

MARKET TRENDS

Q1 2021 | Mpls-St Paul | Industrial

Employment

	<u>Current</u>	<u>Y-o-Y</u>
Employment	1,865,869	
Area Unemployment	4.4	
U.S. Unemployment	6.2	
Industrial Jobs	187,800	

Source: BLS

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

Market Recap

Total Inventory (sf)	263,768,575
Total # of Bldgs	3,055
Absorption	1,264,835
Vacancy	4.5%
Asking Rate Low (NNN)	\$6.19
Asking Rate High (NNN)	\$9.79
Under Construction (sf)	2,403,135

Economic Overview

According to the Bureau of Labor Statistics (BLS), the unemployment rate for the Mpls-St Paul metropolitan statistical area (MSA) increased 130 basis points to 4.4% for February 2021 from 3.1% for February 2020. The unemployment rate for the US was 6.2% in February 2021 up from 3.5% last year. State of Minnesota unemployment rate was 4.3%. The Mpls-St Paul MSA saw a decrease in job growth as well as a decrease in industrial job growth in manufacturing dropping 10,800 during the same period.

Market Overview

The Mpls-St Paul industrial market consists of 263 msf in eight counties across the metro and posted over 1,264,000 sf of positive absorption for Q1 2021. Multi-tenant properties posted 735,000 sf positive absorption. The overall vacancy rate for the market stands at 4.5% and multi-tenant vacancy dropped to 7.3% for Q1 2021. The average asking lease low rate was \$6.19 and high rate was \$9.79 NNN for Mpls-St Paul. To date, there are 16 construction projects throughout the market totaling 2.4 msf and 3 properties were delivered this quarter with 566,000 sf.

Market Highlights

At the close of Q1 2021, the market experienced over 3.45 msf of leasing activity in 238 transactions with KSP Fulfillment leasing the largest space of 156,000 sf in the Northwest market. The Southeast market vacancy rate being the tightest at 3.7% while the Southwest market topped at 6.4%. The Southeast market had the top property spot in absorption with new delivery of Up North Plastics expansion of 428,000 sf. The Southwest market experienced the largest vacancy of CokeM consolidating out of 157,000 sf. Sixty properties sold with over 2.0 msf for \$149 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	622	42,037,933	4,584,201	3,010,764	101,911	101,911	7.2%
Warehouse Distribution	508	91,635,985	6,514,510	3,524,133	825,591	825,591	3.8%
Warehouse Office	1,925	130,094,657	8,755,531	5,309,290	337,333	337,333	4.1%
Grand Total	3,055	263,768,575	19,854,242	11,844,187	1,264,835	1,264,835	4.5%

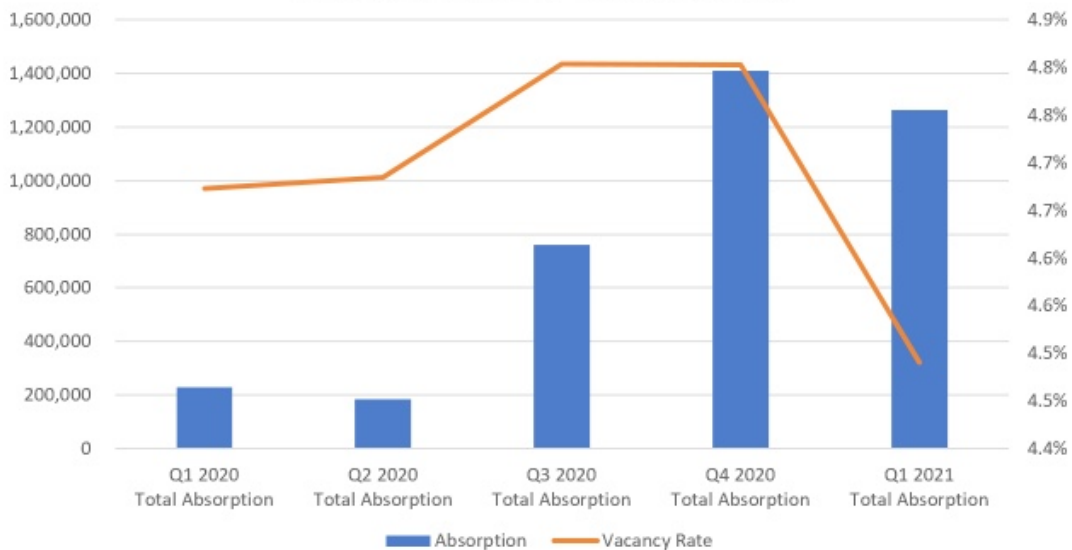
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	622	42,037,933	4,077,682	2,793,070	111,758	111,758	6.6%
Warehouse Distribution	508	91,635,985	6,046,454	3,335,533	764,427	764,427	3.6%
Warehouse Office	1,925	130,094,657	7,908,132	4,962,956	417,747	417,747	3.8%
Grand Total	3,055	263,768,575	18,032,268	11,091,559	1,293,932	1,293,932	4.2%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	622	42,037,933	506,519	217,694	(9,847)	(9,847)	0.5%
Warehouse Distribution	508	91,635,985	468,056	188,600	61,164	61,164	0.2%
Warehouse Office	1,925	130,094,657	847,399	346,334	(80,414)	(80,414)	0.3%
Grand Total	3,055	263,768,575	1,821,974	752,628	(29,097)	(29,097)	0.3%

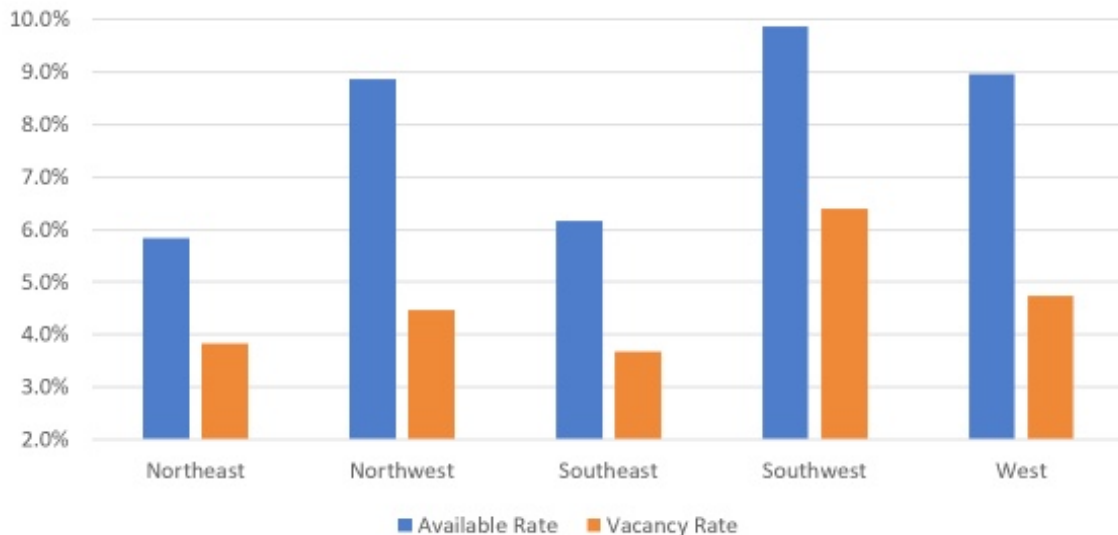
Absorption and Vacancy Rate



Market Statistics by Market (Multi and Single Tenant)

Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	157	10,923,088	984,901	892,318	81,965	81,965	8.2%
	Warehouse Distribution	152	25,925,290	1,597,675	817,345	17,280	17,280	3.2%
	Warehouse Office	736	50,545,089	2,527,445	1,644,409	(84,020)	(84,020)	3.3%
	Subtotal	1,045	87,393,467	5,110,021	3,354,072	15,225	15,225	3.8%
Northwest	Flex/R&D	97	7,609,070	718,583	366,698	19,404	19,404	4.8%
	Warehouse Distribution	146	25,650,899	2,412,513	1,178,478	110,954	110,954	4.6%
	Warehouse Office	335	22,372,677	1,801,181	937,887	53,303	53,303	4.2%
	Subtotal	578	55,632,646	4,932,277	2,483,063	183,661	183,661	4.5%
Southeast	Flex/R&D	123	7,053,703	786,869	620,528	27,813	27,813	8.8%
	Warehouse Distribution	100	19,233,723	868,421	337,187	663,837	663,837	1.8%
	Warehouse Office	395	26,166,186	1,577,386	970,498	114,042	114,042	3.7%
	Subtotal	618	52,453,612	3,232,676	1,928,213	805,692	805,692	3.7%
Southwest	Flex/R&D	186	12,527,419	1,617,808	751,866	(22,747)	(22,747)	6.0%
	Warehouse Distribution	77	16,914,449	1,428,410	1,053,433	33,520	33,520	6.2%
	Warehouse Office	309	21,133,507	1,946,219	1,434,219	179,572	179,572	6.8%
	Subtotal	572	50,575,375	4,992,437	3,239,518	190,345	190,345	6.4%
West	Flex/R&D	59	3,924,653	476,040	379,354	(4,524)	(4,524)	9.7%
	Warehouse Distribution	33	3,911,624	207,491	137,690	0	0	3.5%
	Warehouse Office	150	9,877,198	903,300	322,277	74,436	74,436	3.3%
	Subtotal	242	17,713,475	1,586,831	839,321	69,912	69,912	4.7%
Grand Total		3,055	263,768,575	19,854,242	11,844,187	1,264,835	1,264,835	4.5%

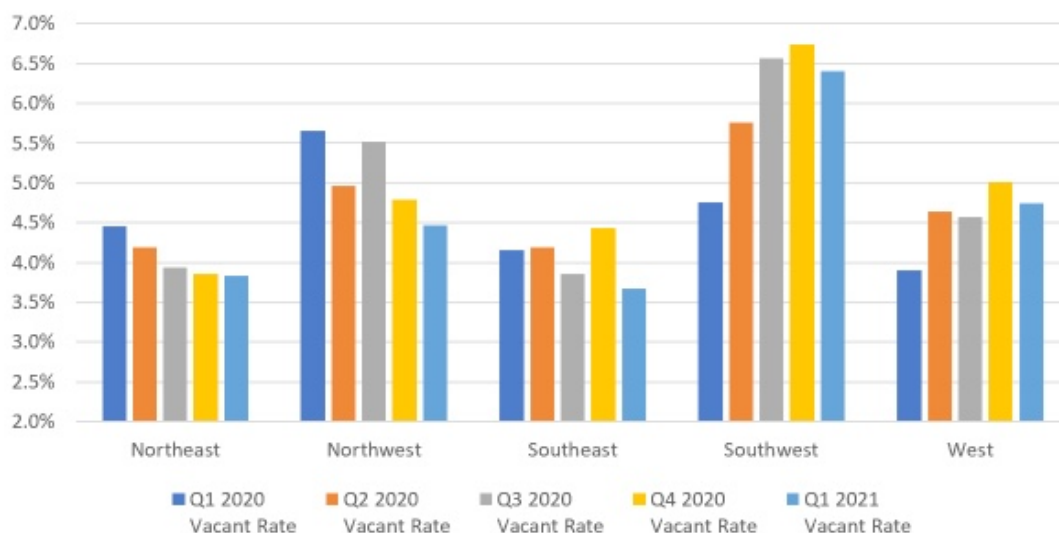
Available and Vacancy Rates



Vacancy Rates by Market (Multi and Single Tenant)

Market	Property Type	Q1 2020 Vacant Rate	Q2 2020 Vacant Rate	Q3 2020 Vacant Rate	Q4 2020 Vacant Rate	Q1 2021 Vacant Rate
Northeast	Flex/R&D	8.5%	8.3%	9.8%	8.9%	8.2%
	Warehouse Distribution	4.9%	4.5%	3.2%	3.2%	3.2%
	Warehouse Office	3.4%	3.1%	3.0%	3.1%	3.3%
	Subtotal	4.5%	4.2%	3.9%	3.9%	3.8%
Northwest	Flex/R&D	6.2%	5.3%	5.0%	5.1%	4.8%
	Warehouse Distribution	6.8%	5.6%	6.1%	5.0%	4.6%
	Warehouse Office	4.1%	4.1%	4.9%	4.4%	4.2%
	Subtotal	5.7%	5.0%	5.5%	4.8%	4.5%
Southeast	Flex/R&D	6.0%	6.3%	6.8%	9.2%	8.8%
	Warehouse Distribution	2.1%	2.8%	3.0%	3.1%	1.8%
	Warehouse Office	5.0%	4.6%	3.6%	4.1%	3.7%
	Subtotal	4.2%	4.2%	3.9%	4.4%	3.7%
Southwest	Flex/R&D	5.7%	6.2%	6.1%	5.8%	6.0%
	Warehouse Distribution	1.7%	5.2%	6.4%	6.5%	6.2%
	Warehouse Office	6.5%	5.9%	6.9%	7.5%	6.8%
	Subtotal	4.8%	5.8%	6.6%	6.7%	6.4%
West	Flex/R&D	9.9%	9.7%	9.6%	9.6%	9.7%
	Warehouse Distribution	2.3%	2.3%	1.9%	3.6%	3.5%
	Warehouse Office	2.0%	3.5%	3.5%	3.7%	3.3%
	Subtotal	3.9%	4.6%	4.6%	5.0%	4.7%
Grand Total	4.7%	4.7%	4.8%	4.8%	4.5%	

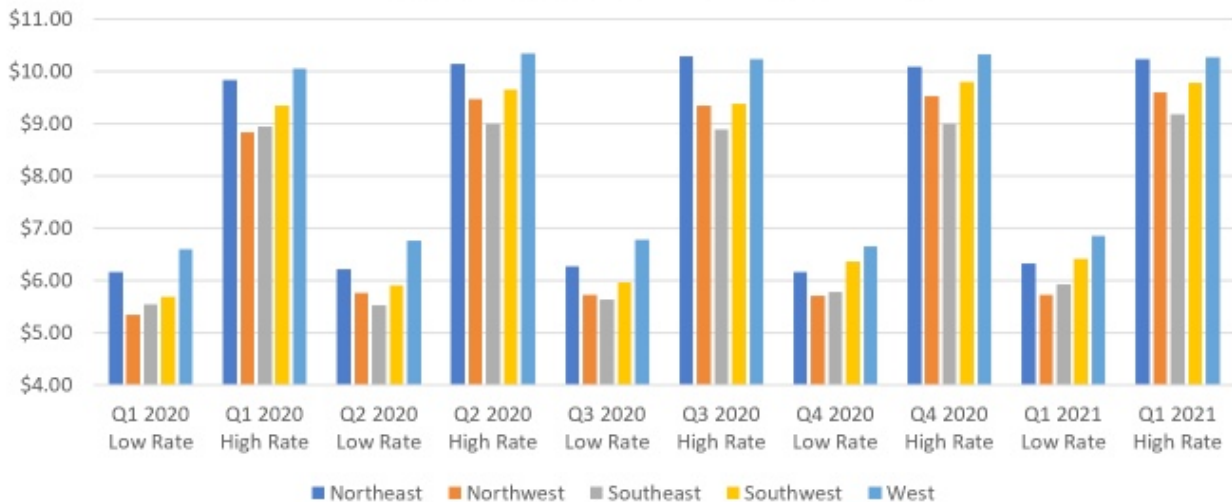
Vacancy Rate by Market



Lease Rates by Market (Multi and Single Tenant NNN)

Market	Property Type	Q1 2020		Q2 2020		Q3 2020		Q4 2020		Q1 2021	
		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	\$6.75	\$10.40	\$6.61	\$10.90	\$6.57	\$10.89	\$6.75	\$10.72	\$6.90	\$10.89
	Warehouse Distribution	\$5.48	\$10.13	\$5.51	\$10.29	\$5.61	\$10.36	\$5.61	\$10.36	\$5.68	\$10.43
	Warehouse Office	\$5.88	\$9.32	\$6.10	\$9.53	\$6.14	\$9.73	\$5.76	\$9.47	\$5.91	\$9.54
	Subtotal	\$6.16	\$9.85	\$6.21	\$10.15	\$6.26	\$10.30	\$6.16	\$10.10	\$6.32	\$10.24
Northwest	Flex/R&D	\$5.50	\$10.00	\$6.22	\$10.42	\$6.39	\$10.46	\$6.31	\$10.57	\$6.20	\$10.56
	Warehouse Distribution	\$4.90	\$8.32	\$5.18	\$9.13	\$5.18	\$9.20	\$5.26	\$9.09	\$5.45	\$9.21
	Warehouse Office	\$5.59	\$8.34	\$5.86	\$9.02	\$5.69	\$8.67	\$5.60	\$9.10	\$5.59	\$9.16
	Subtotal	\$5.34	\$8.84	\$5.77	\$9.48	\$5.73	\$9.35	\$5.70	\$9.53	\$5.73	\$9.61
Southeast	Flex/R&D	\$6.21	\$9.70	\$6.06	\$9.53	\$5.97	\$9.36	\$6.15	\$9.73	\$6.08	\$9.82
	Warehouse Distribution	\$5.07	\$9.54	\$5.07	\$9.05	\$5.01	\$8.68	\$5.08	\$8.49	\$5.04	\$8.22
	Warehouse Office	\$5.18	\$8.30	\$5.38	\$8.67	\$5.54	\$8.57	\$5.72	\$8.57	\$6.01	\$8.87
	Subtotal	\$5.55	\$8.95	\$5.53	\$9.00	\$5.63	\$8.89	\$5.78	\$9.01	\$5.93	\$9.19
Southwest	Flex/R&D	\$6.03	\$10.01	\$6.44	\$10.33	\$6.51	\$10.17	\$6.89	\$10.47	\$6.85	\$10.39
	Warehouse Distribution	\$5.05	\$9.51	\$4.91	\$9.52	\$4.74	\$8.24	\$4.96	\$8.28	\$4.80	\$7.61
	Warehouse Office	\$5.45	\$8.66	\$5.50	\$8.89	\$5.57	\$8.69	\$6.10	\$9.39	\$6.22	\$9.49
	Subtotal	\$5.69	\$9.35	\$5.91	\$9.66	\$5.96	\$9.38	\$6.36	\$9.80	\$6.41	\$9.78
West	Flex/R&D	\$6.34	\$10.84	\$6.59	\$10.94	\$6.53	\$11.18	\$6.43	\$11.35	\$6.53	\$11.33
	Warehouse Distribution	\$4.80	\$8.65	\$4.75	\$9.50	\$4.75	\$9.50	\$4.90	\$9.80	\$6.04	\$10.29
	Warehouse Office	\$7.49	\$9.69	\$7.46	\$9.81	\$7.56	\$9.34	\$7.50	\$9.76	\$7.31	\$9.73
	Subtotal	\$6.61	\$10.06	\$6.77	\$10.35	\$6.77	\$10.24	\$6.65	\$10.33	\$6.85	\$10.28
Grand Total		\$5.79	\$9.36	\$5.96	\$9.68	\$5.99	\$9.59	\$6.08	\$9.71	\$6.19	\$9.79

Lease Rates by Market (NNN)



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	539	32,592,690	4,132,649	2,966,253	101,911	101,911	9.1%
Warehouse Distribution	279	46,006,944	5,785,330	3,203,969	577,585	577,585	7.0%
Warehouse Office	903	59,998,076	6,300,649	3,929,260	56,305	56,305	6.5%
Grand Total	1,721	138,597,710	16,218,628	10,099,482	735,801	735,801	7.3%

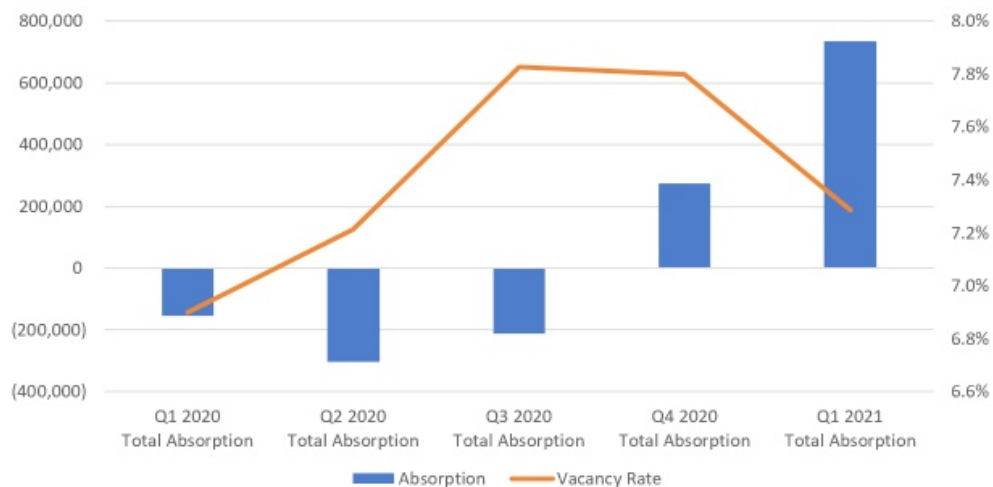
Direct

Property Type	# of Bldgs	Inventory	Direct Available (sf)	Direct Vacant (sf)	Direct Absorption (sf)	YTD Direct Absorption (sf)	Vacancy Rate
Flex/R&D	539	32,592,690	3,626,130	2,748,559	156,269	156,269	8.4%
Warehouse Distribution	279	46,006,944	5,426,564	3,099,659	516,421	516,421	6.7%
Warehouse Office	903	59,998,076	5,510,544	3,582,926	136,719	136,719	6.0%
Grand Total	1,721	138,597,710	14,563,238	9,431,144	809,409	809,409	6.8%

Sublease

Property Type	# of Bldgs	Inventory	Sublease Available (sf)	Sublease Vacant (sf)	Sublease Absorption (sf)	YTD Sublease Absorption (sf)	Vacancy Rate
Flex/R&D	539	32,592,690	506,519	217,694	(54,358)	(54,358)	0.7%
Warehouse Distribution	279	46,006,944	358,766	104,310	61,164	61,164	0.2%
Warehouse Office	903	59,998,076	790,105	346,334	(80,414)	(80,414)	0.6%
Grand Total	1,721	138,597,710	1,655,390	668,338	(73,608)	(73,608)	0.5%

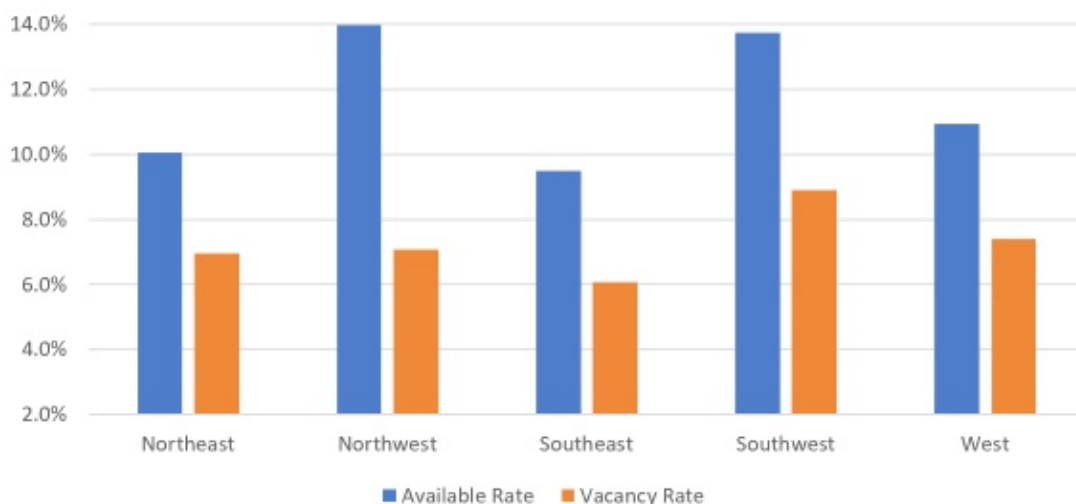
Absorption and Vacancy Rate



Market Statistics by Market (Multi-Tenant)

Market	Property Type	# of Bldgs	Inventory	Total Available (sf)	Total Vacant (sf)	Total Absorption	YTD Total Absorption (sf)	Vacancy Rate
Northeast	Flex/R&D	136	9,563,589	984,901	892,318	81,965	81,965	9.3%
	Warehouse Distribution	65	9,912,999	1,461,365	727,535	17,280	17,280	7.3%
	Warehouse Office	324	22,957,896	1,817,782	1,330,026	(133,578)	(133,578)	5.8%
	Subtotal	525	42,434,484	4,264,048	2,949,879	(34,333)	(34,333)	7.0%
Northwest	Flex/R&D	79	4,874,870	718,583	366,698	19,404	19,404	7.5%
	Warehouse Distribution	92	15,571,192	2,244,447	1,156,128	133,304	133,304	7.4%
	Warehouse Office	152	10,210,058	1,325,801	649,790	53,303	53,303	6.4%
	Subtotal	323	30,656,120	4,288,831	2,172,616	206,011	206,011	7.1%
Southeast	Flex/R&D	110	5,927,228	742,358	576,017	27,813	27,813	9.7%
	Warehouse Distribution	53	7,773,077	601,261	286,827	235,837	235,837	3.7%
	Warehouse Office	175	10,911,989	996,567	629,035	146	146	5.8%
	Subtotal	338	24,612,294	2,340,186	1,491,879	263,796	263,796	6.1%
Southwest	Flex/R&D	160	8,751,304	1,210,767	751,866	(22,747)	(22,747)	8.6%
	Warehouse Distribution	48	10,106,932	1,270,766	895,789	191,164	191,164	8.9%
	Warehouse Office	182	11,478,867	1,689,471	1,056,732	64,998	64,998	9.2%
	Subtotal	390	30,337,103	4,171,004	2,704,387	233,415	233,415	8.9%
West	Flex/R&D	54	3,475,699	476,040	379,354	(4,524)	(4,524)	10.9%
	Warehouse Distribution	21	2,642,744	207,491	137,690	0	0	5.2%
	Warehouse Office	70	4,439,266	471,028	263,677	71,436	71,436	5.9%
	Subtotal	145	10,557,709	1,154,559	780,721	66,912	66,912	7.4%
Grand Total		1,721	138,597,710	16,218,628	10,099,482	735,801	735,801	7.3%

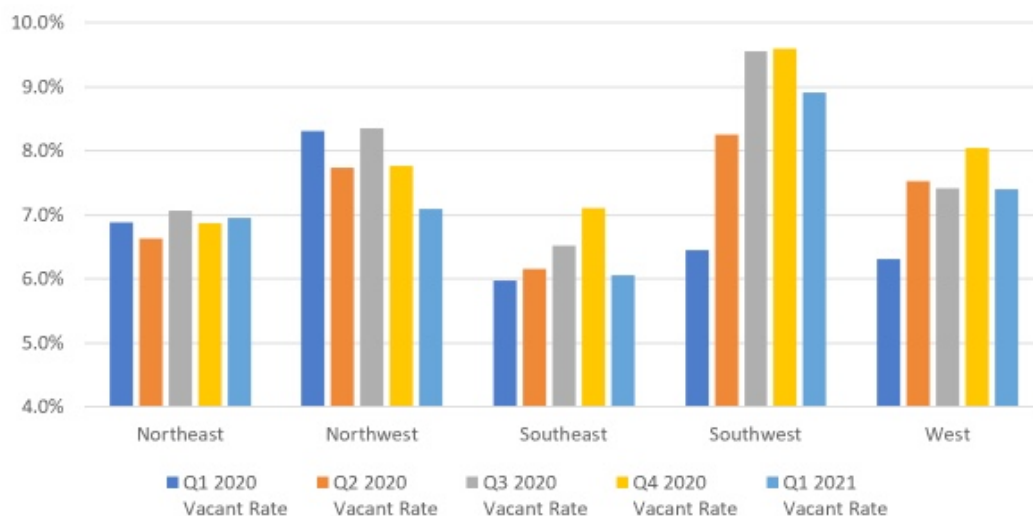
Available and Vacancy Rates



Vacancy Rates by Market (Multi-Tenant)

Market	Property Type	Q1 2020 Vacant Rate	Q2 2020 Vacant Rate	Q3 2020 Vacant Rate	Q4 2020 Vacant Rate	Q1 2021 Vacant Rate
Northeast	Flex/R&D	9.7%	9.4%	11.2%	10.1%	9.3%
	Warehouse Distribution	7.0%	6.8%	7.4%	7.5%	7.3%
	Warehouse Office	5.7%	5.4%	5.2%	5.2%	5.8%
	Subtotal	6.9%	6.6%	7.1%	6.9%	7.0%
Northwest	Flex/R&D	9.7%	8.2%	7.9%	7.9%	7.5%
	Warehouse Distribution	9.0%	7.8%	8.8%	8.3%	7.4%
	Warehouse Office	6.6%	7.3%	8.0%	6.9%	6.4%
	Subtotal	8.3%	7.7%	8.4%	7.8%	7.1%
Southeast	Flex/R&D	6.4%	6.7%	7.4%	10.2%	9.7%
	Warehouse Distribution	4.5%	5.9%	6.9%	6.7%	3.7%
	Warehouse Office	6.8%	6.0%	5.8%	5.7%	5.8%
	Subtotal	6.0%	6.2%	6.5%	7.1%	6.1%
Southwest	Flex/R&D	8.0%	8.7%	8.6%	8.3%	8.6%
	Warehouse Distribution	3.0%	9.0%	10.8%	10.9%	8.9%
	Warehouse Office	8.1%	7.3%	9.2%	9.5%	9.2%
	Subtotal	6.5%	8.3%	9.6%	9.6%	8.9%
West	Flex/R&D	11.1%	10.9%	10.9%	10.8%	10.9%
	Warehouse Distribution	3.2%	3.2%	2.5%	5.2%	5.2%
	Warehouse Office	4.4%	7.5%	7.6%	7.6%	5.9%
	Subtotal	6.3%	7.5%	7.4%	8.0%	7.4%
Grand Total		6.9%	7.2%	7.8%	7.8%	7.3%

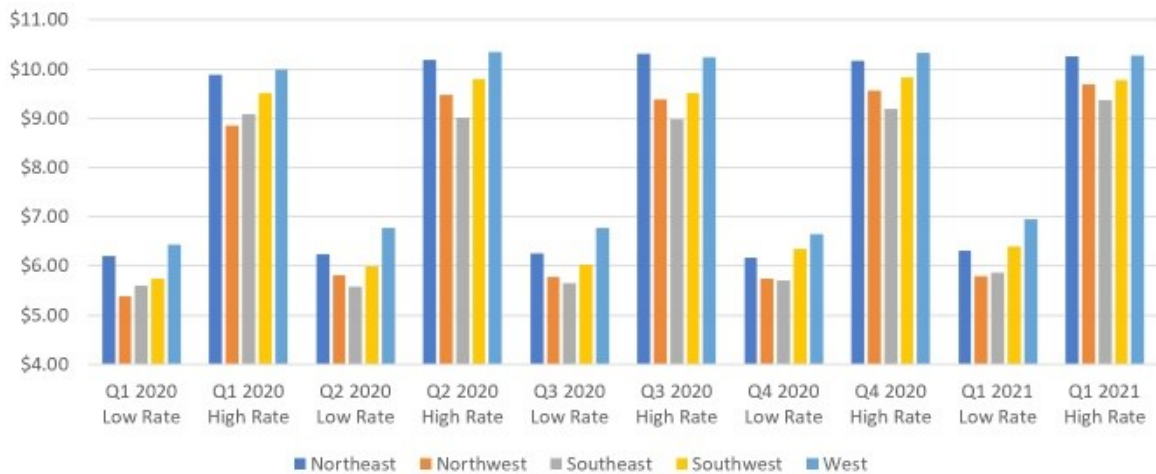
Vacancy Rate by Market



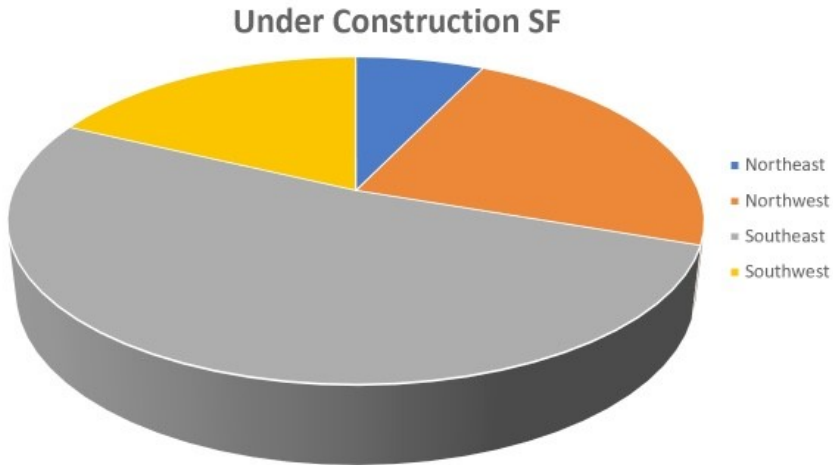
Lease Rates by Market (Multi-Tenant NNN)

Market	Property Type	Q1 2020		Q2 2020		Q3 2020		Q4 2020		Q1 2021	
		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	\$6.75	\$10.40	\$6.61	\$10.90	\$6.57	\$10.89	\$6.75	\$10.72	\$6.90	\$10.89
	Warehouse Distribution	\$5.48	\$10.13	\$5.51	\$10.29	\$5.61	\$10.36	\$5.61	\$10.36	\$5.68	\$10.43
	Warehouse Office	\$5.88	\$9.32	\$6.10	\$9.53	\$6.14	\$9.73	\$5.76	\$9.47	\$5.91	\$9.54
	Subtotal	\$6.16	\$9.85	\$6.21	\$10.15	\$6.26	\$10.30	\$6.16	\$10.10	\$6.32	\$10.24
Northwest	Flex/R&D	\$5.50	\$10.00	\$6.22	\$10.42	\$6.39	\$10.46	\$6.31	\$10.57	\$6.20	\$10.56
	Warehouse Distribution	\$4.90	\$8.32	\$5.18	\$9.13	\$5.18	\$9.20	\$5.26	\$9.09	\$5.45	\$9.21
	Warehouse Office	\$5.59	\$8.34	\$5.86	\$9.02	\$5.69	\$8.67	\$5.60	\$9.10	\$5.59	\$9.16
	Subtotal	\$5.34	\$8.84	\$5.77	\$9.48	\$5.73	\$9.35	\$5.70	\$9.53	\$5.73	\$9.61
Southeast	Flex/R&D	\$6.21	\$9.70	\$6.06	\$9.53	\$5.97	\$9.36	\$6.15	\$9.73	\$6.08	\$9.82
	Warehouse Distribution	\$5.07	\$9.54	\$5.07	\$9.05	\$5.01	\$8.68	\$5.08	\$8.49	\$5.04	\$8.22
	Warehouse Office	\$5.18	\$8.30	\$5.38	\$8.67	\$5.54	\$8.57	\$5.72	\$8.57	\$6.01	\$8.87
	Subtotal	\$5.55	\$8.95	\$5.53	\$9.00	\$5.63	\$8.89	\$5.78	\$9.01	\$5.93	\$9.19
Southwest	Flex/R&D	\$6.03	\$10.01	\$6.44	\$10.33	\$6.51	\$10.17	\$6.89	\$10.47	\$6.85	\$10.39
	Warehouse Distribution	\$5.05	\$9.51	\$4.91	\$9.52	\$4.74	\$8.24	\$4.96	\$8.28	\$4.80	\$7.61
	Warehouse Office	\$5.45	\$8.66	\$5.50	\$8.89	\$5.57	\$8.69	\$6.10	\$9.39	\$6.22	\$9.49
	Subtotal	\$5.69	\$9.35	\$5.91	\$9.66	\$5.96	\$9.38	\$6.36	\$9.80	\$6.41	\$9.78
West	Flex/R&D	\$6.34	\$10.84	\$6.59	\$10.94	\$6.53	\$11.18	\$6.43	\$11.35	\$6.53	\$11.33
	Warehouse Distribution	\$4.80	\$8.65	\$4.75	\$9.50	\$4.75	\$9.50	\$4.90	\$9.80	\$6.04	\$10.29
	Warehouse Office	\$7.49	\$9.69	\$7.46	\$9.81	\$7.56	\$9.34	\$7.50	\$9.76	\$7.31	\$9.73
	Subtotal	\$6.61	\$10.06	\$6.77	\$10.35	\$6.77	\$10.24	\$6.65	\$10.33	\$6.85	\$10.28
Grand Total		\$5.79	\$9.36	\$5.96	\$9.68	\$5.99	\$9.59	\$6.08	\$9.71	\$6.19	\$9.79

Lease Rates by Market (NNN)

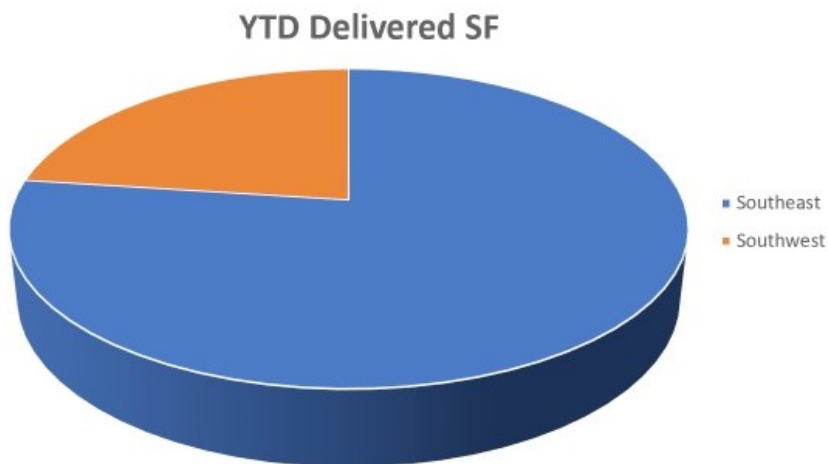


New Developments by Market



Market	Bldg SF
Northeast	171,000
Northwest	557,000
Southeast	1,244,550
Southwest	430,585
Grand Total	2,403,135

YTD Deliveries by Market



Market	Bldg SF
Southeast	436,861
Southwest	130,000
Grand Total	566,861

Leasing Activity

Property	Size (sf)	Market	Tenant	Landlord
NorthPark V Oxbow Creek Dr	156,000	Northwest	KSP Fullfilment	Brooklyn Holdings, LP
Highway 55 Distribution Center 2811 Beverly Dr	142,000	Southeast	Amazon	Colfin 2016-4 Industrial Owner, LLC
610 Junction Bldg 1 9000 93rd Ave N	110,000	Northwest	Mermon	United Properties Development, LLC
8751-8775 Zachary Ln N	95,773	Northwest	Archway Marketing Services	MN Becknell Invest 2011, LLC
Pilot Knob Distribution Center 2360 Pilot Knob Rd	95,503	Southeast	Anderson Cargo	AX TC Industrial III, LP



Market	Leased SF
Northeast	623,735
Northwest	1,202,372
Southeast	799,895
Southwest	632,252
West	192,044
Grand Total	3,450,298

Sales Activity

Property	Price	Market	Buyer	Seller
Lakes Distribution Center 435 Park Ct	\$22,050,000	Northeast	MW Distribution Property, LLC c/o Platform Ventures	ABR Properties V, LLC c/o Alex Brown Realty, Inc; Biyah Partners
8450 Courthouse Blvd	\$10,100,000	Southeast	STAG Industrial Holdings, LLC c/o STAG Industrial	Inverpoint Industrial I, LLC c/o United Properties
606 Vandalia St	\$9,100,000	Northeast	Westport St. Paul Self Storage c/o Wesport Properties	CMA Management, LLC c/o John C Retherford
14461 Lake Dr NE	\$7,350,000	Northeast	Loyal Oak Management, LLC c/o Davids Hydro Vac	Montgomery Family Partnership c/o EJM Pipe Services, Inc
2001 24th St SE	\$6,900,000	Southeast	Titan Point, LLC c/o Adam Wilson	SDC Trustee, LLC



Market	Sold SF
Northeast	913,346
Northwest	167,100
Southeast	603,043
Southwest	265,608
West	113,746
Grand Total	2,062,843

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 his 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

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	Patrick Steinhauser		

REDIComps Team

Chris Allen	Regional Director of Analytics	chris@redicomps.com	952-456-1669
Jeremy Bengston	CEO	jeremy@redicomps.com	
Lisa Bengston	Regional Director of Sale Comps	lisa@redicomps.com	
Kim Platz	Regional Director of Research	kim@redicomps.com	816-651-6686
Beth Downey	Listings Researcher	beth@redicomps.com	816-536-1202
Katie Cooper	Listings Researcher	katie@redicomps.com	816-213-5896
Michelle Siegert	Listings Researcher	michelle@redicomps.com	816-230-0116