



Tobin Development Corporation

**Metro-Chicago Business and Industrial
Parks Guide**
Summer 2007

Stars and Projects Shine Brightly

Superior location, generous tax breaks and low labor costs are among the many reasons top industrial real estate deal makers are increasingly turning to Northern Indiana as the location for their major new projects.

Hundreds of acres of land are now in the process of being developed in places like Munster, East Chicago, Portage, Hammand, Hobart and Merrillville — communities that each boast easy access to Interstates 80, 90, 94 and 65 and three states. Meanwhile, to the east, towns like Ft. Wayne and South Bends are seeing similar levels activity.

“People are finally realizing that Northern Indiana is the ideal location for regional logistics facilities,” said Kevin Tobin, a Chicago-based developer who recently broke ground on a \$26 million, 574,000 square foot spec building in the city of Portage just south of Lake Michigan.

Tobin’s company, Tobin Development, is currently in talks with a major national manufacturer and a major national retailer who are both considering relocating to the new building. The project is a joint venture with Tinley Park based TCB Development Corp., under the direction of Executive Vice President Randy Tieman.

“It’s a superb location,” Tieman said of Northwest Indiana. “There’s a perception that when you’re in Indiana, you’re too far away from Chicago, but that’s not the reality of the matter. We’re talking about a very short drive.”

Lower labor costs — especially as compared to Illinois — are also major factor, brokers, developers and facility owners say. Unemployment insurance in Indiana, for instance, is roughly one-third the cost of Illinois, while worker’s compensation insurance rates are an astounding 50 percent lower.

As for the labor force itself, the comparatively low cost of living in Indiana attracts higher rates of home ownership, which translates to a more reliable and loyal workforce, various studies have shown.

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Kevin Tobin
Kevin Tobin Development



Randy Tieman
TCB Development



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The elimination in 2006 of Indiana's statewide inventory tax and the anticipated completion of work to widen a key stretch of Interstate 80-94 across the Illinois-Indiana state border are also spurring industrial users to give Northern Indiana a fresh look, top deal makers say.

Those were among the factors considered by foodservice giant SYSCO Corp., when it decided in March to build a 700,000 square foot distribution facility on 320 acres in the town of Hamlet, Ind., in Starke County. Construction is expected to begin this summer and last between 12 and 18 months. The facility will eventually supply seven Midwest states.

Dalip Bammi, a planning and development consultant for SYSCO, said the company considered six sites in Illinois, Michigan and Indiana before ultimately deciding on Starke County.

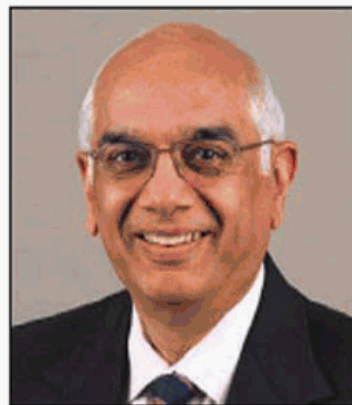
"There were a lot of factors, but the bottom line was that they really created a 'win-win' situation for everyone," Bammi, of the Wheaton, Illinois-based firm Bammi & Associates, said of local, county and state economic development officials that worked to lure the facility to town.

SYSCO, Bammi said, was eventually offered an economic incentive package that included property tax abatements, utility rate breaks and infrastructure improvements.

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MidPoint Development, AmeriPLEX at the Port, Portage, IN
574,000 sf Spec Building



Dalip Bammi
Bammi & Associates

SYSCO
Stark County (Hamlet), IN
700,000 sf Food Distribution
Facility



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“SYSCO is looking to be in an area where they are welcome and where there is a unanimous desire to have them there,” Bammi said. “That was the case in Northwest Indiana.”

Also this winter, Michigan based Hanson Logistics — which boasts the nation’s 13th largest public refrigerated warehouse network — announced plans to build a 135,000 square foot cold storage facility in Hobart, Ind., just off of Interstate 65.