

Market

Trends

Q1 2024

Mpls/St Paul - Industrial



REDI MOODY'S



MARKET TRENDS

Q1 2024 | Mpls-St Paul | Industrial

Employment

	Current	Y-o-Y
Employment	1,955,695	
Area Unemployment	3.3	
U.S. Unemployment	3.9	
Industrial Jobs	202,100	

Source: BLS

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

Market Recap

All Properties

Total Inventory (sf)	293,283,532
Total # of Bldgs (tracked)	3,285
Absorption	932,078
Vacancy	5.0%
Asking Rate Low (NNN)	\$8.32
Asking Rent High (NNN)	\$11.20
Under Construction	3,580,370

Multi-tenant Properties

Total Inventory (sf)	154,235,407
Total # of Bldgs (tracked)	1,838
Absorption	580,411
Vacancy	7.7%
Asking Rate Low (NNN)	\$8.50
Asking Rent High (NNN)	\$11.41

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Mpls-St Paul metropolitan statistical area (MSA) increased 10 basis points to 3.3% for February 2024 from 3.2% for February 2023. The unemployment rate for the US was at 3.9% in February 2024 increasing 30 basis points from last year. State of Minnesota unemployment rate was 2.7%. The Mpls-St Paul MSA saw an increase in job growth but industrial specific jobs decreased in job growth in manufacturing by 600 during the same period.

Market Overview

The Mpls-St Paul industrial market consists of 293.2 msf in eight counties across the metro. Overall, there was 932,000 sf of positive absorption for Q1 2024, bringing the YTD to 932,000 sf positive absorption. Multi-tenant only properties posted 580,400 sf positive absorption bringing the YTD to 580,400 sf positive absorption. The overall vacancy rate for the quarter was 5.0% and multi-tenant properties vacancy rate was 7.7%. To date, there are 31 construction projects throughout the market totaling 3.5 msf and 20 properties have been delivered this year with 1.6 msf.

Market Highlights

At the close of Q1 2024, the market experienced 1.6 msf of leasing activity in 178 transactions. The Northeast market showed the lowest vacancy rate of 2.8% while the Southeast market is at the top with 6.8% for all properties. The Northwest bested all markets with 420,000 sf positive absorption led by Mas HVAC leasing 203,000 sf. The Northeast market posted the most negative absorption of (72,800) sf led by RJ Schinner vacating 75,000 sf. Seventy one properties sold totaling 2.7 msf for \$257.1 million.

Market Statistics by Property Type (Multi and Single Tenant)

Total

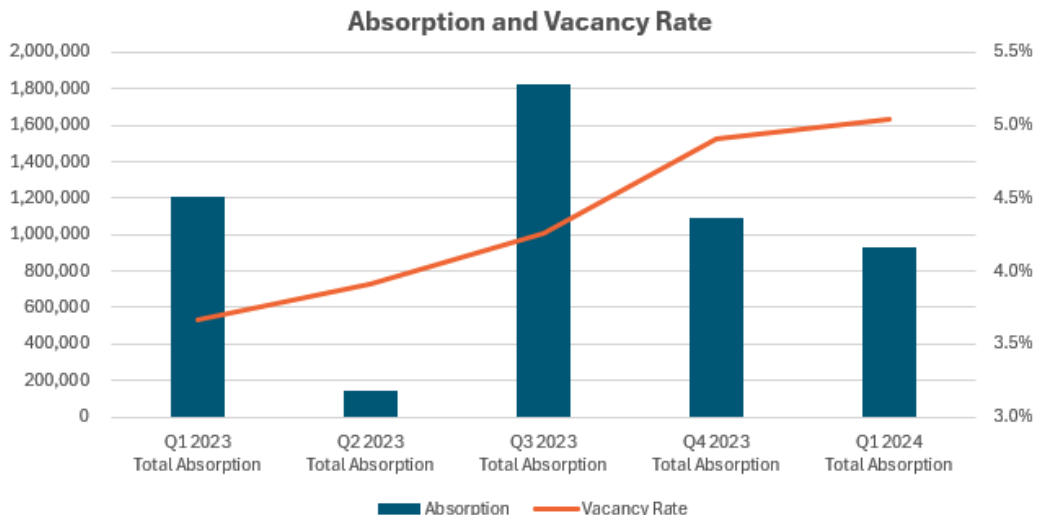
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	654	45,323,359	4,532,624	3,120,007	(94,539)	(94,539)	6.9%
Warehouse Distribution	647	117,912,072	10,806,396	7,277,662	936,918	936,918	6.2%
Warehouse Office	1,984	130,048,101	7,072,339	4,382,083	89,699	89,699	3.4%
Grand Total	3,285	293,283,532	22,411,359	14,779,752	932,078	932,078	5.0%

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	45,323,359	3,933,847	2,841,290	(54,631)	(54,631)	6.3%
Warehouse Distribution	647	117,912,072	9,624,427	6,956,753	1,022,117	1,022,117	5.9%
Warehouse Office	1,984	130,048,101	6,086,215	3,991,477	(175,484)	(175,484)	3.1%
Grand Total	3,285	293,283,532	19,644,489	13,789,520	792,002	792,002	4.7%

Sublease

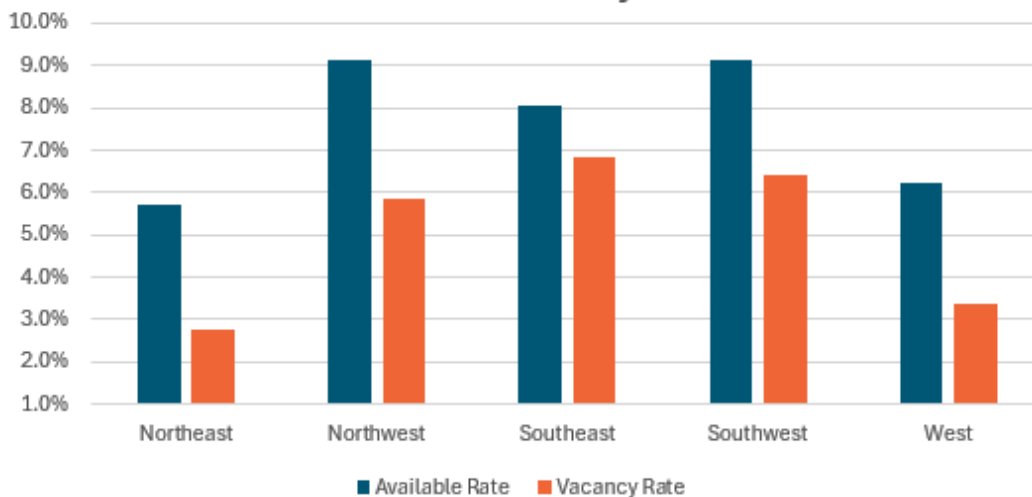
Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	654	45,323,359	224,928	278,717	(39,908)	(39,908)	0.6%
Warehouse Distribution	647	117,912,072	356,769	320,909	(85,199)	(85,199)	0.3%
Warehouse Office	1,984	130,048,101	390,606	390,606	265,183	265,183	0.3%
Grand Total	3,285	293,283,532	972,303	990,232	140,076	140,076	0.3%



Market Statistics by Market (Multi and Single Tenant)

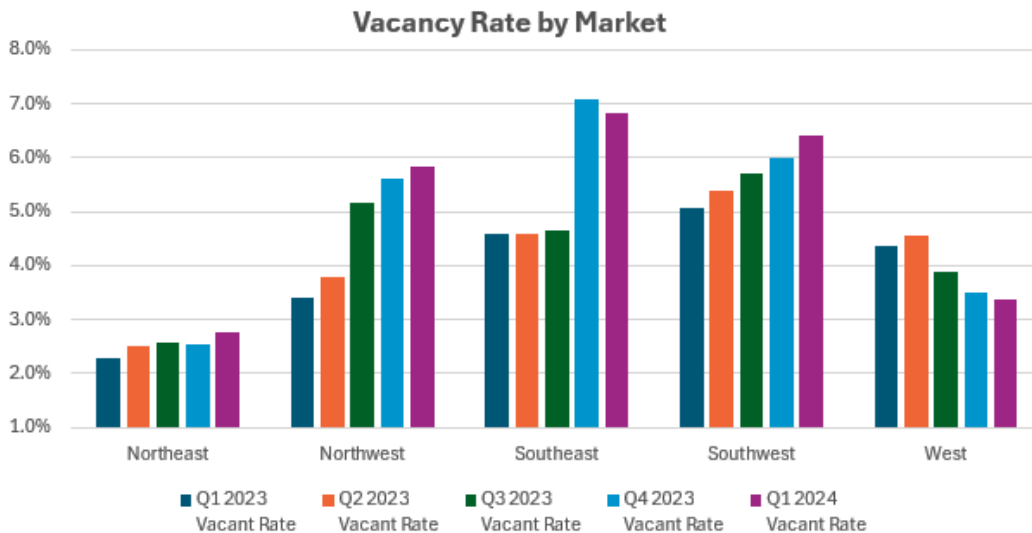
Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	161	11,289,903	973,258	635,076	(122,857)	(122,857)	5.6%
	Warehouse Distribution	189	32,660,629	1,942,379	777,722	139,666	139,666	2.4%
	Warehouse Office	738	48,352,367	2,358,589	1,150,112	(89,655)	(89,655)	2.4%
	Subtotal	1,088	92,302,899	5,274,226	2,562,910	(72,846)	(72,846)	2.8%
Northwest	Flex/R&D	104	8,050,631	557,779	302,179	(63,821)	(63,821)	3.8%
	Warehouse Distribution	183	33,577,137	3,809,039	2,500,129	343,396	343,396	7.4%
	Warehouse Office	362	23,656,224	1,582,094	1,017,788	53,939	53,939	4.3%
	Subtotal	649	65,283,992	5,948,912	3,820,096	333,514	333,514	5.9%
Southeast	Flex/R&D	132	8,058,622	1,307,330	862,095	5,037	5,037	10.7%
	Warehouse Distribution	143	27,925,520	2,758,807	2,650,865	260,404	260,404	9.5%
	Warehouse Office	412	25,907,655	933,057	717,574	154,668	154,668	2.8%
	Subtotal	687	61,891,797	4,999,194	4,230,534	420,109	420,109	6.8%
Southwest	Flex/R&D	194	13,396,399	1,214,278	1,036,206	15,936	15,936	7.7%
	Warehouse Distribution	98	19,995,492	2,167,506	1,271,350	227,742	227,742	6.4%
	Warehouse Office	322	21,476,775	1,626,356	1,217,975	(55,777)	(55,777)	5.7%
	Subtotal	614	54,868,666	5,008,140	3,525,531	187,901	187,901	6.4%
West	Flex/R&D	63	4,527,804	479,979	284,451	71,166	71,166	6.3%
	Warehouse Distribution	34	3,753,294	128,665	77,596	(34,290)	(34,290)	2.1%
	Warehouse Office	150	10,655,080	572,243	278,634	26,524	26,524	2.6%
	Subtotal	247	18,936,178	1,180,887	640,681	63,400	63,400	3.4%
Grand Total		3,285	293,283,532	22,411,359	14,779,752	932,078	932,078	5.0%

Available and Vacancy Rates



Vacancy Rates by Market (Multi and Single Tenant)

Market	Property Type	Q1 2023 Vacancy Rate	Q2 2023 Vacancy Rate	Q3 2023 Vacancy Rate	Q4 2023 Vacancy Rate	Q1 2024 Vacancy Rate
Northeast	Flex/R&D	4.8%	5.0%	4.7%	4.5%	5.6%
	Warehouse Distribution	1.9%	2.0%	2.1%	2.3%	2.4%
	Warehouse Office	1.9%	2.2%	2.4%	2.2%	2.4%
	Subtotal	2.3%	2.5%	2.6%	2.6%	2.8%
Northwest	Flex/R&D	4.9%	5.8%	5.3%	3.0%	3.8%
	Warehouse Distribution	3.2%	3.6%	6.4%	7.0%	7.4%
	Warehouse Office	3.3%	3.5%	3.3%	4.6%	4.3%
	Subtotal	3.4%	3.8%	5.2%	5.6%	5.9%
Southeast	Flex/R&D	8.7%	10.3%	11.1%	10.8%	10.7%
	Warehouse Distribution	5.6%	5.4%	4.8%	9.6%	9.5%
	Warehouse Office	2.1%	2.0%	2.5%	3.2%	2.8%
	Subtotal	4.6%	4.6%	4.7%	7.1%	6.8%
Southwest	Flex/R&D	7.2%	7.1%	7.0%	7.9%	7.7%
	Warehouse Distribution	5.7%	5.7%	5.0%	5.4%	6.4%
	Warehouse Office	3.2%	4.0%	5.5%	5.4%	5.7%
	Subtotal	5.1%	5.4%	5.7%	6.0%	6.4%
West	Flex/R&D	8.4%	9.4%	8.3%	7.2%	6.3%
	Warehouse Distribution	3.3%	3.4%	1.1%	1.2%	2.1%
	Warehouse Office	3.2%	3.0%	3.1%	2.9%	2.6%
	Subtotal	4.4%	4.5%	3.9%	3.5%	3.4%
Grand Total	3.7%	3.9%	4.3%	4.9%	5.0%	



Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q1 2023		Q2 2023		Q3 2023		Q4 2023		Q1 2024	
		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	\$8.55	\$11.67	\$10.10	\$12.58	\$10.40	\$12.34	\$10.56	\$12.40	\$10.93	\$12.08
	Warehouse Distribution	\$6.50	\$6.50								
	Warehouse Office	\$7.03	\$10.19	\$7.54	\$10.76	\$7.58	\$10.76	\$7.92	\$11.50	\$8.16	\$10.52
	Subtotal	\$7.74	\$10.81	\$8.97	\$11.78	\$8.88	\$11.49	\$9.01	\$11.87	\$9.31	\$11.17
Northwest	Flex/R&D	\$7.09	\$12.27	\$7.98	\$12.13	\$9.55	\$12.68	\$9.94	\$12.74	\$8.90	\$10.89
	Warehouse Distribution	\$8.55	\$8.55	\$10.25	\$10.25					\$6.75	\$12.75
	Warehouse Office	\$7.64	\$10.21	\$7.31	\$10.54	\$7.32	\$10.84	\$6.25	\$10.31	\$6.71	\$10.71
	Subtotal	\$7.50	\$10.90	\$7.73	\$11.22	\$8.43	\$11.76	\$8.30	\$11.66	\$7.56	\$10.94
Southeast	Flex/R&D	\$7.65	\$11.00	\$7.97	\$10.92	\$8.24	\$10.71	\$8.91	\$11.99	\$8.20	\$12.17
	Warehouse Distribution	\$6.75	\$6.75	\$6.75	\$6.75	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25
	Warehouse Office	\$6.56	\$9.38	\$5.54	\$9.54	\$5.65	\$9.45	\$5.10	\$8.21	\$5.81	\$8.06
	Subtotal	\$7.28	\$10.34	\$7.28	\$10.38	\$7.49	\$10.17	\$7.80	\$10.76	\$7.56	\$10.93
Southwest	Flex/R&D	\$7.24	\$11.04	\$6.93	\$10.98	\$7.67	\$11.31	\$7.70	\$11.40	\$8.60	\$11.60
	Warehouse Distribution	\$6.09	\$8.49	\$6.13	\$7.63	\$6.13	\$7.63	\$6.13	\$7.63	\$6.13	\$7.63
	Warehouse Office	\$7.49	\$11.39	\$7.54	\$10.57	\$6.84	\$10.37	\$6.72	\$10.35	\$7.60	\$10.15
	Subtotal	\$7.22	\$10.92	\$7.10	\$10.56	\$7.21	\$10.62	\$7.22	\$10.70	\$8.01	\$10.71
West	Flex/R&D	\$8.05	\$12.78	\$8.25	\$13.02	\$9.26	\$13.19	\$9.87	\$13.62	\$8.43	\$13.05
	Warehouse Distribution	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50	\$4.75	\$8.50
	Warehouse Office	\$10.16	\$13.03	\$9.96	\$12.34	\$8.93	\$13.38	\$10.00	\$13.71	\$10.50	\$14.17
	Subtotal	\$8.75	\$12.66	\$8.75	\$12.52	\$8.87	\$13.05	\$9.61	\$13.36	\$9.10	\$13.22
Grand Total		\$7.59	\$11.00	\$7.92	\$11.20	\$8.10	\$11.30	\$8.21	\$11.46	\$8.32	\$11.20



Market Statistics by Property Type (Multi-Tenant)

Total

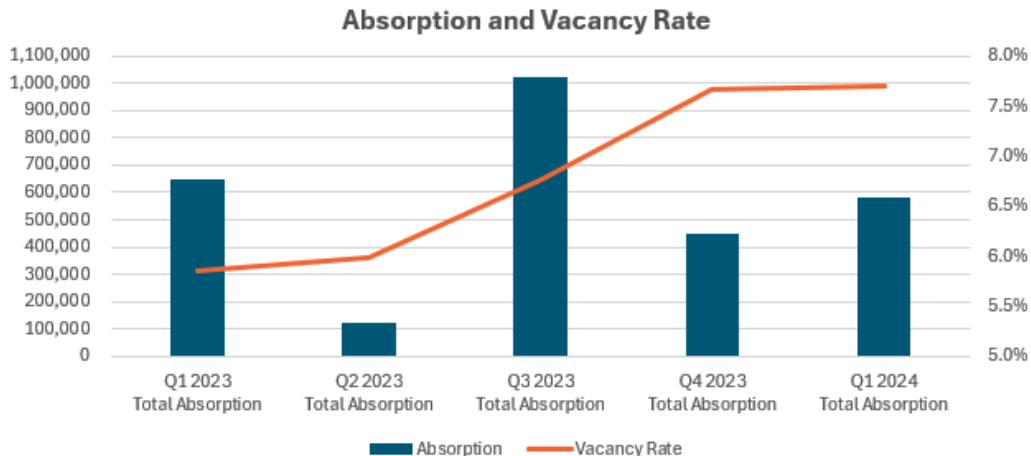
Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Flex/R&D	549	33,270,408	4,145,667	2,892,685	(133,250)	(133,250)	8.7%
Warehouse Distribution	348	59,396,958	7,269,572	5,971,755	616,382	616,382	10.1%
Warehouse Office	941	61,568,041	4,906,708	3,023,098	97,279	97,279	4.9%
Grand Total	1,838	154,235,407	16,321,947	11,887,538	580,411	580,411	7.7%

Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	549	33,270,408	3,708,996	2,662,890	(93,342)	(93,342)	8.0%
Warehouse Distribution	348	59,396,958	6,439,727	5,654,156	701,581	701,581	9.5%
Warehouse Office	941	61,568,041	4,188,191	2,851,978	71,514	71,514	4.6%
Grand Total	1,838	154,235,407	14,336,914	11,169,024	679,753	679,753	7.2%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	549	33,270,408	176,006	229,795	(39,908)	(39,908)	0.7%
Warehouse Distribution	348	59,396,958	353,459	317,599	(85,199)	(85,199)	0.5%
Warehouse Office	941	61,568,041	171,120	171,120	25,765	25,765	0.3%
Grand Total	1,838	154,235,407	700,585	718,514	(99,342)	(99,342)	0.5%



Market Statistics by Market (Multi-Tenant)

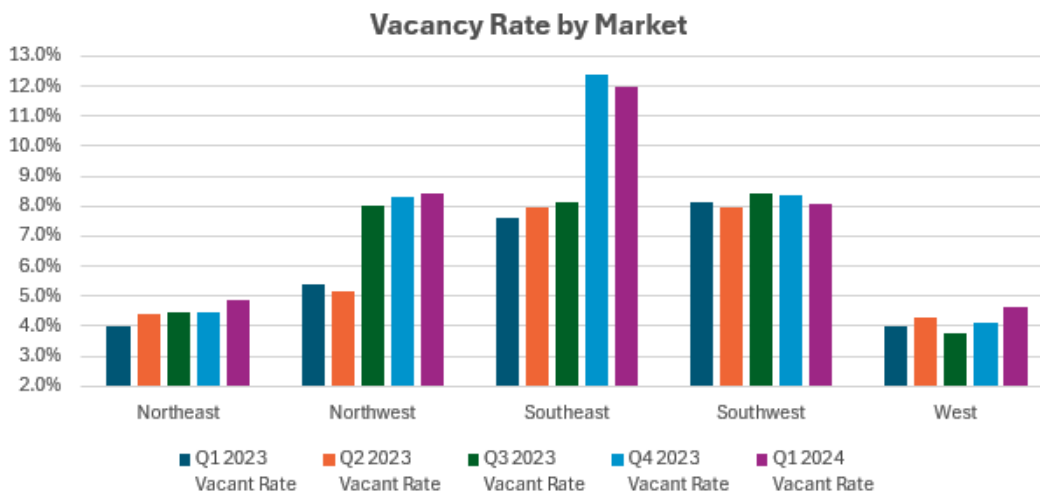
Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption (sf)	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	135	9,372,638	973,258	635,076	(122,857)	(122,857)	6.8%
	Warehouse Distribution	87	13,445,516	1,119,239	732,594	139,666	139,666	5.4%
	Warehouse Office	317	21,421,092	1,361,439	791,966	(15,228)	(15,228)	3.7%
	Subtotal	539	44,239,246	3,453,936	2,159,636	1,581	1,581	4.9%
Northwest	Flex/R&D	83	4,955,186	557,779	302,179	(63,821)	(63,821)	6.1%
	Warehouse Distribution	112	20,091,395	2,533,889	2,111,465	147,860	147,860	10.5%
	Warehouse Office	174	11,642,551	1,130,325	679,760	53,939	53,939	5.8%
	Subtotal	369	36,689,132	4,221,993	3,093,404	137,978	137,978	8.4%
Southeast	Flex/R&D	112	5,911,856	948,714	681,340	5,037	5,037	11.5%
	Warehouse Distribution	72	11,784,628	2,417,631	2,409,689	135,404	135,404	20.4%
	Warehouse Office	190	11,299,031	597,784	374,031	91,588	91,588	3.3%
	Subtotal	374	28,995,515	3,964,129	3,465,060	232,029	232,029	12.0%
Southwest	Flex/R&D	163	9,172,144	1,185,937	1,007,865	24,135	24,135	11.0%
	Warehouse Distribution	58	11,840,274	1,073,458	643,721	227,742	227,742	5.4%
	Warehouse Office	187	11,663,382	1,359,813	976,907	(19,777)	(19,777)	8.4%
	Subtotal	408	32,675,800	3,619,208	2,628,493	232,100	232,100	8.0%
West	Flex/R&D	56	3,858,584	479,979	266,225	24,256	24,256	6.9%
	Warehouse Distribution	19	2,235,145	125,355	74,286	(34,290)	(34,290)	3.3%
	Warehouse Office	73	5,541,985	457,347	200,434	(13,243)	(13,243)	3.6%
	Subtotal	148	11,635,714	1,062,681	540,945	(23,277)	(23,277)	4.6%
Grand Total		1,838	154,235,407	16,321,947	11,887,538	580,411	580,411	7.7%

Available and Vacancy Rates



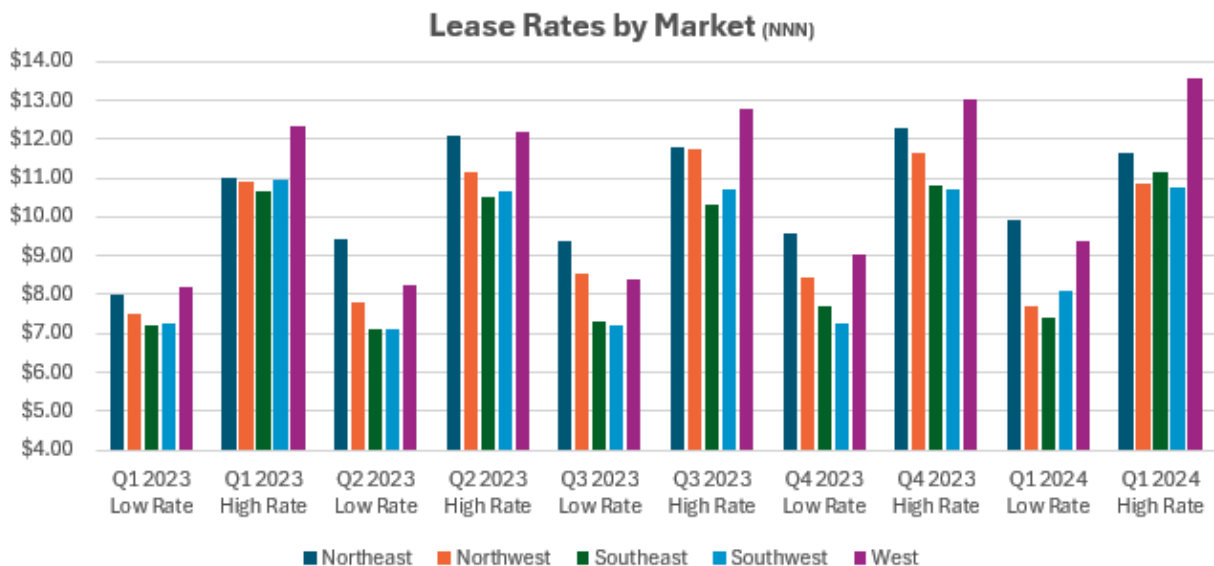
Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
		Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate	Vacancy Rate
Northeast	Flex/R&D	5.7%	6.1%	5.6%	5.4%	6.8%
	Warehouse Distribution	4.2%	4.5%	4.7%	5.2%	5.4%
	Warehouse Office	3.1%	3.7%	3.8%	3.6%	3.7%
	Subtotal	4.0%	4.4%	4.4%	4.5%	4.9%
Northwest	Flex/R&D	7.2%	8.5%	8.7%	4.8%	6.1%
	Warehouse Distribution	4.5%	3.8%	9.2%	10.3%	10.5%
	Warehouse Office	6.0%	5.9%	5.6%	6.3%	5.8%
	Subtotal	5.4%	5.2%	8.0%	8.3%	8.4%
Southeast	Flex/R&D	9.8%	10.8%	12.0%	11.5%	11.5%
	Warehouse Distribution	11.3%	11.7%	10.5%	20.7%	20.4%
	Warehouse Office	2.9%	2.9%	3.9%	4.2%	3.3%
	Subtotal	7.6%	8.0%	8.1%	12.4%	12.0%
Southwest	Flex/R&D	10.2%	10.2%	10.0%	11.3%	11.0%
	Warehouse Distribution	9.4%	8.6%	7.5%	6.2%	5.4%
	Warehouse Office	5.0%	5.4%	8.1%	8.2%	8.4%
	Subtotal	8.1%	7.9%	8.4%	8.3%	8.0%
West	Flex/R&D	7.5%	8.7%	7.4%	6.7%	6.9%
	Warehouse Distribution	2.8%	2.8%	1.7%	1.8%	3.3%
	Warehouse Office	2.3%	2.0%	2.2%	3.4%	3.6%
	Subtotal	4.0%	4.3%	3.7%	4.1%	4.6%
Grand Total		5.8%	6.0%	6.8%	7.7%	7.7%



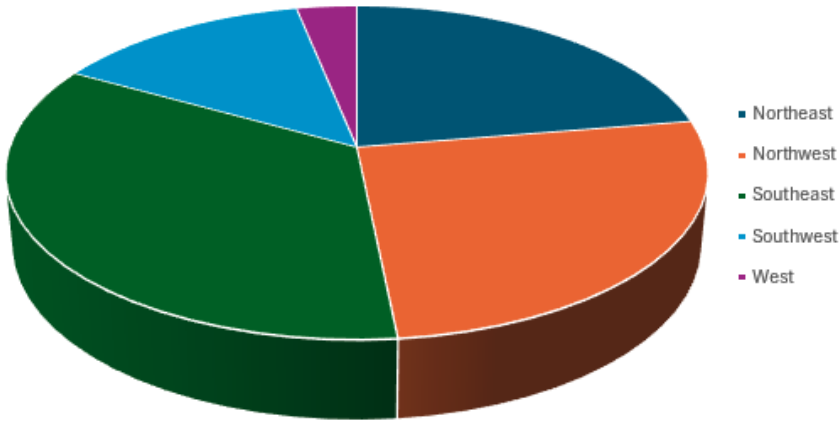
Lease Rates by Market (Multi-Tenant NNN)

Market	Property Type	Q1 2023		Q2 2023		Q3 2023		Q4 2023		Q1 2024	
		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	\$8.55	\$11.67	\$10.10	\$12.58	\$10.40	\$12.34	\$10.56	\$12.40	\$10.93	\$12.08
	Warehouse Distribution	\$6.50	\$6.50								
	Warehouse Office	\$7.43	\$10.43	\$8.25	\$11.29	\$8.21	\$11.22	\$8.66	\$12.20	\$8.97	\$11.29
	Subtotal	\$8.01	\$10.99	\$9.43	\$12.11	\$9.37	\$11.82	\$9.58	\$12.30	\$9.91	\$11.67
Northwest	Flex/R&D	\$7.09	\$12.27	\$7.98	\$12.13	\$9.55	\$12.68	\$9.94	\$12.74	\$8.90	\$10.89
	Warehouse Distribution	\$8.55	\$8.55	\$10.25	\$10.25					\$6.75	\$12.75
	Warehouse Office	\$7.64	\$10.21	\$7.43	\$10.41	\$7.45	\$10.72	\$6.29	\$10.07	\$6.83	\$10.50
	Subtotal	\$7.50	\$10.90	\$7.81	\$11.18	\$8.55	\$11.75	\$8.44	\$11.64	\$7.69	\$10.85
Southeast	Flex/R&D	\$7.33	\$10.89	\$7.65	\$10.80	\$7.89	\$10.55	\$8.77	\$11.87	\$7.83	\$12.12
	Warehouse Distribution	\$6.75	\$6.75	\$6.75	\$6.75	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25	\$6.25
	Warehouse Office	\$7.04	\$10.79	\$5.60	\$10.40	\$5.75	\$10.50	\$5.07	\$8.80	\$6.00	\$9.00
	Subtotal	\$7.23	\$10.68	\$7.12	\$10.51	\$7.32	\$10.30	\$7.72	\$10.82	\$7.39	\$11.17
Southwest	Flex/R&D	\$7.24	\$11.04	\$6.93	\$10.98	\$7.67	\$11.31	\$7.70	\$11.40	\$8.60	\$11.60
	Warehouse Distribution	\$5.99	\$7.49	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
	Warehouse Office	\$7.51	\$11.63	\$7.59	\$10.97	\$6.80	\$10.77	\$6.68	\$10.57	\$7.64	\$10.47
	Subtotal	\$7.24	\$10.97	\$7.11	\$10.66	\$7.23	\$10.74	\$7.24	\$10.74	\$8.09	\$10.76
West	Flex/R&D	\$6.89	\$12.14	\$7.23	\$12.48	\$8.23	\$12.59	\$8.79	\$13.01	\$8.43	\$13.05
	Warehouse Distribution	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50	\$4.50	\$8.50	\$4.75	\$8.50
	Warehouse Office	\$10.16	\$13.03	\$9.96	\$12.34	\$8.93	\$13.38	\$10.00	\$13.71	\$11.50	\$15.20
	Subtotal	\$8.21	\$12.33	\$8.23	\$12.21	\$8.39	\$12.78	\$9.05	\$13.04	\$9.40	\$13.57
Grand Total		\$7.59	\$11.08	\$7.94	\$11.28	\$8.13	\$11.40	\$8.26	\$11.54	\$8.50	\$11.41



New Developments by Market

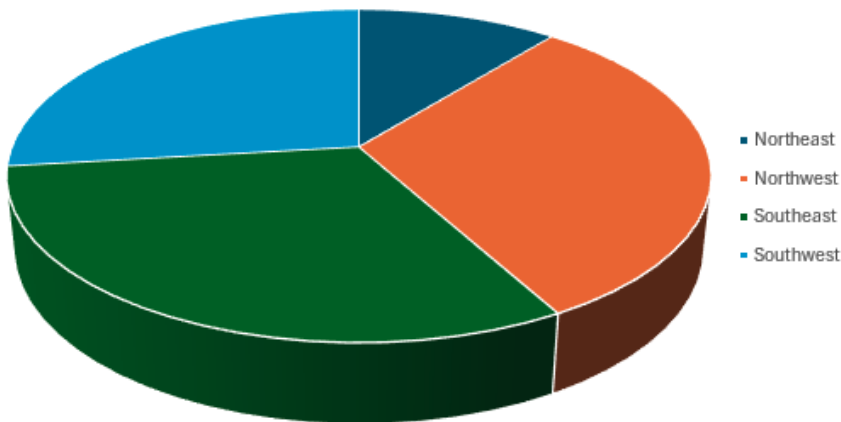
Under Construction (sf)



Market	Bldg (sf)
Northeast	802,347
Northwest	930,489
Southeast	1,242,064
Southwest	490,570
West	114,900
Grand Total	3,580,370

YTD Deliveries by Market

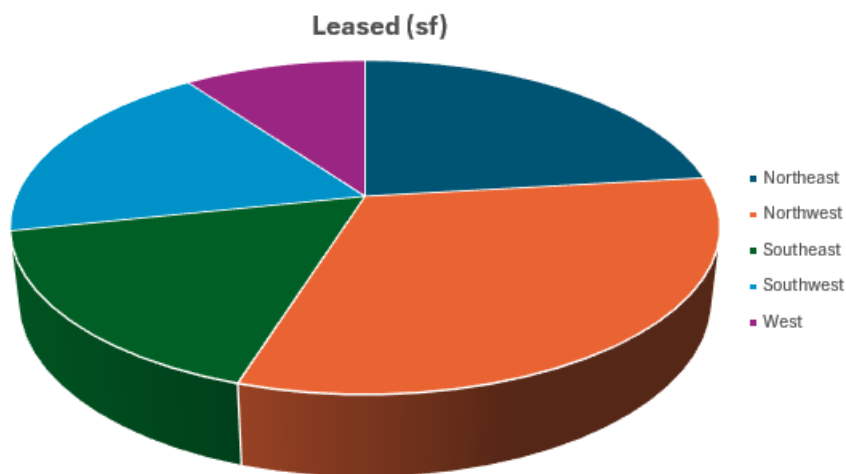
YTD Delivered (sf)



Market	Bldg (sf)
Northeast	182,342
Northwest	521,040
Southeast	524,053
Southwest	450,600
Grand Total	1,678,035

Leasing Activity

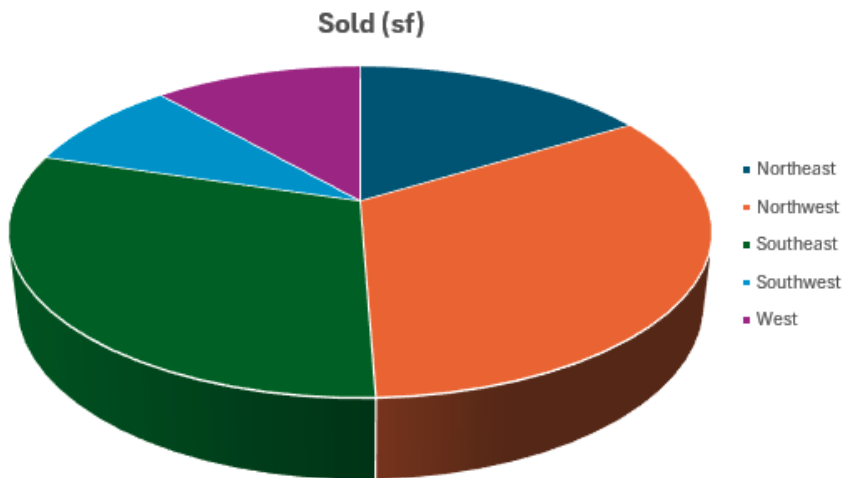
Property	Size (sf)	Market	Tenant	Landlord
Arbor Lakes Business Park 10901 Fountains Dr	96,214	Northwest	Revo Brands	Endeavor Development
Crosstown North Bus Ctr 9100 Wyoming Ave N	85,852	Northwest	EH Enterprises	Duke Secured Financing LLC
610 Zane East 6501 94th Ave N	63,026	Northwest	Suburban Accessories	Ryan Companies
28th Avenue Industrial Center 14630 28th Ave N	56,100	West	Steris	B9 Circle Star LLC
Park of Commerce II 5691 E River Rd	48,138	Northeast	Cummins	Industrial Equities - River Road LLC



Market	Leased (sf)
Northeast	389,773
Northwest	534,321
Southeast	283,626
Southwest	309,700
West	167,215
Grand Total	1,684,635

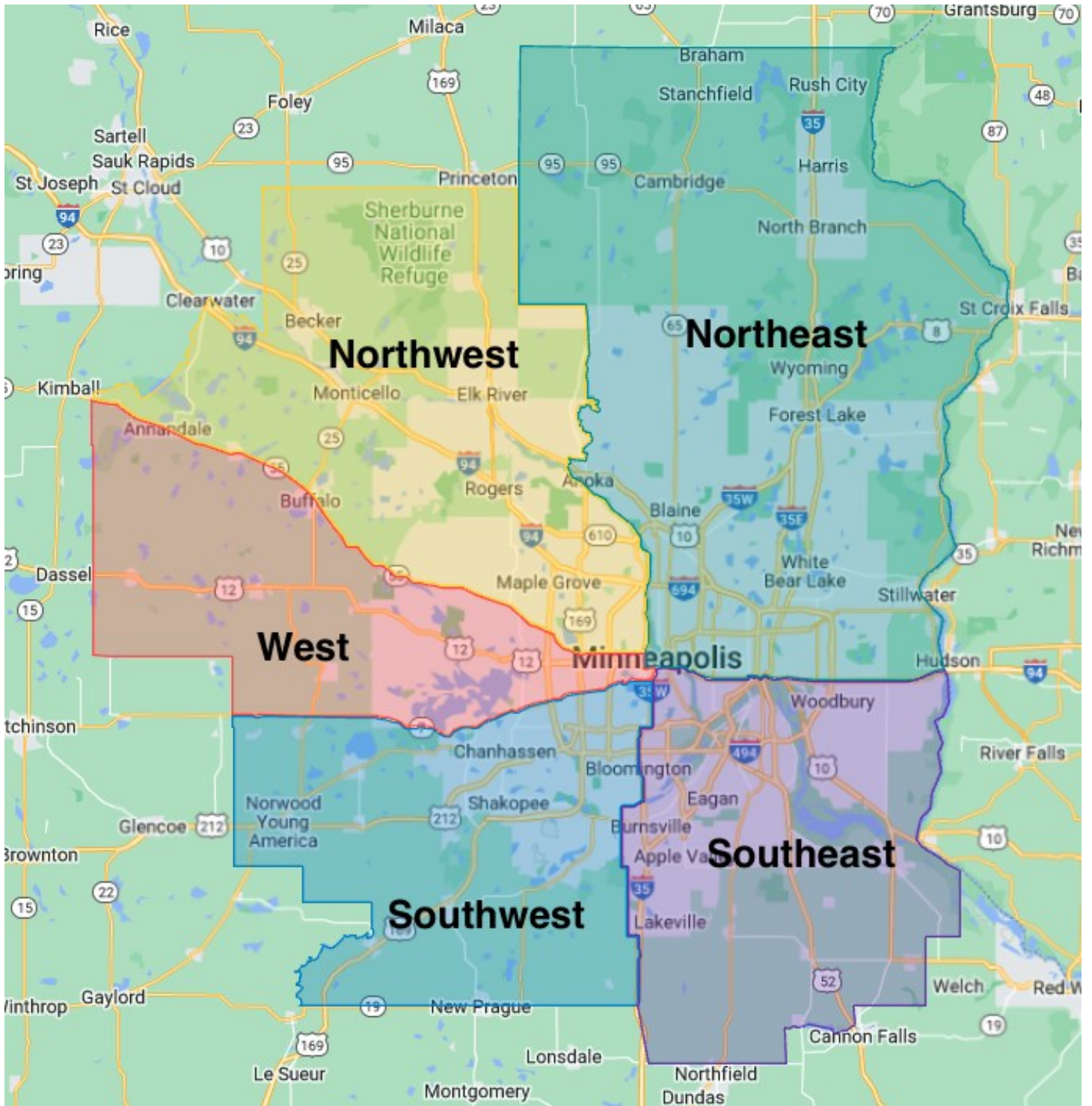
Sales Activity

Property	Price	Market	Buyer	Seller
650 Ottawa Ave N	\$23,700,000	Northwest	KB Golden Valley DST	Drake Motor Partners GV LLC
6850 Sunwood Dr NW	\$16,500,000	Northwest	3LP Ramsey Industrial LLC	Knoll Properties LLC
Sanctuary Business Center 10201 Xylite St NE	\$15,400,000	Northeast	CP Income & Growth IV, LLC	Opus Development Company, L.L.C.
Aspen Research Corporation 8401 Jefferson Hwy N	\$14,700,000	Northwest	H.B. Fuller Company	8401 Jefferson Highway Owner, LLC
UTC Aerospace System 2900 County Rd 42W	\$13,360,000	Southeast	Dan Wixon LLC	Southcross Commerce Center IV LLC



Market	Sold (sf)
Northeast	441,704
Northwest	896,039
Southeast	817,765
Southwest	242,274
West	309,486
Grand Total	2,707,268

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

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

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

Research Advisory Board Members

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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