

Market

# Trends

**Q1** 2025

Mpls/St Paul - Industrial



**REDI**  
**MOODY'S**



# MARKET TRENDS

Q1 2025 | Mpls-St Paul | Industrial

## Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	2,007,217	
Area Unemployment	3.5	
U.S. Unemployment	4.1	
Industrial Jobs	200,200	

Source: BLS

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

## Market Recap

### All Properties

Total Inventory (sf)	298,752,644
Total # of Bldgs (tracked)	3,345
Absorption	969,883
Vacancy	4.9%
Asking Rate Low (NNN)	\$8.39
Asking Rent High (NNN)	\$11.12
Under Construction	2,962,222

### Multi-tenant Properties

Total Inventory (sf)	154,027,471
Total # of Bldgs (tracked)	1,846
Absorption	1,265,259
Vacancy	7.1%
Asking Rate Low (NNN)	\$8.42
Asking Rent High (NNN)	\$11.09

## Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Mpls-St Paul metropolitan statistical area (MSA) increased 20 basis points to 3.5% for February 2025 from 3.3% for February 2024. The unemployment rate for the US was at 4.1% in February 2025 increasing 20 basis points from last year. State of Minnesota unemployment rate was 3.0%. The Mpls-St Paul MSA saw an increase in job growth and industrial specific jobs increased in job growth in manufacturing by 700 during the same period.

## Market Overview

The Mpls-St Paul industrial market consists of 298.7 msf in eight counties across the metro. Overall, there was 969,900 sf of positive absorption for Q1 2025, bringing the YTD to 969,900 sf positive absorption. Multi-tenant only properties posted 1.2 msf positive absorption bringing the YTD to 1.2 msf positive absorption. The overall vacancy rate for the quarter was 4.9% and multi-tenant properties vacancy rate was 7.1%. To date, there are 24 construction projects throughout the market totaling 2.9 msf and 7 properties have been delivered this year with 389,800 sf.

## Market Highlights

The West market showed the lowest vacancy rate of 3.3% while the Southwest market is at the top with 7.4% for all properties. The Northwest bested all markets with 829,500 sf positive absorption led by States Manufacturing leasing 502,900 sf. The Southwest market posted the most in negative absorption of (290,000) sf led by Murphy Warehouse vacating 172,400 sf. At the close of Q1 2025, the market experienced 2.6 msf of leasing activity in 212 transactions. One hundred one properties sold totaling 5.7 msf for \$567.3 million.

# Market Statistics by Property Type (Multi and Single Tenant)

## Total

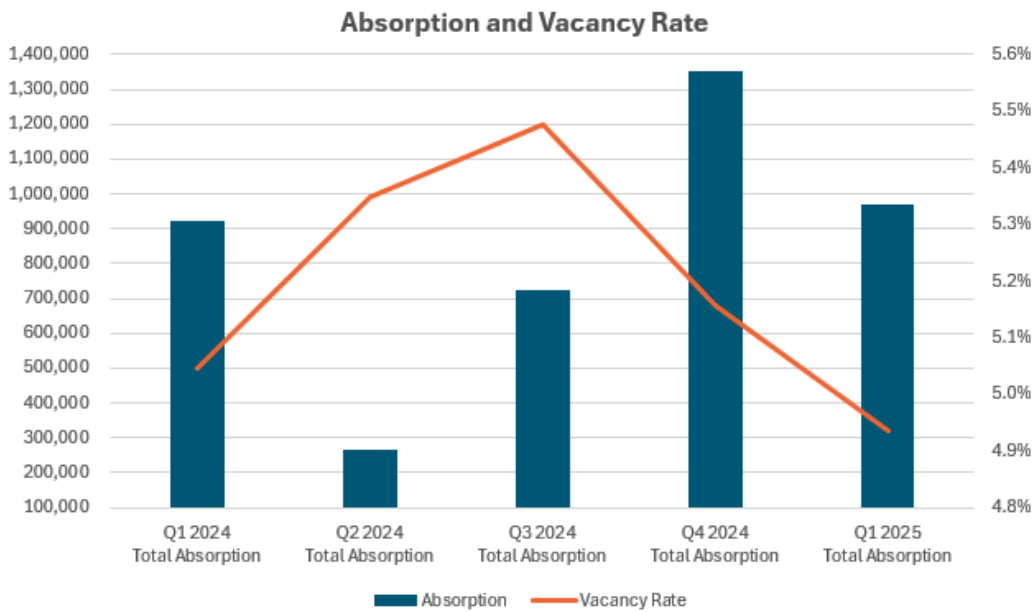
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	654	45,323,964	4,762,463	2,959,500	(149,142)	(149,142)	6.5%
Warehouse Distribution	676	121,427,615	8,982,498	6,806,681	1,128,722	1,128,722	5.6%
Warehouse Office	2,015	132,001,065	8,985,724	4,982,075	(9,697)	(9,697)	3.8%
Grand Total	3,345	298,752,644	22,730,685	14,748,256	969,883	969,883	4.9%

## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	654	45,323,964	4,118,107	2,680,468	(110,105)	(110,105)	5.9%
Warehouse Distribution	676	121,427,615	7,846,808	6,370,698	1,072,226	1,072,226	5.2%
Warehouse Office	2,015	132,001,065	7,779,840	4,603,653	(61,288)	(61,288)	3.5%
Grand Total	3,345	298,752,644	19,744,755	13,654,819	900,833	900,833	4.6%

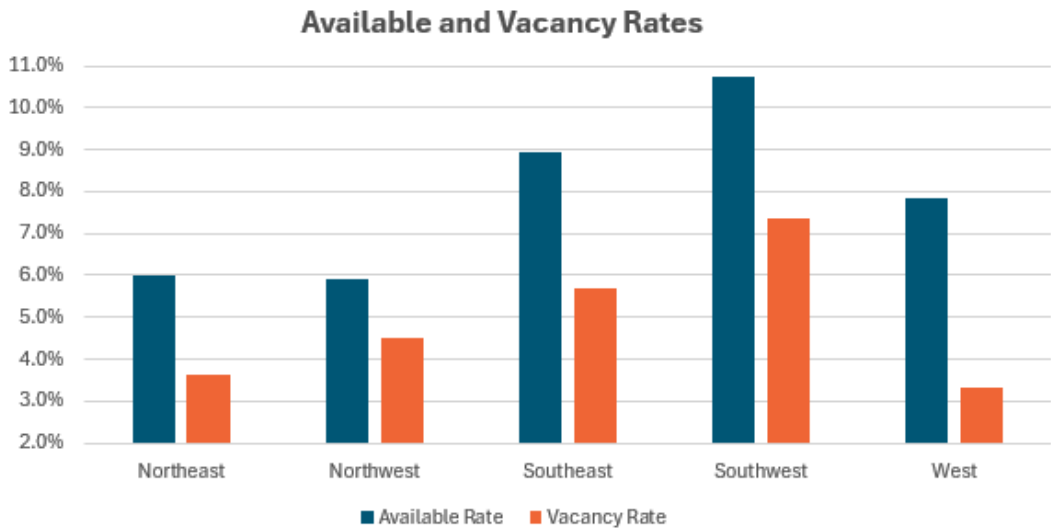
## Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	654	45,323,964	644,356	279,032	(39,037)	(39,037)	0.6%
Warehouse Distribution	676	121,427,615	1,135,690	435,983	56,496	56,496	0.4%
Warehouse Office	2,015	132,001,065	1,205,884	378,422	51,591	51,591	0.3%
Grand Total	3,345	298,752,644	2,985,930	1,093,437	69,050	69,050	0.4%



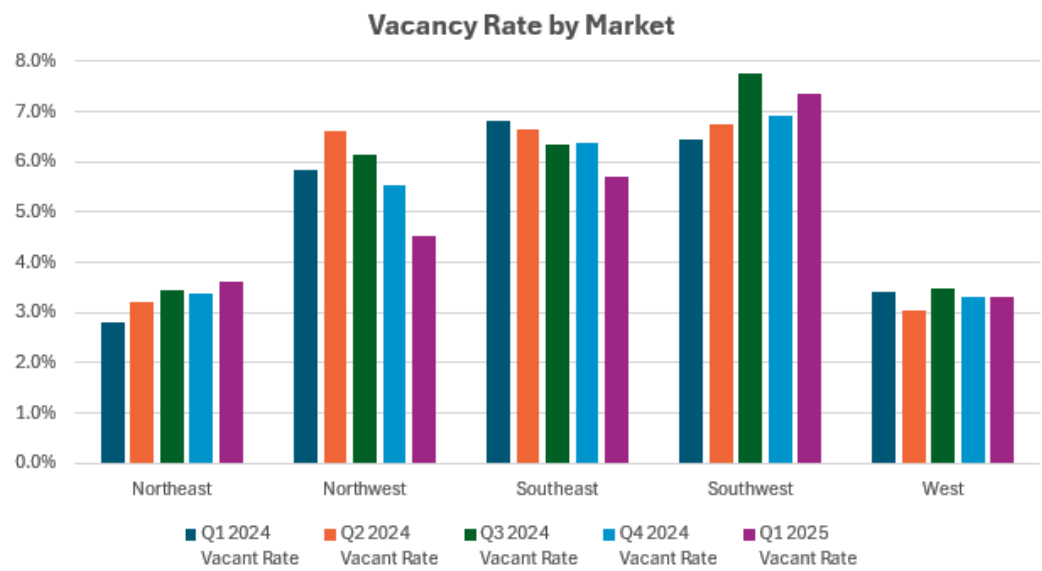
# Market Statistics by Market (Multi and Single Tenant)

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	11,343,120	1,278,497	812,132	(127,157)	(127,157)	7.2%
	Warehouse Distribution	199	34,018,605	2,067,102	1,018,310	(213,540)	(213,540)	3.0%
	Warehouse Office	742	48,257,275	2,264,852	1,545,804	162,076	162,076	3.2%
	Subtotal	1,103	93,619,000	5,610,451	3,376,246	(178,621)	(178,621)	3.6%
Northwest	Flex/R&D	106	8,194,141	486,293	267,706	16,679	16,679	3.3%
	Warehouse Distribution	190	34,037,471	2,127,833	1,867,708	785,452	785,452	5.5%
	Warehouse Office	370	24,841,826	1,360,860	897,084	27,431	27,431	3.6%
	Subtotal	666	67,073,438	3,974,986	3,032,498	829,562	829,562	4.5%
Southeast	Flex/R&D	132	8,064,504	1,102,443	722,440	(28,350)	(28,350)	9.0%
	Warehouse Distribution	151	29,295,572	2,231,397	1,990,942	727,840	727,840	6.8%
	Warehouse Office	425	26,777,859	2,410,831	946,518	(178,378)	(178,378)	3.5%
	Subtotal	708	64,137,935	5,744,671	3,659,900	521,112	521,112	5.7%
Southwest	Flex/R&D	191	13,194,395	1,655,852	942,249	(71,358)	(71,358)	7.1%
	Warehouse Distribution	101	20,232,654	2,293,207	1,766,566	(138,886)	(138,886)	8.7%
	Warehouse Office	327	21,613,985	1,972,217	1,346,688	(79,814)	(79,814)	6.2%
	Subtotal	619	55,041,034	5,921,276	4,055,503	(290,058)	(290,058)	7.4%
West	Flex/R&D	63	4,527,804	239,378	214,973	61,044	61,044	4.7%
	Warehouse Distribution	35	3,843,313	262,959	163,155	(32,144)	(32,144)	4.2%
	Warehouse Office	151	10,510,120	976,964	245,981	58,988	58,988	2.3%
	Subtotal	249	18,881,237	1,479,301	624,109	87,888	87,888	3.3%
Grand Total		3,345	298,752,644	22,730,685	14,748,256	969,883	969,883	4.9%



# Vacancy Rates by Market (Multi and Single Tenant)

Market	Property Type	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Northeast	Flex/R&D	5.5%	5.3%	5.8%	6.0%	7.2%
	Warehouse Distribution	2.4%	2.9%	2.9%	2.3%	3.0%
	Warehouse Office	2.5%	2.9%	3.3%	3.5%	3.2%
	Subtotal	2.8%	3.2%	3.4%	3.4%	3.6%
Northwest	Flex/R&D	3.8%	3.6%	3.4%	3.4%	3.3%
	Warehouse Distribution	7.6%	8.4%	8.0%	7.4%	5.5%
	Warehouse Office	4.1%	5.1%	4.6%	3.6%	3.6%
	Subtotal	5.8%	6.6%	6.2%	5.5%	4.5%
Southeast	Flex/R&D	10.6%	10.8%	9.0%	8.6%	9.0%
	Warehouse Distribution	9.5%	9.6%	9.0%	9.0%	6.8%
	Warehouse Office	2.8%	2.2%	2.7%	2.9%	3.5%
	Subtotal	6.8%	6.6%	6.4%	6.4%	5.7%
Southwest	Flex/R&D	6.9%	6.4%	6.7%	6.6%	7.1%
	Warehouse Distribution	6.8%	7.9%	10.1%	8.2%	8.7%
	Warehouse Office	5.8%	5.9%	6.2%	5.9%	6.2%
	Subtotal	6.4%	6.8%	7.8%	6.9%	7.4%
West	Flex/R&D	6.2%	7.2%	7.2%	6.1%	4.7%
	Warehouse Distribution	2.1%	1.6%	1.2%	1.1%	4.2%
	Warehouse Office	2.7%	1.8%	2.7%	2.9%	2.3%
	Subtotal	3.4%	3.0%	3.5%	3.3%	3.3%
Grand Total		5.0%	5.3%	5.5%	5.2%	4.9%



# Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q1 2024		Q2 2024		Q3 2024		Q4 2024		Q1 2025	
		Ave Lease Rate	Lease High	Ave Lease Rate	Lease High	Ave Lease Rate	Lease High	Ave Lease Rate	Lease High	Ave Lease Rate	Lease High
Northeast	Flex/R&D	\$10.93	\$12.08	\$9.41	\$11.62	\$11.17	\$13.72	\$10.60	\$12.93	\$10.29	\$11.96
	Warehouse Distribution	\$12.67	\$15.33	\$12.67	\$15.33	\$13.67	\$14.33	\$14.00	\$16.00	\$11.25	\$15.50
	Warehouse Office	\$7.81	\$10.14	\$8.39	\$10.85	\$9.37	\$11.27	\$7.66	\$10.47	\$7.68	\$10.44
	Subtotal	\$9.31	\$11.17	\$9.00	\$11.34	\$10.40	\$12.53	\$8.94	\$11.55	\$8.78	\$11.25
Northwest	Flex/R&D	\$8.90	\$10.89	\$9.27	\$11.76	\$10.42	\$12.23	\$9.63	\$11.58	\$8.95	\$11.80
	Warehouse Distribution	\$6.75	\$12.75	\$6.63	\$9.63	\$6.63	\$9.63			\$6.50	\$6.50
	Warehouse Office	\$6.71	\$10.71	\$7.61	\$10.28	\$9.07	\$11.38	\$6.80	\$8.80	\$6.81	\$8.60
	Subtotal	\$7.56	\$10.94	\$8.35	\$10.96	\$9.49	\$11.63	\$8.27	\$10.25	\$7.73	\$9.90
Southeast	Flex/R&D	\$8.20	\$12.17	\$8.32	\$12.16	\$11.86	\$14.51	\$7.93	\$12.41	\$8.94	\$12.73
	Warehouse Distribution	\$6.25	\$6.25	\$6.25	\$6.25	\$11.13	\$12.13	\$6.25	\$6.25	\$6.50	\$6.50
	Warehouse Office	\$5.81	\$8.06	\$6.17	\$9.81	\$8.00	\$9.80	\$5.96	\$8.79	\$6.56	\$9.47
	Subtotal	\$7.56	\$10.93	\$7.46	\$11.08	\$10.76	\$13.09	\$7.31	\$11.15	\$8.17	\$11.58
Southwest	Flex/R&D	\$8.66	\$11.68	\$9.51	\$11.99	\$9.43	\$12.05	\$9.16	\$11.93	\$8.88	\$11.64
	Warehouse Distribution	\$6.13	\$7.63	\$6.13	\$7.63	\$7.70	\$8.90	\$6.13	\$7.63	\$6.00	\$8.00
	Warehouse Office	\$7.59	\$10.14	\$7.33	\$9.63	\$9.55	\$11.28	\$7.49	\$9.44	\$7.79	\$10.23
	Subtotal	\$8.01	\$10.71	\$8.50	\$10.81	\$9.32	\$11.40	\$8.31	\$10.69	\$8.26	\$10.85
West	Flex/R&D	\$8.51	\$13.21	\$8.98	\$12.35	\$8.47	\$12.15	\$8.74	\$12.17	\$9.28	\$12.73
	Warehouse Distribution	\$4.75	\$8.50	\$6.38	\$8.25	\$7.58	\$8.83	\$6.38	\$8.25	\$6.38	\$8.25
	Warehouse Office	\$10.50	\$14.17	\$8.64	\$12.64	\$11.17	\$13.72	\$10.25	\$14.25	\$10.08	\$13.67
	Subtotal	\$9.14	\$13.29	\$8.51	\$11.97	\$9.53	\$12.40	\$8.83	\$12.20	\$9.21	\$12.51
Grand Total		\$8.33	\$11.21	\$8.44	\$11.16	\$9.95	\$12.19	\$8.35	\$11.10	\$8.39	\$11.12



# Market Statistics by Property Type (Multi-Tenant)

## Total

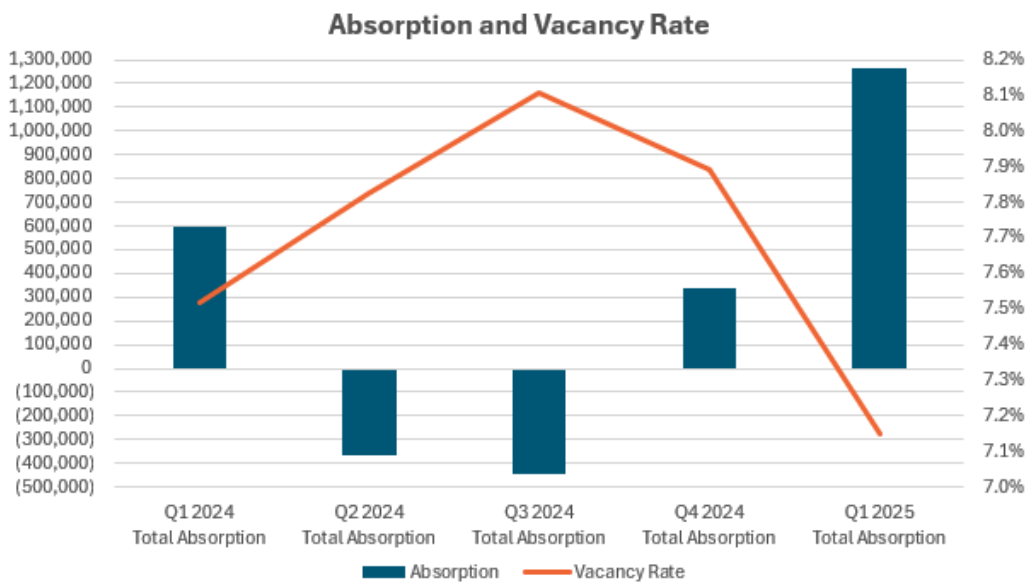
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	547	33,078,505	3,932,268	2,734,290	(167,368)	(167,368)	8.3%
Warehouse Distribution	352	59,484,156	6,105,468	4,709,144	1,247,721	1,247,721	7.9%
Warehouse Office	947	61,464,810	6,223,342	3,567,170	184,906	184,906	5.8%
Grand Total	1,846	154,027,471	16,261,078	11,010,604	1,265,259	1,265,259	7.1%

## Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	547	33,078,505	3,462,712	2,455,258	(128,331)	(128,331)	7.4%
Warehouse Distribution	352	59,484,156	5,309,247	4,350,626	1,191,225	1,191,225	7.3%
Warehouse Office	947	61,464,810	5,229,604	3,399,679	198,734	198,734	5.5%
Grand Total	1,846	154,027,471	14,001,563	10,205,563	1,261,628	1,261,628	6.6%

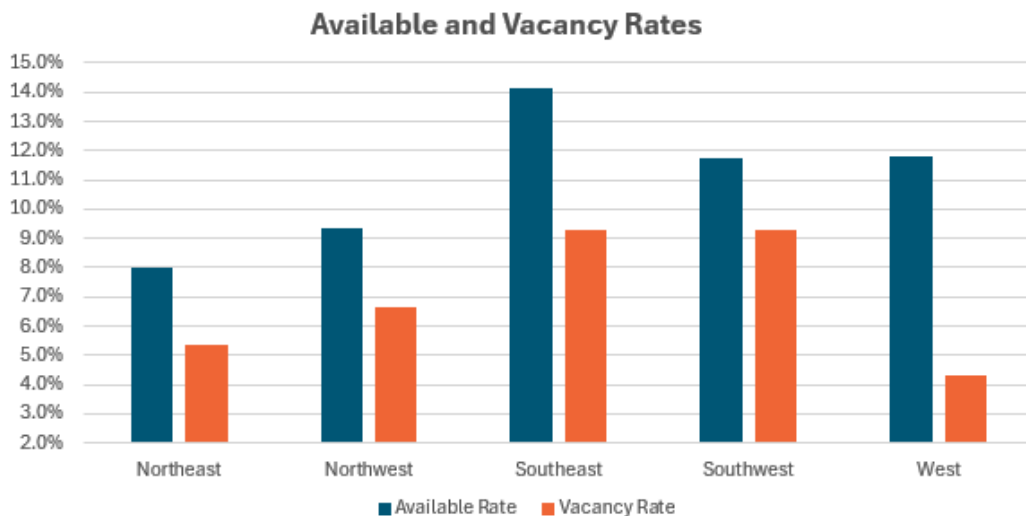
## Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	547	33,078,505	469,556	279,032	(39,037)	(39,037)	0.8%
Warehouse Distribution	352	59,484,156	796,221	358,518	56,496	56,496	0.6%
Warehouse Office	947	61,464,810	993,738	167,491	(13,828)	(13,828)	0.3%
Grand Total	1,846	154,027,471	2,259,515	805,041	3,631	3,631	0.5%



# Market Statistics by Market (Multi-Tenant)

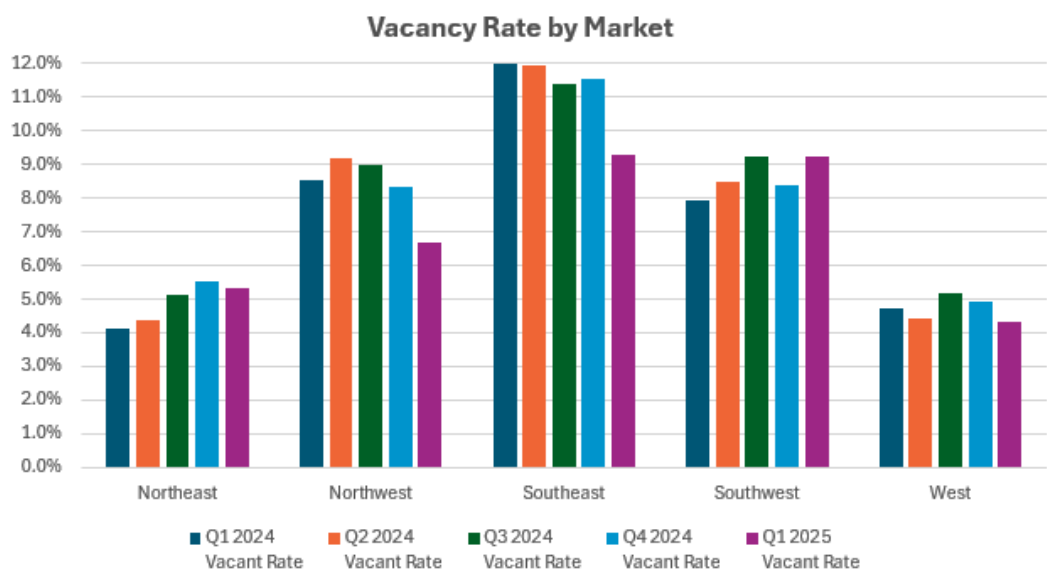
Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	136	9,425,855	1,101,412	812,132	(127,157)	(127,157)	8.6%
	Warehouse Distribution	87	13,218,381	925,691	520,079	5,930	5,930	3.9%
	Warehouse Office	320	21,594,845	1,520,033	1,026,246	237,591	237,591	4.8%
	<b>Subtotal</b>	<b>543</b>	<b>44,239,081</b>	<b>3,547,136</b>	<b>2,358,457</b>	<b>116,364</b>	<b>116,364</b>	<b>5.3%</b>
Northwest	Flex/R&D	84	4,978,996	486,293	267,706	16,679	16,679	5.4%
	Warehouse Distribution	114	20,314,857	2,005,433	1,479,044	715,052	715,052	7.3%
	Warehouse Office	174	11,445,645	943,621	699,479	7,831	7,831	6.1%
	<b>Subtotal</b>	<b>372</b>	<b>36,739,498</b>	<b>3,435,347</b>	<b>2,446,229</b>	<b>739,562</b>	<b>739,562</b>	<b>6.7%</b>
Southeast	Flex/R&D	111	5,891,666	864,522	566,919	(28,350)	(28,350)	9.6%
	Warehouse Distribution	73	11,806,207	1,830,967	1,649,348	697,769	697,769	14.0%
	Warehouse Office	190	11,428,654	1,417,573	487,625	(13,175)	(13,175)	4.3%
	<b>Subtotal</b>	<b>374</b>	<b>29,126,527</b>	<b>4,113,062</b>	<b>2,703,892</b>	<b>656,244</b>	<b>656,244</b>	<b>9.3%</b>
Southwest	Flex/R&D	160	8,923,404	1,240,663	872,560	(71,358)	(71,358)	9.8%
	Warehouse Distribution	59	11,909,566	1,170,437	987,537	(138,886)	(138,886)	8.3%
	Warehouse Office	190	11,689,457	1,408,151	1,150,839	(106,329)	(106,329)	9.8%
	<b>Subtotal</b>	<b>409</b>	<b>32,522,427</b>	<b>3,819,251</b>	<b>3,010,936</b>	<b>(316,573)</b>	<b>(316,573)</b>	<b>9.3%</b>
West	Flex/R&D	56	3,858,584	239,378	214,973	42,818	42,818	5.6%
	Warehouse Distribution	19	2,235,145	172,940	73,136	(32,144)	(32,144)	3.3%
	Warehouse Office	73	5,306,209	933,964	202,981	58,988	58,988	3.8%
	<b>Subtotal</b>	<b>148</b>	<b>11,399,938</b>	<b>1,346,282</b>	<b>491,090</b>	<b>69,662</b>	<b>69,662</b>	<b>4.3%</b>
<b>Grand Total</b>		<b>1,846</b>	<b>154,027,471</b>	<b>16,261,078</b>	<b>11,010,604</b>	<b>1,265,259</b>	<b>1,265,259</b>	<b>7.1%</b>





# Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Northeast	Flex/R&D	6.7%	6.4%	7.0%	7.3%	8.6%
	Warehouse Distribution	3.1%	3.1%	3.7%	3.7%	3.9%
	Warehouse Office	3.7%	4.2%	5.2%	5.9%	4.8%
	Subtotal	4.1%	4.4%	5.1%	5.5%	5.3%
Northwest	Flex/R&D	6.1%	5.9%	5.6%	5.6%	5.4%
	Warehouse Distribution	10.7%	11.5%	11.0%	10.2%	7.3%
	Warehouse Office	5.8%	6.5%	6.8%	6.2%	6.1%
	Subtotal	8.5%	9.2%	9.0%	8.3%	6.7%
Southeast	Flex/R&D	11.4%	12.2%	9.7%	9.1%	9.6%
	Warehouse Distribution	20.4%	20.5%	19.7%	19.9%	14.0%
	Warehouse Office	3.6%	3.0%	3.8%	4.2%	4.3%
	Subtotal	12.0%	12.0%	11.4%	11.5%	9.3%
Southwest	Flex/R&D	9.5%	8.8%	9.0%	9.0%	9.8%
	Warehouse Distribution	6.1%	7.8%	8.9%	7.4%	8.3%
	Warehouse Office	8.6%	8.9%	9.8%	8.9%	9.8%
	Subtotal	7.9%	8.5%	9.2%	8.4%	9.3%
West	Flex/R&D	6.8%	7.9%	8.0%	6.7%	5.6%
	Warehouse Distribution	3.3%	2.5%	1.8%	1.8%	3.3%
	Warehouse Office	3.8%	2.7%	4.5%	4.9%	3.8%
	Subtotal	4.7%	4.4%	5.2%	4.9%	4.3%
Grand Total		7.5%	7.8%	8.1%	7.9%	7.1%

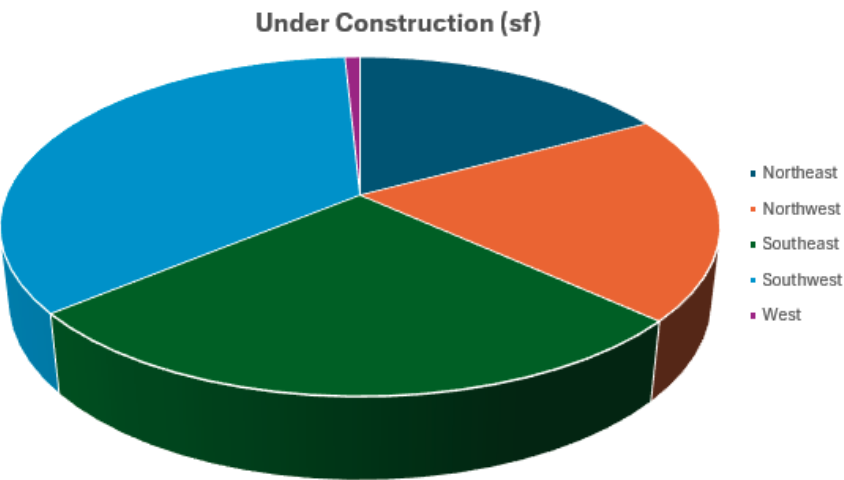


# Lease Rates by Market (Multi-Tenant NNN)

Market	Property Type	Q1 2024		Q2 2024		Q3 2024		Q4 2024		Q1 2025	
		Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High	Ave Lease Rate Low	Ave Lease Rate High
Northeast	Flex/R&D	\$10.93	\$12.08	\$9.41	\$11.62	\$11.35	\$13.71	\$10.60	\$12.93	\$10.29	\$11.96
	Warehouse Distribution	\$12.67	\$15.33	\$12.67	\$15.33	\$13.00	\$14.00	\$14.00	\$16.00	\$11.25	\$15.50
	Warehouse Office	\$8.61	\$10.89	\$9.11	\$11.37	\$10.52	\$11.93	\$8.09	\$10.26	\$7.52	\$10.15
	Subtotal	\$9.91	\$11.67	\$9.37	\$11.61	\$11.06	\$12.95	\$9.37	\$11.61	\$8.79	\$11.16
Northwest	Flex/R&D	\$8.90	\$10.89	\$9.27	\$11.76	\$10.42	\$12.23	\$9.63	\$11.58	\$8.95	\$11.80
	Warehouse Distribution	\$6.75	\$12.75	\$6.63	\$9.63	\$6.63	\$9.63			\$6.50	\$6.50
	Warehouse Office	\$6.83	\$10.50	\$7.81	\$10.06	\$9.29	\$11.34	\$6.80	\$8.80	\$6.81	\$8.60
	Subtotal	\$7.69	\$10.85	\$8.46	\$10.91	\$9.61	\$11.62	\$8.27	\$10.25	\$7.73	\$9.90
Southeast	Flex/R&D	\$7.83	\$12.12	\$8.08	\$12.05	\$12.46	\$14.78	\$7.78	\$12.24	\$8.94	\$12.70
	Warehouse Distribution	\$6.25	\$6.25	\$6.25	\$6.25	\$11.13	\$12.13	\$6.25	\$6.25	\$6.50	\$6.50
	Warehouse Office	\$5.81	\$8.06	\$6.17	\$9.81	\$8.00	\$9.80	\$5.96	\$8.79	\$6.56	\$9.47
	Subtotal	\$7.26	\$10.82	\$7.25	\$10.92	\$11.02	\$13.11	\$7.10	\$10.81	\$8.08	\$11.42
Southwest	Flex/R&D	\$8.66	\$11.68	\$9.65	\$12.23	\$9.56	\$12.29	\$9.16	\$11.93	\$8.88	\$11.64
	Warehouse Distribution	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$5.75	\$5.75
	Warehouse Office	\$7.63	\$10.43	\$7.34	\$9.84	\$9.65	\$11.45	\$7.51	\$9.64	\$7.84	\$10.48
	Subtotal	\$8.09	\$10.76	\$8.64	\$10.98	\$9.39	\$11.51	\$8.39	\$10.74	\$8.34	\$10.91
West	Flex/R&D	\$8.51	\$13.21	\$8.98	\$12.35	\$8.47	\$12.15	\$8.74	\$12.17	\$9.28	\$12.73
	Warehouse Distribution	\$4.75	\$8.50	\$6.38	\$8.25	\$7.58	\$8.83	\$6.38	\$8.25	\$6.38	\$8.25
	Warehouse Office	\$11.50	\$15.20	\$10.30	\$15.00	\$11.80	\$14.25	\$11.83	\$16.00	\$11.00	\$14.60
	Subtotal	\$9.44	\$13.65	\$9.08	\$12.71	\$9.71	\$12.56	\$9.07	\$12.43	\$9.48	\$12.76
Grand Total		\$8.47	\$11.35	\$8.63	\$11.33	\$10.20	\$12.33	\$8.48	\$11.07	\$8.42	\$11.09

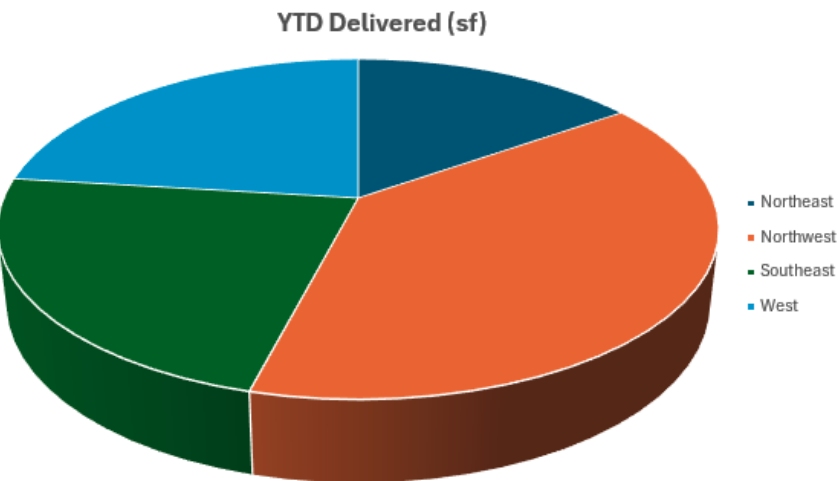


# New Developments by Market



Market	Bldg (sf)
Northeast	507,385
Northwest	581,696
Southeast	806,320
Southwest	1,042,821
West	24,000
Grand Total	2,962,222

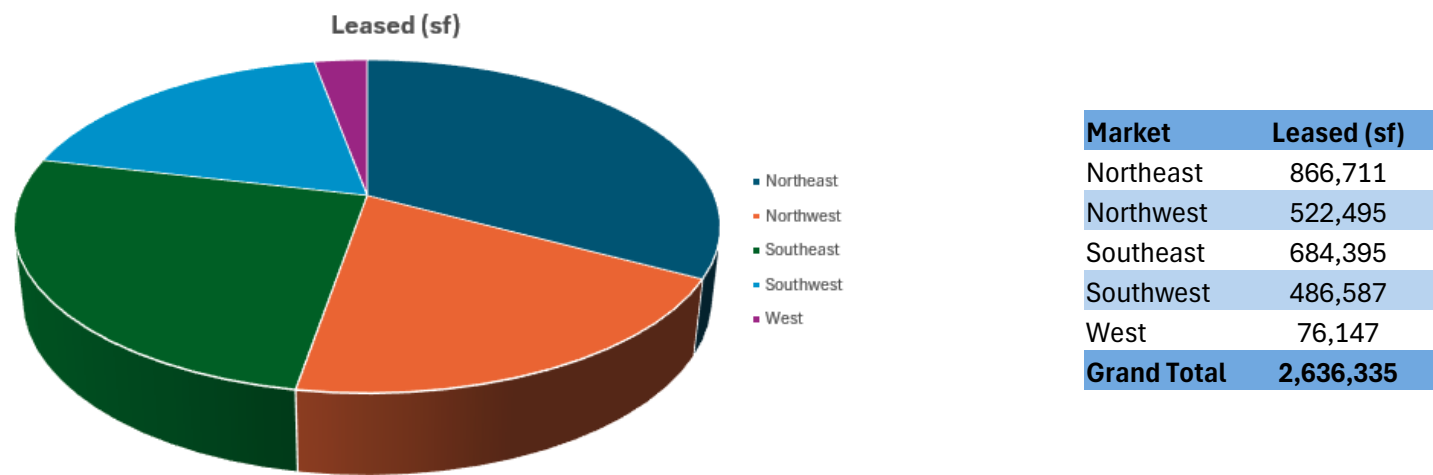
# YTD Deliveries by Market



Market	Bldg (sf)
Northeast	59,643
Northwest	151,120
Southeast	89,039
West	90,019
Grand Total	389,821

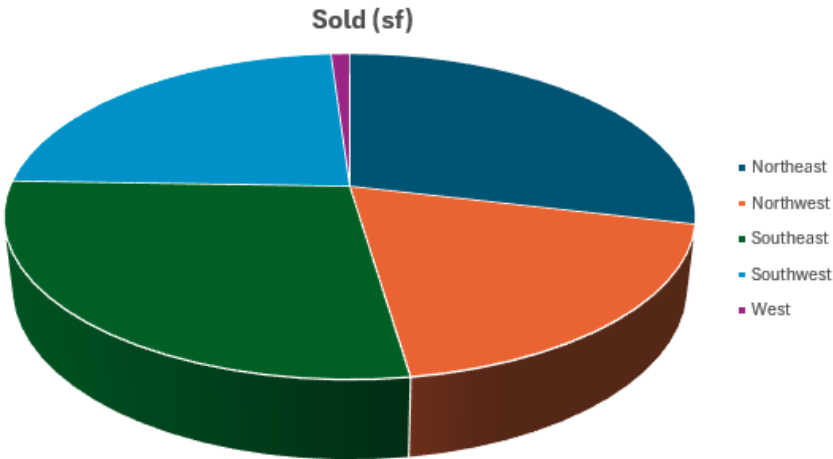
# Leasing Activity

Property	Size (sf)	Market	Tenant	Landlord
Cottage Grove Logistics Park 7701 100th St S	245,949	Southeast	Lumbermens	Northpoint Development
345 Industrial Blvd NE	103,251	Northeast	Metropolitan Council	NP-OV 345 Industrial LLC
Royal Gateway Commerce Ctr 11650 Hudson Rd	102,925	Southeast	Schimberg	Royal Gateway Property Owner LLC
North Star Distribution Ctr 19730 S Diamond Lake Rd	91,000	Northwest	Solidify	B9 Polar North Star LLC
722 Kasota Cir	89,200	Northeast	Priority Courier Experts	M-M Bloomington Assoc LLC



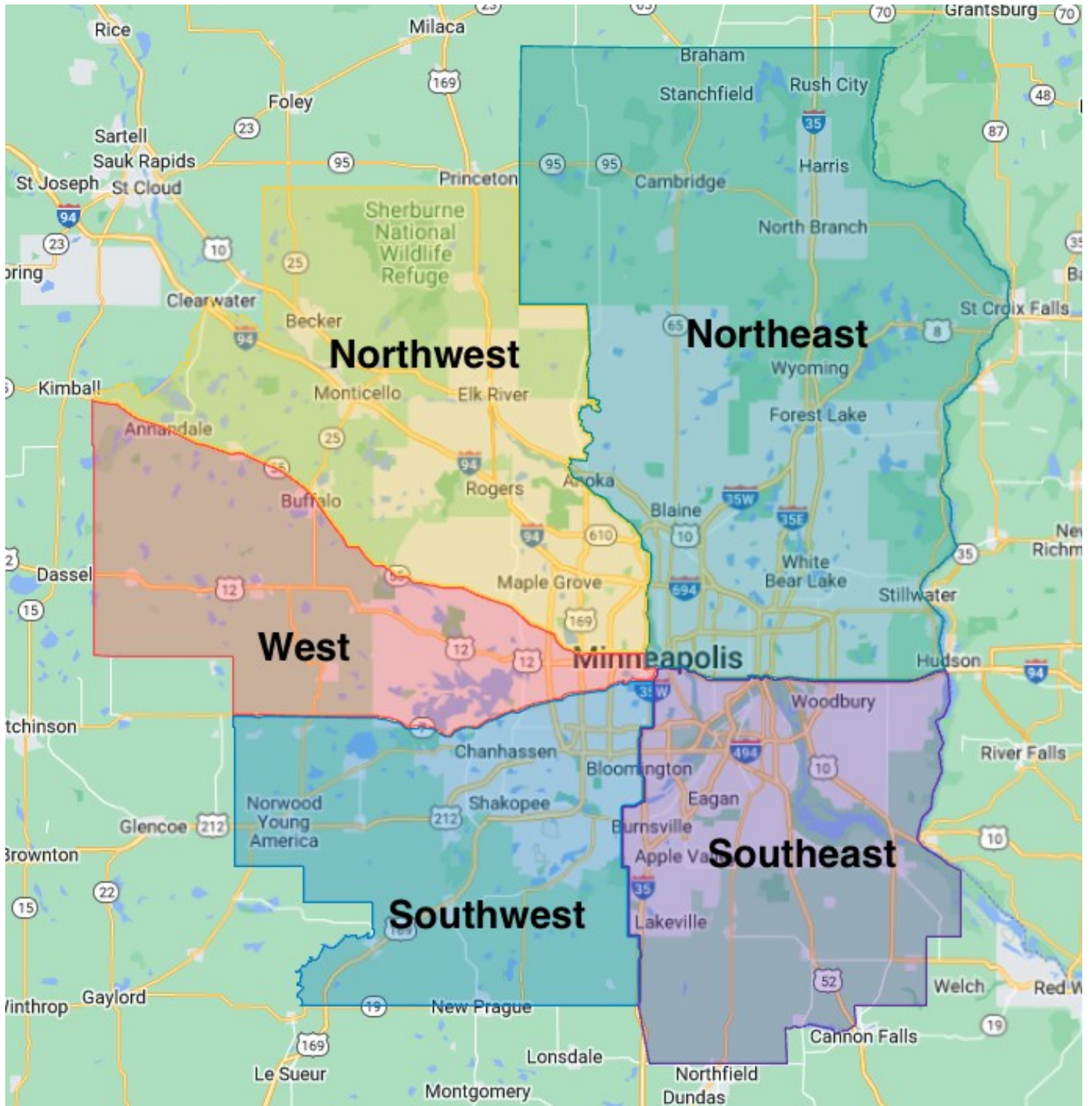
# Sales Activity

Property	Price	Market	Buyer	Seller
Amazon Fulfillment Center 2601 4th Ave E	\$99,500,000	Southwest	PPREF/Ryan Shakopee Industrial LLC	MCP Shakopee, LLC
Minneapolis Shallow Bay Portfolio	\$71,800,000	Northeast	TCD 265 MN Property LLC	MIP LL, LLC
West Publishing 955 Opperman Dr	\$52,494,156	Southeast	Amazon.com Services LLC	Eagan Property Owner, LLC
Amazon Fulfillment Center 9001 N Wyoming Ave	\$35,125,000	Northwest	9001 Wyoming Owner, LLC	Brooklyn Park Paper, LLC
I-94 Distribution Center 22000 Industrial Blvd	\$26,750,000	Northwest	22000 Industrial Blvd Owner LP	DG Industrial Portfolio I Property Owner



Market	Sold (sf)
Northeast	1,660,483
Northwest	1,095,904
Southeast	1,611,300
Southwest	1,353,808
West	60,970
Grand Total	5,782,465

# Market Map



Images courtesy of Google maps

# 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

<b>Inventory</b>	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.
<b>Total Available (sf)</b>	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.
<b>Total Vacant (sf)</b>	The total of all the vacant square feet within a building including both direct and sublease space.
<b>Direct Vacant (sf)</b>	The total of the vacant square footage in a building that is being marketed by an agent representing the landlord.
<b>Sublease Space</b>	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.
<b>Net Absorption</b>	The net change in occupancy from quarter to quarter, expressed in square feet.
<b>Average Asking Rate</b>	The average low and high asking lease rate expressed as a per square foot value in NNN terms.
<b>Warehouse Distribution</b>	Higher clear height and typically over 24 foot clear.
<b>Warehouse Office</b>	More office build out compared to warehouse distribution and clear heights less than 24 foot clear
<b>Warehouse Flex</b>	Higher end finishing and landscaping. More office build out compared to warehouse office.



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## REDIComps Team

Jeremy Bengtson	CEO	<a href="mailto:jeremy@redicomps.com">jeremy@redicomps.com</a>	
Chris Allen	Regional Director of Analytics	<a href="mailto:chris@redicomps.com">chris@redicomps.com</a>	800-574-9185 x 802
Lisa Bengtson	Regional Director of Sale Comps	<a href="mailto:lisa@redicomps.com">lisa@redicomps.com</a>	
Kim Platz	Regional Director of Research	<a href="mailto:kim@redicomps.com">kim@redicomps.com</a>	800-574-9185 x 804
Molly Bengtson	Director of Client Services	<a href="mailto:molly@redicomps.com">molly@redicomps.com</a>	800-574-9185 x 803
Kelli Carl	Minnesota Listing Specialist	<a href="mailto:kelli@redicomps.com">kelli@redicomps.com</a>	800-574-9185 x 810
Michelle Siegert	Minnesota Listing Specialist	<a href="mailto:michelle@redicomps.com">michelle@redicomps.com</a>	800-574-9185 x 808
Nicole Peeler	Minnesota Listing Specialist	<a href="mailto:nicole@redicomps.com">nicole@redicomps.com</a>	800-574-9185 x 822