

Market

Trends

Q3 2023

Mpls/St Paul - Industrial



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MARKET TRENDS

Q3 2023 | Mpls-St Paul | Industrial

Employment

	Current	Y-o-Y
Employment	1,973,615	
Area Unemployment	3.2	
U.S. Unemployment	3.8	
Industrial Jobs	207,000	

Source: BLS

*Employment figures and area unemployment are based on Mpls-St Paul MSA data.

Market Recap

All Properties

Total Inventory (sf)	285,735,118
Total # of Bldgs (tracked)	3,243
Absorption	1,682,078
Vacancy	4.3%
Asking Rate Low (NNN)	\$7.63
Asking Rent High (NNN)	\$10.64
Under Construction	7,601,163

Multi-tenant Properties

Total Inventory (sf)	150,933,430
Total # of Bldgs (tracked)	1,822
Absorption	955,422
Vacancy	6.7%
Asking Rate Low (NNN)	\$7.62
Asking Rent High (NNN)	\$10.68

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Mpls-St Paul metropolitan statistical area (MSA) increased 50 basis points to 3.2% for August 2023 from 2.7% for August 2022. The unemployment rate for the US was at 3.8% in August 2023 increasing 10 basis points from last year. State of Minnesota unemployment rate was 3.1%. The Mpls-St Paul MSA saw an increase in job growth and industrial also increased in job growth specifically in manufacturing by 900 during the same period.

Market Overview

The Mpls-St Paul industrial market consists of 285.7 msf in eight counties across the metro. Overall, there was 1.68 msf of positive absorption for Q3 2023, bringing the YTD to 3.15 msf positive absorption. Multi-tenant only properties posted 955,000 sf positive absorption bringing the YTD to 1.72 msf positive absorption. The overall vacancy rate for the quarter was 4.3% and multi-tenant properties vacancy rate was 6.7%. To date, there are 49 construction projects throughout the market totaling 7.6 msf and 29 properties have been delivered YTD with 5.67 msf.

Market Highlights

At the close of Q3 2023, the market experienced 2.7 msf of leasing activity in 186 transactions. The Northeast market shows the lowest vacancy rate of 2.7% while the Southwest market is at the top with 5.7% for all properties. The Northwest bested all markets with 799,000 sf positive absorption led by the new delivery of 248,000 sf for nVent . The Northeast was the only market to post negative absorption of (69,000) sf led by Breakthru Beverage vacating 140,000 sf. Seventy nine properties sold totaling 2.9 msf for \$303.7 million.

Market Statistics by Property Type (Multi and Single Tenant)

Total

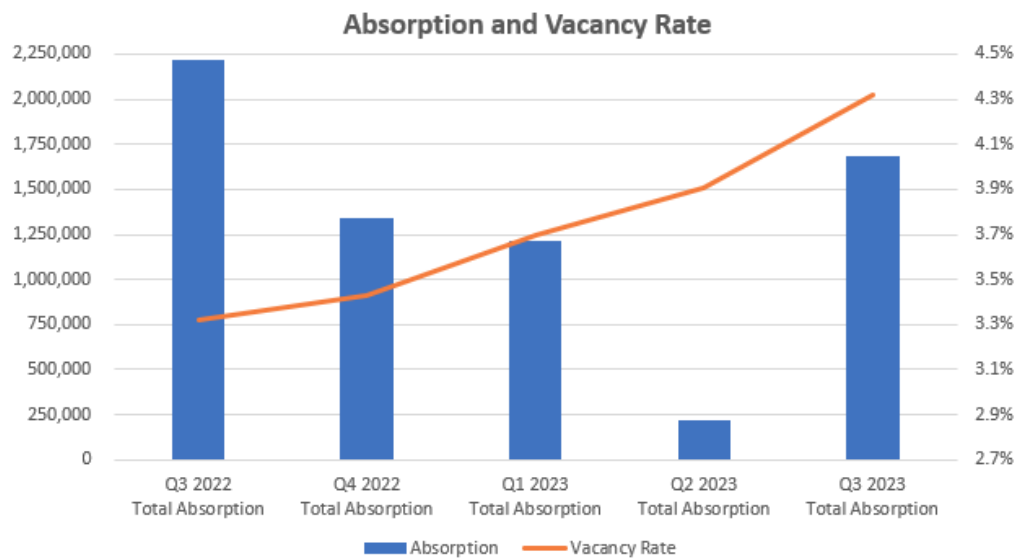
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	651	44,882,724	4,468,994	3,142,364	39,808	(316,418)	7.0%
Warehouse Distribution	625	112,747,361	6,355,675	5,029,214	1,435,057	2,987,340	4.5%
Warehouse Office	1,967	128,105,033	6,885,905	4,170,360	207,213	483,848	3.3%
Grand Total	3,243	285,735,118	17,710,574	12,341,938	1,682,078	3,154,770	4.3%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	651	44,882,724	3,965,066	2,948,666	18,877	(329,690)	6.6%
Warehouse Distribution	625	112,747,361	5,605,318	4,846,730	1,425,699	2,863,060	4.3%
Warehouse Office	1,967	128,105,033	5,886,304	3,603,638	264,978	777,496	2.8%
Grand Total	3,243	285,735,118	15,456,688	11,399,034	1,709,554	3,310,866	4.0%

Sublease

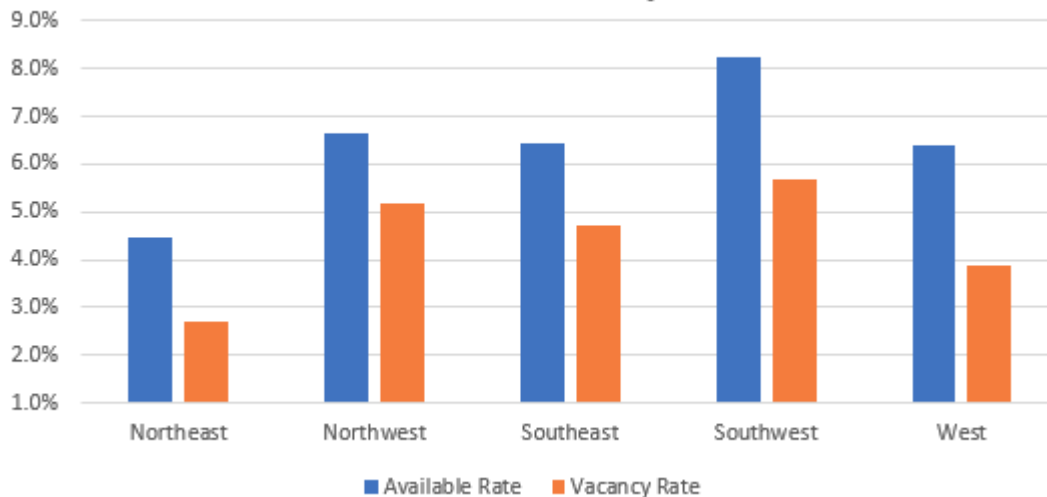
Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	651	44,882,724	503,928	193,698	20,931	13,272	0.4%
Warehouse Distribution	625	112,747,361	750,357	182,484	9,358	124,280	0.2%
Warehouse Office	1,967	128,105,033	999,601	566,722	(57,765)	(293,648)	0.4%
Grand Total	3,243	285,735,118	2,253,886	942,904	(27,476)	(156,096)	0.3%



Market Statistics by Market (Multi and Single Tenant)

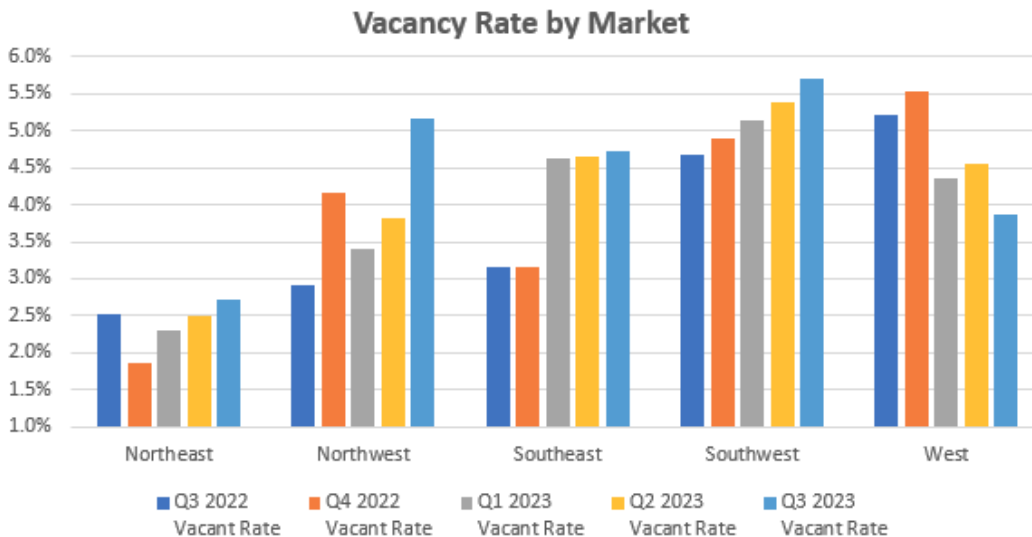
Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	162	11,333,169	1,052,997	530,416	43,974	48,482	4.7%
	Warehouse Distribution	185	31,299,432	860,754	676,700	67,790	137,234	2.2%
	Warehouse Office	734	47,412,135	2,102,071	1,240,101	(180,749)	(512,306)	2.6%
	Subtotal	1,081	90,044,736	4,015,822	2,447,217	(68,985)	(326,590)	2.7%
Northwest	Flex/R&D	103	7,995,450	512,506	426,422	(12,183)	(229,930)	5.3%
	Warehouse Distribution	177	32,017,455	2,468,169	2,074,772	687,522	1,430,149	6.5%
	Warehouse Office	357	23,244,313	1,211,519	763,817	124,183	588,018	3.3%
	Subtotal	637	63,257,218	4,192,194	3,265,011	799,522	1,788,237	5.2%
Southeast	Flex/R&D	131	8,016,285	1,153,891	871,960	(46,330)	(120,898)	10.9%
	Warehouse Distribution	133	26,142,402	1,659,216	1,256,170	461,566	1,029,317	4.8%
	Warehouse Office	408	25,631,892	1,048,471	700,342	146,088	274,066	2.7%
	Subtotal	672	59,790,579	3,861,578	2,828,472	561,324	1,182,485	4.7%
Southwest	Flex/R&D	192	13,285,848	1,449,087	963,747	9,260	(5,427)	7.3%
	Warehouse Distribution	96	19,534,778	1,241,317	980,176	132,171	283,035	5.0%
	Warehouse Office	320	21,308,280	1,767,855	1,140,025	124,939	(21,659)	5.4%
	Subtotal	608	54,128,906	4,458,259	3,083,948	266,370	255,949	5.7%
West	Flex/R&D	63	4,251,972	300,513	349,819	45,087	(8,645)	8.2%
	Warehouse Distribution	34	3,753,294	126,219	41,396	86,008	107,605	1.1%
	Warehouse Office	148	10,508,413	755,989	326,075	(7,248)	155,729	3.1%
	Subtotal	245	18,513,679	1,182,721	717,290	123,847	254,689	3.9%
Grand Total		3,243	285,735,118	17,710,574	12,341,938	1,682,078	3,154,770	4.3%

Available and Vacancy Rates



Vacancy Rates by Market (Multi and Single Tenant)

Market	Property Type	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate	Q3 2023 Vacancy Rate
Northeast	Flex/R&D	6.3%	5.1%	4.8%	5.1%	4.7%
	Warehouse Distribution	1.5%	1.6%	1.9%	1.9%	2.2%
	Warehouse Office	2.3%	1.3%	1.9%	2.2%	2.6%
	Subtotal	2.5%	1.9%	2.3%	2.5%	2.7%
Northwest	Flex/R&D	2.5%	2.4%	4.9%	5.8%	5.3%
	Warehouse Distribution	2.6%	3.8%	3.2%	3.6%	6.5%
	Warehouse Office	3.4%	5.2%	3.2%	3.5%	3.3%
	Subtotal	2.9%	4.1%	3.4%	3.8%	5.2%
Southeast	Flex/R&D	9.1%	10.0%	8.7%	10.3%	10.9%
	Warehouse Distribution	1.7%	1.7%	5.6%	5.4%	4.8%
	Warehouse Office	2.8%	2.5%	2.3%	2.1%	2.7%
	Subtotal	3.2%	3.2%	4.6%	4.6%	4.7%
Southwest	Flex/R&D	5.5%	6.0%	7.4%	7.3%	7.3%
	Warehouse Distribution	5.3%	5.9%	5.7%	5.7%	5.0%
	Warehouse Office	3.5%	3.2%	3.2%	3.8%	5.4%
	Subtotal	4.7%	4.9%	5.1%	5.4%	5.7%
West	Flex/R&D	5.9%	8.2%	8.3%	9.3%	8.2%
	Warehouse Distribution	4.0%	4.0%	3.3%	3.4%	1.1%
	Warehouse Office	5.4%	5.0%	3.2%	3.0%	3.1%
	Subtotal	5.2%	5.5%	4.4%	4.5%	3.9%
Grand Total		3.3%	3.4%	3.7%	3.9%	4.3%



Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q3 2022		Q4 2022		Q1 2023		Q2 2023		Q3 2023	
		Ave Lease Rate	Lease Rate High	Ave Lease Rate	Lease Rate High	Ave Lease Rate	Lease Rate High	Ave Lease Rate	Lease Rate High	Ave Lease Rate	Lease Rate High
Northeast	Flex/R&D	\$7.47	\$10.63	\$8.08	\$11.37	\$8.55	\$11.67	\$10.10	\$12.58	\$9.82	\$11.66
	Warehouse Distribution	\$6.50	\$6.50	\$5.13	\$7.13	\$6.50	\$6.50				
	Warehouse Office	\$7.20	\$10.50	\$6.96	\$10.32	\$7.03	\$10.19	\$7.54	\$10.76	\$7.22	\$10.25
	Subtotal	\$7.35	\$10.46	\$7.46	\$10.72	\$7.74	\$10.81	\$8.97	\$11.78	\$8.42	\$10.90
Northwest	Flex/R&D	\$9.46	\$12.66	\$9.03	\$13.16	\$7.09	\$12.27	\$7.98	\$12.13	\$9.55	\$12.68
	Warehouse Distribution	\$7.70	\$7.70	\$10.25	\$10.25	\$8.55	\$8.55	\$10.25	\$10.25		
	Warehouse Office	\$6.95	\$9.90	\$7.26	\$10.22	\$7.64	\$10.21	\$7.31	\$10.54	\$7.32	\$10.84
	Subtotal	\$7.89	\$10.51	\$7.99	\$11.20	\$7.50	\$10.90	\$7.73	\$11.22	\$8.43	\$11.76
Southeast	Flex/R&D	\$6.91	\$10.95	\$7.35	\$10.94	\$7.65	\$11.00	\$7.97	\$10.92	\$5.77	\$7.50
	Warehouse Distribution	\$5.71	\$7.21	\$6.25	\$6.25	\$6.75	\$6.75	\$6.75	\$6.75	\$6.25	\$6.25
	Warehouse Office	\$6.61	\$9.96	\$6.77	\$9.60	\$6.56	\$9.38	\$5.54	\$9.54	\$4.71	\$7.88
	Subtotal	\$6.60	\$9.96	\$7.05	\$10.12	\$7.28	\$10.34	\$7.28	\$10.38	\$5.55	\$7.53
Southwest	Flex/R&D	\$6.62	\$10.73	\$6.95	\$11.10	\$7.24	\$11.04	\$6.93	\$10.98	\$7.67	\$11.31
	Warehouse Distribution	\$8.10	\$10.10	\$5.99	\$8.99	\$6.09	\$8.49	\$6.13	\$7.63	\$6.13	\$7.63
	Warehouse Office	\$7.23	\$11.16	\$7.51	\$11.40	\$7.49	\$11.39	\$7.54	\$10.57	\$6.84	\$10.37
	Subtotal	\$7.03	\$10.78	\$7.04	\$10.97	\$7.22	\$10.92	\$7.10	\$10.56	\$7.21	\$10.62
West	Flex/R&D	\$8.93	\$13.14	\$10.07	\$13.43	\$8.05	\$12.78	\$8.25	\$13.02	\$9.26	\$13.19
	Warehouse Distribution	\$4.50	\$8.50	\$3.67	\$6.67	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50
	Warehouse Office	\$9.11	\$12.39	\$8.79	\$12.92	\$10.16	\$13.03	\$9.96	\$12.34	\$8.93	\$13.38
	Subtotal	\$8.76	\$12.47	\$8.44	\$12.07	\$8.75	\$12.66	\$8.75	\$12.52	\$8.87	\$13.05
Grand Total		\$7.36	\$10.72	\$7.42	\$10.90	\$7.59	\$11.00	\$7.92	\$11.20	\$7.63	\$10.64



Market Statistics by Property Type (Multi-Tenant)

Total

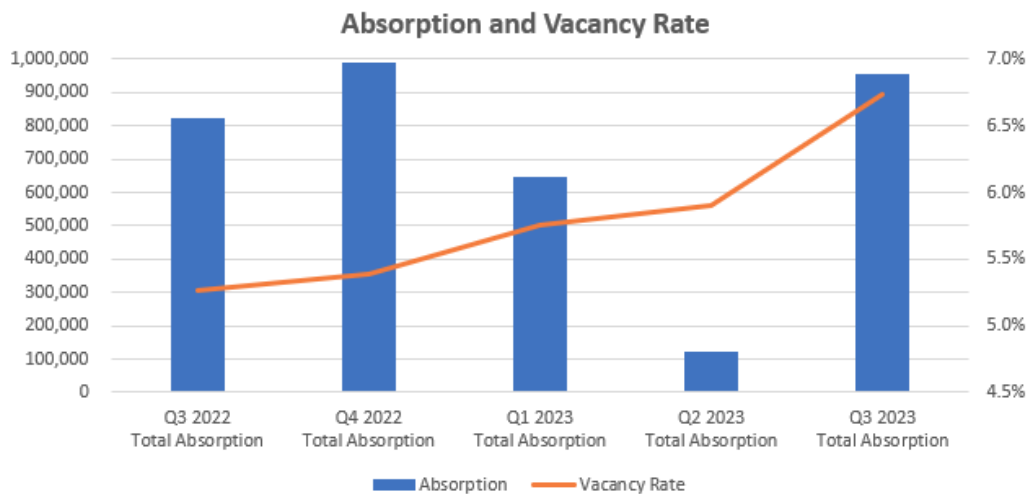
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	548	32,906,166	3,968,647	2,854,011	39,808	(292,158)	8.7%
Warehouse Distribution	334	56,766,519	4,732,151	4,295,425	743,651	1,580,237	7.6%
Warehouse Office	940	61,260,745	5,076,347	3,022,977	171,963	440,864	4.9%
Grand Total	1,822	150,933,430	13,777,145	10,172,413	955,422	1,728,943	6.7%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	548	32,906,166	3,626,825	2,709,235	18,877	(305,430)	8.2%
Warehouse Distribution	334	56,766,519	4,333,918	4,116,251	734,293	1,455,957	7.3%
Warehouse Office	940	61,260,745	4,441,445	2,798,316	156,153	484,061	4.6%
Grand Total	1,822	150,933,430	12,402,188	9,623,802	909,323	1,634,588	6.4%

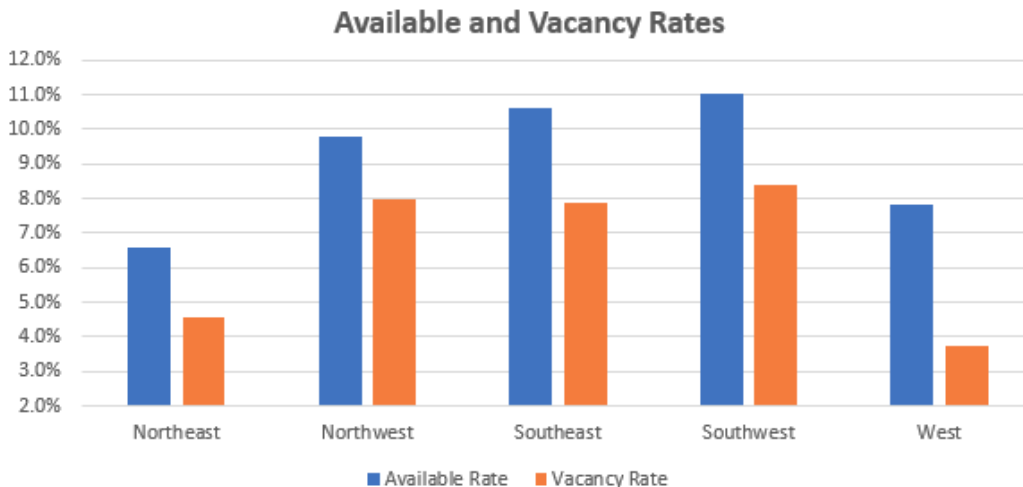
Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	548	32,906,166	341,822	144,776	20,931	13,272	0.4%
Warehouse Distribution	334	56,766,519	398,233	179,174	9,358	124,280	0.3%
Warehouse Office	940	61,260,745	634,902	224,661	15,810	(43,197)	0.4%
Grand Total	1,822	150,933,430	1,374,957	548,611	46,099	94,355	0.4%



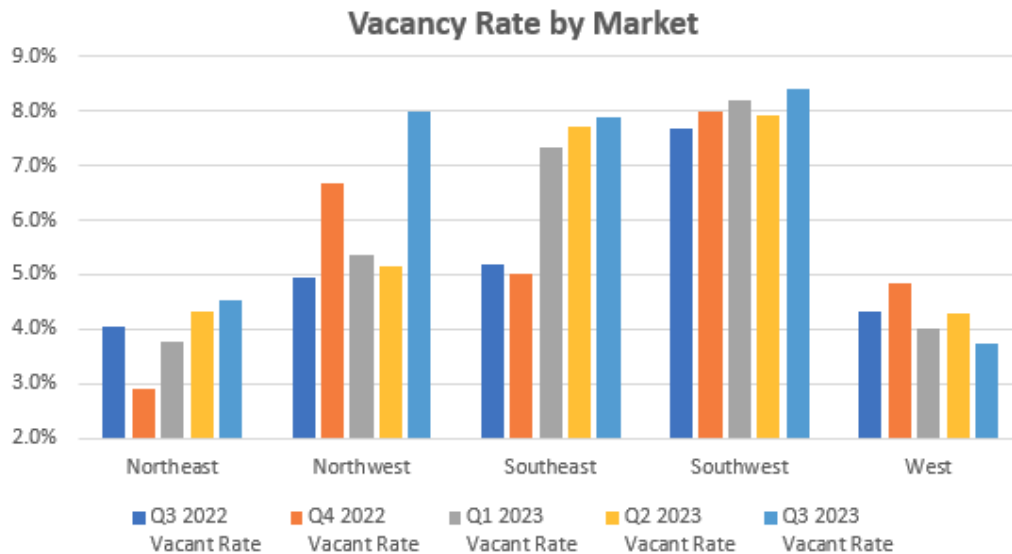
Market Statistics by Market (Multi-Tenant)

Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	136	9,415,904	926,461	530,416	43,974	2,742	5.6%
	Warehouse Distribution	85	13,125,774	630,472	610,018	(73,210)	(113,748)	4.6%
	Warehouse Office	318	21,427,680	1,344,032	856,790	(68,479)	(346,146)	4.0%
	Subtotal	539	43,969,358	2,900,965	1,997,224	(97,715)	(457,152)	4.5%
Northwest	Flex/R&D	82	4,900,005	512,506	426,422	(12,183)	(229,930)	8.7%
	Warehouse Distribution	109	19,564,076	2,002,295	1,808,508	531,410	1,138,921	9.2%
	Warehouse Office	173	11,583,489	1,013,272	642,789	124,183	571,046	5.5%
	Subtotal	364	36,047,570	3,528,073	2,877,719	643,410	1,480,037	8.0%
Southeast	Flex/R&D	112	5,951,645	828,447	691,205	(46,330)	(50,898)	11.6%
	Warehouse Distribution	64	10,150,050	1,310,220	964,350	129,236	120,675	9.5%
	Warehouse Office	190	11,176,430	755,641	495,562	(1,432)	6,039	4.4%
	Subtotal	366	27,278,125	2,894,308	2,151,117	81,474	75,816	7.9%
Southwest	Flex/R&D	162	9,055,860	1,418,946	943,605	9,260	(5,427)	10.4%
	Warehouse Distribution	57	11,691,474	666,255	874,463	132,171	388,748	7.5%
	Warehouse Office	188	11,677,828	1,490,276	909,921	124,939	168,657	7.8%
	Subtotal	407	32,425,162	3,575,477	2,727,989	266,370	551,978	8.4%
West	Flex/R&D	56	3,582,752	282,287	262,363	45,087	(8,645)	7.3%
	Warehouse Distribution	19	2,235,145	122,909	38,086	24,044	45,641	1.7%
	Warehouse Office	71	5,395,318	473,126	117,915	(7,248)	41,268	2.2%
	Subtotal	146	11,213,215	878,322	418,364	61,883	78,264	3.7%
Grand Total		1,822	150,933,430	13,777,145	10,172,413	955,422	1,728,943	6.7%



Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q3 2022 Vacancy Rate	Q4 2022 Vacancy Rate	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate	Q3 2023 Vacancy Rate
Northeast	Flex/R&D	6.9%	5.6%	5.7%	6.1%	5.6%
	Warehouse Distribution	2.5%	2.7%	3.5%	4.1%	4.6%
	Warehouse Office	3.7%	1.8%	3.1%	3.7%	4.0%
	Subtotal	4.1%	2.9%	3.8%	4.3%	4.5%
Northwest	Flex/R&D	3.6%	3.6%	7.2%	8.5%	8.7%
	Warehouse Distribution	4.4%	5.5%	4.5%	3.8%	9.2%
	Warehouse Office	6.5%	9.9%	5.9%	5.9%	5.5%
	Subtotal	5.0%	6.7%	5.4%	5.2%	8.0%
Southeast	Flex/R&D	9.5%	10.8%	9.8%	10.8%	11.6%
	Warehouse Distribution	4.4%	3.3%	10.3%	10.8%	9.5%
	Warehouse Office	3.5%	3.4%	3.2%	3.2%	4.4%
	Subtotal	5.2%	5.0%	7.3%	7.7%	7.9%
Southwest	Flex/R&D	8.0%	8.5%	10.5%	10.6%	10.4%
	Warehouse Distribution	8.8%	9.8%	9.4%	8.6%	7.5%
	Warehouse Office	6.1%	5.6%	5.0%	5.1%	7.8%
	Subtotal	7.7%	8.0%	8.2%	7.9%	8.4%
West	Flex/R&D	4.5%	7.3%	7.4%	8.6%	7.3%
	Warehouse Distribution	3.7%	3.7%	2.8%	2.8%	1.7%
	Warehouse Office	4.5%	3.5%	2.3%	2.1%	2.2%
	Subtotal	4.3%	4.8%	4.0%	4.3%	3.7%
Grand Total		5.3%	5.4%	5.8%	5.9%	6.7%

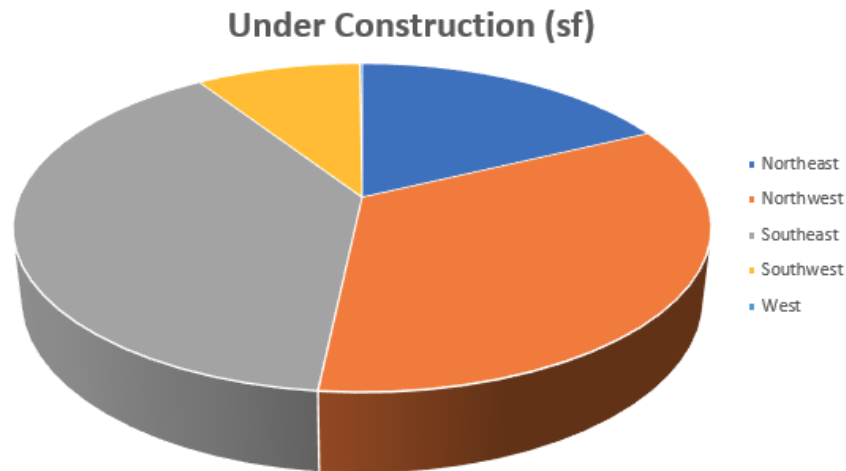


Lease Rates by Market (Multi-Tenant NNN)

Market	Property Type	Q3 2022		Q4 2022		Q1 2023		Q2 2023		Q3 2023	
		Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate	Ave Lease Rate
Northeast	Flex/R&D	\$7.47	\$10.63	\$8.08	\$11.37	\$8.55	\$11.67	\$10.10	\$12.58	\$9.82	\$11.66
	Warehouse Distribution	\$6.50	\$6.50	\$5.13	\$7.13	\$6.50	\$6.50				
	Warehouse Office	\$7.56	\$11.22	\$7.26	\$10.59	\$7.43	\$10.43	\$8.25	\$11.29	\$7.70	\$10.52
	Subtotal	\$7.47	\$10.67	\$7.62	\$10.86	\$8.01	\$10.99	\$9.43	\$12.11	\$8.82	\$11.12
Northwest	Flex/R&D	\$9.46	\$12.66	\$9.03	\$13.16	\$7.09	\$12.27	\$7.98	\$12.13	\$9.55	\$12.68
	Warehouse Distribution	\$7.70	\$7.70	\$10.25	\$10.25	\$8.55	\$8.55	\$10.25	\$10.25		
	Warehouse Office	\$6.95	\$9.90	\$7.26	\$10.22	\$7.64	\$10.21	\$7.43	\$10.41	\$7.45	\$10.72
	Subtotal	\$7.89	\$10.51	\$7.99	\$11.20	\$7.50	\$10.90	\$7.81	\$11.18	\$8.55	\$11.75
Southeast	Flex/R&D	\$6.33	\$10.78	\$7.02	\$10.83	\$7.33	\$10.89	\$7.65	\$10.80	\$5.40	\$7.22
	Warehouse Distribution	\$5.71	\$7.21	\$6.25	\$6.25	\$6.75	\$6.75	\$6.75	\$6.75	\$6.25	\$6.25
	Warehouse Office	\$7.10	\$10.46	\$7.30	\$10.52	\$7.04	\$10.79	\$5.60	\$10.40	\$4.60	\$8.40
	Subtotal	\$6.52	\$10.03	\$7.05	\$10.39	\$7.23	\$10.68	\$7.12	\$10.51	\$5.27	\$7.42
Southwest	Flex/R&D	\$6.62	\$10.73	\$6.95	\$11.10	\$7.24	\$11.04	\$6.93	\$10.98	\$7.67	\$11.31
	Warehouse Distribution	\$8.10	\$10.10	\$5.89	\$8.29	\$5.99	\$7.49	\$6.00	\$6.00	\$6.00	\$6.00
	Warehouse Office	\$7.23	\$11.16	\$7.53	\$11.64	\$7.51	\$11.63	\$7.59	\$10.97	\$6.80	\$10.77
	Subtotal	\$7.03	\$10.78	\$7.05	\$11.02	\$7.24	\$10.97	\$7.11	\$10.66	\$7.23	\$10.74
West	Flex/R&D	\$7.33	\$12.25	\$8.67	\$12.58	\$6.89	\$12.14	\$7.23	\$12.48	\$8.23	\$12.59
	Warehouse Distribution	\$4.50	\$8.50	\$4.75	\$9.25	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50
	Warehouse Office	\$9.50	\$12.44	\$8.79	\$12.92	\$10.16	\$13.03	\$9.96	\$12.34	\$8.93	\$13.38
	Subtotal	\$8.30	\$12.10	\$8.24	\$12.33	\$8.21	\$12.33	\$8.23	\$12.21	\$8.39	\$12.78
Grand Total		\$7.32	\$10.73	\$7.44	\$11.03	\$7.59	\$11.08	\$7.94	\$11.28	\$7.62	\$10.68

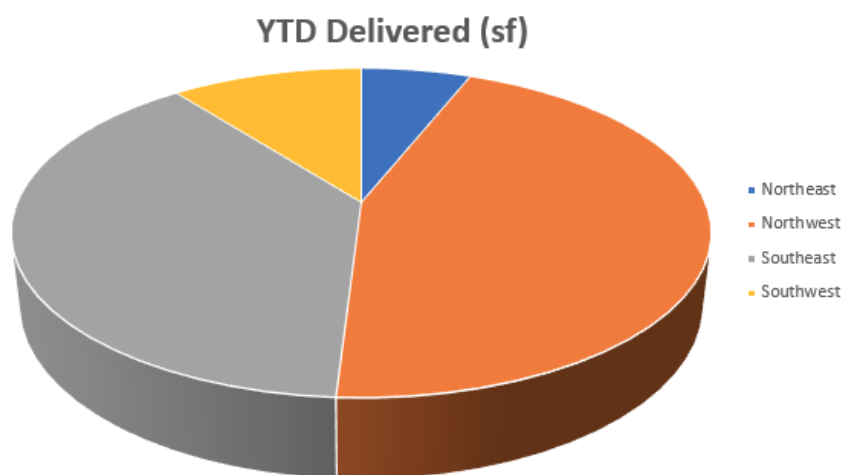


New Developments by Market



Market	Bldg (sf)
Northeast	1,356,606
Northwest	2,571,268
Southeast	2,972,645
Southwest	690,644
West	10,000
Grand Total	7,601,163

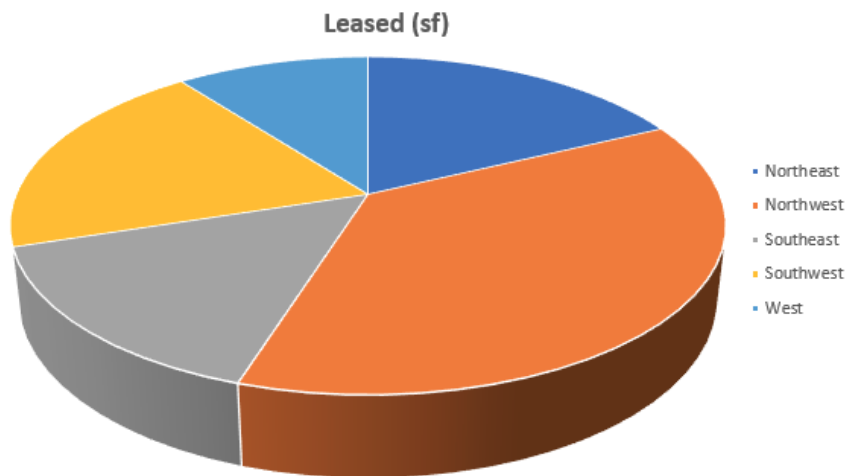
YTD Deliveries by Market



Market	Bldg (sf)
Northeast	343,414
Northwest	2,549,856
Southeast	2,185,137
Southwest	599,552
Grand Total	5,677,959

Leasing Activity

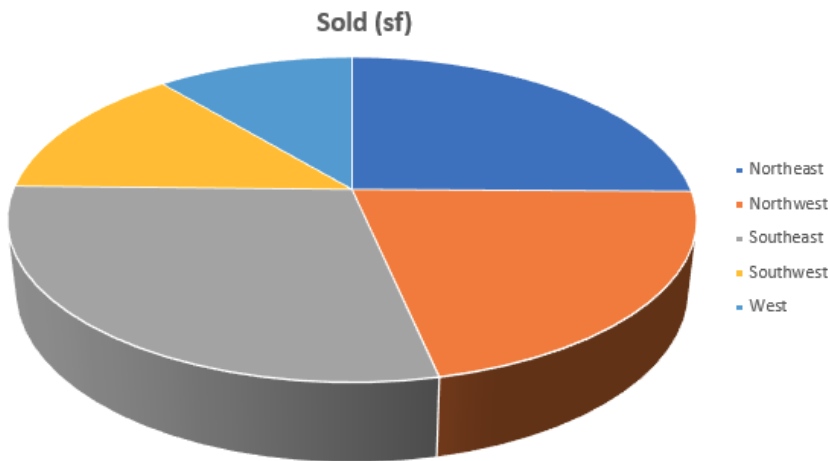
Property	Size (sf)	Market	Tenant	Landlord
French Lake Distribution Ctr W French Lake & 121st Ave N	248,000	Northwest	nVent	Ryan Construction
10301 Bren Rd W	227,357	Southwest	UMAGA	Bren Trail Holdings LLC
Arbor Lakes Business Park 10900 Crimson Way	149,216	Northwest	Mas HVAC	Tiller Corporation
Boulder Lakes Business Center 2999 Ames Crossing Rd	64,675	Southeast	Winsted Company	United Properties
Arbor Lakes Business Park 10900 Fountains Dr	100,543	Northwest	Caribou Coffee	Endeavor Development



Market	Leased (sf)
Northeast	481,668
Northwest	999,011
Southeast	408,098
Southwest	526,326
West	280,971
Grand Total	2,696,074

Sales Activity

Property	Price	Market	Buyer	Seller
Xenium Business Center 2400 N Xenium Ln	\$21,600,000	West	FFVI MN Xenium, L.L.C.	2400 Xenium, LLC Series 1, P.S., a Separate Series of Braca of Minnesota, LLC
28261 Dressler Ct	\$18,767,100	Southeast	MDC COAST 20 LLC	
Omnetics Connector Corp 8840 Evergreen Blvd NW	\$18,700,000	Northeast	2710 Tempe NNN IH, LLC	SCF - Coon Rapids, LLC
Genpak 8235 220th St W	\$18,315,736	Southeast	NM CPF, L.L.C.	C.P. CONVERTERS, INC.
Nathan Lane Business Center 5005 Nathan Ln N	\$18,143,796	Northwest	CFMOTO Powersports, Inc.	Endeavor Investment



Market	Sold (sf)
Northeast	743,904
Northwest	632,720
Southeast	848,075
Southwest	401,688
West	326,422
Grand Total	2,952,809

Market Map



- | | | | |
|----------|------------------|----------|------------------|
| 1 | Northeast | 3 | Southwest |
| 2 | Northwest | 4 | Southeast |
| | | 5 | West |

Methodology

The Mpls-St Paul market consists of single and multi-tenant industrial buildings 20,000 sf or larger or part of a complex larger than 20,000 sf. The geographic area includes Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington and Wright counties. The tracked set does not include self-storage facilities and non-conforming property types such as grain elevators or fuel storage facilities. All tracked properties are existing. Statistically, net absorption will be calculated based on occupancy change during the current quarter. Asking lease rates are based on an average asking rate and noted on a NNN basis.

The Mpls-St Paul tracked set consists of an inventory of buildings considered to be competitive by the brokerage community. All buildings within the competitive tracked set have been reviewed and verified by members of the Advisory Boards for each market area.

Terminology

Inventory	The total square feet (sf) of existing single and multi-tenant buildings greater than 20,000 sf or are part of a complex that totals greater than 20,000 sf located in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington and Wright Counties.
Total Available (sf)	All of the available leasable space within a building, whether it is occupied or vacant, for direct lease or sublease space. Space can be available but not vacant, for example, if the landlord, or his agent, is marketing space that will be coming available at a future date because a tenant is planning to move.
Total Vacant (sf)	The total of all the vacant square feet within a building including both direct and sublease space.
Direct Vacant (sf)	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
Sublease Space	Space that is offered for lease by a current tenant, or their agent, within a property. Whether the tenant is paying rent or not, the space is considered vacant only if it is unoccupied.
Net Absorption	The net change in occupancy from quarter to quarter, expressed in square feet.
Average Asking Rate	The average low and high asking lease rate expressed as a per square foot value in NNN terms.
Warehouse Distribution	Higher clear height and typically over 24 foot clear.
Warehouse Office	More office build out compared to warehouse distribution and clear heights less than 24 foot clear
Warehouse Flex	Higher end finishing and landscaping. More office build out compared to warehouse office.

Advisory Board Members

Avison Young	Phil Kluesner	Forte	Phil Simonet
Caspian	Patrick Corbett	JLL	Eric Batiza
	Jonathan Juris		Chris Hickok
CBRE	Matt Oelschlager	Lee & Associates	Tom Dunsmore
	Jack Tornquist		Duane Poppe
Colliers	Andrew Odney	Newmark	Brian Netz
Cushman & Wakefield	Brent Masica	Transwestern	Alex Baron
	Chris Weirens		Nate Erickson

Research Advisory Board Members

Avison Young	Joe Stockman		Patrick Hamilton
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	Maggie Parra		Jake Greener
Colliers	Jesse Tollison	Newmark	Maura Carland
JLL	Sam Newberg	Transwestern	Maurice Harris

REDIComps Team

Jeremy Bengtson	CEO	jeremy@redicomps.com	
Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Lisa Bengtson	Regional Director of Sale Comps	lisa@redicomps.com	
Kim Platz	Regional Director of Research	kim@redicomps.com	816-651-6686
Molly Bengtson	Director of Client Services	molly@redicomps.com	715-475-9876
Kelli Carl	Minnesota Listing Specialist	kelli@redicomps.com	660-221-3373
Emma Fonte	Minnesota Listing Specialist	emma@redicomps.com	786-247-2174
Michelle Siegert	Minnesota Listing Specialist	michelle@redicomps.com	816-230-0116