



Tobin Development Corporation

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Tenants Trickle In For New Spec Warehouse

By Robert Carr

PORTAGE, IN-TCB Design Build and Tobin Development have finished a 574,249-square-foot speculative distribution building here in the Ameriplex at the Port business park, at Highway 249 and Interstate 94, and are negotiating with two potential users. The joint venture, which also included Commonwealth Realty Advisors, started the MidPoint USA building in July 2007, and unfortunately now face a much smaller line of potential tenants as the building is complete.

However, Brian Vanosky with Lee & Associates, the company hired to market the building, tells GlobeSt.com that while big-box center demand may have slowed down, there's still activity in the 500,000-square-foot-and-less range. "We've had one company that may take the whole building, and another that's interested in half of the facility," he says. "In Northwest Indiana, there continues to be demand for smaller, multi-tenant buildings. There isn't a ton of product out there, so the velocity isn't bad for the availability."

The MidPoint building is divisible to 150,000 square feet, and includes 32-foot-clear heights, up to 133 exterior docks, trailer parking and build-to-suit offices. There is space to boost the building to one million square feet, which was in 2007 seen as the "second phase" of the development, according to Kevin Tobin then.

However, Vanosky says it's unlikely there's any demand for a million-square-foot property today, and that expansion won't even be considered until the first building is filled. "As a rule, all spec development and big box has come to a halt. Unless you had already started something, as we had, there's very few deals, and those are leases, including the 575,000-square-foot Smucker Co. lease in University Park, IL and CenterPoint getting started with its 3,600-acre intermodal center in Joliet."

He says the venture is asking \$3.25 per square foot for leasing at MidPoint. Vanosky is joined by Lee's Justine Fierz as leasing agents.