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## Commercial Real Estate Report

January 15, 2026



# HEADWINDS IMPACTING COMMERCIAL REAL ESTATE

**Construction Costs**  
**Housing Attainability**  
**Interest Rates**  
**Data Centers/PropTech**  
**Pricing Risk**

**Vacancy Rate**  
**Debt Maturities**  
**Insurance & Utility Costs**  
**Geopolitical Risk**



# **NAT'L ASSOC. FOR INDUSTRIAL & OFFICE PARKS (NAIOP)**

## **\*SENTIMENT INDEX**

**This year's reading is 56 - up from 50 - suggesting that industry leaders expect market conditions to improve over the next 12 months**

**Capital Markets Loosening**

**Cap Rate Confidence Returns**

**Industrial Building Along I-75**

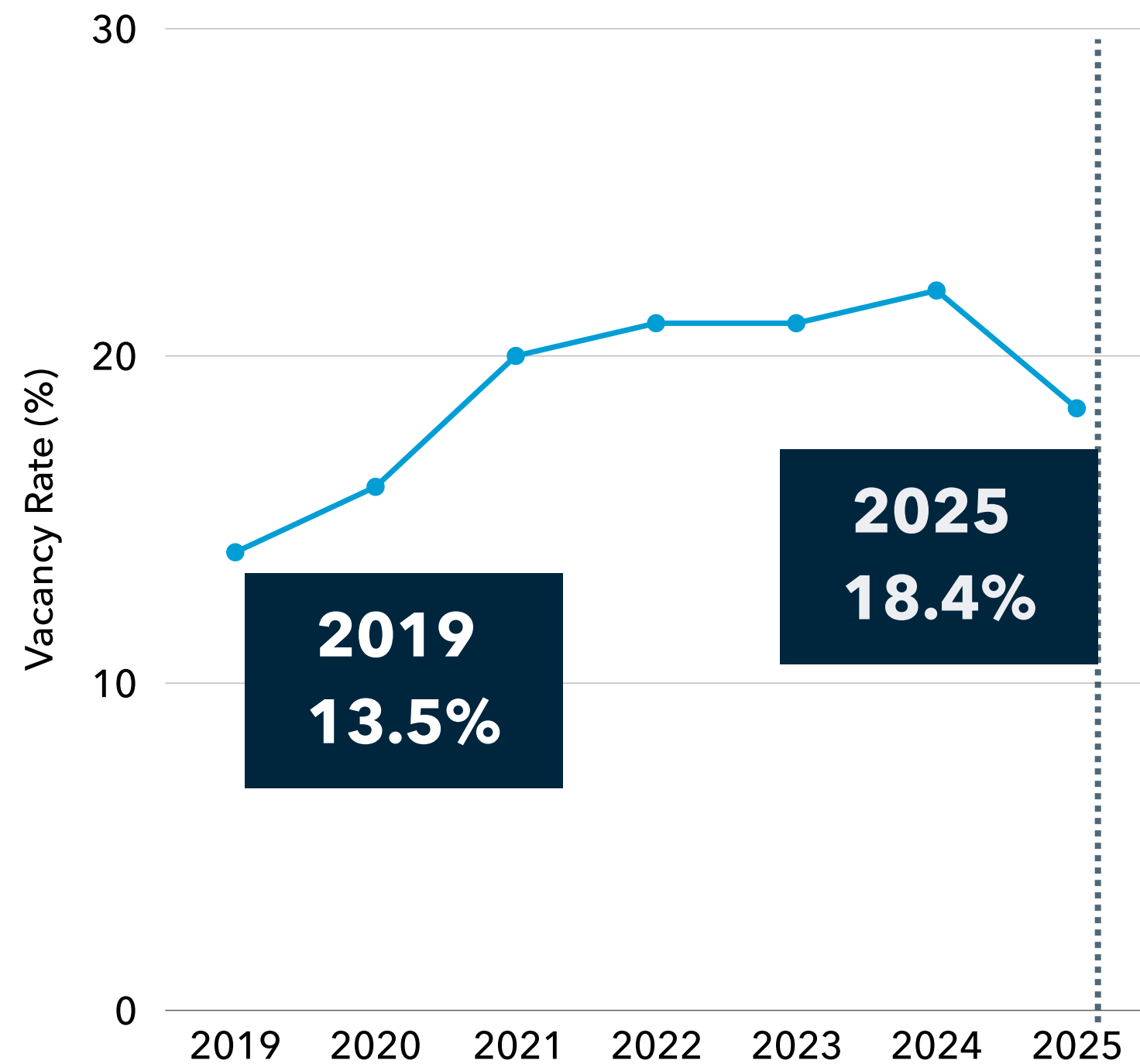
**Momentum Turning Constructive**

**Office Stabilization**

**\*NAIOP sentiment index is one of the most closely watched barometers of the CRE industry.**



# OFFICE MARKET OVERVIEW



**National**  
**18-19%**

**Chicago**  
**Mid-High 20s**

**Madison, WI**  
**7-9%**

**Indianapolis**  
**20-23%**





# OFFICE TRENDS

## Stabilization Continues



## Construction

New construction has been  
owner/user medical



## Political

Bringing employees back to  
the office is a hot topic in this  
year's gubernatorial race



## Downtown Lansing

Momentum and energy  
around new developments



# TOP OFFICE LEASE ACTIVITY



26,000SF  
Hollister Bldg.  
CBD



17,00 SF  
E. Cesar E.  
Chavez  
Lansing



16,000 SF  
West Rd  
East Lansing



11,500 SF  
Boji Tower  
East Lansing



11,000 SF  
Park Place  
East Lansing



10,000 SF  
Pennsylvania Ave.  
Lansing



# TOP OFFICE SALE ACTIVITY

## Private Investor

\$9.5M  
109,000 SF  
206 E. Michigan Ave.  
CBD



\$3.4M  
123,000 SF  
Executive Dr.  
Lansing



\$2.65M  
39,000 SF  
N. Cedar  
Mason

## Private Investor

\$2.5M  
9,000 SF  
3960 Patient Care Dr.  
Lansing

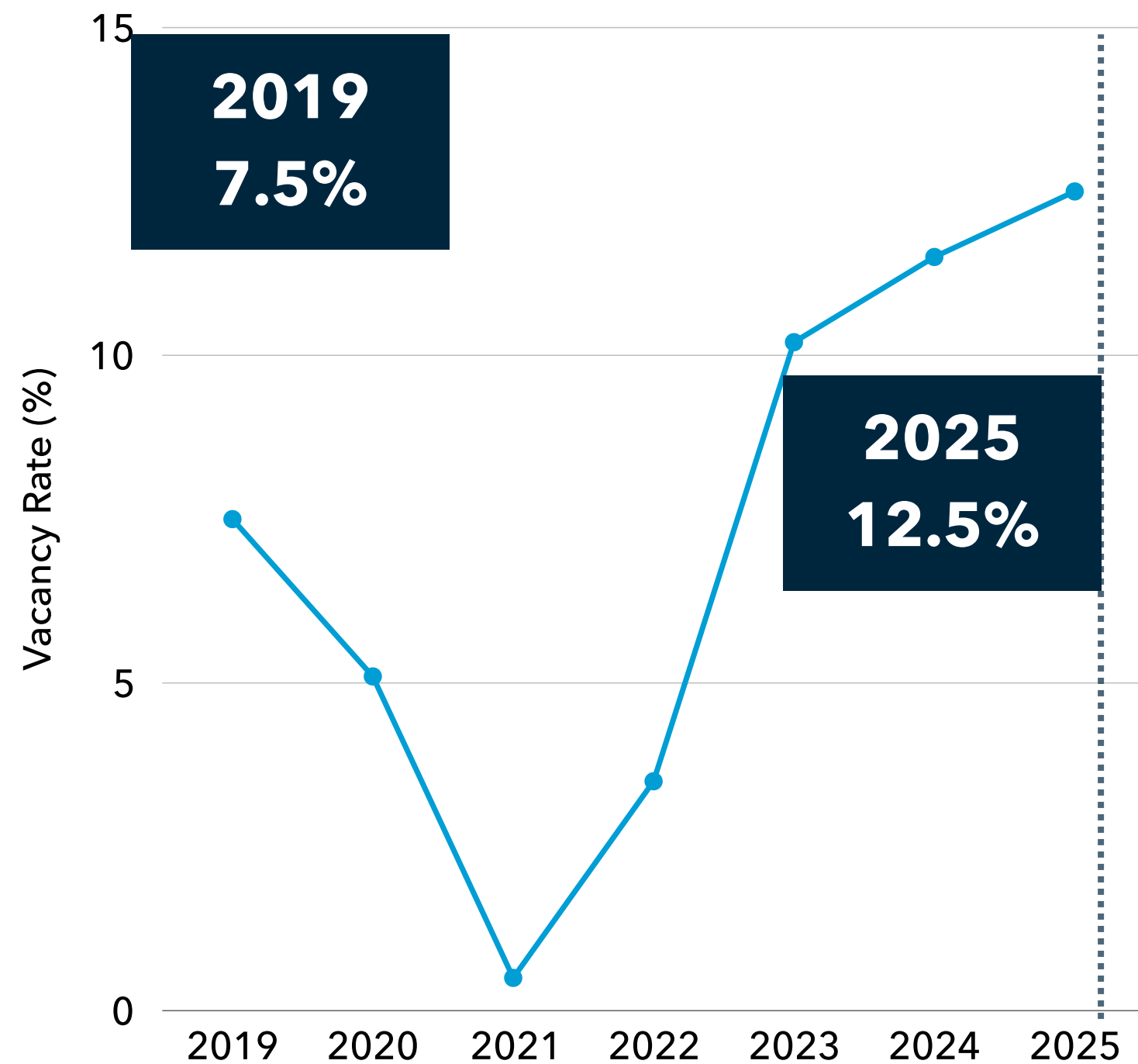


\$2.0M  
28,000 SF  
S. Pennsylvania  
Lansing





# INDUSTRIAL MARKET OVERVIEW



**National**  
**7.1%**

**Chicago**  
**7.6%**

**Madison, WI**  
**3-4%**

**Indianapolis**  
**8.2%**





# INDUSTRIAL TRENDS

**Data Centers**



**Large Scale Projects  
Mega Sites**



**EV Production**



**Inventory**



# TOP INDUSTRIAL ACTIVITY

## Sales

<b>4808 Empire</b> Sale-Leasback \$5.5 Million	<b>3425 Belle Chase Way</b> Owner-User Sale \$2.8 Million	<b>2380 E Grand River</b> Owner-User Sale \$1.4 Million	<b>3350 Pinetree &amp;</b> Investor Sale \$920,000
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## Leases

<b>Woodbridge Ventures</b> Pierson Hwy.   251,100 SF	<b>TemperPak</b> Snow Rd.   135,000 SF	<b>GrainProtein Tech</b> Climate Control Ena Dr.   112,00 SF
<b>Priority Express</b> Holt Rd.   33,000 SF	<b>Peckham</b> Sanders   30,000 SF	<b>First Choice Delivery</b> Filley   25,000 SF



# TOP INDUSTRIAL ACTIVITY

## Development

	<b>Spadafore</b> Under Construction 2200 Snow Rd   <b>4 buildings</b>	
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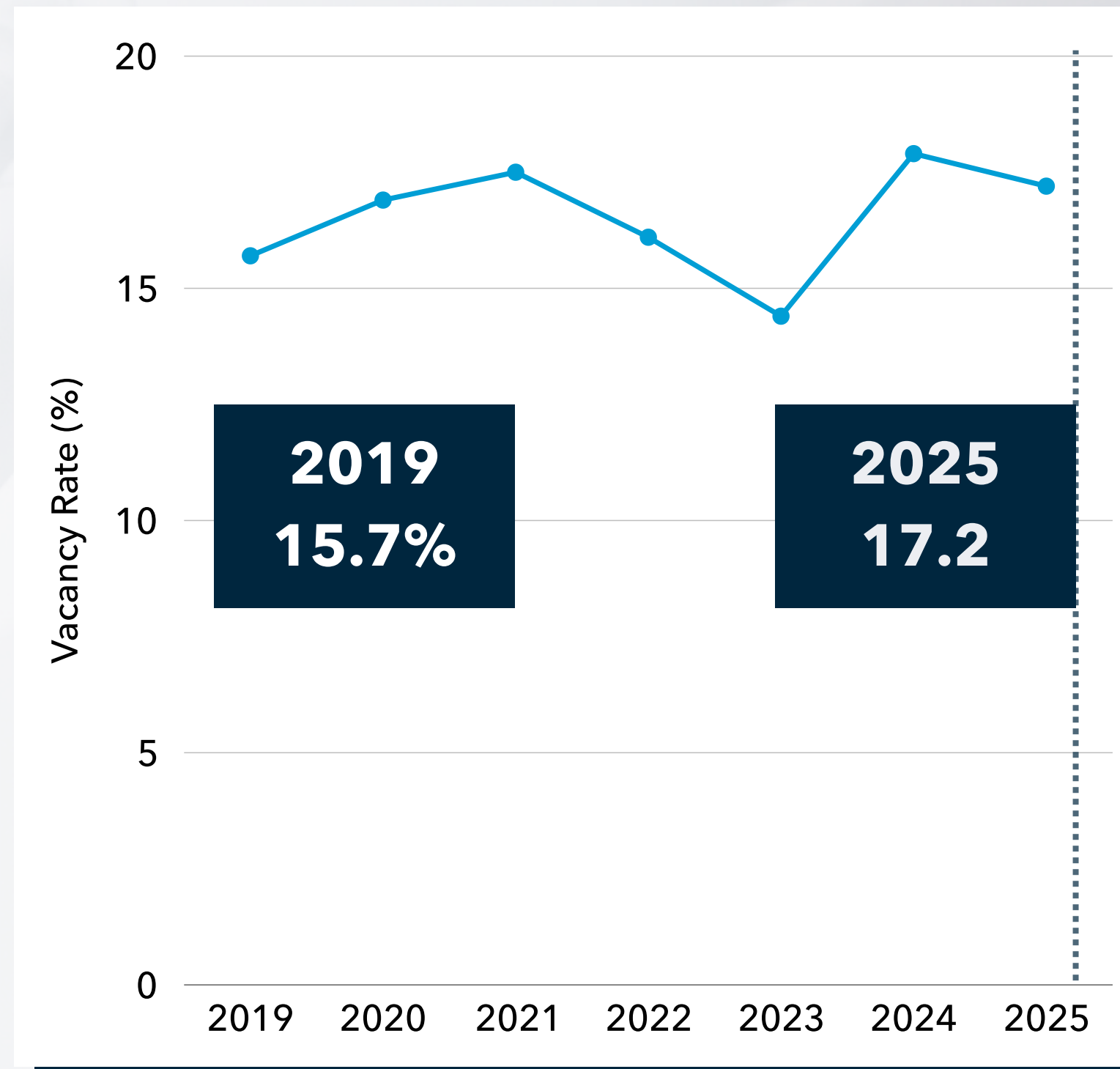
## Expansion

<b>Gestamp</b> Renovation & Expansion Mason   <b>\$136 Million</b>		<b>Consumers Energy</b> Relocation N. Canal   <b>77 Acres</b>
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# RETAIL MARKET OVERVIEW



**National**  
**5.8%**

**Chicago**  
**4.9%**

**Madison, WI**  
**6%**

**Indianapolis**  
**5.0%**





# RETAIL TRENDS

**Deal Completion  
Time**



**New Construction**



**New Franchises**



**Leasing**



# TOP RETAIL ACTIVITY

## New Lease Activity



95,000 SF  
Long-term  
Meridian Mall

### Confidential

\*Waiting for removal of  
final contingency

30,000 SF  
Long-term  
Frاندor



21,000 SF  
Long-term  
Eastwood



2 New Locations  
Eastwood &  
S. Cedar St.



New location  
Former Rite Aid  
Frاندor



New Location  
Delta Twp.

## Notable Retail Sales



\$2.3M  
Former Outback  
Steackhouse  
Okemos



\$1.5M  
Former Wheat  
Jewelers  
Okemos





# Industry Leading Research

Vacancy Trends  
Market Composition  
Unemployment Stats & More!

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