. Pete
Business Reporter

Follow Joseph S. Pete

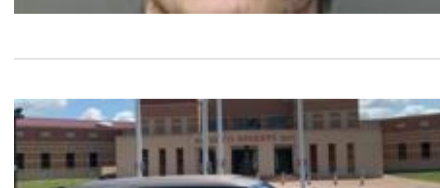


Most Popular



Valpo woman dies in wake of brutal attack by son; charge upgraded to murder, officials say

"The manner of death was ruled to be a homicide," officials said.



Porter County police investigating Monday morning traffic fatality

Officers were dispatched to the scene at 7:47 a.m.



New stores coming to Southlake Mall

New stores are coming to the Southlake Mall, the Region's largest mall.



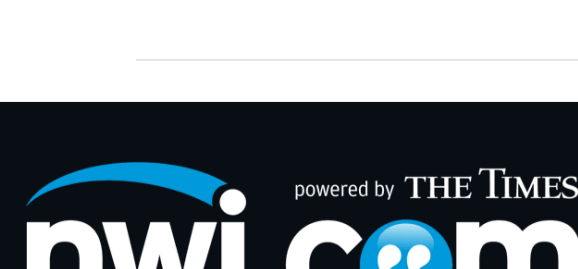
1 suffers traumatic injuries after head-on collision in Crown Point Friday evening

Crown Point Fire Rescue responded to a head-on collision in the 1500 block of North Main Street at approximately 6:45 p.m. Friday.



3 subdivisions in planning stage in St. John

Property developers are planning residential developments in St. John that would bring more than 1,000 new homes to the growing town.



Subscribe to The Times
About Us
Contact Us
Legal Notices
Newspaper Archives

Sites & Partners

- Get Healthy
- Featured Sections
- Best of the Region
- Buy Local Deals
- Regional Crime Report
- The Times Media Company
- Northwest Indiana Calendar
- Online Features
- IN Business
- Southland

Services

- Manage Your Subscription
- E-edition
- Send a News Tip
- Donation Request
- Work here
- RSS Feeds
- E-newsletter Sign-Up
- Submit an Event
- Submit a Celebration
- Become a Carrier
- Dealer Returns
- Licensing