

# Indianapolis

Industrial | Q3 2025 Market Report

## Quarterly Snapshot

↑	Average Rent \$6.00/SF
↓	Vacancy 9.7%
↑	Net Absorption 6,389,064 SF

## Occupier's Perspective

The industrial market remains strong, with declining vacancy and modest rent growth signaling continued demand.

Industrial brokers can help landlords push rents strategically and secure credit tenants, while tenant-rep brokers should move early, as limited availability reduces leverage.

The Indianapolis commercial real estate market experienced mixed conditions in Q3 2025, with the office and industrial sectors trending in opposite directions. Overall, the data reflects continued challenges in the office market, while industrial properties remain comparatively strong and stable.

The industrial market showed stronger fundamentals during the quarter. Average asking rents increased slightly to \$6.00 per square foot, and the vacancy rate declined to 9.7%. The decrease in vacancy highlights sustained demand for industrial space across the Indianapolis area, supported by logistics, distribution, and manufacturing users.

In summary, Q3 2025 results indicate that the industrial sector continues to demonstrate resilience with steady rent growth and improving occupancy.

## Recent Transactions

Tenant	Size (SF)	Submarket	Type
HarperCollins Publishers	1,572,032 SF	Northwest	New Lease
Caterpillar	958,248 SF	Northwest	Renewal/Expansion
Shein	737,457 SF	Northwest	New Lease

## Submarket Movement

Vacancy Rate	QOQ Change	Direct Asking Rent (\$/SF)	Submarket
25.66%	▼	\$5.59	Southeast
6.12%	▼	\$5.72	East
15.67%	▼	\$5.77	Southwest
9.55%	▲	\$5.87	South
27.68%	▲	\$6.85	West
13.45%	▼	\$7.22	Northwest
23.12%	▲	\$7.32	CBD
13.41%	▲	\$8.02	Northeast
20.41%	▲	\$11.33	North